

Crosswalk for Changes to the 2012 MLR Annual Reporting Form and Instructions (CMS 10418) Following the 60 Day Comment Period

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A. Introduction

CMS received 4 public comments on 25 specific issues regarding the notice of the revised Medical Loss Ratio (MLR) PRA package published in the Federal Register on December 4, 2012 (77 FR 71801). The 60 day comment period closed on February 4, 2013. The PRA package contains the MLR Annual Reporting Form for the 2012 MLR reporting year, which health insurance issuers must file with CMS by June 1, 2013, and the instructions for completing the form. It modifies the MLR Annual Reporting Form for the 2011 MLR reporting year, approved by OMB on May 11, 2012, OCN 0938-1164.

B. Changes to MLR Reporting Form and Accompanying Instructions

The following charts list the changes made to the 2012 MLR Reporting Form and the accompanying Instructions, as a result of internal review and in response to comments received following the 60-day public comment period. Most of the comments requested clarification to the instructions or correction of typographical errors, or addressed the removal of calculated cells and the issuer’s ability to copy and paste data onto the form, and the inclusion of a credibility indicator for small issuers so that small issuers would not need to fill out the complete MLR reporting form. We have taken into consideration all of the comments and have made changes to the 2012 MLR Annual Reporting Form and Instructions.

In addition, as a result of Tri-Agency guidance regarding expatriate plans ([Affordable Care Act Implementation FAQs – Set 13](#)), we have revised the MLR Form Instructions to reflect that for the 2012 MLR reporting year, expatriate plans are considered compliant with MLR requirements. For the 2012 MLR reporting year, issuers with *only* expatriate business are not required to file an MLR Form. Issuers with health insurance coverage that is subject to MLR requirements who also have expatriate experience must report the same information regarding their expatriate experience as they do regarding other lines of business that are not subject to the MLR rebate requirements.

C. 2012 MLR Reporting Form and Instruction Changes

See next page.

2012 Medical Loss Ratio Reporting Form

	Section Edited	Revision (Red indicates added language)	Rationale
1	All worksheets	Locked and protected various cells throughout MLR Form which should not have any data input.	This change was implemented to improve the integrity of the data elements and to support worksheet functionality.
2	All worksheets	Added and corrected color coding and legend.	Changes in the form required adjustments to the shading of the fields and legends. Shading aids issuers in determining which fields should be completed for a particular element.
3	All worksheets	Made section dividers pink for all worksheets.	Changes in the form required adjustments to the color coding of the dividers. Color coding aids issuers in distinguishing the various sections.
4	Part 1 – Summary of Data	Changed line 4.6, to read "Allowable Implementation ICD-10 expenses (not to exceed 0.3% of premium)"	This item was changed to match information provided in accompanying instructions.
5	Part 3- Expense Allocation	Changed line 3.e, to read "Health information technology expenses related to healthcare quality" (removing "health improvement")	This item was changed to match information provided in accompanying instructions.
6	Part 4 - MLR and Rebate Calculation	Changed parenthetical in line 5.3, to read "(Line 2.3, column CY only)"	This item was changed to provide clarity and to match information provided in accompanying instructions.
7	Part 5 - Rebate Disbursement	Removed the word "below" from lines 4.g and 4.h and moved the data input cell to the right rather than below.	This change was implemented to improve the integrity of the data elements and to support worksheet functionality.
8	Part 6 - Additional Response	Removed the parenthetical "(with novation)" from line 6 title.	This item was changed to provide clarity.
9	Part 6 - Additional Response	Removed statement "Insert rows as needed" from all sections.	This change was implemented to improve the integrity of the data elements and to support worksheet functionality.
10	Part 6 - Additional Responses	Changed line 4 to read "If the issuer entered into any 100% assumptive reinsurance agreements (with a novation) to assume coverage during the MLR reporting year provide the names(s) of the entity (ies) with which the agreement was (were) made and the effective date of the novation."	This item was changed to provide clarity.
11	Attestation	Corrected attestation verbiage.	This item was changed to match more precisely the verbiage provided in Health Insurance Oversight System (HIOS)

2012 Medical Loss Ratio Reporting Form Filing Instructions For All Parts

	Section Edited	Revision (Red indicates added language)	Rationale
12	Table of Contents and associated document headers	Reformatted	Allows electronic links to sections and provides added consistency
13	Instructions for the 2012 MLR Reporting Year	Revised third paragraph, to read "The annual MLR Form Filing Instructions only apply to the 2012 MLR reporting year and its reporting requirements. These Filing Instructions will be revised to reflect changes that apply to the filing years subsequent to 2012. Filing will require a one-time registration by the issuer, with the CMS Health Insurance Oversight System (HIOS) to submit its report to the Secretary. If an issuer registered for the MLR module in HIOS for the 2011 MLR reporting year, it does not need to reregister, but will need to confirm or update its issuer associations."	In response to comments received, this language was revised to provide clarity and to reflect more precisely registration requirements.
14	Instructions for the 2012 MLR Reporting Year	Revised the second and third sentences in the seventh paragraph to read "(Note: The experience of expatriate plans is aggregated on a national basis, and for the 2012 MLR reporting year should be reported only in the 12/31 column of Parts 1 and 2 of the "Grand Total" MLR Form. Expatriate experience should not be reported in Parts 4, 5 or 6 of the MLR Form. See Changes to the 2012 MLR Annual Reporting Form, below.)"	This language was revised to reflect guidance issued in "Affordable Care Act Implementation FAQ - Set 13" regarding treatment of expatriate plans, which are considered compliant for the 2012 reporting year. Issuers with only expatriate business do not have to submit an MLR report, and issuers with health insurance coverage in other markets report expatriate business on a limited basis.
15	Changes to the 2012 MLR Annual Reporting Form – No Calculated Fields	Revised language, to read "No fields or cells in the 2012 MLR Form that are for user input or calculations are locked or contain automatic calculations."	This language was revised to reflect more precisely changes made to the MLR form.
16	Changes to the 2012 MLR Annual Reporting Form – Expatriate Plans	Added paragraph "Expatriate Plans: For the 2012 MLR reporting year, expatriate plans are considered compliant with MLR requirements (see Affordable Care Act Implementation FAQs – Set 13 published March 8, 2013. For the 2012 MLR reporting year, issuers with only expatriate business are not required to file an MLR Form. Issuers with health insurance coverage in other markets should report their expatriate experience only in the 12/31 column of Parts 1 and 2 of the "Grand Total" page of the MLR Form, and leave all other expatriate columns in the MLR Form blank.	This language was added to reflect guidance issued in "Affordable Care Act Implementation FAQ - Set 13" regarding treatment of expatriate plans, which are considered compliant for the 2012 reporting year. Issuers with only expatriate business do not have to submit an MLR report, and issuers with health insurance coverage in other markets report expatriate business on a limited basis.
17	Changes to the 2012 MLR Annual Reporting Form - Formulas and Tables Reference Worksheets	Changed name of section to "Formulas" and revised language, to read "Since the workbook will no longer automatically calculate any fields, tools will be provided to inform issuers about key data calculations related to MLR reporting. These tools will be available through the HIOS MLR module and on the CCIIO website. "	This language was revised to reflect more precisely changes made to the MLR form and to respond to comments asking CMS to provide the formulas and a tool to calculate the data.

2012 Medical Loss Ratio Reporting Form Filing Instructions For All Parts

	Section Edited	Revision (Red indicates added language)	Rationale
18	General Instructions - Closed Blocks of Business	Added section for issuers with small grandfathered closed blocks of business.	In response to comments received, this section was added to clarify the submission process for issuers with closed blocks of business.
19	General Instructions - Closed Blocks of Business	Added language "For example, an issuer with 700 life-years in the 2011 MLR reporting year and 600 life-years in the 2012 MLR reporting year for the same state market would be partially credible in the 2012 MLR reporting year. (45 CFR §158.230 and 158.231.)"	This language was added to clarify the data that are used in determining whether an issuer is non-credible or partially credible.
20	General Instructions - Aggregation of Experience – Stand Alone Paragraph	Revised paragraph, to read "For those issuers of health insurance coverage in Massachusetts' individual and small group markets that choose to merge their markets in accordance with Massachusetts law, please indicate "Yes" in the Merged Markets – Indv/SmGrp (MA only) box at the top of the MLR Form. Please report all experience separately for the individual and small group markets, and combine it only in MLR numerator and denominator fields (Part 4 Lines 1.5 and 2.3)."	This language was revised to provide clarity.
21	Column Definitions for Medical Loss Ratio Annual Reporting Form - Parts 1 & 2	Added language in the second paragraph: "(Mini-med plan experience is reported in Columns 16-24 of each State MLR Form and Columns 25-34 on the Grand Total MLR Form are labeled , respectively for expatriate plan experience. However, for the 2012 MLR reporting year, expatriate plans should be reported only in the 12/31 columns (Columns 25 and 30) of Parts 1 and 2 of the "Grand Total" page of the MLR Form and all other expatriate columns in the MLR Form should be left blank.) The experience of expatriate plans is aggregated on a national basis."	This language was revised to reflect guidance issued in "Affordable Care Act Implementation FAQ - Set 13" regarding treatment of expatriate plans, which are considered compliant for the 2012 reporting year. Issuers with only expatriate business do not have to submit an MLR report, and issuers with health insurance coverage in other markets report expatriate business on a limited basis.
22	Column Definitions for Medical Loss Ratio Annual Reporting Form - Parts 1 & 2	Revised fifth paragraph, to read "For any data element that is not separately reported in the financial statement filings to the issuer's regulatory authority, an issuer does not need to separately report that element in the "12/31" column of the MLR Form. However, an issuer must separately report that data element in the "3/31" column as required by 45 CFR Part 158 and as instructed in the MLR Form instructions. For example, an issuer may not need to report the amount of contingent benefit and lawsuit reserves in Part 2 Line 2.13 in the "12/31" column, but must report such amounts in the "3/31" column. An issuer must still report, in the detail provided by the MLR form, the amounts for premiums and unearned premium reserves, taxes and fees, claims and claims-related reserves, quality improving activities, and non-claims costs, in both the "12/31" and the "3/31" columns, to the extent the issuer reports such amounts to the issuer's regulatory authority."	In response to comments received this language was revised to provide clarity.

2012 Medical Loss Ratio Reporting Form Filing Instructions For All Parts

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23	Column Definitions for Medical Loss Ratio Annual Reporting Form - Parts 1 & 2-	<p>Revised language in section titled Columns 2, 7, 12, 17, 20, 23, 26, and 31, Business as of 3/31 of subsequent MLR reporting year, to read "Financial Information reported in the 3/31 columns should equal the amount of each element related specifically to experience in the 2012 MLR reporting year and paid through March 31 of the subsequent reporting year (incurred in 12, paid or received in 15), plus any provision for items properly allocable to the 2012 MLR reporting year but not yet paid as of 3/31 of the following year.</p> <p>For example, these columns could include differences from the 12/31 columns in the upper limit for a small group and the lower limit for a large group, if state group size regulations differ from federal group size regulations. (See the Definitions of Small Group and Large Group, in the General Instructions above.)</p> <p>If the issuer elects to treat the out-of-network experience of an affiliate that provides the out-of-network coverage as if it were related to the contract providing the in-network coverage, the issuer must include such out-of-network experience in the 3/31 columns, as well as separately report it in the Dual Contract columns (see the column definition below)."</p>	<p>In response to comments received, this language was revised to provide clarity and to capture MLR data through 3/31.</p>
24	Column Definitions for Medical Loss Ratio Annual Reporting Form - Parts 1 & 2	<p>Revised language in section titled Columns 4, 9, 14, 28, and 33 - Deferred Newer Business from prior MLR reporting year, to read "Experience from policies for the relevant market newly issued in the 2011MLR reporting year (PY1), previously deferred, as provided in the General Instructions.</p> <p>Data elements constituting adjusted incurred claims for business deferred from the preceding MLR reporting year should be restated as of 3/31 of the year following the MLR reporting year."</p>	<p>In response to comments received this language was revised to provide clarity.</p>
25	Column Definitions for Medical Loss Ratio Annual Reporting Form - Parts 1, 2, 4 & 5	<p>Added the following language under each set of column descriptions: "(Note: Columns XX and XX are labeled for expatriate experience, but for the 2012 MLR reporting year should be left blank.) "</p>	<p>This language was revised to reflect guidance issued in "Affordable Care Act Implementation FAQ - Set 13" regarding treatment of expatriate plans, which are considered compliant for the 2012 reporting year. Issuers with only expatriate business do not have to submit an MLR report, and issuers with health insurance coverage in other markets report expatriate business on a limited basis.</p>

2012 Medical Loss Ratio Reporting Form Filing Instructions For All Parts

	Section Edited	Revision (Red indicates added language)	Rationale
26	Column Definitions for Medical Loss Ratio Annual Reporting Form - Parts 1, & 2, Columns 25-34 – Expatriate Plans	Added language "For the 2012 MLR reporting year, expatriate plans should be reported only in the 12/31 column of Parts 1 and 2 (Columns 25 and 30) of the "Grand Total" page of the MLR Form, and all other expatriate columns (Columns 26 – 29 and 31 – 34) should be left blank."	This language was revised to reflect guidance issued in "Affordable Care Act Implementation FAQ - Set 13" regarding treatment of expatriate plans, which are considered compliant for the 2012 reporting year. Issuers with only expatriate business do not have to submit an MLR report, and issuers with health insurance coverage in other markets report expatriate business on a limited basis.
27	Instructions for MLR Annual Reporting Form - Part 1 - (Summary of Data) Section 2 - Claims	Added the following statement under instructions for line 2.1, Total incurred claims. <i>"(Note: In the 2011 MLR reporting form, Part 1 Line 2.1 was equal to Total adjusted incurred claims, which included Allowable fraud reduction expense. The 2012 MLR reporting form Part 1 Line 2.1 is Total incurred claims, which does not include Allowable fraud reduction expense. Allowable fraud reduction expense is accounted for in calculating Adjusted incurred claims in Part 4.)"</i>	This language was revised, in response to comments, to explain more precisely changes made to the MLR form.
28	Instructions for MLR Annual Reporting Form - Part 1 - (Summary of Data) Section 3 - Federal and State Taxes and Licensing for Regulatory Fees	Revised line 3.2c, to read "Community benefit expenditures deductible from premium in MLR calculations."	This language was revised for clarity and to accurately reflect changes made to the MLR form.
29	Instructions for MLR Annual Reporting Form - Part 1 - (Summary of Data) Section 3 - Federal and State Taxes and Licensing for Regulatory Fees	Revised section titled NOTE, to read "The expenditures in lines 3.1a, 3.1b, 3.2a, 3.2b, and 3.2c may not be reported multiple times or in multiple categories. For example, if an expense is reported in Line 3.2c, the Federal or State assessments may not be included in Lines 3.1a, 3.1b, 3.2a, 3.2b or in the quality improvement expenses reported in Lines 4.1 through 4.6."	This language was revised to correct a typographical error.

2012 Medical Loss Ratio Reporting Form Filing Instructions For All Parts

	Section Edited	Revision (Red indicates added language)	Rationale
30	Instructions for MLR Annual Reporting Form - Part 2 - (Premiums and Claims) Section 1 - Health Premiums Earned	<p>Revised line 1.1- Direct Premium written, to read "3/31 Columns (Direct premium written for coverage in MLR reporting year only)—report premium collected through 3/31 of the year following the MLR reporting year for coverage in the MLR reporting year only, and uncollected (due and unpaid) premium for coverage in the MLR reporting year only as of 3/31 of the year following the MLR reporting year. Premium should reflect retroactive eligibility adjustments.</p> <p><i>However, for the 2012 MLR reporting year only, issuers may choose to report amounts on the same basis as in the 12/31 columns."</i></p>	In response to comments received, this language was revised to provide clarity and to capture MLR data through 3/31.
31	Instructions for MLR Annual Reporting Form - Part 2 - (Premiums and Claims) Section 1 - Health Premiums Earned	<p>Revised line 1.2- Unearned Premiums (Year preceding the MLR reporting year,, to read "3/31 Columns (Unearned premium for coverage in the MLR reporting year only) – report premium for coverage in the MLR reporting year only, collected in the immediately preceding MLR reporting year. Report reserves as of 12/31 of the year preceding the MLR reporting year.</p> <p>However, if for the 2012 MLR reporting year the issuer chooses to report written premium on the same basis as in the 12/31 columns, the issuer should report unearned premium reserves consistently with how it reports written premium."</p>	In response to comments received this language was revised to provide clarity and to capture MLR data through 3/31.
32	Instructions for MLR Annual Reporting Form - Part 2 - (Premiums and Claims) Section 1 - Health Premiums Earned	<p>Revised line 1.3- Unearned Premiums (MLR Reporting Year), to read "Report reserves established to account for the portion of the premium paid in the MLR reporting year that was intended to provide coverage during the following MLR reporting year.</p> <p>12/31 Columns – report reserves as of 12/31 of the MLR reporting year, as reported to the department of insurance in the issuer's State of domicile or as filed on the NAIC SHCE filing for the MLR reporting year.</p> <p>3/31 Columns – report zero (note that if collected and due and unpaid premium is reported correctly in Line 1.1 above, Line 1.1 should not include amounts that would constitute unearned premium for coverage in years subsequent to the MLR reporting year). However, if for the 2012 MLR reporting year the issuer chooses to report written premium on the same basis as in the 12/31 columns, the issuer should report unearned premium reserves consistently with how it reports written premium."</p>	In response to comments received, this language was revised to provide clarity and to capture MLR data through 3/31.

2012 Medical Loss Ratio Reporting Form Filing Instructions For All Parts

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33	Instructions for MLR Annual Reporting Form - Part 2 - (Premiums and Claims) Section 1 - Health Premiums Earned	Revised line 1.4b - Experience Rated Refunds, to read "3/31 Columns - Report refunds associated only with claims incurred during the MLR reporting year and paid through 3/31 of the following year."	In response to comments received, this language was revised to provide clarity on how experience rating refunds are reported and allocated.
34	Instructions for MLR Annual Reporting Form - Part 2 - (Premiums and Claims) Section 1 - Health Premiums Earned	Revised line 1.5 - Reserves for experience rating refunds (rate credits) (MLR reporting year), to read "3/31 Columns – based on refunds associated only with claims incurred in the MLR reporting year and unpaid through 3/31 of the following year."	In response to comments received, this language was revised to provide clarity on how reserves for experience rating refunds are reported and allocated.
35	Instructions for MLR Annual Reporting Form - Part 2 - (Premiums and Claims) Section 2- Claims	Revised line 2.8a - Experienced rating refunds (rate credits) paid-, to read "12/31 Column –Report all refunds paid through 12/31 of the MLR reporting year."	This language was revised to provide clarity.
36	Instructions for MLR Annual Reporting Form - Part 2 - (Premiums and Claims) Section 2- Claims	Revised line 2.8b - Experienced rating refunds (rate credits) paid-, to read "3/31 Column – Report refunds associated only with claims incurred during the MLR reporting year and paid through 3/31 of the following year."	In response to comments received, this language was revised to provide clarity on how experience rating refunds are reported and allocated.
37	Instructions for MLR Annual Reporting Form - Part 2 - (Premiums and Claims) Section 2- Claims	Added title to line "Line 2.9 – Reserve for Experience rating refunds (rate credits) (MLR reporting year) "	This language was revised to provide clarity and consistency throughout document.
38	Instructions for MLR Annual Reporting Form - Part 2 - (Premiums and Claims) Section 2- Claims	Revised line 2.9b - Reserve for Experience rating refunds (rate credits) (MLR reporting year), to read "3/31 Column – based on refunds associated only with claims incurred during the MLR reporting year and unpaid as of 3/31 of the following year."	In response to comments received, this language was revised to provide clarity on how reserves for experience rating refunds are reported and allocated.

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39	Instructions for MLR Annual Reporting Form - Part 2 - (Premiums and Claims) Section 2- Claims	<p>Revised line 2.15 - Blended rate adjustment, to read "Affiliated issuers that offer group coverage at a blended rate <i>may choose</i> whether to make an adjustment to each affiliate's incurred claims and activities to improve health care quality, to reflect the experience of the issuer with respect to the employer as a whole, according to an objective formula the issuer defined prior to the beginning of the MLR reporting year, so as to result in each affiliate having the same ratio of incurred claims to earned premium for that employer group for the MLR reporting year as the ratio of incurred claims to earned premium calculated for the employer group in the aggregate.</p> <p>From the date an issuer chooses to use such an adjustment, it must be used for a minimum of three consecutive MLR reporting years. Affiliated issuers that choose to make such an adjustment must do so for all policies with blended rates in the applicable State market."</p>	This language was revised to correct a typographical error.
40	Instructions for MLR Annual Reporting Form - Part 2 - (Premiums and Claims) Section 2- Claims	Revised line 2.16 - Total incurred claims, to add "(Note: Allowable fraud recovery expenses are added to Incurred Claims in the calculation of Adjusted Incurred Claims in Part 4 Line 1.2)"	In response to comments, this language was revised to explain more precisely changes made to the MLR form.
41	Instructions for MLR Annual Reporting Form - Part 4 - (MLR and Rebate Calculation) Column Definitions - Part 4	<p>Revised Section titled Columns 4, 8, 12, 16, 20, 24, 28 & 31 - Total, to read "For the 2012 MLR reporting year, for issuers with fewer than 75,000 life years in the applicable State market in 2012, the information for PY1 and CY for each market (e.g., individual market, small group market, etc.) should be added together for the Total (e.g. the issuer will aggregate two years of data).</p> <p>For issuers with 2012 life years greater than or equal to 75,000, the Total column will equal the CY column. The amount in the Total column will be used to calculate the issuer's MLR and rebates owing, if any."</p>	In response to comments received, this language was revised to provide clarity on how credible and non-credible data are reported.
42	Instructions for MLR Annual Reporting Form - Part 4 - (MLR and Rebate Calculation) Column Definitions - Part 4 - Column Groupings – Columns 25-28 and Columns 29-32	Added language to column group descriptions "For the 2012 MLR reporting year, expatriate plans should not be reported in Part 4 of the MLR Form.)"	This language was revised to reflect guidance issued in "Affordable Care Act Implementation FAQ - Set 13" regarding treatment of expatriate plans, which are considered compliant for the 2012 reporting year. Issuers with only expatriate business do not have to submit an MLR report, and issuers with health insurance coverage in other markets report expatriate business on a limited basis..

2012 Medical Loss Ratio Reporting Form Filing Instructions For All Parts

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43	Instructions for MLR Annual Reporting Form - Part 4 - (MLR and Rebate Calculation) Line Instructions - Part 4, Sections 1-4	Added language beneath section header "(Not applicable to the Grand Total Page)"	This language was added to clarify directions for completing the MLR form.
44	Instructions for MLR Annual Reporting Form - Part 4 - (MLR and Rebate Calculation) Line Instructions - Part 4	Revised Section 1 - Medical Loss Ratio Numerator, Line 1.2 - Adjusted incurred claims as of 3/31 of the year following MLR reporting year-, to read "PY1 - enter the amount of adjusted incurred claims reported on Part 1, Line 2.1, Columns 3/31 + Deferred PY1 – Deferred CY of the MLR form for the prior MLR reporting year, restated as of 3/31 of the year following the MLR reporting year, if the issuer is aggregating two years of data. (This is also known as incurred claims based upon claims incurred in 12 months and paid in 27 months). Restate all applicable elements of adjusted incurred claims, including reserves and the allowable fraud reduction expense."	In response to comments received, this language was revised to clarify which data elements are used to determine adjusted incurred claims.
45	Instructions for MLR Annual Reporting Form - Part 4 - (MLR and Rebate Calculation) Line Instructions - Part 4	Revised Section 1 - Medical Loss Ratio Numerator, Line 1.2 - Adjusted incurred claims as of 3/31 of the year following MLR reporting year, to read "Column CY: Part 1 Line 2.1 + Part 2 Line 2.17, Columns 3/31 + Deferred PY1 – Deferred CY (note that adjusted incurred claims in the Deferred PY1 columns on Parts 1 and 2 should have been restated as of 3/31 of the year following the MLR reporting year). "	This language was revised to clarify which data elements to report.
46	Instructions for MLR Annual Reporting Form - Part 4 - (MLR and Rebate Calculation) Line Instructions - Part 4	Revised Section 1 - Medical Loss Ratio Numerator, Line 1.3 - Improving Health Care Quality Expenses Incurred, to read "PY1 - 2011 MLR Form, Part 1, Line 4.6, Columns 3/31 + Deferred PY1 – Deferred CY "	This language was revised to clarify which data elements to report.
47	Instructions for MLR Annual Reporting Form - Part 4 - (MLR and Rebate Calculation) Line Instructions - Part 4	Revised Section 1 - Medical Loss Ratio Numerator, Line 1.5 title to read "MLR numerator".	This language was revised to correct a typographical error.
48	Instructions for MLR Annual Reporting Form - Part 4 - (MLR and Rebate Calculation) Line Instructions - Part 4	Revised Section 1 - Medical Loss Ratio Numerator, Line 1.5 - MLR numerator, to read "Enter the results of the following calculation: Part 4, Total column, Lines 1.2 + 1.3 + 1.4"	This language was revised to provide clarity.

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49	Instructions for MLR Annual Reporting Form - Part 4 - (MLR and Rebate Calculation) Line Instructions - Part 4	Revised Section 1 - Medical Loss Ratio Numerator, Line 1.6 Mini-Med or expatriate numerator after adjustment factor, to read "Mini-Med: 1.75 x (Part 4, Total column, Line 1.2 + 1.3 + 1.4)"	In response to comments received, this language was revised to clarify the methodology for calculating the MLR numerator for mini-med experience.
50	Instructions for MLR Annual Reporting Form - Part 4 - (MLR and Rebate Calculation) Line Instructions - Part 4	Revised Section 1 - Medical Loss Ratio Numerator, Line 1.6 Mini-Med or expatriate numerator after adjustment factor, to read "Expatriate: 2.00 x (Part 4, Total column, Line 1.2 + 1.3 + 1.4)"	In response to comments received, this language was revised to clarify the methodology for calculating the MLR numerator for expatriate experience.
51	Instructions for MLR Annual Reporting Form - Part 4 - (MLR and Rebate Calculation) Line Instructions - Part 4	Revised Section 1 - Medical Loss Ratio Numerator, Line 1.6 Mini-med or expatriate numerator after adjustment factor by adding "(Note: Mini-med issuers who are aggregating data should add the reported experience for each MLR year together and then apply the multiplier for the 2012 MLR reporting year (1.75) to the aggregated experience.)"	In response to comments received, this language was revised to clarify methodology for calculating the MLR numerator for mini-med experience.
52	Instructions for MLR Annual Reporting Form - Part 4 - (MLR and Rebate Calculation) Line Instructions - Part 4	Revised Section 1 - Medical Loss Ratio Numerator, Line 1.6 Mini-med or expatriate numerator after adjustment factor by adding "For the 2012 MLR reporting year, expatriate columns should be left blank in Part 4." and removed reference to expatriate plans multiplier and for expatriate formula.	This language was revised to reflect guidance issued in "Affordable Care Act Implementation FAQ - Set 13" regarding treatment of expatriate plans, which are considered compliant for the 2012 reporting year. Issuers with only expatriate business do not have to submit an MLR report, and issuers with health insurance coverage in other markets report expatriate business on a limited basis.
53	Instructions for MLR Annual Reporting Form - Part 4 - (MLR and Rebate Calculation) Column Definitions - Part 4	Revised Section 2- Medical Loss Ratio Denominator, line 2.1 - Premium earned including federal and state high risk programs, to read "PY1 - 2011 MLR Form, Part 1, Line 1.4, Columns 3/31 + Deferred PY1 – Deferred CY"	This language was revised to clarify which data elements to report.
54	Instructions for MLR Annual Reporting Form - Part 4 - (MLR and Rebate Calculation) Line Instructions - Part 4	Revised Section 2 - Medical Loss Ratio Denominator, line 2.2 Federal and State taxes and licensing or regulatory fees, to read "PY1 - 2011 MLR Form, Part 1, Line 3.4, Columns 3/31 + Deferred PY1 – Deferred CY"	This language was revised to clarify which data elements to report.
55	Instructions for MLR Annual Reporting Form - Part 4 - (MLR and Rebate Calculation) Line Instructions - Part 4	Revised Section 2 - Medical Loss Ratio Denominator, line 2.2 Federal and State taxes and licensing or regulatory fees, to read "Part 1, Lines 3.1a + 3.1b + 3.2a + (the higher of 3.2b or 3.2c) + 3.3, Columns 3/31 + Deferred PY1 – Deferred CY"	This language was revised to correct a typographical error.

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56	Instructions for MLR Annual Reporting Form - Part 4 - (MLR and Rebate Calculation) Line Instructions - Part 4	<p>Revised Section 2 - Medical Loss Ratio Denominator, Line 2.3 - MLR denominator, to read "Issuers with health insurance coverage in both Massachusetts' individual and small group markets who choose to merge their markets in accordance with Massachusetts law, should combine Part 4, Lines 2.1 – 2.2 for both markets, and enter this combined amount on Part 4 Line 2.3 in the Total Columns for both markets (Columns 4 and 8).</p> <p>Please note that MLR numerator and denominator are the only fields on the MLR Form where experience for the two markets may be combined."</p>	In response to comments received, this language was revised to provide clarity.
57	Instructions for MLR Annual Reporting Form - Part 4 - (MLR and Rebate Calculation) Line Instructions - Part 4	Revised Section 3 - Credibility Adjustment (Not Applicable to the Grand total Page) Line 3.1 - Life Years to determine credibility, to read "PY1 - 2-11 MLR Form, Part 1, Line 11.5, columns 3/31 + Deferred PY1 – Deferred CY"	This language was revised to clarify which data elements to report.
58	Instructions for MLR Annual Reporting Form - Part 4 - (MLR and Rebate Calculation) Line Instructions - Part 4	Revised Section 3 - Credibility Adjustment (Not Applicable to the Grand total Page) Line 3.2 Average deductible, by adding "Issuers with non-credible or fully credible experience do not have a base credibility factor, and should enter zero."	This language was added to clarify directions for completing the MLR form.
59	Instructions for MLR Annual Reporting Form - Part 4 - (MLR and Rebate Calculation) Line Instructions - Part 4	Revised Section 3 - Credibility Adjustment (Not Applicable to the Grand total Page) line 3.3 - Average deductible, to read "Issuers who choose to use a deductible factor of 1.0 enter 1.0 in this field."	This change was implemented to improve the integrity of the data elements and to support worksheet functionality.
60	Instructions for MLR Annual Reporting Form - Part 4 - (MLR and Rebate Calculation) Line Instructions - Part 4	<p>Revised Section 3 - Credibility Adjustment (Not Applicable to the Grand total Page) Line 3.3 - Average deductible, to read "Issuers with between 0 and 75,000 life years in the applicable State market in 2012 should first calculate an average deductible using life years and per-person deductible levels for policies in force in 2012.</p> <p>Issuers should then determine a two-year average deductible based on the weighted average of the average deductible for the 2011 MLR reporting year and the average deductible for the 2012 MLR reporting year."</p>	In response to comments received this language was revised to provide clarity.
61	Instructions for MLR Annual Reporting Form - Part 4 - (MLR and Rebate Calculation) Line Instructions - Part 4	Revised Section 3 - Credibility Adjustment (Not Applicable to the Grand total Page) Line 3.3 - Average deductible, by adding "Issuers who choose to use a deductible factor of 1.0 should leave this field blank."	This language was added to clarify directions for completing the MLR form.

2012 Medical Loss Ratio Reporting Form Filing Instructions For All Parts

	Section Edited	Revision (Red indicates added language)	Rationale
62	Instructions for MLR Annual Reporting Form - Part 4 - (MLR and Rebate Calculation) Line Instructions - Part 4	Revised Section 3 - Credibility Adjustment (Not Applicable to the Grand total Page) Line 3.4 - Deductible Factor, to read "Enter the amount from the table corresponding with the average deductible. Issuers with non-credible or fully credible experience do not have a deductible factor and can enter a value of 1.0."	This change was implemented to improve the integrity of the data elements and to support worksheet functionality.
63	Instructions for MLR Annual Reporting Form - Part 4 - (MLR and Rebate Calculation) Line Instructions - Part 4	Revised Section 3 - Credibility Adjustment (Not Applicable to the Grand total Page) Line 3.5 – Credibility adjustment by adding "Issuers with non-credible or fully credible experience do not receive a credibility adjustment and should enter zero."	This change was implemented to improve the integrity of the data elements and to support worksheet functionality.
64	Instructions for MLR Annual Reporting Form - Part 4 - (MLR and Rebate Calculation) Line Instructions - Part 4	Revised Section 4 – Medical Loss Ratio Calculation, by adding "Issuers with non-credible experience should leave Lines 4.1-4.3 blank."	This language was added to clarify which data elements to report.
65	Instructions for MLR Annual Reporting Form - Part 4 - (MLR and Rebate Calculation) Line Instructions - Part 4	Revised Section 5 - MLR Rebate Calculation (For Current Year Only) by adding "Issuers with non-credible experience should leave Lines 5.1 – 5.3 blank and enter zero on Line 5.4."	This language was added to clarify which data elements to report.
66	Instructions for MLR Annual Reporting Form - Part 4 - (MLR and Rebate Calculation) Line Instructions - Part 4	Revised Section 5 - MLR Rebate Calculation (For Current Year Only) Line 5.3 - Adjusted earned premium, less Federal and state taxes and licensing or regulatory fees (not applicable to the grand total page), to read "Part 4, Lines 2.1 – 2.2, Column CY only"	This language was revised to clarify which data elements to report.
67	Instructions for MLR Annual Reporting Form - Part 4 - (MLR and Rebate Calculation) Line Instructions - Part 4	Revised Section 5 - MLR Rebate Calculation (For Current Year Only) Line 5.4 Rebate amount if credibility-adjusted MLR is less than the MLR standard (not applicable to the Grand Total page) by adding "Issuers with non-credible experience and issuers whose credibility-adjusted MLR is equal to or above the MLR standard should enter zero."	This language was added to clarify which data elements to report.
68	Instructions for MLR Annual Reporting Form - Part 4 - (MLR and Rebate Calculation) Line Instructions - Part 4	Revised Section 5 - MLR Rebate Calculation (For Current Year Only) Line 5.4 Rebate amount if credibility-adjusted MLR is less than the MLR standard (not applicable to the Grand Total page) by removing the reference to expatriate plans, and adding "For the 2012 MLR reporting year expatriate columns should be left blank in Part 4."	This language was revised to reflect guidance issued in "Affordable Care Act Implementation FAQ - Set 13" regarding treatment of expatriate plans, which are considered compliant for the 2012 reporting year. Issuers with only expatriate business do not have to submit an MLR report, and issuers with health insurance coverage in other markets report expatriate business on a limited basis.

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	Section Edited	Revision (Red indicates added language)	Rationale
69	Instructions for MLR Annual Reporting Form - Part 5 Rebate Disbursement	Revised definitions for Columns 7 and 8 by adding "(For the 2012 MLR reporting year, expatriate plans should not report anything on Part 5 of the MLR Form.)"	This language was revised to reflect guidance issued in "Affordable Care Act Implementation FAQ - Set 13" regarding treatment of expatriate plans, which are considered compliant for the 2012 reporting year. Issuers with only expatriate business do not have to submit an MLR report, and issuers with health insurance coverage in other markets report expatriate business on a limited basis.
70	Instructions for MLR Annual Reporting Form - Part 5 Rebate Disbursement	Revised Section 3 - Total amounts of rebates, line 3.a -, to read "Total amount of rebates (from Part 4, Line 5.4)."	This language was revised to correct a typographical error.
71	Instructions for MLR Annual Reporting Form - Part 5 Rebate Disbursement	Revised bullets in Section 4 - Prior MLR reporting year rebates, line 4.d - Percentage of rebates timely paid to individual policy subscribers and group policy holders owed a rebate, to read: "• Rebates paid as a lump-sum check or reimbursement to individual policy subscribers and directly to group policyholders (e.g., if this form is being filed for the 2012 MLR reporting year, include rebates for the 2011 MLR reporting year that were disbursed as a lump sum by August 1, 2012); • Rebates credited to individual policy subscribers and directly to group policyholders for the premium due on or after August 1 following the prior MLR reporting year (e.g., if this form is being filed for the 2012 MLR reporting year, enter the percentage of rebates based upon the 2011 MLR reporting year that were paid as premium credit beginning August 1, 2012)."	In response to comments received, this language was revised to clarify which data elements to report.
72	Instructions for MLR Annual Reporting Form - Part 6 Additional Responses	Revised line 4, to read "If the issuer entered into any 100% assumption reinsurance agreements (with a novation) during the MLR reporting year provide the name(s) of the entity (ies) with which the agreement was (were) made and the effective date of the novation. Report only those agreements that are applicable to "health insurance coverage" as defined on page 2 of the instructions."	In response to comments received, this language was revised to provide clarity.

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	Section Edited	Revision (Red indicates added language)	Rationale
73	Instructions for MLR Annual Reporting Form - Part 6 Additional Responses	<p>Revised line 6, to read "If the issuer has any 100% indemnity reinsurance and administrative agreements effective prior to March 23, 2010, for which the assuming entity is responsible for 100 percent of the ceding entity's financial risk and takes on all of the administration of the block of business, provide name(s) of the entity (ies) that is (are) reporting the experience related to such business.</p> <p>Report only those agreements that are applicable to "health insurance coverage" as defined on page 2 of the instructions."</p>	In response to comments received, this language was revised to provide clarity.