



**Date:** May XX, 2012

**From:** Carol S. Jimenez, Director, Division of Medical Loss Ratio, Center for Consumer Information and Insurance Oversight, Centers for Medicare & Medicaid Services

**Title:** Guidance for Medical Loss Ratio Notices of Rebates

**Subject:** Announcement Regarding Medical Loss Ratio Rebate Notices

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*OMB Approval [0938-XXX] of the medical loss ratio (MLR) rebate notices.*

Section 2718 of the Public Health Service Act (PHS Act), as added by the Patient Protection and Affordable Care Act (Affordable Care Act), requires health insurance issuers (issuers) to submit a MLR report to the Secretary and requires them to issue a rebate to enrollees if the issuer's MLR is less than the applicable percentage established in section 2718(b) of the PHS Act. The MLR regulations are codified at 45 CFR Part 158.

Section 158.250 of the final rule requires an issuer to provide information in the form of a rebate notice to enrollees who are owed rebates, regardless of the form in which the rebate payment is made (e.g., check or future premium credit). As also provided in §158.250, CMS has developed a standard form for the rebate notice that each issuer must send by August 1 of the following year to enrollees entitled to a rebate based upon the prior MLR reporting year. For example, notice of rebates based on the 2011 MLR reporting year must be provided by August 1, 2012. Please refer to the Medical Loss Ratio (MLR) Rebate Notice Instructions at <http://www.cciio.cms.gov/resources/other/index.html#mlr> for the complete set of instructions.

Use of these notices have been approved by OMB, OMB Control Number 093-XXXX. The approved notices are posted on CMS' website at: <http://www.cciio.cms.gov/resources/other/index.html#mlr>. Issuers may not deviate from the content of the forms provided, unless populating variable fields or adding the issuer's or plan's name/logo.

If you have any questions regarding the information in this announcement, please contact the MLR Team at [MLRQuestions@cms.hhs.gov](mailto:MLRQuestions@cms.hhs.gov).