



U.S. Department of Health and Human Services

Effective Rate Review ~~Determination and Status Questions~~ Survey

XXX, 201X

Rate Review State Contact Information

<u>State</u>	<u>Contact #</u>	<u>Name</u>	<u>Title</u>	<u>Phone N</u>
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Part I - State Information

(ALL QUESTIONS IN PARTS I & II ARE REQUIRED AND SHOULD BE ANSWERED FOR THE 2018 PLAN YEAR)

State Authority to Review Rates and

<u>Questions</u>	<u>Answers & Supporting Materials (Lin</u>
<p>1) <u>Cite the specific authority that will permit the State to collect and review issuer’s data and documentation in connection with rate increases sufficient to conduct the examination described in 45 CFR 154.301(a)(3).</u></p> <p><u>Include links, provide relevant excerpts, and/or upload supporting documentation through the HIOS State Document Collection Module.</u></p>	

State Definitions

1. What specific authority does the state have to collect and review issuer’s data and documentation in connection with rate increases? Please provide citations to the relevant statutes, regulations, or other sources of authority.
2. Does the state define or accept the federal definitions of individual and small group markets as outlined in 45 C.F.R. § 154.102, which provide that coverage that would be regulated as individual or small group market coverage (as defined in section 2791(e)(1)(A) and 2791(e)(5) of the Public Health Service Act respectively) if it were not sold through an association is subject to rate review as individual or small group market coverage?

<u>Questions</u>	<u>Answers & Supporting Materials (Lin</u>
<p>2) <u>Will the State use the federal definitions of individual and small group markets?</u> <u>45 CFR 154.102 specifies that:</u></p> <ul style="list-style-type: none"> • <u>“Individual market” means the market for health insurance coverage offered to individuals other than in connection with a group health plan, or other than coverage offered pursuant to a contract between the health insurance issuer with the</u> 	

<p><u>Medicaid, Children's Health Insurance Program, or Basic Health programs.</u></p> <ul style="list-style-type: none"> • <u>"Small group market" means the health insurance market under which individuals obtain health insurance coverage (directly or through any arrangement) on behalf of themselves (and their dependents) through a group health plan maintained by a small employer.</u> <p><u>If not, explain how the State's definition of the individual and small group markets differ from the federal definition of these markets and provide citations to State definitions.</u></p>	
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Review of Unreasonable Rate Increases and Single Risk Pool Submissions

<u>Questions</u>	<u>Answers & Supporting Materials (Link)</u>
<p>3) <u>Will the State review single risk pool submissions that meet or exceed the threshold rate increases of 10% as described in 45 CFR 154.210(b)(2)?</u></p> <p><u>If not, what will the state threshold be?</u></p> <p><u>If the rate increase threshold will be anything other than 10%, when do you intend to officially inform CMS, as required by 45 CFR 154.200(a)(2)?</u></p> <p><u>Include links, provide relevant excerpts, and/or upload supporting documentation through the HIOS State Document Collection Module.</u></p>	

Documents Collected for State Review

<u>Questions</u>	<u>Answers & Supporting Materials (Link)</u>
<p>4) <u>Will the State incorporate the following into its review process, when reviewing rate increases that meet or exceed the threshold for review?</u></p> <ul style="list-style-type: none"> • <u>Part I of the Rate Filing Justification (Unified Rate Review Template (URRT)),</u> • <u>Part II of the Rate Filing Justification (Written Description Justifying the Rate Increase), and</u> • <u>Part III of the Rate Filing Justification (Actuarial Memorandum)</u> <p><u>If so, explain how the State will use Parts I, II, and III.</u></p>	

If not, provide a detailed explanation and examples of what the State will collect that is at least equivalent to the aforementioned documents for review.

Include links, provide relevant excerpts, and/or upload supporting documentation through the HIOS State Document Collection Module.

Rate Filing Review

Questions		Answers & Supporting Materials (Links, Citations)				
5)	<u>Will the State’s rate review process include an examination of each of the following factors for both the small group and the individual markets?</u>	<u>Markets</u>		<u>If not, please explain.</u>		
		<u>Individual Y/N?</u>	<u>Small Group Y/N?</u>			
		<u>a)</u>	<u>The impact of medical trend changes by major service categories.</u> <u>See 154.301(a)(4)(i)</u>			
		<u>b)</u>	<u>The impact of utilization changes by major service categories.</u> <u>See 154.301(a)(4)(ii)</u>			
		<u>c)</u>	<u>The impact of cost-sharing changes by major service categories, including actuarial values.154.301(a)(4)(iii)</u>			
<u>d)</u>	<u>The impact of benefit changes, including essential health benefits and non-essential health benefits.</u> <u>154.301(a)(4)(iv)</u>					

e)	<u>The impact of changes in enrollee risk profile and pricing, including rating limitations for age and tobacco use under section 2701 of the Public Health Service Act. 154.301(a)(4)(v)</u>			
f)	<u>The impact of any overestimate or underestimate of medical trend for prior year periods related to the rate increase. 154.301(a)(4)(vi)</u>			
g)	<u>The impact of changes in reserve needs. 154.301(a)(4)(vii)</u>			
h)	<u>The impact of changes in administrative costs related to programs that improve health care quality. 154.301(a)(4)(viii)</u>			
i)	<u>The impact of changes in other administrative costs. 154.301(a)(4)(ix)</u>			
j)	<u>The impact of changes in applicable taxes, licensing or regulatory fees. 154.301(a)(4)(x)</u>			
k)	<u>Medical loss ratio. 154.301(a)(4)(xi)</u>			
l)	<u>The health insurance issuer's capital and surplus. 154.301(a)(4)(xii)</u>			
m)	<u>The impacts of geographic factors and variations. 154.301(a)(4)(xiii)</u>			
n)	<u>The impact of changes within a single risk pool to all products or plans within the risk pool. 154.301(a)(4)(xiv)</u>			
o)	<u>The impact of reinsurance and risk adjustment payments and charges under sections 1341 and 1343 of the Affordable Care Act. 154.301(a)(4)(xv)</u>			

State Authority to Require Changes

3. ~~Is the state reviewing threshold rate increases of 10% or more contained within single risk pool submissions?~~
4. ~~When reviewing the rate increases described in #3, does the state incorporate Part I (Unified Rate Review Template), Part II (Consumer Justification Narrative) and Part III (Actuarial Memorandum) of the Rate Filing Justification into its review process? If not, please provide a detailed explanation and examples of what the state does collect that is at least equivalent to the aforementioned documents for review.~~
5. ~~Is the state reviewing threshold rate increases of 10% or more for non-grandfathered plans that were purchased prior to 2014 and continue under the transitional policy (if applicable)?~~
6. ~~When reviewing the rate increases described in #5, does the state incorporate Part I (Preliminary Justification) and Part II (Written description justifying the rate increase) of the Preliminary Justification into its review process? If not, please provide a detailed explanation and examples of what the state does collect that is at least equivalent to the aforementioned documents for review.~~
7. ~~As outlined in § 154.301 please provide the standard(s) set forth in state statute, regulation, or guidance under which the state reviews and determines whether a rate increase is excessive, unjustified or unreasonable that issuers and the state can rely upon for understanding the measures and standards of the review.~~
8. ~~If an issuer has an unreasonable increase determination or is determined to be out of compliance with state or federal rating rules:
 - a. ~~Please provide a detailed explanation as to the state's authority to require or enforce a rate different than what was submitted (if any) if the rate initially submitted is determined to be excessive, unjustified or unreasonable.~~~~

~~Please provide a detailed explanation as to the state's authority to require a revision in the submission to come into compliance with state or federal rating or risk pool rules.~~

Rate Filings

- b. Please provide a detailed explanation as to what process the state uses to require or request revision or resubmission under either of the above circumstances, and how the state ensures that CMS also receives any revisions or resubmissions where dual submission to CMS and the state is required.

<u>Questions</u>		<u>Answers & Supporting Materials (Link)</u>
<u>6)</u>	<u>Provide links, citations, or bulletins to describe the State authority as it will pertain to modification</u>	
<u>a)</u>	<u>Will the State have the authority to require or enforce rates that differ from those originally submitted?</u>	
<u>b)</u>	<u>What will the State's authority be to require a revision to bring the submission into compliance with State or federal rating or risk pool rules?</u>	
<u>c)</u>	<u>How will the State require or request revision or resubmission under either of the above circumstances?</u>	

Procedures for State Review of All Rate Increases

9. Please provide a detailed explanation of how the state conducts an examination that meets the criteria in § 154.301. Include the specific actuarial standards and methods used by state rate review staff in reviewing the rate submissions made by issuers (including, but not limited to, how the state tests issuer actuarial assumptions, data, future financial projections, and past assumptions or data for accuracy). If the state has a manual, standard operating procedures, or other supporting documentation that it uses in its review, please provide a copy.

Review for

<u>Questions</u>		<u>Answers & Supporting Materials (Link)</u>
<u>7)</u>	<u>Describe what will be the State's specific actuarial standards, methods and procedures (including, but not limited to, how the State will test issuer actuarial assumptions, data, future financial projections, and past assumptions or data for accuracy).</u> <u>If the State will use a manual, standard operating procedures, or other supporting documentation in its</u>	

review, upload such supporting documentation into the HIOS SDC Module.

Posting Rate Filing Information and Soliciting Public Comments

<u>Questions</u>	<u>Answers & Supporting Materials (Link)</u>	
8)		
<p><u>Explain how the State will comply with the requirement of 45 C.F.R. §154.301(b) to post rate submissions on the <u>comments</u>.</u></p>		
<p>a)</p>	<p><u>Will the State make a submission public when the submission includes a proposed rate increase of 10% or greater?</u></p>	
<p>i)</p>	<p><u>If so, explain when the submission will be made public (e.g., immediately, within a certain number of days after receipt, after a determination is made, when a rate increase subject to review is included in the submission, etc.).</u></p>	
<p>b)</p>	<p><u>In the previous calendar year, did the State designate certain dates at which it intended to post submissions?</u></p> <p><u>If so, provide those dates.</u></p>	
<p>i)</p>	<p><u>If the posting dates fell prior to open enrollment, did the State notify CMS in writing, no later than 30 days prior to the date it intended to make the information public of its intent to do so?</u></p> <p><u>If so, provide the date the States intended to make the information public.</u></p>	
<p>c)</p>	<p><u>In the previous calendar year, were there extenuating circumstances that prevented the State from being able to post by CMS's deadline?</u></p> <p><u>If so, explain the circumstances and the timeframe it took the State to post after the circumstances subsided.</u></p>	
<p>d)</p>	<p><u>How will the State adhere to 45 CFR § 154.301(b)</u></p>	

		<u>(3), which requires States to ensure that the information released to the public is made available at a uniform time for all proposed and final rate increases for single risk pool compliant coverage, as applicable, in the relevant market segment (including QHPs and non-QHPs) and without regard to whether coverage is offered through or outside of an Exchange?</u>	
	e)	<u>Will the State have a mechanism for receiving public comments on submitted rates either prior to determination or after determination is made? If so, specify which (i.e., prior, after, or both).</u>	
	i)	<u>Explain how the State will permit consumers to comment (e.g., by telephone, mail, email, webmail, public hearings, etc.).</u>	

Confidentiality

Questions		Answers & Supporting Materials (Link)
9)	<u>Will the State have any State-specific laws or regulations that require issuers to take additional steps, in addition to 45 CFR 5.65, to maintain or limit confidentiality of Actuarial Memoranda?</u> <u>Include links, provide relevant excerpts, and/or upload supporting documentation through the HIOS State Document Collection Module.</u>	

Questions		Answers & Supporting Materials (Link)
10)	<u>Will the State require all issuers, including those with no qualified health plans (QHPs) on the Exchange, to follow the same rate posting schedules?</u> <u>If not, describe how your State will protect fair pricing and competition.</u> <u>Include links, provide relevant excerpts, and/or upload supporting documentation through the HIOS State Document Collection Module.</u>	

Part II - State Oversight of Issuer Compliance with Federal Requirements

- a. How does the state review rate submissions for compliance with the single risk pool rule under § 156.80 and the various federal laws and regulations that define how plans are to be developed, rated and priced (including but not limited to essential health benefits, actuarial values, risk adjustment, reinsurance, medical loss ratios and other similar laws and regulations)?
 - b. How does the state review for and enforce the annual plan year, index rate, allowable premium adjustments, and other requirements for the individual market?
 - c. How does the state review for and enforce the annual index rate, allowable quarterly index rate, allowable premium adjustments, and other requirements of the small group market?
 - d. Does the state allow for quarterly or semi-annual index rate changes in the small group market, and, if yes, which?
 - e. If the state has a merged market under federal definitions, how does that state review for and enforce that issuers selling to small employers are following the same rules as the individual portion of the market for: open enrollment, annual index rate setting and changes, annual plan years (i.e., if a plan is purchased by a small employer after January 1 or each year, it will renew effective the next January 1, in the same way that individual market plans are required to renew), and other requirements for the merged markets under federal rules?
10. When an issuer has rate increases or submissions that require the issuer to submit information to CMS, how does the state verify that the issuer is complying with dual state and federal submission requirements under various federal laws and regulations?
11. State timeframes for review:
- a. What timeframes does the state have in statute, regulation or official written guidance for the timely review of rate submissions?
 - b. What is the average length of time to conduct reviews of rate submissions (in days)?
 - c. What was the shortest review conducted over the past two years (in days)?
 - d. What was the longest review conducted over the past two years (in days)?
12. Public availability and review of rate submissions:

- a. When a new rate submission is received by the state, does the state make the submission public on a state-supported website?
- b. If yes, when is the submission made public (e.g., immediately, within a certain number of days after receipt, after a determination is made, when a rate increase subject to review is included in the submission, etc.)?
- c. Does the state have a mechanism for receiving public comments on submitted rates either prior to determination or after determination is made (please specify which)?
- d. How does the state allow consumers to comment (e.g., by telephone, mail, email, webmail, public hearings, etc.)?

	<u>Questions</u>	<u>Answers & Supporting Materials (Li</u>
11)	<p>How will the State ensure issuer compliance during the State review process with the following federal requirements (iii) and (iv).</p> <p>a) <u>reviews rate submissions for compliance with the single risk pool rule under §156.80 and the various federal laws and regulations that define how plans are to be developed, rated and priced (including but not limited to essential health benefits, actuarial values, risk adjustment, reinsurance, medical loss ratios and other similar laws and regulations).</u></p> <p>b) <u>reviews for and enforces the annual plan year, index rate, allowable premium adjustments, and other requirements for the individual market.</u></p> <p>c) <u>reviews for and enforces the annual index rate, allowable quarterly index rate changes, allowable premium adjustments, and other requirements of the small group market.</u></p> <p>d) <u>Will the State allow for quarterly or semi-annual index rate changes in the small group market?</u> <u>If so, specify whether rate changes will be accepted on a quarterly or semi-annual basis.</u></p>	

	<p>e) <u>Applies only to States that have a Merged Market (as federally defined):</u></p>	<p><u>reviews and ensures that issuers selling to small employers are following the same rules as the individual portion of the market for: open enrollment, annual index rate setting and changes, annual plan years (i.e., if a plan is purchased by a small employer after January 1 or each year, it will renew effective the next January 1, in the same way that individual market plans are required to renew), and other requirements for the merged markets under federal rules.</u></p>	
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	<u>Questions</u>	<u>Answers & Supporting Materials (Link)</u>
<p><u>12)</u></p>	<p><u>How will the State ensure that issuers comply with 45 CFR 154.215(c), which requests issuers to submit the following parts of the Rate Filing Justification to the State and to CMS?</u></p> <ul style="list-style-type: none"> <u>• Part I (Unified Rate Review Template (URRT)),</u> <u>• Part II (Written Description Justifying the Rate Increase) when applicable, and</u> <u>• Part III (Actuarial Memorandum)</u> <p><u>Explain if, and how, the State works with issuers to meet 45 CFR 154.220(a), which requests issuers to submit the Rate Filing Justification to CMS on the date the issuer submits the proposed rate increase to the State.</u></p>	

	<u>Questions</u>	<u>Answers & Supporting Materials (Link)</u>
<p><u>13)</u></p>	<p><u>Does the State review rate changes for student health plans?</u></p> <p><u>If so, give a brief description of how they are reviewed.</u></p> <p><u>If not, explain why not.</u></p>	

Include links, provide relevant excerpts, and/or upload supporting documentation through the HIOS State Document Collection Module.

State Actions for Age and Tobacco Ratios in the Upcoming Calendar Year for both Individual and Small Group Markets

<u>Questions</u>		<u>Answers & Supporting Materials (Link)</u>	
14)	<u>If the State is considering altering any of the following factors, CMS must be notified in advance. Please indicate whether the State is considering any alterations and provide the amount of change for each.</u>	<u>Markets</u>	
		<u>Individual</u>	
a)	<u>Age Rating Ratio</u>		
b)	<u>State-Established Age Curve</u>		
c)	<u>Tobacco Rating Ratio</u>		
d)	<u>Uniform Family Tiers</u>		
e)	<u>Average Enrollee Premiums</u>	<u>Respond only for Small Group Markets</u>	
f)	<u>State-Specific Composite Premium Method</u>		

Part III - State Data
(ALL QUESTIONS IN PART III ARE OPTIONAL)

Total Rate Submissions Received and Reviewed by the State in the Previous Calendar Year

13. In the previous calendar year, how many single risk pool submissions were received and reviewed for the following markets:
- a. Individual Market
 - b. Small Group Market
 - c. Merged Market

14. In the previous calendar year, how many non-grandfathered plan submissions were received and

reviewed for plans purchased prior to January 1, 2014 and continued under the transitional policy (if applicable) for the following markets:

- a. Individual Market
- b. Small Group Market

15. What were the number of submissions and average rate change implemented for the following?

- a. Single Risk Pool Individual Market:
 - i. Average rate change (percent compared to previous year)
 - ii. Number of submissions with overall increases
 - iii. Number of submissions with overall decreases
- b. Single Risk Pool Small Group Market:
 - i. Average rate change (percent compared to previous year)
 - ii. Number of submissions with overall increases
 - iii. Number of submissions with overall decreases
- c. Single Risk Pool Merged Market:
 - i. Average rate change (percent compared to previous year)
 - ii. Number of submissions with overall increases
 - iii. Number of submissions with overall decreases
- d. Non-Grandfathered Transitional Individual Market:
 - i. Average rate change (percent compared to previous year)
 - ii. Number of submissions with overall increases
 - iii. Number of submissions with overall decreases
- e. Non-Grandfathered Transitional Small Group Market:
 - i. Average rate change (percent compared to previous year)
 - ii. Number of submissions with overall increases
 - iii. Number of submissions with overall decreases

Single Risk Pool Plans

Questions		Answers & Supporting Materials (Li		
15)	For the previous calendar year, provide the following information for each Market:	Markets		
		Single Risk Pool		
		Individual	Small Group	Merged (as federally defined)
a)	Number of single risk pool submissions that were received and reviewed for each Single Risk Pool Market (Individual, Small Group, and Merged (as federally defined))			
b)	Number of non-grandfathered submissions that were received and reviewed for coverage purchased prior to January 1, 2014 and that continued under the transitional policy (if applicable) for each Market (Individual and Small Group)	<u>Respond only for Non-Grandfathered Transitional</u>		
c)	For each Market, provide the following information:			
	i) Average rate change (percent compared to previous year)			
	ii) Number of submissions with overall increases			
	iii) Number of submissions with overall decreases			
	iv) Number of submissions with no overall rate changes			

State Actions for Rate Submissions Received and Reviewed in the Previous Calendar Year

16. How many Single Risk Pool submissions for the Individual Market were:
- a. Approved/Accepted as submitted without an unreasonable determination or modification
 - b. Modified from the original submission without an unreasonable determination
 - c. Modified from the original submission with an unreasonable determination
 - d. Rejected or disapproved (requiring a complete resubmission)

- i.—If rejected or disapproved, how many issuers did not resubmit?
- ii.—How many issuers did a market withdrawal?
- e.—Required to be modified due to non-compliance with state or federal rating rules
 - i.—Number due to state rules violations
 - ii.—Number due to federal rules violations (if both, just count once as federal)

17. How many Single Risk Pool submissions for the Small Group Market were:
- a.—Approved/Accepted as submitted without an unreasonable determination or modification
 - b.—Modified from the original submission without an unreasonable determination
 - c.—Modified from the original submission with an unreasonable determination
 - d.—Rejected or disapproved (requiring a complete resubmission)
 - i.—If rejected or disapproved, how many issuers did not resubmit?
 - ii.—How many issuers did a market withdrawal?
 - e.—Required to be modified due to non-compliance with state or federal rating rules
 - i.—Number due to state rules violations
 - ii.—Number due to federal rules violations (if both, just count once as federal)

18. How many Single Risk Pool submissions **for** the federally defined Merged Market were:
- a.—Approved/Accepted as submitted without an unreasonable determination or modification
 - b.—Modified from the original submission without an unreasonable determination
 - c.—Modified from the original submission with an unreasonable determination
 - d.—Rejected or disapproved (requiring a complete re-submission)
 - i.—If rejected or disapproved, how many issuers did not resubmit?
 - ii.—How many issuers did a market withdrawal?
 - e.—Required to be modified due to non-compliance with state or federal rating rules
 - i.—Number due to state rules violations
 - ii.—Number due to federal rules violations (if both, just count once as federal)

both Single Risk Pool and Transitional Plans—State Actions for Rate Submissions Received and Reviewed in the Previous Calendar Year

19. How many non-grandfathered transitional submissions for the Individual Market were:
- a.—Approved/Accepted as submitted without an unreasonable determination or modification
 - b.—Modified from the original submission without an unreasonable determination
 - c.—Modified from the original submission with an unreasonable determination
 - d.—Rejected or disapproved (requiring a complete re-submission)

- i.— If rejected or disapproved, how many issuers did not resubmit?
- ii.— How many issuers did a market withdrawal?
- e.— Required to be modified due to non-compliance with state or federal rating rules
 - i.— Number due to state rules violations
 - ii.— Number due to federal rules violations (if both, just count once as federal)

20.— How many non-grandfathered transitional submissions for the Small Group Market were:

- a.— Approved/Accepted as submitted without an unreasonable determination or modification
- b.— Modified from the original submission without an unreasonable determination
- c.— Modified from the original submission with an unreasonable determination
- d.— Rejected or disapproved (requiring a complete resubmission)
 - i.— If rejected or disapproved, how many issuers did not resubmit?
 - ii.— How many issuers did a market withdrawal?
- e.— Required to be modified due to non-compliance with state or federal rating rules
 - i.— Number due to state rules violations
 - ii.— Number due to federal rules violations (if both, just count once as federal)

21.— How many non-grandfathered transitional submissions for the federally-defined Merged Market were:

- a.— Approved/Accepted as submitted without an unreasonable determination or modification
- b.— Modified from the original submission without an unreasonable determination
- c.— Modified from the original submission with an unreasonable determination
- d.— Rejected or disapproved (requiring a complete resubmission)
 - i.— If rejected or disapproved, how many issuers did not resubmit?
 - ii.— How many issuers did a market withdrawal?
- e.— Required to be modified due to non-compliance with state or federal rating rules
 - i.— Number due to state rules violations
 - ii.— Number due to federal rules violations (if both, just count once as federal)

<u>Questions</u>		<u>Answers & Supporting Materials (Links, Citations, etc.)</u>					
<u>16)</u>	<u>For the previous calendar year, provide the number of submissions from each Market that were:</u>	<u>Submissions</u>					
		<u>Single Risk Pool</u>			<u>Non-Grandfathered Transitional</u>		
		<u>Individual</u>	<u>Small Group</u>	<u>Merged (as federally defined)</u>	<u>Individual</u>	<u>Small Group</u>	<u>Merged (as federally defined)</u>

a)	<u>Approved/Accepted as submitted (without finding of “unreasonable” and without modification).</u>						
b)	<u>Modified from the original submission without a finding of “unreasonable.”</u>						
c)	<u>Modified from the original submission and still found “unreasonable”.</u>						
d)	<u>Required to be modified due to non-compliance with State or federal rating rules.</u>						
	i)	<u>Number modified due to violation of State rules.</u>					
	ii)	<u>Number modified due to violation of federal rules (if both, just count once as federal).</u>					

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