

State Rating Requirements Disclosure Form

PRA Disclosure Statement

According to the Paperwork Reduction Act of 1995, no persons are required to respond to a collection of information unless it displays a valid OMB control number. The valid OMB control number for this information collection is **0938-1258**. This information collection allows CMS to use the information on state rating and risk pooling requirements to determine whether state-specific rules or Federal default rules apply and to accurately implement the risk adjustment methodology for health plans in the States. The time required to complete this information collection is estimated to average less than 7.3 hours per response, including the time to review instructions, search existing data resources, gather the data needed, to review and complete the information collection. This information collection is required to obtain or retain a benefit (section 2701 of the Public Health Service Act, as added and amended by the Affordable Care Act, and section 1312(c) of the Affordable Care Act) and data from this collection will be published and accessible to the public. If you have comments concerning the accuracy of the time estimate(s) or suggestions for improving this form, please write to: CMS, 7500 Security Boulevard, Attention: Information Collections Clearance Officer, Mail Stop C4-26-05, Baltimore, Maryland 21244-1850 or Russell.tipps@cms.hhs.gov.

Instructions:

Complete this disclosure form to provide rating requirements specific to your state and/or to request approval for geographical rating areas or state-specific uniform age rating curves. This form must be submitted by the state department of insurance or other applicable regulatory agency and signed by an authorized official. You must complete all sections of this form and submit it no later than February 1 of the calendar year prior to which the standard applies. Please provide the names and contact information for at least two people who are knowledgeable about the contents of this form and may serve as contacts for CMS.

Submit the completed form and supporting documents electronically to:
marketreform@cms.hhs.gov.

Submit any questions to: marketreform@cms.hhs.gov.

PART A

1. State: _____

2. Date of Disclosure: _____

3. Primary Contact Information

Name: _____

Designation: _____

Address: _____

Phone: _____

E-mail: _____

4. Secondary Contact Information

Name: _____

Designation: _____

Address: _____

Phone: _____

E-mail: _____

5. Official authorized to sign this disclosure:

Name and Designation: _____

Signature: _____

PART B

I. Sale of QHPs in the Large Group Market

- 1. Has the state elected to allow issuers to offer qualified health plans (QHPs) in the large group market through the Exchange in the state pursuant to section 1312(f)(2)(B) of the Affordable Care Act?**

☐ **Yes (Please respond to the relevant questions in the sections below. If a state elects this option, the provisions of 45 CFR 147.102 apply to all coverage offered in the large group market in the state.)**

☐ **No**

II. Age Rating Ratio (45 CFR §147.103(a)(1))

1. Within the individual market, are health insurance issuers in your state required to use an age rating ratio for adults narrower than 3:1?

☐ The state uses a 3:1 age rating ratio for adults.

☐ Yes, the ratio for adults is narrower – details are provided below.

2. Enter the state's individual age rating ratio (if narrower than 3:1): _____

3. Within the small group market, are health insurance issuers in your state required to use an age rating ratio for adults narrower than 3:1?

☐ The state uses a 3:1 age rating ratio for adults.

☐ Yes, the ratio for adults is narrower – details are provided below.

4. Enter the state's small group age rating ratio for adults (if narrower than 3:1): _____

5. *For states that allow QHPs in the large group market to be offered through the Exchange:* Within the large group market, are health insurance issuers in your state required to use an age rating ratio for adults narrower than 3:1?

☐ Not applicable

☐ The state uses a 3:1 age rating ratio for adults.

☐ Yes, the ratio for adults is narrower – details are provided below.

6. Enter the state's large group age rating ratio for adults (if narrower than 3:1): _____

7. Provide details as appropriate, specifying market.

8. List supporting documents attached, if any.

III. Age Rating Curve (45 CFR §147.103(a)(6))

- 1. Within the individual market, are all health insurance issuers in your state required to use a uniform age rating curve other than the federal default age curve?**

☐ Yes

☐ No

- 2. If yes, provide the age rating curve for the individual market.**

- 3. Within the small group market, are all health insurance issuers in your state required to use a uniform age rating curve other than the federal default age curve?**

☐ Yes

☐ No

- 4. If yes, provide the age rating curve for the small group market.**

- 5. *For states that allow QHPs in the large group market to be offered through the Exchange:* Within the large group market, are all health insurance issuers in your state required to use a uniform age rating curve other than the federal default age curve?**

☐ Not applicable

☐ Yes

☐ No

- 6. If yes, provide the age rating curve for the large group market.**

- 7. List supporting documents attached, if any.**

IV. Tobacco Use Rating Ratio (45 CFR §147.103(a)(2))

- 1. Within the individual market, are health insurance issuers in your state required to use a tobacco use rating ratio narrower than 1.5:1?**

- ☐ The state uses a 1.5:1 rating ratio.
- ☐ Yes, the ratio is narrower – details are provided below.

- 2. Enter the state's individual tobacco use rating ratio (if narrower than 1.5:1): _____**

- 3. Within the small group market, are health insurance issuers in your state required to use a tobacco use rating ratio narrower than 1.5:1?**

- ☐ The state uses a 1.5:1 rating ratio.
- ☐ Yes, the ratio is narrower – details are provided below.

- 4. Enter the state's small group tobacco use rating ratio (if narrower than 1.5:1): _____**

- 5. *For states that allow QHPs in the large group market to be offered through the Exchange:* Within the large group market, are health insurance issuers in your state required to use a tobacco use rating ratio narrower than 1.5:1?**

- ☐ Not applicable
- ☐ The state uses a 1.5:1 rating ratio.
- ☐ Yes, the ratio is narrower – details are provided below.

- 6. Enter the state's large group tobacco use rating ratio (if narrower than 1.5:1): _____**

- 7. Provide details as appropriate, specifying market.**

- 8. List supporting documents attached, if any.**

V. Single Risk Pool (45 CFR §156.80(c))

- 1. Are health insurance issuers in your state required to merge the individual and small group insurance markets into a single risk pool for purposes of section 1312(c) of the Affordable Care Act?**

☐ **Yes, details are provided below.**

☐ **No, the markets are always separate and distinct.**

☐ **No, however, individual and small group market experience is combined to establish a market-adjusted index rate (but the markets are separate for applying plan adjustment factors).**

- 2. Provide details as appropriate.**

- 3. List supporting documents attached, if any.**

VI. Composite Premiums (45 CFR §147.103(a)(5))

- 1. Are health insurance issuers in the small group market in your state required to offer to a group health plan premiums that are based on average enrollee premium amounts (composite premiums)?**

☐ **Yes**

☐ **No**

- 2. *For states that allow QHPs in the large group market to be offered through the Exchange:* Are health insurance issuers in the large group market in your state required to offer to a group health plan premiums that are based on average enrollee premium amounts (composite premiums)?**

☐ **Not applicable**

☐ **Yes**

☐ **No**

- 3. Provide details as appropriate.**

- 4. List supporting documents attached, if any.**

VII. Geographical Rating Areas (45 CFR §147.103(a)(3))

1. Within the individual market, are health insurance issuers in your state required to use state-defined geographical rating areas?

☐ Yes, details are provided in 2, 3, 4 and 5 below.

☐ No, the state will use the default rating areas in the individual market.

2. Enter the number of rating areas (if applicable): _____

3. Basis for rating areas (if applicable)

☐ Rating areas based on counties

☐ Rating areas based on three-digit zip codes

☐ Rating areas based on metropolitan statistical areas (MSAs) and non-MSAs

4. Date rating areas were established by law, rule, regulation, or other executive action (if applicable): _____

5. Is the state seeking CMS approval for a number of rating areas in the individual market that is greater than the number described in 45 CFR §147.102(b)(3)(ii)?

☐ Yes

☐ No

If yes, provide details in 16 and 17 below.

6. Within the small group market, are health insurance issuers in your state required to use state-defined geographical rating areas?

☐ Yes, details are provided in 7, 8, 9 and 10 below.

☐ No, the state will use the default rating areas in the small group market.

7. Enter the number of rating areas (if applicable): _____

8. Basis for rating areas (if applicable)

- ☐ Rating areas based on counties
- ☐ Rating areas based on three-digit zip codes
- ☐ Rating areas based on metropolitan statistical areas (MSAs) and non-MSAs

9. Date rating areas were established by law, rule, regulation, or other executive action (if applicable): _____

10. Is the state seeking CMS approval for a number of rating areas in the small group market that is greater than the number described in 45 CFR §147.102(b)(3)(ii)?

- ☐ Yes
- ☐ No

If yes, provide details in 16 and 17 below.

11. *For states that allow QHPs in the large group market to be offered through the Exchange:* Within the large group market, are health insurance issuers in your state required to use state-defined geographical rating areas?

- ☐ Not applicable
- ☐ Yes, details are provided in 12, 13, 14 and 15 below.
- ☐ No, the state will use the default rating areas in the large group market.

12. Enter the number of rating areas (if applicable): _____

13. Basis for rating areas (if applicable)

- ☐ Rating areas based on counties
- ☐ Rating areas based on three-digit zip codes
- ☐ Rating areas based on metropolitan statistical areas (MSAs) and non-MSAs

14. Date rating areas were established by law, rule, regulation, or other executive action (if applicable): _____

15. Is the state seeking CMS approval for a number of rating areas in the large group market that is greater than the number described in 45 CFR §147.102(b)(3)(ii)?

☐ **Not applicable**

☐ **Yes**

☐ **No**

If yes, provide details in 16 and 17 below.

16. Provide detailed description of the proposed rating areas, specifying market.

17. List supporting documents attached, if any.

VIII. Family Tier Structure (45 CFR §147.103(a)(4))

(For states that do not permit any rating variation based on age or tobacco)

1. Within the individual market, are health insurance issuers in your state required to determine premiums for family coverage by using uniform family tiers and the corresponding multipliers established by the state?

☐ Yes

☐ No

2. If yes, provide details regarding family tiers and corresponding multipliers for the individual market.

3. Within the small group market, are health insurance issuers in your state required to determine premiums for family coverage by using uniform family tiers and the corresponding multipliers established by the state?

☐ Yes

☐ No

4. If yes, provide details regarding family tiers and corresponding multipliers for the small group market.

5. *For states that allow QHPs in the large group market to be offered through the Exchange:* Within the large group market, are health insurance issuers in your state required to determine premiums for family coverage by using uniform family tiers and the corresponding multipliers established by the state?

☐ Not applicable

☐ Yes

☐ No

6. If yes, provide details regarding family tiers and corresponding multipliers for the large group market.

7. List supporting documents attached, if any.