



# STATE OF CONNECTICUT

## INSURANCE DEPARTMENT

BULLETIN HC-124  
OCTOBER 24, 2018

**TO:** ALL INSURANCE COMPANIES, FRATERNAL BENEFIT SOCIETIES, HOSPITAL SERVICE CORPORATIONS, MEDICAL SERVICE CORPORATIONS AND HEALTH CARE CENTERS THAT DELIVER OR ISSUE INDIVIDUAL AND GROUP HEALTH INSURANCE POLICIES IN CONNECTICUT

**SUBJECT:** MAXIMUM COPAYMENT AMOUNTS ELIMINATED

This bulletin rescinds and replaces Bulletin HC-109 Maximum Cost Sharing that was issued on February 5, 2016. The purpose of this bulletin is to eliminate maximum copayment (“copay”) amounts for specified categories of benefits for health insurance plans, with the exception of those cost sharing maximums set by statute, and instead using the federal Actuarial Value (AV) calculator.

The use of the AV calculator, versus benefit by benefit maximums, allows for more flexibility in developing innovative plan designs to meet a wider range of consumer needs while assuring that consumers still receive significant cost sharing benefits that meet ACA standards.

Effective with this bulletin, the Department will require that the maximum cost sharing allowed be calculated, for the overall plan of benefits and not specific categories of benefits, using the most recent CMS/CCIIO published AV Calculator, except when a cost sharing maximum for a specific category of benefits is specified by statute. The enrollee cost sharing amount shall never exceed 50% for the plan of benefits provided and, for the individual and small group market, will continue to meet the standards of the ACA Metal Tiers.

For individual and small group health plans, all AV output, for each plan design shall be included in the rate filings for review and approval. For large employer plan designs filed with the Department, large group form filings shall include an actuarial certification that each plan meets the minimum AV value of 50% as described earlier in this bulletin. The copay shall cover all services rendered at the point of service.

Carriers shall continue to certify, through documentation, compliance with the Paul Wellstone and Pete Domenici Mental Health Parity and Addiction Equity Act of 2008 (MHPAEA) for cost sharing.

**Maximum Cost Sharing:**

Plans that use coinsurance may not impose enrollee cost sharing amounts that exceed 50% for in and out of network benefits. There is no restriction on the differential of the coinsurance level between in and out of network benefits.

**Questions**

Please contact the Insurance Department Life and Health Division at [cid.lh@ct.gov](mailto:cid.lh@ct.gov) with any questions.

A handwritten signature in blue ink that reads "Katharine L. Wade". The signature is written in a cursive style and is positioned above a horizontal line.

Katharine L. Wade  
Insurance Commissioner