

# STATE OF CONNECTICUT

## INSURANCE DEPARTMENT

**BULLETIN NO. HC-90-18**  
**JANUARY 31, 2018**

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

**RE: FILING REQUIREMENTS FOR INDIVIDUAL AND SMALL EMPLOYER GROUP HEALTH INSURANCE POLICIES SUBJECT TO THE AFFORDABLE CARE ACT (ACA)**

These requirements pertain to filings for non-grandfathered policies sold by carriers in the individual and small group markets. This includes carriers that are participating in the Connecticut Health Insurance Exchange, doing business as Access Health CT (AHCT), as well as to carriers that are not participating in AHCT. The requirements are for plan years beginning January 1, 2019.

### **Essential Health Benefit Plans**

All plans in the individual and small employer group markets both inside and outside of the exchange are required to provide coverage for the essential health benefits. Information regarding the selected benchmark plan can be found at <https://www.cms.gov/CCIIO/Resources/Data-Resources/ehb.html#Connecticut>.

### **Form Filings**

CID requires that complete contracts be filed for the initial filing of all fully ACA compliant individual and small group policies or certificates issued on or after January 1, 2014 both in and out of AHCT. Subsequent changes to approved policies or certificates may be filed as endorsements or amendatory riders. Where appropriate, a red-lined version should be part of the filing submission. The cover letter should clearly indicate the types of changes being made.

All form filing submissions for plans offered in the individual and small group markets whether on or off of the exchange must be submitted no later than July 16, 2018. This date is the same deadline as for rate filing submissions for all individual and small group plans to be offered in

Connecticut in 2019. Any plans that are not approved prior to open enrollment are subject to a continual open enrollment period. Although priority may be provided for exchange filings to meet any required federal deadlines, filings will otherwise be reviewed in the order received.

The cover letter should clearly indicate which plans are to be offered on the exchange. Such carriers are no longer required to make a separate filing for the plans offered off exchange. Carriers that participate in the exchange must make all exchange plans available outside of the exchange at the same premium rate, benefits, network and administrative expense levels in accordance with section 2702 of the ACA and associated regulations. These plans are not required to be actively marketed, but must be made available if requested.

This year the schedule of benefits must be submitted in the format designated by the Department, and available on SERFF. Schedules should not contain variable language and must limit pages to information required in the format provided by the Department. The Department has also established a preferred format for the certificate to assist in expediting the review process. The preferred format for the certificates will also be available on SERFF. All submissions must be submitted with the required schedule format or they will be disapproved without review. Once resubmitted in the proper format they will be processed in the order they were received. Any previously approved language should be put into the preferred format and then changes to any language other than formatting must be redlined. If forms are not submitted in the preferred certificate format, carriers must cross reference where each section is included in their certificate by page number.

All form filings except schedules of benefits may be filed with variable language for plans offered both inside and outside of the exchange. A detailed explanation of variability must be included as part of the filing submission. Such explanation of variability shall include the full range of options a carrier plans to offer including any variations in contract language that may apply. A schedule of benefits must be filed for each plan option to be offered. Variable language will be allowed only for references to coverage for American Indians and for options to include or exclude abortion coverage. Since the Uniform Rate Review Template (URRT) included with the rate filing must detail specific plan options and provide the demonstration of adherence to the appropriate actuarial values, the form filing no longer needs to provide any certification or demonstration of compliance with the various metal tiers. The form filing should, however, contain a cross reference to the HIOS identifier included in the URRT, so the form filing can be matched up to the rate filings.

### **Rate Filings**

Rate filings should be made in accordance with Bulletin HC 81-18 regarding rate filing submission requirements, Bulletin HC-88 regarding association business if applicable, and Bulletin HC 106 regarding small group rate filings. Rate filings should be submitted no later than July 16, 2018 for all individual or small group plans to be offered beginning January 1, 2019. This includes filings for plans offered on or off of the exchange. No changes will be accepted after the July 16, 2018 submission, unless specifically requested by the Insurance Department. If the carrier finds an error in the filing, the carrier can submit a communication in

its SERFF filing describing the error and where it is located in the filing. A change in assumptions will not be viewed as an error. Generally, policy form and rate filings are not approved until the review of both submissions is complete. Conditional approval may be provided for one, subject to the approval of both submissions. In no circumstance can an unapproved rate or plan be offered during an open enrollment period. Once the rate filings are approved, carriers are not allowed to add or withdraw plans or products.

Rate filings must be made in accordance with all requirements of 45 CFR §147.102 regarding allowable rating factors with the exception of geographic rating areas and CGS 38a-567 for group rates and 38a-481 for individual rates. Connecticut has established 8 rating areas by county for both the individual and small group markets.

### **Semi-Annual Filings for Small Group Rates**

Pursuant to federal guidance, small employer carriers are allowed to file rates no more often than quarterly. (See Final Rule of the Centers for Medicare & Medicaid Services, U.S. Department of Health and Human Services, 78 FR 65096, (Sec.156.80), Oct. 30, 2013.) This bulletin provides the criteria under which small employer carriers, as defined in C.G.S. 38a-564(12) amended by Public Act No. 15-247 §17, may file a semi-annual rate filing for the small employer market.

- An annual filing is still due in accordance with the timeframes set each year by the Commissioner.
- A semi-annual filing must be received no later than March 1.
- No changes to the filing may be made after March 1 unless requested by the Insurance Department.
- A semi-annual filing may only change rates for the third and fourth quarters of the current calendar year.
- A semi-annual filing may only reflect changes in trend or network contracting.
- New benefit designs are not permitted to be filed mid-year.
- Pricing assumptions other than trend and network changes shall be consistent with the annual filing. Revised quarterly trend or network factors shall be applied to previously approved first quarter rates in the annual filing.
- The semi-annual rate filing shall be consistent in content and format with the requirements of the annual rate filing.

### **Maximum Copayment Amounts**

Maximum copayment amounts can be found in Bulletin HC-109 on the Department's website at the following link.

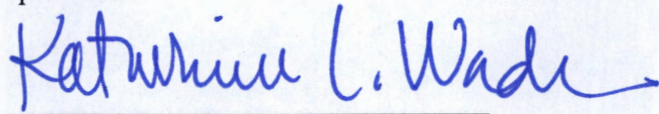
**<http://www.ct.gov/cid/lib/cid/HC-109-MaximumCostSharing.pdf>**

## **Formulary and Network Adequacy Filings**

In accordance with Bulletins HC-113-17 and HC-117-18, all plans that utilize formularies or networks are required to submit responses to the annual surveys that can be found on the Insurance Department website under the “Forms and Applications” tab.

## **Questions**

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



Katharine L. Wade  
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