



STATE OF CONNECTICUT

INSURANCE DEPARTMENT

BULLETIN No. HC-127

December 27, 2019

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

RE: REPEAL OF ANNUAL FEE ON HEALTH INSURANCE PROVIDERS

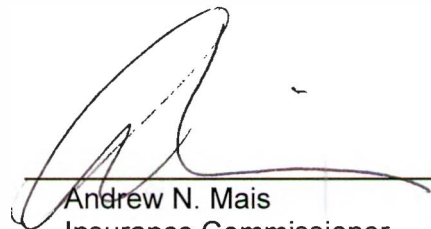
The Affordable Care Act created an annual fee on certain health insurance providers based on market share beginning in 2014. On December 20, 2019, H.R. 1865 of the 116th Congress was signed by the President and became Public Law No. 116-94. Section 502 of Division N of P.L. No. 116-94, repeals collection of the health insurance provider fee for calendar years beginning after December 31, 2020.¹

Insurance carriers have included a portion of the 2021 health insurance provider fee as part of the 2020 premium charged to employer groups with plan years beginning between January 1, 2020 and December 1, 2020. All carriers that have approved group rates for plan years beginning in 2020 are directed to refile such rates for second, third and fourth quarter of 2020 to remove the fee for the portion of the plan year in 2021. For groups with plan years beginning February 1, 2020 through March 31, 2020, carriers are directed to provide a credit or refund of the 2021 fee to the employer group in the 2020 plan year. Filings should be submitted no later than March 1, 2020.

Small employer carriers may include any additional rate changes requested for third and fourth quarter in accordance with Bulletin HC-106 in the March 1 rate filing submission.

Questions

Please contact the Insurance Department Life and Health Division at cid.lh@ct.gov with any questions.



Andrew N. Mais
Insurance Commissioner

¹ H.R. 1865-116th Congress (2019-2020), <https://www.congress.gov/bill/116th-congress/house-bill/1865/text?q=%7B%22search%22%3A%5B%22hr+1865%22%5D%7D&r=1&s=1>