



## State of Utah

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## Insurance Department

TODD E. KISER  
*Insurance Commissioner*

# BULLETIN 2015-2

TO: Health Insurers Offering Health Benefit Plans or Stand-Alone Dental Plans

FROM: Todd E. Kiser, Utah Insurance Commissioner

DATE: March 18, 2015

SUBJECT: **2016 Plan Year Requirements for Health Benefit Plans and Stand-Alone Dental Plan Filings Subject to PPACA**

This Bulletin pertains to filing requirements for insurers intending to offer health benefit plans or certified stand-alone dental plans in the 2016 plan or policy year. This information is for non-grandfathered health benefit plans and certified stand-alone dental plans in the individual or small employer markets. This Bulletin is applicable to insurers participating in the marketplace as well as to insurers that are not participating in the marketplace.

Utah will continue to offer individual plans in the Federally Facilitated Marketplace (FFM) and Avenue H, Utah's SHOP, for small employer plans. The Utah Insurance Department (Department) maintains all regulatory functions and oversight for plan management under these marketplace models.

### **Health Benefit Plan and Stand-Alone Dental Plans Filing Deadline**

It is the insurer's responsibility to assure that all filings are complete and compliant with all federal and state laws, regulations and standards. A submitted filing that does not comply with laws, regulations or standards will be rejected and not considered filed with the Department.

- **May 4, 2015** (No later than **8:00 AM MDT**): Deadline to file all 2016 individual plan binders, forms and rate filings, regardless of marketplace intentions.
- **May 11, 2015** (No later than **8:00 AM MDT**): Deadline to file all 2016 small employer plan binders, forms and rate filings, regardless of marketplace intentions.

## **Binder, Form and Rate Filing Guidance**

All filings are required to be submitted through SERFF. New templates for 2016 must be filed, even if no changes to plans are being made.

A binder, a form filing, and a rate filing, must be submitted simultaneously as instructed below:

### **❖ Binders**

- A separate binder is required for each single risk pool; individual and small employer, health benefit plan and stand-alone dental.
- The binder must include all products to be offered within a pool.

### **❖ Health Benefit Plan Form Filings**

- Health benefit plan form filings shall be submitted under separate SERFF tracking numbers for each metal tier. Do not include rate information in a form filing.
- Each form must be identified by a unique form number. Form numbers may not be variable.
  - ✓ If an insurer chooses to use a previously filed form, the filing description shall include the filed form number and the SERFF tracking number under which the form was submitted, including any updates.
- Form filings shall be referenced and linked in the binder.

### **❖ Health Benefit Plan Rate Filings**

- Health benefit plan rate filings shall be submitted under separate SERFF tracking numbers for each risk pool (individual or small employer) and not included in a form filing.
- Rate filings shall be referenced and linked in the binder.
- Pursuant to federal regulation, it is required that insurers submit the Uniform Rate Review template in the Health Insurance Oversight System (HIOS) simultaneously when submitting filings via SERFF, regardless of marketplace participation.
  - ✓ The deadline for an insurer to submit coincides with the filing deadline listed above.
  - ✓ The SERFF filing shall include documentation that confirms the HIOS filing.

### **❖ Stand-Along Dental Form and Rate Filings**

- Dental form **AND** rate filings shall be submitted as one filing for each market; individual and small employer.
- Each form must be identified by a unique form number. Form numbers may not be variable.
  - ✓ If an insurer chooses to use a previously filed form, the filing description shall include the filed form number and the SERFF tracking number under which the form was submitted, including any updates.
- Form and rate filings shall be referenced and linked in the binder.

The Department will utilize the standard templates, application review tools, Centers for Medicare and Medicaid Service's (CMS) 2016 Letter to Issuers, and other recommendations developed by CMS, unless referenced differently. Additional guidance may be found in SERFF's Plan Management General Instructions.

### **Small Employer Redefined**

Utah Code Annotated § 31A-1-301 defines a small employer as an employer who, with respect to a calendar year and to a plan year, employed at least one employee but not more than an average of 50 eligible employees on business days during the preceding calendar year; and employs at least one employee on the first day of the plan year. Effective January 1, 2016, Utah must adhere to the definition of a small employer in 45 CFR 144.103, which states, "Small employer means, in connection with a group health plan with respected to a calendar year and a plan year, an employer who employed an average of at least 1 but not more than 100 employees on business days during the preceding calendar year and who employs at least 1 employee on the first day of the plan year."

### **Geographic Rating Areas**

Utah's geographic rating areas are based on counties. Counties are assigned to the following areas:

- Area 1: Cache and Rich
- Area 2: Box Elder, Morgan, and Weber
- Area 3: Davis, Salt Lake, Summit, Tooele, and Wasatch
- Area 4: Utah
- Area 5: Iron and Washington
- Area 6: Beaver, Carbon, Daggett, Duchesne, Emery, Garfield, Grand, Juab, Kane, Millard, Piute, San Juan, Sanpete, Sevier, Uintah, and Wayne

### **Age Slope**

The Health Insurance Market Rules; Rate Review Final Rule, 45 CFR 147.102(e), allows a state to establish a uniform age rating curve within the ratio of 3:1. In 2013, Utah adopted an age slope that varies from the federal standard. The below Utah defined age slope is the only age slope to be utilized.

Age Band	Slope Factor	Age Band	Slope Factor	Age Band	Slope Factor
0-20	0.793	35	1.390	50	2.127
21	1.000	36	1.390	51	2.212
22	1.050	37	1.404	52	2.300
23	1.113	38	1.425	53	2.392
24	1.191	39	1.450	54	2.488
25	1.298	40	1.479	55	2.588
26	1.363	41	1.516	56	2.691
27	1.390	42	1.562	57	2.799
28	1.390	43	1.616	58	2.911
29	1.390	44	1.681	59	3.000
30	1.390	45	1.748	60	3.000
31	1.390	46	1.818	61	3.000
32	1.390	47	1.891	62	3.000
33	1.390	48	1.966	63	3.000
34	1.390	49	2.045	64	3.000



## Market Reform Rules and QHP & SADP Certification Requirements

General Filing Requirements	
<p><b>Federal Standard</b>            ACA §1002            ACA §1311            ACA §1341            42 USC § 18021            42 USC § 18022            42 USC § 18031            45 CFR 147.104            45 CFR 147.106            45 CFR 153.400            45 CFR 153.410            45 CFR 153.610            45 CFR 155 &amp; 156            CMS Guidance            Rules</p>	<p>An insurer shall:</p> <ol style="list-style-type: none"> <li>(1) comply with all market reforms and certification requirements on an ongoing basis;</li> <li>(2) ensure that each insurer complies with benefit design standards;</li> <li>(3) be licensed and in good standing to offer health insurance coverage in Utah;</li> <li>(4) implement and report on a quality improvement strategy or strategies consistent with the standards described within the ACA, disclose and report information on health care quality and outcomes as will later be defined by the Centers for Medicaid and Medicare Services (CMS), and implement appropriate enrollee satisfaction surveys as required by the ACA;</li> <li>(5) agrees to charge the same premium rate without regard to whether the plan is offered through a marketplace or whether the plan is offered directly from the insurer or through an agent;</li> <li>(6) pay any applicable user fees assessed;</li> <li>(7) participate in and comply with the standards related to the risk adjustment program;</li> <li>(8) notify customers of the effective date of coverage;</li> <li>(9) participate in initial and annual open enrollment periods, as well as special enrollment periods;</li> <li>(10) collect enrollment information, transmit such to a marketplace and reconcile enrollment files with the marketplace enrollment files monthly;</li> <li>(11) provide and maintain notice of termination of coverage. A standard policy shall be established and include a grace period for certain enrollees that is applied uniformly. Notice of payment delinquency shall be provided;</li> <li>(12) segregate funds if abortion is offered as a benefit, other than in the case of an abortion provided under the Hyde Amendment exception;</li> <li>(13) timely notify a marketplace if it plans to not seek recertification, fulfill coverage obligations through the end of the plan/benefit year, fulfill data reporting obligations from the last plan/benefit year, provide notice to enrollees, and terminate coverage for enrollees, providing written notice;</li> <li>(14) in the event that the QHP becomes decertified, terminate coverage after the notification to enrollees and after enrollees have had an opportunity to enroll in other coverage;</li> <li>(15) upon plan renewal, provide standardized notice to consumers using the HHS standard notice of renewal;</li> <li>(16) comply with market reform rules, including premium rating rules, guaranteed availability, guaranteed renewability, and single risk pool requirements;</li> <li>(17) per guaranteed availability, provide a matching benefit plan and price off of the marketplace for any plan certified as a QHP;</li> <li>(18) participate in the reinsurance program, including making reinsurance contributions and receiving reinsurance payments; and</li> <li>(19) meet all readability and accessibility standards.</li> </ol>
<p><b>State Standard</b></p>	<p>The Department will review binder filings, forms, and rate filings for compliance with federal and state laws and regulations.</p> <ol style="list-style-type: none"> <li>(1) Certification will be good for a period of one plan year. If an insurer wishes to continue offering a certain plan following that plan year, the insurer shall apply to have that plan recertified.</li> <li>(2) An insurer will uphold all state laws and regulations.</li> </ol>
Licensure and Solvency	
<p><b>Federal Standard</b>            45 CFR 156.200</p>	<p>An insurer shall be licensed and in good standing with the State.</p>
<p><b>State Standard</b></p>	<p>An insurer shall be licensed, meet state solvency requirements, have unrestricted authority to write its authorized lines of business, and have no outstanding sanctions in Utah in order to be considered “in good standing.” The Department is the sole source of a determination of whether an insurer is in good standing and may as part of that finding restrict the insurer’s ability to issue or renew existing coverage for an enrollee.</p>

Network Adequacy	
<b>Federal Standard</b> ACA § 2702c 45 CFR 155.1050 45 CFR 156.230 45 CFR 156.235	<p>An insurer shall ensure that a provider network for each of its plans is available to all enrollees, and:</p> <ul style="list-style-type: none"> <li>• includes essential community providers (ECP) in sufficient number and geographic distribution where available to ensure reasonable and timely access to a broad range of such providers for low income and medically underserved individuals in QHP service area. This shall be instituted utilizing CMS established requirements for inclusion of ECPs in QHPs based on CMS’s Annual Letter to Issuers;</li> <li>• maintains a network that is sufficient in number and types of providers, including providers that specialize in mental health and substance use disorder treatment services, to assure that all services will be accessible without unreasonable delay; and</li> <li>• makes its provider directory available to the marketplace for publication online in accordance with guidance from the marketplace and to potential enrollees in hard copy upon request noting which providers are not accepting new patients.</li> </ul>
<b>State Standard</b>	<p>The Department requires an attestation and completion of submission standards that states the insurer in compliance with all network adequacy requirements, in addition to one of the following:</p> <ul style="list-style-type: none"> <li>• providing evidence that it has accreditation from an HHS approved accrediting organization that reviews network adequacy as a part of accreditation; or</li> <li>• provide sufficient information related to its policies and procedures to determine that the insurer’s network meets the minimum federal requirements.</li> </ul> <p>For health benefit plans, the insurer must comply with Utah Code Annotated §31A-8-501.</p>
Accreditation	
<b>Federal Standard</b> 45 CFR 155.1045 45 CFR 156.275	<p>(1) Insurers shall maintain accreditation on the basis of local performance in the following categories by an accrediting entity recognized by HHS: clinical quality measures, such as the HEDIS; patient experience ratings on a standardized CAHPS survey; consumer access; utilization management; quality assurance; provider credentialing; complaints and appeals; network adequacy and access; and patient information programs.</p> <p>(2) Insurers without existing commercial or marketplace health plan accreditation, from HHS recognized accrediting entities, shall schedule an accreditation review during their first year of certification and receive accreditation on the insurer’s policies and procedures prior to their second year of certification.</p> <p>(3) Prior to the insurer’s fourth year of certification and in every subsequent year of certification, an insurer shall be accredited in accordance with 45 CFR 156.275.</p> <p>(4) Insurers will be required to authorize the release of their accreditation survey data and any official correspondence related to accreditation status to the Department.</p>
<b>State Standard</b>	<p>The Department will follow the federal requirements related to accreditation and will require the authorized release of all accreditation data. If the QHP insurer is not already accredited, an attestation that the insurer will schedule to become accredited on policies and procedures in the plan types used, and provide proof of such accreditation, on policies and procedures prior to submission of any application for recertification.</p>
Service Area	
<b>Federal Standard</b> 45 CFR 155.1055	<p>Service area is the geographic area in which an individual shall reside or be employed in order to enroll in a plan. An insurer shall specify what service areas it will be utilizing. The service area shall be established without regard to racial, ethnic, language or health status related factors or other factors that exclude specific high utilization, high cost or medically underserved populations.</p>
<b>State Standard</b>	<p>The insurer may choose their service area as long as the service areas are not smaller than a county. Changes in service area will not be permitted except in limited circumstances such as to address limitations in provider contracting, expansions at the request of the state, or to address data error in the insurer’s initial service area template.</p>



Rating Area	
<b>Federal Standard</b> 45 CFR 156.255	PPACA defines a “rating area” as a geographic area established by a state that provides boundaries by which insurers can adjust premiums.
<b>State Standard</b>	The Department has adopted a configuration of six rating areas to be utilized in Utah. An insurer’s service area may contain more than one rating area, thus an insurer may offer plans with a statewide service area while modifying rates based on allowed rating areas within that service area.
Quality Improvement	
<b>Federal Standard</b> ACA §1311 ACA §2717 45 CFR 156.20 45 CFR 156.200 45 CFR 156.275 45 CFR 156.1120	An insurer shall implement and report on a quality improvement strategy or strategies consistent with standards of the PPACA to disclose and report information on healthcare quality and outcomes and implement appropriate enrollee satisfaction surveys which include but are not limited to the implementation of: <ul style="list-style-type: none"> <li>• a payment structure for health care providers that provides incentives for improving health outcomes through the implementation of activities that shall include quality reporting, effective case management, care coordination, chronic disease management, medication and care compliance initiatives, including through the use of the medical home model, for treatment or services under the plan or coverage;</li> <li>• activities to prevent hospital readmissions through a comprehensive program for hospital discharge that includes patient centered education and counseling, comprehensive discharge planning, and cost discharge reinforcement by an appropriate health care professional;</li> <li>• activities to improve patient safety and reduce medical errors through the appropriate use of best clinical practices, evidence based medicine, and health information technology under the plan or coverage;</li> <li>• wellness and health promotion activities; and</li> <li>• activities to reduce health and health care disparities, including through the use of language services, community outreach, and cultural competency trainings.</li> </ul>
<b>State Standard</b>	The Department will require an attestation of compliance with quality improvement standards and regulatory requirements outlined in CMS’s Annual Letter to Issuers.
General Offering Requirements	
<b>Federal Standard</b> 42 USC § 18022 45 CFR 147.120 45 CFR 147.126 45 CFR 147.138 45 CFR 155 & 156 CMS Guidance Rules	<p>(1) An insurer shall offer at least one QHP in the silver coverage level, at least one QHP in the gold coverage level, include a child-only plan at the same level of coverage as any QHP offered through either the individual marketplace or SHOP to individuals who, as of the beginning of the plan year, have not attained the age of 21. This requirement may also be met by submitting an attestation that there is no substantive difference between having a child-only plan and issuing child only policies, and that the insurer will accept child only enrollees.</p> <p>(2) Catastrophic plans can be sold to individuals that have not attained the age of 30 before the beginning of the plan year; or an individual who has a certification in effect for any plan year exempt from the Shared Responsibility Payment by reason of lack of affordable coverage or hardship. If offered, Catastrophic Plans are offered only in the individual marketplace and <b>not</b> in the SHOP.</p> <p>(3) All QHP offerings by an insurer, excluding a stand-alone dental insurer, on a single metal tier shall show a meaningful difference between the plans and comply with standards in the best interest of the consumer.</p> <p>(4) Pediatric benefits shall be provided until the end of the month in which the enrollee turns 19. Including pediatric dental and vision benefits.</p> <p>(5) Emergency services shall be covered with no prior authorization, no limitation to participating or in-network providers. Emergency services shall be covered at in-network cost-sharing level.</p> <p>(6) Insurers will be required to meet all annual limitations and cost sharing requirements without affecting the actuarial value of the plans within each of the metal tiers. The insurer shall demonstrate in an exhibit filed with the plan that annual out of pocket cost sharing under the plan does not exceed the limits established by federal regulations.</p>

	<p>(7) The insurer shall contain no lifetime limits on the dollar value of any Essential Health Benefits (EHB), including the specific benefits and services covered under the EHB-Benchmark Plan. Note that reasonable dollar limits for services are allowed, as long as there is no associated service or visit limit.</p> <p>(8) Insurers are required to accept premiums from Ryan White HIV/AIDS programs, Indian tribal organizations, and state and federal government programs.</p> <p>(9) All insurers shall comply with all federal and state laws related to rating rules, factors and tables used to determine rates. Such rates shall be based upon the analysis of the plan rating assumptions and rate increase justifications.</p>
<b>State Standard</b>	Specific rate and form filing requirements are found in SERFF, outlined in this Bulletin and Rule R590-220.
<b>Essential Health Benefits</b>	
<b>Federal Standard</b> 42 USC. § 18022 45 CFR 147.130 45 CFR 148.170 45 CFR 155.170 45 CFR 156.110 45 CFR 156.115 45 CFR 156.125 45 CFR 156.280	<p>(1) An insurer shall offer coverage that is substantially equal to the coverage offered by the state's base benchmark plan. This may be done by substituting benefits only if an insurer demonstrates actuarial value of the substituted benefits.</p> <p>(2) An insurer is not permitted to offer abortion coverage within their benefit plans except for meeting requirements of the Hyde Amendment. If the insurer chooses to offer abortion benefits covered as part of the Hyde Amendment exceptions, public funds may not be used to pay for these services. The insurer shall provide notice through its summary of benefits if such benefit is being made available.</p> <p>(3) An insurer shall cover preventive services without cost sharing requirements including deductibles, co-payments, and co-insurance. Covered preventive services include evidence-based items or services that have in effect a rating of A or B in the current recommendations of the United States Preventive Services Task Force (USPSTF); certain immunizations, screenings provided for in HRSA guidelines for infants, children, adolescents, and women (including compliance with standards related to benefits for and current recommendations of the USPSTF regarding breast cancer screening, mammography, and prevention).</p> <p>(4) Coverage for the medical treatment of mental illness and substance use disorder shall be provided under the same terms and conditions as that coverage provided for other illnesses and diseases.</p> <p>(5) Additional required benefits enacted by a state after December 2011, may be considered in excess of the essential health benefit.</p>
<b>State Standard</b>	<p>(1) The Department has adopted PEHP's 2012 Basic Plus Plan as the benchmark plan to set the essential health benefits for Utah.</p> <p>(2) Autism spectrum disorder is a mandated provision of a health benefit plan offered in the individual market on or after January 1, 2016, and shall provide coverage for the diagnosis and treatment of autism spectrum disorder pursuant to UCA § 31A-22-642. Pursuant to UCA § 31A-30-118, an insurer shall identify in the rate filing if the insurer will:</p> <ul style="list-style-type: none"> <li>• reduce the premiums charged; or</li> <li>• provide a premium rebate for the costs attributable to the benefits provided pursuant to the state mandated benefit.</li> </ul> <p>(3) Pursuant to UCA § 31A-22-726, a health benefit plan may not offer abortion coverage unless the coverage is a type of permitted abortion coverage.</p> <ul style="list-style-type: none"> <li>• A portion of this provision is outside of the Hyde Amendment and requires an insurer to segregate funds.</li> <li>• The Abortion Premium Segregation Attestation form shall be submitted with the binder.</li> <li>• Refer to the URR instructions for calculating and reporting the EHB percentage of total premium.</li> </ul> <p>(4) A detailed checklist of benefits included in the Utah state benchmark plan can be found in SERFF, Plan Management General Instructions.</p>



Essential Health Benefit Formulary Review	
<b>Federal Standard</b> 45 CFR 156.122 45 CFR 156.295	<p>(1) An insurer shall cover at least the greater of one drug in every U.S. Pharmacopeia Convention (USP) category and class or the same number of drugs in each category and class as the benchmark plan.</p> <p>(2) Insurers shall report data such as the following to HHS on prescription drug distribution and costs (paid by Pharmacy Benefit Management (PBM) or insurer): percentage of all prescriptions that were provided through retail pharmacies compared to mail order pharmacies; percentage of prescriptions for which a generic drug was available and dispensed compared to all drugs dispensed, broken down by pharmacy type; aggregate amount and type of rebates, discounts or price concessions that the insurer or its contracted PBM negotiates that are attributable to patient utilization and passed through to the insurer; total number of prescriptions that were dispensed; aggregate amount of the difference between the amount the insurer pays its contracted PBM and the amounts that the PBM pays retail pharmacies, and mail order pharmacies.</p>
<b>State Standard</b>	<p>The Department will require compliance with EHB formulary standards and drug exception process.</p>
Non-Discrimination Standards in Marketing and Benefit Design	
<b>Federal Standard</b> 42 USC § 300gg-3 45 CFR 148.180 45 CFR 155.1045 45 CFR 156.125 45 CFR 156.200 45 CFR 156.225	<p>(1) An insurer shall:</p> <ul style="list-style-type: none"> <li>• pass a review and an outlier analysis or other automated test to identify possible discriminatory benefits, including a review across multiple benefit categories that are associated with the treatment of specific medical conditions; and</li> <li>• refrain from:               <ul style="list-style-type: none"> <li>○ adjusting premiums based on genetic information;</li> <li>○ discriminating on the basis of race, color, national origin, disability, age, expected length of life, present or predicted disability, degree of medical dependency, quality of life, sex, gender identity, sexual orientation or other health conditions;</li> <li>○ utilizing any preexisting condition exclusions;</li> <li>○ requesting/requiring genetic testing;</li> <li>○ collecting genetic information from an individual prior to, or in connection with enrollment in a plan or at any time for underwriting purposes; and placing all or most drugs for a specific condition on the highest cost tiers.</li> </ul> </li> </ul> <p>(2) An insurer may not employ marketing practices or benefit designs that will have the effect of discouraging the enrollment of individuals with significant health needs.</p>
<b>State Standard</b>	<p>The insurer shall comply with all applicable laws and rules regarding marketing by a health insurance. Non-discrimination reviews will be conducted to identify outliers in benefit design, including prescription drugs, with regards to cost sharing, clinical appropriateness, and utilization management or step therapy.</p>
Actuarial Value	
<b>Federal Standard</b> 45 CFR 156.135 45 CFR 156.140 45 CFR 156.150	<p>Plans being offered at the various metal tiers, excluding catastrophic plans, shall meet the specified levels of actuarial value (or fall within the allowable variation):</p> <ul style="list-style-type: none"> <li>• Bronze plan: 60% (58 to 62%)</li> <li>• Silver plan: 70% (68 to 72%)</li> <li>• Gold plan: 80% (78 to 82%)</li> <li>• Platinum plan: 90% (88% to 92%)</li> </ul>
<b>State Standard</b>	<p>Insurers must comply with the federal AV standards. Compliance will be reviewed and the Department will require an attestation of compliance with actuarial value standards.</p>
Quality Rating Standards	
<b>Federal Standard</b> ACA 2794 45 CFR 156.200 45 CFR 156.1105	<p>(1) HHS intends to propose a phased approach to new quality reporting and display requirements for all marketplaces with reporting requirements related to all QHP insurers expected to start in 2016. HHS intends to support the calculation of the QHP-specific quality rating for all QHP insurers in all marketplaces. The results of such surveys and rating will be</p>

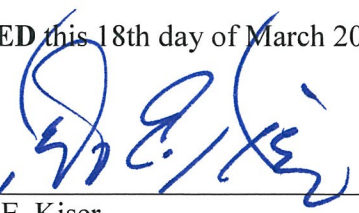


	<p>available to consumers. HHS intends to issue future rulemaking on quality reporting and disclosure requirements.</p> <p>(2) QHP insurers shall also provide plain language information/data on claims payment policies and practices, periodic financial disclosures, data on enrollment and disenrollment, number of denied claims, rating practices, cost-sharing and payments for out-of-network coverage, and enrollee rights shall be submitted to the marketplace, HHS, and the state insurance commissioner.</p>
<b>State Standard</b>	The Department will adopt the Quality Rating Standards as provided in federal guidance. Insurers are required to comply with UCA § 31A-22-613.5 and Rule R590-271.
<b>Rate Filing</b>	
<b>Federal Standard</b> 45 CFR 147.102 45 CFR 154.215 45 CFR 155.1020 45 CFR 156.80 45 CFR 156.210 45 CFR 156.255	<p>(1) Premiums may vary by geographic rating area. Geographic rate adjustments are determined based on the enrollee’s residential address, or the principle address of the employer in the SHOP. Premium rates for the same plan shall be the same inside and outside the marketplace.</p> <ul style="list-style-type: none"> <li>• Rating is allowed on a per member basis.</li> <li>• Premium rates may vary by individual/family, rating area, age (3:1), and tobacco use (1.5:1)</li> </ul> <p>(2) All rates filed in the individual market will be set for an entire plan year and cannot be changed during the year. Small employer quarterly index rate changes are subject to state approval and guidance.</p> <p>(3) Composite premiums, average enrollee premiums, are allowed in small employer as long as the plans meet specific requirements.</p> <p>(4) Outlier identification of rates will be conducted to identify rates that are relatively high or low compared to other rates in the same rating area. Identification of a rate as an outlier does not necessarily indicate inappropriate rate development.</p> <p>(5) A URRT is not applicable to SADP.</p>
<b>State Standard</b>	<p>(1) An insurer must comply with all federal and state laws and rules related to rating rules, factors and tables used to determine rates.</p> <p>(2) The Department will continue to effectuate its rate review program and will review all rate filings and rate increases for prior approval. Rate filing information shall be submitted with any rate increase justification prior to the implementation of an increase.</p> <p>(3) Utah has received HHS approval of a defined alternate tiered-composite rating methodology for small employer plans. The Utah alternate tiered-composite methodology as indicated in Bulletin 2015-4 is the only method allowed in Utah and must meet the following requirements:</p> <ul style="list-style-type: none"> <li>• composite premiums are offered in a four-tiered rating structure: employee, employee + spouse, employee + child(ren), employee + spouse + child(ren);</li> <li>• no additional tobacco load can be included in premiums. The tobacco rate must be the same as the non-tobacco rate for each age and geographic area combination;</li> <li>• composite option must be uniformly available to all small employer groups without regard to size;</li> <li>• rates shall be based on enrollment at the beginning of the plan year and may not vary until renewal;</li> <li>• composite rates for more than one plan shall be based on the entire enrollment of the small employer group; and</li> <li>• attest to the compliance of the alternate tiered-methodology in the rate filing.</li> </ul> <p>(4) The Department will consider small employer group quarterly index rate changes based on Bulletin 2015-3 and prior approval.</p>
<b>Plan Variations for Individuals Eligible for Cost Sharing</b>	
<b>Federal Standard</b> 45 CFR 155.1030 45 CFR 156.420	<p>(1) For plans in the individual market only, QHP insurers shall offer three silver plan cost-sharing variations, 73%, 87% and 94%. Silver plan variations shall have a reduced annual limitation on cost sharing, cost sharing requirements and AVs that meet the required levels within a de minimis range of ± 1%. Benefits, networks, non-EHB cost-sharing, out-of-</p>

	<p>network cost sharing, and premiums must be consistent with the corresponding standard silver plan.</p> <p>(2) All plans, except catastrophic plans, in the individual marketplace are required to include a zero cost sharing variation and a limited cost sharing variation.</p> <p>(3) The zero cost sharing variation plan is intended for Indians with income up to 300% FPL. Both in-network and out-of-network EHB cost sharing must be eliminated for the zero cost sharing plan variation. Out-of-network cost sharing for non-EHBs must be equivalent to the corresponding standard plan.</p> <p>(4) Limited cost sharing plans must be equivalent to the standard plan in all benefits and cost-sharing, except when the plan is used by an Indian enrolled in a QHP receiving services from an urban Indian organization or through referral under contract health services.</p> <p>(5) SADPs are excluded from cost-sharing reduction (CSR) requirements.</p>
<b>State Standard</b>	To ensure a consistent approach to cost sharing across all plan variations, the Department will require that all QHP insurers conform to prescribed cost sharing amounts. An attestation of compliance will be required with plan variation standards.
<b>Stand Alone Dental Plans (SADP)</b>	
<b>Federal Standard</b> ACA 2791 45 CFR 155 & 156 45 CFR 155.1065 45 CFR 156.150 45 CFR 156.440	<p>(1) SADPs must meet the same QHP certification standards as a health benefit plan unless noted in the above sections. Additionally, SADPs are not subject to the insurance market reform provisions of PPACA, such as guaranteed availability and renewability of coverage.</p> <p>(2) SADPs must submit plans at either the low actuarial value (70%) or high actuarial value (85%). SADPs are not required to submit both low and high AV plans.</p> <p>(3) SADPs must demonstrate they have a reasonable annual limitation on cost sharing for the pediatric EHB. "Reasonable" means any annual limitation on cost sharing that is at or below \$350 for a plan with one child enrollee, and at or below \$700 for a plan with two or more child enrollees.</p> <p>(4) SADPs intended to be utilized outside the marketplace only, to supplement a health benefit plan to comply with federal requirement of offering all 10 EHBs, must follow the marketplace certification filing process as described within this Bulletin.</p>
<b>State Standard</b>	SADPs must comply with the Utah EHB benchmark plan that has the following as pediatric dental EHB services; oral examinations, cleanings, fluoride, sealants and x-rays.

If you have any questions or comments, please call the Health and Life Division at 801-538-3077 or email us at [health.uid@utah.gov](mailto:health.uid@utah.gov).

DATED this 18th day of March 2015.

  
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 Todd E. Kiser  
 Insurance Commissioner