



**State of Utah**

GARY R. HERBERT  
*Governor*

SPENCER J. COX  
*Lieutenant Governor*

**Insurance Department**

TODD E. KISER  
*Insurance Commissioner*

**BULLETIN 2016-1**

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

**FROM:** Todd E. Kiser, Utah Insurance Commissioner

**DATE:** April 11, 2016

**SUBJECT:** **2017 Plan Year Requirements for Health Benefit Plan and Stand-Alone Dental Plan Filings Subject to PPACA**

This Bulletin applies to an insurer offering, a health benefit plan or a stand-alone dental plan (SADP) to an individual or small employer, on or off a PPACA marketplace. The Bulletin summarizes the 2017 state and federal benefit and filing requirements. Insurers must assure compliance with applicable state and federal laws and regulations; and the Department of Health and Human Services (HHS) 2017 Letter to Issuers in the Federally-facilitated Marketplaces and Notice of Benefit and Payment Parameters for 2017.

Utah will continue to participate in the Federally-facilitated Marketplace (FFM) for individual plans and Avenue H, Utah's Small Business Health Options Program (SHOP), for small employer plans. The Utah Insurance Department (Department) maintains all regulatory functions and oversight of plan management under these marketplace models.

**Filing Deadlines – Regardless of Marketplace Status**

**Health Benefit Plans:**

Form and rate submissions must be submitted in separate filings.

- Forms, binders, and associated documents
  - Individual - **May 2, 2016, 8:00 AM MDT**
  - Small Employer - **May 23, 2016, 8:00 AM MDT**
- Rates, revised Rate Data Template, and Unified Rate Review Parts I, II and III submission in Health Insurance Oversight System (HIOS)
  - **June 15, 2016, 8:00 AM MDT**

**Certified Stand-Alone Dental Plans:**

Form and rate submissions must be submitted in one filing.

- Forms, rates, binders, and associated documents
  - Individual - **May 2, 2016, 8:00 AM MDT**
  - Small Employer - **May 23, 2016, 8:00 AM MDT**

It is the insurer's responsibility to ensure 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, Utah Administrative Code (UAC) Rule R590-220-5.

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

Filings shall meet the requirements of UAC Rule R590-220. Product and plans shall be in compliance with the definition of a product and plan pursuant to 45 CFR 144.103. If a filing includes new or revised products and plans, supporting documentation and justification shall be included. An insurer is required to file a 2017 binder filing with all applicable templates, even if no changes to plans are being made.

A binder and corresponding form filings must be submitted within a week of each other but no later than the filing deadline listed above, and as instructed below:

#### **Binder Filings:**

- A separate binder is required for each single risk pool: individual health benefit plans; small employer health benefit plans; individual SADPs; and small employer SADPs.
- The binder must include all products offered within a pool.
- The rate template for health benefit plans shall reflect a best estimate until the rate filing deadline of June 15<sup>th</sup>.

#### **Health Benefit Plan Form Filings:**

- Do NOT submit rate information in a health benefit plan form filing.
- Form filings shall be submitted under separate SERFF tracking numbers based on each distinct **HIOS Product ID**. Each filing shall include all plans within the single product. Plans must share the same set of benefits and limits, but may differ in cost sharing.
  - Example. An issuer is offering two products: Product 001 and Product 002. Products 001 and 002 cover the same benefits, except that Product 001 also covers prosthetics. The issuer would file two form filings:
    - One form filing for Product 001 that includes all of the plans and metal tiers (including applicable cost sharing reduction variant plans) under the Product 001 benefit structure.
    - One form filing for Product 002 that includes all the plans and metal tiers (including applicable cost sharing reduction variant plans) under the Product 002 benefit structure.
- 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 filed updates to the originally filed form.
- Form filings shall be referenced and linked in the binder.

**Health Benefit Plan Rate Filings:**

- Do NOT submit forms in a health benefit plan rate filing.
- Rate filings shall be submitted under separate SERFF tracking numbers for each risk pool; individual or small employer.
- Pursuant to federal regulation, insurers must submit the Uniform Rate Review Parts I, II, and III in HIOS in succession of a SERFF filing (including any subsequent updates).
  - 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.
  - The HIOS filing shall include the SERFF tracking number for the rate filing in the field “Filing Tracking Number.”
- Rate filings shall be referenced and linked in the binder.

**Stand-Alone Dental Plan 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 and/or rate, the filing and binder shall include a note to reviewer advising that the form and/or rate will not be submitted and shall include the SERFF tracking number under which the form and/or rate filing was submitted, including any filed updates to the originally filed form and/or rate.
- Form and rate filings shall be referenced and linked in the binder.

The Department will utilize CCIIO’s standard templates, application review tools, 2017 Letter to Issuers, and may use other recommendations developed by CCIIO. Additional filing guidance may be found in SERFF’s Plan Management General Instructions.

**2017 Benchmark Plan**

Starting with the 2017 plan year, Utah’s Essential Health Benefits (EHB) plan is based on 2013 PEHP’s Basic Plus Plan. It is important to note that the 2013 PEHP Basic Plus Plan in effect on January 1, 2014, was issued on July 1, 2013. Therefore, the plan does not fully comply with 2014 PPACA market reforms. It is expected that insurers make appropriate adjustments for compliance with current state and federal laws. The EHB plan is posted online at [www.insurance.utah.gov/health/reform](http://www.insurance.utah.gov/health/reform).

The Plan and Benefits Template does not correctly list Utah’s state mandated benefits. An issuer must add these benefits to the template. A detailed checklist of benefits in the Utah EHB plan and mandated benefits is posted in SERFF’s Plan Management General Instructions.

**Eligible Employee Redefined**

During the 2016 General Session, HB36, Insurance Revisions, redefined an eligible employee. The definition now includes an owner who works on a full-time basis and has a normal work week of 30 or more hours.

**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	
<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	An insurer shall: (1) comply with all market reforms and certification requirements on an ongoing basis; (2) comply with benefit design standards; (3) be licensed and in good standing to offer health insurance coverage in Utah; (4) implement and report on a quality improvement strategy or strategies consistent with the standards described within the PPACA, disclose and report information on health care quality and outcomes as defined by the Centers for Medicaid and Medicare Services (CMS), and implement appropriate enrollee satisfaction surveys as required by the PPACA;

<p>45 CFR 153.410 45 CFR 153.610 45 CFR 155 &amp; 156 CMS Guidance Rules</p>	<p>(5) agree 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; (6) pay any applicable user fees assessed; (7) participate in and comply with the standards related to the risk adjustment program; (8) notify customers of the effective date of coverage; (9) participate in initial and annual open enrollment periods, as well as special enrollment periods; (10) collect enrollment information, transmit such to a marketplace and reconcile enrollment files with the marketplace enrollment files monthly; (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; (12) segregate funds if abortion is offered as a benefit, other than in the case of an abortion provided under the Hyde Amendment exception; (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; (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; (15) upon plan renewal, provide standardized notice to consumers using the HHS standard notice of renewal; (16) comply with market reform rules, including premium rating rules, guaranteed availability, guaranteed renewability, and single risk pool requirements; (17) per guaranteed availability, provide a matching benefit plan and price off of the marketplace for any plan certified as a QHP; (18) participate in the reinsurance program, including making reinsurance contributions and receiving reinsurance payments; and (19) meet all readability and accessibility standards.</p>
<p><b>State Standard</b></p>	<p>The Department will review binder, form, and rate filings for compliance with federal and state laws and regulations. (1) The Department provides a recommendation for certification to the marketplaces. Final certification is provided by the FFM for individual marketplace plans, and AvenueH for small employer marketplace plans. All plans must be recertified each year. (2) Exchange administrative user fees is set at 3.5% for the FFM; and \$12 for medical, \$2 for dental for Avenue H. (3) An insurer shall uphold all state laws and regulations.</p>
<p><b>Licensure and Solvency</b></p>	
<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 new coverage or renew existing coverage.</p>
<p><b>Network Adequacy</b></p>	
<p><b>Federal Standard</b> ACA § 2702c 45 CFR 155.1050 45 CFR 156.230 45 CFR 156.235</p>	<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</li> </ul>

	<p>area. This shall be instituted utilizing CMS established requirements for inclusion of ECPs in QHPs based on CMS’s Annual Letter to Issuers;</p> <ul style="list-style-type: none"> <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>(1) An insurer shall ensure that all plans, offered on or off marketplace, have an adequate provider network available for the geographic area(s) that a plan is offered.</p> <p>(2) The network must include a sufficient number and geographic distribution to ensure reasonable and timely access to a broad range of such providers in an insurer’s service area, maintain a network that is sufficient in number and types of providers, including providers that specialize in mental health and substance use disorder treatment services and pediatric appropriate services, to assure that all services are accessible without unreasonable delay.</p> <p>(3) A current provider directory shall be maintained which: indicates providers that are not accepting new patients; is available online to all enrollees including potential enrollees; and provide an enrollee a hard copy, upon request.</p> <p>(4) An insurer shall attest that it complies with all applicable network adequacy requirements.</p> <p>(5) An insurer offering marketplace plans shall include in their attestation one of the following:</p> <ul style="list-style-type: none"> <li>• provide 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>(6) Health benefit plans must comply with Utah Code Annotated UCA §31A-8-501.</p>
<b>Accreditation</b>	
<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>(1)The Department follows the federal requirements related to accreditation and requires the authorized release of all accreditation data.</p> <p>(2) A new insurer entering the marketplaces that is not already accredited, the Department requires an attestation that the insurer has entered into an accreditation process. Such accreditation must be completed prior to submission of any application for recertification. The Department may not re-certify an insurer who has not achieved appropriate accreditation upon application for recertification.</p> <p>(3) Accreditation shall be documented in the Company and Contact section of SERFF.</p>
<b>Service Area</b>	
<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</p>

	status related factors or other factors that exclude specific high utilization, high cost or medically underserved populations.
<b>State Standard</b>	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 and upon approval.
<b>Rating Area</b>	
<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.
<b>Quality Improvement</b>	
<b>Federal Standard</b> ACA §1311 ACA §2717 45 CFR 156.20 45 CFR 156.200 45 CFR 156.275 45 CFR 156.1130	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.
<b>General Offering Requirements</b>	
<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	(1) An insurer offering a health benefit plan shall offer at least one QHP in the silver coverage level, at least one QHP in the gold coverage level. (2) An insurer shall 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. (3) 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. A catastrophic plan may only be offered on the individual marketplace, <b>not</b> on the SHOP. (4) All health benefit plan QHP offerings shall show a meaningful difference between the plans within a single metal tier, and comply with standards in the best interest of the consumer.

	<p>(5) 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>(6) Emergency services shall be covered with no prior authorization and no limitation to participating or in-network providers. Emergency services shall be covered at in-network cost-sharing level.</p> <p>(7) An insurer 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. An 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>(8) 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>(9) Insurers are required to accept premiums from Ryan White HIV/AIDS programs, Indian tribal organizations, and state and federal government programs.</p> <p>(10) 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>	In addition to specific state and federal laws and rules, rate and form filing process requirements are included in SERFF's general instructions, outlined in this Bulletin, and UAC 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 comply with the federal Mental Health Parity and Addiction Equity Act (MHPAEA) and applicable federal regulations.</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) UAC Rule R590-266, Utah Essential Health Benefits Package, adopts PEHP's 2013 Basic Plus Plan as the EHB benchmark plan effective January 1, 2017.</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.</p> <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> </ul>

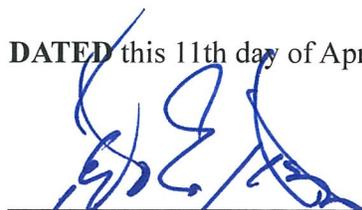
	<ul style="list-style-type: none"> <li>Refer to the URR instructions for calculating and reporting the EHB percentage of total premium.</li> </ul> <p>(4) The Plan and Benefits template does not correctly list the Utah's state mandated benefits. A detailed checklist of benefits in the Utah EHB plan and Utah's mandated benefits is posted in SERFF's Plan Management General Instructions.</p>
<b>Essential Health Benefit Formulary Review</b>	
<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) Utilizes a pharmacy and therapeutics (P&amp;T) committee.</p> <p>(3) 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> <p>(4) Implements standard, expedited, and external exception review processes.</p> <p>(5) Makes its formulary drug list URLs available and easily accessible in accordance with guidance from the marketplace and to potential enrollees.</p>
<b>State Standard</b>	The Department will require compliance with EHB formulary standards, clinical appropriateness, and drug exception process.
<b>Non-Discrimination Standards in Marketing and Benefit Design</b>	
<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>	The insurer shall comply with all applicable laws and regulations regarding marketing. Non-discrimination reviews may be conducted to identify outliers in benefit design, including prescription drugs, with regards to cost sharing, clinical appropriateness, utilization management or step therapy, and other marketing practices.
<b>Actuarial Value</b>	
<b>Federal Standard</b> 45 CFR 156.135 45 CFR 156.140	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): <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> </ul>

	<ul style="list-style-type: none"> <li>Platinum plan: 90% (88% to 92%)</li> </ul>
<b>State Standard</b>	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.
<b>Quality Rating Standards</b>	
<b>Federal Standard</b> ACA 2794 45 CFR 156.200 45 CFR 156.1105 45 CFR 156.1120 45 CFR 156.1125	<p>(1) HHS has implemented a quality reporting standard for all marketplaces with reporting requirements. All insurers that meet participation criteria shall comply with these standards and 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>	In addition to federal quality reporting requirements, insurers are required to comply with UCA § 31A-22-613.5 and UAC 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.</p> <p>(2) Premium rates for the same plan shall be the same on and off the marketplace.</p> <p>(3) Rating is allowed on a per member basis.</p> <p>(4) Premium rates may vary by individual/family, rating area, age (3:1), and tobacco use (1.5:1)</p> <p>(5) 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>(6) Composite premiums, average enrollee premiums, are allowed in small employer as long as the plans meet specific requirements.</p> <p>(7) 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>(8) A URRT is not applicable to a SADP.</p>
<b>State Standard</b>	<p>(1) An insurer must comply with all federal and state laws and regulations 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. Rate filing information shall be submitted with any rate increase justification prior to the implementation of an increase.</p> <p>(3) Utah has an approved 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>	

<p><b>Federal Standard</b> 45 CFR 155.1030 45 CFR 156.420</p>	<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 <math>\pm</math> 1%. Benefits, networks, non-EHB cost-sharing, out-of-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>
<p><b>State Standard</b></p>	<p>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.</p>
<p><b>Stand Alone Dental Plans (SADP)</b></p>	
<p><b>Federal Standard</b> ACA 2791 45 CFR 155 &amp; 156 45 CFR 155.1065 45 CFR 156.150 45 CFR 156.440</p>	<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>
<p><b>State Standard</b></p>	<p>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.</p>

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 11th day of April 2016.

  
 \_\_\_\_\_  
 Todd E. Kiser  
 Insurance Commissioner