



## State of Utah

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## Insurance Department

TODD E. KISER  
*Insurance Commissioner*

# BULLETIN 2020-7 ADDENDUM

**TO:** Health Insurers Offering Health Benefit Plans

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

**DATE:** June 10, 2020

**SUBJECT:** **2021 Plan Year Rate Filing Submission Requirements for Health Benefit Plans**

This Notice pertains to an insurer offering a health benefit plan and serves as an addendum to Bulletin 2020-7, “Plan Year 2021 Filing Requirements for Health Benefit Plans and Stand-Alone Dental Plans.”

The 2021 Notice of Benefit and Payment Parameters was finalized May 7, 2020 with updated filing timelines to better accommodate COVID-19 related assumptions. In an effort to allow additional flexibility to health insurers, the Utah Insurance Department (Department) offers the following clarification of Utah timelines and guidance for health benefit plan rate filings.

### **Rate Filing Deadlines:**

Rates, Rate Data Template, and Unified Rate Review Template (URRT) Parts I, II, and III, including the initial rate submission to Health Insurance Oversight System (HIOS) are as follows:

- Small Employer – **June 15, 2020**, no later than **10 a.m. MDT**
- Individual – **July 1, 2020**, no later than **10 a.m. MDT**
- Updated assumptions for Small Employer and Individual – **August 3, 2020**, no later than **10 a.m. MDT**
- HIOS Deadline for a revision to a rate submission to be considered an initial rate submission – **August 7, 2020**, no later than **3 p.m. MDT**
- HIOS Deadline for finalizing a rate submission – **August 26, 2020**, no later than **1 p.m. MDT**

The Department will post initial rate filing information on [healthrates.utah.gov](http://healthrates.utah.gov) on August 14, 2020, as required by the Centers for Medicare and Medicaid Services.

**Rate Filing Guidance:**

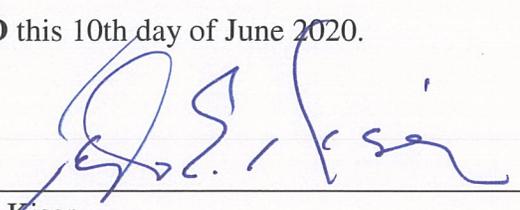
The rating assumptions related to COVID-19 are changing rapidly and are affected by current public policy decisions. Therefore, the initial rate filings due June 15, 2020 for small employer and July 1, 2020 for individual will be viewed as preliminary. We expect that health insurers will want to update rating assumptions as new data and information comes in. We will allow insurer driven changes to the rating assumptions up until August 3, 2020. Issuers are not required to update their rates, but are allowed that flexibility. Between August 3, 2020 and August 7, 2020, the Department will evaluate insurer assumptions and rates to determine if there are any market outliers or inconsistencies. After August 3, 2020, rate changes will be limited to those initiated by the Department. We anticipate very few allowed changes after August 7, 2020 which is the version of the rates that will be filed in HIOS and be publicly displayed on [healthrates.utah.gov](http://healthrates.utah.gov). One approach an insurer could take is to provide initial rates assuming no COVID-19 impact and then provide rates by Aug 3, 2020 with the COVID-19 impact. The actuarial memorandum should be clear about any limitations of the initial rate filing (with regard to COVID-19 assumptions) and indicate any intent to update them later.

In the rate filings, insurers should consider the impacts of delayed services, large claims, potential vaccines, antibody testing, and anything else that could affect the rates. We encourage you to consider resources from the Society of Actuaries, Academy of Actuaries, and the NAIC Health Actuarial Task Force when determining the COVID-19 impact. The actuarial memorandum should clearly explain *in detail* the impact of COVID-19 and describe the assumptions as they impact the proposed rates. If no consideration is given to COVID-19 impacts, the memorandum should include an explanation of why that is appropriate. Prior to the final rate deadline, Department may request that all carriers address a limited list of specific COVID-19 assumptions to better understand how these are viewed market wide. This will be handled in the rate review process through the System for Electronic Rate and Form Filings, SERFF.

We foresee that the legislature will want to know what impact COVID-19 had on the 2021 rates. We require that each carrier provide within the actuarial memorandum a single factor indicating the COVID-19 rating impact. This is similar to the factor we require showing the impact on the rates of not funding the cost sharing reduction (CSR). If there is interaction between the COVID-19 impact and the CSR non-funding impact, provide an explanation of how they interact and provide the COVID-19 and CSR factors with and without the interaction.

If you have any questions or comments, please call Jaakob Sundberg at 801-538-3865 or email him at [jsundberg@utah.gov](mailto:jsundberg@utah.gov).

**DATED** this 10th day of June 2020.

  
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Todd E. Kiser  
Insurance Commissioner