



South Carolina Department of Insurance

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MEMORANDUM

TO: All Insurers Licensed to Transact Accident and Health Insurance Business within the State of South Carolina and All South Carolina Licensed Health Maintenance Organizations

FROM: Kendall Buchanan
Deputy Director of Market and Consumer Services

SUBJECT: Guidance on Filing Timeline for 2015 Plans/ Policies Providing Health Insurance Coverage or Exchange-certified Stand-Alone Dental Coverage

DATE: April 24, 2014

I. PURPOSE

The purpose of this memorandum is to set forth filing timelines for issuers wishing to offer health insurance coverage or coverage of pediatric dental services under Exchange-certified Stand-alone Dental Plans pursuant to the Patient Protection and Affordable Care Act's (ACA) 2014 Market Reforms with plan or policy years beginning in calendar year 2015. Hereafter, these policies are referred to as 2015-compliant plans.

The South Carolina Department of Insurance (Department) conducted a thorough evaluation following the filing review period for 2014-compliant plans and identified a number of areas for improvement. This is the first in a series of guidance the Department plans to publish for issuers regarding 2015-compliant plans in response to this evaluation. The Department's goal is to streamline the filing process, eliminate unnecessary duplication, and encourage competition in the health insurance market for the benefit of South Carolina consumers. As such, the Department plans to issue guidance in future years regarding applicable timelines.

Issuers are strongly encouraged to check the Department's website frequently, particularly the LA&H webpage (<http://doi.sc.gov/431/Life-Accident-Health>), for updates and, further, to sign up for the Department's Bulletin's and Orders distribution list via the Notification Subscription tool (<http://doi.sc.gov/list.aspx>) to ensure timely receipt of subsequent guidance.

II. SCOPE AND APPLICABILITY

For purposes of this guidance, the terms "health insurance issuer," "health insurance coverage," "small group market," and "individual market" shall have the meaning set forth in South Carolina Code of Laws §38-71-670 and §38-71-840. The definition of individual market and small group market are as amended on October 18, 2011 (*see* Bulletin 2011-11).

This guidance applies to health insurance issuers offering 2015-compliant plans in the individual and small group markets with coverage effective dates on or after January 1, 2015 but no later than December 31, 2015. It, further, applies to issuers offering coverage for pediatric dental services that are seeking certification from the federal government as an Exchange-certified Stand-Alone Dental Plan (SADP) with coverage effective dates on or after January 1, 2015 but no later than December 31, 2015 in the individual or small group markets.

This guidance is not applicable to grandfathered health insurance coverage nor is it applicable to non-grandfathered health insurance coverage that does not comply with the 2014 Market Reforms, commonly referred to as “grandmothered” plans, that may be renewed under the transitional policy outlined in Bulletins 2013-12 (November 19, 2013), Addendum A to Bulletin 2013-12 (November 25, 2013), and Bulletin 2014-05 (April 14, 2014). It, further, does not apply to other types of excepted benefit plans that are not Exchange-certified SADPs.

III. FILING TIMELINES FOR 2015-COMPLIANT PLANS

While the State of South Carolina has a Federally-facilitated Exchange (FFE) and Federally-facilitated Small Business Health Options Program (FF-SHOP), this Department retains responsibility for the review and approval of forms and rates for the 2015-compliant plans sold on and off the FFE and FF-SHOP. The federal government, through the U.S. Department of Health and Human Services and, in the case of the Multi-State Plan Program, the Office of Personnel Management, is responsible for certifying Qualified Health Plans (QHPs) that will be sold through the FFE and FF-SHOP as well as Exchange-certified SADPs that will be sold on or off the FFE and FF-SHOP. These entities, however, defer to this Department for the review and approval of the forms and rates for such plans.

The federal timeline in the Center for Consumer Information and Insurance Oversight’s (CCIIO) 2015 Letter to Issuers in the Federally-facilitated Marketplace (March 14, 2014) provides a Deadline for Final Submission of QHP Application Data of September 4, 2014. Accordingly, this Department must complete its review of forms and rates for issuers seeking FFE or FF-SHOP certification by September 4, 2014. This federally-imposed deadline is the basis for the filing timeline detailed on the attached and summarized below.

We are requesting that issuers submit filings for 2015-compliant plans by the following dates:

Health Insurance Issuers Seeking FFE and/or FF-SHOP Certification for QHPs (excluding SADPs)

Submit Rate/ Form Filing in SERFF by:	June 4, 2014
Submit Binder in SERFF Plan Management by:	June 18, 2014
Disposition Deadline:	September 4, 2014

Issuers Seeking FFE and/or FF-SHOP Certification for SADPs

Submit Rate/ Form Filing in SERFF by:	June 18, 2014
Submit Binder in SERFF Plan Management by:	June 25, 2014
Disposition Deadline:	September 4, 2014

Health Insurance Issuers Writing Solely Off FFE Individual Health Insurance Coverage and/or Off FF-SHOP Small Group Health Insurance Coverage

Submit Rate/ Form Filing in SERFF by:	July 9, 2014
Submit Binder in SERFF Plan Management by:	July 23, 2014
Disposition Deadline:	Before Open Enrollment Begins

The Department prepared the attached timeline and included target dates surrounding the objection process in an effort to assist issuers in planning for the review process while simultaneously aiding the Department in managing its limited resources in an efficient manner. Given the volume and complexity of filings requiring review and the

need to dispose of filings in a timely fashion, the Department will grant extensions to the response date for issuer responses to Department objections in very limited circumstances.

Timely and complete submissions and responses by issuers to objections will greatly improve the process. It should be stressed that the Department cannot assure issuers that do not file by the dates above that we will have sufficient time to complete the review process in advance of the federal deadline or, alternatively, in advance of the open enrollment period. If an issuer does not submit their filing(s) and/or binder(s) by the indicated date and the Department is unable to complete the review process in advance of the start of the open enrollment period, issuers will be required to comply with the ACA's guarantee issue requirements for the entire 2015 calendar year. Please note that the federal government only permits a limitation of the guarantee issue period to those issuers that participate in the full open enrollment period as established by HHS.

IV. FILING REQUIREMENTS

Issuers must submit their forms and rates together in a single SERFF filing for the given market segment (i.e., individual or small group) using the Form/Rate filing type and, further, must submit the necessary forms and rates for all of their 2015-compliant plans in a given market segment in a single filing. Separate filings will not be permitted as it creates redundancy and inefficiency in the filing review process; separate filings will not be reviewed by this Department and will be disapproved.

If an issuer had forms approved for 2014-compliant plans and seeks to continue to utilize these forms in such a manner that no form filing is needed, the issuer should make their submission utilizing the Rate filing type, noting the use of previously approved forms in the Filing Description along with the applicable state tracking number. In these circumstances, issuers are strongly encouraged to submit copies of the previously approved forms under the Supporting Documentation tab as a reference to expedite the Department's review of the filing.

Issuers are advised that, unless superseded by this memorandum or subsequent guidance, the standards and filing requirements set forth in Bulletin 2013-01 (April 5, 2013) and Bulletin 2013-04 (April 29, 2013) continue to remain in effect as applicable.

VIII. QUESTIONS

Questions regarding this bulletin should be submitted via email to lahmail@doi.sc.gov and include the company name and primary point of contact (with phone number and email address) for follow up.

SCDOI Submission Timeline for 2015-Compliant Plans

	<u>Major Medical</u>			<u>Major Medical</u>			<u>Stand Alone Dental Plans</u>		
	On Exchange/ On and Off Exchange <i>If any plans will be on Exchange in Market Segment</i>			Off Exchange <i>If all plans are outside of Exchange in Market Segment</i>			Exchange-Certified SADPs <i>Regardless of whether they are on or off Exchange</i>		
<u>Filing Timeline</u>	Individual	Small Group	Target Date	Individual	Small Group	Target Date	Individual	Small Group	Target Date
Must Be Filed By:	6/4/14	6/4/14	6/4/14	7/9/14	7/9/14	7/9/14	6/18/14	6/18/14	6/18/14
<u>Objection/Response Letters</u>									
First (1st) Objection Letter Sent	2 weeks after filing submitted	2 weeks after filing submitted	6/18/14	2 weeks after filing submitted	2 weeks after filing submitted	7/23/14	1 week after filing submitted	1 week after filing submitted	6/25/14
First (1st) Response Letter Due	2 weeks after objection letter sent	2 weeks after objection letter sent	7/2/14	2 weeks after objection letter sent	2 weeks after objection letter sent	8/6/14	2 weeks after objection letter sent	2 weeks after objection letter sent	7/9/14
Second (2nd) Objection Letter Sent	2 weeks after response to 1st objection received	2 weeks after response to 1st objection received	7/16/14	2 weeks after response to 1st objection received	2 weeks after response to 1st objection received	8/20/14	1 week after response to 1st objection received	1 week after response to 1st objection received	7/16/14
Second (2nd) Response Letter Due	2 weeks after 2nd objection letter sent	2 weeks after 2nd objection letter sent	7/30/14	2 weeks after 2nd objection letter sent	2 weeks after 2nd objection letter sent	9/3/14	2 weeks after 2nd objection letter sent	2 weeks after 2nd objection letter sent	7/30/14
Third (3rd) Objection Letter Sent	2 weeks after response to 2nd objection received	2 weeks after response to 2nd objection received	8/13/14	2 weeks after response to 2nd objection received	2 weeks after response to 2nd objection received	9/17/14	2 weeks after response to 2nd objection received	2 weeks after response to 2nd objection received	8/13/14
Third (3rd) Response Letter Due	1 week after 3rd objection letter sent	1 week after 3rd objection letter sent	8/20/14	1 week after 3rd objection letter sent	1 week after 3rd objection letter sent	9/24/14	1 week after 3rd objection letter sent	1 week after 3rd objection letter sent	8/20/14
To Be Approved By:	9/4/14	9/4/14	8/28/14	10/4/14	10/4/14	9/29/14	9/4/14	9/4/14	8/28/14

***Extensions should only be granted in limited circumstances in order to meet target dates**

Note: carriers should submit one filing that includes rates and forms for a given market segment.

	<u>Major Medical</u>			<u>Major Medical</u>			<u>Stand Alone Dental Plans</u>		
	On Exchange and On and Off Exchange <i>If any plans will be on Exchange in Market Segment</i>			Off Exchange			(SADP)		
<u>Binder Timeline</u>	Individual	Small Group	Target Date	Individual	Small Group	Target Date	Individual	Small Group	Target Date
Must Be Filed With HIOS By:	5/27/2014 - 6/27/2014	5/27/2014 - 6/27/2014	6/18/14	n/a	n/a	n/a	5/27/2014 - 6/27/2014	5/27/2014 - 6/27/2014	6/25/14
Must Be Filed With SCDOI By:	6/18/14	6/18/14	6/18/14	7/23/14	7/23/14	7/23/14	6/25/14	6/25/14	6/25/14

Issuers should not file their binders in SERFF until all applicable HIOS validation steps have been completed (this should limit any resubmissions or corrections resulting from validations). When Binder is submitted, a Note to Reviewer in Form/Rate filing should be submitted with Serff Binder Number and date submitted. If validation is not completed by target date listed, carrier should advise DOI when validation will be completed and reason for delay. This should be done as a Note to Reviewer in Form/Rate filing.