

FAQ

Patient Protection and Affordable Care Act (PPACA)

1. If a company already complies with a PPACA requirement, do they have to file anything with the Department of Insurance?

Yes, please review the filing requirements listed in Bulletin 2010-04. The Uniform Compliance Summary provides for each category, including a description and page number. This, along with the Certification will confirm compliance.

2. What plans are considered grandfathered?

Plans that were in effect as of March 23, 2010 and have maintained their grandfathered status per regulation are considered grandfathered.

3. What immediate health insurance reforms affect grandfathered plans for form filing requirements?

Individual

Individual lifetime dollar limits on essential benefits
Prohibition of rescissions
Dependent coverage for children until age 26

Small/Large Group

Eliminate annual dollar limits on essential benefits
Eliminate lifetime dollar limits on essential benefits
Prohibition of rescissions
Dependent coverage for children until age 26
Eliminate pre-existing condition exclusions for enrollees under age 19

4. How should the changes to the grandfathered plans be submitted to the Department?

The changes should be made as amendments to the original product as specified in Bulletin 2010-04.

5. What are the plans effective March 24 through September 22, 2010 considered; grandfathered or non-grandfathered?

Non-grandfathered

6. What reforms affect the plans in effect March 24, 2010 through September 22, 2010?

All Immediate Market Reforms as specified in Bulletin 2010-04 that are required of all non-grandfathered plans apply to these.

7. Can the changes to the non-grandfathered plans be made via amendment or does a new product have to be filed?

A new product must be filed because a single product number cannot offer different coverages. A 'me-too' filing may be made with a new form # and the appropriate amendments.

8. What are the filing requirements for the prohibition of discrimination based on salary since it is not included on the Uniform Compliance Summary?

The same filing requirements as the other reforms must be adhered to. The category can be manually filled in. It applies to non-grandfathered group health plans.

9. What are the filing requirements with regard to the internal and external review processes?

Internal claims appeal process:

Grandfathered plans – No filing required.

Non-grandfathered plans – all plans – new product must incorporate Department of Labor's claims and appeals procedures.

External review:

Non-grandfathered plans – all plans – must meet current state law requirements.

(Department has until 7/1/2011 to adopt most recent model act at which time plans must comply with the new model act).

10. How will the rates be treated for the PPACA filings?

The current rating statutes apply. However, it is important to note that the new Medical Loss Ratio standards become effective January 1, 2011. These new standards must be reflected in new rate filings. Also, the Department of Health and Human Services is establishing guidelines to define 'unreasonable' rate increases. Additional filing requirements may be required when the new regulations are developed.