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LINDA RUTHARDT
COMMISSIONER OF INSURANCE

Bulletin No 99-04

To: **Commercial Health Insurers, and Health Maintenance Organizations (HMOs), and Blue Cross and Blue Shield of Massachusetts (BCBSMA)**

From: Commissioner Linda Ruthardt

Re: **Changes to Rating Requirements for Nongroup Health Insurance Plans**

Date: **August 23, 1999**

Chapter 61 of the Acts of 1999, in part, amended M.G.L. c. 176M, which governs guaranteed issue nongroup health insurance to eliminate the provision amending the allowable nongroup health insurance rating age rate adjustment bands that was to be effective for all nongroup guaranteed issue health plan rates effective December 1, 1999. This statutory change enables carriers to maintain a "2-to-1" age rate adjustment for nongroup coverage. As a result, carriers issuing or renewing guaranteed issue nongroup health insurance plans in the Commonwealth on or after December 1, 1999 may establish an age rate adjustment, but the value of the age rate adjustment may only range from "sixty-seven one-hundredths to one hundred and thirty-three one-hundredths."

This law also allows nongroup health insurance carriers to refile their rates if they wish to revise the rates for the sole purpose of maintaining a "2-to-1" age rate adjustment band on and after December 1, 1999. By statute, any carrier wishing to refile rates must submit them to the Division by September 2, 1999 - 15 days following the effective date of this statute.

This statute also allows for a postponement to the open enrollment period, provided that the open enrollment period begins no later than September 15, 1999. For the 1999 period only, the nongroup open enrollment period will extend between September 15, 1999 and November 15, 1999 for coverage that will be effective as of December 1, 1999. In all subsequent years, the open enrollment will revert to the period between September 1, 1999 and October 31, 1999.

If you have any questions regarding this bulletin, please call Kevin Beagan, Director of the Health Unit of the State Rating Bureau at (617) 521-7347.