Merged Market Rate Filing Overview

Massachusetts Division of Insurance

March 5, 2014 (updated)

Agenda

- Overview of DOI's rate filing requirements and process
  - What must be filed
  - How to file using SERFF
  - When rate filings are due
- Confidential Information
  - What type of information can be kept confidential
  - How confidential data should be submitted using SERFF
- Updates and Filing Guidance
- Next Steps

What information must be submitted

1. Actuarial Opinion
   - Standard documentation, including actuarial attestation
2. Chapter 288 Data Collection Tool
   - Data required pursuant to 211 CMR 66.09(3)(a) through (3)(l); 66.09(3)(n); and 66.09(4)
   - PDF and Excel versions must be submitted
   - Most recent version must be downloaded and completed
3. Rate file (http://www.mass.gov/ocabr/docs/doi/legal-hearings/211-66.pdf)
   - PDF addressing information required pursuant to 211 CMR 66.09 (m)
4. Part I Unified Rate Review Template
5. Part III Actuarial Memorandum

Data Collection Tool

- Data Collection Tool is updated regularly
  - Current version is 1.4
  - Carriers must access SERFF to download the most recent version, populate the tool, and upload the completed Data Collection Tool to SERFF
- Included in Data Collection Tool are Excel spreadsheets for data required to be submitted with each filing, per 211 CMR 66.09(3)(a) through 66.09(3)(j); 66.09(3)(n); and 66.09(4)

Data Collection Tool

The data collection Tool includes tabs for each of the following sections required to be submitter pursuant to 211 CMR 66.09:

a. Summary rate information for each product
b. Changes to cost-sharing and/or benefits for each product relative to the 12-month period prior to the effective date of the filed rates
c. Member months (by product) for each of the last 12 available months
d. Actual premium revenue PMPM for each of the last 12 months, projected premium revenue PMPM, and projected membership impacted by the rate increase
e. Fee-for-service claims payment and utilization experience (aggregate and normalized PMPM)

Data Collection Tool

f. Capitation or global payments (aggregate and normalized PMPM)
g. Other payments (aggregate and normalized PMPM)
h. Administrative expenses (aggregate and PMPM)
i. Contribution to surplus
j. 3-Year historic medical loss ratios

66.09(3)(n) – Premium increase normalized for rating factors

66.09(4) – Summary of tests for presumptive disapproval

Rate File

The rate file narrative should contain the following sections:

- 211 CMR 66.09(k) – Detailed description of cost containment programs

- 211 CMR 66.09(l) – Detailed description of bases for paying similarly situated providers different rates of reimbursement

- 211 CMR 66.09(m)
    1. Explanation of methodological changes in the development of rates, loads or factors
    2. Explanation of the development of claims completion factors
    3. Explanation of planned changes in methods of paying providers

Rate File

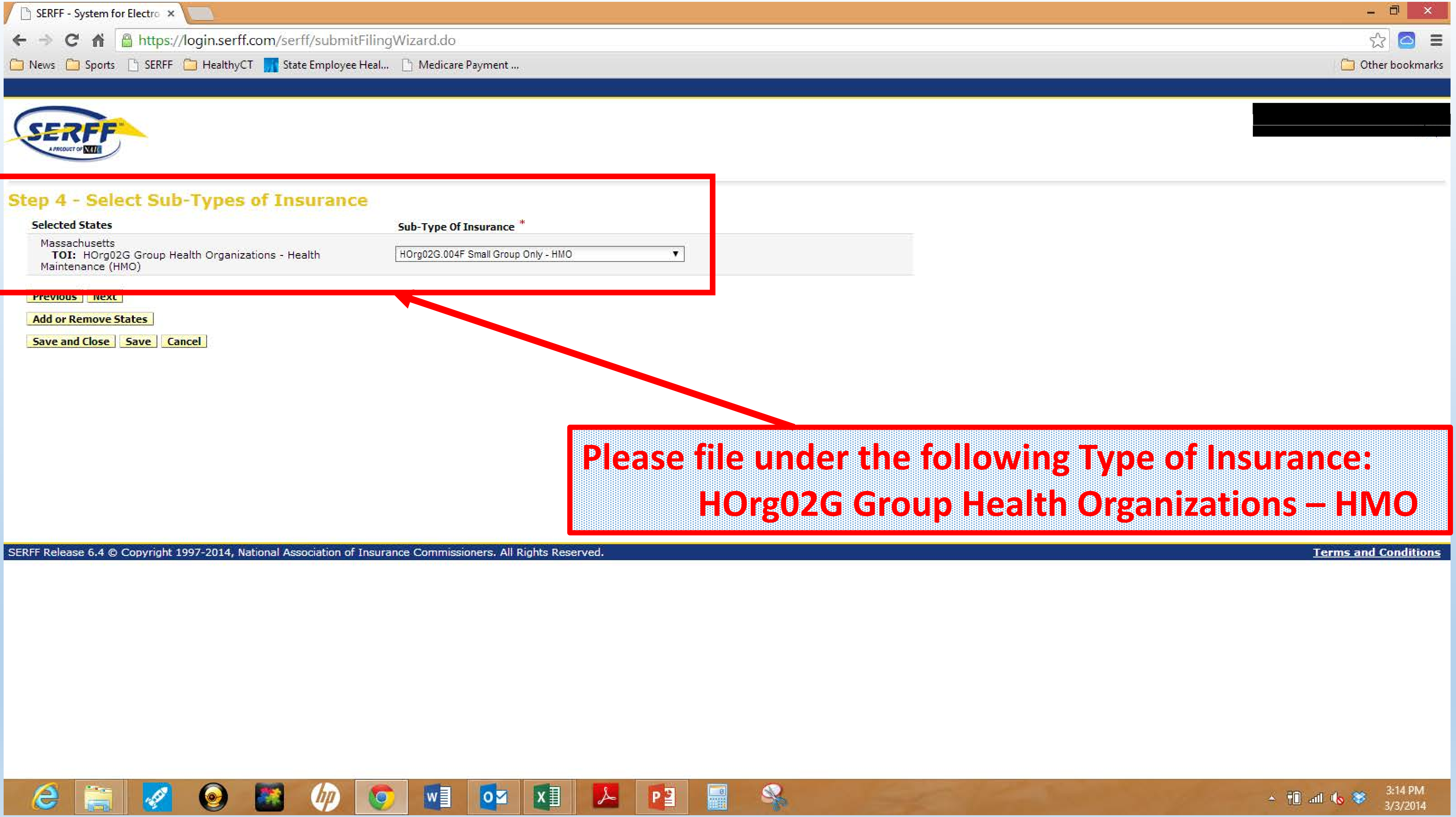
- 211 CMR 66.09(m)
    4. Benefit level rate adjustment factors methodology
    5. Rate adjustment factors methodology
    6. Credibility analyses
    7. Impact of over/under-estimates of medical trend on proposed rate
    8. Risk-based capital level
    9. Overall rate impacts

Part I Unified Rate Review Template (URRT) and Part III Memo

- Federal Rate Filing Requirements: Part I URRT and Part III Actuarial Memorandum
- The Part I URRT, Part I instructions and the Part III Actuarial Memorandum instructions have been recently modified
- Carriers should download the latest version, along with the instructions, from SERFF
- All carriers requesting a rate increase must file the updated Part I URRT & Part III Memo with their April and July 2014 rate filing submissions for 3Q and 4Q 2014
- All carriers participating on the Connector must file the updated Part I URRT & Part III Memo with their July 2014 rate filing submissions for 1Q 2015

Using SERFF to submit rate filings

- All rate filings must be submitted using the NAIC's SERFF system
- SERFF serves as the central point of communication and the central source of information for carries and the Division of Insurance
- Uploading the required documents under the appropriate tabs within SERFF will help improve the review process for carriers and for the DOI
- Screenshots on the following pages provide a high-level overview of where to submit data through SERFF


SERFF - System for Electro
https://login.serff.com/serff/submitFilingWizard.do
News
Sports
SERFF
HealthyCT
State Employee Heal...
Medicare Payment ...
Other bookmarks
SERFF
[redacted]
Step 4 - Select Sub-Types of Insurance
Selected States
Sub-Type Of Insurance *
Massachusetts
TOI: HOrg02G Group Health Organizations - Health Maintenance (HMO)
HOrg02G.004F Small Group Only - HMO
Previous
Next
Add or Remove States
Save and Close
Save
Cancel
Please file under the following Type of Insurance:
HOrg02G Group Health Organizations – HMO
SERFF Release 6.4 © Copyright 1997-2014, National Association of Insurance Commissioners. All Rights Reserved.
Terms and Conditions
3:14 PM
3/3/2014

SERFF - System for Electro

https://login.serff.com/serff/updateFilingView.do

Filing Type: Rate

Assigned To: Bela Gorman (primary), Mary Hosford, Dianna Welch, Charles DeWeese, Jenn Smagula, Tony Van Werkhooven

Date Submitted: 12/31/2013

State Filing Description:

State Status:

Co Tr Num:

Disposition Date:

General Information | Form Schedule | Rate/Rule Schedule | Supporting Documentation | Companies and Contact | Filing Fees | Filing Correspondence

Expand All | Collapse All

Schedule Item Status:

⊞ Annual Actuarial Opinion

⊞ Consumer Disclosure Form

⊞ HMO Rates

⊞ Updated Chapter 288 Data Collection Tool

⊞ Actuarial Memorandum and Certifications

[redacted]

⊞ Unified Rate Review Template

[redacted]

All PDFs and Excel files should be uploaded under the "Supporting Documentation" tab, and placed in the applicable sub-section

Icon Legend: - No Action Taken - Satisfied - Bypassed - User Added - Draft Schedule Item - Open Objection

Create Reminder | Move to Workfolder | PDF Pipeline

10:26 AM
2/6/2014

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Assigned To: Bela Gorman (primary), Mary Hosford, Dianna Welch, Charles DeWeese, Jenn Smagula, Tony Van Werkhooven

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General Information | Form Schedule | Rate/Rule Schedule | Supporting Documentation | Companies and Contact | Filing Fees | Filing Correspondence

Expand All | Collapse All

Schedule Item Status:

⊞ Annual Actuarial Opinion

⊞ Consumer Disclosure Form

⊞ HMO Rates

⊞ Updated Chapter 288 Data Collection Tool

⊞ Actuarial Memorandum and Certifications

[redacted]

⊞ Unified Rate Review Template

[redacted]

The Actuarial Opinion is a standard document that certifies that the carrier's rating methodologies and rates comply with state law (MGL c. 176J and 211 CMR 66.00) – *suspended pending revisions to the certification form*

Icon Legend: - No Action Taken - Satisfied - Bypassed - User Added - Draft Schedule Item - Open Objection

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2/6/2014

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Co Tr Num:

Disposition Date:

General Information | Form Schedule | Rate/Rule Schedule | Supporting Documentation | Companies and Contact | Filing Fees | Filing Correspondence

Expand All | Collapse All

Schedule Item Status:

⊞ Annual Actuarial Opinion

⊞ Consumer Disclosure Form

⊞ HMO Rates

⊞ Updated Chapter 288 Data Collection Tool

⊞ Actuarial Memorandum and Certifications

[redacted]

⊞ Unified Rate Review Template

[redacted]

The Consumer Disclosure Form is only required if rates exceed the "subject to review" threshold under Sec. 2794 of the PHSA and the federal rate review regulation (current threshold is 10%)

Icon Legend: - No Action Taken - Satisfied - Bypassed - User Added - Draft Schedule Item - Open Objection

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Filing Type: Rate

Assigned To: Bela Gorman (primary), Mary Hosford, Dianna Welch, Charles DeWeese, Jenn Smagula, Tony Van Werkhooven

Date Submitted: 12/31/2013

State Filing Description:

State Status:

Co Tr Num:

Disposition Date:

General Information | Form Schedule | Rate/Rule Schedule | Supporting Documentation | Companies and Contact | Filing Fees | Filing Correspondence

Expand All | Collapse All

Schedule Item Status:

⊞ Annual Actuarial Opinion

⊞ Consumer Disclosure Form

⊞ HMO Rates

The rate filing section should contain a detailed narrative (PDF) specified in 211 CMR 66.09

⊞ Updated Chapter 288 Data Collection Tool

⊞ Actuarial Memorandum and Certifications

[redacted]

⊞ Unified Rate Review Template

[redacted]

Icon Legend: - No Action Taken - Satisfied - Bypassed - User Added - Draft Schedule Item - Open Objection

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State Filing Description:

State Status:

Co Tr Num:

Disposition Date:

General Information | Form Schedule | Rate/Rule Schedule | Supporting Documentation | Companies and Contact | Filing Fees | Filing Correspondence

Expand All | Collapse All

Schedule Item Status:

⊞ Annual Actuarial Opinion

⊞ Consumer Disclosure Form

⊞ HMO Rates

⊞ Updated Chapter 288 Data Collection Tool

⊞ Actuarial Memorandum and Certifications

[redacted]

⊞ Unified Rate Review Template

[redacted]

Icon Legend: - No Action Taken - Satisfied - Bypassed - User Added - Draft Schedule Item - Open Objection

Ch. 288 Data Collection Tool is updated regularly. Carriers must download the current version (version 1.4), complete the data request, and upload the completed Data Collection Tool here

Create Reminder | Move to Workfolder | PDF Pipeline

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2/6/2014

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Filing Type: Rate

Assigned To: Bela Gorman (primary), Mary Hosford, Dianna Welch, Charles DeWeese, Jenn Smagula, Tony Van Werkhooven

Date Submitted: 12/31/2013

State Filing Description:

State Status:

Co Tr Num:

Disposition Date:

General Information | Form Schedule | Rate/Rule Schedule | Supporting Documentation | Companies and Contact | Filing Fees | Filing Correspondence

Expand All | Collapse All

Schedule Item Status:

⊞ Annual Actuarial Opinion

⊞ Consumer Disclosure Form

⊞ HMO Rates

⊞ Updated Chapter 288 Data Collection Tool

⊞ Actuarial Memorandum and Certifications

[redacted]

The Part III Actuarial Memorandum and Certifications – a federal requirement – should be uploaded here

⊞ Unified Rate Review Template

[redacted]

Icon Legend: - No Action Taken - Satisfied - Bypassed - User Added - Draft Schedule Item - Open Objection

Create Reminder | Move to Workfolder | PDF Pipeline

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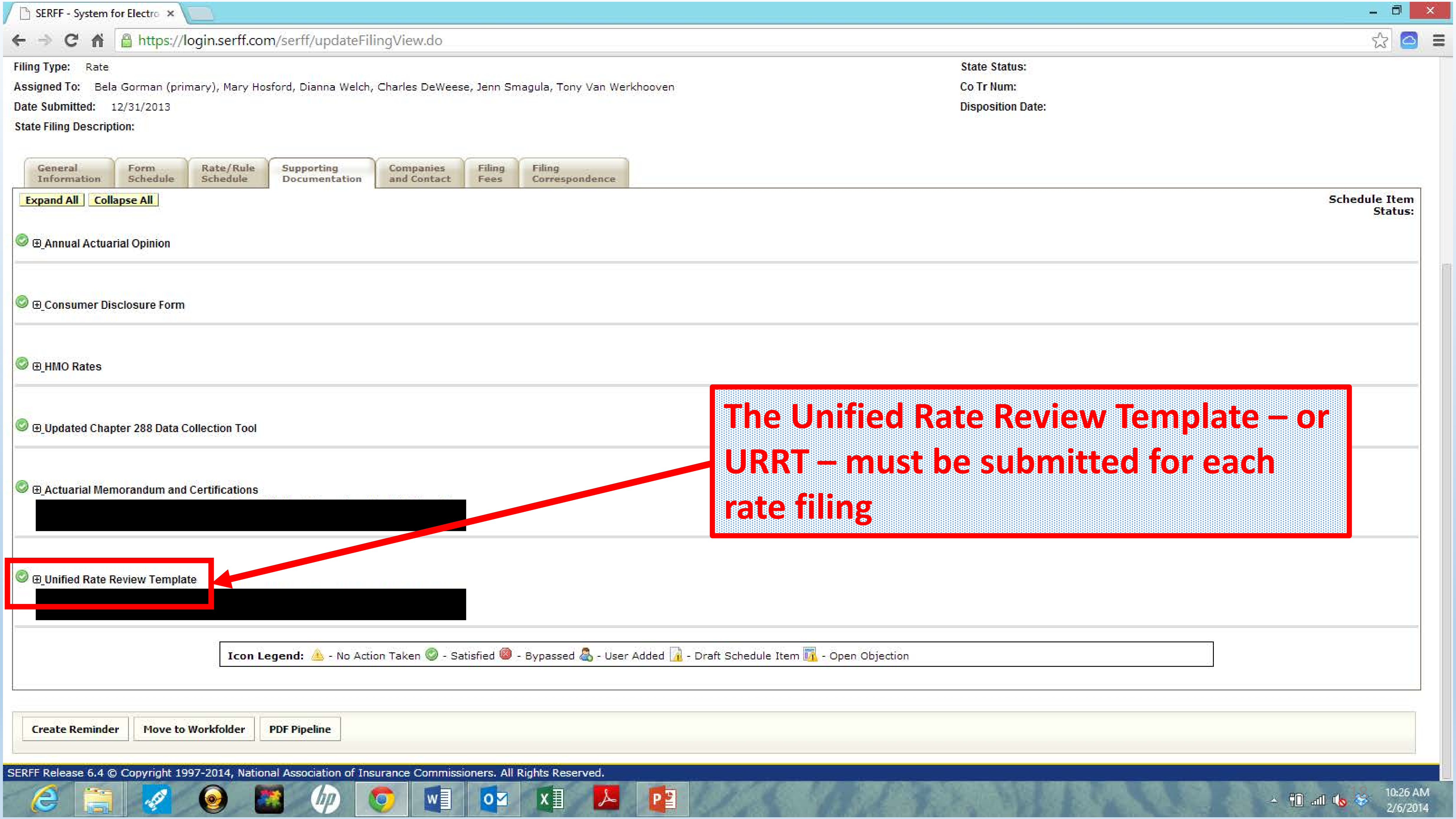
2/6/2014


https://login.serff.com/serff/updateFilingView.do
Filing Type: Rate
Assigned To: Bela Gorman (primary), Mary Hosford, Dianna Welch, Charles DeWeese, Jenn Smagula, Tony Van Werkhooven
Date Submitted: 12/31/2013
State Filing Description:
State Status:
Co Tr Num:
Disposition Date:
General Information
Form Schedule
Rate/Rule Schedule
Supporting Documentation
Companies and Contact
Filing Fees
Filing Correspondence
Expand All
Collapse All
Schedule Item Status:
Annual Actuarial Opinion
Consumer Disclosure Form
HMO Rates
Updated Chapter 288 Data Collection Tool
Actuarial Memorandum and Certifications
[redacted]
Unified Rate Review Template
[redacted]
The Unified Rate Review Template – or URRT – must be submitted for each rate filing
Icon Legend: - No Action Taken - Satisfied - Bypassed - User Added - Draft Schedule Item - Open Objection
Create Reminder
Move to Workfolder
PDF Pipeline
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Massachusetts

...ing Log

Requests for additional information from the DOI are uploaded to the "Filing Correspondence" tab, and carriers should respond using the same process. However,...

Filing Company [redacted]

TOI: H16G Group Health - Major Medical

Sub-TOI: H16G.003G Small Group Only - Other

Filing Type: Rate

Assigned To: Jenn Smagula (primary), Bela Gorman, Mary Hosford, Dianna Welch, Charles DeWeese, Tony Van Werkhooven

Date Submitted: 01/02/2014

State Filing Description:

General Information | Form Schedule | Rate/Rule Schedule | Supporting Documentation | Companies and Contact | Filing Fees | Filing Correspondence

Pending Objections

No Pending Objections

Objection Letters

Status	Created By	Created On	Date Submitted	Responded By	Response Created On	Response Submitted On
Pending Industry Response	Smagula, Jenn	01/29/2014	01/29/2014 05:59 AM	[redacted]	01/31/2014	01/31/2014 07:11 AM
Pending Industry Response	Smagula, Jenn	01/27/2014	01/27/2014 08:07 AM		01/28/2014	01/28/2014 08:32 AM
Pending Industry Response	Smagula, Jenn	01/23/2014	01/23/2014 06:06 AM		01/24/2014	01/24/2014 10:38 AM
Pending Industry Response	Smagula, Jenn	01/21/2014	01/21/2014 02:15 PM		01/24/2014	01/24/2014 10:19 AM
Pending Industry Response	Smagula, Jenn	01/14/2014	01/14/2014 03:31 PM		01/17/2014	01/17/2014 11:14 AM

Amendments

No Amendments

Post Submission Updates

Dispositions

No Dispositions

Filing Notes

Subject	Note Type	Created By	Created On	Submitted On	Submitted By
[redacted]	Note To Reviewer	[redacted]	02/05/2014	02/05/2014	[redacted]
	Note To Reviewer		02/03/2014	02/03/2014	
	Note To Reviewer		01/21/2014	01/21/2014	

Reminders

No Reminders

10:47 AM
2/6/2014

SERFF - System for Electro

https://login.serff.com/serff/updateFilingView.do

Updated Chapter 288 Data Collection Tool

Description

The changes address additional areas where fraud and abuse needed to be reflected and the CPI update to the Administrative Expense worksheet.

Chapter 288 Data Collection Tool_v1 2 12142012 (4).xlsx

Comment

Data collection tool tab N revised

Massachusetts Small Group Rate Filing Data Collection Tool 1-31-2014r.xlsx

Submitted

Date Submitted: 01/31/2014

Previous Version

Updated Chapter 288 Data Collection Tool

Description

The changes address additional areas where fraud and abuse needed to be reflected and the CPI update to the Admin

Chapter 288 Data Collection Tool_v1 2 12142012 (4).xlsx

Comment

Data collection tool tab N revised

Massachusetts Small Group Rate Filing Data Collection Tool 1-31-2014.xlsx

Submitted

Date Submitted: 01/31/2014

Updated Chapter 288 Data Collection Tool

Description

The changes address additional areas where fraud and abuse needed to be reflected and the CPI update to the

Chapter 288 Data Collection Tool_v1 2 12142012 (4).xlsx

Comment

Data collection tool attached revised for Reinsurance update. 1-29-14

Massachusetts Small Group Rate Filing Data Collection Tool 1-29-2014.xlsx

Submitted

Date Submitted: 01/29/2014

Updated Chapter 288 Data Collection Tool

Description

The changes address additional areas where fraud and abuse needed to be reflected and the CPI update to the Administrative Expense worksheet.

Chapter 288 Data Collection Tool_v1 2 12142012 (4).xlsx

Comment

Data collection tool attached revised for Reinsurance update. 1-24-14

Massachusetts Small Group Rate Filing Data Collection Tool 1-24-2014.xlsx

Submitted

Date Submitted: 01/24/2014

Updated Chapter 288 Data Collection Tool

Description

The changes address additional areas where fraud and abuse needed to be reflected and the CPI update to the Administrative Expense worksheet.

…revisions to the documents or spreadsheets should be uploaded to the appropriate section within the "Supporting Documentation" tab, not the "Filing Correspondence" tab. This ensures the carriers and the review team are accessing the latest versions, and provides a chronology for the DOI and the carrier.

10:45 AM
2/6/2014

SERFF - System for Electro ×

https://login.serff.com/serff/updateFilingView.do

News | Sports | SERFF | HealthyCT | State Employee Heal... | Medicare Payment ... | Other bookmarks

TOI: HOrg02G Group Health Organizations - Health Maintenance (HMO)

SERFF Status: Closed-Placed on File

Sub-TOI: HOrg02G.004F Small Group Only - HMO

Filing Type: Rate

Assigned To: Bela Gorman (primary), Mary Hosford, Dianna Welch, Charles DeWeese, Jenn Smagula, Tony Van Werkhooven

Date Submitted: 12/31/2013

State Filing Description:

Once rates are approved and FINAL, the FINAL rates should be uploaded to the "Rate/Rule Schedule" tab. The name given to the file should include the applicable quarter/year and the word "FINAL" in the file name.

General Information | Form Schedule | Rate/Rule Schedule | Supporting Documentation | Companies and Contact | Filing Fees | Filing Correspondence

The rate schedule has been marked public access.

Report Rate Filing to HHS?:

View/Edit Rate Justification

Filing Method:

Rate Change Type:

Overall Percentage of Last Rate Revision:

Effective Date of Last Rate Revision:

Filing Method of Last Filing:

Company Rate Information

Company Name:	Company Rate Change? *	Overall % Indicated Change:	Overall % Rate Impact:	Written Premium Change for this Program:	Number of Policy Holders Affected for this Program:	Written Premium for this Program:	Maximum % Change (where required):	Minimum % Change (where required):
[redacted]		%	%				%	%

View Rate Review Detail

Product Types:	HMO	PPO	EPO	POS	HSA	HDHP	FFS	Other
Number of Policy Holders: *	[redacted]							
Number of Covered Lives: *								

Item No.	Schedule Item Status	Document Name: *	Affected Form Numbers: (Separate with commas)	Rate Action: *	Rate Action Information:	Attach Document:	Submitted:

Icon Legend: - Draft Schedule Item - Open Objection - Complete Rate Review Detail - Incomplete Rate Review Detail

3:29 PM 3/3/2014

When rate filings are due

- For rates effective July – September 2014:
  - Rate filings are due no later than April 2, 2014
- For rates effective October – December 2014:
  - Rate filings are due no later than July 2, 2014
- For rates effective January - March 2015:
  - Rate filings are due no later than July 2, 2014

Confidentiality

- Confidential = Rating Factors and Provider Reimbursement details (only!)
- New category in SERFF within "Supporting Information" section to be entitled

  "Confidential: Rating Factors and Rates of Reimbursement"
- Carriers ensure that all confidential information is placed here (no public access)
- DOI ensures that only confidential information is placed here (no public access)

Updates and Filing Guidance

- The DOI plans to use SERFF as a central repository for applicable regulations, bulletins and guidance.

- In the meantime, regulatory bulletins are posted here:

http://www.mass.gov/ocabr/business/insurance/doi-regulatory-info/doi-regulatory-bulletins/

- Filing guidance can be found here:

http://www.mass.gov/ocabr/licensee/license-types/insurance/insurance-companies/policy-form-and-rate-filing/checklists.html

Next steps

- DOI is currently reviewing 211 CMR 66.00 to identify sections that need to be modified to align with new state and federal requirements
- DOI will be proposing revisions to the regulations in the coming months
- Because the actuarial certification contained in 211 CMR 66.00 is outdated, carriers are not required to use that actuarial certification for their April 2014 filings