

NEBRASKA

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DEPARTMENT OF INSURANCE



Pete Ricketts, Governor

COVER SHEET

CB-130 (Amended)
April 2, 2020

BULLETIN

SUBJECT: FILING GUIDANCE FOR INDIVIDUAL AND SMALL EMPLOYER MAJOR MEDICAL PLANS AND STAND-ALONE DENTAL PLANS IN NEBRASKA

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BULLETIN

SUBJECT: FILING GUIDANCE FOR INDIVIDUAL AND SMALL EMPLOYER MAJOR MEDICAL PLANS AND STAND-ALONE DENTAL PLANS IN NEBRASKA

This amended bulletin provides guidance for filers of individual, small group and stand-alone dental plans (SADP), offered on and off the Federal Facilitated Marketplace, that wish to issue or renew plans in Plan Year 2021.

Pursuant to the implementation of the Affordable Care Act (ACA), the federal government mandated rules for the rating and review of health insurance and stand-alone dental policies. The following information outlines the Nebraska Department of Insurance (Department) filing process and rating requirements allowed under ACA and subsequent regulations issued by the federal government. As in previous years, the Department will engage in "marketplace plan management".

The following dates and corresponding actions relate to plan year 2021. All dates may be subject to change, the Department will attempt to promptly post any revisions when they occur.

<u>Date</u>	<u>Action</u>
April 23, 2020	First day that initial QHP Application submissions will be accepted.
June 3, 2020	<p>Last day that issuers are allowed to submit their plan binder(s), templates and forms to the Department.</p> <p>This includes all QHP and Non-QHP Major Medical Plans in the Individual or Small Employer Marketplace, whether ON-Marketplace or OFF-Marketplace. Issuers must have HIOS and Carrier ID numbers.</p> <p>This includes SADP plans ON-Marketplace, and certified OFF-Marketplace. These SADPs must also submit rate filings by this date. OFF-Marketplace only non-certified SADPs are not subject to the ACA, and not subject to this Bulletin.</p> <p>For Major Medical Plans the Rate Filings, Rate Table Template (RTT) and Unified Rate Review Template (URRT) are NOT required to be included as part of this initial submission. See subsequent dates for when these are required to be provided.</p>

June 17, 2020	Final day for NDOI to submit QHP plans to CMS.
June 24, 2020	<p>Deadline for all issuers providing major medical coverage that includes a QHP in the Single Risk Pool Market (ON-Marketplace Individual or Small Group) to submit SERFF rate filings and Rate Table Templates (RTTs).</p> <p>Issuers must include the RTT in their SERFF binder. Issuers should submit the URRT via HIOS, and also in the SERFF rate filing and binder. The URR Module consists of the Part I URRT, the Part II Rate Filing Justification (RFJ) if applicable, and the Part III Actuarial Memorandum.</p> <p>Please note: while rates and forms are not made public by NDOI until a specified date after final approval, federal law and CMS activities can preempt Nebraska's approach. Public exposure of some rate information is expected to occur on July 31, 2020, as discussed below.</p>
July 15, 2020	<p>Deadline for all issuers providing Single Risk Pool major medical coverage that does not include a QHP to submit SERFF rate filings and rate table templates. This pertains to Individual and Small Group Issuers offering plans that are all strictly OFF-Marketplace.</p> <p>Issuers must include the RTT in their SERFF binder. Issuers should submit the URRT via HIOS, and also in the SERFF rate filing and binder. The URR Module consists of the Part I URRT, the Part II Rate Filing Justification (RFJ) if applicable, and the Part III Actuarial Memorandum.</p>
July 22, 2020	Final day for NDOI to submit all proposed rates to CMS for both QHP and Non-QHP plans, ON and OFF Marketplace.
July 31, 2020	CMS intends to publish proposed rate changes for comment. Nebraska will use the federal website for state publication purposes. Public access will be via a link to the rate information at: https://ratereview.healthcare.gov .
August 19, 2020	Final CMS deadline for issuer changes to QHP application. This includes all Individual and Small Employer Major Medical ON-Marketplace plans.
August 12 to 26, 2020	Issuers complete final plan confirmation, and submit final Plan ID Crosswalk Templates, in the PM Community.
September 15, 2020	CMS sends issuers QHP Certification Agreements.
September 23, 2020	<p>Deadline for Issuers to return signed Certification Agreements and Final Plan Crosswalks to CMS.</p> <p>States send CMS final plan recommendations.</p>

September 25, 2020	Final date for NDOI to close all Non-QHP only rate filings.
October 30, 2020	The target date for NDOI to release all ACA SERFF rate filings to be publicly viewable. Material within the filing that has been accepted as being "Trade Secret" is kept confidential and not publicly viewable. Target date on which CMS will post all final rate changes.
November 1, 2020	Open enrollment begins. Final rates are published by CMS.
December 15, 2020	Deadline to submit 2 nd Quarter 2021 rate adjustments, with rate filings and binders in SERFF for Small Group On and Off-Exchange plans. Also, URRTs must be submitted in HIOS by this date.
February 15, 2021	Deadline for 2 nd Quarter 2021 Small Group rate filings to be completed with final RTTs submitted to CMS, URRTs submitted in HIOS.
March 15, 2021	Deadline to submit 3 rd Quarter 2021 rate adjustments, with rate filings and binders in SERFF for Small Group On and Off-Exchange plans. Also, URRTs must be submitted in HIOS by this date.
May 15, 2021	Deadline for 3 rd Quarter 2021 Small Group rate filings to be completed with final RTTs submitted to CMS, URRTs submitted in HIOS.
June 15, 2021	Deadline to submit 4 th Quarter 2021 rate adjustments, with rate filings and binders in SERFF for Small Group On and Off-Exchange plans. Also, URRTs must be submitted in HIOS by this date.
August 15, 2021	Deadline for 4 th Quarter 2021 Small Group rate filings to be completed with final RTTs submitted to CMS, URRTs submitted in HIOS.

2021 ACA Individual Market Change from 3-Digit Zip Code Area Rating to County Based Area Rating:

The Nebraska DOI has received permission from CMS for Plan Year 2021 in the Individual Market to change the geographic rating methodology. Nebraska will use County based area factors which will replace the 3-digit zip code method that was used in plan year 2020 and prior. This change will NOT apply to the Small Employer Market in Nebraska, which will remain on the same 3-digit zip code basis as used during Plan year 2020.

This change to use a County based definition for the Individual Market brings Nebraska into conformity with all other states in the continental United States, and fixes some small issues that CMS had with the use of zip codes for enrollment on the exchange.

The new geographic rating region definitions for 2021 are listed in the appendix.

HIOS Uniform Rate Review Module (URR) Filings:

For Individual and Small Employer major medical Health Plans Issuers are required to submit the following URR components in HIOS:

- (1) Part I – Uniform Rate Review Template (URRT).
- (2) Part 2 – Rate Increase Justification. Is only provided if any plan within a product in the filing is receiving a rate increase of 15% or greater.
- (3) Part 3 – Actuarial Memorandum Unredacted version, and optional Redacted version.

Minimum Required Contents of Nebraska ACA Major Medical Rate Filings:

ACA Major Medical rate filings should contain at a minimum the following items:

- * A cover letter outlining the rate action being taken, comments on key plan changes.
- * An authorization letter if an outside organization will be submitting the rate filing on behalf of the issuer.
- * The Federal Uniform Rate Review (URR) Module, which includes the following:

Part I URRT;

Part II Rate Increase Justification (if applicable);

Part III Actuarial Memorandum; an unredacted version must be submitted, and also a Redacted version may be submitted. Note that Nebraska applies different requirements regarding items allowed to be Trade Secret than what is allowed to be redacted in the Federal Memorandum.

- * A Rate Manual to be provided under the Rate / Rule Schedule tab containing at least the “Base Rates” and all rating factors that are applied to the Base Rates to determine any policyholder’s rates (Age rating factors, Area rating factors, Benefit factors / AV Pricing factors).

Base Rates are defined to be the calibrated Plan Adjusted Index Rates to which each allowable consumer level rating adjustment is applied to obtain the Consumer Adjusted Premium Rates. Consumer level rating adjustments are: Age factors, Geographic Area factors, Tobacco factors, Family Structure rating.

- * The Nebraska Rate Table Spreadsheet.

Note: this is not the RTT which is only expected to be included in the binder, and not in the rate filing. The RTT should NOT be used to replace the Rate Manual under the SERFF Rate / Rule Schedule tab.

- * Actuarial Value (AV) Calculation sheets for each plan, and an Actuarial Attestation that AVs were calculated using accepted methods.

- * A complete Actuarial Memorandum with development of rates including a projection calculation demonstrating how 2021 projected claims, premium and membership were developed, and illustrating how all trend and projection factors were applied to base experience.

The Department will be posting a SERFF guideline on specific rate development support being requested for PY 2021 to be provided in the rate filing.

Note that the Federal URRT and its supporting Part III Actuarial Memorandum are not required to be the official rate development used to set rates. If the Unredacted Part III Actuarial Memorandum completely describes the rate setting method with detailed support for how all base rates and rating adjustments were developed and applied, then this may be used to satisfy this requirement.

* A Trade Secret request if the company will be requesting any documents to be kept confidential once the filing is released publicly. The Department has posted a Nebraska SERFF Rate Filing Guideline indicating items that are typically allowed to be kept confidential, items typically required to be made public, and instructions for requesting Trade Secret protection for any item. The process for requesting trade secret protection through SERFF is available online at: https://doi.nebraska.gov/sites/doi.nebraska.gov/files/doc/tsp-lh-inc-fil-serff_0.pdf.

* The Standard Rate Filing Form Listing.

* Completed SERFF information tabs as required by NDOI.

IMPORTANT: The following form and rate filing requirements are offered to clarify the process. The sequence in which the information is shown is not indicative of the level of importance.

1. The issuer's plans must be certified in order to participate in the Marketplace. Nebraska's benchmark plan, as determined by the United States Department of Health and Human Services, is the BlueCross BlueShield of Nebraska BluePridePlus, Option 102 Gold.
2. Both ON-Marketplace and OFF-Marketplace plans must be submitted in SERFF Plan Management. The General Instructions for Nebraska in SERFF provide checklists and trade secret protection guidance.
 - All filings are required to be in Binders (including OFF-Marketplace only Health Plans) when entered in SERFF.
 - Individual and Small Group filings must be submitted under separate SERFF tracking numbers.
 - The Binder(s) will include forms, rates (the RTT) and other templates for Individual plans and a separate binder for Small Employer plans. Nebraska's statutory definition of small employer group size is 2 to 50.
 - For major medical plans the final Rate Table Template ("RTT") and Uniform Rate Review Template ("URRT") must be submitted by June 24, 2020 for QHPs, and by July 15, 2020 for non-QHPs. For SADPs the RTT should be submitted with the binder by the June 3, 2020 deadline.
3. All ACA compliant filings should include the 2021 Health Insurance Form Review Checklist, redline versions showing changes from previously approved forms, the Nebraska Filing Form, URRT, Actuarial Memorandum (unredacted and redacted versions), templates, SBC for each plan variation (no variability allowed), Readability

Certification, Accreditation Certificate, attestations, any Justifications, copy of the Provider Network, and cover letter information. Each product submitted can only be filed in one SERFF filing. You must run the Federal tools before submitting each template.

4. All SADP filers must complete the Pediatric Dental Checklist.
5. All Small Group or Individual Health Plan issuers must make available an off-exchange plan to mirror each on-exchange plan submitted.
6. The Summary of Benefits and Coverage must be submitted. Please review the Department of Labor website for the correct version.
7. In general, the ACA requirements for Individual and Small Group cannot be added by endorsement, matrix inserts, variables or amendment rider.
 - Policy forms must meet state requirements, as well as the 2017 ACA benchmark essential health benefits, metal levels, PPACA, and community rating requirements. State benchmark plans are listed on the CMS website at <https://www.cms.gov/CCIIO/Resources/Data-Resources/ehb#ehb>.
 - Plans must be guaranteed issue and guaranteed renewable, with no pre-existing condition limitations. NDOI allows only limited form variability.
 - Each metal level of Platinum (90% AV), Gold (80% AV), Silver (70% AV), or Bronze (60% AV) should have a separate non-variable schedule with a unique form number.
 - Please note that each FFM issuer must offer a Silver plan statewide and a Gold plan statewide. The Platinum and Bronze levels are optional.
8. Issuers must provide documentation verifying that all plans have adequate networks in place, including demonstrating geographical saturation, and providing a signed attestation confirming network adequacy. For plans submitting a narrow or closed network product, please denote to the reviewer the product name, location of the narrow network for the product, and provider information for the narrow network, and include MAPS or illustrations.
9. Individual Catastrophic plans are for under age 30 and are optional.
10. Issuers will maintain a single statewide risk pool for each of their non-grandfathered individual and small group markets.
11. Rating territories are limited to no greater than four in the state, determined by three-digit zip codes for the Small Employer market, and determined by Counties for the Individual market. A listing of the new Area Definitions by County is included in the Appendix.
12. No application shall contain health questions, although questions determining tobacco use, age and gender, may be asked.
13. No Binders will be accepted after June 3, 2021 With the exception of small group quarterly rate filing adjustment requests, rates and forms may only be filed once per year.

14. MHPAEA compliance review will incorporate the CMS Compliance Assistance Materials Index: (https://www.cms.gov/CCIIO/Resources/Fact-Sheets-and-FAQs/Downloads/Compliance_Assistance_Materials_Index_10-25-16_4-40pm.pdf). Filers are specifically directed to the Self-Compliance Tool, Section B, Financial Requirements and Quantitative Treatment Limitations, which describes six classifications of benefits. "Any financial requirement or quantitative treatment limitation that applies to mental health/substance use disorder benefits within a particular classification cannot be more restrictive than the predominant requirement or limitation that applies to substantially all medical/surgical benefits within the same classification. See 29 CFR 2590.712(c)(2)." If parity concerns are flagged during review, a SERFF objection describing the potential violation will be transmitted, and the filer will have an opportunity to re-evaluate the provision and either make a plan correction or explain to the Department the reason the provision does not violate MHPAEA.
15. Requests for trade secret protection should follow the instructions published at <https://doi.nebraska.gov/sites/doi.nebraska.gov/files/doc/NDOI%20Trade%20Secret%20Protection%20for%20Health%20Insurance%20Filings%20in%20SERFF.pdf> The Department has included a listing of types of rate filing information that is usually considered to be Trade Secret within a rate filing, and information usually required to be Public within a rate filing. All information is considered Public unless a valid Trade Secret request has been properly submitted within the rate filing.
16. The NDOI will work with carriers and their rate submissions during the period of time allotted under this and CMS guidelines. Insurers are encouraged to submit early and will be served on a first come, first served basis.
17. The Department does not prohibit the use of RADV (Risk Adjustment Data Validation) adjustments from 2017, 2018 being used in developing assumptions for the estimated 2021 risk adjustment in the rate filing. To the degree that the RADV analysis reflects on a potential change in the projected 2021 population morbidity then the information may be used as justification for the 2021 population risk assumption. However, a 2017, 2018 RADV liability should not simply be offset in 2021 rating to recoup the money, as this would not be consistent with the prospective rating method expected to be applied for ACA rating.

Please direct any questions regarding the aforementioned information to Laura Arp, Administrator for the Life and Health Division at 402-471-2201 or at laura.arp@nebraska.gov.



Bruce R. Ramage
Director

Appendix: Geographic Rating Areas - Nebraska Individual ACA Market, Plan Year 2021

<u>Rating Region 1</u>	<u>Rating Region 2</u>	<u>Rating Region 3</u>	<u>Rating Region 4</u>
Burt	Cass	Adams	Arthur
Dodge	Fillmore	Antelope	Banner
Douglas	Gage	Blaine	Box Butte
Sarpy	Jefferson	Boone	Brown
Saunders	Johnson	Boyd	Chase
Thurston	Lancaster	Buffalo	Cherry
Washington	Nemaha	Butler	Cheyenne
	Otoe	Cedar	Dawes
	Pawnee	Clay	Deuel
	Richardson	Colfax	Dundy
	Saline	Cuming	Frontier
	Seward	Custer	Garden
	Thayer	Dakota	Grant
	York	Dawson	Hayes
		Dixon	Hitchcock
		Franklin	Hooker
		Furnas	Keith
		Garfield	Kimball
		Gosper	Lincoln
		Greeley	Logan
		Hall	McPherson
		Hamilton	Morrill
		Harlan	Perkins
		Holt	Red Willow
		Howard	Scottsbluff
		Kearney	Sheridan
		Key Paha	Sioux
		Knox	Thomas
		Loup	
		Madison	
		Merrick	
		Nance	
		Nuckolls	
		Phelps	
		Pierce	
		Platte	
		Polk	
		Rock	
		Sherman	
		Stanton	
		Valley	
		Wayne	
		Webster	
		Wheeler	