

Changes/Potential Changes to Supplemental Health Care Exhibit Since Adoption

Editorial Corrections Made:

1. Part 1, Line 7 (Preliminary MLR) – added “XXX” to Column 7 (Subtotal) and Column 9 (Total).
2. Part 1, Lines 13 (Net investment and other gain/loss) and 15 (Net gain or loss) – removed the “XXX” in Column 7 (Subtotal).

Clarifications and/or Changes Needed:

3. Medical stop loss insurance (sold to self-funded groups) – report in Column 5 (Other business excluded by statute) or Column 6 (other health)?
4. Reinsurers reporting on the supplement: clarify that only assumption reinsurers (who would report as direct business in Columns 1, 2 and 3) as well as insurers who have direct business to report in Columns 1, 2 and 3 and also have reinsurance business would report?
5. Clarification: the supplement references “Fraud and Abuse Detection/Recovery Expenses” but this should also include prevention expenses.
6. For insurers that have some direct business to report in Columns 1, 2 and 3 but also have some business in run-off (no premium), where should the runoff amounts be reported – Columns 1, 2 and 3 or Column 5 (other business excluded by statute)?
7. Clarification: unless otherwise stated, the reporting in the supplement follows the accounting and reporting from the annual statement. SSAP 35, Paragraph 4 includes as part of claims any assessments that are not charged to Taxes, Licenses and Fees. These should not be broken out for the supplement and included in Taxes, Licenses and Fees; they should remain in claims.
8. Need to finalize instruction for Small Group Employer – whether the 100 employee criterion is a 2014 requirement or 2016 requirement – wait for HHS regulation to clarify.
9. Medicare Advantage – initially considered Part 1, Column 4 (Government Business excluded by statute). However, there is a specific section on MLR for Medicare Advantage, indicating the rebate is to be paid to the federal government. The A&H WG needs to discuss this issue. However, we need to clarify that our supplement only applies to the MLR program of 2718 as of now; thus, Medicare Advantage will be Column 4 business (not Columns 1, 2 and 3).
10. Questions on the Uninsured Plans column of Part 1 and how it interacts with the Line 12 (Income from fees of uninsured plans).

PPACA Subgroup’s Model Regulation Impacts:

11. Experience Rating Refunds need to be removed from earned premiums and included in incurred claims.
- 12.