North Dakota

Insurance Department

Adam Hamm, Commissioner

Memo

TO: All Insurers Selling Health Insurance in North Dakota
FROM: Adam Hamm, Insurance Commissioner
RE: Health Insurance Cancelled Policy Transitional Renewal For 2016
DATE: May 1, 2014

The purpose of this memorandum is to provide clarification to all licensed health insurers on the March 5, 2014 announcement from the U.S. Department of Health and Human Services' Centers for Medicare and Medicaid Services Center for Consumer Information and Insurance Oversight signed by Director Gary Cohen regarding the extension of transitional plans through October 1, 2016.

The Department is allowing carriers to provide the continuation of transitional plans if they adopted the November 14, 2013 transitional policy. If a carrier chose different options as a result of our November 21st memo, then the guidelines are outlined as follows:

- If a carrier allowed the 2015 transitional plans for both individual and small group, that carrier is able to provide the additional extension to 2016 for both individual and small group.

- If a carrier allowed the 2015 transitional plans for only individual plans or only small group plans, that carrier is able to continue to provide the additional extension to 2016 for only those plans.

- If a carrier chose not to allow the 2015 transitional plans for individual or small group, then carriers are not allowed to extend plans to 2016.

- North Dakota is willing to offer the extended transitional relief policy to all carriers for large businesses that currently purchase insurance in the large group market, but for policy years beginning on or after January 1, 2016, will be redefined as small businesses purchasing insurance in the small group market.

Companies should follow the guidelines released in the March 5, 2014 letter from the U.S. Department of Health and Human Services' Centers for Medicare and Medicaid Services Center for Consumer Information and Insurance Oversight and any subsequent guidance on this issue from the same source related to transitional plans. This includes the requirement that notices be sent to the affected individuals and small businesses as originally specified in the November 14, 2013 guidance.

All transitional policies with rate increases subject to review under PHS Act Section 2974 should utilize the rules and processes for submission to CMS that were in place prior to April 1, 2013 and follow all applicable North Dakota laws and regulations.

Any questions on these provisions, on filings or this memo can be directed to Chrystal Bartuska at cabartuska@nd.gov or 701-328-2441.