



July 1, 2011

Honorable Adam Hamm  
Commissioner  
North Dakota Insurance Department  
600 E. Boulevard Ave. 5<sup>th</sup> Floor  
Bismarck, ND 58505-0320

Re: Effective Rate Review Program Determination

Dear Commissioner Hamm:

Section 2794 of the Public Health Service Act, as added by the Affordable Care Act requires the Secretary of Health and Human Services, in conjunction with the States, to establish a process for review of "unreasonable increases in premiums for health insurance coverage." The final rule implementing section 2794, at 45 C.F.R. 154.210(b), provides that the Center for Medicare & Medicaid Services (CMS) will adopt a State's determination regarding the reasonableness of a proposed rate increase if the State meets the criteria for an effective rate review program listed in 45 C.F.R. 154.301. These include:

1. Has the authority to collect the information and perform the analysis described in 154.301(a),
2. Provides access from its Web site to Parts I and II of the Preliminary Justifications for the proposed rate increases it reviews;
3. Provides a means for public input on proposed rate increases; and
4. Provides to CMS its final determination as to whether a rate increase is unreasonable within five days of the determination.

The Center for Consumer Information and Insurance Oversight (CCIIO) reviewed North Dakota's laws, regulations, and bulletins, and confirmed with your agency that it will conduct reviews in accordance with the criteria set forth in the regulation. Based on this information, we have determined that North Dakota has an Effective Rate Review Program in all markets.

As a next step, we ask that you send an email to [ratereview@hhs.gov](mailto:ratereview@hhs.gov) stating the name and contact information of the person who will serve as the liaison between our office and yours for rate review program matters. During the month of July, CCIIO will notify your contact person of procedures to follow for scheduling training sessions and securing access to the CMS web-based rate review system for your staff.

We applaud your efforts to provide an effective rate review program for your State's insurance consumers that meet the criteria outlined in the Affordable Care Act. Many States' laws and programs exceed the standards set forth in the ACA and our regulations, and we encourage all States to continue their efforts to ensure that rates charged to health insurance consumers in their State are reasonable.

Sincerely,

A handwritten signature in black ink, appearing to read "Steve Larsen", is written over a horizontal line.

Steve Larsen, Director

Center for Consumer Information and Insurance Oversight