

LARGE GROUP FILINGS FAQ

Q1. Why are large group filings required to be filed now when they were previously deregulated?:

Notice 2016-01, published in the PA Bulletin on January 23, 2016, discontinued certain form filing exemptions and reinstated review for certain form filings. This includes major medical accident and health forms sold only to large groups for plan years beginning on or after January 1, 2018. This Notice was revised on May 28, 2016 with respect to rates for small group excepted benefits. A copy of the revised Notice can be found at: <http://www.pabulletin.com/secure/data/vol46/46-22/932.html>. As explained in the Notice, this change is “in recognition of the recent changes in health insurance requirements, and to monitor and assure compliance with the ACA and State law requirements.”

Q2. What is the due date for large group submissions?:

All large group submissions are due to the Pennsylvania Insurance Department (PID) for review by September 15, 2018.

After the initial filing cycle, future submissions may be done on a ‘rolling’ basis, based on renewal date; sufficient lead time for review should be provided.

Q3. What TOI and subTOI should be used in SERFF to file these forms?:

Large group submissions should be filed using the TOI of ‘H16G Group health – Major Medical’. The subTOI should be ‘Large Group Only – PPO’, ‘Large Group Only – POS’ or ‘Large Group Only – Other’, as appropriate.

Q4. What forms and Supporting Documentation are required to be filed?:

Each large group submission should include the following:

- Master policy, certificates, enrollment/application forms, any riders.

The master policy should be ‘standardized’ (i.e., include all ACA and state mandates, as well as all mandatory provisions). These items cannot be variable and must appear in each and every contract issued. Customization of benefits is permitted and should be denoted by brackets with an Explanation of Variability (EOV) that provides basic information of what may appear in this variability.

- A completed Compliance Certification Form (substantially similar to the form provided on the Department’s website). For your use in preparing the filing, the Department has also made available a submission checklist for Individual and Group Comprehensive Major Medical Insurance which indicates requirements that apply to large group forms; this documents does

not need to be submitted. These documents can be found at:

<http://www.insurance.pa.gov/Companies/ProductAndRateRequire/Pages/default.aspx>

- A certification that any variable and/or customized benefit changes not appearing in the form will not reduce or eliminate any federal or state mandates or mandatory provisions. This certification should be signed by an authorized representative of the company.

Q5. Should the issuer file all large group submissions at the same time?

The PID recommends that an issuer submit only 1 filing initially. This will allow the Department to review and work with the issuer to address any compliance issues. Once this process is complete, the initial filing can serve as a basis for remaining policy forms which should allow for a more expedited review. If no changes have been made to the form from the previous approved version, all filings for the issuer can be submitted at the same time.

Q6. Are copies of the final executed forms required to be submitted after issue?:

Due to volume, the PID currently does not expect issuers to file copies of each final executed policy. However, the Department retains its authority to request copies of final executed forms, and anticipates collecting a limited number of final executed policies that meet a specific criteria (e.g., largest employer groups) at a later date.

These executed contracts will be considered informational only and may be marked confidential. Insurers will be given adequate notice prior to any filing request.

Please note that this FAQ will be updated from time to time as additional questions are raised.

Additional Questions Received from Issuers (9/5/17):

Q. Does this FAQ mean that any group that accepts the approved standard form will not require a further submission?

A. Yes

Q. Is the intent of the reference to 'rolling' basis to have any forms customized by group customers submitted prior to the time of each group's renewal?

A. Customization of benefits is permitted via variability.

Q. For further clarification, is the intent of this FAQ that there will be one annual filing of a standardized form, plus additional filings upon their applicable renewal for any groups that customize benefits?

A. No. There would be one annual filing per form type (i.e., HMO, PPO, etc.). No additional filings are required because customized benefits are permitted via variability.

Q. Often, large group customers are determining their benefits right up to the effective date of coverage. Given this, the forms may not be 'final' until shortly before or on the coverage effective date. What are the expectations for these situations so as to satisfy the requirement to allow sufficient time for review?

A. Variability in benefits is permissible; PID will request final executed forms as needed.

Q. What sub-TOI should be used for Gatekeeper PPO and EPO plans? Should they use the same SubTOI as 'Large Group Only-PPO' or instead use 'Large Group Only – Other'?

A. Please use Large Group Only – PPO for a Gatekeeper PPO and Large Group – Other for an EPO plan.

Q. Are SBCs required to be submitted as part of the form filing process for the large group segment?

A. Yes

Q. Are examples of Performance Guarantees required to be included with the Large Group filings?

A. No

Q. The terms and conditions relating to the funding requirements and payment of premiums for large groups are customized and provided separately in a financial arrangement as an exhibit to the group contract. Are financial arrangements required to be filed for the large group segment? If so, will the Department accept a basic format for the financial arrangement, or will insurers be required to submit each potential financial arrangement?

A. Please file a basic format of the financial arrangement with each form type.

Additional Questions Received from Issuers (2/15/18):

Q. We do not anticipate making any changes to the forms that were previously submitted. Are we still required to submit a filing?

A. Yes. To maintain consistency with individual and small group ACA comprehensive major medical products, as well as student health products, an annual submission is required.

A complete filing is required even if a policy form that will be used in 2019 has no changes from the approved form for 2018. The submission must contain the forms (on the Form Schedule) with a new form number. This can be facilitated by use of a revision/version date (i.e., the form number itself can remain the same but a year should be added). The certifications and transmittal letter should be on the Supporting Documentation tab, and an additional certification stating that no changes other than the form number have been made should be included. The SERFF tracking number of the previously approved submission should be identified in the transmittal letter. This will allow an expedited review by the Department.