

STATE OF MAINE
DEPARTMENT OF PROFESSIONAL AND FINANCIAL REGULATION
BUREAU OF INSURANCE

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| IN RE: |) | |
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| ANTHEM BLUE CROSS AND BLUE |) | |
| SHIELD 2017 INDIVIDUAL RATE |) | |
| FILING |) | |
| |) | |
| Docket No. INS-16-1000 |) | |
| ----- |) | |
| AETNA HEALTH, INC. 2017 "WHOLE |) | |
| HEALTH" INDIVIDUAL RATE FILING |) | |
| |) | SECOND ORDER |
| Docket No. INS-16-1001 |) | REGARDING RATE REVISIONS |
| ----- |) | |
| MAINE COMMUNITY HEALTH |) | |
| OPTIONS 2017 INDIVIDUAL RATE |) | |
| FILING |) | |
| |) | |
| Docket No. INS-16-1002 |) | |
| ----- |) | |
| HARVARD PILGRIM HEALTH CARE, |) | |
| INC. 2017 INDIVIDUAL HMO RATE |) | |
| FILING |) | |
| |) | |
| Docket No. INS-16-1003 |) | |

Superintendent of Insurance Eric Cioppa issues this Second Order Regarding Rate Revisions to the carriers in the above-referenced proceedings. Previously, by Order issued to the carriers on June 3, 2016, the Superintendent explained: "Each carrier may include revised rate submissions as part of its pre-filed case submitted on July 15 in response to issues that arose during the discovery process, but Anthem, Aetna, Health Options, and Harvard/HPHC are hereby advised that no carrier may initiate a rate revision after that pre-filing deadline." The Superintendent hereby provides additional directives and inquiries regarding carrier rate revisions that shall be filed no later than July 15.

On or before the July 15 pre-filing deadline, each carrier shall respond to the following inquiries related to the information made available on June 30, 2016, by the Centers for Medicare and Medicaid Services (CMS) concerning Risk Adjustments and additional Transitional Reinsurance:

1. Please provide the estimated impact on the 2015 underwriting gain and loss ratio due to the report that CCIIO released with the actual Risk Adjustment and Transitional Reinsurance amounts for 2015.

2. Please provide a comparison of the 2015 projected and actual Risk Adjustment and Transitional Reinsurance amounts for 2015.
3. If a carrier intends to make rate revisions to its 2017 rate filing, provide the estimated impact the Risk Adjustment and Transitional Reinsurance transfer amounts are expected to have on the 2017 premiums.

The Superintendent directs that any revised documents submitted in response to the foregoing shall be provided in “redlined” versions or some other method that fully specifies and highlights the effects that the revised assumptions are having on the filing including, but not limited to:

- (a) An indication with justification of whether any differences between the actual and expected Risk Adjustment and Transitional Reinsurance amounts impact the carrier’s projections for 2017.
- (b) The specific changes to the carrier’s 2017 rate filing resulting from the June 30 CMS release of Risk Adjustment and Transitional Reinsurance amounts.
- (c) Include the live numerical calculation in Excel that demonstrates how the revised proposed 2017 rates were developed.

As previously explained in the Superintendent’s June 3 Order, which remains unchanged, each carrier may include revised rate submissions as part of its pre-filed case submitted on July 15, and is expected to do so regarding the June 30 CMS actions on Risk Adjustment and additional Transitional Reinsurance, but Anthem, Aetna, Health Options, and Harvard are hereby reminded that no carrier may initiate a rate revision after the July 15 pre-filing deadline.¹

PER ORDER OF THE SUPERINTENDENT OF INSURANCE

July 7, 2016



ERIC A. CIOPPA
Superintendent of Insurance

¹ Following the hearing, the Superintendent retains his full legal authority to disapprove any rate filing and specify the rates he would approve, thereby authorizing an insurer to submit a new filing in accordance with the terms of the order. *See* 24-A M.R.S. § 2736-B.