

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
Center for Consumer Information and Insurance Oversight  
200 Independence Avenue SW  
Washington, DC 20201



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October 8, 2014

Mr. Brian Webb  
National Association of Insurance Commissioners  
444 North Capitol Street NW  
Suite 700  
Washington, D.C. 20001

Dear Mr. Webb:

In our letter to you dated August 27, 2014, we indicated that the Centers for Medicare & Medicaid Services (CMS) will not take enforcement action against an issuer of fixed indemnity insurance for failure to meet the January 1, 2015 deadline for new policies to comply with the attestation and notice requirements (and encouraged states with primary enforcement authority to exercise similar enforcement discretion) if certain conditions are met (see enclosed copy of the August 27, 2014 letter). We indicated that this policy will apply until the earlier of May 1, 2015, or the date upon which the issuer receives approval from the applicable State authority to use the application materials containing the required language.

Since the issuance of the August 27<sup>th</sup> letter, several stakeholders have contacted us to explain that it could take up to several months to have an insurance product ready for issuance once State approval is obtained due to IT configuration issues. Because of this additional time factor, it could be impractical for issuers to have the enforcement policy end upon approval by State authorities.

Accordingly, we are now revising the enforcement policy to extend for all new fixed indemnity insurance policies issued on or after January 1, 2015 and before May 1, 2015 in States where CMS is directly enforcing the Affordable Care Act and encourage the States with primary enforcement authority to do the same.

We look forward to continuing to work with you and your staff to implement the Affordable Care Act. Please contact Jim Mayhew of my staff at 410-786-9244 should you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Samara Lorenz", is positioned below the "Sincerely," text.

Samara Lorenz  
Acting Director, Oversight Group  
Center for Consumer Information and Insurance Oversight

Enclosure: August 27, 2014 Letter to NAIC on Fixed Indemnity