

Appendices

Appendix 1

House Bill 552 (Chapter 494, Acts of 2015)

Chapter 494

(House Bill 552)

AN ACT concerning

Health Insurance – Medical Stop–Loss Insurance – Small Employers

FOR the purpose of altering, with ~~a certain exception~~ certain exceptions, certain attachment points above which a medical stop–loss insurer assumes certain liability for losses incurred by an insured; applying the altered attachment points to renewal of a policy or contract of medical stop–loss insurance; prohibiting a medical stop–loss insurer, for a certain policy or contract, from taking certain actions; requiring a medical stop–loss insurer, for a certain policy or contract, to guarantee certain rates, pay certain claims within a certain period, and disclose certain information to a small employer; ~~requiring a medical stop–loss insurer, on or before a certain date each year, to file a certain actuarial certification with the Maryland Insurance Commissioner;~~ requiring the Maryland Insurance Administration to conduct a study of the use of medical stop–loss insurance in self–funded employer health plans; requiring the Administration to solicit information from stakeholders, including certain persons, and hold certain hearings; requiring the study to include certain matters; requiring the Administration to submit certain reports to the Governor and certain legislative committees on or before certain dates; providing for the application of this Act; providing for the termination of this Act; defining a certain term; making ~~a certain conforming change~~ certain conforming changes; and generally relating to medical stop–loss insurance.

BY repealing and reenacting, with amendments,
 Article – Insurance
 Section 15–129
 Annotated Code of Maryland
 (2011 Replacement Volume and 2014 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
 That the Laws of Maryland read as follows:

Article – Insurance

15–129.

(a) (1) In this section the following words have the meanings indicated.

(2) “Aggregate attachment point” means the percentage of expected claims in a policy year above which the medical stop–loss insurer assumes all or part of the liability for losses incurred by the insured.

(3) “Carrier” means:

- (i) an insurer; or
- (ii) a nonprofit health service plan.

(4) “Expected claims” means the amount of claims that, in the absence of medical stop-loss insurance, are projected to be incurred by the insured using reasonable and accepted actuarial principles.

(5) “Medical stop-loss insurance” means insurance, other than reinsurance, that is purchased by a person, other than a carrier or a health care provider, to protect the person against catastrophic, excess, or unexpected losses incurred by that person’s obligations to third parties under the terms of a health benefit plan.

(6) “Medical stop-loss insurer” means a carrier that is authorized to sell, issue, and deliver policies of medical stop-loss insurance in the State.

(7) “SMALL EMPLOYER” HAS THE MEANING STATED IN § 31-101 OF THIS ARTICLE.

[(7)] (8) “Specific attachment point” means the dollar amount in losses attributable to a single individual in a policy year beyond which the medical stop-loss insurer assumes all or part of the liability for losses incurred by the insured.

(b) **[This] SUBJECT TO SUBSECTION (D)(2) OF THIS SECTION, THIS** section applies to each medical stop-loss insurer and each medical stop-loss insurance policy or contract that is delivered or issued for delivery in the State.

(c) Medical stop-loss insurance may only be sold, issued, or delivered in the State by a carrier that holds a certificate of authority issued by the Commissioner that authorizes the carrier to engage in the business of health insurance or to act as a nonprofit health service plan.

(d) **(1) [A] EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION, A** medical stop-loss insurer may not issue, **RENEW**, deliver, or offer a policy or contract of medical stop-loss insurance, if the policy **OR CONTRACT** has:

[(1)] (I) a specific attachment point of less than **[\$10,000] ~~\$40,000~~ \$22,500**; or

[(2)] (II) an aggregate attachment point of less than **[115%] ~~125%~~ 120%** of expected claims.

(2) THIS SUBSECTION DOES NOT APPLY TO:

(I) A POLICY OR CONTRACT OF MEDICAL STOP-LOSS INSURANCE ISSUED OR DELIVERED BEFORE ~~JANUARY~~ JUNE 1, 2015, IF THE POLICY OR CONTRACT MAINTAINS:

1. A SPECIFIC ATTACHMENT POINT OF NO LESS THAN \$10,000; AND

2. AN AGGREGATE ATTACHMENT POINT OF NO LESS THAN 115% OF EXPECTED CLAIMS; ~~OR~~

(II) A RENEWAL OF A POLICY OR CONTRACT DESCRIBED IN ITEM (I) OF THIS PARAGRAPH; OR

(III) A POLICY OR CONTRACT OF MEDICAL STOP-LOSS INSURANCE ISSUED OR DELIVERED ON OR AFTER JUNE 1, 2015, IF THE POLICY OR CONTRACT:

1. IS ISSUED OR DELIVERED TO AN EMPLOYER THAT ON MAY 31, 2015, HELD A POLICY OR CONTRACT OF MEDICAL STOP-LOSS INSURANCE WITH:

A. A SPECIFIC ATTACHMENT POINT OF NOT LESS THAN \$10,000; AND

B. AN AGGREGATE ATTACHMENT POINT OF NOT LESS THAN 115% OF EXPECTED CLAIMS; AND

2. MAINTAINS:

A. A SPECIFIC ATTACHMENT POINT OF NOT LESS THAN \$10,000; AND

B. AN AGGREGATE ATTACHMENT POINT OF NOT LESS THAN 115% OF EXPECTED CLAIMS.

(E) FOR A STOP-LOSS INSURANCE POLICY OR CONTRACT ISSUED TO A SMALL EMPLOYER, A MEDICAL STOP-LOSS INSURER MAY NOT:

~~(1) INCREASE COST SHARING OR DECREASE OR REMOVE STOP-LOSS COVERAGE FOR A SPECIFIC INDIVIDUAL WITHIN A SMALL EMPLOYER'S HEALTH BENEFIT PLAN; OR~~

(1) (1) IMPOSE HIGHER COST SHARING FOR A SPECIFIC INDIVIDUAL WITHIN A SMALL EMPLOYER'S HEALTH BENEFIT PLAN THAN IS

REQUIRED FOR OTHER INDIVIDUALS WITHIN THE SMALL EMPLOYER'S HEALTH BENEFIT PLAN; OR

(II) DECREASE OR REMOVE STOP-LOSS COVERAGE FOR A SPECIFIC INDIVIDUAL WITHIN A SMALL EMPLOYER'S HEALTH BENEFIT PLAN; OR

(2) EXCLUDE ANY EMPLOYEE OR DEPENDENT FROM A POLICY OR CONTRACT ON THE BASIS OF AN ACTUAL OR EXPECTED HEALTH STATUS-RELATED FACTOR OR CONDITION, INCLUDING:

(I) PHYSICAL OR ~~MENTAL ILLNESS~~ BEHAVIORAL HEALTH, INCLUDING MENTAL ILLNESS OR SUBSTANCE USE DISORDER;

(II) CLAIMS EXPERIENCE;

(III) MEDICAL HISTORY;

(IV) RECEIPT OF HEALTH CARE;

(V) GENETIC INFORMATION;

(VI) DISABILITY;

(VII) EVIDENCE OF INSURABILITY, INCLUDING CONDITIONS ARISING OUT OF ACTS OF DOMESTIC VIOLENCE AGAINST AN EMPLOYEE OR DEPENDENT; OR

(VIII) ANY OTHER HEALTH STATUS-RELATED FACTOR AS DETERMINED BY THE COMMISSIONER.

(F) FOR A STOP-LOSS INSURANCE POLICY OR CONTRACT ISSUED TO A SMALL EMPLOYER, A MEDICAL STOP-LOSS INSURER SHALL:

(1) GUARANTEE RATES FOR AT LEAST 12 MONTHS, WITHOUT ADJUSTMENT, UNLESS THERE IS A CHANGE IN:

(I) THE BENEFITS PROVIDED UNDER THE SMALL EMPLOYER'S HEALTH BENEFIT PLAN DURING THE POLICY OR CONTRACT PERIOD;

(II) THE OWNERSHIP AND CONTROL OF THE SMALL EMPLOYER;

OR

(III) THE NUMBER OF COVERED LIVES BY A SIGNIFICANT PERCENTAGE RESULTING FROM AN EVENT SUCH AS AN ACQUISITION OR A DIVESTITURE;

(2) PAY STOP-LOSS CLAIMS INCURRED DURING THE POLICY OR CONTRACT PERIOD AND SUBMITTED WITHIN 12 MONTHS AFTER THE EXPIRATION DATE OF THE POLICY OR CONTRACT; AND

(3) DISCLOSE TO THE SMALL EMPLOYER, IN A FORM AND MANNER APPROVED BY THE COMMISSIONER AND BEFORE ENTERING INTO A POLICY OR CONTRACT FOR MEDICAL STOP-LOSS INSURANCE:

(I) THE TOTAL COSTS OF THE POLICY OR CONTRACT;

(II) 1. THE DATES ON WHICH THE POLICY OR CONTRACT TAKES EFFECT AND TERMINATES; AND

2. PROVISIONS FOR RENEWING THE POLICY OR CONTRACT;

(III) THE AGGREGATE ATTACHMENT POINT AND THE SPECIFIC ATTACHMENT POINT FOR THE POLICY OR CONTRACT; AND

(IV) ANY LIMITATIONS ON COVERAGE.

[(e)] (G) A medical stop-loss insurer who offers or issues a medical stop-loss insurance policy OR CONTRACT that does not meet the requirements of this section shall be subject to the sanctions set forth in § 4-113 of this article for authorized insurers and § 4-212 of this article for unauthorized insurers.

~~**(H) ON OR BEFORE APRIL 1 OF EACH YEAR, A MEDICAL STOP-LOSS INSURER SHALL FILE WITH THE COMMISSIONER, IN A FORM AND MANNER APPROVED BY THE COMMISSIONER, AN ACTUARIAL CERTIFICATION THAT THE INSURER IS IN COMPLIANCE WITH THE MINIMUM ATTACHMENT POINTS SPECIFIED IN THIS SECTION.**~~

~~**[(f)] (I) Nothing in this section shall be construed as:**~~

~~**(1) imposing any requirement or duty on any person other than a carrier;**~~

or

~~**(2) treating any medical stop-loss insurance policy as a policy of individual, group, or blanket health insurance covering the participants in the underlying health benefit plan.**~~

SECTION 2. AND BE IT FURTHER ENACTED, That:

(a) The Maryland Insurance Administration shall conduct a study of the use of medical stop-loss insurance in self-funded employer health plans.

(b) As part of the study, the Administration shall:

(1) solicit information from stakeholders; and

(2) hold informational hearings, as appropriate.

(c) The stakeholders from whom the Administration shall solicit information shall include:

(1) carriers offering fully insured health plans in the State;

(2) carriers offering medical stop-loss insurance in the State;

(3) employers utilizing fully insured health plans;

(4) employers utilizing self-funded health plans in conjunction with medical stop-loss insurance;

(5) insurance producers;

(6) third party administrators;

(7) consumers;

(8) the Office of the Attorney General;

(9) Maryland counties and municipalities; and

(10) the Maryland Bankers Association.

(d) The study shall include:

(1) an analysis of baseline data, including sample data, where appropriate,
on:

(i) the types and costs of health benefit plans, including self-insured plans, offered in the State by employers with 2 to 50 employees and employers with 51 to 100 employees;

(ii) for self-insured plans, the individual and aggregate attachment points of medical stop-loss insurance purchased; and

(iii) the number of plan designs and carriers available in the small employer market, including market share by carrier, and the number of plan designs and carriers available in the market for health benefit plans utilizing medical stop-loss insurance, including market share by medical stop-loss carrier;

(2) an overview of the employer health plan market in contiguous states, including the percentage of fully insured employer health plans and self-insured employer health plans utilizing medical stop-loss insurance;

(3) an estimate of the number of employers with 51 to 100 employees whose health benefits plans would change from the large group to the small group market in 2016, as a result of the change in the size of the small group market required by the federal Affordable Care Act;

(4) an analysis of statutory and regulatory requirements for medical stop-loss insurance in other states and the experience of states the requirements of which are different from those in Maryland;

(5) a review of any guidance, recommendations, or model legislation regarding medical stop-loss insurance by the National Association of Insurance Commissioners or other groups;

(6) identification of any incentives and disincentives beginning in 2016, associated with the purchase of health insurance in the small group market compared to self-insurance with the purchase of medical stop-loss insurance, for both employers with 2 to 50 employees and employers with 51 to 100 employees;

(7) a comparison of the risk profile of small employers that self-insure and the risk profile of small employers that purchase health insurance in the small group market;

(8) an assessment of the impact on the stability and viability of the small group market, including the possibility of adverse selection and higher premiums, resulting from employers:

(i) choosing to self-insure instead of purchasing health insurance in the small group market; and

(ii) after self-insuring, switching to the small group market;

(9) an assessment of any impact on the Maryland Health Benefit Exchange of small employers choosing to drop coverage for their employees;

(10) an assessment of different attachment points for medical stop-loss insurance, the effect that medical inflation could have on the attachment points in statute, and the desirability of maintaining or adjusting the current statutory levels;

(11) an assessment of the consumer protections in medical stop-loss insurance policies and contracts and the desirability of maintaining or adjusting the current statutory consumer protections; and

(12) an assessment of the impact on local governments and small employers of any changes to the attachment points or consumer protections in medical stop-loss insurance policies and contracts.

(e) (1) On or before December 1, 2015, the Administration shall submit an interim report of its findings and recommendations to the Governor and, in accordance with § 2-1246 of the State Government Article, the Senate Finance Committee and the House Health and Government Operations Committee.

(2) On or before October 1, 2016, the Administration shall submit a final report of its findings and recommendations to the Governor and, in accordance with § 2-1246 of the State Government Article, the Senate Finance Committee and the House Health and Government Operations Committee.

SECTION ~~2~~ 3. AND BE IT FURTHER ENACTED, That this Act shall apply to all medical stop-loss insurance policies and contracts issued, delivered, or renewed in the State on or after June 1, 2015.

SECTION ~~3~~ 4. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2015. It shall remain effective for a period of 3 years and 1 month and, at the end of June 30, 2018, with no further action required by the General Assembly, this Act shall be abrogated and of no further force and effect.

Enacted under Article II, § 17(c) of the Maryland Constitution, May 30, 2015.

Appendix 2

H.R. 1624 – Protecting Affordable Coverage for Employees Act

One Hundred Fourteenth Congress
of the
United States of America

AT THE FIRST SESSION

*Began and held at the City of Washington on Tuesday,
the sixth day of January, two thousand and fifteen*

An Act

To amend title I of the Patient Protection and Affordable Care Act and title XXVII of the Public Health Service Act to revise the definition of small employer.

*Be it enacted by the Senate and House of Representatives of
the United States of America in Congress assembled,*

SECTION 1. SHORT TITLE.

This Act may be cited as the "Protecting Affordable Coverage for Employees Act".

SEC. 2. REVISION OF DEFINITION OF SMALL EMPLOYER UNDER HEALTH INSURANCE MARKET PROVISIONS.

(a) PPACA AMENDMENTS.—Section 1304(b) of the Patient Protection and Affordable Care Act (42 U.S.C. 18024(b)) is amended—

- (1) in paragraph (1), by striking "101" and inserting "51";
- (2) in paragraph (2), by striking "100" and inserting "50";

and

- (3) by amending paragraph (3) to read as follows:

"(3) STATE OPTION TO EXTEND DEFINITION OF SMALL EMPLOYER.—Notwithstanding paragraphs (1) and (2), nothing in this section shall prevent a State from applying this subsection by treating as a small employer, with respect to a calendar year and a plan year, an employer who employed an average of at least 1 but not more than 100 employees on business days during the preceding calendar year and who employs at least 1 employee on the first day of the plan year."

(b) PHSA AMENDMENTS.—Section 2791(e) of the Public Health Service Act (42 U.S.C. 300gg-91(e)) is amended—

- (1) in paragraph (2), by striking "101" and inserting "51";
- (2) in paragraph (4), by striking "100" and inserting "50";

and

- (3) by adding at the end the following new paragraph:

"(7) STATE OPTION TO EXTEND DEFINITION OF SMALL EMPLOYER.—Notwithstanding paragraphs (2) and (4), nothing in this section shall prevent a State from applying this subsection by treating as a small employer, with respect to a calendar year and a plan year, an employer who employed an average of at least 1 but not more than 100 employees on business days during the preceding calendar year and who employs at least 1 employee on the first day of the plan year."

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(c) DEPOSIT OF SAVINGS INTO MEDICARE IMPROVEMENT FUND.—
Section 1898(b)(1) of the Social Security Act (42 U.S.C. 1395iii(b)(1))
is amended by striking “\$0” and inserting “\$205,000,000”.

Speaker of the House of Representatives.

*Vice President of the United States and
President of the Senate.*

Appendix 3

Samples of Approved 2015 Monthly Rates for the Lowest- Priced Bronze, Silver, Gold, and Platinum Plans from Maryland's Four Rating Areas

BALTIMORE METRO AREA APPROVED RATE EXAMPLES

Anne Arundel, Baltimore, Harford and Howard Counties, and Baltimore City

The Maryland Insurance Administration approved rates for insurers that will offer health insurance plans that start Jan. 1, 2015. Each insurer submitted a variety of plans. These charts show only a sample of approved first quarter 2015 rates for the lowest-priced bronze, silver, gold, and platinum plans. Your rates may vary depending on your age, the part of the State in which you live, your family composition, your tobacco usage, and the plan you choose. All plans may not be available in all areas.

Color Key

- Bronze plans pay an estimated 60% of medical costs
- Silver plans pay an estimated 70% of medical costs
- Gold plans pay an estimated 80% of medical costs
- Platinum plans pay an estimated 90% of medical costs

2015 Small Group Plans (per member)

Approved first quarter 2015 premiums before employer contribution



	Aetna Health, Inc.	Aetna Life Insurance	CareFirst (CareFirst of MD)	CareFirst (BlueChoice)	CareFirst (GHMSI)	Coventry Health and Life Insurance	Coventry Health Care of DE	Evergreen Health Cooperative	Kaiser Foundation	Mamsi Life and Health	Optimum Choice	UnitedHealthCare Insurance	UnitedHealthCare of the Mid-Atlantic
Age 21	\$220.77	\$239.55	\$288.33	\$213.06	\$288.33	\$221.28	\$197.91	\$215.56	\$179.01	\$211.10	\$197.28	\$216.96	\$181.62
	\$255.71	\$273.36	\$347.17	\$271.00	\$347.17	\$272.22	\$255.96	\$209.09	\$190.59	\$249.03	\$229.10	\$256.42	\$210.91
	\$294.56	\$321.91	\$440.14	\$360.62	\$440.14	\$310.81	\$273.35	\$238.20	\$221.67	\$285.55	\$266.86	\$294.59	\$253.21
	N/A	N/A	\$508.61	\$419.46	\$508.61	\$365.35	\$358.41	\$286.27	\$255.08	\$373.91	\$353.65	\$382.17	\$382.75
Age 40	\$282.14	\$306.14	\$368.48	\$272.28	\$368.48	\$282.80	\$252.93	\$275.49	\$228.77	\$269.79	\$252.12	\$277.27	\$232.11
	\$326.80	\$349.35	\$443.68	\$346.34	\$443.68	\$347.90	\$327.12	\$267.22	\$243.57	\$318.26	\$292.79	\$327.70	\$269.54
	\$376.45	\$411.40	\$562.50	\$460.88	\$562.50	\$397.22	\$349.34	\$304.41	\$283.29	\$364.93	\$341.05	\$376.49	\$323.60
	N/A	N/A	\$650.01	\$536.08	\$650.01	\$466.92	\$458.05	\$365.85	\$325.99	\$477.86	\$451.96	\$488.41	\$489.15
Age 60	\$599.17	\$650.14	\$782.52	\$578.23	\$782.52	\$600.56	\$537.14	\$585.03	\$485.83	\$572.93	\$535.42	\$588.83	\$492.92
	\$694.01	\$741.90	\$942.22	\$735.50	\$942.22	\$738.81	\$694.67	\$567.48	\$517.26	\$675.87	\$621.78	\$695.92	\$572.41
	\$799.44	\$873.65	\$1,194.53	\$978.73	\$1,194.53	\$843.54	\$741.87	\$646.46	\$601.61	\$774.98	\$724.26	\$799.52	\$687.21
	N/A	N/A	\$1,380.37	\$1,138.43	\$1,380.37	\$991.56	\$972.73	\$776.93	\$692.29	\$1,014.79	\$959.81	\$1,037.21	\$1,038.78
Approved vs. Requested (Avg.)	0.6%	1.0%	-1.9%	0.1%	-1.9%	-6.8%	-4.2%	0.0%	0.8%	0.0%	0.0%	0.0%	0.0%

EASTERN/SOUTHERN MD APPROVED RATE EXAMPLES

Calvert, Caroline, Cecil, Charles, Dorchester, Kent, Queen Anne's, St. Mary's, Somerset, Talbot, Wicomico and Worcester Counties

The Maryland Insurance Administration approved rates for insurers that will offer health insurance plans that start Jan. 1, 2015. Each insurer submitted a variety of plans. These charts show only a sample of approved first quarter 2015 rates for the lowest-priced bronze, silver, gold, and platinum plans. Your rates may vary depending on your age, the part of the State in which you live, your family composition, your tobacco usage, and the plan you choose. All plans may not be available in all areas.

Color Key	
	Bronze plans pay an estimated 60% of medical costs
	Silver plans pay an estimated 70% of medical costs
	Gold plans pay an estimated 80% of medical costs
	Platinum plans pay an estimated 90% of medical costs

2015 Small Group Plans (per member)

Approved first quarter 2015 premiums before employer contribution



	Aetna Health, Inc.	Aetna Life Insurance	CareFirst (CareFirst of MD)	CareFirst (BlueChoice)	CareFirst (GHMSI)	Coventry Health and Life Insurance	Coventry Health Care of DE	Evergreen Health Cooperative	Kaiser Foundation	Mamsi Life and Health	Optimum Choice	UnitedHealthCare Insurance	UnitedHealthCare of the Mid-Atlantic
Age 21	\$236.54	\$256.66	\$285.32	\$210.83	\$285.32	\$237.09	\$212.05	\$211.54	\$179.01	\$211.10	\$197.28	\$216.96	\$181.62
	\$273.98	\$292.89	\$343.54	\$268.17	\$343.54	\$291.67	\$274.24	\$205.19	\$190.59	\$249.03	\$229.10	\$256.42	\$210.91
	\$315.60	\$344.90	\$435.54	\$356.86	\$435.54	\$333.01	\$292.88	\$233.75	\$221.67	\$285.55	\$266.86	\$294.59	\$253.21
	N/A	N/A	\$503.30	\$415.08	\$503.30	\$391.45	\$384.01	\$280.92	\$255.08	\$373.91	\$353.65	\$382.17	\$382.75
Age 40	\$302.30	\$328.01	\$364.63	\$269.44	\$364.63	\$303.00	\$271.00	\$270.35	\$228.77	\$269.79	\$252.12	\$277.27	\$232.11
	\$350.14	\$374.31	\$439.05	\$342.72	\$439.05	\$372.75	\$350.48	\$262.24	\$243.57	\$318.26	\$292.79	\$327.70	\$269.54
	\$403.34	\$440.78	\$556.62	\$456.06	\$556.62	\$425.59	\$374.30	\$298.73	\$283.29	\$364.93	\$341.05	\$376.49	\$323.60
	N/A	N/A	\$643.22	\$530.48	\$643.22	\$500.27	\$490.77	\$359.02	\$325.99	\$477.86	\$451.96	\$488.41	\$489.15
Age 60	\$641.97	\$696.57	\$774.35	\$572.19	\$774.35	\$643.46	\$575.51	\$574.11	\$485.83	\$572.93	\$535.42	\$588.83	\$492.92
	\$743.58	\$794.89	\$932.38	\$727.82	\$932.38	\$791.59	\$744.29	\$556.89	\$517.26	\$675.87	\$621.78	\$695.92	\$572.41
	\$856.54	\$936.06	\$1,182.06	\$968.51	\$1,182.06	\$903.79	\$794.86	\$634.40	\$601.61	\$774.98	\$724.26	\$799.52	\$687.21
	N/A	N/A	\$1,365.96	\$1,126.54	\$1,365.96	\$1,062.39	\$1,042.21	\$762.42	\$692.29	\$1,014.79	\$959.81	\$1,037.21	\$1,038.78
Approved vs. Requested (Avg.)	0.6%	1.0%	-1.9%	0.1%	-1.9%	-6.8%	-4.2%	0.0%	0.8%	0.0%	0.0%	0.0%	0.0%

DC METRO AREA APPROVED RATE EXAMPLES

Montgomery and Prince George's Counties

The Maryland Insurance Administration approved rates for insurers that will offer health insurance plans that start Jan. 1, 2015. Each insurer submitted a variety of plans. These charts show only a sample of approved first quarter 2015 rates for the lowest-priced bronze, silver, gold, and platinum plans. Your rates may vary depending on your age, the part of the State in which you live, your family composition, your tobacco usage, and the plan you choose. All plans may not be available in all areas.

Color Key	
	Bronze plans pay an estimated 60% of medical costs
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	Gold plans pay an estimated 80% of medical costs
	Platinum plans pay an estimated 90% of medical costs

2015 Small Group Plans (per member)

Approved first quarter 2015 premiums before employer contribution



	Aetna Health, Inc.	Aetna Life Insurance	CareFirst (CareFirst of MD)	CareFirst (BlueChoice)	CareFirst (GHMSI)	Coventry Health and Life Insurance	Coventry Health Care of DE	Evergreen Health Cooperative	Kaiser Foundation	Mamsi Life and Health	Optimum Choice	UnitedHealthCare Insurance	UnitedHealthCare of the Mid-Atlantic
Age 21	\$223.02	\$241.99	\$260.25	\$192.31	\$260.25	\$223.54	\$199.93	\$204.76	\$179.01	\$211.10	\$197.28	\$216.96	\$181.62
	\$258.32	\$276.15	\$313.37	\$244.62	\$313.37	\$275.00	\$258.57	\$198.62	\$190.59	\$249.03	\$229.10	\$256.42	\$210.91
	\$297.57	\$325.19	\$397.28	\$325.51	\$397.28	\$313.98	\$276.14	\$226.26	\$221.67	\$285.55	\$266.86	\$294.59	\$253.21
	N/A	N/A	\$459.09	\$378.62	\$459.09	\$369.08	\$362.07	\$271.92	\$255.08	\$373.91	\$353.65	\$382.17	\$382.75
Age 40	\$285.02	\$309.27	\$332.60	\$245.77	\$332.60	\$285.69	\$255.51	\$261.69	\$228.77	\$269.79	\$252.12	\$277.27	\$232.11
	\$330.14	\$352.92	\$400.48	\$312.62	\$400.48	\$351.45	\$330.45	\$253.84	\$243.57	\$318.26	\$292.79	\$327.70	\$269.54
	\$380.29	\$415.59	\$507.73	\$416.00	\$507.73	\$401.27	\$352.91	\$289.16	\$283.29	\$364.93	\$341.05	\$376.49	\$323.60
	N/A	N/A	\$586.72	\$483.88	\$586.72	\$471.68	\$462.73	\$347.52	\$325.99	\$477.86	\$451.96	\$488.41	\$489.15
Age 60	\$605.28	\$656.77	\$706.33	\$521.93	\$706.33	\$606.69	\$542.62	\$555.72	\$485.83	\$572.93	\$535.42	\$588.83	\$492.92
	\$701.09	\$749.47	\$850.48	\$663.89	\$850.48	\$746.35	\$701.76	\$539.05	\$517.26	\$675.87	\$621.78	\$695.92	\$572.41
	\$807.59	\$882.57	\$1,078.23	\$883.44	\$1,078.23	\$852.15	\$749.44	\$614.08	\$601.61	\$774.98	\$724.26	\$799.52	\$687.21
	N/A	N/A	\$1,245.97	\$1,027.58	\$1,245.97	\$1,001.68	\$982.66	\$738.00	\$692.29	\$1,014.79	\$959.81	\$1,037.21	\$1,038.78
Approved vs. Requested (Avg.)	0.6%	1.0%	-1.9%	0.1%	-1.9%	-6.8%	-4.2%	0.0%	0.8%	0.0%	0.0%	0.0%	0.0%

WESTERN MARYLAND APPROVED RATE EXAMPLES

Allegany, Carroll, Frederick, Garrett and Washington Counties

The Maryland Insurance Administration approved rates for insurers that will offer health insurance plans that start Jan. 1, 2015. Each insurer submitted a variety of plans. These charts show only a sample of approved first quarter 2015 rates for the lowest-priced bronze, silver, gold, and platinum plans. Your rates may vary depending on your age, the part of the State in which you live, your family composition, your tobacco usage, and the plan you choose. All plans may not be available in all areas.

Color Key	
	Bronze plans pay an estimated 60% of medical costs
	Silver plans pay an estimated 70% of medical costs
	Gold plans pay an estimated 80% of medical costs
	Platinum plans pay an estimated 90% of medical costs

2015 Small Group Plans (per member)

Approved first quarter 2015 premiums before employer contribution

	Aetna Health, Inc.	Aetna Life Insurance	CareFirst (CareFirst of MD)	CareFirst (BlueChoice)	CareFirst (GHMSI)	Coventry Health and Life Insurance	Coventry Health Care of DE	Evergreen Health Cooperative	Kaiser Foundation	Mamsi Life and Health	Optimum Choice	UnitedHealthCare Insurance	UnitedHealthCare of the Mid-Atlantic
	Age 21	\$220.77	\$239.55	\$277.86	\$205.32	\$277.86	\$221.28	\$197.91	\$216.62	\$179.01	\$211.10	\$197.28	\$216.96
	\$255.71	\$273.36	\$334.57	\$261.16	\$334.57	\$272.22	\$255.96	\$210.12	\$190.59	\$249.03	\$229.10	\$256.42	\$210.91
	\$294.56	\$321.91	\$424.16	\$347.53	\$424.16	\$310.81	\$273.35	\$239.37	\$221.67	\$285.55	\$266.86	\$294.59	\$253.21
	N/A	N/A	\$490.15	\$404.24	\$490.15	\$365.35	\$358.41	\$287.67	\$255.08	\$373.91	\$353.65	\$382.17	\$382.75
Age 40	\$282.14	\$306.14	\$355.11	\$262.40	\$355.11	\$282.80	\$252.93	\$276.84	\$228.77	\$269.79	\$252.12	\$277.27	\$232.11
	\$326.80	\$349.35	\$427.58	\$333.77	\$427.58	\$347.90	\$327.12	\$268.54	\$243.57	\$318.26	\$292.79	\$327.70	\$269.54
	\$376.45	\$411.40	\$542.08	\$444.15	\$542.08	\$397.22	\$349.34	\$305.91	\$283.29	\$364.93	\$341.05	\$376.49	\$323.60
	N/A	N/A	\$626.41	\$516.62	\$626.41	\$466.92	\$458.05	\$367.64	\$325.99	\$477.86	\$451.96	\$488.41	\$489.15
Age 60	\$599.17	\$650.14	\$754.11	\$557.24	\$754.11	\$600.56	\$537.14	\$587.91	\$485.83	\$572.93	\$535.42	\$588.83	\$492.92
	\$694.01	\$741.90	\$908.01	\$708.80	\$908.01	\$738.81	\$694.67	\$570.27	\$517.26	\$675.87	\$621.78	\$695.92	\$572.41
	\$799.44	\$873.65	\$1,151.17	\$943.20	\$1,151.17	\$843.54	\$741.87	\$649.64	\$601.61	\$774.98	\$724.26	\$799.52	\$687.21
	N/A	N/A	\$1,330.27	\$1,097.10	\$1,330.27	\$991.56	\$972.73	\$780.74	\$692.29	\$1,014.79	\$959.81	\$1,037.21	\$1,038.78
Approved vs. Requested (Avg.)	0.6%	1.0%	-1.9%	0.1%	-1.9%	-6.8%	-4.2%	0.0%	0.8%	0.0%	0.0%	0.0%	0.0%

Appendix 4

Data Call Letter – Medical Stop-Loss Insurance and Survey

SENT VIA ELECTRONIC MAIL: [CONTACT EMAIL]

September XX, 2015

[NAME]

[COMPANY ADDRESS]

RE: Data Call Letter – Medical Stop Loss Insurance
Response Due by October XX, 2015

The Maryland Insurance Administration (“Administration”) is required by legislation passed in the 2015 General Assembly¹ to conduct a study regarding medical stop loss insurance. Pursuant to Maryland Code Annotated, Insurance, §§2-205 and 2-209(g), and COMAR 31.04.20, the Administration has initiated a market conduct analysis (“analysis”) to collect information needed for the study.

To conduct the analysis, the Administration requires that you fill out the attached spreadsheet with information on every medical stop loss policy issued or renewed by your company in the State of Maryland between June 1, 2014 and May 31, 2015 and answer the two questions posed below. Your response is due no later than September XX, 2015. Based on your company's response, you may be asked to respond to further Interrogatories and/or Requests for Production of Documents. If you have not issued or renewed any medical stop loss policies during the period of June 1, 2014 and May 31, 2015, please note that in your response. In this case, you are not required to complete the attached spreadsheet.

Questions

1. Does your company have a threshold for minimum number of employees in order to issue or renew a medical stop loss policy? If so, what was the minimum number of employees required for medical stop loss policies issued or renewed in Maryland between June 1, 2014 and May 31, 2015?
2. Does your company assist employers purchasing stop-loss insurance with the plan design of the self-funded portion of the coverage? If so, how many plan designs were recommended between June 1, 2014 and May 31, 2015? If not, who provided administrative services for self-funded plans? (Please consider the definition of "plan design" to be a standard set of benefits or coverages. For example, if you provided employers with one template set of benefits to be used under the self-funded portion of the plan, then you assisted with one plan design.

¹ House Bill 552, Chapter 494, Acts of 2015.

If the plan design is negotiated on an employer by employer basis, then your company assisted with an unlimited number of plan designs.)

3. What type of documentation do you require employers to complete in order to perform medical underwriting? Do the documentation requirements vary according to the size of the employer?

Additionally, and in accordance with COMAR 31.04.20.05E, your company is required to certify the accuracy of all information provided to the Administration by submitting a "Certificate of Compliance" signed by an officer of the company. This certificate of compliance must be signed and submitted regardless as to whether you have issued or renewed any medical stop loss policies during the period of June 1, 2014 and May 31, 2015. A copy of the Administration's standard Certificate of Compliance is included at the end of this data call letter.

Please provide your response to Joseph Fitzpatrick, Market Data Analyst, via e-mail to joseph.fitzpatrick@maryland.gov by close of business September XX, 2015. If you are unable to provide the above information by the deadline, please contact Nour Benchaaboun, Chief, Market Analysis at (410) 468-2222 or via e-mail at nour.benchaaboun@maryland.gov at least 5 days prior to September XX, 2015 (by September XX, 2015). Please be sure to provide detailed information as to why you are unable to provide the information requested. If your company has no data to report, or did not issue or renew any medical stop loss policies during the time period in question, please report that, in writing, along with a completed Certificate of Compliance.

Sincerely,

signature on original

(Mr.) Nour E. Benchaaboun, AIRC, MCM
Chief, Market Analysis
Compliance and Enforcement Unit
Maryland Insurance Administration

**MARYLAND INSURANCE ADMINISTRATION MARKET CONDUCT
ACTION
CERTIFICATE OF COMPLIANCE**

Pursuant to Code of Maryland Regulations ("COMAR") 31.04.20.05 E, I _____ hereby certify to the best of my knowledge, information, and belief, that the information hereto submitted to the Maryland Insurance Administration ("Administration") represents a full, complete and truthful response to the Maryland Insurance Commissioner's ("Commissioner") request dated [DATE], for accounts, records, documents, data or other information needed for the Administration's analysis.

I further attest that I am an authorized officer/representative of the Company, that I have undertaken an adequate inquiry to provide this certification to the Commissioner, and am authorized to bind the Company to the responses provided.

Signature: _____

Print Name: _____

Company: _____

Title: _____

Date: _____

Appendix 5

Data Call Letter – Small Employer Health Benefit Plans

September XX, 2015

Company Name
Company Address

Re: Data Call Letter—Small Employer Health Benefit Plans
Response Due by:

House Bill 552, Chapter 494, Acts of 2015 requires the Maryland Insurance Administration to conduct a study of many aspects of the impact of medical stop-loss insurance in Maryland. One issue that is required to be studied is the impact on the Maryland Health Benefit Exchange of small employers choosing to drop coverage for their employees.¹

In order to study this issue, we are requesting a response to the following questions:

1. When a small employer terminates a health benefit plan with your company, does your company track if:

a. The small employer is moving coverage to a different carrier in the small group market? Yes No.

b. The small employer is dropping coverage for its employees overall? Yes No.

If the answers to 1.a. and 1.b. are *both* “No” STOP. Return this survey to the address at the bottom of this survey.

2. If the answer to either question 1.a. or question 1.b. is “Yes”:

a. How many small employers terminated health benefit plan coverage with your company between December 31, 2014 and July 1, 2015? _____

b. How many of the small employers who terminated health benefit plan coverage with your company between December 31, 2014 and July 1, 2015 moved their coverage to a different carrier? _____

c. How many of the small employers who terminated health benefit plan coverage with your company between December 31, 2014 and July 1, 2015 dropped coverage for their employees overall? _____

Thank you for your response. Please return the survey to Mr. Nour Benchaaboun, Chief, Market Analysis, Compliance and Enforcement Unit, Maryland Insurance Administration, 200 St. Paul

¹ Section 2, Item (d)(9), House Bill 552, Chapter 494, Acts of 2015.

Place, Baltimore, MD 21202 or email to Nour.Benchaaboun@maryland.gov. by September XX, 2015.

SAMPLE

Appendix 6

Sample of Specific Stop-Loss Base Rates (Monthly)

Specific Stop Loss Base Rates (Monthly)

Specific Deductible	Base Rate PMPM *
\$22,500	\$60.35
\$25,000	\$57.44
\$30,000	\$51.14
\$40,000	\$41.36
\$50,000	\$35.18
\$60,000	\$31.39
\$70,000	\$27.60
\$80,000	\$24.81
\$90,000	\$22.40
\$100,000	\$20.43
\$125,000	\$16.86
\$150,000	\$14.24
\$175,000	\$12.27
\$200,000	\$10.69
\$225,000	\$9.34
\$250,000	\$8.27
\$275,000	\$7.39
\$300,000	\$6.68
\$350,000	\$5.52
\$400,000	\$4.60
\$450,000	\$3.91
\$500,000	\$3.36
\$550,000	\$2.96
\$600,000	\$2.62
\$650,000	\$2.35
\$700,000	\$2.10
\$750,000	\$1.89
\$800,000	\$1.71
\$900,000	\$1.41
\$1,000,000	\$1.18
\$1,250,000	\$0.79
\$1,500,000	\$0.55
\$2,000,000	\$0.31

* The PMPM (Per Member Per Month) Base Rate is the starting point for calculating a group's stop-loss rate. The PMPM Base Rate is multiplied by such factors as trend, geography, age,sex, etc. to derive a Gross PMPM charge. The Gross PMPM charge is multiplied by the employer's member count to derive the employer's monthly Gross charge.

Appendix 7

Sample of Aggregate Stop-Loss Rates

Aggregate Stop Loss Base Rates *
 Specific Deductible of \$50,000
 Various Attachment Points

	120%	130%	140%	150%
Group	Attachment	Attachment	Attachment	Attachment
Size	Point	Point	Point	Point
50	1.096%	0.823%	0.712%	0.712%
100	0.691%	0.454%	0.365%	0.365%
300	0.267%	0.124%	0.082%	0.082%
700	0.130%	0.043%	0.024%	0.024%
1,000	0.100%	0.029%	0.014%	0.014%
2,000	0.066%	0.015%	0.007%	0.007%

* The Expected Annual Claims of an employer group is multiplied by the aggregate stop-loss Base Rate factor in addition to factors such as geography and underwriter judgement to arrive at an Annual Net Premium Cost for the employer group. The Annual Net Premium Cost is divided by a loss ratio percentage to arrive at a Gross annual cost rate for the employer group.