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BULLETIN 06-04

**To: Insurers and Nonprofit Health Service Plans Participating
in the Small Group Market**

Re: Changes to the Comprehensive Standard Health Benefit Plan for July 1, 2006

Date: March 13, 2006

The purpose of this bulletin is to notify insurers and nonprofit health service plans participating in the Maryland small group market of amendments to **COMAR 31.11.06 Comprehensive Standard Health Benefit Plan**. The proposed amendments to the regulations were published in the Maryland Register on January 20, 2006 and are expected to be finalized as originally published, with an effective date of July 1, 2006. In accordance with COMAR 31.11.06.12, the amended regulations apply to small group contracts that are issued or renewed on or after July 1, 2006.

The following is a summary of the amendments to COMAR 31.11.06 that will require revisions to your contracts/certificates and corresponding rate filings. To ensure approval by July 1, 2006, the Maryland Insurance Administration must receive your filings by May 1, 2006. If you make the revisions to your small group contract by amendment rider, please specify in your accompanying letter the form number and approval date of the contract that the amendment rider is revising.

REVISIONS REQUIRED BY COMAR 31.11.06

➤ **Amended Cost Sharing Requirements:**

- **PPO-HSA**

- Deductibles for Standard Plan (applies to in-network, out-of-network and prescription drug benefits) {COMAR 31.10.06.04F(2)(b)(i)}
 - Individual Coverage \$2700
 - Other Than Individual Coverage \$5450

- **PPO-HSA (continued)**
 - Out-of-Pocket Limit for Standard Plan {COMAR 31.11.06.04F(2)(b)(ii)}
 - Individual Coverage \$5250
 - Other Than Individual Coverage \$10,500
- **Point-of-Service in Conjunction with Preferred Provider**
 - Deductibles for Standard Plan (does not include prescription drugs)
 - Individual Coverage \$2500
 - Other Than Individual Coverage \$5000 in the aggregate
 - Out-of-Pocket Limit for Standard Plan {COMAR 31.11.06.04F(3)(a)}
 - Individual Coverage \$4900
 - Other Than Individual Coverage \$9800 in the aggregate

➤ **Prescription Drug Benefit:**

- The prescription drug benefit in COMAR 31.11.06.03A(26) is no longer limited to, “Generic prescription drugs, unless no generic drug is available,” but instead covers all prescription drugs.
- Revised Cost-sharing:
 - The prescription drug deductibles {COMAR 31.11.06.05H(1)} for all standard plans, other than the PPO-HSA standard plan, are:
 - Individual Coverage: \$2,500
 - Other than Individual Coverage: \$5,000 in the aggregate
 - The prescription drug coinsurance is 75 percent and applies to all standard plans, including the PPO-HSA. {See COMAR 31.11.06.05H(3)}
- An insurer or nonprofit health service plan may use a formulary for brand name drugs, on the condition that the contract is amended to include the coverage required by §15-831(d) of the Insurance Article. See COMAR 31.11.06.03E(1).

Copies of the amended regulations can be secured from the Division of State Documents website at www.dsd.state.md.us. From the Division of State Documents home page, select Maryland Register and the January 20, 2006 issue (begins on page 175). Any questions about this bulletin or the amended regulations should be directed to Brenda Wilson, Chief of Health Insurance and Managed Care, at (410) 468-2170.

R. Steven Orr
Insurance Commissioner

By: _____
Howard Max
Associate Commissioner
Life and Health Section