

**Title 20—DEPARTMENT OF
COMMERCE AND INSURANCE
Division 400—Life, Annuities and Health
Chapter 13—Health Insurance Rates**

PROPOSED AMENDMENT

20 CSR 400-13.100 Health Insurance Rates. The Director is amending section (5) of this rule.

PURPOSE: The purpose of this amendment is to require that an actuarial value and cost-sharing factor spreadsheet, which must contain certain information, be included in proposed rates and rate filings for health benefit plans. This amendment would also require a cost-sharing adjustment factor for individual silver plans sold on the exchange and would prohibit a cost-sharing reduction adjustment factor from being applied to any plans other than silver plans sold on the exchange.

(5) All proposed rates and rate filings for health benefit plans to be delivered, issued for delivery, continued, or renewed on or after January 1, 2018 shall contain the following:

(A) Rates for each health benefit plan including all variations based on age, rating area, and tobacco use, in an Excel spreadsheet, or other format as allowed by the director;

(B) Identification of all policy forms to which the rate filing will apply, including SERFF tracking number, policy form number, and plan identification number. A rate filing shall be made separately and apart from a policy form filing;

(C) The total number of in-force policies or certificates to which the rate filing will apply;

(D) The rate filing justification as described in section (6) of this rule;

(E) All proposed rates and rate filings for health benefit plans, to be delivered, issued for delivery, continued, or renewed on or after January 1, 2025 shall also include an actuarial value and cost-sharing factor spreadsheet that contains:

1. The plan identification number included in the spreadsheet specified in subsection (5) (A);

2. The component factors of the actuarial value and cost-sharing design of plan field in the spreadsheet specified in subsection (5) (A), which shall not include adjustments that account for the morbidity of the population expected to enroll in the plan. Such component factors shall include at a minimum the following:

A. The actuarial value used in the pricing of the plan;

B. Induced demand factors for each metal level; and

C. For individual silver plans sold on the exchange, a cost-sharing reduction adjustment factor that accounts for the average costs attributable to cost-sharing reductions (CSRs), to the extent that health carriers are not otherwise being reimbursed for those costs. A cost-sharing reduction adjustment factor shall not be applied to any other plans sold on the exchange. If health carriers are being reimbursed for the CSRs consistent with 42 U.S.C. § 18071, then the cost-sharing adjustment factor does not apply.

D. For purposes of subparagraphs B and C, the director shall determine the methodology used to establish the induced demand factor and the cost-sharing reduction adjustment factor on an annual basis. In determining the methodology, the director shall consider, at a minimum, actuarial best practices, guidance from the National Association of Insurance Commissioners, and guidance from the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services; and

3. The actuarial value and cost-sharing design of plan specified in the spreadsheet identified in subsection (5) (A). This value must equal the product of the component factors from paragraph 2, and shall reflect the benefit differences and utilization differences due to differences in cost-sharing, including benefits and utilization differences attributable to CSRs, to the extent that health carriers are not otherwise being reimbursed for those costs. For silver plans, health carriers shall assume that 100% of enrollees in silver plans select one of the 94 percent or 87 percent actuarial value designs, as described in 45 CFR § 156.420(a)(1) and (a)(2).

4. Student health plans and transitional plans are exempt from the requirements of subsection (5) (E).

([E] F) Any other data or information that provides a sufficient basis for the director to determine if the proposed rates are reasonable and to complete the review under the standards outlined in 45 CFR Part 154.

AUTHORITY: sections 374.045 and 376.465, RSMo 2016. Original rule filed Oct. 3, 2016, effective March 30, 2017. Non-substantive change filed Sept. 11, 2019, published Oct. 31, 2019. Amended: Filed January 16, 2024.

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE OF PUBLIC HEARING AND NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Department of Commerce and Insurance, Attention: Amy V. Hoyt, PO Box 690, Jefferson City, Missouri 65102 or via email at amy.hoyt@insurance.mo.gov. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. A public hearing is scheduled for 10:00 a.m. on March 20, 2024, at the Harry S Truman State Office Building, Room 530, 301 West High Street, Jefferson City, Missouri.