

DEPARTMENT OF INSURANCE

Statutory Authority: 18 Delaware Code, Sections 311 & 2501 (18 Del.C. §§311, 2501)

FINAL

ORDER

1314 Health Premium Consumer Comparison

Proposed Regulation 1314 relating to Health Premium Consumer Comparison was published in the Delaware *Register of Regulations* on December 1, 2011. The comment period remained open until December 30, 2011. There was no public hearing on proposed Regulation 1314. Public notice of the proposed Regulation 1314 in the *Register of Regulations* was in conformity with Delaware law.

SUMMARY OF THE EVIDENCE AND INFORMATION SUBMITTED

Comments were received on the proposed Regulation 1314 from:

1. The State Council for Persons with Disabilities, who endorsed the regulation with one clarification recommendation;
2. America's Health Insurance Plans (AHIP), who submitted concerns and proposed clarification amendments;
3. The Governor's Advisory Council for Exceptional Citizens, who endorsed the regulation with one clarification recommendation; and
4. Blue Cross Blue Shield Delaware (submitted late), who submitted proposed clarification and grammar amendments.

The collective comments were reviewed and considered, with minor clarification amendments being made. No substantive changes were made to the proposed Regulation 1314.

FINDINGS OF FACT

Based on Delaware law and the record in this docket, I make the following findings of fact:

The requirements of proposed Regulation 1314 best serve the interests of the public and of insurers and comply with Delaware law.

DECISION AND EFFECTIVE DATE

Based on the provisions of 18 Del.C. §§314, 1111, and of 29 Del.C. §§10113-10118, and the record in this docket, I hereby adopt proposed Regulation 1314 as may more fully and at large appear in the version attached hereto to be effective on February 15, 2012.

TEXT AND CITATION

The text of proposed Regulation 1314 last appeared in the *Register of Regulations* Vol. 15, Issue 6, pages 740-742.

IT IS SO ORDERED this 18th day of January, 2012.

Karen Weldin Stewart, CIR-ML
Insurance Commissioner

1314 Health Premium Consumer Comparison

1.0 Authority

This regulation is adopted by the Commissioner pursuant to the authority granted by 18 Del.C. §§311 and 2501 and promulgated in accordance with the Delaware Administrative Procedures Act, 29 Del.C. Ch. 101.

2.0 Definitions

The following words and terms, when used in this regulation, shall have the following meaning unless the context clearly indicates otherwise:

["Health Insurance" means a plan or policy issued by a carrier for the payment for, provision of, or reimbursement for health care services.]

"Insurer" means every insurer, health service[s] corporation, and managed care organization licensed to offer and sell health insurance in the state of Delaware (and does not include limited benefit plans, vision only, dental, Medicare supplement, or long term care).

"Rate estimates" means the estimate[ds of] annual insurance premiums produced for the Department's rate survey.

"Rate survey" means a request by the Department that insurers calculate estimated annual insurance premiums based on hypothetical consumer profiles. The rate survey shall include estimated premiums for zip codes or other geographic area identified by the Department.

3.0 Scope

- 3.1 Insurers that market health insurance [in this state] shall be required to complete the full rate survey required by this regulation.
- 3.2 The provisions of this regulation shall not apply to policies of insurance ~~[that only cover specified diseases or are limited health benefit plan dental plans and limited benefit plans]~~ providing health benefit plans identified as not included under 18 Del.C. §3602(10)b, §3572(4) or §7202(18).]

4.0 Insurer Information

Each insurer will be provided with an account on the Department's website to provide basic company information and to administer the submission of rate survey data.

5.0 Survey Completion Deadline

- 5.1 In 2012, all required rate survey data from insurers must be submitted to the Department on or before ~~March 15th~~ **May 1st**. In all subsequent years ~~[(and again except] in 2012)~~, all required rate survey data from insurers must be submitted to the Department on or before September 1st of each year.
- 5.2 The Department of Insurance shall make available the rate survey request format with hypothetical consumer profiles, coverage levels, and other information necessary for calculating rate estimates on the Department's website no later than September 15th of each year (and on ~~March 30, May 15, 2012~~).
- 5.3 Rate survey data that is incomplete or not reported according to the Department's instructions will be returned to the insurer for correction and must be resubmitted within 10 business days.

6.0 Survey Format

- 6.1 Insurers shall provide rate estimates based on rates in effect as of August 31st of the year when the rate survey is being completed (and as of March 1, 2012, to comply with section 5.1 above).
- 6.2 All rate estimates shall be rounded to the nearest dollar.
- 6.3 Insurers shall submit rate data utilizing an electronic spreadsheet provided by the Department or by other means specified by the Department. Insurers shall be required to upload the data to the Department via the Internet.

7.0 Responsibility for Information and Data

Insurers shall be responsible for the accuracy of company information and rate data submitted to the Department for publication. As part of the submission process, insurers will be subject to examination to verify the accuracy of the data being submitted.

8.0 Consumer Quote Requests

- 8.1 Insurers shall provide a single electronic mail message to the Department for the purpose of allowing consumers to request a personalized health insurance premium quote as part of the rate comparison process.
- 8.2 The insurer shall ~~[be required to]~~ provide a direct email response to the consumer, confirming receipt of the quote request **[and providing the requested information]**.
- 8.3 The insurer shall be required to maintain ~~[an electronic a]~~ log of all email responses to consumer requests for rate quotes for a period of one year after the request. The ~~[electronic]~~ log shall be capable of being transferred to the Department upon request.

9.0 Penalties

Insurers that do not comply with this regulation are subject to the provisions of 18 Del.C. §329.

10.0 Severability

If any provision of this regulation or the application of any such provision to any person or circumstance shall be held invalid, the remainder of such provisions, and the application of such provision to any person or circumstance other than those as to which it is held invalid, shall not be affected.

11.0 Effective Date

This regulation shall become effective on February 15, 2012.

15 DE Reg. 1164 (02/01/12) (Final)