

# DEPARTMENT OF INSURANCE

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

## PROPOSED

### PUBLIC NOTICE

INSURANCE COMMISSIONER KAREN WELDIN STEWART hereby gives notice of proposed Department of Insurance Regulation 1314 relating to Health Premium Consumer Comparisons. The docket number for this proposed regulation is 1530.

The proposed regulation would require health insurance companies to provide survey data to the Department of Insurance for the purposes of allowing consumers of health insurance the opportunity to compare rates from different companies. The survey data would have to be filed with the Department on an annual basis. The regulation would also require the insurers to provide direct email responses to the consumer. The Delaware Code authority for the change is 18 Del.C. §§ 311 and 2501 et seq.

The Department of Insurance does not plan to hold a public hearing on the proposed regulation. The proposed regulation appears below and can also be viewed at the Delaware Insurance Commissioner's website at [www.delawareinsurance.gov/departments/documents/ProposedRegs/ProposedRegs.shtml](http://www.delawareinsurance.gov/departments/documents/ProposedRegs/ProposedRegs.shtml).

Any person can file written comments, suggestions, briefs, and compilations of data or other materials concerning the proposed amendment. Any written submission in response to this notice and relevant to the proposed regulation must be received by the Department of Insurance no later than 4:30 p.m. EST, Wednesday, August 31, 2011. Any such requests should be directed to:

Regulatory Specialist Rhonda West  
Delaware Department of Insurance  
841 Silver Lake Boulevard  
Dover, DE 19904  
Phone: (302) 674-7379  
Fax: (302) 739-7651  
Email: [rhonda.west@state.de.us](mailto:rhonda.west@state.de.us).

### 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, Title 29 Del.C. Chapter 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:

"Insurer" means every insurer, health services corporation, and managed care organization licensed to offer and sell health insurance in the state of Delaware.

"Rate estimates" means the estimated 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, Health Service Corporations and Managed Care Organizations that market health insurance 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.

#### **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 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.
- 5.2 In 2011, all required rate survey data from insurers must be submitted to the Department on or before October 31st. In all subsequent years, all required rate survey data from insurers must be submitted to the Department on or before September 1st of each year.
- 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.
- 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.
- 8.3 The insurer shall be required to maintain an electronic 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 October 11, 2011.

**15 DE Reg. 164 (08/01/11) (Prop.)**