



Date: May 30, 2013

From: Teresa Miller, Acting Director, Oversight Group

Title: Frequently Asked Questions (FAQ)

Subject: CCIIO Technical Guidance (CCIIO 2013—0002): Question and Answer Regarding the Requirement that Issuers of Certain Health Insurance Coverage sold as Fixed Indemnity Insurance submit an annual Medical Loss Ratio (MLR) report to the Secretary.

I. Purpose

The purpose of this FAQ is to provide guidance on the effective date of Affordable Care Act Implementation FAQs, Set 11, Question and Answer #7, issued in February 2013 by the Departments of Health and Human Services (HHS), Labor and Treasury (collectively, the Departments) to the Medical Loss Ratio reporting and rebate requirements set forth at 45 CFR Part 158.

II. Question and Answer

APPLICABILITY OF THE MLR REPORTING REQUIREMENTS TO CERTAIN HEALTH INSURANCE POLICIES MARKETED AS FIXED INDEMNITY INSURANCE

Question #61:

Must an issuer of plans that the issuer had categorized as “fixed indemnity” policies, but which in fact fail to satisfy the criteria for fixed indemnity policies described in the Affordable Care Act Implementation FAQs, Set 11, Question and Answer #7 (January 24, 2013), report the medical loss ratio (MLR) experience of those plans to the Secretary for the 2012 reporting year?

Answer #61:

No. Issuers do not need to report the experience of these policies for the 2012 MLR reporting year.