



Date: December 30, 2013

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Title: Insurance Standards Bulletin Series—INFORMATION

Subject: CCIIO Technical Guidance (CCIIO 2013—0004): Question and Answer Regarding the Medical Loss Ratio Reporting and Rebate Requirements.

I. Purpose

The purpose of this Bulletin is to provide guidance on when an issuer may defer including premium collected for Affordable Care Act fees on non-calendar year policies in its MLR and rebate calculations.

This Bulletin provides guidance on the following topics:

- MLR Reporting of Affordable Care Act Fees

II. Question and Answer

AFFORDABLE CARE ACT FEES (45 CFR § 158.161(a), § 158.162(a)(1) and (b)(1), § 158.221, § 158.240)

Question #63:

May an issuer defer including premium collected during 2013 for 2014 Affordable Care Act (ACA) fees on non-calendar year policies in its 2013 MLR and rebate calculations?

Answer #63:

Yes. For the 2013 MLR reporting year, issuers may defer including in their MLR and rebate calculations the portion of 2013 premiums collected for 2014 ACA assessments or fees on non-calendar year policies. If issuers elect to defer this portion of premium in the 2013 MLR and rebate calculations, they must disclose the deferred amount for each respective state and market. In addition, issuers must disclose and reduce the MLR tax adjustment to premium by the amount of federal and state taxes and fees associated with the deferred portion of premium.