



### **2021 Issuer Guidance: Optional Small Group Quarterly Medical and Dental Rate Revisions**

This is Plan Year 2021 (PY 2021) issuer guidance for submitting optional medical and dental quarterly rate revisions. DIFS will again be permitting revisions to quarterly rates starting with the 2nd quarter 2021. The timelines are accelerated as they were for PY2020 as CMS has stated rates must be final 45 days prior to the effective date. The timelines, requirements, and relevant guidance for submitting revisions to small group rates for 2021 are as follows:

#### **Filing Timelines:**

##### ***- Revision of 2nd Quarter Small Group Rates – Due December 17, 2020***

Issuers wishing to revise their 2nd quarter small group rates must submit a new SERFF rate filing and request their binder be reopened by DIFS. Per the PY 2021 Bulletin, appropriate documents should be submitted in both the rate filing and binder no later than December 17, 2020. Issuers must also submit a corresponding HIOS filing by December 17, 2020.

##### ***- Revision of 3rd and/or 4th Quarter Small Group Rates – Due March 18, 2021***

Issuers wishing to revise their 3rd and/or 4th quarter small group rates must submit a new SERFF rate filing and request their binder be reopened by DIFS. Per the PY 2021 Bulletin, appropriate documents should be submitted in both the rate filing and binder no later than March 18, 2021. Issuers must also submit a corresponding HIOS filing by March 18, 2021.

**\*\*NOTE** – As in prior years DIFS will **not** provide a separate filing window for revisions to 4th quarter rates due to timing conflicts with the 2022 annual filing. Issuers wishing to revise 4th quarter rates *only* should submit their revisions by March 18, 2021.

#### **Filing Requirements:**

- Issuers must submit new rate filings in SERFF following the guidance in PY 2021 Bulletins (see links below). If applicable form changes are needed, please submit those simultaneously. New benefit designs will not be permitted.
- Filings must include rate revisions for subsequent quarters, adjusted only for trend. For example, 2nd quarter filings must include revised 3rd and 4th quarter rates adjusted only for trend from the revised 2nd quarter rates.
- Issuers should follow the current URR Instructions in submitting a HIOS filing. If the proposed increase for any medical product exceeds the federal rate review threshold, a Part II Written Description Justifying the Rate Increase is required.

- Federal templates are required for quarterly rate filings:

o **Medical:** Rates, Business Rules, Part I Unified Rate Review, Part II Written Description Justifying the Rate Increase (if applicable), Part III Actuarial Memorandum.

o **Dental:** Rates, Business Rules ☒ These templates must be uploaded to both the rate/form filing and the binder.

-The Rates Template must include all four (4) quarters of rates, not just the quarters being revised.

### **Impact of COVID-19**

Your actuarial memorandum should describe any adjustments made to trend, morbidity, demographic shifts, or any other effects resulting from the COVID-19 pandemic. This includes any adjustments necessary to the experience period data should you select an experience period in your Unified Rate Review Template that includes any part of 2020, as the Unified Rate Review instructions permits small group issuers to utilize an experience period in the Unified Rate Review Template that begins on quarterly dates after January 1.

### **Links to Relevant Guidance:**

[DIFS 2021 Medical Bulletin](#) (Medical)

[DIFS 2021 SADP Bulletin](#) (Stand-Alone Dental)

[Draft 2020 Unified Rate Review \(URR\) Instructions](#)