COMMONWEALTH OF VIRGINIA
STATE CORPORATION COMMISSION
AT RICHMOND, JUNE 3, 2021

COMMONWEALTH OF VIRGINIA, ex rel.
STATE CORPORATION COMMISSION

Ex Parte: In the matter of an assessment on health carriers offering qualified individual health or dental plans through the Virginia Health Benefit Exchange on the federal platform for the 2022 and 2023 plan years

CASE NO: HBE-2021-00001

ASSESSMENT ORDER

Pursuant to Chapter 65 of Title 38.2 (§ 38.2-6500 et seq.) of the Code of Virginia ("Code"), the State Corporation Commission ("Commission") is required to develop and operate the Virginia Health Benefit Exchange ("Exchange"). The Exchange, which is administered by the Health Benefit Exchange Division, began operation as a State-based Exchange on the Federal platform for plan year 2021 and will continue to operate as a State-based Exchange on the Federal platform for plan years 2022 and 2023.

Section 38.2-6510 of the Code authorizes the Health Benefit Exchange Division to fund the operations of the Exchange, in part, through special fund revenues generated by assessment fees on health carriers offering plans through the Exchange. Section 38.2-6510 of the Code further provides that funding for the Exchange shall be in an amount sufficient to support its ongoing operations, and that assessments on health carriers shall be reasonable and necessary to support the development, operations, and prudent cash management of the Exchange. Such assessments are required to be approved by the Commission prior to implementation and shall not exceed 3.0% of the carrier's total monthly premium as set forth in the statute or except as otherwise allowed.

For plan years 2022 and 2023, the Health Benefit Exchange Division proposes the assessment of a user fee in the amount of 0.5% of a carrier's total monthly premium from
effectuated enrollment in qualified health plans and qualified dental plans sold in the individual market. This assessment will be in addition to the user fee assessed for Federal services performed for a State-based Exchange on the Federal platform and paid to the Centers for Medicare & Medicaid Services (CMS), as established by the Department of Health and Human Services (HHS) pursuant to federal regulation.

UPON CONSIDERATION thereof, and upon the finding of the Commission that it is reasonable, necessary, and proper to do so under applicable laws,

IT IS HEREBY ORDERED that:

1. For plan year 2022 that begins January 1, 2022, there shall be ASSESSED upon health carriers operating in the Exchange, based on that carrier's total monthly premium from effectuated enrollment in qualified health benefit plans and qualified dental plans sold in the Commonwealth of Virginia in the individual market through the State-based Exchange on the Federal platform, a sum equal to 0.5% of monthly premium;

2. For plan year 2023 that begins on January 1, 2023, there shall be ASSESSED upon health carriers operating in the Exchange, based on that carrier's total monthly premium from effectuated enrollment in qualified health benefit plans and qualified dental plans sold in the Commonwealth of Virginia in the individual market through the State-based Exchange on the Federal platform, a sum equal to 0.5% of monthly premium;

3. The assessment fees set forth in paragraphs 1 and 2 ("assessment fees") shall be paid monthly. The Health Benefit Exchange Division is instructed to provide further guidance to carriers regarding the calculation and payment of the assessment fees;
4. The assessment fees shall be paid to the state treasury and deposited to the special fund designated "Health Insurance Exchange Special Fund State Corporation Commission" in accordance with section 38.2-6510 A of the Code; and,

5. The assessment fees shall not be assessed to carriers on qualified health benefit plans or qualified dental plans sold in the small employer market or on plans sold off the Exchange.

AN ATTESTED COPY hereof shall be sent by the Clerk of the Commission, to the Bureau of Insurance, c/o Julie Blauvelt, Deputy Commissioner, and to the Health Benefit Exchange Division, c/o Victoria Savoy, Director.