

Statement of the Virginia Bureau of Insurance Regarding Renewal and Discontinuance Notification Requirements in Virginia

Health Insurance Carriers operating in Virginia have recently asked the Bureau of Insurance (the Bureau) to provide clarity with respect to certain notification requirements in Virginia Insurance Laws. The Bureau is aware that the Centers for Medicare and Medicaid Services (CMS) has provided guidance through its rules on whether changes made to certain health plans are considered to be uniform modifications or whether instead they are deemed to be discontinuations of coverage. The Bureau encourages health insurance carriers to refer to these rules when making this determination, and offers the following further guidance relating to renewals and discontinuations:

- In the case of policies being renewed, the premium and deductible increase notice requirements identified in Virginia § 38.2-3407.14 apply. The time-frame and the circumstances under which these notifications must be provided differ depending on the product involved, (individual vs. small group coverage). Refer to the statute for specific requirements.
- The 90 day notification requirements addressed in Virginia Code §§ 38.2-3430.7 and 38.2-3432.1 apply to any and all Virginia policies that are being or will be discontinued.

The Bureau recognizes that, in many cases, carriers may not be in a position to include in the above notices specific benefit or rate information and/or information about the products that the notification recipients may be offered or automatically enrolled into because final authorization from CMS for certain health insurance products is pending at this time. While specific product benefit and premium rate information may not be available in some instances, the Bureau will expect carriers' notifications to include, as applicable: (1) as much information as possible about potential deductible and/or premium rate increases; (2) as much information as possible about the products into which notice recipients will or may be automatically enrolled pending further action on their parts; (3) as much information as possible about other health insurance options available to Virginia consumers; and 4) the name and company contact information to which individuals may direct questions or inquiries.

Carriers are further expected to notify consumers of the status of applicable rate and form filings with the Bureau and direct consumers to the Bureau's webpage at <http://www.scc.virginia.gov/boi/index.aspx> for further information.