

**Date: October 4, 2016**  
**Subj: 2017 Issuer Guidance: Optional Small Group**  
**Quarterly Medical and Dental Rate Revisions**



This is plan year 2017 issuer guidance for submitting optional medical and dental quarterly rate revisions. DIFS will again be permitting revisions to quarterly rates starting with the 2<sup>nd</sup> quarter 2017. The timelines are accelerated one month from plan year 2016 as CMS has stated rates must be final 75 days prior to the effective date. The timelines, requirements and relevant guidance for submitting revisions to small group rates for 2017 are as follows:

**Filing Timelines:**

- **Revision of 2<sup>nd</sup> Quarter Small Group Rates – Due November 18, 2016**

Issuers wishing to revise their 2<sup>nd</sup> quarter small group rates must submit a new SERFF rate filing and request their binder be reopened by DIFS. Per the PY 2017 Bulletin, appropriate documents should be submitted in both the rate filing and binder no later than November 18, 2016. Issuers must also submit a corresponding HIOS filing by November 18, 2016.

- **Revision of 3<sup>rd</sup> and/or 4<sup>th</sup> Quarter Small Group Rates – Due February 17, 2017**

Issuers wishing to revise their 3<sup>rd</sup> and/or 4<sup>th</sup> quarter small group rates must submit a new SERFF rate filing and request their binder be reopened by DIFS. Per the PY 2017 Bulletin, appropriate documents should be submitted in both the rate filing and binder no later than February 17, 2017. Issuers must also submit a corresponding HIOS filing by February 17, 2017.

**\*\*NOTE** – As in prior years DIFS will **not** provide a separate filing window for revisions to 4<sup>th</sup> quarter rates due to timing conflicts with the 2018 annual filing. Issuers wishing to revise 4<sup>th</sup> quarter rates *only* should submit their revisions by February 17, 2017.

**Filing Requirements:**

- Issuers must submit new rate filings in SERFF following the Plan Year 2017 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, 2<sup>nd</sup> quarter filings must include revised 3<sup>rd</sup> and 4<sup>th</sup> quarter rates adjusted only for trend from the revised 2<sup>nd</sup> quarter rates.
- Issuers should follow the current URR Instructions in submitting a HIOS filing. If the proposed increase for any medical product is 10% or higher, a Part II Written Description Justifying the Rate Increase is required.
- Federal templates 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 4 quarters of rates, not just the quarters being revised.

**Links to Relevant Guidance:**

- [DIFS Bulletin 2016-10-INS](#) (Medical plans)
- [DIFS Bulletin 2016-09-INS](#) (Dental plans)
- [2017 Unified Rate Review \(URR\) Instructions](#)