

Redacted Actuarial Memorandum

Submission Requirements

Overview

Section 2794 of the Public Health Service Act (PHSA) and the implementing regulation, codified at 45 CFR Part 154, establish requirements for health insurance issuers (issuers) offering health insurance coverage for non-grandfathered products in the small group and/or individual markets to submit rate filing information on rate increases to the Centers for Medicare & Medicaid Services (CMS) and the applicable state agency. A Rate Filing Justification for single risk pool compliant plans consists of: Part I Uniform Rate Review Template (URRT), Part II Written Description Justifying the Rate Increase (only for rate increases of 10% or greater), and Part III Rating Filing Documentation (Actuarial Memorandum).¹

Public Disclosure

45 CFR § 154.215(h) specifies that CMS will make available on its website the information contained in Part II, and the information contained in Parts I and III that is not a trade secret or confidential commercial or financial information as defined in HHS's Freedom of Information Act (FOIA) regulations at 45 CFR § 5.65.

Redacted Actuarial Memorandum

To facilitate the release of the information in Part III, health insurance issuers must submit two versions of the Actuarial Memorandum (AM) if their AM contains trade secrets or confidential commercial or financial information as defined in HHS's FOIA regulations: (1) a redacted AM that will be made available to the public ("public version");² and (2) an un-redacted version for regulatory review ("CMS version")³. The public version of the AM should contain all of the information in the un-redacted CMS Version that is not a trade secret or confidential commercial or financial information. Issuers must not redact information unless its release would likely result in specific, reasonably foreseeable, and substantial competitive harm.⁴

File Naming Convention

Issuers must submit the redacted public version of the AM as a supplemental document in the Unified Rate Review (URR) module in the CMS Health Insurance Oversight System (HIOS)⁵ and name the document according to the following naming convention: **[HIOS Issuer ID]_[Effective Date]_[Market Abbreviation]⁶_RedactedAM.pdf**. For example, an issuer with a HIOS Issuer ID of 12345 submitting a rate filing

¹ Issuers must also submit rate filing documentation for transitional plans and student health plans with proposed rate increases of 10% or greater. Information on the filing requirements for non-single risk pool plans can be found in the 2016 Rate Review Justification (RRJ) Instructions at <http://www.cms.gov/CCIIO/Resources/Forms-Reports-and-Other-Resources/Downloads/RRJ-Instructions-Manual-20150401-Final.pdf>.

² The OMB control number for this information collection is 0938-1141.

³ The required elements for the un-redacted "CMS version" of the Actuarial Memorandum for single risk pool plans can be found in the 2016 Unified Rate Review Filing Justification Instructions at <http://www.cms.gov/CCIIO/Resources/Forms-Reports-and-Other-Resources/Downloads/2016-Unified-Rate-Review-Instructions-20150222-Final.pdf>.

⁴ We note that this document outlines the federal requirements for submission of redacted AMs as part of the Unified Rate Review Rate Filing Justifications under 45 CFR 154.215. It does not address state-specific laws or regulations that may require issuers to take additional steps to maintain the confidentiality of AMs under state law.

⁵ Issuers must use the Rate Review Justification (RRJ) module in HIOS for transitional plans and student health plans.

⁶ Issuers must use "IND" for submissions in the individual market and "SG" for submissions in the small group market.

with an effective date of 1/1/2016 in the individual market must name the redacted public version of the AM as follows: *12345_01012016_IND_RedactedAM.pdf*.

Please note that the redacted AM must be uploaded into HIOS in PDF format.

If an AM does not contain any trade secrets or confidential commercial or financial information that needs to be redacted, the issuer should use the above file naming convention to submit a public version of the AM that is identical to the CMS version of the AM in order to facilitate public posting of the AM.

Improper Redaction or Failure to Submit Redacted Copy

If CMS determines that information redacted from an AM does not constitute trade secrets or confidential commercial or financial information as defined in HHS's FOIA regulations, CMS will notify the issuer in writing that CMS intends to make the information public five working days after the issuer received the notice.

If CMS does not receive a redacted AM from a particular issuer, CMS will assume that the AM provided does not contain any trade secrets or confidential commercial or financial information and will publicly post the un-redacted version.