



DATE: April 15, 2022
TO: All Insurers Authorized to Write Health Insurance in Wisconsin
FROM: Nathan Houdek, Commissioner of Insurance
SUBJECT: Extension of Transitional Health Insurance Plans

On March 23, 2022, the Centers for Medicare and Medicaid Services (CMS) released a bulletin allowing states to permit insurers to renew transitional policies.¹ Specifically, the new guidance extends the use of transitional plans indefinitely until such time as CMS issues an announcement ending the non-enforcement of certain market reforms. In light of this new federal guidance, the Office of the Commissioner of Insurance (OCI) is issuing this bulletin to allow for the extension of these plans as outlined by CMS.

Insurers may submit rate revisions for 2022 renewals and future plan years until CMS and OCI provide notice of the requirement for compliance with all applicable market reforms. The rate revisions shall be filed within 30 days after the rates become effective using one of the following methods:

1. **Simplified Rate Filing:** If a complete rate filing was submitted for the affected product(s) in 2013 or later and the insurer wishes to change rates by an annualized trend amount equal to or less than the amount indicated in the most recent complete rate filing, a simplified filing process may generally be used. Insurers electing this option must submit through a filing in SERFF a letter indicating (1) the affected products, (2) the annualized trend amount filed in the most recent complete rate filing, (3) the trend change requested, and (4) the rate change effective date(s). The letter must reflect any incremental implementation of the annualized trend change.
2. **Complete Rate Filing:** If no rate filing was submitted for the affected product(s) in 2013 or later, or the insurer wishes to increase rates by an amount greater than the annualized trend amount filed in the most recent complete rate filing, a complete filing must be submitted. The filing must fulfill all requirements for transitional rate filings. Detailed filing requirements are available on the OCI web site at: <http://oci.wi.gov/oci/forms/comphealth-ratefilings-ngf.htm>.

OCI requires insurers offering individual transitional plans to provide individual insureds the "Important Consumer Notice."² This notice shall be provided to the individual as a cover letter to the federally required notice when a transitional policy is renewed, nonrenewed, or canceled.

Insurers should be aware that legal and policy changes at the state and federal levels may cause transitional plans to be unavailable in Wisconsin in the future.

Any questions concerning this bulletin should be directed to Lisa Brandt at Lisa.Brandt@wisconsin.gov.

¹CMS guidance can be found at <https://www.cms.gov/files/document/extension-limited-non-enforcement-policy-through-calendar-year-2023-and-later-benefit-years.pdf>

² The "Important Consumer Notice" can be found at <https://oci.wi.gov/Documents/OCIForms/12-019TransitionalHealthPlanCN.pdf>