



Certificate of Authority – Frequently Asked Questions 2013

| Question | Answer |
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| 1. Do HICs need to wait on the Department's review pursuant to 1751.03 and 1751.13 (Major Modification) prior to negotiating new contractual amendments with participating providers? The stated concern is that 3963.04 requires insurers to provide material amendments to participating providers 90 days prior to the effective date of the amendments effective date. | The Department is not aware of any insurance law requirement prohibiting the negotiation of amendments prior to the Department's review as long as all parties are aware that the proposed amendment may need to change based upon the Department's review. <i>updated 3/27/13</i> |
| 2. If a plan is not currently in the individual market – except for purposes of open enrollment or conversion, is ODI going to require a Major Modification filing? | This is unique to each company. Without any additional information, it would appear from the facts provided in the question that a plan that is only being sold in the individual market for open enrollment/conversion that will now be available to all in the individual market would require a Major Modification. To be specific, Major Modification filings are governed by 1751.03(B), and are required if a HIC has any Major Modification to its operations which affects: the solvency of the HIC, the continued provision of services that it has contracted with its providers, or the manner in which the HIC conducts its business. As a result, carriers should discuss with legal counsel and other advisors regarding whether new plans represent a major change to their operations that would necessitate a Major Modification filing. <i>updated 3/27/13</i> |
| 3. Is there any consideration being given to relaxing the required review timeframes (i.e. for Major Modification filing – 60 day review period; service extension – 75 day review period)? | While the Department strives to process complete filings as quickly as possible, these timeframes are statutory requirements. However, the actual timeframe for ODI staff to review and approve a particular filing varies and is heavily dependent on the type, completeness and complexity of the filing. The Department staff stands ready to assist companies as they make changes and to efficiently move the filings through review. <i>updated 3/27/13</i> |

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| <p>4. To meet quickly approaching federally set deadlines for participating in the exchange; may a HIC submit required components of its Major Modification separately as the HIC completes each component? For example, the HIC would submit the Major Modification with one or two required components completed and then amend its filing as other components are completed and available for submission. Would ODI review each component when submitted by the HIC rather than waiting until all components of the Major Modification are received?</p> | <p>By statute, ODI's review period for Major Modification filings is limited to 60 days (other time limits apply to other types of filings). It is ODI's view that this review period does not commence until the filing is substantially complete. When a company makes a Major Modification filing, within a few days of receipt, ODI assigned staff conducts an initial, cursory review of the filing for completeness. If the filing is determined to be substantially complete, then ODI assigned staff begins its in-depth review of the filing. Otherwise, the company is notified of any missing items. Due to the unique circumstances and timelines of the new market rules, ODI intends to make every effort to ensure a complete and thorough review in a short timeframe. Therefore, ODI assigned staff is able to begin its review of an otherwise incomplete filing, provided that staff has a "substantially complete" component with which to begin its review. If companies plan to take advantage of this option, please contact your assigned risk assessment analyst or call (614) 728-1753. <i>updated 3/27/13</i></p> |
| <p>5. Can new companies that do not have an NAIC number file products for review in SERFF at the same time the COA application is pending?</p> | <p>Yes, once an insurance company files an application for a COA, ODI can ensure product review is not held up as the COA application is being reviewed by allowing SERFF to accept a filing without an NAIC number. If your company plans to take advantage of this option, you must talk to your risk assessment assigned analyst. <i>updated 3/27/13</i> For more information, please see our HIC filing requirements for an Ohio Certificate of Authority.</p> |