

Health Connector Policy: Rating

Policy #: **GME-15**

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Category: **Rating**

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Approved by: **Ed DeAngelo**

Applicable to all Small Group Health Connector (Qualified Health Plan or QHP/Qualified Dental Plan or QDP)

For QHPs sold on a sole source basis:

An Employer Group may purchase a QHP by designating a single QHP for all its eligible employees, dependents, and COBRA beneficiaries. This is referred to as a “Sole Source product.”

The following factors will be collected and used to calculate the premiums charged to Eligible Employees, Dependents, COBRA-qualified beneficiaries for QHP Sole Source products:

1. The Rating Region associated with the zip code of the Eligible Employer Group’s primary worksite;
2. The Standard Industry Code (SIC) provided by the Eligible Employer Group;
3. The size of the Employer Group, calculated as the number of enrolling Eligible Employees and COBRA-qualified beneficiaries;
4. The Employer Group’s participation rate;¹ and
5. The dates of birth, as of the Eligible Employer Group’s effective date of coverage, of the Eligible Employees, Dependents and COBRA-qualified beneficiaries.

Premiums will be calculated and displayed in composite bill format for the four (4) rate basis type tiers (Employee-only, Employee plus Spouse, Employee plus Dependent(s), and Family). The premiums displayed to Eligible Employees and COBRA-qualified beneficiaries in the shopping experience, and in all communications and bills to Eligible Employer Groups, will be the composite premium associated with the rate basis type of each subscriber grouping (Eligible Employee and Dependents).

Prior to the completion of the employer application, the composite premiums will reflect all changes made to the employer group or employee/dependent census of eligible employees and dependents. The composite premiums determined at the completion of the employer application will be displayed for all employees during their shopping experience, and will not be modified based on the selections of any employee. When all employees have completed the application process, or the employer group’s open enrollment period ends, the composite premiums will be recalculated to reflect the employer group’s actual final enrollment.

All mid-year additions, terminations and changes to Eligible Employees, Dependents and COBRA-qualified beneficiaries will be the composite premium associated with the rate basis type of each subscriber grouping. The composite rates will not change during a given plan year, except as may be required or permitted by law.

At the time of renewal, all premiums will be recalculated based on the data available at the time of renewal quote generation.

For QHP Choice Products:

An Employer Group may purchase a QHP by designating a particular level of coverage and allowing its eligible employees or COBRA beneficiaries to choose among health plans being sold at that level (horizontal choice) or by designating a particular carrier and allowing its eligible employees or COBRA beneficiaries to choose among health plans offered by that carrier for sale (vertical choice). A product sold by either of these methods is referred to as a “Choice product.”

The following factors will be collected and used to calculate the premiums charged to Eligible Employees, Dependents, COBRA-qualified beneficiaries for I Choice products:

1. The Rating Region associated with the Eligible Employer Group’s primary worksite zip code;
2. The Standard Industry Code (SIC) provided by the Eligible Employer Group;
3. Group size equal to one (1); and
4. The dates of birth, as of the Eligible Employer Group’s effective date of coverage, of the Eligible Employees, Dependents and COBRA-qualified beneficiaries.

Premiums for a QHP Choice product will be calculated and displayed in a per-member list bill format, and the premiums displayed to Eligible Employees and COBRA-qualified beneficiaries in the shopping experience, and in all communications and bills to Eligible Employer Groups, will be the sum of the per-member list bill rates for each subscriber grouping (Eligible Employee and Dependents).

All mid-year additions, terminations and changes to subscribers and dependents will be based on per-member list bill rates for each subscriber grouping.

At the time of renewal, all premiums will be recalculated based on the data available at the time of renewal quote generation.

For Dental Products:

The following factors will be collected and used to calculate the premiums charged to Eligible Employees, Dependents, COBRA-qualified beneficiaries for Dental products:

1. The Rating Region associated with the Eligible Employer Group's primary worksite zip code; and
2. The dates of birth, as of the Eligible Employer Group's effective date of coverage, of the Eligible Employees, Dependents, and COBRA-qualified beneficiaries.

Premiums will be calculated and displayed in a per-member list-bill format, and the premiums displayed to Eligible Employees and COBRA-qualified beneficiaries in the shopping experience, and in all communications and bills to Eligible Employer Groups, will be the sum of the per-member list bill rates for each subscriber grouping (Eligible Employee and Dependents).

All mid-year additions, terminations and changes to subscribers and dependents will be based on per-member list bill rates for each subscriber grouping.

At the time of renewal, all premiums will be recalculated based on the data available at the time of renewal quote generation.

¹ Please reference the policy [Employer Contribution and Participation Requirements \(GME-5\)](#)