

Administrative Bulletin 02-17

Guidance Regarding Minimum Creditable Coverage (MCC) Out-of-Pocket Maximums

February 14, 2017

This Bulletin provides guidance regarding allowable out-of-pocket maximum limits under 956 CMR 5.03(1)(d).

For avoidance of doubt, the values in 956 CMR 5.03(1)(d)(2) shall mean the dollar amounts in effect under § 223(c)(2)(A)(ii) of the Internal Revenue Code during the tax year 2014. Those amounts are \$6,350 for individuals and \$12,700 for families. In the future, the 2014 amounts shall be used as the base amount subject to the annual adjustment set forth in 956 CMR § 5.03(1)(d)(3).

Under Section 5.03(1)(d)(3), the 2014 amounts are adjusted annually by the premium adjustment percentage used by the U.S. Department of Health and Human Services (HHS). In 2017, the premium adjustment percentage used by HHS is 1.1325256291. This percentage multiplied by the \$6,350 amount in effect under § 223(c)(2)(A)(ii) of the Internal Revenue Code in 2014 is equal to \$7,191.53. Per 956 CMR 5.03(1)(d)(3), this amount should be rounded down to the nearest multiple of \$50. The family amount is double the individual amount. Therefore, in calendar year 2017, the allowed maximum amounts are \$7,150 for an individual and \$14,300 for a family.

In future years, the value under Section 223(c)(2)(A)(ii) of the Internal Revenue Code for 2014 shall be multiplied by the premium adjustment percentage for that year as determined by HHS.

This Administrative Bulletin takes effect immediately.