
DEPARTMENT OF INSURANCE

June 4, 2015

Bulletin 215

Renewal of Large Group Transitional Policies

This Bulletin is directed to all insurers issuing policies of accident and sickness insurance, as defined at [IC 27-8-5-1](#); all HMOs as defined at [IC 27-13-1-19](#) (collectively, "insurers"); and all Hoosier employers purchasing accident and sickness insurance policies in the large group market. The purpose of this Bulletin is to extend the Department's position regarding the renewal of transitional policies, announced in Bulletin 205, to include large group health insurance policies for employers with 51 to 100 employees.

On March 5, 2014, the Centers for Medicare and Medicaid Services (CMS) issued a bulletin providing for a two-year extension that would allow insurers to renew existing non-grandfathered policies that do not comply with the requirements of the Affordable Care Act (ACA). On March 31, 2014, the Department issued Bulletin 205, which permitted such transitional policies to be renewed in Indiana in the individual and small group markets.

Under the ACA, beginning January 1, 2016, employers with 51 to 100 employees will be required to purchase small group policies rather than large group ones. This change could have a significant impact on employers. To continue to allow the greatest possible choice to Hoosiers, the Department is allowing insurers to determine whether to renew large group transitional policies for employers with 51 to 100 employees so long as the determination is made on a nondiscriminatory basis. The Department is not requiring insurers to renew policies. As with individual and small group transitional policies, consumers may not purchase new transitional policies or switch to a different insurer to replace a transitional policy. Furthermore, transitional policies that have been canceled cannot be reinstated. The Department intends to adopt an emergency rule to synchronize the definition of "small employer" under Indiana law to conform with the transitional policy guidelines set forth in this Bulletin.

To summarize, the extension allowed by Bulletin 205 and this Bulletin apply to:

- (1) individual and small group policies issued between March 23, 2010, and December 31, 2013, that have been continuously in force since 2013; and
- (2) large employer policies issued to employers with 51 to 100 employees.

Transitional policies may be renewed on or before October 1, 2016.

Questions regarding this Bulletin should be directed to: compliance@idoi.in.gov

INDIANA DEPARTMENT OF INSURANCE

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Posted: 06/10/2015 by Legislative Services Agency

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