



## DEPARTMENT OF COMMERCE AND INSURANCE

P.O. Box 690, Jefferson City, Mo. 65102-0690

### INSURANCE BULLETIN 20-17

#### HEALTH CARRIERS – PREMIUM RELIEF PROGRAMS

**Issued:** June 17, 2020

*The following Bulletin is issued by the Missouri Department of Commerce and Insurance (“Department”) to inform and educate the reader on the specified issue. It does not have the force and effect of law, is not an evaluation of any specific facts or circumstances, and is not binding on the Department. See section 374.015, RSMo.*

To: Health carriers writing health insurance or health benefit plan coverage in the State of Missouri

From: Chlora Lindley-Myers, Director

Re: Health Carriers – Premium Relief Programs

On March 13, 2020, Governor Michael L. Parson issued Executive Order 20-02, declaring a State of Emergency in Missouri due to the risk posed to the public and to health and safety by COVID-19. On April 24, 2020, the Governor issued Executive Order 20-09, extending the state of emergency declared in Executive Order 20-02 through June 15, 2020. As a result of the State of Emergency and public health efforts to minimize the spread of COVID-19, disruptions to normal operations have resulted in consumers being unable to timely act or respond to their insurance needs and make timely premium payments on their insurance policies.

In recent weeks, health carriers have approached the Department seeking information about how to provide financial relief to policyholders in the form premium relief programs. This Bulletin is issued to provide information to health carriers interested in offering premium relief programs in the form of premium adjustments, premium reimbursements, premium credits or premium holidays. Health carriers that have already instituted a premium relief program and those seeking to offer a premium relief program in the future are required to provide information about their plans to the Department. Such information should include the following:

1. Explanation of the premium relief strategy, including the effective and termination dates;
2. Description of the methodology used to determine premium relief;
3. Description of how premium relief will be implemented in a manner that avoids unfair discrimination, as described in section 375.936(11)(b), RSMo;
4. Description of how the carrier will notify policyholders of the premium relief;
5. Description of how the carrier will account for COVID-19 related premium relief when determining rates, including, but not limited to, how the premium relief will impact Medical Loss Ratio (MLR) calculations;
6. Clear confirmation that the company will closely monitor the effects of the program on company solvency; and
7. Explanation of how the premium relief program will be implemented in a way that avoids unlawful rebating, as described in section 375.936(9)(a), RSMo.

Information responsive to the seven categories set out above should be sent to the attention of Camille Anderson-Weddle at [LH@insurance.mo.gov](mailto:LH@insurance.mo.gov) .

If you have questions or concerns about this bulletin, please send them to [LH@insurance.mo.gov](mailto:LH@insurance.mo.gov).

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