

DEPARTMENT OF HEALTH & HUMAN SERVICES  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard, Mail Stop C2-21-15  
Baltimore, Maryland 21244-1850



**Date:** May 30, 2012  
**From:** Gary Cohen, Director, Office of Oversight  
**Title:** Insurance Standards Bulletin Series– INFORMATION  
**Subject:** CCIIO Technical Guidance (CCIIO 2012—004): Questions and Answers Regarding the Medical Loss Ratio Reporting Requirements

## I. Purpose

Section 2718 of the Public Health Service Act (PHS Act), as added by the Patient Protection and Affordable Care Act (Affordable Care Act), requires health insurance issuers (issuers) to submit a medical loss ratio (MLR) report to the Secretary and issue a rebate to enrollees if the issuer’s MLR is less than the applicable percentage established in section 2718(b) of the PHS Act. The interim final rule with public comment period implementing MLR requirements was published on December 1, 2010 (75 FR 74864) and modified by technical corrections on December 30, 2010 (75 FR 82277). The final rule implementing MLR requirements (76 FR 76574) and the interim final rule implementing MLR rebate requirements for non-Federal governmental plans (76 FR 76596) were published on December 7, 2011. The MLR regulations are codified at 45 CFR Part 158. A final rule implementing an MLR notice requirement (77 FR 28790) was published on May 16, 2012.

This Bulletin provides MLR guidance on the following topic:

- MLR Annual Report Filing Deadline and Rebate Deadline

## II. Questions and Answers

### **MLR ANNUAL REPORT FILING DEADLINE AND REBATE DEADLINE (45 CFR §158.110(b), §158.240(d))**

#### Question 52:

Will CMS grant extensions of the June 1, 2012 deadline for issuers to submit their MLR annual report or the August 1, 2012 deadline for issuers to provide rebates for the 2011 MLR reporting year?

#### Answer 52:

No. 45 CFR §158.110(b) establishes “June 1 of the year following the end of an MLR reporting year” as the date by which an issuer must submit the MLR report, and 45 CFR §158.240(d) establishes “August 1 following the end of the MLR reporting year” as the date by which an issuer must provide any rebate owing. Therefore, because the MLR regulation does not provide for extensions to either deadline, no extensions will be granted for these deadlines.

We sent emails to issuers reminding them of the June 1 MLR submission deadline, on March 30, April 6, April 12, May 18, and May 23. In addition, we held a weekly webinar for issuers on using our HIOS computer system to submit MLR data to HHS, every Tuesday from April 10 through May 22, and have held a weekly telephone conference call to answer issuers' questions regarding completing the MLR reporting form, every Thursday beginning April 19. Information about the weekly webinar and the weekly telephone conference was emailed to issuers on April 6 and April 12 and is posted on our HIOS website.

Question 53:

Will CMS accept 2011 MLR Report submissions beyond June 1, 2012?

Answer 53:

Our Health Insurance Oversight System (HIOS) will accept the submission of a 2011 MLR Report beyond June 1, 2012. However, the deadline to submit a timely 2011 MLR Report remains June 1, 2012. 45 CFR §§158.602 and 158.606 authorize civil monetary penalties for failure to submit to HHS the required MLR report by the June 1 deadline.