

BEFORE THE COMMISSIONER OF SECURITIES AND INSURANCE
OFFICE OF THE MONTANA STATE AUDITOR

In the matter of the amendment of)	NOTICE OF PROPOSED
ARM 6.6.5050 pertaining to Status of)	AMENDMENT
Carriers as Small Insurer Health)	
Carriers)	NO PUBLIC HEARING
)	CONTEMPLATED

TO: All Concerned Persons

1. On January 1, 2024, the Commissioner of Securities and Insurance, Office of the Montana State Auditor (CSI) proposes to amend the above-stated rule.

2. CSI will make reasonable accommodations for persons with disabilities who wish to participate in this rulemaking process or need an alternative accessible format of this notice. If you require an accommodation, contact CSI no later than 5:00 p.m. on July 18, 2023, to advise us of the nature of the accommodation that you need. Please contact Sam Loveridge, Communications Director, 840 Helena Avenue, Helena, Montana, 59601; telephone (406) 444-2040 or 1-800-332-6148; fax (406) 444-3497; TDD (406) 444-3246; or e-mail csi@mt.gov.

3. The rule as proposed to be amended provides as follows, new matter underlined, deleted matter interlined:

6.6.5050 STATUS OF CARRIERS AS SMALL EMPLOYER CARRIERS - PERMISSION TO REENTER - ANNUAL REPORTING REQUIREMENTS (1) and (2) remain the same.

~~(3) If a carrier opts to discontinue operating as a small employer carrier in this state, the carrier may continue to provide coverage under health benefit plans previously issued to small employers in this state as provided in 33-22-1811(1)(c), MCA.~~

(3) If a small employer carrier opts to discontinue offering a particular type or all group health insurance coverage in the small group market, the provisions of 33-22-524 and 33-22-1810, MCA, apply.

(4) A carrier that has been prohibited from writing coverage for small employers in this state pursuant to 33-22-1810(1)(g), MCA, may not resume offering health benefit plans to small employers in this state until the carrier has received permission from the commissioner to reenter the small employer market as a small employer carrier.

~~(6) No later than March 1 of each year, each carrier shall file with the commissioner the following information related to health benefit plans issued or marketed by that carrier to small employers in this state:~~

~~(a) The number of small employers that were issued health benefit plans in the previous calendar year, indicating the number of newly issued plans and the number of renewals;~~

- ~~(b) The number of small employers that were issued basic health benefit plans and the number of small employers that were issued standard health benefit plans in the previous calendar year, arranged separately, showing the number of newly issued plans and the number of renewals as to each class of business;~~
- ~~(c) The number of small employer health benefit plans in force in each county of the state as of December 31 of the previous calendar year;~~
- ~~(d) The number of small employer health benefit plans that were voluntarily not renewed by small employers in the previous calendar year;~~
- ~~(e) The number of small employer health benefit plans that were terminated or nonrenewed, for reasons other than nonpayment of premium, by the carrier in the previous calendar year;~~
- ~~(f) The number of small employer health benefit plans that were issued to small employers that were uninsured for at least 3 months prior to issue; and~~
- ~~(g) A list of all health benefit plans being actively marketed by the carrier in the small employer market, together with a list of all form numbers used in connection with those plans and the date of approval for each such form. In the case that a health benefit plan is not being actively marketed, the list must specify the date on which the carrier notified the commissioner that the carrier ceased actively marketing the plan.~~

AUTH: 33-1-313, 33-22-143, 33-22-1822, MCA

IMP: 33-22-1802, 33-22-1810, 33-22-1811, 33-22-1812, 33-22-1814, MCA

4. REASON: As part of the biannual review of CSI's rules as required by 2-4-314, MCA, Montana State Auditor Troy Downing (commissioner) identified ARM 6.6.5050 for revision to eliminate the reporting by companies or collection by this office of data which is no longer used by this office as set forth in (6). The commissioner has determined that eliminating this provision of the rule in turn eliminates both the burden on companies to collect and report the data, and the need for this office to maintain it, thereby improving efficiency for industry and government alike.

5. Concerned persons may submit their data, views, or arguments concerning the proposed actions in writing to: Sam Loveridge, CSI Communications Director, 840 Helena Avenue, Helena, Montana, 59601; telephone (406) 444-2040 or 1-800-332-6148; fax (406) 444-3497; TDD (406) 444-3246; or e-mail CSI@mt.gov, and must be received no later than 5:00 p.m., August 4, 2023.

6. If persons who are directly affected by the proposed actions wish to express their data, views, or arguments orally or in writing at a public hearing, they must make written request for a hearing and submit this request along with any written comments to Sam Loveridge at the above address no later than 5:00 p.m., August 4, 2023.

7. If the agency receives requests for a public hearing on the proposed actions from either 10 percent or 25, whichever is less, of the persons directly affected by the proposed actions; from the appropriate administrative rule review

committee of the Legislature; from a governmental subdivision or agency; or from an association having not less than 25 members who will be directly affected, a hearing will be held at a later date. Notice of the hearing will be published in the Montana Administrative Register. Ten percent of those directly affected has been determined to be 14 persons based on the potential for the actions to impact small employer carriers.

8. CSI maintains a list of interested persons who wish to receive notices of rulemaking actions proposed by this agency. Persons who wish to have their name added to the list must make a written request that includes the name, e-mail, and mailing address of the person to receive notices and specifies for which program the person wishes to receive notices. Notices will be sent by e-mail unless a mailing preference is noted in the request. Such written request may be mailed or delivered to the contact person in 5 above or may be made by completing a request form at any rules hearing held by CSI.

9. An electronic copy of this proposal notice is available through the Secretary of State's website at <http://sosmt.gov/ARM/Register>.

10. The bill sponsor contact requirements of 2-4-302, MCA, do not apply.

11. With regard to the requirements of 2-4-111, MCA, CSI has determined that the amendment of the above-referenced rule will not significantly and directly impact small businesses.

/s/ Kirsten Madsen
Kirsten Madsen
Rule Reviewer

/s/ Ole Olson
Ole Olson
Chief Legal Counsel
Commissioner of Securities and Insurance,
Office of the Montana State Auditor

Certified to the Secretary of State, June 27, 2023.