COMMISSIONER OF SECURITIES AND INSURANCE

James Brown
Commissioner

Office of the
Montana State Auditor

ADVISORY MEMORANDUM

To: All interested parties

From: James Brown
Commissioner of Securities and Insurance, Montana State Auditor

Date: August 5, 2026

Re: **Third Update to CSI's April 22, 2026 Advisory Memorandum concerning ACA Form, Rate, & Network Adequacy Filing Requirements for PY 2027**

On April 22, 2026, the Office of the Montana State Auditor, Commissioner of Securities and Insurance ("CSI"), issued an Advisory Memorandum addressing forms, rates, and network adequacy filing requirements for policy year ("PY") 2027 to ensure compliance with the requirements of the Affordable Care Act ("ACA") and other applicable state and federal requirements ("April Advisory Memorandum"). The April Advisory Memorandum was based on preliminary guidance from the Centers for Medicare & Medicaid Services ("CMS") contained in the Draft 2027 Notice of Benefit Payment Parameters Proposed Rule.

On May 15, 2026, CMS issued the 2027 Final Notice of Benefit and Payment Parameters ("2027 Final Rule"), which contained a number of material changes from the proposed rule. In response, on May 26, 2026, CSI issued an Addendum to the April Advisory Memorandum ("May Addendum"), highlighting seven differences between the proposed rule and the 2027 Final Rule.[1]

On July 16, 2026, in *City of Columbus v. Kennedy*, No. 1:26-cv-02215, the U.S. District Court for the District of Maryland issued an order staying certain provisions in the 2027 Final Rule ("the *Columbus* Order"). CMS has issued a series of guidance documents concerning the 2027 Final Rule and the *Columbus* Order.[2] Interested parties are encouraged to review the CMS website for the most recent guidance.

Relevant to issuers in Montana, CMS has stated the following provisions in the 2027 Final Rule, which were in the CSI's May Addendum, did not or will not go into effect as finalized:

- The expansion of maximum out-of-pocket limits for individual market bronze plans in 45

[1] On June 4, 2026, CSI issued a Second Addendum to the April Advisory Memorandum that extended some of the filing deadlines.

[2] https://www.cms.gov/files/document/plan-year-2027-standardized-plan-option-plan-designs.pdf
https://www.cms.gov/files/document/updated-revised-py2027-qhp-data-submission-certification-timeline-bulletin.pdf
https://www.cms.gov/files/document/statement-re-city-columbus-080426.pdf

C.F.R. § 156.130(a)(2), and 45 C.F.R. § 156.136, and for catastrophic plans in 45 C.F.R. § 156.155(a)(3);

- The expansion of eligibility for catastrophic plans in 45 C.F.R. § 155.605(d)(l)(iv), along with the related guidance issued September 4, 2025; and
- The elimination of the requirement to offer standardized plans and the limitations on non-standardized plans in the rule's revisions of 45 C.F.R. §§ 155.20 and 155.205(b)(l) and rescission of 45 C.F.R. §§ 155.220(c)(3)(i)(H), 156.201, 156.202, and 156.265(b)(3)(iv).

For the portions of the 2027 Final Rule that were stayed in the *Columbus* Order, CMS has explained that States and issuers are expected to comply with the prior regulations.

To allow time for carriers and states to respond to the *Columbus* Order and the new CMS guidance, CMS extended the deadline for issuers to submit changes to their QHP Applications from August 12, 2026, to August 20, 2026.

Based on the new deadline, CSI has determined that issuers must submit the following updates to their form and rate filings in SERFF by **August 10, 2026**, in order to allow CSI adequate time to review the filings prior to the August 20 deadline:

1. For individual market bronze plans with maximum out-of-pocket limits in excess of the standard annual limitation on cost sharing defined in 45 CFR §156.130, the plan must be brought into compliance.
2. For catastrophic plans that considered the expanded eligibility in the 2027 Final Rule, the plans must be brought into compliance with the prior regulations.
3. Issuers must file standardized individual health plans that comply with the CMS guidance issued on August 4, 2026.[3]
4. Issuers must withdraw any non-standardized health plans that exceed the limit of two plans per product/network type, metal level, dental/vision inclusion, and service area, or submit the attestations mentioned in the CMS guidance issued on August 4, 2026.

Only new or revised filings that are responsive to one of the four reasons listed above will be accepted. Please do not submit form or rate filings for plans that are not impacted by the court injunction.

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This advisory memorandum is informational and, except for the deadline mentioned above, does not enlarge, limit, or modify any requirements of the applicable law, court orders, or in any way limit the authority of CSI under applicable law. Interested persons should consult with independent legal counsel for guidance on the application of law to any particular circumstances.

[3] https://www.cms.gov/files/document/plan-year-2027-standardized-plan-option-plan-designs.pdf