

IMPORTANT INFORMATION. PLEASE READ CAREFULLY.

Please note that employer groups are responsible for providing accurate information to the health plan in a timely manner. Employer groups will be held accountable for the payment of any penalties imposed on the health plan as a result of inaccurate or misleading information supplied by the group or the group's failure to provide the requested information.

Why is this important to you?

Your group's health insurance benefits and premiums are affected by your group size.

Patient Protection and Affordable Care Act

Section 2718 of the Public Health Service Act, as amended by the Patient Protection and Affordable Care Act, requires health insurance issuers to submit a medical loss ratio report to the Secretary of Health and Human Services and requires insurers to issue a rebate to enrollees if the issuer's medical loss ratio is less than the applicable percentage established in section 2718(b) of the Patient Protection and Affordable Care Act. There is a medical loss ratio reported for small groups and a medical loss ratio reported for large groups.

New York State Community Rating

Under the New York insurance law, all small groups must be community-rated. This means that the premium rate a small group pays is based on the average claims experience of all small groups enrolled with a particular health insurance company.

In order to level the playing field, all insurance companies must provide the New York State Department of Financial Services information that identifies small groups vs. large groups. This is part of a process to stabilize community rates for all small groups in New York. Therefore, it is important that we accurately identify all small groups that offer one of our insurance plans.

We appreciate your cooperation in providing this information. If needed, we may use this information to generate a Master Group Agreement. If you have any questions, please contact your account consultant, broker, or Chamber Trust or Association administrator.