**02 DEPARTMENT OF PROFESSIONAL AND FINANCIAL REGULATION**

**031 BUREAU OF INSURANCE**

**Chapter 942: RATING FACTORS AND LOSS RATIO REQUIREMENTS FOR HEALTH PLANS**

**Table of Contents**

Section 1. Authority and Purpose

Section 2. Uniform Age Curve

Section 3. Minimum Medical Loss Ratio

Section 4. Severability

Section 5. Effective Date

**Section 1. Authority and Purpose**

The Superintendent of Insurance adopts this rule, pursuant to 24-A M.R.S. §§ 212, 2736-C(2)(D), 2808-B(2)(D), and 4319(4), to establish standards for age rating and for compliance with medical loss ratio requirements for health plans.

**Section 2. Uniform Age Curve**

1. All rates filed with the Superintendent on or after the effective date of this Rule for individual and small group health plans, as defined in 24-A M.R.S. §§ 2736-C(1)(C) and 2808-B(1)(G), shall use the age rating factors in the table attached as an appendix to this Rule.

2. For each age, the table shows the ratio of the premium for a covered person at that age to the premium for a similarly situated covered person who is 21 years old. The applicable age factor as of the effective date of coverage shall continue to apply for the remainder of the plan year.

3. If a covered family has more than three dependent children who are less than 21 years old, the ages of the three oldest shall be used when calculating the rate for the family, as well as the ages of all dependent children aged 21 or older.

**Section 3. Minimum Medical Loss Ratio**

Unless Section 2718 of the *Federal Public Health Service Act* is repealed, or its enforcement is enjoined by a final and enforceable judgment of a court of competent jurisdiction, a carrier that complies with Section 2718 thereby satisfies the requirements of 24‑A M.R.S. §4319 to maintain the required minimum medical loss ratio or provide rebates to insureds.

**Section 4. Severability**

If any provision of this rule, or the application thereof to any person or circumstance, is held invalid, that determination shall not affect other provisions or applications of this rule that can be given effect without the invalid provision or application, and to that end the provisions of this rule are severable.

**Section 5. Effective Date**

This rule is effective June 28, 2021.

**Appendix: Uniform Age Curve**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Age** | **Ratio** | **Age** | **Ratio** | **Age** | **Ratio** |
| 14 and younger | 0.765 | 31 | 1.159 | 48 | 1.635 |
| 15 | 0.833 | 32 | 1.183 | 49 | 1.706 |
| 16 | 0.859 | 33 | 1.198 | 50 | 1.786 |
| 17 | 0.885 | 34 | 1.214 | 51 | 1.865 |
| 18 | 0.913 | 35 | 1.222 | 52 | 1.952 |
| 19 | 0.941 | 36 | 1.230 | 53 | 2.040 |
| 20 | 0.970 | 37 | 1.238 | 54 | 2.135 |
| 21 | 1.000 | 38 | 1.246 | 55 | 2.230 |
| 22 | 1.000 | 39 | 1.262 | 56 | 2.333 |
| 23 | 1.000 | 40 | 1.278 | 57 | 2.437 |
| 24 | 1.000 | 41 | 1.302 | 58 | 2.548 |
| 25 | 1.004 | 42 | 1.325 | 59 | 2.603 |
| 26 | 1.024 | 43 | 1.357 | 60 | 2.714 |
| 27 | 1.048 | 44 | 1.397 | 61 | 2.810 |
| 28 | 1.087 | 45 | 1.444 | 62 | 2.873 |
| 29 | 1.119 | 46 | 1.500 | 63 | 2.952 |
| 30 | 1.135 | 47 | 1.563 | 64 and older | 3.000 |

STATUTORY AUTHORITY:

 24-A MRS §§ 212, 2736-C(2)(D), 2808-B(2)(D), 4319(4)

EFFECTIVE DATE:

 June 28, 2021 – filing 2021-133