

STATE OF NEW MEXICO

OFFICE OF SUPERINTENDENT OF INSURANCE



SUPERINTENDENT OF INSURANCE
Alice T. Kane

DEPUTY SUPERINTENDENT
Colin Baillio

BULLETIN 2024-010

June 27, 2024

TO: HEALTH INSURANCE ISSUERS SELLING HEALTH BENEFIT PLANS IN THE SMALL GROUP MARKET THAT MEET QHP STANDARDS

RE: SMALL BUSINESS HEALTH INSURANCE PREMIUM RELIEF INITIATIVE PREMIUM REDUCTION PERCENTAGE INCREASES FOR COVERAGE ACTIVE JANUARY 1, 2024, UNTIL JUNE 30, 2024; SMALL BUSINESS NOTIFICATION

THIS BULLETIN is issued pursuant to NMSA 1978, Section 59A-23F-11, which established the Health Care Affordability Fund to “reduce premiums for small businesses and their employees.” This Bulletin temporarily increases the Premium Reduction Percentage under the Small Business Health Insurance Premium Relief Initiative established in 13.10.36.11 NMAC.

Premium Reduction Percentage

Since 2022, OSI has offered a 10% premium reduction for qualifying small group health plans. All issuers subject to this Bulletin must reduce premium charges to small group Qualified Health Plan (QHP) purchasers by an additional 10% premium reduction for coverage active for the period between January 1, 2024 and June 30, 2024. The additional premium reduction shall be applied by providing credit for coverage in the invoice to small group QHP purchasers or issuing the payment directly to the purchaser.

Payments and Application of Additional Discounts for January to June of 2024

OSI has issued payments for the original 10% discount for the applicable coverage months. Payments for the additional 10% premium reduction for these months will be issued based on the

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data that has already been submitted to OSI for this period. Issuers are not required to submit additional data to receive these payments. OSI will confirm the payment amount for each month via email to the issuer's listed contact. Issuers must invoice OSI for the amount specified by OSI on July 3, 2024. Issuers must apply credits for these months on invoices issued to small group QHP purchasers or directly issue payments to small group QHP purchasers no later than September 30, 2024. By September 13, 2024 issuers must notify OSI if any payments cannot be made and the amount of payments that will be reverted to the State. All payments that cannot be disbursed must be returned to OSI no later than September 20, 2024. Any retroactive adjustments affecting coverage months between January and June 2024 should account for the additional 10% premium reduction and will be addressed during the annual reconciliation period for the 2024 Program Year. OSI will issue additional guidance on reporting requirements prior to the reconciliation period.

Small Business Notification

All issuers subject to this Bulletin must notify small group QHP purchasers of the additional premium reduction credit upon issuance of the additional payment. All notifications must be approved by OSI.

The following language must be sent to all active small groups with the invoice or other form of payment to the eligible QHP purchaser that includes the additional premium credits. Issuers may modify this language to account for any group that is owed a payment but is no longer an active member of the issuer.

During the 2021 legislative session, the New Mexico Legislature worked with Governor Michelle Lujan Grisham to pass legislation establishing a Health Care Affordability Fund. On April 8, 2021, Governor Lujan Grisham signed Section 59A-23F-11 NMSA 1978 into law, which allows the New Mexico Office of Superintendent of Insurance (OSI) to reduce health insurance premiums for small businesses. For the past several years, OSI has provided a credit to reduce small business health insurance premiums by 10%. This premium reduction is part of OSI's Small Business Health Insurance Premium Relief Initiative. **OSI recently announced that, due to the availability of additional funding, premiums for the first half of 2024 will be discounted by an additional 10%.** You will receive this additional discount from [INSERT CARRIER NAME] no later than September

30, 2024. You do not need to take any action to receive this credit. The premium reduction will go back to 10% for the remainder of 2024.

Please note that the initiative is subject to legislative appropriation, and the reduction percentage could change from year to year. Should the reduction percentage change, [ISSUER NAME] will notify you in advance. If you have any questions about the initiative, please visit <https://bit.ly/3HmMKRr>.

Issuers should direct any questions regarding this Bulletin to Shannon Chapman at (505) 527-1651, or via e-mail at Shannon.Chapman@osi.nm.gov.

ISSUED this 27th day of June, 2024.



ALICE T. KANE
Superintendent of Insurance