



April 17, 2023

VIA ELECTRONIC MAIL

Chlora Lindley-Myers
Director, Missouri Department of Insurance
301 W. High St.
Room 530
Jefferson City, MO 65101

RE: No-Action Letter Request

Dear Director Lindley-Myers:

Humana Insurance Company (“HIC”) respectfully submits this request for a No-Action Letter pursuant to Section 374.018, R.S.Mo. Specifically, HIC requests that the Department issue a No-Action Letter stating that HIC may continue to offer and issue small group medical plans in Missouri during the 180-day notice period of its small group market exit notwithstanding requirements under Section 379.938, R.S.Mo. The purpose of this request is so that HIC may continue to comply with guidance issued by the Centers for Medicare and Medicaid Services (“CMS”) related to federal guarantee availability requirements under 45 C.F.R. § 147.104(a).

Additional detail is provided below.

HIC submitted notice to the Department on March 2, 2023 (the “March 2, 2023 notice”) that it is exiting the small and large employer group medical markets in Missouri (SERFF Tracking Number: HUMA-133585382).¹ The notification indicated that HIC would not accept quotes for small employer medical plans with effective dates on and after April 1, 2023. This was included to comply with Section 379.938, R.S.Mo., which provides:

2. A small employer carrier that elects not to renew a health benefit plan under subdivision (7) of subsection 1 of this section [regarding a small employer carrier’s election to discontinue offering all health insurance coverage in the small group market in this state] shall be prohibited from writing new business in the small employer market in this state for a period of five years from the date of notice to the director.

Upon submitting the March 2, 2023 notice and pursuant to Section 379.938(2), R.S.Mo., HIC stopped accepting new small employer requests for quotes for small employer medical plans

¹ See March 2, 2023 Letter to Director Lindley-Myers.

with effective dates on and after April 1, 2023. In total, 275 quote requests were declined. On April 12, 2023, HIC resumed accepting new small employer requests for quotes.

Following a March 22, 2023 discussion with CMS regarding HIC's small group medical market exit in Missouri, CMS advised HIC that it should continue to accept requests and issue quotes for small employer medical plans until the end of the 180-day discontinuance notice period pursuant to the guarantee availability requirements under 45 C.F.R. § 147.104(a).

In response, HIC will continue to issue quotes upon request for small employer medical plans in Missouri through the October 1, 2023 effective date, including while this request is pending with the Department. Following the 180-day notice period and beginning with plans with November 1, 2023 effective dates, HIC will begin the market exit and the small employer medical products will be discontinued. Plans issued prior to November 1, 2023 will continue in effect through the run-off period until expiration.

Please note that while HIC will accept requests and issue small employer medical plan quotes in Missouri during this interim period that HIC does not intend to actively market those plans. This is consistent with CMS guidance and provides the least amount of policyholder and member abrasion. If a quote is nonetheless requested pursuant to this process, HIC will notify the potential insured that the product quoted is subject to a market exit and may not be renewed.

HIC acknowledges that as a result of this process update, the five-year period contemplated under Section 379.938(2), R.S.Mo. during which HIC may not issue new small employer medical plans until October 1, 2028.

HIC appreciates your time and attention to this request. If you have questions, please contact the undersigned directly at 502-301-3517 or jhunsaker1@humana.com.

Sincerely,



James Hunsaker
Director, Regulatory Compliance