

To: Insurers in the N.C. Individual and Small Group Comprehensive Health Insurance Markets

From: Life and Health Division

Date: March 28, 2016

RE: Extension of Federal Transition Policy in North Carolina

N.C. Commissioner Wayne Goodwin continues to support efforts to ensure North Carolina consumers have multiple health insurance coverage options as they make decisions to obtain or maintain that coverage. Therefore, the North Carolina Department of Insurance has elected to permit the additional extension of the federal Transitional Policy in the individual and small group markets through December 31, 2017 as announced by the Center for Consumer Information and Insurance Oversight (CCIIO) on February 29, 2016. Commissioner Goodwin encourages insurers to offer transitional relief, or to extend such relief if previously provided, in order to ensure consumers have as many health insurance coverage options as possible.

The following are specifically provided under the extension adopted in North Carolina:

- Health insurers who renewed policies in the individual and small group markets under the federal transitional policy continually since 2014 may continue to renew such coverage for a policy year starting on or before October 1, 2017; **however any policies renewed or extended under the extension of the federal transitional policy must not extend past December 31, 2017.**
- Health insurers may choose to extend the federal transitional relief:
 - For both the individual and small group markets;
 - For the individual market only; or
 - For the small group market only.

Federal Guidance may be accessed at: <https://www.cms.gov/CCIIO/Resources/Regulations-and-Guidance/Downloads/final-transition-bulletin-2-29-16.pdf> .

The Life and Health Division will be issuing additional, more specific guidance on this issue in the near future. In the interim, should you have any questions, please send those to Jean Holliday at jean.holliday@ncdoi.gov or 919-807-6061.