



COMMONWEALTH OF PUERTO RICO  
**OFFICE OF THE COMMISSIONER OF INSURANCE**

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November 26, 2013

**RULING LETTER: CN-2013-163-AS**

TO ALL HEALTH INSURANCE ORGANIZATIONS AND INSURERS THAT WRITE HEALTH INSURANCE IN PUERTO RICO OTHER THAN MEDICARE ADVANTAGE OR MEDICARE SUPPLEMENTARY PLANS

**COMPULSORY NOTIFICATIONS FOR THE TRANSITION PERIOD APPLICABLE TO CERTAIN HEALTH INSURANCE RENEWALS DURING 2014**

Dear Sirs and Madams:

On November 14, 2013, the Centers for Consumer Information and Insurance Oversight (CCIIO) issued a letter promulgating new standards for extending the transition period for compliance with the Affordable Care Act (ACA). In general, the standards allow some individual and small group health insurance plans to be renewed during 2014 without being subject to penalties for the violation of any ACA provisions. Our Office adopted the new guidelines promulgated by the CCIIO in a Ruling Letter (CN-2013-161-D) issued on November 18, 2013.

On November 21, 2013, the CCIIO issued a new communication on the transition process which included uniform notifications that must be used by health insurance organizations and insurers to inform the insured of the available alternatives during the transition process. Our Office has adopted the notifications promulgated by the CCIIO; the forms included in this Ruling Letter as Appendix A and Appendix B are the forms to be used for this purpose. Form CSS-AS-02-004, included as Appendix A, shall be used in cases in which a cancellation notice has been sent already and the policyholder is being offered the option of continuing with the existing health insurance. Form CSS-AS-02-005, included here as Appendix B, shall be used when a cancellation notice has not been sent and the policyholder is being offered the option of continuing with the existing health insurance.

Pursuant to federal regulations, the use of the forms that have been promulgated by our Office is compulsory and no other forms will be permitted.

Strict compliance with this Ruling Letter is hereby required.

Very truly yours,

SIGNED

Ángela Weyne-Roig  
Commissioner of Insurance

**[This notice must be used when a prior cancellation notice was sent and the issuer is providing an option to the policyholder to continue the existing coverage]**

Dear Policyholder,

We previously notified you that your current policy is being cancelled because it does not meet the minimum standards required by the health care law, the Affordable Care Act, commonly known as "Obamacare." We are now writing to inform you that under the federal guidance announced in November 2013, you may keep this coverage for the upcoming plan year beginning in 2014.

You will find important information on this matter below.

### **How Do I Keep My Current Plan?**

To keep your current plan, please contact us.

As you think about your options, there are some things to keep in mind. If you choose to renew your current policy, it will NOT provide all of the rights and protections of the health care law. Your health insurance may not include one or more of the following new protections of the Public Health Service Act (PHS Act) that were added by the health care law and that take effect for coverage beginning in 2014. As a result, your coverage:

- May not meet standards for fair health insurance premiums, so it can charge more based on factors such as gender or a pre-existing condition, and it does not have to comply with rules limiting the ability to charge older people more than younger people (Section 2701 of the PHS Act).
- May not meet standards for guaranteed availability, so it can exclude customers based on factors such as a pre-existing condition (Section 2702 of the PHS Act).
- May not meet standards for guaranteed renewability (Section 2703 of the PHS Act).
- May not meet standards related to pre-existing conditions for adults, so it can exclude coverage for treatment of an adult's pre-existing condition (Section 2704 of the PHS Act).
- May not meet standards related to discrimination based on health status (Section 2705 of the PHS Act).

- May not meet standards for non-discrimination applicable to health providers (Section 2706 of the PHS Act).
- May not cover essential health benefits or limit annual out-of-pocket spending, so it might not cover benefits such as prescription drugs and might have unlimited cost-sharing (Section 2707 of the PHS Act).
- May not meet standards for participation in clinical trials, so you might not have coverage for services related to a clinical trial for a serious or life-threatening disease (Section 2709 of the PHS Act).

### **How Do I Choose A Different Plan?**

You have new options and rights for getting quality, affordable health insurance.

Most new plans guarantee certain protections, such as your ability to buy a plan even if you or your employees have a pre-existing condition.

You should review your options as soon as possible, since you have to buy your coverage within a limited time period to preserve your protections.

### **How Can I Learn More?**

If you need more information or you have a question, please contact the Office of the Commissioner of Insurance at (787) 304-2500 or by email at [salud@ocs.gobierno.pr](mailto:salud@ocs.gobierno.pr).

For more information on protections under the health care act, visit [HealthCare.gov](https://www.healthcare.gov) or call 1-800-318-2596.

If you have any questions, please contact us.

## APPENDIX B

**[This notice must be used when a prior cancellation notice has not been sent and the issuer is providing an option to the policyholder to continue the existing coverage.]**

Dear Policyholder,

We are writing to inform you that, under federal guidance announced in November 2013, you may keep your existing coverage for the upcoming plan year beginning in 2014.

You will find important information on this matter below.

### **How Do I Keep My Current Plan?**

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As you think about your options, there are some things to keep in mind. If you choose to renew your current policy, it will NOT provide all of the rights and protections of the health care law (“Affordable Care Act” or as it is commonly known, “Obamacare”). Your health insurance may not include one or more of the following new protections of the Public Health Service Act (PHS Act) that were added by the health care law and that take effect for coverage beginning in 2014. As a result, your coverage:

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