

## **Bulletin**

**DATE:**       **March 8, 2000**

**TO:**           **Small Group Insurance Companies**

**RE:**           **Contract Filings**

**Bulletin No: Life & Health 00-8**

We would like to bring to your attention revisions that will be required of the small group contracts issued or renewed on or after July 1, 2000. These revisions were published in the Maryland Register on October 22, 1999. Notice of Final Action was published in the Maryland Register on January 28, 2000.

We recommend that these changes be made through an amendment rider which will be attached to the group policy and certificate. Please specify the form number and date of approval of the policy to which the amendment rider will be attached. To ensure approval by July 1, 2000, the filings must be received by this Administration by May 1, 2000.

### **Revisions Required By COMAR 31.11.06**

- ◆ New benefit for annual chlamydia screening test. See COMAR 31.11.06.03A(33).
- ◆ Prescription Drug Benefit
  - New requirement for Carriers to cover drugs through an open formulary, consisting of generic, preferred brand-name, and non-preferred brand-name drugs. See COMAR 31.11.06.03E(2).
  - New exception to the cost sharing for persons enrolled in the PPO/MSA. Those enrollees are not required to pay a \$150 deductible separate from the deductibles set forth in Regulation .04F. Instead, persons enrolled in PPO/MSA must only satisfy the deductible set forth in COMAR 31.11.06.04F(6)(a) as a prerequisite to prescription drug benefits. See COMAR 31.11.06.05H(1) and (2).
  - New three tier copayments for prescription drugs:
    1. \$15 for generic drugs;
    2. \$20 for preferred brand-name drugs; or
    3. \$30 for non-preferred brand-name drugs.See COMAR 31.11.06.05H(3).

- Revised cost sharing for up to a 90-day supply of maintenance drugs dispensed in a single dispensing of a prescription:
  1. For generic maintenance drugs, one \$30 copayment;
  2. For preferred brand-name maintenance drugs, one \$40 copayment; and
  3. For non-preferred brand-name maintenance drugs, one \$60 copayment.See COMAR 31.11.06.05H(5).
  
- Deleted the prohibition against a carrier reimbursing a health care practitioner in an amount that is less than the cost to the practitioner for oncology drugs used in treating a patient in the practitioner's office. See COMAR 31.11.06.03E(3).
  
- ◆ Cost Sharing – Preferred Provider Delivery System
  - Increased the combined in-network and out-of-network deductible for employee enrolled under individual coverage to \$600 per year. Increased the combined in-network and out-of-network deductible for employee enrolled under other than individual coverage to \$1200 in aggregate per year. See COMAR 31.11.06.04F(2)(a).
  
  - Increased the combined in-network and out-of-network out-of-pocket limit for employee enrolled under individual coverage to \$3400 per year. Increased the combined in-network and out-of-network out-of-pocket limit for employee enrolled under other than individual coverage to \$6800 in aggregate per year. See COMAR 31.11.06.04F(2)(b).
  
- ◆ Smoking Cessation Exclusion
  - Modified Exclusion #39 to delete smoking cessation. Added new Exclusion #52 for services related to smoking cessation. See COMAR 31.11.06.06B(39) and (52).

We are enclosing copies of the changes to the small group regulations published October 22, 1999. Please note that the above summary does not include all changes to the regulations; it details only the changes which are required by July 1, 2000. Changes that were required by November 1, 1999 were detailed in Bulletin 99-18.

Please contact Fern Thomas, Supervisor, Health Review Unit at (410) 468-2170 if you have any questions regarding these filings.

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Donna B. Imhoff  
Associate Commissioner