

For brokers and producers only

Date: October 15, 2020

Market: MD Small Group

Maryland Small Group ACA Rating Change for COBRA and Maryland Continuation of Coverage

Starting with January 1, 2021, effective dates, COBRA subscribers and those with Maryland Continuation of Coverage will be excluded from Maryland Small Group Affordable Care Act (ACA) composite rate calculations.

What you need to know:

- COBRA and Maryland Continuation of Coverage subscribers should be excluded from prospects, renewals and recalculations for composite rated groups.
- These subscribers will pay the same composite rate as active subscribers.
- Composite groups with COBRA and Maryland Continuation of Coverage subscribers should have a separate COBRA class set up in FACETS so those members can be identified and excluded. The class set up must occur upon enrollment for new groups or 90 days prior to the effective date for renewal groups.
- If these subscribers are included within the active subscriber class, we cannot determine their COBRA status. As a result, they would be included in the composite calculation.

What you need to do:

- If you have current COBRA or Maryland Continuation of Coverage subscribers in composite rated groups, please ensure your sales representative is aware. We are also compiling a list of existing composite rated groups, which your sales representative will share with you.
- When selling a new Maryland small group, please do not enter these subscribers into the census, since they will not be part of the calculated rate.

The Small Group Eligibility Guidelines will be updated with this information in the next release.

Please note: For Virginia groups, there is no change and COBRA subscribers will continue to be included in composite rate calculations.

For more information

If you have any questions, please contact your broker sales representative.