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**Date:** July 2, 2013  
**From:** Teresa Miller, Acting Director, Oversight Group  
**Title:** Insurance Standards Bulletin Series—INFORMATION  
**Subject:** CCIIO Technical Guidance (CCIIO 2013—0003): Question and Answer Regarding the Medical Loss Ratio Reporting and Rebate Requirements.

I. Purpose

The purpose of this Bulletin is to provide guidance on when an issuer may exclude the fees payable under the Affordable Care Act from premium in its MLR and rebate calculations.

This Bulletin provides guidance on the following topics:

- MLR Reporting of Affordable Care Act Fees

II. Question and Answer

**AFFORDABLE CARE ACT FEES (45 CFR §158.161(a), §158.162(a)(1) and (b)(1), §158.221, §158.240)**

Question #62:

When may an issuer exclude Affordable Care Act fees, such as those required by ACA §9010, from premium in its MLR and rebate calculations?

Answer #62:

Issuers may exclude ACA assessments or fees from MLR calculations for a reporting year only if such assessments or fees were incurred in that reporting year. Issuers may not exclude ACA assessments or fees they expect to incur in future MLR reporting years. Specifically, an issuer may not report such amounts as assessments and fees described in 45 CFR §158.161(a) and §158.162(a)(1) and (b)(1), or as unearned premium described in 45 CFR §158.130(b)(4). As discussed in the HHS Notice of Benefit and Payment Parameters for 2014, published on March 11, 2013, “PHS Act section 2718 does not provide for estimated regulatory fees for future years to be deducted from premium used in MLR and rebate calculations for the reporting year.” 78 FR 15410 at 15505-15506.