

Responses to Oklahoma MLR Adjustment Completeness Letter

1. Oklahoma law does not provide the OID with authority to reject an issuer's plan to withdraw from marketing health insurance within the state, or to condition the withdrawal upon the issuer arranging alternate coverage. However, an insurer that withdraws from the group market may not re-enter that market for a specified time. 36 O.S. § 4502(B)(9) allows an issuer that decides to discontinue a particular type of group health plan to either offer alternate coverage with the issuer or to withdraw completely from the group health insurance market. If an issuer chooses to withdraw from the market, that issuer may not provide health insurance coverage in that market for five years, beginning on the date of the discontinuation of the last health insurance coverage that was not renewed. Specifically with regard to the small employer market, 36 O.S. § 6516(B) provides that if the issuer elects not to renew a health benefit plan, the issuer is prohibited from writing new business in the small employer market for a period of 5 years from the date of the notice to the Commissioner. Oklahoma Administrative Code 365:10-1-14 specifies the information that an issuer is required to provide to the Insurance Commissioner in the event that the issuer elects to withdraw from a group market.

2.

Estimated Rebates for 2011-2013: 80% MLR Assumption			
Issuer	2011	2012	2013
Health Care Service Corp (includesBCBS)	\$ 5,334,000	\$ -	\$ -
Time IC fka Fortis IC	\$ 1,800,000 - 2,000,000	\$ -	\$ -
Golden Rule Ins. Co.	\$ 4,498,797	\$2,486,078	\$ -
American Medical Security Life Ins Co	\$ 1,230,000	\$ 561,000	\$ -
Mega Life and Health Ins Co	\$ 98,741	\$ 31,468	\$ -
Coventry Health and LIC	\$ 414,056	\$ 370,028	\$ -
Aetna Life Insurance Co.	\$ 33,098	\$ 373,404	\$368,174
World Ins.Co.	\$ 211,593	\$ 42,125	\$ 5,443
Humana	\$ 66,000	\$ 40,000	\$ -

Estimated Rebates for 2011-2013: 75% MLR Assumption			
Issuer	2011	2012	2013
Health Care Service Corp (includesBCBS)	\$ 5,000,625	\$ -	\$ -
Time IC fka Fortis IC	\$1,687,500 - \$1,875,000	\$ -	\$ -
Golden Rule Ins. Co.	\$ 4,217,622	\$2,330,698	\$ -
American Medical Security Life Ins Co	\$ 1,153,125	\$ 525,938	\$ -
Mega Life and Health Ins Co	\$ 92,570	\$ 29,501	\$ -
Coventry Health and LIC	\$ 388,178	\$ 346,901	\$ -
Aetna Life Insurance Co.	\$ 31,029	\$ 350,066	\$345,163
World Ins.Co.	\$ 198,368	\$ 39,492	\$ 5,103
Humana	\$ 61,875	\$ 37,500	\$ -

Estimated Rebates for 2011-2013: 70% MLR Assumption			
Issuer	2011	2012	2013
Health Care Service Corp (includesBCBS)	\$ 4,667,250	\$ -	\$ -
Time IC fka Fortis IC	\$ 1,575,000 - \$1,750,000	\$ -	\$ -
Golden Rule Ins. Co.	\$ 3,936,447	\$2,175,318	\$ -
American Medical Security Life Ins Co	\$ 1,076,250	\$ 490,875	\$ -
Mega Life and Health Ins Co	\$ 86,398	\$ 27,535	\$ -
Coventry Health and LIC	\$ 362,299	\$ 323,775	\$ -
Aetna Life Insurance Co.	\$ 28,961	\$ 326,729	\$322,152
World Ins.Co.	\$ 185,144	\$ 36,859	\$ 4,763
Humana	\$ 57,750	\$ 35,000	\$ -

Estimated Rebates for 2011-2013: 65% MLR Assumption			
Issuer	2011	2012	2013
Health Care Service Corp (includesBCBS)	\$ 4,333,875	\$ -	\$ -
Time IC fka Fortis IC	\$ 1,462,500 - \$1,625,000	\$ -	\$ -
Golden Rule Ins. Co.	\$ 3,655,273	\$2,019,938	\$ -
American Medical Security Life Ins Co	\$ 999,375	\$ 455,813	\$ -
Mega Life and Health Ins Co	\$ 80,227	\$ 25,568	\$ -
Coventry Health and LIC	\$ 336,421	\$ 300,648	\$ -
Aetna Life Insurance Co.	\$ 26,892	\$ 303,391	\$299,141
World Ins.Co.	\$ 171,919	\$ 34,227	\$ 4,422
Humana	\$ 53,625	\$ 32,500	\$ -

2. See attachments: American Republic Notice of Withdrawal AND World Notice of Withdrawal