



DEPARTMENT OF BUSINESS AND INDUSTRY
DIVISION OF INSURANCE

1818 East College Pkwy., Suite 103
Carson City, Nevada 89706
(775) 687-0700 • Fax (775) 687-0787
Website: doi.nv.gov
E-mail: insinfo@doi.nv.gov

Bulletin No. 14-001

March 25, 2014

CENTERS FOR MEDICARE & MEDICAID SERVICES (CMS)
BULLETIN OF MARCH 5, 2014

On November 14, 2013 the Centers for Medicare & Medicaid Services (CMS), issued a letter to state insurance commissioners outlining a transitional policy permitting health benefit plans that are not compliant with the requirements of the Affordable Care Act (ACA) to be renewed between January 1, 2014 and October 1, 2014.

When considering this policy, the Division of Insurance (DOI) sought legal review from its counsel at the Nevada Office of the Attorney General. After thorough analysis of the law, it was concluded that the Commissioner does not have the discretion to allow such non-ACA compliant plans to be renewed in 2014 because to do so would conflict with both Nevada law and the ACA.


As a result, on November 27, 2013 the DOI issued a statement noting that CMS's proposed transitional policy was in violation of state and federal law and would not be implemented in Nevada.

On March 5, 2014 CMS issued a bulletin stating that the proposed transitional policy outlined in the November 14, 2013 letter would be extended through October 1, 2016.

In response to multiple inquiries on the matter, the DOI would like to reiterate that the transitional policy proposed in the November 14, 2013 letter and extended in the March 5, 2014 bulletin is in violation of state and federal law and will not be implemented in Nevada.

It is important to note that the Division allowed insurers to offer early renewals of non-ACA compliant health insurance plans up until December 31, 2013, which had the effect of allowing consumers to keep their non-ACA compliant plans for up to one year without violating federal and state laws. Under the ACA, these plans must be phased out in 2014. Non-ACA compliant

plans renewed on or before December 31, 2013, can remain in effect until their expiration in 2014.



SCOTT J. KIPPER
Commissioner of Insurance