

Final rule in notice of benefit, payment parameters issued

March 16 2013



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(HealthDay)—The final rule of the Department of Health and Human Services (HHS) Notice of Benefit and Payment Parameters for 2014, which expands on existing standards, has been released.

As part of the [Affordable Care](#) Act, risk adjustment, reinsurance, and risk corridors will help to stabilize premiums as new consumer protection begins in the individual and small group market in 2014. Together with existing programs this will facilitate access to affordable health insurance.

As part of the final rule, the risk adjustment program will assist health

insurance plans that provide coverage for higher-risk individuals and will reduce incentives for issuers to avoid enrolling only healthy individuals. A three-year transitional reinsurance program is being established to reduce premiums and ensure market stability by assisting with the costs of high-risk enrollees. Temporary risk corridors have been established to limit the extent of issuer gains and losses and thereby protect against uncertainty in rate setting. The HHS has finalized its proposal to make advance payments for cost-sharing reductions, allowing eligible individuals to pay their premiums and ensuring the affordability of coverage through a Marketplace (also known as an Exchange). The HHS is also finalizing provisions to ensure a [competitive market](#) with health plan options for small businesses.

"These programs will work with the premium tax credits, cost-sharing reductions, medical loss ratio program, and new market reform, including the guaranteed availability (also known as guaranteed issue) protections and prohibition of the use of factors such as [health status](#), medical history gender, and industry of employment to set premium rates, to help ensure every American has quality, affordable [health insurance](#)," the rule states.

More information: [More Information](#)

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Citation: Final rule in notice of benefit, payment parameters issued (2013, March 16) retrieved 24 April 2024 from <https://medicalxpress.com/news/2013-03-benefit-payment-parameters-issued.html>

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