Cover Sheet

Project work plan to assist the ADOI with rate reviews in the individual and small group markets

Objective/Milestone	Milestone completed?	Total tasks completed	Date
1.A.v.	No	2 out of 8 tasks completed	March 31, 2011
1.A.vi.	No	4 out of 8 tasks completed	March 31, 2011
1.B.i.	Yes	8 out of 8 tasks completed	December 21, 2010
1.B.ii.	No	0 out of 2 tasks completed	March 31, 2011
1.B.iii.	No	0 out of 1 tasks completed	March 31, 2011
1.B.iv.	No	0 out of 1 tasks completed	March 31, 2011
1.B.iv-a.	No	0 out of 2 tasks completed	March 31, 2011
1.B.iv-b.	No	0 out of 3 tasks completed	March 31, 2011
1.C.i.	Yes	6 out of 6 tasks completed	February 25, 2011
1.C.ii.	No	0 out of 3 tasks completed	March 31, 2011
1.C.iii.	No	0 out of 3 tasks completed	March 31, 2011
Quarterly reports	No	1 out of 3 tasks completed	March 31, 2011

Measurable Objective/Milestone: 1.A.v.

Description: *By June 30, 2011, develop at least one consumer-friendly key-indicator of individual rate filings. For example, an item on the individual actuarial certification showing per-capita increases to premium of each rate revision.*

Task	Task Description	Lead Associate	Support Associate	Due Date	Status	Comments
1	Participate in and/or observe the results of the public comment process as identified in milestone 1.A.i.	Multiple	Multiple	January 18, 2011	Complete	Meetings scheduled in three venues
2	Review data/information currently collected by ADOI in order to identify potential indicators.	Kevin Russell	Ron Betz	January 21, 2011	Complete	
3	Perform targeted research of other state/industry standard indicators.	Ron Betz	Kevin Russell	March 1, 2011	In progress	
4	Review consumer complaint history as summarized by ADOI	Ron Betz	Kevin Russell	March 1, 2011	In progress	
5	Review proposed/revised data elements based on any proposed changes to rate filing requirements to identify potential indicators.	Ron Betz	Kevin Russell	May 2, 2011		Revisions may result from the findings for Milestone 1.B.ii
6	Present recommended options.	Kevin Russell	Ron Betz	June 1, 2011		
7	Finalize proposed indicator(s).	Kevin Russell	Ron Betz	June 30, 2011		
8	Participate in any additional public feedback process.	Kevin Russell	Ron Betz	To be determined		

Measurable Objective/Milestone: 1.A.vi.

Description: *By June 30, 2011, develop at least one consumer-friendly key indicator from the annual small group base premium and index rate submissions.*

Task	Task Description	Lead Associate	Support Associate	Due Date	Status	Comments
1	Participate in and/or observe the results of the public comment process as identified in milestone 1.A.i.	Multiple	Multiple	January 18, 2011	Complete	Meetings scheduled in three venues
2	Review data/information currently collected by ADOI in order to identify potential indicators.	Kevin Lurito	Ron Ogborne	January 21, 2011	Complete	
3	Perform targeted research of other state/industry standard indicators.	Kevin Lurito	Ron Ogborne	March 1, 2011	Complete	
4	Review consumer complaint history as summarized by ADOI	Ron Betz	Kevin Russell	March 1, 2011	Complete	
5	Review proposed/revised data elements based on any proposed changes to rate filing requirements to identify potential indicators.	Kevin Lurito	Ron Ogborne	May 2, 2011		
6	Present recommended options.	Kevin Lurito	Ron Ogborne	June 1, 2011		
7	Finalize proposed indicator(s).	Kevin Lurito	Ron Ogborne	June 30, 2011		
8	Participate in any additional public feedback process.	Kevin Lurito	Ron Ogborne	To be determined		

Measurable Objective/Milestone: 1.B.i.

Description: *By December 21, 2010, develop the criteria and process for substantive review.*

Task	Task Description	Lead Associate	Support Associate	Due Date	Status	Comments
1	Review the current applicable State statute and regulations for the individual market.	Kevin Russell	Ron Betz	November 19, 2010	Complete	
2	Review the current rate filing submission requirements and forms for the individual market.	Ron Betz	Kevin Russell	December 1, 2010	Complete	
3	Review a sample of rate filings from the individual market to identify the information typically included in the filings and determine if any deficiencies exist.	Ron Betz	Kevin Russell	December 1, 2010	Complete	Accessed rate filings through SERFF
4	Meet with/interview the ADOI staff responsible for review of the individual rate filings.	Kevin Russell	Ron Betz	December 2, 2010	Complete	
4a	Understand/determine any limitations or parameters surrounding a revised substantive review process.	Kevin Russell	Ron Betz	December 8, 2010	Complete	
5	Perform targeted research of other states' substantive review processes.	Kevin Russell	Ron Betz	December 8, 2010	Complete	
6	Draft and propose a substantive review process for ADOI consideration.	Kevin Russell	Ron Betz	December 14, 2010	Complete	Sent December 17
7	Finalize a substantive review process for the individual market.	Kevin Russell	Ron Betz	December 21, 2010	Complete	Sent December 21

Measurable Objective/Milestone: 1.B.ii.

Description: *By April 30, 2011, based on the new criteria and process, conduct substantive review of 100% of administratively complete initial rate filings and 75% of rate revision filings that insurers submit between November 1, 2010, and April 30, 2011.*

Task	Task Description	Lead Associate	Support Associate	Due Date	Status	Comments
1	Perform the final accepted substantive review process developed in Milestone 1.B.i. with experienced and credentialed actuaries.	Kevin Russell	Ron Betz	April 29, 2011	In progress	Status update and progress presented to ADOI on March 30, 2011
1a	This step may include a live and/or written question and answer process with the filing actuary and/or the insurance organization's representative(s).	Kevin Russell	Ron Betz	April 29, 2011	In progress	
2	Record issues and findings from substantive rate reviews.	Kevin Russell	Ron Betz	April 29, 2011		

Measurable Objective/Milestone: 1.B.iii.

Description: *By May 15, 2011, for each filing reviewed under 1.B.ii., determine how often the actuarial certification of compliance is supported by the substantive review. In other words, how often can ADOI rely on the actuarial certification?*

Task	Task Description	Lead Associate	Support Associate	Due Date	Status	Comments
1	Based on the substantive review process developed in Milestone 1.B.i. and performed in Milestone 1.B.ii., summarize and report to ADOI on the findings of the reviews.	Kevin Russell	Ron Betz	May 13, 2011		Status update and progress presented to ADOI on March 30, 2011
1a	The report will include summaries identifying compliance or non-compliance by certain metrics (i.e., written premium) to ensure that the review process included all major carriers.	Kevin Russell	Ron Betz	May 13, 2011		

Measurable Objective/Milestone: 1.B.iv.

Description: *By May 31, 2011, if the conclusion in the previous milestone (1.B.iii) is that the ADOI generally cannot rely on the actuarial certification, determine the reason(s) why.*

Task	Task Description	Lead Associate	Support Associate	Due Date	Status	Comments
1	Based on the conclusions developed in Milestone 1.B.iii, summarize and report to ADOI the specific reasons for non-compliance or other areas of concern as identified through the substantive review process.	Kevin Russell	Ron Betz	May 31, 2011		

Measurable Objective/Milestone: 1.B.iv-a.

Description: *By June 30, 2011, draft revisions to the existing form and related filing requirements as appropriate to make the actuarial certification a reliable tool.*

Task	Task Description	Lead Associate	Support Associate	Due Date	Status	Comments
1	Summarize preliminary recommendations for proposed revisions to filing requirements, forms and processes to ADOI for discussion.	Kevin Russell	Ron Betz	June 20, 2011		
2	Based on the findings from milestones 1.B.iii and 1.B.iv, develop proposed revisions to filing requirements, forms and processes related to initial and revised individual health insurance rate filings. Any proposed revisions will be developed in a manner that minimizes change while maximizing impact.	Kevin Russell	Ron Betz	June 30, 2011		

Measurable Objective/Milestone: 1.B.iv-b.

Description: *By August 15, 2011, obtain stakeholder input on the draft revisions, any changes proposed under 1.A.v. above, other revisions to facilitate insurers' filing and ADOI review of the form, and a reasonable implementation date for the revised form.*

Task	Task Description	Lead Associate	Support Associate	Due Date	Status	Comments
1	Discuss the impact of the proposed revisions from Milestone 1.B.iv-a with ADOI staff. Ensure that the revisions will not require changes to legislation or add undo burden to the ADOI review staff going forward. Discuss potential agreement or pushback from the carriers related to the proposed revisions.	Kevin Russell	Ron Betz	July 8, 2011		
2	Participate in stakeholder input process.	Kevin Russell	Ron Betz	To Be Determined		
3	Discuss input received with ADOI and revise final filing requirements, forms and processes.	Kevin Russell	Ron Betz	August 15, 2011		

Measurable Objective/Milestone: 1.C.i.

Description: *By February 28, 2011, identify key indicators for compliance with small group rate-setting factors.*

Task	Task Description	Lead Associate	Support Associate	Due Date	Status	Comments
1	Review current applicable State statute and regulations.	Kevin Lurito	Ron Ogborne	December 8, 2010	Complete	
2	Review current rate filing submission requirements and forms.	Kevin Lurito	Ron Ogborne	January 17, 2011	Complete	
3	Meet with/interview ADOI staff responsible for review of rate filings.	Kevin Lurito	Ron Ogborne	February 1, 2011	Complete	
4	Perform limited research of other states' standard submission requirements.	Kevin Lurito	Ron Ogborne	February 1, 2011	Complete	
5	Review consumer complaint history as summarized by ADOI	Kevin Lurito	Ron Ogborne	February 28, 2011	Complete	
6	Summarize the key indicators identified during the review process.	Kevin Lurito	Ron Ogborne	February 28, 2011	Complete	Sent February 25

Measurable Objective/Milestone: 1.C.ii.

Description: *By April 30, 2011, summarize information and variations in A.R.S. § 20-2311(E) non-standardized actuarial, and in A.R.S § 20-2311(G) non-standardized base premium and index rate submissions for calendar year (CY) 2009 and CY 2010.*

Task	Task Description	Lead Associate	Support Associate	Due Date	Status	Comments
1	Review a sample of CY 2009 and CY 2010 filings to identify what information is typically included in the filings and what questions are unanswered in the submissions.	Kevin Lurito	Ron Ogborne	March 1, 2011	In progress	Received a sample of small group filings for CY 2010 from ADOI on March 21st
2	Summarize and report on variations found from the review of historical filings.	Kevin Lurito	Ron Ogborne	April 15, 2011	In progress	
3	Present findings to ADOI.	Kevin Lurito	Ron Ogborne	April 29, 2011		

Measurable Objective/Milestone: 1.C.iii.

Description: *By June 30, 2011, based on 1.C.i. and 1.C.ii., draft a standardized form for the small group actuarial certification and for submission of base premium and index rates, to be used by insurers for their CY 2011 filings.*

Task	Task Description	Lead Associate	Support Associate	Due Date	Status	Comments
1	Based on the findings from milestones 1.C.i and 1.C.ii, draft a standardized form for the small group actuarial certification and for submission of base premium and index rates. The form will include the key indicator(s) developed under 1.C.i. and 1.A.vi.	Kevin Lurito	Ron Ogborne	May 20, 2011		
2	Participate in stakeholder input process (1.C.iv.) as requested by ADOI.	Kevin Lurito	Ron Ogborne	To be determined		
3	Finalize the standardized form based on ADOI and stakeholder feedback.	Kevin Lurito	Ron Ogborne	June 30, 2011		

Measurable Objective/Milestone: Quarterly reports

Description: *Review draft submissions of the quarterly reports as provided by ADOI.*

Task	Task Description	Lead Associate	Support Associate	Due Date	Status	Comments
1	Review the first draft quarterly report as provided by ADOI.	Kevin Lurito	Branch McNeal	February 3, 2011	Complete	Received draft from ADOI on January 21, 2011. Comments provided on February 2, 2011
2	Review the second draft quarterly report as provided by ADOI.	Kevin Lurito	Branch McNeal	April 15, 2011		Anticipated receipt of the draft from ADOI in early April
3	Review the third draft quarterly report as provided by ADOI.	Kevin Lurito	Branch McNeal	July 15, 2011		Anticipated receipt of the draft from ADOI in early July