



**STATE OF NEW YORK
INSURANCE DEPARTMENT
160 WEST BROADWAY
NEW YORK, NEW YORK 10013**

NOTE: WITHDRAWN EFFECTIVE OCTOBER 11, 2002

Circular Letter No. 16 (1994)
September 14, 1994

TO: Commercial Insurers Authorized to Write Accident and Health Insurance and Corporations Licensed Under Article 43 of the Insurance Law or Article 44 of the Public Health Law

RE: Transfer of Health Insurance and HMO Premium Rate Review and Approval

Please be advised that this Department is transferring certain premium rate review and approval responsibilities between its New York City and Albany offices. Currently all newly proposed contracts and riders and premium rates of commercial insurers are reviewed in the Department's Health and Life Policy Bureau in Albany, but the review of rating materials associated with HMOs' and Article 43 Corporations' proposed contracts and riders is conducted in the Department's New York City Office.

Effective November 1, 1994, initial premium rates on new contracts and new riders for all licensed HMOs and Article 43 Corporations will be reviewed in Albany under the supervision of:

**Mr. Robert C. Benedict, Chief
Accident and Health Rating Section
Health and Life Policy Bureau
New York Insurance Department
Agency Building 1
Empire State Plaza
Albany, NY 12257
(518) 474-5394**

All initial premium rates, renewal rates and other premium rate modifications for commercial carriers will continue to be reviewed in the Albany office, except the rates for certain Point-of-Service (POS) contracts and riders, as indicated below.

While initial premium rates for POS contracts and riders will be reviewed and approved in the Albany office, applications under Insurance Law Section 3231 for premium rate modifications to the out-of-network component for previously approved POS contracts and riders issued by commercial carriers where the in-network benefit is covered by an HMO or Article 43 corporation should be filed, as of November 1, 1994, with the Department's New York City Office at least 90 days prior to the requested effective date of the rate modification and sent to:

**Mrs. Mary Lee Kreuter, Assistant Chief Examiner
Property Companies Bureau -- Health Care Finance Unit
New York State Insurance Department
160 West Broadway
New York, NY 10013
(212) 602-0219**

Initial premium rates, as well as later premium rate modifications, for contracts which reimburse provider networks which are not associated with an HMO or Article 43 corporation should continue to be sent to the Albany office.

Premium rate modifications for the Article 43 or Article 44 component of a POS contract are subject to the provisions of Insurance Law Section 4308. However, it is the intention of this Department to include in the statutorily required public hearing announcements the amount of the requested modifications for both the in-network and out-of-network components of any POS product issued to individuals or small groups. The announcement will state that inclusion of the out-of-network component written by the commercial insurer is for informational purposes only and the requested modification for that component is not the subject of the public hearing.

Rate submissions received by the Albany and New York City offices prior to November 1, 1994 will be reviewed by the office having the current responsibilities for that rate review.

Very truly yours,

Salvatore R. Curiale
Superintendent of Insurance