

## RUPRI Rural Health Panel

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Centers for Medicare and Medicaid Services

Department of Health and Human Services

Attention: CMS-9972-P

P.O. Box 8012

Baltimore, MD 21244-1850

By electronic submission at <http://www.regulations.gov>

RE: CMS-9972-P, Proposed Rule: Patient Protection and Affordable Care Act; Health Insurance Market Rules; Rate Review.



To Whom It May Concern:

The Rural Policy Research Institute Health Panel (Panel) was established in 1993 to provide science-based, objective policy analysis to federal policy makers. The Panel is pleased offer comments regarding the Department's Notice of Proposed Rulemaking to implement the new Health Insurance Market Rules consistent with the Affordable Care Act.

The Panel understands that CMS will receive comprehensive comments from a wide variety of sources. Thus we will limit our comment to rural-specific issues.

**PROPOSED RULE:** Proposed 45 CFR 147.102(b)(3) presumes a state's rating areas are adequate if there is one rating area for the entire state, or are no more than seven rating areas based on counties, three-digit zip codes, or metropolitan/non-metropolitan statistical areas.

**COMMENT:** Allowing up to seven rating areas in each state, and starting with a presumption that there is reason to separate metropolitan and non-metropolitan areas as independent rating areas creates the potential to segment populations in a way that could raise rates for rural populations in comparison to populous urban areas. While separate rating areas may be appropriate, this potential adverse effect is reason to require that plans provide actuarial justification, with specific analysis of causal factors, supporting rating areas they request. As health plan analyses supporting rating areas become public record as part of the certification process, CMS and others will have data necessary to adjust policies that might level the playing field across apparent market differences within each state, creating more equity in access to affordable insurance coverage. The Panel recommends that plans be required to provide justification for their proposed

geographic rating areas and that QHPs not be allowed to rate their products based on metropolitan and non-metropolitan geography.  

Sincerely,

The Rural Policy Research Institute Health Panel

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