

- **Q.** How are consumers alerted when a rate filing is submitted and being reviewed by the DOI?
  - A.** Currently consumers are not automatically alerted when DOI receives a rate filing. Consumers may submit an open records request for any rate filing at any time. We have plans to create a mechanism to provide public notice of rate filings by website posting.
- **Q.** Are policyholders given prior notice by the insurer that a rate increase has been requested, or do they only find out after the filing has been approved and their premiums go up?
  - A.** The insurer notifies policyholders of a premium increase through a renewal notice which is typically provided within 30-45 days prior to renewal.
- **Q.** At what point are consumer comments solicited or considered in the rate review process?
  - A.** Currently consumer comments are not solicited. We have plans to allow consumers to submit comments on rate filings as part of a future website enhancement.
- **Q.** How does the KY review process balance actuarial soundness with consumer experience and affordability?
  - A.** Rate factors and methodology are reviewed by DOI for actuarial soundness. Rate factors are used by the insurer to calculate the premiums charged to members. Since DOI does not receive information about the specific premiums charged to specific individuals, it must rely primarily on actuarial justification, as opposed to affordability or experience. Upon request, DOI will review a rate complaint by a consumer to ensure that the premium charged is consistent with the approved filing and Kentucky Law.
- **Q.** Has KY DOI saved money for consumers through the rate review process? Does the DOI have an annual report or other data that shows the rate requested for each filing vs. the rate approved by DOI to document any savings?
  - A.** The statutorily-defined role of DOI in the rate review process includes protecting consumers from excessive, inadequate or discriminatory rate increases. We believe our process is thorough and is successful in protecting our insurance market and the consumers. Currently we do not produce an annual report with this kind of information.

The Center for Consumer Information and Insurance Oversight (CCIIO) has reviewed Kentucky's laws, regulations, and bulletins, and confirmed with our agency that we conduct reviews in accordance with the criteria set forth in the federal regulations. Based on this information, The Center for Consumer Information and Insurance Oversight has determined that Kentucky has an Effective Rate Review Program in all markets.

- **Q.** What percentage of rate filings are denied by DOI each year?
  - A.** Questionable rate increases are typically withdrawn instead of being denied. A rate filing questioned by our actuaries is also typically withdrawn if the issues raised by the questions are not resolved to our actuary's satisfaction.
- **Q.** How are the rates filed in Kentucky compared with surrounding states?
  - A.** Kentucky has not made a detailed study to compare our rates with surrounding states. On July 1, 2011, CCIIO notified all states as to whether they had an effective rate review process. As stated above, Kentucky has been found to have such a process. Information regarding other states should be available from HHS very soon.