

§ 156.285 Additional standards specific to SHOP for plan years beginning prior to January 1, 2018.

(a) *SHOP rating and premium payment requirements.* QHP issuers offering a QHP through a SHOP must:

- (1) Accept payment from the SHOP on behalf of a qualified employer or an enrollee in accordance with § 155.705(b)(4) of this subchapter;
- (2) Adhere to the SHOP timeline for rate setting as established in § 155.705(b)(6) of this subchapter; and
- (3) Charge the same contract rate for a plan year.
- (4)(i) Adhere to the premium rating standards described in § 147.102 of this subchapter regardless of whether the QHP being sold through the SHOP is sold in the small group market or the large group market; and
- (ii) Effective in plan years beginning on or after January 1, 2015, a QHP issuer in a Federally-facilitated SHOP may not offer to an employer premiums that are based on average enrollee premium amounts under § 147.102(c)(3) of this subchapter, if the employer elects to offer coverage to its employees under § 155.705(b)(3)(iv)(A) of this subchapter. This paragraph (a)(4)(ii) also applies to stand-alone dental plans in a Federally-facilitated SHOP, if the employer elects to offer coverage to its employees under § 155.705(b)(3)(v)(B) of this subchapter.

(b) *Enrollment periods for the SHOP.* QHP issuers offering a QHP through the SHOP must:

- (1) Enroll a qualified employee in accordance with the qualified employer's initial and annual employee open enrollment periods described in § 155.725 of this subchapter;
- (2) Provide special enrollment periods as described in § 155.725(j);
- (3) Provide an enrollment period for an employee who becomes a qualified employee outside of the initial or annual open enrollment period as described in § 155.725(g) of this subchapter; and
- (4) Adhere to effective dates of coverage established in accordance with § 155.725 of this subchapter.

(c) *Enrollment process for the SHOP.* A QHP issuer offering a QHP through the SHOP must:

- (1) Adhere to the enrollment timeline and process for the SHOP as described in § 155.720(b) of this subchapter;
- (2) Receive enrollment information in an electronic format, in accordance with the requirements in §§ 155.260 and 155.270 of this subchapter, from the SHOP as described in § 155.720(c);
- (3) Notify new enrollees of their effective date of coverage consistent with § 155.720(e) of this subchapter.

- (4) Provide new enrollees with the enrollment information package as described in § 156.265(e);
- (5) Send enrollment reconciliation files on at least a monthly basis, and, in a Federally-facilitated SHOP, according to a process, timeline, and file format established by the Federally-facilitated SHOP;
- (6) Acknowledge receipt of enrollment information in accordance with SHOP standards; and
- (7) Enroll all qualified employees consistent with the plan year of the applicable qualified employer.
- (8) A QHP issuer must enroll a qualified employee only if the SHOP—
  - (i) Notifies the QHP issuer that the employee is a qualified employee;
  - (ii) Transmits information to the QHP issuer as provided in § 155.400(a) of this subchapter; and
  - (iii) Effective for QHPs offered through a Federally-facilitated SHOP in plan years beginning on or after January 1, 2015, does not send a cancellation notice to the QHP issuer prior to the effective date of coverage.
- (d) *Termination of coverage or enrollment in the SHOP.* QHP issuers offering a QHP through the SHOP must:
  - (1) Comply with the following requirements with respect to termination of enrollees in the SHOP:
    - (i)(A) Effective in plan years beginning on or after January 1, 2015, requirements regarding termination of coverage or enrollment established in § 155.735 of this subchapter, if applicable to the coverage or enrollment being terminated; otherwise
    - (B) General requirements regarding termination of coverage or enrollment established in § 156.270(a).
  - (ii) If a QHP issuer terminates an enrollee's coverage or enrollment through the SHOP in accordance with § 155.735(d)(1)(iii) or (v) of this subchapter, the QHP issuer must notify the qualified employer and the enrollee of the termination. Such notice must include the termination effective date and reason for termination, and must be sent within 3 business days if an electronic notice is sent, and within 5 business days if a mailed hard copy notice is sent. When a primary subscriber and his or her dependents live at the same address, a separate termination notice need not be sent to each dependent at that address, provided that the notice sent to each primary subscriber at that address contains all required information about the termination for the primary subscriber and his or her dependents at that address.
  - (iii)(A) Effective in plan years beginning on or after January 1, 2015, requirements regarding termination of coverage or enrollment effective dates as set forth in § 155.735 of this subchapter, if applicable to the coverage or enrollment being terminated; otherwise

(B) Requirements regarding termination of coverage or enrollment effective dates as set forth in § 156.270(i).

(2) [Reserved]

(e) *Participation rules.* QHP issuers offering a QHP through the SHOP may impose group participation rules for the offering of health insurance coverage in connection with a QHP only if and to the extent authorized by the SHOP in accordance with § 155.705 of this subchapter.

(f) *Applicability date.* The provisions of this section apply for plan years beginning prior to January 1, 2018. Additional standards specific to SHOP for plan years beginning on or after January 1, 2018 are in § 156.286.

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