§ 158.244 Unclaimed rebates.

An issuer must make a good faith effort to locate and deliver to an enrollee any rebate required under this Part. If, after making a good faith effort, an issuer is unable to locate a former enrollee, the issuer must comply with any applicable State law.

§ 158.250 Notice of rebates.

(a) Notice of rebates to policyholders and subscribers of group health plans. For each MLR reporting year, at the time any rebate of premium is provided to a policyholder of a group health plan in accordance with this part, an issuer must provide each policyholder who receives a rebate and subscribers whose policyholder receives a rebate directly from an issuer, the following information in a form prescribed by the Secretary:

(1) A general description of the concept of an MLR;
(2) The purpose of setting an MLR standard;
(3) The applicable MLR standard;
(4) The issuer’s MLR, adjusted in accordance with the provisions of this subpart;
(5) The issuer’s aggregate premium revenue as reported in accordance with §158.130 of this part, minus any Federal and State taxes and licensing and regulatory fees that may be excluded from premium revenue as described in §158.162(a)(1) and (b)(1) of this part;
(6) The rebate percentage and the amount owed to enrollees, as defined in section 158.240(b), based upon the difference between the issuer’s MLR and the applicable MLR standard; and
(7) The fact that, as provided by this subpart, the total aggregated rebate for the group health plan is being provided to the policyholder:

(i) If the policy provides benefits for a plan subject to ERISA, a statement that the policyholder may have additional obligations under ERISA’s fiduciary responsibility provisions with respect to the handling of rebates and contact information for questions regarding the rebate;
(ii) If the policyholder is a non-Federal governmental plan, the proportion of the rebate attributable to subscribers’ contribution to premium must be used for the benefit of subscribers, using one of the methods set forth in §158.242(b)(1) of this subpart; and
(iii) If the policyholder is a group health plan that is not a governmental plan and is not subject to ERISA.

(A) The policyholder has provided written assurance that the proportion of the rebate attributable to subscribers’ contribution to premium will be used for the benefit of current subscribers, using one of the methods set forth in §158.242(b)(1) of this subpart;
(B) If the policyholder did not provide such written assurance, the issuer must distribute the rebate evenly among the policyholder’s subscribers covered by the policy during the MLR reporting year on which the rebate is based.

(b) Notice of rebates to subscribers in the individual market. For each MLR reporting year, at the time any rebate of premium is provided to a subscriber in the individual market in accordance with this part, an issuer must provide each subscriber that is receiving the rebate the following information in a form prescribed by the Secretary:

(1) A general description of the concept of an MLR;
(2) The purpose of setting an MLR standard;
(3) The applicable MLR standard;
(4) The issuer’s MLR, adjusted in accordance with the provisions of this subpart;
(5) The issuer’s aggregate premium revenue as reported in accordance with §158.130 of this part, minus any Federal and State taxes and licensing and regulatory fees that may be excluded from premium revenue as described in §158.162(a)(1) and (b)(1) of this part; and
(6) The rebate percentage and the amount owed to enrollees based upon