



## 2015 Medical Renewals for Groups under 50

There are new rules on how medical insurance carriers in MA calculate premiums for small groups (under 51 eligible for medical insurance). All insurance carriers have been informed of how this must be done beginning January 2015. Although the new methodology is premium neutral, there are a few differences from the current methodology:

- All small-group medical plans will move to a four-tier rate structure beginning January 1, 2015— this means that the carriers will convert all small-group business to four-tier rates on renewal and only allow four-tier rates for new business (*4 Tier is defined as Individual coverage, Individual + 1 coverage, Individual + Children coverage and Family coverage*).
- The Massachusetts Division of Insurance and U.S. Department of Health and Human Services have mandated how the rate relativities between tiers will change.
- The carriers will no longer allow two- and three-tier rates for medical groups.

As we approach your 2015 medical renewal, HR Knowledge will work with you to help you better understand the marketplace changes, including new legislation (like the requirement above) in an effort to provide you with the knowledge necessary to make the best decision for your company and your employees.

Please contact HR Knowledge at [benefitsupport@hrknowledge.com](mailto:benefitsupport@hrknowledge.com) should you have any immediate questions.

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