

COMMONWEALTH OF VIRGINIA

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March 7, 2003

ADMINISTRATIVE LETTER 2003 - 2

TO: ALL INSURERS LICENSED TO WRITE ACCIDENT AND SICKNESS INSURANCE IN VIRGINIA, AND ALL HEALTH SERVICES PLANS AND HEALTH MAINTENANCE ORGANIZATIONS LICENSED IN VIRGINIA

RE: 14 VAC 5-190-10 et seq.: Rules Governing the Reporting of Cost and Utilization Data Relating to Mandated Benefits and Mandated Providers - 2002 Reporting Period

The purpose of this Administrative Letter is to assist carriers in the preparation of the Annual Report of Cost and Utilization Data relating to Mandated Benefits and Providers required pursuant to 14 VAC 5-190-10 seq. and § 38.2-3419.1 of the Code of Virginia, and to remind all affected carriers of the reporting requirements applicable to mandated benefits and providers for the 2002 reporting year. The report must be in the format contained in Form MB-1, and to facilitate its completion, carriers may download Form MB-1, the instructions and representative CPT and ICD-9-CM codes from the Bureau's website at:

<http://www.state.va.us/scc/division/boi/webpages/mandatedforms.htm>.

Carriers are reminded that the completed Form MB-1 (cover sheet and sections) is due on or before May 1, 2003. **Lack of notice, lack of information, lack of means of producing the required data, or other such reasons will not be accepted for not submitting a complete and accurate report in a timely manner.**

Form MB-1 has been updated to capture cost and utilization data applicable to the additional mandate for coverage of an infant hearing screening and related diagnostics. Refer to the Bureau's Administrative Letter 2002-14 for further explanation concerning this additional reporting requirement.

Carriers should refer to 14 VAC 5-190-40 for an explanation of the circumstances for which a full and complete or an abbreviated report must be filed. This section also describes the circumstances for which a company may be exempt from filing a report. The ***Virginia total annual written premium for all accident and sickness policies or contracts*** referred to in this section of the Administrative Code is the amount reported to the Commission on the company's Annual Statement for the year ending December 31, 2002. This is the amount used to determine the type of report required.

The instructions explain the type of information necessary to complete Form MB-1, and serve to highlight frequent errors and omissions. All sources of information, including 14 VAC 5-190-10 et seq., §§ 38.2-3408 through 38.2-3418.13, as applicable, § 38.2-4221, and CPT and ICD-9-CM codes should be consulted in the preparation of this report. Please note that the CPT and ICD-9-CM codes are not intended to exhaust all medical codes that may be used in collecting data for Form MB-1, but are representative of some of the more common codes associated with the mandated benefits.

Each licensed carrier must submit a separate Form MB-1, unless the carrier is exempt from the reporting requirements as noted above. It is not acceptable to submit more than one Form MB-1 for a single carrier or to consolidate information from different carriers on one form. Carriers are encouraged to E-mail the completed Form MB-1 to: mbp@scc.state.va.us.

Correspondence regarding this reporting requirement, requests for a paper copy of Form MB-1, instructions and CPT and ICD-9-CM codes, and Form MB-1 filings should be directed to:

Mary Ann Mason
Senior Insurance Market Examiner
Forms and Rates Section
Bureau of Insurance - Life and Health Division
P.O. Box 1157
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Carriers are reminded that failure to submit a substantially complete and accurate report pursuant to the provisions of 14 VAC 5-190-10 et seq. by May 1, 2003, may be considered a violation subject to a penalty as set forth in § 38.2-218 of the Code of Virginia.

Yours truly,



Alfred W. Gross
Commissioner of Insurance

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