

May 22, 2025

ADDENDUM 1 - 2026 IDAHO STANDARDS FOR AFFORDABLE CARE ACT COMPLIANT INDIVIDUAL AND SMALL GROUP HEALTH BENEFIT PLANS AND QUALIFIED DENTAL PLANS

Please note the following addition to the 2026 Idaho Standards for Affordable Care Act Compliant Individual and Small Group Health Benefit Plans and Qualified Dental Plans.

Rate Information Considerations for Individual Market QHPs

1332 Waiver Impact

When submitting calendar year 2026 rates, issuers must take the impact of Idaho's 1332 Reinsurance Waiver into consideration.

The Idaho High Risk Reinsurance Pool Board has determined that the impact of the Waiver on the 2026 individual ACA-compliant market will be that rates will be 18% percent lower than they would be absent the Waiver.

Issuers are to document the full 18% reduction to consumer premiums in their rate development. As Supporting Documentation, issuers must include an Excel rate table template without the 18% savings. Final reinsurance parameters and covered conditions will be set by the Idaho High Risk Reinsurance Pool Board at a Board meeting later this year.

Rate Justification

In their rate filing actuarial memorandum, issuers are required to provide information that clearly documents the assumptions used. This should include but is not limited to Cost-Sharing Reduction (CSR) loading, impacts from changes to Advanced Premium Tax Credits (APTC), and any other factors that are used in the development of rates.

In accordance with [CMS guidance issued on May 2, 2025](#), CMS has directed all issuers using CSR loading to compensate for the cost of offering CSRs, in the actuarial memorandum, specify the "actual CSRs the issuer paid" for enrollees in PY 2024 and explain in detail the development of the PY 2026 CSR load amount. Issuers should also explain how the additional revenue

collected from the applied CSR load compares to the expected amount of CSRs that will be provided to enrollees in PY 2026. The Department will accept an issuer's report of "actual CSRs the issuer paid" using either of the methods outlined in federal regulations at [45 CFR 156.430](#), or a comparable development method that is appropriately documented in the memorandum.

While there currently is no certainty regarding whether future federal legislative changes may impact the rate development of 2026 plans, issuers are advised to prepare for and to document in their filing the impacts of certain potential changes. Specifically, issuers should prepare for a scenario where federal CSR payments are funded. Issuers must submit as an addendum to their actuarial memorandum their development of any market or plan level rate impacts, and the resulting rates under that scenario. The documentation should allow for the evaluation of the reasonableness of the resulting rates. The Department requests the actuarial memorandum addendum to be added to the SERFF rate filing by July 16, 2025, which is the final day for carriers to submit rate filing corrections in SERFF.

Off-Exchange-Only Silver Plan Options

Consistent with [CMS guidance issued on May 2, 2025](#) and with the aim to provide affordable coverage options for Idaho consumers not eligible for subsidies, issuers may offer a silver plan exclusively off-Exchange (non-QHP) that does not include a CSR load. Such a plan must be meaningfully different, as defined in [2026 Idaho Standards](#) page 19, from any silver plan offered by the issuer and must have a unique HIOS plan identifier. The Department will not approve off-Exchange silver plans that are not meaningfully different from any of an issuer's on-Exchange silver plans.

Actuarial Values

The Department advises issuers to exercise caution when considering reductions to a plan's Actuarial Value (AVs) based solely on allowances within the latest federal AV Calculator, particularly when such a change is inconsistent with the criteria for a "uniform modification of coverage" (see [2026 Idaho Standards](#) page 12). For example, an issuer may modify a plan's cost sharing structure only for any variation "solely related to changes in cost and utilization of medical care, or to maintain the same metal tier." Modifying a plan's cost sharing structure to reduce the actuarial value below where it was in PY 2025 would not meet the criteria for a uniform modification of coverage.

Commission for Producers

[The 2026 Idaho Standards for Affordable Care Act Compliant Individual and Small Group Health Benefit Plan and Qualified Dental Plans](#) (Standards), Section 1, Item 5 (Rate Information Considerations, paragraph 3), referring to commissions schedule states in part: "The schedules must not distinguish between special enrollments or open enrollments or any other factor that could be related to health status such as metal level, age, family size, etc."

The Department further clarifies that this standard encompasses not only direct commission schedules, but any bonus structures available to producers, and should not differ by the channel

through which an individual or family purchases their insurance. The commissions for plans sold on and off exchange must be consistent. This is necessary to ensure that consumers' needs are being given priority and producers are able to aid consumers without undue financial pressure. Idaho Code § 41-6102 states that "Participation in the exchange is voluntary," and the Idaho legislature emphasized the purpose of the Marketplace at Idaho Code § 41-6105(2)(c)(i) is to aid in "preserving individual choice." The public must be able to place trust in insurance producers to provide solutions that are in the best interest of the consumer without the producer's financial interest affecting their decision. Producers are statutorily held to this standard by Idaho Code § 41-1016 (1)(h).

Additionally, Idaho Code §41-113 (2) makes it clear that the business of insurance is "affected by the public interest" and requires both issuers and producers to act in good faith in their business practices. Therefor to ensure that consumers receive advice based on their best interests rather than varying producer compensation, an issuer's commissions and bonuses for ACA products must not depend on whether the product is sold through the Exchange or directly by the issuer (off-Exchange). Commission structures that differentiate compensation based on the enrollment platform (on-Exchange versus off-Exchange), or based on factors such as metal level, age, family size, or enrollment period, may create incentives inconsistent with Idaho Code (e.g., § 41-1016(1)(h)) and federal guidance, and are therefore impermissible.