



Virgin Islands

Virgin Islands

Office of the Lieutenant Governor

Division of Banking and Insurance

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BULLETIN 2014-03

**TO: ALL AGENT, BROKER AND AGENCIES AND INSURERS
TRANSACTIONING HEALTH INSURANCE BUSINESS IN THE TERRITORY**

**RE: PATIENT PROTECTION AND AFFORDABLE CARE ACT HEALTH
CARE AND EDUCATION RECONCILIATION ACT OF 2010 - INDIVIDUAL
AND GROUP MARKET REFORM**

The Patient Protection and Affordable Care Act (“PPACA”) was signed into law on March 23, 2010 as Public Law No. 111-148 and amended on March 30, 2010 by the Healthcare and Education Reconciliation Act of 2010 (“HCERA”), Pub. L. No. 111-152. In accordance with the Affordable Care Act (ACA), the U.S. Virgin Islands began enforcing the provisions of Part A and B as well as other applicable sections in regards to the individual and group market. Some ACA requirements have been fully implemented and others were being implemented based on the effective date prescribed in the Act. In particular, on January 1, 2014, the ACA required all individual and group insurance plans include ACA requirements of ten essential health benefits. Any plan that did not meet the requirements could not be written after December 31, 2013.

Consequently, several insurers chose not to write new plans and began cancelling existing policies. This resulted in President Obama granting an extension for insurers to continue renewing policies once approved by the state or territory insurance department and many insurers withdrawing their cancellation notices. Nonetheless, it has come to the Division’s attention that there are carriers within the territory who continued to write new non-compliance plans. The exemption by the President only allowed for the renewal of noncompliance plans if approved and not the sale of new noncompliance plans.

Accordingly, the Division will be auditing the records of health insurers and/or health agents suspected of acting in violation of the ACA and local and federal rules and regulations. Any licensee found to be transacting insurance business in violation of the law will be subject to enforcement actions which may include fines and/or suspension of the insurer and/or agent license.

It should be noted any action in contradiction to the present law will not be waived as a result of any subsequent changes in the law. To that end, the Commissioner has received HHS letter of July 16, 2014 which grants a waiver to the U.S. territories relative to several sections of the PHA Act. Until revised rules and regulations have been furnished and a determination by the Commissioner of Insurance is issued as to what provisions are no longer applicable, all insurers and agents must continue to provide policies consistent with the requirements of the ACA.

Dated this _____ day of July, 2014 on St. Thomas, U.S. Virgin Islands



Gregory R. Francis
Lieutenant Governor/Commissioner of Insurance