



705 Mount Auburn Street  
Watertown, MA 02472-1508  
617.972.9400  
[tuftshealthplan.com](http://tuftshealthplan.com)

Name  
Address 1  
Address 2  
City, State Zip

August 2019

**RE: Medical Loss Ratio (MLR)—No Action Required**

Dear Subscriber:

At Tufts Health Plan, our top priority is to provide you with high-quality, affordable health care coverage. To achieve this, we continuously monitor and manage ways to reduce costs.

As a result of state and federal laws that introduced Medical Loss Ratio (MLR) requirements, we are required to rebate a portion of insurance premiums we received in 2018 if we did not spend at least 88% of the funds on health care for our members. We are letting you know that your employer will be receiving a rebate for 2018 from Tufts Insurance Company (Tufts Health Plan) in compliance with Massachusetts state and/or Federal MLR requirements. Employees who were active Tufts Health Plan members as of December 31, 2018 (or, if applicable, as of the date your group plan terminated coverage) are receiving this letter.

We are required to send this rebate to your employer or group policyholder by August 30, 2019, or apply this rebate to the health insurance premium that is due on or after August 30, 2019. Employers or group policyholders must follow certain rules for distributing the rebate. If you have specific questions about how the rebate issued to your employer will be used or redistributed, please contact your benefits representative or Human Resources department.

For more information about MLR please see the Frequently Asked Questions for members at <https://tuftshealthplan.com/mlr>.

Sincerely,

Tufts Health Plan

**Notice of Health Insurance Premium Rebate**

August 2019

Name

Address 1

Address 2

City, State Zip

Re: Health Insurance Premium Rebate for Year 2019; Policy #&lt;Group Number&gt;

Dear Subscriber:

This letter is to inform you that Tufts Insurance Company (Tufts Health Plan) will be rebating a portion of your health insurance premiums through your employer or group policy holder. This rebate is required by the Affordable Care Act – the health reform law.

The Affordable Care Act requires Tufts Health Plan to rebate part of the premiums it received if it does not spend at least 80 percent of the premiums Tufts Health Plan receives on health care services, such as doctors and hospital bills, and activities to improve health care quality, such as efforts to improve patient safety. No more than 20 percent of premiums may be spent on administrative costs such as salaries, sales, and advertising. This is referred to as the “Medical Loss Ratio” standard or the 80/20 rule. The 80/20 rule in the Affordable Care Act is intended to ensure that consumers get value for their health care dollars. You can learn more about the 80/20 rule and other provisions of the health reform law at: <https://www.healthcare.gov/health-care-law-protections/rate-review/>.

The Affordable Care Act allows States to require health insurers to meet a higher ratio. Massachusetts sets a higher Medical Loss Ratio standard, so Tufts Health Plan must meet an 88% Medical Loss Ratio, meaning that 88% of premiums must be spent on medical services and activities to improve health care quality, and no more than 12% of premiums can be spent on administrative costs.

**What the Medical Loss Ratio Rule Means to You**

The Medical Loss Ratio rule is calculated on a State by State basis. In Massachusetts, Tufts Health Plan did not meet the 88/20 Federal standard. In 2018, Tufts Health Plan spent only 87.0% of a total of \$23 million in premium dollars on health care and activities to improve health care quality. Since it missed the 88 percent target by 1.0% of premium it receives, Tufts Health Plan must rebate 1.0% of the total health insurance premiums paid by the employer and employees in your group health plan. We are required to send this rebate to your employer or group policyholder by August 30, 2019, or apply this rebate to the health insurance premium that is due on or after August 30, 2019. Employers or group policyholders must follow certain rules for distributing the rebate to you.

(Please turn over)

**Ways in Which an Employer Can Distribute the Rebate**

If your group health plan is a non-Federal governmental plan, the employer or group policyholder must distribute the rebate in one of two ways:

- Reducing premium for the upcoming year; or
- Providing a cash rebate to employees or subscribers that were covered by the health insurance on which the rebate is based.

If your group health plan is a church plan, the employer or group policyholder has agreed to distribute the portion of the rebate that is based on the total amount all of the employees contributed to the health insurance premium in one of the ways discussed in the prior paragraph.

If your group health plan is not a governmental plan or a church plan, it likely is subject to the Federal Employee Retirement Income Security Act of 1974 (ERISA). Under ERISA, the employer or the administrator of the group health plan may have fiduciary responsibilities regarding use of the Medical Loss Ratio rebates. Some or all of the rebate may be an asset of the plan, which must be used for the benefit of the employees covered by the policy. Employees or subscribers should contact the employer or group policyholder directly for information on how the rebate will be used. For general information about your rights regarding the rebate, you may contact the Department of Labor's Employee Benefits Security Administration at 1-866-444-EBSA (3272) or review the Department's technical guidance on this issue on its web site at <https://www.dol.gov/agencies/ebsa/employers-and-advisers/guidance/technical-releases/11-04>.

**Need more information?**

If you have any questions about the Medical Loss Ratio and your health insurance coverage, please contact Tufts Health Plan toll-free at 1-800-462-0224 or [www.tuftshealthplan.com](http://www.tuftshealthplan.com).

Contact your employer or Administrator directly for information on how the rebate will be distributed. For general information about your rights regarding the rebate if your group health plan is subject to ERISA, you may contact the Department of Labor's Employee Benefits Security Administration at 1-866-444-EBSA (3272) or review the Department's technical guidance on this issue on its web site at <https://www.dol.gov/agencies/ebsa/employers-and-advisers/guidance/technical-releases/11-04>.

Sincerely,

Thomas Croswell  
President & Chief Executive Officer  
Tufts Health Plan

For no cost translation in English, call the number on your ID card.

**Arabic** للحصول على خدمة الترجمة المجانية باللغة العربية، يرجى الاتصال على الرقم المدون على بطاقة الهوية الخاصة بك.

**Chinese** 若需免費的中文版本，請撥打 ID 卡上的電話號碼。

**French** Pour demander une traduction gratuite en français, composez le numéro indiqué sur votre carte d'identité.

**German** Um eine kostenlose deutsche Übersetzung zu erhalten, rufen Sie bitte die Telefonnummer auf Ihrer Ausweiskarte an.

**Greek** Για δωρεάν μετάφραση στα Ελληνικά, καλέστε τον αριθμό που αναγράφεται στην αναγνωριστική κάρτας σας.

**Haitian Creole** Pou jwenn tradiksyon gratis nan lang Kreyòl Ayisyen, rele nimewo ki sou kat ID ou.

**Italian** Per la traduzione in italiano senza costi aggiuntivi, è possibile chiamare il numero indicato sulla tessera identificativa.

**Japanese** 日本語の無料翻訳については ID カードに書いてある番号に電話してください。

**Khmer (Cambodian)** សម្រាប់សេវាបកប្រែធរណីមូលដ្ឋាន ភាសាខ្មែរ សូមទូរស័ព្ទទៅកាន់លេខដែលមាននៅលើប័ណ្ណសម្គាល់សមាជិករបស់អ្នក។

**Korean** 한국어로 무료 통역을 원하시면, ID 카드에 있는 번호로 연락하십시오.

**Laotian** ສຳລັບການແປພາສາເປັນພາສາລາວທີ່ບໍ່ໄດ້ເສຍຄ່າໃຊ້ຈ່າຍ, ໃຫ້ໃບຫາເບີທີ່ຢູ່ເທິງບັດປະຈຳຕົວຂອງທ່ານ.

**Navajo** Doo báhá ilíní da Diné k'chjí álnécho, hodiilnih béesh bec hani'é bec néé ho'dilzingo nantinígíí bikáá'.

**Persian.** برای ترجمه رایگان فارسی به شماره تلفن مندرج در کارت شناسایی تان زنگ بزنید.

**Polish** Aby uzyskać bezpłatne tłumaczenie w języku polskim, należy zadzwonić na numer znajdujący się na Pana/i dowodzie tożsamości.

**Portuguese** Para tradução grátis para português, ligue para o número no seu cartão de identificação.

**Russian** Для получения услуг бесплатного перевода на русский язык позвоните по номеру, указанному на идентификационной карточке.

**Spanish** Por servicio de traducción gratuito en español, llame al número de su tarjeta de miembro.

**Tagalog** Para sa walang bayad na pagsasalin sa Tagalog, tawagan ang numero na nasa inyong ID card.

**Vietnamese** Để có bản dịch tiếng Việt không phải trả phí, gọi theo số trên thẻ căn cước của bạn.

# DISCRIMINATION IS AGAINST THE LAW

**Tufts Health Plan complies with applicable Federal civil rights laws and does not discriminate on the basis of race, color, national origin, age, disability, or sex. Tufts Health Plan does not exclude people or treat them differently because of race, color, national origin, age, disability, or sex.**

## **Tufts Health Plan:**

- Provides free aids and services to people with disabilities to communicate effectively with us, such as:
  - Written information in other formats (large print, audio, accessible electronic formats, other formats)
- Provides free language services to people whose primary language is not English, such as:
  - Qualified interpreters
  - Information written in other languages

If you need these services, contact Tufts Health Plan at 800.462.0224.

If you believe that Tufts Health Plan has failed to provide these services or discriminated in another way on the basis of race, color, national origin, age, disability, or sex, you can file a grievance with:

### **Tufts Health Plan, Attention:**

Civil Rights Coordinator Legal Dept.

705 Mount Auburn St. Watertown, MA 02472

Phone: 888.880.8699 ext. 48000, [TTY number— 800.439.2370 or 711]

Fax: 617.972.9048

Email: [OCRCoordinator@tufts-health.com](mailto:OCRCoordinator@tufts-health.com).

You can file a grievance in person or by mail, fax, or email. If you need help filing a grievance, the Tufts Health Plan Civil Rights Coordinator is available to help you.

You can also file a civil rights complaint with the U.S. Department of Health and Human Services, Office for Civil Rights, electronically through the Office for Civil Rights Complaint Portal, available at <https://ocrportal.hhs.gov/ocr/portal/lobby.jsf>, or by mail or phone at:

### **U.S. Department of Health and Human Services**

200 Independence Avenue, SW

Room 509F, HHH Building Washington, D.C. 20201

800.368.1019, 800.537.7697 (TDD)

Complaint forms are available at <http://www.hhs.gov/ocr/office/file/index.html>.