State of Rhode Island and Providence Plantations
OFFICE OF THE HEALTH INSURANCE COMMISSIONER
233 Richmond Street
Providence, RI 02903

HEALTH INSURANCE COMMISSIONER REGULATION 6

RATE HEARING PROCEDURES ON HEALTH BENEFIT PLANS

Preamble

In July of 2004, the Title 42 of the General Laws was amended to create the Office of the Health Insurance Commissioner. *See* R.I. Gen Laws § 42-14.5-1. The statute became effective upon the confirmation of the Health Insurance Commissioner, which occurred on February 17, 2005. Under this new statutory scheme, the Health Insurance Commissioner has "sole and exclusive jurisdiction over those statutes with respect to all matters related to health insurance." R.I. Gen Laws § 42-14-5(d). Prior to the creation of the Office of the Health Insurance Commissioner, jurisdiction over all maters related to health insurance rested with the Department of Business Regulation. Although the Department promulgated regulations related to health insurance, which have been adopted by the Office of the Health Insurance Commissioner, the Department did not promulgate a regulation specific to health insurance rate hearings. Consequently, the Office of the Health Insurance Commissioner now promulgates this Regulation to govern the rate hearing process.

Statement of Need for Emergency Adoption

Pursuant to R.I. Gen. Laws § 42-35-3(b), an agency may, if it finds adoption of a rule upon less than thirty (30) days' notice is necessary because of imminent peril to the public health, safety, or welfare, adopt an emergency rule without prior notice or hearing or upon any abbreviated notice and hearing that it finds practicable. The rule so adopted may be effective for a period of not longer than one hundred twenty (120) days, and may be renewed once for a period not exceeding ninety (90) days. *Id.* Furthermore, R.I. Gen. Laws § 42-35-4(b)(2) provides that, subject to constitutional or statutory provisions, an emergency rule may become effective immediately upon filing with the Secretary of State if the agency finds that such an effective date is necessary because of imminent perils to the public health, safety, or welfare.

The Office of the Health Insurance Commissioner has determined that conditions exist that necessitate the adoption of this Regulation on an emergency basis, to be effective upon filing with the Secretary of State. The Office of the Health Insurance Commissioner finds that there is imminent peril to the public health, safety and welfare in that it is the duty of the Office of the Health Insurance Commissioner to license, regulate and enforce those sections of the General Laws governing health insurance. Specifically,

the Office of the Health Insurance Commissioner is required to conduct rate hearings on rates for health benefits filed under R.I. Gen. Laws § 42-62-13. Several such filings on rates for health benefits are imminent. In the absence of this Regulation, the process for conducting a rate hearing under R.I. Gen. Laws § 42-62-13 would be hampered and the Office of the Health Insurance Commissioner would be constrained in its efforts to conduct hearings that would "[g]uard the solvency of health insurers" and "[p]rotect the interests of consumers" as required by R.I. Gen. Laws § 42-14.5-2(a) and (b).

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Section 1 ***Authority***

This Regulation is promulgated in accordance with R.I. Gen. Laws §§ 42-62-13, 42-35-1 *et seq.*, 42-14.5-1 *et seq.*, 42-14-5 and 42-14-17.

Section 2 ***Purpose***

The purpose of this Regulation is to establish the procedures that will be followed in rate hearings on rates for health benefits filed under R.I. Gen. Laws § 42-62-13 and to:

1. Expedite and facilitate the orderly conduct and disposition of health insurance rate hearings;

2. Enable all parties to discover the positions of all other parties with respect to each filing prior to the actual hearing;

3. Encourage and promote settlement of all procedural matters relating to each filing without the necessity of formal adversary proceedings;

4. Limit any final decision of the Health Insurance Commissioner to evidence contained in the record, stipulations of fact, and matters officially noticed; and

5. Provide for a final decision on a filing within ninety (90) days from the filing date referred to in Section 7(b) of this Regulation.

Section 3 ***Definitions***

As used in this Regulation:

(a) "Consumer Price Index (CPI)" shall mean the Consumer Price Index for Medical Care, U.S. City Average promulgated by the United States Department of Labor, Bureau of Labor Statistics.

(b) "Filer" shall mean the insurer or health maintenance organization making a health benefits Rate Filing.

(c) "Health Insurance Commissioner" shall mean the Person with the statutory authority to enforce R.I. Gen. Laws § 42-62-13.

(d) "Hearing Officer" that person or persons designated by the Health Insurance Commissioner to serve as his or her designee with regard to a specific rate hearing.

(e) "Intervenor" shall mean a Person granted status to intervene in a proceeding as provided by these rules.

(f) "Party" means the Filer; the office of the Attorney General (the "Attorney General"); and any Person or entity that is granted intervenor status by the Hearing Officer.

(g) "Person" means any individual, partnership, corporation, association, governmental subdivision, or public or private organization of any character other than an agency.

(h) "Rate filing" shall mean a filing made by a Filer proposing rates to be charged, a rating formula to be used and/or the factors to be used with a rating formula for health insurance in the state of Rhode Island.

Section 4 ***Scope***

(a) The provisions of this Regulation shall apply to all Rate Filings subject to the requirements of R.I. Gen. Laws §§ 42-62-13 which are subject either to a mandatory hearing (as described in Section 5 below) or to a discretionary hearing ordered by the Health Insurance Commissioner. When the circumstances of a particular proceeding require more detailed procedures than those set forth in this Regulation, additional procedures that assure expeditious review may be ordered by the Health Insurance Commissioner or the Hearing Officer applicable to that particular proceeding.

(b) This Regulation shall be read in conjunction with any and all other procedural Regulations adopted by the Health Insurance Commissioner. In the event of a conflict, the provision of this Regulation shall control in rate hearing subject to its provisions.

(c) In computing any period of time prescribed or allowed by this Regulation or by order of the Health Insurance Commissioner, the day of the act, event, or default after which the designated period of time begins to run is not to be included and Saturdays, Sundays and State holidays shall be counted only when the period described is more than seven (7) days. The last day of the period so computed is to be included unless it is a Saturday, a Sunday, or a legal holiday, in which event the period runs until the end of the next day which is not a Saturday, a Sunday, or a holiday. Where the time period within which an action must be taken is specified by statute, the terms of the statute control and the provisions of this paragraph shall not apply.

(d) When by this Regulation or by a notice or order issued by the Health Insurance Commissioner or Hearing Officer, an act is required or allowed to be done at, before, or within a specified time, the Health Insurance Commissioner or Hearing Officer, for cause shown, may at any time, in his or her discretion, with or without request, motion or notice, order the period enlarged before the expiration of the period originally prescribed or as extended by a previous order, provided that time limits or periods that apply to other persons affected by the resulting change or delay are also adjusted appropriately. Requests for enlargement of time that are filed after expiration of the period originally prescribed or as extended by previous order will be granted only in exceptional circumstances.

Section 5 ***Filing Subject to Hearing***

(a) The Filer shall include in the filing transmittal letter a statement of the total annualized premium generated by the rates in effect at the time of the filing and the total annualized premium expected to be generated by the

proposed rates, using the same data and assumptions that were applied in development of the proposed rates. The Filer shall calculate the rate change factor applicable to the filing by dividing the proposed rate annualized premium by the current rate annualized premium and rounding the quotient at the fourth decimal place. The CPI to be used is the CPI for Medical Care U.S. City Average posted on the web site of the Bureau of Labor Statistics of the United States Department of Labor. Calculate the CPI change factor by taking the "annual" CPI for the most recent year for which an "annual" CPI is posted on www.bls.gov, and dividing it by the CPI in the same column on the row immediately above.

(b) If the factor calculated in accordance with (a) above, rounded at the fourth decimal place, is less than the rate change factor, a hearing will be scheduled.

(c) If the filing is a new product a rate hearing is not mandatory as it is not possible to calculate a rate change factor, since the product was not offered in the previous year. However, the Health Insurance Commissioner retains the right to hold a discretionary hearing on any filing and will do so if it believes that any Filer is filing new products specifically to avoid mandatory hearings.

(d) Filings in the "large or small group market" are all "group health benefit contracts", as defined in Department of Business Regulation Insurance Regulation 23(3) and all "Blanket health benefit contracts", as defined in Department of Business Regulation Insurance Regulation 23(3). "Large group market" includes all large or small group market contracts that are not subject to R.I. Gen. Laws §§ 27-50-1 *et seq.* If the Filer claims that it is exempt from a mandatory hearing because the policy is "offered in the small group or large group market," the Filer shall so state and indicate the exempt category to which the filing applies.

(e) The Health Insurance Commissioner retains the right to hold a hearing on any filing whether or not such hearing is mandated by R.I. Gen. Laws § 42-62-13.

Section 6 ***Costs of Hearing***

(a) The Filer is responsible to pay the reasonable expenses of the Health Insurance Commissioner as provided in R.I. Gen. Laws § 42-62-13. Any dispute over the amount of the fees, which will be billed directly by the consultant to the Filer and paid directly by the Filer to the consultant, shall be referred to the Hearing Officer for resolution.

(b) The Filer is responsible to have present a stenographer at every hearing and have a stenographic transcript of all proceeding relating to the rate

hearing made. The Hearing Officer shall be provided with the original of the stenographic record, which shall become part of the official transcript of the rate hearing. The Filer is responsible to pay the costs of the stenographer and the transcripts required under this section

Section 7 ***Hearing Officer***

(a) The Health Insurance Commissioner, authorized by law to adjudicate insurance rate hearings, may delegate his or her authority to hear the case to a Hearing Officer.

(b) If the Health Insurance Commissioner intends to appoint a Hearing Officer other than the designated departmental Hearing Officer, said appointment must be made and notice given to all parties not later than the pre-hearing conference and if no pre-hearing conference is held pursuant to Section 12(h) of this Regulation, not later than ten (10) days prior to the hearing.

(c) If a Party, in good faith, shall timely present a sufficient affidavit of personal bias, lack of independence, disqualification by law, or other reason for disqualification, the Health Insurance Commissioner may then disqualify said Hearing Officer and designate another Hearing Officer to preside. Any denial of such a request must be in writing setting forth the reasons for such denial.

(d) No Party shall engage in direct communication with a Hearing Officer relating to the hearing currently pending before the Hearing Officer without the permission or attendance of all other parties to the proceeding. This prohibition does not apply to any matters not related to the hearing currently pending before the Hearing Officer.

Section 8 ***Intervenors***

(a) An application for Intervenor status shall be made to the Health Insurance Commissioner or Hearing Officer in writing. The application shall contain a statement explaining how the applicant is or may be, a member or representative of a class that is or may be, substantially and directly affected by the proceeding.

(b) An application for Intervenor status may be filed at any time after the filing date but shall be filed within the time permitted for Intervenor applications by an order of the Health Insurance Commissioner which is publicly noticed. Any Person who applies for Intervenor status after the deadline set by the Health Insurance Commissioner shall be permitted to intervene only upon a compelling demonstration of good cause, and shall be subject to any established hearing schedule.

(c) The Health Insurance Commissioner or Hearing Officer may permit interested individuals to make comments on the record as to the matters before the Health Insurance Commissioner or Hearing Officer. Such comments made by the witnesses may be subject to cross examination, and the Health Insurance Commissioner or Hearing Officer is entitled to give such public testimony the appropriate weight that he or she determines. Such determination shall be dependent upon the expertise and knowledge of the witness.

Section 9 ***Filing, Motions and Requests***

(a) All Rate Filings shall be submitted to the Insurance Division of the Health Insurance Commissioner in accordance with the provisions of R.I. Gen. Laws §§ 42-62-13 or as the laws governing such filing shall be amended from time to time. A copy of each Filing shall be provided simultaneously to the Insurance Advocacy Unit in the Department of the Attorney General. All filings subject to mandatory hearing shall be filed at least ninety days (90) prior to the proposed effective date of the rate increase unless for good cause shown, the Health Insurance Commissioner or Hearing Officer allows a shorter time period.

(b) Upon the receipt of any filing subject to these Regulations, the document and any material accompanying it will be inspected by the Health Insurance Commissioner. If the document is found by the Health Insurance Commissioner to be defective or insufficient, the Health Insurance Commissioner shall inform the Person filing it of the defect or omission within sixty (60) days of receipt of the filing, and shall further specify what additional information the Filer must provide to remove the defect or insufficiency. The defective or insufficient documents will deemed to have not been filed. The defective or insufficient documents will be retained by the Health Insurance Commissioner and will be marked so as to indicate that such documents are deemed as not filed. Within sixty (60) days of submission of additional material by the Filer in response to the notice of defect, the Health Insurance Commissioner shall determine whether the defect or omissions have been corrected and notify the Filer of the determination. The filing date for such a document shall be deemed to be the date on which the last document that removed any defect or made the filing complete was received by the Health Insurance Commissioner.

(c) Every motion or request for an order or ruling of any kind by the Health Insurance Commissioner or Hearing Officer shall be in writing, unless made on the record during a hearing to which the request or motion is related. Every request or motion shall include or be accompanied by a clear and detailed statement of the facts that support the order or other action sought. The statement supporting the request or motion should also

include any arguments with respect to policy or law that have a bearing on the request. Copies of every request or motion shall be served on every Party to the proceeding by the requesting or moving Party.

(d) Requests or motions and their supporting papers should be clearly labeled on the first page with a title that includes "motion" or "request", a short description of the action or order requested, and a caption sufficient to identify the matter to which the request or motion relates. If legal arguments are advanced, the supporting statement accompanying the motion shall include citations to all supporting authorities relied upon by the moving Party.

(e) Any Party opposing a motion or request shall file a statement in opposition to the motion or request within ten (10) days after service of the motion or request, unless some other period is established by the Health Insurance Commissioner or Hearing Officer.

Section 10 ***Discovery***

(a) The Health Insurance Commissioner and staff shall have all authority granted to them by statute to obtain information in any proceeding, and the provisions of this Section shall not be construed to limit that authority in any way.

(b) All parties shall have the right to serve informational requests upon any Party, subject to the following terms and procedures.

(1) Informational requests shall be in writing, unless made on the record in a pre-hearing or hearing, and specifically directed to a Party or parties. A copy of each request shall be provided to the Health Insurance Commissioner or Hearing Officer and all parties to the proceeding.

(2) Not later than the earlier of the pre-hearing conference or thirty (30) days prior to the hearing, the Health Insurance Commissioner, Attorney General and all interveners shall serve their discovery requests upon the Filer. Additional information requests may be served on the Filer if the initial discovery request was made in a timely manner.

(3) Informational requests shall be relevant to the issues involved in the pending proceeding, and shall not be unduly burdensome or repetitious.

(4) Objections to an information request shall be filed with the Health Insurance Commissioner or Hearing Officer no later than ten (10)

days after it is received, unless some other period is prescribed by order.

(5) Each informational request shall be answered within thirty (30) days after its receipt or such other period as may be ordered by the Health Insurance Commissioner or Hearing Officer, except as to any part of a request to which specific and timely objection is made. In cases where timely objection has been made and the objection is subsequently overruled, the requested information shall be provided within thirty (30) days of receipt of the Health Insurance Commissioner's or Hearing Officer's ruling on the objection or such other period as may be provided in that ruling.

(6) A copy of the responsive material shall be provided to the Health Insurance Commissioner or Hearing Officer and to each Party. Responsive material does not become part of the record of hearing unless offered and admitted.

Section 11 ***Prefiled Testimony and Exhibits***

The prefiling of each Party's direct case, including testimony and exhibits, shall be required in any health insurance rate proceeding. If any Party other than the Filer does not desire to present a direct case, such Party shall so inform the Health Insurance Commissioner or Hearing Officer not later than the pre-hearing conference. Notwithstanding the foregoing, a Party not desiring to present a direct case may, not later than ten (10) days prior to the commencement of the final hearing, move to request to file direct testimony and exhibits in accordance herewith. Prefiling shall be subject to a schedule established by the Health Insurance Commissioner or Hearing Officer by order issued preceding a prehearing conference or otherwise, and shall be subject to the following further provisions:

(a) Parties to the case shall file with the Health Insurance Commissioner or Hearing Officer, in such number of copies as the Health Insurance Commissioner or Hearing Officer may order, all testimony and exhibits of each witness whom they propose to present in support of their direct cases. Two (2) copies of such testimony and exhibits shall be served on each Party at the time that such testimony and exhibits are filed with the Health Insurance Commissioner or Hearing Officer. If the prefiled direct testimony described in this paragraph is filed prior to the decision by the Health Insurance Commissioner or Hearing Officer regarding petitions to intervene, additional copies of such testimony and exhibits shall be served on each proposed Intervenor within two (2) days of the date that the Party filing the testimony and exhibits receives notice of the petition to intervene.

(b) Prefiled testimony shall be in writing and shall be presented in double-spaced print in the form of questions and answers that would render similar oral testimony admissible. Prefiled exhibits may be attached to the testimony, provided that they are referred to, identified, described and substantively discussed in the prefiled testimony. Prefiled written testimony shall have numbered pages and include line numbers on each page, in the left hand margin, except as otherwise permitted by the Health Insurance Commissioner or Hearing Officer. Each Party may file an opening statement with its prefiled testimony and exhibits containing a narrative summary of the testimony and exhibits and the fact(s) that they are intended to establish.

(c) A witness while under oath, may supplement, correct or explain his or her prefiled testimony and exhibits by filing amendments thereto in writing or by oral testimony. Such supplementation, correction or explanation shall not substantially alter the subject matter of the testimony unless a change of circumstance which is clearly identifiable has developed, except to the extent that information which was not available and which could not have been obtained through the exercise of due diligence at the time of preparation of the testimony may affect the nature of the presentation. Prefiled testimony shall be introduced into the record by the oral testimony of the witness under oath, after which it may be offered as an exhibit, with the same effect as if the testimony had been given orally in its entirety. Each witness presenting prefiled direct testimony shall be subject to oral cross-examination. Re-direct examination will be conducted orally and will be limited to matters raised during cross-examination. Objection to prefiled testimony or exhibits may be made at the time that testimony or exhibits are offered at the oral hearing.

Section 12 ***Pre-Hearing Conference***

(a) The purpose of the pre-hearing conference is to provide an opportunity for the consideration of facts, arguments, and other issues as well as consideration of the means by which the hearing procedure may be facilitated and the disposition of the proceedings expedited.

(b) At the prehearing conference the Health Insurance Commissioner or Hearing Officer shall set a date by which the parties (other than the Filer) shall deliver to the Filer, the Hearing Officer and all Intervenors their written comments on the filing, stating areas of disagreement, if any, their proposed alternatives, if any, and their own recommendation as to the extent of rate level adjustment on which each would be prepared to agree.

(c) Reasonable means to be considered by the parties in order to expedite the orderly conduct and disposition of the hearing include, but are not limited to, the following:

(1) the simplification or clarification of the issues;

(2) the exchange and acceptance of service of exhibits proposed to be offered in evidence;

(3) the obtaining of stipulations as to undisputed facts and documents; and

(4) to the extent practicable, the settling of all procedural matters prior to hearing.

(d) The hearing shall be held with the goal of delivering a Decision to the Filer within ninety days (90) of the filing. Any informational requests shall be answered thirty (30) days prior to the hearing or such other period as may be ordered by the Health Insurance Commissioner or Hearing Officer.

(e) All parties shall attend the prehearing conference fully prepared to discuss all issues involved in the proceeding. Any Party may request other parties and the Health Insurance Commissioner to be accompanied by their consultants.

(f) At the conclusion of the pre-hearing conference, a pre-hearing order shall be prepared to document the discussion. The pre-hearing order will become part of the Health Insurance Commissioner's record of the filing pursuant to the provisions of R.I. Gen. Laws § 42-35-9. The pre-hearing order shall be in writing.

(g) Failure of a Party to attend the conference after being served with due notice thereof shall constitute a waiver of all objections to any order, ruling or settlement which results from the conference.

(h) If the parties and the Health Insurance Commissioner agree, no pre-hearing conference shall be held and the final hearing shall commence within thirty (30) days of receipt of the reports called for in Section (b) above.

Section 13 ***Public Hearing***

(a) After public notice as provided in R.I. Gen. Laws §§ 42-62-13 as the case may be, the Health Insurance Commissioner or Hearing Officer shall hold a public hearing.

(b) Hearings will be held before the Health Insurance Commissioner or Hearing Officer in accordance with this Regulation.

(c) The parties have the right to be represented by counsel admitted to practice in the State of Rhode Island, to be present, and to participate. The right to participate shall include the right to present evidence and argument on all relevant issues, to call and examine witnesses, to cross-examine the author of any documents prepared by or on behalf of or for the use of the Health Insurance Commissioner and offered in evidence, and to cross-examine any Person present and testifying. Those individuals either employed by the Health Insurance Commissioner pursuant to R.I. Gen. Laws § 42-62-13 may appear at any hearing and shall have the right to participate in any proceedings on the same basis as the parties may have, subject to the aforesaid. In addition, any individual made available to the Health Insurance Commissioner pursuant to R.I. Gen. Laws § 42-14.5-1, and so authorized by the Health Insurance Commissioner, shall likewise have the right to participate in any proceedings on the same basis as the parties may have, subject to the aforesaid.

(d) All witnesses shall swear that their testimony is whole and truthful or shall make a solemn affirmation to the effect in lieu thereof.

(e) All attorneys appearing before the Health Insurance Commissioner or Hearing Officer must conform to the standards of ethical conduct required of practitioners before the courts of Rhode Island. The Health Insurance Commissioner or Hearing Officer may take any action, issue any order, or make any ruling deemed necessary to enforce such standards of conduct, including but not limited to, suspension for the duration of the present hearing and suspension from future hearings. Any order or ruling resulting in a suspension of an attorney from a hearing is subject to an immediate appeal.

(f) Disruptive, contumacious, or disorderly conduct at any hearing before the Health Insurance Commissioner or Hearing Officer shall be ground for exclusion of any person from such hearing and for summary suspension for the duration of the hearing by the Health Insurance Commissioner or Hearing Officer.

(g) The Health Insurance Commissioner or Hearing Officer may admit evidence which possesses probative value commonly accepted by reasonable and prudent persons in the conduct of their affairs, giving effect to the rules of privilege recognized by law, and excluding incompetent, immaterial, and unduly repetitious evidence. Documentary evidence may be received in the form of copies or excerpts or by incorporation by a reference. Upon request, parties shall be given an opportunity to compare the copies with the originals.

(h) Objections to evidentiary offers may be made and shall be noted in the records.

(i) At any stage of the hearing, the Health Insurance Commissioner or Hearing Officer may require that further evidence be submitted upon such terms or conditions as the Health Insurance Commissioner or Hearing Officer deems proper.

(j) When evidence to be presented consists of technical matters or figures so numerous as to make the presentation difficult to follow, it shall be presented in exhibit form, supplemented and explained by oral testimony.

(k) Notice may be taken of judicially cognizable facts. Parties shall be notified either before or during the hearing or by reference in preliminary reports or otherwise of the material noted, including any staff memoranda or data. Parties shall be afforded an opportunity to contest the material so noted.

(l) A complete record of the proceedings shall be made and at the close of the hearing, expedited transcripts shall be ordered. Costs of the transcripts for the Health Insurance Commissioner and the Attorney General shall be borne by the Filer.

(m) All hearings once commenced shall continue on successive workdays until completed, unless the Hearing Officer rules otherwise.

(n) At the conclusion of the evidence, the Health Insurance Commissioner or Hearing Officer may permit the parties to argue orally or to submit written briefs within five (5) days of receipt of the transcript of the hearing.

(o) All hearings shall be open to the public.

(p) Any written evaluation of evidence produced by an actuary or other expert engaged by the Health Insurance Commissioner which is available prior to the conclusion of the presentation of the evidence shall be available to the parties at or prior to the close of the hearings.

Section 14 ***Final Decision***

(a) As soon as is practicable after the hearing is concluded, but in no event later than eighty (80) days after receipt of the transcript of proceedings, the Hearing Officer shall enter the recommendation of the Hearing Officer and the Health Insurance Commissioner shall enter his or her final decision within ten (10) days of the Hearing Officers recommendation. The final decision and/or order shall be served upon the parties forthwith by regular mail, postage pre-paid.

(b) The Decision shall be effective immediately unless a specific effective is specified in the Decision. Any Party requesting a stay of the Decision shall do so in accordance with R.I. Gen. Laws § 42-35-15(c).

(c) The final decision shall be based exclusively on:

(1) the competent evidence and arguments presented during the course of the hearing and made a part of the record;

(2) stipulations of fact;

(3) briefs, if any; and

(4) matters officially noticed.

(d) The decision and order shall contain:

(1) an appropriate caption;

(2) the appearance of the parties;

(3) a short statement of the nature of the proceedings;

(4) complete references to the specific statutes or regulations at issue;

(5) a list of exhibits admitted in evidence which may be part of the initial decision or attached as an appendix;

(6) a review of the facts produced at the hearing in relation to the applicable law and covering all issues of fact and law raised in the proceedings;

(7) specific findings of contested fact which shall be designated as such and which shall not be set forth in statutory or conclusionary language;

(8) specific conclusions of law based upon the findings of fact and applicable constitutional principles, statutes, and rules or regulations;

(9) an appropriate order based upon the findings and conclusions; and

(10) In the event the Hearing Officer or Health Insurance Commissioner has relied on any written evaluation of evidence produced by an actuary or other expert engaged by the Health

Insurance Commissioner, a copy of said written evaluation shall be appended to the decision and/or order.

(e) If the order of the Health Insurance Commissioner shall state that the Health Insurance Commissioner shall accept a modified filing in compliance with said order, the Health Insurance Commissioner shall process said modified filing expeditiously and, in no event later than thirty (30) days from the date of its acceptance of said modified filing, report to the Health Insurance Commissioner its conclusions as to the compliance by the Filer of said modified filing, and upon the finding by the Health Insurance Commissioner that such modified filing complies with the order of the Health Insurance Commissioner, the Health Insurance Commissioner shall approve said modified filing and it shall be effective as of the date of its acceptance.

Section 15 ***Extensions of Time Limits***

(a) Upon a finding by the Hearing Officer or Health Insurance Commissioner that good cause exists, any of the time limits enumerated above may be extended.

(b) Requests for extension of any period must be stipulated in writing prior to the expiration of the period. Stipulations of all parties are acceptable in lieu of a written request for extension.

(c) Extensions shall not be granted if inattention or procrastination caused the delay, but shall be granted if the delay is attributable to honest mistake, accident, or any cause compatible with proper diligence.

Section 16 ***Rate Hearings on Existing Rates, Rating Formulas and Rating Factors***

In the event that the Health Insurance Commissioner or a Hearing Officer shall hold any hearing on an existing rate pursuant to the requirements of R.I. Gen. Laws §§ 42-62-13 this Regulation shall apply. For purposes of this Section the "Filer" shall be the Party which filed the rate, the filing date shall be the date on which notice of the hearing is received by the Filer and the effective date of an order by the Health Insurance Commissioner shall be the effective date set forth in the order.

Section 17 ***Interpretation and Construction***

(a) This Regulation shall be interpreted as declaratory of the practice and procedures of the Health Insurance Commissioner as it existed before their adoption except to the extent:

(1) they are inconsistent with such practice and procedure;

(2) express provision appears in these Regulations to the contrary; or

(3) as may result from necessary implication.

(b) It is hereby declared to be the intention of the Health Insurance Commissioner to provide by this Regulation for the prompt, fair, and orderly administration and enforcement of the statutes within its jurisdiction, and this Regulation shall be liberally construed and applied to effect this intention and the remedial purpose and policies of the Health Insurance Commissioner.

(c) Words in the singular number include the plural, and vice versa, except where the context otherwise requires or where a contrary result appears from necessary implication.

(d) This Regulation shall apply to all complaints, investigations, and other proceedings begun after their effective date, so far as practicable, to all proceedings then pending to the extent permitted by law.

Section 18 ***Severability***

If any provision of this Regulation or the application thereof to any Person or circumstances is held invalid or unconstitutional, the invalidity or unconstitutionality shall not affect other provisions or applications of this Regulation which can be given effect without the invalid or unconstitutional provision or application, and to this end the provisions of this Regulation are severable.

Section 19 ***Effective Date***

The provisions of this Regulation shall apply to all health insurance Rate Filings submitted to the Health Insurance Commissioner on or after July 19, 2005. This Regulation and the amendments thereto shall be effective as indicated below.

EFFECTIVE DATE (EMERGENCY): July 19, 2005