



Dora

Department of Regulatory Agencies

Division of Insurance

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Division of Insurance to Allow Continuation of Non-ACA- Compliant Health Plans through 2015

Denver – The Colorado Division of Insurance (DOI) announced today that it will allow insurance carriers to continue through 2015 health insurance plans for individuals and small groups that do not comply with new insurance rules that started in January 2014. This decision is based upon President Barack Obama’s announcement in March to allow such plans to continue.

“Allowing insurance companies to continue these plans for another year gives people more options and more time to navigate the transition to the Affordable Care Act (ACA),” said Marguerite Salazar, Commissioner of Insurance. “This added time will help them determine the best course of action for themselves and their families.”

Insurance carriers will not be required to continue their non-ACA-compliant plans and will need to make their own business decisions in this regard. When making a coverage decision, the DOI encourages consumers to take the time to consider their health insurance options carefully. Consumers should compare premiums, out of pocket costs, consumer protections, and eligibility for tax credits only available through Connect for Health Colorado.

This decision means that consumers who renewed individual or small group plans in 2013 may be able to renew these plans in 2014 for continuation into 2015, should their insurance company decide to continue plans. Renewals can be completed through Dec. 31, 2014, with an expiration date for plans of no later than Dec. 31, 2015. However, carriers will not be allowed to reinstate plans previously discontinued in 2013, nor does this decision allow for the sale of new plans not compliant with state and federal law.

New legislation is not needed to allow this extension. House Bill 13-1266, concerning the alignment of state health insurance laws with the requirements of the federal “Patient Protection and Affordable Care Act,” became known as the Alignment Bill.

The purpose of the Alignment Bill was to align Colorado’s health insurance laws with the Affordable Care Act and to give the DOI the authority to regulate insurers in alignment with federal requirements and guidance. The Centers for Medicare and Medicaid Services issued guidance stating that certain plans could be continued that would otherwise be discontinued because they did not meet the requirements of the ACA. In aligning the DOI’s policy with this guidance from CMS, this decision by the DOI provides more time for consumers to transition into the new health care marketplace.

Consumers with questions about insurance can contact the Division of Insurance at [303-894-7490](tel:303-894-7490) or [1-800-930-3745](tel:1-800-930-3745) (outside the Denver area). The Division has trained experts ready to answer consumers' health insurance questions.

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The [Colorado Division of Insurance](#) regulates the insurance industry and assists consumers and other stakeholders with insurance issues.

[DORA](#) is dedicated to preserving the integrity of the marketplace and is committed to promoting a fair and competitive business environment in Colorado.

Consumer protection is our mission.

FAQs

Why make this decision?

Allowing insurance companies to continue these plans for another year gives people more options and more time to navigate the transition to the Affordable Care Act (ACA). This added time will help them determine the best course of action for themselves and their families.

Why did the Division of Insurance (DOI) wait this long to make this decision?

The Division did not want to rush into a decision. It wanted to take the time to understand what the President had suggested, to understand what the decision means for Coloradans, and to solicit feedback from consumers and other stakeholders. The decision had to be thoughtful and deliberative.

How will this affect Connect for Health Colorado and the sales of ACA-compliant plans?

We recognize this decision has an impact on the pool of individuals who may become customers of Connect for Health Colorado. The important thing is that consumers retain the choice to shop through the Marketplace or keep their existing plan, and we are confident that Connect for Health will be able to maintain and grow its customers by educating consumers about the value of the products available on the Marketplace. In that same vein, we are also confident that insurance companies and agents / brokers will educate their clients on the benefits of ACA-compliant products.

Do expect insurance carriers to continue these plans?

Insurance carriers will need to make their own business decisions about whether or not to offer continuation of non-compliant plans. They have spent the last few years gearing up to offer ACA-compliant plans, placing technology and infrastructure in place. The carriers are also likely to consider the needs and wants of their current members, and we will work with the industry to ensure consumers are well-informed of their options.

Get the DOI get input from the insurance carriers?

The DOI engaged many stakeholders in this decision, including carriers, consumers, advocates, elected officials, and Connect for Health Colorado.