

March 24, 2014

The Honorable John Hickenlooper
Governor of Colorado
Colorado State Capitol
200 East Colfax
Denver, Colorado 80203

Commissioner Marguerite Salazar
Colorado Division of Insurance
1560 Broadway, Suite 850
Denver, Colorado 80202

Dear Governor Hickenlooper and Commissioner Salazar:

The undersigned organizations appreciate this opportunity to share our perspective regarding the March 5, 2014 memorandum from the Centers for Medicaid & Medicaid Services (CMS) Center for Consumer Information and Insurance Oversight (CCIO) on Extended Transition to Affordable Care Act (ACA) Compliant Policies. For the reasons set forth below, we urge the State to stay on course with Colorado's earlier decision and not take up the option to allow non-ACA compliant plans to be renewed through October 1, 2016.

In November 2013, CMS outlined a transitional policy that allowed insurers, with state approval, to continue for one year plans that would otherwise be cancelled due to noncompliance with the ACA. We supported the State's decision not to take this option. Colorado insurers had already been given the discretion to allow early renewal of 2013 plans. We understand that 92% of Coloradans who received plan cancellation letters were offered the renewal option. For those Coloradans who did early renewal, their plans are scheduled to expire in 2014.

With its March 5th memorandum, CMS again gave all states the option to take up the November option and/or extend the transitional policy through October 1, 2016, even if they had originally declined to take up the original one-year extension option when it was issued in November 2013.

We are concerned that allowing non-ACA compliant plans to be extended through October 1, 2016 would negatively impact consumers and disrupt the Connect for Health Colorado marketplace. As a state, we have made significant progress in establishing a competitive health insurance marketplace both inside and outside Connect for Health Colorado.

Allowing plans to play by different rules would undermine Colorado's efforts to level the playing field between Connect for Health Colorado and the outside market. This year, for example, the General Assembly passed and the Governor signed HB14-1053 to

ensure the same rules apply inside and outside the marketplace with regard to pediatric dental benefits. If the state took up the CMS transitional policy, plans would be offered that are inconsistent with both state and federal law.

Finally, extending non-ACA compliant plans could also drive up premiums for Coloradans purchasing plans in the marketplace. Connect for Health Colorado, the State and stakeholders have put significant resources and effort into creating a viable marketplace. Over 100,000 individuals have thus far enrolled in coverage through Connect for Health Colorado. We urge you to continue this forward progress.

Accordingly, the State should ensure all non-grandfathered policies in 2015 and beyond provide the coverage and protections that Coloradans deserve and are required by the ACA and state law.

Thank you for your time and attention to this matter.

Colorado Consumer Health Initiative
Colorado Coalition for the Medically Underserved
Colorado Center on Law and Policy
The Colorado Chapter of the National Hemophilia Foundation
Lutheran Advocacy Ministries
Colorado Interfaith Voices for Justice
Episcopal Jubilee Ministries
Colorado Children's Campaign
National MS Society Colorado-Wyoming Chapter
Chronic Care Collaborative
Colorado Foundation for Universal Health Care
The Legal Center for People with Disabilities and Older People
Co-operate Colorado
NARAL Pro-Choice Colorado Foundation
Colorado Organization for Latina Opportunity and Reproductive Rights
The Bell Policy Center
Planned Parenthood of the Rocky Mountains
ClinicNet
Colorado Community Health Network

cc: Katherine Blair