

NEWS RELEASE

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Division of Insurance Determines Special Enrollment Period Not Required

DENVER - On February 20, the federal government announced it would allow an enrollment period related to the tax penalty for consumers in states with health exchanges run by the federal government (healthcare.gov).

Since Colorado's exchange, Connect for Health Colorado, is not run by the federal government, Colorado can make its own decision in this matter. After careful review, the Colorado Division of Insurance (DOI), part of the Department of Regulatory Agencies (DORA), determined that it will *not* allow a special enrollment period for 2015 health insurance coverage for individuals who will have to pay a tax penalty for not having health insurance in 2014. This decision applies to people looking for insurance through Connect for Health Colorado, as well as those seeking health plans on the open market (off the exchange).

"After considering all the factors and consulting with Connect for Health Colorado, the Division determined that the negatives of starting up another enrollment period outweighed the positives," said Insurance Commissioner Marguerite Salazar. "Open enrollment lasted for three months and everyone - Connect for Health Colorado, the carriers, brokers and health coverage guides - was on-alert."

Some of the considerations DOI weighed in its decision included the following.

- **Costs to Connect for Health for Colorado** - Since the close of open enrollment on February 15, Connect for Health Colorado has been winding down its enrollment services to reflect lower demand. The cost to increase staffing and hours for a month and add new programming to its systems could be as much as \$100,000. Focusing on another Open Enrollment period also would delay planned technology enhancements.
- **Costs to Carriers** - As state statute requires the DOI to extend the special enrollment to the off-exchange insurance carriers (those not selling through Connect for Health Colorado), there would be a cost to the carriers as well.

- Costs to Assistance Sites / Health Coverage Guides - Assistance sites, staffed by health coverage guides, have also been winding down their services post-open enrollment. They would need additional funds from Connect for Health Colorado to accommodate a special enrollment period.
- People who enrolled during the three-month open enrollment - It would not be equitable to these people who are already paying premiums for their 2015 coverage.
- Unenforceable - While the intent is to limit the special enrollment to people who will have a tax penalty for lack of coverage in 2014, there is no way to enforce this limitation.

Consumers who experience a qualifying event throughout the year, such as loss of employer's coverage, marriage, divorce, or birth of a child, will still be able to enroll when those events occur. People that have a qualifying event must still be mindful of a limited window for enrollment.

Consumers with questions about special enrollments and qualifying events, or who need to request an exemption to allow a special enrollment, can contact DOI at 303.894.7490 / 1.800.930.3745 (outside the Denver metro area).

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