



# 2013 Annual Report

*to the Colorado General Assembly and Governor*

The mission of Connect for Health Colorado is to increase access, affordability, and choice for individuals and small employers purchasing health insurance in Colorado.

# January 15, 2014

**GOVERNOR  
JOHN HICKENLOOPER**  
State Capitol  
200 East Colfax Avenue  
Denver, CO 80203

**THE HONORABLE  
MORGAN CARROLL**  
President  
Colorado State Senate  
200 East Colfax Avenue  
Denver, CO 80203

**THE HONORABLE  
MARK FERRANDINO**  
Speaker  
Colorado State House  
200 East Colfax Avenue  
Denver, CO 80203

Dear Governor Hickenlooper,  
Speaker Ferrandino and President Carroll,

The Colorado Health Benefit Exchange Board is pleased to submit this annual report as required by CRS 10-22-101.

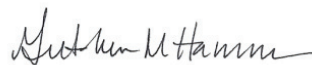
October 1, 2013 marked the opening of the exchange, called Connect for Health Colorado. The opening of the Marketplace signifies the beginning of our ability to fulfill our mission to increase access, affordability and choice for individuals and small businesses buying health insurance in Colorado. We are proud of this achievement and were able to achieve this milestone through countless hours of work and the enduring commitment of the Board, staff, consultants, partners and stakeholders across Colorado.

The Connect for Health Colorado marketplace includes a sophisticated web-based shopping portal that allows customers to shop and compare a wide range of health insurance plans. The Marketplace also provides customers with a diverse range of support services including Customer Service Center Representatives, community-based Assistance Sites and certified brokers all focused on connecting Coloradans to quality health insurance.

The Connect for Health Colorado marketplace continues to collaborate closely with the Colorado

Division of Insurance and the Department of Health Care Policy and Financing. In addition, we maintain close and productive working relationships with key stakeholder groups including carriers, health care providers, health care consumer advocacy groups and the business community. The contributions from these partners have been foundational to the success of the Marketplace.

As of the end of 2013, over 785,000 people visited the Connect for Health Colorado website, 145,000 individuals and small employers created accounts and 52,783 signed up for health insurance. Open enrollment in the Marketplace continues through March 31, 2014 and we anticipate that the number of Coloradans who are able to access health insurance through the Marketplace will continue to grow. Looking forward to 2014, the Board remains committed to working with all Coloradans to ensure that the Marketplace is a success.



**GRETCHEN HAMMER**  
Chair of the Board  
Connect for Health Colorado

CC: Senate Health and Human Services Committee; House Health Insurance and Environment Committee; House Public Health Care and Human Services Committee; Sen. Irene Aguilar, 2013 Chair, Legislative Implementation Review Committee; Rep. Beth McCann, 2013 Vice Chair, Legislative Implementation Review Committee; Rep. Bob Gardner, member, Legislative Implementation Review Committee; Sen. Kevin Lundberg, member, Legislative Implementation Review Committee; Sen. Jeanne Nicholson, member, Legislative Implementation Review Committee; Rep. Dianne Primavera, member, Legislative Implementation Review Committee; Sen. Ellen Roberts, member, Legislative Implementation Review Committee; Rep. Amy Stephens, member, Legislative Implementation Review Committee; Rep. Max Tyler, member, Legislative Implementation Review Committee; Sen. Jessie Ulibarri, member, Legislative Implementation Review Committee; Gretchen Hammer, Chair, Connect for Health Colorado Board of Directors; Arnold Salazar, Vice Chair, Connect for Health Colorado Board of Directors; Mike Fallon, Secretary, Connect for Health Colorado Board of Directors; Katherine Blair, Governor's Office of Policy and Research.

# Executive Summary

The year 2013 was focused on executing the successful launch of Colorado's health insurance marketplace on October 1, 2013, which supported more than 52,000 Coloradans with enrolling in new individual, family and small business health insurance and dental plans and accessing new financial assistance.

During this pivotal year, the organization completed all necessary planning activities to open the new marketplace in an aggressive time frame – just 18 months after the start of technology development – and amid an evolving regulatory and market environment. Planning activities spanned the areas of technology, policies, training and deployment of customer service and back-office operations, marketing and outreach, certification of new health plans and development of insurance affordability program eligibility systems. In partnership with the Board and stakeholders, the Colorado Health Benefit Exchange chose a public-facing name, Connect for Health Colorado, which was launched in conjunction with a statewide marketing campaign in May 2013.

Grant funding and long-term revenue approaches were finalized with Board and legislative support. More than 50 organizations across Colorado received grants and training to provide outreach and in-person assistance to customers across the state. Over 1,400 licensed insurance agents and brokers were trained and certified.

Close coordination with carriers and the Division of Insurance (DOI) allowed us to foster greater competition, with 10 carriers offering 150 health plans to individuals and families, and six carriers offering 92 health plans to small businesses – without sharp rate increases – through our Marketplace. The new Customer Service Center opened in Colorado Springs to provide phone assistance to customers and to process documents and paper applications. We collaborated with the Colorado Department of Health Care Policy and Financing to develop interim and long-term income-based eligibility systems for customers to access Medicaid and new premium subsidies. All work of the non-profit entity

was conducted in compliance with transparency requirements outlined in Senate Bill 11-200 and the guidance of the Board, Legislative Health Benefit Exchange Implementation Review Committee and stakeholders in public meetings and advisory groups throughout the year.

Just before 8 a.m. on October 1, 2013, the new Connect for Health Colorado shopping website opened, offering access to health insurance plans for individuals, families and small businesses with and without new financial assistance. Nearly 70,000 people accessed the site on the first day. While the website remained consistently available, early issues with accounts and intermittent errors were quickly resolved. The interim process for applying for financial assistance caused delays in processing, which were improved in November and December. Policy changes at the federal level, the ability for nearly all individual market customers to renew plans, and functional problems with the federal marketplace impeded enrollment activity in the early period.

The Marketplace enhanced and added new functionality each week and extended the deadline for signing up from December 15 to December 27 for January 1, 2014 coverage. By December 31, over 52,000 Coloradans had signed up for private health insurance – including more than 100 small businesses providing coverage to over 1,000 employees and their dependents. More than half of the private health insurance enrollments were by customers who received new premium tax credits – saving them an average of \$248 a month on their premiums. Aggressive marketing efforts continue to maintain enrollment activity for the rest of open enrollment and focus on improved customer service is ongoing.

## 2013 Board of Directors

Per SB 11-200, the Board consists of nine voting members who bring specific experience and backgrounds and three non-voting ex-officio members. Five are appointed by the Governor and the other four members are appointed by the majority and minority leaders of each house of the General Assembly. Five members are appointed for four years and four members serve for two years.



**GRETCHEN HAMMER**

**Board Chair**, of Denver, term expires in 2015, Executive Director of the Colorado Coalition for the Medically Underserved.



**ARNOLD SALAZAR**

**Vice Chair**, of Alamosa, term expires in 2015, Executive Director of Colorado Health Partnerships LLC.



**DR. MICHAEL FALLON**

**Secretary**, of Steamboat Springs, term expires in 2015, emergency room physician.



**RICHARD T. BETTS**

of Telluride, term expires in 2017, Owner of ASAP Accounting & Payroll, Inc.



**ELLEN DAEHNICK**

of Denver, term expires in 2017, Owner of Helliemae's Caramels (appointed in July 2013).



**STEPHEN ERKENBRACK**

of Grand Junction, term expires in 2015, President of Rocky Mountain Health Plans.



**ERIC GROSSMAN**

of Englewood, term expires in 2017, CEO of NextHealth Technologies.



**SHARON LEE O'HARA**

of Greenwood Village, term expires in 2017, Executive Vice President of the Colorado-Wyoming Chapter of the National Multiple Sclerosis Society (appointed in July 2013).



**NATHAN WILKES**

of Arapahoe County, term expires in 2015, Founder and Principal Consultant of Headstorms Inc.



**SUSAN BIRCH**

Executive Director of the Colorado Department of Health Care Policy and Financing (non-voting ex-officio).



**KEVIN PATTERSON**

Deputy Chief of Staff to Governor John Hickenlooper (replaced Ken Lund, Executive Director of the Office of Economic Development and International Trade) (non-voting ex-officio member) in April 2013.



**MARGUERITE SALAZAR**

Commissioner of Insurance Colorado Department of Regulatory Agencies (non-voting, ex-officio replacing Jim Riesberg)

**Robert Ruiz-Moss**, of Lone Tree, Market Segment Lead of Anthem Blue Cross, and **Elizabeth Soberg**, of Centennial, President and CEO of United Healthcare of Colorado, left the Board in June 2013.

## Board Responsibilities

The Board's responsibilities are outlined in SB 11-200 and include appointing the Executive Director of the organization, creating initial operating and financial plans, applying for grants, creating technical and advisory work groups, providing an annual progress report to state leaders, reviewing Internet portals, considering the structure of the organization, considering the appropriate size of the small-employer market, considering the unique needs of rural Coloradans, and affordability and cost in relation to quality of care and increased access to health insurance, investigating requirements, developing options and determining waivers.

In 2013, the full Board met 22 times in public session, with general public attendance ranging between 20 and 60 people in addition to people who listened over the phone and participated through webinar. Board members also participated in Board Committees, which held more than 25 separate meetings in open sessions to review and deliberate various matters, including financial operations, grant applications and operations.

The Board Finance Committee met eleven times to review financial and audit reports, revenue and sustainability approaches and an approach to broker commissions. The Board Operations Committee (formerly the IT & Implementation Committee) met nine times to discuss a range of topics, including conflict of interest policies for navigators (known as Health Coverage Guides), independent verification and validation reports of technology and operational readiness and appeals procedures.

The Board Policy and Regulations Committee met three times to discuss federal policy announcements and submit comments to the federal government. The Board Grant Review Committee met twice to discuss the organization's Level 2 Establishment Grant application, which was submitted in May 2013.

There were three Joint Board Committee meetings to discuss the streamlined financial assistance application process, appeals issues and the Level 2 Grant application. In July, the Board voted for Arnold Salazar as Vice Chair, and Mike Fallon as Secretary. In August 2013, the Board adjusted the Committee structure, creating four groups: Executive, Finance, Operations, and Policy and Regulations

Committees. Board Committee meeting information is posted [here](#). In October, Board meetings shifted to emphasize a review of operations as a result of the Marketplace launch. All Board policy decisions are posted [here](#). All Board meeting minutes are posted [here](#).

## Board Votes

Below are examples of votes taken by the Board in 2013:

**January:** Adopting an approach to responding to state-level legislative issues that may impact the operations of the Marketplace

**February:** Adopting a Conflict of Interest policy for Health Coverage Guides (navigators) and the Assistance Network

**March:** Requiring agents and brokers to be appointed by all carriers providing health plans through the Marketplace, except when carriers don't work with agents and brokers.

**March:** Adopting a revenue approach of minimizing operational risk through use of a multi-revenue source model; this included approval of a carrier administrative fee for products being sold through the Marketplace.

**June:** Providing customers access to vision plans through a link at the end of the shopping experience.

**July:** Permitting the staff to enter into a contract with a firm to provide communication systems for the Customer Service Center



**August:** Adopting an approach to processing appeals by customers related to financial assistance determinations

**November:** Adopting an approach to establishing a shared eligibility system with the State to help customers access insurance affordability programs

In addition to voting on policies and operational topics, the Board provided input and guidance on design, systems decisions, project management, marketing, sales and customer service efforts. They

sought feedback from Customer Service Center agents, Assistance Network staff, stakeholders, customers and members of the public. Throughout the year, Board members also dedicated additional volunteer time for community meetings and providing presentations across the state about Connect for Health Colorado.

“

I went to Connect for Health Colorado to buy (my health insurance) because I knew all the plans would meet the requirements. I trusted that it had the latest information.

**Customer Lauren Varner, 28, of Denver**

## Advisory Groups

Board Advisory Groups also met throughout 2013 to provide guidance and input into the planning and implementation of the Marketplace.

The Health Plan Advisory Group (24 members), Individual Experience Advisory Group (24 members), SHOP Advisory Group (23 members) and the Outreach and Communications Advisory Group (41 members) held 33 public meetings in 2013. Because many of the topics of discussion impacted the Marketplace broadly, there were 10 joint Advisory Group meetings to obtain feedback about a range of policies, including the approach to providing vision plans, ways to show customers quality measures for health plans, and eligibility notices.

Advisory Groups discussed nearly all of the policy questions that were considered by the Board. Co-Chairs of the groups often summarized findings at Board meetings. The Outreach and Communications Advisory Group met 10 times and addressed a range of topics focusing on ways to ensure public awareness of the Marketplace

and various communication and marketing tactics targeting a range of customer groups, from young adults to small businesses.

All meetings included the ability to participate by phone and most meetings included webinar functionality. Stakeholders and members of the public beyond the official members also attended the meetings. More information about the groups and their meetings can be found [here](#). In addition to reports from the Advisory Groups, the Board considered comments submitted in writing from stakeholders. In all cases of policy decisions, the Board considered stakeholder feedback prior to taking a vote.

## Legislative Implementation Review Committee

SB 11-200 created a committee of 10 state legislators called the Legislative Health Benefit Exchange Implementation Review Committee to guide implementation of the Marketplace, make recommendations to the General Assembly and protect the interests of Coloradans.

The Review Committee is responsible for approving the hiring of the Marketplace's Executive Director/CEO, approving federal grant applications from the Board and approving the Marketplace's initial financial and operational plan.

### Review Committee members are appointed as follows:

The President of the Senate appoints three members. Two members must belong to the Senate Health and Human Services Committee, the Business, Labor and Technology Committee or the Legislative Audit Committee or their successor committees. One member may come from the rest of the Senate.

The Speaker of the House appoints three members. Two members must belong to the House Health and Environment Committee, the Economic and Business Development Committee or the Legislative Audit Committee or their successor committees. One member may come from the rest of the House.

The Minority Leader of the Senate appoints two members. One member must belong to the Senate Health and Human Services Committee, the Business, Labor and Technology Committee or

the Legislative Audit Committee or their successor committees. One member may come from the rest of the House.

The Minority Leader of the House appoints two members. One member must belong to the House Health and Environment Committee, the Economic and Business Development Committee or the Legislative Audit Committee or their successor committees. One member may come from the rest of the House.

The Senate President appoints the Chair and the House Speaker appoints the Vice Chair during odd numbered years. The House Speaker appoints the Chair and Senate President appoints the Vice Chair during even-numbered years. The Review Committee may report up to five bills or other measures to the Legislative Council each year.

## 2013 Legislative Implementation Review Committee



*Senator*  
**IRENE AGUILAR**  
2013 Chair



*Representative*  
**BETH MCCANN**  
2013 Vice Chair



*Representative*  
**BOB GARDNER**



*Representative*  
**AMY STEPHENS**



*Representative*  
**DIANNE PRIMAVERA**



“

I've never really had health insurance. I (wasn't) protected at all. One little misstep, just breaking my leg, and all of a sudden I could have been very far into debt.

**Customer Craig Smith, 26, of Grand Junction.**

Sen. Aguilar convened three meetings of the Review Committee in 2013 at the State Capitol to discuss operations and funding. On May 7, the Review Committee met to discuss the Level 2 Establishment Grant application. The Marketplace submitted the grant application to the U.S. Department of Health and Human Services (HHS) the following week. The federal government approved the grant application, with a reduction due to sequestration, in July 2013.

The Review Committee met again on September 5, 2013 to discuss the Marketplace's Financial Plan including the current and anticipated budget and the long-term sustainability plan. Future legislative needs were discussed as well. On November 22, 2013, the Review Committee met to discuss the launch of the Marketplace and current status of enrollments and operations.

CEO Patty Fontneau and Board Chair Gretchen Hammer provided testimony at all of the Review Committee meetings, and other staff attended to provide information. Documents and summaries of the meetings are available [here](#). CEO Patty Fontneau and other staff also met individually with Review Committee members and participated in numerous Town Hall meetings led by Review Committee members, as well as other types of community events, to provide public education and to answer constituent questions.



Senator  
**KEVIN LUNDBERG**



Senator  
**JEANNE NICHOLSON**



Senator  
**ELLEN ROBERTS**



Representative  
**MAX TYLER**



Senator  
**JESSIE ULIBARRI**

# Revenue and Sustainability

Two significant milestones in the development of the Marketplace during 2013 were the securing of grant funding for the opening and early operations of the Marketplace and the development of a plan to achieve long-term sustainability.

It was necessary for the Marketplace to demonstrate sufficient progress and planning to the federal government to be eligible for a Level 2 Establishment Grant, which provides funding to operate the organization through launch and into 2015. This process included numerous reviews of technology and operational readiness by federal authorities and the requirement to produce a range of documents and materials to show planning progress.

In addition, submission of the Level 2 Grant application required a fully developed Sustainability Plan. In the spring of 2013, the organization drafted an application for a Level 2 Establishment Grant. This grant application outlined all of the progress made to date to prepare for opening the Marketplace as well as the operational plans after go-live, the schedule of future enhancements in technology, eligibility systems, other functions to improve customer service, and a long-term sustainability plan. With support from the Board and approval of the Chair and Vice Chair of the Legislative Implementation Review Committee, the Level 2 Establishment Grant application was submitted on May 15, requesting \$125 million to support planning and operations through the end of 2014 as well as technology enhancements into 2016. The U.S. Department of Health and Human Services approved the grant application at \$116 million (a 7% reduction was made due to the sequestration).

The long-term sustainability plan, which was outlined in the grant application and subsequently developed in further detail, was the culmination of dozens of meetings with a range of stakeholders held in late 2012 and early 2013 to discuss a variety of approaches to collecting revenue and providing sufficient funding for the Marketplace starting in 2015, when most federal funding ends. Per federal law, the Marketplace is required to be self-financing starting in 2015 and cannot use State General

Funds for operations. The long-term sustainability model was built on the foundation of an annual operating budget of about \$26 million starting in 2015 (in contrast, other comparable-sized state's annual budgets are at more than two times that level). The budget will be achieved through a technology approach that allows for flexibility in architecture, lower ongoing maintenance costs and reduced staffing after the initial period of operations. As part of developing the sustainability plan, the Board voted in March 2013 to adopt a revenue approach that includes the ability to assess a modest administrative fee on carriers providing health plans through the Marketplace.

In 2013, the Board set the initial administrative fee for coverage year 2014 at 1.4% per policy. In states that use the Federally Facilitated Marketplaces, that fee runs at 3.5% of premium. The revenue approach relies on temporary funding in the early years and a transition to other revenue and more enrollment-based funding in the later years. Key to enabling this approach was the passage of House Bill 13-1245 in May 2013. HB 13-1245 was drafted with Board and stakeholder support and establishes funding mechanisms for the Marketplace, including transitional funding from CoverColorado and a short-term assessment on carriers market-wide of no more than \$1.80 per policy through 2016, and allows the Board to create a separate entity to sell ancillary products to reduce the fees in future years.

As a result of the transitional funding from Cover Colorado, the Board voted not to implement a carrier assessment in 2014. HB 13-1245 also allows carriers to donate an aggregated total of up to \$5 million a year to Connect for Health Colorado.

# Health and Dental Plan Offerings

Key to the success of Colorado's health insurance marketplace is providing customers with a competitive array of health plans.

Connect for Health Colorado staff worked closely with carriers and the Division of Insurance to encourage participation in the Marketplace, complete certification of health plans that include essential health benefits and other required benefits, and to provide sufficient support for technology interfaces and payment systems. A Memorandum of Understanding outlining roles and responsibilities was completed with the Division of Insurance in summer 2013. This work led to the certification of 150 health plans offered by 10 carriers for the Individual Marketplace and 92 health plans offered by six carriers for the Small Business Marketplace. These plan offerings included new carriers that entered the market in Colorado and did not result in a sharp increase in rates – helping Connect for Health Colorado towards the mission established in SB 11-200 of increasing access, affordability and choice for Colorado shoppers.

Plan loading into the national system known as the System for Electronic Rate and Form Filing (SERFF),

operated by the National Association of Insurance Commissioners (NAIC), was successful and thorough testing was conducted prior to go-live. Systems to transmit enrollment data to carriers and receive confirmation of payments for individuals and family plans were tested and implemented. Procedures and systems necessary to process and reconcile payments for the Small Business Marketplace were also implemented. Connect for Health Colorado also coordinated with carriers and the Division of Insurance to respond to changes in policy made by the federal government related in individuals who received cancellation notices for their health plans and the ability to access catastrophic health plan options. Connect for Health Colorado also provides customers with a link to VSP vision plans on the general website and at the end of the shopping experience.

## 150

**Health Plans** for  
Individuals & Families

Access Health Colorado  
Anthem Blue Cross Blue Shield /  
HMO Colorado  
Cigna  
Colorado Choice Health Plans  
Colorado HealthOP  
Denver Health Medical Plan  
Humana  
Kaiser Permanente  
Rocky Mountain Health Plans  
United Healthcare

## 92

**Health Plans** for  
Small Businesses

Anthem Blue Cross Blue Shield /  
HMO Colorado  
Colorado Choice Health Plans  
Colorado HealthOP  
Kaiser Permanente  
Rocky Mountain Health Plans  
SeeChange Health

## 22

**Dental Plans** for  
Individuals & Families

BEST Life and Health Insurance  
Company  
Cigna  
Delta Dental of Colorado  
Dentegra Insurance Company  
Premier Access Dental and Vision

## 45

**Dental Plans** for  
Small Businesses

Anthem Blue Cross Blue Shield /  
HMO Colorado  
BEST Life and Health Insurance  
Company  
Delta Dental of Colorado  
Dentegra Insurance Company  
Guardian  
MetLife  
Premier Access Dental and Vision

# Operations

In 2013, Connect for Health Colorado operationalized key policy decisions made by the Board, informed by stakeholder and Advisory Group input, to ensure readiness for opening the Marketplace and to make necessary adjustments after go-live.

The key areas of operations included securing sufficient staffing and contractor resources, integrating and testing technology systems, establishing procedures to adhere to privacy and security regulations, collaborating with the Division of Insurance to certify health plans and establish necessary technology interfaces with carriers and the national system that provides plan data (discussed in the Plan Offering section), collaborating with the state Medicaid agency (Colorado Department of Health Care Policy and Financing – HCPF) to develop coordinated systems for processing financial assistance applications, and implementing statewide customer support and sales operations.

## Staffing and Administrative Support

In 2013 Connect for Health Colorado secured professional and administrative resources, including the hiring of an additional 15 full-time staff, to support the work needed to build and operate the Marketplace. Staff hires were made in the areas of financial management, technology project management, carrier coordination, customer service operations, training, outreach and communications, and administrative functions at the Southeast Denver office.

The organization continued to follow the approach of securing temporary contractor resources in the implementation phase to keep long-term staffing costs down. The office space was expanded and a secure section was built to accommodate the Appeals team, which will handle customer complaints and formal appeals of eligibility determinations for financial assistance. Payroll and financial management systems were implemented and upgrades were made to ensure proper accounting of grant expenditures in compliance with state and federal regulations.

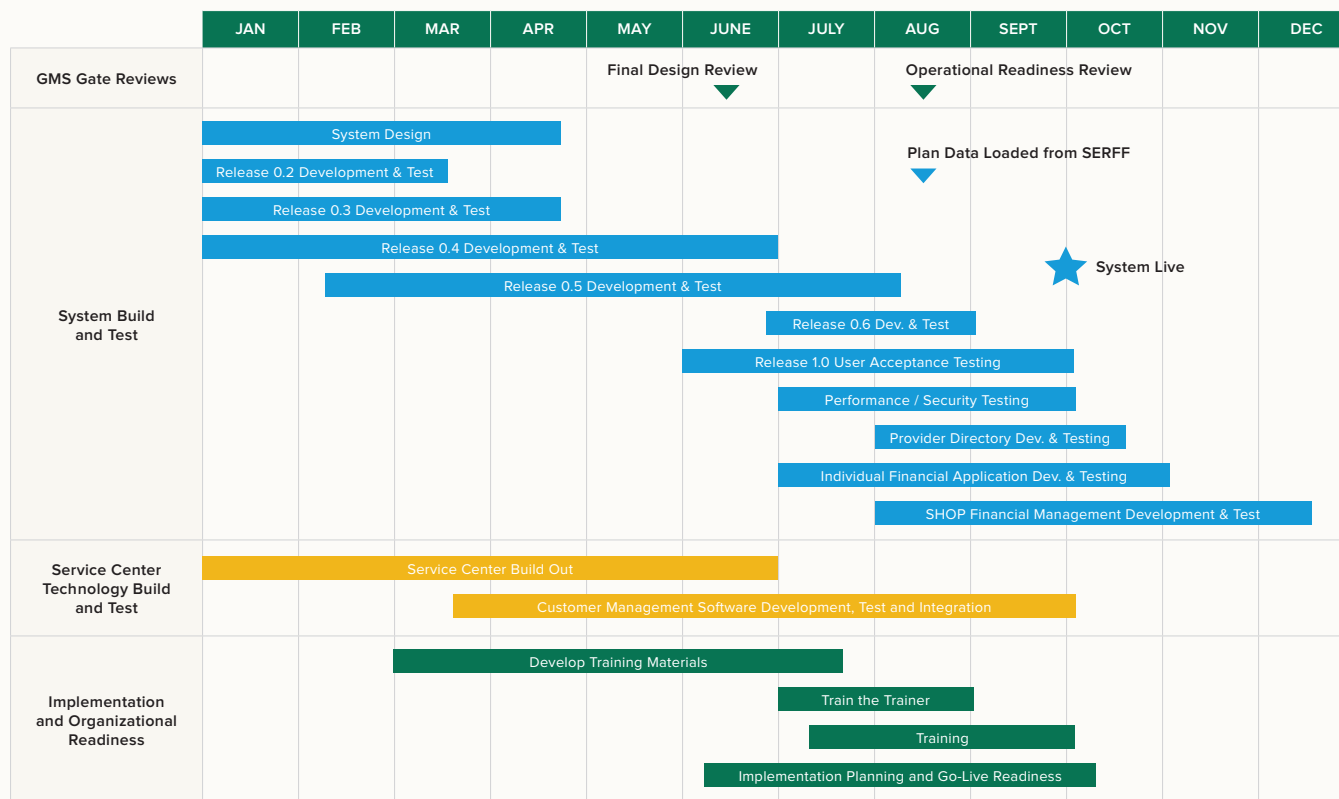
## Technology Integration

The year 2013 started with the majority of requirements development completed for technology systems. The systems integrator, CGI, increased staffing in Lakewood and other locations to meet the aggressive timeline for technology releases. In accordance with required progress by the federal government, technology vendors met a schedule of system releases from late 2012 to go-live and beyond. User acceptance testing, security testing, performance testing and identification and resolution of defects, occurred continuously from April through go-live and afterward.

From late 2012 through the summer of 2013, an outside company provided independent verification and validation (IV&V) research and analysis of key areas of technology and operational readiness. The IV&V reports provided valuable guidance about progress with the planning activities and areas that needed focus, which helped the organization pivot quickly to more effectively manage the project plan. The firm provided four reports covering five areas of analysis. Those reports were presented to the Board in public session and are available [here](#).

In spite of the aggressive schedule and external challenges with changes in federal regulations, the technology system that was launched October 1 included the required plan shopping and enrollment. The weeks and months following go-live included a succession of technology releases to add functionality to improve the customer shopping experience and to provide maintenance and to address defects. As an example, the medical provider directory was implemented two weeks after go-live and has subsequently been updated with more recent provider data (updates will continue periodically going forward). Financial reconciliation systems for small employers were added in December.

## 2013 Technology Activities



### Privacy and Security

Since early 2013, the organization has worked diligently to implement a range of policies and procedures to protect consumer data and systems. More than two dozen policies were created and implemented to address topics including system protection and integrity, security planning and personally-identified information (PII) security. These policies are designed to ensure compliance with standards known as MARS-E (Minimal Acceptable Risk Standards for Exchanges, a compilation of security and privacy requirements and regulations from various organizations and agencies). Operationally, this means that the organization has required training for staff and contractors, secure environments, internal controls, identification badges, motion sensors in the most secure locations, cameras, staff background checks, constant monitoring of systems and secure areas, and customer security protocols. A presentation provided to the Board that outlines the privacy and security operations is available [here](#).

### Insurance Affordability Program Eligibility

The organization met regularly throughout 2013 with HCPF to plan and implement a coordinated eligibility process to allow customers to access new insurance affordability programs at go-live. In compliance with the Board's 2012 decision to pursue minimum interoperability with State systems, Connect for Health Colorado and HCPF and their technology vendors held ongoing planning meetings and reviewed a number of approaches and processes to determine eligibility for Medicaid, Child Health Plan *Plus* (CHP+), tax credits and cost-sharing reductions. A joint decision was made to establish an interim process for coverage year 2014.

For the first open enrollment period, customers who come to Connect for Health Colorado and want to apply for financial assistance first filled out the online medical only application for Medicaid through the State-operated PEAK system since Medicaid-eligible customers are not eligible to re-

## Operations **CONTINUED**

ceive a tax credit through the Marketplace. Customers who were determined ineligible for Medicaid and CHP+ received denials from the State and then continued in Connect for Health Colorado to determine eligibility for new premium tax credits and cost-sharing reductions and then to plan selection.

The two organizations continued to collaborate after the opening of the Marketplace. Medicaid improved processing times for Medicaid applications and created a dynamic application that no longer required applicants to answer unnecessary questions about assets. The percentage of customers that received immediate answers about their Medicaid and CHP+ eligibility increased between October and December. However, some customers still experienced delays in processing.

Adhering to a November 25, 2013 Board vote, the two organizations are moving forward with establishing a shared application and eligibility rules engine which will simultaneously determine eligibility for Medicaid, CHP+, premium tax credits and cost-sharing reductions. These changes will simplify and quicken the application process for customers for the next open enrollment period and beyond.

### Customer Support and Sales

The Customer Support Network includes service representatives answering customer calls at the Customer Service Center in Colorado Springs and a satellite office in Denver, the Assistance Network and certified health insurance agents and brokers statewide. Training modules included on-line courses, as well as in-person training. Prior to go-live, training was used as an engagement mechanism with these channels.

The vast majority of training was completed prior to October 1, 2013, with additional sessions available for brokers, the Provider community, and Certified Application Counselors after that date. Sessions after go-live included many hours of open labs with certified trainers on system functionality. Multiple webinars were offered on the financial application and PEAK processes.

In addition, conferences were held in December 2013 in three cities for Health Coverage Guides to support enrollment initiatives. Approximately 1,450 licensed, independent insurance agents/brokers were trained and certified by December 31, 2013. In the Service Center, updates to materials continued after go-live and included information about specific products, small employer market, sales and financial application topics.

On the sales front, staff and the Customer Support Network collaborated with marketing initiatives led by the Communications team that included paid media, grassroots outreach at sports events, concerts and street fairs, and earned media efforts. Connect for Health Colorado staff and partners participated in live call-in shows on television stations to answer calls from viewers, as well as opportunities for interviews on television and radio shows. The Customer Service Center initiated an Outbound Campaign in November 2013 focused on account holders who had begun, but not yet completed the enrollment process.

Additional contractor services were secured to support the Customer Service Center with outbound calls and mailings to account holders to encourage conversions. Emails and mailings were also sent to customers who signed up for communication through the website and to existing enrollees to provide updates and encourage additional enrollments.



## Customer Support Network

While Connect for Health Colorado has focused on implementing advanced technology to allow customers to shop for health insurance on their own through the website, consumer research and experience from commercial health insurance shopping websites underscore the need for personal interaction with customers to complete health insurance enrollments.

One national insurance website reported that as many as 85 percent of customers made at least one phone call to customer service representatives before completing an enrollment. To ensure quality service and follow our mission to help Coloradans access health insurance, Connect for Health Colorado decided early in 2013 to create a significant customer support network, including a new Customer Service Center to help shoppers by phone and online chat, a statewide network of Assistance Sites deploying trained Health Coverage Guides (navigators and in-person assisters), and a statewide network of certified licensed health insurance agents.

### Customer Service Center

In June 2013, Connect for Health Colorado finalized the lease of a 25,000 square foot facility in Colorado Springs that would become the primary Customer Service Center to support calls, mail and online chat with customers of the Marketplace. The site was selected after researching and visiting over 21 sites in Colorado in early 2013. That location was transformed from an empty shell of a building to a modern, secure facility with 242 workstations and over 220 trained representatives, managers and backoffice staff within 90 days. Representatives completed an average of 150 hours of training and began taking calls on August 6, almost two months prior to the opening of the Marketplace. A back-up center was opened in Denver to provide support.

From October 1, 2013, forward, the Customer Service Center maintained a Monday to Saturday schedule, open from 7 a.m. to 8 p.m. The primary focus of the Customer Service Center, supported by a satellite office in Denver, was assisting cus-

tomers who called with questions or asking for help with their applications. Representatives handled over 100,000 calls and over 20,000 online chats with customers. Dedicated lines were established for certified agents and Health Coverage Guides and thousands of calls were serviced to help them support their clients. The Customer Service Center also processed 140 paper applications that were received by mail and sent out over 62,000 notices and outreach letters.

Proactive outreach also took place to reach customers to support them through the financial assistance process and to encourage conversion by account holders who had not completed the enrollment process. The Customer Service Center sent out more than 74,000 emails and made over 3,200 outreach calls to customers.

Demand at the Customer Service Center remained high throughout the first three months of open enrollment, causing wait times to be high at times, especially in late December. To accommodate more customers, the Customer Service Center extended hours, adding Sunday coverage on 12/8, 12/15, 12/22 from 9:00 a.m. to 8:00 p.m., extending weekday coverage to 10:00 p.m. on 12/19, 12/20, 12/21, and extending coverage on 12/23 to midnight. Additional staff was hired throughout November and December, shifts were adjusted and extended, overtime implemented and lunch times shortened.

Forecasting and hiring continue.

## Customer Support Network **CONTINUED**

### Certified Health Insurance Agents

Approximately 1,450 insurance agents and brokers were trained and certified in 2013 to support customers in both the Individual and Small Business Marketplaces. Training included 10 hours of online classes and quizzes and 9 hours of in-person training. In-person training was conducted in 14 locations throughout the state. Background checks were completed on all certified brokers. Open labs were provided to more than 1,000 brokers prior to and after go-live. Training continues to be a focus as enhancements are implemented.

### Assistance Network

In February 2013, Connect for Health Colorado released a Request for Applications for organizations across Colorado interested in becoming part of the Connect for Health Assistance Network, a network of organizations across Colorado that conduct outreach and education, and deliver local, in-person assistance for individuals, families and small businesses using the Marketplace.

This program combines the navigator and in-person assister programs that are being created by health insurance marketplaces across the country. The program is designed to build on the expertise of trusted local organizations that currently serve target customers of the Marketplace. Assistance Sites conduct outreach in their communities about health coverage choices. Assistance Sites employ Health Coverage Guides to assist customers with applying for new premium tax credits, cost-sharing subsidies and the range of health coverage options. Health Coverage Guides also provide referrals when appropriate to licensed brokers, Customer Service Center representatives, insurance carriers and other resources.

In June of 2013, Connect for Health Colorado announced the organizations selected through a competitive application process to provide in-person assistance to customers, with all but two organizations supported by \$16 million in grant funding

for 18 months. The organizations demonstrated the understanding and ability to reach target populations as a trusted local resource, to provide application assistance, and the ability to conduct education and outreach. The organizations have broad geographic reach and available resources to serve specific populations.

See awarded organizations on the following page.

Training of over 700 members of the Assistance Network, including Health Coverage Guides, administrative staff, managers and Regional Hub coordinators, began in July and continued through go-live. Training requirements included 16 hours of online training and 16 hours in-person training. Open labs were also conducted for the Assistance Network after go-live. Health Coverage Guides were required to pass criminal background checks as part of their certification process and training included privacy and security procedures and regulations.

Outreach activities varied across the Assistance Sites but most often focused on providing outreach materials and presentations at community locations such as libraries, churches, government offices, businesses, pharmacies and schools. After go-live, Connect for Health Colorado staff conducted regular conference calls with Assistance Network members – almost every weekday – to answer questions and provide support for technical issues and eligibility hurdles encountered by customers. The majority of Assistance Sites scheduled appointments with customers to help them with their applications and many sites reported high demand in December with full appointment schedules. Marketing and outreach support in the form of materials, branding guidance, paid media spots, and coordination of outreach events and presentations were provided to Assistance Network members by the Communications Team. Assistance Network members participated in the Holiday Connect-to-Coverage RV Tour that took place in December, with

## Assistance Network Organizations

Advanced Patient Advocacy	Denver Health and Hospital Authority	Otero County Department of Human Services
Aurora Comprehensive Community Mental Health Center	Denver Human Services	Parkview Medical Center, Inc.
Baca County Public Health Agency	Denver Indian Health and Family Services, Inc.	Peak Vista Community Health Centers
Boomers Leading Change in Health	Doctors Care	Pikes Peak Area Council of Governments
Boulder County Housing and Human Services	Eagle County Health and Human Services	Salud Family Health Centers
Center for African American Health	Family Resource Center Association	San Juan Basin Health
Central Presbyterian Church	Family Voices Colorado	San Luis Valley Regional Medical Center
Centura Health LINKS and CHI Colorado Foundation	The Gay, Lesbian, Bisexual and Transgender Community Center	Senior Resource Development Agency, Pueblo, Inc.
Chaffee County Department of Health and Human Services	Health District of Northern Larimer County	Servicios de La Raza
City and County of Broomfield Department of Health and Human Services	High Plains Community Health Center	Small Business Majority Foundation, Inc.
Colorado AIDS Drug Assistance Program	Hilltop Community Resources	Southwest Health System, Inc.
Colorado Alliance For Health Equity and Practice	Jefferson County Human Services	Stapleton Foundation
Colorado Health Care Association	Kit Carson County Health and Human Services	Tri-County Health Network
Colorado Motor Carriers Association	Trinidad Area Health Association DBA Mt. San Rafael Hospital	Tri-Lakes Cares
Colorado Small Business Development Center	Memorial Hospital Healthy Communities	Valley Citizens Foundation for Healthcare DBA Rio Grande Hospital
Commerce City Community Health Services	Mountain Resource Center, Inc.	Ute Mountain Ute Tribe*
Community Coalition for Families and Children DBA Community Partnership Family Resource Center	North Colorado Health Alliance	Valley-Wide Health Systems, Inc.
	Northeast Colorado Health Department	Volunteers of America/Senior Community Care
	Northwest Colorado Community Health Partnership	Women's Resource Center
	Northwest Colorado Council of Governments (Hub)	

\*Starting in 2014

## Customer Support Network **CONTINUED**

outreach and enrollment events in over 20 locations in 16 cities/towns, from Limon to Grand Junction.

Conferences were held in December in Denver, Pueblo and Montrose to support additional education about health plan options, plan selection and enrollment strategies and to provide an opportunity for Health Coverage Guides to share practices and strategies with one another. A Colorado Health Foundation grant of \$2 million was approved to support Assistance Network activities that cannot be funded by federal grants. An outside firm is conducting a review of Assistance Network activities for the purposes of independent evaluation and improvement of program management.

### Certified Application Counselor Program

In August, Connect for Health Colorado issued a Request for Applications for the Certified Application Counselor Program. Under this program, Connect for Health Colorado designated organizations that will certify their staff to conduct application assistance. Designated organizations had to demonstrate through the application process that they currently provide application support or related activities for their clients, have existing privacy and security policies, and agree to establish a certification program for their staff that includes Connect for Health Colorado training. Over 400 Certified Application Counselors have been trained under this program, providing additional help and guidance to Coloradans.

### Cover Colorado

Efforts were coordinated with Cover Colorado leadership and staff to provide a specialized curriculum of training. This curriculum included a sub-set of courses (on-line and in-person) intended to give the staff a working knowledge of processes, requirements and resources to help them guide their members through the process of transitioning coverage. In addition, Connect for Health Colorado developed a webinar specifically for Cover Colorado members, who were given the option of attending live via two sessions or accessing the audio version on Cover Colorado's website. These trainings were delivered in November 2013.

### Small Business Marketplace

Certified agents/brokers, Assistance Sites and Customer Service Center agents assisted more than 100 small businesses with enrolling in small group plans by the end of December 2013. These small businesses were able to offer choice to their employees and 43% of them offered multi-plan/multi-carrier options. The enrolled groups included approximately 1,055 employees and dependents.

Specialized customer support procedures and coordination with agents/brokers and the rest of the Customer Support Network continue to be enhanced to assist small businesses with their enrollment process, including the processing of payments.



It's exciting to know I have insurance that will allow me to live within my means.

**Shirley Atencio, 57, of Center.**

# Outreach and Marketing

The year 2013 focused on a range of efforts to ensure public awareness of the Marketplace and to strengthen partnerships with stakeholder groups to encourage Coloradans to sign up for coverage and get the support they need to make informed choices and access insurance affordability programs.

These efforts started with identifying a public-facing name to more effectively communicate the purpose of the health insurance marketplace: Connect for Health Colorado. This name was chosen in early 2013 based on stakeholder guidance from the Outreach and Communications Advisory Group, research and identification of legal restrictions with name choices, public voting, and Board input. The new name was launched in May 2013 in conjunction with a statewide marketing campaign with new television and radio commercials, online and print messages, bus and light-rail ads and other paid media. Colorado was the first state-based marketplace to launch a mass media campaign to build awareness of the new way to buy health insurance prior to the October opening.

## Paid Media

The first phase of the marketing campaign, from May to September 2013, focused on attention-grabbing images and messaging in English and Spanish that competition makes the customer a winner and that nearly half a million Coloradans will be eligible for new financial help. The theme was 'When health insurance companies compete, the winner is you.' The paid media campaign was augmented by sponsorships and grassroots outreach at sporting events at nearly all of the professional sports outlets (Denver Nuggets, Colorado Avalanche, Colorado Rapids) as well as college and amateur soccer,

basketball and football games, including teams with a strong Hispanic audience.

The second phase of the marketing campaign, from October to December 2013, focused on an approachable, enrollment-focused message using new television, radio and print spots with actual Colorado families, individuals and small businesses from across the state. The theme was 'Here, Here, Here' to emphasize that the benefits of the Marketplace are available in all communities across the state. Young adult-focused spots and text messages were also utilized and promoted through social media. More information about the open enrollment campaign can be found [here](#).

## Social Media

Social media channels were actively utilized, including Facebook, Twitter, Youtube and Instagram. Photos from outreach events and videos of Coloradans talking about the importance of having health insurance and interviews from television shows about the Marketplace were posted to provide additional ways to see and learn about the Marketplace. A Denver-based comedian, Josh Blue, recorded a [PSA spot](#) with his wife, Yuko, who works as a nurse. An edgier, young adult-focused campaign using the message, 'If you push yourself, protect yourself,' includes [videos](#) of local skateboarders and snowboarders.



Paid Media  
Ad Examples

## Earned Media

Frequent public meetings with the Board and a steady flow of news from Washington, including coverage of early problems with healthcare.gov, created continuous opportunities for media stories about the Marketplace and the need to address misconceptions. Leadership staff and Board members were available for media interviews and the organization collaborated with partners to leverage opportunities for call-in shows and interviews on Spanish-language television and radio shows. Our Marketplace was featured on the front page of the *New York Times* on August 2, 2013, and our CEO Patty Fontneau and CFO Cammie Blais have been quoted in national media outlets including National Public Radio, the *Washington Post* and *Wall Street Journal*. In Colorado, dozens of print stories were published in local town newspapers and the largest publications including the *Denver Post* and *Colorado Springs Gazette*.

## Outreach and Education

Throughout 2013, volunteers, partners and staff participated in hundreds of events and meetings across Colorado throughout the year, as well as email and webinar communication, including:

- More than 600 presentations were given across the state, reaching over 25,000 Coloradans
- 24 volunteer speakers in Speakers Bureau, two outreach coordinators in rural Colorado, thousands reached through meetings and events
- Over 1,400 Coloradans received weekly educational updates through email
- A Calendar of Events was posted on website and promoted on social media
- Educational webinars were held in the summer of 2013, with hundreds of participants and follow up answers to more than 150 questions
- An online library of collateral materials, including brochures, rack cards, posters and note cards for target audiences and key topics: individuals, businesses, Spanish-language,

large print, tax credit info, value of health insurance was created

- CEO Patty Fontneau published and disseminated a regular blog that provided updates about planning activities and enrollment information.

In addition to all of the tactics above, Connect for Health Colorado looked for creative and unusual ways to increase public awareness and provide tools for customers. We released a dynamic and multifunctional mobile app available for free download on [Google Play](#) and [iTunes](#). The mobile app, which was downloaded more than 700 times, provides a way for customers to find local in-person assistance, get an estimate of financial assistance, browse health plans, view FAQs and save plans. Additional functions will be added soon, including a medical provider directory.

Another creative initiative was the Holiday Connect-to-Coverage RV Tour in December to encourage enrollment activity and provide access to Health Coverage Guides in local communities to help customers with the sign-up process, with computers used at grocery stores and inside the 24-foot RV that was wrapped with the Connect for Health Colorado branding. The tour spanned 11 days, more than 1,000 miles on the road, 16 towns and cities and 21 events. Most of the events took place at King Soopers grocery stores through a strategic partnership developed for the tour and at downtown locations in host cities. The tour included media partnerships and the ability for customers to sit down with Health Coverage Guides to work on their applications. The events were publicized through the media and resulted in lines of customers at several locations. The events drew customers who wanted help with their applications as well as educational opportunities for Coloradans who had been thinking about signing up but wanted more information. Enrollments were completed inside the RV, outside grocery stores and inside a Denver mosque during Friday prayers. Dozens of appointments were made at local Assistance Sites to complete enrollments. The tour generated over 20 stories in newspapers, television and radio outlets across the state. Photos can be found on Instagram.

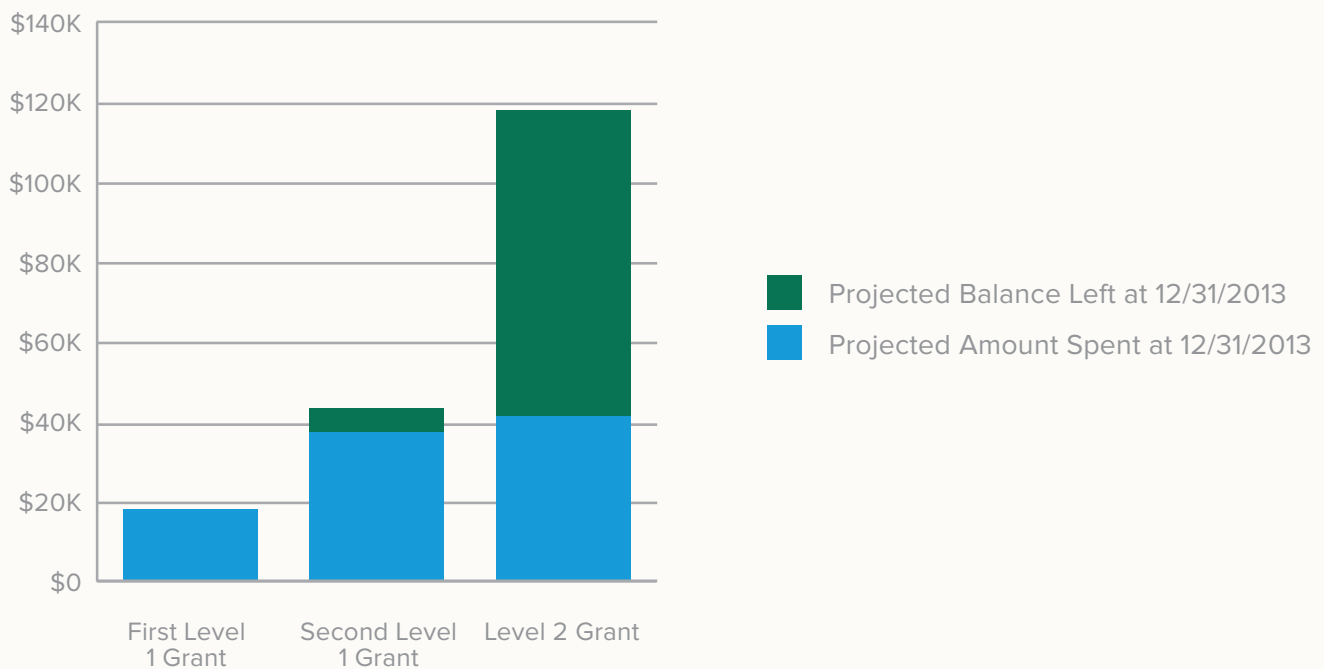


## Financials

During 2013, Connect for Health Colorado was primarily funded by a series of Federal grants. Each grant request was approved by the Connect for Health Colorado Board and the Legislative Implementation Review Committee.

Connect for Health Colorado's 1st Level 1 Grant, awarded in February of 2012 in the amount of \$17,951,000, was closed out in April 2013. The organization's 2nd Level 1 Grant was awarded in September 2013 in the amount of \$43,486,747. Connect for Health Colorado's Level 2 Grant was awarded July 9, 2013 in the amount of \$116,245,677. The original grant request of \$124,995,352 was reduced by 7% due to sequestration.

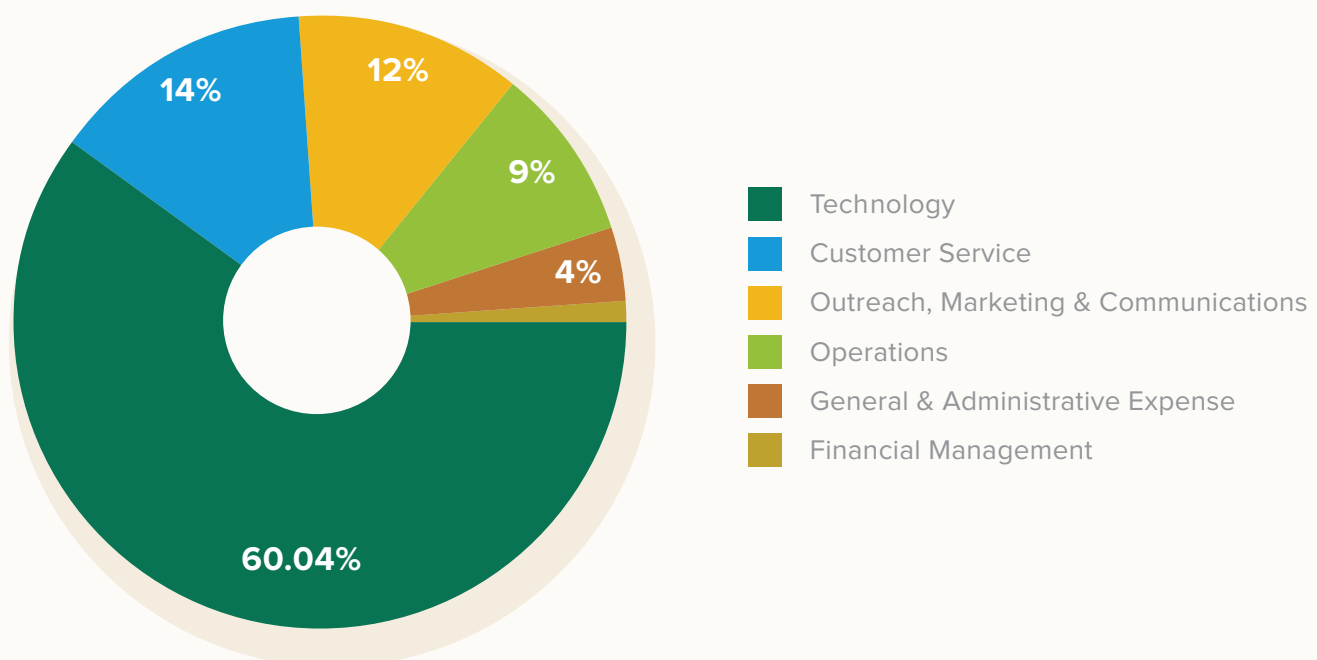
**Federal Grant Awards**  
Projected Balance at 12/31/2013



## Financials **CONTINUED**

### Active Grants Grant Expenditures by Operational Area Projected at 12/31/2013

Connect for Health Colorado tracks its grant spending by Operational Area. Below is the distribution of costs by Operational Area for all federal grants.



### The Colorado Health Foundation Grant

In addition to its Federal funding, Connect for Health Colorado was awarded \$2,010,000 in grant funding from the Colorado Health Foundation to support the Assistance Network. The Colorado Health Foundation grant is for a period of one year, beginning 7/15/2013 and funds program activities that cannot be covered by federal grants.

### Audit Activity

Connect for Health Colorado underwent its annual Financial and Federal Single (grant compliance A-133) audits in mid-2013. The auditors issued an Unmodified Opinion of the financial statements. On November 14, 2013, the independent auditors presented the financial statements and the audit results to the Finance Committee. On November 25th, the auditors presented to the entire Board. A copy of the auditors' reports are posted on the Connect for Health Colorado website [here](#).

# Metrics

OCTOBER 1 – DECEMBER 31, 2013

## Enrollment Summary

Total number of Coloradans signed up for private health insurance through the Individual and Small Business Marketplaces: **52,783**

Individual Marketplace accounts: **141,545**

Individuals and families signed up for private health insurance through the Individual Marketplace: **51,728**

Small business accounts: **3,683**

Small businesses that completed group coverage enrollment: **101**

Small business employees and dependents signed up through the Small Business Marketplace: **1,055**

Small businesses that offered employees multi-plan / multi-carrier options: **43%**

## Total Shopping Volume

Unique website visitors: **785,901**

Number of shopping pages served: **22,464,998**

Calls and chats serviced: **130,461**

Average call and chat length:  
**18 minutes, 13 seconds**

Average call and chat wait time:  
**13 minutes, 54 seconds**

## Individual Marketplace Demographics

Individual Marketplace enrollments without advance premium tax credit: **49%**

Individual Marketplace enrollments with advance premium tax credits: **51%**

Enrollments to customers earning 250% of FPL or less (received tax credit and cost-sharing reductions): **35%**

Enrollments to customers earning 251 - 400% FPL (received tax credit): **16%**

Average advance premium tax credit awarded: **\$248/month**

## Individual Marketplace Demographics cont.

Average premium (before tax credit) for all Individual Marketplace covered lives: **\$376/month**

Enrollments for individuals only: **46%**

Enrollments for families of 2: **25%**

Enrollments for families of 3 or more: **29%**

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Male: **47%**

Female: **53%**

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Enrollments for ages 0-17: **13%**

Enrollments for ages 18-25: **7%**

Enrollments for ages 26-34: **15%**

Enrollments for ages 35-44: **14%**

Enrollments for ages 45-54: **19%**

Enrollments for ages 55-64: **32%**

Enrollments for ages 65 and over: **Less than 1%**

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Enrollments in rural counties: **9.9%**

Portion of Colorado population in rural counties: **10%**

Enrollments in urban counties: **74.1%**

Portion of Colorado population in urban counties: **74%**

Enrollments in agricultural urban counties: **15%**

Portion of Colorado population in agricultural urban counties: **14.6%**

Enrollments in medical plans: **76%**

Enrollments in medical and dental plans: **22%**

Enrollments in dental plans (standalone):  
**Less than 1%**

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Coverage Levels:

Catastrophic: **2%**

Bronze: **38%**

Silver: **46%**

Gold: **13%**

Platinum: **1%**



**855-PLANS-4-YOU** (855-752-6749)  
**TTY: 855-346-3432**

 [ConnectforHealthCO.com](https://connectforhealthco.com)

