



April 01, 2014

Governor John Hickenlooper  
136 State Capitol  
Denver, CO 80203

Commissioner Marguerite Salazar  
Department of Regulatory Agencies, Division of Insurance  
1560 Broadway, Suite 850  
Denver, CO 80202

Dear Governor Hickenlooper and Commissioner Salazar:

Connect for Health Colorado (the Marketplace) appreciates the opportunity to comment on the option for states to allow the renewal of non-ACA compliant plans in the individual and small group market in 2015 and 2016. The Board of Directors has and continues to support state flexibility to keep Colorado's health insurance rules the same inside and outside the Marketplace to mitigate adverse selection, reduce and stabilize premium rates, and support the Marketplace's future success.

We recognize the state is considering several possible actions on this issue, including the passage of legislation within the remainder of this year's session, to allow for the continuation of non-ACA compliant plans. We believe this extension will negatively impact our mission as outlined in SB11-200, to increase access, affordability, and choice to individuals, families, and small businesses purchasing health insurance in Colorado.

The extension of non-ACA compliant plans could result in lower than expected Marketplace enrollments — reducing administrative efficiencies, creating higher premiums, and disrupting the competitive market we have built in Colorado. Most importantly, allowing carriers to keep individuals who could pass underwriting out of the pool of ACA compliant plans undermines the core concepts of health care reform, as has been championed by both parties in Colorado for years. Such an action would artificially and significantly inflate the insurance premiums in the Marketplace and negate the value of risk-adjustment by excluding healthy populations. Ultimately, this extension negatively affects the Marketplace's long-term success.

As the state weighs the available options, Connect for Health Colorado's staff and board are available to work collaboratively with the Governor's Office and the Division of Insurance to provide more details about the potential impacts on the Marketplace. We look forward to continuing our successful partnership to provide access to affordable health care coverage for Colorado individuals, families, and small businesses.

Sincerely,

A handwritten signature in black ink that reads "Gretchen Hammer".

Gretchen Hammer  
Board Chair, Connect for Health Colorado