



COLORADO

Department of
Regulatory Agencies

Division of Insurance

To: The Senate Health and Human Services Committee; The House of Representatives Health and Insurance Committee; and The House of Representatives Public and Behavioral Health and Human Services Committee

From: Commissioner of Insurance, Michael Conway

Date: December 1, 2022

Subject: Legislative Requirement to Report Premium Impact of HB19-1269 Implementation on Commercial Health Insurance Products

Background

[HB19-1269 Behavioral Health Care Coverage Modernization Act](#) (the Act) addresses issues related to mental health parity and coverage of behavioral health, mental health, and substance use disorder (SUD) services under private health insurance. It requires the Division of Insurance (the Division) to provide a report to the specific legislative committees no later than December 1, 2022 regarding the effect of the Act's implementation on commercial insurance premiums in the individual (coverage not from an employer), small group (coverage through an employer with less than 100 employees), large group (coverage through an employer with 100 or more employees), and student health plan (coverage provided through a higher education institution in contact with a carrier) markets. It is organized by market and by implementation year below.

Assessment of Premium Impact

Commercial insurance carriers submit to the Division their rate filings annually, and the Division reviews and approves such rates after compliance with state and federal law is determined. Pursuant to Colorado Insurance Regulation 4-2-39(6)(A)(12), carriers submit an "Actuarial Memorandum" to "identify, quantify, and adequately support any changes to the rates, expenses, and/or medical costs that result from changes in federal, state or local law(s) or regulation(s). All applicable mandates [are] listed, including those with no rating impact. This quantification shall include the effect of specific mandated benefits and anticipated changes both individually by benefit, as well as for all benefits combined."

To assess premium impact due to the implementation of HB19-1269 as reported by each carrier, the Division reviewed the Actuarial Memoranda submitted by each carrier for each year of implementation since the Act's passage in May 2019. All Actuarial Memoranda are public information and can be found in [SERFF](#), the National Association of Insurance Commissioners (NAIC) System for Electronic Rate and Form Filing.

Summary of Reported Premium Impacts

During the three years of review, the vast majority of carriers reported that there was not a premium impact for coming into compliance with state and federal law. For the small number of carriers that reported a premium increase due to coming into compliance, none of them were able to quantify the amount of the increase due to BH19-1269, which likely means that the increase was de minimis.



Individual Market

Carrier	2020	2021	2022
Bright Health Plan	No Premium Impact Reported	No Premium Impact Reported	No Premium Impact Reported
Cigna Health and Life Insurance Company	No Premium Impact Reported	No Premium Impact Reported	No Premium Impact Reported
Denver Health Medical Plan	No Premium Impact Reported	No Premium Impact Reported	No Premium Impact Reported
Friday Health Plans, Inc.	No Premium Impact Reported	No Premium Impact Reported	No Premium Impact Reported
HMO Colorado, Inc., d.b.a. Anthem Blue Cross and Blue Shield	No Premium Impact Reported	No Premium Impact Reported	No Premium Impact Reported
Kaiser Foundation Health Plan of Colorado	No Premium Impact Reported	No Premium Impact Reported	Unspecified Amount
Oscar Insurance Company	No Premium Impact Reported	No Premium Impact Reported	No Premium Impact Reported
Rocky Mountain Health Maintenance Organization	No Premium Impact Reported	No Premium Impact Reported	No Premium Impact Reported
Rocky Mountain Hospital and Medical Service, Inc., d.b.a. Anthem Blue Cross and Blue Shield	No Premium Impact Reported	No Premium Impact Reported	No Premium Impact Reported



Small Group Market

Carrier	2020	2021	2022
Aetna Health, Inc.	No Premium Impact Reported	No Premium Impact Reported	No Premium Impact Reported
Aetna Life Insurance Company	No Premium Impact Reported	No Premium Impact Reported	No Premium Impact Reported
Bright Health Insurance Company	Not in Market	No Premium Impact Reported	No Premium Impact Reported
Friday Health Plans, Inc.	No Premium Impact Reported	No Premium Impact Reported	No Premium Impact Reported
HMO Colorado, Inc., d.b.a. Anthem Blue Cross and Blue Shield	No Premium Impact Reported	No Premium Impact Reported	No Premium Impact Reported
Humana Health Plans	No Premium Impact Reported	No Premium Impact Reported	No Premium Impact Reported
Humana Insurance Company	No Premium Impact Reported	No Premium Impact Reported	No Premium Impact Reported
Kaiser Foundation Health Plan of Colorado	No Premium Impact Reported	No Premium Impact Reported	Unspecified Amount
Kaiser Permanente Insurance Company	No Premium Impact Reported	No Premium Impact Reported	No Premium Impact Reported
Rocky Mountain Health Maintenance Organization	No Premium Impact Reported	No Premium Impact Reported	Not in Market
Rocky Mountain Hospital and Medical Service, Inc., d.b.a. Anthem Blue Cross and Blue Shield	No Premium Impact Reported	No Premium Impact Reported	No Premium Impact Reported
United Healthcare Insurance Company	No Premium Impact Reported	No Premium Impact Reported	No Premium Impact Reported
UnitedHealthcare of Colorado	No Premium Impact Reported	No Premium Impact Reported	No Premium Impact Reported



Large Group Market

Carrier	2020	2021	2022
Aetna Health, Inc.	Unspecified Amount	No Premium Impact Reported	No Premium Impact Reported
Aetna Life Insurance Company	Unspecified Amount	No Premium Impact Reported	No Premium Impact Reported
Cigna Health and Life Insurance Company	No Premium Impact Reported	No Premium Impact Reported	No Premium Impact Reported
Cigna Healthcare of Colorado, Inc.	No Premium Impact Reported	No Premium Impact Reported	No Premium Impact Reported
Denver Health Medical Plan	No Premium Impact Reported	No Premium Impact Reported	No Premium Impact Reported
HMO Colorado, Inc., d.b.a. Anthem Blue Cross and Blue Shield	No Premium Impact Reported	No Premium Impact Reported	No Premium Impact Reported
Humana Health Plans	No Premium Impact Reported	No Premium Impact Reported	No Premium Impact Reported
Humana Insurance Company	No Premium Impact Reported	No Premium Impact Reported	No Premium Impact Reported
Kaiser Foundation Health Plan of Colorado	No Premium Impact Reported	No Premium Impact Reported	No Premium Impact Reported
Kaiser Permanente Insurance Company	No Premium Impact Reported	No Premium Impact Reported	No Premium Impact Reported
Rocky Mountain Health Maintenance Organization	No Premium Impact Reported	Not in Market	Not in Market
Rocky Mountain Hospital and Medical Service, Inc., d.b.a. Anthem Blue Cross and Blue Shield	No Premium Impact Reported	No Premium Impact Reported	No Premium Impact Reported
United Healthcare Insurance Company	No Premium Impact Reported	No Premium Impact Reported	No Premium Impact Reported



UnitedHealthcare of Colorado	No Premium Impact Reported	No Premium Impact Reported	No Premium Impact Reported
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Student Health Plan Market

Carrier	2020	2021	2022
Aetna Life Insurance Company	No Premium Impact Reported	No Premium Impact Reported	No Premium Impact Reported
Rocky Mountain Hospital and Medical Service, Inc., d.b.a. Anthem Blue Cross and Blue Shield	No Premium Impact Reported	No Premium Impact Reported	No Premium Impact Reported
United Healthcare Insurance Company	No Premium Impact Reported	No Premium Impact Reported	No Premium Impact Reported
Wellfleet Insurance Company	No Premium Impact Reported	No Premium Impact Reported	No Premium Impact Reported

Conclusion

Individual Market

Of the nine (9) carriers offering coverage in the individual market over three (3) years of review, only two (2) carriers report a premium increase due to the implementation of HB19-1269:

- Kaiser Foundation Health Plan of Colorado reports no premium impact from 2019-2021 due to the implementation of HB19-1269. For the 2021-2022 plan year, Kaiser reported a 1.5% total increase across markets from 2021-2022 stating the following: "Changes included within the 2022 Notice of Benefit and Payment Parameters, primarily cost sharing limit changes, resulted in some plan level changes to pricing AV factors (benefit factors). Additionally, benefit changes were made to meet MHPAEA compliance. These changes were all included within the applicable benefit modification filings submitted to and approved by the Colorado Division of Insurance." It is unclear what, if any, the premium impact was from the benefit changes to come into compliance with MHPAEA.
- Oscar reported a premium impact from the following benefit changes in 2020: ""Adjustments were made to reflect additional costs for the following benefits expected to be covered in the projection period that are not otherwise reflected in the HCGs: applied behavioral analysis for autism, artificial insemination for infertility treatment, gender reassignment, hearing aids, nutritional counseling, pediatric dental, and telemedicine services."

Small Group

Of the thirteen (13) carriers offering coverage in the small group market over three (3) years of review, only two (2) carriers report a premium increase due to the implementation of HB19-1269:

- Kaiser Foundation Health Plan of Colorado reports no premium impact from 2019-2021 due to the implementation of HB19-1269. For the 2021-2022 plan year, Kaiser reported a 3% total increase across markets from 2021-2022 stating the following:



“Changes included within the 2022 Notice of Benefit and Payment Parameters, primarily cost sharing limit changes, resulted in some plan level changes to pricing AV factors (benefit factors). Additionally, benefit changes were made to meet MHPAEA compliance. These changes were all included within the applicable benefit modification filings submitted to and approved by the Colorado Division of Insurance.” Again, it is unclear what, if any, the premium impact was from the benefit changes to come into compliance with MHPAEA.

Large Group

Of the fourteen (14) carriers offering coverage in the large market over three (3) years of review, only two (2) carriers, both from the Aetna group of companies, report a premium increase due to the implementation of many different health rating factors, including HB19-1269:

- Aetna Health, Inc. reported a 1.8% increase from 2019-2020, but no premium effect in the years following, stating the following: “Factors sloping... [Out-of-Network] factors... Pharmacy Realignment... and the weights, factors, and definitions of the Behavioral Health cost categories have been updated to better assist with compliance testing for Mental Health Parity.”
- Aetna Life Insurance Company reported a 1.8% increase from 2019-2020, but no premium effect in the years following, stating the following: “Factors sloping... [Out-of-Network] factors... Pharmacy Realignment... and the weights, factors, and definitions of the Behavioral Health cost categories have been updated to better assist with compliance testing for Mental Health Parity.”

Student Health Plans

Of the four (4) carriers offering coverage in the student health plan market over three (3) years of review, zero (0) carriers report a premium increase due to the implementation of HB19-1269.

