



**COLORADO**

Department of  
Regulatory Agencies

Division of Insurance

## **Bulletin B-4.143**

### **Concerning the Implementation of 89 Fed. Reg FR23338-01 for Independent, Non-coordinated Excepted Benefits Coverage in Colorado**

#### **I. Background and Purpose**

The purpose of this bulletin is to provide guidance on the revised processes as set forth in 89 Fed. Reg. FR 23338-01, “Short-Term, Limited Duration Insurance (“STLDI”) and Independent, Non-coordinated Excepted Benefits Coverage”, published on April 3, 2024, by the Department of Labor, Department of the Treasury, and Department of Health and Human Services. This bulletin provides the notice that will be used as defined in 45 C.F.R. § 146.145(b)(4)(ii)(D) and §148.220(b)(4)(iii), and Colorado Insurance Regulation 4-2-40.

This bulletin addresses only the Independent, Non-coordinated Excepted Benefits Coverage portion of the Federal Rule. Bulletin B-4.142, issued September 4, 2024, addresses the STLDI portion of the rule.

Bulletins are the Division of Insurance’s (Division’s) interpretations of existing insurance law or general statements of Division policy. Bulletins themselves neither establish binding norms nor finally determine issues or rights.

#### **II. Applicability and Scope**

This bulletin is intended for all health coverage plan insurers of limited benefit, fixed indemnity health coverage products as referenced in 45 C.F.R. § 146.145(b)(4)(i) and Colorado Insurance Regulation 4-2-40.4.Q.

#### **III. Division Position**

Independent, non-coordinated excepted benefits coverage shall mean health coverage plans as defined in 45 C.F.R. § 146.145(b)(4)(i) and Colorado Insurance Regulation 4-2-40.4.Q which cover limited benefit, fixed indemnity plans. These are hospital indemnity or other fixed indemnity insurance only if:

- (i) There is no coordination between the provision of benefits and an exclusion of benefits under any other health coverage; and
- (ii) The benefits are paid in a fixed dollar amount per period of hospitalization or illness and/or per service (for example, \$100/day or \$50/visit) regardless of the amount of expenses incurred and without regard to the amount of benefits provided with respect to the event or service under any other health coverage.

The Colorado Division of Insurance expects all carriers offering limited benefit fixed indemnity plans to make all necessary changes to comply with the required federal changes. Changes to the plans should include, but are not be limited to, amending current plans, applications, and other materials to include the updated notice requirements that will be

effective on January 1, 2025.

Colorado Insurance Regulations 4-2-40 states “Carriers shall not represent any policy form as compliant with the ACA” and “Carriers shall not use similar names or form numbers for any plan that is compliant with the ACA.”

The following are filing requirements and required notice for new or revised limited benefit fixed indemnity plans effective January 1, 2025 shall be:

1. Insurers must submit rate filings in accordance with Colorado Insurance Regulation 4-2-11. Carriers shall comply with both federal law and state law.
2. Insurers must submit form filings in accordance with Colorado Insurance Regulation 4-2-40 and the specific notice requirements of Section 7.A.
3. Notice requirements for hospital indemnity or other fixed indemnity limited benefit policies, filed using SERFF TOI codes H14 and H23, will be as follows:

All carriers shall display prominently on the first page (in either paper or electronic form, including on a website) of any marketing, application, and enrollment materials (including re-enrollment materials) that are provided to participants at or before the time participants are given the opportunity to enroll in the coverage, in at least 14-point font, the language in the following two notices. The Colorado notice shall be displayed first, followed by the Federal Notice.

4. Insurers are directed to submit form filings certifying the revised notices have been placed in any marketing, application, and enrollment materials to the Division for review prior to issuing or providing these documents to participants.

#### Colorado Fixed Indemnity Notice

**IMPORTANT: This is a fixed indemnity policy,  
NOT health coverage**

This fixed indemnity policy may pay you a limited dollar amount if you're sick or hospitalized. You're still responsible for paying the cost of your care.

- The payment you get isn't based on the size of your medical bill.
- There might be a limit on how much this policy will pay each year.
- This policy isn't a substitute for comprehensive health insurance.
- Since this policy isn't health insurance, it doesn't have to include most Federal consumer protections that apply to health insurance.

**Looking for comprehensive health insurance?**

- Visit [Connectforhealthco.com](http://Connectforhealthco.com) or call 1-855-752-6749 (TTY: 1-855-695-5935) to find health coverage options.
- To find out if you can get health insurance through your employer, or a family member's employer, contact the employer.

#### Questions about this policy?

- For questions or complaints about this policy, contact Colorado Division of Insurance, Customer Services Team, 303-894-7490, 800-930-3745.
- To find out if you can get health insurance through your employer, or a family member's employer, contact the employer.

#### Federal Fixed Indemnity Notice

##### **IMPORTANT: This is a fixed indemnity policy, NOT health coverage**

This fixed indemnity policy may pay you a limited dollar amount if you're sick or hospitalized. You're still responsible for paying the cost of your care.

- The payment you get isn't based on the size of your medical bill.
- There might be a limit on how much this policy will pay each year.
- This policy isn't a substitute for comprehensive health insurance.
- Since this policy isn't health insurance, it doesn't have to include most Federal consumer protections that apply to health insurance.

#### Looking for comprehensive health insurance?

- Visit [HealthCare.gov](http://HealthCare.gov) or call 1-800-318-2596 (TTY: 1-855-889-4325) to find health coverage options.
- To find out if you can get health insurance through your job, or a family member's job, contact the employer.

#### Questions about this policy?

- For questions or complaints about this policy, contact your State Department of Insurance. Find their number on the National Association of Insurance Commissioners' website ([naic.org](http://naic.org)) under "Insurance Departments"

- If you have this policy through your job, or a family member's job, contact the employer.

5. Pursuant to Colorado Insurance Regulation 4-2-40, Section 7.A, all entities issuing limited benefit health coverage must include the following statement in BOLD type on the policy's and certificate's face page, and on the front page of the application:

**"THIS IS A LIMITED BENEFIT HEALTH COVERAGE POLICY AND IS NOT A SUBSTITUTE FOR MAJOR MEDICAL COVERAGE. LACK OF MAJOR MEDICAL COVERAGE (OR OTHER MINIMUM ESSENTIAL COVERAGE) MAY RESULT IN AN ADDITIONAL PAYMENT WITH YOUR TAXES."**

For coverage periods beginning on or after January 1, 2015, and prior to January 1, 2025, the issuer continues to follow the notice provision in Colorado Insurance Regulation 4-2-40, Section 7.A.

#### **IV. Additional Division Resources**

Colorado Division of Insurance  
Property and Casualty Rates and Forms  
1560 Broadway, Suite 850  
Denver, CO 80202  
Tel. 303-894-7499  
Internet: <https://www.colorado.gov/pacific/dora/division-insurance>

#### **V. History**

Issued December 12, 2024