



# Colorado Health News

## BIG Changes:

### State Insurance Marketplace

- United Health is exiting the Marketplace
- HUMANA also exiting the Marketplace
- Rocky Mountain and Anthem reducing offerings
- **Bright Insurance is joining the exchange**



## 2017 rates under review

The Colorado Department of Insurance is currently reviewing rate filings for the carriers that have proposed plans for 2017. In the individual market, seven carriers have filed rates for on-exchange plans, down from ten in 2016. Their proposed average rate increases are as follows:

- **Bright Health Insurance Company** (new for 2017)
- **Cigna**: proposed 9.5 percent rate increase
- **Colorado Choice**: proposed 36.33 percent rate increase
- **Denver Health Medical Plan**: proposed 0.08 percent rate increase
- **Anthem Blue Cross Blue Shield**: proposed 26.8 percent rate increase
- **Kaiser**: proposed 13.6 percent rate increase
- **Rocky Mountain HMO** (Mesa County only): proposed 34.6 percent rate increase. Rocky Mountain HMO is [being purchased by UnitedHealthcare](#), pending approval by state regulators. If the sale goes through, consumers in Mesa County will still have access to the same Rocky Mountain HMO plans, but the carrier will no longer be a non-profit entity.

## OPEN ENROLLMENT

Open enrollment for 2017 coverage begins on **November 1, 2016**, and will continue until the end of **January, 2017**. The Department of Insurance will review the rate filings over the summer, and finalized rates will be announced prior to the start of open enrollment.

**Anthem and Cigna** are both significant players in the Colorado market. Their proposed merger has been in the works for months, but the US Department of Justice filed a lawsuit in July to block the merger on antitrust grounds. Cigna and Anthem appear [ready to fight back against the DOJ lawsuit](#), and the future of the merger is unclear.



## SMALL GROUP MARKET

In the small group market, five carriers have filed rates and plans for 2017 coverage. Their proposed rate changes are much more modest than the proposed rate increases in the individual market:

- **Colorado Choice:** proposed 7.38 percent rate increase
- **Anthem:** proposed 4.1 percent rate increase
- **Kaiser:** proposed 3.7 percent rate increase
- **Rocky Mountain HMO:** proposed 5.1 percent rate increase
- **Rocky Mountain Healthcare Options:** proposed 11.2 percent rate increase

In both the individual and small group markets, the carriers that have filed plan proposals for the exchange will also sell their products outside the exchange. In addition, several other carriers in the state have filed rates for plans that will only be marketed off-exchange in 2017.

## Humana, United Healthcare exiting individual market

At the end of 2016, Humana and United Healthcare will exit the individual health insurance market in Colorado, both on and off-exchange. United is exiting the exchanges in most of the states where it currently participates, and Humana is [exiting several states](#).

United currently offers plans in 42 of Colorado's 64 counties, but they have one of the two lowest-cost silver plans in [just one of those 42 counties](#).

[According to the Colorado Division of Insurance](#), the carriers' decisions to leave the individual market will impact about 20,000 people. There are currently 10,549 Colorado residents with individual market coverage (including on and off-exchange) through UnitedHealthcare, and 9,914 with individual coverage from Humana. In total, that amounts to about 4.8 percent of the 420,000 people who had individual health insurance in Colorado in 2015.

Golden Rule, which is a UnitedHealthcare subsidiary, will continue to offer individual market plans outside the exchange; United and Humana will both continue to offer plans in the group market in Colorado.

## RMHP exiting most areas, Anthem dropping PPOs

Rocky Mountain Health Plans (RMHP, otherwise known as Rocky Mountain HMO) and Anthem BCBS will continue to offer plans in the individual market – including in the exchange – in 2017, [but their offerings will be reduced](#).

RMHP will only offer individual market plans in Mesa County in 2017. This is the Grand Junction area, and it's where RMHP is based. Roughly 10,000 people in other areas of Colorado will need to enroll in new coverage for 2017, as their RMHP coverage will end at the end of 2016. RMHP's exit from the individual market in the mountains and western slope will leave many areas in that region with Anthem BCBS as their only on-exchange option for 2017.



Anthem will continue to offer HMO plans throughout Colorado in 2017, but they are discontinuing their PPOs. There are currently 62,310 people with Anthem PPOs in the individual market in Colorado. All of them will need to select a new plan for 2017, although they will all continue to have access to Anthem plans, albeit HMOs.

All together, including Humana, United, RHMP, and Anthem enrollees, more than 92,000 people will have to switch plans at the end of 2016.

## Bright Insurance joining exchange

Although some of the already-established health insurers in Colorado are exiting the market or reducing their offerings, Bright Health Insurance has been approved by the Colorado Department of Insurance to offer individual plans on and off the exchange in 2017. Bright's rate and plan filings are under review by the DOI, along with rate and plan filings from the rest of the carriers that will offer plans in 2017. [Bright's website](#) notes that they're "gearing up right now to enter [their] first market" so it appearst that they may be focused entirely on Colorado for 2017.

The individual market in Colorado is dominated mostly by Kaiser Permanente, Anthem Blue Cross Blue Shield, and Cigna, so there is plenty of room for a new carrier to enter the market and cause a shake-up in market share. However, the experience of Colorado HealthOP (detailed below) is a cautionary tale about right-sizing premiums and growth.

Bright is the first new carrier to enter the exchange in Colorado since the exchange opened for business in the fall of 2013.

