



November 17, 2015

Dear Small Group Member,

By now you've probably seen the news that the Colorado HealthOP will not be offering its individual health plans for 2016. This also impacts your small group plan issued by the CO HealthOP.

On November 10, 2015, I was appointed by the Denver County District Court as the Rehabilitator of the CO HealthOP pursuant to § 10-3-512(1), of the Colorado Revised Statutes. This gives me the responsibility to take appropriate action to deal with the property and business of an insurer whenever a company is deemed to be statutorily impaired. For the CO HealthOP, this meant that its reserves did not meet the minimum requirements of Colorado law.

I have determined that it is necessary to terminate all small group plans effective December 31, 2015.

As I understand that this will have an immediate impact on you, I want to share some of the reasons that, prompted my decision. These reasons are in addition to concerns with CO HealthOP's financial condition.

- As your small group plan's benefits are based on a calendar year, it makes sense to start your 2016 deductible and out-of-pocket accumulators as of January 1 rather than have to restart or attempt to manage the transfer of any credit you have accumulated at some point into 2016.
- CO HealthOP's provider contracts (contracts with physicians, hospitals and other healthcare providers) may begin terminating after December 31st, which means you may experience difficulties in finding a provider that will accept your CO HealthOP insurance.
- And, once the Colorado Life & Health Protection Association assumes the liability for claim payments, the maximum amount available for an individual's claims is limited to \$500,000.

Your coverage will not stop before that date, as long as your employer continues to make the premium payments through December. Your coverage will stop before December 31st if your health coverage plan expires or is terminated by your employer prior to that date.

Please be assured that your claims for healthcare services received through December 31, 2015 will be paid by either the CO HealthOP or the Colorado Life & Health Protection Association up to its available limits.

Your employer will need to begin shopping immediately for a new small group plan to ensure that the new plan will be effective on January 1, 2016, for employees. Assistance in finding a new plan can be provided by the insurance broker your employer uses or through Connect for Health Colorado (855-752-6749, connectforhealthco.com).

Whether you need to see your doctor, get medications refilled, schedule a medical procedure, or have lab work/medical imaging done, please rest assured that your coverage with the CO HealthOP will remain in effect through December 31st.

Marguerite Salazar
Commissioner of Insurance

