

Colorado Progress Report

STATE ACTIONS PROTECTING PATIENTS IN THE EXCHANGE

OVERVIEW

States vary in terms of the patient-centeredness of their health insurance markets. While federal rules set minimum requirements for consumer protections, some states have taken extra steps to make their markets more patient-focused. This Progress Report measures a state across five principles to assess how well its insurance market is designed to meet the needs of people with chronic diseases and disabilities.

FIVE PATIENT-FOCUSED PRINCIPLES

NON-DISCRIMINATION

To ensure cost sharing and other plan designs do not discriminate or impede access to care.

- No state action to limit discrimination.
- Two unique platinum plans in the 2015 exchange.
- Colorado mandates that managed care plans have a provider network that is sufficient in numbers and types of providers to ensure timely access to care.
- The premium for the 2nd lowest cost silver plan is 16% lower in 2015 than it was in 2014.²

For non-discrimination metrics, relative to other states, Colorado is an



TRANSPARENCY

To promote better consumer access to information about covered services and costs in exchange plans.

- Colorado's website has a formulary search tool to show whether each available plan covers specific drugs. The site has a provider search tool, a calculator to estimate tax credit amounts, access to plans' provider directories and formularies, as well as filters for search results.
- No state action regarding contracting requirements for plan information transparency.

For transparency metrics, relative to other states, Colorado is an



COLORADO HIGHLIGHTS

Colorado established a state-based exchange, called [Connect for Health Colorado](#).

In the 2014 plan year, 146,100 Coloradans selected an exchange plan through [Connect for Health Colorado](#). About 25% of Colorado residents who are eligible for exchange coverage enrolled in an exchange plan in 2014.¹

Colorado expanded Medicaid effective January 1, 2014.

PROGRESS LEGEND

This report measures states using two methods of evaluation:

First, the report measures a state's performance on a series of metrics related to the five principles.

- Beneficial for Patients
- Neutral for Patients
- Negative for Patients

Second, the report compares a state's aggregate performance on all metrics within each principle to other states' performance on these same metrics.



STATE OVERSIGHT

To ensure all health insurance exchange plans meet applicable requirements.

- Passive purchasing—the state does not actively negotiate with plans to participate in the exchange.
- No state action regarding contracting requirements for exchange participation.
- Its effective rate review program allows the state to manage premium increases.³
- Twelve carriers in the 2015 exchange.

For state-oversight metrics, relative to other states, Colorado is an



UNIFORMITY

To create standards to make it easier for patients to understand and compare exchange plans.

- No state action to standardize benefit designs.
- Colorado rates exchange plans using a five-star quality score based customer surveys as well as clinical measures.
- No state action on standardized display of plan information.

For uniformity metrics, relative to other states, Colorado is an



CONTINUITY OF CARE

To broaden sources of coverage and protect patients transitioning between plans.

- No state action on continuity-of-care requirements.⁴
- Colorado expanded Medicaid, which now covers an estimated 351,000 people in the state.

For continuity-of-care metrics, relative to other states, Colorado is an



A MORE PATIENT-FOCUSED COLORADO MARKETPLACE

Colorado has achieved considerable success in fostering a patient-focused market, as they have taken numerous state actions, beyond the federal requirements, that better protect patients.

However, Colorado has not exercised its full authority to regulate the exchange to promote patient protections. Through legislative or other state action, Colorado could standardize benefit designs and plan benefit materials. The state also could consider oversight activities that would screen exchange plans for discrimination. The state has very few platinum plans, which limits options for the people who would benefit most—those with chronic conditions and disabilities. Contracting requirements could encourage, or potentially require, carriers to offer a platinum plan. Since it is a state-based exchange, Colorado could exert even more influence over the exchange by becoming an active purchaser.

METHODOLOGY

Data by Avalere Health as of January 1, 2015. Avalere maintains a proprietary database of state policy developments for all 50 states and DC. Avalere also used key resources from publicly available websites, cited where applicable. Avalere conducted a focused review of state exchange insurance markets; this assessment is not intended to be a comprehensive review of state insurance markets. Avalere only included finalized actions established in the state, and did not include proposed measures or actions.

For definitions of key terms, see the [National Health Council's Putting Patients First® glossary](#).

- 1 Kaiser Family Foundation, "Estimated Number of Individuals Eligible for Financial Assistance through the Marketplaces," November, 2014, accessed via: <http://kff.org/other/state-indicator/estimated-number-of-individuals-eligible-for-premium-tax-credits-through-the-marketplaces/>
- 2 Kaiser Family Foundation, "Analysis of 2015 Premium Changes in the Affordable Care Act's Health Insurance Marketplaces," January 06, 2015, accessed via: <http://kff.org/health-reform/issue-brief/analysis-of-2015-premium-changes-in-the-affordable-care-acts-health-insurance-marketplaces/>
- 3 The Center for Consumer Information & Insurance Oversight, "State Effective Rate Review Programs," April 16, 2014, accessed via: http://www.cms.gov/CCIIO/Resources/Fact-Sheets-and-FAQs/rate_review_fact_sheet.html
- 4 Families USA, "Standards for Health Insurance Provider Networks: Examples from the States," November 2014, accessed via: http://familiesusa.org/sites/default/files/product_documents/ACT_Network%20Adequacy%20Brief_final_web.pdf