



Dora

Department of Regulatory Agencies

Division of Insurance

Bulletin No. B-4.37

Required Maternity Benefits for Individual Health Coverage

I. Background and Purpose

In 2010, Colorado law was changed to require individual health insurance carriers to cover the expenses of pregnancy, childbirth and maternity under House Bill 10-1021.

An issue arose whether maternity coverage was required to be included in only policies newly issued on or after January 1, 2011, or for both issued and renewing policies on or after that date. The applicability clause in HB 10-1021 stated that maternity coverage was to be provided for both issued and renewing policies. CRS 10-16-104(3)(a)(I), as enacted, states that maternity coverage is to be provided only for issued policies. On December 3, 2010, the Colorado Division of Insurance (Division) issued Bulletin B-4.36 which interpreted a difference between the bill's applicability clause and the statute as amended to limit the maternity coverage mandate to policies issued on or after January 1, 2011, and not to require the coverage to be offered on renewal policies.

Based on further statutory review, the Division has changed its interpretation in Bulletin B-4.36. The Division finds that the provisions of House Bill 10-1021, as codified in CRS 10-16-104(3)(a)(1) and effective January 1, 2011, requires coverage of maternity expenses for issued and renewing individual sickness and accident insurance policies and health care coverage contracts.

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

II. Applicability and Scope

This bulletin is intended for carriers writing individual and group sickness and accident insurance subject to Part 2 of Article 16 of Title 10 and for carriers writing individual health care coverage subject to Part 3 or 4 of Article 16 of Title 10.

However, this bulletin does not apply to supplemental policies covering a specified disease or limited benefit plan.

III. Division Position

Current law requires carriers to include mandatory maternity coverage and mandatory contraceptive coverage in individual sickness and accident policies and health care coverage contracts issued or renewed on or after January 1, 2011.

Carriers which have issued policies or renewed existing policies must provide maternity coverage if the woman became pregnant after the date the policy was issued or renewed if the issue or renewal date is on or after January 1, 2011.

Carriers who have not already added maternity coverage to renewing policies shall notify each affected policyholder of the addition of maternity coverage to be effective as of the policy's renewal date occurring on or after January 1, 2011 in compliance with CRS 10-16-104(3)(a)(1). The notice should be provided no later than 30 days from the date this bulletin is issued to policyholders whose policies have already renewed and at renewal for all other policyholders. This notice should also advise if the carrier intends on adjusting the policyholder's premium retroactively to the policy's renewal date once the carrier's maternity premium rate has been filed and approved by the Division.

Carriers may retroactively charge additional premium for this maternity coverage to the extent that they have filed and had such premium approved by the Division. A carrier which does not have approved rates for renewal coverage including maternity may not retroactively charge premium to policyholders until the carrier's rates have been filed and approved. For the purposes of implementing this changed interpretation to include maternity coverage on renewing policies, carriers should file for the maternity renewal premium only, and such filing will receive an expedited review for approval by the Division.

IV. Additional Division Resources

A. For More Information

Colorado Division of Insurance
Rates and Forms Section
1560 Broadway, Suite 850
Denver, CO 80202
Tel. 303-894-7499
Internet: <http://www.dora.state.co.us/insurance>

B. Related Division Regulations

V. History

- Issued March 15, 2011