



Dora

Department of Regulatory Agencies

Division of Insurance

Bulletin No. B-4.36

Statutory Interpretation of Possible Conflicting Provisions in HB 10-1021

I. Background and Purpose

The purpose of this bulletin is to provide an interpretation on whether HB 10-1021, involving normal maternity benefits for individual sickness and accident policies and contraceptive benefits in individual and group sickness and accident policies, applies to only newly issued policies or to newly issued and renewing policies.

Section 10-16-104(3), C.R.S., was amended on February 22, 2010 by HB 10-1021 to expand the state's mandatory maternity coverage, which previously had been limited to group policies, to individual policies. HB 10-1021 also added mandatory contraceptive coverage to the existing state coverage requirements. Pursuant to the language of the statute, the changes to the law will be effective as of January 1, 2011. Specifically, as of that date, § 10-16-104(3)(a)(I) provides:

“All group sickness and accident insurance policies providing coverage within the state and *issued to* an employer by an entity subject to part 2 of this article, all group health service contracts *issued by* an entity subject to part 3 or 4 of this article and issued to an employer, all individual sickness and accident insurance policies *issued by* an entity subject to part 2 of this article, and all individual health care or indemnity contracts *issued by* an entity subject to part 3 or 4 of this article, except supplemental policies covering a specified disease or other limited benefit, shall insure against the expense of normal pregnancy and childbirth or provide coverage for maternity care and provide coverage for contraception in the same manner as any other sickness, injury, disease, or condition is otherwise covered under the policy or contract. Individual sickness and accident insurance policies or contracts may exclude coverage for pregnancy and delivery expenses on the grounds that pregnancy was a preexisting condition. The exclusion for the pregnancy as a preexisting condition under the policy or contract shall not apply for any subsequent pregnancies. Group sickness and accident insurance policies or contracts shall not exclude coverage for pregnancy and delivery expenses on the grounds that pregnancy was a preexisting condition.”

The applicability clause in HB 10-1021 states: “The provisions of this act shall apply to individual sickness and accident insurance policies *issued or renewed* on or after the applicable effective date of this act.” HB 10-1021, Sec. 2(2) (emphasis added).

Bulletins are the Colorado Division of Insurance's (“Division”) 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.

III. Division Position

Existing law requires insurers to include mandatory maternity coverage in individual sickness and accident policies and mandatory contraceptive coverage in individual and group sickness and accident policies for policies issued on or after January 1, 2011. Insurers are encouraged to offer maternity and contraceptive coverage to renewing policies (provided in House Bill 10-1021), but it is not required by law.

Additionally, if a carrier submitted a rate and form filing on or before the date this bulletin was posted, December 3, 2010, they do not need to follow the reasonable modification process in Colorado Regulation 4-2-27, to add maternity and contraceptive benefits to renewing individual and small group sickness and accident policies. Carriers who wish to add maternity and contraceptive benefits to renewing individual and small group sickness and accident policies after December 3, 2010, will need to follow the reasonable modification process.

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 December 3, 2010
- Reissued December 22, 2010
- Reissued February 18, 2011