



### ***Frequently Asked Questions***

#### ***Open Enrollment for Child-Only Health Policies, beginning August 1, 2011***

1. *What happened? Why can parents now purchase coverage in the individual market for children with pre-existing conditions?*

On September 23, 2010, many of the larger consumer protections in the federal Affordable Care Act took effect. Under the new federal health care reform law, insurance carriers in the individual (non-employer) market can no longer deny coverage to a child with a pre-existing condition.

In the 2011 legislative session, the Colorado Legislature passed and the Governor signed Senate Bill 128. The new Colorado law takes an additional step by requiring any insurance company that sells individual policies to adults and families, to also sell child-only policies.

2. *Who is selling these types of policies?*

Any insurance carrier that participates in the individual market must also sell child-only policies.

3. *When will child-only policies be available?*

Like many employer plans, there will now be “open enrollment” periods when child-only policies can be purchased. The open enrollment period begins August 1, 2011 and ends August 31, 2011. Beginning January 1, 2012, carriers offering child-only policies must hold an open enrollment period each January and July for the entire month.

4. *What if someone misses the August 2011 open enrollment period?*

Anyone who misses the August open enrollment period must wait until January 1, 2012 to purchase a child-only policy unless the policy is needed because of a “qualifying event.”

5. *What is a “qualifying event?”*

A qualifying event is defined in the new Colorado law as birth, adoption, marriage, dissolution of marriage, loss of employer-sponsored coverage, loss of eligibility for Medicaid or Child Health Plan Plus (CHP+), entry of a valid court or administrative order mandating the child have coverage, or involuntary loss of existing coverage other than because of fraud, misrepresentation or failure to pay premium.

## Frequently-Asked Questions on Child-Only Health Policies

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6. *Can a child-only policy be purchased outside of the open enrollment period?*

Yes, but only if a qualifying event occurs. If a qualifying event occurs, the application must be received by the insurance carrier within 30 days after a qualifying event.

7. *Can an insurance carrier decline a child-only policy application during the open enrollment period?*

Yes. A carrier may deny coverage if the child has access to other creditable coverage such as a parent's plan through an employer.

8. *What if an employer only provides health insurance for employees, but doesn't cover children?*

Employees can seek coverage in the individual market for children who are not covered by an employer's insurance plan during the open enrollment period.

9. *Can an insurance carrier charge more if a child has a pre-existing condition?*

Yes, a premium on a child-only policy may be higher because of the child's pre-existing condition. However, the carrier cannot deny coverage because of the pre-existing condition.

10. *When will coverage be effective?*

Coverage is effective after a 30 day-waiting period following the end of the open enrollment period.