



Division of Insurance
Marcy Morrison
Commissioner of Insurance

Bill Ritter, Jr.
Governor

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Anthem Consumers to Receive Share of \$20 Million Premium Credit

Under the terms of a stipulated agreement the Colorado Division of Insurance has reached with Rocky Mountain Hospital and Medical Service, commonly known as Anthem, about 90,000 individuals who were insured by Anthem with specific individual health insurance policies from January 1, 2010 through September 30, 2010 will share in a \$20 million premium credit to be paid by Anthem.

The settlement also concludes the Division's Market Conduct Examination and Rate Inquiry of three individual health insurance rate filings by Anthem with effective dates between January 1, 2009 and January 1, 2010 that increased the premiums paid to Anthem. The premium credit will be issued either as a premium reduction to affected Anthem policyholders or as a disbursement check for those who are no longer insured by Anthem, but who were otherwise in the affected group in the individual market.

"Getting \$20 million back into the pockets of Colorado consumers is a positive and beneficial outcome," said Insurance Commissioner Marcy Morrison. "We will continue our active review of all rate filings."

The Market Conduct Examination of Anthem was initiated in February 2010 after a spike in consumer complaints about rate increases. From July 2009 to November 2009, the Division received a total of 9 complaints about Anthem, or about 2 each month. From December 2009 through March 2010, the Division logged 210 complaints about Anthem (an average of about 42 complaints each month). The majority of complaint calls were related to rate increases in individual health plans.

Details of the stipulated agreement and Final Agency Order can be found on the Division of Insurance website at: <http://www.dora.state.co.us/insurance/pr/pr.htm> .

All rate filings for health insurance products in Colorado are subject to review by the Division of Insurance. Typically, many health carriers submit new rate filings in the fall for the upcoming year.

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DORA is dedicated to preserving the integrity of the marketplace and is committed to promoting a fair and competitive business environment in Colorado. Consumer protection is our mission.