

DEPARTMENT OF REGULATORY AGENCIES

DIVISION OF INSURANCE

3 CCR 702-4

LIFE, ACCIDENT AND HEALTH

Proposed Amended Regulation 4-6-11

CONCERNING COVERCOLORADO STANDARDIZED NOTICE FORM TO BE USED TO NOTIFY CERTAIN INDIVIDUALS, ELIGIBLE FOR MEDICARE, OF ELIGIBILITY FOR COVERCOLORADO

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Section 1 Authority

This regulation is promulgated by the Commissioner of Insurance under the authority of §§ 10-1-109 and 10-8-520, C.R.S.

Section 2 Scope and Purpose

The purpose of this regulation is to specify the standardized notice requirements to be used to notify certain individuals, eligible for Medicare, of their eligibility for a CoverColorado coordination plan.

Section 3 Applicability

This regulation applies to all carriers offering Medicare Supplemental plans.

Section 4 Definitions

“Eligible Person” means an individual who is:

- A. Under age sixty-five;
- B. Eligible for Medicare by reason of disability;
- C. Enrolled in Parts A and B of Medicare; and
- D. Not applying during the open enrollment period for a Medicare Supplement Policy.

Section 5 Rules

A. Notification Requirements for Individuals with Adverse Underwriting Decisions

1. In order to comply with § 10-8-521, C.R.S., all Medicare supplement carriers, shall provide a notice to an eligible person who have been rejected for a Medicare supplement plan that he or she may be eligible for coverage under CoverColorado.
2. Medicare supplement carriers shall be required to provide the CoverColorado Coordination Plan Notice Form to an eligible person who has been rejected for coverage. Carriers may print the CoverColorado Coordination Plan Notice Form on their own stationery but shall use the order and content prescribed in Section 5B below.
3. The carrier shall attach a copy of the CoverColorado Plan Notice form to the rejection letter sent to an applicant for a Medicare supplement plan.

B. Elements of the CoverColorado Notice Coordination Plan Notice Form:

The elements of notification as determined by the Commissioner, which must be given to individuals with adverse underwriting decisions, must include:

1. Applicant/Insured's Name;
2. Policy # (if applicable);
3. Reason for notice: rejection of coverage;
4. Name, address, contact person and telephone number of CoverColorado Administrative Office to whom interested persons should be referred;
5. CoverColorado website URL;
6. Name and phone number of underwriter or other contact at the insurer's office; and
7. The statement: You may receive information about the available CoverColorado benefits and exclusions by telephoning the CoverColorado administrative office at the above listed number.

~~Section 6 Enforcement~~

~~Noncompliance with this regulation may result, after proper notice and hearing, in the imposition of any of the sanctions made available in the Colorado statutes pertaining to the business of insurance or other laws, which include the imposition of fines and/or suspension or revocation of license.~~

~~Section 76 Severability~~

If any provision of this regulation or the application thereof to any person or circumstances is for any reason held to be invalid, the remainder of the regulation and the application of such provision shall not be affected thereby.

Section 7 Enforcement

Noncompliance with this regulation may result, after proper notice and hearing, in the imposition of any of the sanctions made available in the Colorado statutes pertaining to the business of insurance or other laws, which include the imposition of fines and/or suspension or revocation of license.

Section 8 Effective Date

This regulation shall become effective on ~~August 1, 2007~~ February 1, 2010.

Section 9 History

New Regulation 4-6-11 effective August 1, 2007.

Amended Regulation effective February 1, 2010.