

Four years of progress



BY MARGUERITE SALAZAR GUEST COLUMNIST

Published: January 17, 2015; Last modified: January 17, 2015 11:30PM

The health insurance market has undergone a tectonic shift since 2010. Much has been discussed and debated when it comes to health insurance and the Affordable Care Act (ACA), especially in the last year.

As we begin 2015, it's worth looking back to celebrate the positive changes that have come about.

Let's start by remembering where we were four years ago.

In 2010, women paid as much as 50 percent more for health insurance than men. Simply by dint of biology, women paid hundreds of dollars more each month for health insurance.

Five years ago, 16 percent of the state's population was uninsured. The rate climbed to 17 percent in 2013.

People were not required to buy health insurance. Sometimes they went without care. Other times, they waited until they had a serious medical need and then relied on the emergency room for care.

Health insurance companies could legally deny coverage to people with pre-existing conditions, exclude coverage for those conditions or charge higher amounts for people with pre-existing conditions.

Carriers could make as much profit as they wanted on health insurance.

Four years ago, people across the country and politicians from both parties agreed that it was time to change a broken system.

So how have things changed?

As of 2014, 11 percent of Colorado's population is uninsured, a six-percentage point decline from 2013. Today everyone must carry health insurance, and insurers cannot deny coverage to a person with a pre-existing condition. Health insurance must cover preventive care, maternity care and a number of other essential benefits. Women don't pay more for health insurance than men.

Insurance company profits are limited because they must spend 80 percent of the individual and small group premiums they collect on medical care. A full 85 percent of large-group premiums must go to medical care.

In 2014, the average rate increase for individual and small group health insurance plans statewide for the coming year was 1.2 percent, significantly lower than the double-digit increases of years past.

While we've all heard about cancelled policies, you need to know that insurance companies have been eliminating or changing the plans

they offer for years. Some of this is normal market churn. Some if it is because certain policies don't offer all the essential benefits — like maternity care — that now must be offered to everyone.

Four years ago, many people called our health care system “broken.” Today, Colorado consumers can choose from over 1,000 different health insurance plans from 20 carriers for individuals and small employers — and that doesn't even account for all of the people that get their insurance from a large employer with more than 50 employees.

At the Colorado Division of Insurance, we are part of the Department of Regulatory Agencies. Our mission is consumer protection, so we regulate the insurance industry and help consumers understand their options. We make sure that health plans in Colorado comply with state and federal laws and ensure that we have a healthy and competitive market.

As we begin 2015, let's recognize and celebrate that Colorado has a competitive health insurance market. People have more freedom to shop and compare plans, and — most importantly — consumers have more choice and more lower cost options than ever before.

Marguerite Salazar is the insurance commissioner for the state of Colorado.