

## Geographic rating areas in health insurance aren't new

As people have begun shopping for health insurance for 2014, questions have come up regarding regional differences in the cost of health insurance. As the Colorado commissioner of insurance, I welcome the opportunity to explain this important topic.

### PREMIUMS, HEALTH COSTS AND UTILIZATION

Because many considerations go into the development of premiums, such as the health of current and expected enrollees and a company's business operation, it is expected that cost of health insurance will vary among insurance companies. But what causes differences between regions? There are two key factors: 1) health care costs in that region; and 2) the utilization, or how much the health care is used. The ACA required geography to be one of the few factors used by insurance companies to vary premiums.

### DIFFERENCES NOT NEW

Geographic rating areas have been in use in Colorado for many years. For the small group market, they have been used since 1992 when state law required their establishment by the Division of Insurance (DOI). In the individual market, they have been around for much longer. Carriers were allowed to use different methods for defining the areas, such as ZIP codes or counties, and could establish different premiums for different areas, based upon health costs and utilization. The differences in premiums had to be justified to the DOI.

New to the insurance shopper is the transparency brought about by the ACA. People can browse on Connect for Health Colorado and compare premiums from different areas.

### OPTIONS FOR COVERAGE

Colorado is fortunate to have 18 insurance companies

offering health insurance in 2014, with 15 of those offering plans through Connect for Health Colorado. We have a competitive market, with many choices for consumers, both on and off of the exchange.

The DOI encourages consumers to take the time to shop around to find a plan that meets their needs.

### COMMITTED TO REVIEW FOR 2015

I understand the frustration as people see these price differences. However, the areas, plans and premiums are set for 2014. Yet, the DOI is committed to reviewing geographic rating areas for 2015 to see what, if any, changes need to be made. We are developing a stakeholder process that will include members of the community, the health providers and the insurance companies.

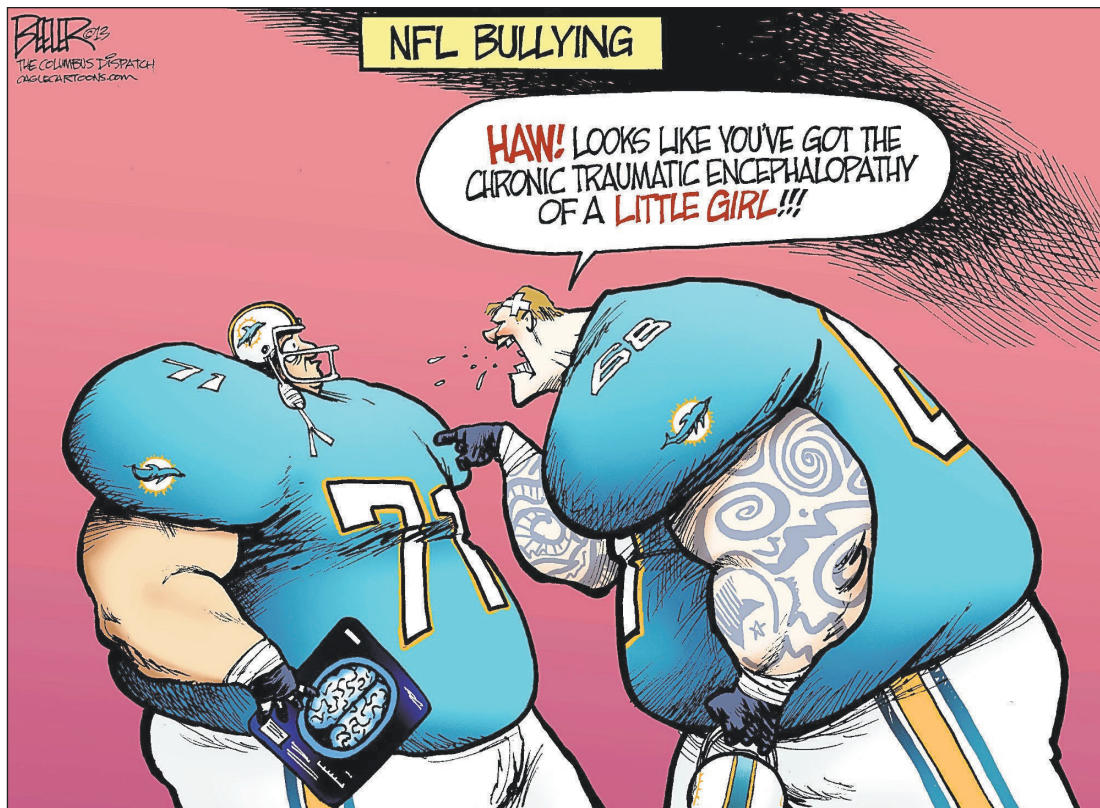
The questions concerning regional differences in the price of health insurance are serious concerns. But the topic should also include regional differences in health care costs, and more importantly, the differences in the health outcomes for citizens. Why does one area have higher health care costs than another? Why would one area have better outcomes for health care services than another? And what can areas do to get better outcomes at lower costs?

It would be ideal if one law could fix all of the problems with health care in our country, but that isn't possible. The goal under the ACA is to improve the quality of health insurance and the access to that insurance, while trying to make it more affordable. However, one of the more important results of the law is that the discussions that have been occurring will lead to a deeper, more meaningful understanding of insurance.

— Marguerite Salazar is Colorado commissioner of insurance.



Marguerite Salazar  
Guest opinion



### YOUR LETTERS

#### ACA isn't about health care, it's about mandatory insurance

Ross Talbott, where have you been? On what planet are you resting perception? Because in the good old USA, politicians have always been liars. They lie when they're awake, they lie when they're lying down and, yes, they lie in their mother's womb if anyone cares to listen. Collectively their lies are greater than grains of sands, and this is just the campaign promises.

The biggest lie about the Affordable Care Act is not that you can't keep your old plan or doctors or shaman, or that it isn't affordable, but that it is about health care at all. It isn't about health, but insurance. Like mandatory auto insurance before it, this is about a mandated market for the insurance companies. Hence the mantra of socialism. Another lie, given the fact there hasn't yet been true socialism in even the socialist countries. They're all amalgamations of many currents, including the good old military industrial complex of the USA.

So, why would anyone expect politicians to begin to be honest and upfront when so much willful ignorance will unquestioningly parrot their every word, only to show they are toeing the party line? Especially when a stint in Congress or the White House has become simply an internship for a lucrative lobbyist job.

Back when advertising was the infant public relations (that is, as words selling a product rather than information about it), it was called propaganda. Goebbels put a bad taste on that term but advertising and propaganda still function the same. It's the old bait and switch that insures future market by never actually satisfying consumer needs.

As long as we treat health issues as a consumer good rather than an inalienable right, we'll be played in to the hands of the insurance industry, now an industry that is guaranteed the whole citizenry as clients and has government do most of the

administrative chores.

The solution is the same for any unjust law. Don't sign up. Civil disobedience. Of course they took care of this problem by promising you the good old ways on the train to the concentration camps.

Eric Olander  
Greenwood Springs

#### Hide-tanning time

Well it's that time of year again where Elks around the country ask hunters to donate the hides of animals they harvest during hunting season. The hides we collect are sent to tanneries to have them turned into leather, and after that they are made into gloves for disabled vets who need them to protect their hands due to having to use wheelchairs or crutches. Some of the leather is also used for craft kits that are used for occupational and recreational therapy. Many fine pieces of arts and crafts have come from these kits.

The best part of this program; this is given to the vets free of charge. All costs, after the Elks receive the hides, are borne by the Elks Association. This is something not budgeted by Veterans Affairs and therefore would not be available if not for this amazing program. So if you are a hunter, or know a hunter, we would appreciate the donation of any animal hides collected during hunting season.

Last year the Colorado Elks Association collected over 1,000 hides. Here locally we collected over 100. I think we can beat that this year, so help me get the word out. If you have any questions, need more information or want to help collect and salt the hides please contact me at 970-948-9127 or at team-regan@hotmail.com.

Thank you for your past and continued support of this important program.

Tom Regan  
Colorado Elks Association  
Veterans Leather Committee

## THIS WEEK'S QUESTION

Is your insurance company dropping your current plan?

Go to [postindependent.com](http://postindependent.com) to vote today.

