



This FAQ can also be located on the first tab of the Excel sheet.

|   |  |
|---|--|
| 1 | <b>What is the Supplemental Health Care Exhibit? Which companies fill one?</b>   |
|   | The Supplemental Health Care Exhibit is a part of the Annual Statement which has a very fine breakdown of Health business by line of business and by State. Companies with written direct comprehensive major medical health business, or direct amounts paid, incurred or unpaid for provisions of health care services must fill out the Supplemental Health Care Exhibit with the NAIC.   |
| 2 | <b>How is this information used?</b>   |
|   | The information is used in aggregate to report to the legislative committee the characteristics of Colorado's insured population and the Health insurance environment in Colorado.<br><br>The information is aggregated together for all companies in each line of business.<br><br>The team evaluating rate filings uses each company's Colorado Health Cost Survey to get a fuller understanding of the behavior of the block of business in Colorado in evaluating rate filings.  |
| 3 | <b>Should this be submitted via Internet or email?</b>   |
|   | No surveys will be accepted before May 1, 2014.<br><br>By email to <a href="mailto:dora_ins_surveys@state.co.us">dora_ins_surveys@state.co.us</a>  |
| 4 | <b>What happens when I send a survey in? Will I get a confirmation email?</b>  |
|   | You will not get an immediate confirmation. We will evaluate the survey and send you a response stating if it is accepted or with questions about the survey within about a week.  |
| 5 | <b>What is due date of completed survey?</b>   |
|   | Complete accurate survey is due June 1, 2014.  |
| 6 | <b>What occurs if a survey is not submitted or an incomplete survey is submitted?</b>  |
|   | Failure to submit a <b>complete</b> report by June 1, 2014, will result in fines pursuant to § 10-3-109, C.R.S., specifically the imposition of a fine of up to \$100 per day for each day after the date the report was due and applicable surcharge pursuant to § 24-34-108(2), C.R.S. In accordance with § 24-34-108, C.R.S. enacted by HB 08-1216, a surcharge of 10% will be added to this monetary fine amount. This surcharge will be used to fund the development, implementation and maintenance of a consumer outreach and education program. <b>Answers that are "0" or N/A without comments will be considered incomplete.</b> Reports that are incomplete will be returned and if not resubmitted by June 1, 2014 may be subject to a fine. If additional time is required to provide a complete report, a request for an extension of time must be made in writing ( <a href="mailto:dora_ins_surveys@state.co.us">dora_ins_surveys@state.co.us</a> ) by June 1, 2014. Requests for additional time will only be granted for good cause and for a reasonable period at the discretion of the Division. |
| 7 | <b>What is best way to fill in Survey?</b>   |

Fill in Basic Info Tab from top to bottom.

If using Colorado Allocation of Annual Statement items (recommended), fill in Allocation section of Basic Info page; if not ignore this section.

If using Colorado Allocation method, allocation % is shown to right of data entry on Basic Info/Individual/Small Group/Large Group tabs

Source location for data from Annual Statement and Supplemental Health Care Exhibit is shown to right of data entry

All companies must fill in the Supplemental Compensation Exhibit tab

Companies only need to fill in Individual/Small Group/Large Group tabs if they have in force business in Colorado in these areas.

Many of questions on the Basic Info Tab correspond to line items on the annual financial statement. The annual financial statement should be considered the first source of data. If the financial statement reference is not the Colorado health portion, then the financial statement figure can be a starting point for the allocation.

The totals tab amounts should match total for Colorado A&H business in the Annual Report .

|    | Color of Cell's   | Key               |
|----|---|-------------------|
|    |   | Data entry space  |
|    |   | Instructions      |
|    |   | Blank space       |
|    |   | Calculated Output |
| 8  | What is the distinction between small and large group?  |                   |
|    | 50 or fewer members is small group, greater than 50 is large group.   |                   |
| 9  | What do we do with groups which are located in CO, but have members in other states?                            |                   |
|    | If a group is located in Colorado, DO include all members in the survey even members not living in Colorado     |                   |
| 10 | What do we do with groups which are not located in CO, but have members in CO?                                  |                   |
|    | If a group is not located in Colorado, DO NOT include any members in the survey even members living in Colorado |                   |

|    |  |                    |                    |               |
|----|--|--------------------|--------------------|---------------|
| 11 | <b>Does DOI want issue or resident state information?</b>  |                    |                    |               |
|    | Issue State.   |                    |                    |               |
| 12 | <b>Is the State Page Exhibit based on issue or resident state?</b>   |                    |                    |               |
|    | It is based on Resident State.   |                    |                    |               |
| 13 | <b>Is the Supplemental Health Care Exhibit based on issue or resident state?</b>   |                    |                    |               |
|    | It is based on Issue state.  |                    |                    |               |
| 14 | <b>What are member months, how do we calculate member months?</b>  |                    |                    |               |
|    | The sum of the number of months that covered lives had active policies.<br>As an example, the following group would have a total of 25 member months   |                    |                    |               |
|    | Covered Lives  | Month Policy Began | Month Policy Ended | Member Months |
|    | 1  | January            | December           | 12            |
|    | 1  | January            | April              | 4             |
|    | 3  | April              | April              | 3             |
|    | 2  | October            | December           | 6             |
| 15 | <b>Do you want us to provide Admin expenses with or without Salary included in Administrative Expenses row?</b>  |                    |                    |               |
|    | In the Administration expenses, please include all Administration expenses including Salaries and all other admin expenses not included in previous questions.   |                    |                    |               |
| 16 | <b>Where are instructions to find more details about data source for specific items?</b>   |                    |                    |               |
|    | Locations to look in Annual Statement and Supplemental Health Care Exhibit are shown to the right of data input areas.   |                    |                    |               |
| 17 | <b>What should be the basis for allocation?</b>  |                    |                    |               |
|    | We recommend all allocations are made based on Earned Premium. If a different allocation method is used, please describe in the column to the right of the input column.   |                    |                    |               |
| 18 | <b>How do we describe how numbers were allocated or have additional information about specific data items?</b>   |                    |                    |               |
|    | Place this information in the column designated between data entry area and Instruction information.   |                    |                    |               |
| 19 | <b>What does survey mean by using allocated amounts?</b>   |                    |                    |               |
|    | The survey requires that all information on survey corresponds to only Colorado A&H business.<br><br>Some source information is based on either all Premiums received nationwide or all A&H Premiums received nationwide.<br><br>Allocation is the process of converting from number corresponding to National premiums to |                    |                    |               |

|    |  |
|----|--|
|    | Colorado A&H specific numbers.   |
| 20 | <b>What is the difference between number of covered lives and number of subscribers/policyholders/certificateholders?</b>  |
|    | <p>The number of covered lives is the number of people who are covered by the insurance</p> <p>The number of subscribers/policyholders/certificateholders is the number of policies (for individual insurance) or number of subscribers/certificateholders (for group insurance)</p> <p>There will always be at least one person per policy/subscriber/certificateholder. There will be more than 1 person if there are dependents on the policy/subscription/certificate.</p> <p>There are usually between 1.0 and 3.0 covered lives per subscription/policy/certificate.</p> <p>Note a policy is issued to a person for Individual insurance. For a group, a policy is issued to a group. For a group, each person with coverage is a subscriber or certificateholder.</p> |
| 21 | <b>What salaries should be included in Non-Executive Staff Salaries?</b>   |
|    | All salaries except those listed on the Supplemental Compensation Exhibit  |
| 22 | <b>What does Provision for Profit and Contingencies mean?</b>  |
|    | <p>The assumption used to account for profit and contingencies when determining the target loss ratio for each type of health business, by policy group size.</p> <p>The pricing actuary should be able to provide this figure, which is required in all Colorado rate filings.</p>  |
| 23 | <b>What does cumulative rate change during the year mean?</b>  |
|    | <p>The cumulative premium rate changes – all rate changes for 2013 during the year for each type of business, by policy group size.</p> <p>The pricing actuary should be able to provide this figure, which is required in all Colorado rate filings.</p>  |
| 24 | <b>What is source for the Supplemental Compensation Exhibit tab?</b>   |
|    | <p>This tab should exactly match the Supplemental Compensation Exhibit from the Annual Financial Statement.</p> <p>The definition of executive compensation in this question is the same as the one used for the Supplemental Compensation Exhibit that every company must submit with its Annual Financial Statement.</p> <p>Please do not enter zero unless that is what is shown on the Supplemental Compensation Exhibit.</p>  |
| 25 | <b>Can we send the Supplemental Compensation Exhibit separate from this document?</b>  |
|    | No, The supplemental compensation exhibit must be included electronically as a part of the spreadsheet response.   |
| 26 | <b>Is the Supplemental Compensation Exhibit information kept private or made public? How do we keep it private?</b>  |
|    | This is not considered confidential information however we are not going to display this information. Pursuant to §§ 24-72-204, C.R.S., the Division does not consider any information   |

|    |  |
|----|--|
|    | <p>provided in the Health Insurance Cost Report to be confidential.</p> <p>If your company would like this information to be held confidential, a Confidentiality Index will need to be provided stating why. The request will only be granted for justified reasons at the discretion of the Division. The proper form can be found as an attachment to Colorado Bulletin B-1.15, here: <a href="http://www.dora.state.co.us/insurance/regs/Final%20B-1.15_1208.pdf">http://www.dora.state.co.us/insurance/regs/Final%20B-1.15_1208.pdf</a></p> |
| 27 | <b>What is an Intermediary?</b>  |
|    | <p>“Intermediary” is defined as in §10-16-102(25.5), C.R.S., as “a person authorized by health care providers to negotiate and execute provider contracts with carriers on behalf of such providers” and subject to § 10-16-706, C.R.S.</p>  |
| 28 | <b>How do we contact the DOI</b>   |
|    | <p>When mailing emailing or calling send attn: or ask to speak with one of the following,</p> <p>Kelly Schultz</p> <p>Sean Brady</p> <p>Susan Buth</p>   |
|    | Physical address: Colorado Division of Insurance 1560 Broadway, Suite 850; Denver, CO 80208  |
|    | Email: <a href="mailto:dora_ins_surveys@state.co.us">dora_ins_surveys@state.co.us</a>  |
|    | Phone: 303-894-7499  |