



COLORADO

**Department of
Regulatory Agencies**

Division of Insurance

NEWS RELEASE

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How Health Insurance Premiums are Determined

New Video from Division of Insurance

DENVER — Health insurance is serious business, but a new animated video released today by the Colorado Division of Insurance (DOI), part of the Department of Regulatory Agencies (DORA), takes this serious topic and applies humor — and some interesting characters, including a big green monster — as a way to help families and individuals better understand how health care costs impact their health insurance premiums.

The Affordable Care Act (ACA) invites increasing attention on health insurance, making questions about premiums more common. This animated video, created by Denver-based production outfit, Banana Bones, describes how health care costs impact premiums for health insurance, and shows that health insurance premiums are not created in a vacuum, but are a direct response to the costs of health care.

“The biggest factor in raising the price of your premium is the cost of healthcare,” says the video’s narrator. “As the cost of drug research, medical procedures, prescriptions and diagnostics go up, so does your premium.”

Animation, often seen more as the domain of big movie studios, cartoon rabbits and children, is also a powerful medium for grown-ups and very decidedly grown-up responsibilities, like health insurance.

“I am consistently surprised by how often I hear that people think the Division of Insurance sets insurance premiums. That’s not the case — the DOI reviews the premiums requested by carriers,” said DOI Commissioner Marguerite Salazar. “I think it’s important for consumers to understand this process and see how their healthcare decisions can have an impact.”

The video also emphasizes that consumers need not be passive in this equation. It says that it's "okay to ask" about generic prescriptions or if you really need that scan.

"No one should avoid treatment, but it's good to find out about options," said Commissioner Salazar. "We want people to know that they can impact health care costs by asking questions."

Both English and Spanish versions are available on DOI's website at dora.colorado.gov/insurance.

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The [Colorado Division of Insurance](#) regulates the insurance industry and assists consumers and other stakeholders with insurance issues.

[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.
