

PRESS RELEASE

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Director Announces ACA Extended Transitional Policy Decision

Phoenix – The Arizona Department of Insurance today announced that insurers that renewed existing plans, on or before December 31, 2013, that otherwise would have been modified or canceled under the Affordable Care Act (ACA), may renew that coverage. “Following our December 2013 announcement allowing insurers to early renew these plans, a significant number of Arizona policyholders that had the opportunity to keep those policies chose to do so,” Insurance Director Germaine Marks said.

On November 14, 2013, the Center for Consumer Information and Insurance Oversight (CCIIO) announced a policy that permitted health insurance issuers to continue to renew plans for individuals and small businesses for plans in place as of October 1, 2013. CCIIO determined it would not apply nor enforce certain provisions of the ACA to the policies that do not meet minimum coverage requirements and financial protections under the ACA. On March 5, 2014, CCIIO issued a bulletin addressing the extended transition of these policies and left the decision to the states whether or not to adopt the extension.

Marks said listening to insurers who want to continue offering these plans and to consumers who wish to be able to keep them led to the Department’s decision. Arizona law, read in conjunction with CCIIO’s bulletin, does not preclude insurers from renewing this group of policyholders’ coverage. “Ensuring that Arizona’s consumer have choice in the insurance market and encouraging insurers to provide that choice, when appropriate, is consistent with the Department of Insurance’s mission.”

As before, the Department will not compel any carrier to renew the early renewed policies. Carriers will assist policyholders who choose not to keep these policies with finding alternative affordable coverage.

About the Arizona Department of Insurance

The Arizona Department of Insurance, an agency of the State of Arizona, is responsible for the education and protection of insurance consumers and for oversight of the insurance industry in the state.