

Douglas A. Ducey, Governor
Evan G. Daniels, Director

PRESS RELEASE

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Media Contact: James McGuffin
James.mcguffin@difi.az.gov

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Arizona Announces Extension of Major Medical Transitional Policies Until Further Notice

Phoenix - The Arizona Department of Insurance and Financial Institutions (DIFI) announced that insurers in the individual and small group major medical health insurance markets can choose to renew "transitional policies" for a policy year beginning after October 1, 2022, and thereafter until CMS modifies its non-enforcement policy. Transitional policies are policies that individuals had in place before the Affordable Care Act went into full effect on January 1, 2014.

This extension aligns with the extension announced by the Center for Consumer Information and Insurance Oversight (CCIIO) in [Insurance Standards Bulletin Series – INFORMATION – Extension of Limited Non-Enforcement Policy through 2023 and Later Benefit Years](#). The Bulletin gives insurers the option to annually renew applicable pre-2014 individual and small group policies until further notice. Approximately 30,000 Arizonans have health insurance coverage through a transitional plan.

Insurers that elect to extend transitional coverage must send each policyholder a renewal notice that explains the offer to continue the transitional policy and includes information regarding any related price increase. Conversely, insurers must send a 90-day notice for the final discontinuation of transitional plans.

The extension does not affect grandfathered policies issued prior to March 23, 2010 which can remain in effect as long as they maintain grandfathered status.

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