



Legislative Council Staff Research Note

Version: Final

Date: 5/5/2016

Bill Number

Senate Bill 15-006

Sponsors

**Senator Martinez Humenik
Representative Sias**

Short Title

**Health Insurance Exchange
Insurance Brokers**

Research Analyst

Elizabeth Haskell (x6264)

Status

This research note reflects the final version of the bill and becomes effective upon the signature of the Governor.

Summary

The bill, recommended by the **Colorado Health Insurance Exchange Oversight Committee**, requires the Colorado health benefit exchange, which operates under the name Connect for Health Colorado, to establish a protocol for referring consumers to qualified insurance brokers to enroll consumers in health plans. The bill requires exchange staff to inform consumers of the option to select an insurance plan either online, with assistance from a navigator, or with the assistance of a qualified insurance broker. The bill also requires the exchange to maintain web-based tools that allow insurance brokers to develop and maintain client relationships.

Background

Currently, consumers may navigate the exchange website and purchase health insurance either on their own, or with assistance from an insurance broker, a health coverage guide, or a certified application counselor, or at a designated enrollment center. Insurance brokers, who are licensed by the Colorado Division of Insurance and certified by Connect for Health Colorado, may offer, as an option to their customers, insurance plans offered on the exchange.

Senate Action

Senate Health and Human Services Committee (January 21, 2016). At the hearing, a

This research note was prepared by Legislative Council Staff, the nonpartisan research staff for the Colorado General Assembly. The research note is provided for informational purposes only and should not be relied upon as an official record of action by the General Assembly. Legislative Council Staff are not attorneys, and the research note is not a legal opinion. If you have legal questions about the bill, including questions about the meaning of the bill language or amendments, please contact the drafter.

representative from Colorado State Association of Health Underwriters testified in support of the bill. A representative from Colorado Center on Law and Policy testified in opposition to the bill. The committee adopted amendment L.001, but did not take final action on the bill.

Amendment L.001 clarified that exchange staff must inform consumers of the option to select coverage either online, with the assistance of a navigator, or with the assistance of a qualified insurance broker. In addition, exchange staff must inform consumers of the difference between the type of assistance navigators provide and the type of assistance qualified brokers offer to consumers when selecting an insurance plan.

Senate Health and Human Services Committee (February 3, 2016). The bill was scheduled for action only. The committee adopted amendments L.002 and L.005, and referred the bill, as amended, to the Committee for the Whole.

Amendment L.002 clarified that brokers must be authorized by the exchange in order to offer services to exchange customers. Amendment L.005 clarified that exchange staff must inform consumers of the option of selecting coverage either online, with the assistance of a navigator, or with the assistance of a qualified insurance broker. In addition, exchange staff must inform consumers of the difference between the type of assistance navigators provide and the type of assistance qualified brokers offer to consumers when selecting an insurance plan. The amendment also required the exchange to maintain web-based tools that allow insurance brokers to develop and maintain client relationships for customers who are eligible to enroll in private health benefit plans.

Senate second reading (February 9, 2016). The Senate adopted the Senate Health and Human Services committee report. The Senate passed the bill on second reading, as amended.

Senate third reading (February 10, 2016). The Senate passed the bill on third reading with no amendments.

House Action

House State, Veterans, & Military Affairs Committee (April 25, 2016). At the hearing, a representative from Colorado State Association of Health Underwriters testified in support of the bill. The committee adopted amendment L.006 and referred the bill, as amended, to the Committee of the Whole.

Amendment L.006 clarified that exchange staff must inform consumers of the option of selecting coverage either online, with the assistance of a navigator, or with the assistance of a qualified insurance broker. The amendment removed the provisions of the bill that specified the protocol to be followed by exchange staff when informing consumers of the option to use a broker and the requirement that brokers must be authorized by the exchange and licensed in order to receive a referral from exchange staff.

House second reading (April 28, 2016). The House adopted the House State, Veterans, & Military Affairs committee report and passed the bill on second reading, as amended.

House third reading (April 29, 2016). The House passed the bill on third reading with no amendments.

Relevant Research

Report of the Colorado Health Insurance Exchange Oversight Committee. Colorado Legislative Council Staff, Research Publication No. 660, December 2015. <https://goo.gl/SG9u2p>

This research note was prepared by Legislative Council Staff, the nonpartisan research staff for the Colorado General Assembly. The research note is provided for informational purposes only and should not be relied upon as an official record of action by the General Assembly. Legislative Council Staff are not attorneys, and the research note is not a legal opinion. If you have legal questions about the bill, including questions about the meaning of the bill language or amendments, please contact the drafter.