

First Regular Session  
Seventy-first General Assembly  
STATE OF COLORADO

**PREAMENDED**

*This Unofficial Version Includes Committee  
Amendments Not Yet Adopted on Second Reading*

LLS NO. 17-0871.02 Christy Chase x2008

**SENATE BILL 17-300**

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**SENATE SPONSORSHIP**

**Lambert,**

**HOUSE SPONSORSHIP**

**Kennedy,**

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**Senate Committees**  
Health & Human Services

**House Committees**  
Health, Insurance, & Environment

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**A BILL FOR AN ACT**

101      **CONCERNING THE AUTHORITY OF THE COMMISSIONER OF INSURANCE**  
102            **TO IMPLEMENT PROGRAMS TO ADDRESS THE RISING COSTS OF**  
103            **PROVIDING HEALTH CARE COVERAGE TO HIGH-RISK**  
104            **INDIVIDUALS IN THE STATE, AND, IN CONNECTION THEREWITH,**  
105            **DIRECTING THE COMMISSIONER TO STUDY ISSUES RELATED TO**  
106            **THE IMPLEMENTATION OF SUCH PROGRAMS.**

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**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)*

The bill authorizes the commissioner of insurance to:

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters indicate new material to be added to existing statute.*  
*Dashes through the words indicate deletions from existing statute.*

SENATE  
3rd Reading Unamended  
May 8, 2017

SENATE  
Amended 2nd Reading  
May 5, 2017

- ! Develop a high-risk health care coverage program to address access to coverage for individuals with high-cost medical conditions and to reduce health insurance premiums;
- ! Apply for a waiver under federal law to implement the program;
- ! Seek, accept, and expend public and private gifts, grants, and donations to implement the bill.

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1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, add article 22.5 to  
3 title 10 as follows:

4 **ARTICLE 22.5**

5 **Colorado High-risk Health Care Coverage Study**

6 **10-22.5-101. Short title.** THE SHORT TITLE OF THIS ARTICLE 22.5  
7 IS THE "COLORADO HIGH-RISK HEALTH CARE COVERAGE STUDY ACT".

8 **10-22.5-102. Legislative declaration.** THE GENERAL ASSEMBLY  
9 HEREBY DECLARES THAT, WITH RISING RATES IN THE INDIVIDUAL HEALTH  
10 INSURANCE MARKET AND   THE CHALLENGES FACED BY CARRIERS IN  
11 ANTICIPATING COSTS OF CARE FOR INDIVIDUALS WHO ARE CONSIDERED  
12 HIGH RISK DUE TO A MEDICAL CONDITION, IT IS IMPORTANT FOR  
13 COLORADO TO EXPLORE INNOVATIVE WAYS TO REDUCE COSTS WHILE  
14 MAINTAINING ACCESS TO CARE. ACCORDINGLY, THE PURPOSE OF THIS  
15 ARTICLE 22.5 IS TO AUTHORIZE THE COMMISSIONER OF INSURANCE AND  
16 THE DIVISION OF INSURANCE TO STUDY   NEW POLICY SOLUTIONS THAT MAY  
17 INVOLVE APPLYING FOR AUTHORIZATION OR WAIVERS AVAILABLE UNDER  
18 FEDERAL LAW.

19 **10-22.5-103. Definitions.** AS USED IN THIS ARTICLE 22.5, UNLESS  
20 THE CONTEXT OTHERWISE REQUIRES:

21 (1) "CARRIER" HAS THE SAME MEANING AS SET FORTH IN SECTION

1 10-16-102 (8).

2 (2) "COMMISSIONER" MEANS THE COMMISSIONER OF INSURANCE  
3 OR THE COMMISSIONER'S DESIGNEE.

4 (3) "DIVISION" MEANS THE DIVISION OF INSURANCE ESTABLISHED  
5 IN SECTION 10-1-103.

6 (4) "FEDERAL ACT" MEANS THE "PATIENT PROTECTION AND  
7 AFFORDABLE CARE ACT", PUB.L. 111-148, AS AMENDED BY THE "HEALTH  
8 CARE AND EDUCATION RECONCILIATION ACT OF 2010", PUB.L. 111-152,  
9 AND AS MAY BE FURTHER AMENDED, AND INCLUDING ANY FEDERAL  
10 REGULATIONS ADOPTED UNDER THE FEDERAL ACT.

11 (5) "HIGH-RISK INDIVIDUAL" MEANS AN INDIVIDUAL WHO HAS A  
12 MEDICAL CONDITION THAT IS LIKELY TO RESULT IN HIGH HEALTH CARE  
13 COSTS.

14 (6) "REINSURANCE" MEANS A SYSTEM IN WHICH A CARRIER MAY  
15 ARRANGE WITH ANOTHER ENTITY FOR PAYMENT OF SERVICES FOR  
16 HIGH-RISK INDIVIDUALS ENROLLED IN THE CARRIER'S HEALTH PLAN, AND  
17 IN WHICH ALL COVERED PERSONS, HEALTHY AND SICK, ARE IN A SINGLE  
18 POOL AND HAVE THE SAME CHOICE OF HEALTH PLANS.

19 **10-22.5-104. High-risk health care coverage study -**  
20 **commissioner to conduct - report.** (1) THE COMMISSIONER SHALL  
21 STUDY METHODS OF PROVIDING HEALTH CARE COVERAGE TO HIGH-RISK  
22 INDIVIDUALS AND REDUCING HEALTH INSURANCE PREMIUMS IN THE  
23 INDIVIDUAL MARKET. IN CONDUCTING THE STUDY, THE COMMISSIONER  
24 AND THE DIVISION SHALL ENGAGE WITH AND SEEK ONGOING INPUT FROM  
25 CARRIERS, CONSUMER GROUPS, AND OTHER INTERESTED STAKEHOLDERS.

26 (2) AS PART OF THE STUDY, THE COMMISSIONER SHALL EXPLORE  
27 THE FEASIBILITY OF MAINTAINING HEALTH CARE COVERAGE FOR HIGH-RISK

1 INDIVIDUALS AND REDUCING PREMIUMS THROUGH A [REDACTED] REINSURANCE  
2 PROGRAM AND SHALL TAKE INTO CONSIDERATION:

3 (a) ANY REQUIREMENTS IMPOSED UNDER THE FEDERAL ACT OR  
4 OTHER APPLICABLE FEDERAL LAWS AND REGULATIONS TO QUALIFY FOR  
5 FEDERAL FINANCIAL SUPPORT;

6 (b) POTENTIAL FINANCIAL IMPACTS TO CONSUMERS AND THE  
7 BUSINESS COMMUNITY;

8 (c) POTENTIAL FUNDING MECHANISMS AND OTHER MEASURES TO  
9 ENSURE THE LONG-TERM FINANCIAL SUSTAINABILITY OF A [REDACTED]  
10 REINSURANCE PROGRAM; AND

11 (d) THE NECESSARY PROCEDURAL REQUIREMENTS THAT THE STATE  
12 MUST FULFILL IN ORDER TO APPLY FOR AND SEEK APPROVAL OF ANY  
13 WAIVER OR OTHER AUTHORIZATION THAT MAY BE REQUIRED UNDER THE  
14 FEDERAL ACT OR OTHER APPLICABLE FEDERAL LAW.

15 (3) (a) UPON COMPLETION OF THE STUDY, THE COMMISSIONER  
16 SHALL SUBMIT A REPORT ON THE STUDY TO THE JOINT BUDGET COMMITTEE  
17 OF THE GENERAL ASSEMBLY, THE HEALTH AND HUMAN SERVICES  
18 COMMITTEE OF THE SENATE, AND THE HEALTH, INSURANCE, AND  
19 ENVIRONMENT COMMITTEE OF THE HOUSE OF REPRESENTATIVES, OR THEIR  
20 SUCCESSOR COMMITTEES, BY OCTOBER 1, 2017, WHICH REPORT MAY BE  
21 CONSIDERED, AS NECESSARY, IN THE BUDGETING PROCESS. THE  
22 COMMISSIONER SHALL REPORT, AT A MINIMUM, ON THE AREAS INCLUDED  
23 IN THE STUDY, AS SPECIFIED IN SUBSECTION (2) OF THIS SECTION.

24 (b) IN ADDITION TO SUBMITTING THE REPORT AS REQUIRED BY THIS  
25 SUBSECTION (3), THE COMMISSIONER SHALL PRESENT THE REPORT TO THE  
26 HEALTH AND HUMAN SERVICES COMMITTEE OF THE SENATE AND THE  
27 HEALTH, INSURANCE, AND ENVIRONMENT COMMITTEE OF THE HOUSE OF

1 REPRESENTATIVES, OR THEIR SUCCESSOR COMMITTEES, DURING THE  
2 COMMITTEES' HEARINGS HELD PRIOR TO THE 2018 REGULAR SESSION  
3 UNDER THE "STATE MEASUREMENT FOR ACCOUNTABLE, RESPONSIVE,  
4 AND TRANSPARENT (SMART) GOVERNMENT ACT", PART 2 OF ARTICLE 7  
5 OF TITLE 2.

6 **10-22.5-105. Gifts, grants, donations, and federal funding -**  
7 **authority to accept and expend.** THE COMMISSIONER MAY SEEK, ACCEPT,  
8 AND EXPEND GIFTS, GRANTS, DONATIONS FROM PRIVATE OR PUBLIC  
9 SOURCES OR ANY FEDERAL FUNDING TO DEFRAY THE COSTS OF  
10 CONDUCTING THE STUDY PURSUANT TO SECTION 10-22.5-104.

11 **10-22.5-106. Repeal.** THIS ARTICLE IS REPEALED, EFFECTIVE JUNE  
12 30, 2018.

13 **SECTION 2. Act subject to petition - effective date.** This act  
14 takes effect at 12:01 a.m. on the day following the expiration of the  
15 ninety-day period after final adjournment of the general assembly (August  
16 9, 2017, if adjournment sine die is on May 10, 2017); except that, if a  
17 referendum petition is filed pursuant to section 1 (3) of article V of the  
18 state constitution against this act or an item, section, or part of this act  
19 within such period, then the act, item, section, or part will not take effect  
20 unless approved by the people at the general election to be held in  
21 November 2018 and, in such case, will take effect on the date of the  
22 official declaration of the vote thereon by the governor.