

SENATE COMMITTEE OF REFERENCE REPORT

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Chairman of Committee

May 3, 2017  
Date

Committee on Health & Human Services.

After consideration on the merits, the Committee recommends the following:

SB17-300 be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation:

1 Amend printed bill, strike everything below the enacting clause and  
2 substitute:

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

5 **ARTICLE 22.5**

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

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

9 **10-22.5-102. Legislative declaration.** THE GENERAL ASSEMBLY  
10 HEREBY DECLARES THAT, WITH RISING RATES IN THE INDIVIDUAL HEALTH  
11 INSURANCE MARKET AND POTENTIAL MODIFICATIONS TO FEDERAL LAW  
12 THAT MAY IMPACT THE INDIVIDUAL HEALTH INSURANCE MARKET IN  
13 COLORADO AND ACCESS TO HEALTH CARE COVERAGE BY INDIVIDUALS  
14 THAT ARE HIGH RISK DUE TO A MEDICAL CONDITION, IT IS IMPORTANT FOR  
15 COLORADO TO BE IN A POSITION TO UNDERSTAND AND PROACTIVELY  
16 RESPOND TO FUTURE FEDERAL PROGRAMS AND GUIDANCE THAT MAY BE  
17 ENACTED WHILE THE COLORADO GENERAL ASSEMBLY IS NOT IN SESSION.  
18 ACCORDINGLY, THE PURPOSE OF THIS ARTICLE 22.5 IS TO AUTHORIZE THE  
19 COMMISSIONER OF INSURANCE AND THE DIVISION OF INSURANCE TO STUDY  
20 WAYS TO PROVIDE ACCESS TO HEALTH CARE COVERAGE FOR THOSE  
21 COLORADO RESIDENTS WHO ARE CONSIDERED HIGH RISK BECAUSE OF A  
22 MEDICAL CONDITION AND TO EXAMINE WAYS TO REDUCE HEALTH  
23 INSURANCE PREMIUMS IN THE INDIVIDUAL HEALTH INSURANCE MARKET.

24 **10-22.5-103. Definitions.** AS USED IN THIS ARTICLE 22.5, UNLESS

1 THE CONTEXT OTHERWISE REQUIRES:  
2 (1) "CARRIER" HAS THE SAME MEANING AS SET FORTH IN SECTION  
3 10-16-102 (8).  
4 (2) "COMMISSIONER" MEANS THE COMMISSIONER OF INSURANCE  
5 OR THE COMMISSIONER'S DESIGNEE.  
6 (3) "DIVISION" MEANS THE DIVISION OF INSURANCE ESTABLISHED  
7 IN SECTION 10-1-103.  
8 (4) "FEDERAL ACT" MEANS THE "PATIENT PROTECTION AND  
9 AFFORDABLE CARE ACT", PUB.L. 111-148, AS AMENDED BY THE "HEALTH  
10 CARE AND EDUCATION RECONCILIATION ACT OF 2010", PUB.L. 111-152,  
11 AND AS MAY BE FURTHER AMENDED, AND INCLUDING ANY FEDERAL  
12 REGULATIONS ADOPTED UNDER THE FEDERAL ACT.  
13 (5) "HIGH-RISK INDIVIDUAL" MEANS AN INDIVIDUAL WHO HAS A  
14 MEDICAL CONDITION THAT IS LIKELY TO RESULT IN HIGH HEALTH CARE  
15 COSTS.  
16 (6) "REINSURANCE" MEANS THE ASSUMPTION OF ALL OR PART OF  
17 A RISK UNDERTAKEN ORIGINALLY BY AN INSURER.  
18 **10-22.5-104. High-risk health care coverage study -**  
19 **commissioner to conduct - report.** (1) THE COMMISSIONER SHALL  
20 STUDY METHODS OF PROVIDING HEALTH CARE COVERAGE TO HIGH-RISK  
21 INDIVIDUALS AND REDUCING HEALTH INSURANCE PREMIUMS IN THE  
22 INDIVIDUAL MARKET. IN CONDUCTING THE STUDY, THE COMMISSIONER  
23 AND THE DIVISION SHALL ENGAGE WITH AND SEEK ONGOING INPUT FROM  
24 CARRIERS, CONSUMER GROUPS, AND OTHER INTERESTED STAKEHOLDERS.  
25 (2) AS PART OF THE STUDY, THE COMMISSIONER SHALL EXPLORE  
26 THE FEASIBILITY OF PROVIDING HEALTH CARE COVERAGE FOR HIGH-RISK  
27 INDIVIDUALS AND REDUCING PREMIUMS THROUGH A HIGH-RISK POOL,  
28 REINSURANCE PROGRAM, OR OTHER HIGH-RISK PROGRAMS, AND SHALL  
29 TAKE INTO CONSIDERATION:  
30 (a) ANY REQUIREMENTS IMPOSED UNDER THE FEDERAL ACT OR  
31 OTHER APPLICABLE FEDERAL LAWS AND REGULATIONS TO QUALIFY FOR  
32 FEDERAL FINANCIAL SUPPORT;  
33 (b) POTENTIAL FINANCIAL IMPACTS TO CONSUMERS AND THE  
34 BUSINESS COMMUNITY;  
35 (c) POTENTIAL FUNDING MECHANISMS AND OTHER MEASURES TO  
36 ENSURE THE LONG-TERM FINANCIAL SUSTAINABILITY OF A HIGH-RISK OR  
37 REINSURANCE PROGRAM; AND  
38 (d) THE NECESSARY PROCEDURAL REQUIREMENTS THAT THE STATE  
39 MUST FULFILL IN ORDER TO APPLY FOR AND SEEK APPROVAL OF ANY  
40 WAIVER OR OTHER AUTHORIZATION THAT MAY BE REQUIRED UNDER THE  
41 FEDERAL ACT OR OTHER APPLICABLE FEDERAL LAW.

1 (3) (a) UPON COMPLETION OF THE STUDY, THE COMMISSIONER  
2 SHALL SUBMIT A REPORT ON THE STUDY TO THE JOINT BUDGET COMMITTEE  
3 OF THE GENERAL ASSEMBLY, THE HEALTH AND HUMAN SERVICES  
4 COMMITTEE OF THE SENATE, AND THE HEALTH, INSURANCE, AND  
5 ENVIRONMENT COMMITTEE OF THE HOUSE OF REPRESENTATIVES, OR THEIR  
6 SUCCESSOR COMMITTEES, BY OCTOBER 1, 2017, WHICH REPORT MAY BE  
7 CONSIDERED, AS NECESSARY, IN THE BUDGETING PROCESS. THE  
8 COMMISSIONER SHALL REPORT, AT A MINIMUM, ON THE AREAS INCLUDED  
9 IN THE STUDY, AS SPECIFIED IN SUBSECTION (2) OF THIS SECTION.

10 (b) IN ADDITION TO SUBMITTING THE REPORT AS REQUIRED BY THIS  
11 SUBSECTION (3), THE COMMISSIONER SHALL PRESENT THE REPORT TO THE  
12 HEALTH AND HUMAN SERVICES COMMITTEE OF THE SENATE AND THE  
13 HEALTH, INSURANCE, AND ENVIRONMENT COMMITTEE OF THE HOUSE OF  
14 REPRESENTATIVES, OR THEIR SUCCESSOR COMMITTEES, DURING THE  
15 COMMITTEES' HEARINGS HELD PRIOR TO THE 2018 REGULAR SESSION  
16 UNDER THE "STATE MEASUREMENT FOR ACCOUNTABLE, RESPONSIVE,  
17 AND TRANSPARENT (SMART) GOVERNMENT ACT", PART 2 OF ARTICLE 7  
18 OF TITLE 2.

19 **10-22.5-105. Gifts, grants, donations, and federal funding -**  
20 **authority to accept and expend.** THE COMMISSIONER MAY SEEK, ACCEPT,  
21 AND EXPEND GIFTS, GRANTS, DONATIONS FROM PRIVATE OR PUBLIC  
22 SOURCES OR ANY FEDERAL FUNDING TO DEFRAY THE COSTS OF  
23 CONDUCTING THE STUDY PURSUANT TO SECTION 10-22.5-104.

24 **10-22.5-106. Repeal.** THIS ARTICLE IS REPEALED, EFFECTIVE JUNE  
25 30, 2018.

26 **SECTION 2. Act subject to petition - effective date.** This act  
27 takes effect at 12:01 a.m. on the day following the expiration of the  
28 ninety-day period after final adjournment of the general assembly (August  
29 9, 2017, if adjournment sine die is on May 10, 2017); except that, if a  
30 referendum petition is filed pursuant to section 1 (3) of article V of the  
31 state constitution against this act or an item, section, or part of this act  
32 within such period, then the act, item, section, or part will not take effect  
33 unless approved by the people at the general election to be held in  
34 November 2018 and, in such case, will take effect on the date of the  
35 official declaration of the vote thereon by the governor."

36 Page 1, line 104, strike "STATE." and substitute "STATE, AND, IN  
37 CONNECTION THEREWITH, DIRECTING THE COMMISSIONER TO STUDY  
38 ISSUES RELATED TO THE IMPLEMENTATION OF SUCH PROGRAMS."

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