

HOUSE COMMITTEE OF REFERENCE REPORT

Chair of Committee

Date

May 5, 2021

Committee on Health & Insurance.

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

HB21-1068 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:

- 1 Amend printed bill, page 3, line 13, after "(b.7)" insert "(I)".
- 2 Page 3, line 13, strike "THE" and substitute "FOR LARGE EMPLOYER
- 3 POLICIES AND CONTRACTS ISSUED OR RENEWED ON OR AFTER JANUARY 1,
- 4 2022, AND FOR INDIVIDUAL AND SMALL GROUP POLICIES AND CONTRACTS
- 5 ISSUED OR RENEWED ON OR AFTER JANUARY 1, 2023, THE".
- 6 Page 3, after line 19 insert:
 - 7 "(II) THE DIVISION SHALL CONDUCT AN ACTUARIAL STUDY TO
 - 8 DETERMINE THE EFFECT, IF ANY, THE COVERAGE REQUIRED BY THIS
 - 9 SUBSECTION (18)(b.7) HAS ON PREMIUMS."
- 10 Page 5, strike lines 1 through 4 and substitute:
 - 11 "**SECTION 3.** In Colorado Revised Statutes, 10-16-102, **add**
 - 12 (40.5) as follows:
 - 13 **10-16-102. Definitions.** As used in this article 16, unless the
 - 14 context otherwise requires:
 - 15 (40.5) (a) "LARGE EMPLOYER" MEANS ANY PERSON, FIRM,
 - 16 CORPORATION, PARTNERSHIP, OR ASSOCIATION THAT:
 - 17 (I) IS ACTIVELY ENGAGED IN BUSINESS;
 - 18 (II) EMPLOYED AN AVERAGE OF MORE THAN ONE HUNDRED
 - 19 ELIGIBLE EMPLOYEES ON BUSINESS DAYS DURING THE IMMEDIATELY

1 PRECEDING CALENDAR YEAR, EXCEPT AS PROVIDED IN SUBSECTION
2 (40.5)(c) OF THIS SECTION; AND
3 (III) WAS NOT FORMED PRIMARILY FOR THE PURPOSE OF
4 PURCHASING INSURANCE.
5 (b) FOR PURPOSES OF DETERMINING WHETHER AN EMPLOYER IS A
6 "LARGE EMPLOYER", THE NUMBER OF ELIGIBLE EMPLOYEES IS
7 CALCULATED USING THE METHOD SET FORTH IN 26 U.S.C. SEC. 4980H
8 (c)(2)(E).
9 (c) IN THE CASE OF AN EMPLOYER THAT WAS NOT IN EXISTENCE
10 THROUGHOUT THE PRECEDING CALENDAR QUARTER, THE DETERMINATION
11 OF WHETHER THE EMPLOYER IS A LARGE EMPLOYER IS BASED ON THE
12 AVERAGE NUMBER OF EMPLOYEES THAT THE EMPLOYER IS REASONABLY
13 EXPECTED TO EMPLOY ON BUSINESS DAYS IN THE CURRENT CALENDAR
14 YEAR.
15 (d) THE FOLLOWING EMPLOYERS ARE SINGLE EMPLOYERS FOR
16 PURPOSES OF DETERMINING THE NUMBER OF EMPLOYEES:
17 (I) A PERSON OR ENTITY THAT IS A SINGLE EMPLOYER PURSUANT
18 TO 26 U.S.C. SEC. 414 (b), (c), (m), OR (o); AND
19 (II) AN EMPLOYER AND ANY PREDECESSOR EMPLOYER."

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