

Second Regular Session
Seventy-first General Assembly
STATE OF COLORADO

PREAMENDED

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

LLS NO. 18-1036.01 Brita Darling x2241

HOUSE BILL 18-1384

HOUSE SPONSORSHIP

Roberts and Catlin, Wilson

SENATE SPONSORSHIP

Coram and Donovan,

House Committees

Health, Insurance, & Environment
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING A STUDY TO IDENTIFY AFFORDABLE, COMPETITIVE**
102 **HEALTH CARE COVERAGE OPTIONS FOR COLORADO, AND, IN**
103 **CONNECTION THEREWITH, MAKING AN APPROPRIATION.**

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 requires the department of health care policy and financing and the division of insurance in the department of regulatory agencies (departments) to conduct a study and to prepare and submit a report to certain committees of the general assembly concerning the costs, benefits, and feasibility of implementing a medicaid buy-in option, a

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

public-private partnership option, or a community- or regionally based option for health care coverage.

The report must contain a detailed analysis of the advantages and disadvantages of each option and must identify the most feasible option based on objectives and criteria described in the bill.

In conducting the study, the departments shall engage in a stakeholder process that includes public and private health insurance experts, consumers, consumer advocates, providers, and carriers.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 25.5-1-129 as
3 follows:

4 **25.5-1-129. State department study - medicaid buy-in - health**
5 **care coverage options - report - legislative declaration - repeal.**

6 (1) (a) THE GENERAL ASSEMBLY FINDS THAT:

7 (I) ACCESS TO AFFORDABLE HEALTH INSURANCE IS NECESSARY TO
8 ENSURE THAT COLORADANS LEAD HEALTHY AND PRODUCTIVE LIVES;

9 (II) IN SEVERAL REGIONS OF THE STATE, HEALTH INSURANCE IS
10 NOT AFFORDABLE DUE TO LIMITED OR NO COMPETITION AMONG
11 INSURANCE CARRIERS, AS WELL AS OTHER MARKETPLACE FACTORS;

12 (III) SPECIFICALLY, COLORADANS IN FOURTEEN COUNTIES HAVE
13 ACCESS TO ONLY A SINGLE HEALTH INSURANCE CARRIER IN THE
14 COLORADO HEALTH BENEFIT EXCHANGE CREATED IN ARTICLE 22 OF TITLE
15 10;

16 (IV) IN SOME AREAS, HEALTH INSURANCE PREMIUMS AND
17 OUT-OF-POCKET EXPENSES ARE NOT AFFORDABLE FOR COLORADANS; AND

18 (V) A MEDICAID BUY-IN OR OTHER HEALTH CARE COVERAGE
19 OPTION THAT INCREASES COMPETITION AND REDUCES THE COST OF
20 HEALTH INSURANCE BY USING EXISTING STATE HEALTH CARE
21 INFRASTRUCTURE MAY INCREASE COMPETITION AND IMPROVE ACCESS TO

1 HIGH-QUALITY, AFFORDABLE, AND EFFICIENT HEALTH CARE.

2 (b) THEREFORE, THE GENERAL ASSEMBLY DECLARES THAT
3 TASKING THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING AND
4 THE DIVISION OF INSURANCE IN THE DEPARTMENT OF REGULATORY
5 AGENCIES WITH STUDYING THE FEASIBILITY AND COST OF IMPLEMENTING
6 VARIOUS HEALTH CARE COVERAGE OPTIONS THAT LEVERAGE EXISTING
7 STATE INFRASTRUCTURE, INCREASE COMPETITION, IMPROVE QUALITY, AND
8 PROVIDE STABLE ACCESS TO AFFORDABLE HEALTH INSURANCE WILL
9 ENABLE POLICYMAKERS TO DETERMINE WHETHER THERE ARE INNOVATIVE
10 HEALTH INSURANCE OPTIONS THAT WOULD BE BENEFICIAL FOR
11 COLORADO.

12 (2) ON OR BEFORE FEBRUARY 15, 2019, THE DEPARTMENT OF
13 HEALTH CARE POLICY AND FINANCING AND THE DIVISION OF INSURANCE
14 SHALL CONDUCT A STUDY AND PREPARE AND SUBMIT A REPORT TO THE
15 JOINT BUDGET COMMITTEE; THE PUBLIC HEALTH CARE AND HUMAN
16 SERVICES AND HEALTH, INSURANCE, AND ENVIRONMENT COMMITTEES OF
17 THE HOUSE OF REPRESENTATIVES; AND THE HEALTH AND HUMAN SERVICES
18 COMMITTEE OF THE SENATE, OR ANY SUCCESSOR COMMITTEES, THAT
19 INVESTIGATES AND EVALUATES THE COSTS, BENEFITS, AND FEASIBILITY OF
20 IMPLEMENTING THREE HEALTH CARE COVERAGE OPTIONS THAT LEVERAGE
21 EXISTING STATE INFRASTRUCTURE.

22 (3) THE STUDY AND REPORT MUST EVALUATE THREE OPTIONS FOR
23 HEALTH CARE COVERAGE, INCLUDING A MEDICAID BUY-IN OPTION; A
24 PUBLIC-PRIVATE PARTNERSHIP OPTION, SUCH AS THE CHILDREN'S BASIC
25 HEALTH PLAN ESTABLISHED IN ARTICLE 8 OF THIS TITLE 25.5; AND A
26 COMMUNITY- OR REGIONALLY BASED COOPERATIVE HEALTH PLAN
27 AFFILIATED WITH A PRIVATE CARRIER. THE REPORT MUST IDENTIFY THE

1 MOST FEASIBLE OPTION BASED ON AFFORDABILITY TO CONSUMERS AT
2 DIFFERENT INCOME LEVELS, ADMINISTRATIVE AND FINANCIAL BURDEN TO
3 THE STATE, EASE OF IMPLEMENTATION, AND LIKELIHOOD OF SUCCESS IN
4 MEETING THE OBJECTIVES DESCRIBED IN SUBSECTION (1) OF THIS SECTION.

5 (4) IN COMPLETING THE STUDY AND REPORT, THE DEPARTMENT OF
6 HEALTH CARE POLICY AND FINANCING AND THE DIVISION OF INSURANCE
7 SHALL:

8 (a) CONDUCT ACTUARIAL RESEARCH TO IDENTIFY THE POTENTIAL
9 COST OF PREMIUMS AND COST-SHARING TO PAY CLAIMS IN AN ESSENTIAL
10 HEALTH-BENEFIT-COMPLIANT PLAN, AS DEFINED IN SECTION 10-16-102
11 (22);

12 (b) EVALUATE PROVIDER RATES NECESSARY TO INCENTIVIZE
13 PARTICIPATION AND ENCOURAGE HIGH-QUALITY HEALTH CARE DELIVERY;

14 (c) EVALUATE ELIGIBILITY CRITERIA FOR INDIVIDUALS TO
15 PARTICIPATE;

16 (d) DETERMINE THE IMPACT, IF ANY, ON THE STATE BUDGET;

17 (e) DETERMINE THE IMPACT ON THE STABILITY OF THE INDIVIDUAL
18 MARKET AND THE COLORADO HEALTH BENEFIT EXCHANGE;

19 (f) IDENTIFY THE EXPECTED IMPACT, IF ANY, TO THE COLORADO
20 MEDICAL ASSISTANCE PROGRAM ESTABLISHED IN ARTICLES 4, 5, AND 6 OF
21 THIS TITLE 25.5;

22 (g) IDENTIFY THE EXPECTED IMPACT, IF ANY, TO THE CHILDREN'S
23 BASIC HEALTH PLAN ESTABLISHED IN ARTICLE 8 OF THIS TITLE 25.5;

24 (h) INVESTIGATE THE FEASIBILITY OF ESTABLISHING A PILOT
25 PROGRAM FOR THOSE AREAS OF THE STATE WHERE THERE IS LIMITED
26 CONSUMER CHOICE AND PREMIUMS ARE UNAFFORDABLE;

27 (i) INVESTIGATE FUNDING OPTIONS, INCLUDING BUT NOT LIMITED

1 TO STATE FUNDS AND FEDERAL FUNDS SECURED THROUGH AVAILABLE
2 WAIVERS; AND

3 (j) EVALUATE THE FEASIBILITY, LEGALITY, AND SCOPE OF ANY
4 NECESSARY FEDERAL WAIVERS.

5 (5) IN CONDUCTING THE STUDY, THE DEPARTMENT OF HEALTH
6 CARE POLICY AND FINANCING AND THE DIVISION OF INSURANCE SHALL
7 CONSULT WITH THE COLORADO HEALTH BENEFIT EXCHANGE AND SHALL
8 ENGAGE IN A STAKEHOLDER PROCESS THAT INCLUDES PUBLIC AND PRIVATE
9 HEALTH INSURANCE EXPERTS, AS WELL AS CONSUMERS, CONSUMER
10 ADVOCATES, PROVIDERS, AND CARRIERS.

11 (6) THE REPORT SUBMITTED TO THE GENERAL ASSEMBLY
12 PURSUANT TO THIS SECTION MUST INCLUDE DETAILED ANALYSIS THAT
13 WEIGHS THE ADVANTAGES AND DISADVANTAGES OF EACH OPTION.

14 (7) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2020.

15 **SECTION 2. Appropriation.** (1) For the 2018-19 state fiscal
16 year, \$225,000 is appropriated to the department of health care policy and
17 financing. This appropriation is from the general fund. To implement this
18 act, the department may use this appropriation for general professional
19 services and special projects.

20 (2) For the 2018-19 state fiscal year, \$135,141 is appropriated to
21 the department of regulatory agencies for use by the division of insurance.
22 This appropriation is from the general fund and is based on an assumption
23 that the division will require an additional 0.1 FTE. To implement this
24 act, the division may use this appropriation for personal services.

25 **SECTION 3. Act subject to petition - effective date.** This act
26 takes effect at 12:01 a.m. on the day following the expiration of the
27 ninety-day period after final adjournment of the general assembly (August

1 8, 2018, if adjournment sine die is on May 9, 2018); except that, if a
2 referendum petition is filed pursuant to section 1 (3) of article V of the
3 state constitution against this act or an item, section, or part of this act
4 within such period, then the act, item, section, or part will not take effect
5 unless approved by the people at the general election to be held in
6 November 2018 and, in such case, will take effect on the date of the
7 official declaration of the vote thereon by the governor.