

Appendix



COLORADO
Department of
Regulatory Agencies

Individual Division

(Written Updates)

Utility Consumer Advocate | Division of
Insurance | Division of Professions and
Occupations



COLORADO

Department of
Regulatory Agencies

Office of the Utility Consumer Advocate

Full Report on Division website ([here](#))

Mission: Represent the public interest and, the interests of residential, small business, and agricultural consumers in utility rate and rulemaking proceedings before the Public Utilities Commission (PUC), federal agencies, and the courts. Safe, reliable, and affordable utility service and long and short-term customer impacts, while giving due consideration to statutory decarbonization goals, just transition, and environmental justice.

FY23 Budget - \$2.62M

FY23 14 FTE

- 1 Director
- 1 Deputy Director
- 9 Rate/Financial Analysts
- 1 Policy Advisor
- 1 Outreach Specialist
- 1 Operations Manager

2023 Highlights

- Advocacy Related to Spikes in Winter Gas Commodity Prices
- Consumer Advocacy Within the State's Largest Electric Resource Plan Filing (Xcel Energy)
- Advocacy and Response to Various Just Transition Requests
- Advocacy and Response to Various Rate Case Filings
- Numerous Statutorily Initiated Rulemakings



Update on Division of Insurance Programs

- Reinsurance Program
- Colorado Option
- Insurer Use of Big Data/Artificial Intelligence

Colorado's Reinsurance Program: Key Components

Program Goals

- Reduce health insurance premium prices by an approximate average of 20% for Coloradans who buy insurance on the individual market
- Lower premiums more in the state's highest cost areas (Rural, and outside the Front Range)
- Stabilize and strengthen Colorado's individual insurance market

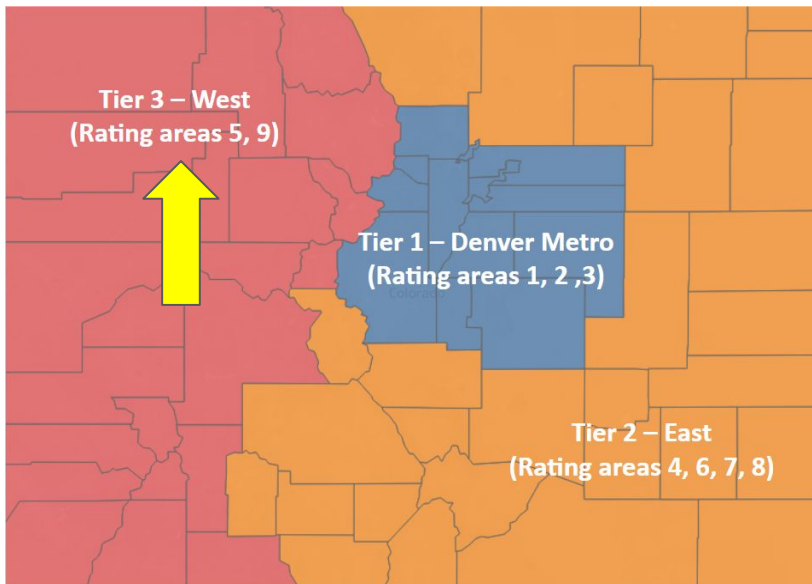
Legislative & Operating Authority

- Established as a 2-year program under HB 19-1168 (2020-2021)
- Extended 5 years under SB 20-215 (2022-2026), and 1 more year under HB 1232 (through 2027)
- Operates under a CMS Section 1332 State Innovation Waiver; amendment approved on August 13, 2021
- Administered by the Colorado Division of Insurance

Program Funding

- Combination of federal 1332 Waiver “pass-through” funds (federal savings) and state funding through SB 20-215 (CO Health Insurance Affordability Enterprise)

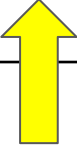
Colorado's Reinsurance Program Lowers Premiums



Reinsurance can save consumers as much as **\$500 per month** on their health insurance, with the highest savings in **rural areas**

Reinsurance will have saved over **\$1.5 billion** from 2020 through 2024*

	Tier 1	Tier 2	Tier 3	State Ave.
Average Premium Savings (2020-2024*)	18.4%	23.3%	35.2%	21.9%



*Projected based on 2024 rate filings

Colorado Option: Key Components

Creates a consumer-centered plan for Coloradans to purchase in the individual and small group markets

- Provides zero dollar coverage for primary care and behavioral health visits
- Designed by consumers and legislators to reduce racial health disparities, improve coverage for maternity care and improve the cultural responsiveness of doctors and hospitals
- Colorado Option premiums are on average cheaper than non-Colorado Option premiums for most plan levels in the individual market



Colorado Option: Implementation

Consumer Centered Plan



Developed a Colorado Option consumer-centered plan that offers:

\$0 Primary Care Visits

\$0 Mental/Behavioral Health/Substance Use Disorder Office Visits

\$0 Maternity Visits

\$5 Diabetes Self-Management Education

\$0 Certain Diabetic Supplies, including Continuous Glucose Monitors



COLORADO
Governor Jared Polis

Premium Rate Reduction



For 2024 Plan Year:

Cost savings required by the law were met for every carrier and hospital in the hearing process

Bronze Plans: 60 out 64 counties have access to a Colorado Option bronze plan at or below the average bronze premium in that county.

Silver Plans: 64 out 64 counties have access to a Colorado Option silver plan at or below the average silver premium in that county.

1332 Waiver



Colorado received a record of **\$245 million** in federal funding in 2023

Federal funding supports the **Reinsurance, Colorado Option, and OmniSalud Programs, and increases state subsidies**, making health insurance more affordable and accessible for Coloradans



Colorado Option: Successes

Colorado Option enrollment through Connect for Health during Open Enrollment increased 188% from 2023 to 2024

2023 Open Enrollment (Individual Market, On-Exchange)

Total Enrollment in Connect for Health¹ – 203,349

**Total CO Option Enrollments:
27,965
13.7% of total enrollment**

2024 Open Enrollment (Individual Market, On-Exchange)

Total Enrollment in Connect for Health² – 237,107

**Total CO Option Enrollments:
80,655
34% of total enrollment**

Colorado Option: Successes

OmniSalud saw unprecedented demand, filling all 11k subsidized spots for 2024 in *less than 2 days*

- OmniSalud Enrollment
 - 10,541 enrolled in OmniSalud in 2023
 - 12,485 enrolled in OmniSalud in 2024
- First in nation to receive federal waiver funds to support undocumented families in health coverage
 - Increased federal funding from anticipated \$13.3M to \$39.5M for 2023



Colorado Option: Successes

Statewide Average Individual Market
Colorado Option Plan Premium

	Bronze	Silver	Gold
Age 25	\$309.79	\$414.75	\$375.17
Age 40	\$394.33	\$527.94	\$477.56

Statewide Average Individual Market
Non-Colorado Option Plan Premium

	Bronze	Silver	Gold
Age 25	\$325.61	\$458.16	\$371.03
Age 40	\$414.47	\$583.19	\$472.28

Vast majority of enrollment is in Colorado Option Plans that are on average *cheaper* than non-Colorado Option plans

Colorado Option: Successes

Statewide Average Small Group Market
Colorado Option Plan Premium

	Bronze	Silver	Gold
Age 25	\$408.54	\$441.34	\$502.90
Age 40	\$520.03	\$561.79	\$640.14

Statewide Average Small Group Market
Non-Colorado Option Plan Premium

	Bronze	Silver	Gold
Age 25	\$436.30	\$477.96	\$546.99
Age 40	\$555.37	\$608.40	\$696.26

Small group market Colorado Option plan premiums are on average *cheaper* than non Colorado Option plan premiums

Colorado Option: Hospital Workforce Trends Report

- **Year 1 Report published in June 2023**
 - Key Findings:
 - Colorado's hospital workforce looks similar to the national hospital workforce
 - More than 80,000 Coloradans are directly employed by a hospital
 - Labor is one of the largest expenses in hospitals' budgets, consisting of both workers employed directly by hospitals and contract workers employed through staffing agencies
 - Contracted labor has seen the largest rate of growth among hospital expenses in recent years and puts further pressure on total hospital costs
- **Year 2 Report due in June 2024**



Insurer Use of Big Data/Artificial Intelligence: Program Goals

- ❖ First in the nation regulatory program
- ❖ Protects Colorado consumers from insurance practices that result in unfair discrimination on the *basis of race, color, national or ethnic origin, religion, sex, sexual orientation, disability, gender identity, or gender*
- ❖ Requires insurers to quantitatively test their big data systems and take corrective action to address consumer harms identified



Leading the Nation in Insurer Use of Big Data/Artificial Intelligence

Colorado is leading the way in crafting a comprehensive regulatory framework governing the insurance industry's use of big data and AI

- Adopted a first-in-the-nation governance and risk management regulation addressing potential consumer harm resulting from life insurers' use of big data and artificial intelligence
- Developing a landmark testing methodology to ensure the underwriting decisions made by life insurers that use big data are not unfairly discriminatory based upon race and ethnicity

Insurer Use of Big Data/Artificial Intelligence: Stakeholder Process

- Stakeholder meetings ongoing for life insurance and private passenger auto (PPA) insurance
- In 2023, six formal life and PPA DOI stakeholder meetings, 10 meetings with third-party data/model vendors, 11 meetings with trade associations and professional insurance organizations, 11 meetings with individual insurers, three meetings with consumer advocacy organizations, and numerous informal conversations with stakeholders and other regulators
- The Division has created a website for information, resources, and updates: [SB21-169 - Protecting Consumers from Unfair Discrimination in Insurance Practices](#)





COLORADO

Department of
Regulatory Agencies

Division of Professions and Occupations

The Honorable Jessie Danielson, Chair, Senate Business, Labor and Technology Committee
The Honorable Judy Amabile, Chair, House Business Affairs and Labor Committee
Colorado General Assembly
200 E. 14th Avenue, Third Floor
Legislative Services Building
Denver, CO 80203

RE: Report in accordance with Section 24-34-101(13), C.R.S.

Dear Senator Rodriguez and Representative Amabile,

Pursuant to section 24-34-101(13) of the Colorado Revised Statutes, the Division of Professions and Occupations, Department of Regulatory Agencies submits this report regarding the number of Confidential Letters of Concern (CLOCs) issued between September 1, 2022, and August 31, 2023 by the Boards and Programs (collectively “Programs”) housed within the Division of Professions and Occupations (“Division”).

This reporting provision was added to the aforementioned statute during the 2006 legislative session when the General Assembly approved the expansion of authority for several programs in the Division to include the issuance of CLOCs.

This year the Division’s programs issued a total of 1,780 CLOCs, which represents a decrease of 4.6% from 2022. The specific trends for each program are detailed in **Attachment A**. While each program and complaint are unique, the Division offers the following observations about the external trends that impact the issuance of CLOCs.

Changes Due to Renewal Cycle and Education/Outreach: As in prior reports, the renewal of licenses is the most prevalent event driving change in the number of issued CLOCs. Notwithstanding, programs have increased outreach and education efforts to inform licensees of renewal requirements resulting in a decrease in the number of CLOCs issued for the following programs: Accountancy; Acupuncture; Architects/Engineers/Land Surveyors; Athletic Trainers; Barber/Cosmetology; Chiropractic; Hearing Aid Providers; Marriage and Family Therapy; Nursing home Administrators; Optometry; Outfitters; Pharmacy; Physical Therapy; Respiratory Therapy; and, Speech-Language Pathology.

Consistency with Complaints: Enforcement actions within the Division’s programs are complaint-driven pursuant to state law. Consequently, if the number of complaints increases or decreases within a certain time period, the number of CLOCs issued will typically correlate with the increase or decrease. This year the number of complaints received by the Division decreased by 22.3 percent. While the Division did see an overall decrease in CLOCs consistent with the decrease in complaints, the following programs did not follow trend, instead demonstrating no change or an increase in the number of CLOCs from the previous year: Audiology; Combative Sports; Dental: Direct-Entry Midwifery; Electrical; Funeral Homes/Crematories; Landscape Architects; Massage Therapy; Medical; Addiction Counselors; Licensed Professional Counselors; Psychology; Social Work; Unlicensed Psychotherapy; Naturopathic

Doctors; Nurse Aide; Nursing; Occupational Therapy; Plumbing; Podiatry; Radon Professionals; Surgical Assistant and Surgical Technology; and, Veterinary Medicine.

Should you have any questions, please contact Sam Delp, Division Director, at samuel.delp@state.co.us or 303-894-7770.

Sincerely,

A handwritten signature in cursive script that reads "Patty Salazar".

Patty Salazar
Executive Director
Department of Regulatory Agencies

Attachment A

Board	% Change	Supportive information for change
Accountancy	-56.9%	The decrease in CLOCs (41) can be attributed to a rule change which allows CPAs who are licensed as CPAs in other states to hold out as CPAs in the state of Colorado.
Acupuncture	-68.8%	The decrease in CLOCs (11) can be attributed to the program receiving 37% less complaints in 2023 compared to 2022. Additionally, the decrease in CLOCs (3) coincides with the renewal cycle and is directly attributable to the reduced number of licenses indicating they practiced on a lapsed/expired credential.
Architects/ Engineers/ Land Surveyors	-78.1%	The decrease in CLOCs (57) coincides with the renewal cycle and is directly attributable to the reduced number of reinstatement applications indicating the licensees practiced on a lapsed license for less than one year. This trend is consistent with the renewal cycle.
Athletic Trainers	-100.0%	The decrease in CLOCs (9) coincides with the renewal cycle and is directly attributable to the reduced number of reinstatement applications indicating the licensees practiced on a lapsed license. Additionally, there was a 45% decrease in the number of complaints received in the 2023 period.
Audiology	+100.0%	The increase in CLOCs (2) coincides with the increase of complaints received (5) in the Program.
Barber/ Cosmetology	-44.2%	The decrease in CLOCs (219) coincides with efforts made by the Program to send out four different renewal notices to those licensees who had not renewed their license. Additionally, the Program sent out information regarding common actions taken against licensees regarding conduct that violates the law beyond expired practice which still generates the highest volume of CLOCs.
Boxing/ Combative Sports	0.0%	No change from the previous year.
Chiropractic	-34.0%	The decrease in CLOCs (18) coincides with the renewal cycle and is directly attributable to the reduced number of reinstatement applications indicating the licensees practiced on a lapsed license. There are indications too that the numbers are trending down to previous years averages.
Dental	+50.0%	The increase in CLOCs (43) is directly attributable to a renewal audit that was conducted which resulted in licensees not registering for the Prescription Drug Monitoring Program (PDMP).

Electrical	+30.5%	The increase in CLOCs (32) is attributable to the Board reconsidering 17 cases that were backlogged at the Office of the Attorney General. Additionally, the remainder of the CLOCs (15) were due to licensees failing to register their apprentices' electricians.
Funeral Homes/ Crematories	+10.0%	The increase in CLOCs (1) does not reflect any identifiable trend.
Hearing Aid Providers	-100.0%	The decrease in CLOCs from the previous year where no CLOCs were issued coincides with the renewal cycle and is directly attributable to the reduced number of reinstatement applications indicating that the licensees practiced on a lapsed license for less than one year. In addition, the number of complaints received by the program decreased by 43%.
Landscape Architects	+250.0%	The increase in CLOCs (5) coincides with the renewal cycle and reflects the licensees who failed to timely renew their license and continued to practice on a lapsed license.
Direct-Entry Midwifery	0.0%	No change from the previous year.
Massage Therapy	+37.8%	The increase in CLOCs (17) is directly attributable to the increase in complaints received in the program, a 28% increase from the previous year.
Mental Health –Addiction Counselors	+175.0%	The increase in CLOCs (14) coincides with efforts made within the Program area to resolve a backlog of complaints, which ultimately resulted in an increase in the number of CLOCs issued to licensees. Some other concerns by the Board on how licensees handled themselves also resulted in cases being closed with CLOCs, which contributed to the 175% increase this year.
Mental Health –Licensed Professional Counselors	+92.0%	The increase in CLOCs (23) coincides with efforts made within the Program area to resolve a backlog of complaints, which ultimately resulted in an increase in the number of CLOCs issued to licensees. Some other concerns by the Board on how licensees handled themselves also resulted in cases being closed with CLOCs, which contributed to the 92% increase this year.
Mental Health –Marriage and Family Therapists	-18.2%	The decrease in CLOCs (2) coincides with the renewal cycle and is directly attributable to the reduced number of reinstatement applications indicating that the licensees practiced on a lapsed license.
Mental Health –Psychology	+40.0%	The increase in CLOCs (2) coincides with efforts made within the Program area to resolve a backlog of complaints, which ultimately resulted in an increase in the number of CLOCs issued to licensees.
Mental Health –Social Work	+92.9%	The increase in CLOCs (13) coincides with efforts made within the Program area to resolve a backlog of complaints,

		which ultimately resulted in an increase in the number of CLOCs issued to licensees. Some other concerns by the Board on how licensees handled themselves also resulted in cases being closed with CLOCs, which contributed to the 92.9% increase this year.
Mental Health –Unlicensed Psychotherapists	+36.4%	The increase in CLOCs (4) coincides with efforts made within the Program area to resolve a backlog of complaints, which ultimately resulted in an increase in the number of CLOCs issued to licensees.
Medical	+9.4%	The increase in CLOCs (17) is directly attributable to licensees failing to register with the Prescription Drug Monitoring Program (PDMP) aligning with the Board's new policy, 10-29 - Delegation Regarding PDMP Registration Violations that went into effect 11/18/2021.
Naturopathic Doctors	0.0%	No change from the previous year.
Nursing	+9.0%	The increase in CLOCs (24) can be attributed to an increase of complaints (8.4%) reviewed by the Board in their panel meetings compared to the previous year.
Nurse Aides	+42.2%	The increase in CLOCs (46) can be attributed to an increase in complaints (33.9%) reviewed by the Board in their meetings compared to the previous year. Additionally, the Board saw an increase in licensees failing to respond to complaints regarding cases that arose from Adult Protective Services (APS) complaints.
Nursing Home Administrators	-100.0%	The decrease in CLOCs (6) can be attributed to a decrease in complaints received by the Board.
Occupational Therapy	+83.3%	The increase in CLOCs (5) coincides with the renewal cycle and is directly attributable to the number of reinstatement applications indicating that the licensees practiced on a lapsed license for less than one year. Additionally, the program saw a 25% increase in complaints received.
Optometry	-33.3%	The decrease in CLOCs (2) can be attributed to a decrease in complaints and brings the number of CLOCs issued (4) more in line with the average and median for the last five years.
Outfitters	-33.3%	The decrease in CLOCs (1) coincides with efforts made by the Program to send out four different renewal notices to those licensees who had not renewed their license. Additionally, the Program received a lower number of complaints received this year.
Pharmacy	-8.2%	The decrease in CLOCs (13) is reflective of a minor decline in cases involving non-provisional technicians renewing their Board of Pharmacy certificate while mentioning they forgot to renew in their application, which is a result of

		improved learning and understanding in this relatively new Board certification type.
Physical Therapy	-13.3%	The decrease in CLOCs (2) does not appear to be statistically significant given the low number of complaints and disciplinary actions for this program; and, for the last five years the amount of CLOCs has dropped an average of two cases per year.
Plumbing	+209.1%	The increase in CLOCs (23) is attributable to the Board reconsidering 9 cases that were backlogged at the Office of the Attorney General. Additionally, the remainder of the CLOCs (14) that were issued coincide with the renewal cycle and is directly attributable to the number of reinstatement applications indicating that the licensees practiced on a lapsed license for less than one year.
Podiatry	+133.3%	The increase in CLOCs (4) directly corresponds to an increase in complaints received by the Program that did not rise to the level of a practice violation, but needed a letter of concern to denote areas that could lead to a violation.
Private Investigators	0.0%	There were no CLOCs issued this year due to the regulation of the practice expiring in August, 2021.
Radon Professionals	+100.0%	The increase in CLOCs (1) from the previous year is attributable to the Program being new where regulation began on July 30, 2022.
Respiratory Therapy	-13.3%	The decrease in CLOCs (2) coincides with efforts made by the Program to send out four different renewal notices to those licensees who had not renewed their license.
Speech-Language Pathologists	-61.1%	The decrease in CLOCs (11) coincides with efforts made by the Program to send out four different renewal notices to those licensees who had not renewed their license. Additionally, there were fewer SLPs failing the Continued Professional Competency audit.
Surgical Assistant and Surgical Technologist	+120.0%	The increase in CLOCs (4 of the 6) coincides with the renewal cycle and is directly attributable to reinstatement applications indicating the licensees practiced on a lapsed license. The remaining number of CLOCs does not indicate any identifiable trends as complaints have decreased.
Veterinarians	+170.6%	The increase in CLOCs (29) is directly attributable to the increase in overall complaints received by the Board. Additionally, a portion of the CLOCs were from backlogged cases that were finalized with CLOCs versus discipline.

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