



# Final Report to the General Assembly

*Colorado Health Insurance Exchange Oversight Committee*  
*December 2023 | Research Publication 808*





# Colorado Health Insurance Exchange Oversight Committee

## Members of the Committee

Senator Dylan Roberts, Chair

Representative Naquetta Ricks, Vice Chair

Senator Joann Ginal

Representative Andrew Boesenecker

Senator Sonya Jaquez Lewis

Representative Mary Bradfield

Senator Jim Smallwood

Representative Anthony Hartsook

Senator Perry Will

Representative Iman Jodeh

## Legislative Council Staff

Matthu Beck, Research Analyst

Amanda King, Senior Research Analyst

## Office of Legislative Legal Services

Kristen Forrestal, Managing Senior Attorney

Christy Chase, Deputy Director

December | 2023





## COLORADO GENERAL ASSEMBLY

### EXECUTIVE COMMITTEE

Rep. Stephen Fenberg, Chair  
Rep. Julie McCluskie, Vice Chair  
Sen. Robert Rodriguez  
Rep. Monica Duran  
Sen. Paul Lundeen  
Rep. Mike Lynch

### STAFF

Natalie Castle, Director  
Elizabeth Burger, Deputy Director  
Manish Jani, Deputy Director



### COMMITTEE

Rep. Judy Amabile  
Rep. Ryan Armagost  
Sen. James Coleman  
Sen. Bob Gardner  
Sen. Chris Hansen  
Rep. Anthony Hartsook  
Rep. Iman Jodeh  
Rep. Meghan Lukens  
Sen. Cleave Simpson  
Sen. Jim Smallwood  
Sen. Faith Winter  
Rep. Chris deGruy-Kennedy

## LEGISLATIVE COUNCIL

ROOM 029 STATE CAPITOL

DENVER, COLORADO 80203-1784

E-mail: [lcs.ga@state.co.us](mailto:lcs.ga@state.co.us)

303-866-3521 FAX: 303-866-3855 TDD: 303-866-3472

December 2023

To Members of the Seventy-fourth General Assembly:

Submitted herewith is the final report of the Colorado Health Insurance Exchange Oversight Committee. Section 10-22-107, C.R.S., establishes the Colorado Health Insurance Exchange Oversight Committee for guiding the implementation of the Colorado Health Benefit Exchange and making recommendations to the General Assembly.

At its meeting on November 15, 2023, the Legislative Council reviewed the report of this committee. A motion to forward this report and the bill therein for consideration in the 2024 session was approved.

Sincerely,

/s/ Senator Stephen Fenberg  
Chair



## Table of Contents

Committee Charge .....	1
Committee Activities.....	1
Connect for Health Colorado 2023 Update .....	1
Medicaid Update.....	2
Updates on the ACA 1332 Waiver and 2024 Preliminary Rates.....	4
Summary of Recommendations.....	5
Resource Materials .....	6
Meetings and Topics Discussed .....	6

**This report is also available online at:**

***<https://leg.colorado.gov/committees/colorado-health-insurance-exchange-oversight-committee/2023-regular-session>***





## Committee Charge

Section 10-22-107, C.R.S., establishes the Colorado Health Insurance Exchange Oversight Committee (oversight committee) for guiding the implementation of the Colorado Health Benefit Exchange, which currently does business under the name Connect for Health Colorado (exchange), and making recommendations to the General Assembly. The oversight committee:

- must meet at least two times a year; however, the oversight committee can meet an unlimited number of times during the legislative session and up to seven times during the interim;
- must approve the appointment of the executive director of the exchange by the Colorado Health Benefit Exchange Board of Directors;<sup>1</sup>
- must review annual financial and operational plans of the exchange;
- must review and approve any implementation grants for which the board wishes to apply; and
- can recommend up to eight bills for consideration by the General Assembly each year.

## Committee Activities

The committee held two meetings during the 2023 interim. Briefings and presentations were made by the Department of Health Care Policy and Financing (HCPF), Connect for Health Colorado, and the Division of Insurance (DOI) and members of the public on the following subjects:

- 2023 update from Connect for Health Colorado; and
- Medicaid updates; and
- Updates on 2024 preliminary health insurance rates and the Accountable Care Act 1332 Waiver.

The following sections discuss the committee's activities during the 2023 interim.

### Connect for Health Colorado 2023 Update

The Connect for Health Colorado Chief Executive Officer (CEO), Kevin Patterson, provided an overview of the exchange's governance and mission, information on policy changes, the impact of Friday Health Plans ending operation in Colorado, and the OmniSalud Program. The CEO reviewed information about financial assistance available to exchange customers and the enrollment assistance provided by the exchange, including the locations of enrollment centers, health coverage guides, and certified application counselors throughout the state. Information was provided about how federal Inflation Reduction Act extended enhanced subsidies through

---

<sup>1</sup>Section 10-22-106 (1)(a), C.R.S.

2025. The CEO explained how the federal efforts provide savings for customers, including \$0 plan options for Coloradans making under 150 percent of the Federal Poverty Level (FPL), and expand financial help to Coloradans who were previously ineligible and those who make over 400 percent FPL.

**Policy Changes.** The CEO discussed policy changes by the department and how they help customers, including:

- a regulatory fix that allows more families who have access to employer sponsored insurance to be eligible for financial help in the form of the Advance Premium Tax Credit;
- more health care discounts available on Connect for Health Colorado, including higher discounts for people making below 250 percent of the FPL enrolled in silver-level plans;
- a pregnancy special enrollment period that allows people who are pregnant to choose to have their coverage start retroactive to the month in which their pregnancy was certified by a health care provider; and
- keeping 26-year-old household members on their parent’s plans through the end of plan year to help more people maintain coverage through the end of the year.

**Friday Health Plans.** The CEO explained that Friday Health Plans ended coverage to Colorado customers on August 31, 2023. As of July 2023, there were approximately 24,500 Friday Health Plans enrollments on Connect for Health Colorado and approximately 700 Friday Health Plans enrollments on Colorado Connect, the online platform created by Connect for Health Colorado to help Coloradans navigate the marketplace. As of August 29, 2023, approximately 69 percent of Connect for Health Colorado customers who were enrolled in Friday Health Plans had re-enrolled in a new plan and approximately 64 percent of Colorado Connect customers who were enrolled in Friday Health Plans had re-enrolled.

**OmniSalud Program.** The OmniSalud Program was created as a result of the passage of Senate Bill 20-215. The OmniSalud Program allows undocumented Coloradans the ability to shop for health insurance plans on Colorado Connect. OmniSalud was launched in 2022 as an option for Coloradans who don’t qualify for Medicaid or financial help available on the marketplace. All OmniSalud plans sold through Colorado Connect are Colorado Option Plans designed to improve access, affordability, and racial health equity for consumers purchasing health insurance in individual and small market groups. Information was provided on the program’s SilverEnhanced Savings option that is available for 10,000 customers who meet the income requirements on a first-come first-serve basis. There are no renewals or auto-renewals for this program.

## Medicaid Update

Representatives from the Department of Health Care Policy and Financing (HCPF) and Connect for Health Colorado provided information on Medicaid in the state and the transition period from pandemic emergency orders. The Families First Coronavirus Response Act required states to maintain enrollment of nearly all Medicaid enrollees during the pandemic emergency. States are federally required to return to normal operations regarding Medicaid as the pandemic emergency orders end, including restarting full Medicaid and CHIP eligibility renewals and

terminating coverage for individuals who are no longer eligible. Beginning April 1, 2023, states were able to terminate Medicaid enrollment for individuals no longer eligible, with states having up to 12 months to return to normal eligibility and enrollment processes. Colorado is taking the full 12 month period ending in April of 2024 and has improved processes to make it easier to renew Medicaid coverage, including maximizing auto-renewals and continuous engagement with partners on auto-renewal process and outreach to those who have not renewed their coverage.

Senate Bill 22-081 required the board of directors of Connect for Health Colorado to create and implement a consumer outreach campaign to educate consumers regarding options for health care coverage. The Connect for Health Colorado board approved funding for a public service announcement campaign, cobranded mailings to support transitions in coverage, printing of materials for partners working with food banks and homeless shelters to distribute, and support staff.

A representative from Connect for Health Colorado discussed this outreach and communication plan to promote the Medicaid to Marketplace Bridge Program, with the goal of raising awareness of and enrollment into Connect for Health Colorado among eligible customers who are no longer eligible for Medicaid. Ongoing tactics to support awareness of the change include letters sent by HCPF and Connect for Health Colorado, outbound calls, email marketing, social media, stakeholder newsletters, and a HCPF public service announcement campaign. The Medicaid to Marketplace Bridge was the result of federal legislation related to the end of pandemic emergency Medicaid enrollment. The representative from Connect for Health Colorado reviewed enrollment data in the Medicaid to Marketplace Bridge Program, including the number of contacts made to potential enrollees and the number of individual enrollments, which were over 600 for each month that data was provided.

## **Updates on 2024 Preliminary Health Insurance Rates and the ACA 1332 Waiver**

Commissioner Michael Conway from the Division of Insurance discussed the different plans and rates for 2024 as well as how the Affordable Care Act (ACA) Section 1332 Waiver is being implemented in Colorado.

**2024 Preliminary Health Insurance Rates.** Connect for Health told the committee about anticipated plan availability and rate increases for 2024. Over 300 individual market plans, including 78 Colorado Option plans and 224 non-Option plans, will be available from six insurance companies in 2024. Colorado Option plans must meet certain state requirements and are available to every Coloradan who buys insurance on the individual marketplace, regardless of documentation status. Carriers for the individual insurance market requested on average a 7.7 percent rate increase for Colorado Option plans and an 11.1 percent rate increase for non-Option plans. The state Division of Insurance reviews the appropriateness of the proposed health insurance rates and the final rates may be different than requested rates. The small group

market will have 371 plans, including 30 Colorado Option plans and 341 non-Option plans, which will be available from six insurance companies. Health insurance carriers requested on average a 9.6 percent increase to small group market health insurance premiums compared to 2023.

**ACA Section 1332 Waiver.** ACA Section 1332 allows states to develop innovative approaches to health insurance by changing or waiving parts of the ACA. If a state reduces the cost of health insurance for its residents and saves the federal government money, the 1332 waiver allows the state to receive those federal savings in the form of “pass-through funding.” On August 30, 2023, the federal Departments of Health and Human Services and Treasury announced that the Colorado Division of Insurance would receive \$245 million in pass-through funding for its health insurance programs. The state intends to use these funds for its reinsurance program, which works by paying a portion of high-cost claims, allowing insurance companies to lower premiums for individual health insurance plans. It will also be used for subsidies to lower out-of-pocket costs for eligible consumers, and the OmniSalud Program.

### **Other Policy Areas**

Outside of the committee’s discussion, the committee recommended that three bills be drafted; however, two of the bills were later withdrawn. Bill A modernizes state laws regarding the Colorado Health Insurance Exchange Oversight Committee. The first withdrawn bill would have focused on ensuring that companies are following new laws related to prescription drug prices. The second withdrawn bill would have focused on increasing small business participation on Colorado’s health insurance exchange.

## Summary of Recommendations

As a result of the committee's activities, the committee recommended one bill to the Legislative Council for consideration in the 2024 session. At its meeting on November 15, 2023, the Legislative Council approved the one recommended bill for introduction. The approved bill is described below.

### ***Bill A — Modernize Health Benefit Exchange Governance***

The bill modifies state laws governing the exchange and oversight committee. Specifically, the bill:

- changes when the exchange must provide an annual report to the Governor and General Assembly and the nature of the report;
- reduces the minimum number of times the oversight committee must annually meet; and
- changes the committees from which the committee members must be selected.

## Resource Materials

Meeting summaries are prepared for each meeting of the committee and contain all handouts provided to the committee. The summaries of meetings and attachments are available at the Division of Archives, 1313 Sherman Street, Denver (303-866-2055). The listing below contains the dates of committee meetings and the topics discussed at those meetings. Meeting summaries are also available on our website at:

<https://leg.colorado.gov/committees/colorado-health-insurance-exchange-oversight-committee/2023-regular-session>

## Meetings and Topics Discussed

September 5, 2023

- Department of Health Care Policy and Financing – Medicaid update
- Connect for Health Colorado – 2023 update
- Division of Insurance – Updates on the Affordable Care Act 1332 waiver and 2024 preliminary insurance rates
- Public testimony
- Draft bill discussion

October 26, 2023

- Public testimony
- Bill draft approval

Second Regular Session  
Seventy-fourth General Assembly  
STATE OF COLORADO

**BILL A**

LLS NO. 24-0309.01 Christy Chase x2008

**HOUSE BILL**

---

**HOUSE SPONSORSHIP**

**Boesenecker and Jodeh**, Bradfield, Hartsook, Ricks

**SENATE SPONSORSHIP**

**Jaquez Lewis and Will**, Ginal, Michaelson Jenet, Roberts

---

**House Committees**

**Senate Committees**

---

**A BILL FOR AN ACT**

101      **CONCERNING TECHNICAL MODIFICATIONS TO THE LAWS GOVERNING**  
102           **THE COLORADO HEALTH BENEFIT EXCHANGE, AND, IN**  
103           **CONNECTION THEREWITH, MODIFYING THE CRITERIA FOR**  
104           **MEMBERSHIP ON AND THE NUMBER OF MEETINGS OF THE**  
105           **COLORADO HEALTH INSURANCE EXCHANGE OVERSIGHT**  
106           **COMMITTEE, ADJUSTING THE TIMELINE FOR CERTAIN REPORTS**  
107           **AND PRESENTATIONS REGARDING THE OPERATIONS OF THE**  
108           **EXCHANGE, AND DIRECTING THE EXCHANGE TO ANNUALLY**  
109           **PRESENT ITS FINANCIAL AND OPERATIONAL PLANS AND MAJOR**  
110           **BOARD ACTIONS TO THE COMMITTEE.**

---

**Bill Summary**

*(Note: This summary applies to this bill as introduced and does*

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

*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/>.)*

**Colorado Health Insurance Exchange Oversight Committee.**

The bill modifies provisions governing the Colorado health benefit exchange (exchange) by:

- Eliminating the requirement for the board of directors of the exchange (board) to submit a report on the development of the exchange to the governor and the general assembly by January 15 and instead requiring the report to be submitted annually and to address open enrollment;
- Requiring the board to also present an open enrollment update to specified legislative committees during each legislative session;
- Requiring the exchange, rather than the board, to annually present to the Colorado health insurance exchange oversight committee (committee) the exchange's financial and operational plans and the major actions taken by the board;
- Modifying the number of meetings of the committee during the interim; and
- Eliminating from the committee membership appointees who are members of the legislative audit committee.

---

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

2           **SECTION 1.** In Colorado Revised Statutes, 10-22-106, **amend**  
3 (1) introductory portion, (1)(d), and (1)(e) as follows:

4           **10-22-106. Powers and duties of the board.** (1) The board is the  
5 governing body of the exchange and has all the powers and duties  
6 necessary to implement this ~~article~~ ARTICLE 22. The board shall:

7           (d) Create technical and advisory groups to operate on an ongoing  
8 basis and to report to the board and provide guidance at the direction of  
9 the board on issues that directly or indirectly affect consumers. The board  
10 shall use reasonable efforts to ensure that the technical and advisory  
11 groups reflect geographic diversity and diverse opinions on issues



1 affecting consumers. The technical and advisory groups shall meet ~~at least~~  
2 ~~quarterly throughout the year~~ AS NECESSARY to discuss issues related to  
3 the exchange and TO make recommendations to the board. ~~except that,~~  
4 ~~beginning two years after June 1, 2016, the groups shall meet only as~~  
5 ~~necessary.~~

6 (e) Provide a written OPEN ENROLLMENT report ~~on or before~~  
7 ~~January 15 of each year,~~ to the governor and the general assembly  
8 ~~concerning the planning and establishment of the exchange~~ ANNUALLY  
9 and present ~~the report~~ AN OPEN ENROLLMENT UPDATE to the senate health  
10 and human services committee and the house of representatives health  
11 and ~~environment~~ INSURANCE committee, or their successor committees,  
12 DURING EACH LEGISLATIVE SESSION;

13 **SECTION 2.** In Colorado Revised Statutes, 10-22-107, **amend**  
14 (1)(a), (2), and (7) as follows:

15 **10-22-107. Colorado health insurance exchange oversight**  
16 **committee - creation - duties.** (1) (a) For the purposes of guiding  
17 implementation of an exchange in Colorado, making recommendations  
18 to the general assembly, and ensuring that the interests of Coloradans are  
19 protected and furthered, there is hereby created the Colorado health  
20 insurance exchange oversight committee. The committee shall meet at the  
21 call of the chair at least ~~two times~~ ONE TIME during each calendar year  
22 WHEN THE GENERAL ASSEMBLY IS NOT IN SESSION but no more than seven  
23 times during each calendar year when the general assembly is not in  
24 session. The committee may meet an unlimited number of times at the call  
25 of the chair when the general assembly is in session. The committee may  
26 use the legislative council staff to assist its members in researching any  
27 matters.

1           (2) (a) The president of the senate shall appoint three members to  
2 the committee. ~~Two appointees shall be members~~ ONE APPOINTEE MUST  
3 BE A MEMBER of the senate health and human services committee OR ITS  
4 SUCCESSOR COMMITTEE; ONE APPOINTEE MUST BE A MEMBER OF the  
5 SENATE business, labor, and technology committee or ~~the legislative audit~~  
6 ~~committee, or their successor committees.~~ ITS SUCCESSOR COMMITTEE;  
7 AND one appointee ~~shall~~ MUST be a representative of the senate at large.

8           (b) The speaker of the house of representatives shall appoint three  
9 members to the committee. ~~Two appointees shall be members~~ ONE  
10 APPOINTEE MUST BE A MEMBER of the house OF REPRESENTATIVES health  
11 and ~~environment~~ INSURANCE committee OR ITS SUCCESSOR COMMITTEE;  
12 ONE APPOINTEE MUST BE A MEMBER OF the ~~economic and business~~  
13 ~~development~~ HOUSE OF REPRESENTATIVES BUSINESS AFFAIRS AND LABOR  
14 committee or ~~the legislative audit committee, or their successor~~  
15 ~~committees.~~ ITS SUCCESSOR COMMITTEE; AND one appointee ~~shall~~ MUST  
16 be a representative of the house of representatives at large.

17           (c) The minority leader of the senate shall appoint two members  
18 to the committee. One appointee ~~shall~~ MUST be a member of the senate  
19 health and human services committee OR OF the SENATE business, labor,  
20 and technology committee, ~~or the legislative audit committee,~~ or their  
21 successor committees; AND one appointee ~~shall~~ MUST be a representative  
22 of the senate at large.

23           (d) The minority leader of the house of representatives shall  
24 appoint two members to the committee. One appointee ~~shall~~ MUST be a  
25 member of the house OF REPRESENTATIVES health and ~~environment~~  
26 INSURANCE committee OR OF the ~~economic and~~ HOUSE OF  
27 REPRESENTATIVES business ~~development~~ AFFAIRS AND LABOR committee,

1 ~~or the legislative audit committee~~, or their successor committees; AND one  
2 appointee ~~shall~~ MUST be a representative of the house of representatives  
3 at large.

4 (e) Members of the committee shall serve at the pleasure of the  
5 appointing authority.

6 (7) The ~~board~~ EXCHANGE shall ~~send~~ ANNUALLY PRESENT TO the  
7 committee ~~an annual report that contains~~ the financial and operational  
8 plans of the exchange and the major actions taken by the board,  
9 particularly actions that affect consumers. The committee shall review the  
10 financial and operational plans of the exchange and the major actions  
11 taken by the board.

12 **SECTION 3. Act subject to petition - effective date.** This act  
13 takes effect at 12:01 a.m. on the day following the expiration of the  
14 ninety-day period after final adjournment of the general assembly; except  
15 that, if a referendum petition is filed pursuant to section 1 (3) of article V  
16 of the state constitution against this act or an item, section, or part of this  
17 act within such period, then the act, item, section, or part will not take  
18 effect unless approved by the people at the general election to be held in  
19 November 2024 and, in such case, will take effect on the date of the  
20 official declaration of the vote thereon by the governor.