

Proposed initiative measure 2025-2026 #2

BY PROPONENT(S)- Ronald Leinbach, Rita Durbin

Be it enacted by the people of the State of Colorado

Section 1. In Colorado Revised Statutes add to title 25 as follows: In article 1.5 of title 25 add part 8.

PART 8

ESTABLISHMENT OF STATE-RUN MEDICAL FACILITIES

25-1.5-801 **Legislative declaration**

25-1.5-802 **Definitions**

25-1.5-803 **Financing**

25-1.5-801. LEGISLATIVE DECLARATION. (1) A PROPOSED TAX OF FIVE PERCENT WOULD BE LEVIED ON ALL MEDICAL ENTITIES/BUSINESSES DOING BUSINESS IN COLORADO. THIS TAX WOULD BE COLLECTED QUARTERLY FOR BUSINESSES LOCATED WITHIN THE STATE AND BASED ON BUSINESS'S QUARTERLY INCOME. ANY BUSINESS LOCATED OUT OF STATE, AND DOING BUSINESS IN COLORADO, WILL PAY A FIVE PERCENT TAX ON ANY SALE IN COLORADO. THIS TAX WILL BE USED BY THE STATE FOR THE ESTABLISHMENT OF STATE-RUN MEDICAL FACILITIES. WHEREBY "SUBSCRIBERS" WILL PAY ONE THOUSAND DOLLARS PER YEAR, PER PERSON TO BE SEEN FOR MEDICAL CARE. A THIRD-PARTY FACILITATOR WILL BE RESPONSIBLE FOR THE COLLECTION OF SUBSCRIBER MONIES AND VERIFICATION OF ENROLLMENT. THE EFFECTIVE DATE OF THE PROPOSED INITIATIVE SHALL BE 1/1/27.

(a) The benefits of (article 1.5 title 25 part 8) are:

- (1) Additional facilities are available in the event of another pandemic.
- (2) The lowering of overall health care costs in Colorado, due to increased competition with current health care institutions in operation in Colorado.
- (3) Decrease in the overall confusion and excessive paperwork involved in obtaining health insurance and care in the State of Colorado.
- (4) Medical care that is more affordable, more available, and better quality
- (5) Small business will benefit by being able to offer affordable health care for employees.

25-1.5-802. Definitions. As used in this code, unless the context otherwise requires.

- (1) "medical entity/business" means any business whose service or product is consumed or distributed in the state of Colorado for the purpose of providing health care and associated products for Colorado residents, to include the following definitions.
- (2) "hospital" means a hospital licensed or certified by the Department of Public Health and Environment pursuant to Colorado revised statute section 25-1.5-103, C.R.S.
- (3) "health insurance company" means any insurance carrier or health insurer offering health benefit plans or health coverage plans to residents of the state of Colorado as described in section 10-16-102, C.R.S.
- (4) "dentist" means a dentist who is licensed to practice dentistry pursuant to 12-220-303, C.R.S.
- (5) "pharmacies" means a place that sells and dispenses medicinal drugs, including retail pharmacies, mail-order pharmacies, specialty pharmacies, and hospital outpatient settings, pursuant to 10-16-163, C.R.S.
- (6) "ambulatory surgery center" means a facility which operates exclusively for the purpose of providing surgical services to patients not requiring hospitalization, as defined in section 6 of Colorado code of regulations 1011-1-20-2.
- (7) "manufacturer" means any manufacturer selling service or equipment to medical entities/business in the state of Colorado, whereby the product or service resides or is performed in the state of Colorado.
- (8) "service company" means any organization servicing medical equipment at any medical entity located in the state of Colorado.
- (9) "doctors office" means any doctor's office doing business in the state of Colorado as described in section 12-36-106, C.R.S.
- (10) "state run medical facility" means a medical facility leased or newly constructed by the state of Colorado that shall provide all the services listed under the definition of a medical entity/business, and to be used by subscribers only.
- (11) "subscriber" means any person paying one-thousand dollars, per person, per calendar year to enroll to receive services at the state-run medical facility with no copay, no deductible as long as their per year payment is up to date.
- (12) "independent third-party facilitator" means a company chosen by bid whose only task would be to collect subscribers enrollment fees and issue identification cards to be seen at the state run medical facility. The independent third-party facilitator would not be a health insurance company.
- (13) "subscriber card" means identification, which includes a photo of subscriber and expiration date when next payment is due, this is the only ID that would be needed to be seen as a patient at the state run medical facility.

25-1.5-803. Financing

- (1) The five percent tax would be collected quarterly from the medical entity/business by the state of Colorado treasurer based on the medical entities/business's quarterly income.
- (2) Any excess funding collected in a fiscal year would be rolled over into the next year.

- (3) If it should become necessary for additional funding, which does not seem likely based on the overall medical spending in the state of Colorado, an additional vote would be required to raise the tax rate.
- (4) The first year 1/1/26-1/1/27 would be when the collection of the tax begins, the second year would be when state run medical facility construction would began, as to provide a cushion where financing would always be ahead of spending.
- (5) Based on estimates from public sources, from 2022 there would be an estimated three hundred and fifty million dollars of revenue from the four major Colorado hospital systems alone.
- (6) Any medical entity/business based out of state and delivering goods or services within the state of Colorado would have to pay the five percent tax per transaction.
- (7) Additional funding could also be requested from Federal Sources.