

**First Extraordinary Session
Seventy-fifth General Assembly
STATE OF COLORADO**

BILLPAPER

LLS NO. 25B-0033.01 Kristen Forrestal x4217

HOUSE BILL

HOUSE SPONSORSHIP

Barron,

SENATE SPONSORSHIP

Bright,

House Committees

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE ALLOCATION OF MONEY IN THE HEALTH INSURANCE**
102 **AFFORDABILITY CASH FUND.**

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>.)

Current law requires that money deposited in the health insurance affordability cash fund (fund) is allocated as specifically outlined in statute for 2021 and each year thereafter. The bill requires the health insurance affordability board to reevaluate the allocation of money deposited in the fund on and after July 1, 2026, to:

- Prioritize the facilitation of reducing health coverage plan

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.

premium increases and avoiding the loss of health coverage plans for individuals in the individual market and individuals who are unable to purchase health coverage plans through the exchange; and

- Evaluate the costs of the state-subsidized individual health coverage plans purchased by qualified individuals and prioritize the reduction of the health coverage plan premiums for documented residents.

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

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 finds that:

4 (a) The health insurance affordability board has a responsibility
5 to prioritize documented Colorado residents when evaluating how to
6 allocate the revenue within its cash fund;

7 (b) Programs such as the OmniSalud program have limited the
8 ability of other programs within the Colorado health insurance
9 affordability enterprise to maximize their impact on documented
10 Coloradans' health insurance costs; and

11 (c) The health insurance affordability fee and the revenue it
12 creates need to be allocated to demonstrate responsible fiscal spending by
13 the Colorado health insurance affordability enterprise.

14 (2) Therefore, the general assembly declares that:

15 (a) The health insurance affordability board needs to evaluate and
16 prioritize programs that have a direct impact on our most vulnerable
17 communities, allocating additional funding to programs that have had a
18 clear, direct impact on Coloradans; and

19 (b) By directing money to documented residents, the state
20 demonstrates its commitment to tax-paying Coloradans and to protecting
21 those Coloradans who are at risk of losing their current health coverage

1 plans.

2 **SECTION 2.** In Colorado Revised Statutes, 10-16-1205, **amend**
3 (2)(d)(I) introductory portion; and **add** (2)(e) as follows:

4 **10-16-1205. Health insurance affordability fee - special**
5 **assessment on hospitals - allocation of revenues - report -**
6 **presentation.** (2) (d) (I) The enterprise shall allocate the revenues
7 collected in 2023 and each year thereafter THROUGH JUNE 30, 2026, and
8 any other money deposited in the fund in 2023 and each year thereafter
9 THROUGH JUNE 30, 2026, in the following amounts and order of priority:

10 (e) (I) THE ENTERPRISE SHALL ALLOCATE THE REVENUES
11 COLLECTED ON AND AFTER JULY 1, 2026, AND ANY OTHER MONEY
12 DEPOSITED IN THE FUND ON AND AFTER JULY 1, 2026, AS DETERMINED BY
13 THE BOARD. IN ITS DETERMINATION OF THE ALLOCATION OF MONEY
14 PURSUANT TO THIS SUBSECTION (2)(e), THE BOARD SHALL:

15 (A) PRIORITIZE THE FACILITATION OF REDUCING HEALTH
16 COVERAGE PLAN PREMIUM INCREASES AND AVOIDING THE LOSS OF HEALTH
17 COVERAGE PLANS FOR INDIVIDUALS IN THE INDIVIDUAL MARKET AND
18 INDIVIDUALS WHO ARE UNABLE TO PURCHASE HEALTH COVERAGE PLANS
19 THROUGH THE EXCHANGE;

20 (B) EVALUATE THE CURRENT COSTS OF THE STATE-SUBSIDIZED
21 INDIVIDUAL HEALTH COVERAGE PLANS PURCHASED BY QUALIFIED
22 INDIVIDUALS, COMPARE THE CURRENT COSTS TO THE INITIAL COST
23 ESTIMATES, AND PRIORITIZE THE REDUCTION OF THE HEALTH COVERAGE
24 PLAN PREMIUMS FOR DOCUMENTED RESIDENTS; AND

25 (C) ON THE DIVISION'S WEBSITE, PUBLISH A REPORT OF THE
26 ESTIMATED AND ACTUAL COSTS OF EACH STATE-SUBSIDIZED INDIVIDUAL
27 HEALTH COVERAGE PLAN EVALUATED PURSUANT TO SUBSECTION

1 (2)(e)(I)(B) OF THIS SECTION AND THE REQUIRED ALLOCATION OF MONEY
2 IN THE FUND AS DETERMINED BY THE BOARD RESULTING FROM THE
3 EVALUATIONS AND COST COMPARISONS.

4 (II) THE COMMISSIONER SHALL PRESENT THE EVALUATIONS, COST
5 COMPARISONS, AND ALLOCATION OF MONEY FROM THE FUND TO THE
6 GENERAL ASSEMBLY AS PART OF THE DIVISION'S "SMART ACT"
7 PRESENTATION REQUIRED BY SECTION 2-7-203 PRIOR TO OR DURING THE
8 2027 LEGISLATIVE SESSION.

9 **SECTION 3. Act subject to petition - effective date.** This act
10 takes effect at 12:01 a.m. on the day following the expiration of the
11 ninety-day period after final adjournment of the general assembly; except
12 that, if a referendum petition is filed pursuant to section 1 (3) of article V
13 of the state constitution against this act or an item, section, or part of this
14 act within such period, then the act, item, section, or part will not take
15 effect unless approved by the people at the general election to be held in
16 November 2026 and, in such case, will take effect on the date of the
17 official declaration of the vote thereon by the governor.