

First Extraordinary Session  
Seventy-fifth General Assembly  
STATE OF COLORADO

**BILLPAPER**

LLS NO. 25B-0042.01 Clare Haffner x6137

**HOUSE BILL**

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**HOUSE SPONSORSHIP**

**Richardson,**

**SENATE SPONSORSHIP**

**Baisley,**

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**House Committees**

**Senate Committees**

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**A BILL FOR AN ACT**

101 **CONCERNING NARROWING ELIGIBILITY FOR SUBSIDIES ALLOCATED BY**  
102 **THE HEALTH INSURANCE AFFORDABILITY ENTERPRISE.**

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**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 health insurance affordability enterprise (enterprise) is required to allocate a portion of the enterprise's revenue for subsidies to state-subsidized individual health coverage plans purchased by qualified individuals. The bill narrows the current definition of "qualified individual" by excluding individuals who do not have lawful immigration status in the United States and individuals who are ineligible for certain

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.*

federal health benefits.

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

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

4           (a) Colorado is facing a declared fiscal emergency for the current  
5 state fiscal year, with the office of state planning and budgeting  
6 projecting a deficit of \$783 million;

7           (b) The state's financial condition requires immediate and  
8 responsible action to preserve core services such as education, public  
9 safety, transportation, and health care for documented Colorado citizens;

10           (c) In times of fiscal crisis, it is necessary and prudent to prioritize  
11 the needs of Colorado citizens and lawfully present residents first,  
12 ensuring that scarce state resources are directed to those who are eligible  
13 for federal cost sharing or otherwise entitled to benefits under state and  
14 federal law;

15           (d) Current statutes governing the health insurance affordability  
16 enterprise and certain state-only, medicaid-equivalent benefits extend  
17 subsidized health coverage to individuals who are not lawfully present in  
18 the United States, including those who are ineligible for federal medicaid  
19 benefits and federal premium tax credits;

20           (e) Continuing to provide such subsidies during a budget shortfall  
21 not only diverts tens of millions of dollars annually from legal residents  
22 but also risks policy conflicts that could further endanger federal grant  
23 revenues upon which the state relies for essential programs;

24           (f) Clarifying statutory eligibility to exclude individuals who are  
25 not lawfully present in the United States will free up significant health

1 insurance affordability cash fund and general fund dollars, which can then  
2 be directed to:

3 (I) Reduce or prevent premium increases for eligible Coloradans  
4 in the individual health insurance market;

5 (II) Maintain coverage for lawfully present residents who are at  
6 risk of losing insurance due to 2026 rate increases; and

7 (III) Preserve core state services threatened by the current fiscal  
8 shortfall; and

9 (g) Section III.B.2. of executive order D 2025 009 calls for  
10 "adjustments to the Health Insurance Affordability Enterprise (HIAE) to  
11 facilitate a reduction in premium increases and avoid health insurance  
12 coverage loss for those in the individual market and those unable to  
13 purchase through Connect for Health Colorado", and the changes in this  
14 act are directly responsive to this call by making targeted statutory  
15 adjustments to health insurance affordability enterprise revenue  
16 allocations and by ensuring that resources are focused on eligible  
17 Coloradans in compliance with both the scope of the executive order  
18 calling for an extraordinary session of the general assembly and the state's  
19 fiscal priorities.

20 (2) The general assembly therefore declares that this act is  
21 necessary to maintain fiscal stability, ensure fairness in the allocation of  
22 scarce public resources, protect the state's federal funding streams, and  
23 prioritize the needs of Colorado citizens and lawfully present residents  
24 during an extraordinary budget crisis.

25 **SECTION 2. Legislative intent.** (1) It is the intent of the general  
26 assembly that:

27 (a) All state-administered health coverage subsidy programs

1 funded in whole or in part by the health insurance affordability enterprise,  
2 including the SilverEnhanced savings program under OmniSalud, limit  
3 eligibility to individuals who are lawfully present in the United States, as  
4 defined by applicable immigration law and state law;

5 (b) All state-administered health coverage programs that are  
6 designed to mirror medicaid benefits but are funded solely from  
7 state-revenue sources, including coverage for children and pregnant  
8 individuals not eligible for medicaid matching funds, limit eligibility to  
9 individuals who meet federal medicaid eligibility requirements, unless  
10 otherwise expressly authorized by federal law or federal regulations;

11 (c) The phrase "qualified individual", as used in sections  
12 10-16-1203 and 10-16-1205, Colorado Revised Statutes, be interpreted  
13 and applied to exclude individuals who are not lawfully present in the  
14 United States and individuals who are ineligible for federal medicaid or  
15 federal premium tax credits, regardless of prior program rules or  
16 administrative practices;

17 (d) The savings realized from the exclusion of ineligible  
18 individuals from programs funded by the health insurance affordability  
19 enterprise and from state-only health coverage programs be prioritized  
20 for:

21 (I) Stabilizing premiums and reducing coverage losses in the  
22 individual market for individuals who are lawfully present in the United  
23 States;

24 (II) Maintaining coverage for eligible Coloradans during the  
25 projected premium increases for plan year 2026 and beyond; and

26 (III) Supporting other essential state services that are necessary to  
27 protect the health, safety, and welfare of the people of Colorado;

1 (e) Nothing in this act diminishes or restricts health-care services  
2 to individuals if such services are:

3 (I) Mandated by federal law regardless of immigration status; or

4 (II) Provided through private charitable or philanthropic funding  
5 independent of state-administered programs;

6 (f) State agencies administering health coverage programs take all  
7 necessary steps to ensure program compliance with these eligibility  
8 standards beginning on the effective date of this act, including updating  
9 application processes, eligibility verification systems, program guidance,  
10 and public communications; and

11 (g) Agencies implement these changes in a manner that minimizes  
12 disruption for lawfully present enrollees and ensures that communications  
13 regarding eligibility determinations are clear, accurate, and accessible to  
14 affected individuals.

15 (2) It is further the intent of the general assembly that this act be  
16 construed broadly to achieve the fiscal, coverage, and policy goals  
17 described in the legislative declaration and that any ambiguity in  
18 interpretation be resolved in favor of preserving state resources for  
19 citizens and individuals who are lawfully present in the United States  
20 during the current fiscal crisis.

21 **SECTION 3.** In Colorado Revised Statutes, 10-16-1203, **amend**  
22 (12) as follows:

23 **10-16-1203. Definitions.** As used in this part 12, unless the  
24 context otherwise requires:

25 (12) (a) "Qualified individual" means an individual ~~regardless of~~  
26 ~~immigration status~~, who:

27 (a) (I) Is a Colorado resident;

1           **(b)** (II) Has a household income of not more than three hundred  
2 percent of the federal poverty line; and

3           **(c)** (III) ~~Is not eligible for~~ MEETS FEDERAL ELIGIBILITY  
4 REQUIREMENTS FOR the premium tax credit, medicaid, medicare, or the  
5 children's basic health plan. ~~except for individuals eligible pursuant to~~  
6 ~~section 25.5-5-201 (6) or section 25.5-8-109 (7).~~

7           **(b)** "QUALIFIED INDIVIDUAL" DOES NOT INCLUDE AN INDIVIDUAL  
8 WHO DOES NOT HAVE LAWFUL IMMIGRATION STATUS IN THE UNITED  
9 STATES.

10           **SECTION 4. Safety clause.** The general assembly finds,  
11 determines, and declares that this act is necessary for the immediate  
12 preservation of the public peace, health, or safety or for appropriations for  
13 the support and maintenance of the departments of the state and state  
14 institutions.