

First Regular Session
Seventy-third General Assembly
STATE OF COLORADO

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LLS NO. 21-0050.02 Kristen Forrestal x4217

HOUSE BILL

HOUSE SPONSORSHIP

Roberts,

SENATE SPONSORSHIP

Donovan,

BILL TOPIC: "Colorado Option Health Benefit Plan"

A BILL FOR AN ACT

101 CONCERNING THE ESTABLISHMENT OF A STANDARDIZED HEALTH
102 BENEFIT PLAN TO BE OFFERED IN COLORADO.

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 bill requires the commissioner of insurance (commissioner) in the department of regulatory agencies to establish a standardized health benefit plan (standardized plan) by rule to be offered by carriers in the individual and small group markets. The standardized plan must:

- Offer health-care coverage at the bronze, silver, and gold levels;

*Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

- Be offered through the Colorado health benefit exchange;
- Be a standardized benefit design created through a stakeholder engagement process;
- Provide first-dollar, predictable coverage for certain high value services; and
- Comply with state and federal law.

Beginning January 1, 2023, and each year thereafter, the bill encourages health insurance carriers (carriers) that offer:

- An individual health benefit plan in Colorado to offer the standardized plan in the individual market; and
- A small group health benefit plan in Colorado to offer the standardized plan in the small group market.

For the 2023 plan year, each carrier shall set a goal of offering a standardized plan premium that is at least 10% less than the premium rate offered by that carrier in the 2021 calendar year in the individual market. For the 2024 plan year, each carrier shall set a goal of offering a standardized plan premium that is at least 20% less than the premium rate offered by that carrier in the 2021 calendar year in the individual market. For the 2025 plan year and each year thereafter, carriers are encouraged to limit annual premium rate increases for the standardized plan to no more than the consumer price index plus one percent, relative to the previous year.

The authority is created for the purpose of operating as a carrier to offer the Colorado option. The authority shall operate as a nonprofit, unincorporated public entity. The authority is required to implement a provider fee schedule as established by the commissioner in consultation with the executive director of the department of health care policy and financing. Health-care providers and health facilities are required to accept consumers who are enrolled in any health benefit plan offered by the authority.

The bill creates an advisory committee to make recommendations to the authority concerning the development, implementation, and operation of the authority.

The commissioner is required to apply to the secretary of the United States department of health and humans services for a waiver and include a request for a pass-through of federal funding to capture savings as a result of the implementation of the standardized plan. The commissioner is required to disapprove of a rate filing submitted by a carrier if the rate filing reflects a cost shift between the standardized plan and the health benefit plan for which approval is being sought.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** part 13 to article

1 16 of title 10 as follows:

2

PART 13

3

COLORADO OPTION HEALTH BENEFIT PLAN

4

10-16-1301. Short title. THE SHORT TITLE OF THIS PART 13 IS THE
5 "COLORADO OPTION HEALTH BENEFIT PLAN ACT".

6

10-16-1302. Legislative declaration - intent. (1) THE GENERAL
7 ASSEMBLY HEREBY FINDS THAT:

8

(a) HEALTH INSURANCE COVERAGE HAS BEEN DEMONSTRATED TO
9 HAVE A POSITIVE IMPACT ON PEOPLE'S HEALTH OUTCOMES AS WELL AS
10 THEIR FINANCIAL SECURITY AND WELL-BEING;

11

(b) ENSURING THAT ALL PEOPLE HAVE ACCESS TO AFFORDABLE,
12 QUALITY, CONTINUOUS, AND EQUITABLE HEALTH CARE IS A CHALLENGE
13 THAT PUBLIC OFFICIALS AND POLICY EXPERTS HAVE FACED FOR DECADES
14 DESPITE SEEMINGLY CONSTANT EFFORTS TO ADDRESS THE ISSUE;

15

(c) ALTHOUGH GREAT STRIDES HAVE BEEN MADE IN INCREASING
16 ACCESS TO HEALTH-CARE COVERAGE THROUGH FEDERAL AND STATE
17 LEGISLATION, NOT ENOUGH HAS BEEN ACCOMPLISHED TO ADDRESS THE
18 AFFORDABILITY OF HEALTH INSURANCE IN COLORADO, PARTICULARLY IN
19 THE STATE'S RURAL AREAS AND FOR GROUPS HISTORICALLY AND
20 SYSTEMATICALLY DISINVESTED IN PUBLIC POLICY INCLUDING PEOPLE OF
21 COLOR AND UNDOCUMENTED COLORADANS;

22

(d) THE HEALTH-CARE SYSTEM IS A COMPLEX SYSTEM WHEREIN
23 CONSUMERS RELY ON HEALTH INSURANCE CARRIERS TO NEGOTIATE THE
24 RATES PAID TO HEALTH-CARE PROVIDERS, PHARMACEUTICAL COMPANIES,
25 AND HOSPITALS FOR SERVICES PROVIDED TO CONSUMERS AND EXPECT
26 THAT THE NEGOTIATED RATES ARE CLOSELY TIED TO THE AMOUNT OF THE
27 HEALTH INSURANCE PREMIUMS PAID BY CONSUMERS;

1 (e) DESPITE EFFORTS TO ADDRESS ACCESS TO AND AFFORDABILITY
2 OF HEALTH CARE, UNDERLYING HEALTH CARE COSTS CONTINUE TO RISE,
3 THUS DRIVING UP THE COSTS OF HEALTH INSURANCE PREMIUMS, OFTEN AT
4 DISPROPORTIONATE RATES IN THOSE AREAS OF THE STATE;

5 (f) IN ORDER TO ENSURE THAT HEALTH INSURANCE IS AFFORDABLE
6 FOR COLORADANS, IT IS CRITICAL THAT THE STATE ESTABLISH A
7 STANDARDIZED PLAN FOR CARRIERS TO OFFER IN THE STATE AND TO SET
8 PREMIUM TARGETS FOR CARRIERS TO ACHIEVE; AND

9 (g) IF CARRIERS CANNOT OFFER THE STANDARDIZED PLAN AT THE
10 PREMIUM TARGETS SET FORTH IN THIS PART 13 AND IF THERE ARE NOT AT
11 LEAST TWO CARRIERS OFFERING THE STANDARDIZED PLAN IN EACH ZIP
12 CODE IN THE STATE AND IN THE INDIVIDUAL AND SMALL GROUP MARKETS,
13 A QUASI-GOVERNMENTAL ENTITY IS NEEDED TO OFFER THE COLORADO
14 OPTION, AN AFFORDABLE HEALTH-CARE OPTION, FOR THE PURPOSE OF
15 INCREASING EQUITABLE ACCESS TO AND AVAILABILITY OF STATEWIDE
16 AFFORDABLE, QUALITY HEALTH INSURANCE IN THE SMALL GROUP MARKET
17 AND TO ANY RESIDENT SEEKING COVERAGE IN THE INDIVIDUAL MARKET.

18 **10-16-1303. Definitions.** AS USED IN THIS PART 13, UNLESS THE
19 CONTEXT OTHERWISE REQUIRES:

20 (1) "ADVISORY COMMITTEE" MEANS THE COLORADO OPTION
21 ADVISORY COMMITTEE ESTABLISHED IN SECTION 10-16-1308.

22 (2) "AUTHORITY" MEANS THE COLORADO OPTION AUTHORITY
23 DESCRIBED IN SECTION 10-16-1306.

24 (3) "BOARD" MEANS THE COLORADO OPTION AUTHORITY BOARD
25 DESCRIBED IN SECTION 10-16-1306.

26 (4) "COLORADO OPTION" MEANS THE STANDARDIZED PLAN
27 OFFERED BY THE AUTHORITY.

1 (5) "HEALTH-CARE PROVIDER" MEANS A HEALTH-CARE
2 PROFESSIONAL REGISTERED, CERTIFIED, OR LICENSED PURSUANT TO TITLE
3 12 OR A HEALTH FACILITY LICENSED PURSUANT TO SECTION 25-1.5-103.

4 (6) "PUBLIC BENEFIT CORPORATION" MEANS A PUBLIC BENEFIT
5 CORPORATION FORMED PURSUANT TO PART 5 OF ARTICLE 101 OF TITLE 7
6 THAT IS ORGANIZED AND OPERATED BY THE EXCHANGE PURSUANT TO
7 SECTION 10-22-106 (3).

8 (7) "SMALL GROUP MARKET" MEANS THE MARKET FOR SMALL
9 GROUP SICKNESS AND ACCIDENT INSURANCE.

10 (8) "STANDARDIZED PLAN" MEANS THE STANDARDIZED HEALTH
11 BENEFIT PLAN DESIGNED BY RULE OF THE COMMISSIONER PURSUANT TO
12 SECTION 10-16-1304.

13 **10-16-1304. Standardized health benefit plan - established -**
14 **rules.** (1) ON OR BEFORE JANUARY 1, 2022, THE COMMISSIONER SHALL
15 ESTABLISH, BY RULE, A STANDARDIZED HEALTH BENEFIT PLAN TO BE
16 OFFERED BY CARRIERS IN THIS STATE IN THE INDIVIDUAL AND SMALL
17 GROUP MARKETS. THE STANDARDIZED PLAN MUST:

18 (a) OFFER HEALTH-CARE COVERAGE AT THE BRONZE, SILVER, AND
19 GOLD LEVELS OF COVERAGE AS DESCRIBED IN SECTION 10-16-103.4;

20 (b) INCLUDE, AT A MINIMUM, ALL ESSENTIAL HEALTH BENEFITS;

21 (c) BE OFFERED THROUGH THE EXCHANGE AND THROUGH THE
22 PUBLIC BENEFIT CORPORATION;

23 (d) BE A STANDARDIZED BENEFIT DESIGN THAT:

24 (I) IS CREATED THROUGH A STAKEHOLDER ENGAGEMENT PROCESS
25 THAT INCLUDES HEALTH-CARE INDUSTRY AND CONSUMER
26 REPRESENTATIVES AND INDIVIDUALS WORKING IN OR REPRESENTING
27 COMMUNITIES THAT ARE DIVERSE WITH REGARD TO RACE, ETHNICITY,

1 IMMIGRATION STATUS, AGE, ABILITY, GEOGRAPHIC REGIONS OF THE STATE
2 OR ARE AFFECTED BY HIGHER RATES OF HEALTH DISPARITIES AND
3 INEQUITIES;

4 (II) HAS A DEFINED BENEFIT DESIGN AND COST-SHARING; AND

5 (III) IS DESIGNED TO IMPROVE RACIAL HEALTH EQUITY AND
6 DECREASE RACIAL HEALTH DISPARITIES, THROUGH A VARIETY OF MEANS,
7 INCLUDING THE IMPROVEMENT OF PERINATAL HEALTH-CARE COVERAGE;

8 (e) PROVIDE FIRST-DOLLAR, PRE-DEDUCTIBLE COVERAGE FOR
9 CERTAIN HIGH-VALUE SERVICES IDENTIFIED COLLABORATIVELY WITH
10 CONSUMER STAKEHOLDERS THAT REDUCE RACIAL DISPARITIES IN HEALTH
11 OUTCOMES, SUCH AS PRIMARY HEALTH CARE AND BEHAVIORAL HEALTH
12 CARE; AND

13 (g) COMPLY WITH THE FEDERAL ACT AND THIS ARTICLE 16.

14 (2) THE STANDARDIZED PLAN MUST BE OFFERED IN A MANNER
15 THAT ALLOWS CONSUMERS TO EASILY COMPARE THE STANDARDIZED
16 PLANS OFFERED BY EACH CARRIER.

17 (3) THE COMMISSIONER MAY UPDATE THE STANDARDIZED PLAN
18 ANNUALLY BY RULE THROUGH THE STAKEHOLDER PROCESS SET FORTH IN
19 SUBSECTION (1)(d)(I) OF THIS SECTION.

20 **10-16-1305. Standardized health benefit plan - carriers**
21 **required to offer - required components - commissioner - rules.**

22 (1) BEGINNING JANUARY 1, 2023, AND EACH YEAR THEREAFTER, A
23 CARRIER THAT OFFERS:

24 (a) AN INDIVIDUAL HEALTH BENEFIT PLAN IN COLORADO IS
25 ENCOURAGED TO OFFER THE STANDARDIZED PLAN IN THE INDIVIDUAL
26 MARKET IN EACH ZIP CODE WHERE THE CARRIER OFFERS AN INDIVIDUAL
27 HEALTH BENEFIT PLAN; AND

1 (b) A SMALL GROUP HEALTH BENEFIT PLAN IN COLORADO IS
2 ENCOURAGED TO OFFER THE STANDARDIZED PLAN IN THE SMALL GROUP
3 MARKET IN EACH ZIP CODE WHERE THE CARRIER OFFERS A SMALL GROUP
4 HEALTH BENEFIT PLAN.

5 (2) (a) BEGINNING JANUARY 1, 2024, AND EACH YEAR
6 THEREAFTER, AT LEAST TWO CARRIERS MUST OFFER THE STANDARDIZED
7 PLAN IN THE INDIVIDUAL MARKET AND IN THE SMALL GROUP MARKET IN
8 EACH ZIP CODE IN THIS STATE.

9 (b) FOR THE SOLE PURPOSE OF DETERMINING WHETHER THERE ARE
10 AT LEAST TWO CARRIERS IN EACH ZIP CODE AS REQUIRED IN SUBSECTION
11 (2)(a) OF THIS SECTION AND THIS SUBSECTION (2)(b), A HEALTH CARE
12 COVERAGE COOPERATIVE AS DEFINED IN SECTION 10-16-1002 (2) THAT IS
13 OPERATING IN A ZIP CODE IS CONSIDERED ONE OF THE TWO CARRIERS FOR
14 THAT ZIP CODE.

15 (3) (a) FOR THE PLAN YEAR BEGINNING JANUARY 1, 2023, EACH
16 CARRIER SHALL SET A GOAL OF OFFERING THE STANDARDIZED PLAN AT A
17 PREMIUM RATE THAT IS AT LEAST TEN PERCENT LESS THAN THE PREMIUM
18 RATE THAT THE CARRIER OFFERED FOR THE 2021 CALENDAR YEAR FOR
19 THE INDIVIDUAL MARKET. THE COMMISSIONER MUST CALCULATE THE
20 PREMIUM RATE REDUCTION BASED ON THE RATES CHARGED IN THE SAME
21 COUNTY IN WHICH THE CARRIER OFFERED INDIVIDUAL PLANS IN THE 2021
22 PLAN YEAR PRIOR TO THE APPLICATION OF A STATE REINSURANCE
23 PROGRAM PURSUANT TO PART 11 OF TITLE 16. FOR CARRIERS OFFERING
24 THE STANDARDIZED PLAN IN A COUNTY IN WHICH THE CARRIER DID NOT
25 OFFER AN INDIVIDUAL PLAN IN THE 2021 PLAN YEAR, EACH CARRIER
26 SHALL SET A GOAL OF OFFERING THE STANDARDIZED PLAN AT A PREMIUM
27 RATE THAT IS AT LEAST TEN PERCENT LESS THAN THE AVERAGE PREMIUM

1 RATE FOR INDIVIDUAL PLANS OFFERED IN THAT COUNTY IN THE 2021 PLAN
2 YEAR PRIOR TO THE APPLICATION OF A STATE REINSURANCE PROGRAM
3 PURSUANT TO PART 11 OF TITLE 16.

4 (b) FOR THE PLAN YEAR BEGINNING JANUARY 1, 2024, EACH
5 CARRIER SHALL SET A GOAL OF OFFERING THE STANDARDIZED PLAN AT A
6 PREMIUM RATE THAT IS AT LEAST TWENTY PERCENT LESS THAN THE
7 PREMIUM RATE THAT THE CARRIER OFFERED FOR THE 2021 CALENDAR
8 YEAR FOR THE INDIVIDUAL MARKET. THE COMMISSIONER MUST
9 CALCULATE THE PREMIUM RATE REDUCTION BASED ON THE RATES
10 CHARGED IN THE SAME COUNTY IN WHICH THE CARRIER OFFERED
11 INDIVIDUAL PLANS IN THE 2021 PLAN YEAR PRIOR TO THE APPLICATION OF
12 A STATE REINSURANCE PROGRAM PURSUANT TO PART 11 OF TITLE 16. FOR
13 CARRIERS OFFERING THE STANDARDIZED PLAN IN A COUNTY IN WHICH THE
14 CARRIER DID NOT OFFER AN INDIVIDUAL PLAN IN THE 2021 PLAN YEAR,
15 EACH CARRIER SHALL SET A GOAL OF OFFERING THE STANDARDIZED PLAN
16 AT A PREMIUM RATE THAT IS AT LEAST TWENTY PERCENT LESS THAN THE
17 AVERAGE PREMIUM RATE FOR INDIVIDUAL PLANS OFFERED IN THAT
18 COUNTY IN THE 2021 PLAN YEAR PRIOR TO THE APPLICATION OF A STATE
19 REINSURANCE PROGRAM PURSUANT TO PART 11 OF TITLE 16.

20 (c) THE PREMIUM RATE REDUCTIONS IN SUBSECTIONS (3)(a) AND
21 (3)(b) OF THIS SECTION FOR THE STANDARDIZED PLAN OFFERED IN THE
22 INDIVIDUAL MARKET MUST ACCOUNT FOR POLICY ADJUSTMENTS DEEMED
23 NECESSARY TO PREVENT PEOPLE WITH LOW AND MODERATE INCOME FROM
24 EXPERIENCING NET INCREASES IN PREMIUM COSTS.

25 (d) FOR THE PLAN YEAR BEGINNING JANUARY 1, 2025, AND EACH
26 YEAR THEREAFTER, EACH CARRIER IS ENCOURAGED TO LIMIT ANNUAL
27 PREMIUM RATE INCREASES FOR THE STANDARDIZED PLAN BY A RATE THAT

1 IS NO MORE THAN THE MAXIMUM OF THE CONSUMER PRICE INDEX FOR ALL
2 URBAN CONSUMERS PLUS ONE PERCENT, RELATIVE TO THE PREVIOUS
3 YEAR.

4 **10-16-1306. Colorado option authority - creation - board of**
5 **directors - powers and duties.** (1)(a) THERE IS HEREBY ESTABLISHED A
6 NONPROFIT, UNINCORPORATED PUBLIC ENTITY KNOWN AS THE COLORADO
7 OPTION AUTHORITY.

8 (b) THE PURPOSE OF THE AUTHORITY IS TO OPERATE AS A CARRIER
9 IN THIS STATE AND OFFER THE COLORADO OPTION TO INDIVIDUALS AND
10 SMALL EMPLOYERS STATEWIDE IF THE COMMISSIONER DETERMINES THAT
11 CARRIERS FAILED TO MEET THE PREMIUM RATE GOALS SPECIFIED IN
12 SECTION 10-16-1305 FOR THE 2023 AND 2024 PLAN YEARS, AND IF, IN THE
13 2024 PLAN YEAR, THERE ARE NOT AT LEAST TWO CARRIERS OFFERING THE
14 STANDARDIZED PLAN TO INDIVIDUALS AND SMALL EMPLOYERS IN EACH ZIP
15 CODE IN THE STATE, ON OR BEFORE JANUARY 1, 2025. IF THE
16 COMMISSIONER DETERMINES THAT CARRIERS FAILED TO MEET SUCH
17 PREMIUM GOALS AND THERE ARE NOT AT LEAST TWO CARRIERS IN EACH
18 ZIP CODE IN THE STATE, THE COMMISSIONER SHALL NOTIFY THE GOVERNOR
19 AND THE BOARD THAT THE AUTHORITY IS REQUIRED TO OFFER THE
20 COLORADO OPTION PURSUANT TO THIS PART 13.

21 (c) THE AUTHORITY IS AN INSTRUMENTALITY OF THE STATE;
22 EXCEPT THAT THE DEBTS AND LIABILITIES OF THE AUTHORITY DO NOT
23 CONSTITUTE THE DEBTS AND LIABILITIES OF THE STATE, AND THE
24 AUTHORITY IS NOT AN AGENCY OF THE STATE. THE AUTHORITY IS NOT
25 AUTHORIZED TO PROMULGATE RULES PURSUANT TO THE "STATE
26 ADMINISTRATIVE PROCEDURE ACT", ARTICLE 4 OF TITLE 24.

27 (d) THE AUTHORITY SHALL IMPLEMENT THE PROVIDER

1 REIMBURSEMENT FEE SCHEDULE ESTABLISHED IN SECTION 10-16-1307 FOR
2 SERVICES COVERED BY THE COLORADO OPTION.

3 (2) (a) THE COLORADO OPTION AUTHORITY BOARD IS HEREBY
4 CREATED. THE BOARD CONSISTS OF NINE MEMBERS APPOINTED BY THE
5 GOVERNOR AND CONFIRMED BY THE SENATE. THE BOARD IS THE
6 GOVERNING BODY OF THE AUTHORITY AND SHALL DETERMINE THE
7 DEVELOPMENT, GOVERNANCE, AND OPERATION OF THE AUTHORITY. THE
8 BOARD IS NOT AN AGENCY OF THE STATE.

9 (b) IN MAKING THE APPOINTMENTS TO THE BOARD, THE GOVERNOR
10 SHALL INCLUDE MEMBERS WHO ARE CONSUMERS, REPRESENTATIVES OF
11 CONSUMERS, SMALL BUSINESS OWNERS, AND PERSONS WITH EXPERTISE IN
12 HEALTH-CARE COVERAGE AND PLAN DESIGN. AT LEAST FIVE OF THE
13 MEMBERS MUST BE CONSUMERS, REPRESENTATIVES OF CONSUMERS, OR
14 SMALL BUSINESS OWNERS. A PERSON WHO IS EMPLOYED BY A CARRIER OR
15 A MANAGED CARE ORGANIZATION IS NOT ELIGIBLE FOR APPOINTMENT TO
16 THE BOARD.

17 (c) TO THE EXTENT POSSIBLE, THE GOVERNOR SHALL APPOINT
18 BOARD MEMBERS WHO REFLECT THE DIVERSITY OF THE STATE WITH
19 REGARD TO RACE, ETHNICITY, IMMIGRATION STATUS, INCOME, WEALTH,
20 ABILITY, AND GEOGRAPHY. IN CONSIDERING GEOGRAPHIC DIVERSITY, THE
21 GOVERNOR SHALL ATTEMPT TO APPOINT MEMBERS FROM BOTH RURAL
22 AND URBAN AREAS OF THE STATE.

23 (d) THE GOVERNOR SHALL APPOINT FIVE MEMBERS TO AN INITIAL
24 TERM OF FOUR YEARS AND FOUR MEMBERS TO AN INITIAL TERM OF TWO
25 YEARS. THEREAFTER, THE TERM OF OFFICE OF ALL MEMBERS IS FOUR
26 YEARS. EACH MEMBER MAY SERVE NO MORE THAN TWO FULL FOUR-YEAR
27 TERMS; EXCEPT THAT MEMBERS WHO SERVE AN INITIAL TWO-YEAR TERM

1 MAY SERVE UP TO TWO ADDITIONAL FOUR-YEAR TERMS AFTER SERVING
2 THE INITIAL TERM.

3 (e) MEMBERS OF THE BOARD SERVE AT THE PLEASURE OF THE
4 GOVERNOR. THE GOVERNOR MAY APPOINT NEW MEMBERS TO FILL ANY
5 VACANCIES ON THE BOARD IN ACCORDANCE WITH SUBSECTIONS (2)(b)
6 AND (2)(c) OF THIS SECTION.

7 (f) MEMBERS OF THE BOARD MAY RECEIVE A PER DIEM FOR THEIR
8 SERVICE ON THE BOARD AND MAY BE REIMBURSED FOR ACTUAL AND
9 NECESSARY EXPENSES, INCLUDING ANY REQUIRED DEPENDENT CARE AND
10 DEPENDENT OR ATTENDANT TRAVEL, FOOD, AND LODGING, WHILE
11 ENGAGED IN THE PERFORMANCE OF OFFICIAL DUTIES OF THE BOARD.

12 (g) THE GOVERNOR SHALL CONVENE THE BOARD AND PROVIDE
13 TECHNICAL AND ADMINISTRATIVE SUPPORT TO ASSIST WITH THE BOARD'S
14 ORGANIZATIONAL DUTIES. THE BOARD SHALL ELECT A CHAIR AND
15 VICE-CHAIR FROM AMONG THE APPOINTED MEMBERS. THE BOARD SHALL
16 MEET AS OFTEN AS NECESSARY TO CARRY OUT ITS DUTIES PURSUANT TO
17 THIS SECTION.

18 (h) THE BOARD AND ITS MEMBERS:

19 (I) ARE SUBJECT TO PART 4 OF ARTICLE 6 OF TITLE 24 AND PART 2
20 OF ARTICLE 72 OF TITLE 24; EXCEPT THAT MEMBERS OF THE BOARD MAY
21 CONVENE IN GROUPS OF NO MORE THAN THREE MEMBERS TO ORGANIZE
22 AND PLAN FOR THE BUSINESS OF THE AUTHORITY AS LONG AS NO FORMAL
23 ACTION IS TAKEN THAT CONCERNS THE BUSINESS OF THE AUTHORITY;

24 (II) ARE NOT REQUIRED TO COMPLY WITH THE "PROCUREMENT
25 CODE", ARTICLES 101 TO 112 OF TITLE 24; AND

26 (III) ARE NOT SUBJECT TO OR PART OF THE STATE PERSONNEL
27 SYSTEM, ARTICLE 50 OF TITLE 24.

- 1 (3) THE BOARD SHALL:
- 2 (a) HIRE AN EXECUTIVE DIRECTOR OF THE AUTHORITY;
- 3 (b) SEEK AND MAINTAIN, ON BEHALF OF THE AUTHORITY, A
- 4 CERTIFICATE OF AUTHORITY TO DO BUSINESS PURSUANT TO SECTION
- 5 10-3-105 TO ENABLE THE AUTHORITY TO OPERATE AS A CARRIER IN THIS
- 6 STATE;
- 7 (c) CONSULT WITH AND CONSIDER RECOMMENDATIONS OF THE
- 8 ADVISORY COMMITTEE CREATED IN SECTION 10-16-1307; AND
- 9 (d) NOT DUPLICATE OR REPLACE THE AUTHORITY OR DUTIES OF
- 10 THE COMMISSIONER PURSUANT TO THIS ARTICLE 16.
- 11 (4) THE BOARD, ON BEHALF OF THE AUTHORITY, MAY CONTRACT
- 12 WITH STATE AGENCIES IN ORDER TO IMPLEMENT THE COLORADO OPTION.
- 13 **10-16-1307. Provider fee schedule - duty of commissioner -**
- 14 **health-care providers.** (1) THE COMMISSIONER, IN CONSULTATION WITH
- 15 THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF HEALTH CARE POLICY
- 16 AND FINANCING, SHALL ESTABLISH BY RULE A PROVIDER REIMBURSEMENT
- 17 FEE SCHEDULE FOR HEALTH-CARE SERVICES THAT ARE COVERED BY THE
- 18 COLORADO OPTION. THE FEE SCHEDULE MUST:
- 19 (a) APPLY TO HOSPITALS, HEALTH-CARE PROVIDERS, PHARMACIES,
- 20 AND ALL OTHER PROVIDERS DELIVERING HEALTH-CARE SERVICES
- 21 COVERED BY THE COLORADO OPTION;
- 22 (b) SET THE REIMBURSEMENT FEES FOR THE 2025 PLAN YEAR TO
- 23 ACHIEVE AT LEAST A TWENTY-PERCENT PREMIUM REDUCTION WHEN
- 24 COMPARED TO THE RATES OFFERED BY CARRIERS IN THE 2021 PLAN YEAR;
- 25 (c) SET REIMBURSEMENT FEES FOR THE 2026 PLAN YEAR AND
- 26 EACH YEAR THEREAFTER AT RATES THAT ENSURE THAT THE COLORADO
- 27 OPTION PREMIUMS DO NOT INCREASE BY MORE THAN THE CONSUMER

1 PRICE INDEX FOR ALL URBAN CONSUMERS PLUS ONE PERCENT, RELATIVE
2 TO THE PREVIOUS YEAR; AND

3 (d) BE AVAILABLE TO OTHER HEALTH PLANS AS DETERMINED BY
4 THE COMMISSIONER, INCLUDING HEALTH-CARE COVERAGE COOPERATIVES
5 IF MEMBERS OF THE COOPERATIVE OPT TO BE SUBJECT TO THE
6 REGULATORY AUTHORITY OF THE COMMISSIONER.

7 (2) EACH HEALTH-CARE PROVIDER SHALL ACCEPT CONSUMERS
8 WHO ARE ENROLLED IN ANY HEALTH BENEFIT PLAN OFFERED BY THE
9 AUTHORITY.

10 (3) A HEALTH-CARE PROVIDER SHALL NOT BALANCE BILL
11 CONSUMERS ENROLLED IN THE COLORADO OPTION AND SHALL ACCEPT THE
12 FEE SPECIFIED IN THE FEE SCHEDULE ESTABLISHED BY THE COMMISSIONER
13 PURSUANT TO SUBSECTION (1) OF THIS SECTION FOR THE SERVICE
14 PROVIDED TO THE CONSUMER.

15 **10-16-1308. Advisory committee - creation - purpose.** (1) IF
16 THE AUTHORITY IS CREATED PURSUANT TO SECTION 10-16-1306, THE
17 BOARD SHALL APPOINT AN ADVISORY COMMITTEE TO MAKE
18 RECOMMENDATIONS TO THE BOARD AND THE AUTHORITY CONCERNING
19 THE DEVELOPMENT, IMPLEMENTATION, AND OPERATION OF THE
20 AUTHORITY AND THE COLORADO OPTION. IN MAKING RECOMMENDATIONS
21 TO THE AUTHORITY AND THE BOARD, THE ADVISORY BOARD SHALL GIVE
22 SPECIAL CONSIDERATION TO COLORADANS WITH LOW INCOME AND TO
23 COMMUNITIES OF COLOR.

24 (2) THE BOARD SHALL DETERMINE THE TERMS FOR THE ADVISORY
25 COMMITTEE MEMBERS AND SHALL ENSURE THAT THE ADVISORY
26 COMMITTEE REPRESENTS THE DIVERSITY OF THE STATE. THE ADVISORY
27 COMMITTEE MUST INCLUDE MEMBERS WHO ARE ENROLLED IN THE

1 COLORADO OPTION.

2 **10-16-1309. Commissioner - waiver.** (1) (a) ON OR AFTER THE
3 EFFECTIVE DATE OF THIS ACT, THE COMMISSIONER MAY APPLY TO THE
4 SECRETARY OF THE UNITED STATES DEPARTMENT OF HEALTH AND HUMAN
5 SERVICES FOR A STATE INNOVATION WAIVER TO WAIVE ONE OR MORE
6 REQUIREMENTS OF THE FEDERAL ACT AS AUTHORIZED BY SECTION 1332
7 OF THE FEDERAL ACT TO CAPTURE ALL APPLICABLE SAVINGS TO THE
8 FEDERAL GOVERNMENT AS A RESULT OF THE IMPLEMENTATION OF THIS
9 PART 13.

10 (b) UPON APPROVAL OF THE 1332 WAIVER APPLICATION, THE
11 COMMISSIONER MAY USE THE FEDERAL MONEY RECEIVED THROUGH THE
12 WAIVER:

13 (I) FOR THE ESTABLISHMENT OF THE AUTHORITY FOR THE PURPOSE
14 OF OFFERING THE COLORADO OPTION; AND

15 (II) TO INCREASE THE VALUE, AFFORDABILITY, QUALITY, AND
16 EQUITY OF HEALTH-CARE COVERAGE FOR ALL COLORADANS, WITH A
17 FOCUS ON INCREASING THE VALUE, AFFORDABILITY, QUALITY, AND
18 EQUITY OF HEALTH-CARE COVERAGE FOR COLORADANS HISTORICALLY
19 AND SYSTEMATICALLY DISADVANTAGED BY HEALTH AND ECONOMIC
20 SYSTEMS.

21 (c) THE IMPLEMENTATION AND OPERATION OF THE AUTHORITY IS
22 CONTINGENT UPON APPROVAL OF THE 1332 WAIVER APPLICATION AND THE
23 RECEIPT OF ANY STATE OR FEDERAL FUNDS APPROPRIATED BY THE
24 GENERAL ASSEMBLY FOR THIS PURPOSE.

25 **10-16-1310. Rules.** THE COMMISSIONER MAY PROMULGATE RULES
26 AS NECESSARY TO DEVELOP, IMPLEMENT, AND OPERATE THIS PART 13.

27 **10-16-1311. Severability.** IF ANY PROVISION OF THIS PART 13 OR

1 APPLICATION THEREOF TO ANY PERSON OR CIRCUMSTANCE IS JUDGED
2 INVALID, THE INVALIDITY DOES NOT AFFECT PROVISIONS OR APPLICATIONS
3 OF THIS PART 13 THAT CAN BE GIVEN EFFECT WITHOUT THE INVALID
4 PROVISION OR APPLICATION, AND TO THIS END THE PROVISIONS OF THIS
5 PART 13 ARE DECLARED SEVERABLE.

6 **SECTION 2.** In Colorado Revised Statutes, 10-16-107, **amend**
7 (3)(a)(V); and **add** (3)(a)(VII) as follows:

8 **10-16-107. Rate filing regulation - benefits ratio - rules.**
9 (3) (a) The commissioner shall disapprove the requested rate increase if
10 any of the following apply:

11 (V) The rate filing is incomplete; ~~or~~

12 (VII) THE RATE FILING REFLECTS A COST SHIFT BETWEEN THE
13 STANDARDIZED PLAN, AS DEFINED IN SECTION 10-16-1303 (8), OFFERED
14 BY THE CARRIER AND THE HEALTH BENEFIT PLAN FOR WHICH RATE
15 APPROVAL IS BEING SOUGHT. THE COMMISSIONER MAY CONSIDER THE
16 TOTAL COST OF HEALTH CARE IN MAKING THIS DETERMINATION.

17 **SECTION 3.** In Colorado Revised Statutes, 10-22-106, **amend**
18 the introductory portion, (1)(j), and (1)(k); and **add** (1)(l) as follows:

19 **10-22-106. Powers and duties of the board.** (1) The board is
20 the governing body of the exchange and has all the powers and duties
21 necessary to implement this ~~article~~ ARTICLE 22. The board shall:

22 (j) Consider the affordability and cost in the context of quality
23 care and increased access to purchasing health insurance; ~~and~~

24 (k) Investigate requirements, develop options, and determine
25 waivers, if appropriate, to ensure that the best interests of Coloradans are
26 protected; AND

27 (l) CONDUCT A SURVEY, THROUGH THE EXCHANGE, OF CONSUMERS

1 WHO PURCHASED THE STANDARDIZED HEALTH BENEFIT PLAN DEVELOPED
2 PURSUANT TO SECTION 10-16-1305, WHICH SURVEY ADDRESSES THE
3 CONSUMERS' PURCHASING EXPERIENCE, GENERALLY, AND WHETHER THE
4 STANDARDIZED PLAN ADDRESSES HEALTH EQUITY AND HEALTH DISPARITY
5 ISSUES.

6 **SECTION 4.** In Colorado Revised Statutes, 12-200-109, **amend**
7 (1)(n) and (1)(o); and **add** (p) as follows:

8 **12-200-109. Grounds for disciplinary action.** (1) The director
9 may deny licensure to or take disciplinary action against an acupuncturist
10 pursuant to sections 12-20-403, 12-20-404, and 24-4-105 if the director
11 finds that the acupuncturist has committed any of the following acts:

12 (n) Committed and been convicted of a felony or entered a plea
13 of guilty or nolo contendere to a felony; **and**

14 (o) Published or circulated, directly or indirectly, any fraudulent,
15 false, deceitful, or misleading claims or statements relating to
16 acupuncture or to the acupuncturist's practice, capabilities, services,
17 methods, or qualifications; **AND**

18 (p) FAILED TO COMPLY WITH SECTIONS 10-16-1308 (2) OR (3).

19 **SECTION 5.** In Colorado Revised Statutes, 12-205-111, **amend**
20 (2)(k) and (2)(l); and **add** (2)(m) as follows:

21 **12-205-111. Grounds for discipline - disciplinary proceedings**
22 **- definitions.**(2) The director may take disciplinary or other action in
23 accordance with section 12-20-404 or issue a cease-and-desist order in
24 accordance with section 12-205-112 upon reasonable grounds that the
25 licensee:

26 (k) Has practiced athletic training in a manner that fails to meet
27 generally accepted standards of athletic training practice; or

1 (l) Has otherwise violated any provision of this article 205 or an
2 applicable provision of article 20 or 30 of this title 12; OR

3 (m) HAS FAILED TO COMPLY WITH SECTION 10-16-1307 (2) OR (3).

4 **SECTION 6.** In Colorado Revised Statutes, 12-210-108, **amend**
5 (2)(u) and (2)(v); and **add** (2w) as follows:

6 **12-210-108. Disciplinary actions - grounds for discipline.**

7 (2) The following acts constitute grounds for discipline:

8 (u) In any court of competent jurisdiction, being convicted of,
9 pleading guilty or nolo contendere to, or receiving a deferred sentence
10 for a felony or a crime involving fraud, deception, false pretense, theft,
11 misrepresentation, false advertising, or dishonest dealing; ~~and~~

12 (v) Failing to notify the director, in writing and within thirty days
13 after a judgment or settlement is entered, of a final judgment by a court
14 of competent jurisdiction against the licensee involving malpractice of
15 audiology or a settlement by the licensee in response to charges or
16 allegations of malpractice of audiology and, in the case of a judgment,
17 failing to include in the notice the name of the court, the case number,
18 and the names of all parties to the action; AND

19 (w) FAILING TO COMPLY WITH SECTION 10-16-1307 (2) OR (3).

20 **SECTION 7.** In Colorado Revised Statutes, 12-215-115, **add**
21 **with amended and relocated provisions** (1)(ff) as follows:

22 **12-215-115. Discipline of licensees - suspension, revocation,**
23 **denial, and probation - grounds - definitions.** (1) Upon any of the
24 following grounds, the board may take disciplinary or other action as
25 specified in section 12-20-404 or impose conditions on a licensee's
26 license:

27 (ff) FAILING TO COMPLY WITH SECTION 10-16-1307 (2) OR (3).

1 **SECTION 8.** In Colorado Revised Statutes, 12-225-109, **add**
2 (1)(o) as follows:

3 **12-225-109. Disciplinary action authorized - grounds for**
4 **discipline - injunctions - rules.** (3) The director may take disciplinary
5 action as authorized by section 12-20-404 (1)(a), (1)(b), or (1)(d) for any
6 of the following acts or omissions:

7 (o) FAILING TO COMPLY WITH SECTION 10-16-1307 (2) OR (3).

8 **SECTION 9.** In Colorado Revised Statutes, 12-230-401, **amend**
9 (1)(q) and (1)(r); and **add** (1)(s) as follows:

10 **12-230-401. Grounds for discipline.** (1) The following acts
11 constitute grounds for discipline:

12 (q) Violating the "Colorado Consumer Protection Act", article 1
13 of title 6; ~~and~~

14 (r) Failing to practice according to commonly accepted
15 professional standards; AND

16 (s) FAILING TO COMPLY WITH SECTION 10-16-1307 (2) OR (3).

17 **SECTION 10.** In Colorado Revised Statutes, 12-235-111, **amend**
18 (1)(p); and **add** (1)(r) as follows:

19 **12-235-111. Grounds for discipline - definitions.** (1) The
20 director is authorized to take disciplinary action pursuant to section
21 12-235-112 against any person who has:

22 (p) Used fraudulent, coercive, or dishonest practices, or
23 demonstrated incompetence or untrustworthiness, in this state or
24 elsewhere; ~~or~~

25 (r) FAILED TO COMPLY WITH SECTION 12-16-1307 (2) OR (3).

26 **SECTION 11.** In Colorado Revised Statutes, 12-240-121, **add**
27 (1)(hh) as follows:

1 **12-240-121. Unprofessional conduct - definitions.**

2 (1) "Unprofessional conduct" as used in this article 240 means:

3 (hh) FAILING TO COMPLY WITH SECTION 10-16-1307 (2) OR (3).

4 **SECTION 12.** In Colorado Revised Statutes, 12-245-224, **amend**
5 (1)(x) and (1)(w); and **add** (y) as follows:

6 **12-245-224. Prohibited activities - related provisions -**
7 **definition.** (1) A person licensed, registered, or certified under this
8 article 245 violates this article 245 if the person:

9 (w) Has sold or fraudulently obtained or furnished a license,
10 registration, or certification to practice as a psychologist, social worker,
11 marriage and family therapist, licensed professional counselor,
12 psychotherapist, or addiction counselor or has aided or abetted in those
13 activities; ~~or~~

14 (x) Has failed to respond, in the manner required by the board, to
15 a complaint filed with or by the board against the licensee, registrant, or
16 certificate holder; OR

17 (y) HAS FAILED TO COMPLY WITH SECTION 10-16-1307 (2) OR (3).

18 **SECTION 13.** In Colorado Revised Statutes, 12-255-120, **amend**
19 (1)(gg); and **add** (1)(ii) as follows:

20 **12-255-120. Grounds for discipline - definitions.** (1) "Grounds
21 for discipline", as used in this part 1, means any action by any person
22 who:

23 (gg) Is diverting or has diverted a controlled substance, as defined
24 in section 18-18-102 (5), or any other drug having similar effects from
25 the person's place of employment; ~~or~~

26 (ii) FAILS TO COMPLY WITH SECTION 10-16-1307 (2) OR (3).

27 **SECTION 14.** In Colorado Revised Statutes, 12-265-113, **amend**

1 (1)(n) and (1)(o); and **add** (1)(p) as follows:

2 **12-265-113. Grounds for discipline.** (1) The board has the
3 power to take disciplinary or other action as specified in sections
4 12-20-404 and 12-265-107 (1)(d), upon proof that the person:

5 (n) Has practiced as a nursing home administrator during a period
6 when the person's license has been suspended or revoked; ~~or~~

7 (o) Has sold, fraudulently obtained, or furnished a license to
8 practice as a nursing home administrator, or has aided or abetted therein;

9 OR

10 (p) HAS FAILED TO COMPLY WITH SECTION 10-16-1307 (2) OR (3).

11 **SECTION 15.** In Colorado Revised Statutes, 12-270-114, **amend**
12 (1)(l) and (1)(m); and **add** (1)(n) as follows:

13 **12-270-114. Grounds for discipline - disciplinary proceedings**
14 **- definitions - judicial review.**(1) The director may take disciplinary
15 action against a licensee if the director finds that the licensee has
16 represented himself or herself as a licensed occupational therapist or
17 occupational therapy assistant after the expiration, suspension, or
18 revocation of his or her license.

19 (l) Has failed to provide adequate or proper supervision of a
20 licensed occupational therapy assistant, of an aide, or of any unlicensed
21 person in the occupational therapy practice; ~~or~~

22 (m) Has otherwise violated this article 270 or any lawful order or
23 rule of the director; OR

24 (n) HAS FAILED TO COMPLY WITH SECTION 10-16-1307 (2) OR (3).

25 **SECTION 16.** In Colorado Revised Statutes, 12-275-120, **add**
26 (1)(ii) as follows:

27 **12-275-120. Unprofessional conduct - definitions.** (1) The

1 term "unprofessional conduct", as used in this article 275, means:

2 (ii) FAILING TO COMPLY WITH SECTION 10-16-1307 (2) OR (3).

3 **SECTION 17.** In Colorado Revised Statutes, 12-285-120, **add**
4 (1)(aa) as follows:

5 **12-285-120. Grounds for disciplinary action - definitions.** (1) The
6 board may take disciplinary action in accordance with sections
7 12-20-404 and 12-285-122 against a person who has:

8 (aa) FAILED TO COMPLY WITH SECTION 10-16-1307 (2) OR (3).

9 **SECTION 18.** In Colorado Revised Statutes, 12-290-108, **add**
10 (z) as follows:

11 **12-290-108. Issuance, revocation, or suspension of license -**
12 **probation - unprofessional conduct - definitions - immunity in**
13 **professional review.**(3) "Unprofessional conduct" as used in this article
14 290 means:

15 (z) FAILING TO COMPLY WITH SECTION 10-16-1307 (2) OR (3).

16 **SECTION 19.** In Colorado Revised Statutes, **add** 25-3-126 as
17 follows:

18 **25-3-126. Health facilities - Colorado option - covered persons**
19 **- services - balance billing prohibited.** (1) A HEALTH FACILITY
20 LICENSED OR CERTIFIED BY THE DEPARTMENT PURSUANT TO SECTION
21 25-1.5-103 (1), THAT PROVIDES SERVICES COVERED UNDER THE
22 COLORADO OPTION, AS DEFINED IN SECTION 10-16-1303 (4):

23 (a) SHALL ACCEPT CONSUMERS WHO ARE ENROLLED IN THE
24 COLORADO OPTION OFFERED BY THE COLORADO OPTION AUTHORITY
25 DESCRIBED IN SECTION 10-16-1306;

26 (b) SHALL NOT BALANCE BILL CONSUMERS ENROLLED IN A HEALTH
27 BENEFIT PLAN OFFERED BY THE COLORADO OPTION AUTHORITY; AND

1 (c) SHALL ACCEPT THE FEE SPECIFIED IN THE FEE SCHEDULE
2 ESTABLISHED PURSUANT TO SECTION 10-16-1307 (1) FOR SERVICES
3 PROVIDED TO A CONSUMER ENROLLED IN THE COLORADO OPTION.

4 (2) THE DEPARTMENT MAY SUSPEND, REVOKE, OR IMPOSE
5 CONDITIONS ON A HEALTH FACILITY'S LICENSE FOR NONCOMPLIANCE WITH
6 THIS SECTION.

7 **SECTION 20. Safety clause.** The general assembly hereby finds,
8 determines, and declares that this act is necessary for the immediate
9 preservation of the public peace, health, or safety.