

**First Regular Session
Seventieth General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 15-0241.01 Kristen Forrestal x4217

HOUSE BILL 15-1066

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A BILL FOR AN ACT

101 **CONCERNING THE REPEAL OF THE "COLORADO HEALTH BENEFIT**
102 **EXCHANGE ACT".**

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://www.leg.state.co.us/billsummaries>.)

In 2010, pursuant to the enactment of federal law that allowed each state to establish a health benefit exchange option through state law or opt to participate in a national exchange, the general assembly enacted the "Colorado Health Benefit Exchange Act" (act). The act created the state exchange, a board of directors (board) to implement the exchange, and a legislative health benefits exchange implementation review

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

committee to make recommendations to the board. The bill repeals the act, effective January 1, 2016. The bill requires the state treasurer to transfer any unencumbered moneys that remain in the exchange to the general fund.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 10-22-112 as
3 follows:

4 **10-22-112. Repeal of article - transfer of funds.** (1) THIS
5 ARTICLE IS REPEALED, EFFECTIVE JANUARY 1, 2016.

6 (2) ON DECEMBER 31, 2015, THE BOARD SHALL TRANSFER ANY
7 UNENCUMBERED MONEYS THAT REMAIN IN THE EXCHANGE TO THE STATE
8 TREASURER, WHO SHALL TRANSFER THEM TO THE GENERAL FUND.

9 **SECTION 2.** In Colorado Revised Statutes, 10-8-536, **amend** (2)
10 and (3) as follows:

11 **10-8-536. Cessation of program coverage.** (2) On or before
12 March 31, 2015, the board of directors shall make a final disposition of
13 all ~~funds~~ MONEYS remaining in any account of the program ~~The board~~
14 ~~shall first transfer twenty-five percent of the remaining funds to the~~
15 ~~nonprofit unincorporated public entity created in article 22 of this title.~~
16 ~~The board shall then transfer the amount remaining~~ BY TRANSFERRING
17 THEM to a Colorado nonprofit foundation selected by the board, with
18 specific instructions that the funds be distributed statewide for the
19 purposes of promoting access to health care and improving health
20 outcomes for populations in Colorado with high health care needs. The
21 board shall promptly give notice of the transfer to the division of
22 insurance.

23 (3) ~~Loss of coverage under the CoverColorado program under~~

1 ~~paragraph (a) of subsection (1) of this section is a loss of minimum~~
2 ~~essential coverage for purposes of enrollment in the Colorado health~~
3 ~~benefit exchange, created under article 22 of this title. Loss of coverage~~
4 ~~under the CoverColorado program under paragraph (a) of subsection (1)~~
5 ~~of this section is an involuntary loss or termination of existing creditable~~
6 ~~coverage for the purposes of qualifying a participant for special~~
7 ~~enrollment in an individual or group health plan in the state of Colorado.~~

8 **SECTION 3.** In Colorado Revised Statutes, 10-16-102, **repeal**
9 (26) as follows:

10 **10-16-102. Definitions - repeal.** As used in this article, unless the
11 context otherwise requires:

12 (26) ~~"Exchange" means the Colorado health benefit exchange~~
13 ~~created in article 22 of this title.~~

14 **SECTION 4.** In Colorado Revised Statutes, 10-16-105.7, **amend**
15 (3) (a) (II) (C) and (3) (c); and **repeal** (3) (a) (II) (E) as follows:

16 **10-16-105.7. Health benefit plan open enrollment periods -**
17 **special enrollment periods - rules.** (3) (a) (II) A triggering event occurs
18 when:

19 (C) An individual's enrollment or nonenrollment in a health
20 benefit plan is unintentional, inadvertent, or erroneous and is the result of
21 an error, misrepresentation, or inaction of the carrier OR producer; ~~or~~
22 ~~exchange established pursuant to article 22 of this title;~~

23 (E) ~~The exchange established pursuant to article 22 of this title~~
24 ~~determines an individual to be newly eligible or newly ineligible for the~~
25 ~~federal advance payment tax credit or cost-sharing reductions available~~
26 ~~through the exchange pursuant to federal law;~~

27 (c) The commissioner shall adopt rules in accordance with federal

1 law for the implementation of this section. ~~The commissioner may adopt~~
2 ~~rules to allow individuals enrolled in a health benefit plan through an~~
3 ~~exchange established under article 22 of this title to enroll in or change~~
4 ~~from one health benefit plan to another under circumstances specified in~~
5 ~~the rules.~~

6 **SECTION 5.** In Colorado Revised Statutes, 10-16-107, **amend**
7 (5) (c) (I) and (5) (c) (II) as follows:

8 **10-16-107. Rate filing regulation - benefits ratio - rules.**

9 (5) (c) (I) A carrier shall consider all individuals in all individual health
10 benefit plans, other than grandfathered health benefit plans, offered by the
11 carrier ~~including those individuals who do not enroll in the plans through~~
12 ~~an exchange established under article 22 of this title,~~ to be members of a
13 single risk pool.

14 (II) A carrier shall consider all covered persons in all small
15 employer health benefit plans, other than grandfathered health benefit
16 plans, offered by the carrier ~~including those covered persons who do not~~
17 ~~enroll in the plans through an exchange established under article 22 of~~
18 ~~this title,~~ to be members of a single risk pool.

19 **SECTION 6.** In Colorado Revised Statutes, 10-16-119, **amend**
20 (3) (a) (IV) (D) and (3) (a) (IV) (E) as follows:

21 **10-16-119. Requirements for excess loss or stop-loss health**
22 **insurance used in conjunction with self-insured employer benefit**
23 **plans under the federal "Employee Retirement Income Security Act"**
24 **- data collection 2013-18 - rules - repeal.** (3) (a) For calendar years
25 2013 through 2018, an insurer that sells excess loss or stop-loss health
26 insurance policies shall file with the commissioner annually, in the form
27 and manner required by the commissioner by rule, information including

1 the following:

2 (IV) The source of prior coverage for the groups specified in
3 subparagraph (I) of this paragraph (a), including:

4 (D) Groups previously fully insured outside the Colorado health
5 benefit exchange, created in article 22 of this title AS IT EXISTED BEFORE
6 ITS REPEAL ON JAN. 1, 2016; and

7 (E) Groups previously fully insured inside the Colorado health
8 benefit exchange, created in article 22 of this title AS IT EXISTED BEFORE
9 ITS REPEAL ON JAN. 1, 2016; and

10 **SECTION 7. Act subject to petition - effective date.** This act
11 takes effect at 12:01 a.m. on the day following the expiration of the
12 ninety-day period after final adjournment of the general assembly (August
13 5, 2015, if adjournment sine die is on May 6, 2015); except that, if a
14 referendum petition is filed pursuant to section 1 (3) of article V of the
15 state constitution against this act or an item, section, or part of this act
16 within such period, then the act, item, section, or part will not take effect
17 unless approved by the people at the general election to be held in
18 November 2016 and, in such case, will take effect on the date of the
19 official declaration of the vote thereon by the governor.