

INITIATIVE TO REQUIRE EMPLOYERS
TO PROVIDE MAJOR MEDICAL HEALTH CARE COVERAGE FOR EMPLOYEES

Purpose and Explanation: This initiative would amend the Colorado constitution to require every employer that employs twenty or more employees in the state of Colorado to provide major medical health care coverage for its employees and their dependents. The initiative would set up a health insurance authority to administer this requirement.

1 Proposed Initiative:

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3 *Be it Enacted by the People of the State of Colorado:*

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5 Article XVIII of the constitution of the State of Colorado is amended BY THE ADDITION
6 OF A NEW SECTION to read:

7 **Section 16. Employers to provide health insurance.** (1) Every employer in the
8 state of Colorado that employs twenty or more employees shall provide, directly or indirectly,
9 major medical health care coverage for its employees and their dependents.

10 (2) The state of Colorado shall establish a health insurance authority to administer the
11 provision of such health care coverage. Employers that do not directly provide major medical
12 health care coverage for employees and their dependents shall pay premiums to the insurance
13 authority, which shall not provide such health care coverage itself but shall have the power to
14 contract with health insurance plans, companies, and organizations to provide such health care
15 coverage.

16 (3) The general assembly shall not appropriate monies from the general fund to pay costs of
17 administering the authority or costs of the health care mandated by this section. The general
18 assembly shall not be precluded from using other sources of revenue, if necessary, to pay for the
19 costs of administering the health insurance authority or providing the health care coverage
20 mandated by this section.

21 (4) An employer shall be deemed to provide health care coverage “directly” by offering a
22 major health care coverage plan in compliance with this section to its employees through a health
23 insurance plan, company, or organization or by acting as a self-insurer. To comply with this
24 section, the major health care coverage plan offered or provided by the employer shall not
25 require the employee to pay more than twenty percent of the premium cost of such coverage for
26 the employee, and shall not require the employee to pay more than thirty percent of the premium
27 cost of coverage for dependents of the employee. In the alternative, an employer shall provide
28 health care coverage “indirectly” by paying premiums to the insurance authority specified in
29 subsection (2) of this section in such amounts as are determined by the insurance authority to
30 fulfill the requirements of this section.

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1 (5) "Employer" shall mean any individual, person, firm, partnership, association,
2 corporation, limited liability company, company, or other entity that regularly employs twenty or
3 more employees in the state of Colorado, including a receiver or other person acting on behalf of
4 the employer. The term does not include the state or any political subdivision thereof.

5 (6) The general assembly shall enact such laws as are necessary to implement the
6 requirement for health care coverage provided under this section; to define terms that are not
7 defined in this section, including the required components of major medical health care
8 coverage; and to provide for the administration of the health insurance authority specified in
9 subsection (2) of this section.

10 (7) The effective date of this section shall be delayed until the general assembly has an
11 opportunity to enact appropriate legislation to implement the requirements of this section. The
12 effective date, in any event, shall not be delayed beyond November 1, 2009.