

Standardized Health Benefit Plan Colorado Option

HB21-1232

Colorado Standardized Benefit Bill ([HB21-1232](#))

- Colorado Standardized Benefit Bill was introduced on March 18th and it is a two phased approach aimed to lower healthcare costs.
- Phase 1 includes provisions to establish a plan with standardized benefits offered on and off Exchange and for issuers to lower premiums by 20% by 2024.
- If Phase 1 provisions by the issuers are not met, Phase 2 will begin in 2025, and that is the enactment of a governmental operated insurance option.

Standardized Health Benefit Plans

- With the proposed introduction of standardized plans into the Colorado market, we can learn from other states' experiences.
- Other states that offer standardized plans, including Connecticut, Massachusetts, New York, and Oregon identified three policy goals that standardization helps achieve.
 1. Streamline consumers' shopping experiences and make comparing plans easier.
 2. Improve access to valued services, such as primary care and prescription drugs.
 3. Increase the affordability of coverage.

Sources: <https://www.urban.org/sites/default/files/publication/82611/2000862-Missed-Opportunities-State-Based-Marketplaces-Fail-to-Meet-Stated-Policy-Goals-of-Standardized-Benefit-Designs.pdf>; <https://www.shvs.org/standardizing-health-plan-benefit-design-opportunities-and-implications-for-states/>

Other CO Affordability Initiatives Affecting C4HCO

Bill	C4HCO Role	Timing
HB20-215 - Health Insurance Affordability Enterprise (HIAE)	Phase 1: CSR enhancement for Exchange customers for Plan Year 2022. Phase 2: PBC benefit in 2023 TBD.	Phase 1: Plan Year 2022 Phase 2: Plan Year 2023
HB19-1168 Reinsurance Program	Decreased overall premiums on the individual market across the state.	Current policy
HR 1319 American Rescue Plan (ARP)	Expanded financial help available for all people on the individual market.	Plan Years 2021 and 2022

Questions from Policy Committee on HB 21-1232

- What is the relationship between HB 21-1232 and other affordability initiatives?
- What are the financial and operational considerations?
- How does this proposal meet or not meet Connect for Health Colorado's mission and strategic goals?
- What does this mean for rural communities?
- Are we gaining lives on the Exchange with this bill?