

A public benefit corporation shall prepare an annual report that includes:

A narrative description of:

The ways in which the public benefit corporation promoted the public benefit identified in the articles of incorporation and the best interests of those materially affected by the public benefit corporation's conduct;

Any circumstances that have hindered the public benefit corporation's promotion of the identified public benefit and the best interests of those materially affected by the public benefit corporation's conduct; and

The process and rationale for selecting or changing the third-party standard used to complete the assessment pursuant to subsection (1)(b) of this section; and

An assessment of the overall social and environmental performance of the public benefit corporation against a third-party standard:

Applied consistently with any application of that standard in prior benefit reports;
or

Accompanied by an explanation of the reasons for any inconsistent application.
The assessment does not need to be performed, audited, or certified by a third party.

For purposes of subsection (1) of this section, "third-party standard" means a standard for defining, reporting, and assessing the overall corporate social and environmental performance, which standard is developed by an organization that is not controlled by the public benefit corporation or any of its affiliates and that makes publicly available the following information:

The criteria considered when measuring the social and environmental performance of a business, the relative weightings of those criteria, if any, and the process for development and revision of the standard; and

Any material owners of the organization that developed the third-party standard, the members of its governing body and how they are selected, and the sources of financial support for the organization, in sufficient detail to disclose any relationships that could reasonably be considered to compromise its independence.

A public benefit corporation that prepares a report pursuant to this section shall send it to each shareholder.

A public benefit corporation shall post all of its reports prepared pursuant to this section on the public portion of its website, if any, but the public benefit corporation may omit from the posted reports any financial or proprietary information included in the reports.

If a public benefit corporation does not have a website, the public benefit corporation shall provide a copy of its most recent report, without charge, to a person that requests a copy, but the public benefit corporation may omit any financial or proprietary information from the copy of the benefit report so provided.

2022 Annual Report
of
Colorado Connect, a Public Benefit Corporation
under
Colorado’s Public Benefit Corporation Act

I. Introduction – History

Connect for Health Colorado is Colorado’s health insurance exchange marketplace. Colorado’s General Assembly established *Connect for Health Colorado* to facilitate access to and enrollment in health plans and to increase access, affordability, and choice for individuals and small employers purchasing health insurance in Colorado. In December of 2020, *Connect for Health Colorado* established a wholly owned subsidiary organized as public benefit corporation under Colorado law doing business as *Colorado Connect*.

Colorado Connect’s organizational documents lay out its focus as a public benefit corporation with the adoption of an intended public benefit to Coloradans.

Obtaining access to and consuming affordable health care services is complex. Helping Coloradan’s identify and use health care goods and services in a thoughtful and meaningful fashion provides both financial and wellness benefits to individuals and families. Promoting and offering goods and services to increase health care literacy in Colorado is a public benefit for all consumers of health care goods and services in Colorado. The Corporation adopts the promotion of health care literacy for Coloradans as a defined public benefit to provide one or more positive effects for consumers of health care goods and services.

Shortly after *Colorado Connect’s* formation the General Assembly introduced and eventually passed the “Health Insurance Affordability Act.” This legislation earmarked *Colorado Connect* to assist in the State’s efforts in reducing the number of Coloradans who lack health care coverage by administering a subsidy to reduce the costs of healthcare coverage offered a state-subsidized individual health coverage plan separate from federal subsidies available through *Connect for Health Colorado* under the “Affordable Care Act.” Under the “Health Insurance Affordability Act” the General Assembly directs *Colorado Connect* to provide the state-based subsidy to Colorado residents with a household income less than 300% of the established federal poverty line (42 USC §9902) who are otherwise ineligible a subsidy (tax credit) on the Exchange, Medicaid, or the Children’s Basic Health Plan (CRS §25.5-8-103) regardless of immigration status. The state-based subsidy administered by *Colorado Connect* will be available to qualified residents beginning in plan year 2023.

During its start-up phase *Colorado Connect* built out the necessary infrastructure to allow it to provide access to plans that increase affordability, accessibility, and improve their health status. This infrastructure included the creation of systems and tools through which *Colorado Connect* can meet its statutory obligations under the “Health Insurance Affordability Act” to administer the state-based subsidy to qualified residents. *Colorado Connect’s* infrastructure is designed to supplement the mission of its

parent – to increase access, affordability, and choice for individuals and small employers purchasing quality health insurance in Colorado.

II. Third-Party Standard

Public Benefit Corporations are required to assess their overall performance against a third-party standard on annual basis. A third-party standard is a means to define, report, and assess overall corporate social and environmental performance and is provided by an organization that is not controlled by the public benefit corporation. Approaches to demonstrating progress in providing a public benefit include focusing on inputs, production processes, outcomes, and use of generated profits. Third-party standards may be used to assess a public benefit corporation’s impact in advancing its adopted public benefit.

In 2021 *Colorado Connect* adopted a public benefit of promoting and offering goods and services to increase health care literacy in Colorado for consumers of health care goods and services in Colorado consistent with the mission of its parent entity *Connect for Health Colorado* to provide access, affordability, and choice for individuals and small employers purchasing quality health insurance in Colorado.

III. Promotion of Access, Affordability, and Literacy

For the year 2022 *Colorado Connect*’s priorities included:

- Creation of systems and tools through which Colorado Connect can meet its statutory obligations under the “Health Insurance Affordability Act” to administer the state-based subsidy to qualified residents.
- Collaboration with *Connect for Health Colorado*, the *Colorado Division of Insurance* and community partners in development and implementation of HIAE program, including outreach to qualified residents.
- Standardized plan loading for HIAE qualified residents.

At the close of 2022, for the first time ever in Colorado, people who are undocumented, including DACA recipients, were provided a new way to shop for coverage, enroll in affordable health insurance plans and qualify for financial help. *Colorado Connect* launched a program, known as “*OmniSalud*” with the start of the Open Enrollment season. About 10,000 people have used the program to enroll in a health insurance plan that reduces the cost of plans to \$0.

Colorado Connect was successful in the first year of administering the *OmniSalud* program providing access to health insurance with no cost to qualified residents. Looking forward to the coming years, *Colorado Connect* plans to continue to provide access to this coverage and increase its educational efforts to help consumers new to health insurance use it and obtain quality health care.

IV. Challenges to the Promotion of the Public Benefit

While the *OmniSalud* program was successfully implemented and administered, *Colorado Connect* will need to continue to work toward financial sustainability independent of its parent entity. Further,

facilitating financial health care literacy with consumers remains a goal for *Colorado Connect* as it works with community partners moving forward.

V. Small Business and Ancillary Benefits Initiatives

Future plans for *Colorado Connect* include promoting products and services for small Colorado business owners.

- Leverage synergies associated with *Connect for Health Colorado* and *Colorado Connect* to provide affordable options for employees and employers through an integrated health insurance shopping experience.
- Offer well vetted and fully regulated products for small business owners and employees.
- Offer Ancillary products offered to employees will supplement, not replace, health insurance.
- Encourage appropriate small business vendor relationships to augment subsidized health coverage including subsidies under the ACA, through Medicaid, and under the Children’s Health Insurance Plan.
- Offer access to a choice of ancillary products and services that allows customers to select the products that best fit their coverage needs and pocketbook.
- Provide access to products that support health and financial wellness.
- When feasible, integrate ancillary benefit shopping and education with the *Connect for Health* plan shopping experience and, after health plan selection, provide access to ancillary products offered through *Colorado Connect* to supplement, not replace, QHP health insurance coverages.