

Special Session Update

8.20.2025



HB 25b 21: HIAE Contingency Funding

Sponsors: Reps Brown (D) & Gilchrist (D); Sens Jodeh (D) & Mullica (D)

What the bill does:

- Authorizes a one-time \$100M loan from the Unclaimed Property Trust Fund (UPTF) to the HIAE for Plan Year 2026 (interest-free loan; repaid by 2045)
- Allocates up to **\$50M to the reinsurance program** and **up to \$50M to Colorado Premium Assistance**
- Provides flexibility for DOI/HIAE to fund other HIAE programs, which may include OmniSalud:
 - Up to **\$5M of UPTF funds** may be used for “other HIAE programs”
 - Up to **\$20M of residual HIAE reserves** may be used for “other HIAE programs”
- Allows HIAE/Commissioner to adjust the OmniSalud program to “maximize coverage,” including with plan design changes
- Requires an annual HIAE financial report (revenue sources and allocations)
- Trigger: Only takes effect if **federal Enhanced Premium Tax Credits (ePTC) are not reauthorized by Dec. 31, 2025**

Impact for C4HCO

- Short-term expansion of Colorado Premium Assistance for some subsidized customers on-Exchange if ePTC expire
 - Could prevent some of the projected 90,000 customer enrollment loss in PY 2026
- Potential short-term funding for OmniSalud Program
 - Could bring the 3,000 projected slots to 7,000 slots in PY 2026
- Short-term funding for reinsurance, increasing affordability in the individual market.

Relation to Connect for Health Colorado's Mission:

- Increases affordability of health insurance plans through the Marketplace

Relation to Connect for Health Colorado's Strategic Plan:

- Maximizes the number of customers who shop and enroll through the Marketplace
- Improves the ability of customers to attain and retain health insurance
- Supports equity in healthcare coverage

Lobbying

Likely Supporters:

- Health advocacy groups
- Safety net providers
- Immigrant advocates

Potential Opposition/Concerns:

- Fiscal conservatives (use of UPTF)
- Colorado Treasurer Dave Young (use of UPTF)
- Some members of the health advocacy and immigrant advocacy community (short-term funding)

Staff Recommendation: *Support* — this bill provides a critical affordability backstop if the ePTC expires and it directly aligns with C4HCO’s mission to increase affordability and choice for individuals and small employers purchasing health insurance in Colorado

Context: HB 25 1297

- Earlier this year C4HCO took a SUPPORT position on another HIAE funding bill run by the same sponsors and the Polis Administration. This is an extension of that effort.
- A “long term fix” is expected to be discussed in 2026 regular session.



Thank You
Questions?

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