Policy & Operations

September 28, 2026

HCPF Update

Division of Insurance

OE Message Platform Overview

PY27 Renewal Enhancements

A simpler renewal experience that gives customers earlier clarity and greater choice

The current renewal journey drives late action and peak-season support demand

CUSTOMER CHALLENGES

- Renewal outcomes and available actions are not always clear
- Multiple notices create confusion
- Customers want to compare options without giving up renewal protection

OPERATIONAL IMPACT

- Many customers act only after passive renewals are processed
- Renewal questions increase Broker and Service Center volume during Open Enrollment

PY27 FOCUS

- Prompt earlier action while preserving customer choice and continuity of coverage

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1. Eligible customers will begin Open Enrollment with renewal coverage already in place

PY26

Passive renewals were processed on December 2

PY27

Passive renewals will be processed before Open Enrollment, giving eligible customers an active PY27 enrollment on November 1, 2026

- What this enables
  - Update eligibility or compare plans without canceling renewal coverage
  - Select a new plan by December 15 for January 1 coverage
  - Select a new plan by January 15 for February 1 coverage

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2. One notice will explain the customer's complete renewal outcome

Renewal and Enrollment notices will be consolidated for automatically renewed customers

THE NEW NOTICE WILL SHOW

- PY26 and PY27 premiums and costs
- Household income used for the renewal
- Renewal status in clearer language
- Recommended next steps and available actions

OTHER NOTICE CHANGES

- Renewal Exclusion Notice remains unchanged
- Suggested Renewal Notice is retired; customers will be automatically renewed or excluded

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3. The welcome page will make the next best action clear

AUTOMATICALLY RE-ENROLLED CUSTOMERS CAN

- Update eligibility
- Review and compare plans
- Cancel renewal coverage

A NEW RENEWAL PLAN DETAILS PAGE WILL

- Compare PY26 and PY27 coverage and costs
- Make renewal status easier to understand
- Support an informed plan decision

Related pathways will also support customers excluded from renewal, customers with staged eligibility only, and COCO customers

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PY27 Renewals Timeline

Customers receive renewal information before Open Enrollment:

- OCTOBER 19 — Account/ Enrollment change cutoff
- OCTOBER 20- 27 — Maintenance window and renewal processing
- AFTER OCTOBER 27 — Notices begin to be sent to customers
- NOVEMBER 1 — Open Enrollment begins with eligible renewal enrollments in place

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How We Will Measure Success

We will monitor whether the experience drives earlier action and reduces renewal friction:

CUSTOMER OUTCOMES

- Earlier action in the renewal journey
- Clearer understanding of renewal status and available choices
- Less friction when updating eligibility or comparing plans

OPERATIONAL OUTCOMES

- Fewer renewal-related calls during peak Open Enrollment
- More efficient support for Brokers, Assisters, and Service Center teams

FEEDBACK LOOP

P&O Committee, BAG, Broker and Assister focus groups, customer surveys, and interviews will inform future improvements

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Verification Update

Improve the verifications experience

Plan Year 28 brings big changes

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Why solve this problem

With the PY28 requirement that verifications be resolved before receiving financial help, our Manual Verification Request (MVR) process can no longer be "after the fact". Completing a verification must be an "upfront", real-time experience to avoid financial help impacts to customers or loss of enrollments.

Why now

Although the new rule is for PY28, we are looking to design and implement workflow changes and new solutions for PY27 to allow an opportunity for customers, brokers/assisters, and C4 operations to get familiar with the changes AND provide ourselves the opportunity to iterate and refine.

Primary goals

1. Clearly understand the current challenges and opportunities for improvement in the existing system
2. Define the most impactful areas of risk incurred with a “pre-enrollment process”. What new challenges arise, what existing challenges are worsened?
3. Identify the biggest risks in PY28 that we don’t want to miss learning about in PY27

Plan Year 27 – upcoming OE

- RIDP RBA identity proofing service
- Welcome Page tasks for verifications
- Removal of APTC tax reconciliation proof for income verifications

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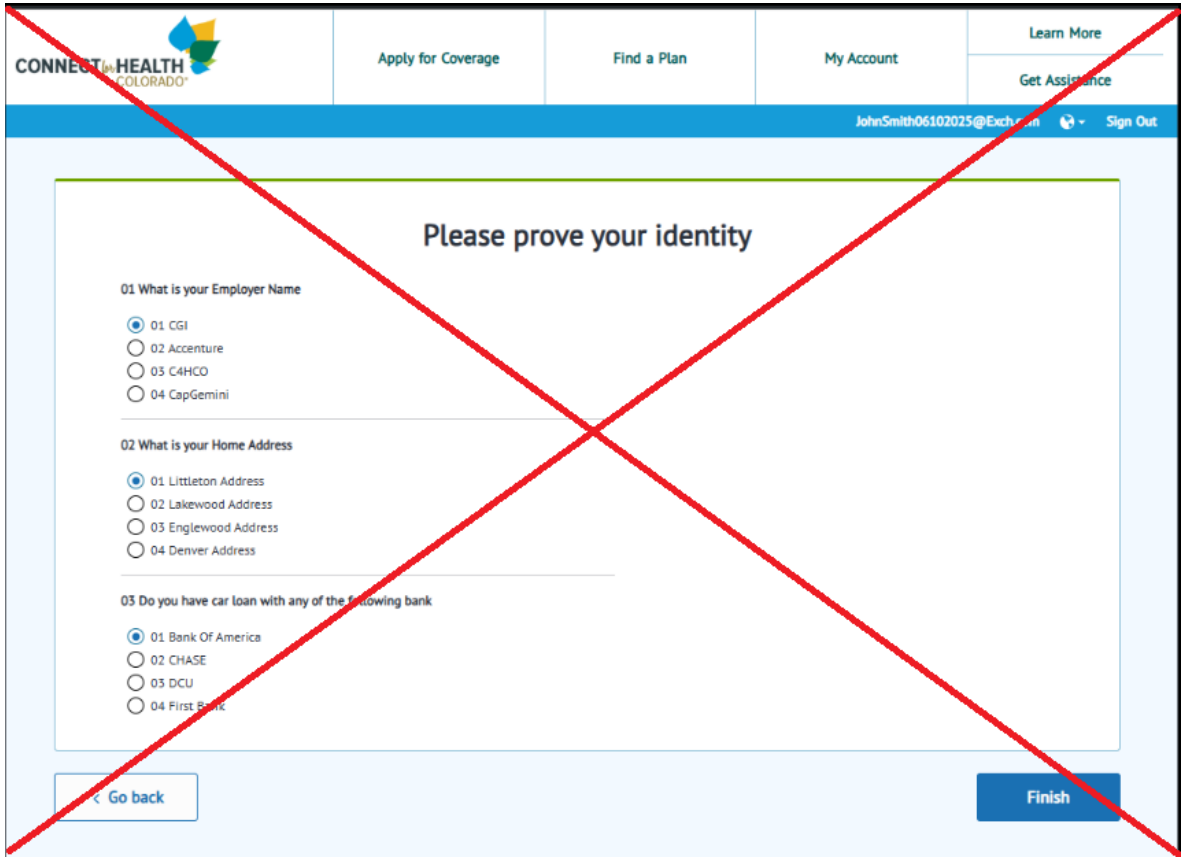
Identity Proofing Service



CMS mandated the transition from Knowledge-Based Authentication (KBA) to Risk-Based Authentication (RBA) before December 31, 2026.

Replaces knowledge-based questions with a risk-based evaluation using applicant identity, device, address, and phone data.

- New customers only
- Customers associated with brokers or assisters do not need to complete this process

Released 8/12/26, **87% success rate** with automated verification measured in the first two weeks

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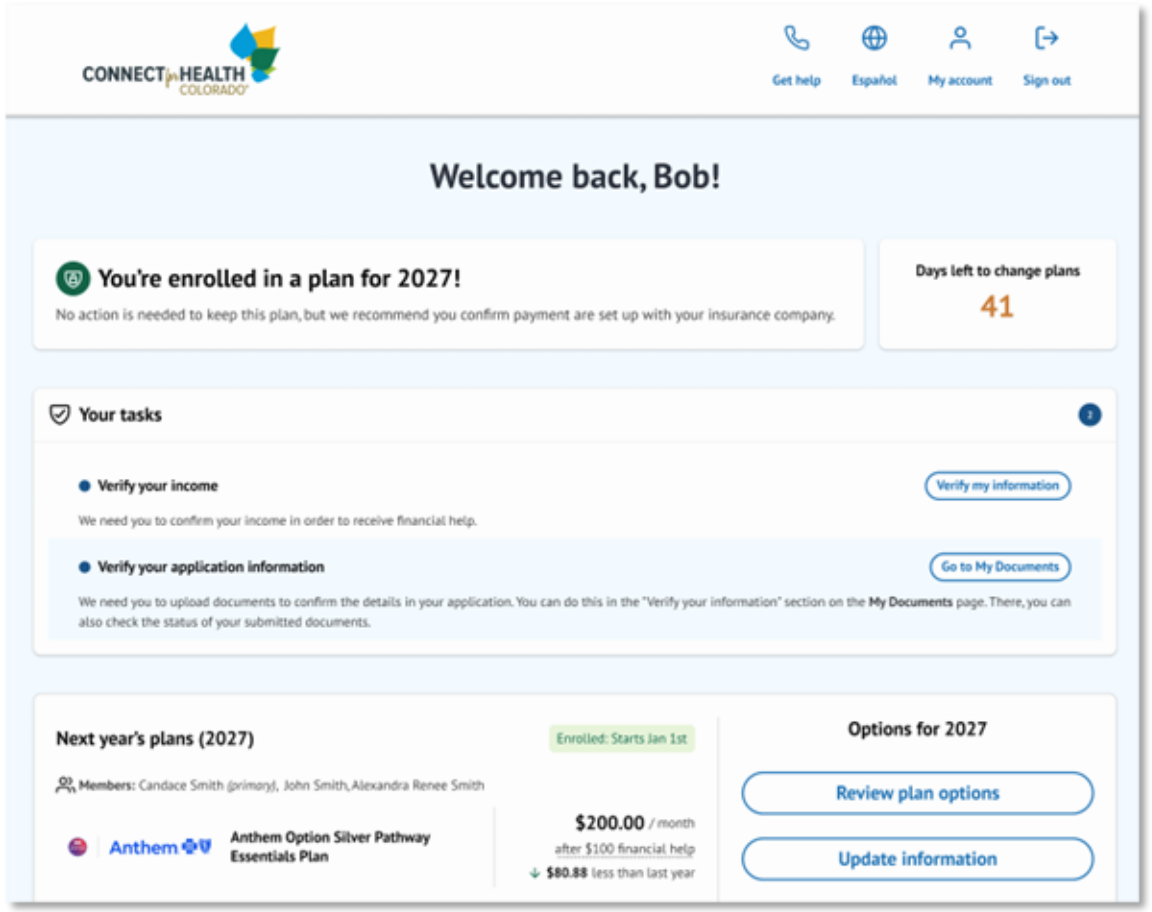
Welcome Page Tasks for verifications



Any customer with an open verification request will see a Task on the main Welcome Page to indicate they need to take action.

Income verification will allow immediate verification through a simple self-attestation form.

Identity proofing and all other verification types will direct the user to My Documents to upload documentation

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Proof of Income Manual Verification Request

The temporary stay granted by the court in City of Columbus v. Kennedy (2026) impacts our approach to income verification in Plan Year 2027.

- The “Proof of Financial Help Eligibility” Manual Verification Request will become “Proof of Income.” Customers with an income discrepancy will be asked to verify their income rather than provide both income and tax-reconciliation proof.
- Customers resolving a Proof of Income request will no longer need to provide Form 8962 for tax reconciliation.
- The income self-attestation form will be updated to one question confirming income.
- The 60-day extension to verify income will be reinstated for Plan Year 2027.
- Verification of tax reconciliation will return in PY2028.

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Off-Exchange Plans on the Connect for Health Colorado Platform

Overview

Beginning in Plan Year 2027, Connect for Health Colorado will offer both on-exchange **and off-exchange plans** through the same platform.

Off-exchange plans will be sold through the *business entity* of Colorado Connect, but through the *platform* of Connect for Health Colorado.

Off-exchange plans will **only** be displayed to customers that are not eligible for financial help through the exchange.

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Why?

More options in one place.

You can come to Connect for Health Colorado to explore coverage options, regardless of whether you qualify for financial help. Offering on-exchange and off-exchange plans through the same platform makes it easier to compare more options in one place.

When are off-exchange plans good for customers?

- Customers that are **not eligible for financial help** may save with off-exchange silver plans. Off-exchange silver plans are not silver-loaded and often have lower premiums.
- Customers using an **ICHRA** (Individual Coverage Health reimbursement Arrangement) can only take advantage of certain tax benefits if enrolled off-exchange.

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Customers not eligible for financial help

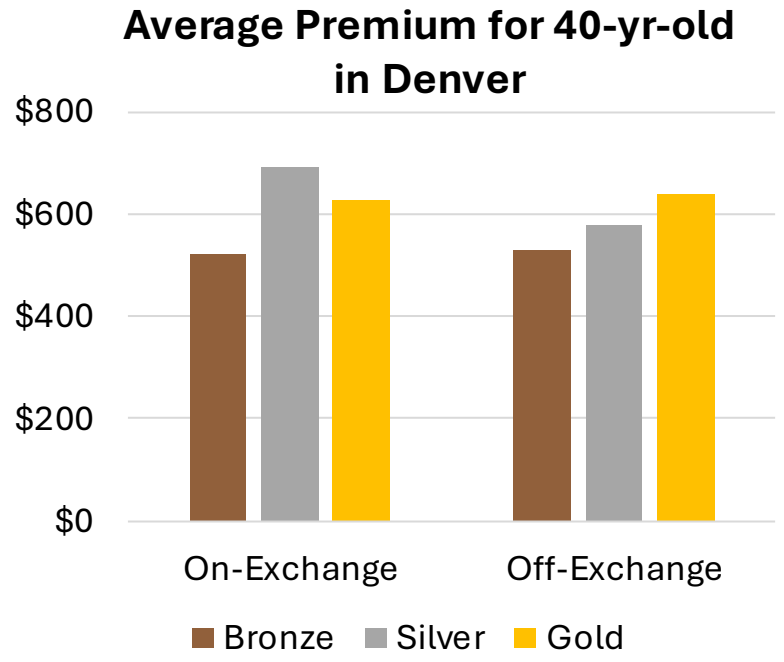
Will see:

- **All** on-exchange plans
- **Silver** off-exchange plans

Off-exchange plans will be clearly marked as **not eligible for savings.**

Customers will be made aware that even if their income changes, they will not be able to claim PTC on their taxes if enrolled in an off-exchange plan.

- Income changes that make someone newly eligible for APTC do trigger a **special enrollment period**, so customers can switch plans to enroll in an on-exchange plan.



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ICHRAs (Individual Coverage Health reimbursement Arrangement)

Understanding ICHRAs is tricky.

ICHRAs are a type of health benefit that allow employers of any size to reimburse employees tax-free for individual health insurance premiums.

Affordability. An ICHRA is considered affordable if the employee's contribution to the **lowest cost silver plan** would be less than a certain percentage of their income (10.22% in 2027).

- If the ICHRA is **unaffordable**, the customer can *choose* whether to use the ICHRA or opt out of the ICHRA. If they opt out, they are eligible for APTC. Customers cannot receive APTC if they use the ICHRA.
- **Customers opting out of an unaffordable ICHRA will be shown only on-exchange plans.**

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ICHRAs (Individual Coverage Health reimbursement Arrangement)

Tax Benefits. Customers using an ICHRA often have access to certain tax benefits if they enroll in an off-exchange plan.

- 70-80% of employers offering an ICHRA also offer a cafeteria plan (Section 125), which allow employees to receive certain benefits on a pre-tax basis.
  - If the ICHRA itself does not cover 100% of the employee's health insurance premium, employers may allow a pre-tax salary reduction through a cafeteria plan to pay the remaining portion of the premium not covered by the ICHRA, **but only if the coverage is purchased off-exchange.**

Due to the complexity of understanding individual ICHRA arrangements, for 2027 we will be requiring ICHRA enrollments to be OBO.

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***OBO** = 'On Behalf Of' = a method where an authorized professional acts on behalf of the customer*

Customers enrolling with an ICHRA

OBO	Will see: • **All** on-exchange plans • **All** off-exchange plans
Not OBO	Will see: • No plans; direction to contact a broker (*your* broker if associated) to proceed.

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Three issuers will offer off-exchange plans through the C4 platform this year.

Select Health

ROCKY MOUNTAIN HEALTH PLANS®

A UnitedHealthcare Company

ELEVATE HEALTH PLANS

Denver Health Medical Plan Inc.™

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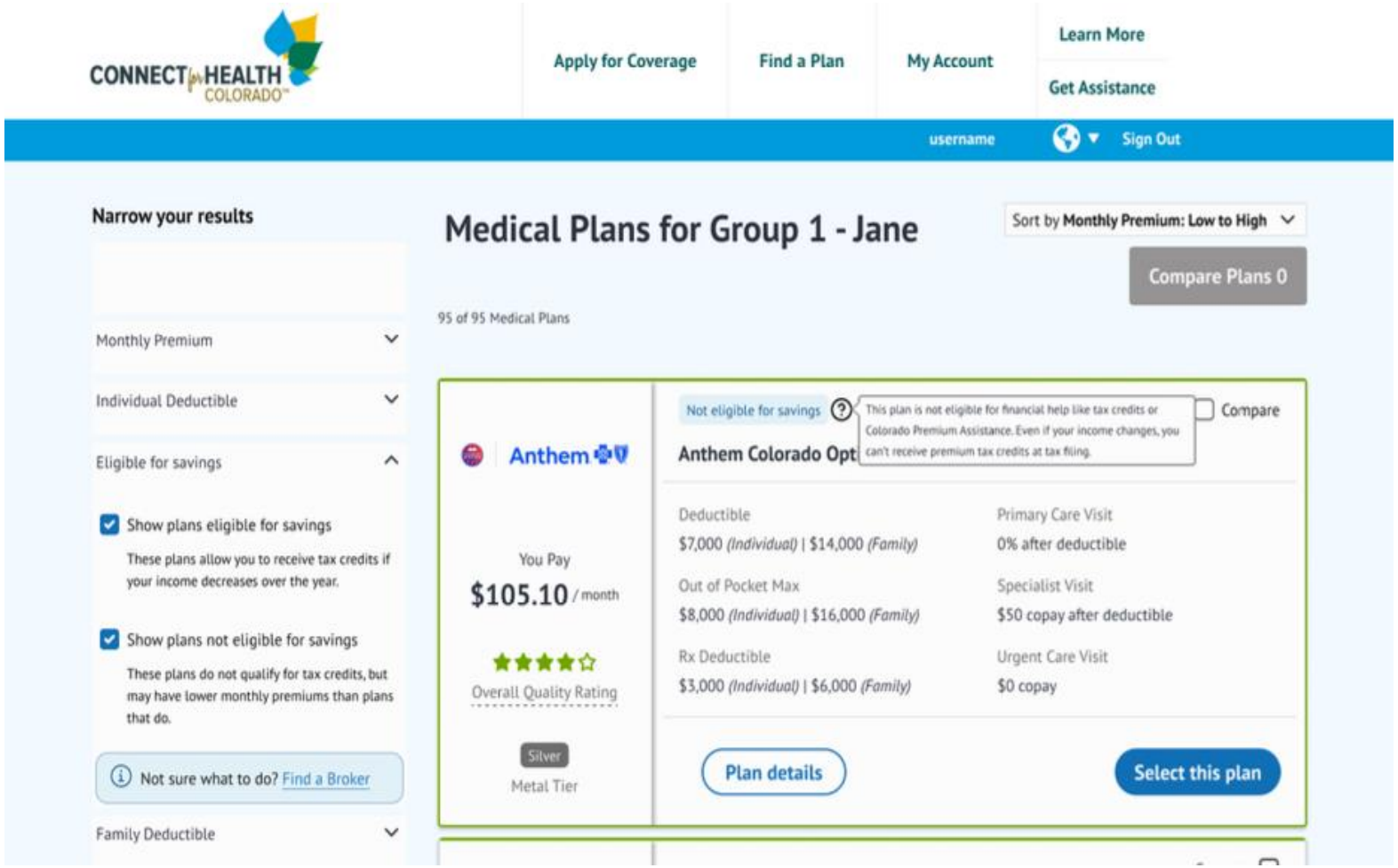
Overview of Incoming UI Improvements

Increasing guidance to ICHRA-ready brokers

- Customers without a broker association will be **guided to a broker able to help**.
- Customers already associated to a broker will see their broker's contact information.

Support easy identification of off-exchange plans

- **Off-exchange plans and policies will be labeled on every relevant page**, including within the shopping experience.
- Educational language will be available throughout to help the customer understand what they can choose to enroll in.
- Customers will also be able to filter plans based on whether it is an off-exchange or on-exchange plan.



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Mitigate confusion during account creation

- The question of where to create your account (Connect for Health Colorado or Colorado Connect) has been redesigned.
  - We focused on clarifying the language to help customers understand that **this binary decision matters**.
- The entire Account Creation page is being updated to align with current C4HCO design expectations and clarify expectations.

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Other planned improvements

1. **Augment existing guidance and educational prompts** throughout the C4HCO application.
2. **Improve internal support portals** to identify off-exchange policies and members with an ICHRA.
3. **Update Book of Business to support C4 off-exchange policies** in the Broker Portal.

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Lawfully Present Immigrants

Starting January 1, 2027, **fewer lawfully present immigrants are eligible to receive financial assistance** through C4HCO.

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Immigrant Eligibility

Eligibility for **full-price plans** at Connect for Health Colorado

- Lawfully present immigrants (asylees, refugees, victims of trafficking, etc.)

Eligibility for **financial assistance** at Connect for Health Colorado

- Lawful Permanent Residents (LPR; “green card” holders)
- Cuban/Haitian entrants
- COFA migrants (individuals residing in Colorado from the Marshall Islands, Micronesia, or Palau)

Notice of Proposed Rulemaking:

Health Care-Related Taxes

Overview of Proposed Rule

- On July 23, 2026, the Centers for Medicare & Medicaid Services (CMS) published a proposed rule modifying the regulations governing state taxes on the health care sector, often referred to as the "Medicaid provider tax rule"
  - Provider tax rules are designed to prohibit arrangements under which states avoid contributing their fair share of Medicaid funding.
  - The proposed rule implements a provision of HR1 that reduces the cap on health care-related taxes **from 6% to 3.5% by 2032** for Medicaid expansion states.
  - The proposed rule goes beyond provisions of HR1, which may affect state-based marketplace (SBM) operations.
- Comments were due **September 21, 2026**.
  - Connect for Health Colorado submitted a comment

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Proposed Rules Codifying HR 1

HR 1 Requirement

Reduce provider tax in expansion states to 3.5% by 2032

Grandfather existing provider tax rates beginning 10/1/2026

Proposed Rule Implementation

Establishes which provider taxes qualify for grandfathering (enacted and imposed by July 4, 2025).

Calculates starting provider tax cap based on actual tax collections and net patient revenue (in SFY that contains July 4, 2025).

Outlines the phasing down of provider tax caps through 2032.

Establishes retroactive compliance framework.

Proposed Rules Beyond HR 1

Eliminates the "75/75" Test	Creates New Tax Class: Services of Health Insurers	Broadens Enforcement of Provider Tax Rules
Eliminates a long-standing alternative pathway for states to demonstrate compliance with the hold harmless threshold if taxes exceed the cap. Taxes could exceed 6% if fewer than 75% of taxpayers in the class received at least 75% of paid taxes back in Medicaid payments.	Creates a new class subject to hold harmless threshold in HR 1, which adds regulatory oversight to **health insurers** that may not have been previously regulated in this way.	CMS stated that **all** health care-related taxes are subject to the proposed rule and prohibits any tax that is separate from a federally designated class.

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Potential Impacts on State-Based Marketplaces

- Health insurers may fall into a newly created class, making them subject to existing regulations on health care-related taxes
- SBMs that rely on health care-related taxes may be at-risk of losing revenue
  - Proposed rule language is broad
    - "User fees" and "assessments" could fall under the umbrella of health care-related taxes
    - SBM user fees may be subject to the cap
- New SBMs may be prohibited from collecting health care-related taxes to fund operations and become self-sustaining
  - Prohibition on any new health care-related taxes if not enacted and imposed by July 4, 2025

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Potential Impacts on State-Based Marketplaces, cont.

- State-level funding for reinsurance programs and other affordability efforts may be affected, leading to higher premiums on the individual marketplace
  - In Colorado – reinsurance, Colorado Premium Assistance (CPA), and OmniSalud SilverEnhanced Savings (SES)
- The potential increase in uncompensated care from individuals previously covered by Medicaid may also lead to higher premiums on the individual marketplace

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C4HCO Public Comment

- Affecting affordability across the health care system
  - Potential for increased premiums on the individual marketplace due to the cost of uncompensated care and the potential loss of state-level affordability programs like reinsurance and CPA.
- Introducing inconsistencies with the Affordable Care Act (ACA)
  - Section 1311 of the ACA explicitly authorizes SBMs to collect “assessments or user fees” to build a self-sustaining marketplace.
- Broadening the scope beyond HR 1
  - HR 1 did not require CMS to eliminate the 75/75 test or to create a new tax class.
- Proposing retroactive rulemaking
  - Procedural retroactivity – creating a historical threshold without permitting states to amend their approaches and avoid harm

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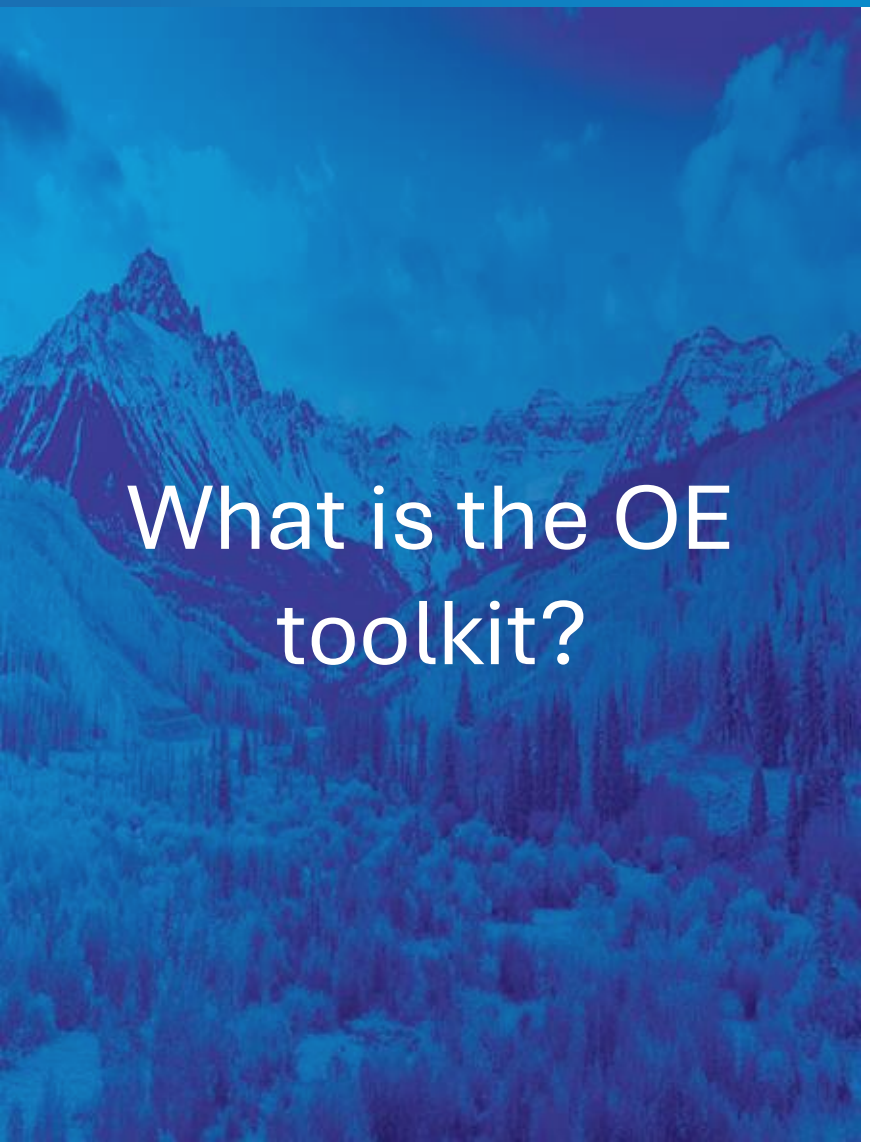
OE Toolkit



OE Toolkit:

- Print and Digital marketing materials to use throughout Open Enrollment and year-round.

Includes:

- Open Enrollment Overview Brochure
- Job Loss Rack Card
- Financial Assistance Rack Card
- QLCE Rack Card
- 4 Posters
- Pocket Folders (with business card insert)
- 2 Social media posts per week **(NEW!)**
    - **Everything is available in Spanish!**

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- New C4 Characters
- Online Store Access

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OE Social Media Posts

- Previously there were only 5 provided post for all of OE.
- This year there will be a folder that is updated live weekly providing 2 posts per week!
- All posts will have the dedicated co-branding space!

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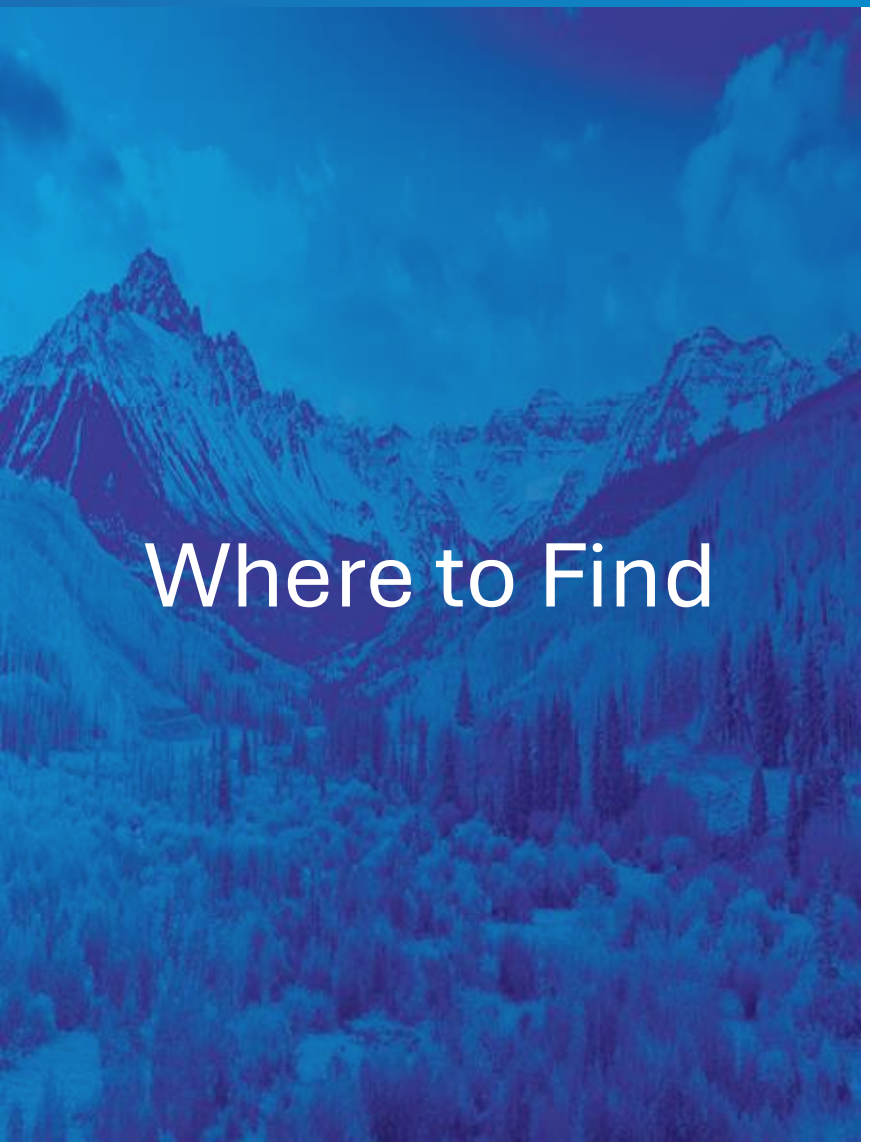

Where to Find

- https://c4h.co/PY27oetoolkit

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Operations Update

August Performance

August Stats by Group				
Group/ Year	Tier 1 2026	Tier 1 2025	Tier 2 2026	Tier 2 2025
Average Handle Time	11:50	13:41	15:25	16:45
Average Speed of Answer	0:30	0:54	0:37	0:47
Calls Offered	10,819	11,893	2,757	2,655
Calls Handled	10,523	11,473	2,689	2,561
180 Second Service Level %	96.53%	91.15%	93.91%	92.58%

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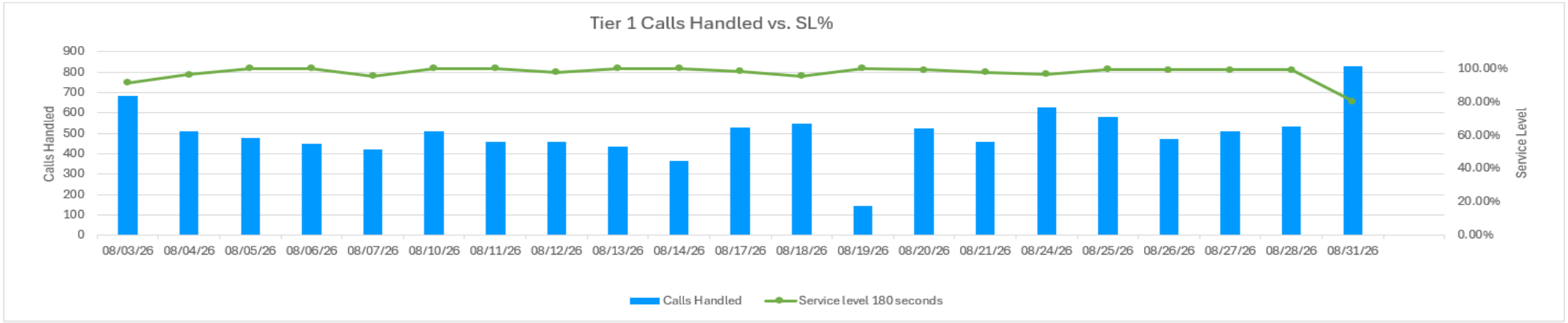
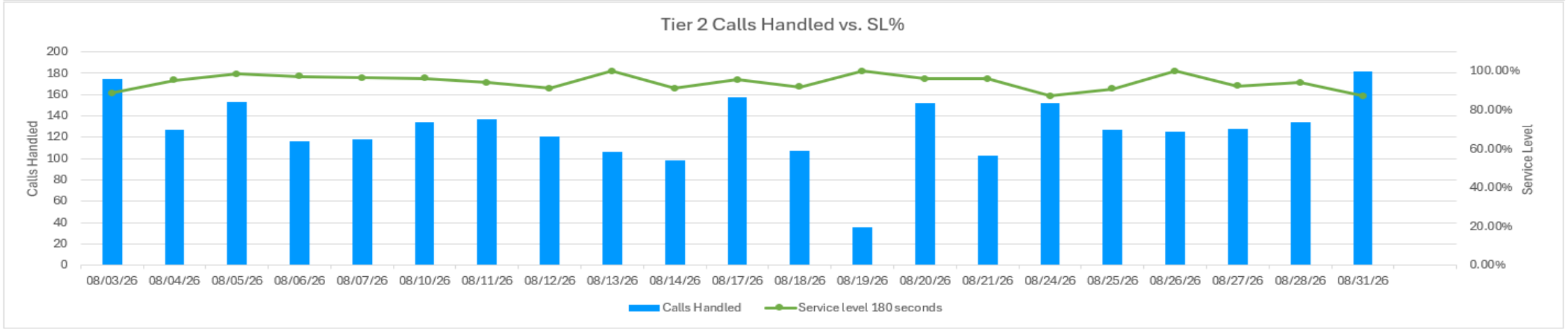
August Calls Handled vs. Service Level





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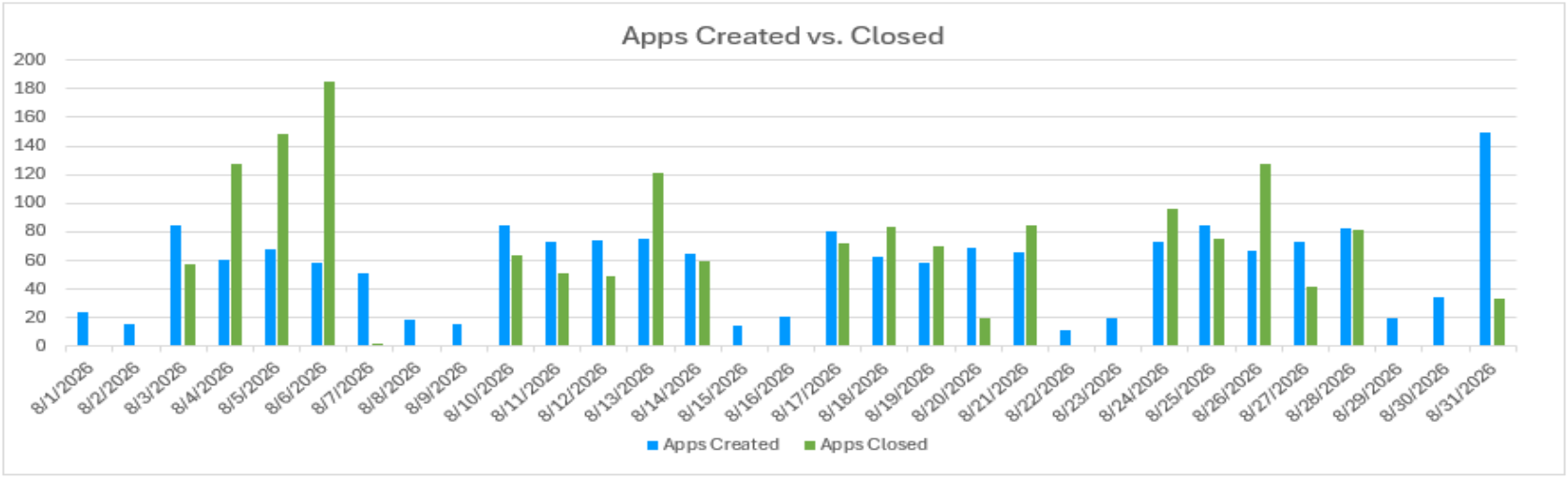
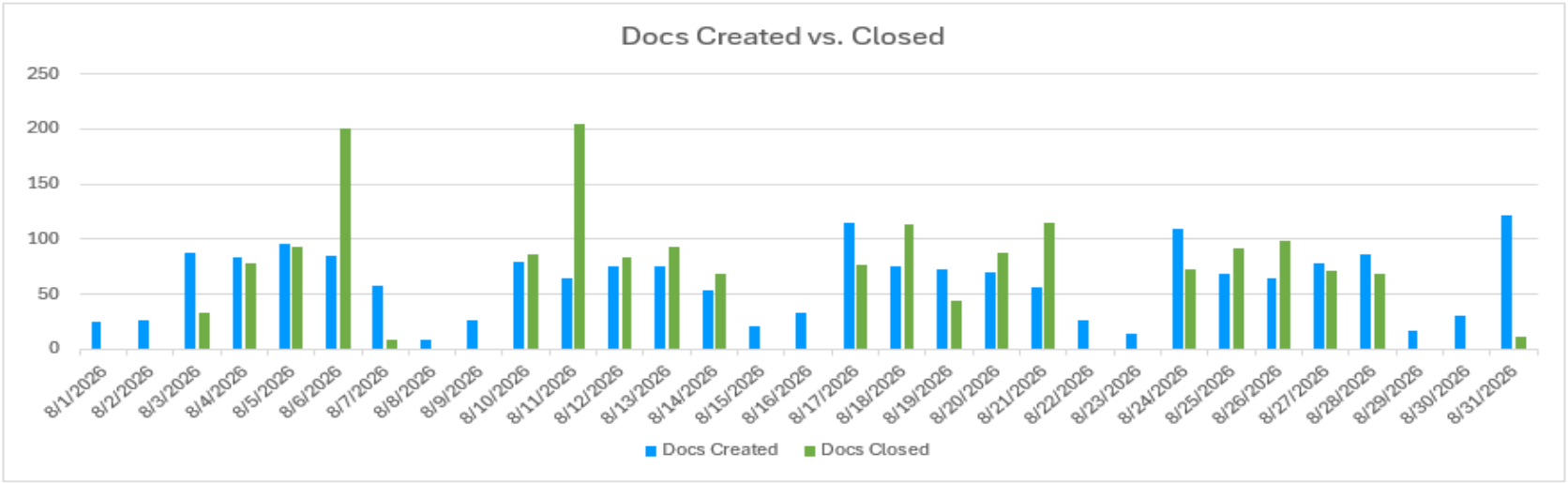
MA Site Work Received/Processed

	Received	Completed
MA Applications	980	860
Change reports	779	789
Documents	1,908	1,801
Total	3,667	3,450





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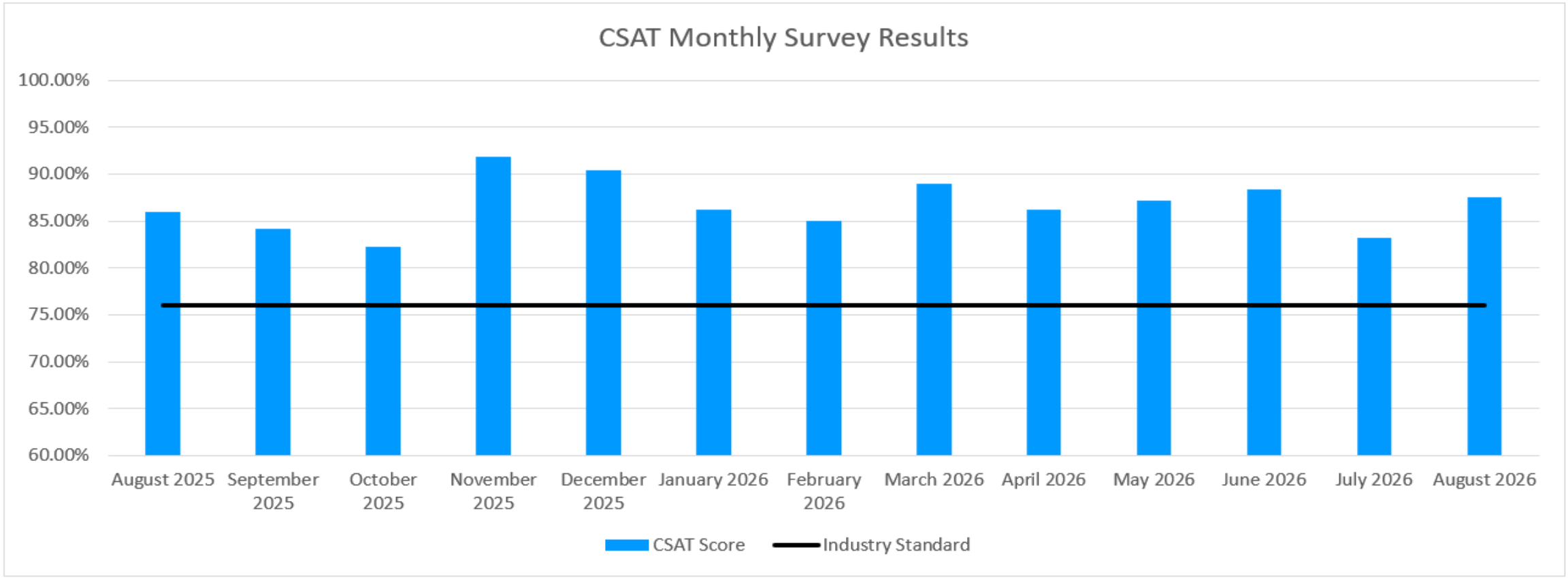
CSAT Survey Results



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