

State Option for Health Care Coverage

Division of Insurance / Dept. of Health Care Policy & Financing

Stakeholder Meeting

Presented by:

Kim Bimestefer, Executive Director, Health Care Policy & Financing

Mike Conway, Insurance Commissioner, Division of Insurance



Today's Stakeholder Meeting Agenda

Division of Insurance / Dept. of Health Care Policy & Financing

- Welcome / Introductions
- Purpose and goals of this process
- Overview of the bill
- Stakeholder role and responsibilities
- Population/ eligibility levels for whom the state option may be available
- Affordability considerations (and what that means and how it's defined)
- Existing State Health Care Infrastructure
- Work in process, Timelines
- Where to go for questions and updates



Purpose under HB 1004

Division of Insurance / Dept. of Health Care Policy & Financing

- Affordable, High Quality Health Care
- Address Uninsured rate, which is not equally spread
- Leverage Existing Infrastructure
- Maximize Innovation
- Ensure Stability of Coverage
- Encourage/ Increase Competition



Overview of HB 19-1004 Proposal For Affordable Health Coverage Option

- What else does the bill require us to include in the proposal?
 - Feasibility and cost of implementing a state option
 - Identify the most effective implementation of a state option based on affordability to consumers at various income levels
 - Administrative and financial burden to the State
 - Ease of Implementation
 - Evaluate the likelihood of meeting the objectives above

More considerations can be found in the legislation:

<https://leg.colorado.gov/bills/hb19-1004>



Stakeholder's Role in Recommendations

- Purpose - to provide input to DOI and HCPF in recommendations to the legislature
- Stakeholder's responsibilities - be thought partners, provide input, share with community/ partners and bring back feedback
- Timeline - Recommendations need to be delivered to legislature on November 15. The recommendations are accompanied by needed legislative changes and any funding requests.



Population/ eligibility levels: Who should the public option be available for?

- Uninsured
- Underinsured
- Residents
- Other target communities?
- Is there eligibility cap?
- Individual market versus small group markets?
 - Special Considerations for: rural, others?



Affordability: what are we trying to address?

- Health insurance premiums?
- Out-of-pocket cost-sharing (deductibles, co-payments, maximum out of pocket, and coinsurance)?
- For those in worse health or with chronic disease? Those foregoing care because of cost? Or both?
- Is it a % of income to determine affordability? Is this as an individual or family?

The underlying costs of care will be included in the definition of affordability.



Goals of Affordability

- More Coloradans with coverage
- Drive affordability changes in the delivery system
- Encourage behavior change among consumers, medical professionals, or institutions to lower total costs
- Improve health outcomes achieved per dollar spent
- Holding insurers accountable for passing savings through to employers and consumers



Existing State Health Care Infrastructure: what is meant by this?

Section 1., 1a(Vii) of the bill states:

“A state option for health coverage that uses existing state health care infrastructure may decrease costs for Coloradans, increase competition, and improve access to high-quality, affordable, and efficient health care.”

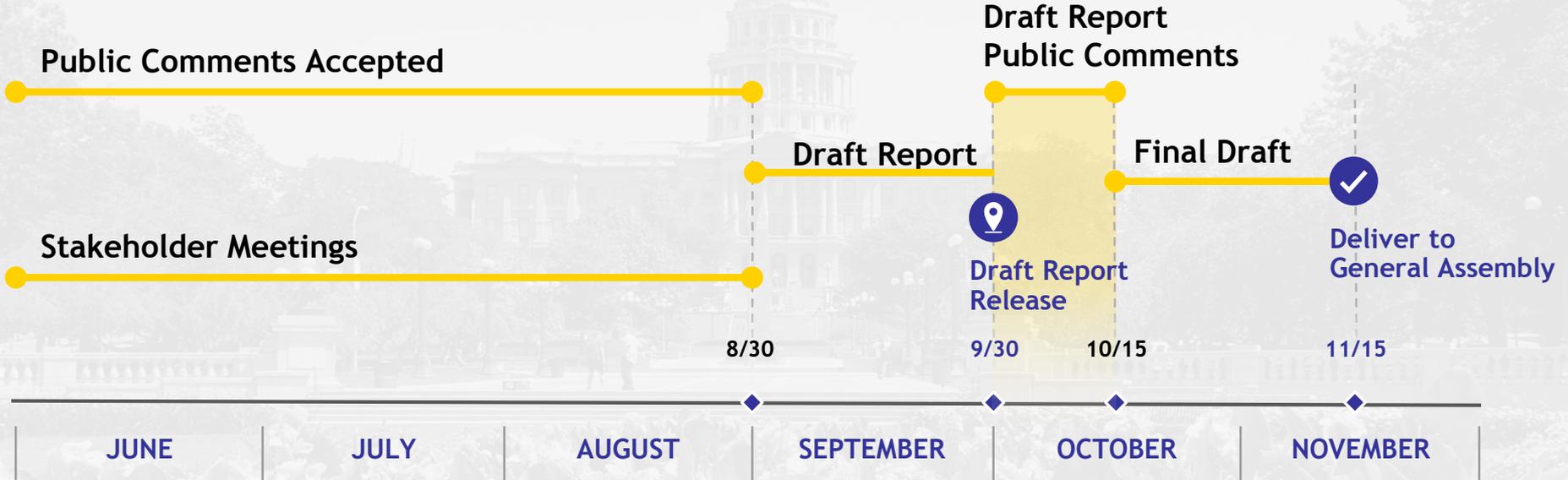
What does this mean to you?



Work and data collection being done by Depts.

- Medicaid churn analysis
- Research and analysis of the “cliff effect”
- Colorado Health Access Survey - Uninsured survey by CHI
- Project Plan to craft an offering
- Existing plan designs and rate queries
- Actuarial analysis
- Focus groups: uninsured and underinsured
- Coverage options general analysis paper
- Technical consulting by state coverage option expert





Other issues important to your community for us to consider?

Questions? Next Steps

Website and email

<https://www.colorado.gov/hcpf/proposal-affordable-health-coverage-option>

HCPF_1004AffordableOption@state.co.us

