

**First Regular Session  
Seventy-first General Assembly  
STATE OF COLORADO**

**INTRODUCED**

LLS NO. 17-0800.02 Christy Chase x2008

**HOUSE BILL 17-1235**

---

**HOUSE SPONSORSHIP**

**Mitsch Bush and Hamner,**

**SENATE SPONSORSHIP**

**Coram and Crowder, Donovan**

---

**House Committees**

Health, Insurance, & Environment

**Senate Committees**

---

**A BILL FOR AN ACT**

101      **CONCERNING A FINANCIAL RELIEF PROGRAM TO PROVIDE FINANCIAL**  
102            **ASSISTANCE TO INDIVIDUALS EARNING A HOUSEHOLD INCOME OF**  
103            **NOT MORE THAN FIVE HUNDRED PERCENT OF THE FEDERAL**  
104            **POVERTY LINE OF WHICH THEY SPEND MORE THAN FIFTEEN**  
105            **PERCENT ON HEALTH INSURANCE PREMIUMS FOR INDIVIDUAL**  
106            **HEALTH INSURANCE PURCHASED THROUGH THE COLORADO**  
107            **HEALTH BENEFIT EXCHANGE.**

---

**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)*

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters indicate new material to be added to existing statute.*  
*Dashes through the words indicate deletions from existing statute.*

The bill creates a financial relief program, available from July 1, 2017, through December 31, 2018, to provide financial assistance to individuals and their families who spend more than 15% of their household income on individual health insurance premiums. The Colorado health benefit exchange (exchange) is to oversee the program, and counties may elect to administer the program in their counties. For any county that opts not to administer the program, the exchange is to administer the program in that county.

Financial relief is available to individuals and families determined eligible based on the following:

- ! The individual or family enrolled in and paid premiums for a bronze, silver, or gold level individual health benefit plan purchased through the exchange;
- ! The individual or family has a household income of more than 400%, but not more than 500%, of the federal poverty line;
- ! The individual or family does not have access to a government-sponsored program, such as medicaid or medicare, or an affordable employer-sponsored plan; and
- ! The individual or family pays more than 15% of the household income on premiums for the plan.

The exchange is to certify that an individual or family has enrolled in one of the specified health benefit plans, the premium amount of the plan, the household income of the individual or family, and that the individual or family does not have access to a government-sponsored program or employer-sponsored plan.

The amount of financial relief is calculated based on the cost of the premium for the lowest-cost bronze health benefit plan available to the individual or family through the exchange, minus an amount equal to 15% of the individual's or family's household income. The general assembly is to appropriate money from the general fund to provide financial assistance to individuals who qualify under the program.

A carrier offering individual health benefit plans on the exchange must permit an individual to purchase an individual health benefit plan on the exchange during a special enrollment period that begins June 1, 2017, and ends August 1, 2017, for plans effective through December 31, 2017. For the 2018 plan year, individuals are subject to the standard open enrollment period specified in law.

The program repeals on July 1, 2019, unless congress enacts and the president signs legislation repealing the advance premium tax credit authorized under federal law, in which case the program repeals upon the date of the repeal of said tax credit.

1           **SECTION 1. Legislative declaration.** (1) The general assembly  
2 hereby finds and declares that:

3           (a) Currently, premiums for health insurance across the nine  
4 health insurance geographic rating regions in Colorado, as well as the  
5 number of insurance carriers available and the number and variety of  
6 plans offered in the different regions, vary significantly;

7           (b) Premiums in rural areas, especially in the eastern plains and  
8 the western slope areas of the state, are considerably higher than  
9 premiums in metropolitan areas, and the number of carriers and the  
10 diversity of plans they offer are very limited in those areas. In fact, only  
11 one carrier is currently offering plans on the health benefit exchange in  
12 rural areas of the state.

13           (c) Many Coloradans in rural areas whose incomes fall between  
14 four hundred percent and five hundred percent of the federal poverty line  
15 are cost-burdened in that they spend more than fifteen percent of their  
16 household income on premiums for health insurance but earn too much  
17 to qualify for subsidies available under federal law;

18           (d) Because of the financial burden high-cost health insurance  
19 places on individuals in rural areas of the state, a considerable number of  
20 these cost-burdened individuals may not purchase health insurance in  
21 2017, exacerbating the problems of few carriers, few plan options, and  
22 high costs of health insurance in rural regions of the state as well as  
23 increasing the number of uninsured individuals in those areas;

24           (e) It is therefore important to establish a program to provide  
25 temporary financial relief to Coloradans who earn between four and five  
26 hundred percent of the federal poverty line and are spending more than  
27 fifteen percent of their household income on health insurance premiums.



1           **10-22-202. Financial relief program - assistance to defray**  
2 **individual health insurance premiums - plans purchased through**  
3 **exchange - income criteria.** (1) BEGINNING JULY 1, 2017, AND  
4 CONTINUING THROUGH DECEMBER 31, 2018, THE EXCHANGE SHALL  
5 OVERSEE A FINANCIAL RELIEF PROGRAM IN ACCORDANCE WITH THIS PART  
6 2 TO PROVIDE FINANCIAL ASSISTANCE TO INDIVIDUALS AND FAMILIES WHO  
7 PURCHASE INDIVIDUAL HEALTH INSURANCE THROUGH THE EXCHANGE AND  
8 SPEND MORE THAN FIFTEEN PERCENT OF THEIR HOUSEHOLD INCOME ON  
9 HEALTH INSURANCE PREMIUMS. A COUNTY MAY DESIGNATE A COUNTY  
10 DEPARTMENT OR AGENCY TO ADMINISTER THE PROGRAM TO PROVIDE  
11 FINANCIAL RELIEF TO QUALIFIED INDIVIDUALS WITHIN THE COUNTY, BUT  
12 IF A COUNTY ELECTS NOT TO ADMINISTER THE PROGRAM, THE EXCHANGE  
13 SHALL ADMINISTER THE PROGRAM FOR THAT COUNTY.

14           (2) (a) TO BE ELIGIBLE FOR FINANCIAL RELIEF UNDER THE  
15 PROGRAM, AN INDIVIDUAL OR FAMILY APPLYING TO THE PROGRAM MUST  
16 DEMONSTRATE THAT THE APPLICANT:

17           (I) ENROLLED IN AND, WITHIN SIX MONTHS AFTER APPLYING AND  
18 PRIOR TO JANUARY 1, 2019, PAID PREMIUMS FOR A BRONZE, SILVER, OR  
19 GOLD LEVEL INDIVIDUAL HEALTH BENEFIT PLAN, AS DESCRIBED IN SECTION  
20 10-16-103.4, PURCHASED THROUGH THE EXCHANGE;

21           (II) HAS A HOUSEHOLD INCOME OF MORE THAN FOUR HUNDRED  
22 PERCENT, BUT NOT MORE THAN FIVE HUNDRED PERCENT, OF THE FEDERAL  
23 POVERTY LINE;

24           (III) DOES NOT HAVE ACCESS TO, OR ELIGIBILITY FOR,  
25 ENROLLMENT IN:

26           (A) A GOVERNMENT-SPONSORED PROGRAM; OR

27           (B) AN AFFORDABLE, ELIGIBLE EMPLOYER-SPONSORED PLAN, AS

1 DETERMINED UNDER 26 U.S.C. SEC. 36B (c)(2)(C)(i) OF THE FEDERAL  
2 "INTERNAL REVENUE CODE OF 1986", AS AMENDED; AND

3 (IV) PAYS MORE THAN FIFTEEN PERCENT OF THE HOUSEHOLD  
4 INCOME ON PREMIUMS FOR THE INDIVIDUAL HEALTH BENEFIT PLAN  
5 PURCHASED THROUGH THE EXCHANGE.

6 (b) FOR AN INDIVIDUAL OR FAMILY APPLYING FOR FINANCIAL  
7 RELIEF UNDER THE PROGRAM, THE EXCHANGE SHALL CERTIFY:

8 (I) THAT THE APPLICANT HAS ENROLLED IN A BRONZE, SILVER, OR  
9 GOLD LEVEL HEALTH BENEFIT PLAN PURCHASED THROUGH THE EXCHANGE;

10 (II) THE MONTHLY PREMIUM AMOUNT THE APPLICANT PAYS FOR  
11 THE PLAN;

12 (III) THAT THE HOUSEHOLD INCOME OF THE APPLICANT IS MORE  
13 THAN FOUR HUNDRED PERCENT, BUT NOT MORE THAN FIVE HUNDRED  
14 PERCENT, OF THE FEDERAL POVERTY LINE; AND

15 (IV) THAT THE APPLICANT DOES NOT HAVE ACCESS TO, OR IS NOT  
16 ELIGIBLE TO ENROLL IN, A GOVERNMENT-SPONSORED PROGRAM OR AN  
17 AFFORDABLE, ELIGIBLE EMPLOYER-SPONSORED PLAN.

18 (c) THE ADMINISTERING BODY SHALL ESTABLISH PROCEDURES AND  
19 GUIDELINES FOR OPERATING THE PROGRAM, INCLUDING PROCEDURES FOR  
20 INDIVIDUALS AND FAMILIES TO APPLY FOR THE PROGRAM.

21 (d) THE ADMINISTERING BODY SHALL ISSUE FINANCIAL RELIEF TO  
22 QUALIFIED INDIVIDUALS ON A QUARTERLY BASIS IN THE MONTH  
23 IMMEDIATELY FOLLOWING THE END OF EACH CALENDAR QUARTER IN  
24 WHICH THE APPLICANT IS DETERMINED TO BE QUALIFIED. AN APPLICANT  
25 FOR THE PROGRAM MUST APPLY FOR FINANCIAL RELIEF IN EACH CALENDAR  
26 QUARTER FOR WHICH THE APPLICANT IS SEEKING FINANCIAL ASSISTANCE  
27 AND MUST DEMONSTRATE COMPLIANCE WITH THE ELIGIBILITY CRITERIA

1 SPECIFIED IN SUBSECTION (2)(a) OF THIS SECTION. UPON RECEIVING  
2 CERTIFICATION FROM THE EXCHANGE PURSUANT TO SUBSECTION (2)(b) OF  
3 THIS SECTION, IF THE ADMINISTERING BODY DETERMINES THAT AN  
4 APPLICANT IS QUALIFIED FOR FINANCIAL RELIEF FOR A GIVEN CALENDAR  
5 QUARTER, THE ADMINISTERING BODY SHALL CALCULATE THE FINANCIAL  
6 RELIEF PAYABLE TO THE QUALIFIED INDIVIDUAL AS SPECIFIED IN  
7 SUBSECTION (2)(e) OF THIS SECTION AND SHALL ISSUE THE FINANCIAL  
8 RELIEF TO THE QUALIFIED INDIVIDUAL IN THE MONTH IMMEDIATELY  
9 FOLLOWING THE END OF THE CALENDAR QUARTER FOR WHICH FINANCIAL  
10 RELIEF IS SOUGHT.

11 (e) THE AMOUNT OF FINANCIAL RELIEF PAYABLE TO A QUALIFIED  
12 INDIVIDUAL FOR A CALENDAR QUARTER EQUALS THE COST OF THE  
13 PREMIUM IN THAT QUARTER FOR THE LOWEST-COST BRONZE PLAN  
14 AVAILABLE TO THE QUALIFIED INDIVIDUAL THROUGH THE EXCHANGE  
15 MINUS FIFTEEN PERCENT OF THE QUALIFIED INDIVIDUAL'S HOUSEHOLD  
16 INCOME IN THAT QUARTER.

17 **10-22-203. Special enrollment period.** TO FACILITATE  
18 PARTICIPATION IN THE PROGRAM, INDIVIDUALS AND FAMILIES MAY ENROLL  
19 IN AN INDIVIDUAL HEALTH BENEFIT PLAN PURCHASED THROUGH THE  
20 EXCHANGE DURING A SPECIAL ENROLLMENT PERIOD ESTABLISHED UNDER  
21 SECTION 10-16-105.7 (4).

22 **10-22-204. Program funding - administration within existing**  
23 **resources.** (1) THE GENERAL ASSEMBLY SHALL APPROPRIATE MONEY IN  
24 THE GENERAL FUND TO THE EXCHANGE TO PROVIDE FINANCIAL RELIEF TO  
25 QUALIFIED INDIVIDUALS UNDER THE PROGRAM. UPON REQUEST OF A  
26 COUNTY DEPARTMENT OR AGENCY ADMINISTERING THE PROGRAM IN THAT  
27 COUNTY, WHICH REQUEST DETAILS THE NUMBER OF QUALIFIED

1 INDIVIDUALS IN THE COUNTY AND AMOUNT NEEDED TO PROVIDE  
2 FINANCIAL RELIEF TO THOSE QUALIFIED INDIVIDUALS, AS CALCULATED IN  
3 ACCORDANCE WITH SECTION 10-22-202 (2)(e), THE EXCHANGE SHALL  
4 ALLOCATE AND DISTRIBUTE MONEY APPROPRIATED PURSUANT TO THIS  
5 SUBSECTION (1) TO THE ADMINISTERING COUNTY DEPARTMENT OR  
6 AGENCY. THE EXCHANGE SHALL ESTABLISH THE PROCESS FOR HOW AND  
7 WHEN AN ADMINISTERING COUNTY DEPARTMENT OR AGENCY IS TO SUBMIT  
8 THE REQUEST AND REQUIRED DOCUMENTATION IN ORDER TO FACILITATE  
9 PAYMENT OF FINANCIAL RELIEF AS SPECIFIED IN SECTION 10-22-202 (2)(d).

10 (2) ADMINISTERING BODIES SHALL ADMINISTER THE PROGRAM  
11 WITHIN EXISTING RESOURCES AND SHALL NOT USE ANY OF THE MONEY  
12 MADE AVAILABLE TO PROVIDE FINANCIAL RELIEF UNDER THE PROGRAM  
13 FOR THEIR DIRECT OR INDIRECT COSTS IN ADMINISTERING THE PROGRAM.

14 **10-22-205. Repeal of part - notice to revisor.** (1) EXCEPT AS  
15 PROVIDED IN SUBSECTION (2) OF THIS SECTION, THIS PART 2 IS REPEALED,  
16 EFFECTIVE SEPTEMBER 1, 2019.

17 (2) THIS PART 2 IS REPEALED IF, PRIOR TO SEPTEMBER 1, 2019, THE  
18 UNITED STATES CONGRESS ENACTS AND THE PRESIDENT SIGNS FEDERAL  
19 LEGISLATION AMENDING THE FEDERAL "INTERNAL REVENUE CODE OF  
20 1986", AS AMENDED, TO REPEAL 26 U.S.C. SEC. 36B, WHICH AUTHORIZES  
21 A REFUNDABLE CREDIT FOR COVERAGE UNDER A QUALIFIED HEALTH PLAN,  
22 AS DEFINED UNDER THE FEDERAL ACT. THE CHAIR OF THE BOARD SHALL  
23 NOTIFY THE REVISOR OF STATUTES IN WRITING IF THE CONDITION  
24 SPECIFIED IN THIS SUBSECTION (2) HAS OCCURRED BY E-MAILING THE  
25 NOTICE TO REVISOROFSTATUTES.GA@STATE.CO.US. THIS PART 2 IS  
26 REPEALED UPON THE DATE IDENTIFIED IN THE NOTICE THAT THE REPEAL OF  
27 26 U.S.C. SEC. 36B OCCURRED OR UPON THE DATE OF THE NOTICE TO THE



1 REVISOR OF STATUTES IF THE NOTICE DOES NOT SPECIFY A DIFFERENT  
2 DATE.

3 **SECTION 3.** In Colorado Revised Statutes, **amend** 10-22-108 as  
4 follows:

5 **10-22-108. Money for implementation, operation, and**  
6 **sustainability of the exchange - notice to revisor - repeal.** (1) ~~Moneys~~  
7 MONEY received by the board for the implementation of this ~~article~~  
8 ARTICLE 22, and for building reserves for the operation and sustainability  
9 of the exchange pursuant to section 10-22-109, must be transferred  
10 directly to the exchange for the purposes of this ~~article~~ ARTICLE 22. The  
11 board shall deposit any ~~moneys~~ MONEY received in a banking institution  
12 within or outside the state. ~~Moneys~~ MONEY from the general fund shall  
13 not be used for the implementation of this ~~article~~ ARTICLE 22, except for  
14 the sums specified in section 10-22-107 (3) and for legislative staff  
15 agency services. The account of the banking institution must be insured  
16 by the federal deposit insurance corporation and compliant with the  
17 "Public Deposit Protection Act", article 10.5 of title 11. ~~C.R.S.~~

18 (2) (a) THIS SECTION DOES NOT PRECLUDE THE GENERAL  
19 ASSEMBLY FROM APPROPRIATING, AND THE EXCHANGE FROM EXPENDING,  
20 MONEY FROM THE GENERAL FUND TO PROVIDE FINANCIAL ASSISTANCE TO  
21 INDIVIDUALS AND FAMILIES WHO QUALIFY FOR THE FINANCIAL RELIEF  
22 PROGRAM ESTABLISHED IN PART 2 OF THIS ARTICLE 22. HOWEVER, THE  
23 EXCHANGE SHALL NOT USE ANY GENERAL FUND MONEY APPROPRIATED TO  
24 THE EXCHANGE UNDER PART 2 OF THIS ARTICLE 22 TO ADMINISTER OR  
25 OTHERWISE PAY FOR COSTS INCURRED BY THE EXCHANGE OR AN  
26 ADMINISTERING COUNTY DEPARTMENT OR AGENCY IN ADMINISTERING THE  
27 FINANCIAL RELIEF PROGRAM.

1 (b) (I) EXCEPT AS PROVIDED IN SUBSECTION (2)(b)(II) OF THIS  
2 SECTION, THIS SUBSECTION (2) IS REPEALED, EFFECTIVE SEPTEMBER 1,  
3 2019.

4 (II) THIS SUBSECTION (2) IS REPEALED IF, PRIOR TO SEPTEMBER 1,  
5 2019, THE UNITED STATES CONGRESS ENACTS AND THE PRESIDENT SIGNS  
6 FEDERAL LEGISLATION AMENDING THE FEDERAL "INTERNAL REVENUE  
7 CODE OF 1986", AS AMENDED, TO REPEAL 26 U.S.C. SEC. 36B, WHICH  
8 AUTHORIZES A REFUNDABLE CREDIT FOR COVERAGE UNDER A QUALIFIED  
9 HEALTH PLAN, AS DEFINED UNDER THE FEDERAL ACT. THE CHAIR OF THE  
10 BOARD SHALL NOTIFY THE REVISOR OF STATUTES IN WRITING IF THE  
11 CONDITION SPECIFIED IN THIS SUBSECTION (2)(b)(II) HAS OCCURRED BY  
12 E-MAILING THE NOTICE TO REVISOROFSTATUTES.GA@STATE.CO.US. THIS  
13 SUBSECTION (2) IS REPEALED UPON THE DATE IDENTIFIED IN THE NOTICE  
14 THAT THE REPEAL OF 26 U.S.C. SEC. 36B OCCURRED OR UPON THE DATE  
15 OF THE NOTICE TO THE REVISOR OF STATUTES IF THE NOTICE DOES NOT  
16 SPECIFY A DIFFERENT DATE.

17 **SECTION 4.** In Colorado Revised Statutes, 10-16-105.7, **add** (4)  
18 as follows:

19 **10-16-105.7. Health benefit plan open enrollment periods -**  
20 **special enrollment periods - rules - notice to revisor - repeal.**

21 (4) (a) FOR PURPOSES OF ALLOWING INDIVIDUALS AND FAMILIES TO  
22 PARTICIPATE IN THE FINANCIAL RELIEF PROGRAM ESTABLISHED UNDER  
23 PART 2 OF ARTICLE 22 OF THIS TITLE 10, A CARRIER OFFERING AN  
24 INDIVIDUAL HEALTH BENEFIT PLAN ON THE EXCHANGE SHALL PERMIT AN  
25 INDIVIDUAL TO PURCHASE AN INDIVIDUAL HEALTH BENEFIT PLAN ON THE  
26 EXCHANGE DURING A SIXTY-DAY SPECIAL ENROLLMENT PERIOD THAT  
27 BEGINS JUNE 1, 2017. AN INDIVIDUAL HEALTH BENEFIT PLAN PURCHASED

1 DURING THE SPECIAL ENROLLMENT PERIOD ESTABLISHED BY THIS  
2 SUBSECTION (4) IS EFFECTIVE THROUGH DECEMBER 31, 2017, AND AN  
3 INDIVIDUAL WHO WISHES TO PURCHASE COVERAGE FOR THE 2018 BENEFIT  
4 YEAR MUST ENROLL DURING THE OPEN ENROLLMENT PERIOD SPECIFIED IN  
5 SUBSECTION (1)(c) OF THIS SECTION FOR THAT BENEFIT YEAR. THE  
6 COMMISSIONER SHALL ADOPT RULES AS NECESSARY TO IMPLEMENT THIS  
7 SUBSECTION (4).

8 (b) (I) EXCEPT AS PROVIDED IN SUBSECTION (4)(b)(II) OF THIS  
9 SECTION, THIS SUBSECTION (4) IS REPEALED, EFFECTIVE SEPTEMBER 1,  
10 2019.

11 (II) THIS SUBSECTION (4) IS REPEALED IF, PRIOR TO SEPTEMBER 1,  
12 2019, THE UNITED STATES CONGRESS ENACTS AND THE PRESIDENT SIGNS  
13 FEDERAL LEGISLATION AMENDING THE FEDERAL "INTERNAL REVENUE  
14 CODE OF 1986", AS AMENDED, TO REPEAL 26 U.S.C. SEC. 36B, WHICH  
15 AUTHORIZES A REFUNDABLE CREDIT FOR COVERAGE UNDER A QUALIFIED  
16 HEALTH PLAN, AS DEFINED UNDER THE FEDERAL ACT. THE CHAIR OF THE  
17 BOARD SHALL NOTIFY THE REVISOR OF STATUTES IN WRITING IF THE  
18 CONDITION SPECIFIED IN THIS SUBSECTION (4)(b)(II) HAS OCCURRED BY  
19 E-MAILING THE NOTICE TO REVISOROFSTATUTES.GA@STATE.CO.US. THIS  
20 SUBSECTION (4) IS REPEALED UPON THE DATE IDENTIFIED IN THE NOTICE  
21 THAT THE REPEAL OF 26 U.S.C. SEC. 36B OCCURRED OR UPON THE DATE  
22 OF THE NOTICE TO THE REVISOR OF STATUTES IF THE NOTICE DOES NOT  
23 SPECIFY A DIFFERENT DATE.

24 **SECTION 5. Safety clause.** The general assembly hereby finds,  
25 determines, and declares that this act is necessary for the immediate  
26 preservation of the public peace, health, and safety.