



**Legislative Council Staff**  
*Research Note*

**Version:** Senate State  
Affairs Committee  
**Date:** 4/20/2017

**Bill Number**

**House Bill 17-1235**

**Sponsors**

***Representatives Mitsch Bush  
and Hamner  
Senators Coram and Crowder***

**Short Title**

***Financial Relief Defray  
Individual Health Plan Cost***

**Research Analyst**

**Vanessa Conway (x4753)**

**Status**

The bill is currently pending before the Senate State, Veterans, and Military Affairs Committee. This research note reflects the reengrossed bill.

**Background**

Under the federal Affordable Care Act, individuals with incomes between 133 percent and 400 percent of the federal poverty level who purchase health insurance through a state health insurance exchange may receive advanced premium tax credits to offset the cost of insurance premiums. Persons with incomes above 400 percent of the FPL do not qualify for federal subsidies and must pay the whole premium amount without assistance. Insurance premiums through Connect for Health Colorado vary by age, family size, tobacco use, and place of residence. Federal subsidies are linked to the cost of insurance premiums and are calculated so that premiums do not exceed a certain percent of household income, ranging from 2.04 percent of income for individuals at 133 percent of the FPL to 9.69 percent of income at 400 percent of the FPL. In 2016, 175,000 individuals were covered through a health plan purchased through Connect for Health Colorado. Of this amount, 55 percent were eligible for federal tax subsidies and, in total, \$318 million in federal advanced premium tax credits were provided.

**House Action**

***House Health, Insurance, & Environment Committee (March 30, 2017).*** At the hearing, the Lieutenant Governor, county commissioners from Eagle, Pitkin, and Summit counties, and

*This research note was prepared by Legislative Council Staff, the nonpartisan research staff for the Colorado General Assembly. The research note is provided for informational purposes only and should not be relied upon as an official record of action by the General Assembly. Legislative Council Staff are not attorneys, and the research note is not a legal opinion. If you have legal questions about the bill, including questions about the meaning of the bill language or amendments, please contact the drafter.*

representatives from the Family & Intercultural Resource Center and the Colorado Consumer Health Initiative testified in support of the bill. Two private citizens testified in support of the bill. A representative from Connect for Health Colorado testified in a neutral position.

The committee adopted amendments L.001, and L.002, and referred the bill, as amended, to the House Appropriations Committee. Amendment L.001 clarified that the program will continue until December 31, 2018, or until the total amount of money appropriated for the program is distributed, whichever occurs first. L.002 added the definition of "program area", and made conforming changes limiting participation in the program to people residing in the program area.

***House Appropriations Committee (April 13, 2017).*** The committee adopted amendment J.001 and referred the bill to the House Committee of the Whole, as amended. The amendment added an appropriations clause to the bill.

***House second reading (April 13, 2017).*** The House adopted the House Health, Insurance, and Environment and Appropriations committee reports. The House passed the bill on second reading, as amended.

***House third reading (April 17, 2017).*** The House passed the bill on third reading with no amendments.