



---

## Health Insurance

---

During the 2019 legislative session, the General Assembly enacted several bills focused on making health insurance more affordable and increasing coverage protections for consumers.

*House Bill 19-1004* requires the Department of Health Care Policy and Financing (HCPF) and the Division of Insurance (DOI) to develop proposal for an affordable state option for health care coverage that leverages existing state health care infrastructure. The proposal must consider affordability to consumers at different income levels; the administrative and financial burden to the state; any statutory or rule changes necessary to implement the proposed state option; and any impacts on existing state medical assistance programs. The bill requires HCPF and DOI to submit a request for any relevant federal waivers.

*House Bill 19-1168* requires the Commissioner of Insurance (commissioner) to seek a State Innovation Waiver, also known as a 1332 waiver, under the federal Patient Protection and Affordable Care Act (ACA), to create a jointly funded reinsurance program in Colorado. Reinsurance is a form of insurance purchased by insurance companies to limit the amount of loss an insurer can potentially suffer. If federal approval is granted, the reinsurance program will be in effect for calendar year 2020 and 2021 health plans sold on the individual health insurance market. Under the bill, the reinsurance program is created as a state enterprise and is financed with state General

Fund, revenue from special fee assessments on hospitals, and federal pass-through funding.

*Senate Bill 19-004* modernizes laws authorizing health care cooperatives to incorporate consumer protections and collective rate negotiations.

*House Bill 19-1211* establishes guidelines for health insurance carriers concerning the practice of prior authorization for medical procedures and drug benefits. The bill sets time frames for approval of a prior authorization request; establishes that criteria used to review a request be based on current, clinically based criteria, and aligned with other quality initiatives consistent with industry standards; and requires approved prior authorizations to be valid for at least 180 days.

*House Bill 19-1269* requires private health insurers and the state's Medicaid plan to provide medically necessary coverage for behavioral, mental health, and substance use disorder services on par with the coverage for physical health. The bill also requires both DOI and HCPF to verify that insurers and Medicaid are providing this coverage.

*House Bill 19-1174* requires health care providers, facilities, and health insurance carriers to provide disclosures to consumers about the potential effects of receiving services from an out-of-network provider or at an out-of-network facility. The bill establishes reimbursement schedules for out-of-network

---

## Health Insurance (cont'd)

---

providers who are providing services at an in-network facility and out-of-network providers of emergency services. It creates an arbitration process for settling billing disputes between insurance carriers and health care providers and facilities.