



Colorado Consumer
Health Initiative

2020

Legislative Summary





ABOUT US

CCHI is a nonprofit, consumer-oriented, membership-based, health advocacy organization that serves Coloradans whose access to health care and financial security are compromised by structural barriers, affordability, poor benefits, or unfair business practices of the health care industry.

MISSION

CCHI advances the consumer voice to improve access to health care for all Coloradans by working statewide for progress toward equity, access, affordability, and quality.

VISION

All Coloradans have equitable access to affordable, high-quality health care.

2020 Legislative Overview

On January 8, 2020, the second regular session of the 72nd General Assembly convened in Colorado. Similar to past years, CCHI had ambitious goals to achieve greater access to high-quality, affordable, and equitable health care for all Coloradans. Unlike past years, the 2020 legislative session was unprecedented, interrupting promising momentum on many health care initiatives and requiring an abrupt suspension of activities in March due to the COVID-19 pandemic. After resuming in late May, the legislature returned with a renewed focus on consumer protections and public health. Likewise, CCHI set aside major priorities in an effort to focus our attention on efforts of greatest urgency and importance to the health and financial stability of Colorado families.

When considering any legislation, CCHI's primary focus is on expanding access to care, improving consumer protections, increasing

affordability in the health care system, and protecting progress we have made in the past session. This year, our highest priority bills were aimed at increasing affordability through the establishment of a Colorado public health insurance option, addressing high prescription drug prices by creating a Prescription Drug Affordability Board, and protecting consumers from misleading, non-traditional forms of coverage. Additionally, CCHI opposed bills that would have destabilized the health insurance marketplace and misled consumers, including HB20-1199, which would have lowered the minimum attachment point for stop loss insurance for businesses, and SB20-145, which would have repealed the reinsurance program.

CCHI also supported the work of our members and partners on a variety of other bills related to health care. These included a number of bills aimed at lowering prescription drug prices and

Pre-COVID Priorities

HB20-1349

"Colorado Affordable Health Care Option"
Rep. Roberts | Sen. Donovan

This CCHI priority bill would have created a public health insurance option in Colorado. The plan would have competed on the individual market with other commercial health insurance products, and the savings would have been realized by a reduction in reimbursement rates for hospital services. Plan benefits and quality improvement would have been contemplated by an 11-member advisory board. HB20-1349 was **postponed** due to the COVID-19 pandemic.

HB20-XXXX

"Prescription Drug Affordability Board"
(bill not introduced)

This CCHI priority bill was prepared for introduction in March and aimed to create a 5-member board that would have had the authority to investigate and set upper payment limits for the high priced prescription drugs in Colorado. Due to the public health crisis, the bill was **not introduced** in the 2020 legislative session.

HB20-1008

"Health Care Cost-sharing Consumer Protections"
Rep. Lontine | Sen. Fields

This CCHI priority bill would have ensured that consumers have the information they need when buying into health care cost-sharing arrangements (aka "health care sharing ministries") through increased transparency requirements, consumer disclosures, and reporting requirements. HB20-1008 was **postponed** due to the COVID-19 pandemic.

HB20-1236

"Health Care Coverage Easy Enrollment Program"

Reps. Lontine & Will | Sens. Tate & Bridges

This CCHI-member priority allows Coloradans to more easily enroll in health coverage through their tax returns. When filing state taxes, taxpayers will now have the option to be assessed for eligibility to receive financial assistance through Connect for Health Colorado, the state's health benefit exchange, in order to purchase affordable health coverage. HB20-1235 **passed** on June 4, 2020.

SB20-215

"Health Insurance Affordability Enterprise"

Sens. Donovan & Moreno | Reps. Kennedy & McCluskie

This bill captures an expiring federal fee on health insurance carriers in order to fund the state's reinsurance program, mitigate the unintended consequences of reinsurance, and provide state-level financial assistance for glitch families and those without proper documentation. This bill will relieve pressure on the budget by creating a funding source for reinsurance. SB20-215 **passed** on June 15, 2020.

SB20-205

"Sick Leave for Employees"

Sens. Bridges & Fenberg | Reps. Becker & Caraveo

This bill requires employers to provide paid sick days, which accrue at one hour per 30 hours worked, with an additional amount during a public health emergency. SB20-205 **passed** on June 15, 2020.

SB20-211

"Limitations on Extraordinary Collections Actions"

Sens. Gonzales & Winter | Rep. Herod

This bill limits what actions collections offices can take to collect on debt, including medical debt, during the pandemic. These limitations include bans on levies on property worth up to \$4,000, wage garnishment, and enforcing judgments. SB20-211 **passed** on June 12, 2020.

SB20-212

"Reimbursement for Telehealth Services"

Sens. Tate & Winter | Reps. Lontine & Soper

This bill expands access to telehealth by breaking down barriers carriers often impose on services; it also requires expanded access to telehealth in Medicaid. SB20-212 **passed** on June 13, 2020.

making the supply chain more transparent: HB20-1160, which improved drug price transparency; SB20-107, which focused on drug production cost transparency; HB20-1198, which created more accountability for pharmacy benefit managers; and SB20-119, which expanded the drug importation program. We also supported the FAMLI initiative to pass a bill establishing a paid family and medical leave program in Colorado. Additionally, CCHI supported efforts on SB20-033 "Allow Medicaid Buy-In Program After Age 65," HB20-1236 "Health Care Coverage Easy Enrollment Program," SB20-156 "Protecting Preventive Health Care Coverage," and HB20-1061 "HIV Prevention Medications."

Unfortunately, due to COVID-19, many bills did not make it across the finish line during

the 2020 legislative session. In an effort to be responsive to our community needs and the shortened timeline, CCHI supported the postponement of all of our top legislative priorities. The pandemic, and its economic impacts, provided stark evidence for the need for affordable, comprehensive health care for all people in Colorado. However, the complexity of the dynamics of our priority legislation—like the Colorado Affordable Health Care Option and the Prescription Drug Affordability Board—would have commanded more time than was available during the abbreviated post-recess session. Preparing the legislation and adjusting to the subsequent pandemic provided important learning opportunities that can help inform both the policy and process in future years.

SCORECARD

Typically, CCHI issues a scorecard to track each legislator's votes on our priority bills to gauge their alignment with our priorities. The purpose of the scorecard is to inform the public and CCHI's members about their legislators' stance on important health care issues. Because of the disruption caused by COVID-19, CCHI decided not to issue such a scorecard in 2020. Instead, this longer, more in-depth report serves as an accurate overview of the session. In lieu of a scorecard, we have included the following comprehensive list of bills CCHI took a position on and the outcome.

Support

HB20-1008 "Health Care Cost-sharing Consumer Protections"	<i>failed</i>
HB20-1061 "Human Immunodeficiency Virus Infection Prevention Medications"	PASSED
HB20-1092 "Reimbursement to Federally Qualified Health Centers"	<i>failed</i>
HB20-1160 "Drug Price Transparency Insurance Premium Reductions"	<i>failed</i>
HB20-1198 "Pharmacy Benefits Carrier and Pharmacy Benefit Manager Requirements"	<i>failed</i>
HB20-1236 "Health Care Coverage Easy Enrollment Program"	PASSED
SB20-022 "Increase Medical Providers for Senior Citizens"	<i>failed</i>
SB20-033 "Allow Medicaid Buy-in Program After Age 65"	PASSED

On March 14, 2020, the legislature recessed for more than 10 weeks in response to local public health orders. They reconvened on May 26, 2020, for three fast and furious weeks. While CCHI remains committed to bringing forward our initial priorities in future years, we took this opportunity to shift our focus to legislation that was directly related to the experiences of health care consumers during the pandemic.

CCHI's biggest win in 2020, SB20-215, creates a funding mechanism for Colorado's reinsurance program and state-level financial assistance. Other bills that CCHI supported will also significantly benefit Coloradans. SB20-211 limits allowable debt collection practices throughout the public health crisis, including prohibiting garnishments, levies, and executing a judgment on a debt. HB20-1420 closes tax loopholes that unfairly benefit the wealthiest Coloradans, providing around \$175 million to the state's education fund, while also expanding the earned income tax credit that reduces the tax burden on Colorado's lower and middle income families. SB20-205 requires employers to offer at least one week of earned paid sick leave, and SB20-212 expands access to telehealth services.

COVID-19 Response

The legislature also responded to community needs in light of the COVID-19 pandemic: HB20-1410, which uses CARES Act funding to provide housing assistance to people experiencing hardships because of COVID-19 through direct financial assistance, funding the eviction defense fund, and providing housing development grants; SB20-222 and HB20-1413, which establish loan and grant programs for small businesses; SB20-213, which extends Governor Polis's executive order allowing restaurants to sell alcohol to-go, giving restaurants another source of revenue; and HB20-1414, which creates consumer protections around price gouging during a declared disaster.

Other Notable Bills

Some other notable bills passed and made it into the headlines: criminal justice reforms include SB20-100, which abolished the death penalty, and SB20-217, a police accountability measure that requires officers to wear body cameras, limits violent police response to protests, limits the use of deadly force, and

other measures designed to reduce police violence; SB20-163, which formalizes the process for non-medical vaccine exemptions and requires schools to publish data on their immunization rates; and SB20-200, which establishes a secure savings program in Colorado, which is a state-run retirement savings plan.

Despite the disruption caused by COVID-19, CCHI was able to support the passage of many landmark bills, making 2020 a truly historic and unforgettable session. The legislature was tasked with tackling big issues in the face of a pandemic, and did not back down; public health, the state's dire budget, and Coloradans' financial security after the collapse of the economy were of chief concern to our lawmakers. While legislators compromised on some efforts, the legislature still passed significant legislation that will help Colorado stabilize and thrive during our road to recovery.



SB20-043 "Out-of-network Provider Reimbursement Rate"	PASSED
SB20-107 "Drug Production Costs Transparency Analysis Report"	<i>failed</i>
SB20-119 "Expand Canadian Prescription Drug Import Program"	<i>failed</i>
SB20-156 "Protecting Preventive Health Care Coverage"	<i>failed</i>
HB20-1420 "Adjust Tax Expenditures for State Education Fund"	PASSED
HB20-1427 "Cigarette Tobacco and Nicotine Products Tax"	PASSED
SB20-205 "Sick Leave for Employees"	PASSED
SB20-211 "Limitations on Extraordinary Collection Actions"	PASSED
SB20-212 "Reimbursement for Telehealth Services"	PASSED
SB20-215 "Health Insurance Affordability Enterprise"	PASSED
<i>Neutral</i>	
SB20-005 "Covered Person Cost-sharing Collected by Carriers"	<i>failed</i>
<i>Monitor</i>	
HB20-1078 "Pharmacy Benefit Management Firm Claims Payments"	PASSED
HB20-1086 "Insurance Coverage Mental Health Wellness Exam"	<i>failed</i>

Monitor (cont.)

HB20-1264 "Health Care Contract Hospital System Carriers Providers" *failed*

SB20-127 "Committee Actuarial Review Health Care Plan Legislation" *failed*

Oppose

HB20-1140 "Direct Primary Care Services for Medicaid Recipients" *failed*

HB20-1199 "Lower Minimum for Employer Health Stop-loss Insurance" *failed*

SB20-145 "Repeal Colorado Reinsurance Program" *failed*

Budget Summary

CARES Act Funding

In March, Congress passed the Coronavirus Aid, Relief, and Economic Security Act to defray some of the economic hardships caused by COVID-19. Part of this funding goes to states to help with their budget shortfalls, while the majority funds specific programs related to public health. While Colorado received \$1.6 billion in CARES Act aid, the amount isn't sufficient to resolve Colorado's budget crisis and there are stipulations that significantly limit how the funds can be spent. The money must be spent in calendar year 2020, meaning that any expenses that the state incurs due to the coronavirus after December will have to be covered by Colorado. The funds also must be spent on items that were not already included in the budget - meaning that they can't backfill existing programs to prevent budget cuts. Instead, the funds must be spent, very specifically, on mitigating the effects of COVID-19. In May, Governor Polis announced that the majority of the aid will go toward education, both K-12 and higher education, which will be used to help them build additional resources for dealing with the disease when classes resume in the fall. Some of the aid will go to local governments and some to the state's pandemic responses, while other funds will go to the state legislature to support their work on legislation responding to the virus.

Because of the economic crisis that the public health emergency created, Colorado faced a steep decline in revenue and a budget shortfall

of \$3.3 billion for fiscal year 2020-2021. Additionally, revenue lost for fiscal year 2019-2020 was estimated to be around \$1 billion. The Joint Budget Committee worked to balance the budget in this new climate, despite having already completed a budget prior to the legislative recess. The final product included debilitating cuts to many of the state's departments and programs. The Long Appropriations Bill (the "long bill") and the other bills that make up the state budget ("orbital" bills) were finalized on June 12th and sent to the Governor, only weeks before the beginning of the new fiscal year.

Colorado Department of Health Care Policy and Financing

While the CARES Act increased the federal funding match rate for Medicaid, the federal funds were not enough to protect the Department of Health Care Policy and Financing (HCPF) from cuts. Medicaid's community provider reimbursement rates were reduced across the board by 1%. In addition to this broad cut, some providers saw targeted rate reductions, including in-home dialysis and providers for the Program for All-Inclusive Care for the Elderly (PACE). Teaching and pediatric hospital supplements were scaled back, and some Medicaid benefits were also pared back. Customer service improvements and funding for various studies were delayed. The low-income senior dental program was cut by \$1 million, and the adult dental benefit cap was reduced from \$1,500 to \$1,000 per person

annually. The screening, brief intervention, and referral to treatment (SBIRT) benefit was cut to just \$500,000 from \$1.5 million. The copay amount for Medicaid members also increased, and a behavioral health program and a healthy community outreach program also faced significant reductions. However, due to enrollment increases in the Medicaid program, HCPF's budget will actually increase by 11.3% in total funds for FY20-21.

Colorado Department of Public Health and Environment

CDPHE also saw deep cuts, including a 1% reduction in local public health provider rates. Many of the grant programs, like the Cancer, Cardiovascular, and Pulmonary Disease fund, which funds programs that reduce the prevalence of chronic disease in Colorado, will transfer their funds to COVID-related uses, amounting to a \$17.7 million reduction in grants to those programs. Other CDPHE programs also face significant cuts, including the Comprehensive Sexual Education program (half the program's funding) and the CARE network that provides health screenings for kids who have been abused or neglected (a third of the program's funding). Other programs saw cuts up to 20%: the dentist student loan repayment program, Tuberculosis Control and Treatment, the Child Fatality Prevention Program, the Office of Suicide Prevention, the Community Crime Victims Grant Program, the Family Planning Purchase of Services, and the Primary Care Office, which provides funding for addiction counselor scholarships and loan repayment for substance use professionals. However, CDPHE's budget also saw increases in funding for immunization outreach and air quality resources amounting to around \$3 million.

Colorado Department of Health and Human Services

CDHS saw many cuts related to mental health and substance use disorder prevention and treatment, and the community provider rate will also be reduced by 1%. Substance use disorder treatment programs and general capacity will be reduced by over \$13 million, including cuts to treatment programs for pregnant women and people in jails. Community mental health centers and jail-based behavioral health programs will see cuts of around \$3 million. The department's welfare and assistance programs, which help people secure food, housing, and other necessities that are social determinants of health, will also see cuts. However, funding for child care and early childhood development programs increased by around \$8 million.

Other departments also saw significant cuts: higher education funding was cut by 58%, though this is mostly compensated for by CARES Act funding, although it must be used on COVID-related expenses. K-12 education will see a 7% cut, which will mostly occur by cutting grants to programs like the Quality Teacher Improvement and Behavioral Health Care Professionals grants. While CARES Act funding will also go to K-12 education, it isn't allowed to be used to backfill these programs because it must be used only on COVID expenditures. Housing assistance programs are crucial for maintaining health because housing is the most significant social determinant of health. \$30 million will be diverted from the Housing Development Grant Fund and grants by the Eviction Legal Defense Fund will also be reduced. The mental health criminal justice diversion program will also be cut by \$1.1 million.





2020 Health Care Day of Action

CCHI's 12th annual Health Care Day of Action event corresponded with our organization's 20th anniversary, so the event on February 20, 2020 had the festive feel of a celebration of our work over the years. Additionally, the event served to bring community members into activism at the capitol.

This year, over 100 people attended the event where they heard from Governor Jared Polis on the importance of expanding access to affordable health care and the key role of community activism in getting meaningful legislation passed. Before heading to the capitol, the attendees underwent a 'lobbying 101' training and practiced crafting their stories in order to connect with legislators to give a personal touch to the policy issues. At the capitol, groups of people met with legislators in the lobbies of both chambers, after learning how to call their legislators off of the House and Senate floors.

Many attendees said that this advocacy was very valuable, that their story was heard and would be considered when they made policy decisions, and that it was exciting to meet their legislators and hear them prioritize affordable health care. A panel of legislators, who answered questions and went into detail on policy issues, expanded on their own legislative priorities this session and what the impact would be for health care consumers. Overwhelmingly, people valued meeting their legislators and hearing that their voices matter in the policy process.



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