



Colorado Healthcare Policy

How Legislation Increases Your Health Insurance Premiums

Your health insurance premium is based on the prices for medical, hospital, and pharmaceutical services. For the fully insured market (individual, small group and large group), federal and state rules govern the benefits that must be covered for every health plan sold in Colorado. When the government mandates new coverages, those benefits have costs that increase your insurance premium. Below are estimates of how recently passed coverage mandates are increasing premiums in Colorado. ¹

MANDATE	WHAT IT DOES	WHAT IT COSTS
Reduce Insulin Prices	Caps the cost sharing a covered person is required to pay for prescription insulin drugs to \$100 per one-month supply of insulin (does not apply to the actual price of insulin from the manufacturer).	+0.1% of fully insured premiums or approximately \$5.8 million annually
Health Insurance For Breast Imaging	Expands current coverage requirements for breast cancer screening studies and subsequent breast imaging to cover additional screenings at no cost share as determined by the individual's health care provider and within the appropriate use guidelines as determined by the American College of Radiology or the National Comprehensive Cancer Network.	+0.2% of fully insured premiums or approximately \$11.6 million annually
Human Immunodeficiency Virus Infection Prevention Medications	Prevents a health insurance carrier from requiring a covered person to undergo step therapy or to receive prior authorization before receiving HIV infection prevention drugs, including brand name drugs; Requires carriers to cover HIV infection prevention drugs prescribed or dispensed by a pharmacist and to provide an adequate consultative fee to those pharmacists.	+0.2% of fully insured premiums or approximately \$11.6 million annually
Investments In Primary Care To Reduce Health Costs	Rule promulgated by the Commissioner to require all commercial payers to increase the percentage of total medical expenditures (excluding pharmacy) spent on primary care by at least 1 percentage point annually through 2022 (for two years).	+1.0% more of fully insured premiums for two years or approximately \$116 million
Health Insurance Affordability Fee	Establishes the health insurance affordability enterprise that is authorized to assess a health insurance affordability fee (insurer fee) on certain health insurers in order to fund reinsurance and state subsidy programs.	1.15% of premiums collected by non-profit carriers and 2.1% of premiums collected by for-profit carriers. For 2023, DOI estimate is \$115,549,634
Protecting Preventive Health Coverage	Adds/expands required coverage beyond federal guidelines such as requiring the treatment of sexually transmitted diseases be considered as a preventive service.	.5% of fully insured premium or approximately \$23 million annually
Mental Health Wellness Exam	Coverage of one 45-60 minute visit by a qualified mental health care provider per plan year that can include services such as behavioral health screening, education and consultation on healthy lifestyle change, referrals to ongoing mental health treatment, and discussion of potential options for medication.	0.01% - 0.14% of fully insured premium or \$580,000 to \$8.1 million annually
Gender Affirming Care	Coverage for medically-necessary treatment including treatment for gender dysphoria and gender-affirming care services including: Blepharoplasty (eye and lid modification), Face/forehead and/or neck tightening, Facial bone remodeling for facial feminization, Genioplasty (chin width reduction), Rhytidectomy (cheek, chin, and neck), Cheek, chin, and nose implants, Lip lift/augmentation, Mandibular angle augmentation/creation/reduction (jaw), Orbital recontouring, Rhinoplasty (nose reshaping), Laser or electrolysis hair removal and Breast/Chest Augmentation, Reduction, Construction.	0.13% - 1.14% of fully insured premium or approximately \$7.5 million to \$66 million annually
Acupuncture	Coverage of 6 visits annually	0.08% of fully insured premium or \$4.6 million annually
Substance Use Disorder Prevention	Requires a health benefit plan to provide a cost-sharing benefit for nonpharmacological treatment where an opioid might be prescribed. The required cost-sharing benefit must include a cost-sharing amount not to exceed the cost-sharing amount for a primary care visit for nonpreventive services, at least 6 physical therapy visits, 6 occupational therapy visits, 6 chiropractic visits, and 6 acupuncture visits per year.	.4% to .7% of fully insured premium or approximately \$23 million to \$40.6 million annually
Expand Number of Drugs Covered in Certain USP Classes	Expands the number of drugs required to be covered in fourteen USP Drug Classes to provide alternatives to opioids.	0.03% - 0.04% of fully insured premium or approximately \$1.7 million to \$2.3 million annually
TOTAL COST ESTIMATE BASED ON 2020 FULLY INSURED PREMIUMS WITH MANDATES PASSED IN 2019, 2020, 2021 & 2022		Increases of 5.52% to 7.92% of fully insured premiums ANNUALLY. Coloradans are spending approximately \$320,849,634 to \$405,149,634 more for health insurance in the fully insured market.

1. Calculations based on 2020 Division of Insurance Health Cost Report estimating \$5.8 billion was spent on premiums for Coloradans in the fully insured market. NOTE: The ACA allows states to require QHPs to cover benefits in addition to essential health benefits (EHB) but requires that states defray the cost of those additional state mandated benefits—either through payments to the individual enrollee or to the issuer on behalf of the enrollee. None of the mandates passed by the state of Colorado since 2011 have been defrayed.