



Colorado Senate
200 E Colfax Avenue
Denver, CO 80203

May 2, 2022

Re: Support HB22-1269

Dear Senate Business, Labor, & Technology Committee:

Good Business Colorado (GBC) is a statewide grassroots organization of over 400 values-driven business owners in 31 counties working together to build a prosperous economy, equitable communities, and a sustainable environment. We are writing to ask you to vote yes for HB22-1269 Health-care Sharing Plan Reporting Requirements, because GBC believes this bill is a necessary step to provide transparency and some measure of accountability to consumers.

Healthcare sharing plans are often much less expensive than healthcare insurance, but unlike insurance, sharing plans are not regulated and have no obligation to pay their members' bills. They may refuse to pay for religious or other reasons, including insolvency. Although a healthcare sharing plan may suit some consumers' needs, many others, including small business employers, believe they are getting health insurance for themselves and their employees at a low cost when in fact they are not. Then if something happens and if the sharing plan is unwilling or unable to pay, the employer or their employees find themselves facing huge medical bills without recourse.

The robust reporting requirements in this bill provide transparency into a healthcare sharing plan's financials and other program details, and some measure of accountability since bad actors can be more easily identified. For this reason we urge you to pass HB22-1269.

Thank you for your time and consideration

Best Regards,

Angelique Espinoza, Policy Director, GBC

Debra Brown, Executive Director, GBC

and these values-driven businesses...

Diana Agra Centennial 80121 Intentional Media

Thank you for supporting this bill.

Shannon

Bean Scalise Boulder 80301 Book See Financial Group

Support Colorado Business owners and employees by helping ensure Health Care sharing plans are transparent and accountable to Coloradan people. Thank you!

Vicki Carey-Davis Denver 80205 Twiggs & CO

We need more transparency and regulations for health care ministries in Colorado. This will help business owners make more informed decisions to support their staff.

Rachel Kois Denver 80221 Simple Switch

The worst problem with healthcare is cost for citizens, but confusion/misinformation is a close second. We believe consumers should be educated about what they're buying and understand what that might mean for their future costs.

Sarah Marcogliese Lakewood 80215 Native Earth Landscape Inc

This is a no brainer bill!!! Transparency is essential in anything we do in business and with our healthcare especially.

Jeffrey Pote Denver 80202 Pote Law Firm

Help ensure that health-care products are transparent and accountable to consumers.

Baneza

Andrades Vargas Glenwood Springs 81601 Sol Maya Cruelty-Free Spa & Salon

James P Burds Commerce City 80022 Colographic

Cortney Burkard,
RN, BSN, BA

Aurora 80011 Registered Oncology Nurse

Vicki Carey-Davis Denver 80205 Twiggs & CO

Christie Carlin Denver 80203 Wise Choice Tattoo Removal

Mez Charney Denver 80205 MC Evolution

Brie DeLisi Zoller Aurora 80012 Brie Z Operations

Jervis DiCicco Englewood 80111 ProsperBridge

Tracy duCharme Colorado Springs 80922 Color Me Mine

Otisa Eads Denver 80218 Otisa Eads LLC

Stacey Gilbert	Highlands Ranch	80126 Denver Tech Insurance
Jacquie Hilterman	Berthoud	80513 Dogwood Consulting
Klaus Holzapfel	Boulder	80301 Continuum Housing llc
Jennifer Chidester	Littleton	80130 Modern
Rachel Kois	Denver	80221 Simple Switch
Greg Lessard	Golden	80401 Aspen Leaf Wealth Management, PBC
Greg Olson	Grand Junction	81501 GROWL Agency
Sarita Parikh	Castle Rock	80104 Glow + Gather
Kyle Pegon	Denver	80224 Namaste Solar
Karla Rodriguez	Boulder	80301 Wana Brands
Mary Rogers	Boulder	80304 The New Kitchen
Jill Rossini	Denver	80205 FIXY makeup
Leah Rybak	Dillon	80435 LMR Consulting
Louise Snodgrass	Durango	81301 Local First
Timothy Wheeler	Durango	81301 Durango Compost Company
Aaron Zimola	Greeley	80634 Zova Marketing LLC



May 2, 2022

The Honorable Robert Rodriguez
Chair, Senate Business, Labor, and Technology Committee
200 E Colfax, Rm. 346
Denver, CO 80203

RE: Legislation concerning health care sharing arrangements (HB 22-1269)

Dear Chair Rodriguez and members of the Committee:

Thank you for the opportunity to submit written testimony on HB 22-1269 regarding health care sharing arrangements (HCSAs).

The mission of The Leukemia & Lymphoma Society (LLS) is to cure leukemia, lymphoma, Hodgkin's disease, and myeloma and improve the quality of life for the more than 1.3 million people in the United States living with blood cancer, and their families. The proliferation of "insurance-like" products in recent years, including HCSAs, is of significant concern for LLS. HCSAs are exempt from many important consumer protections and as a result, pose significant risks for people with pre-existing conditions and chronic illnesses.

LLS supports HB 22-1269 because this bill creates strong data reporting standards to protect HCSA consumers. Unfortunately, there are numerous examples of misconduct in this market, making transparency essential.^{1, 2, 3}

HCSAs pose risks to patients and consumers

Last year, LLS and 29 other national patient advocacy organizations issued a report finding that HCSAs adopt features closely resembling traditional insurance coverage, and often market themselves as a low-cost alternative to Affordable Care Act (ACA) plans.⁴ The report went on to describe how consumers may enroll in HCSAs thinking that they are purchasing comprehensive coverage and without fully understanding the financial risks of a product that provides no guarantee of paid claims.

¹ Weir, K. (Jan. 27, 2022) "Liberty HealthShare, vendors reach multimillion-dollar settlement with attorney general." *Canton Repository*. <https://www.cantonrep.com/story/news/2022/01/26/liberty-healthshare-reaches-settlement-ohio-attorney-general/9224961002/>

² Rabey, S. (Oct. 23, 2020) "Health Share Ministries Face Growing Chorus of Complaints and Lawsuits." *MinistryWatch*. <https://ministrywatch.com/health-share-ministries-face-growing-chorus-of-complaints-and-lawsuits/>

³ Larson, S. (Aug. 8, 2021) "Montanans find insurance alternative, pitfalls, with health care sharing ministries." *Helena Independent Record*. https://helenair.com/news/state-and-regional/govt-and-politics/montanans-find-insurance-alternative-pitfalls-with-health-care-sharing-ministries/article_802af5a3-fc97-56da-8d29-c09d3b1a9ea5.html#tracking-source=home-top-story-1

⁴ 30 Patient Advocacy Organizations. (March 2021). "Under-Covered: How 'Insurance-Like' Products Are Leaving Patients Exposed." https://www.lls.org/sites/default/files/National/undercovered_report.pdf

Office of Public Policy

10 G St NE
Suite 400
Washington, DC 20002
www.LLS.org



Even the services that are purportedly covered, may be limited and expose enrollees to substantial risk. Unlike actual insurance, HCSAs provide only the possibility of recouping some portion of incurred medical bills. HCSAs are not required to provide these payments for costs related to pre-existing conditions, and may exclude any payment for key services, such as mental health and substance use disorder services, preventive services, and prescription drugs. Patients who receive a serious or life-threatening diagnosis while enrolled in an HCSA plan may face payment denials, leaving them responsible for devastating medical expenses.

In some cases, HCSAs claim to provide “last dollar” payment for medical bills and require that members first exhaust all other options, including other coverage, workers’ compensation, charity, and government entitlements (for those with certain lower incomes).⁵ Further, members whose health care costs are denied payment have no right to appeal to an independent reviewer with medical expertise as they would under ACA-compliant coverage.⁶

HB 22-1269 will deliver transparency for HCSAs

LLS supports the enhanced reporting provisions in HB 22-1269 that require HCSAs to provide timely and comprehensive data to the Colorado Commissioner of Insurance regarding the size, financial conduct, and sales practices of HCSAs. As HCSAs continue to expand, state regulators must have information on these activities to evaluate whether these arrangements’ operations constitute the business of insurance, to watch for deceptive marketing and reimbursement practices, and to monitor enrollment.

Conclusion

LLS serves thousands of Colorado patients and families who need access to reliable and affordable healthcare regardless of their income or geographic location. We appreciate the opportunity to provide input on HB 22-1269 and urge your committee to support this bill.

If LLS can be of further assistance, please do not hesitate to contact me at dana.bacon@lls.org or 612.308.0479.

Sincerely,

Dana Bacon
Regional Director, Government Affairs
The Leukemia & Lymphoma Society

⁵ Volk, J., Curran, E., & Giovannelli, J. (August 2018) “Health Care Sharing Ministries: What Are the Risks to Consumers and Insurance Markets?” *The Commonwealth Fund*. <https://www.commonwealthfund.org/publications/fund-reports/2018/aug/health-care-sharing-ministries>

⁶ The Leukemia & Lymphoma Society (2021).