



History of Connect for Health Colorado

August 2013

History:

Colorado's path to building a health insurance marketplace started years before the passage of the Affordable Care Act. The history dates back to 2006, when the General Assembly passed **Senate Bill 06-208** under Republican Governor Bill Owens. SB 06-208 established the **Blue Ribbon Commission for Health Care Reform**, which often became known as the 208 Commission. The Commission was charged with "studying and establishing health care reform models to expand health care coverage and to decrease health care costs for Colorado residents." In 2008, under Democratic Governor Bill Ritter Jr., the Commission released its [report](#), with 26 recommendations. It includes the concept of an individual mandate and the concept of a health insurance marketplace:

- Create a "Connector" to assist individuals and small employers to understand and choose among insurance options.

Colorado moved ahead with aspects of the Commission's recommendations under Gov. Ritter's administration. One significant measure was the 2009 passage of the Colorado Health Care Affordability Act, also known as the hospital provider fee bill, (House Bill 09-1293), which created a funding mechanism to expand enrollment in Medicaid and CHP and reduce costs to hospitals.

Immediately after Congress passed the Affordable Care Act in March 2010, Gov. Ritter issued an [Executive Order](#) establishing a state implementation committee. Here is a [report](#) that came out of that work's group. The group also facilitated stakeholder discussions about creating a state health insurance marketplace, also known as an Exchange. Between July and October 2010, they convened ten stakeholder community forums in partnership with two state-level health advocacy organizations, the Colorado Consumer Health Initiative and the Colorado Coalition for the Medically Underserved. Six forums were held in the Denver Metro Area and one each in Alamosa, Grand Junction, Colorado Springs and Greeley. The meetings resulted in a [report](#) that summarized the stakeholder feedback, including letters from a variety of major stakeholder groups. Based on the stakeholder meetings, there was consensus around Colorado building a health insurance marketplace and the groups recommended that the marketplace be established as a quasi-public entity – NOT a state agency – with a Board of Directors and a high level of public accountability and transparency.

In 2011, the Governor's Office was awarded a Planning Grant for just under \$1 million from HHS to support planning activities for creating a state-based Exchange. Also in early 2011, Joan Henneberry became the Planning Director of the health insurance marketplace and negotiations began in earnest in the General Assembly to pass enabling legislation. After months of negotiations and critical support from business organizations and other stakeholder groups, the General Assembly passed [Senate Bill 11-200](#) in May 2011, sponsored by House Speaker Amy Stephens, a Republican, and Senate President Pro Tempore Betty Boyd, a Democrat. Gov. John Hickenlooper signed the bill in June 2011. The bill created the Colorado Health Benefit Exchange as a public, non-profit entity and set the direction for governance and an open, marketplace model. The Board was appointed in June and met for the first time in July 2011. The bill also established a Legislative Health Benefit Exchange Implementation Review Committee, a panel of 10 state lawmakers with certain responsibilities and powers, including actions related to applications and the naming of the Exchange's Executive Director.

COHBE's first draft grant application was submitted to the Review Committee in September 2011 was not taken to a vote. Joan Henneberry left the Exchange in November 2011 and the Board and Review Committee approved the hiring of businesswoman Patty Fontneau in December 2011. They also approved a revised grant application for \$17.9 million, which was subsequently approved by the federal government in February 2012. Here is the [report](#) to the Legislature that summarizes the activities of COHBE in 2011.

In early 2012, COHBE established its own financial mechanisms and organizational policies so that the organization could receive federal grants. Until May 2012, COHBE operated out of the offices of the Colorado Health Institute, which served as a third-party administrator. COHBE moved to the current offices in the Ptarmigan building in the Glendale area of Denver in May 2012. In 2012, the organization grew from about 5 staff to about 18 full-time staff, augmented by a team of contractors. The political environment continued to be challenging, especially prior to the June 2012 Supreme Court decision about the legal challenges to the ACA, and then in the run up to the presidential election. With the support of Review Committee Chair Bob Gardner and Vice Chair Betty Boyd, COHBE submitted a second Level One Establishment Grant application to HHS in August 2012 for \$43 million to support activities between October 2012 and July 2013. HHS approved the application in September 2013. In December 2012, COHBE became one of the first six states to receive conditional approval from HHS to open a state-based Exchange. Here is the [report](#) to the Legislature that summarizes COHBE's activities in 2012.

In 2013, planning activities continued at an aggressive pace, including in the areas of interoperability with the State and outside systems, preparation activities with insurance carriers, development of policies and a stronger emphasis on customer support programs. In February, The organization issued a Request for Applications for organizations across the state that are interested in serving as part of the new in-person assistance program often referred to as the Navigator Program. The health insurance marketplace combined the Navigator and In-Person Assister program into one program, called the Assistance Network. In April 2013, more than 70 organizations submitted proposals to be part of the Assistance Network, which is funded through grants. In May 2013, the health insurance marketplace selected 58 organizations to be part of the program. As of early August 2013, about 55 organizations were moving forward with finalizing contracts and beginning the training process.

Other key activities included the development of a long-term revenue model and the choosing of a new name, after extensive research and collaboration with stakeholders. The Board voted in early 2013 to adopt a 'doing business as' name of Connect for Health Colorado. The new name was rolled out to the public in early May 2013 along with a new outreach and marketing campaign that included statewide television, radio and print spots that was designed to build awareness of the new organization.

In May 2013, the organization submitted a Level 2 Establishment Grant application to the federal government, requesting funds to support the operation of the health insurance marketplace until the end of 2014 as well as technology enhancements through the middle of 2016. In July 2013, the federal government approved a \$116 million Level 2 Grant. Connect for Health Colorado also was awarded a \$2 million grant from the Colorado Health Foundation to support components of the Assistance Network that can't be funded by federal grants.

Systems testing began in the Spring of 2013. Construction of a new Customer Service Center began in the late Spring. By early August, more than 1,100 licensed health insurance agents and brokers had signed up for certification training. Hundreds of agents and brokers and members of the Assistance Network had begun online training as of early August.