

Connect for Health Colorado Board  
Charge to Working Group on Public Benefit Corporation

**Reports to Connect for Health Colorado Board of Directors (the Board)**

**Background:** In April of 2014 the Board reviewed issues related to establishing a separate legal structure as allowed under HB 13-1245 (C.R.S. 10-22-106(3)) to address the strategic direction of offering ancillary services and products on the Marketplace. The Board reviewed five options and the advantages and disadvantages of each. The five options were:

1. C4HCO Division
2. Nonprofit Subsidiary
3. For Profit Subsidiary LLC
4. For Profit Subsidiary-C Corporation
5. Public Benefit Corporation

On April 14, 2014 the Board approved the motion to move forward with the establishment of a Public Benefit Corporation as a subsidiary of the Marketplace, due to the alignment with the Marketplace's core mission and intended impact on the customer, communities and the State.

In early 2016, the Board will follow up on its decision to set up a Public Benefit Corporation through a working group to outline the issues and opportunities and form a recommendation to the Board.

Issues to be addressed in the recommendation include but may not be limited to:

- How does the establishment and implementation of the Public Benefit Corporation impact sustainability?
- What is the governance structure, including Board composition, committees, and executive team?
- How does the C4HCO Board interface with the Public Benefit Corporation Board?
- What initial products and services will complement the core mission and drive sustainability?
- Define the business model and how we will evaluate the impact and effects?
- Establish working principles and define the public benefit?

**Timeframe:** The working group will meet January-March 2016 with a report out on progress and a recommendation on next steps for the April 2016 Board meeting.

**Members:**

Adela Flores Brennan

Denise O’Leary

Davis Fansler

Staff:

**Attachments:**

- [Non-QHP Products Strategy \(4/14/14\)](#)
- [Separate Legal Structure Memo \(4/14/14\)](#)
- [Analysis Letter \(4/14/14\)](#)
- [Board Policy List \(as of 5/14/15\)](#)