



February 24, 2022

Colorado Division of Insurance
1560 Broadway
Denver, Colorado 80202

RE: Proposed Emergency Regulation 22-E-XX - Concerning the Methodology for Calculating Premium Rate Reductions for Colorado Option Standardized Health Benefit Plans

Dear Commissioner Conway and the Division of Insurance:

As a leading representative of more than 674,000 small businesses in Colorado, Small Business Majority writes today to encourage the Colorado Division of Insurance to establish fair rules concerning the methodology for calculating premium reductions of the Colorado Option standardized health benefit plans.

Small Business Majority is a small business organization that empowers Colorado's diverse entrepreneurs to build a thriving and equitable economy. As part of our commitment to support public policy solutions, we want to highlight the importance of building the Colorado Option Standardized Health Benefit Plan as a small business-friendly program that offers reduced premiums, which can increase access to affordable healthcare to the small business community.

Rising costs of healthcare premiums and out-of-pocket fees have put a burden on small employers who wish to provide this critical benefit to their employees. This is why it's critical for Colorado lawmakers to ensure that programs such as the Colorado Option have a fair and reasonable cost while small businesses continue to face challenges during the public health crisis. In fact, a [recent survey](#) of small business owners conducted by Small Business Majority revealed that more than 1 in 3 have struggled to obtain health insurance coverage for themselves and their employees during the pandemic.

We're at a critical point in the pandemic and we must put forward solutions that will help alleviate the rising costs of owning and managing a small business. We encourage you to revise the premium reduction methodology for the small group market to ensure that it's calculated based on the average premium costs of all four quarters of 2021 premiums. The current baseline does not align with the legislative text where it clearly states that the premiums should be based on those offered in the 2021 calendar year. The Colorado small business community will thank you for considering and implementing solutions that can more accurately serve the needs of small businesses. We look forward to continuing our work with you to implement and optimize the Colorado Option standardized health benefit plans, which will support small businesses in their recovery.

Sincerely,

Lindsey Vigoda
Colorado Director, Small Business Majority