



**STATEMENT FOR THE RECORD
BEFORE THE HOUSE HEALTH AND INSURANCE COMMITTEE
ON HB 22-1269: HEALTH CARE SHARING CONSUMER PROTECTIONS**

April 1, 2022

**Lindsey Vigoda, Colorado Director
Small Business Majority**

Thank you Chairwoman Lontine, and Members of the Committee:

My name is Lindsey Vigoda and I'm the Colorado Director for Small Business Majority, a small business organization with offices nationwide, including here in Colorado. Our mission is to empower America's diverse entrepreneurs to build a thriving and equitable economy. I am here to share our support for HB 22-1269, legislation that would require Health Care Sharing Arrangements (HCSAs) to submit basic information to the Colorado Division of Insurance about how they operate, which will provide greater transparency for all Coloradans and entrepreneurs who may wish to sign up for HCSAs.

As a representative of the 674,000 small businesses in Colorado, I know firsthand that healthcare costs are a top concern for small businesses. As such, I would like you to consider how vital it is to ensure greater consumer protections around HCSAs. These programs are currently not regulated by a governing entity in Colorado, and it's unclear how signees are covered under the program. This means that small businesses that sign up for this coverage may be receiving subpar and unaffordable coverage.

Colorado entrepreneurs are struggling with a lack of to access affordable healthcare options, especially as we continue to navigate the COVID-19 pandemic. In fact, more than 1 in 3 small businesses reported they have struggled to obtain healthcare for themselves or their employees during the pandemic.

Currently, entrepreneurs who are signing up for HCSAs believe that these programs can be an affordable alternative to purchasing health insurance on the individual or small group marketplace, but the reality is far different. Unfortunately, these plans are not managed by insurance providers and don't always pay healthcare claims. This can be troubling and confusing for business owners, and may strap them with additional debt when they ultimately are forced to pay for the entire bill out of pocket.

Colorado entrepreneurs are already struggling to recover from the financial impacts of the pandemic. House Bill 22-1269 will provide the clarity necessary for entrepreneurs to make informed decisions that work for their needs and that of their employees, and how these plans impact the health marketplace. We urge you to consider this important issue, which has a direct impact on the Colorado small business community.

Sincerely,

Lindsey Vigoda
Colorado Director, Small Business Majority