

October 10, 2024

Michael Conway
Colorado Insurance Commissioner
Colorado Division of Insurance
1560 Broadway
Denver, Colorado 80202

RE: DRAFT Proposed Amended Regulation 4-2-85: Concerning the Methodology for Calculating Premium Rate Reductions for Colorado Option Standardized Health Benefits Plan

Dear Commissioner Conway:

Small businesses comprise 99.5% of businesses across Colorado and employ 47.3% of workers statewide. As advocates for small businesses, we want to help ensure that small businesses, their employees and their families have access to top-quality benefits that enable them to thrive. Unfortunately, healthcare coverage has become increasingly unaffordable for many small businesses. According to a recent [Small Business Majority](#) poll, 78% of small businesses that offer health coverage to their employees report that the cost of insurance premiums has risen. Furthermore, 24% of small businesses that offer health coverage to their employees have been forced to drop it altogether due to rising costs.

The Colorado Option for Health Insurance became law in 2021 with the backing by the small business community as a solution to these problems. Dozens of business owners from across the state testified in favor of this proposal as a lifeline for their businesses during increasingly hard times. Small Business Majority was a firm supporter of the bill that established the Colorado Option, and we continue to support its effective implementation so that small businesses across Colorado have more affordable options for health insurance.

We are supportive of the proposed changes to 4-2-85 to update the methodology for calculating the Premium Rate Reduction Requirements for Benefit Year 2026. Premium reductions are key components of the Colorado Option to provide more affordable health insurance options to small businesses across Colorado.

We fought hard for the small group market to be included in the Colorado Option, and through its implementation, it can be successful and transformative for small businesses. We look forward to working with the Division on ensuring the success of Colorado Option for the small business community.

Sincerely,

Hunter Nelson
Colorado Director, Small Business Majority