

October 21, 2021

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

*RE: Recommendations concerning the Standardized Health Benefit Plan Colorado Option*

Dear Commissioner Conway:

As a leading representative of America's 30 million small businesses, including more than 653,000 businesses in Colorado, Small Business Majority writes today to provide comments on the preliminary regulations concerning the Standardized Health Benefit Plan Colorado Option. We are pleased to provide recommendations to the Colorado Division of Insurance on the implementation and establishment of the Colorado Option plan, which will become available on the individual and small group markets for small employers in Colorado seeking greater access to healthcare.

Small Business Majority is a national small business organization that empowers America's diverse entrepreneurs to build a thriving and equitable economy. As part of our commitment to support public policy solutions, Small Business Majority, along with key stakeholders, have worked over the last two years to combat racial inequities in Colorado's healthcare system to ensure that all small businesses in Colorado have access to a robust, more affordable and comprehensive healthcare option.

But the viability and efficacy of the Colorado Option depends largely on its implementation. As such, we've solicited feedback from our network and learned that the following key issues must be addressed by the program in order to guarantee participation from the small business community:

- **A majority of small business owners we surveyed said lower premiums should be a top priority of the Colorado Option to help employers retain a talented workforce.** More than half of small businesses in our Colorado network who responded to our survey on the Colorado option reported that they have lost employees because of their inability to afford healthcare benefits. Lower premiums would help these businesses afford coverage to attract and retain employees.
  - What's more, for businesses that already offer coverage but struggle with costs, lower premiums would allow small employers to invest back into their businesses to raise wages to remain competitive in the marketplace. As businesses continue to face workforce shortages, it is imperative to implement policies that will support greater employee retention and allow small businesses to compete with larger businesses for talent.
- **Another concern for small business owners is to ensure that the Colorado Option offers comprehensive coverage to keep our Colorado communities healthy.** The

COVID-19 pandemic has brought to surface the importance of having a health insurance plan that covers a broad range of healthcare services that can treat common illnesses, but also cover services and treatments for mental and behavioral health. When we surveyed our Colorado network about the Colorado Option, the results revealed strong support for mental and behavioral health to be included, as well as more primary care and preventative coverage to be written into the plan. A comprehensive plan will ensure the small business community will buy into and benefit from the Colorado Option.

It's important to note that historically, small businesses have struggled to access health coverage due to the rising costs of premiums and out-of-pocket expenses, and those who have been able to afford it often paid more than their more established, larger counterparts. Now in light of the COVID-19 pandemic, countless small businesses have been forced to lay off or furlough workers, or even cut access to benefits like healthcare to survive the ongoing economic 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. What's more, minority-owned businesses were even more likely to struggle to access healthcare during the pandemic compared to their white counterparts, which further points to the racial inequities across our healthcare system.

As small businesses face a long road to recovery, they need access to programs like the Standardized Health Benefit Plan Colorado Option. This will make access to healthcare more equitable for Coloradans and small businesses by providing a higher value program with lower costs. The Colorado Option can make a difference in our economic recovery and equitable access to healthcare.

Sincerely,

Lindsey Vigoda  
Colorado Director