

**Written Testimony as Prepared for Delivery in Support of HB18-1392, State Innovation Waiver Reinsurance Program Request – House Health, Insurance & Environment Committee, April 19, 2018 – Erin Miller, Vice President of Health Initiatives at the Colorado Children’s Campaign**

- Thank you, Madam Chair and thank you to Representatives Rankin and Kennedy for bringing forward this bill and the opportunity to testify in support.
- I’m the Vice President of Health Initiatives at the Colorado Children’s Campaign and I appreciate the opportunity to support this bill because the issue of high health insurance costs across our state impacts kids too. In 2016, there were about 7,000 Colorado children living in families at or above 400 percent of the federal poverty level without health insurance.<sup>1</sup>
- We’ve made historic progress in insuring kids across Colorado – bringing the rate of kids who lack health insurance to the historic low of 4 percent on average across the state.
- However, in mountain areas with high health insurance premiums, these rates are much higher. In San Juan, Montezuma, La Plata, Hinsdale, Gunnison, and Dolores counties, 13 percent of kids lack health insurance, and we can only assume that some of this disparity is due to the barrier of the very high insurance costs in those areas.
- We also work with a network of leaders across the state and many of these leaders have expressed concern about their health insurance premiums. Some of these leaders operate childcare centers, supporting our working families, and they struggle to afford health insurance.
- Reinsurance is a proven tool to help reduce risk and lower premiums. It has been successfully implemented in a number of other states and is a permanent feature of Medicare part D.
- Reinsurance would lower costs for individuals above the tax credit line across the state in an equitable way. It would also not increase costs for lower income Coloradans who are below 400 percent the federal poverty level – these individuals would continue to be eligible for tax credits and would not see the costs of their premiums rise.<sup>2</sup>
- We urge your support of this bill and I am happy to take any questions.

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<sup>1</sup>United States Census Bureau Population Reference Bureau. (2016). *Health insurance coverage status and type by ratio of income to poverty level in the past 12 months by age*. Table B27016. Retrieved from: [https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS\\_15\\_1YR\\_B27016&prodType=table](https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_15_1YR_B27016&prodType=table)

<sup>2</sup> Colorado Health Institute. (2018). *A game-changer for high insurance prices? Reinsurance presents an option to aid a troubled market*. Retrieved from: [https://www.coloradohealthinstitute.org/sites/default/files/file\\_attachments/Reinsurance\\_1.pdf](https://www.coloradohealthinstitute.org/sites/default/files/file_attachments/Reinsurance_1.pdf)