

**Written Testimony as prepared for delivery in support to SB21-169 Restrict Insurers' Use Of External Consumer Data to the Senate Business, Labor and Technology Committee by Samantha Espinoza, Senior Policy Analyst for Health Equity at the Colorado Children's Campaign.**

- Thank you, Chairperson, and members of the committee. My name is Sam Espinoza and I am the Senior Policy Analyst for Health Equity at the Colorado Children's Campaign.
- I appreciate the opportunity to testify in support of SB-169 and am thankful to the sponsors for bringing this bill forward.
- The Colorado Children's Campaign is a research-based, non-profit policy advocacy organization that fights for every chance for every child. Our advocacy activities seek to improve the health and well-being of all children, youth and their families in Colorado by removing barriers which perpetuate systemic racism and unfair discrimination.
- We support this bill as one step the state can take to combat systemic racism and institutional bias and remove barriers to the social determinants of health – such as financial security, housing and transportation – that we know are critical for Colorado kids and families.
- Institutions and organizations throughout our state and nation's history created systems in which the resources needed to be healthy and opportunities for success are not equitably distributed. We know these inequities have a greater influence on health outcomes than either individual choices or the provision of services.
- This is true not only for traditional institutions but for contemporary ones as well. Emerging research shows the use of algorithms in insurance can be inherently racist<sup>1</sup> just as other algorithms have been found biased against women and location of one's residence.
- We believe if these practices remain unchecked, they will not only perpetuate but exacerbate existing disparities such as the wealth gap, wage gap, housing discrimination, incarceration, drug arrests, immigration arrests, infant mortality and more.
- All types of insurance – health insurance, auto insurance, home insurance and others are critical to family economic security – they serve to protect financial resources during illness and disaster. SB-169 it is an important measure to combat systemic racism and unfair discrimination within our state's insurance infrastructure by requiring insurance companies to demonstrate to the Division how they are testing their data and tools to ensure they do not result in unfair discrimination.
- Furthermore, we believe the delayed implementation date of 2023 will give the commissioner the time needed to develop thoughtful and balanced rules and ensure successful implementation of the bill.
- By voting yes on this bill, you are ensuring that Colorado does not condone race-based discrimination or any other type of discrimination that will perpetuates inequities for years to come. We urge your support for SB-169

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<sup>1</sup> The Greenlight Institute