

Colorado Center on Law and Policy

Health Law and Policy Update: February 14, 2014

Open enrollment continues

Individuals and small businesses can now shop for health insurance through [Connect for Health Colorado](#), Colorado's new health insurance marketplace. Sign up for coverage now.

This week's updates:

- [Treasury Department delays employer mandate for some companies](#)
- [CCLP testimony helps defeat bill attempting to give a tax break for not buying health insurance](#)
- [Colorado insurance marketplace enrollment update; funding for assistance network](#)
- [Primary Care Workforce: Regional Disparities](#)

Treasury Department delays employer mandate for some companies

On Monday, February 10th, the U.S. Treasury Department announced that it would further delay the requirement that some mid-sized employers offer health insurance to their employees. The final regulations extend the current delay of the employer mandate for companies with between 50 and 99 full time employees for an additional year.

The Affordable Care Act (ACA) requires employers with 50 or more full time employees to offer health insurance to their employees or pay a penalty. While this requirement was supposed to go into effect in January, the Obama administration delayed the employer mandate for all companies until 2015.

The new announcement delays the employer mandate for mid-sized employers until 2016. Additionally, employers with more than 100 full time employees won't pay a penalty next year as long as they offer coverage to at least 70 percent of their workers. By 2016, employers will need to offer affordable coverage to at least 95 percent of their employees to avoid a penalty.

The ACA included the employer mandate because federal lawmakers worried that, with the creation of tax credits to buy insurance through the new healthcare marketplaces, companies might drop coverage, shifting the cost of insurance onto the federal government.

[Kaiser Health News](#) includes clips from a number of major news outlets who covered this story. The [full announcement](#) is available from the Treasury Department.

CCLP testimony helps defeat bill attempting to give a tax break for not buying health insurance

On Wednesday, February 13th, CCLP testified against HB14-1106, a bill that would have given state tax credits to Coloradans who were penalized on their federal taxes for failing to obtain health coverage. The bill was defeated 7 to 4.

The ACA makes health care more affordable for low and middle income Americans through tax credits and Medicaid expansion, while requiring families and individuals who can afford it to buy insurance or pay a fine. HB14-1106 would have undermined the individual responsibility provision of health reform by helping people to mitigate the tax consequence of failing to purchase health insurance.

The ACA prohibits health insurers from refusing to cover Coloradans because of preexisting conditions and from charging people more because of their health status. The requirement that everyone have health insurance makes it possible for insurers to operate in an environment where they must sell insurance to any purchaser. Insurance depends on broad participation. If everyone covered were ill, insurance premiums would be too expensive. The individual responsibility provision in the ACA requires people to have health insurance in order to make it possible for everyone to participate.

During testimony, CCLP also noted that nationwide, insured families pay \$1000 more per year in health insurance premiums in order to cover to cost of those who are uninsured.

The hearing and CCLP's testimony was covered by media outlets including the [Denver Business Journal](#), and the [Grand Junction Sentinel](#).

Colorado insurance marketplace enrollment update; funding for assistance network

The board of directors for Connect for Health Colorado, Colorado's state-based insurance marketplace, met February 10. Staff announced that over 73,000 Coloradans have signed up for insurance coverage since October 1, 2013. More than 22,000 of those enrollments occurred since January 1. With the open enrollment period continuing through March 31, it is expected the number of enrollees will continue to climb. Connect for Health's most conservative enrollment target was 75,000 participants and it appears they will easily reach that goal.

The Connect for Health board also unanimously approved a \$2.5 million grant request to the Colorado Health Foundation to help fund its Assistance Network, which funds a statewide network of organizations who conduct outreach, education and in-person enrollment assistance. The grant would help to fund the assistance network for the period of July 2014-June 2015, which would cover the 2014 open enrollment period. Connect for Health staff [reported](#) that over 700 personnel have been trained and 425 certified as part of the Assistance Network.

Primary Care Workforce: Regional Disparities

The Colorado Health Institute released [a report](#) this week examining regional disparities in Colorado's Primary Care Workforce. According to the report, the data show significant regional variations in the availability of primary care across Colorado. The report notes the decline in the percentage of physicians delivering primary care from 30.5 percent in 2008 to 28 percent in 2013. Workforce shortages are an important part of the health care conversation, particularly as Colorado's population grows and ages. Ultimately the report concludes that where you live matters and that "how well Colorado responds to its workforce issues will have an enormous impact on the well-being of each Coloradan."