



HB 1349 Testimony

House Health and Insurance Committee

Thank you, Madame Chair and members of the committee for the opportunity to provide testimony today. My name is Kelly Brough and I'm the President and CEO of the Denver Metro Chamber of Commerce. I am here today on behalf of the Chamber, our 3,000 members and their 400,000 employees to express our opposition to House Bill 1349.

We know many of our members and their employees struggle with the cost of health care today. We spent months talking to them in focus groups about challenges and strategies for cutting health care costs. But this bill is not the answer.

The Colorado Option gives extensive power to a single appointed official and appointed board, a risky and unpredictable approach to policy making.

Here's what extensive power looks like in the Colorado Option: The insurance commissioner can force hospitals and insurance carriers to participate. He or she can recommend licenses be revoked. Reimbursement rates, premiums, participants and fines also all rest in the hands of the insurance commissioner and board. Nearly every detail to be worked out rests in the

hands of political appointees, who change year to year and administration to administration.

The Colorado Option simply shifts costs to the fully insured and self-insured markets – the markets in which the majority of Coloradans get their health insurance coverage. Shifting costs is different than cutting costs. And we're interested in strategies that actually contain or cut costs across the system, not that expect our members and their employees to foot the bill for a reduction in one portion of the market.

In fact, the Colorado Option could also drive costs in the system. It adds inefficiencies to the health care market by forcing insurers to provide a government-designed product in markets where they may not operate. Additionally, rates in the Colorado Option may in fact be higher than private market negotiated rates today, adding costs to the system in some places.

Our interests lie in finding solutions that get at the root of costs across the entire health care system. We believe the foundation for such solutions should be partnership – and mandated participation, rate setting and concentrated power don't build the foundation for partnership.

We ask that you join us in working to solve our health care puzzle and oppose HB 1349.