

*Colorado Legislative Council Staff*  
  
**STATE**  
**FISCAL IMPACT**

**Drafting Number:** LLS 06-0134.01  
**Prime Sponsor(s):** Sen. Feder  
 Rep. Mulhaney

**Date:** January 3, 2006  
**Bill Status:** Senate Health and Human Services  
**Fiscal Analyst:** Marc Analyst (303 866-4100)

**TITLE:** CONCERNING "FAIR SHARE HEALTH INSURANCE COVERAGE"

Fiscal Impact Summary	FY 2006/2007	FY 2007/2008
<b>State Revenues</b>		
General Fund		
Cash Fund-CO.	\$0	\$0
<b>State Expenditures</b>		
Cash Fund-CO. Additional personnel for state administration	\$450,000	\$450,000
<b>FTE Position Change</b>	3.0 FTE	3.0 FTE
<b>Other State Impact:</b> None		
<b>Effective Date:</b> July 1, 2006.		
<b>Appropriation Summary for FY 2006/2007:</b> None		
<b>Local Government Impact:</b> None.		

**Summary of Legislation**

This bill establishes an obligation for all residents of the State of Colorado fully and fairly to participate in the health care insurance system and further to ensure that all residents of the State of Colorado have access a basic health plan.

The bill creates over a five-year period in the State of Colorado a requirement that all Colorado residents maintain proof of health insurance from a qualified health insurance plan.

The bill further creates the Community Insurance Pool to establish a risk pool and offer a basic, low-cost health insurance policy and establishes principles of premium payment scales. Penalties for non-compliance are also put into effect.

**Background**

The Fair Share Health Insurance bill has been designed using enterprise status. The status has been designed to create an entity that operates without requirement of funds from the General Fund. .

**State Expenditures**

***Department of Revenue.*** The Department of Revenue has indicated that it will require 3.0 additional FTEs in order to administer the Act. Most of the administration work can be covered through existing collection approaches and therefore represents minimal additional expense and personnel requirements.

***Division of Insurance.*** The Division of Insurance estimates that any additional needs related to the enactment of the Fair Share Insurance Coverage bill will not require any additional personnel and can be handled with existing staffing..

**Fee Impact.** There is no foreseen fee impact from the bill.

### **State Appropriations**

No new appropriations will be required in FY 2006-07.

### **Departments Contacted**

Department of Health

Division of Insurance

Department of Revenue