

To: Governor John Hickenlooper
Date: March 24, 2014
Re: **Veto Request for HB 14-1108 by Rep. Primavera and Sen. Tochtrop**

**Aetna * Cherry Creek Chamber of Commerce * Cigna Corporation
Colorado Association of Commerce & Industry * Colorado Association of Health Plans
Colorado Competitive Council * Colorado Group Insurance Association
Colorado Springs Regional Business Alliance * Colorado State Association of Health Underwriters
Colorado Women's Chamber of Commerce * Denver Metro Chamber of Commerce
Glenwood Springs Chamber Resort Association * Greater Woodland Park Chamber of Commerce
Kaiser Permanente * National Federation of Independent Business * United Healthcare**

The aforementioned companies, organizations and chambers of commerce write today to express our collective concerns with HB 14-1108 and to request your veto of this legislation.

HB 1108 prohibits the copay or cost-sharing for physical/occupational therapy, massage therapy, acupuncture, or chiropractic from being greater than the copay or cost-sharing for primary care. While well-intentioned, mandating that the cost-sharing for these select services be lower than what is currently charged in most insurance plans will result in increased premiums for health insurance in Colorado.

Specifically, it will drive increased premiums on the lowest-cost plans (Bronze and Silver) which have low premiums but higher cost-sharing. HB 1108 lowers the cost-sharing for the patients in these plans for the specified services, but the insurer must make up the difference to pay for the total cost of the service. Increased costs cannot simply be absorbed by a business, especially insurers already operating in accordance with the federal Medical Loss Ratio, and this bill, if enacted, would result in increased premiums in these plans.

Colorado has intentionally aimed to set the copays and other cost-sharing mechanisms for primary care lower than all other services, in order to make it easier for people to establish a medical home and visit their primary care doctor (and not the emergency room for non-emergency needs) when they need care. Low copays on primary care help to not only address individual health care needs, but also provide a positive impact to our health care costs as a whole by incentivizing coordinated, holistic care as well as timely diagnosis and treatment.

We do not dispute the value of the variety of services addressed in HB 1108. However, they are not the same as primary care, which is federally defined, nor does the rationale for why cost-sharing for primary care is lower apply to them.

Additionally, the rationale for why these particular services were singled out in the legislation is not clear. Colorado's medical community provides an impressive array of valuable services, and it is not clear why the services in HB 1108 have been deemed more worthy of mandated low copays than any number of others. We believe others will share our questions in this area, and anticipate that efforts to add additional services will follow in the years to come.

Colorado's goal should be to match the consumer with the best plan for their needs, rather than eliminate choice across the board. Tools such as PuttingPatientsFirst.net and the use of health insurance brokers guide an individual to select the most cost-effective plan for their particular needs. This is a more cost-effective approach to not only the individual, but to all Colorado consumers purchasing insurance.

Based on the concerns shared above, we respectfully request a veto of House Bill 14-1108.