Amendment 69

ColoradoCare

How it will work

If approved by the voters, ColoradoCare will cover Coloradans like Medicare covers seniors.

Vote Yes on Amendment 69

Prepared by ColoradoCareYes
“ColoradoCare will be a win-win-win for our state:

• It will provide health care for everybody.

• It will save families and businesses billions

• It gets us a waiver from federal law, so Coloradans are freed from mandates and penalties imposed by Washington, D.C.”

PLUS: “When Colorado demonstrates that we can cover everybody at reasonable cost, we will show the whole country how to do it.”

– T. R. Reid, bestselling health policy author and filmmaker.
Imagine Medicare for all Coloradans

The idea of universal health care with a system similar to Medicare is wildly popular, but partisan politics and special interests block progress in Washington. If 54 other countries can create universal health care, including every industrialized country, and it costs every one of them much less than it costs the U.S., we can do it, too. ColoradoCare is Colorado’s opportunity to create and control a simple, quality, and comprehensive health care payment system.

**Simple**
- No deductibles
- No narrow networks
- No annual enrollment

**Accessible**
- Choice of provider
- Increases providers and services

**Better**
- Fewer administrators and bureaucrats
- Greater benefits than best policy on the Exchange

**Covers Everyone**
- Continuous, lifetime coverage for every resident

**Saves Billions**
- Net savings of $4.5 billion in first year alone by eliminating unnecessary administrative costs, using bulk purchasing power, and reducing fraud
Amendment 69
ColoradoCare
How it will work

This booklet is organized so that readers can browse for questions of interest. In its entirety, it provides a comprehensive explanation of how ColoradoCare will function and how it will affect stakeholders.

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Introduction to ColoradoCare
Colorado’s Health Care and Providers Are Excellent, but the Current Insurance Industry Is Failing.

Too many are uninsured and under-insured
- 870,000 are under-insured and in danger of delaying necessary health care too long
- 350,000 are uninsured (Colorado Health Institute, 2015)
- More than 535 Colorado adults die each year due to lack of insurance (Fremstad, 2016)

Too complicated
- Too many preauthorizations, benefit restrictions, and denials
- Complex and impossible-to-understand insurance plans
- The Affordable Care Act made buying health insurance even more complicated

Costs too much
- Premiums and deductibles are unaffordable for people and employers
- Unpredictable annual cost increases that can be in double digits

Spends money on administrative excesses
- Spends $6.2 billion on unnecessary administration
- Obscene CEO salaries

Under funds necessary health care
- Primary care providers are underpaid

YES - ColoradoCare can do it better
- If all of the industrialized countries can cover everyone with a simpler system, and spend much less, so can we.
- If Medicare can cover all seniors, a Medicare-style plan can work for Colorado.
- Sen. Irene Aguilar, MD, and a team of local and national consultants worked for eight years to develop ColoradoCare. It has been reviewed by Colorado’s Legislative Council attorneys and found to be legal, and it has been analyzed by economists and found to be sustainable.
ColoradoCare Coverage and Advantages

How will it be created?
If Colorado voters pass Amendment 69 in November 2016, an appointed Board creates the infrastructure until an elected Board is established. Full operations will likely begin in January 2019.

Who is Covered?

ALL RESIDENTS COVERED

People eligible for Medicaid retain all Medicaid benefits and may select any provider.

ColoradoCare provides supplemental care for V.A, TriCare, and Indian Health Services.

ColoradoCare provides a Medicare Supplemental Plan and Medicare Parts A, B, D, and Advantage stay the same.

The medical portion of workers’ comp is seamlessly included.

No uninsured
No under-insured

Simple sign up — If you are a resident, you have ColoradoCare.

What are the advantages of ColoradoCare?

• More comprehensive benefits than the best plan on the Exchange
• No deductibles
• No co-pays for prevention and primary care; co-pays waived for financial hardship
• Responsive to member-requested benefits such as expanded dental, vision, hearing, etc.
**Most Coloradans Pay Less with ColoradoCare**

**Current Insurance Industry Costs**

Average cost of employer-sponsored plan in U.S.
- $6,251 for single coverage
- $17,545 for family coverage

Average deductible for employer-sponsored single coverage
- $1,318
(Kaiser Family Foundation, 2015)

Cost of plan similar to ColoradoCare as % of income
- Single coverage — 17% of median Coloradan income
- Family coverage — 23% of the median Colorado family income
(U.S. Census Bureau, 2014)

Average of all U.S. employers’ health benefit costs — 13.5% of payroll

**ColoradoCare Costs**

Like Medicare payroll taxes, everyone pays according to income and pays the same rate.

- **Employers and employees split the cost**
  - 6.67% of payroll for employers
  - 3.33% payroll for employees

- Non-payroll income premiums are 10%
- Reduces employers’ workers’ comp by 59%
- No premiums on seniors’ social security and some retirement income

- Premium taxes capped at incomes of $350,000 for individual filers and $450,000 for joint filers
- **No deductibles**
- **No co-pays on primary care and preventive care**
- Co-pays waived for financial hardship

**ColoradoCare is owned by Coloradans and is for Coloradans**

Health insurance companies are owned by stockholders whose primary goal is: *money*.

The patients and providers of Colorado own ColoradoCare, and its goal is: *comprehensive, quality health care for all Coloradans.*

**ColoradoCare will:**

- Eliminate billions in insurance administration
- Put more money into health care services
- Reduce access problems and provider shortages
- Create a net savings for its owners, the residents of Colorado
- Stimulate the economy by keeping billions in Colorado that the current insurance system sends out-of-state
ColoradoCare Basics
Benefits

Out-of-pocket limits
No deductibles — No annual or lifetime limits
No co-pays for primary or preventive care
Co-pays waived for financial hardship

Benefits are more comprehensive than the best plan on the Colorado exchange

- Outpatient services for primary and specialty care
- Hospitalization
- Prescription drugs and durable medical equipment
- Mental health and substance abuse treatment
- Emergency and urgent care
- Preventive and wellness services and chronic disease management
- Rehabilitative services and devices
- Pediatric services including oral, vision, and hearing
- Laboratory services
- Maternity and newborn care
- Palliative and end-of-life care
- Long-term services and support (nursing home care), at least at the current level specified by standards for people eligible for federal health care benefits
- Local health care services when temporarily in another state

What will the specific benefits be?
The waivers for the Affordable Care Act (ACA) and Medicaid will set a minimum standard of benefits that are the same as the comprehensive benefits that the ACA and Medicaid have established prior to ColoradoCare. The Board of Trustees will decide about where and how to increase benefits beyond these established programs.

Dental, vision, and hearing benefits
Amendment 69 and the waivers require limited dental, vision, and hearing services for adults. The Amendment gives the Trustees authority to expand benefits as funds are available. The analysis upon which the Premium Tax was based anticipated that $1.1 billion will be available annually for expanded dental coverage. If the Trustees determine that the funds are indeed available, they may expand coverage into the areas of health care that have usually been neglected by traditional health insurance — dental, vision and hearing.

Out-of-state benefits
Residents who are traveling or temporarily living outside of Colorado will be covered for necessary health care services.
The complementary and integrative health care communities promote caring for the whole person—mind, body, and spirit. They integrate conventional treatments with complementary treatments that may include nutrition, supplements, Eastern medicine, and spiritual approaches. Their focus on outcomes and wellness is consistent with ColoradoCare’s focus on quality, value, and health outcomes.

- **Because it is member owned**, ColoradoCare will continue to reflect the desires of patients, providers and health care systems that choose to integrate conventional treatment approaches with complementary ones.

- **Patients have the right to select** their primary care providers and may select licensed providers who offer complementary or integrative health care.

- **ColoradoCare would pay** for demonstrably effective treatments and wellness interventions.

- **Providers may offer additional** complementary treatments at patient expense.

- **ColoradoCare would follow** accepted standards of practice and require evidence that the treatments are effective—as do all health care financing organizations.

**What about Residency Requirements?**

**Residency** —Colorado has different definitions of residency depending on whether it is for a driver’s license, in-state tuition, or ColoradoCare. The Board of Trustees would establish the definition of residency consistent with the Affordable Care Act (ACA), Medicaid requirements, and existing Colorado laws.

**Would ColoradoCare result in people with illnesses moving here for instant health care?** The ACA has made health care available in every state. When residency is set to be consistent with the ACA and Medicaid requirements in all states, Colorado will not attract people who want instant health care.

**Would ColoradoCare result in people moving here for better health care?** — Recent history has proven that this is not a concern. In 2013, Medicaid was expanded to cover low-income adults in Colorado and some other states. There is no evidence that people moved from states that did not have Medicaid to states that had it. Studies show that people move from one state to another for jobs, family, and environment, not health care.
Amendment 69 — ColoradoCare — How It Will Work

Medicaid and Medicare

Medicaid Beneficiaries

**Current System**
- Generous range of benefits
- Shortage of providers willing to accept Medicaid due to below standard payment rates
- When Medicaid coverage stops because income rises above 138% of Federal Poverty Level, continued health care coverage jumps to 9% of income.
- No premium expenses
- Providers and coverage change when a person goes into or out of Medicaid
- Covers all expenses for low-income Medicare beneficiaries (dual eligibles)

**ColoradoCare**
- Benefits equal to or better than current generous benefits
- Beneficiaries can choose any provider because payments are increased to standard rate
- When Medicaid eligibility stops because income rises above 138% of FPL, continued health care coverage is 3.33% of payroll income.
- No premium expenses
- Providers and coverage are continuous regardless of income
- Covers all expenses for low-income Medicare beneficiaries (dual eligibles)

Medicare Beneficiaries

Medicare Parts A, B and D plus Medicare Advantage remain unchanged.

**Current System**
- Seniors purchase a supplemental plan or pay co-insurance charges of 20%.
- Many low-income seniors forego necessary health care because of the cost of the supplemental and the co-insurance.
- Seniors often need to help children and grandchildren with health care costs.
- Medicare has no dental and limited vision and hearing coverage.

**ColoradoCare**
- A comprehensive, quality Medicare supplemental plan with no deductibles is provided by virtue of Colorado residency.
- ColoradoCare will apply to be a Medicare Advantage Plan that beneficiaries may choose to enroll in.
- Seniors are assured that grandchildren and children in Colorado have coverage and can afford health care.
- As funding becomes available, the Trustees can expand the dental, vision, and hearing coverage, and these benefits would be available to Medicare beneficiaries.

**Most Medicare beneficiaries will pay less**

Because seniors qualify for tax exemptions up to $33,000 for an individual and $60,000 for a joint income tax filer, Premium Taxes are significantly decreased. It is estimated that 85% of Medicare beneficiaries will pay less in Premium Taxes than they would pay for a comparable supplemental plan in the current insurance system (Miller, 2015c).
What’s the Same or Different for Patients?

**What’s new with ColoradoCare?**
- Choice of primary care provider at any time of year
- Assurance of affordable, lifetime health care regardless of changes in employment or marital or financial status
- Greater choice of specialist — choice of specialists will no longer be limited by narrow insurance networks and is only restricted if you choose to be in a HMO network such as Kaiser
- Freedom from deductibles
- Providers will not need to take time from patient care to deal with insurance issues
- Comprehensive coverage including full mental health and substance abuse treatment
- No need to change providers when your employer or personal circumstances would cause a change of insurance company

**What’s the same with ColoradoCare?**
- The ability to maintain your relationship with your chosen providers
- The ability to receive treatment from licensed providers in Colorado
- Coverage when temporarily out-of-state (travel, college, etc.)

What about other health insurance?
- If a person has another insurance, the other insurance pays first.
- Because ColoradoCare is high quality and comprehensive, it is assumed that most Coloradans and businesses would stop purchasing other insurance.

Federal insurance programs that are not subject to Colorado law

**VA Beneficiaries** - ColoradoCare provides health care for families of beneficiaries and provides supplemental benefits to the VA beneficiary.

**Federal Health Benefit Plan** - ColoradoCare can apply to be a no-deductible Federal Health Care Benefit plan.

**TriCare** - ColoradoCare will be a high quality, no deductible, lower fee alternative choice for those TriCare beneficiaries who need to pay for coverage.

**Indian Health Services (IHS)** - ColoradoCare is required to provide access to health care regardless of where a person lives. Consequently, it will provide care for IHS beneficiaries when they are distant from an IHS facility.
Under-served Communities:  
Rural, Mental Health, and Other Communities.

ColoradoCare, unlike the insurance industry, is established to promote access to health care for all Coloradans, regardless of where they live.

Rural example

Health care providers are concentrated on the metropolitan front range. Currently in rural Colorado a simple appointment with a specialist may require more than a one-day trip to a metropolitan area. Provider shortages are aggravated by insurance company policies that do not adequately reimburse rural providers. ColoradoCare addresses this shortage in several ways.

- Provider payments may be increased in rural areas.
- The large number of uninsured currently living in rural communities undermines the ability of providers to successfully earn a living. ColoradoCare covers those currently uninsured.
- ColoradoCare can establish financial or payment incentives for large urban provider organizations to staff rural clinics with specialists a few days a month.
- ColoradoCare can provide supplemental compensation to maintain primary care offices or hospitals in designated rural areas.
- ColoradoCare can promote telemedicine.

Mental health example

There are well-documented shortages of psychiatric hospital beds and mental health providers, particularly providers with prescription privileges (psychiatrists and clinical nurse practitioners). The current insurance industry does not take responsibility for the shortages. ColoradoCare has a mission to provide funding and other support needed to ensure access for all patients, including mental health patients. As a result it will:

- Address the statewide shortage of psychiatric hospital beds
- Address the shortage of psychiatrists and prescribing providers

The insurance industry system results in the mentally ill being treated in a second-class, underfunded system. In ColoradoCare mental health is part of health care, and ColoradoCare will be responsible for providing quality services for the mentally ill.

And other communities

ColoradoCare’s mandate to consider funding and/or other support to improve care in under-served areas will include addressing the need for higher reimbursements in high cost-of-living areas, for bilingual providers, for outreach to the homeless, support for those with disabilities, etc.
How much will ColoradoCare cost you?

A comparison
## Health Care Premiums

Full premium collection starts when ColoradoCare begins paying health care expenses

### ColoradoCare costs less for most Coloradans

#### Current Insurance Industry Costs

- **Average cost of employer-sponsored plan in U.S.**
  - $6,251 for single coverage
  - $17,545 for family coverage
- **Average deductible for employer-sponsored single coverage**
  - $1,318
  (Kaiser Family Foundation, 2015)
- **Cost of plan similar to ColoradoCare as % of income**
  - Single coverage — 17% of median Coloradoan income
  - Family coverage — 23% of the median Colorado family income
  (U.S. Census Bureau, 2014)
- **Average of all U.S. employers’ health benefit costs** — 13.5% of payroll

#### ColoradoCare Costs

- Like Medicare payroll taxes, everyone pays according to income and pays the same rate.
- **Employers and employees split the cost**
  - 6.67% of payroll for employers
  - 3.33% payroll for employees
- Non-payroll income premiums are 10%
- Reduces employers’ workers’ comp by 59%
- No premiums on seniors’ social security and some retirement income
- Premium taxes capped at incomes of $350,000 for individual filers and $450,000 for joint filers
- **No deductibles**
- **No co-pays on primary care and preventive care**
- Co-pays waived for financial hardship

### HEALTH CARE TRANSITIONAL OPERATING FUND TAX

Applies only during the time that ColoradoCare is under construction before paying bills. It provides the funds needed to set up a quality and efficient health care payment system.

- The rate = 0.9%.   Employee share = 0.3%   Employer share = 0.6%.
- Non-payroll income = 0.9% with the same upper income limits and exclusions as the Premium Tax

---

**Self-employed, 46y/o father in Colorado Springs earns $80,000, and 44y/o employed mother earns $30,000, one teenage daughter, one teenage son**

- **Insurance industry**
  - Best plan on exchange $1608/mo
  - Deductibles $250/person
  - Cheapest plan on exchange $700/mo
  - Deductibles $5,000/person

- **ColoradoCare**
  - Husband pays $666/mo
  - Wife pays $83/mo
  - Total premiums $749/mo
  - Deductible $0
Comparing Your Costs

Your current health care costs

<table>
<thead>
<tr>
<th>This year’s plan</th>
<th>ColoradoCare costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual premium expense (monthly x 12) $</td>
<td>Predictable cost every year</td>
</tr>
<tr>
<td>Annual deductibles</td>
<td>3.33% of your annual payroll income $</td>
</tr>
<tr>
<td>Estimated large co-insurance such as payment for 20% of charges</td>
<td>For most Coloradans who do not have substantial non-payroll income and do not itemize, this is your total expense</td>
</tr>
<tr>
<td>Expenses for health services not covered by your plan (e.g. mental health, etc.)</td>
<td>If you have non-payroll income and itemize your taxes, the rate is 10% of non-payroll income but there are tax deductions and exemptions for seniors’ retirement income up to $60,000 per couple. Ways to calculate your tax:</td>
</tr>
<tr>
<td>Estimated total expenses</td>
<td>• Obtain estimate with online calculator ColoradoCare.org/calculator</td>
</tr>
</tbody>
</table>

Do the Math!

Coloradans are surprised and impressed by how much they can save. It is estimated that 80% of Coloradans would save money each year. Visit the online calculator at ColoradoCare.org/calculator.

For example

**Median employed Colorado Family, $73,000/yr.**

<table>
<thead>
<tr>
<th>Current insurance industry</th>
<th>ColoradoCare</th>
</tr>
</thead>
<tbody>
<tr>
<td>National average employer insurance</td>
<td>Employer pays — $487/mo</td>
</tr>
<tr>
<td>Employer pays — $1,049/mo</td>
<td>Employee pays — $243/mo</td>
</tr>
<tr>
<td>Employee pays — $413/mo</td>
<td>Deductible — $0</td>
</tr>
<tr>
<td>Deductible — $1,318</td>
<td>Deductible — $0</td>
</tr>
</tbody>
</table>

(Kaiser Family Foundation, 2015)
### Comparing Employer Costs

#### Current employer health benefit expenses

<table>
<thead>
<tr>
<th>This year’s costs (next year is unpredictable)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual medical benefits expense $_____________</td>
</tr>
<tr>
<td>Add the medical portion of workers’ comp (59% of annual expense) $+_____________</td>
</tr>
<tr>
<td>Add estimated annual cost of administering employee medical benefits¹ $+_____________</td>
</tr>
<tr>
<td><strong>Total current cost of medical benefits $_____________</strong></td>
</tr>
</tbody>
</table>

#### ColoradoCare employer health benefit expenses

<table>
<thead>
<tr>
<th>Costs are predictable every year</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of administering health benefits is no different than paying FICA taxes.</td>
</tr>
<tr>
<td>Full coverage, all employees and families regardless of age or hours worked</td>
</tr>
<tr>
<td>6.67% of the payroll subject to Colorado withholding is the total cost of medical benefits $_____________</td>
</tr>
</tbody>
</table>

### Do the Math!

Compare current employer costs with ColoradoCare on website calculator

Small businesses and self-employed individuals are surprised and impressed by how much they can save and how affordable good coverage is. Visit the online calculator at [ColoradoCare.org/calculator](http://ColoradoCare.org/calculator).

The cost of inadequate coverage for the owner and two employees is close to the cost of good coverage for all employees and their families under ColoradoCare.

---

A 50 y/o man and his 45 y/o wife in Denver, with two teenage children, own a sub sandwich shop, pay for family coverage for two supervisors, have $325,000 annual payroll for 10 employees, and earn $100,000/yr as business owners.

**Insurance industry covers 3 families**
- Best plan on exchange $3,713/mo
- Deductibles $250/person
- Cheapest plan on exchange $1,157/mo
- Deductibles $5,000/person
- Employer pays medical portion of workers’ comp, $379/mo
- Employees may share the cost
- 8 employees have no insurance

**ColoradoCare**
- Owner pays $2,639/mo combined payroll and non-payroll premiums to cover owner and all employees and their families
- Deductible — $0
- No medical workers’ comp
- Employees share cost by paying 3.33% of payroll ($894/mo total) and have family coverage
The Savings
Coloradans’ Expenses Go Down with Premium Tax

Figures are for sample year 2019 (Miller, 2015b)

Instead of an additional expense, the Premium Tax replaces a larger expense, so it saves Coloradans money while providing more health care services.

Cost of Current Insurance Industry — $31.2 billion

- Premiums $24.9 billion
- Out-of-pocket $6.3 billion

Cost under ColoradoCare $26.7 billion

- Premium Tax $25 billion
  - net premium after Medicaid refund $24.7 billion
- Out-of-Pocket $2.0 billion

Net savings of $4.5 billion left in Coloradan’s pockets

With the insurance industry, Coloradans pay over $30 billion for premiums and out-of-pocket health care costs. ColoradoCare covers everyone with comprehensive health care services and leaves $4.5 billion more in Coloradans’ pockets.

Bill (72 y/o) and Sally (66 y/o) Green earn $38,000/yr from Social Security, $25,000/yr from other retirement income, and $27,000/yr from rental property.
They have two grown children, two grandchildren, two great grandchildren in Colorado.

**Insurance industry system**
- Pay $338/mo for Medicare Supplemental plan
- Expense not tax deductible

**Family members are on their own**

**ColoradoCare**
- As seniors, $60,000 of their retirement income is exempt from premium tax
- Pay $250/mo premium tax
- Medicare supplemental provided
- All family members are covered because they are Colorado residents.
Where Do the Savings Come From? Where Do They Go?

ColoradoCare spends money where it should... for more health care services and less administration.

Where the savings come from

- **Insurance industry administration expenses**: $4.6 billion
- **Providers’ reduced administrative expense**: $2.3 billion
- **Bulk purchasing power**: $1.2 billion
- **Fraud reduction with unified billing system**: $0.7 billion

Most of the savings come from removing the 20% administrative cost and overhead burden that the insurance industry adds to health care costs.

What the savings would provide

- **Reduced health care expenses for Coloradans**: $4.5 billion
- **ColoradoCare’s administrative expenses**: $0.9 billion
- **More health care services**: $1.9 billion
- **Surplus for increased benefits, reserves, or refund**: $1.5 billion

ColoradoCare spends money how it should... for more health care services and reduced expenses for Coloradans.
John (49 y/o) and Maria (51 y/o) Green live in Fort Collins and together earn $80,000/yr self-employed. They have two parents, two grown children and two grandchildren in Colorado.

Insurance industry system
$1,858/mo for best plan on exchange
No deductible
$647/mo for cheapest plan on exchange
Deductible $5,000/person

ColoradoCare
$667/mo
No deductible
All Colorado family members have coverage because they are Colorado residents.

The Institute of Medicine estimates that nationally, 27% of health care expenditures, $765 billion in 2012, are unnecessary and avoidable.

(Institute of Medicine, 2013)
**Growth of Physicians and Administrators 1970-2010**

With the current insurance industry system, between 1970 and 2010, the number of U.S. physicians increased about 200% while the number of administrators increased about 3,300% (Himmelstein & Woolhandler, 2012). Administrative complexity continues to grow with the Affordable Care Act, and it is wasteful, frustrating, and interferes with good treatment.

**YES there are that many administrators!**

Jane Green (27 y/o) single woman living in Englewood earning $37,000 on payroll working two part-time jobs and has no employer health insurance. She has two grandparents, two parents, a brother and sister-in-law, and two nephews living in Colorado.

**Insurance industry system**
- $431/mo for best plan on exchange
- Deductible — $0
- $151/mo for cheapest plan on exchange
- Deductible $6,850

**ColoradoCare**
- $103/mo
- No deductible

All Colorado family members have coverage because they are Colorado residents.
The Harvard Business Review reports that in the past two decades there are 10 new administrative jobs for every new physician job. ColoradoCare has fewer administrators and spends more on health care services, which means more doctors and health care professionals. (Kocher, 2013)

Carlos (32y/o) and Mary (29y/o) Green live in Denver and together earn $60,000/yr on payroll. They have two grandparents, two parents, a 4 y/o son, and just gave birth to a second son, all living in Colorado.

**Insurance industry system, with tax credit**
- $1045/mo for best plan on exchange
  - No deductible
- $345/mo for cheapest plan on exchange
  - Deductible $5,000

**ColoradoCare**
- $167/mo
  - (their employers pay $334/mo)
  - No deductible

*Family members are on their own*

*All Colorado family members are covered as Colorado residents.*
Without the $6.2 billion insurance bureaucracy, it is simpler

With the current insurance system, under the Affordable Care Act, here is how a person figures out where to start looking for a health care plan.

The complete process for obtaining coverage under ColoradoCare

Start

Are you a Colorado Resident?

You have health care coverage. Visit the provider of your choice.
Dr. Friedman’s economic analysis of ColoradoCare (Friedman, 2013b) was based on the assumption that on Day One of paying for health care services ColoradoCare would not realize the full potential savings. The dynamic savings possible from an integrated system start out small and continue to grow over time (e.g. innovative efficiencies, unified medical records system, etc.).

Even though the rate of increase in health care expenses would be less than with the current system, health care expenses are predicted to continue to increase with advances in treatment services and increases in life expectancy. If needed to maintain comprehensive and quality coverage, the Board of Trustees may ask ColoradoCare members, the residents of Colorado, to vote to authorize a Premium Tax increase.

If the efficiencies produce more savings than needed to pay for health care services, benefits can be expanded or Coloradans can be refunded.
Impact on Employers, Providers, and the Economy
Employers’ Experience with ColoradoCare

What’s new with ColoradoCare?

• Eliminates most employer health care administrative costs — payroll Premium Tax is as simple as paying FICA
• Lowers employee health benefit expenses for employers who previously provided health care
• Decreases workers’ compensation expenses by 59% by covering the medical portion of workers’ compensation
• Makes health care benefit costs predictable
• Covers employees, owners, and their families regardless of number of hours worked

What’s the same with ColoradoCare?

• Workers’ compensation insurance continues for permanent impairment and loss of wages due to work-related injuries
• Additional benefits provided by employer continue such as life insurance, retirement plans, etc.

For less than the cost of the best family plan on the exchange plus the workers’ comp medical costs, many business owners can cover their own families and their employees’ families.

50 y/o man and 45 y/o woman, with two teenage children, own a retail business in Dillon, and they earn $60,000 on salary and $60,000 as owners, and have 3 – $40,000/yr employees and provide no health care

Insurance industry plan for owners only
- Best plan on exchange $2,339/mo
  Deductibles — $0
- Cheapest plan on exchange $1,009/mo
  Deductibles $5,000/person
- Employer also pays workers’ comp medical $210/mo

Employees have no health insurance

ColoradoCare
- Owner pays $1,667/mo to cover owner and employees and their families
- Workers’ comp medical — $0
- Each employee pays $111/mo and has family coverage
Impact on Employers Not Previously Providing Health Care Benefits

Under the insurance industry, health care costs more than it needs to. The national average for employer-sponsored insurance in 2015 was $6,251 for single coverage and $17,545 for family coverage (Kff, 2015). That is too much for most small employers.

ColoradoCare is more affordable than the insurance industry system.
- 6.67% of payroll usually costs less than the current system, even if employers receive Affordable Care Act (ACA) subsidies.
- ColoradoCare will cover the owners’ families, as well as employees and their families.
- Employers with over 50 employees will pay ACA penalties if they do not provide health care. ColoradoCare would likely cost less than an ACA plan.
- All Colorado businesses will have the same health benefits expenses as their Colorado competitors.

Self-employment
- ColoradoCare will guarantee comprehensive health care coverage for self and family — with no deductibles.
- Entrepreneurs and their families will have affordable health care coverage during start-up years when income is lower.
- State income-based taxes are deductible for those who itemize deductions.
- In most situations, self-employment businesses will pay less than the cost of health care coverage through the Exchange.

Decreased workers’ comp expenses can result in significant savings. ColoradoCare will cover the medical portion (59%) of workers’ compensation. In jobs that involve little danger, the employer savings would be about 0.5% of payroll, but in more dangerous jobs like construction, agricultural work with animals, and tree pruning, the workers’ comp expense can be as much as 20% of payroll making the medical portion as much as 12% of payroll, which is much more than the 6.67% ColoradoCare Premium Tax.

Many construction companies do not provide health care, but pay high workers’ comp rates. The median cost for residential construction carpenters’ medical portion of workers’ comp is 8.35%. The 6.67% ColoradoCare Premium Tax is less. Construction companies would pay less and their employees and their families would have full health care coverage.

(WorkersCompensationShop, 2016)
Providers’ Experience with ColoradoCare

What’s new with ColoradoCare?

- Administrative simplicity, with billions less spent on administrators
- A local, accessible system
- A Provider Ombudsman Office
- Assurance that all patients will have adequate health care coverage, eliminating the need to shift cost from low-paying to high-paying patients
- More time for patient care and the provider/patient relationship due to less paperwork
- Clarity about covered benefits
- Support and incentives for quality care
- Easy access, with patient permission, to essential medical records for all providers

What’s the same with ColoradoCare?

- Provider compensation is competitive with other states
- Established standards for medical care and the existing provider infrastructure
- The current private practice, health care delivery system
- No change in for-profit and not-for-profit practice models, as well as both independent and incorporated practice models

ColoradoCare will design a simplified medical record system that enables providers to share information among all Electronic Medical Records (EMR) systems. Smartcards are such a system. Protected by a patient’s security code, each card contains pertinent medical history and provides access to more complete records. Small practices may find this satisfies the need for an EMR system, thereby reducing overhead.
Provider Compensation Would Be Competitive with Other States

- ColoradoCare must pay competitive rates to attract the needed health care workforce to Colorado. It does not have the power to reduce provider income because providers can locate in any state. Even if all states had similar systems, it would be a 50-payer, not a single payer national system.
- ColoradoCare fee schedule will reimburse substantially more than Medicare rates.
- ColoradoCare will ensure that the necessary workforce is available by compensating providers at a level that makes Colorado an attractive state for health care professionals to practice.
- In the current insurance system, insurers can reduce costs only by paying providers less or providing less health care. ColoradoCare, however, has the ability to lower provider overhead (a major cost driver) through administrative simplification, and consequently does not need to reduce provider income (not a major cost-driver). Thus, ColoradoCare can create a more attractive, provider-friendly environment than the current system.

(Additional information about provider compensation and the practice of medicine under ColoradoCare is available at http://coloradocareyes.co/physicians-for-coloradocare/)
Impact on Coloradans and Their Economy

Economic stimulation from over $4.5 billion of increased discretionary funds for Coloradans and Colorado businesses

The $4.5 billion savings achieved through ColoradoCare will broadly stimulate the economy. Colorado employers will reduce employee health care expenses by $3.8 billion, and they will have a further reduction in the costs of administering employee health care benefits. When employers and residents have more money after combined taxes and health care expenses, the economy is stimulated the same way that it is when a tax cut leaves more money in people’s pockets.

Net gain of 31,721 jobs

ColoradoCare will redirect out-of-state spending to in-state spending. The majority of this change, $2.8 billion, will come from eliminating out-of-state insurance administrative jobs (Miller, 2015b). In addition, it is estimated that $0.9 billion of the savings resulting from ColoradoCare’s market power reduces funds sent to out-of-state, national corporations. It is anticipated that the Premium Tax will save Coloradans as much as $0.8 billion in federal income taxes. All together, $4.5 billion will be redirected from out-of-state spending to in-state spending. Making this money available for Coloradans to spend will stimulate the economy. Furthermore, every dollar spent in the state economy has a portion recirculated, which creates an even greater economic stimulus than the initial funding (Friedman, 2013b). The impact of $4.5 billion available for Coloradans and Colorado businesses, will be a net gain of 31,721 jobs in Colorado in 2019 (Miller, 2015b).

Job transitions or churn is increased for one year

Administrative jobs would be lost in the insurance industry and providers’ offices, creating a greater than usual job churn. The administrative savings will remain in the Colorado economy, and as it is spent, the economy will create an equivalent number of new positions for these employees. In Colorado, the normal rate of job changing or churn is 480,000 job changes each year. Any job loss would be mitigated by the unemployment insurance safety net and the continuous health care coverage, without COBRA charges, provided by ColoradoCare.
ColoradoCare Operates As a Cooperative Business
The ColoradoCare Business Model

ColoradoCare is operated and governed like a cooperative business, a business owned and run by the members it serves.

Why is ColoradoCare not a part of the regular state government?

- There is too much influence of big money in politics, and those with financial interests might be able to undermine ColoradoCare if it were not protected as its own subdivision by the Constitution.
- A multitude of issues compete for the attention of elected officials, many of whom may have little interest in health care. The Trustees of ColoradoCare have only one issue, health care for Colorado residents.
- Partisan politics in government would interfere with responding to health care needs.

Why organize as a cooperative business?

- Cooperatives are democratic — Coloradans elect the Trustees.
- The interests of a cooperative business are identical with the interests of its members. Unlike the insurance industry which is owned by stockholders whose primary interest is maximum profits, the Colorado resident owners of ColoradoCare (all of whom are patients and some of whom are providers) have a primary interest in good health care and quality providers for Coloradans.

Yes, Coloradans can operate a health care cooperative — and they can do it better than insurance companies

Cooperatives are a proven business model

- Credit Unions are cooperatives that as a group topped one trillion dollars in assets in 2012.
- Recreational Equipment, Inc. (REI) is a cooperative with 17 million members.
- The Group Health Cooperative in Seattle has operated as a health care provider since 1947.
- The Rural Electric Cooperatives are credited with increasing the number of rural homes that had electricity from 10% in the 1930s to 90% in the 1950s.
- The Green Bay Packers are a cooperative, owned by the residents of the city of Green Bay, and it has won more championships (13) than any other NFL team.

Are Coloradans able to operate a large health care payment system?

There is nothing new about building a health care payment system. Dozens of insurers, state Medicaid offices, and Medicare have done it. ColoradoCare provides plenty of money to build it, and it has a solid business model. Not only can Coloradans do it, they can do it better than the insurance companies.
Structure of the ColoradoCare Organization

ColoradoCare members: The residents of Colorado

Board of Trustees

Chief Executive Officer, Chief Financial Officer, and Chief Medical Officer

Revenue Collection
- Colo. Department of Revenue collects premiums and transfers them to ColoradoCare
- State of Colo. transfers federal funds to ColoradoCare
- ColoradoCare develops a procedure with the Colo. Dept. of Revenue for efficient premium collection

Provider Relations
- Enrollment process for Colo. licensed providers
- Distribution of fee schedule and procedures for payment
- Publish routine and annual reports

Medical Database Systems
- Provider interface
- Smartcard
- Confidentiality and data security
- Transparency for research and public accountability

Financial Management
- Fiscal planning
- Budgets
- Revenue management
- Cost management
- Investments
- Audits

Payment Systems and Reforms
- On Day One of operation, implement reimbursement schedule that minimizes disruption
- Develop payment reforms and procedures to determine if they effectively improve quality, value, and health outcomes
- Evaluation of payment models for improving quality, value, and health outcomes

Member Relations
- Develop and operate process for routine and urgent enrollment of beneficiaries
- Publish regular communications and annual reports
- Disseminate benefit and access information
- Inform members about elections

Contract Services
- Pharmacy benefit management
- Claims processing and provider payments
Legal and Market Conditions Determine How ColoradoCare Operates

The design and operation of ColoradoCare will be determined by a combination of existing legal and market conditions.

- ColoradoCare requirements and powers are described in the Amendment. The Affordable Care Act (ACA) waivers require that ColoradoCare meet or exceed all the guarantees of the ACA.
- ColoradoCare includes all the benefits and protections of Medicaid plus all ColoradoCare benefits.
- ColoradoCare is a payment system that uses the existing medical infrastructure and provider community.
- Marketplace dynamics shape reimbursements and fee schedules for ColoradoCare.
- Because ColoradoCare covers all residents and has an obligation to provide access to treatment, it will address current and potential future provider shortages and other workforce problems.
- ColoradoCare will be owned by and accountable to the residents of Colorado.
Sample ColoradoCare Implementation Time Line
(if voters approve in 2016)

The actual time line depends on accomplishing benchmark tasks.

- **Nov. 2016**: Voters Approve
- **Dec. 2016**: Governor proclaims the Amendment has passed
- **March 2017**: Colo. Dept. of Revenue begins Transition Fund Tax
- **April 2017**: The Interim Board is appointed
- **July 2017**: Interim Board has completed search and has hired CEO, CFO, & CMO
- **Sept. 2017**: Necessary waivers have been obtained. Contracts for services are in place. Infrastructure is complete. Supervisory and technical staff have been hired. Ombudsman offices are established. ColoradoCare notifies Governor that ColoradoCare will begin paying for Coloradans’ health care, and Regular Health Care Premium collection will begin on Jan. 1, 2019.
- **Sept. 2018**: All staff have been hired and trained. All systems have been tested and trial runs have been completed. Colorado residents and providers have been notified of transition. Transition processes are completed. Contracts are activated.
- **Jan. 2019**: ColoradoCare begins full operation.
- **Dec. 2019**: ColoradoCare conducts first election.
Comparison of Accountability: Insurance Industry — ColoradoCare

Current insurance System Accountability
Regulated in Washington and protected from the influence of Colorado patients and providers by multi-million dollar lobbying force.

Financial information and health services information are proprietary secrets

Accountable primarily to stockholders to maximize profits

ColoradoCare Accountability
Protected from being unraveled by the power of big medicine money because it is in the Constitution

- Elections are held every two years
- Members must approve premium increases
- Ombudsman for providers
- Annual audits
- Consumer advocacy organizations
- Media
- Ombudsman for consumers
- Annual reports
- Health professional organizations
- Academic researchers

Accountable to residents of Colorado for quality health care services
Responsibilities of the Board of Trustees

ColoradoCare is a cooperative business whose Board of Trustees hires an executive team. As in most businesses, the Trustees do not manage the operations, but oversee operations and mission.

Interim Board

The Interim Board will be comprised of 15 members chosen by the Governor and the Colorado State Legislature majority and minority leaders. The Board will:

- Hire a Chief Executive Officer (CEO), a Chief Financial Officer (CFO), a Chief Medical Officer (CMO) and other personnel as needed to operate ColoradoCare.
- Obtain waivers and receive revenue, preparing for the transition to financing health care for all Coloradans.
- Inform the Governor when ColoradoCare is ready to assume responsibility for financing health care.
- If waivers and necessary financing were not obtained, inform the Governor that ColoradoCare would need to be shut down, and unspent funds would be refunded.
- Govern ColoradoCare during the beginning of operations.

Elected Board of Trustees

Within three years of the passage of the ColoradoCare initiative, the Interim Board shall hold elections and transfer the ongoing governing to the Elected Board. Its responsibilities include:

- Continue governing the ongoing operation of ColoradoCare.
- Provide the public with an annual report and an independent annual audit.
- Conduct elections every two years.

Elections

- Will be simple (probably mail ballots) and independent of the State government elections.
- Elections will be non-partisan and have clean campaign rules.
- Because elections are local, voting members will have an opportunity to meet and get to know candidates.
Provider Choice and Payments

Transition from the insurance industry to ColoradoCare
ColoradoCare is required to transition to paying for Coloradans’ health care in the least disruptive way possible, and overall provider compensation will remain at a current levels.

Choice of provider
Patients will be able to choose any primary care provider. ColoradoCare greatly increases choice by removing insurance industry restrictions that narrow or limit provider choice. Under ColoradoCare, HMOs (e.g. Kaiser Permanente) will continue to be an option for patients. Those people who choose to be in an HMO may have the same limited choice of specialists that they do now.

Protecting patients and providers as the health care system changes
There is a national and international movement to examine how providers are paid. The current fee-for-service model has been shown to drive up the cost of health care by encouraging too many tests and doctor visits. In fact, it has been shown that at a certain point, more tests, procedures, and doctor visits can make outcomes worse. Payment models that pay for improved communication, better coordination, more time talking with patients, and better outcomes are being considered.

If new payment models are not managed carefully, they often can and do create more administrative work than they are worth and may have had unintended consequences in some situations. ColoradoCare is limited to using new payment models to the extent and only to the extent that the models improve quality, value, and health outcomes; assure access to health care for all Coloradans; and match the desires of the members. In other words, changes will need to show that they make health care better.

Contrasting the insurance industry with ColoradoCare

<table>
<thead>
<tr>
<th><strong>Insurance industry system</strong></th>
<th><strong>ColoradoCare</strong></th>
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<tbody>
<tr>
<td>Proprietary and secret payment policies and fee schedules</td>
<td>Public and transparent payment policies and fee schedules</td>
</tr>
<tr>
<td>Accountable to stockholders</td>
<td>Accountable to Colorado patients and providers</td>
</tr>
<tr>
<td>No public audits</td>
<td>Annual independent public audits</td>
</tr>
<tr>
<td>Changes made based on profits</td>
<td>Changes must show better health care</td>
</tr>
<tr>
<td>Feedback through understaffed customer service</td>
<td>Ongoing feedback through independent Ombudman Offices for patients and providers.</td>
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The Insurance Industry or ColoradoCare?
Amendment 69 Gives Coloradans a Choice

A YES vote creates ColoradoCare

- Simple sign up
- Spends more on health care services
- Covers all affordably
- Costs less
- $25 billion Premium Tax
- Owned by Colorado residents
- Mission - health care for Coloradans
- Lifetime coverage
- All able to pay
- Choice of providers

A NO vote maintains the Insurance Industry System

- Confusing choices of insurance
- Spends more on administration
- Over 1 million uninsured or under-insured
- Costs more
- $31 billion in premiums and out-of-pocket expenses
- Owned by stockholders
- Mission - profits for stockholders
- Short-term coverage
- Debt & bankruptcy for many
- Narrow networks of providers

Vote YES, November, 2016 - ColoradoCare - Amendment 69

Covers every Colorado resident like Medicare covers seniors, simplifies health care, gives choice of provider, and spends $4.5 billion less than the insurance industry system.

Has Anything Like ColoradoCare been done before?

*ColoradoCare is based on proven and established systems.* The cooperative business model has been proven to be highly successful in credit unions, health care, and rural electric cooperatives. Building public and private health care payment systems for 5 million people has been done dozens of times privately by companies like Blue Cross and Aetna and publicly by state Medicaid systems. There is nothing new about a health care payment system such as ColoradoCare.

*There is, however, one way ColoradoCare would be the first.* Neither the U.S. government nor any state has ever said “NO” to the insurance industry. The media, establishment organizations, and elected officials say that no matter how bad the insurance industry performs, its control over health care payments cannot be opposed. The industry is just too powerful. Because the establishment and politicians would not lead, ColoradoCare was put on the ballot by a citizen’s initiative. Now Colorado voters can make the decision for themselves. If Colorado is the first to say “NO” to the insurance industry, it will not be alone for long. Even opponents agree, there are many states that will quickly follow if one state can do it.
Myths and Falsehoods Used to Maintain Insurance Industry Control over Coloradans’ Health Care

**Myth:** There would be no limits on premium tax increases.

**Fact:** Any increases must be approved by a majority of voting residents. Publicly available independent annual audits and annual budget reports will keep voters informed. In spite of possible increases in the future, with ColoradoCare, spending will remain far below rates in states that remain under the current insurance industry system.

**Myth:** ColoradoCare is government-run health care.

**Fact:** ColoradoCare is separated from the Governor and Legislature so that it can focus solely on health care. It is run like a cooperative business owned by all Coloradans with an elected Board of Trustees. It does not run health care but replaces the insurance industry as payer.

**Myth:** The Premium Tax is an additional $25 billion burden on Colorado residents & businesses

**Fact:** The $25 billion tax is not for new spending — it replaces the insurance industry system that costs Coloradans over $30 billion a year. Primarily by reducing bureaucracy and fraud, ColoradoCare will provide comprehensive coverage for every Coloradan, create a surplus fund and reduce Coloradans’ health care expenses by $4.5 billion each year. Why pay $4.5 billion more to the insurance industry and get fewer benefits, fewer people covered, high deductibles, more bureaucrats, and more paperwork?

**Myth:** Oh no! Colorado would be the first to try this risky venture.

**Fact:** Opponents agree that not only would Colorado be the first state in the U.S. to provide health care to everyone, but many states will follow Colorado when it shows the way to replace the insurance industry. It is better to lead than to wait for Washington to fix our health care system.

**Myth:** Colorado needs to focus on other priorities.

**Fact:** ColoradoCare helps all public priorities. The decrease in the cost of health care for public employees will release millions of dollars. With these funds, local government could hire more teachers, fix potholes and create safer neighborhoods.

**Myth:** ColoradoCare should not be a Constitutional Amendment.

**Fact:** The Colorado Constitution protects ColoradoCare from being whittled away by the powerful big money interests and politics. Something as important as health care for Coloradans is exactly the kind of thing that should be in the Constitution.

**Myth:** ColoradoCare savings are exaggerated.

**Fact:** Back up the statement with evidence, please. ColoradoCare has been vetted. Eighteen economic analyses for similar proposals in the U.S. demonstrate similar savings (Friedman, 2013a).
**Myth:** Ten % non-payroll Premium Tax is unfair when employees pay 3.33%.

**Fact:** Employers, economists, and union contract negotiators know a payroll tax really comes from the employee’s wage benefit package. The 10% is split between employer and employee (6.67% and 3.33%) because employers and employees have traditionally split the cost of premiums. The cost is really 10% for everyone, and still this is a savings for 80% of Coloradans.

**Myth:** Colorado will be flooded with people moving here to get health care.

**Fact:** Medicaid expansion in Colorado did not bring a flood of people from states that did not expand Medicaid. People move from one state to another for jobs, family, and lifestyle. Health care insurance, thanks to the Affordable Care Act, is available in all states.

**Myth:** ColoradoCare will create death panels.

**Fact:** In 2014 Colorado families buried 535 loved ones who died needlessly because of a lack of insurance. There’s nothing in the bill suggesting death panels. ColoradoCare saves lives, and that’s a fact.

**Myth:** ColoradoCare is everything bad you can imagine about single-payer health care.

**Fact:** Single payer can only be implemented on a national level. ColoradoCare is like a large payer that, as a cooperative, operates in the interests of the resident-owners—us, rather than in the interests of the insurance industry, executives, stockholders, and lobbyists.

**Myth:** Health care is not protected because there is no insurance contract.

**Fact:** Instead of an insurance contract, good health care will be protected by the Colorado Constitution.

**Myth:** ColoradoCare is not subject to HIPAA privacy protection.

**Fact:** Federal laws take precedence over state laws. All of the HIPAA privacy protections will apply to ColoradoCare.

**Myth:** ColoradoCare will prohibit people from buying their own insurance.

**Fact:** ColoradoCare does not and cannot prohibit the sale of insurance. However, because ColoradoCare provides excellent coverage, there will not be much of a market for additional insurance. Insurance companies can sell any policy they want.

**Myth:** Amendment 69 says ColoradoCare is not health care insurance.

**Fact:** Amendment 69 says that paying the Premium Tax does not purchase health care insurance. For example, temporary workers who had the Premium Tax deducted from their payroll would not be covered by ColoradoCare. Health care coverage is guaranteed only because of residency, not the payment of the Premium Tax.
**Myth:** ColoradoCare will underpay providers and they will leave Colorado.

**Fact:** Everyone agrees, proponents and opponents, paying enough to attract providers to Colorado is central to the operation of ColoradoCare. Underpaying providers is tantamount to deliberately sabotaging ColoradoCare. In reality, ColoradoCare increases, not decreases, the providers in Colorado.

**Myth:** A limited budget will cause waiting lists and shortages.

**Fact:** Any payer system that runs short on money can have provider shortages and develop waiting lists. Under the current insurance industry system, these problems are already happening and will get worse. The insurance industry’s administration, waste, and profits drain funding that is needed for providers and services. ColoradoCare will spend more on services than the insurance industry, which will prevent lines and delays. If future health care costs rise due to improved technology and services, and additional money is needed to prevent shortages, ColoradoCare Trustees will ask the members to vote to approve a Premium Tax increase.

**Myth:** ColoradoCare greatly limits specialty care.

**Fact:** ColoradoCare will have very comprehensive benefits because it must cover all of the benefits listed in Amendment 69. In addition, in order to obtain the necessary Medicare and ACA waivers, it must offer all of the benefits covered by either the ACA or Medicaid. These requirements will expand specialty care services and the number of people who can access them.

**Myth:** Businesses will leave Colorado because of the high taxes.

**Fact:** Businesses look at the cost of doing business, which includes both taxes and employee health care benefits. Because that combination will be lower in Colorado, businesses will see Colorado as a good place for businesses.

**Myth:** ColoradoCare will cause patients and providers to lose control of their health care.

**Fact:** In the current insurance industry system, to a large extent, patients and providers have lost control of health care decisions. Under ColoradoCare, patients and providers as the owners of ColoradoCare will have decision making power.

**Myth:** Nobody knows what the benefits will look like.

**Fact:** ColoradoCare must equal or surpass the benefits of the ACA and Medicaid in order to obtain the waivers. An examination of the benefits of the best plan on the exchange or Medicaid will show the minimum benefit descriptions. The Board of Trustees can only expand upon these.
ColoradoCare History

The U.S. has the most expensive health care system in the industrialized world, costing twice as much per person as other developed countries. While quality is excellent in the U.S., for those who have health care, it is also excellent throughout the industrialized world. Overall, U.S. health care outcomes for life expectancy and successful treatment are worse than other industrialized countries. The U.S. has a large population who cannot afford health care due to either no insurance or underinsurance.

In recognition of these problems, in 2006, the Colorado Legislature and Governor Owens established the 208 Blue Ribbon Commission for Health Care Reform to study comprehensive reforms that could cover all Coloradans and decrease the costs. Four of ColoradoCare’s original proponents participated in this Commission process. Lyn Gullette, Ivan Miller, and Bill Semple presented a proposal, and Dr. Irene Aguilar served as the Co-Chair of the Vulnerable Populations Task Force. The universal health care proposal analyzed by the Commission showed that it was possible to create universal coverage, and that universal coverage would save money.

In 2009, Representative John Kefalas, joining with these four original proponents and a growing group of supporters, introduced a universal health care proposal in the Colorado Legislature (HB09-1273).

The passage of the Affordable Care Act (ACA) in 2010 gave states an unprecedented opportunity to use an ACA Section 1332 waiver, which allows states that can meet or exceed ACA standards to use ACA funds to design their own health care financing system. In 2010, Dr. Irene Aguilar was elected to the Colorado State Senate and introduced the Colorado Health Care Cooperative proposal, a universal health care proposal, into the Senate (SB11-168).

Harvard economist, Dr. William Hsiao, reviewed the proposal and found it viable and ready for an economic analysis. The Colorado Foundation for Universal Health Care commissioned Dr. Gerald Friedman to conduct the economic analysis, which was finished April 2013, coinciding with Senator Aguilar, M.D. introducing legislation to put the Cooperative on the ballot (SCR13-002).

In 2015, Ralph Ogden joined the Amendment writing committee as Chair. The Colorado Health Care Cooperative proposal was improved and renamed ColoradoCare. Co-operate Colorado was organized to support ColoradoCare. It submitted the ColoradoCare proposal to the Secretary of State as a citizens’ initiative to be placed on the ballot in 2016. In April 2015, the Secretary of State approved the wording of the initiative and assigned the title of proposed Initiative #20 for the 2016 ballot. Immediately after the title was assigned, ColoradoCareYES was established to campaign to obtain the 98,492 signatures needed to place ColoradoCare on the November 2016 ballot.

On October 23, 2015, ColoradoCareYES delivered 158,831 signatures to the Colorado Secretary of State in an ambulance to emphasize the importance of the historic opportunity to improve Colorado’s health care system. On November 9, 2015, the Secretary of State verified that there were sufficient qualified signatures, and ColoradoCare would be on the November 2016 ballot as Amendment 69.
Acknowledgments

This booklet and the ideas in it are the product of many individuals who have been introducing ideas, refining ideas, offering assistance, and gathering new information about universal health care. Some of the contributions have come over many years and some in recent weeks. I have been the editor who organized, assembled, and presented their contributions. I often truthfully say that whatever creative or writing success I have had is because I have friends who talk me out of my bad ideas, leaving a small number of good ones, and bring me their good ideas. This is even more true of this group project. Any errors or omissions are, however, my responsibility as the primary editor.

The original authors of the Colorado Health Care Cooperative proposal include Irene Aguilar, Lyn Gullette, Bill Semple, and myself, who have been working together since 2008. Multiple contributions have come from universal health care advocates and supporters of the ColoradoCare model, including: James H. Waters, Eliza Carney, Charles Smith, Ralph Ogden, Dave Beckwith, Tom Bost, Jed Shapiro, Sara Wright, Corrine Fowler, Mercedes Aponte, Gilad Gordon, Joseph Rogers, Patricia Rice, Elaine Branjord, Eric Reinke, Jake Owsley, John Gurule, Katy Kohnen, Ken Connell, Ken Chapin, Marley Hamrick, Dan Cohen, Mary Estill Buchanan, Richard Passoth, Gerald Friedman, Carol Hedges, William Hsiao, Joann Ginal, Michael Costa, Robyn Lunge, T.R. Reid, Don Berwick, Mark Matthews, Jeanne Nicholson, Ricki Hadow, Michael Kent, Benita Campbell, LuAnn Lind, Dave Sterrett, Dave Sabados, Laird Cagan, David Bright, Dick Lamm, Marilyn Boudin, Judith Burke, Cecile Rose, Chip Bair, Bill Finger, Dan Lipner, Benjamin Day, John Kefalas, Nathan Pollock, Les Reitman, Alan Shocket, Wendy Zerin, Elinor Christiansen, Nathan Wilkes, Peter Ferrarone, Diane Dunn, Sara Jarrett, Rick Bieser, Rich Shannon, Carol Jones, Carol Hedges, Anders Fremstad, and Rob Greene. This list can only include some of the prominent recent contributors when in actuality, hundreds have contributed to this recent push for universal health care starting in 2008 when the core group came together. It builds on the movement for universal health care that is over a century old. We are indebted to all of these people who have worked for universal health care and health care justice.

Ivan J. Miller, PhD
Primary Editor
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Friedman, Gerald, (2013a). State-level studies all find significant savings. Part of presentation to Colorado Foundation for Universal Health Care, 9/11/13, Denver, CO.


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U.S. Census Bureau, American Community Survey (2014) Income in the past 12 months (in 2014 inflation-adjusted dollars) http://factfinder.census.gov/faces/nav/jsf/pages/index.xhtml. Reports that median household income for non-family household is $37,046, and median family household income is $73,817.

Resources

Additional information about ColoradoCare and Amendment 69 is available at coloradocare.org.

The Colorado Foundation for Universal Health Care, www.couniversalhealth.org, has information about economics and the history of the development of this proposal for universal health care.