



COLORADO

**Department of
Regulatory Agencies**

Division of Insurance

Health Care Sharing Plans and Arrangements in Colorado

Colorado House Bill 22-1269 2021 report

April 1, 2023

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Background

The Division of Insurance (“Division”), consumer assistance organizations, and lawmakers have received numerous questions and complaints about Health Care Sharing Ministries, Plans, or Arrangements (“HCSAs”) operating in Colorado; however, the Division had limited visibility into the HCSAs to answer the questions raised by consumers. The 73rd Colorado General Assembly passed [House Bill 22-1269](#) (“HB22-1269”) requiring HCSAs to report data annually to the Division to better understand and collect information about the HCSAs operating in Colorado. HCSAs now report to the Division data on annual enrollment, whether they use licensed producers to enroll members, HCSA guidelines that describe what is and is not eligible for sharing, and marketing materials. These data reporting efforts will ultimately increase transparency for Colorado consumers.

In Colorado statute an HCSA is defined as, “any person not authorized to sell insurance in this state [Colorado] but that offers or intends to offer a plan or arrangement in this state [Colorado] to facilitate payment or reimbursement of [Colorado] residents’ health-care costs or services.”¹ Colorado law requires all HCSAs, both religious and not, to report data to the Division annually or potentially face civil penalties and cease and desist orders.²

HCSAs don’t offer the same protections to consumers as Affordable Care Act (“ACA”) plans. There is no guarantee that HCSA members will have their healthcare costs paid for (commonly referred to as “sharing” by HCSAs). Some HCSAs include notices noting lack of guaranteed payments for health costs and how members are always personally liable for payment of their medical bills, however it is unclear if consumers have full understanding of these provisions when they enroll, and many Division complaints suggest that they may not.

Overview of Data Collection Efforts

To implement HB22-1269 the Division drafted an [Emergency Regulation](#), created a [data reporting template](#) and a dedicated [HCSA data collection webpage](#)³, and held two public meetings for any interested party to provide feedback on the proposed regulation. The feedback provided by consumer advocates, HCSAs, and members of the public helped refine the final emergency regulation and data reporting template.

By December 15, 2022, nine (9) HCSAs submitted data or requested an extension. Over the following months an additional twelve (12) HCSAs were identified with sixteen (16) HCSAs in total reporting 2021 data to the Division. Division staff reviewed all submissions for completeness, followed up with each HCSA if materials or data elements were missing, and asked HCSAs questions to determine if data were reported correctly based on definitions found in the regulation and reporting template.

¹ § 10-16-107.4 of the Colorado Revised Statutes (“C.R.S.”)

² Potential civil penalties and cease and desist orders are subject to the requirements of due process.

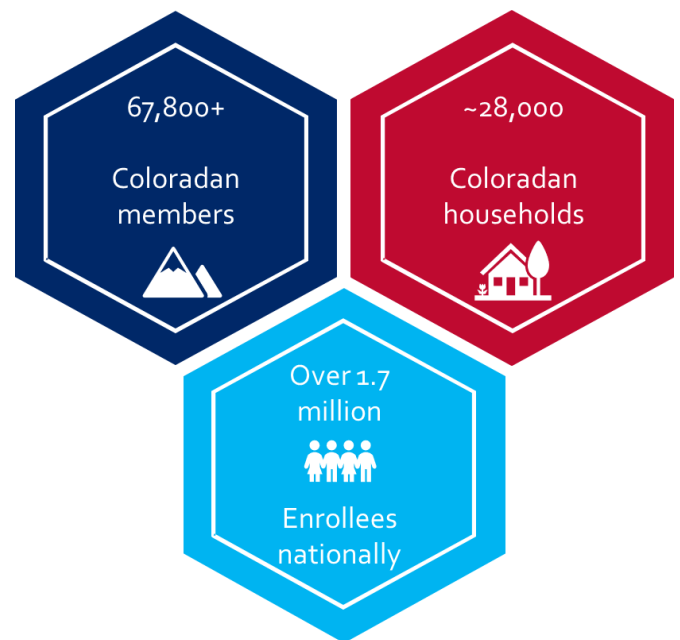
³ Links to these items can be found in the Appendices.

Summary of Findings

Of all HCSAs operating in Colorado for some portion of 2021, 16 submitted data to the Division ahead of the publication of this report and all 16 submissions were initially deemed incomplete. At the time this report was prepared, not all data elements were submitted or submitted correctly following their specific definitions (e.g., The percentages of member fees or shares retained for administrative expenses or program expenses were categorized differently across HCSAs and a few HCSAs did not follow the regulatory definition). Where data submission issues are known, the Division has presented a subset of data in this report to include only those HCSAs that reported correctly. The Division is currently working with each HCSA to finalize their 2021 submissions to ensure that data submitted are uniform across HCSAs.

Membership

In 2021, sixteen (16) HCSAs reported a total membership of 67,876 Coloradans and 1,713,447 Americans. Colorado membership numbers represent almost 4% of national enrollment numbers. In comparison Colorado's 2020 census population is 1.7% of the national population.⁴ Further, Connect for Health Colorado reported 226,680 Coloradans enrolled in a health insurance plan in the individual market through the state-based exchange in 2021, meaning HCSA enrollment was ~30% of the individual market enrollment on Colorado's state-based exchange in 2021.⁵ Actual enrollment in HCSAs in Colorado is likely higher than reported here as at least 5 more HCSAs were likely offering products during 2021 based on internet searches, communications with HCSAs, and consumer complaints.



Five (5) HCSAs reported Colorado employer groups participating in sharing arrangements in 2021 but at least 3 additional HCSAs have marketing and communication materials to encourage employers to offer their HCSA products to employees and/or to pay a portion of the employees monthly required membership dues or share amounts. Of the five (5) HCSAs that reported data on employer participation, an average of 13 members per employer participated in a HCSA, for a total of 1,905 members.⁶ The 1,905 members most likely includes some combination of employees and employees plus their families.

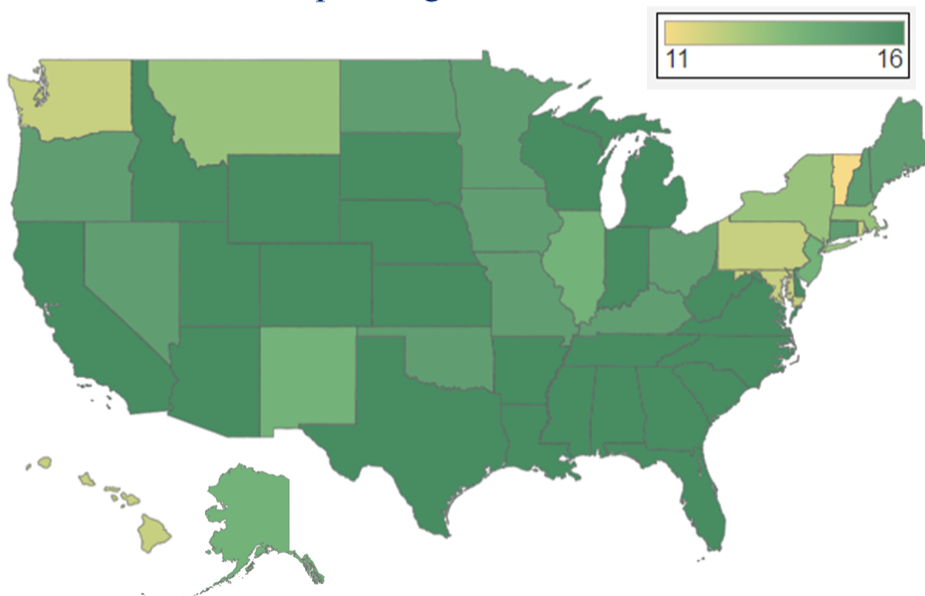
⁴ United States Census Bureau. [Profile United States 2020 census data]. Retrieved from <https://data.census.gov/profile?q=0100000US>

⁵ Connect for Health Colorado. [2021 Annual Report]. Retrieved from https://c4-media.s3.amazonaws.com/wp-content/uploads/2022/01/14100310/C4HC_2021AnnualReport_FINAL.pdf

⁶ These statistics are from the five (5) HCSAs who reported employer group participation

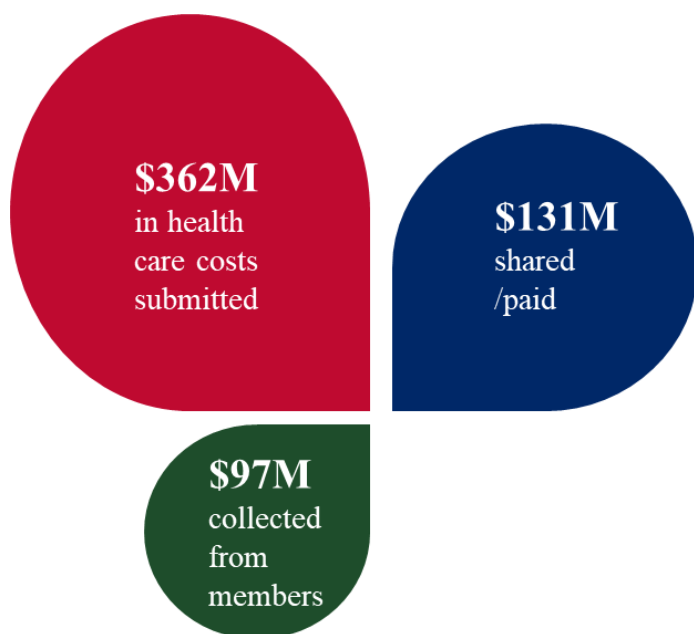
At least 11 HCSAs that reported data to the Division operated in and/or advertised shared products in all 50 states in 2021. Nine (9) of the HCSAs offered products in all fifty states. Vermont, Washington, Rhode Island, Pennsylvania, Maryland and Hawaii were the states with the smallest number of HCSAs. At this time, it is unclear why some states have fewer HCSAs than others.

Number of HCSA operating in each state in 2021



Of the 16 HCSAs that submitted data, only a subset submitted their financial information correctly. A few HCSAs did not report all of the required information for differing reasons. In this section of the report the Division has provided the subset of HCSAs that reported their financial information correctly. The Division is working with all HCSAs to submit their data correctly for 2021 and future submissions.

⁷ Massachusetts Health Connector [Health Connector HCSM Report 2021] Retrieved from: <https://betterhealthconnector.com/wp-content/uploads/Health-Connector-HCSM-Report-2021.pdf>



2021, which equals 26.7% of members' health care costs.⁸ Many of the HCSAs note that their portion of the \$362 million includes duplicate charges, ineligible charges based on their sharing guidelines, discounts that they negotiated on their members' behalf, and the members' agreed upon portions of medical bills. Once those amounts were deducted, the HCSAs reported that \$131,984,548.13 of members' total 2021 health care costs qualified for sharing. In total, the shares collected from Colorado members covered 74% of total eligible share requests. One of the HCSAs attributed the difference between dollars shared and dollars collected to Colorado's high healthcare costs.

Actual health care costs of Colorado members were likely different than reported as claims/share requests do not include costs for benefits excluded from sharing. Many of the HCSAs reported excluding benefits such as contraception coverage, mental health services, alcohol use disorder treatments, ADHD treatments, prescription drugs for chronic conditions, abortion with no exceptions for rape or safety of the pregnant person, and some pre-existing conditions. Many of the HCSAs also reported excluding or placing limitations on maternity care unless the pregnant person had been a member of the HCSA's highest membership tier for some previous amount of time (e.g., maternity care is covered once the pregnant person has been a member for 12 months without changing to a lower cost program).

Some of the HCSAs require, in their guidelines, that members first request providers and hospitals to reduce or write off eligible health care bills. Some HCSAs also require members to first request charity care and financial support from local governments and consumer support organizations in paying the member's health care bills. For Medicare eligible members, some of the HCSAs require that members are enrolled in Medicare parts A, B, and sometimes D and that the HCSA is used after health care costs are submitted to Medicare.

⁸ The data provided in this paragraph include only those 14 HCSAs that correctly reported on the data elements referenced. One HCSA did not report on "Total dollar amount of health-care costs or services that were incurred by the participant and submitted by or on behalf of the participant for sharing" and another reported national data instead of the required Colorado member specific data so data from both HCSAs were excluded from the financial analysis presented.

Marketing Efforts and Use of Producers

Seven HCSAs reported working with a total of 862 producers⁹ to enroll 4637 members, or 35.2% of the enrollment of these seven HCSAs. The range of membership enrollment via producers in the seven HCSAs is between <1% - 100% of members enrolled via producers. HCSAs are not required to report the names, business, or license numbers of individual producers so the count of 862 producers across seven HCSAs is not a unique count of producers and likely includes double counting. Five (5) of the HCSAs noted that they do not work with producers licensed in the state of Colorado to enroll members ([Emergency Regulation 22-E-20](#) defines “producers” for HCSA data submission purposes as those licensed to sell insurance in Colorado). However, these 5 HCSAs work with third-party organizations to enroll members. An additional four HCSAs explicitly noted they do not use external producers or third-party organizations in their enrollment efforts.

Social media was also used by HCSAs to communicate to members and to market their products. Two (2) HCSAs reported using social media in their marketing efforts but internet searches by Division staff indicated that all 16 HCSAs that reported data to the Division use social media channels to market their organizations and products.

Data Limitations

The data submitted to the Division over the past few months are the first collection of HCSA data in Colorado. Not all HCSAs submitted data following the definitions laid out in Emergency Regulation 22-E-20 or on the reporting template. Moreover, not all HCSAs submitted all required data. The Division is working to refine and clarify the reporting requirements and will be providing HCSAs with additional information to ensure more consistent reporting in the future.

There are limits to what the Division can understand from the data reported. The Division does not collect demographic information about HCSA members (e.g., age, income, or family size) or the types of employers who offer an HCSA to their employees, or the names of producers used to enroll members into HCSAs. Even with these limitations the Division has learned valuable information and noted areas for further improvement through this first data collection period.

Asking Questions and Submitting a Complaint

If there are questions or complaints about a HCSA, please reach out to the Division of Insurance. If you're unsure of what kind of coverage you currently have, whether it is an

⁹ For the purposes of HB22-1269's data collection efforts and this report “Producers” are defined as a person who solicits, negotiates, effects, procures, delivers, renews, continues, or binds: Policies of insurance for risks residing, located, or to be performed in this state; membership in a prepayment plan as defined in § 10-16-2 and § 10-16-3, C.R.S.; or membership enrollment in a health-care plan as defined in §10-16-4 C.R.S.; with the exception of a public adjuster. This definition is from § 10-2-103(6), C.R.S. and Emergency Regulation 22-E-20.

ACA-compliant health insurance, a HCSA, or something else, you can contact the Division's Consumer Services team to find out what questions to ask.

Colorado consumers enrolled in a HCSA who are having problems getting their health care costs covered should contact the Division of Insurance's Consumer Services team. The Consumer Services team is available to answer questions or respond to complaints via phone calls and/or our [consumer portal](#). More information about filing a complaint can be found on the [Division's website](#), emailing DORA_Insurance@state.co.us, or calling 303-894-7490 (within the Denver Metro area) or 800-930-3745 (outside the Denver Metro area).

Next Steps

The Division is currently in the process of data collection and follow-up with HCSAs for calendar years 2021 and 2022. When new HCSAs operating in Colorado are identified, the Division will notify these HCSAs of the requirements of the law. If there is evidence that a HCSA is operating in Colorado but is not included in this report, please contact Leilani Russell (Leilani.Russell@state.co.us).

Completion of 2021 data submissions is expected by June 2023 and early Fall of 2023 for 2022 data submissions. The Division is not anticipating updates to the 2021 report. Finalized submission materials, excluding confidential information, will be posted to the Division's website for interested parties to download. The report summarizing 2022 data will be posted to the [Division's website](#) no later than October 1, 2023. Annually, HCSA data are due to the Division on March 1st of each year with the associated report published by October 1st of the same year.

The Division continues to monitor and follow-up on questions and complaints about HCSAs. Over the coming months the Division will release the permanent regulation related to House Bill 22-1269. This process includes a draft regulation, a public hearing, and different opportunities to provide public comment about the permanent regulation. Lessons learned from the first two rounds of data collection will inform the permanent regulation. Anyone interested in participating in the regulatory process should sign up for [notifications from the Division](#) and/or check the [Division's website](#).

Appendices

Appendix A: Associated Legislation, Regulation, and Division Information

- [Colorado House Bill 22-1269](#)
- Division of Insurance [Emergency Regulation 22-E-20](#)
- The Division's [consumer complaint portal](#) and [information on how to ask a question or file a complaint](#)
- [The Division's web page](#) dedicated to House Bill 22-1269

2021 Reporting Template: The annual reporting template all HCSAs are required to submit can be downloaded from the Division's website:

https://docs.google.com/spreadsheets/d/1KW_s7tv91SIP-l327ttx1_Xja2w86Ui-/edit#gid=876537254

About the Division of Insurance: The Colorado Division of Insurance, part of the Department of Regulatory Agencies (DORA), regulates the insurance industry and assists consumers and other stakeholders with insurance issues. Visit doi.colorado.gov for more information or call 303-894-7499 / toll free 800-930-3745.

About DORA: DORA is dedicated to preserving the integrity of the marketplace and is committed to promoting a fair and competitive business environment in Colorado. Consumer protection is our mission. Visit dora.colorado.gov for more information or call 303-894-7855 / toll free 800-886-7675.

Appendix B: Regulatory Definitions of Terms Related to HCSA Reporting

Administrative expenses: shall mean costs incurred to operate and support the functioning of the health care sharing plan or arrangement. This includes but is not limited to bank fees, staff salaries, data processing, sales, and marketing efforts. This includes fees, commissions, and remuneration paid to contractors that acted on behalf of the health care sharing plan or arrangement to facilitate administrative expenses.

Coloradans: shall mean residents of Colorado during the reporting period.

Health care costs or health care expenses: shall mean any amount billed by a health care provider for health care services or related products or by a pharmacy.

Health care provider: means any physician, dentist, optometrist, anesthesiologist, hospital, X ray, laboratory and ambulance service, or other person who is licensed or otherwise authorized in Colorado to furnish health-care services, as defined in § 10-16-102(56) of the Colorado Revised Statutes (C.R.S.).

Health care services: means any services included in or incidental to the furnishing of medical, behavioral, mental health, or substance use disorder; dental, or optometric care; hospitalization; or nursing home care to an individual, as well as the furnishing to any person of any other services for the purpose of preventing, alleviating, curing, or healing human physical illness or injury, or behavioral, mental health, or substance use disorder. “Health-care services” includes the rendering of the services through the use of telehealth, as defined in § 10-16-123 (4)(e), C.R.S.

Health Care Sharing Plan or Health Care Sharing Arrangement or “plan” or “arrangement” or “HCSA”: shall mean any person not authorized to sell insurance in Colorado but that offers or intends to offer a plan or arrangement in Colorado to facilitate payment or reimbursement of Colorado residents’ health-care costs or services. This does not include direct primary care agreements as defined in § 6-23-101, C.R.S.; consumer payment plans offered directly between a provider and patient (or patient’s responsible party); businesses used to facilitate the plan’s operations such as reimbursement handling, cost containment vendors, data processing; and crowdfunded sources for the purposes of paying for and/or reimbursement of health care services.

Health Care Sharing Plan Reporting or “HCSPR”: shall mean the report required to be filed with the Commissioner pursuant to § 10-16-107.4(1), C.R.S., as interpreted by [Emergency Regulation 22-E-20](#).

Health Care Sharing Plan Reporting template or “template”: shall mean the data reporting template created and distributed by the Division for the purposes of collecting data per § 10-16-107.4, C.R.S., available on the [Division's website](#).

Insurance producer or “producer”: shall have the same meaning as found at § 10-2-103(6), C.R.S., with the exception that it does not include § 10-2-103(6)(b), C.R.S.

Program expenses: shall mean any service by the HCSPA or its contractors that, while not direct medical care, contributes to the care and overall experiences of HCSPA's participants. This includes but is not limited to coaching and wellness programs, care navigation, care coordination, medical review, quality improvement efforts, cost containment, reimbursement handling, and bill negotiations. This includes fees, commissions, and remuneration paid to contractors that acted on behalf of the HCSPA to facilitate program expenses.

Product(s): shall mean the services covered as a package under a membership plan, tier, or level.

Appendix C: List of Health Care Sharing Arrangements Operating in Colorado

List of HCSAs that offered plans or arrangements in Colorado in 2021 and reported data to the Division

Altrua Ministries
Christian Healthcare Ministries
Christian Care Ministry, dba Medi-Share
Impact Health Sharing
Jericho Share
Liberty HealthShare
Logos Missions, Inc, dba Christian Mutual Medical Assistance
netWell
OneShare
Samaritan Ministries International
Sedera Medical Cost Sharing Community
Sedera, Inc.
Share HealthCare
Solidarity
Unite Health Share Ministries, dba UHSM
Zion HealthShare

Appendix D: Services and Pre-existing Conditions Excluded from Sharing by some HCSAs

The following are health care services that are excluded from sharing across some of the organizations that reported data to the Division. This is not an exhaustive list.

- Acupuncture
- ADHD treatments
- Contraception coverage
- Cosmetic surgery
- Dental coverage
- Diabetic medication and supplies
- Fertility/Infertility care
- Gender affirming care
- Maternity care - unless the mother has been a member for 12 months without changing to a lower cost program
- Medications used to support chronic or pre-existing health conditions
- Mental health treatment
- Routine and preventive care – including, but not limited to, all well-patient care and screening tests and procedures
- Speech therapy for learning impairments and speech delays
- Substance use disorder treatment

The following are a list of conditions that some of the HCSAs reported as pre-existing and therefore ineligible for sharing, or had limitations on sharing based on the HCSA's specific guidelines. This is not an exhaustive list.

- | | |
|----------------------------|---------------------------|
| • ALS | • Endometriosis |
| • Alzheimer's Disease | • Experimental treatments |
| • Aneurysm | • Heart Palpitations |
| • Asthma | • Hepatitis |
| • Autism Spectrum Disorder | • Hypertension |
| • Cancer | • HIV/AIDS |
| • Cerebral Palsy | • Lupus |
| • Congenital Conditions | • Lyme's Disease |
| • Congestive Heart Failure | • Multiple Sclerosis |
| • COPD | • Muscular Dystrophy |
| • Cystic Fibrosis | • Rheumatoid Arthritis |
| • Dementia | • Sickle-Cell Disease |
| • Diabetes Type I and II | • Sleep Apnea |
| • Down's Syndrome | |

Appendix E: 2021 Enrollment per HCSA

Organization	Reported Enrollment in Colorado	Reported Enrollment Nationally
Altrua Ministries	503	21,243
Christian Care Ministry, dba Medi-Share	19,307	442,234
Christian Healthcare Ministries	12,846	517,978
Impact Health Sharing	226	4,658
Jericho Share	2,264	37,755
Liberty HealthShare	6,605	131,117
Logos Missions, Inc, dba Christian Mutual Medical Assistance	231	21,077
netWell	17	210
OneShare	4,355	57,036
Samaritan Ministries International	13,792	358,918
Sedera Medical Cost Sharing Community	1,637	24,790
Sedera, Inc.	1,499	7,710
Share HealthCare	20	499
Solidarity	807	22,500
Unite Health Share Ministries	1,165	29,847
Zion HealthShare	1,733	24,909

Appendix F: Total Dollar Amounts of Members' Healthcare Costs and the Total Dollar Amount of Share Requests that were Eligible for Sharing

Organization	Total dollar amount of health care costs or services that were incurred by participants and submitted for sharing	Total dollar amount of requests for reimbursement/sharing that qualified for reimbursement/sharing
Altrua Ministries	\$2,335,070.40	\$1,433,915.26
Christian Care Ministry, dba Medi-Share	\$86,870,271.20	\$25,961,518.21
Christian Healthcare Ministries	\$51,504,748.73	\$47,695,071.43
Impact Health Sharing	\$341,595.16	\$251,081.84
Jericho Share	\$328,951.44	\$22,509.22
Liberty HealthShare	\$58,335,818.36	\$25,910,523.00
Logos Missions, Inc, dba Christian Mutual Medical Assistance	\$564,236.16	\$492,588.08
netWell	\$90,673.37	\$15,650.46
OneShare	\$23,753,223.42	\$4,397,790.40
Samaritan Ministries International	\$37,779,700.00	\$16,663,089.00
Sedera Medical Cost Sharing Community	\$788,758.45	\$717,537.48
Sedera, Inc.	\$5,328,655.28	\$4,910,196.11
Share HealthCare	\$1,304.00	\$606.04
Solidarity*	\$92,221,825.00	\$36,426,000.00
Unite Health Share Ministries	\$93,759,962.56	\$3,512,471.60
Zion HealthShare*		\$2,026,977.45

*These HCSAs data were excluded from the financial analysis presented in this report