

DEPARTMENT OF HEALTH & HUMAN SERVICES
Centers for Medicare & Medicaid Services
Center for Consumer Information and Insurance Oversight
200 Independence Avenue SW
Washington, DC 20201



December 31, 2024

Leilani Russell
Director of Strategy, Operations, and Performance
Colorado Division of Insurance
1560 Broadway, Suite 850
Denver, CO 80202

Dear Leilani Russell:

Thank you for the submission of Colorado's (the State) application to change its Essential Health Benefits (EHB)-benchmark plan for plan years beginning on or after January 1, 2027. This letter is to inform you that the Centers for Medicare & Medicaid Services (CMS), having completed its review of the application, approves Colorado's application to change its EHB-benchmark plan under 45 C.F.R. § 156.111. This EHB-benchmark plan will be the basis for determining EHB for non-grandfathered individual and small group health insurance coverage in Colorado for plan years beginning on or after January 1, 2027.^{1,2}

As you know, section 1302 of the Affordable Care Act (ACA) and section 2707 of the Public Health Service Act require health insurance issuers that offer health insurance coverage in the individual or small group markets to cover EHB, which include items and services in 10 benefit categories. Federal regulations (45 C.F.R. § 156.100, et seq.) define EHB based on state-specific EHB-benchmark plans. A state may change its EHB-benchmark plan by submitting an application that complies with the requirements at § 156.111.

Colorado submitted an application on October 3, 2024, that sought to add to its current EHB-benchmark plan coverage for medical and surgical abortion and any related services, drugs, or supplies. In accordance with § 156.111(c), Colorado provided a reasonable public notice and an opportunity for public comment on the State's application with a notice on the opportunity for public comment and associated information posted on a relevant State website. This application included the following materials:

¹ State EHB-benchmark plans also define the benefits that are subject to the prohibition of annual and lifetime dollar limitations under [45 CFR § 147.126](#). As such, this new EHB-benchmark plan is now an option for a group health plan or a health insurance issuer offering group or individual health insurance coverage that is not required to provide EHB under section 1302(b) of the ACA to define EHB for purposes of the annual and lifetime dollar limitations under [45 CFR § 147.126](#). See [45 CFR § 147.126\(c\)\(2\)](#).

² The approval of a change to a state's EHB-benchmark plan also impacts the coverage in Medicaid Alternative Benefit Plans (ABPs) or Basic Health Program (BHP), standard health plans. Under [42 CFR § 440.347](#), Medicaid ABPs authorized under section 1937 of the Social Security Act are required to meet EHB standards. Similarly, under [42 CFR § 600.405](#), in states that elect to operate a BHP, the standard health plans must meet EHB standards.

1. A document confirming that Colorado's EHB-benchmark plan definition complies with the requirements at § 156.111(a), (b), and (c).
2. An actuarial certification and an associated actuarial report from an actuary, who is a member of the American Academy of Actuaries, in accordance with generally accepted actuarial principles and methodologies, that affirms that the State's EHB-benchmark plan complies with the applicable scope of benefits requirements at § 156.111(b)(2).
3. Colorado's new EHB-benchmark plan document that reflects the benefits and limitations, including medical management requirements, and a schedule of benefits.
4. Other documentation specified by HHS, which is necessary to operationalize the State's EHB-benchmark plan.

Upon review, CMS has determined that Colorado's application satisfies the requirements to change its EHB-benchmark plans as set forth in § 156.111.

Your state's EHB-benchmark plan selection and accompanying application documents will be posted publicly on the CMS EHB website at <https://www.cms.gov/CCIIO/Resources/Data-Resources/ehb>.

If you have any questions, please contact Christiana Verdelus at Christiana.Verdelus@cms.hhs.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Ellen Montz", with a stylized flourish at the end.

Ellen Montz, Ph.D.
Deputy Administrator & Director
Center for Consumer Information & Insurance Oversight
Centers for Medicare & Medicaid Services
U.S. Department of Health and Human Services