

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



July 20, 2026

VIA ELECTRONIC MAIL: michael.conway@state.co.us

Michael Conway
Commissioner of Insurance
Colorado Division of Insurance
1560 Broadway, Suite 850
Denver, CO 80202

Dear Commissioner Conway:

On June 23, 2022, the Department of Health and Human Services and the Department of the Treasury approved Colorado's amendment of its State Innovation Waiver under Section 1332 of the Patient Protection and Affordable Care Act (ACA). Colorado's approved amendment application waives the ACA's requirement for the single risk pool to the extent necessary to implement a state reinsurance program in the individual market called the Colorado Reinsurance Program, and to implement the Colorado Option in the individual and small group markets for plan years 2023 through 2027.

It is the Department of the Treasury's final administrative determination that Colorado's pass-through funding amount for calendar year 2026 is \$307,192,073, which must be used for purposes of implementing Colorado's State Innovation Waiver. This amount reflects changes in Colorado state law or regulation that impact the waiver, such as the discontinuation of the state's enhanced cost-sharing reduction subsidy for eligible consumers and the introduction of the state's premium subsidy for eligible consumers.¹

We look forward to continuing to work with you and your staff. If you have any questions regarding program matters or official correspondence concerning the waiver, please contact Meril Pothen at Meril.Pothen@cms.hhs.gov or stateinnovationwaivers@cms.hhs.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Peter Nelson", is located below the "Sincerely," text.

Peter Nelson
Deputy Administrator and Director, Center for Consumer Information & Insurance Oversight
Centers for Medicare & Medicaid Services

¹ Amended Regulation 4-2-78. Concerning Health Insurance Affordability Enterprise On-Exchange Subsidies. See https://doi.colorado.gov/sites/doi/files/documents/Amended%20Regulation%204-2-78_0.pdf

CC: Kenneth J. Kies, Assistant Secretary, Tax Policy, U.S. Department of the Treasury
The Honorable Jared Polis, Governor, State of Colorado
Kate Harris, Chief Deputy Commissioner, Colorado Division of Insurance (DOI)
Kyla Hoskins, Deputy Commissioner, DOI
Lila Cummings, Deputy Commissioner, DOI
Laura Mortimer, Reinsurance and Health Insurance Affordability Enterprise Director,
DOI
Sara Bencic, Colorado Option Director, DOI