

HB26-1327: EMPLOYER MANDATE FISCAL & ECONOMIC IMPACT

A fiscal and economic assessment of Colorado's proposed employer health coverage mandate.

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KEY TAKEAWAYS

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Employers may be less likely to offer part-time jobs.
Employers are less likely to offer part-time jobs, which are often used as a bridge to full-time roles, because the mandate makes coverage more expensive and complex to provide.
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It does not guarantee more people will get health coverage.
Higher costs and administrative burdens may lead employers to reduce hours or shift more workers to independent contractor status, leaving many without employer-sponsored coverage.
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About 46,000 Medicaid-enrolled workers could be affected.
Tens of thousands of Coloradans who are currently enrolled in Medicaid and work for CO employers could face changes to their coverage based on how employers respond to the mandate.

BILL'S IMPACT ON CO EMPLOYERS




Employer Costs
\$106M+
in additional costs



Jobs
-1,041 jobs
by 2035




Business Sales (Output)
-\$1.47B
cumulative 2027-2035




Workers Impacted
46,400
Medicaid-enrolled workers

BOTTOM LINE




The mandate comes with trade-offs for Colorado's economy.
It raises costs for employers, leads to job losses, and reduces business sales over the long term.


Employers may respond by reducing hours, limiting part-time opportunities, or raising prices, potentially increasing the cost of living for Coloradans.



The path forward is uncertain.
Employer behavior will shape the real-world impact and outcomes could differ based on how businesses adapt.



Costs may be passed on to consumers.
Employers facing higher costs may increase goods and services prices, increasing the cost of living for families.



The fee would support the state budget.
The employer fee would generate new revenue to support the state budget.