



FINAL
FISCAL NOTE

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| Drafting Number: LS 08-0834 | Date: July 9, 2008 |
| Prime Sponsor(s): Sen. Johnson | Bill Status: Signed into Law |
| Rep. McGihon | Fiscal Analyst: Clare Pramuk (303-866-2677) |

TITLE: CONCERNING FULL DISCLOSURE OF PHYSICIAN DESIGNATIONS MADE BY HEALTH CARE ENTITIES.

Summary of Legislation

The bill creates the Physician Designation Disclosure Act establishing minimum requirements to be used by a health care entity when developing a designation for a physician. A designation presented without the disclaimer stated in the bill constitutes a violation. Upon request of the designated physician or the Commissioner of Insurance, a health care entity is required to disclose the process and data used in creating a designation. Physicians have the right to appeal a designation, during which time it cannot be used.

The bill allows a physician to take civil action against a health care entity. A health care entity violating the act, commits an unfair or deceptive practice in the business of insurance. The Governor signed the bill into law on June 3, 2008, and unless a referendum petition is filed, the bill will take effect August 5, 2008.

Assessment

This bill is assessed at no fiscal impact. A health care entity that commits an unfair or deceptive practice may be subject to an enforcement action by the Commissioner of Insurance, but none are expected. Civil cases filed by physicians are expected to be minimal and absorbable within existing judicial resources. No state appropriations are required.

Departments Contacted

Regulatory Agencies
Corrections
Judicial
Human Services

Health Care Policy and Financing
Public Health and Environment
Higher Education
Personnel and Administration