

Second Regular Session
Sixty-sixth General Assembly
STATE OF COLORADO

REREVISED

*This Version Includes All Amendments
Adopted in the Second House*

LLS NO. 08-0873.01 Christy Chase

SENATE BILL 08-135

SENATE SPONSORSHIP

Mitchell S.,

HOUSE SPONSORSHIP

Gagliardi,

Senate Committees

Health and Human Services
Appropriations

House Committees

Business Affairs and Labor
Appropriations

HOUSE
3rd Reading Unam ended
April 28, 2008

A BILL FOR AN ACT

101 **CONCERNING A STANDARDIZED CARD TO BE ISSUED TO PERSONS**
102 **COVERED UNDER A HEALTH COVERAGE PLAN, AND MAKING AN**
103 **APPROPRIATION THEREFOR.**

HOUSE
2nd Reading Unam ended
April 25, 2008

Bill Summary

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Requires health insurance carriers to develop and issue to covered persons under a health coverage plan a standardized card or device that contains information about the contents of and procedures to access benefits under the plan, which information can be electronically scanned. Requires the commissioner of insurance to convene a meeting of carriers and other stakeholders for purposes of developing the card or device by

SENATE
3rd Reading Unam ended
April 10, 2008

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.

Capital letters indicate new material to be added to existing statute.

Dashes through the words indicate deletions from existing statute.

SENATE
Am ended 2nd Reading
April 9, 2008

a specified date.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 SECTION 1. Part 1 of article 16 of title 10, Colorado Revised
3 Statutes, is amended BY THE ADDITION OF A NEW SECTION to
4 read:

5 10-16-133. Health benefit plan information cards - rules -
6 standardization - contents. (1) (a) THE COMMISSIONER SHALL ADOPT
7 RULES REQUIRING EVERY CARRIER PROVIDING A HEALTH BENEFIT PLAN TO
8 ISSUE TO COVERED PERSONS TO WHOM A HEALTH BENEFIT PLAN
9 IDENTIFICATION CARD IS ISSUED A STANDARDIZED, PRINTED CARD
10 CONTAINING PLAN INFORMATION. TO THE EXTENT POSSIBLE, THE RULES
11 SHALL INCORPORATE AND NOT CONFLICT WITH THE REQUIREMENTS OF
12 SECTION 10-16-124 REGARDING PRESCRIPTION INFORMATION CARDS. THE
13 COMMISSIONER SHALL ADOPT INITIAL RULES BY OCTOBER 31, 2008, THAT
14 DESCRIBE THE FORMAT OF A STANDARDIZED, PRINTED CARD TO BE ISSUED
15 BY CARRIERS TO PERSONS COVERED UNDER A HEALTH BENEFIT PLAN TO
16 WHOM HEALTH BENEFIT PLAN IDENTIFICATION CARDS ARE ISSUED. THE
17 RULES ESTABLISHING THE FORMAT FOR THE PRINTED CARD SHALL INCLUDE
18 A STANDARD SIZE, SHALL REQUIRE THE CARD TO BE LEGIBLE AND
19 PHOTOCOPIED, AND SHALL DELINEATE THE INFORMATION TO BE
20 CONTAINED ON THE CARD, INCLUDING, BUT NOT LIMITED TO, THE
21 FOLLOWING INFORMATION, AS APPLICABLE:

22 (I) THE COVERED PERSON'S NAME AND THE APPLICABLE PLAN
23 NUMBER;

24 (II) COPAYMENT AND DEDUCTIBLE AMOUNTS FOR THE MOST
25 COMMONLY USED HEALTH CARE SERVICES;

1 (III) CONTACT INFORMATION FOR THE CARRIER OR HEALTH
2 BENEFIT PLAN ADMINISTRATOR; AND

3 (IV) AN INDICATION OF WHETHER THE HEALTH BENEFIT PLAN IS
4 REGULATED BY THE STATE.

5 (b) THE RULES ADOPTED PURSUANT TO PARAGRAPH (a) OF THIS
6 SUBSECTION (1) SHALL REQUIRE ALL CARRIERS TO ISSUE A STANDARDIZED,
7 PRINTED CARD TO A COVERED PERSON TO WHOM A HEALTH BENEFIT PLAN
8 IDENTIFICATION CARD IS ISSUED UPON THE PURCHASE OR RENEWAL OF OR
9 ENROLLMENT IN A PLAN ON OR AFTER JULY 1, 2009. NO LATER THAN JULY
10 1, 2010, ALL CARRIERS SHALL ISSUE THE STANDARDIZED, PRINTED CARD
11 TO COVERED PERSONS TO WHOM HEALTH BENEFIT PLAN IDENTIFICATION
12 CARDS ARE ISSUED.

13 (c) NOTHING IN THIS SECTION SHALL PRECLUDE A CARRIER FROM
14 INCLUDING INFORMATION ON THE STANDARDIZED PRINTED CARDS THAT IS
15 IN ADDITION TO THE INFORMATION REQUIRED TO BE INCLUDED ON THE
16 CARD PURSUANT TO RULES ADOPTED PURSUANT TO THIS SECTION.

17 (2) (a) NO LATER THAN THIRTY DAYS AFTER THE EFFECTIVE DATE
18 OF THIS SECTION, THE COMMISSIONER, IN CONSULTATION WITH THE
19 DIRECTOR OF THE DIVISION OF REGISTRATIONS IN THE DEPARTMENT OF
20 REGULATORY AGENCIES AND THE EXECUTIVE DIRECTOR OF THE
21 DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT, SHALL ESTABLISH A
22 WORK GROUP COMPRISED OF REPRESENTATIVES OF THE DIVISIONS OF
23 INSURANCE AND REGISTRATIONS IN THE DEPARTMENT OF REGULATORY
24 AGENCIES; THE DEPARTMENTS OF PUBLIC HEALTH AND ENVIRONMENT,
25 PERSONNEL, AND HEALTH CARE POLICY AND FINANCING; THE GOVERNOR'S
26 OFFICE OF INFORMATION TECHNOLOGY; CARRIERS; PROVIDERS, INCLUDING
27 HOSPITALS, PHYSICIANS, AND PHARMACISTS; PRIVATE BUSINESSES;

1 CONSUMERS; AND OTHER STAKEHOLDERS DEEMED APPROPRIATE BY THE
2 COMMISSIONER. THE WORK GROUP SHALL:

3 (I) MAKE RECOMMENDATIONS ON STANDARDS FOR TECHNOLOGY
4 AND TOOLS THROUGH WHICH INFORMATION MAY BE ELECTRONICALLY
5 RECOGNIZED, EXCHANGED, OR TRANSMITTED BETWEEN CARRIERS AND
6 PROVIDERS, WHICH STANDARDS SHALL CONFORM TO ANY STANDARDS
7 ADOPTED BY A NONPROFIT ORGANIZATION THAT SETS RELEVANT
8 NATIONAL TECHNICAL STANDARDS;

9 (II) MAKE RECOMMENDATIONS AS TO THE SPECIFIC INFORMATION
10 THAT SUCH TECHNOLOGY AND TOOLS SHOULD BE ABLE TO
11 ELECTRONICALLY EXCHANGE OR TRANSMIT;

12 (III) MAKE RECOMMENDATIONS TO SIMPLIFY ELIGIBILITY AND
13 COVERAGE VERIFICATION THROUGH ELECTRONIC DATA INTERCHANGE
14 UTILIZING SWIPE CARD OR OTHER APPROPRIATE TECHNOLOGY;

15 (IV) MAKE RECOMMENDATIONS REGARDING ELIGIBILITY
16 NOTIFICATION, PREAUTHORIZATION, OR SERVICE NOTIFICATION AND
17 RETROACTIVE DENIAL THROUGH ELECTRONIC DATA INTERCHANGE USING
18 SWIPE CARD OR OTHER APPROPRIATE TECHNOLOGY;

19 (V) MAKE RECOMMENDATIONS REGARDING HOW TO INCORPORATE
20 THE REQUIREMENTS OF SECTION 10-16-124 PERTAINING TO UNIFORM
21 PRESCRIPTION DRUG INFORMATION AS PART OF THE TECHNOLOGY AND
22 TOOLS FOR ELECTRONICALLY RECOGNIZING, EXCHANGING, OR
23 TRANSMITTING INFORMATION BETWEEN CARRIERS AND PROVIDERS;

24 (VI) MAKE RECOMMENDATIONS REGARDING WHETHER, ONCE
25 ELECTRONIC DATA INTERCHANGE TECHNOLOGY AND TOOLS ARE FULLY
26 IMPLEMENTED, STANDARDIZED, PRINTED CARDS ARE NECESSARY AND, IF
27 SO, WHAT INFORMATION NEEDS TO BE INCLUDED ON THE PRINTED CARDS;

1 (VII) MAKE RECOMMENDATIONS REGARDING WHEN SUCH
2 TECHNOLOGY COULD BE IMPLEMENTED FOR MEDICAL ASSISTANCE
3 PROGRAMS, AS DEFINED IN SECTIONS 25.5-1-103 AND 25.5-4-103, C.R.S.;
4 AND

5 (VIII) MAKE RECOMMENDATIONS, IF THE WORK GROUP SO
6 CHOOSES, TO CREATE A PILOT PROGRAM FOR INITIAL USE OF THE
7 RECOMMENDED TECHNOLOGY AND TOOLS.

8 (b) THE WORK GROUP ESTABLISHED PURSUANT TO PARAGRAPH (a)
9 OF THIS SUBSECTION (2) SHALL REPORT ITS RECOMMENDATIONS TO THE
10 COMMISSIONER NO LATER THAN SIX MONTHS AFTER ITS FIRST MEETING;
11 EXCEPT THAT, IF THE WORK GROUP IS UNABLE TO COMPLETE ITS DUTIES IN
12 SIX MONTHS, IT MAY REQUEST THAT THE COMMISSIONER EXTEND THE
13 DEADLINE BY NOT MORE THAN AN ADDITIONAL SIX MONTHS.

14 (c) AFTER RECEIPT OF THE WORK GROUP'S RECOMMENDATIONS,
15 THE COMMISSIONER SHALL ADOPT RULES TO IMPLEMENT A STANDARDIZED
16 ELECTRONIC SWIPE CARD OR OTHER APPROPRIATE TECHNOLOGY TO BE
17 USED BY CARRIERS, PROVIDERS, AND COVERED PERSONS UNDER A HEALTH
18 BENEFIT PLAN TO ALLOW ACCESS TO INFORMATION REGARDING THE
19 APPLICABLE COVERAGE UNDER THE PLAN. CARRIERS SHALL IMPLEMENT
20 THE NEW TECHNOLOGY NO LATER THAN TWO YEARS AFTER THE EFFECTIVE
21 DATE OF THE RULES ADOPTED PURSUANT TO THIS PARAGRAPH (c); EXCEPT
22 THAT, IF THE WORK GROUP CONCLUDES THAT CARRIERS ARE UNABLE TO
23 FULLY IMPLEMENT THE TECHNOLOGY BY THE DEADLINE, THE WORK GROUP
24 MAY RECOMMEND THAT THE COMMISSIONER GRANT AN EXTENSION OF NOT
25 MORE THAN SIX MONTHS FOR FULL IMPLEMENTATION OF THE
26 REQUIREMENTS OF SUCH RULES.

27 (3) THE RULES ADOPTED BY THE COMMISSIONER PURSUANT TO

1 THIS SECTION SHALL CONFORM TO APPLICABLE FEDERAL GUIDELINES ON
2 STANDARDIZED CLAIMS ATTACHMENT FORMS ONCE SUCH FEDERAL
3 GUIDELINES ARE ADOPTED.

4 (4) THE COMMISSIONER SHALL AMEND, MODIFY, REENACT,
5 UPDATE, OR OTHERWISE REVISE THE RULES ADOPTED PURSUANT TO THIS
6 SECTION AS NECESSARY TO REFLECT THE MOST CURRENT TECHNOLOGY
7 AVAILABLE THAT WILL ALLOW REAL-TIME DATA EXCHANGE, BENEFITS
8 ELIGIBILITY, COVERAGE DETERMINATIONS, AND OTHER APPROPRIATE
9 PROVIDER-CARRIER TRANSACTIONS.

10 (5) LICENSED OR CERTIFIED HOSPITALS AND PHYSICIANS LICENSED
11 PURSUANT TO ARTICLE 36 OF TITLE 12, C.R.S., SHALL USE THE
12 STANDARDIZED, PRINTED CARD PROVIDED TO COVERED PERSONS AND
13 CHILDREN'S BASIC HEALTH PLAN ENROLLEES AND, ONCE IMPLEMENTED,
14 SHALL USE THE STANDARDIZED ELECTRONIC TECHNOLOGY FOR ACCESSING
15 INFORMATION ABOUT THE COVERAGE AVAILABLE UNDER A HEALTH
16 BENEFIT PLAN OR THE CHILDREN'S BASIC HEALTH PLAN FOR A COVERED
17 PERSON OR ENROLLEE TO WHOM HEALTH CARE SERVICES ARE OR WILL BE
18 PROVIDED BY THE HOSPITAL OR PHYSICIAN.

19 (6) A CARRIER OR PROVIDER LOCATED IN A RURAL AREA OF THE
20 STATE, AS DETERMINED BY THE COMMISSIONER, MAY APPLY TO THE
21 COMMISSIONER FOR, AND THE COMMISSIONER MAY GRANT, AN EXTENSION
22 OF ANY OF THE DEADLINES IMPOSED BY THIS SECTION IF MEETING A
23 PARTICULAR DEADLINE WOULD IMPOSE A FINANCIAL HARDSHIP ON THE
24 RURAL CARRIER OR PROVIDER. THE COMMISSIONER MAY REQUIRE THE
25 RURAL CARRIER OR PROVIDER TO SUBMIT DOCUMENTATION SUPPORTING
26 THE FINANCIAL HARDSHIP CLAIM.

27 **SECTION 2. Appropriation.** In addition to any other

1 appropriation, there is hereby appropriated, out of any moneys in the
2 division of insurance cash fund created in section 10-1-103 (3), Colorado
3 Revised Statutes, not otherwise appropriated, to the department of
4 regulatory agencies, for allocation to the division of insurance, to prepare
5 the regulations related to the format of standardized insurance cards and
6 to form and staff a working group to make recommendations to the
7 commissioner related to the implementation of this act, for the fiscal year
8 beginning July 1, 2008, the sum of twelve thousand nine hundred
9 twenty-eight dollars (\$12,928), or so much thereof as may be necessary,
10 for the implementation of this act.

11 **SECTION 3. Safety clause.** The general assembly hereby finds,
12 determines, and declares that this act is necessary for the immediate
13 preservation of the public peace, health, and safety.