INTRODUCED

HOUSE BILL 07-1143

A BILL FOR AN ACT

CONCERNING THE OPTION OF A COVERED STATE EMPLOYEE UNDER A
SELF-INSURED GROUP BENEFIT PLAN TO OBTAIN MEDICAL CARE
IN AN ACCREDITED FOREIGN HEALTH CARE FACILITY.

Bill Summary

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

Requires the state personnel director to establish a program of incentives for state employees who are covered under a state self-insured group benefits plan who elect to obtain medical care in an accredited foreign health care facility when the cost of such care is lower in the foreign facility than in a covered U.S. facility if:

The cost to enter into a contract for the plan is not greater
than the cost without the foreign health care option; and
The cost savings realized by using the foreign health care
is equal to or greater than the total cost of the incentives.
Requires specific incentives to be included in the program. Allows
the covered employee to receive a rebate of up to 20% of the cost savings
realized. Requires the remainder of the cost savings realized by the entity
contracted with to provide the group benefit plan to be deposited into the
group benefit plans reserve fund. Allows covered employees who opt to
receive medical care in a foreign country at a cost savings to the state plan
to be covered under workers' compensation insurance while receiving the
medical care.

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

SECTION 1. Legislative declaration. (1) The general assembly
finds and declares that:

(a) Employees of the state of Colorado may wish to travel
overseas seeking medical care for a variety of reasons, including lower
costs, more individualized attention, or more privacy.

(b) Each year, the cost of health care rises, premiums and
co-payments go up, and the level of benefits to the employee decreases.

(c) The rising costs of health care create a burden for both the
state of Colorado and its employees.

(d) Certain medical care may be provided outside the United
States' borders at a cost savings to the state group benefit plan, while still
maintaining quality health care in accredited health care facilities.

(2) Therefore, the general assembly finds that it would be in the
best interest of the state and the state employees of Colorado to provide
an option under the state self-insured group benefit plan for employees to
seek medical care in accredited facilities outside of the United States.

SECTION 2. Part 6 of article 50 of title 24, Colorado Revised
Statutes, is amended BY THE ADDITION OF A NEW SECTION to
read:

24-50-604.5. Self-funded plans - authorization for treatment in foreign health care facilities. (1) When the director enters into contracts or renewals for group benefit plans that are self-funded on or after January 1, 2008, the director shall establish a program of incentives for covered employees who elect to obtain medical care or medical procedures in foreign health care facilities accredited by the Joint Commission International, or its successor organization, when the cost of the medical care or medical procedure in the foreign health care facility is less than the cost of the medical care or medical procedure available in a covered health care facility in the United States if:

(a) The cost of entering into the contract or renewal is not greater than the cost of entering into the contract or renewal without the foreign medical care option; and

(b) The cost savings realized by using the foreign health care is equal to or greater than the total cost of the incentives.

(2) The incentives shall include:

(a) Waiver of all co-payments and deductible payments;

(b) Payment of the cost of round-trip airfares for the covered employee and one companion;

(c) Lodging expenses in the foreign country for the companion for the length of the treatment or procedure and for not more than seven days of convalescence after the treatment or procedure;

(d) Payment to the covered employee’s department or
AGENCY FOR SEVEN DAYS OF PAID SICK LEAVE THAT SHALL NOT BE COUNTED AGAINST THE EMPLOYEE'S ACCRUED SICK LEAVE; AND

(e) A REBATE OF NOT MORE THAN TWENTY PERCENT OF THE COST SAVINGS PAID DIRECTLY TO THE COVERED EMPLOYEE.

(3) ANY COST SAVINGS REALIZED BY THE ENTITY CONTRACTED WITH TO PROVIDE THE GROUP BENEFIT PLAN AS A RESULT OF USING THE FOREIGN HEALTH CARE FACILITY THAT IS NOT PART OF THE REBATE TO THE COVERED EMPLOYEE PURSUANT TO PARAGRAPH (e) OF SUBSECTION (2) OF THIS SECTION SHALL BE DEPOSITED IN THE GROUP BENEFIT PLANS RESERVE FUND ESTABLISHED IN SECTION 24-50-613 FOR THE PURPOSES OUTLINED IN SECTION 24-50-613 (2) (b).

SECTION 3. 24-50-613 (1), Colorado Revised Statutes, is amended to read:

24-50-613. Group benefit plans reserve fund. (1) There is hereby established the group benefit plans reserve fund. The state treasurer shall be ex officio treasurer of this fund, and the state treasurer's general bond to the state shall cover all liabilities for acts as treasurer of the fund. The director shall remit to the treasurer for deposit in the group benefit plans reserve fund all payments received by the director for group benefit plans premium costs from employees and the state as employer. The director shall also remit to the treasurer for deposit in the group benefit plans reserve fund any payments received by the director from the carriers of group benefit plans. The director shall also remit to the treasurer for deposit in the group benefit plans reserve fund any cost savings realized pursuant to section 24-50-604.5. Such payments shall not be included in the general revenues of the state of Colorado and shall not be general assets of the state. At the end of the
fiscal year, any unexpended funds shall not revert to the general fund but shall be held by the state treasurer in custodial capacity, to be used subject to direction from the director.

SECTION 4. 8-40-202 (1) (a) (I) (A), Colorado Revised Statutes, is amended to read:

8-40-202. Employee. (1) "Employee" means:

(a) (I) (A) Every person in the service of the state, or of any county, city, town, or irrigation, drainage, or school district or any other taxing district therein, or of any public institution or administrative board thereof under any appointment or contract of hire, express or implied; and every elective official of the state, or of any county, city, town, or irrigation, drainage, or school district or any other taxing district therein, or of any public institution or administrative board thereof; and every member of the military forces of the state of Colorado while engaged in active service on behalf of the state under orders from competent authority; AND EVERY EMPLOYEE COVERED UNDER A STATE SELF-INSURED GROUP BENEFITS PLAN WHILE THE EMPLOYEE IS RECEIVING MEDICAL CARE PURSUANT TO SECTION 24-50-604.5, C.R.S. Police officers and firefighters who are regularly employed shall be deemed employees within the meaning of this paragraph (a), as shall also sheriffs and deputy sheriffs, regularly employed, and all persons called to serve upon any posse in pursuance of the provisions of section 30-10-516, C.R.S., during the period of their service upon such posse, and all members of volunteer fire departments, including any person receiving a retirement pension under section 31-30-1122, C.R.S., who serves as an active volunteer firefighter of a fire department subsequent to retirement pursuant to section 31-30-1132, C.R.S., or any person ordered by the chief or a
designee of the chief's at the scene of an emergency or during the period
of an emergency to become a member of that department for the duration
of an emergency, and to perform the duties of a firefighter, and only if the
person who is so ordered reports any claim within ten days of the
cessation of the emergency, volunteer rescue teams or groups, volunteer
disaster teams, volunteer ambulance teams or groups, and volunteer
search teams in any county, city, town, municipality, or legally organized
fire protection district or ambulance district in the state of Colorado, and
all members of the civil air patrol, Colorado wing, while said persons are
actually performing duties as volunteer firefighters or as members of such
volunteer rescue teams or groups, volunteer disaster teams, volunteer
ambulance teams or groups, or volunteer search teams or as members of
the civil air patrol, Colorado wing, and while engaged in organized drills,
practice, or training necessary or proper for the performance of such
duties. Members of volunteer police departments, volunteer police
reserves, and volunteer police teams or groups in any county, city, town,
or municipality, while actually performing duties as volunteer police
officers, may be deemed employees within the meaning of this paragraph
(a) at the option of the governing body of such county or municipality.

SECTION 5. 8-41-301, Colorado Revised Statutes, is amended
BY THE ADDITION OF A NEW SUBSECTION to read:

8-41-301. Conditions of recovery. (1.5) FOR THE PURPOSES OF
SUBSECTION (1) OF THIS SECTION, "COURSE OF EMPLOYMENT" SHALL
INCLUDE THE RECEIPT OF MEDICAL CARE IN A FOREIGN COUNTRY
PURSUANT TO SECTION 24-50-604.5, C.R.S.

SECTION 6. Effective date. (1) This act shall take effect
January 1, 2008.
(2) However, if a referendum petition is filed against this act or an item, section, or part of this act during the 90-day period after final adjournment of the general assembly that is allowed for submitting a referendum petition pursuant to article V, section 1 (3) of the state constitution, then the act, item, section, or part, shall not take effect unless approved by the people at a biennial regular general election and shall take effect on the date specified in subsection (1) or on the date of the official declaration of the vote thereon by proclamation of the governor, whichever is later.