

**Second Regular Session
Sixty-sixth General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 08-1035.02 Kristen Forrestal

HOUSE BILL 08-1385

HOUSE SPONSORSHIP

Primavera,

SENATE SPONSORSHIP

Schwartz,

House Committees

Business Affairs and Labor
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING INCREASED TRANSPARENCY TO CONSUMERS REGARDING**
102 **HEALTH CARE INSURANCE.**

Bill Summary

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

Finds that providing reliable cost and quality information about health care insurance empowers consumer choice. Requires the commissioner of insurance (commissioner) to maintain a web site that displays a consumer guide on insurance provided to the division by health insurance carriers. Creates an exception for information that is proprietary pursuant to Colorado open records laws. Requires insurance producers to disclose financial information to consumers.

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.*

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. Legislative declaration - health carrier information**
6 **disclosure - web site - insurance producer disclosure requirements.**

7 (1) THE GENERAL ASSEMBLY FINDS AND DETERMINES THAT CONSUMERS
8 DESERVE TO KNOW THE QUALITY AND COST OF THEIR HEALTH CARE
9 INSURANCE. HEALTH CARE INSURANCE TRANSPARENCY PROVIDES
10 CONSUMERS WITH THE INFORMATION NECESSARY, AND THE INCENTIVE, TO
11 CHOOSE HEALTH PLANS BASED ON COST AND QUALITY. THE GENERAL
12 ASSEMBLY FURTHER FINDS THAT PROVIDING RELIABLE COST AND QUALITY
13 INFORMATION ABOUT HEALTH CARE INSURANCE EMPOWERS CONSUMER
14 CHOICE AND THAT CONSUMER CHOICE CREATES INCENTIVES AT ALL
15 LEVELS, AND MOTIVATES THE ENTIRE SYSTEM TO PROVIDE BETTER CARE
16 AND BENEFITS FOR LESS MONEY. THEREFORE IT IS THE INTENT OF THE
17 GENERAL ASSEMBLY TO MAKE INFORMATION REGARDING THE COSTS OF
18 HEALTH CARE INSURANCE READILY AVAILABLE TO CONSUMERS THROUGH
19 THE DIVISION OF INSURANCE.

20 (2) THE COMMISSIONER SHALL IMPLEMENT AND MAINTAIN A
21 CONSUMER GUIDE ON THE DIVISION OF INSURANCE WEB SITE THAT IS
22 EASILY ACCESSIBLE AND AVAILABLE TO CONSUMERS REGARDING EACH
23 CARRIER AUTHORIZED TO DO BUSINESS IN THIS STATE. THE WEB SITE
24 SHALL:

25 (a) BE DERIVED FROM THE INFORMATION THAT EACH CARRIER IS
26 REQUIRED TO FILE WITH THE DIVISION, EXCEPT FOR RECORDS THAT ARE

1 NOT OPEN TO PUBLIC INSPECTION PURSUANT TO PART 2 OF ARTICLE 72 OF
2 TITLE 24, C.R.S.;

3 (b) INCLUDE SUCH INFORMATION, IN ACCORDANCE WITH
4 PARAGRAPH (a) OF THIS SUBSECTION (2), AS THE COMMISSIONER
5 DETERMINES, IN HIS OR HER DISCRETION AND AFTER SOLICITING INPUT
6 FROM INTERESTED PARTIES, TO BE USEFUL TO CONSUMERS AND
7 PURCHASERS OF HEALTH CARE INSURANCE; AND

8 (c) INCLUDE A LINK TO THE DIVISION'S COMPLAINT FORM FOR USE
9 BY CONSUMERS TO FILE A COMPLAINT AGAINST A CARRIER AND A LINK TO
10 THE DIVISION'S COMPLAINT INDEX SO THAT CONSUMERS MAY ACCESS
11 INFORMATION REGARDING COMPLAINTS AGAINST CARRIERS.

12 (3) THE COMMISSIONER IS AUTHORIZED TO INCLUDE ADDITIONAL
13 HEALTH PLAN AND QUALITY INFORMATION ON THE WEB SITE FROM STATE
14 OR NATIONALLY RECOGNIZED ORGANIZATIONS THAT MEASURE
15 PERFORMANCE OF HEALTH BENEFIT PLANS.

16 (4) THE COMMISSIONER SHALL CONSIDER ALTERNATIVE METHODS
17 OF MAKING THE CONSUMER GUIDE ACCESSIBLE TO CONSUMERS WHO DO
18 NOT HAVE INTERNET ACCESS.

19 (5) AN INSURANCE PRODUCER LICENSED PURSUANT TO PART 4 OF
20 ARTICLE 2 OF THIS TITLE WHO SOLICITS OR NEGOTIATES AN APPLICATION
21 FOR HEALTH CARE INSURANCE ON BEHALF OF A CARRIER SHALL DISCLOSE
22 TO THE PERSON PURCHASING THE PLAN THAT THE INSURANCE PRODUCER
23 WILL RECEIVE A COMMISSION FROM THE CARRIER. THE INSURANCE
24 PRODUCER SHALL PROVIDE THE CONSUMER WITH THE STANDARD
25 COMPENSATION SCHEDULE FOR THE PRODUCT BEING SOLD. ANY CHANGE
26 TO THE INSURANCE PRODUCER'S COMPENSATION FROM THE INITIAL
27 DISCLOSURE TO THE TIME OF PURCHASE SHALL BE DISCLOSED BY THE

1 INSURANCE PRODUCER TO THE PURCHASER AT OR BEFORE THE TIME OF
2 SALE.

3 **SECTION 2. Effective date - applicability.** (1) This act shall
4 take effect January 1, 2009.

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

14 (3) The provisions of this act shall apply to health care insurance
15 purchased on or after the applicable effective date of this act.