

**FINAL
FISCAL NOTE**

Drafting Number: LLS 09-0350

Date: June 3, 2009

Prime Sponsor(s): Rep. Rice; Stephens
Sen. Mitchell; Newell

Bill Status: Signed into Law

Fiscal Analyst: Clare Pramuk (303-866-2677)

TITLE: CONCERNING INCENTIVES PROVIDED BY HEALTH INSURANCE CARRIERS TO ENCOURAGE VOLUNTARY PARTICIPATION IN PROGRAMS TO PROMOTE HEALTH.

Summary of Legislation

This bill allows insurance carriers that provide individual and group health insurance plans in Colorado, to offer incentives for participation in wellness and prevention programs. Carriers are given flexibility in determining the types of programs offered as long as:

- ▶ program participation is not a condition of coverage;
- ▶ participation in the program is voluntary;
- ▶ participants are not required to achieve a specific outcome to receive the incentive; and
- ▶ the incentive is not used as a marketing device for the insurance plan.

The Commissioner of Insurance is required to collect information on the wellness programs and incentives offered by insurance carriers.

The Governor signed the bill into law on April 25, 2009, and unless a referendum petition is filed, the bill will take effect January 1, 2010, and applies to health coverage plans issued or renewed on or after that date.

Assessment

This bill is assessed at no fiscal impact. The Division of Insurance in the Department of Regulatory Agencies expects to respond to inquiries from insurance carriers and consumers about the wellness and prevention programs. The division regularly surveys carriers and will amend their surveys to collect the information required by the bill. These activities are anticipated to be minimal and addressed with existing resources.

State employee health plans are not governed by state statute but the Department of Personnel and Administration endeavors to incorporate state requirements where possible. The department does not expect the incentive program to have an effect on premiums in the near term. CoverColorado is subject to the bill and does not expect a fiscal impact.

Departments Contacted

Regulatory Agencies

Personnel and Administration