

Second Regular Session  
Sixty-seventh General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 10-0493.01 Christy Chase

HOUSE BILL 10-1160

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HOUSE SPONSORSHIP

Rice and Stephens,

SENATE SPONSORSHIP

Mitchell,

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House Committees

Health and Human Services

Senate Committees

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A BILL FOR AN ACT

101 CONCERNING THE ABILITY OF HEALTH INSURANCE CARRIERS TO OFFER  
102 INCENTIVES FOR PARTICIPATION IN WELLNESS PROGRAMS  
103 BASED ON SATISFACTION OF A STANDARD RELATED TO A HEALTH  
104 FACTOR.

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Bill Summary

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)*

Current law allows health insurance carriers offering individual health coverage plans and small group plans and the board of directors of

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.*

the CoverColorado program or carriers providing health benefit plans to CoverColorado participants to offer incentives or rewards to encourage persons covered under the plans to participate in a wellness and prevention program. The incentives or rewards can be based only on participation in a wellness and prevention program and cannot be tied to any particular outcome achieved by participating in the program.

The bill repeals the restriction on incentives based on outcomes and allows carriers to base the incentives or rewards on satisfaction of a standard related to a health factor if the incentive or reward under the wellness and prevention program is consistent with the nondiscrimination requirements of the federal "Health Insurance Portability and Accountability Act of 1996".

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

2 **SECTION 1.** 10-16-136 (2) (b), (3) (a), (3) (c), and (3) (d),  
3 Colorado Revised Statutes, are amended to read:

4 **10-16-136. Wellness and prevention programs - individual and**  
5 **small group health coverage plans - voluntary participation -**  
6 **incentives or rewards - definitions - legislative declaration.**

7 (2) (b) Carriers may determine the types of wellness and prevention  
8 programs to offer to individuals and small groups and the incentives or  
9 rewards allowed under the health coverage plan or small group plan. The  
10 incentives or rewards may include, but are not limited to, premium  
11 discounts or rebates; modifications to copayment, deductible, or  
12 coinsurance amounts; or a combination of these incentives or rewards.

13 An incentive or reward offered by a carrier for participation in wellness  
14 and prevention programs shall be reasonably related to the program and  
15 ~~MAY BE tied to participation in the program rather than particular~~  
16 ~~outcomes or results from such participation~~ OR BASED ON SATISFACTION  
17 OF A STANDARD RELATED TO A HEALTH FACTOR, AS PERMITTED BY AND IN  
18 COMPLIANCE WITH THE FEDERAL "HEALTH INSURANCE PORTABILITY AND  
19 ACCOUNTABILITY ACT OF 1996", AS AMENDED, 42 U.S.C. SEC. 201 ET

1 SEQ., AND THE FEDERAL REGULATIONS IMPLEMENTING SUCH ACT.

2 (3) A carrier offering incentives or rewards pursuant to this  
3 section shall ensure that:

4 (a) Participation in OR SATISFACTION OF A STANDARD RELATED TO  
5 A HEALTH FACTOR PURSUANT TO a wellness and prevention program is not  
6 a condition of coverage under the health coverage plan or small group  
7 plan;

8 (c) Participation in a wellness and prevention program is  
9 voluntary and that a penalty may not be imposed on a covered person or  
10 small group for not participating in a wellness and prevention program OR  
11 NOT SATISFYING A STANDARD RELATED TO A HEALTH FACTOR PURSUANT  
12 TO THE PROGRAM;

13 ~~(d) A covered person or small group is not required to achieve any~~  
14 ~~specific outcome in order to receive the incentive or reward for~~  
15 ~~participation in a wellness and prevention program~~ ANY INCENTIVE OR  
16 REWARD FOR SATISFYING A STANDARD RELATED TO A HEALTH FACTOR IS  
17 MADE IN COMPLIANCE WITH THIS SECTION, THE FEDERAL "HEALTH  
18 INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996", AS  
19 AMENDED, AND THE FEDERAL REGULATIONS IMPLEMENTING SUCH ACT;  
20 and

21 **SECTION 2.** 10-8-514.5, Colorado Revised Statutes, is amended  
22 to read:

23 **10-8-514.5. Incentives or rewards for participation in wellness**  
24 **and prevention programs.** Notwithstanding any provision of this part  
25 5 to the contrary and consistent with section 10-16-136, the board or a  
26 carrier providing health benefit plans to participants may offer incentives  
27 or rewards to participants for participation in a wellness and prevention

1 program OR FOR SATISFACTION OF A STANDARD RELATED TO A HEALTH  
2 FACTOR PURSUANT TO A WELLNESS AND PREVENTION PROGRAM.

3 **SECTION 3. Specified effective date - applicability.** This act  
4 shall take effect July 1, 2010, and shall apply to health coverage plans  
5 issued, delivered, or renewed on or after said date.

6 **SECTION 4. Safety clause.** The general assembly hereby finds,  
7 determines, and declares that this act is necessary for the immediate  
8 preservation of the public peace, health, and safety.