

Second Regular Session  
Sixty-seventh General Assembly  
STATE OF COLORADO

**REREVISED**

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

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**  
Business, Labor and Technology

SENATE  
Am ended 3rd Reading  
April 23, 2010

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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 **RISK FACTOR.**

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SENATE  
Am ended 2nd Reading  
April 20, 2010

**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>.)*

HOUSE  
3rd Reading Unam ended  
March 10, 2010

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

HOUSE  
Am ended 2nd Reading  
March 9, 2010

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 (1), (2) (a), (2) (b), (3) (a), (3) (c), (3)  
3 (d), and (5), \_\_\_ Colorado Revised Statutes, are amended, and the said  
4 10-16-136 is further amended BY THE ADDITION OF THE  
5 FOLLOWING NEW SUBSECTIONS, to read:

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

9 (1) The general assembly hereby finds and declares that:

10 (a) With the rising costs of health care coverage, it is important to  
11 find innovative ways to reduce costs and make health coverage more  
12 affordable for individuals and small employer groups;

13 (b) When individuals covered under a health coverage plan lead  
14 healthy lifestyles and engage in wellness and disease prevention  
15 activities, their need for health care and the costs of their health care are  
16 reduced, and the entity providing their health care coverage benefits from  
17 reduced utilization rates and costs;

18 (c) Carriers should be afforded the ability to develop innovative  
19 and flexible ways to encourage covered persons under their health

1 coverage plans to engage in activities that promote their overall health  
2 and prevent or reduce the impacts of disease; and

3 (d) It is therefore important to allow carriers to provide incentives  
4 or rewards, including premium discounts and reduced out-of-pocket costs  
5 for health care services, to encourage covered persons to participate in  
6 AND SATISFY A STANDARD RELATED TO A HEALTH RISK FACTOR PURSUANT  
7 TO wellness and prevention programs; AND

8 (e) THIS SECTION IS INTENDED TO LOWER COSTS FOR ALL SMALL  
9 GROUPS AND INDIVIDUALS AND IS NOT INTENDED TO INCREASE OR ALLOW  
10 CARRIERS TO INCREASE RATES FOR OR SHIFT COSTS TO THOSE INDIVIDUALS  
11 AND SMALL GROUPS THAT DECLINE TO PARTICIPATE IN WELLNESS AND  
12 PREVENTION PROGRAMS OFFERED BY CARRIERS.

13 (2) (a) Consistent with section 10-16-107 (6) and subject to  
14 subsection (3) of this section, a carrier offering an individual health  
15 coverage plan or a small group plan in this state may offer incentives or  
16 rewards to encourage the individual or small group and other covered  
17 persons under the plan to participate in wellness and prevention  
18 programs. For purposes of small group plans, the incentives or rewards  
19 may be applied to the entire small group or to individuals in the small  
20 group based on their participation in wellness and prevention programs.  
21 A carrier offering such incentives or rewards shall implement adequate  
22 measures to ensure that the privacy of individuals in the group is  
23 maintained and that individually identifiable health information is not  
24 shared or made available to an individual's employer or any other person  
25 not otherwise allowed access to the information under the federal "Health  
26 Insurance Portability and Accountability Act of 1996", as amended. A  
27 carrier shall not disclose to any third party, including a covered person's

1 employer, AND THE COVERED PERSON'S EMPLOYER SHALL NOT DISCLOSE,  
2 any information obtained from or about a covered person in connection  
3 with the covered person's participation in a wellness and prevention  
4 program that is reasonably attributable to the covered person, unless the  
5 covered person consents IN WRITING to disclosure of such information.

6 (2) (b) (I) Carriers may determine the types of wellness and  
7 prevention programs to offer to individuals and small groups and the  
8 incentives or rewards allowed under the health coverage plan or small  
9 group plan. [REDACTED]

10 (II) LICENSED HEALTH CARE PROVIDERS, COMMUNITY-BASED  
11 WELLNESS PROGRAMS, EMPLOYERS, AND INDIVIDUALS PARTICIPATING IN  
12 AN INDIVIDUAL HEALTH COVERAGE PLAN MAY DEVELOP WELLNESS AND  
13 PREVENTION PROGRAMS FOR CARRIERS TO CONSIDER IN DETERMINING THE  
14 TYPES OF WELLNESS AND PREVENTION PROGRAMS TO OFFER UNDER A  
15 HEALTH COVERAGE PLAN OR SMALL GROUP PLAN.

16 (III) The incentives or rewards THAT A CARRIER MAY ALLOW  
17 UNDER A HEALTH COVERAGE PLAN OR SMALL GROUP PLAN may include,  
18 but are not limited to, premium discounts or rebates; modifications to  
19 copayment, deductible, or coinsurance amounts; or a combination of these  
20 incentives or rewards.

21 (IV) An incentive or reward offered by a carrier for participation  
22 in UNDER wellness and prevention programs shall be reasonably related  
23 to the program and MAY BE:

24 (A) Tied ONLY to participation in the program; rather than  
25 particular outcomes or results from such participation OR

26 (B) BASED ON SATISFACTION OF A STANDARD RELATED TO A  
27 HEALTH RISK FACTOR, AS PERMITTED BY AND IN COMPLIANCE WITH THE

1 FEDERAL "HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT  
2 OF 1996", AS AMENDED, 42 U.S.C. SEC. 201 ET SEQ., AND THE FEDERAL  
3 REGULATIONS IMPLEMENTING SUCH ACT.

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

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

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

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

23 (3.5) AN INCENTIVE OR REWARD BASED UPON SATISFACTION OF A  
24 STANDARD RELATED TO A HEALTH RISK FACTOR MAY BE OFFERED OR  
25 PROVIDED BY A CARRIER ONLY PURSUANT TO A BONA FIDE WELLNESS AND  
26 PREVENTION PROGRAM AND IF THE FOLLOWING STANDARDS ARE MET:

27 (a) (I) THE INCENTIVE FOR THE WELLNESS AND PREVENTION

1 PROGRAM, TOGETHER WITH THE INCENTIVE FOR OTHER WELLNESS AND  
2 PREVENTION PROGRAMS WITH RESPECT TO THE HEALTH COVERAGE PLAN  
3 OR SMALL GROUP PLAN THAT REQUIRES SATISFACTION OF A STANDARD  
4 RELATED TO A HEALTH RISK FACTOR, IS REASONABLY RELATED TO THE  
5 PROGRAM AND DOES NOT EXCEED TWENTY PERCENT OF THE COST OF  
6 EMPLOYEE-ONLY COVERAGE UNDER THE HEALTH COVERAGE OR SMALL  
7 GROUP PLAN OR, IF AN EMPLOYEE'S DEPENDENTS ARE ALLOWED TO  
8 PARTICIPATE IN THE PROGRAM, DOES NOT EXCEED TWENTY PERCENT OF  
9 THE COST OF THE COVERAGE IN WHICH AN EMPLOYEE AND DEPENDENTS  
10 ARE ENROLLED. AN EMPLOYER MAY ALSO RECEIVE AN INCENTIVE FOR  
11 PARTICIPATION OF EMPLOYEES IN A WELLNESS AND PREVENTION PROGRAM  
12 AS LONG AS THE EMPLOYEES ARE ALLOWED AN INCENTIVE.

13 (II) FOR PURPOSES OF THIS PARAGRAPH (a), THE COST OF  
14 COVERAGE IS DETERMINED BASED ON THE TOTAL AMOUNT OF EMPLOYER  
15 AND EMPLOYEE CONTRIBUTIONS FOR THE BENEFIT PACKAGE UNDER WHICH  
16 THE EMPLOYEE IS, OR THE EMPLOYEE AND ANY DEPENDENTS ARE,  
17 RECEIVING COVERAGE.

18 (III) AN INCENTIVE MAY BE IN THE FORM OF A DISCOUNT OR  
19 REBATE OF A PREMIUM OR CONTRIBUTION, A WAIVER OF ALL OR PART OF  
20 A COST-SHARING MECHANISM, INCLUDING, BUT NOT LIMITED TO,  
21 DEDUCTIBLES, COPAYMENTS, OR COINSURANCE, THE ABSENCE OF A  
22 SURCHARGE, OR THE VALUE OF A BENEFIT THAT WOULD OTHERWISE NOT  
23 BE PROVIDED UNDER THE HEALTH COVERAGE OR SMALL GROUP PLAN.

24 (b) THE WELLNESS AND PREVENTION PROGRAM:

25 (I) IS CONSISTENT WITH EVIDENCE-BASED RESEARCH AND BEST  
26 PRACTICES;

27 (II) HAS A REASONABLE LIKELIHOOD OF IMPROVING THE HEALTH

1 OF, OR PREVENTING DISEASE IN, PARTICIPATING INDIVIDUALS;     

2     (III) CONTAINS CULTURALLY AND LINGUISTICALLY APPROPRIATE  
3 PROGRAMS AND MATERIALS; AND

4     (IV) IS NOT OVERLY BURDENSOME, A SUBTERFUGE FOR  
5 DISCRIMINATING BASED ON A HEALTH FACTOR, OR HIGHLY SUSPECT IN THE  
6 METHOD CHOSEN TO PROMOTE HEALTH OR PREVENT DISEASE.

7     (c) THE PROGRAM GIVES INDIVIDUALS ELIGIBLE FOR THE WELLNESS  
8 AND PREVENTION PROGRAM THE OPPORTUNITY TO QUALIFY FOR THE  
9 INCENTIVE UNDER THE PROGRAM UPON ENROLLMENT IN THE HEALTH  
10 COVERAGE OR SMALL GROUP PLAN AND AT LEAST ONCE PER YEAR AFTER  
11 ENROLLMENT.

12     (d) (I) THE FULL INCENTIVE UNDER THE WELLNESS AND  
13 PREVENTION PROGRAM IS MADE AVAILABLE TO ALL SIMILARLY SITUATED  
14 INDIVIDUALS. AN INCENTIVE IS NOT AVAILABLE TO ALL SIMILARLY  
15 SITUATED INDIVIDUALS FOR A PERIOD UNLESS THE WELLNESS AND  
16 PREVENTION PROGRAM ALLOWS AN INDIVIDUAL OR A LICENSED HEALTH  
17 CARE PROVIDER CHOSEN BY THE INDIVIDUAL TO REQUEST:

18     (A) A REASONABLE ALTERNATIVE STANDARD OR WAIVER OF THE  
19 OTHERWISE APPLICABLE STANDARD FOR OBTAINING THE INCENTIVE FOR  
20 THAT PERIOD IF IT IS UNREASONABLY DIFFICULT FOR THE INDIVIDUAL, DUE  
21 TO A MEDICAL CONDITION, TO SATISFY THE OTHERWISE APPLICABLE  
22 STANDARD; OR

23     (B) A REASONABLE ALTERNATIVE STANDARD OR WAIVER OF THE  
24 OTHERWISE APPLICABLE STANDARD FOR OBTAINING THE INCENTIVE FOR  
25 THAT PERIOD IF IT IS MEDICALLY INADVISABLE FOR THE INDIVIDUAL TO  
26 ATTEMPT TO SATISFY THE OTHERWISE APPLICABLE STANDARD.

27     (II) IF AN INDIVIDUAL REQUESTS AND IS GRANTED A WAIVER OR IS

1 ALLOWED A REASONABLE ALTERNATIVE STANDARD AND SATISFIES THAT  
2 STANDARD, THE INDIVIDUAL SHALL RECEIVE THE FULL INCENTIVE UNDER  
3 THE PROGRAM THAT IS AVAILABLE TO ALL SIMILARLY SITUATED  
4 INDIVIDUALS.

5 (III) IF THE CARRIER DENIES A REQUEST FOR AN ALTERNATIVE  
6 STANDARD OR WAIVER OF A STANDARD THAT WOULD OTHERWISE BE  
7 APPLICABLE TO AN INDIVIDUAL UNDER A WELLNESS AND PREVENTION  
8 PROGRAM, THE INDIVIDUAL MAY REQUEST AN INDEPENDENT EXTERNAL  
9 REVIEW PURSUANT TO SECTION 10-16-113.5.

10 (IV) THE SMALL EMPLOYER CARRIER SHALL DISCLOSE, IN ALL PLAN  
11 MATERIALS DESCRIBING THE TERMS OF THE WELLNESS AND PREVENTION  
12 PROGRAM, THE AVAILABILITY OF A REASONABLE ALTERNATIVE STANDARD  
13 OR THE POSSIBILITY OF WAIVER OF THE OTHERWISE APPLICABLE STANDARD  
14 AS REQUIRED BY THIS PARAGRAPH (d). IF HEALTH COVERAGE OR SMALL  
15 GROUP PLAN MATERIALS MENTION THE AVAILABILITY OF A WELLNESS AND  
16 PREVENTION PROGRAM BUT DO NOT DESCRIBE THE TERMS OF THE  
17 PROGRAM, THE SMALL EMPLOYER CARRIER IS NOT REQUIRED TO MAKE THE  
18 DISCLOSURE OF AN ALTERNATIVE OR WAIVER PURSUANT TO THIS  
19 SUBPARAGRAPH (IV).

20 (e) THE INCENTIVES ARE PROVIDED TO AN INDIVIDUAL BASED ON  
21 A PROGRAM OR ACTIVITY THAT IS SCIENTIFICALLY PROVEN TO IMPROVE  
22 HEALTH, AND THE CARRIER DOES NOT PROVIDE INCENTIVES BASED ON AN  
23 INDIVIDUAL'S ACTUAL HEALTH STATUS.

24 (3.7) PRIOR TO OFFERING OR PROVIDING AN INCENTIVE OR REWARD  
25 BASED UPON SATISFACTION OF A STANDARD RELATED TO A HEALTH RISK  
26 FACTOR IN ACCORDANCE WITH SUBSECTION (3.5) OF THIS SECTION, A  
27 CARRIER SHALL SUBMIT ITS PROPOSAL FOR THE INCENTIVE OR REWARD TO



1 A NATIONALLY RECOGNIZED NONPROFIT ENTITY THAT ACCREDITS  
2 WELLNESS PROGRAMS FOR REVIEW AND DETERMINATION AS TO WHETHER  
3 THE PROPOSED PROGRAM AND INCENTIVE OR REWARD SATISFY THE  
4 REQUIREMENTS OF SUBSECTION (3.5) OF THIS SECTION. A CARRIER SHALL  
5 NOT OFFER THE PROPOSED PROGRAM OR THE INCENTIVES OR REWARDS  
6 UNLESS THE ACCREDITING ENTITY DETERMINES THAT THE PROGRAM AND  
7 INCENTIVES OR REWARDS SATISFY THOSE REQUIREMENTS AND ACCREDITS  
8 THE CARRIER'S WELLNESS AND PREVENTION PROGRAM.

9 (5) (a) The division of insurance shall determine which carriers  
10 are offering wellness and prevention programs in Colorado and collect  
11 the following information from those carriers:

12 (I) The types of wellness and prevention programs offered;

13 (II) The types and nature of incentives or rewards the carrier  
14 provides for participation;

15 (III) The total number of small groups in the small group market  
16 participating in programs offered by the carrier, and SPECIFYING THE  
17 NUMBER OF EACH OF THE FOLLOWING SMALL GROUPS PARTICIPATING IN  
18 SUCH PROGRAMS:

19 (A) BUSINESS GROUPS OF ONE;

20 (B) SMALL GROUPS WITH AT LEAST TWO EMPLOYEES AND FEWER  
21 THAN ELEVEN EMPLOYEES;

22 (C) SMALL GROUPS WITH AT LEAST ELEVEN EMPLOYEES AND  
23 FEWER THAN TWENTY-SIX EMPLOYEES;

24 (D) SMALL GROUPS WITH AT LEAST TWENTY-SIX EMPLOYEES AND  
25 FEWER THAN FIFTY-ONE EMPLOYEES;

26 (IV) The number of individuals insured through an individual  
27 health coverage plan that are participating in programs offered by the

1 carrier:

2 (V) ANY INFORMATION, INCLUDING SOCIOECONOMIC  
3 INFORMATION, AS REQUIRED BY THE COMMISSIONER PURSUANT TO  
4 SECTION 10-16-107 TO ENSURE THAT RATES FILED IN CONJUNCTION WITH  
5 THE PROGRAMS ARE NOT EXCESSIVE, INADEQUATE, OR UNFAIRLY  
6 DISCRIMINATORY;

7 (VI) THE DOLLAR AMOUNT OF DISCOUNTS PROVIDED TO THE TOTAL  
8 NUMBER OF SMALL GROUPS, AS IDENTIFIED PURSUANT TO SUBPARAGRAPH  
9 (III) OF THIS PARAGRAPH (a); AND

10 (VII) THE DOLLAR AMOUNT OF DISCOUNTS PROVIDED TO THE  
11 TOTAL NUMBER OF INDIVIDUALS, AS IDENTIFIED PURSUANT TO  
12 SUBPARAGRAPH (IV) OF THIS PARAGRAPH (a).

13 (b) The division shall determine the percentage of carriers  
14 issuing individual health coverage plans or small group plans in the state  
15 that offer wellness and prevention programs and shall provide that  
16 information and the information collected pursuant to paragraph (a) of  
17 this subsection (5) to the ~~health care task force created in section~~  
18 ~~10-16-221~~ HEALTH AND HUMAN SERVICES COMMITTEES OF THE SENATE  
19 AND HOUSE OF REPRESENTATIVES, THE BUSINESS, LABOR, AND  
20 TECHNOLOGY COMMITTEE OF THE SENATE, AND THE BUSINESS AFFAIRS  
21 AND LABOR COMMITTEE OF THE HOUSE OF REPRESENTATIVES, OR THEIR  
22 SUCCESSOR COMMITTEES, BY JANUARY 1, 2012, AND BY EACH JANUARY  
23 1 THEREAFTER UNTIL JANUARY 1, 2015. THE DIVISION SHALL ALSO MAKE  
24 THE INFORMATION AVAILABLE TO THE PUBLIC BY THAT DATE.

25 (6.5) NOTHING IN THIS SECTION MODIFIES RATE REGULATION OF  
26 HEALTH COVERAGE PLANS PURSUANT TO THIS ARTICLE, INCLUDING THE  
27 APPLICABILITY OF MODIFIED COMMUNITY RATING TO SUCH PLANS.

1           (6.7) THE COMMISSIONER SHALL MONITOR AND ENFORCE THE  
2           REQUIREMENTS OF THIS SECTION AND, IN CONNECTION WITH SUCH  
3           MONITORING AND ENFORCEMENT, MAY TAKE ANY MARKET CONDUCT  
4           ACTION AUTHORIZED BY PART 2 OF ARTICLE 1 OF THIS TITLE THAT THE  
5           COMMISSIONER DEEMS NECESSARY TO ENFORCE THE REQUIREMENTS OF  
6           THIS SECTION. AS USED IN THIS SUBSECTION (6.7), "MONITOR AND  
7           ENFORCE" INCLUDES AT LEAST THE FOLLOWING:

8           (a) THE REVIEW OF CARRIER AND PRODUCER MARKETING  
9           PRACTICES RELATED TO WELLNESS AND PREVENTION PROGRAMS; AND

10           (b) AN ASSESSMENT OF THE TYPES OF INDIVIDUAL HEALTH  
11           COVERAGE PLANS AND SMALL GROUP PLANS CONTAINING A WELLNESS AND  
12           PREVENTION PROGRAMS THAT HAVE BEEN SOLD, INDICATING THE  
13           PERCENTAGE OF SUCH PLANS THAT ARE HIGH DEDUCTIBLE, HIGH  
14           COST-SHARING PLANS.

15           (8) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2015.

16           **SECTION 2.** 10-16-136 (3), Colorado Revised Statutes, is  
17           amended BY THE ADDITION OF A NEW PARAGRAPH to read:

18           **10-16-136. Wellness and prevention programs - individual and**  
19           **small group health coverage plans - voluntary participation -**  
20           **incentives or rewards - definitions - legislative declaration.** (3) A  
21           carrier offering incentives or rewards pursuant to this section shall ensure  
22           that:

23           (f) THE CARRIER DOES NOT USE WELLNESS AND PREVENTION  
24           PROGRAMS, OR INCENTIVES OR REWARDS UNDER SUCH PROGRAMS, TO  
25           INCREASE RATES OR PREMIUMS FOR ANY INDIVIDUALS OR SMALL GROUPS  
26           COVERED BY THE CARRIER'S PLANS.

27           **SECTION 3.** 10-16-136 (7), Colorado Revised Statutes, is

1 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

2 **10-16-136. Wellness and prevention programs - individual and**  
3 **small group health coverage plans - voluntary participation -**  
4 **incentives or rewards - definitions - legislative declaration. (7) As**  
5 used in this section:

6 (a.5) "HEALTH RISK FACTOR" INCLUDES, WITHOUT LIMITATION,  
7 HEALTH BEHAVIORS SUCH AS SMOKING, DIET, ALCOHOL CONSUMPTION,  
8 EXERCISE, AND EXPOSURE TO UV RADIATION, THAT ARE KNOWN TO BE  
9 ASSOCIATED WITH INCREASED MORTALITY AND MORBIDITY FOR A NUMBER  
10 OF CONDITIONS.

11 **SECTION 4.** 10-16-107 (6), Colorado Revised Statutes, is  
12 amended to read:

13 **10-16-107. Rate regulation - rules - approval of policy forms**  
14 **- benefit certificates - evidences of coverage - benefits ratio -**  
15 **disclosures on treatment of intractable pain. (6) (a) A carrier offering**  
16 a group health benefit plan may not require any individual, as a condition  
17 of enrollment or continued enrollment under the plan, to pay a premium  
18 or contribution that is greater than ~~such~~ THE premium or contribution for  
19 a similarly situated individual enrolled in the plan on the basis of any  
20 health status-related factor in relation to the individual or to an individual  
21 enrolled under the plan as a dependent of the individual.

22 (b) ~~This~~ THE prohibition IN PARAGRAPH (a) OF THIS SUBSECTION  
23 (6) shall not be construed to:

24 (I) Restrict the amount that an employer may be charged for  
25 coverage under a group health benefit plan; or ~~to~~

26 (II) Prevent a carrier from establishing premium discounts or  
27 rebates or modifying otherwise applicable copayments, coinsurance, or

1 deductibles in return for:

2 (A) Adherence to programs of health promotion and disease  
3 prevention if otherwise allowed by state or federal law; ~~or for~~

4 (B) Participation in a wellness and prevention program pursuant  
5 to section 10-16-136; OR

6 (C) SATISFACTION OF A STANDARD RELATED TO A HEALTH RISK  
7 FACTOR PURSUANT TO A WELLNESS AND PREVENTION PROGRAM  
8 AUTHORIZED IN SECTION 10-16-136.

9 **SECTION 5.** 10-8-514.5, Colorado Revised Statutes, is amended  
10 to read:

11 **10-8-514.5. Incentives or rewards for participation in wellness**  
12 **and prevention programs.** Notwithstanding any provision of this part  
13 5 to the contrary and consistent with section 10-16-136, the board or a  
14 carrier providing health benefit plans to participants may offer incentives  
15 or rewards to participants for participation in a wellness and prevention  
16 program OR FOR SATISFACTION OF A STANDARD RELATED TO A HEALTH  
17 FACTOR PURSUANT TO A WELLNESS AND PREVENTION PROGRAM.

18 **SECTION 6. Specified effective date - applicability.** This act  
19 shall take effect July 1, 2010, and shall apply to health coverage plans and  
20 small group plans issued, delivered, or renewed on or after said date.

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