

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

REVISED

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

LLS NO. 10-0326.01 Christy Chase

HOUSE BILL 10-1220

HOUSE SPONSORSHIP

Priola, Liston, Rice, Stephens

SENATE SPONSORSHIP

Schwartz,

House Committees

Business Affairs and Labor
Finance
Appropriations

Senate Committees

Business, Labor and Technology

A BILL FOR AN ACT

101 **CONCERNING THE SUNSET REVIEW OF THE FUNCTIONS OF THE DIVISION**
102 **OF INSURANCE RELATED TO THE REGULATION OF SPECIFIED**
103 **LINES OF INSURANCE, AND, IN CONNECTION THEREWITH,**
104 **CONTINUING THE FUNCTIONS OF THE DIVISION RELATED TO THE**
105 **REGULATION OF PROPERTY AND CASUALTY, AUTOMOBILE, AND**
106 **OTHER INSURERS THAT DO NOT OFFER HEALTH, LIFE, PROPERTY,**
107 **CASUALTY, OR AUTOMOBILE INSURANCE THROUGH JULY 1,**
108 **2017; CONSOLIDATING THE SUNSET REVIEW OF ALL FUNCTIONS**
109 **OF THE DIVISION OF INSURANCE OTHER THAN THOSE RELATED**
110 **TO THE LICENSING OF BAIL BONDING AGENTS; AND**
111 **IMPLEMENTING OTHER RECOMMENDATIONS CONTAINED IN THE**
112 **SUNSET REPORT.**

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.

SENATE
Am ended 2nd Reading
April 12, 2010

HOUSE
3rd Reading Unam ended
March 22, 2010

HOUSE
Am ended 2nd Reading
March 19, 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/billssummaries>.)

Sunset Process - House Business Affairs and Labor Committee. The bill implements the recommendations of the department of regulatory agencies in its sunset review of the functions of the division of insurance (division) related to the regulation of property and casualty, automobile, and any other entity or function that does not offer health or life insurance, as follows:

Sections 1, 2, and 3 of the bill continue the functions of the division related to the regulation of property and casualty, automobile, and any other entity or function that does not offer health or life insurance for 7 years, until July 1, 2017.

Sections 1, 2, and 3 of the bill repeal the current sunset review schedule related to the other functions of the division and consolidate the sunset review of the entire division, except for its functions related to the licensing of bail bonding agents, with a new sunset repeal date of July 1, 2017.

Section 4 of the bill establishes the following acts, practices, or omissions as unfair or deceptive acts or practices in the business of insurance:

- ! Knowingly making any false entry of a material fact in any book, report, or statement of any insurer;
- ! Knowingly omitting or failing to make a true entry of a material fact pertaining to the business of the insurer in any book, report, or statement of the insurer; and
- ! Knowingly making any false material statement to the commissioner of insurance (commissioner) or any employee or agent of the division.

Section 5 of the bill establishes the following practices as unfair discrimination in the business of insurance:

- ! Differential treatment of individuals of the same class and essentially the same hazard in the amount of premium, policy fees, or rates charged for health insurance, in the benefits payable under a health insurance policy, in the terms or conditions of the policy, or in any other manner; and
- ! Differential treatment of individuals of the same class or risks and essentially the same hazard by refusing to insure

or renew, or canceling or limiting the amount of coverage under, a policy of property or casualty insurance solely based on the geographical location of the risk, absent sound underwriting and actuarial justification.

Section 6 of the bill repeals an outdated statutory requirement mandating insurers to publish a synopsis of their annual financial reports in a newspaper of general circulation.

Section 7 of the bill allows the commissioner to make available to the public the final results of insurer self-audits and other division analyses of insurers that do not constitute formal market conduct examinations of the insurer.

Section 8 of the bill repeals the statutory authorization for the formation of employers' mutual liability companies and self-insurance pools for the purpose of providing coverages such as workers' compensation coverage.

Section 9 of the bill allows, rather than mandates, the commissioner to rely on the advice and assistance of an association of insurance brokers to carry out the purposes of the "Nonadmitted Insurance Act".

Current law allows the commissioner to perform examinations of the books, records, and accounts of licensed preneed funeral contract sellers but limits the commissioner's ability to perform such examinations to not more than once a year, unless good cause is shown. **Section 10** of the bill requires, rather than permits, the commissioner to perform examinations of the books, records, and accounts of each licensed preneed funeral contract seller at least once every 5 years and allows the commissioner to conduct such examinations more often as deemed necessary by the commissioner.

Section 11 of the bill repeals the medical malpractice insurance joint underwriting association.

Section 12 of the bill repeals the commercial liability insurance joint underwriting association.

Section 13 of the bill reconciles the number of days allowed until a protested motor vehicle policy change is effective. Under current law, when the commissioner dismisses a protest to an insurer's proposed changes to a policy without first conducting a hearing, the proposed changes cannot take effect for 15 days after notice of the dismissal. Alternatively, current law establishes a 20-day delay for the effectiveness of a proposed change when the commissioner conducts a hearing and finds that the proposed change is justified. Section 13 reconciles these 2 different periods to ensure that a proposed change takes effect 20 days after notice, regardless of whether the protest was dismissed without a hearing or the proposed change was found, after a hearing, to be justified.

Sections 14 and 15 of the bill repeal obsolete provisions of law requiring Pinnacol Assurance (Pinnacol) to submit a plan to the

commissioner regarding how it intends to accumulate a surplus fund since Pinnacol has submitted the plan and has accumulated a sufficient surplus.

Sections 16 through 22 of the bill contain conforming statutory changes necessitated by the repeal of other provisions of law in section 11 of the bill.

Section 23 of the bill specifies that the bill takes effect on July 1, 2010, and **section 24** declares the act necessary for the immediate preservation of public peace, health, and safety.

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

2 **SECTION 1.** 10-1-103 (6) (b) (I) (A), (6) (b) (I) (B.5), (6) (b) (I)
3 (C), (6) (b) (I) (D), and (6) (b) (I) (E), Colorado Revised Statutes, are
4 amended to read:

5 **10-1-103. Division of insurance - subject to termination -**
6 **repeal of functions.** (6) (b) (I) (A) The functions of the division of
7 insurance related to the licensing of bail bonding agents are repealed,
8 effective July 1, 2013 2012, pursuant to the provisions of this section and
9 section 12-7-112, C.R.S.

10 ~~(B.5) The functions of the division of insurance related to the~~
11 ~~regulation of life insurance are repealed, effective July 1, 2016, pursuant~~
12 ~~to the provisions of this section and section 24-34-104 (47), C.R.S.~~

13 ~~(C) The functions of the division of insurance related to the~~
14 ~~licensing of insurance producers are repealed, effective July 1, 2019,~~
15 ~~pursuant to the provisions of this section and section 24-34-104, C.R.S.~~

16 (D) The functions of the division of insurance, related to the
17 regulation of property and casualty, automobile, and any other entity or
18 function that does not offer health, life, property, casualty, or automobile
19 insurance by the division OTHER THAN THOSE FUNCTIONS RELATED TO THE
20 LICENSING OF BAIL BONDING AGENTS, are repealed, effective July 1, 2010
21 2017, pursuant to the provisions of this section and section 24-34-104

1 ~~(41)~~ (48), C.R.S.

2 (E) ~~The functions of the division of insurance related to the~~
3 ~~regulation of health care coverage are repealed, effective July 1, 2012,~~
4 ~~pursuant to the provisions of this section and section 24-34-104 (43),~~
5 ~~C.R.S.~~

6 **SECTION 2.** 12-7-112, Colorado Revised Statutes, is amended
7 to read:

8 **12-7-112. Repeal - review of functions.** This article is repealed,
9 effective July 1, 2013 2012. Prior to such repeal, the licensing functions
10 of the commissioner and the division shall be reviewed as provided for in
11 section 24-34-104, C.R.S.

12 **SECTION 3.** 24-34-104 (43), Colorado Revised Statutes, is
13 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

14 **24-34-104. General assembly review of regulatory agencies**
15 **and functions for termination, continuation, or reestablishment.**

16 (43) The following agencies, functions, or both, shall terminate on July
17 1, 2012:

18 (f) THE LICENSING OF BAIL BONDING AGENTS THROUGH THE
19 DIVISION OF INSURANCE IN ACCORDANCE WITH ARTICLE 7 OF TITLE 12,
20 C.R.S.

21 **SECTION 4.** 24-34-104 (48), Colorado Revised Statutes, is
22 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

23 **24-34-104. General assembly review of regulatory agencies**
24 **and functions for termination, continuation, or reestablishment.**

25 (48) The following agencies, functions, or both, shall terminate on July
26 1, 2017:

27 (i) THE FUNCTIONS OF THE DIVISION OF INSURANCE IN THE

1 DEPARTMENT OF REGULATORY AGENCIES PURSUANT TO ARTICLE 1 OF
2 TITLE 10, C.R.S., OTHER THAN THE FUNCTIONS OF THE DIVISION RELATED
3 TO THE LICENSING OF BAIL BONDING AGENTS.

4 **SECTION 5. Repeal.** 24-34-104 (41) (n), (43) (b), (44) (m), (47)
5 (a), and (50) (a), Colorado Revised Statutes, are repealed as follows:

6 **24-34-104. General assembly review of regulatory agencies**
7 **and functions for termination, continuation, or reestablishment.**

8 (41) The following agencies, functions, or both, shall terminate on July
9 1, 2010:

10 (n) ~~The functions of the division of insurance related to the~~
11 ~~regulation of property and casualty, automobile, and any other entity or~~
12 ~~function that does not offer health, life, property, casualty, or automobile~~
13 ~~insurance by the division, pursuant to article 1 of title 10, C.R.S.;~~

14 (43) The following agencies, functions, or both, shall terminate on
15 July 1, 2012:

16 (b) ~~The functions of the division of insurance related to the~~
17 ~~regulation of health care coverage pursuant to the provisions of article 1~~
18 ~~of title 10, C.R.S.;~~

19 (44) The following agencies, functions, or both, shall terminate on
20 July 1, 2013:

21 (m) ~~The licensing of bail bonding agents through the division of~~
22 ~~insurance in accordance with article 7 of title 12, C.R.S.;~~

23 (47) The following agencies, functions, or both, shall terminate on
24 July 1, 2016:

25 (a) ~~The functions of the division of insurance related to the~~
26 ~~regulation of life insurance pursuant to article 1 of title 10, C.R.S.;~~

27 (50) The following agencies, functions, or both, shall terminate on

1 July 1, 2019:

2 (a) ~~The functions of the division of insurance related to the~~
3 ~~licensing of insurance producers, pursuant to article 1 of title 10, C.R.S.;~~

4 **SECTION 6.** 10-3-1104 (1) (b), Colorado Revised Statutes, is
5 amended to read:

6 **10-3-1104. Unfair methods of competition and unfair or**
7 **deceptive acts or practices.** (1) The following are defined as unfair
8 methods of competition and unfair or deceptive acts or practices in the
9 business of insurance:

10 (b) False information and advertising generally:

11 (I) Making, publishing, disseminating, circulating, or placing
12 before the public, or causing, directly or indirectly, to be made, published,
13 disseminated, circulated, or placed before the public, in a newspaper,
14 magazine, or other publication, or in the form of a notice, circular,
15 pamphlet, letter, or poster, or over any radio or television station, or in
16 any other way, an advertisement, announcement, or statement containing
17 any assertion, representation, or statement with respect to the business of
18 insurance, or with respect to any person in the conduct of his OR HER
19 insurance business, which is untrue, deceptive, or misleading;

20 (II) KNOWINGLY FILING WITH THE COMMISSIONER OR OTHER
21 PUBLIC OFFICIAL, OR WITH ANY EMPLOYEE OR AGENT OF THE DIVISION OF
22 INSURANCE IN THE DEPARTMENT OF REGULATORY AGENCIES, A WRITTEN,
23 FALSE STATEMENT OF MATERIAL FACT AS TO THE FINANCIAL CONDITION
24 OF AN INSURER; ==

25 (III) KNOWINGLY MAKING ANY FALSE ENTRY OF A MATERIAL FACT
26 IN ANY BOOK, REPORT, OR OTHER WRITTEN STATEMENT OF ANY INSURER;
27 KNOWINGLY OMITTING OR FAILING TO MAKE A TRUE ENTRY OF A

1 MATERIAL FACT PERTAINING TO THE BUSINESS OF THE INSURER IN ANY
2 BOOK, REPORT, OR OTHER WRITTEN STATEMENT OF THE INSURER; OR
3 KNOWINGLY MAKING ANY WRITTEN, FALSE MATERIAL STATEMENT TO THE
4 COMMISSIONER OR ANY EMPLOYEE OR AGENT OF THE DIVISION OF
5 INSURANCE IN THE DEPARTMENT OF REGULATORY AGENCIES;

6 **SECTION 7.** 10-3-1104 (1) (f), Colorado Revised Statutes, is
7 amended BY THE ADDITION OF THE FOLLOWING NEW
8 SUBPARAGRAPHS to read:

9 **10-3-1104. Unfair methods of competition and unfair or**
10 **deceptive acts or practices.** (1) The following are defined as unfair
11 methods of competition and unfair or deceptive acts or practices in the
12 business of insurance:

13 (f) (XIII) MAKING OR PERMITTING ANY UNFAIR DISCRIMINATION
14 BETWEEN INDIVIDUALS OF THE SAME CLASS AND OF ESSENTIALLY THE
15 SAME HAZARD IN THE AMOUNT OF PREMIUM, POLICY FEES, OR RATES
16 CHARGED FOR ANY POLICY OF SICKNESS AND ACCIDENT INSURANCE, IN THE
17 BENEFITS PAYABLE UNDER SUCH POLICY, IN THE TERMS OR CONDITIONS OF
18 THE POLICY, OR IN ANY OTHER MANNER;

19 (XIV) MAKING OR PERMITTING ANY UNFAIR DISCRIMINATION
20 BETWEEN INDIVIDUALS OR RISKS OF THE SAME CLASS AND OF ESSENTIALLY
21 THE SAME HAZARD BY REFUSING TO INSURE, REFUSING TO RENEW,
22 CANCELING, OR LIMITING THE AMOUNT OF INSURANCE COVERAGE ON A
23 PROPERTY AND CASUALTY RISK SOLELY BECAUSE OF THE GEOGRAPHIC
24 LOCATION OF THE RISK, UNLESS THE ACTION IS THE RESULT OF THE
25 APPLICATION OF SOUND UNDERWRITING AND ACTUARIAL PRINCIPLES
26 RELATED TO ACTUAL OR REASONABLY ANTICIPATED LOSS EXPERIENCE;

27

1 (XV) MAKING OR PERMITTING ANY UNFAIR DISCRIMINATION
2 BETWEEN INDIVIDUALS OR RISKS OF THE SAME CLASS AND OF ESSENTIALLY
3 THE SAME HAZARDS BY REFUSING TO INSURE, REFUSING TO RENEW,
4 CANCELING, OR LIMITING THE AMOUNT OF INSURANCE COVERAGE ON THE
5 RESIDENTIAL PROPERTY RISK, OR THE PERSONAL PROPERTY CONTAINED
6 THEREIN, SOLELY BECAUSE OF THE AGE OF THE RESIDENTIAL PROPERTY;

7 (XVI) TERMINATING OR MODIFYING COVERAGE OR REFUSING TO
8 ISSUE OR RENEW ANY PROPERTY OR CASUALTY POLICY SOLELY BECAUSE
9 THE APPLICANT OR INSURED OR ANY EMPLOYEE OF EITHER IS MENTALLY
10 OR PHYSICALLY IMPAIRED; EXCEPT THAT, THIS SUBPARAGRAPH (XVI)
11 DOES NOT:

12 (A) APPLY TO ACCIDENT AND HEALTH INSURANCE SOLD BY A
13 CASUALTY INSURER; OR

14 (B) MODIFY ANY OTHER PROVISION OF LAW RELATING TO THE
15 TERMINATION, MODIFICATION, ISSUANCE, OR RENEWAL OF ANY INSURANCE
16 POLICY OR CONTRACT.

17 (XVII) REFUSING TO INSURE A PERSON SOLELY BECAUSE ANOTHER
18 INSURER HAS REFUSED TO WRITE A POLICY, OR HAS CANCELLED OR HAS
19 REFUSED TO RENEW AN EXISTING POLICY, IN WHICH THE PERSON WAS THE
20 NAMED INSURED. NOTHING IN THIS SUBPARAGRAPH (XVII) PREVENTS AN
21 INSURER FROM TERMINATING AN EXCESS INSURANCE POLICY BASED ON
22 THE FAILURE OF THE INSURED TO MAINTAIN ANY REQUIRED UNDERLYING
23 INSURANCE.

24 **SECTION 8.** 10-1-213, Colorado Revised Statutes, is amended
25 BY THE ADDITION OF A NEW SUBSECTION to read:

26 **10-1-213. Confidentiality requirements.**

27 (5) NOTWITHSTANDING THE CONFIDENTIALITY REQUIREMENTS IN

1 PARAGRAPH (c) OF SUBSECTION (1) OF THIS SECTION, WHEN THE
2 COMMISSIONER REQUESTS AN INSURER TO CONDUCT A SELF-AUDIT OR
3 ENGAGES IN OTHER MARKET CONDUCT ACTION THAT DOES NOT RISE TO
4 THE LEVEL OF AN EXAMINATION, THE COMMISSIONER MAY MAKE THE
5 FINAL RESULTS OF THE SELF-AUDIT OR OR OTHER MARKET CONDUCT
6 ACTION, IN AN AGGREGATED FORMAT, AVAILABLE FOR PUBLIC INSPECTION
7 IN A MANNER DEEMED APPROPRIATE BY THE COMMISSIONER.

8 **SECTION 9. Repeal.** Part 2 of article 12 of title 10, Colorado
9 Revised Statutes, is repealed.

10 **SECTION 10.** The introductory portion to 10-5-115 (2), Colorado
11 Revised Statutes, is amended to read:

12 **10-5-115. Authority of commissioner - assistance of brokers'**
13 **association.** (2) The commissioner ~~shall~~ MAY rely upon the advice and
14 assistance of a duly constituted association of brokers in carrying out the
15 purposes of this article, if the association files with the commissioner:

16 **SECTION 11.** 10-15-103 (4), Colorado Revised Statutes, is
17 amended to read:

18 **10-15-103. License procedure - records - examination of**
19 **records.** (4) (a) The contract seller shall make all books and records
20 available to the commissioner for examination. The commissioner, or a
21 qualified person designated by the commissioner, ~~may, not more~~
22 ~~frequently than once in any calendar year unless pursuant to order of court~~
23 ~~for good cause shown,~~ during ordinary business hours, SHALL examine
24 the books, records, and accounts of the contract seller AT LEAST ONCE
25 EVERY FIVE YEARS, AND MORE OFTEN AS NECESSARY TO ENSURE
26 COMPLIANCE WITH THIS ARTICLE, and for that purpose may require the
27 attendance of and examine under oath all persons whose testimony the

1 commissioner may require.

2 (b) The commissioner shall make every reasonable effort to utilize
3 ~~examiners employed by the division of insurance in preference to~~
4 ~~designating persons to perform examinations who are not employees of~~
5 ~~the division of insurance. However, in the event of evidence of a~~
6 ~~violation of this article, the commissioner~~ may designate a qualified
7 person who is not an employee of the division of insurance to examine
8 any contract seller, and the reasonable expenses and charges of such
9 examiner shall be paid directly by the contract seller to any such
10 authorized examiner. The examinee may contest the amount of fees,
11 costs, and expenses charged to it by such person by filing an objection
12 with the commissioner ~~which~~ THAT sets forth the charges ~~which~~ the
13 examinee considers to be unreasonable, together with the basis for such
14 claim of unreasonable charges. No amounts ~~which~~ THAT are so disputed
15 will be due to the examiner unless and until the commissioner has
16 reviewed the objection and made a written finding that the disputed
17 charges were reasonable in relation to the examination performed.

18 **SECTION 12. Repeal.** Part 9 of article 4 of title 10, Colorado
19 Revised Statutes, is repealed.

20 **SECTION 13. Repeal.** Part 11 of article 4 of title 10, Colorado
21 Revised Statutes, is repealed.

22 **SECTION 14.** 10-4-629 (6), Colorado Revised Statutes, is
23 amended to read:

24 **10-4-629. Cancellation - renewal - reclassification.** (6) If the
25 commissioner finds from the notice and other evidence that the protest is
26 with or without merit, the commissioner may grant or dismiss the protest
27 without a hearing and shall, in that event, promptly notify the insurer and

1 the insured in writing of such action. If the protest is dismissed without
2 a hearing, the proposed action of the insurer shall become effective on its
3 proposed effective date or ~~fifteen~~ TWENTY days after written notice of the
4 action is given by the commissioner to the insured, whichever is later. If
5 the notice of the proposed action does not comply with Colorado law, the
6 commissioner shall disallow the action. In all other cases, the
7 commissioner shall hold a hearing on the protest within forty-five days
8 after receipt of the protest and shall give written notice of the time and
9 place thereof to the insurer and the insured at least ten days prior to the
10 scheduled date of the hearing. The insurer shall have the burden of
11 proving its proposed action to be justified and, in doing so, may rely only
12 upon the reasons set forth in its notice to the insured.

13 **SECTION 15.** 8-45-111, Colorado Revised Statutes, is amended
14 to read:

15 **8-45-111. Portions of premiums paid carried to surplus.** The
16 board shall set aside such proportion as it may deem necessary of the
17 earned premiums paid into the Pinnacol Assurance fund, as a contribution
18 to the surplus of the fund. ~~No later than January 1, 2001, the board shall~~
19 ~~submit a plan for approval by the commissioner of insurance for the~~
20 ~~attainment of a reasonable surplus as determined in accordance with~~
21 ~~section 10-3-201, C.R.S., or such surplus as approved by the~~
22 ~~commissioner of insurance. All business records related to such plan~~
23 ~~shall be disclosed by Pinnacol Assurance to the same extent as similar~~
24 ~~records are disclosed by the other insurance companies.~~

25 **SECTION 16.** 8-45-117 (5), Colorado Revised Statutes, is
26 amended to read:

27 **8-45-117. Regulation by commissioner of insurance.** (5) At

1 such time as a reasonable surplus of the Pinnacol Assurance fund is
2 reached pursuant to section 8-45-111, ~~or when Pinnacol Assurance fails~~
3 ~~to comply with the plan to attain a reasonable surplus as set forth in~~
4 ~~section 8-45-111~~, Pinnacol Assurance shall be subject to regulation by the
5 commissioner of insurance as provided in section 10-1-205 (7) and part
6 4 of article 3 of title 10, C.R.S., to the extent consistent with the
7 provisions of this article.

8 **SECTION 17.** 10-4-401 (3) (b), Colorado Revised Statutes, is
9 amended to read:

10 **10-4-401. Purpose - applicability.** (3) The kinds of insurance
11 subject to this part 4 shall be divided into two classes, as follows:

12 (b) Type II kinds of insurance, regulated by open competition
13 between insurers, including fire, casualty, inland marine, title, ~~medical~~
14 ~~malpractice by a joint underwriting association regulated under part 9 of~~
15 ~~this article~~, credit, workers' compensation and employer's liability
16 incidental thereto and written in connection therewith for rates filed by
17 insurers, and all other kinds of insurance that are subject to this part 4 and
18 not specified in paragraph (a) of this subsection (3), including the expense
19 and profit components of workers' compensation insurance, which shall
20 be subject to all the provisions of this part 4 except for sections 10-4-405
21 and 10-4-406. Type II insurers shall file rating data, as provided in
22 section 10-4-403, with the commissioner; except that credit life and credit
23 accident and health insurers shall file schedules of premium rates
24 pursuant to sections 10-10-109 and 10-10-110. A rate filing summary for
25 a type II kind of insurance subject to this part 4, except for workers'
26 compensation insurance, shall be posted on the division's ~~internet~~ WEB
27 site in order to provide notice to the public. The public notice shall

1 include the rate standards that apply pursuant to section 10-4-403 (1).
2 Nothing in this section shall be construed to limit the right of the public
3 to inspect a rate filing and any supporting information pursuant to part 2
4 of article 72 of title 24, C.R.S., or to impair the commissioner's ability to
5 review rates and determine that the rates are not excessive, inadequate, or
6 unfairly discriminatory.

7 **SECTION 18.** 10-4-601, Colorado Revised Statutes, is amended
8 BY THE ADDITION OF A NEW SUBSECTION to read:

9 **10-4-601. Definitions.** As used in this part 6, unless the context
10 otherwise requires:

11 (5.5) "LICENSED HEALTH CARE PROVIDER" MEANS A PERSON,
12 CORPORATION, FACILITY, OR INSTITUTION LICENSED OR CERTIFIED BY THIS
13 STATE TO PROVIDE HEALTH CARE OR PROFESSIONAL SERVICES AS A
14 HOSPITAL, HEALTH CARE FACILITY, OR DISPENSARY OR TO PRACTICE AND
15 PRACTICING MEDICINE, OSTEOPATHY, CHIROPRACTIC, NURSING, PHYSICAL
16 THERAPY, PODIATRY, DENTISTRY, PHARMACY, ACUPUNCTURE, OR
17 OPTOMETRY IN THIS STATE, OR AN OFFICER, EMPLOYEE, OR AGENT OF THE
18 PERSON, CORPORATION, FACILITY, OR INSTITUTION WORKING UNDER THE
19 SUPERVISION OF THE PERSON, CORPORATION, FACILITY, OR INSTITUTION IN
20 PROVIDING HEALTH CARE SERVICES.

21 **SECTION 19.** 10-4-634 (1), Colorado Revised Statutes, is
22 amended to read:

23 **10-4-634. Assignment of payment for covered benefits.** (1) On
24 and after thirty days after April 5, 2004, a policy of motor vehicle
25 insurance coverage pursuant to this part 6 shall allow, but not require, an
26 insured under the policy to assign, in writing, payments due under
27 medical payments coverage of the policy to a licensed hospital or other

1 licensed health care provider, ~~as defined in section 10-4-902 (3)~~; an
2 occupational therapist as defined in section 12-40.5-103, C.R.S., or a
3 massage therapist as defined in section 12-35.5-103 (8), C.R.S., for
4 services provided to the insured that are covered under the policy.

5 **SECTION 20.** 10-4-635 (5) (d), Colorado Revised Statutes, is
6 amended to read:

7 **10-4-635. Medical payments coverage - disclosure - definitions.**

8 (5) As used in this section:

9 (d) "Licensed health care provider" shall have the same meaning
10 as set forth in section ~~10-4-902~~ 10-4-601, and also includes an
11 occupational therapist as defined in section 12-40.5-103 (8), C.R.S.

12 **SECTION 21.** 10-4-637, Colorado Revised Statutes, is amended
13 to read:

14 **10-4-637. No discrimination by profession.** Reimbursement for
15 lawfully performed health care services covered by a policy providing
16 medical payments coverage under a motor vehicle policy issued pursuant
17 to this part 6 shall not be denied when such services are a covered benefit
18 and rendered within the scope of practice for a licensed health care
19 provider, ~~as defined in section 10-4-902 (3)~~; a massage therapist, as
20 defined in section 12-35.5-103, C.R.S., or an occupational therapist, as
21 defined in section 12-40.5-103, C.R.S., performing the services.

22 **SECTION 22.** 10-16-102 (26.3), Colorado Revised Statutes, is
23 amended to read:

24 **10-16-102. Definitions.** As used in this article, unless the context
25 otherwise requires:

26 (26.3) "Licensed health care provider" shall have the same
27 meaning as in section ~~10-4-902 (3)~~ 10-4-601.

1 **SECTION 23.** 10-16-106.7 (1) (a), Colorado Revised Statutes, is
2 amended to read:

3 **10-16-106.7. Assignment of health insurance benefits.**

4 (1) (a) Any carrier that provides health coverage to a covered person
5 shall allow, but not require, such covered person under the policy to
6 assign, in writing, payments due under the policy to a licensed hospital,
7 other licensed health care provider, ~~as defined in section 10-4-902 (3)~~, an
8 occupational therapist as defined in section 12-40.5-103, C.R.S., or a
9 massage therapist as defined in section 12-35.5-103 (8), C.R.S., also
10 referred to in this section as the "provider", for services provided to the
11 covered person that are covered under the policy.

12 **SECTION 24. Specified effective date.** This act shall take effect
13 July 1, 2010.

14 **SECTION 25. Safety clause.** The general assembly hereby finds,
15 determines, and declares that this act is necessary for the immediate
16 preservation of the public peace, health, and safety.