

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

INTRODUCED

LLS NO. 10-0302.01 Christy Chase

HOUSE BILL 10-1258

HOUSE SPONSORSHIP

Acree, Bradford, Vaad

SENATE SPONSORSHIP

Harvey, Spence

House Committees

Health and Human Services

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE AUTHORITY OF HEALTH INSURANCE CARRIERS TO**
102 **OFFER PREMIUM DISCOUNTS FOR COMPLIANCE WITH**
103 **TREATMENT PLANS PRESCRIBED TO MANAGE CERTAIN COVERED**
104 **CONDITIONS.**

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>.)

The bill permits insurance carriers offering individual and small group health plans to offer premium discounts to covered persons who

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.

comply with a treatment plan prescribed by a health care provider to manage and mitigate the covered person's chronic, behavioral health, or mental health illness, disease, or condition. The carrier is allowed to determine:

- ! The length of time that the covered person is to comply with the treatment plan in order to qualify for the discount;
- ! The type of discount and manner in which to implement the discount; and
- ! The method by which covered persons are to demonstrate compliance.

The bill allows the board of directors of the CoverColorado program or carriers providing health benefit plans to CoverColorado participants to also offer the premium discounts.

The bill prohibits carriers from basing discounts on achievement of a particular outcome.

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 **10-16-137. Premium discounts - compliance with treatment**
6 **plan.** (1) CONSISTENT WITH SECTION 10-16-107(6), A CARRIER OFFERING
7 AN INDIVIDUAL HEALTH COVERAGE PLAN OR A SMALL GROUP PLAN IN THIS
8 STATE MAY OFFER A PREMIUM DISCOUNT TO A COVERED PERSON UNDER
9 THE PLAN BASED ON THE COVERED PERSON'S COMPLIANCE WITH A
10 TREATMENT PLAN DEVELOPED BY HIS OR HER PROVIDER TO MANAGE THE
11 COVERED PERSON'S CHRONIC, BEHAVIORAL HEALTH, OR MENTAL HEALTH
12 ILLNESS, DISEASE, OR CONDITION. THE DISCOUNT SHALL NOT BE TIED TO
13 OR BASED ON THE ACHIEVEMENT OF A PARTICULAR OUTCOME AND SHALL
14 BE BASED ONLY ON THE COVERED PERSON'S COMPLIANCE WITH THE
15 PRESCRIBED TREATMENT PLAN FOR A PERIOD DETERMINED BY THE
16 CARRIER. THE CARRIER MAY DETERMINE THE TYPE OF DISCOUNT, THE
17 METHOD OF IMPLEMENTING THE DISCOUNT, AND THE MECHANISM BY

1 WHICH A COVERED PERSON IS REQUIRED TO DEMONSTRATE COMPLIANCE
2 WITH A TREATMENT PLAN FOR THE REQUIRED PERIOD.

3 (2) A SMALL EMPLOYER THAT MAKES AVAILABLE TO ITS
4 EMPLOYEES, THROUGH ITS SMALL GROUP PLAN, PREMIUM DISCOUNTS AS
5 PERMITTED BY THIS SECTION SHALL NOT MAKE COMPLIANCE OR
6 DISCLOSURE OF COMPLIANCE WITH A TREATMENT PLAN A CONDITION OF
7 EMPLOYMENT WITH THE SMALL EMPLOYER.

8 (3) AS USED IN THIS SECTION, "CARRIER" HAS THE SAME MEANING
9 AS SET FORTH IN SECTION 10-16-102 AND INCLUDES COVERCOLORADO,
10 ESTABLISHED IN SECTION 10-8-504, AND ANY CARRIER OFFERING A
11 HEALTH BENEFIT PLAN TO PARTICIPANTS IN COVERCOLORADO.

12 **SECTION 2.** 10-16-107 (6), Colorado Revised Statutes, is
13 amended to read:

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

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

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

1 deductibles in return for adherence to programs of health promotion and
2 disease prevention if otherwise allowed by state or federal law or for
3 participation in a wellness and prevention program pursuant to section
4 10-16-136; OR

5 (c) PREVENT A CARRIER FROM OFFERING A PREMIUM DISCOUNT
6 PURSUANT TO SECTION 10-16-137 TO A COVERED PERSON FOR
7 COMPLIANCE WITH A TREATMENT PLAN TO MANAGE AND MITIGATE THE
8 COVERED PERSON'S CHRONIC, BEHAVIORAL HEALTH, OR MENTAL HEALTH
9 ILLNESS, DISEASE, OR CONDITION.

10 **SECTION 3.** 10-8-514.5, Colorado Revised Statutes, is amended
11 to read:

12 **10-8-514.5. Incentives or rewards - participation in wellness**
13 **and prevention programs - compliance with treatment plan.**

14 (1) Notwithstanding any provision of this part 5 to the contrary and
15 consistent with section 10-16-136, the board or a carrier providing health
16 benefit plans to participants may offer incentives or rewards to
17 participants for participation in a wellness and prevention program.

18 (2) NOTWITHSTANDING ANY PROVISION OF THIS PART 5 TO THE
19 CONTRARY AND CONSISTENT WITH SECTION 10-16-137, THE BOARD OR A
20 CARRIER PROVIDING HEALTH BENEFIT PLANS TO PARTICIPANTS MAY OFFER
21 PREMIUM DISCOUNTS TO PARTICIPANTS FOR COMPLIANCE WITH A
22 TREATMENT PLAN DEVELOPED TO MANAGE THE PARTICIPANT'S CHRONIC,
23 BEHAVIORAL HEALTH, OR MENTAL HEALTH ILLNESS, DISEASE, OR
24 CONDITION.

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

1 **SECTION 5. Safety clause.** The general assembly hereby finds,
2 determines, and declares that this act is necessary for the immediate
3 preservation of the public peace, health, and safety.