

**First Regular Session  
Sixty-eighth General Assembly  
STATE OF COLORADO**

**INTRODUCED**

LLS NO. 11-0585.01 Kristen Forrestal

**SENATE BILL 11-128**

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**SENATE SPONSORSHIP**

**Newell**, Bacon, Foster, Guzman, Hudak, Jahn, Johnston, Nicholson, Schwartz, Shaffer B.,  
Steadman, Williams S.

**HOUSE SPONSORSHIP**

**McCann and Summers**, Acree, Court, Duran, Lee, Pabon, Ryden

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**Senate Committees**

Health and Human Services

**House Committees**

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**A BILL FOR AN ACT**

101     **CONCERNING REQUIRING A CARRIER THAT PARTICIPATES IN THE**  
102             **INDIVIDUAL HEALTH INSURANCE MARKET IN COLORADO TO**  
103             **ISSUE CHILD-ONLY PLANS ON A GUARANTEED-ISSUE BASIS.**

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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>.)*

The bill establishes 2 specified enrollment periods for child-only plan coverage. A carrier may accept an application outside of the open enrollment periods if the child does not have a preexisting condition. The plans must be issued on a guaranteed-issue basis without any limitations

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.*

or riders based on health status. A carrier is required to give notice of the open enrollment opportunities and provide enrollment instructions on the carrier's web site. A carrier may deny or drop individual coverage under specific circumstances. A carrier must report application and enrollment information regarding child-only plans to the commissioner of insurance.

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

2           **SECTION 1. Legislative declaration.** The general assembly  
3 hereby determines and declares that it is important to get all children in  
4 Colorado covered by creditable health insurance and that in order to do  
5 so, it is important to bring more insurance providers into the market to  
6 offer individual health insurance coverage to children through child-only  
7 health plans. Therefore, it is the intent of the general assembly to  
8 accomplish this goal by establishing that as a condition of issuing health  
9 insurance coverage in the individual market until January 1, 2014, carriers  
10 offer child-only plan policies during specified open enrollment periods.

11           **SECTION 2.** 10-16-102, Colorado Revised Statutes, is amended  
12 BY THE ADDITION OF THE FOLLOWING NEW SUBSECTIONS to  
13 read:

14           **10-16-102. Definitions.** As used in this article, unless the context  
15 otherwise requires:

16           (10.3) "CHILD-ONLY PLAN" MEANS HEALTH INSURANCE COVERAGE  
17 THAT IS ISSUED ON OR AFTER THE EFFECTIVE DATE OF THIS SUBSECTION  
18 (10.3) AND THAT PROVIDES COVERAGE FOR HEALTH CARE SERVICES TO AN  
19 INDIVIDUAL UNDER NINETEEN YEARS OF AGE. A "CHILD-ONLY PLAN" DOES  
20 NOT INCLUDE COVERAGE PROVIDED TO A DEPENDENT UNDER AN  
21 INDIVIDUAL OR GROUP HEALTH COVERAGE PLAN.

22           (36.3) "QUALIFYING EVENT" INCLUDES BIRTH, ADOPTION,  
23 MARRIAGE, DISSOLUTION OF MARRIAGE, LOSS OF EMPLOYER-SPONSORED

1 INSURANCE, LOSS OF ELIGIBILITY UNDER THE "COLORADO MEDICAL  
2 ASSISTANCE ACT", ARTICLES 4, 5, AND 6 OF TITLE 25.5, C.R.S., LOSS OF  
3 ELIGIBILITY UNDER THE CHILDREN'S BASIC HEALTH PLAN, ARTICLE 8 OF  
4 TITLE 25.5, C.R.S., ENTRY OF A VALID COURT ORDER MANDATING THE  
5 CHILD BE COVERED, OR INVOLUNTARY LOSS OF OTHER EXISTING  
6 COVERAGE FOR ANY REASON OTHER THAN FRAUD, MISREPRESENTATION,  
7 OR FAILURE TO PAY A PREMIUM.

8           **SECTION 3.** Part 1 of article 16 of title 10, Colorado Revised  
9 Statutes, is amended BY THE ADDITION OF A NEW SECTION to  
10 read:

11           **10-16-104.4. Child-only plans - legislative declaration - open**  
12 **enrollment - reporting requirements - repeal.** (1) AS A CONDITION OF  
13 ISSUING COVERAGE IN THE INDIVIDUAL MARKET, A CARRIER SHALL ISSUE  
14 CHILD-ONLY PLANS PURSUANT TO THIS SECTION. EXCEPT AS SPECIFIED IN  
15 SUBSECTION (2) OF THIS SECTION, A CARRIER SHALL ACCEPT AN  
16 APPLICATION FOR CHILD-ONLY PLAN COVERAGE ONLY DURING THE  
17 ENROLLMENT PERIODS OUTLINED IN THIS SECTION UNLESS THE  
18 APPLICATION IS RECEIVED WITHIN THIRTY DAYS AFTER A QUALIFYING  
19 EVENT.

20           (2) THE GENERAL ASSEMBLY HEREBY FINDS AND DETERMINES  
21 THAT UNDER THE FEDERAL "PATIENT PROTECTION AND AFFORDABLE  
22 CARE ACT", PUB.L. 111-148, HEALTH INSURANCE COVERAGE MAY BE  
23 OFFERED TO CHILDREN UP TO NINETEEN YEARS OF AGE WITHOUT REGARD  
24 TO PREEXISTING CONDITIONS. THE GENERAL ASSEMBLY FURTHER  
25 DETERMINES THAT THERE IS NO EXPRESS PROVISION IN THE FEDERAL ACT  
26 THAT PRECLUDES A CARRIER FROM OFFERING COVERAGE TO A CHILD  
27 UNDER NINETEEN YEARS OF AGE WHO MEETS A CARRIER'S UNDERWRITING

1 CRITERIA OUTSIDE OF AN ENROLLMENT PERIOD. THEREFORE, A CARRIER  
2 MAY ISSUE CHILD-ONLY PLAN COVERAGE OUTSIDE OF THE DESIGNATED  
3 ENROLLMENT PERIODS IF THE CHILD CAN PASS THE UNDERWRITING  
4 CRITERIA OF THE CARRIER.

5 (3) (a) EXCEPT AS SPECIFIED IN PARAGRAPH (b) OF SUBSECTION (4)  
6 OF THIS SECTION, THERE SHALL BE TWO OPEN ENROLLMENT PERIODS EACH  
7 YEAR DURING WHICH CARRIERS SHALL ACCEPT APPLICATIONS FOR  
8 CHILD-ONLY PLAN COVERAGE. THE FIRST OPEN ENROLLMENT PERIOD  
9 SHALL BEGIN ON THE FIRST OF THE MONTH CLOSEST TO NINETY DAYS  
10 AFTER THE EFFECTIVE DATE OF THIS SECTION. THE OPEN ENROLLMENT  
11 PERIODS SHALL BE SIX MONTHS APART. EACH PERIOD MUST LAST ONE  
12 MONTH AND MUST BE FOLLOWED BY A THIRTY-DAY WAITING PERIOD FOR  
13 THE CHILD-ONLY PLANS TO TAKE EFFECT.

14 (b) DURING ANY PERIOD OF OPEN ENROLLMENT, CARRIERS SHALL  
15 OFFER CHILD-ONLY PLAN COVERAGE TO ALL APPLICANTS UNDER NINETEEN  
16 YEARS OF AGE ON A GUARANTEED-ISSUE BASIS, WITHOUT LIMITATIONS OR  
17 RIDERS BASED ON HEALTH STATUS.

18 (c) EACH CARRIER SHALL CONTINUOUSLY AND PROMINENTLY  
19 DISPLAY, ON ITS WEB SITE, NOTICE OF EACH OPEN ENROLLMENT PERIOD  
20 AND INSTRUCTIONS ON HOW TO ENROLL A CHILD IN A CHILD-ONLY PLAN,  
21 INCLUDING INFORMATION REGARDING THE ABILITY TO ENROLL DUE TO A  
22 QUALIFYING EVENT. EACH CARRIER SHALL ALSO PROVIDE A LINK TO THE  
23 PUBLIC PROGRAMS ADMINISTERED BY THE DEPARTMENT OF HEALTH CARE  
24 POLICY AND FINANCING SO THAT INDIVIDUALS CONSIDERING ENROLLING  
25 IN CHILD-ONLY PLANS HAVE ACCESS TO ELIGIBILITY INFORMATION FOR THE  
26 PUBLIC PROGRAMS.

27 (4) (a) A CARRIER MAY CANCEL COVERAGE FOR A DEPENDENT IN

1 THE INDIVIDUAL MARKET IF THE PARENT SUBSCRIBER CANCELS HIS OR HER  
2 INDIVIDUAL COVERAGE. THE CARRIER SHALL ALLOW THE DEPENDENT TO  
3 APPLY FOR CHILD-ONLY PLAN COVERAGE DURING THE NEXT OPEN  
4 ENROLLMENT PERIOD WITH NO SURCHARGE.

5 (b) A CARRIER MAY DENY COVERAGE TO AN APPLICANT FOR  
6 ENROLLMENT IN A CHILD-ONLY PLAN IF OTHER CREDITABLE COVERAGE IS  
7 AVAILABLE. FOR PURPOSES OF THIS PARAGRAPH (b), "CREDITABLE  
8 COVERAGE" DOES NOT INCLUDE ELIGIBILITY FOR A HIGH-RISK POOL  
9 INSURANCE PLAN, BUT INCLUDES CURRENT ENROLLMENT IN A HIGH-RISK  
10 POOL INSURANCE PLAN.

11 (c) A CARRIER MAY IMPOSE A SURCHARGE FOR UP TO TWELVE  
12 MONTHS ON AN INDIVIDUAL WHO ENROLLS IN A CHILD-ONLY PLAN IF THE  
13 INDIVIDUAL WAS PREVIOUSLY ENROLLED IN A CHILD-ONLY PLAN,  
14 SUBSEQUENTLY DROPPED THE COVERAGE, AND THE LAPSE IN COVERAGE  
15 IS GREATER THAN SIXTY-THREE DAYS. THE SURCHARGE MAY BE UP TO AN  
16 ADDITIONAL FIFTY PERCENT OF THE AMOUNT THAT WOULD BE CHARGED  
17 FOR THE SAME CHILD DEMONSTRATING CONTINUOUS COVERAGE.

18 (5) WITHIN NINETY DAYS AFTER THE CLOSURE OF AN OPEN  
19 ENROLLMENT PERIOD, A CARRIER THAT PARTICIPATES IN THE INDIVIDUAL  
20 MARKET IN COLORADO SHALL SUBMIT TO THE COMMISSIONER THE  
21 FOLLOWING INFORMATION:

22 (a) THE NUMBER OF APPLICANTS FOR A CHILD-ONLY PLAN;

23 (b) THE NUMBER OF INDIVIDUALS ENROLLED IN A CHILD-ONLY  
24 PLAN; AND

25 (c) THE NUMBER OF APPLICANTS DENIED ENROLLMENT IN A  
26 CHILD-ONLY PLAN AND THE REASONS FOR THE DENIALS.

27 (6) THIS SECTION IS REPEALED, EFFECTIVE JANUARY 1, 2014.

1           **SECTION 4. 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.