



**Colorado  
Legislative  
Council  
Staff**

**HB16-1336**

**REVISED  
FISCAL NOTE**

(replaces fiscal note dated March 17, 2016)

**FISCAL IMPACT:**  State  Local  Statutory Public Entity  Conditional  No Fiscal Impact

**Drafting Number:** LLS 16-0960

**Date:** April 6, 2016

**Prime Sponsor(s):** Rep. Hamner; Rankin  
Sen. Donovan

**Bill Status:** Senate Health & Human Services

**Fiscal Analyst:** Bill Zepernick (303-866-4777)

**BILL TOPIC:** STUDY SINGLE GEOGRAPHIC AREA INDIVIDUAL HEALTH PLANS

Fiscal Impact Summary	FY 2015-16 (Current Year)	FY 2016-2017	FY 2017-2018
State Revenue			
State Expenditures	Minimal workload increase.		
<b>Appropriation Required:</b> None.			
<b>Future Year Impacts:</b> None.			

**Summary of Legislation**

The *reengrossed* bill requires the Commissioner of Insurance in the Department of Regulatory Agencies (DORA) to conduct a study to determine the impacts and viability of establishing a single geographic area for use in determining the premium rates for individual health insurance plans issued in Colorado. In conducting the study, the Commissioner of Insurance must consider factors that affect differentiation in the premium rates throughout different geographic areas of the state, including differentiation in health care costs throughout the state for prescription drugs, provider rates, diagnostic tests, surgical procedures, and other hospital procedures and services.

The study must be completed no later than August 1, 2016. The commissioner must report and present the findings and recommendations of the study to the Joint Budget Committee. The commissioner must also send the report to the House Health, Insurance, and Environment Committee, the House Public Health Care and Human Services Committee, and the Senate Health and Human Services Committee.

**State Expenditures**

The Division of Insurance in DORA is currently examining issues related to insurance rating areas under its existing statutory authority, so this bill will not significantly affect workload for the division, other than to specify a deadline for the study and require reporting to various legislative committees. Therefore, no change in appropriations is required.

## **Effective Date**

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

## **State Appropriations**

While the fiscal note does not project the need for an appropriation, the bill includes a no-appropriation clause.

## **State and Local Government Contacts**

Regulatory Agencies

## **Research Note Available**

An LCS Research Note for HB16-1336 is available online and through the iLegislate app. Research notes provide additional policy and background information about the bill and summarize action taken by the General Assembly concerning the bill.