

HOUSE COMMITTEE OF REFERENCE REPORT

Chairman of Committee

February 23, 2005

Date

Committee on Business Affairs and Labor.

After consideration on the merits, the Committee recommends the following:

HB05-1250 be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation:

1 Amend printed bill, page 2, strike line 10 and substitute the following:

2 "made available by an insurer.

3 (2) (a) THE GENERAL ASSEMBLY HEREBY FINDS, DETERMINES, AND
4 DECLARES THAT INDIVIDUALS WHO PURCHASE MOTOR VEHICLE INSURANCE
5 ARE FACED WITH DECISIONS CONCERNING PURCHASING MEDICAL
6 PAYMENTS COVERAGE AND THE SIGNIFICANCE OF THIS PURCHASE. SOME
7 CONSUMERS ARE NOT KNOWLEDGEABLE IN WHETHER MEDICAL PAYMENTS
8 COVERAGE IS APPROPRIATE FOR THEM IN LIGHT OF THE THEIR OTHER
9 INSURANCE COVERAGES. FURTHER, IF A CONSUMER PURCHASES MEDICAL
10 PAYMENTS COVERAGE, THE CONSUMER MAY NOT APPRECIATE THE
11 SIGNIFICANCE THAT THE COVERAGE IS PRIMARY TO OTHER COVERAGES
12 AND APPLIES TO THE PAYMENT OF COINSURANCE OR DEDUCTIBLES.
13 THEREFORE, THE GENERAL ASSEMBLY DECLARES THAT IT IS IN THE BEST
14 INTEREST OF INSURANCE CONSUMERS TO HAVE CLEAR AND
15 UNDERSTANDABLE DISCLOSURES CONCERNING THE SIGNIFICANCE OF
16 PURCHASING MEDICAL PAYMENTS COVERAGE.

17 (b) AN INSURER SHALL DISCLOSE TO A PERSON";

18 line 14, strike "(a)" and substitute "(I)";

19 line 16, strike "(b)" and substitute "(II)".

1 Page 3, strike lines 3 through 9 and substitute the following:

2 "(c) AN INSURER SHALL DISCLOSE TO A PERSON PURCHASING OR
3 CONSIDERING THE PURCHASE OF MEDICAL PAYMENTS COVERAGE THAT IF
4 THE PERSON DECLINES TO PURCHASE MEDICAL PAYMENTS COVERAGE:";

5 line 10, strike "(a)" and substitute "(I)", and strike "UNDER THE POLICY";

6 line 11, after "RECEIVE", insert "BENEFITS FROM MEDICAL PAYMENTS";

7 line 14, strike "(b)" and substitute "(II)";

8 after line 17, insert the following:

9 "SECTION 2. 10-4-641 (1), Colorado Revised Statutes, is
10 amended to read:

11 **10-4-641. Rules - medical payments coverage - repeal.** (1) The
12 commissioner shall promulgate any necessary rules for the administration
13 of medical payments coverage and coordination of benefits AND THE
14 IMPLEMENTATION OF SECTION 10-4-635 (2) CONCERNING DISCLOSURES
15 REQUIRED TO BE MADE REGARDING MEDICAL PAYMENTS COVERAGE.
16 Medical payments coverage shall be primary to any health insurance
17 benefit of a person injured in a motor vehicle accident, and medical
18 payments coverage shall apply to any coinsurance or deductible amount
19 required by the injured person's health coverage plan, as defined in
20 section 10-16-102 (22.5)."

21 Renumber succeeding sections accordingly.

22 Page 3, line 22, strike "Section 1" and substitute "Sections 1 and 2";

23 line 25, strike "Section 2" and substitute "Section 3".

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