

Second Regular Session  
Sixty-fifth General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 06-0144.01 Jery Payne

SENATE BILL 06-011

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SENATE SPONSORSHIP

**Tapia**, Hagedorn, Keller, and Shaffer

HOUSE SPONSORSHIP

**Butcher**, Boyd, and Green

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Senate Committees

Health and Human Services

House Committees

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A BILL FOR AN ACT

101 CONCERNING A STUDY TO ANALYZE FACTORS THAT DRIVE THE COST OF  
102 HEALTH CARE WITHIN PUEBLO COUNTY.

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**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)*

**Interim Committee on Health Insurance.** Instructs the division of insurance to conduct a study of the factors that drive health insurance in the Pueblo area. Defines the parameters of the study and the data to be gathered and analyzed. Requires the commissioner of insurance to convene a meeting of all interested persons related to the study no later than June 15, 2006. Authorizes the division of insurance to contract with a nonprofit entity to analyze data collected by the division and prepare a

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.*

report of the analysis of such data.

Instructs the director of the division of registrations to conduct a survey of each health care professional concerning the charges billed in Pueblo county to health insurers. Instructs the department of public health and environment to survey all licensed health facilities in Pueblo county for charges billed to health insurers and consumers. Requires both sets of survey results to be forwarded to the division of insurance.

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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           **10-16-131. Study of health insurance premiums charged in**  
6 **Pueblo county - repeal.** (1) (a) THE DIVISION SHALL CONDUCT AN  
7 INDEPENDENT AND OBJECTIVE STUDY PURSUANT TO SUBSECTION (2) OF  
8 THIS SECTION TO GATHER AND ANALYZE DATA TO IDENTIFY:

9           (I) THE FACTORS THAT DRIVE HEALTH INSURANCE COSTS FOR  
10 INDIVIDUALS AND GROUPS IN PUEBLO COUNTY;

11           (II) THE STATISTICAL INTERACTION, RELATIONSHIPS, AND  
12 DEPENDENCIES OF THE FACTORS;

13           (III) THE DEMOGRAPHIC, HEALTH SERVICES, AND OTHER COST  
14 COMPONENTS OF HEALTH INSURANCE PREMIUMS FOR INDIVIDUALS AND  
15 GROUPS IN PUEBLO COUNTY;

16           (IV) THE ROLE OF MODIFIED COMMUNITY RATING FOR PUEBLO  
17 COUNTY; AND

18           (V) WHETHER HEALTH COVERAGE FOR INDIVIDUALS AND GROUPS  
19 IN PUEBLO COUNTY IS REASONABLY AVAILABLE.

20           (b) THE DIVISION MAY CONTRACT WITH A NONPROFIT ENTITY TO  
21 ANALYZE DATA COLLECTED BY THE DIVISION AND PREPARE A REPORT OF  
22 THE ANALYSIS OF SUCH DATA.

1           (2) (a) THE COMMISSIONER SHALL CONVENE A MEETING OF ALL  
2 INTERESTED PERSONS RELATED TO THE STUDY NO LATER THAN JUNE 15,  
3 2006. INTERESTED PERSONS INCLUDE, BUT ARE NOT LIMITED TO,  
4 PROVIDERS AND CONSUMERS OF HEALTH INSURANCE, THE CHAIRS OF THE  
5 BOARD OF MEDICAL EXAMINERS AND ANY OTHER **TYPE 1** BOARD THAT  
6 REGULATES A HEALTH CARE PROFESSION, THE DIRECTOR OF THE DIVISION  
7 OF REGISTRATIONS, AND THE EXECUTIVE DIRECTOR OF THE DEPARTMENT  
8 OF PUBLIC HEALTH AND ENVIRONMENT. THE MEETING SHALL INCLUDE A  
9 DISCUSSION OF THE EXACT DATA TO BE GATHERED, IF ANY, IN ADDITION TO  
10 THE DATA SPECIFIED IN SUBSECTION (3) OF THIS SECTION, THE METHOD  
11 AND TIME FRAMES FOR COLLECTION OF THE DATA, AND THE OBJECTIVES  
12 AND STANDARDS FOR THE ANALYSIS THEREOF.

13           (b) UPON COMPLETION OF THE ANALYSIS, THE DIVISION SHALL  
14 PRESENT A DRAFT OF THE REPORT TO THE COMMISSIONER FOR APPROVAL  
15 AND TRANSMISSION TO THE GENERAL ASSEMBLY PURSUANT TO  
16 PARAGRAPH (c) OF THIS SUBSECTION (2).

17           (c) THE COMMISSIONER SHALL SUBMIT A REPORT OF THE STUDY  
18 CONTAINING CONCLUSIONS AND AN ANALYSIS OF THE FACTORS THAT  
19 DRIVE THE COST OF HEALTH CARE, THE COST OF HEALTH INSURANCE  
20 COVERAGE ON AN INDIVIDUAL AND GROUP BASIS, AND THE IMPACT OF  
21 MODIFIED COMMUNITY RATING ON PUEBLO COUNTY TO THE PRESIDENT OF  
22 THE SENATE, MAJORITY LEADER OF THE SENATE, MINORITY LEADER OF THE  
23 SENATE, SPEAKER OF THE HOUSE OF REPRESENTATIVES, MAJORITY LEADER  
24 OF THE HOUSE OF REPRESENTATIVES, MINORITY LEADER OF THE HOUSE OF  
25 REPRESENTATIVES, AND CHAIRS OF THE HEALTH AND HUMAN SERVICES  
26 AND BUSINESS AFFAIRS COMMITTEES OF THE SENATE AND THE HOUSE OF  
27 REPRESENTATIVES NO LATER THAN JANUARY 15, 2008.

1           (d) THE COMMISSIONER SHALL AGGREGATE DATA COLLECTED  
2 FROM THE DIVISION OF REGISTRATIONS WITHIN THE DEPARTMENT OF  
3 REGULATORY AGENCIES AND THE DEPARTMENT OF PUBLIC HEALTH AND  
4 ENVIRONMENT PURSUANT TO SECTIONS 24-34-102 (15) AND 25-1.5-103  
5 (5), C.R.S. IF THE COMMISSIONER CONTRACTS WITH A NONPROFIT ENTITY  
6 TO ANALYZE DATA COLLECTED PURSUANT TO THIS SECTION, SUCH  
7 AGGREGATED DATA MAY BE TRANSMITTED TO SUCH NONPROFIT ENTITY  
8 FOR ANALYSIS.

9           (e) NOTHING IN THIS SECTION SHALL WAIVE ANY CLAIM TO  
10 PRIVILEGED OR CONFIDENTIAL INFORMATION PURSUANT TO FEDERAL OR  
11 STATE LAW.

12           (3) THE DATA TO BE COLLECTED SHALL INCLUDE THE AMOUNT OF  
13 CLAIMS PAID BY HEALTH INSURERS IN PUEBLO COUNTY FOR THE PERIOD  
14 BEGINNING \_\_\_\_\_ AND ENDING \_\_\_\_\_; THE RATES CHARGED FOR HEALTH  
15 INSURANCE DURING THIS PERIOD; THE CHARGES BILLED BY LICENSED,  
16 CERTIFIED, OR REGISTERED HEALTH CARE PROVIDERS DURING THIS SAME  
17 PERIOD; THE CHARGES BILLED BY ALL LICENSED HEATH CARE FACILITIES  
18 DURING THIS PERIOD; THE NUMBER OF LICENSED, CERTIFIED, OR  
19 REGISTERED HEALTH CARE PROVIDERS IN PUEBLO COUNTY DURING THIS  
20 PERIOD; THE NUMBER OF HEALTH INSURERS CONDUCTING BUSINESS IN  
21 PUEBLO COUNTY DURING THIS PERIOD; WHETHER THE PRACTICE PATTERNS  
22 OF HEALTH CARE PROVIDERS IN THE PUEBLO COMMUNITY DIFFER FROM  
23 ACCEPTED STANDARDS AND GUIDELINES; WHETHER THE HEALTH STATUS  
24 OF THE PUEBLO COMMUNITY DRIVES HEALTH INSURANCE COSTS; AND ANY  
25 OTHER INFORMATION DETERMINED NECESSARY BY THE COMMISSIONER.

26           (4) THIS SECTION IS REPEALED, EFFECTIVE JANUARY 15, 2008.

27           **SECTION 2.** 24-34-102, Colorado Revised Statutes, is amended

1 BY THE ADDITION OF A NEW SUBSECTION to read:

2 **24-34-102. Division of registrations - creation - duties of**  
3 **division and department heads - definitions - license, registration, or**  
4 **certification renewal and reinstatement - repeal.**

5 (15) (a) NOTWITHSTANDING ANY **TYPE 1** TRANSFER, AS SUCH TRANSFER  
6 IS DEFINED BY SECTION 24-1-105, THE DIRECTOR OF THE DIVISION OF  
7 REGISTRATIONS SHALL CONDUCT A SURVEY OF EACH LICENSED, CERTIFIED,  
8 OR REGISTERED HEALTH CARE PROFESSIONAL CONCERNING THE CHARGES  
9 BILLED TO HEALTH INSURERS AND CONSUMERS IN PUEBLO COUNTY FOR  
10 THE PERIOD BEGINNING \_\_\_\_\_ AND ENDING \_\_\_\_\_. THE DIRECTOR  
11 SHALL FORWARD THE SURVEY RESULTS TO THE DIVISION OF INSURANCE  
12 PURSUANT TO SECTION 10-16-131, C.R.S., BY \_\_\_\_\_ 200\_. THE DIRECTOR  
13 SHALL CREATE THE SURVEY QUESTIONNAIRE AFTER CONSULTATION WITH  
14 THE INSURANCE COMMISSIONER.

15 (b) THIS SUBSECTION (15) IS REPEALED, EFFECTIVE JANUARY 15,  
16 2008.

17 **SECTION 3.** 25-1.5-103, Colorado Revised Statutes, is amended  
18 BY THE ADDITION OF A NEW SUBSECTION to read:

19 **25-1.5-103. Hospitals and community mental health centers -**  
20 **powers and duties of the department - limitations on rules**  
21 **promulgated by the department - repeal.** (5) (a) THE EXECUTIVE

22 DIRECTOR OF THE DEPARTMENT SHALL SURVEY ALL LICENSED HEALTH  
23 FACILITIES IN PUEBLO COUNTY FOR CHARGES BILLED TO HEALTH INSURERS  
24 AND CONSUMERS FOR THE PERIOD BEGINNING \_\_\_\_\_ AND ENDING  
25 \_\_\_\_\_. THE EXECUTIVE DIRECTOR SHALL FORWARD THE SURVEY  
26 RESULTS TO THE DIVISION OF INSURANCE PURSUANT TO SECTION  
27 10-16-131, C.R.S., BY \_\_\_\_ 200\_. THE EXECUTIVE DIRECTOR SHALL

1       CREATE THE SURVEY QUESTIONNAIRE ON CONSULTATION WITH THE  
2       INSURANCE COMMISSIONER.

3               (b) THIS SUBSECTION (5) IS REPEALED, EFFECTIVE JANUARY 15,  
4       2008.

5               **SECTION 4. Safety clause.** The general assembly hereby finds,  
6       determines, and declares that this act is necessary for the immediate  
7       preservation of the public peace, health, and safety.