

Second Regular Session  
Sixty-fifth General Assembly  
STATE OF COLORADO

**REREVISED**

*This Version Includes All Amendments  
Adopted in the Second House*

LLS NO. 06-0144.01 Jery Payne

**SENATE BILL 06-011**

**SENATE SPONSORSHIP**

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

**HOUSE SPONSORSHIP**

**Butcher,** Boyd, and Green

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**Senate Committees**

Health and Human Services  
Appropriations

**House Committees**

Health and Human Services  
Finance  
Appropriations

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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, AND MAKING AN**  
103 **APPROPRIATION IN CONNECTION THEREWITH.**

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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

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.*

HOUSE  
3rd Reading Unamended  
May 5, 2006

HOUSE  
2nd Reading Unamended  
May 4, 2006

SENATE  
3rd Reading Unamended  
April 21, 2006

SENATE  
Amended 2nd Reading  
April 20, 2006

a nonprofit entity to analyze data collected by the division and prepare a 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

1 THE ANALYSIS OF SUCH DATA.

2 (2) (a) THE COMMISSIONER SHALL ASSURE THAT THE STUDY  
3 PARAMETERS INCLUDE THE DATA TO BE GATHERED, THE METHOD AND  
4 TIME FRAMES FOR COLLECTION OF THE DATA, AND THE OBJECTIVES AND  
5 STANDARDS FOR THE ANALYSIS THEREOF.

6 (b) UPON COMPLETION OF THE ANALYSIS, THE DIVISION SHALL  
7 PRESENT A DRAFT OF THE REPORT TO THE COMMISSIONER FOR REVIEW AND  
8 TRANSMISSION TO THE GENERAL ASSEMBLY PURSUANT TO PARAGRAPH (c)  
9 OF THIS SUBSECTION (2).

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

21 (d) IF THE COMMISSIONER CONTRACTS WITH A NONPROFIT ENTITY  
22 TO ANALYZE DATA COLLECTED PURSUANT TO THIS SECTION, SUCH  
23 AGGREGATED DATA MAY BE TRANSMITTED TO SUCH NONPROFIT ENTITY  
24 FOR ANALYSIS.

25 (e) NOTHING IN THIS SECTION SHALL WAIVE ANY CLAIM TO  
26 PRIVILEGED OR CONFIDENTIAL INFORMATION PURSUANT TO FEDERAL OR  
27 STATE LAW.

1 (3) THE DATA TO BE COLLECTED SHALL INCLUDE THE AMOUNT OF  
2 CLAIMS PAID BY HEALTH INSURERS IN PUEBLO COUNTY FOR THE PERIOD  
3 BEGINNING JANUARY 1, 2002, AND ENDING DECEMBER 31, 2005; THE  
4 RATES CHARGED FOR HEALTH INSURANCE DURING THIS PERIOD; THE  
5 CHARGES BILLED BY LICENSED, CERTIFIED, OR REGISTERED HEALTH CARE  
6 PROVIDERS DURING THIS SAME PERIOD; THE CHARGES BILLED BY ALL  
7 LICENSED HEATH CARE FACILITIES DURING THIS PERIOD; THE NUMBER OF  
8 LICENSED, CERTIFIED, OR REGISTERED HEALTH CARE PROVIDERS IN  
9 PUEBLO COUNTY DURING THIS PERIOD; THE NUMBER OF HEALTH INSURERS  
10 CONDUCTING BUSINESS IN PUEBLO COUNTY DURING THIS PERIOD;  
11 WHETHER THE PRACTICE PATTERNS OF HEALTH CARE PROVIDERS IN THE  
12 PUEBLO COMMUNITY DIFFER FROM ACCEPTED STANDARDS AND  
13 GUIDELINES; WHETHER THE HEALTH STATUS OF THE PUEBLO COMMUNITY  
14 DRIVES HEALTH INSURANCE COSTS; AND ANY OTHER INFORMATION  
15 DETERMINED NECESSARY BY THE COMMISSIONER.

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

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18 SECTION 2. Appropriation. (1) In addition to any other  
19 appropriation, there is hereby appropriated, out of any moneys in the  
20 division of insurance cash fund created in section 10-1-103 (3), Colorado  
21 Revised Statutes, not otherwise appropriated, to the department of  
22 regulatory agencies, for allocation to the division of insurance, for the  
23 fiscal year beginning July 1, 2006, the sum of twenty-five thousand three  
24 hundred forty-nine dollars (\$25,349), or so much thereof as may be  
25 necessary, for the implementation of this act.

26 SECTION 3. Safety clause. The general assembly hereby finds,

- 1 determines, and declares that this act is necessary for the immediate
- 2 preservation of the public peace, health, and safety.