

NOTE: This bill has been prepared for the signature of the appropriate legislative officers and the Governor. To determine whether the Governor has signed the bill or taken other action on it, please consult the legislative status sheet, the legislative history, or the Session Laws.

2001



HOUSE BILL 01-1037

BY REPRESENTATIVE(S) Fairbank;
also SENATOR(S) Phillips and Nichol.

CONCERNING THE CREATION OF SPECIFIC REQUIREMENTS FOR HEALTH CARE
PROVIDER NETWORKS THAT CONDUCT INSURANCE BUSINESS IN THE
STATE OF COLORADO.

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

SECTION 1. 6-18-302 (1) (b), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBPARAGRAPH to read:

6-18-302. Creation of provider networks - requirements.

(1) (b) (IV) EVERY LICENSED PROVIDER NETWORK THAT CONDUCTS INSURANCE BUSINESS IN THE STATE OF COLORADO SHALL:

(A) OBTAIN FROM THE COMMISSIONER OF INSURANCE, BEFORE THE START OF BUSINESS, A CERTIFICATE OF AUTHORITY AUTHORIZING THE PROVIDER NETWORK TO CONDUCT BUSINESS IN THE STATE OF COLORADO;

(B) MAINTAIN ITS PRINCIPAL AND HOME OFFICE IN THE STATE OF COLORADO, MAINTAIN SUCH BOOKS AND RECORDS IN THIS STATE, AND MAINTAIN PRINCIPAL BANKING RELATIONSHIPS WITH A BANK CHARTERED BY

Capital letters indicate new material added to existing statute; dashes through the words indicate deletions from existing statutes and such material not part of act.

THE STATE OF COLORADO OR A MEMBER BANK OF THE FEDERAL RESERVE SYSTEM;

(C) HOLD AT LEAST ONE BOARD OF DIRECTORS' MEETING EACH YEAR IN THE STATE OF COLORADO;

(D) INCLUDE IN THE PROVIDER NETWORK'S MANAGEMENT AND ADMINISTRATIVE AGREEMENTS, FOR ESSENTIAL INSURANCE SERVICES, A PROVISION THAT ALLOWS THE COMMISSIONER REASONABLE ACCESS TO EXAMINE SUCH BOOKS AND RECORDS; AND

(E) FOR PURPOSES OF THIS PARAGRAPH (b), SUBSTANTIALLY PERFORM IN THE STATE OF COLORADO THE ESSENTIAL FUNCTIONS OF THE LICENSED PROVIDER NETWORK'S PRINCIPAL AND HOME OFFICE, INCLUDING, BUT NOT LIMITED TO, THE PROVISION AND ADMINISTRATION OF HEALTH CARE SERVICES, THE ISSUANCE OF HEALTH CARE PLANS, THE MAINTENANCE OF HEALTH CARE PROVIDER RELATIONS, AND THE PROVISION OF CONSUMER INFORMATION AND SERVICES.

SECTION 2. Safety clause. The general assembly hereby finds,

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

Doug Dean
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

Stan Matsunaka
PRESIDENT OF
THE SENATE

Judith Rodrigue
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

Karen Goldman
SECRETARY OF
THE SENATE

APPROVED _____

Bill Owens
GOVERNOR OF THE STATE OF COLORADO