

Second Regular Session  
Seventy-third General Assembly  
STATE OF COLORADO

**PREAMENDED**

*This Unofficial Version Includes Committee  
Amendments Not Yet Adopted on Second Reading*

LLS NO. 22-0288.01 Christy Chase x2008

**HOUSE BILL 22-1269**

---

**HOUSE SPONSORSHIP**

**Lontine,**

**SENATE SPONSORSHIP**

**Hansen,**

---

**House Committees**

Health & Insurance  
Appropriations

**Senate Committees**

---

**A BILL FOR AN ACT**

101 **CONCERNING REQUIREMENTS IMPOSED ON PERSONS NOT AUTHORIZED**  
102 **TO TRANSACT INSURANCE BUSINESS IN THIS STATE WHO ARE**  
103 **OFFERING COVERAGE OF HEALTH-CARE COSTS FOR COLORADO**  
104 **RESIDENTS.**

---

**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)*

Starting October 1, 2022, and by each March 1 thereafter, the bill requires any person that is not authorized to engage in the business of insurance in this state but that offers or intends to offer a plan or

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters or bold & italic numbers indicate new material to be added to existing statute.*  
*Dashes through the words indicate deletions from existing statute.*

arrangement to facilitate payment of or to cover health-care costs or services for Colorado residents to annually submit to the commissioner of insurance (commissioner) specified information and a certification that the information is accurate and complies with the requirements of the bill. The submission must include information about the operation of the plan or arrangement in the immediately preceding calendar year, including:

- The number of participants in the plan or arrangement;
- The total amount of fees, dues, or other payments collected from participants and the percentage of fees, dues, or other payments that the person retained;
- The total amount of payments made to providers or to reimburse participants for health-care services provided or received;
- The estimated number of participants the person anticipates in the next calendar year;
- The counties in which the person offers or intends to offer a plan or arrangement and any other states in which the person offers a plan or arrangement;
- A list of third parties associated with, or offering or enrolling participants in a plan or arrangement on behalf of, the person and a detailed accounting of commissions or other remuneration paid to a third party for services provided in promoting or administering the plan or arrangement;
- The person's reserve balance; and
- Contact information for an individual serving as the person's contact person in this state, a list of the person's officers and directors, and the person's organizational chart.

Within 45 days after receipt, the commissioner is to determine whether a submission by a person is complete. Each year, the commissioner is to compile a report summarizing the information submitted by persons, post the report on the division of insurance website, and submit the report to specified legislative committees. The commissioner is authorized to adopt rules to implement the bill and to issue an emergency cease-and-desist order against a person that fails to comply with the requirements of the bill.

---

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

2           **SECTION 1.** In Colorado Revised Statutes, **add** 10-16-107.4 as  
3 follows:

4           **10-16-107.4. Health-care sharing plan or arrangement -**

1 **required reporting and certification - noncompliance - information**  
2 **posted on division website - reports to general assembly - rules. (1) A**  
3 PERSON NOT AUTHORIZED BY THE COMMISSIONER PURSUANT TO ARTICLE  
4 3 OF THIS TITLE 10 TO OFFER INSURANCE IN THIS STATE THAT OFFERS OR  
5 INTENDS TO OFFER A PLAN OR ARRANGEMENT TO FACILITATE PAYMENT OF  
6 OR TO COVER HEALTH-CARE COSTS OR SERVICES FOR RESIDENTS OF THIS  
7 STATE, REGARDLESS OF WHETHER THE PERSON IS DOMICILED IN THIS STATE  
8 OR ANOTHER STATE, SHALL SUBMIT TO THE COMMISSIONER BY OCTOBER  
9 1, 2022, AND BY MARCH 1 EACH YEAR THEREAFTER:

10 (a) THE FOLLOWING INFORMATION:

11 (I) THE TOTAL NUMBER OF INDIVIDUALS AND HOUSEHOLDS THAT  
12 PARTICIPATED IN THE PLAN OR ARRANGEMENT IN THIS STATE IN THE  
13 IMMEDIATELY PRECEDING CALENDAR YEAR;

14 (II) THE TOTAL NUMBER OF EMPLOYER GROUPS THAT  
15 PARTICIPATED IN THE PLAN OR ARRANGEMENT IN THIS STATE IN THE  
16 IMMEDIATELY PRECEDING CALENDAR YEAR, SPECIFYING THE TOTAL  
17 NUMBER OF PARTICIPATING INDIVIDUALS IN EACH PARTICIPATING  
18 EMPLOYER GROUP;

19 (III) IF THE PERSON OFFERS A PLAN OR ARRANGEMENT IN OTHER  
20 STATES, THE TOTAL NUMBER OF PARTICIPANTS IN THE PLAN OR  
21 ARRANGEMENT NATIONALLY;

22 (IV) ANY CONTRACTS THE PERSON HAS ENTERED INTO WITH  
23 PROVIDERS IN THIS STATE THAT PROVIDE HEALTH-CARE SERVICES TO PLAN  
24 OR ARRANGEMENT PARTICIPANTS;

25 (V) THE TOTAL AMOUNT OF FEES, DUES, OR OTHER PAYMENTS  
26 COLLECTED BY THE PERSON IN THE IMMEDIATELY PRECEDING CALENDAR  
27 YEAR FROM INDIVIDUALS, EMPLOYER GROUPS, OR OTHERS WHO

1 PARTICIPATED IN THE PLAN OR ARRANGEMENT IN THIS STATE, SPECIFYING  
2 THE PERCENTAGE OF FEES, DUES, OR OTHER PAYMENTS RETAINED BY THE  
3 PERSON FOR ADMINISTRATIVE EXPENSES;

4 (VI) THE TOTAL DOLLAR AMOUNT OF CLAIMS OR REQUESTS FOR  
5 PAYMENT OR COVERAGE OF HEALTH-CARE COSTS OR SERVICES SUBMITTED  
6 IN THIS STATE IN THE IMMEDIATELY PRECEDING CALENDAR YEAR BY  
7 PARTICIPANTS IN THE PLAN OR ARRANGEMENT OR PROVIDERS THAT  
8 PROVIDED HEALTH-CARE SERVICES TO PLAN OR ARRANGEMENT  
9 PARTICIPANTS;

10 (VII) THE TOTAL DOLLAR AMOUNT OF CLAIMS OR REQUESTS FOR  
11 PAYMENT OR COVERAGE OF HEALTH-CARE COSTS OR SERVICES THAT WERE  
12 DETERMINED TO QUALIFY FOR PAYMENT OR COVERAGE UNDER THE PLAN  
13 OR ARRANGEMENT IN THE IMMEDIATELY PRECEDING CALENDAR YEAR;

14 (VIII) THE TOTAL AMOUNT OF PAYMENTS MADE TO PROVIDERS IN  
15 THIS STATE IN THE IMMEDIATELY PRECEDING CALENDAR YEAR FOR  
16 HEALTH-CARE SERVICES PROVIDED TO OR RECEIVED BY A PLAN OR  
17 ARRANGEMENT PARTICIPANT;

18 (IX) THE TOTAL AMOUNT OF REIMBURSEMENTS MADE TO PLAN OR  
19 ARRANGEMENT PARTICIPANTS IN THIS STATE IN THE IMMEDIATELY  
20 PRECEDING CALENDAR YEAR FOR HEALTH-CARE SERVICES PROVIDED TO OR  
21 RECEIVED BY A PLAN OR ARRANGEMENT PARTICIPANT;

22 (X) THE TOTAL NUMBER OF CLAIMS OR REQUESTS FOR PAYMENT  
23 OR COVERAGE OF HEALTH-CARE COSTS OR SERVICES SUBMITTED IN THIS  
24 STATE IN THE IMMEDIATELY PRECEDING CALENDAR YEAR THAT WERE  
25 DENIED, EXPRESSED AS A PERCENTAGE OF TOTAL CLAIMS OR REQUESTS  
26 SUBMITTED IN THAT CALENDAR YEAR, AND THE TOTAL NUMBER OF CLAIM  
27 OR REQUEST DENIALS THAT WERE APPEALED;

1 (XI) THE TOTAL AMOUNT OF HEALTH-CARE EXPENSES SUBMITTED  
2 BY PLAN OR ARRANGEMENT PARTICIPANTS OR PROVIDERS IN THIS STATE  
3 IN THE IMMEDIATELY PRECEDING CALENDAR YEAR THAT QUALIFY FOR  
4 PAYMENT OR COVERAGE PURSUANT TO THE PLAN OR ARRANGEMENT  
5 CRITERIA BUT THAT, AS OF THE END OF THAT CALENDAR YEAR, HAVE NOT  
6 BEEN PAID OR COVERED, EXCLUDING ANY AMOUNTS THAT THE PLAN OR  
7 ARRANGEMENT PARTICIPANTS INCURRING THE HEALTH-CARE COSTS MUST  
8 PAY BEFORE RECEIVING PAYMENTS OR COVERAGE UNDER THE PLAN OR  
9 ARRANGEMENT;

10 (XII) THE ESTIMATED NUMBER OF PLAN OR ARRANGEMENT  
11 PARTICIPANTS IN THIS STATE THE PERSON IS ANTICIPATING IN THE NEXT  
12 CALENDAR YEAR, SPECIFYING THE ESTIMATED NUMBER OF INDIVIDUALS,  
13 HOUSEHOLDS, EMPLOYER GROUPS, AND EMPLOYEES;

14 (XIII) THE SPECIFIC COUNTIES IN THIS STATE IN WHICH THE  
15 PERSON:

16 (A) OFFERED A PLAN OR ARRANGEMENT IN THE IMMEDIATELY  
17 PRECEDING CALENDAR YEAR; AND

18 (B) INTENDS TO OFFER A PLAN OR ARRANGEMENT IN THE NEXT  
19 CALENDAR YEAR;

20 (XIV) OTHER STATES IN WHICH THE PERSON OFFERS A PLAN OR  
21 ARRANGEMENT;

22 (XV) A LIST OF ANY THIRD PARTIES, OTHER THAN A PRODUCER,  
23 THAT ARE ASSOCIATED WITH OR ASSIST THE PERSON IN OFFERING OR  
24 ENROLLING PARTICIPANTS IN THIS STATE IN THE PLAN OR ARRANGEMENT,  
25 COPIES OF ANY TRAINING MATERIALS PROVIDED TO A THIRD PARTY,  
26 AND A DETAILED ACCOUNTING OF ANY COMMISSIONS OR OTHER FEES OR  
27 REMUNERATION PAID TO A THIRD PARTY IN THE IMMEDIATELY PRECEDING

1 CALENDAR YEAR FOR:

2 (A) MARKETING, PROMOTING, OR ENROLLING PARTICIPANTS IN A  
3 PLAN OR ARRANGEMENT OFFERED BY THE PERSON IN THIS STATE; OR

4 (B) OPERATING, MANAGING, OR ADMINISTERING A PLAN OR  
5 ARRANGEMENT OFFERED BY THE PERSON IN THIS STATE;

6 (XVI) THE TOTAL NUMBER OF PRODUCERS THAT ARE ASSOCIATED  
7 WITH OR ASSIST THE PERSON IN OFFERING OR ENROLLING PARTICIPANTS IN  
8 THIS STATE IN THE PLAN OR ARRANGEMENT, THE TOTAL NUMBER OF  
9 PARTICIPANTS ENROLLED IN THE PLAN OR ARRANGEMENT THROUGH A  
10 PRODUCER, COPIES OF ANY TRAINING MATERIALS PROVIDED TO A  
11 PRODUCER, AND A DETAILED ACCOUNTING OF ANY COMMISSIONS OR  
12 OTHER FEES OR REMUNERATION PAID TO A PRODUCER IN THE  
13 IMMEDIATELY PRECEDING CALENDAR YEAR FOR MARKETING, PROMOTING,  
14 OR ENROLLING PARTICIPANTS IN A PLAN OR ARRANGEMENT OFFERED BY  
15 THE PERSON IN THIS STATE;

16 (XVII) COPIES OF ANY CONSUMER-FACING AND MARKETING  
17 MATERIALS USED IN THIS STATE IN PROMOTING THE PERSON'S PLAN OR  
18 ARRANGEMENT, INCLUDING PLAN OR ARRANGEMENT AND BENEFIT  
19 DESCRIPTIONS AND OTHER MATERIALS THAT EXPLAIN THE PLAN OR  
20 ARRANGEMENT;

21 (XVIII) THE NAME, MAILING ADDRESS, E-MAIL ADDRESS, AND  
22 TELEPHONE NUMBER OF AN INDIVIDUAL SERVING AS A CONTACT PERSON  
23 FOR THE PERSON IN THIS STATE;

24 (XIX) A LIST OF ANY PARENT COMPANIES, SUBSIDIARIES, AND  
25 OTHER NAMES THAT THE PERSON HAS OPERATED UNDER AT ANY TIME  
26 WITHIN THE IMMEDIATELY PRECEDING FIVE CALENDAR YEARS; AND

27 (XX) AN ORGANIZATIONAL CHART FOR THE PERSON AND A LIST OF

1 THE OFFICERS AND DIRECTORS OF THE PERSON;

2

3 (b) A CERTIFICATION BY AN OFFICER OF THE PERSON THAT, TO THE  
4 BEST OF THE PERSON'S GOOD-FAITH KNOWLEDGE AND BELIEF, THE  
5 INFORMATION SUBMITTED IS ACCURATE AND SATISFIES THE  
6 REQUIREMENTS OF THIS SUBSECTION (1).

7 (2) (a) IF THE PERSON SUBJECT TO THE REQUIREMENTS OF  
8 SUBSECTION (1) OF THIS SECTION FAILS TO SUBMIT THE INFORMATION OR  
9 CERTIFICATION REQUIRED BY SAID SUBSECTION, THE SUBMISSION IS  
10 INCOMPLETE. THE COMMISSIONER SHALL MAKE A DETERMINATION OF  
11 COMPLETENESS NO LATER THAN FORTY-FIVE DAYS AFTER THE SUBMISSION.  
12 IF THE COMMISSIONER HAS NOT INFORMED THE PERSON OF ANY  
13 DEFICIENCIES IN THE SUBMISSION WITHIN FORTY-FIVE DAYS AFTER  
14 RECEIVING THE SUBMISSION, THE SUBMISSION IS CONSIDERED COMPLETE.

15 (b) (I) IF THE COMMISSIONER DETERMINES THAT A PERSON FAILS  
16 TO COMPLY WITH THE REQUIREMENTS OF SUBSECTION (1) OF THIS SECTION:

17 (A) THE COMMISSIONER SHALL NOTIFY THE PERSON THAT THE  
18 SUBMISSION IS INCOMPLETE AND ENUMERATE IN THE NOTIFICATION EACH  
19 DEFICIENCY FOUND IN THE PERSON'S SUBMISSION; AND

20 (B) THE COMMISSIONER SHALL ALLOW THE PERSON THIRTY DAYS  
21 AFTER THE INITIAL FINE IS LEVIED TO REMEDY THE DEFICIENCY FOUND IN  
22 THE SUBMISSION.

23 (II) IF THE PERSON DOES NOT REMEDY THE DEFICIENCY WITHIN THE  
24 THIRTY-DAY PERIOD, THE COMMISSIONER MAY LEVY A FINE NOT TO  
25 EXCEED TEN THOUSAND DOLLARS PER DAY.

26 (III) IF THE PERSON DOES NOT REMEDY THE DEFICIENCY OR  
27 DEFICIENCIES WITHIN THIRTY DAYS AFTER THE INITIAL FINE IS LEVIED, THE

1 COMMISSIONER MAY ISSUE A CEASE-AND-DESIST ORDER IN ACCORDANCE  
2 WITH SECTION 10-3-904.5.

3 (3) ON OR BEFORE APRIL 1, 2023, AND ON OR BEFORE EACH  
4 OCTOBER 1 THEREAFTER, THE COMMISSIONER SHALL:

5 (a) PREPARE A WRITTEN REPORT SUMMARIZING THE INFORMATION  
6 SUBMITTED BY PERSONS PURSUANT TO SUBSECTION (1) OF THIS SECTION;

7 (b) POST ON THE DIVISION'S WEBSITE THE REPORT AND ACCURATE  
8 AND EVIDENCE-BASED INFORMATION ABOUT THE PERSONS WHO  
9 SUBMITTED INFORMATION PURSUANT TO SUBSECTION (1) OF THIS SECTION,  
10 INCLUDING HOW CONSUMERS MAY FILE COMPLAINTS; AND

11 (c) SUBMIT THE REPORT TO THE SENATE HEALTH AND HUMAN  
12 SERVICES COMMITTEE AND THE HOUSE OF REPRESENTATIVES HEALTH AND  
13 INSURANCE COMMITTEE OR ANY SUCCESSOR COMMITTEES.  
14 NOTWITHSTANDING SECTION 24-1-136 (11)(a)(I), THE REQUIREMENT TO  
15 REPORT TO THE LEGISLATIVE COMMITTEES CONTINUES INDEFINITELY.

16 (4) THE COMMISSIONER MAY ADOPT RULES AS NECESSARY TO  
17 IMPLEMENT THIS SECTION.

18 (5) THIS SECTION DOES NOT APPLY TO DIRECT PRIMARY CARE  
19 AGREEMENTS AS DEFINED IN ARTICLE 23 OF TITLE 6.

20 **SECTION 2.** In Colorado Revised Statutes, 10-3-904.5, **amend**  
21 (1)(a) as follows:

22 **10-3-904.5. Emergency cease-and-desist orders - issuance.**

23 (1) The commissioner may issue an emergency cease-and-desist order ex  
24 parte if:

25 (a) The commissioner believes that:

26 (I) An unauthorized person is engaging in the business of  
27 insurance in violation of the provisions of section 10-3-105 or 10-3-903



1 or is in violation of a rule promulgated by the commissioner; ~~and~~ OR

2 (II) A PERSON DOES NOT REMEDY A DEFICIENCY OR DEFICIENCIES  
3 IN THE SUBMISSION REQUIRED BY THE COMMISSIONER PURSUANT TO  
4 SECTION 10-16-107.4 (1) WITHIN THE THIRTY DAYS AFTER THE  
5 COMMISSIONER LEVIES AN INITIAL FINE PURSUANT TO SECTION  
6 10-16-107.4 (2)(b); AND

7 **SECTION 3. Applicability.** This act applies to conduct occurring  
8 on or after the effective date of this act.

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