

CHAPTER 140

LABOR AND INDUSTRY

HOUSE BILL 13-1025

BY REPRESENTATIVE(S) Swalm, McLachlan, Williams, Fields;
also SENATOR(S) Jahn, Guzman, King, Newell, Tochtrop.

AN ACT**CONCERNING AN INCREASE IN THE AMOUNT OF THE AUTHORIZED DEDUCTIBLE FOR WORKERS' COMPENSATION INSURANCE POLICIES.**

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

SECTION 1. In Colorado Revised Statutes, 8-44-111, **amend** (1) as follows:

8-44-111. Workers' compensation insurance - deductibles - definition.

(1) (a) Any employer may agree, as a condition of any contract for the insurance of compensation and benefits as provided in articles 40 to 47 of this title or against liability therefor, to pay an amount not to exceed ~~five thousand dollars~~ THE SPLIT POINT APPROVED BY THE COMMISSIONER OF INSURANCE per claim toward the total amount of any claim payable under articles 40 to 47 of this title. The amount of premium to be paid by an employer who agrees to pay such deductible shall be reduced based upon such deductible in an amount determined by the insurance carrier.

(b) AS USED IN THIS SUBSECTION (1), "SPLIT POINT" MEANS THE AMOUNT OF EACH LOSS APPROVED BY THE COMMISSIONER OF INSURANCE THAT AN INSURER MAY APPLY AS THE PRIMARY LOSS IN EACH WORKERS' COMPENSATION CLAIM. THE FULL AMOUNT OF PRIMARY LOSSES COUNTS IN EACH EMPLOYER'S EXPERIENCE MODIFICATION CALCULATION THAT DETERMINES THE EMPLOYER'S PERCENTAGE CREDIT OR SURCHARGE ON WORKERS' COMPENSATION COVERAGE. THE LOSS AMOUNT ABOVE THE SPLIT POINT IS EXCESS LOSS AND CONSTITUTES PART OF EACH EMPLOYER'S EXPERIENCE MODIFICATION CALCULATION.

(c) NOTHING IN THIS SECTION ABROGATES AN EMPLOYER'S RESPONSIBILITY TO PAY THE FULL AMOUNT OF ANY COMPENSATION AND BENEFITS DUE UNDER ARTICLES 40 TO 47 OF THIS TITLE. IT IS A VIOLATION OF THIS TITLE FOR AN EMPLOYER OR, IF

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

INSURED, THE INSURER TO REQUIRE ANY EMPLOYEE TO PAY ANY PART OF THE COMPENSATION AND BENEFITS DUE UNDER ARTICLES 40 TO 47 OF THIS TITLE.

(d) IT IS A VIOLATION OF THIS TITLE FOR AN EMPLOYER OR, IF INSURED, THE INSURER TO REQUIRE AN EMPLOYEE TO USE ANY OTHER TYPE OF INSURANCE, REGARDLESS OF WHETHER IT IS PROVIDED AS A BENEFIT OF EMPLOYMENT, OR ANY OTHER EMPLOYMENT BENEFIT, TO PAY ANY PORTION OF ANY COMPENSATION AND BENEFITS DUE UNDER ARTICLES 40 TO 47 OF THIS TITLE.

(e) NOTHING IN THIS SUBSECTION (1) ALLOWS A CARRIER TO STOP OFFERING NO-DEDUCTIBLE POLICIES.

SECTION 2. Effective date - applicability. This act takes effect July 1, 2013, and applies to new and renewing workers' compensation insurance policies on or after said date.

SECTION 3. 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.

Approved: April 26, 2013