

CHAPTER 223

INSURANCE

SENATE BILL 93-55

BY SENATORS Traylor, Bishop, Gallagher, Groff, Hopper, Johnson, Norton, Ruddick, Wattenberg, Weissmann, Wells, and Wham; also REPRESENTATIVES Anderson, Eisenach, Gordon, Greenwood, Hagedorn, Jerke, Keller, Knox, Lawrence, Lyle, Martin, Pierson, Snyder, Strom, Tanner, Tucker, and Wright.

AN ACT**CONCERNING CONTINUATION OF THE COLORADO UNINSURABLE HEALTH INSURANCE PLAN, AND MAKING AN APPROPRIATION IN CONNECTION THEREWITH.**

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

SECTION 1. 10-8-506 (1) (d), Colorado Revised Statutes, 1987 Repl. Vol., as amended, is amended to read:

10-8-506. Board - powers and duties. (1) The board shall be the governing body of the plan and shall have all powers necessary to implement the provisions of this part 5. In addition, the board shall have the specific authority to:

(d) Establish appropriate rates, rate schedules, rate adjustments, expense allowances, agent referral fees, claim reserve formulas, stop-loss ratios, means tests, and any other actuarial functions appropriate to the operation of the plan. Rates and rate schedules may be adjusted by the board for appropriate risk factors such as age and area variation in claim costs, and the board shall take into consideration appropriate risk factors in accordance with established actuarial underwriting practices. CLAIM RESERVES SHALL BE BASED UPON ACCEPTED ACTUARIAL PRACTICES.

SECTION 2. 10-8-530 (1), Colorado Revised Statutes, 1987 Repl. Vol., as amended, is amended to read:

10-8-530. Funding of plan. (1) The plan shall be funded by the premiums collected pursuant to section 10-8-512 and by the payments collected FOR INCOME TAX YEARS UP TO AND INCLUDING THE 1992 INCOME TAX YEAR, pursuant to section

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

39-22-117, C.R.S., AS SAID SECTION EXISTED PRIOR TO JULY 1, 1993. Premiums shall be collected by the administering carrier pursuant to section 10-8-509 and shall be paid to the plan. All such ~~payments~~ MONEYS ~~collected~~ CREDITED pursuant to section 39-22-117, C.R.S., shall be transmitted to the state treasurer, who shall credit the same to the Colorado uninsurable health insurance plan cash fund, which fund is hereby created.

SECTION 3. 10-8-532, Colorado Revised Statutes, 1987 Repl. Vol., as amended, is repealed as follows:

10-8-532. Repeal of part. ~~This part 5 is repealed, effective July 1, 1993.~~

SECTION 4. 38-13-116 (3) (b), Colorado Revised Statutes, 1982 Repl. Vol., as amended, is amended to read:

38-13-116. Creation of funds. (3) (b) (I) When the special fund for industrial bank moneys is to be terminated pursuant to section 11-22-614 (5), C.R.S., any moneys remaining in such fund which are attributable to moneys collected by the administrator under this article shall be credited to the Colorado uninsurable health insurance plan cash fund, created under section 10-8-530 (1), C.R.S., and any moneys thereafter collected by the administrator under this article as a result of amounts due and payable by insurance companies under the terms of insurance policies shall be credited to the Colorado uninsurable health insurance plan cash fund, created under section 10-8-530 (1), C.R.S.

(II) ~~This paragraph (b) is repealed, effective July 1, 1993.~~

SECTION 5. Appropriation. In addition to any other appropriation, there is hereby appropriated, out of any moneys in the Colorado uninsurable health insurance plan cash fund not otherwise appropriated, to the department of regulatory agencies, for allocation to the Colorado uninsurable health insurance plan for the fiscal year beginning July 1, 1993, the sum of two million seven hundred fifty-seven thousand six hundred seventy-two dollars (\$2,757,672), or so much thereof as may be necessary, for the implementation of this act.

SECTION 6. 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: June 2, 1993