

CHAPTER 108

INSURANCE

SENATE BILL 99-114

BY SENATORS Phillips, Dyer, Feeley, Lamborn, Owen, Powers, Hernandez, Rupert, and Tebedo;
also REPRESENTATIVES Mitchell, Berry, Chavez, Veiga, T. Williams, Witwer, Bacon, Fairbank, Hefley, Keller, Lee, Miller,
Paschall, Plant, Saliman, Scott, Spence, Spradley, Tapia, and Vigil.

AN ACT

CONCERNING THE PAYMENT FOR HEALTH BENEFITS PLANS WITH PRE-TAX DOLLARS FOR SMALL EMPLOYERS.

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

SECTION 1. The introductory portion to 10-8-601.5 (1) (a) and 10-8-601.5 (1) (a) (III), Colorado Revised Statutes, are amended, and the said 10-8-601.5 (1) is further amended BY THE ADDITION OF A NEW PARAGRAPH, to read:

10-8-601.5. Applicability and scope. (1) (a) Except as provided in paragraphs (b), ~~and~~ (c), AND (c.5) of this subsection (1), this article and article 16 of this title shall apply to any health benefit plan that provides coverage to the employees of a small employer in this state if any of the following conditions are met:

(III) The health benefit plan is treated by the employer or any of the eligible employees or dependents as part of a plan or program for the purposes of Section 106, 125, or 162 of the federal "Internal Revenue Code of 1986", as amended EXCEPT AS PROVIDED IN PARAGRAPH (c.5) OF THIS SUBSECTION (1); or

(c.5) A PLAN SHALL NOT BE SUBJECT TO THE SMALL GROUP PROVISIONS OF THIS ARTICLE AND ARTICLE 16 OF THIS TITLE IF THE PREMIUM FOR THE PLAN IS PAID FOR THROUGH A SECTION 125 PLAN OR PROGRAM OF THE FEDERAL "INTERNAL REVENUE CODE OF 1986", AS AMENDED, THE EMPLOYER MAKES NO CONTRIBUTION TO THE SECTION 125 PLAN OR PROGRAM , THE EMPLOYER DOES NOT HAVE IN PLACE AN EMPLOYER SPONSORED HEALTH BENEFIT PLAN, AND THE EMPLOYER DOES NOT PAY FOR ANY PORTION OF THE PREMIUM OR BENEFIT PAID.

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

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.

Approved: April 15, 1999