

## CHAPTER 72

---

**INSURANCE**


---

**HOUSE BILL 04-1008**

BY REPRESENTATIVE(S) Cloer, Borodkin, Coleman, Frangas, Miller, Paccione, Weddig, and Wiens;  
also SENATOR(S) Lamborn and Entz.

**AN ACT**

**CONCERNING ASSIGNMENT OF BENEFITS OFFERED UNDER A MOTOR VEHICLE INSURANCE POLICY.**

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

**SECTION 1.** Part 6 of article 4 of title 10, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

**10-4-634. Assignment of payment for covered benefits.** (1) ON AND AFTER THIRTY DAYS AFTER THE EFFECTIVE DATE OF THIS ACT, A POLICY OF MOTOR VEHICLE INSURANCE COVERAGE PURSUANT TO THIS PART 6 SHALL ALLOW, BUT NOT REQUIRE, AN INSURED UNDER THE POLICY TO ASSIGN, IN WRITING, PAYMENTS DUE UNDER MEDICAL PAYMENTS COVERAGE OF THE POLICY TO A LICENSED HOSPITAL OR OTHER LICENSED HEALTH CARE PROVIDER, AS DEFINED IN SECTION 10-4-902 (3), AN OCCUPATIONAL THERAPIST AS DESCRIBED IN SECTION 6-1-707 (1) (c), C.R.S., OR A MASSAGE THERAPIST FOR SERVICES PROVIDED TO THE INSURED THAT ARE COVERED UNDER THE POLICY.

(2) WHEN A LICENSED HOSPITAL OR OTHER LICENSED HEALTH CARE PROVIDER, OCCUPATIONAL THERAPIST, OR MASSAGE THERAPIST RECEIVES AN ASSIGNMENT FROM AN INSURED, IT IS THE RESPONSIBILITY OF THE PROVIDER TO BILL THE INSURER AND NOTIFY THE INSURER THAT THE LICENSED HEALTH CARE PROVIDER HOLDS AN ASSIGNMENT ON FILE. THE INSURER SHALL HONOR THIS ASSIGNMENT THE SAME AS IF A COPY OF THE ASSIGNMENT HAD BEEN RECEIVED BY THE INSURER. ONLY UPON REQUEST OF THE INSURER SHALL THE HEALTH CARE PROVIDER BE REQUIRED TO PROVIDE A COPY OF THE ASSIGNMENT. THE PROVIDER SHALL ALSO PROVIDE A COPY OF SUCH BILL TO THE INSURED, STATING ON SUCH COPY THAT IT IS FOR INFORMATIONAL PURPOSES ONLY AND THAT THE INSURER HAS BEEN BILLED FOR COVERED BENEFITS. THE PROVIDER SHALL ALSO FURNISH TO THE INSURER A CURRENT TAXPAYER IDENTIFICATION NUMBER AS PART OF THE INITIAL BILL AND EACH

---

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

SUBSEQUENT BILLING. SUBSEQUENT BILLINGS TO AN INSURER NEED NOT INCLUDE A COPY OF THE ASSIGNMENT UNLESS REQUIRED BY THE INSURER SO LONG AS IT IS CLEARLY NOTED ON EACH SUCH SUBSEQUENT BILLING THAT THE BENEFITS HAVE BEEN ASSIGNED. THE INSURER SHALL HONOR SUCH ASSIGNMENT AND MAKE PAYMENT OF COVERED BENEFITS DIRECTLY TO SUCH LICENSED HOSPITAL OR OTHER LICENSED HEALTH CARE PROVIDER, OCCUPATIONAL THERAPIST, OR MASSAGE THERAPIST. IF THE INSURER FAILS TO HONOR SUCH ASSIGNMENT BUT INSTEAD MAKES PAYMENT TO THE INSURED, AND IF THE INSURED FAILS TO TIMELY PAY AN AMOUNT EQUIVALENT TO SUCH PAYMENT TO THE LICENSED HOSPITAL OR OTHER LICENSED HEALTH CARE PROVIDER, THEN THE INSURER SHALL BE LIABLE FOR SUCH PAYMENT DIRECTLY TO THE LICENSED HOSPITAL OR OTHER LICENSED HEALTH CARE PROVIDER, OCCUPATIONAL THERAPIST, OR MASSAGE THERAPIST. IT SHALL BE THE RESPONSIBILITY OF THE LICENSED HOSPITAL OR OTHER LICENSED HEALTH CARE PROVIDER, OCCUPATIONAL THERAPIST, OR MASSAGE THERAPIST TO NOTIFY THE INSURER IF TIMELY PAYMENT HAS NOT BEEN RECEIVED.

**SECTION 2. Applicability.** This act shall apply to policies for motor vehicle insurance issued or renewed on or after the effective date of this act.

**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 5, 2004