

CHAPTER 409

INSURANCE

HOUSE BILL 08-1385

BY REPRESENTATIVE(S) Primavera, Carroll M., Carroll T., Fischer, Frangas, Gagliardi, Green, Hodge, Jahn, Kefalas, Kerr A., Madden, Massey, McFadyen, McGihon, Merrifield, Middleton, Peniston, Rice, Romanoff, Scanlan, Solano, Stafford, Todd, Buescher, Labuda, Marshall, Roberts, and Summers;
also SENATOR(S) Schwartz, Bacon, Boyd, Groff, Isgar, Keller, Tochtrop, Tupa, Veiga, and Williams.

AN ACT

**CONCERNING INCREASED TRANSPARENCY TO CONSUMERS REGARDING HEALTH CARE INSURANCE,
AND MAKING AN APPROPRIATION THEREFOR.**

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

SECTION 1. Part 1 of article 16 of title 10, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

10-16-133. Legislative declaration - health carrier information disclosure - web site - insurance producer disclosure requirements. (1) THE GENERAL ASSEMBLY FINDS AND DETERMINES THAT CONSUMERS DESERVE TO KNOW THE QUALITY AND COST OF THEIR HEALTH CARE INSURANCE. HEALTH CARE INSURANCE TRANSPARENCY PROVIDES CONSUMERS WITH THE INFORMATION NECESSARY, AND THE INCENTIVE, TO CHOOSE HEALTH PLANS BASED ON COST AND QUALITY. THE GENERAL ASSEMBLY FURTHER FINDS THAT PROVIDING RELIABLE COST AND QUALITY INFORMATION ABOUT HEALTH CARE INSURANCE EMPOWERS CONSUMER CHOICE AND THAT CONSUMER CHOICE CREATES INCENTIVES AT ALL LEVELS, AND MOTIVATES THE ENTIRE SYSTEM TO PROVIDE BETTER CARE AND BENEFITS FOR LESS MONEY. THEREFORE IT IS THE INTENT OF THE GENERAL ASSEMBLY TO MAKE INFORMATION REGARDING THE COSTS OF HEALTH CARE INSURANCE READILY AVAILABLE TO CONSUMERS THROUGH THE DIVISION OF INSURANCE.

(2) THE COMMISSIONER SHALL IMPLEMENT AND MAINTAIN A CONSUMER GUIDE ON THE DIVISION OF INSURANCE WEB SITE THAT IS EASILY ACCESSIBLE AND AVAILABLE TO CONSUMERS REGARDING EACH CARRIER AUTHORIZED TO DO BUSINESS IN THIS STATE. THE WEB SITE SHALL:

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

(a) BE DERIVED FROM THE INFORMATION THAT EACH CARRIER IS REQUIRED TO FILE WITH THE DIVISION, EXCEPT FOR RECORDS THAT ARE NOT OPEN TO PUBLIC INSPECTION PURSUANT TO PART 2 OF ARTICLE 72 OF TITLE 24, C.R.S.;

(b) INCLUDE SUCH INFORMATION AS THE COMMISSIONER DETERMINES, IN HIS OR HER DISCRETION AND AFTER SOLICITING INPUT FROM INTERESTED PARTIES, TO BE USEFUL TO CONSUMERS AND PURCHASERS OF HEALTH CARE INSURANCE; EXCEPT THAT RECORDS THAT ARE NOT OPEN TO PUBLIC INSPECTION PURSUANT TO PART 2 OF ARTICLE 72 OF TITLE 24, C.R.S., SHALL NOT BE INCLUDED; AND

(c) INCLUDE A LINK TO THE DIVISION'S COMPLAINT FORM FOR USE BY CONSUMERS TO FILE A COMPLAINT AGAINST A CARRIER AND A LINK TO THE DIVISION'S COMPLAINT INDEX SO THAT CONSUMERS MAY ACCESS INFORMATION REGARDING COMPLAINTS AGAINST CARRIERS.

(3) THE COMMISSIONER IS AUTHORIZED TO INCLUDE ADDITIONAL HEALTH PLAN AND QUALITY INFORMATION ON THE WEB SITE FROM STATE OR NATIONALLY RECOGNIZED ORGANIZATIONS THAT MEASURE PERFORMANCE OF HEALTH BENEFIT PLANS.

(4) THE COMMISSIONER SHALL CONSIDER ALTERNATIVE METHODS OF MAKING THE CONSUMER GUIDE ACCESSIBLE TO CONSUMERS WHO DO NOT HAVE INTERNET ACCESS.

(5) AN INSURANCE PRODUCER LICENSED PURSUANT TO PART 4 OF ARTICLE 2 OF THIS TITLE WHO SOLICITS OR NEGOTIATES AN APPLICATION FOR HEALTH CARE INSURANCE ON BEHALF OF A CARRIER SHALL DISCLOSE TO THE PERSON PURCHASING THE PLAN THAT THE INSURANCE PRODUCER WILL RECEIVE A COMMISSION FROM THE CARRIER. THE INSURANCE PRODUCER SHALL PROVIDE THE CONSUMER WITH THE STANDARD COMPENSATION SCHEDULE FOR THE PRODUCT BEING SOLD. ANY CHANGE TO THE INSURANCE PRODUCER'S COMPENSATION FROM THE INITIAL DISCLOSURE TO THE TIME OF PURCHASE SHALL BE DISCLOSED BY THE INSURANCE PRODUCER TO THE PURCHASER AT OR BEFORE THE TIME OF SALE.

SECTION 2. Appropriation. In addition to any other appropriation, there is hereby appropriated, out of any moneys in the division of insurance cash fund created in section 10-1-103 (3), Colorado Revised Statutes, not otherwise appropriated, to the department of regulatory agencies, for allocation to the division of insurance, for the implementation and maintenance of a consumer guide to health benefits coverage on the division of insurance web site, for the fiscal year beginning July 1, 2008, the sum of eight thousand seven hundred seventy-four dollars (\$8,774), or so much thereof as may be necessary, for the implementation of this act.

SECTION 3. Effective date - applicability. (1) This act shall take effect January 1, 2009.

(2) However, if a referendum petition is filed against this act or an item, section, or part of this act during the 90-day period after final adjournment of the general assembly that is allowed for submitting a referendum petition pursuant to article V, section 1 (3) of the state constitution, then the act, item, section, or part, shall not take effect unless approved by the people at a biennial regular general election and shall take effect on the date specified in subsection (1) or on the date of the official

declaration of the vote thereon by proclamation of the governor, whichever is later.

(3) The provisions of this act shall apply to health care insurance purchased on or after the applicable effective date of this act.

Approved: June 3, 2008