

CHAPTER 197

PROFESSIONS AND OCCUPATIONS

HOUSE BILL 09-1061

BY REPRESENTATIVE(S) McGihon, Gagliardi, Labuda, Levy, Ryden, Todd;
also SENATOR(S) Tochtrop, Boyd, Carroll M., Foster, Hudak, Newell, Sandoval, Shaffer B.

AN ACT**CONCERNING REQUIRED HEALTH CARE DISCLOSURES INVOLVING INSURANCE CARRIER BUSINESS
RELATIONSHIPS WITH INTERMEDIARY ENTITIES.**

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

SECTION 1. 10-16-705, Colorado Revised Statutes, is amended BY THE ADDITION OF THE FOLLOWING NEW SUBSECTIONS to read:

10-16-705. Requirements for carriers and participating providers. (6.5) A CARRIER THAT HAS ENTERED INTO A CONTRACT WITH ONE OR MORE INTERMEDIARIES TO CONDUCT UTILIZATION MANAGEMENT, UTILIZATION REVIEW, PROVIDER CREDENTIALING, ADMINISTRATION OF HEALTH INSURANCE BENEFITS, SETTING OR NEGOTIATION OF REIMBURSEMENT RATES, PAYMENT TO PROVIDERS, NETWORK DEVELOPMENT, OR DISEASE MANAGEMENT PROGRAMS SHALL REQUIRE THE INTERMEDIARY TO COMPLY WITH THE SAME STANDARDS, GUIDELINES, MEDICAL POLICIES, AND BENEFIT TERMS OF THE CARRIER.

(10.5) (a) A CARRIER THAT HAS ENTERED INTO A CONTRACT WITH ONE OR MORE INTERMEDIARIES TO CONDUCT UTILIZATION MANAGEMENT, UTILIZATION REVIEW, PROVIDER CREDENTIALING, ADMINISTRATION OF HEALTH INSURANCE BENEFITS, SETTING OR NEGOTIATION OF REIMBURSEMENT RATES, PAYMENT TO PROVIDERS, NETWORK DEVELOPMENT, OR DISEASE MANAGEMENT PROGRAMS, SHALL REQUIRE THE INTERMEDIARY TO INDICATE THE NAME OF THE INTERMEDIARY AND THE NAME OF THE CARRIER FOR WHICH IT IS CONDUCTING THE WORK WHEN MAKING ANY PAYMENT TO A HEALTH CARE PROVIDER ON BEHALF OF THE CARRIER.

(b) (I) A VIOLATION OF SUBSECTION (6.5) OF THIS SECTION OR THIS SUBSECTION (10.5) IS AN UNFAIR OR DECEPTIVE ACT OR PRACTICE IN THE BUSINESS OF INSURANCE PURSUANT TO SECTION 10-3-1104.

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

(II) THE COMMISSIONER MAY EXAMINE THE ACTIONS OF A CARRIER PURSUANT TO SUBSECTION (6.5) OF THIS SECTION AND THIS SUBSECTION (10.5) WHEN CONDUCTING A MARKET CONDUCT ANALYSIS PURSUANT TO PART 2 OF ARTICLE 1 OF THIS TITLE.

SECTION 2. 10-3-1104 (1), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PARAGRAPH to read:

10-3-1104. Unfair methods of competition and unfair or deceptive acts or practices. (1) The following are defined as unfair methods of competition and unfair or deceptive acts or practices in the business of insurance:

(gg) VIOLATION OF SECTION 10-16-705 (6.5) OR (10.5).

SECTION 3. Act subject to petition - effective date. This act shall take effect at 12:01 a.m. on the day following the expiration of the ninety-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, (August 5, 2009, if adjournment sine die is on May 6, 2009); except that, if a referendum petition is filed against this act or an item, section, or part of this act within such period, then the act, item, section, or part, if approved by the people, shall take effect on the date of the official declaration of the vote thereon by proclamation of the governor.

Approved: April 30, 2009