

CHAPTER 40

INSURANCE

HOUSE BILL 10-1008

BY REPRESENTATIVE(S) Schafer S. and McCann, Apuan, Frangas, Massey, Casso, Court, Curry, Ferrandino, Fischer, Hullinghorst, Kagan, Kefalas, Labuda, Merrifield, Middleton, Pace, Peniston, Primavera, Ryden, Scanlan, Solano, Soper, Todd, Tyler, Vigil, Carroll T., Miklosi, Pommer;
 also SENATOR(S) Carroll M. and Schwartz, Boyd, Foster, Bacon, Gibbs, Heath, Hodge, Hudak, Johnston, Keller, Morse, Newell, Sandoval, Shaffer B., Steadman, Tochtrop, Whitehead, Williams.

AN ACT

CONCERNING A PROHIBITION AGAINST CONSIDERATION OF GENDER IN SETTING RATES FOR INDIVIDUAL HEALTH INSURANCE POLICIES.

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

SECTION 1. 10-16-107 (1.5), Colorado Revised Statutes, is amended to read:

10-16-107. Rate regulation - rules - approval of policy forms - benefit certificates - evidences of coverage - benefits ratio - disclosures on treatment of intractable pain. (1.5) (a) Rates for an individual ~~sickness, accident, or health insurance policy, contract, certificate, or other evidence of coverage~~ **HEALTH COVERAGE PLAN** issued or delivered to any policyholder, enrollee, subscriber, or member in Colorado by an insurer subject to ~~the provisions of~~ part 2 of this article or an entity subject to ~~the provisions of~~ part 3 or 4 of this article shall not be excessive, inadequate, or unfairly discriminatory to assure compliance with the requirements of this section that rates are not excessive in relation to benefits. Rates are excessive if they are likely to produce a long run profit that is unreasonably high for the insurance provided or if expenses are unreasonably high in relation to services rendered. In determining if rates are excessive, the commissioner may consider the expected filed rates in relation to the actual rates charged. Concerning inadequacy, rates are not inadequate unless clearly insufficient to sustain projected losses and expenses, or the use of such rates, if continued, will tend to create a monopoly in the market. Concerning unfair discrimination, unfair discrimination exists if, after allowing for practical limitations, price differentials fail to reflect equitably the differences in expected losses and expenses.

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

(b) NOTWITHSTANDING ANY OTHER PROVISION OF THIS ARTICLE, AN INSURER SUBJECT TO PART 2 OF THIS ARTICLE OR AN ENTITY SUBJECT TO PART 3 OR 4 OF THIS ARTICLE SHALL NOT VARY THE PREMIUM RATE FOR AN INDIVIDUAL HEALTH COVERAGE PLAN DUE TO THE GENDER OF THE INDIVIDUAL POLICYHOLDER, ENROLLEE, SUBSCRIBER, OR MEMBER. ANY PREMIUM RATE BASED ON THE GENDER OF THE INDIVIDUAL POLICYHOLDER, ENROLLEE, SUBSCRIBER, OR MEMBER SHALL BE CONSIDERED UNFAIRLY DISCRIMINATORY AND SHALL NOT BE ALLOWED.

SECTION 2. Act subject to petition - specified effective date - applicability.

(1) This act shall take effect January 1, 2011; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within the ninety-day period after final adjournment of the general assembly, then the act, item, section, or part shall not take effect unless approved by the people at the general election to be held in November 2010 and shall take effect on January 1, 2011, or on the date of the official declaration of the vote thereon by the governor, whichever is later.

(2) The provisions of this act shall apply to rates for individual health coverage plans that are issued or renewed on or after the applicable effective date of this act.

Approved: March 29, 2010