INTRODUCED

LLS NO. 19-0693.01 Kristen Forrestal x4217   **SENATE BILL 19-041**

SENATE SPONSORSHIP

Smallwood,

HOUSE SPONSORSHIP

(None),

Senate Committees   **House Committees**
Health & Human Services

A BILL FOR AN ACT

101   CONCERNING A REQUIRED CONTRACT PROVISION REGARDING THE

102   PAYMENT OF PREMIUMS BY A POLICYHOLDER TO A HEALTH

103   INSURANCE CARRIER FOR EACH INDIVIDUAL COVERED UNDER A

104   HEALTH INSURANCE POLICY.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at http://leg.colorado.gov.)

Current law requires a contract between a health insurance carrier and a policyholder to contain a provision that requires the policyholder to pay premiums for each individual covered under the policy through the

date that the policyholder notifies the carrier that an individual covered under the policy is no longer covered. The bill requires the contract to state that, in the alternative, the policyholder is required to pay premiums to the carrier through the date that the individual covered under the policy is no longer eligible or covered if the policyholder notifies the carrier within 10 business days after the date of ineligibility or noncoverage.

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

2   **SECTION 1.** In Colorado Revised Statutes, 10-16-103.5, **amend**

3   (1) introductory portion and (1)(a) as follows:

4   **10-16-103.5.   Payment of premiums - required term in**

5   **contract.** (1) Every contract between a carrier and a policyholder shall

6   ~~contain a provision that requires a~~ REQUIRE THE policyholder to pay

7   premiums FOR EACH INDIVIDUAL COVERED UNDER THE POLICYHOLDER'S

8   POLICY:

9   (a) (I) (A) ~~For each individual covered under the policyholder's~~

10   ~~policy~~ Through the date that the policyholder notifies the carrier that the

11   individual covered under the policy is no longer eligible or covered;

12   ~~except that~~, OR

13   (B) THROUGH THE DATE THAT THE INDIVIDUAL COVERED UNDER

14   THE POLICY IS NO LONGER ELIGIBLE OR COVERED IF THE POLICYHOLDER

15   NOTIFIES THE CARRIER WITHIN TEN BUSINESS DAYS AFTER THE DATE THAT

16   THE INDIVIDUAL IS NO LONGER ELIGIBLE OR COVERED.

17   (II) SUBSECTION (1)(a)(I) OF THIS SECTION DOES NOT APPLY if a

18   dependent is no longer covered because the dependent becomes enrolled

19   in the children's basic health plan, established pursuant to article 8 of title

20   25.5. ~~C.R.S.~~ IF THE DEPENDENT BECOMES ENROLLED IN THE CHILDREN'S

21   BASIC HEALTH PLAN, the policyholder shall notify the carrier of the change

22   in coverage at least thirty days prior to the date that the dependent is no

1   longer covered; or

2   **SECTION 2. Act subject to petition - effective date.** This act

3   takes effect January 1, 2020; except that, if a referendum petition is filed

4   pursuant to section 1 (3) of article V of the state constitution against this

5   act or an item, section, or part of this act within the ninety-day period

6   after final adjournment of the general assembly, then the act, item,

7   section, or part will not take effect unless approved by the people at the

8   general election to be held in November 2020 and, in such case, will take

9   effect on the date of the official declaration of the vote thereon by the

10   governor.