

**STATE  
FISCAL IMPACT**

**Drafting Number:** LLS 13-0785  
**Prime Sponsor(s):** Rep. Primavera

**Date:** February 20, 2013  
**Bill Status:** House Health, Insurance and Environment  
**Fiscal Analyst:** Clare Pramuk (303-866-2677)

**TITLE:** CONCERNING THE AUTHORITY OF THE COMMISSIONER OF INSURANCE TO PROMULGATE RULES REGARDING AN INSURANCE CARRIER'S REQUIREMENT TO SUBMIT COST INFORMATION TO THE COMMISSIONER.

<b>Fiscal Impact Summary</b>	<b>FY 2013-2014</b>	<b>FY 2014-2015</b>
<b>State Revenue</b>		
<b>State Expenditures</b>	See State Expenditures section.	
<b>FTE Position Change</b>		
<b>Effective Date:</b> Upon signature of the Governor, or upon becoming law without his signature.		
<b>Appropriation Summary for FY 2013-2014:</b> None required.		
<b>Local Government Impact:</b> None.		

**Summary of Legislation**

Current law requires all health insurance carriers doing business in Colorado to submit detailed cost information to the Commissioner of Insurance (commissioner) for inclusion in the annual Health Cost Report. This bill allows the commissioner to specify, by rule, a minimum threshold which carriers must meet before they are required to submit cost information.

**State Expenditures**

This bill requires a minimal increase in workload for the commissioner to adopt a rule to set the threshold for carriers to submit information. After the rule is adopted, workload for the Division of Insurance in the Department of Regulatory Agencies is expected to decrease by a minimal amount.

The fiscal note assumes that the commissioner will limit the data submission requirement to carriers that have premiums above a specific amount. Carriers who do very little business in the state tend to be the ones that are slow or fail to comply with data collection requests. Staff time is necessary to contact these carriers for their cost information, which adds little or no value to the Health Cost Report. Current appropriations for the Division of Insurance include costs for an annual rulemaking process that occurs after the legislative session to incorporate new legislation into its rules, so this bill can be implemented within existing appropriations.

**Departments Contacted**

Law                      Regulatory Agencies