

**STATE
REVISED FISCAL IMPACT**

(replaces fiscal note dated February 20, 2013)

Drafting Number: LLS 13-0785

Date: March 13, 2013

Prime Sponsor(s): Rep. Primavera
Sen. Newell

Bill Status: Senate Health and Human Services
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.

Fiscal Impact Summary	FY 2013-2014	FY 2014-2015
State Revenue		
State Expenditures	See State Expenditures section.	
FTE Position Change		
Effective Date: Upon signature of the Governor, or upon becoming law without his signature.		
Appropriation Summary for FY 2013-2014: None required.		
Local Government Impact: 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. The *reengrossed* bill allows the commissioner to specify, by rule, a minimum threshold which carriers must meet before they are required to submit cost information. The commissioner must ensure that at least 92 percent of the market reports 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