

Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 26-0791.01 Renee Leone x2695

HOUSE BILL 26-1241

HOUSE SPONSORSHIP

Marshall and Joseph,

SENATE SPONSORSHIP

Marchman,

House Committees
Health & Human Services

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE NOTICE REQUIRED TO MAKE A MATERIAL CHANGE**
102 **TO A CONTRACT ENTERED INTO WITH A HEALTH-CARE**
103 **PROVIDER.**

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>.)

In current law concerning contracts with health-care providers, an entity wishing to make a material change to such a contract must provide written notice of the change to the health-care provider at least 90 days before the effective date of the change. The bill adds language requiring a person to give such written notice by registered mail and by email to the

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

health-care provider or administrator who signed the contract and adds a reference to this language in the area of the Colorado Revised Statutes concerning health-care insurance carriers.

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

2 **SECTION 1.** In Colorado Revised Statutes, 10-16-121, **add**
3 (1)(g) as follows:

4 **10-16-121. Required contract provisions in contracts between**
5 **carriers and providers - definitions.**

6 (1) A contract between a carrier and a provider or its
7 representative concerning the delivery, provision, payment, or offering of
8 care or services covered by a managed care plan must make provisions
9 for the following requirements:

10 (g) (I) A PROVISION THAT REQUIRES THE CARRIER TO PROVIDE
11 NOTICE TO THE PROVIDER IF THE CARRIER MAKES A MATERIAL CHANGE TO
12 THE CONTRACT, IN ACCORDANCE WITH SECTION 25-37-104.

13 (II) AS USED IN THIS SUBSECTION (1)(g), "MATERIAL CHANGE"
14 HAS THE MEANING SET FORTH IN SECTION 25-37-102 (9).

15 **SECTION 2.** In Colorado Revised Statutes, 25-37-104, **amend**
16 (1) as follows:

17 **25-37-104. Material change in health-care contract - written**
18 **advance notice.**

19 (1) A material change to a contract ~~shall occur~~ IS AUTHORIZED
20 only if the person or entity provides NOTICE OF THE MATERIAL CHANGE in
21 writing to the health-care provider ~~the proposed change and gives~~ BY
22 REGISTERED MAIL AND BY EMAIL TO THE HEALTH-CARE PROVIDER OR THE
23 HEALTH-CARE PROVIDER'S ADMINISTRATOR WHO WAS THE INDIVIDUAL
24 WHO SIGNED THE CONTRACT ninety days ~~notice~~ before the effective date

1 of the change. The ~~writing shall~~ WRITTEN NOTICE MUST be conspicuously
2 entitled "notice of material change to contract" AND MUST CLEARLY SET
3 FORTH THE PROPOSED MATERIAL CHANGE.

4 **SECTION 3. Act subject to petition - effective date -**
5 **applicability.** (1) This act takes effect January 1, 2027, except that, if a
6 referendum petition is filed pursuant to section 1 (3) of article V of the
7 state constitution against this act or an item, section, or part of this act
8 within the ninety-day period after final adjournment of the general
9 assembly, then the act, item, section, or part will not take effect unless
10 approved by the people at the general election to be held in November
11 2026 and, in such case, will take effect January 1, 2027, or on the date of
12 the official declaration of the vote thereon by the governor, whichever is
13 later.

14 (2) This act applies to contracts entered into or renewed on or
15 after the applicable effective date of this act.