

Second Regular Session  
Seventy-fourth General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 24-0643.01 Kristen Forrestal x4217

SENATE BILL 24-080

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SENATE SPONSORSHIP

Fields and Jaquez Lewis,

HOUSE SPONSORSHIP

Young,

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Senate Committees  
Health & Human Services

House Committees

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A BILL FOR AN ACT

101 CONCERNING HEALTH INSURANCE CARRIER PRICE TRANSPARENCY  
102 REQUIREMENTS.

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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>.)*

The bill requires health insurance carriers (carriers) to comply with federal price transparency laws and to make available an internet-based self-service tool that provides real-time responses to a covered person's questions concerning carrier prices that are based on cost-sharing information.

The bill also requires carriers to submit information required by

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.*

federal pharmacy benefit and drug cost reporting laws to the commissioner of insurance. A carrier that violates the requirements of the bill engages in an unfair method of competition and an unfair or deceptive act or practice in the business of insurance.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 10-16-167 and  
3 10-16-168 as follows:

4 **10-16-167. Carriers - health care - price transparency -**  
5 **violation - rules - legislative declaration - definitions.**

6 (1) (a) **Legislative declaration.** THE GENERAL ASSEMBLY FINDS AND  
7 DECLARES THAT:

8 (I) THE FEDERAL "PATIENT PROTECTION AND AFFORDABLE CARE  
9 ACT", PUB.L. 111-148, WAS ENACTED ON MARCH 23, 2010, AND THE  
10 FEDERAL "HEALTH CARE AND EDUCATION RECONCILIATION ACT OF  
11 2010", PUB.L. 111-152, WAS ENACTED ON MARCH 30, 2010, AND THESE  
12 ACTS ARE REFERRED TO COLLECTIVELY AS "PPACA";

13 (II) PPACA REORGANIZED, AMENDED, AND ADDED TO THE  
14 PROVISIONS OF PART A OF TITLE XXVII OF THE FEDERAL "PUBLIC HEALTH  
15 SERVICE ACT", PUB.L. 78-410, RELATING TO HEALTH COVERAGE  
16 REQUIREMENTS FOR GROUP HEALTH PLANS AND HEALTH INSURANCE  
17 ISSUERS IN THE GROUP AND INDIVIDUAL MARKETS;

18 (III) SECTION 2715A OF THE FEDERAL "PUBLIC HEALTH SERVICE  
19 ACT", PUB.L. 78-410, PROVIDES THAT GROUP HEALTH PLANS AND HEALTH  
20 INSURANCE ISSUERS OFFERING GROUP OR INDIVIDUAL HEALTH INSURANCE  
21 COVERAGE MUST COMPLY WITH SECTION 1311 (e)(3) OF PPACA, WHICH  
22 ADDRESSES TRANSPARENCY IN HEALTH COVERAGE AND IMPOSES CERTAIN  
23 REPORTING AND DISCLOSURE REQUIREMENTS FOR HEALTH PLANS;

1 (IV) EFFECTIVE JANUARY 11, 2021, THE FEDERAL CENTERS FOR  
2 MEDICARE AND MEDICAID SERVICES, OR "CMS", PUBLISHED THE FINAL  
3 RULE TO IMPLEMENT PPACA, CODIFIED AT 45 CFR 147.210 TO 147.212;

4 (V) IN ITS SUMMARY OF THE FINAL RULE, CMS STATES THAT  
5 REQUIRING PLANS TO DISCLOSE IN-NETWORK PROVIDER RATES,  
6 HISTORICAL OUT-OF-NETWORK ALLOWED AMOUNTS AND THE ASSOCIATED  
7 BILLED CHARGES, AND NEGOTIATED RATES FOR PRESCRIPTION DRUGS "CAN  
8 HELP ENSURE THE ACCURATE AND TIMELY DISCLOSURE OF INFORMATION  
9 APPROPRIATE TO SUPPORT AN EFFICIENT AND COMPETITIVE HEALTH CARE  
10 MARKET"; AND

11 (VI) AS FORMER UNITED STATES PRESIDENT DONALD TRUMP'S  
12 "EXECUTIVE ORDER ON IMPROVING PRICE AND QUALITY TRANSPARENCY  
13 IN AMERICAN HEALTHCARE TO PUT PATIENTS FIRST" EXPLAINS: "TO  
14 MAKE FULLY INFORMED DECISIONS ABOUT THEIR HEALTHCARE, PATIENTS  
15 MUST KNOW THE PRICE AND QUALITY OF A GOOD OR SERVICE IN  
16 ADVANCE." ADDITIONALLY, THE EXECUTIVE ORDER THEN NOTES THAT  
17 "PATIENTS OFTEN LACK BOTH ACCESS TO USEFUL PRICE AND QUALITY  
18 INFORMATION AND THE INCENTIVES TO FIND LOW-COST, HIGH-QUALITY  
19 CARE." THE LACK OF THIS INFORMATION IS WIDELY UNDERSTOOD TO BE  
20 ONE OF THE ROOT PROBLEMS CAUSING DYSFUNCTION WITHIN THE UNITED  
21 STATES' HEALTH-CARE SYSTEM.

22 (b) THEREFORE, IN ORDER TO PROTECT COLORADO HEALTH-CARE  
23 CONSUMERS, IT IS THE INTENT OF THE GENERAL ASSEMBLY TO REQUIRE  
24 CARRIERS TO PROVIDE CONSUMER ACCESS TO ACCURATE AND ACCESSIBLE  
25 HEALTH-CARE COVERAGE PRICE INFORMATION.

26 (2) **Definitions.** AS USED IN THIS SECTION:

27 (a) "CARRIER PRICE TRANSPARENCY LAWS" MEANS THE

1 REQUIREMENTS CODIFIED IN 42 U.S.C. SEC. 18031 (e)(3), AS AMENDED,  
2 AND THE IMPLEMENTING RULES ADOPTED BY THE UNITED STATES  
3 DEPARTMENT OF HEALTH AND HUMAN SERVICES.

4 (b) "FEDERAL CENTERS FOR MEDICARE AND MEDICAID SERVICES"  
5 OR "CMS" MEANS THE CENTERS FOR MEDICARE AND MEDICAID SERVICES  
6 IN THE UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES.

7 (c) "ITEMS AND SERVICES" OR "ITEMS OR SERVICES" MEANS "ITEMS  
8 OR SERVICES" AS DEFINED IN 45 CFR 147.210 (a)(2)(xiii).

9 (d) "PHARMACY BENEFIT AND DRUG COST REPORTING LAWS"  
10 MEANS THE REQUIREMENTS CODIFIED IN 26 U.S.C. SEC. 9825, AS  
11 AMENDED.

12 (3) **Transparency - rules.** (a) BEGINNING JULY 1, 2024, A  
13 CARRIER SHALL COMPLY WITH CARRIER PRICE TRANSPARENCY LAWS AND  
14 SHALL MAKE AVAILABLE AN INTERNET-BASED SELF-SERVICE TOOL THAT  
15 PROVIDES REAL-TIME RESPONSES TO EACH INDIVIDUAL ENROLLED IN A  
16 HEALTH BENEFIT PLAN WHO REQUESTS COST-SHARING INFORMATION THAT  
17 IS ACCURATE AT THE TIME OF THE COVERED PERSON'S REQUEST. THE  
18 SERVICE TOOL MUST ALSO PROVIDE:

19 (I) SEARCHABLE COST-SHARING INFORMATION FOR A COVERED  
20 ITEM OR SERVICE PROVIDED BY A SPECIFIC IN-NETWORK PROVIDER; AND

21 (II) SEARCHABLE INFORMATION FOR AN OUT-OF-NETWORK  
22 ALLOWED AMOUNT, PERCENTAGE OF BILLED CHARGES, OR OTHER RATE  
23 THAT PROVIDES A REASONABLY ACCURATE ESTIMATE OF THE AMOUNT A  
24 CARRIER WILL PAY FOR A COVERED ITEM OR SERVICE PROVIDED BY AN  
25 OUT-OF-NETWORK PROVIDER.

26 (b) IF A COVERED PERSON CAN DEMONSTRATE THAT THE COVERED  
27 PERSON RELIED ON COST-SHARING OR PRICE INFORMATION PROVIDED

1 THROUGH THE SERVICE TOOL CREATED PURSUANT TO SUBSECTION (3)(a)  
2 OF THIS SECTION, A CARRIER SHALL NOT CHARGE THE COVERED PERSON AN  
3 AMOUNT GREATER THAN THE COST-SHARING OR PRICE INFORMATION  
4 REFLECTED IN THE SERVICE TOOL FOR COVERED HEALTH-CARE ITEMS OR  
5 SERVICES PROVIDED OR PERFORMED WITHIN THIRTY DAYS AFTER THE  
6 COVERED PERSON FOUND THE COST-SHARING OR PRICE INFORMATION  
7 THROUGH THE USE OF THE SERVICE TOOL.

8 (c) THE COMMISSIONER MAY ADOPT RULES TO IMPLEMENT THIS  
9 SUBSECTION (3).

10 (4) (a) BEGINNING JULY 1, 2025, EACH CARRIER SHALL MAKE  
11 PUBLICLY AVAILABLE, IN A FORM AND MANNER DETERMINED BY THE  
12 COMMISSIONER, THREE PRICE-TRANSPARENCY FILES. THE FILES MUST  
13 INCLUDE INFORMATION REGARDING:

14 (I) NEGOTIATED RATES FOR ALL COVERED ITEMS AND SERVICES  
15 BETWEEN THE HEALTH BENEFIT PLAN OR CARRIER AND IN-NETWORK  
16 PROVIDERS;

17 (II) UNIQUE OUT-OF-NETWORK ALLOWED AMOUNTS AND BILLED  
18 CHARGES FOR COVERED ITEMS AND SERVICES FURNISHED BY  
19 OUT-OF-NETWORK PROVIDERS; AND

20 (III) IN-NETWORK NEGOTIATED RATES AND HISTORICAL NET PRICES  
21 FOR ALL PRESCRIPTION DRUGS COVERED BY THE HEALTH BENEFIT PLAN OR  
22 CARRIER.

23 (b) THE COMMISSIONER SHALL CONDUCT A STAKEHOLDER  
24 ENGAGEMENT PROCESS TO CREATE A STANDARDIZED TEMPLATE FOR THE  
25 PRICE-TRANSPARENCY FILES.

26 (c) EACH CARRIER SHALL UPDATE THE PRICE-TRANSPARENCY FILES  
27 AND INFORMATION REQUIRED BY SUBSECTION (4)(a) OF THIS SECTION ON

1 AT MINIMUM A MONTHLY BASIS. EACH CARRIER SHALL CLEARLY INDICATE  
2 THE DATE THAT THE FILES WERE MOST RECENTLY UPDATED.

3 (5) A CARRIER THAT VIOLATES THIS SECTION COMMITS AN UNFAIR  
4 METHOD OF COMPETITION AND AN UNFAIR OR DECEPTIVE TRADE PRACTICE  
5 UNDER SECTION 10-3-1104.

6 **10-16-168. Carriers - prescription drug coverage -**  
7 **transparency - violation.** BEGINNING JANUARY 1, 2025, AND ON OR  
8 BEFORE EACH JANUARY 1 THEREAFTER, EACH CARRIER SHALL SUBMIT TO  
9 THE COMMISSIONER, IN THE SAME FORM AND MANNER AS SUBMITTED TO  
10 THE UNITED STATES SECRETARY OF HEALTH AND HUMAN SERVICES,  
11 INFORMATION REQUIRED BY FEDERAL PHARMACY BENEFIT AND DRUG COST  
12 REPORTING LAWS.

13 **SECTION 2.** In Colorado Revised Statutes, 10-3-1104, **add**  
14 (1)(uu) as follows:

15 **10-3-1104. Unfair methods of competition - unfair or deceptive**  
16 **practices.** (1) The following are defined as unfair methods of  
17 competition and unfair or deceptive acts or practices in the business of  
18 insurance:

19 (uu) A VIOLATION OF SECTION 10-16-167 OR 10-16-168.

20 **SECTION 3. Safety clause.** The general assembly finds,  
21 determines, and declares that this act is necessary for the immediate  
22 preservation of the public peace, health, or safety or for appropriations for  
23 the support and maintenance of the departments of the state and state  
24 institutions.