

Second Regular Session
Seventieth General Assembly
STATE OF COLORADO

REVISED

*This Version Includes All Amendments Adopted
on Second Reading in the Second House*

LLS NO. 16-1250.01 Duane Gall x4335

SENATE BILL 16-198

SENATE SPONSORSHIP

Holbert,

HOUSE SPONSORSHIP

Kraft-Tharp,

Senate Committees

Business, Labor, & Technology

House Committees

Business Affairs and Labor

A BILL FOR AN ACT

101 CONCERNING THE STANDARDS APPLICABLE TO DOCUMENTS USED BY
102 WORKERS' COMPENSATION INSURANCE CARRIERS IN
103 COLORADO, AND, IN CONNECTION THEREWITH, REQUIRING
104 ADVISORY ORGANIZATIONS AND RATING ORGANIZATIONS TO
105 FILE SAMPLE FORMS OF POLICIES, RIDERS, LETTERS, NOTICES,
106 AND OTHER DOCUMENTS TO THE COMMISSIONER OF INSURANCE.

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://www.leg.state.co.us/billsummaries>.)

Under current law, a workers' compensation insurer must annually

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.

Capital letters indicate new material to be added to existing statute.

Dashes through the words indicate deletions from existing statute.

HOUSE
2nd Reading Unamended
May 3, 2016

SENATE
3rd Reading Unamended
May 2, 2016

SENATE
Amended 2nd Reading
April 29, 2016

submit sample forms of policies, riders, letters, notices, and other documents used in its business to the commissioner of insurance along with a certification by an officer of the insurer that the documents comply with Colorado law. The bill extends these requirements to advisory organizations and rating organizations within the industry. It also relieves a carrier of the obligation to file such documents and certifications if it uses, without modification, the documents supplied by an advisory organization or rating organization.

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

2 **SECTION 1.** In Colorado Revised Statutes, 8-44-102, **amend** (2)
3 as follows:

4 **8-44-102. Contract for insurance subject to workers'**
5 **compensation act.** (2) (a) (I) EXCEPT AS SPECIFIED IN SUBPARAGRAPH
6 (III) OF THIS PARAGRAPH (a), every carrier providing workers'
7 compensation insurance that is authorized to conduct business in
8 Colorado shall submit an annual report to the commissioner of insurance
9 listing any policy forms endorsements, riders, letters, notices, or other
10 documents affecting an insurance policy or contract issued or delivered
11 to any policyholder in Colorado as may be requested by the
12 commissioner. The listing must be submitted no later than July 1 of each
13 year and must contain a certification by an officer of the carrier that, to
14 the best of the officer's knowledge, each policy form endorsement, rider,
15 letter, notice, or other document affecting an insurance policy or contract
16 in use complies with Colorado law. The commissioner shall determine the
17 necessary elements of the certification.

18 (II) (A) AN ADVISORY ORGANIZATION AS DEFINED IN SECTION
19 10-4-402 (1), C.R.S., OR A RATING ORGANIZATION AS DEFINED IN SECTION
20 10-4-402 (3), C.R.S., SHALL SUBMIT AN ANNUAL REPORT TO THE
21 COMMISSIONER OF INSURANCE LISTING ANY POLICY FORMS AS MAY BE

1 REQUESTED BY THE COMMISSIONER. THE LISTING MUST BE SUBMITTED NO
2 LATER THAN JULY 1 OF EACH YEAR AND MUST CONTAIN A CERTIFICATION
3 BY AN OFFICER OF THE ORGANIZATION THAT, TO THE BEST OF THE
4 OFFICER'S KNOWLEDGE, EACH POLICY FORM LISTED COMPLIES WITH
5 COLORADO LAW. THE COMMISSIONER SHALL DETERMINE THE NECESSARY
6 ELEMENTS OF THE CERTIFICATION.

7 (B) AS USED IN THIS SECTION, "FORM" MAY INCLUDE ANY
8 ENDORSEMENT, RIDER, LETTER, NOTICE, OR OTHER DOCUMENT AFFECTING
9 AN INSURANCE POLICY OR CONTRACT ISSUED OR DELIVERED TO ANY
10 POLICYHOLDER IN COLORADO.

11 (III) IF A CARRIER USES, IN THEIR ENTIRETY AND WITHOUT
12 MODIFICATION, FORMS PREPARED BY AN ADVISORY ORGANIZATION AS
13 DEFINED IN SECTION 10-4-402 (1), C.R.S., OR A RATING ORGANIZATION AS
14 DEFINED IN SECTION 10-4-402 (3), C.R.S., THE CARRIER SHALL NOTIFY THE
15 COMMISSIONER OF INSURANCE THAT IT ADOPTS THE ANNUAL REPORT FILED
16 BY THE ADVISORY ORGANIZATION OR RATING ORGANIZATION UNDER
17 SUBPARAGRAPH (II) OF THIS PARAGRAPH (a) AND, IF IT SO NOTIFIES THE
18 COMMISSIONER, IT NEED NOT SUBMIT THE CERTIFICATION REQUIRED BY
19 SUBPARAGRAPH (I) OF THIS PARAGRAPH (a). IF A CARRIER USES FORMS
20 THAT DEVIATE FROM THE FORMS LISTED BY THE ADVISORY ORGANIZATION
21 OR RATING ORGANIZATION, OR IF IT USES FORMS OTHER THAN THOSE
22 LISTED BY THE ADVISORY ORGANIZATION OR RATING ORGANIZATION, THE
23 CARRIER SHALL SUBMIT THE ANNUAL LISTING OF FORMS AND
24 CERTIFICATION AS REQUIRED BY SUBPARAGRAPH (I) OF THIS PARAGRAPH
25 (a).

26 (b) IN ADDITION TO SUBMITTING THE DOCUMENTATION REQUIRED
27 UNDER PARAGRAPH (a) OF THIS SUBSECTION (2) AND EXCEPT AS SPECIFIED

1 IN SUBPARAGRAPH (III) OF THIS PARAGRAPH (b):

2 (I) Every carrier providing workers' compensation insurance that
3 is authorized to conduct business in Colorado, EVERY ADVISORY
4 ORGANIZATION AS DEFINED IN SECTION 10-4-402 (1), C.R.S., AND EVERY
5 RATING ORGANIZATION AS DEFINED IN SECTION 10-4-402 (3), C.R.S., shall
6 also submit to the commissioner a list of any new policy forms
7 endorsements, riders, letters, notices, or other documents as may be
8 requested by the commissioner at least thirty-one days before using A
9 CARRIER USES the policy forms, endorsements, riders, letters, notices, or
10 other documents.

11 (II) The listing must also contain a certification by an officer of
12 the carrier OR AN OFFICER OF THE ADVISORY OR RATING ORGANIZATION
13 that, to the best of the officer's knowledge, each new policy form,
14 endorsement, rider, letter, notice, or other document proposed to be used
15 complies with Colorado law. The commissioner shall determine the
16 necessary elements of the certification.

17 (III) IF AN ADVISORY ORGANIZATION OR RATING ORGANIZATION
18 CERTIFIES A FORM AS REQUIRED BY SUBPARAGRAPH (II) OF THIS
19 PARAGRAPH (b) AND A CARRIER IS A MEMBER OF THAT ORGANIZATION AND
20 USES THE FORM IN ITS ENTIRETY, THE CARRIER NEED NOT LIST THAT FORM
21 AS REQUIRED BY SUBPARAGRAPH (I) OF THIS PARAGRAPH (b) OR SUBMIT
22 A CERTIFICATION FOR THAT FORM AS REQUIRED BY SUBPARAGRAPH (II) OF
23 THIS PARAGRAPH (b).

24 (c) The commissioner may examine and investigate workers'
25 compensation carriers authorized to conduct business in Colorado to
26 determine whether workers' compensation policy forms endorsements,
27 riders, letters, notices, or other forms as may be requested by the

1 commissioner comply with the certification of the carrier and statutory
2 mandates.

3 **SECTION 2. Safety clause.** The general assembly hereby finds,
4 determines, and declares that this act is necessary for the immediate
5 preservation of the public peace, health, and safety.