

[Colo. Rev. Stat. § 6-18-302.]

§ 6-18-302. Health care coverage cooperatives-creation of provider networks-requirements: Health Care Coverage Collaboratives - Provider Networks

(1) (a) Providers are hereby authorized to conduct business collaboratively as provider networks. Such networks are entities existing on or before July 1, 1994, that meet the definition of a provider network or may be created as any lawful entity under title 7, C.R.S., or as otherwise allowed by law. Provider networks existing on or before July 1, 1994, and provider networks created on and after July 1, 1994, conducting business pursuant to this part 3, in addition to the matters otherwise required, shall be subject to this article.

(b)

(I) Except as provided in subparagraph (II) of this paragraph (b), if a provider network or individual provider organized on or after July 1, 1994, or organized prior to said date, proposes or is engaged in the transaction of insurance business, as defined in section 10-3-903, C.R.S., or the activities of a health maintenance organization as defined in section 10-16-102 (35), C.R.S., such provider network or individual provider must hold a certificate of authority from the commissioner of insurance to do business as an insurance company under title 10, C.R.S., or to establish a health maintenance organization under section 10-16-402, C.R.S.

(II) The fact that a provider network or individual provider has a capitated contract or other agreement with a carrier, pursuant to which the provider network or individual provider shares some of the risk of providing services to groups or individuals covered under a health care coverage plan issued by a carrier, shall not, in and of itself, be grounds for a determination by the commissioner of insurance that the provider network or individual provider is engaged in the transaction of insurance business.

(III) The commissioner of insurance, in consultation with providers and other appropriate persons, shall evaluate the need for specific legislation or rules for the licensure of provider networks and individual providers and, if determined appropriate, shall make recommendations thereon to the general assembly and governor and shall adopt such rules that are specific to licensed provider networks and licensed individual providers as provided in section 10-1-108 (13), C.R.S. A licensed provider network or licensed individual provider shall be subject to applicable provisions of title 10, C.R.S., except as otherwise provided in statute or rule adopted pursuant to section 10-1-108 (13), C.R.S.

(IV) Every licensed provider network that conducts insurance business in the state of Colorado shall:

(A) Obtain from the commissioner of insurance, before the start of business, a certificate of authority authorizing the provider network to conduct business in the state of Colorado;

(B) Maintain its principal and home office in the state of Colorado, maintain such books and records in this state, and maintain principal banking relationships with a bank chartered by the state of Colorado or a member bank of the federal reserve system;

(C) Hold at least one board of directors' meeting each year in the state of Colorado;

(D) Include in the provider network's management and administrative agreements, for essential insurance services, a provision that allows the commissioner reasonable access to examine such books and records; and

(E) For purposes of this paragraph (b), substantially perform in the state of Colorado the essential functions of the licensed provider network's principal and home office, including, but not limited to, the provision and administration of health care services, the issuance of health care plans, the maintenance of health care provider relations, and the provision of consumer information and services.

(2) If applicable, a network organized on and after July 1, 1994, is organized when the articles of organization are filed by the secretary of state or, if a delayed effective date is specified in the articles as filed with the secretary of state and a certificate of withdrawal is not filed, on such delayed effective date. The existence of the network begins upon organization.

(3) If applicable, each provider network shall file a report pursuant to section 7-136-107, C.R.S., and pay a fee to the secretary of state which shall be determined and collected pursuant to section 24-21-104 (3), C.R.S., in lieu of all franchise or corporation license taxes.

(4) A provider network or individual provider may request that specified information submitted to the division of insurance be kept confidential because it is a trade secret as defined in section 7-74-102 (4), C.R.S. The division shall honor such request unless the commissioner determines that the information is already public knowledge or that its confidentiality would be contrary to the public interest or the provider subsequently authorized the commissioner to release such information.