

Second Regular Session  
Sixty-sixth General Assembly  
STATE OF COLORADO

**REREVISED**

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

LLS NO. 08-0332.01 Christy Chase

**SENATE BILL 08-011**

**SENATE SPONSORSHIP**

**Morse,** and Boyd

**HOUSE SPONSORSHIP**

**Massey,** and Green

**Senate Committees**

Health and Human Services  
Appropriations

**House Committees**

Business Affairs and Labor  
Appropriations

**A BILL FOR AN ACT**

101 **CONCERNING FUNDING FOR THE PROVISION OF UNCOMPENSATED**  
102 **TRAUMA CARE TO PERSONS INJURED IN MOTOR VEHICLE**  
103 **ACCIDENTS IN COLORADO, AND MAKING AN APPROPRIATION**  
104 **THEREFOR.**

**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)*

**Health Care Task Force.** Establishes the emergency responders and trauma care reimbursement program in the department of public health and environment (department) to reimburse emergency and trauma care providers for uncompensated care provided to patients injured in a motor vehicle accident. Allows reimbursements for uncompensated

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  
Am ended 3rd Reading  
May 6, 2008

HOUSE  
Am ended 2nd Reading  
May 5, 2008

SENATE  
3rd Reading Unamended  
April 29, 2008

SENATE  
Am ended 2nd Reading  
April 28, 2008

trauma care to licensed ambulances, licensed air ambulances, trauma physicians, and trauma centers that satisfy specified criteria, and prioritizes reimbursement payments first to the ambulances, second to the trauma physicians, third to level III, IV, and V trauma centers located in rural areas, and fourth to all other trauma centers.

Requires the executive director of the department to identify an entity to administer the program (program administrator). Outlines the duties of the program administrator, including:

- ! Starting the program by July 1, 2009;
- ! Reimbursing providers for uncompensated trauma care in a timely and efficient manner;
- ! Managing the administrative costs of the program;
- ! Seeking payment from other responsible parties to reimburse the emergency responders and trauma care reimbursement fund (program fund);
- ! Establishing criteria and qualifications that an applicant must meet to obtain reimbursement from the program fund, including a requirement that the applicant attempt to collect payment for trauma care from the trauma patient or other responsible party;
- ! Determining the types and amount of costs of uncompensated care for which reimbursement will be allowed and the maximum dollar amount of allowable reimbursement.

Establishes the program fund in the state treasury, consisting of moneys credited to the program fund from a \$16 fee on motor vehicle registrations and moneys recovered from responsible parties for the payment of trauma care that was reimbursed by the program fund. Caps the amount of moneys in the program fund that may be used to administer the program and requires the remainder of the program fund to be used to reimburse trauma care providers for uncompensated trauma care.

Requires the program administrator to submit an annual report to the health and human services committees of the senate and house of representatives and details the information to be included in the report.

Mandates all automobile insurance policies issued, delivered, or renewed in the state to contain emergency medical care coverage with benefits of at least \$15,000.

Increases the fee for registering a motor vehicle, other than a fleet vehicle, by \$16 and directs that the moneys from the increased fee be transferred to the program fund.

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

2 **SECTION 1. 10-4-635, Colorado Revised Statutes, is amended**

1 to read:

2 **10-4-635. Medical payments coverage - disclosure - definitions.**

3 (1) (a) (I) If an insurer makes available medical payments coverage in  
4 conjunction with the coverage required pursuant to section 10-4-620, such  
5 medical payments coverage shall provide for benefits of five thousand  
6 dollars, as well as any other benefit deemed appropriate by the insurer.  
7 EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION (1), NO  
8 AUTOMOBILE LIABILITY OR MOTOR VEHICLE LIABILITY POLICY INSURING  
9 AGAINST LOSS RESULTING FROM LIABILITY IMPOSED BY LAW FOR BODILY  
10 INJURY OR DEATH SUFFERED BY ANY PERSON ARISING OUT OF THE  
11 OWNERSHIP, MAINTENANCE, OR USE OF A MOTOR VEHICLE SHALL BE  
12 DELIVERED OR ISSUED FOR DELIVERY IN THIS STATE UNLESS COVERAGE IS  
13 PROVIDED IN THE POLICY OR IN A SUPPLEMENTAL POLICY FOR MEDICAL  
14 PAYMENTS WITH BENEFITS OF FIVE THOUSAND DOLLARS FOR BODILY  
15 INJURY, SICKNESS, OR DISEASE RESULTING FROM THE OWNERSHIP,  
16 MAINTENANCE, OR USE OF THE MOTOR VEHICLE.

17 (II) THE APPLICATION FOR THE AUTOMOBILE LIABILITY OR MOTOR  
18 VEHICLE LIABILITY POLICY SHALL CONTAIN THE FOLLOWING STATEMENTS  
19 REGARDING MEDICAL PAYMENTS COVERAGE, IN AT LEAST EIGHTEEN-POINT  
20 BOLD-FACED TYPE, IN A CONSPICUOUS LOCATION ON THE APPLICATION  
21 FORM:

22 **COLORADO LAW DOES NOT REQUIRE YOU TO**  
23 **PURCHASE MEDICAL PAYMENTS COVERAGE;**

24 **MEDICAL PAYMENTS COVERAGE MAY DUPLICATE**  
25 **COVERAGE THAT YOU HAVE UNDER A HEALTH INSURANCE**  
26 **POLICY, PLAN, OR CONTRACT; AND**

27 **IF YOU CHOOSE TO PURCHASE MEDICAL PAYMENTS**

1           **COVERAGE, YOU AND THE PASSENGERS IN THE DESCRIBED**  
2           **MOTOR VEHICLE WILL BE ENTITLED TO MEDICAL**  
3           **PAYMENTS COVERAGE BENEFITS UP TO THE LIMITS YOU**  
4           **SELECT TO PURCHASE.**

5           (b) A POLICY MAY BE ISSUED WITHOUT MEDICAL PAYMENTS  
6           COVERAGE ONLY IF THE NAMED INSURED REJECTS MEDICAL PAYMENTS  
7           COVERAGE IN WRITING OR IN THE SAME MEDIUM IN WHICH THE  
8           APPLICATION FOR THE POLICY WAS TAKEN. THE INSURER SHALL MAINTAIN  
9           PROOF THAT A NAMED INSURED REJECTED MEDICAL PAYMENTS COVERAGE  
10           FOR AT LEAST THREE YEARS AFTER THE DATE OF THE REJECTION, AND  
11           SUCH PROOF OF REJECTION SHALL BE PRESUMED VALID FOR ALL INSURED  
12           UNDER THE POLICY, INCLUDING RESIDENT RELATIVES OF THE NAMED  
13           INSURED AND PERMISSIVE USERS OF THE MOTOR VEHICLE. AN AGENT OR  
14           INSURER THAT OBTAINS A REJECTION OF MEDICAL PAYMENTS COVERAGE  
15           FROM THE NAMED INSURED OR APPLICANT PURSUANT TO THIS SECTION  
16           SHALL NOT BE LIABLE TO THE INSURED OR ANY OTHER PERSON SEEKING  
17           BENEFITS UNDER THE NAMED INSURED'S POLICY FOR CLAIMS ARISING OUT  
18           OF OR RELATING TO THE REJECTION OF MEDICAL PAYMENTS COVERAGE.

19           (c) IF THE INSURER FAILS TO OFFER MEDICAL PAYMENTS COVERAGE  
20           OR FAILS TO MAINTAIN OR PROVIDE PROOF THAT THE NAMED INSURED  
21           REJECTED MEDICAL PAYMENTS COVERAGE IN THE MANNER REQUIRED BY  
22           THIS SECTION, THE INSURED'S POLICY SHALL BE PRESUMED TO INCLUDE  
23           MEDICAL PAYMENTS COVERAGE WITH BENEFITS OF FIVE THOUSAND  
24           DOLLARS.

25           (d) IF AN INSURED SELECTS LIMITS FOR MEDICAL PAYMENTS  
26           COVERAGE OR EXERCISES THE OPTION NOT TO PURCHASE THE COVERAGES  
27           DESCRIBED IN THIS SECTION, AN INSURER OR AFFILIATED INSURER SHALL

1 NOT BE REQUIRED TO NOTIFY ANY POLICYHOLDER IN ANY RENEWAL OR  
2 REPLACEMENT POLICY OF THE AVAILABILITY OF MEDICAL PAYMENTS  
3 COVERAGE. HOWEVER, THE INSURED MAY MAKE A [REDACTED] REQUEST FOR  
4 ADDITIONAL COVERAGE OR COVERAGE MORE EXTENSIVE THAN THAT  
5 PROVIDED ON A PRIOR POLICY.

6 (e) Nothing in this section shall be construed to limit any other  
7 coverage amounts being made available by an insurer.

8 (2) (a) ~~Repeated.~~ IF A POLICY CONTAINS MEDICAL PAYMENTS  
9 COVERAGE, MEDICAL PAYMENTS BENEFITS SHALL BE PAID [REDACTED] [REDACTED] TO  
10 PERSONS PROVIDING MEDICALLY NECESSARY AND ACCIDENT-RELATED  
11 TRAUMA CARE OR MEDICAL CARE. EXCEPT AS PROVIDED IN PARAGRAPHS  
12 (b), (c), AND (d) OF THIS SUBSECTION (2), PAYMENTS OF CLAIMS FOR  
13 MEDICAL PAYMENTS COVERAGE SHALL BE MADE IN ACCORDANCE WITH  
14 SECTION 10-4-642. \_\_\_

15 (b) UPON RECEIVING NOTICE, EITHER FROM A [REDACTED] PROVIDER OR THE  
16 INSURED, OF AN ACCIDENT FOR WHICH THE MEDICAL PAYMENTS COVERAGE  
17 SPECIFIED IN THIS SECTION OR MEDICAL PAYMENTS COVERAGE IN A  
18 GREATER AMOUNT MAY APPLY, THE INSURER SHALL RESERVE FIVE  
19 THOUSAND DOLLARS OF THE MEDICAL PAYMENTS COVERAGE FOR THE  
20 PAYMENT OF TRAUMA CARE PROVIDED BY A LICENSED AIR AMBULANCE,  
21 LICENSED AMBULANCE, TRAUMA PHYSICIAN, OR TRAUMA [REDACTED] CENTER IN  
22 THE FOLLOWING PRIORITY, AS APPLICABLE:

23 (I) BENEFITS SHALL BE PAID FIRST TO LICENSED AMBULANCES OR  
24 AIR AMBULANCES THAT PROVIDE TRAUMA CARE AT THE SCENE OF OR  
25 IMMEDIATELY AFTER THE MOTOR VEHICLE ACCIDENT, INCLUDING  
26 TRANSPORT TO OR FROM A TRAUMA CENTER.

27 (II) AFTER PAYMENTS TO PROVIDERS DESCRIBED IN

1 SUBPARAGRAPH (I) OF THIS PARAGRAPH (b), BENEFITS SHALL BE PAID  
2 NEXT TO TRAUMA PHYSICIANS THAT PROVIDE TRAUMA CARE TO STABILIZE  
3 OR PROVIDE THE FIRST EPISODE OF CARE TO THE INJURED PERSON.

4 (III) AFTER PAYMENTS TO PROVIDERS DESCRIBED IN  
5 SUBPARAGRAPHS (I) AND (II) OF THIS PARAGRAPH (b), BENEFITS SHALL BE  
6 PAID NEXT TO TRAUMA CENTERS DESIGNATED AS LEVEL IV OR V  
7 PURSUANT TO SECTION 25-3.5-703 (4) THAT PROVIDE TRAUMA CARE TO  
8 STABILIZE OR PROVIDE THE FIRST EPISODE OF CARE TO THE INJURED  
9 PERSON.

10 (IV) AFTER PAYMENTS TO PROVIDERS DESCRIBED IN  
11 SUBPARAGRAPHS (I), (II), AND (III) OF THIS PARAGRAPH (b), BENEFITS  
12 SHALL BE PAID NEXT TO TRAUMA CENTERS DESIGNATED AS LEVEL I, II, OR  
13 III OR AS A REGIONAL PEDIATRIC TRAUMA CENTER PURSUANT TO SECTION  
14 25-3.5-703 (4) THAT PROVIDE TRAUMA CARE TO STABILIZE OR PROVIDE  
15 THE FIRST EPISODE OF CARE TO THE INJURED PERSON.

16 (c) THE RESERVE SHALL BE HELD AND USED TO PAY CLAIMS OF  
17 TRAUMA CARE PROVIDERS DESCRIBED IN THIS SUBSECTION (2) FOR NO  
18 MORE THAN THIRTY DAYS AFTER RECEIPT OF THE ACCIDENT NOTICE.  
19 AFTER THE THIRTY-DAY PERIOD, ANY AMOUNT OF THE RESERVE FOR  
20 WHICH THE INSURER HAS NOT RECEIVED A CLAIM FOR REIMBURSEMENT  
21 FROM A TRAUMA CARE PROVIDER DESCRIBED IN THIS SUBSECTION (2) MAY  
22 BE USED TO PAY ANY OTHER CLAIMS FOR REIMBURSEMENT SUBMITTED BY  
23 OTHER PROVIDERS.

24 (d) THE PERIODS SPECIFIED IN SECTION 10-4-642 FOR THE PROMPT  
25 PAYMENT OF MEDICAL PAYMENTS COVERAGE BENEFITS SHALL BE TOLLED  
26 FOR THE PERIOD THAT AN INSURER IS REQUIRED UNDER THIS SUBSECTION  
27 (2) TO HOLD PAYMENT OF A CLAIM FROM A PROVIDER THAT DID NOT

1 PROVIDE TRAUMA CARE, BUT ONLY TO THE EXTENT THE MEDICAL  
2 PAYMENTS COVERAGE BENEFITS NOT HELD IN RESERVE ARE INSUFFICIENT  
3 TO PAY THE CLAIM.

4 (3) (a) AN INSURER PROVIDING BENEFITS UNDER MEDICAL  
5 PAYMENTS COVERAGE IN THE AMOUNT SPECIFIED IN THIS SECTION OR IN A  
6 GREATER AMOUNT THAN THE AMOUNT SPECIFIED IN THIS SECTION SHALL  
7 NOT HAVE A RIGHT TO RECOVER AGAINST AN OWNER, USER, OR OPERATOR  
8 OF A MOTOR VEHICLE, OR AGAINST ANY PERSON OR ORGANIZATION  
9 LEGALLY RESPONSIBLE FOR THE ACTS OR OMISSIONS OF SUCH PERSON, IN  
10 ANY ACTION FOR DAMAGES FOR BENEFITS PAID UNDER SUCH MEDICAL  
11 PAYMENTS COVERAGE. AN INSURER SHALL NOT HAVE A DIRECT CAUSE OF  
12 ACTION AGAINST AN ALLEGED TORTFEASOR FOR BENEFITS PAID UNDER  
13 MEDICAL PAYMENTS COVERAGE.

14 (b) NOTHING IN THIS SUBSECTION (3) SHALL BE CONSTRUED TO:

15 (I) MODIFY THE REQUIREMENTS OF SECTION 13-21-111.6, C.R.S.,  
16 OR ANY REQUIREMENTS UNDER THE "WORKERS' COMPENSATION ACT OF  
17 COLORADO", ARTICLES 40 TO 47 OF TITLE 8, C.R.S.;

18 (II) PREVENT A PERSON TO WHOM BENEFITS ARE PAID UNDER  
19 MEDICAL PAYMENTS COVERAGE FROM OBTAINING RECOVERY OF BENEFITS  
20 AVAILABLE UNDER UNINSURED MOTORIST COVERAGE PURSUANT TO  
21 SECTION 10-4-609; OR

22 (III) AFFORD AN INSURER A CAUSE OF ACTION AGAINST A PERSON  
23 TO WHOM OR FOR WHOM THE MEDICAL PAYMENTS COVERAGE BENEFITS  
24 SPECIFIED IN THIS SECTION WERE PAID EXCEPT IN A CASE WHERE THE  
25 BENEFITS WERE PAID BY REASON OF FRAUD.

26 (4) THIS SECTION SHALL NOT APPLY TO:

27 (a) A PERSON OBTAINING AN AUTOMOBILE LIABILITY OR MOTOR

1 VEHICLE POLICY INSURING AGAINST LOSS RESULTING FROM THE  
2 OWNERSHIP, MAINTENANCE, OR USE OF A MOTORCYCLE, MOTORSCOOTER,  
3 MOTORBICYCLE, MOTORIZED BICYCLE, OR TOY VEHICLE, AS DEFINED IN  
4 SECTION 42-1-102, C.R.S., A SNOWMOBILE, AS DEFINED IN SECTION  
5 33-14-101, C.R.S., OR ANY VEHICLE DESIGNED PRIMARILY FOR USE OFF  
6 THE ROAD OR ON RAILS.

7 (b) A PERSON THAT HAS OBTAINED A CERTIFICATE OF  
8 SELF-INSURANCE FROM THE COMMISSIONER PURSUANT TO SECTION  
9 10-4-624.

10 (5) AS USED IN THIS SECTION:

11 (a) "INJURED PERSON" MEANS THE INSURED, OR A PASSENGER WHO  
12 IS AUTHORIZED BY THE INSURED TO OCCUPY THE INSURED'S MOTOR  
13 VEHICLE, WHO SUSTAINS BODILY INJURY ARISING OUT OF THE USE OF THE  
14 INSURED'S MOTOR VEHICLE.

15 (b) "LICENSED AIR AMBULANCE" MEANS AN AIR AMBULANCE, AS  
16 DEFINED IN SECTION 25-3.5-103 (1), C.R.S., THAT IS LICENSED BY THE  
17 DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT PURSUANT TO  
18 SECTION 25-3.5-307, C.R.S.

19 (c) "LICENSED AMBULANCE" MEANS AN AMBULANCE, AS DEFINED  
20 IN SECTION 25-3.5-103 (1.5), C.R.S., THAT IS LICENSED PURSUANT TO  
21 SECTION 25-3.5-301, C.R.S.

22 (d) "LICENSED HEALTH CARE PROVIDER" SHALL HAVE THE SAME  
23 MEANING AS SET FORTH IN SECTION 10-4-902, AND ALSO INCLUDES AN  
24 OCCUPATIONAL THERAPIST AS DESCRIBED IN SECTION 6-1-707 (1) (c),  
25 C.R.S.

26 (e) "MEDICAL CARE" MEANS ALL MEDICALLY NECESSARY AND  
27 ACCIDENT-RELATED HEALTH CARE AND REHABILITATION SERVICES

1 PROVIDED BY A LICENSED HEALTH CARE PROVIDER TO A PERSON INJURED  
2 IN AN AUTOMOBILE ACCIDENT FOR WHICH BENEFITS UNDER THE TERMS OF  
3 THE MEDICAL PAYMENTS COVERAGE IN THE POLICY ARE PAYABLE.

4 (f) "PROVIDER" MEANS A LICENSED HEALTH CARE PROVIDER,  
5 LICENSED AIR AMBULANCE, LICENSED AMBULANCE, TRAUMA PHYSICIAN,  
6 OR TRAUMA CENTER.

7 (g) "STABILIZE" MEANS, WITH RESPECT TO A MEDICAL CONDITION  
8 RESULTING FROM A TRAUMA, TO PROVIDE SUCH MEDICAL TREATMENT OF  
9 THE CONDITION AS MAY BE NECESSARY TO ASSURE, WITHIN REASONABLE  
10 MEDICAL PROBABILITY, THAT NO MATERIAL DETERIORATION OF THE  
11 CONDITION IS LIKELY TO RESULT OR OCCUR DURING THE TRANSFER OF THE  
12 INDIVIDUAL TO OR FROM A TRAUMA CENTER.

13 (h) "TRAUMA" MEANS AN INJURY OR WOUND TO A LIVING PERSON  
14 CAUSED BY THE APPLICATION OF AN EXTERNAL PHYSICAL FORCE. TRAUMA  
15 INCLUDES ANY EVENT THAT THREATENS LIFE, LIMB, OR THE WELL-BEING  
16 OF AN INDIVIDUAL IN SUCH A MANNER THAT A PRUDENT LAY PERSON  
17 WOULD BELIEVE THAT IMMEDIATE MEDICAL CARE IS NEEDED.

18 (i) "TRAUMA CARE" MEANS CARE PROVIDED BY A LICENSED  
19 AMBULANCE OR AIR AMBULANCE, TRAUMA PHYSICIAN, OR TRAUMA  
20 CENTER TO A PERSON INJURED IN A MOTOR VEHICLE ACCIDENT FROM THE  
21 TIME THE ADMINISTRATION OF CARE BEGINS TO THE TIME THE PATIENT IS  
22 FULLY STABILIZED OR THROUGH THE FIRST EPISODE OF CARE, NOT TO  
23 EXCEED SEVENTY-TWO HOURS AFTER THE ADMINISTRATION OF CARE  
24 BEGINS. THE TERM INCLUDES A TRAUMA CARE SYSTEM, TRAUMA  
25 TRANSPORT PROTOCOLS, AND TRIAGE, AS DEFINED IN SECTION 25-3.5-703,  
26 C.R.S.

27 (j) "TRAUMA CENTER" MEANS THE EMERGENCY DEPARTMENT IN

1 A LICENSED OR CERTIFIED HOSPITAL OR A HEALTH CARE FACILITY THAT IS  
2 DESIGNATED BY THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT  
3 AS A LEVEL I, II, III, IV, OR V FACILITY OR AS A REGIONAL PEDIATRIC  
4 TRAUMA CENTER.

5 (k) "TRAUMA PHYSICIAN" MEANS A TRAUMA SURGEON,  
6 ORTHOPEDIC SURGEON, NEUROSURGEON, INTENSIVE CARE UNIT PHYSICIAN,  
7 ANESTHESIOLOGIST, OR PHYSICIAN WHO PROVIDES CARE IN A TRAUMA  
8 CENTER TO A TRAUMA PATIENT INJURED IN A MOTOR VEHICLE ACCIDENT.

9 **SECTION 2. Appropriation.** In addition to any other  
10 appropriation, there is hereby appropriated, out of any moneys in the  
11 division of insurance cash fund created in section 10-1-103 (3), Colorado  
12 Revised Statutes, not otherwise appropriated, to the department of  
13 regulatory agencies, for allocation to the division of insurance, for the  
14 fiscal year beginning July 1, 2008, the sum of ten thousand eight hundred  
15 forty-eight dollars (\$10,848) and 0.2 FTE, or so much thereof as may be  
16 necessary, for the implementation of this act.

17 **SECTION 3. Effective date - applicability.** (1) This act shall  
18 take effect January 1, 2009.

19 (2) However, if a referendum petition is filed against this act or  
20 an item, section, or part of this act during the 90-day period after final  
21 adjournment of the general assembly that is allowed for submitting a  
22 referendum petition pursuant to article V, section 1 (3) of the state  
23 constitution, then the act, item, section, or part, shall not take effect unless  
24 approved by the people at a biennial regular general election and shall  
25 take effect on the date specified in subsection (1) or on the date of the  
26 official declaration of the vote thereon by proclamation of the governor,  
27 whichever is later.

1           (3) The provisions of this act shall apply to automobile insurance  
2           policies issued, delivered, or renewed on or after the applicable effective  
3           date of this act.