



*“Voice of the Western Slope since 1953”*

*A coalition of counties, communities, businesses & individuals*

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**NO-FAULT MOTOR VEHICLE INSURANCE, REPEAL OF**

**WHEREAS** Colorado’s historic no-fault insurance system expired on July 1, 2003 and was replaced with a tort system; and

**WHEREAS** there were extensive and unsuccessful attempts by the legislature in the 2003 session to craft a modified no-fault insurance system in lieu of full tort; and considering that full tort now is the prevailing law in 37 states; and

**WHEREAS** although the change away from no-fault likely will result in lower auto insurance premiums, it is understood that much of this “savings” will not result in a significant cost-shift to health care providers since 94% of all auto medical claims are paid by the auto insurance carriers under \$25,000. There exists no correlation between the auto coverage required and the ranking for health insurance premium. In fact, if there is any correlation, it is the opposite: the states with the highest health insurance premiums require the highest mandated medical coverage under the auto policy;

**NOW, THEREFORE BE IT RESOLVED** that CLUB 20 will monitor, when valid data is available in one year’s time, the development of Colorado’s new tort auto insurance environment and the resulting impact on health insurance premiums caused by cost-shifting of claims cost to health providers, in order to:

- Avoid increased reduction of affordable health care options in rural areas,
- Ensure equitable recognition of the costs realized where they occur, and
- Promote cost-competitive rates for both auto and health insurance.

*Amended September 5, 2003*