

SENATE COMMITTEE OF REFERENCE AMENDMENT

Committee on Health & Human Services.

SB20-005 be amended as follows:

1 Amend printed bill, strike everything below the enacting clause and
2 substitute:

3 **"SECTION 1.** In Colorado Revised Statutes, **add** 10-16-152 as
4 follows:

5 **10-16-152. Consumer cost-sharing study - third-party**
6 **accounting firm - reports - repeal.** (1) THE DIVISION SHALL CONTRACT
7 WITH A THIRD-PARTY ACCOUNTING FIRM TO CONDUCT A CONSUMER
8 COST-SHARING STUDY.

9 (2) THE THIRD-PARTY ACCOUNTING FIRM SHALL STUDY:

10 (a) TRENDS IN CARRIER PLAN DESIGN, CONSUMER PLAN SELECTION,
11 AND UTILIZATION OF SERVICES USING DATA AVAILABLE FROM 2014
12 THROUGH 2020;

13 (b) THE TOTAL OUT-OF-POCKET COSTS INCURRED BY COVERED
14 PERSONS IN COLORADO, INCLUDING ALL COST-SHARING AMOUNTS;

15 (c) THE PREMIUM IMPACTS ON CONSUMERS IN THE STATE IF
16 CARRIERS COULD NOT TERMINATE COVERAGE IF A CONSUMER FAILS TO
17 PAY THE CONSUMER'S COST-SHARING AMOUNTS;

18 (d) THE FINANCIAL AFFECTS ON INDIVIDUAL PROVIDERS, PROVIDER
19 GROUPS, HOSPITALS, AND HEALTH SYSTEMS AS A RESULT OF UNCOLLECTED
20 COST-SHARING AMOUNTS FROM COVERED PERSONS;

21 (e) THE SPECIFIC AMOUNT OF UNCOLLECTED MEDICAL DEBT
22 FORMALLY CLAIMED ON AN ANNUAL BASIS BY HOSPITALS AND PROVIDERS
23 THROUGH FINANCIAL STATEMENTS AND TAX FILINGS, INCLUDING HOW
24 HOSPITALS AND PROVIDERS ARE ABLE TO WRITE OFF MEDICAL DEBT;

25 (f) THE ANNUAL ADMINISTRATIVE EXPENSES FOR PROVIDERS AND
26 HOSPITALS ATTRIBUTABLE TO THE COLLECTION OF PATIENT COST-SHARING
27 AMOUNTS AS CLAIMED ON FORMAL FINANCIAL STATEMENTS AND TAX
28 FILINGS;

29 (g) THE REDUCTION IN ANNUAL ADMINISTRATION EXPENSES FOR
30 PROVIDERS AND HOSPITALS ATTRIBUTABLE TO THE COLLECTION OF
31 PATIENT COST-SHARING AMOUNTS IF CARRIERS OFFERING HEALTH CARE
32 PLANS WERE REQUIRED TO COLLECT ALL PATIENT COST-SHARING
33 AMOUNTS;

34 (h) POLICY OPTIONS TO HELP SIMPLIFY BILLING SYSTEMS FOR
35 COVERED PERSONS, INCLUDING:

36 (I) THE EXAMINATION OF EXISTING PAYMENT MODELS THAT
37 REQUIRE CARRIERS TO COLLECT COINSURANCE, COPAYMENTS, OR
38 DEDUCTIBLES;

39 (II) REQUIRING HOSPITALS TO SUBMIT ONE UNIFORM BILL TO A
40 COVERED PERSON FOR ALL HEALTH CARE SERVICES PROVIDED TO THE

1 COVERED PERSON WITHIN THE HOSPITAL OR HEALTH SYSTEM DURING A
2 SINGLE EPISODE OF CARE WITHIN THIRTY DAYS AFTER THE CARE EPISODE;

3 (III) REDUCING THE SIGNIFICANT RATE VARIABILITY FOR HEALTH
4 CARE SERVICES BETWEEN HEALTH CARE SETTINGS; AND

5 (IV) THE COST SAVINGS THAT WOULD RESULT TO PATIENTS FROM
6 A STATE REQUIREMENTS FOR SITE NEUTRAL PAYMENTS.

7 (i) THE VIABILITY AND ESTIMATED COST SAVINGS OF REQUIRING
8 ALL CARRIERS IN THE INDIVIDUAL MARKET TO COLLECT COINSURANCE,
9 COPAYMENTS, OR DEDUCTIBLES, INCLUDING CONSIDERATION OF:

10 (I) THE COST IMPACTS TO CARRIERS TO BUILD AND ADMINISTER A
11 NEW AND SEPARATE BILLING AND COST SHARE COLLECTIONS PROCESS FOR
12 THE INDIVIDUAL MARKET;

13 (II) IMPACTS TO INDIVIDUAL MARKET HEALTH PLAN PREMIUMS
14 THAT WOULD RESULT FROM CARRIERS BUILDING NEW BILLING AND COST
15 SHARE COLLECTION SYSTEMS FOR INDIVIDUAL MARKET MEMBERS;

16 (III) THE IMPACT OF CARRIERS ABSORBING ALL UNCOLLECTED
17 MEDICAL DEBT FROM HOSPITALS AND PROVIDERS; AND

18 (IV) THE COST IMPACTS FOR SMALL BUSINESS EMPLOYERS
19 SPONSORING HEALTH INSURANCE COVERAGE FOR THEIR EMPLOYEES ON
20 THE INDIVIDUAL MARKET;

21 (j) THE AMOUNT OF MONEY THAT IS SPENT ON BILLING AND
22 COLLECTIONS BY PROVIDERS, BASED ON WHETHER THE PROVIDER IS IN A
23 LARGE FACILITY OR A SMALL FACILITY;

24 (k) THE AMOUNT OF MONEY FORMALLY CLAIMED BY PROVIDERS
25 AND HOSPITALS IN FORMAL FINANCIAL STATEMENTS, OR OTHER
26 SUBMISSIONS TO STATE OR FEDERAL GOVERNMENT AGENCIES, OR TAX
27 FILINGS THAT IS SPENT ON BILLING BY PROVIDERS, BASED ON WHETHER
28 THE PROVIDER IS IN A LARGE FACILITY OR A SMALL FACILITY;

29 (l) THE AMOUNT OF MONEY FORMALLY CLAIMED BY PROVIDERS
30 AND HOSPITALS IN FORMAL FINANCIAL STATEMENTS, OR OTHER
31 SUBMISSIONS TO STATE OR FEDERAL GOVERNMENT AGENCIES, OR TAX
32 FILINGS THAT IS SPENT ON COLLECTIONS BY PROVIDERS, BASED ON WHETHER
33 THE PROVIDER IS IN A LARGE FACILITY OR A SMALL FACILITY;

34 (m) THE EXTENT TO WHICH A CHANGE IN THE BILLING STRUCTURE
35 COULD CREATE A BURDEN ON PROVIDERS OR CARRIERS OR CREATE
36 CONFUSION FOR CONSUMERS;

37 (n) WHETHER A SHIFT IN BILLING WOULD EFFECT NEGOTIATIONS
38 BETWEEN PROVIDERS AND CARRIERS;

39 (o) THE NUMBER BILLS SENT BY PROVIDERS TO CONSUMERS, THE
40 TIMING OF THE BILLS, AND THE CLARITY OF THE BILLS;

41 (p) THE AMOUNT OF MEDICAL DEBT IN COLORADO FORMALLY
42 CLAIMED BY PROVIDERS AND HOSPITALS IN FORMAL FINANCIAL
43 STATEMENTS OR OTHER SUBMISSIONS TO STATE OR FEDERAL GOVERNMENT

1 AGENCIES OR TAX FILINGS AND THE AFFECT OF THAT DEBT ON PREMIUMS;

2 (q) THE TOTAL ADMINISTRATIVE COSTS ON PROVIDERS, BASED BY

3 PROVIDER SIZE;

4 (r) HOW COST SAVINGS AT THE HOSPITAL AND PROVIDER LEVEL

5 WOULD BE REALIZED, INCLUDING THE EXPECTED REDUCTION IN RATES;

6 (s) THE NUMBER AND TYPES OF CHARITY CARE CURRENTLY

7 OFFERED BY PROVIDERS IN THE STATE AND FORMALLY CLAIMED BY

8 PROVIDERS AND HOSPITALS IN FORMAL FINANCIAL STATEMENTS OR OTHER

9 SUBMISSIONS TO STATE OR FEDERAL GOVERNMENT AGENCIES OR TAX

10 FILINGS;

11 (t) WHETHER THE STATE SHOULD ESTABLISH BILLING TIMELINES TO

12 ENSURE THAT PROVIDERS BILL CARRIERS IN A TIMELY MANNER; AND

13 (u) THE EXISTING FEDERAL AND STATE LAWS PERTAINING TO

14 COST-SHARING RATIOS TO BEING BUILT INTO VARIOUS PLAN DESIGNS;

15 (3) IN CONDUCTING THE STUDY REQUIRED IN SUBSECTION (2) OF

16 THIS SECTION, THE THIRD-PARTY ACCOUNTING FIRM SHALL CONSULT WITH

17 STAKEHOLDERS WHO REPRESENT THE FOLLOWING:

18 (a) AN ORGANIZATION OF STATEWIDE HOSPITALS;

19 (b) AN ORGANIZATION OF PHYSICIANS;

20 (c) AN ORGANIZATION OF COLORADO HEALTH PLANS;

21 (d) HEALTH PLANS;

22 (e) A COLORADO URBAN HEALTH SYSTEM;

23 (f) A CONSUMER ADVOCATE;

24 (g) A PROVIDER SERVING LOW-INCOME OR VULNERABLE

25 POPULATIONS;

26 (h) NONPHYSICIAN PROVIDER ORGANIZATIONS;

27 (i) PHYSICIAN SPECIALTY SOCIETIES THAT REPRESENT

28 ANESTHESIOLOGISTS, EMERGENCY CARE PHYSICIANS, AND RADIOLOGISTS;

29 AND

30 (j) AN ORGANIZATION THAT REPRESENTS EMPLOYERS.

31 (4) THE THIRD-PARTY ACCOUNTING FIRM SHALL USE DATA FROM

32 THE ALL-PAYER HEALTH CLAIMS DATABASE ESTABLISHED PURSUANT TO

33 SECTION 25.5-1-204 WHEN AVAILABLE.

34 (5) ON OR BEFORE NOVEMBER 1, 2021, THE THIRD-PARTY

35 ACCOUNTING FIRM SHALL SUBMIT A WRITTEN REPORT TO THE GOVERNOR,

36 THE HEALTH AND INSURANCE AND PUBLIC HEALTH CARE AND HUMAN

37 SERVICES COMMITTEE OF THE HOUSE OF REPRESENTATIVES, AND THE

38 HEALTH AND HUMAN SERVICES COMMITTEE OF THE SENATE, OR ANY

39 SUCCESSOR COMMITTEES. THE REPORT MUST INCLUDE, BUT NEED NOT BE

40 LIMITED TO, FINDINGS RELATED TO THE TOPICS STUDIED PURSUANT TO

41 SUBSECTION (2) OF THIS SECTION AND RECOMMENDATIONS ON HOW TO

42 IMPROVE THE COST-SHARING SYSTEM IN COLORADO.

43 (6) THIS SECTION IS REPEALED, EFFECTIVE SEPTEMBER 1, 2022.

1 **SECTION 2. Act subject to petition - effective date.** This act
2 takes effect at 12:01 a.m. on the day following the expiration of the
3 ninety-day period after final adjournment of the general assembly (August
4 5, 2020, if adjournment sine die is on May 6, 2020); except that, if a
5 referendum petition is filed pursuant to section 1 (3) of article V of the
6 state constitution against this act or an item, section, or part of this act
7 within such period, then the act, item, section, or part will not take effect
8 unless approved by the people at the general election to be held in
9 November 2020 and, in such case, will take effect on the date of the
10 official declaration of the vote thereon by the governor.".

11 Page 1, line 102, strike "**PERSONS.**" and substitute "**PERSONS, AND, IN**
12 **CONNECTION THEREWITH, CREATING A CONSUMER COST-SHARING**
13 **STUDY.**".

*** * * * * *