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HOUSE COMMITTEE OF REFERENCE AMENDMENT Committee on <u>Health & Insurance</u>.

HB23-1215 be amended as follows:

1 Amend printed bill, page 8, after line 21	insert:
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2	"SECTION 4.	In Colorado Revised Statutes,	add 25.5-4-216 as
3	follows:		

25.5-4-216. Report on impact of hospital facility fees in Colorado - definitions. (1) AS USED IN THIS SECTION:

- 6 (a) "Affiliated with" has the meaning set forth in section 6-20-102 (1)(a).
- 8 (b) "CPT CODE" HAS THE MEANING SET FORTH IN SECTION 9 25.5-1-204.7 (1)(d).
- 10 (c) "FACILITY FEE" HAS THE MEANING SET FORTH IN SECTION 6-20-102 (1)(c).
- 12 (d) "HEALTH-CARE PROVIDER" HAS THE MEANING SET FORTH IN SECTION 6-20-102 (1)(e).
- 14 (e) "HEALTH SYSTEM" HAS THE MEANING SET FORTH IN SECTION 10-16-1303 (9).
- 16 (f) "Hospital" has the meaning set forth in section 6-20-102 (1)(i).
 - (g) "OWNED BY" HAS THE MEANING SET FORTH IN SECTION 6-20-102 (1)(n).
 - (2) On or before December 1, 2023, the state department shall issue a report detailing the impact of facility fees on the Colorado health-care system, including the impact on consumers, health-care providers, and hospitals. In developing the report, the state department shall contract with an independent third party to conduct actuarial research or economic modeling to identify and evaluate the impact of facility fees.
 - (3) THE REPORT SHALL INCLUDE:
 - (a) Data from Plan Years 2017 through 2022 from the Colorado all-payer health claims database and other sources for all payers that reimburse facility fees, including, but not limited to:
 - (I) THE NUMBER OF PATIENT VISITS FOR WHICH FACILITY FEES WERE CHARGED;
 - (II) THE TOTAL ALLOWED AMOUNTS COLLECTED IN FACILITY FEES;
- 36 (III) THE TOP TEN MOST FREQUENT CPT CODES AND THE TOP TEN
 37 CPT CODES WITH THE HIGHEST TOTAL ALLOWED AMOUNTS FROM FACILITY
 38 FEES; AND
- 39 (IV) MEDIAN ALLOWED AMOUNTS, TWENTY-FIFTH AND 40 SEVENTY-FIFTH PERCENTILE ALLOWED AMOUNTS, AND THE PERCENTAGE

OF CLAIMS AND VOLUME OF CLAIMS WITH NO ALLOWED AMOUNTS;

- (b) AN ANALYSIS OF THE IMPACT OF FACILITY FEES ON:
- (I) PATIENT COST SHARING AND ANY VARIATION BASED ON PAYER TYPE;
 - (II) EMPLOYERS;

- (III) THE COST OF HEALTH-CARE SERVICES RENDERED BY INDEPENDENT HEALTH-CARE PROVIDERS;
- (IV) THE COST OF HEALTH-CARE SERVICES RENDERED BY HEALTH-CARE PROVIDERS AFFILIATED WITH OR OWNED BY A HOSPITAL OR HEALTH SYSTEM, INCLUDING HEALTH-CARE PROVIDERS AFFILIATED WITH OR OWNED BY AN ACADEMIC MEDICAL CENTER;
 - (V) HEALTH INSURANCE PREMIUMS; AND
- (VI) VERTICAL INTEGRATION AND CONSOLIDATION BY HEALTH SYSTEMS AND PRIVATE EQUITY FIRMS;
- (c) A DESCRIPTION OF THE WAY IN WHICH HEALTH-CARE PROVIDERS MAY BE PAID OR REIMBURSED BY MEDICARE AND COMMERCIAL HEALTH INSURANCE CARRIERS FOR OUTPATIENT HEALTH-CARE SERVICES WITH OR WITHOUT FACILITY FEES:
 - (I) AT ON-CAMPUS LOCATIONS;
- (II) AT OFF-CAMPUS LOCATIONS BY HEALTH-CARE PROVIDERS AFFILIATED WITH OR OWNED BY A HOSPITAL OR HEALTH SYSTEM; OR
- (III) AT OFF-CAMPUS LOCATIONS BY INDEPENDENT HEALTH-CARE PROVIDERS NOT AFFILIATED WITH OR OWNED BY A HOSPITAL SYSTEM; AND
- (d) Considerations of whether additional measures may be taken to ensure consumer affordability, promote competition, and prevent adverse impacts of health-care consolidation on independent health-care providers and health-care consumers. The department of law may also make policy recommendations related to facility fees.
- (4) IN DEVELOPING THE REPORT, THE STATE DEPARTMENT SHALL CONSULT WITH, AT A MINIMUM, THE FOLLOWING STAKEHOLDERS:
 - (a) HEALTH-CARE CONSUMERS AND CONSUMER ADVOCATES;
 - (b) HOSPITALS AND HEALTH SYSTEMS;
- (c) HEALTH-CARE PROVIDERS AFFILIATED WITH OR OWNED BY A HOSPITAL OR HEALTH SYSTEM; AND
- (d) Independent health-care providers not affiliated with or owned by a hospital or health system.
- (5) THE STATE DEPARTMENT MAY INCLUDE IN THE REPORT INFORMATION FROM THE STATE DEPARTMENT, THE DEPARTMENT OF LAW, STAKEHOLDERS, PUBLICLY AVAILABLE DATA SOURCES, AND HOSPITALS AND HEALTH SYSTEMS IN ACCORDANCE WITH SUBSECTION (3) OF THIS SECTION; EXCEPT THAT ANY INFORMATION THE STATE DEPARTMENT RECEIVES THAT IS PROPRIETARY OR CONTAINS TRADE SECRETS MAY NOT

BE MADE PUBLIC.

- (4) (a) The state department shall work with the all-payer claims database to identify data, including data from the hospital expenditure report, as described in section 25.5-4-402.8, that may be used to understand facility fees.
- (b) Each hospital licensed pursuant to part 1 of article 3 of title 25, or certified pursuant to section 25-1.5-103 (1)(a)(II), shall make information available to the state department for purposes of preparing the report; except that the state department shall not require a hospital or health system to reshare information already received by the state department.
- (c) If Necessary to fulfill the reporting requirements of this section, the attorney general may issue a civil investigative demand requiring a state department, carrier as defined in section 10-16-102 (8), hospital, health system, or health-care provider to furnish materials, answers, data, or other relevant information.
- 18 (d) A PERSON OR BUSINESS SHALL NOT BE COMPELLED TO PROVIDE 19 TRADE SECRETS, AS DEFINED IN SECTION 7-74-102(4).".
- 20 Renumber succeeding section accordingly.

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