HB1215 L.017

SENATE COMMITTEE OF REFERENCE AMENDMENT Committee on Health & Human Services.

HB23-1215 be amended as follows:

- Amend reengrossed bill, page 5, line 7, strike "10-16-104," and substitute
- 2 "10-16-104 (18),".
- 3 Page 7, strike lines 22 through 27.
- 4 Strike page 8.
- 5 Page 9, strike lines 1 through 6.
- 6 Renumber succeeding sections accordingly.
- 7 Page 9, line 18, strike "definitions." and substitute "definitions steering
- 8 **committee repeal.**".
- 9 Page 9, after line 20 insert:
- 10 "(b) "Campus" has the same meaning set forth in section
- 11 6-20-102 (1)(b).".
- 12 Reletter succeeding paragraphs accordingly.
- 13 Page 9, line 24, strike "(1)(c)." and substitute "(1)(d).".
- 14 Page 9, line 25, strike "(1)(e)." and substitute "(1)(f).".
- 15 Page 10, line 3, strike "(1)(i)." and substitute "(1)(j).".
- 16 Page 10, line 5, strike "(1)(n)." and substitute "(1)(m).".
- 17 Page 10, after line 5 insert:
- 18 "(h) "Payer type" has the meaning set forth in section
- 19 6-20-102 (1)(n).
- 20 (i) "Steering committee" means the steering committee
- 21 CREATED IN SUBSECTION (2) OF THIS SECTION.".
- Page 10, strike lines 6 through 27 and substitute:
- "(2) There is created in the state department a steering
- 24 COMMITTEE TO RESEARCH AND REPORT ON THE IMPACT OF OUTPATIENT
- 25 FACILITY FEES. THE STEERING COMMITTEE CONSISTS OF THE FOLLOWING

SEVEN MEMBERS APPOINTED BY THE GOVERNOR WITH RELEVANT EXPERTISE IN HEALTH-CARE BILLING AND PAYMENT POLICY:

- (a) Two members representing health-care consumers, with at least one of the members representing a health-care consumer advocacy organization;
 - (b) ONE MEMBER REPRESENTING A HEALTH-CARE PAYER;
- (c) One member representing health-care providers not affiliated with or owned by a hospital or health system or who has independent physician billing expertise;
- (d) ONE MEMBER REPRESENTING A STATEWIDE ASSOCIATION OF HOSPITALS;
- (e) One member representing a rural, critical access or independent hospital; and
- (f) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING, OR THE EXECUTIVE DIRECTOR'S DESIGNEE.
- (3) (a) The steering committee shall facilitate the development of a report detailing the impact of outpatient facility fees on the Colorado health-care system, including the impact on consumers, employers, health-care providers, and hospitals. In developing various aspects of the report required in this section, the steering committee shall work with independent third parties to conduct related research and analysis necessary to identify and evaluate the impact of outpatient facility fees.
- (b) The steering committee shall prepare a preliminary version of the report on or before August 1, 2024, unless more time is required, and a final report prepared on or before October 1, 2024, that must be submitted to the division of insurance and the house of representatives health and insurance committee and the senate health and human services committee, or their successor committees.
- (4) (a) FOR PURPOSES OF DEVELOPING THE REPORT, THE STEERING COMMITTEE, WITH ADMINISTRATIVE SUPPORT FROM THE STATE DEPARTMENT, MAY:
- (I) SELECT THIRD-PARTY CONTRACTORS TO ASSIST IN RESEARCHING AND CREATING THE REPORT, WITH AN APPROPRIATION MADE TO THE STATE DEPARTMENT FOR SUCH PURPOSE;
- (II) DEVELOP THE FORMAT, SCOPE, AND TEMPLATES FOR REQUESTS FOR INFORMATION;
- (III) REVIEW DRAFTS, PROVIDE FEEDBACK, AND FINALIZE THE REPORT;
- (IV) Answer technical questions from third-party contractors; and
 - (V) CONSULT WITH EXTERNAL STAKEHOLDERS.
 - (b) The steering committee, state department, and any

THIRD-PARTY CONTRACTORS ENGAGED IN THE DEVELOPMENT OF THE REPORT ARE ENCOURAGED TO USE BOTH PRIMARY AND SECONDARY SOURCES AND RESEARCH, WHERE POSSIBLE, AND, TO THE EXTENT FEASIBLE, ENSURE THE REPORT IS WELL-INFORMED BY THE PERSPECTIVES OF DIVERSE STAKEHOLDERS. THE STEERING COMMITTEE SHALL WORK ONLY WITH THIRD-PARTY CONTRACTORS THAT ARE ALREADY APPROVED AS ONE OF THE STATE'S PREFERRED VENDORS.

- (c) TO THE EXTENT PRACTICABLE, EVALUATION AND ANALYSIS PERFORMED FOR THE REPORT MUST ATTEMPT TO LEVERAGE COLORADO-SPECIFIC DATA SOURCES AND PUBLICLY AVAILABLE NATIONAL DATA AND RESEARCH.
 - (5) THE REPORT MUST IDENTIFY AND EVALUATE:
- (a) PAYER REIMBURSEMENT AND PAYMENT POLICIES FOR OUTPATIENT FACILITY FEES ACROSS PAYER TYPES, INCLUDING INSIGHTS, WHERE AVAILABLE, INTO CHANGES OVER TIME, AS WELL AS PROVIDER BILLING GUIDELINES AND PRACTICES FOR OUTPATIENT FACILITY FEES ACROSS PROVIDER TYPES, INCLUDING INSIGHTS, WHERE AVAILABLE, INTO CHANGES MADE OVER TIME;
- (b) PAYMENTS FOR OUTPATIENT FACILITY FEES, INCLUDING INSIGHTS INTO THE ASSOCIATED CARE ACROSS PAYER TYPES;
- (c) COVERAGE AND COST-SHARING PROVISIONS FOR OUTPATIENT CARE SERVICES ASSOCIATED WITH FACILITY FEES ACROSS PAYERS AND PAYER TYPES;
- (d) Denied facility fee claims by payer type and provider type;
- (e) THE IMPACT OF FACILITY FEES AND PAYER COVERAGE POLICIES ON CONSUMERS, SMALL AND LARGE EMPLOYERS, AND THE MEDICAL ASSISTANCE PROGRAM;
- (f) THE IMPACT OF FACILITY FEES AND PAYER COVERAGE POLICIES ON THE CHARGES FOR HEALTH-CARE SERVICES RENDERED BY INDEPENDENT HEALTH-CARE PROVIDERS, INCLUDING A COMPARISON OF PROFESSIONAL FEE CHARGES AND FACILITY FEE CHARGES; AND
- (g) THE CHARGES FOR 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, AND INCLUDING A COMPARISON OF PROFESSIONAL FEE AND FACILITY FEE CHARGES.
 - (6) THE REPORT MUST INCLUDE AN ANALYSIS OF:
- (a) Data from the Colorado all-payer health claims database including, at a minimum:
- (I) THE NUMBER OF PATIENT VISITS FOR WHICH FACILITY FEES WERE CHARGED, INCLUDING, TO THE EXTENT POSSIBLE, A BREAKDOWN OF WHICH VISITS WERE IN-NETWORK AND WHICH WERE OUT-OF-NETWORK;
- (II) TO THE EXTENT POSSIBLE, THE NUMBER OF PATIENT VISITS FOR WHICH THE FACILITY FEES WERE CHARGED OUT-OF-NETWORK AND THE

PROFESSIONAL FEES WERE CHARGED IN-NETWORK FOR THE SAME OUTPATIENT SERVICE;

- (III) THE TOTAL ALLOWED FACILITY FEE AMOUNTS BILLED AND DENIED;
- (IV) THE TOP TEN MOST FREQUENT CPT CODES, REVENUE CODES, OR COMBINATION THEREOF, AT THE STEERING COMMITTEE'S DISCRETION, FOR WHICH FACILITY FEES WERE CHARGED;
- (V) THE TOP TEN CPT CODES, REVENUE CODES, OR COMBINATION THEREOF, AT THE STEERING COMMITTEE'S DISCRETION, WITH THE HIGHEST TOTAL ALLOWED AMOUNTS FROM FACILITY FEES;
- (VI) THE TOP TEN CPT CODES, REVENUE CODES, OR COMBINATION THEREOF, AT THE STEERING COMMITTEE'S DISCRETION, FOR WHICH FACILITY FEES ARE CHARGED WITH THE HIGHEST MEMBER COST SHARING; AND
- (VII) THE TOTAL NUMBER OF FACILITY FEE CLAIM DENIALS, BY SITE OF SERVICE;
- (b) Data from hospitals and health systems, which data shall be provided to the state department, including:
- (I) THE NUMBER OF PATIENT VISITS FOR WHICH FACILITY FEES WERE CHARGED;
 - (II) THE TOTAL REVENUE COLLECTED IN FACILITY FEES;
- (III) A DESCRIPTION OF THE MOST FREQUENT HEALTH-CARE SERVICES FOR WHICH FACILITY FEES WERE CHARGED AND NET REVENUE RECEIVED FOR EACH SUCH SERVICE; AND
- (IV) A DESCRIPTION OF HEALTH-CARE SERVICES THAT GENERATED THE GREATEST AMOUNT OF GROSS FACILITY FEE REVENUE AND NET REVENUE RECEIVED FOR EACH SUCH SERVICE; AND
- (V) Data from off-campus health-care providers that are affiliated with or owned by a hospital or health system, including:
 - (A) HISTORIC AND CURRENT BUSINESS NAMES AND ADDRESSES;
- (B) HISTORIC AND CURRENT TAX IDENTIFICATION NUMBERS AND NATIONAL PROVIDER IDENTIFIERS;
 - (C) HEALTH-CARE PROVIDER ACQUISITION OR AFFILIATION DATE;
- (D) FACILITY FEE BILLING POLICIES, INCLUDING WHETHER ANY CHANGES WERE MADE TO SUCH POLICIES BEFORE OR AFTER THE ACQUISITION OR AFFILIATION DATE; AND
- (E) THE TOP TEN CPT CODES, REVENUE CODES, OR COMBINATION THEREOF, AT THE STATE DEPARTMENT'S DISCRETION, FOR WHICH A FACILITY FEE IS BILLED AND THE PROFESSIONAL FEE AMOUNT FOR THE SAME SERVICE;
- (c) Data from the state department, the division of insurance, and commercial payers, including:
- 44 (I) THE PAYMENT POLICY EACH PAYER USES FOR PAYMENT OF FACILITY FEES FOR NETWORK PRODUCTS, INCLUDING ANY CHANGES THAT

WERE MADE TO SUCH POLICIES WITHIN THE LAST FIVE YEARS;

2 (II) A LIST OF COMMON PROCEDURES ASSOCIATED WITH FACILITY 3 FEES;

- (III) EACH PAYER'S NETWORK PRODUCT NAMES;
- (IV) PAID AGGREGATE FACILITY FEE BILLINGS FROM OUTPATIENT PROVIDERS AND THE ASSOCIATED NUMBER OF FACILITY FEE CLAIMS, BROKEN DOWN BY HOSPITAL OR HEALTH SYSTEM; AND
- (V) A DESCRIPTION OF THE ESTIMATED IMPACT OF FACILITY FEES ON PREMIUM RATES, OUT-OF-NETWORK CLAIMS, MEMBER COST SHARING, AND EMPLOYER COSTS;
- (d) Data from independent health-care providers that are not affiliated with or owned by a hospital or health system, including:
 - (I) HISTORIC AND CURRENT BUSINESS NAMES AND ADDRESSES;
- (II) HISTORIC AND CURRENT TAX IDENTIFICATION NUMBERS AND NATIONAL PROVIDER IDENTIFIERS;
- (III) FACILITY FEE BILLING POLICIES, INCLUDING WHETHER ANY CHANGES WERE MADE TO SUCH POLICIES IN THE PAST FIVE YEARS; AND
- (IV) WHERE APPLICABLE, THE TOP TEN CPT CODES, REVENUE CODES, OR COMBINATION THEREOF, AT THE STEERING COMMITTEE'S DISCRETION, FOR WHICH A FACILITY FEE IS BILLED AND THE PROFESSIONAL FEE AMOUNT FOR THE SAME SERVICE;
- (e) The impact of facility fees and payer coverage policies on the Colorado Healthcare affordability and sustainability enterprise, created in Section 25.5-4-402.4, and the medicaid expansion;
- (f) THE IMPACT OF FACILITY FEES ON ACCESS TO CARE, INCLUDING SPECIALTY CARE, PRIMARY CARE, AND BEHAVIORAL HEALTH CARE; INTEGRATED CARE SYSTEMS; HEALTH EQUITY; AND THE HEALTH-CARE WORKFORCE; AND
- (g) A DESCRIPTION OF THE WAY IN WHICH HEALTH-CARE PROVIDERS MAY BE PAID OR REIMBURSED BY PAYERS FOR OUTPATIENT HEALTH-CARE SERVICES, WITH OR WITHOUT FACILITY FEES, THAT EXPLORES ANY LEGAL AND HISTORICAL REASONS FOR SPLIT BILLING BETWEEN PROFESSIONAL AND FACILITY FEES AT:
 - (I) ON-CAMPUS LOCATIONS;
- (II) OFF-CAMPUS LOCATIONS BY HEALTH-CARE PROVIDERS AFFILIATED WITH OR OWNED BY A HOSPITAL OR HEALTH SYSTEM; AND
- (III) LOCATIONS BY INDEPENDENT HEALTH-CARE PROVIDERS NOT AFFILIATED WITH OR OWNED BY A HOSPITAL SYSTEM.
- 41 (7) TO THE EXTENT FEASIBLE, DATA ANALYZED FOR PURPOSES OF
 42 SUBSECTION (6) OF THIS SECTION MUST BE SOURCED FROM 2014 THROUGH
 43 2022, AS DETERMINED BY THE STEERING COMMITTEE AND THIRD-PARTY
 44 CONTRACTORS, AND SHALL BE DISAGGREGATED BY:
 - (a) YEAR;

- 1 (b) HOSPITAL OR HEALTH SYSTEM, WHERE APPLICABLE;
- 2 (c) Type of Service;
 - (d) FACILITY SITE TYPE, INCLUDING ON OR OFF CAMPUS; AND
 - (e) Payer.

- (8) THE STEERING COMMITTEE MAY INCLUDE IN THE REPORT INFORMATION RECEIVED IN ACCORDANCE WITH THIS SECTION; EXCEPT THAT THE STEERING COMMITTEE, STATE DEPARTMENT, AND THIRD-PARTY CONTRACTORS SHALL NOT MAKE PUBLIC ANY INFORMATION THEY RECEIVE THAT IS PROPRIETARY, CONTAINS TRADE SECRETS, OR IS OTHERWISE PROTECTED BY LAW AS CONFIDENTIAL.
- (9) THE DATA DESCRIBED IN THIS SECTION MUST BE SOUGHT IN A FORM AND MANNER DETERMINED BY THE STEERING COMMITTEE, STATE DEPARTMENT, OR THIRD-PARTY CONTRACTORS TO FACILITATE SUBMISSION OF INFORMATION. THE STEERING COMMITTEE SHALL SEEK TO EXHAUST EXISTING DATA SOURCES BEFORE MAKING ADDITIONAL REQUESTS FOR INFORMATION AND SUCH REQUESTS SHALL BE MADE ONLY ONCE FOR THE PURPOSE OF THE STUDY. THE REPORT MUST INCLUDE A DESCRIPTION OF WHICH ENTITIES WERE CONTACTED FOR INFORMATION AND THE OUTCOME OF EACH REQUEST.
- (10) A STATEWIDE ASSOCIATION OF HOSPITALS MAY ALSO PROVIDE DATA SPECIFIED IN SUBSECTION (6)(b) OF THIS SECTION TO THE STEERING COMMITTEE.
 - (11) This section is repealed, effective January 1, 2025.".
- 24 Strike pages 11 and 12.
- 25 Page 13, strike lines 1 through 7.

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