

HOUSE COMMITTEE OF REFERENCE REPORT

Chair of Committee Date March 11, 2020

Committee on Health & Insurance.

After consideration on the merits, the Committee recommends the following:

HB20-1349 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:

- 1 Amend printed bill, page 2, strike lines 2 through 4.
- 2 Page 3, strike lines 1 through 8.
- 3 Renumber succeeding sections accordingly.
- 4 Page 6, line 9, after "MEDICARE." insert "FOR A HOSPITAL THAT IS
5 REIMBURSED THROUGH THE MEDICARE PROSPECTIVE PAYMENT SYSTEM,
6 THE MEDICARE REIMBURSEMENT RATE IS BASED ON THE PROSPECTIVE
7 PAYMENT SYSTEM RATES. FOR A CRITICAL ACCESS HOSPITAL, THE
8 MEDICARE REIMBURSEMENT RATE IS BASED ON ALLOWABLE COSTS AS
9 REPORTED IN MEDICARE COST REPORTS AND THE HISTORICAL
10 COST-TO-CHARGE RATIOS FOR THE SPECIFIC HOSPITAL."
- 11 Page 11, line 10, strike "10-16-1207;" and substitute "10-16-1208;"
- 12 Page 12, line 1, after "STATE," insert "WITH AN AFFIRMATIVE VOTE OF THE
13 MAJORITY OF THE VOTING MEMBERS OF THE BOARD,"
- 14 Page 12, after line 10 insert:
15 "(c) FOR THE SOLE PURPOSE OF SATISFYING THE REQUIREMENT IN
16 SUBSECTION (1)(b) OF THIS SECTION, A LICENSED HEALTHCARE COVERAGE
17 COOPERATIVE AS DEFINED IN SECTION 10-16-1002 (2) THAT IS OPERATING

1 IN A COUNTY IS CONSIDERED ONE OF THE TWO REQUIRED CARRIERS FOR
2 THAT COUNTY. UPON RATE-FILING BY A LICENSED HEALTH CARE
3 COVERAGE COOPERATIVE AND A CARRIER, IN THE INDIVIDUAL, SMALL
4 GROUP, OR LARGE GROUP MARKET, THE COMMISSIONER SHALL EXEMPT
5 THE CARRIER FROM OFFERING THE COLORADO OPTION PLAN IN THAT
6 COUNTY."

7 Reletter succeeding paragraph accordingly.

8 Page 14, line 9, strike "TO MITIGATE" and substitute "DESIGNED TO
9 PREVENT".

10 Page 14, line 11 after "LINE;" insert "AND".

11 Page 14, strike lines 13 through 16 and substitute "BASED ON THE
12 ACTUARIAL VALUE OF SILVER PLANS."

13 Page 16, lines 10 and 11, strike "HOSPITAL-BASED HEALTH CARE
14 PROVIDERS IN COLORADO" and substitute "A STATEWIDE,
15 MULTI-SPECIALTY ASSOCIATION REPRESENTING PHYSICIANS".

16 Page 16, strike lines 16 through 22 and substitute:

17 "(5) (a) THE COMMISSIONER MAY, IN CONSULTATION WITH THE
18 DEPARTMENT OF HEALTH CARE POLICY AND FINANCING AND THE BOARD,
19 EXEMPT A HOSPITAL FROM OR CHANGE THE HOSPITAL REIMBURSEMENT
20 RATE FORMULA IF THE HOSPITAL:

21 (I) DEMONSTRATES THAT THE HOSPITAL REIMBURSEMENT RATE
22 FOR THAT HOSPITAL WILL REQUIRE THE HOSPITAL TO CEASE CURRENT
23 LEVELS OF SERVICE AS A DIRECT RESULT OF THE COLORADO OPTION PLAN;
24 OR

25 (II) IS NEGOTIATING A CONTRACT IN GOOD FAITH WITH A LICENSED
26 HEALTH CARE COVERAGE COOPERATIVE AS DEFINED IN SECTION
27 10-16-1002 (2) TO SET REIMBURSEMENT RATES."

28 Page 17, strike lines 3 through 16 and substitute:

29 **"10-16-1207. Colorado option plan - expansion into the small**
30 **group market - rules.** (1) ON OR AFTER JULY 1, 2024, WITH AN
31 AFFIRMATIVE VOTE OF THE MAJORITY OF THE BOARD AND IN
32 CONSULTATION WITH THE DEPARTMENT OF HEALTH CARE POLICY AND

- 1 FINANCING AND AFTER CONSIDERATION OF THE EVALUATION REQUIRED IN
2 SECTION 12-16-1208, THE COMMISSIONER MAY PROMULGATE RULES TO
3 EXPAND THE COLORADO OPTION PLAN TO THE SMALL GROUP MARKET.
4 (2) IN PROMULGATING RULES PURSUANT TO SUBSECTION (1) OF
5 THIS SECTION, THE COMMISSIONER SHALL:
6 (a) ENSURE THAT A COLORADO OPTION PLAN OFFERED IN THE
7 SMALL GROUP MARKET MEETS ALL OF THE CRITERIA REQUIRED IN SECTION
8 10-16-1205 FOR THE COLORADO OPTION PLAN OFFERED IN THE INDIVIDUAL
9 MARKET; AND
10 (b) CONSIDER WHETHER PARTICIPATION IN A LICENSED HEALTH
11 CARE COVERAGE COOPERATIVE, AS DEFINED IN SECTION 10-16-1002 (2),
12 WOULD MEET THE REQUIREMENTS TO OFFER THE COLORADO OPTION PLAN
13 IN THE SMALL GROUP MARKET."
- 14 Renumber succeeding C.R.S. section accordingly.
- 15 Page 17, line 21, after "FINDINGS" insert "AT A PUBLIC MEETING OF THE
16 BOARD PURSUANT TO SECTION 10-16-1204 (2) AND".
- 17 Page 19, line 19, after "PLAN" add "IN THE RELEVANT NETWORK AREA".
- 18 Page 19, line 23, strike "SHALL" and substitute "MAY".

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