



**Colorado  
Legislative  
Council  
Staff**

**SB16-127**

**FINAL  
FISCAL NOTE**

**FISCAL IMPACT:**  State  Local  Statutory Public Entity  Conditional  No Fiscal Impact

**Drafting Number:** LLS 16-1030  
**Prime Sponsor(s):** Sen. Tate  
Rep. Arndt

**Date:** September 6, 2016  
**Bill Status:** Signed into Law  
**Fiscal Analyst:** Bill Zepernick (303-866-4777)

**BILL TOPIC:** REPEAL MEDICAL CLEAN CLAIMS TASK FORCE

Fiscal Impact Summary	FY 2016-2017	FY 2017-2018
State Revenue		
State Expenditures	Minimal workload decrease.	
<b>Appropriation Required:</b> None.		
<b>Future Year Impacts:</b> Ongoing minimal workload decrease,		

**Summary of Legislation**

This bill repeals the Medical Clean Claims Transparency and Uniformity Act. Correspondingly, it repeals all ongoing work of the Medical Clean Claims Task Force and eliminates the requirement that commercial insurance carriers use the claims codes developed by the task force. Related definitions in statute are also repealed.

**Background**

The Medical Clean Claims Task Force was created by House Bill 10-1332, known as the Medical Clean Claims Transparency and Uniformity Act, in order to develop a uniform set of medical claim edits and payment rules, with the goal of reducing claims processing time. The task force is comprised of 25 members appointed by the executive director of the Department of Health Care Policy and Financing (HCPF) and includes representatives from health insurers, software vendors, and health care providers. The Colorado Medical Society Foundation serves as custodian of funds for the task force and is authorized to solicit and collect monetary and in-kind gifts, grants, and donations to fund the task force. Initially, the task force was solely dependent on gifts, grants, and donations to operate, but over the last three fiscal years has received General Fund appropriations totaling about \$356,000. The final report of the task force was submitted in December 2015. The task force recommended that the Medical Clean Claims Transparency and Accountability Act be repealed.

### **State Expenditures**

By eliminating the task force, workload in HCPF will decrease by a minimal amount. With the repeal, HCPF will no longer be required oversee the task force and act as the fiscal agent for state appropriations to the task force. While the task force has received General Fund appropriations in the past, no state funding for the task force was included as part of HCPF's FY 2016-17 budget request. Therefore, no reduction in appropriations required as part of this bill.

### **Effective Date**

The bill was signed into law by the Governor on April 5, 2016, and it took effect on July 1, 2016.

### **State and Local Government Contacts**

Health Care Policy and Financing    Information Technology    Regulatory Agencies

### **Research Note Available**

An LCS Research Note for SB16-127 is available online and through the iLegislate app. Research notes provide additional policy and background information about the bill and summarize action taken by the General Assembly concerning the bill.