



**Colorado
Legislative
Council
Staff**

HB17-1247

FISCAL NOTE

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

Drafting Number: LLS 17-0925 **Date:** March 20, 2017
Prime Sponsor(s): Rep. Danielson; Becker J. **Bill Status:** House Health, Insurance, and Environment
 Sen. Sonnenberg **Fiscal Analyst:** Bill Zepernick (303-866-4777)

BILL TOPIC: PATIENT CHOICE HEALTH CARE PROVIDER

Fiscal Impact Summary	FY 2017-2018	FY 2018-2019
State Revenue		
State Expenditures	Minimal workload increase.	
Appropriation Required: None.		
Future Year Impacts: None.		

Summary of Legislation

For a health benefit plan or third-party administrator plan covering services provided by a licensed chiropractor, optometrist, or pharmacist, the bill prohibits the carrier or administrator from limiting a patient's ability to choose such a provider in the following ways:

- limiting or restricting a covered persons ability to select the provider of his or her choice, as long as the selected provider has agreed to the terms of the contract of the health benefit plan;
- imposing a copayment, fee, or other cost-sharing requirement on a covered person or health care provider unless the health benefit plan imposes the same copayment, fee, or cost-sharing requirement on all covered persons or health care providers in the state;
- imposing any other conditions on a covered person or provider that limit or restrict a covered person's ability to use the provider or his or her choice; or
- denying a selected provider the right to participate in any of its provider network contracts in this state if the provider agrees to the contractual terms and provides appropriate services under all applicable state and federal laws and regulations.

The bill does not apply to inpatient or emergency health care services provided in a health facility licensed or certified by the Colorado Department of Public Health and Environment. It also does not apply to self-funded health plans that are exempt from state regulation, plans covering state or federal employees, or managed care plans in which the majority of covered services are provided through physicians employed by the carrier.

State Expenditures

The bill will result in a minimal, one-time increase in workload for the Division of Insurance in the Department of Regulatory Agencies to update rules and informational materials, and to communicate the changes under the bill with health insurers. This work can be accomplished within existing appropriations.

Local Government Impact

By prohibiting certain restrictions on a covered person's ability to choose a chiropractor, optometrist, or pharmacist, the bill may increase health care utilization and the costs paid by health insurers. To the extent this leads to higher premiums, local governments that provide state-regulated health insurance to their employees may experience an increase in costs. Given the many factors affect health insurance rates, the impact of this bill on local governments is assumed to be minimal.

Effective Date

The bill takes effect August 9, 2017, if the General Assembly adjourns on May 10, 2017, as scheduled, and no referendum petition is filed. It applies to health benefit plans or third-party administrator plans issued, delivered, or renewed on or after January 1, 2019.

State and Local Government Contacts

Counties
Information Technology
Regulatory Agencies

Health Care Policy and Financing
Personnel