

Second Regular Session  
Seventy-first General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 18-0655.01 Christy Chase x2008

HOUSE BILL 18-1282

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HOUSE SPONSORSHIP

Lontine and Sias,

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Smallwood and Kefalas,

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House Committees

Health, Insurance, & Environment

Senate Committees

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A BILL FOR AN ACT

101 CONCERNING A REQUIREMENT THAT A HEALTH CARE PROVIDER  
102 INCLUDE CERTAIN IDENTIFYING INFORMATION ON ALL CLAIMS  
103 FOR REIMBURSEMENT FOR HEALTH CARE SERVICES.

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Bill Summary

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)*

**Section 2** of the bill requires an off-campus location of a hospital to apply for, obtain, and use on claims for reimbursement for health care services provided at the off-campus location a unique national provider identifier, commonly referred to as "NPI". The off-campus location's NPI must be used on all claims related to health care services provided at that

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
Capital letters or bold & italic numbers indicate new material to be added to existing statute.  
Dashes through the words indicate deletions from existing statute.

location, regardless of whether the claim is filed through the hospital's central billing or claims department or through a health care clearinghouse.

**Section 3** requires all medicaid providers that are entities to obtain and use a unique NPI for each site at which they deliver services and for each provider type that the department of health care policy and financing has specified. Entity medicaid providers must use on all claims the unique NPI that identifies both the site where the services were provided and the provider type rendering the services, regardless of whether the claim is filed through the entity's central billing or claims department or through a health care clearinghouse.

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1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1. Legislative declaration.** (1) The general assembly  
3 hereby finds and declares that:

4 (a) Health care spending accounts for over 17% of the United  
5 States economy;

6 (b) Health care costs in Colorado continue to increase, and  
7 spending on health care is growing faster than the economy as a whole;

8 (c) More accountability for and transparency in health care system  
9 costs is needed so that consumers can make better health care decisions  
10 and policymakers can find ways to address rising health care costs;

11 (d) In Colorado, 39 cents of every dollar spent on health care is  
12 for hospital care;

13 (e) Hospitals and other organization health care providers have  
14 expanded to create a number of off-campus or separate physical locations  
15 for delivering health care ("off-campus locations"), which include  
16 freestanding emergency departments. In 2016, there were 37 freestanding  
17 emergency departments in operation in Colorado.

18 (f) When consumers seek nonemergency care for common  
19 conditions at freestanding emergency departments, delivery of that level

1 of care in that setting can increase costs in the overall health care system;

2 (g) Coloradans deserve to have information about the costs  
3 associated with seeking services at off-campus locations, including  
4 freestanding emergency departments;

5 (h) In many cases, off-campus locations share the same identifier  
6 for billing purposes as their affiliated hospital or organization health care  
7 provider, and because the costs associated with care delivered at  
8 off-campus locations are not transparent, it may be impossible for  
9 consumers to understand the basis for charges and for policymakers to  
10 evaluate the effects of these costs on overall system costs;

11 (i) Under federal regulations, an organization health care provider  
12 that has separate physical locations, referred to as "subparts" of the  
13 organization provider, may obtain a unique identifier for each subpart,  
14 which facilitates identifying the types of health care services and the  
15 location where the services are provided; and

16 (j) It is therefore the intent of the General Assembly, through the  
17 passage of this act, to require each off-campus location of a hospital and  
18 each subpart of an organization health care provider to have a unique  
19 identification number so that the costs associated with those facilities are  
20 transparent and accountable.

21 **SECTION 2.** In Colorado Revised Statutes, **add** 25-3-118 as  
22 follows:

23 **25-3-118. Hospital off-campus location - obtain and use unique**  
24 **NPI - definitions.** (1) AN OFF-CAMPUS LOCATION OF A HOSPITAL MUST  
25 APPLY FOR, OBTAIN, AND USE ON ALL CLAIMS FOR REIMBURSEMENT OR  
26 PAYMENT FOR HEALTH CARE SERVICES PROVIDED AT THE OFF-CAMPUS  
27 LOCATION SUBMITTED ON OR AFTER JANUARY 1, 2019, A UNIQUE NPI

1 THAT IS SEPARATE AND DISTINCT FROM THE HOSPITAL'S NPI. THE  
2 OFF-CAMPUS LOCATION'S UNIQUE NPI MUST BE INCLUDED ON ANY CLAIM  
3 FOR REIMBURSEMENT OR PAYMENT FOR HEALTH CARE SERVICES PROVIDED  
4 AT THE OFF-CAMPUS LOCATION, REGARDLESS OF WHETHER THE CLAIM IS  
5 FILED OR SUBMITTED BY OR THROUGH A CENTRAL OFFICE OF THE HOSPITAL  
6 OR A HEALTH CARE CLEARINGHOUSE.

7 (2) AS USED IN THIS SECTION:

8 (a) "HEALTH CARE CLEARINGHOUSE" HAS THE SAME MEANING AS  
9 SET FORTH IN 45 CFR 160.103.

10 (b) "NPI" OR "NATIONAL PROVIDER IDENTIFIER" MEANS THE  
11 STANDARD, UNIQUE HEALTH IDENTIFIER FOR HEALTH CARE PROVIDERS  
12 THAT IS ISSUED BY THE NATIONAL PROVIDER SYSTEM IN ACCORDANCE  
13 WITH 45 CFR PART 162.

14 (c) "OFF-CAMPUS LOCATION" MEANS A FACILITY:

15 (I) WHOSE OPERATIONS ARE DIRECTLY OR INDIRECTLY OWNED OR  
16 CONTROLLED BY, IN WHOLE OR IN PART, OR AFFILIATED WITH A HOSPITAL,  
17 REGARDLESS OF WHETHER THE OPERATIONS ARE UNDER THE SAME  
18 GOVERNING BODY AS THE HOSPITAL;

19 (II) THAT IS LOCATED MORE THAN TWO HUNDRED FIFTY YARDS  
20 FROM THE HOSPITAL'S MAIN CAMPUS;

21 (III) THAT PROVIDES SERVICES THAT ARE ORGANIZATIONALLY AND  
22 FUNCTIONALLY INTEGRATED WITH THE HOSPITAL; AND

23 (IV) THAT IS AN OUTPATIENT FACILITY PROVIDING PREVENTIVE,  
24 DIAGNOSTIC, TREATMENT, OR EMERGENCY SERVICES.

25 **SECTION 3.** In Colorado Revised Statutes, **add** 25.5-4-419 as  
26 follows:

27 **25.5-4-419. Providers to obtain unique NPI - service site -**

1 **provider type - definitions.** (1) AS USED IN THIS SECTION:

2 (a) "HEALTH CARE CLEARINGHOUSE" HAS THE SAME MEANING AS  
3 SET FORTH IN 45 CFR 160.103.

4 (b) "NPI" OR "NATIONAL PROVIDER IDENTIFIER" MEANS THE  
5 STANDARD, UNIQUE HEALTH IDENTIFIER FOR HEALTH CARE PROVIDERS  
6 THAT IS ISSUED BY THE NATIONAL PROVIDER SYSTEM IN ACCORDANCE  
7 WITH 45 CFR PART 162.

8 (c) "OFF-CAMPUS LOCATION" MEANS A FACILITY:

9 (I) WHOSE OPERATIONS ARE DIRECTLY OR INDIRECTLY OWNED OR  
10 CONTROLLED BY, IN WHOLE OR IN PART, OR AFFILIATED WITH A HOSPITAL,  
11 REGARDLESS OF WHETHER THE OPERATIONS ARE UNDER THE SAME  
12 GOVERNING BODY AS THE HOSPITAL;

13 (II) THAT IS LOCATED MORE THAN TWO HUNDRED FIFTY YARDS  
14 FROM THE HOSPITAL'S MAIN CAMPUS;

15 (III) THAT PROVIDES SERVICES THAT ARE ORGANIZATIONALLY AND  
16 FUNCTIONALLY INTEGRATED WITH THE HOSPITAL; AND

17 (IV) THAT IS AN OUTPATIENT FACILITY PROVIDING PREVENTIVE,  
18 DIAGNOSTIC, TREATMENT, OR EMERGENCY SERVICES.

19 (d) "ORGANIZATION HEALTH CARE PROVIDER" MEANS A PROVIDER  
20 THAT IS NOT AN INDIVIDUAL AND INCLUDES A HOSPITAL.

21 (e) "SUBPART" HAS THE SAME MEANING AS THAT TERM IS USED IN  
22 45 CFR PART 162 AND MEANS A COMPONENT OR SEPARATE PHYSICAL  
23 LOCATION OF AN ORGANIZATION HEALTH CARE PROVIDER THAT MAY BE  
24 SEPARATELY LICENSED OR CERTIFIED BY THE STATE.

25 (2) (a) EACH ORGANIZATION HEALTH CARE PROVIDER AND EACH  
26 SUBPART THAT IS REQUIRED OR ELIGIBLE TO OBTAIN AN NPI PURSUANT TO  
27 45 CFR 162.410 MUST APPLY FOR, OBTAIN, AND USE ON ALL CLAIMS FOR

1 PAYMENT FOR MEDICAL CARE, SERVICES, OR GOODS AUTHORIZED UNDER  
2 THIS ARTICLE 4 AND ARTICLES 5 AND 6 OF THIS TITLE 25.5 A UNIQUE NPI  
3 FOR EACH SITE AT WHICH THE ORGANIZATION HEALTH CARE PROVIDER OR  
4 ITS SUBPARTS DELIVER MEDICAL CARE, SERVICES, OR GOODS.

5 (b) EACH ORGANIZATION HEALTH CARE PROVIDER AND EACH  
6 SUBPART THAT IS REQUIRED OR ELIGIBLE TO OBTAIN AN NPI PURSUANT TO  
7 45 CFR 162.410 MUST APPLY FOR, OBTAIN, AND USE ON ALL CLAIMS FOR  
8 PAYMENT FOR MEDICAL CARE, SERVICES, OR GOODS AUTHORIZED UNDER  
9 THIS ARTICLE 4 AND ARTICLES 5 AND 6 OF THIS TITLE 25.5 A UNIQUE NPI  
10 FOR EACH PROVIDER TYPE, AS SPECIFIED BY THE STATE DEPARTMENT,  
11 UNDER WHICH THE ORGANIZATION HEALTH CARE PROVIDER OR ITS  
12 SUBPARTS DELIVER MEDICAL CARE, SERVICES, OR GOODS.

13 (c) AN ORGANIZATION HEALTH CARE PROVIDER OR SUBPART  
14 SUBMITTING A CLAIM FOR PAYMENT FOR MEDICAL CARE, SERVICES, OR  
15 GOODS RENDERED UNDER THIS ARTICLE 4 OR ARTICLE 5 OR 6 OF THIS TITLE  
16 25.5 SHALL INCLUDE ON THE CLAIM THE UNIQUE NPI THAT IDENTIFIES  
17 BOTH THE SITE WHERE THE MEDICAL CARE, SERVICES, OR GOODS WERE  
18 PROVIDED AND THE PROVIDER TYPE, AS SPECIFIED BY THE STATE  
19 DEPARTMENT, REGARDLESS OF WHETHER THE CLAIM IS FILED OR  
20 SUBMITTED BY OR THROUGH A CENTRAL OFFICE OF THE ORGANIZATION  
21 HEALTH CARE PROVIDER OR A HEALTH CARE CLEARINGHOUSE.

22 (3) (a) FOR AN ORGANIZATION HEALTH CARE PROVIDER THAT IS A  
23 LICENSED OR CERTIFIED HOSPITAL CONTRACTING FOR SERVICES UNDER  
24 THIS ARTICLE 4 AND ARTICLES 5 AND 6 OF THIS TITLE 25.5, THE HOSPITAL  
25 SHALL OBTAIN AND USE A UNIQUE, SEPARATE, AND DISTINCT NPI FOR:

26 (I) ITS MAIN CAMPUS;

27 (II) EACH OFF-CAMPUS LOCATION OF THE HOSPITAL; AND

1 (III) EACH PROVIDER TYPE, IF SPECIFIED BY THE STATE  
2 DEPARTMENT, WHEN THE HOSPITAL DELIVERS MEDICAL CARE, SERVICES,  
3 OR GOODS AT EITHER THE HOSPITAL'S MAIN CAMPUS OR AT AN  
4 OFF-CAMPUS LOCATION.

5 (b) A HOSPITAL SUBMITTING A CLAIM FOR PAYMENT FOR MEDICAL  
6 CARE, SERVICES, OR GOODS RENDERED UNDER THIS ARTICLE 4 OR ARTICLE  
7 5 OR 6 OF THIS TITLE 25.5 SHALL INCLUDE ON THE CLAIM THE UNIQUE NPI  
8 THAT IDENTIFIES BOTH THE SITE WHERE THE MEDICAL CARE, SERVICES, OR  
9 GOODS WERE PROVIDED AND THE PROVIDER TYPE, AS SPECIFIED BY THE  
10 STATE DEPARTMENT, REGARDLESS OF WHETHER THE CLAIM IS FILED OR  
11 SUBMITTED BY OR THROUGH A CENTRAL OFFICE OF THE HOSPITAL OR A  
12 HEALTH CARE CLEARINGHOUSE.

13 (4) (a) STARTING JANUARY 1, 2019, AN ORGANIZATION HEALTH  
14 CARE PROVIDER APPLYING TO ENROLL AS A NEW PROVIDER UNDER THIS  
15 ARTICLE 4 AND ARTICLES 5 AND 6 OF THIS TITLE 25.5 SHALL DEMONSTRATE  
16 THAT IT HAS OBTAINED ONE OR MORE NPIS AS REQUIRED BY THIS SECTION,  
17 AND UPON ENROLLMENT, SHALL USE ITS UNIQUE NPI ON EVERY CLAIM FOR  
18 PAYMENT IN THE MANNER REQUIRED BY THIS SECTION.

19 (b) STARTING JANUARY 1, 2021, AN ORGANIZATION HEALTH CARE  
20 PROVIDER ENROLLED AND APPLYING FOR REVALIDATION AS A PROVIDER  
21 UNDER THIS ARTICLE 4 AND ARTICLES 5 AND 6 OF THIS TITLE 25.5 SHALL  
22 DEMONSTRATE THAT IT HAS OBTAINED ONE OR MORE NPIS AS REQUIRED  
23 BY THIS SECTION AS A CONDITION OF RECEIVING REVALIDATION, AND UPON  
24 RECEIVING REVALIDATION AS A PROVIDER, SHALL USE ITS UNIQUE NPI ON  
25 EVERY CLAIM FOR PAYMENT IN THE MANNER REQUIRED BY THIS SECTION.

26 **SECTION 4. Act subject to petition - effective date.** This act  
27 takes effect at 12:01 a.m. on the day following the expiration of the

1 ninety-day period after final adjournment of the general assembly (August  
2 8, 2018, if adjournment sine die is on May 9, 2018); except that, if a  
3 referendum petition is filed pursuant to section 1 (3) of article V of the  
4 state constitution against this act or an item, section, or part of this act  
5 within such period, then the act, item, section, or part will not take effect  
6 unless approved by the people at the general election to be held in  
7 November 2018 and, in such case, will take effect on the date of the  
8 official declaration of the vote thereon by the governor.