This bill directs the Department of Health Care Policy and Financing to work in consultation with Colorado Healthcare Affordability and Sustainability Board (board) to create an annual report on uncompensated costs and expenditures made by general hospitals. Each general hospital in the state is required to provide HCPF with information from certain cost reports, audited financial statements, and utilization and staffing information.

The hospital expenditure report prepared by HCPF and the board must include a description of the methods of analysis; uncompensated care costs by payer group; and a breakout of different categories of hospital expenses. HCPF must submit the report to the General Assembly by January 15 of each year, beginning in 2019.

**Background**

The Colorado Healthcare Affordability and Sustainability Enterprise Board administers the Healthcare Affordability and Sustainability Fee. The Healthcare Affordability and Sustainability Fee allows the state to draw down federal matching funds under Medicaid to pay for uncompensated care at hospitals, as well as the costs of providing care to Medicaid expansion populations. Federal regulations require the formula used to distribute money to hospitals to be redistributive, meaning supplemental payments may not be proportional to the fee amounts paid by individual hospitals.
State Expenditures

Beginning in FY 2019-20, this bill will minimally increase workload in HCPF to collect information and write the report on uncompensated costs and expenditures made by general hospitals. It is assumed that this workload increase can be accomplished within existing appropriations.

Effective Date

The bill was postponed indefinitely by the State, Veterans, and Military Affairs Committee on April 30, 2018.

State and Local Government Contacts

Health Care Policy and Financing

Information Technology