

**Second Regular Session  
Seventy-second General Assembly  
STATE OF COLORADO**

**PREAMENDED**

*This Unofficial Version Includes Committee  
Amendments Not Yet Adopted on Second Reading*

LLS NO. 20-0597.01 Yelana Love x2295

**SENATE BILL 20-005**

---

**SENATE SPONSORSHIP**

**Winter and Priola,**

**HOUSE SPONSORSHIP**

**McCluskie,**

---

**Senate Committees**

Health & Human Services  
Appropriations

**House Committees**

---

**A BILL FOR AN ACT**

101      **CONCERNING A RESTRUCTURING OF THE PAYMENT OF COST-SHARING**  
102                    **AMOUNTS OWED BY CERTAIN COVERED PERSONS, AND, IN**  
103                    **CONNECTION THEREWITH, CREATING A CONSUMER**  
104                    **COST-SHARING STUDY.**

---

**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>.)*

The bill prohibits carriers from inducing, incentivizing, or otherwise requiring:

!      A health care provider to collect any coinsurance,

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.

copayment, or deductible directly from a covered person or the covered person's responsible party; or

! A covered person to pay any coinsurance, copayment, or deductible directly to a health care provider.

The carrier is required to collect any cost-sharing amounts owed by a covered person directly from the covered person in one consolidated bill.

---

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 10-16-152 as  
3 follows:

4 **10-16-152. Consumer cost-sharing study - third-party**  
5 **accounting firm - reports - repeal.** (1) THE DIVISION SHALL CONTRACT  
6 WITH A THIRD-PARTY ACCOUNTING FIRM TO CONDUCT A CONSUMER  
7 COST-SHARING STUDY.

8 (2) THE THIRD-PARTY ACCOUNTING FIRM SHALL STUDY:

9 (a) TRENDS IN CARRIER PLAN DESIGN, CONSUMER PLAN SELECTION,  
10 AND UTILIZATION OF SERVICES USING DATA AVAILABLE FROM 2014  
11 THROUGH 2020;

12 (b) THE TOTAL OUT-OF-POCKET COSTS INCURRED BY COVERED  
13 PERSONS IN COLORADO, INCLUDING ALL COST-SHARING AMOUNTS;

14 (c) THE PREMIUM IMPACTS ON CONSUMERS IN THE STATE IF  
15 CARRIERS COULD NOT TERMINATE COVERAGE IF A CONSUMER FAILS TO  
16 PAY THE CONSUMER'S COST-SHARING AMOUNTS;

17 (d) THE FINANCIAL AFFECTS ON INDIVIDUAL PROVIDERS, PROVIDER  
18 GROUPS, HOSPITALS, AND HEALTH SYSTEMS AS A RESULT OF UNCOLLECTED  
19 COST-SHARING AMOUNTS FROM COVERED PERSONS;

20 (e) THE SPECIFIC AMOUNT OF UNCOLLECTED MEDICAL DEBT  
21 FORMALLY CLAIMED ON AN ANNUAL BASIS BY HOSPITALS AND PROVIDERS  
22 THROUGH FINANCIAL STATEMENTS AND TAX FILINGS, INCLUDING HOW

1 HOSPITALS AND PROVIDERS ARE ABLE TO WRITE OFF MEDICAL DEBT;

2 (f) THE ANNUAL ADMINISTRATIVE EXPENSES FOR PROVIDERS AND  
3 HOSPITALS ATTRIBUTABLE TO THE COLLECTION OF PATIENT COST-SHARING  
4 AMOUNTS AS CLAIMED ON FORMAL FINANCIAL STATEMENTS AND TAX  
5 FILINGS;

6 (g) THE REDUCTION IN ANNUAL ADMINISTRATION EXPENSES FOR  
7 PROVIDERS AND HOSPITALS ATTRIBUTABLE TO THE COLLECTION OF  
8 PATIENT COST-SHARING AMOUNTS IF CARRIERS OFFERING HEALTH CARE  
9 PLANS WERE REQUIRED TO COLLECT ALL PATIENT COST-SHARING  
10 AMOUNTS;

11 (h) POLICY OPTIONS TO HELP SIMPLIFY BILLING SYSTEMS FOR  
12 COVERED PERSONS, INCLUDING:

13 (I) THE EXAMINATION OF EXISTING PAYMENT MODELS THAT  
14 REQUIRE CARRIERS TO COLLECT COINSURANCE, COPAYMENTS, OR  
15 DEDUCTIBLES;

16 (II) REQUIRING HOSPITALS TO SUBMIT ONE UNIFORM BILL TO A  
17 COVERED PERSON FOR ALL HEALTH CARE SERVICES PROVIDED TO THE  
18 COVERED PERSON WITHIN THE HOSPITAL OR HEALTH SYSTEM DURING A  
19 SINGLE EPISODE OF CARE WITHIN THIRTY DAYS AFTER THE CARE EPISODE;

20 (III) REDUCING THE SIGNIFICANT RATE VARIABILITY FOR HEALTH  
21 CARE SERVICES BETWEEN HEALTH CARE SETTINGS; AND

22 (IV) THE COST SAVINGS THAT WOULD RESULT TO PATIENTS FROM  
23 A STATE REQUIREMENTS FOR SITE NEUTRAL PAYMENTS;

24 (i) THE VIABILITY AND ESTIMATED COST SAVINGS OF REQUIRING  
25 ALL CARRIERS IN THE INDIVIDUAL MARKET TO COLLECT COINSURANCE,  
26 COPAYMENTS, OR DEDUCTIBLES, INCLUDING CONSIDERATION OF:

27 (I) THE COST IMPACTS TO CARRIERS TO BUILD AND ADMINISTER A

1 NEW AND SEPARATE BILLING AND COST SHARE COLLECTIONS PROCESS FOR  
2 THE INDIVIDUAL MARKET;

3 (II) IMPACTS TO INDIVIDUAL MARKET HEALTH PLAN PREMIUMS  
4 THAT WOULD RESULT FROM CARRIERS BUILDING NEW BILLING AND COST  
5 SHARE COLLECTION SYSTEMS FOR INDIVIDUAL MARKET MEMBERS;

6 (III) THE IMPACT OF CARRIERS ABSORBING ALL UNCOLLECTED  
7 MEDIAL DEBT FROM HOSPITALS AND PROVIDERS; AND

8 (IV) THE COST IMPACTS FOR SMALL BUSINESS EMPLOYERS  
9 SPONSORING HEALTH INSURANCE COVERAGE FOR THEIR EMPLOYEES ON  
10 THE INDIVIDUAL MARKET;

11 (j) THE AMOUNT OF MONEY THAT IS SPENT ON BILLING AND  
12 COLLECTIONS BY PROVIDERS, BASED ON WHETHER THE PROVIDER IS IN A  
13 LARGE FACILITY OR A SMALL FACILITY;

14 (k) THE AMOUNT OF MONEY FORMALLY CLAIMED BY PROVIDERS  
15 AND HOSPITALS IN FORMAL FINANCIAL STATEMENTS, OR OTHER  
16 SUBMISSIONS TO STATE OR FEDERAL GOVERNMENT AGENCIES, OR TAX  
17 FILINGS THAT IS SPENT ON BILLING BY PROVIDERS, BASED ON WHETHER  
18 THE PROVIDER IS IN A LARGE FACILITY OR A SMALL FACILITY;

19 (l) THE AMOUNT OF MONEY FORMALLY CLAIMED BY PROVIDERS  
20 AND HOSPITALS IN FORMAL FINANCIAL STATEMENTS, OR OTHER  
21 SUBMISSIONS TO STATE OR FEDERAL GOVERNMENT AGENCIES, OR TAX  
22 FILINGS THAT IS SPENT ON COLLECTIONS BY PROVIDERS, BASED ON  
23 WHETHER THE PROVIDER IS IN A LARGE FACILITY OR A SMALL FACILITY;

24 (m) THE EXTENT TO WHICH A CHANGE IN THE BILLING STRUCTURE  
25 COULD CREATE A BURDEN ON PROVIDERS OR CARRIERS OR CREATE  
26 CONFUSION FOR CONSUMERS;

27 (n) WHETHER A SHIFT IN BILLING WOULD EFFECT NEGOTIATIONS

- 1 BETWEEN PROVIDERS AND CARRIERS;
- 2 (o) THE NUMBER BILLS SENT BY PROVIDERS TO CONSUMERS, THE  
3 TIMING OF THE BILLS, AND THE CLARITY OF THE BILLS;
- 4 (p) THE AMOUNT OF MEDICAL DEBT IN COLORADO FORMALLY  
5 CLAIMED BY PROVIDERS AND HOSPITALS IN FORMAL FINANCIAL  
6 STATEMENTS OR OTHER SUBMISSIONS TO STATE OR FEDERAL GOVERNMENT  
7 AGENCIES OR TAX FILINGS AND THE AFFECT OF THAT DEBT ON PREMIUMS;
- 8 (q) THE TOTAL ADMINISTRATIVE COSTS ON PROVIDERS, BASED BY  
9 PROVIDER SIZE;
- 10 (r) HOW COST SAVINGS AT THE HOSPITAL AND PROVIDER LEVEL  
11 WOULD BE REALIZED, INCLUDING THE EXPECTED REDUCTION IN RATES;
- 12 (s) THE NUMBER AND TYPES OF CHARITY CARE CURRENTLY  
13 OFFERED BY PROVIDERS IN THE STATE AND FORMALLY CLAIMED BY  
14 PROVIDERS AND HOSPITALS IN FORMAL FINANCIAL STATEMENTS OR OTHER  
15 SUBMISSIONS TO STATE OR FEDERAL GOVERNMENT AGENCIES OR TAX  
16 FILINGS;
- 17 (t) WHETHER THE STATE SHOULD ESTABLISH BILLING TIMELINES TO  
18 ENSURE THAT PROVIDERS BILL CARRIERS IN A TIMELY MANNER; AND
- 19 (u) THE EXISTING FEDERAL AND STATE LAWS PERTAINING TO  
20 COST-SHARING RATIOS TO BEING BUILT INTO VARIOUS PLAN DESIGNS;
- 21 (3) IN CONDUCTING THE STUDY REQUIRED IN SUBSECTION (2) OF  
22 THIS SECTION, THE THIRD-PARTY ACCOUNTING FIRM SHALL CONSULT WITH  
23 STAKEHOLDERS WHO REPRESENT THE FOLLOWING:
- 24 (a) AN ORGANIZATION OF STATEWIDE HOSPITALS;
- 25 (b) AN ORGANIZATION OF PHYSICIANS;
- 26 (c) AN ORGANIZATION OF COLORADO HEALTH PLANS;
- 27 (d) HEALTH PLANS;

1 (e) A COLORADO URBAN HEALTH SYSTEM;

2 (f) A CONSUMER ADVOCATE;

3 (g) A PROVIDER SERVING LOW-INCOME OR VULNERABLE  
4 POPULATIONS;

5 (h) NONPHYSICIAN PROVIDER ORGANIZATIONS;

6 (i) PHYSICIAN SPECIALTY SOCIETIES THAT REPRESENT  
7 ANESTHESIOLOGISTS, EMERGENCY CARE PHYSICIANS, AND RADIOLOGISTS;

8 AND

9 (j) AN ORGANIZATION THAT REPRESENTS EMPLOYERS.

10 (4) THE THIRD-PARTY ACCOUNTING FIRM SHALL USE DATA FROM  
11 THE ALL-PAYER HEALTH CLAIMS DATABASE ESTABLISHED PURSUANT TO  
12 SECTION 25.5-1-204 WHEN AVAILABLE.

13 (5) ON OR BEFORE NOVEMBER 1, 2021, THE THIRD-PARTY  
14 ACCOUNTING FIRM SHALL SUBMIT A WRITTEN REPORT TO THE GOVERNOR,  
15 THE HEALTH AND INSURANCE AND PUBLIC HEALTH CARE AND HUMAN  
16 SERVICES COMMITTEE OF THE HOUSE OF REPRESENTATIVES, AND THE  
17 HEALTH AND HUMAN SERVICES COMMITTEE OF THE SENATE, OR ANY  
18 SUCCESSOR COMMITTEES. THE REPORT MUST INCLUDE, BUT NEED NOT BE  
19 LIMITED TO, FINDINGS RELATED TO THE TOPICS STUDIED PURSUANT TO  
20 SUBSECTION (2) OF THIS SECTION AND RECOMMENDATIONS ON HOW TO  
21 IMPROVE THE COST-SHARING SYSTEM IN COLORADO.

22 (6) THIS SECTION IS REPEALED, EFFECTIVE SEPTEMBER 1, 2022.

23 **SECTION 2. Act subject to petition - effective date.** This act  
24 takes effect at 12:01 a.m. on the day following the expiration of the  
25 ninety-day period after final adjournment of the general assembly (August  
26 5, 2020, if adjournment sine die is on May 6, 2020); except that, if a  
27 referendum petition is filed pursuant to section 1 (3) of article V of the

1 state constitution against this act or an item, section, or part of this act  
2 within such period, then the act, item, section, or part will not take effect  
3 unless approved by the people at the general election to be held in  
4 November 2020 and, in such case, will take effect on the date of the  
5 official declaration of the vote thereon by the governor.