# First Regular Session Seventy-third General Assembly STATE OF COLORADO

## **PREAMENDED**

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

LLS NO. 21-0634.01 Shelby Ross x4510

**HOUSE BILL 21-1198** 

#### **HOUSE SPONSORSHIP**

Jodeh,

## SENATE SPONSORSHIP

Buckner and Kolker,

### **House Committees**

#### **Senate Committees**

Health & Insurance Appropriations

	A BILL FOR AN ACT
101	CONCERNING HEALTH-CARE BILLING REQUIREMENTS FOR INDIGENT
102	PATIENTS RECEIVING SERVICES NOT REIMBURSED THROUGH THE
103	COLORADO INDIGENT CARE PROGRAM, AND, IN CONNECTION
104	THEREWITH, ESTABLISHING PROCEDURES BEFORE INITIATING
105	COLLECTIONS PROCEEDINGS AGAINST A PATIENT.

## **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 <a href="http://leg.colorado.gov">http://leg.colorado.gov</a>.)

No later than June 1, 2022, a health-care facility shall screen each uninsured patient for eligibility for public health insurance programs,

discounted care through the Colorado indigent care program (CICP), and discounted care as described in the bill. Health-care facilities shall use a single uniform application developed by the department of health care policy and financing (department) when screening a patient. If a health-care facility determines a patient is ineligible for discounted care, the facility shall provide the patient notice of the determination and an opportunity for the patient to appeal the determination.

For emergency and other non-CICP health-care services provided to qualified patients, a health-care facility and licensed health-care professional shall limit the amounts charged to not more than 80% of the medicare rate if the patient is uninsured; collect amounts charged in monthly installments such that a patient is not paying more than 5% of the patient's household income; and after a cumulative 36 months of payments, consider the patient's bill paid in full and permanently cease any and all collection activities on any balance that remains unpaid.

A health-care facility shall make information about patient's rights and the uniform application for discounted care available to the public and to each patient.

Beginning June 1, 2023, and each June 1 thereafter, each health-care facility shall collect and report to the department data that the department determines is necessary to evaluate compliance across patient groups based on race, ethnicity, and primary language spoken with the required screening, discounted care, payment plan, and collections practices.

No later than April 1, 2022, the department shall develop a written explanation of a patient's rights, make the explanation available to the public and each patient, and establish a process for patients to submit a complaint relating to noncompliance with the requirements. The department shall periodically review health-care facilities and licensed health-care professionals (hospital providers) to ensure compliance, and the department shall notify the hospital provider if the hospital provider is not in compliance that the hospital provider has 90 days to file a corrective action plan with the department. A hospital provider may request up to 120 days to submit a corrective action plan. The department may require a hospital provider that is not in compliance to develop and operate under a corrective action plan until the department determines the hospital provider is in compliance. The bill implements fines for hospital providers if the department determines the hospital provider's noncompliance is knowing or willful.

The bill imposes requirements on hospital providers before assigning or selling patient debt to a medical creditor or before pursuing any permissible extraordinary collection action and imposes fines for any hospital provider that fails to comply with the requirements.

The bill prohibits a medical creditor from using impermissible extraordinary collection action to collect debts owed for health-care

-2- 1198

services provided by a hospital provider. A medical creditor may engage in permissible extraordinary collection actions 180 days after the first bill for a medical debt is sent to the patient. At least 30 days before taking any permissible extraordinary collection action, a medical creditor shall provide the patient with a notice about the discounted care policy, the permissible extraordinary collection actions that will be initiated, and a deadline after which such permissible extraordinary collection actions will be initiated. If a patient is later found eligible for discounted care, the medical creditor shall reverse any permissible extraordinary collection actions.

1	Be it enacted by the General Assembly of the State of Colorado:
2	SECTION 1. In Colorado Revised Statutes, add part 5 to article
3	3 of title 25.5 as follows:
4	PART 5
5	HEALTH-CARE BILLING FOR INDIGENT PATIENTS
6	RECEIVING SERVICES NOT REIMBURSED THROUGH
7	THE COLORADO INDIGENT CARE PROGRAM
8	25.5-3-501. Definitions. As used in this part 5, unless the
9	CONTEXT OTHERWISE REQUIRES:
10	(1) "HEALTH-CARE FACILITY" MEANS:
11	(a) A HOSPITAL LICENSED AS A GENERAL HOSPITAL PURSUANT TO
12	PART 1 OF ARTICLE 3 OF TITLE 25;
13	(b) A HOSPITAL ESTABLISHED PURSUANT TO SECTION 23-21-503 OR
14	25-29-103;
15	(c) ANY FREESTANDING EMERGENCY DEPARTMENT LICENSED
16	PURSUANT TO SECTION 25-1.5-114; OR
17	(d) ANY OUTPATIENT HEALTH-CARE FACILITY THAT IS LICENSED AS
18	AN ON-CAMPUS DEPARTMENT OR SERVICE OF A HOSPITAL OR THAT IS
19	LISTED AS AN OFF-CAMPUS LOCATION UNDER A HOSPITAL'S LICENSE,
20	EXCEPT A FEDERALLY QUALIFIED HEALTH CENTER, AS DEFINED IN THE

-3-

1	FEDERAL "SOCIAL SECURITY ACT", 42 U.S.C. SEC. 1395x (aa)(4).
2	(2) "HEALTH-CARE SERVICES" HAS THE SAME MEANING AS SET
3	FORTH IN SECTION 10-16-102 (33).
4	(3) "LICENSED HEALTH-CARE PROFESSIONAL" MEANS ANY
5	HEALTH-CARE PROFESSIONAL WHO IS REGISTERED, CERTIFIED, OR
6	LICENSED PURSUANT TO TITLE $12\mathrm{OR}$ who provides services under the
7	SUPERVISION OF A HEALTH-CARE PROFESSIONAL WHO IS REGISTERED,
8	CERTIFIED, OR LICENSED PURSUANT TO TITLE 12, AND WHO PROVIDES
9	HEALTH-CARE SERVICES IN A HEALTH-CARE FACILITY.
10	(4) "Non-CICP HEALTH-CARE SERVICES" MEANS HEALTH-CARE
11	SERVICES PROVIDED IN A HEALTH-CARE FACILITY FOR WHICH
12	REIMBURSEMENT UNDER THE COLORADO INDIGENT CARE PROGRAM,
13	ESTABLISHED IN PART 1 OF THIS ARTICLE 3, IS NOT AVAILABLE.
14	(5) "QUALIFIED PATIENT" MEANS AN INDIVIDUAL WHOSE
15	HOUSEHOLD INCOME IS NOT MORE THAN TWO HUNDRED FIFTY PERCENT OF
16	THE FEDERAL POVERTY LEVEL AND WHO RECEIVED A HEALTH-CARE
17	SERVICE AT A HEALTH-CARE FACILITY.
18	(6) "SCREEN" OR "SCREENING" MEANS A PROCESS IDENTIFIED IN
19	RULE BY THE STATE DEPARTMENT WHEREBY HEALTH-CARE FACILITIES
20	ASSESS A PATIENT'S CIRCUMSTANCES RELATED TO ELIGIBILITY CRITERIA
21	AND DETERMINE WHETHER THE PATIENT IS LIKELY TO QUALIFY FOR PUBLIC
22	HEALTH-CARE COVERAGE OR DISCOUNTED CARE, INFORM THE PATIENT OF
23	THE HEALTH-CARE FACILITY'S DETERMINATION, AND PROVIDE
24	INFORMATION TO THE PATIENT ABOUT HOW THE PATIENT CAN ENROLL IN
25	PUBLIC HEALTH-CARE COVERAGE.
26	(7) "Uninsured" means an uninsured individual, as defined
27	IN SECTION 10-22-113 (5)(d).

-4- 1198

2	public health-care programs and discounted care - rules.
3	(1) BEGINNING JUNE 1, 2022, A HEALTH-CARE FACILITY SHALL SCREEN,
4	UNLESS A PATIENT DECLINES, EACH UNINSURED PATIENT FOR ELIGIBILITY
5	FOR:
6	(a) PUBLIC HEALTH INSURANCE PROGRAMS INCLUDING BUT NOT
7	LIMITED TO MEDICARE; THE STATE MEDICAL ASSISTANCE PROGRAM,
8	${\tt ARTICLES4,5,AND6ofthistitle25.5;EMERGENCYMEDICAID;ANDthe}$
9	CHILDREN'S BASIC HEALTH PLAN, ARTICLE 8 OF THIS TITLE 25.5;
10	(b) DISCOUNTED CARE THROUGH THE COLORADO INDIGENT CARE
11	PROGRAM, ESTABLISHED IN PART 1 OF THIS ARTICLE 3, IF THE PATIENT
12	RECEIVES A SERVICE ELIGIBLE FOR REIMBURSEMENT THROUGH THE
13	PROGRAM; AND
14	(c) DISCOUNTED CARE, AS DESCRIBED IN SECTION 25.5-3-503.
15	(2) HEALTH-CARE FACILITIES SHALL USE A SINGLE UNIFORM
16	APPLICATION DEVELOPED BY THE STATE DEPARTMENT WHEN SCREENING
17	A PATIENT PURSUANT TO SUBSECTION (1) OF THIS SECTION.
18	(3) If a health-care facility determines that a patient is
19	INELIGIBLE FOR DISCOUNTED CARE, THE FACILITY SHALL PROVIDE THE
20	PATIENT NOTICE OF THE DETERMINATION AND AN OPPORTUNITY FOR THE
21	PATIENT TO APPEAL THE DETERMINATION IN ACCORDANCE WITH STATE
22	DEPARTMENT RULES.
23	(4) If the patient declines the screening described in
24	SUBSECTION (1) OF THIS SECTION, THE HEALTH-CARE FACILITY SHALL
25	DOCUMENT THE PATIENT'S DECISION IN ACCORDANCE WITH STATE
26	DEPARTMENT RULES. A PATIENT'S DECISION TO DECLINE THE SCREENING
27	THAT IS DOCUMENTED AND COMPLIES WITH STATE DEPARTMENT RULES IS

25.5-3-502. Requirement to screen patients for eligibility for

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-5- 1198

1	A COMPLETE DEFENSE TO A CLAIM BROUGHT BY A PATIENT UNDER SECTION
2	25.5-3-506 (2) FOR A VIOLATION OF SECTION 25.5-3-506 (1)(a) OR (1)(b).
3	(5) IF REQUESTED BY THE PATIENT, A HEALTH-CARE FACILITY
4	SHALL SCREEN AN INSURED PATIENT FOR DISCOUNTED CARE PURSUANT TO
5	SUBSECTIONS $(1)(b)$ AND $(1)(c)$ OF THIS SECTION.
6	25.5-3-503. Health-care discounts on services not eligible for
7	Colorado indigent care program reimbursement. (1) IF A PATIENT IS
8	SCREENED PURSUANT TO SECTION 25.5-3-502 AND IS DETERMINED TO BE
9	A QUALIFIED PATIENT, A HEALTH-CARE FACILITY AND A LICENSED
10	HEALTH-CARE PROFESSIONAL SHALL, FOR EMERGENCY AND OTHER
11	NON-CICP HEALTH-CARE SERVICES:
12	(a) Limit the amounts charged to not more than the
13	DISCOUNTED RATE ESTABLISHED IN STATE DEPARTMENT RULE PURSUANT
14	TO SECTION 25.5-3-505 (2)(j);
15	(b) COLLECT AMOUNTS CHARGED, NOT INCLUDING AMOUNTS
16	OWED BY THIRD-PARTY PAYERS, IN MONTHLY INSTALLMENTS SUCH THAT
17	THE PATIENT IS NOT PAYING MORE THAN FOUR PERCENT OF THE PATIENT'S
18	MONTHLY HOUSEHOLD INCOME ON A BILL FROM A HEALTH-CARE FACILITY
19	AND NOT PAYING MORE THAN TWO PERCENT OF THE PATIENT'S MONTHLY
20	HOUSEHOLD INCOME ON A BILL FROM A LICENSED HEALTH-CARE
21	PROFESSIONAL; AND
22	(c) AFTER A CUMULATIVE THIRTY-SIX MONTHS OF PAYMENTS,
23	CONSIDER THE PATIENT'S BILL PAID IN FULL AND PERMANENTLY CEASE
24	ANY AND ALL COLLECTION ACTIVITIES ON ANY BALANCE THAT REMAINS
25	UNPAID.
26	(2) A HEALTH-CARE FACILITY SHALL NOT:
27	(a) DENY DISCOUNTED CARE ON THE BASIS THAT THE PATIENT HAS

-6- 1198

1	NOT APPLIED FOR ANY PUBLIC BENEFITS PROGRAM, OR
2	(b) ADOPT OR MAINTAIN ANY POLICIES THAT RESULT IN THE
3	DENIAL OF ADMISSION OR TREATMENT OF A PATIENT BECAUSE THE
4	PATIENT LACKS HEALTH INSURANCE COVERAGE, MAY QUALIFY FOR
5	DISCOUNTED CARE, REQUIRES EXTENDED OR LONG-TERM TREATMENT, OR
6	HAS AN UNPAID MEDICAL BILL.
7	25.5-3-504. Notification of patient's rights. (1) A HEALTH-CARE
8	FACILITY SHALL MAKE INFORMATION DEVELOPED BY THE STATE
9	DEPARTMENT ABOUT PATIENT'S RIGHTS UNDER THIS PART 5 AND THE
10	UNIFORM APPLICATION DEVELOPED BY THE STATE DEPARTMENT PURSUANT
11	TO SECTION 25.5-3-505 (2)(i) AVAILABLE TO THE PUBLIC AND TO EACH
12	PATIENT. AT A MINIMUM, THE HEALTH-CARE FACILITY SHALL:
13	(a) Post the information in all required languages
14	PURSUANT TO THIS SUBSECTION (1) CONSPICUOUSLY ON THE HEALTH-CARE
15	FACILITY'S WEBSITE, INCLUDING A LINK TO THE INFORMATION ON THE
16	HEALTH-CARE FACILITY'S MAIN LANDING PAGE;
17	(b) Make the information available in patient waiting
18	AREAS;
19	(c) Make the information available to each patient, or the
20	PATIENT'S LEGAL GUARDIAN, VERBALLY, WHICH MAY INCLUDE USING A
21	PROFESSIONAL INTERPRETATION SERVICE, OR IN WRITING IN THE PATIENT'S
22	OR LEGAL GUARDIAN'S PRIMARY LANGUAGE BEFORE THE PATIENT IS
23	DISCHARGED FROM THE HEALTH-CARE FACILITY; AND
24	(d) Inform each patient on the patient's billing statement
25	OF THE PATIENT'S RIGHTS PURSUANT TO THIS PART 5, INCLUDING THE
26	RIGHT TO APPLY FOR DISCOUNTED CARE, AND PROVIDE THE WEBSITE,
27	E-MAIL ADDRESS, AND TELEPHONE NUMBER WHERE THE INFORMATION

-7- 1198

1	MAY BE OBTAINED IN THE PATIENT'S PRIMARY LANGUAGE.
2	25.5-3-505. Health-care facility reporting requirements -
3	agency enforcement - rules. (1) Beginning June 1, 2023, and each
4	JUNE 1 THEREAFTER, EACH HEALTH-CARE FACILITY SHALL COLLECT AND
5	REPORT TO THE STATE DEPARTMENT DATA THAT THE STATE DEPARTMENT
6	DETERMINES IS NECESSARY TO EVALUATE COMPLIANCE ACROSS RACE,
7	ETHNICITY, AND PRIMARY-LANGUAGE-SPOKEN PATIENT GROUPS WITH THE
8	SCREENING, DISCOUNTED CARE, PAYMENT PLAN, AND COLLECTIONS
9	PRACTICES REQUIRED PURSUANT TO THIS PART 5. IF A HEALTH-CARE
10	FACILITY IS NOT CAPABLE OF DISAGGREGATING THE DATA REQUIRED
11	PURSUANT TO THIS SUBSECTION (1) BY RACE, ETHNICITY, AND PRIMARY
12	LANGUAGE SPOKEN, THE HEALTH-CARE FACILITY SHALL REPORT TO THE
13	STATE DEPARTMENT THE STEPS THE FACILITY IS TAKING TO IMPROVE RACE,
14	ETHNICITY, AND PRIMARY-LANGUAGE-SPOKEN DATA COLLECTION AND THE
15	DATE BY WHICH THE FACILITY WILL BE ABLE TO DISAGGREGATE THE
16	REPORTED DATA.
17	(2) No later than April 1, 2022, the state board shall
18	PROMULGATE RULES NECESSARY FOR THE ADMINISTRATION AND
19	IMPLEMENTATION OF THIS PART 5. AT A MINIMUM, THE RULES MUST:
20	(a) OUTLINE A PROCESS FOR AN INSURED PATIENT TO REQUEST A
21	SCREENING PURSUANT TO SECTION 25.5-3-502 (5);
22	(b) OUTLINE A PROCESS FOR DOCUMENTING, PURSUANT TO
23	SECTION 25.5-3-502 (4), THAT A PATIENT HAS MADE AN INFORMED
24	DECISION TO DECLINE THE SCREENING, INCLUDING PROCEDURES FOR
25	RETAINING SUCH DOCUMENTATION;
26	(c) ESTABLISH THE PROCESS FOR AND THE MAXIMUM NUMBER OF
27	DAYS THAT A HEALTH-CARE FACILITY HAS TO:

-8-

1	(I) INITIATE A SCREENING AFTER A PATIENT RECEIVES SERVICES;
2	(II) REQUEST INFORMATION FROM THE PATIENT NEEDED FOR THE
3	SCREENING PROCESS; AND
4	(III) COMPLETE THE SCREENING PROCESS;
5	(d) OUTLINE THE REQUIREMENTS FOR NOTIFYING THE PATIENT OF
6	THE RESULTS OF THE SCREENING, INCLUDING AN EXPLANATION OF THE
7	BASIS FOR A DENIAL OF DISCOUNTED CARE AND THE PROCESS FOR
8	APPEALING A DENIAL;
9	(e) ESTABLISH GUIDELINES FOR PATIENT APPEALS REGARDING
10	ELIGIBILITY FOR DISCOUNTED CARE PURSUANT TO SECTION 25.5-3-503;
11	(f) ESTABLISH A METHODOLOGY THAT ALL HEALTH-CARE
12	FACILITIES MUST USE TO DETERMINE MONTHLY HOUSEHOLD INCOME. THE
13	METHODOLOGY MUST NOT CONSIDER A PATIENT'S ASSETS.
14	(g) Identify the documents that may be required to
15	ESTABLISH INCOME ELIGIBILITY FOR DISCOUNTED CARE USING THE
16	MINIMUM AMOUNT OF INFORMATION NEEDED TO DETERMINE ELIGIBILITY;
17	(h) IDENTIFY THE STEPS A HEALTH-CARE FACILITY AND LICENSED
18	HEALTH-CARE PROFESSIONAL MUST TAKE BEFORE SENDING PATIENT DEBT
19	TO COLLECTIONS;
20	(i) Create a single uniform application that a health-care
21	FACILITY SHALL USE WHEN SCREENING A PATIENT FOR ELIGIBILITY FOR THE
22	COLORADO INDIGENT CARE PROGRAM AND DISCOUNTED CARE, AS
23	DESCRIBED IN SECTION 25.5-3-502; AND
24	(j) ANNUALLY ESTABLISH RATES FOR DISCOUNTED CARE
25	PURSUANT TO SECTION 25.5-3-503 (1)(a). THE RATES SHOULD
26	APPROXIMATE AND NOT BE LESS THAN EIGHTY PERCENT OF THE MEDICARE
27	RATE OR, IF A MEDICARE RATE IS NOT AVAILABLE, ONE HUNDRED PERCENT

-9- 1198

1	OF THE MEDICAID BASE RATE. THE STATE DEPARTMENT SHALL PUBLICLY
2	POST THE ESTABLISHED RATES ON THE STATE DEPARTMENT'S WEBSITE.
3	(3) In promulgating rules pursuant to this section, the
4	STATE DEPARTMENT SHALL:
5	(a) ALIGN THE PROCESSES OF QUALIFYING FOR AND APPEALING
6	DENIALS OF ELIGIBILITY FOR THE COLORADO INDIGENT CARE PROGRAM
7	WITH DISCOUNTED CARE, AS DESCRIBED IN SECTION 25.5-3-502; AND
8	(b) Consider potential limitations relating to the federal
9	"EMERGENCY MEDICAL TREATMENT AND LABOR ACT", 42 U.S.C. SEC.
10	1395dd.
11	(4) PRIOR TO PROMULGATING RULES PURSUANT TO THIS SECTION,
12	THE STATE DEPARTMENT SHALL HOLD AT LEAST ONE STAKEHOLDER
13	MEETING WITH HOSPITAL REPRESENTATIVES, HEALTH-CARE CONSUMERS,
14	AND HEALTH-CARE CONSUMER ADVOCATES THAT IS ACCESSIBLE TO
15	INDIVIDUALS WHOSE PRIMARY LANGUAGE IS NOT ENGLISH, IF REQUESTED.
16	(5) No later than April 1, 2022, the state department
17	SHALL:
18	(a) USING FEEDBACK FROM HOSPITAL HEALTH-CARE CONSUMERS
19	AND HEALTH-CARE CONSUMER ADVOCATE STAKEHOLDERS, DEVELOP A
20	WRITTEN EXPLANATION OF A PATIENT'S RIGHTS UNDER THIS SECTION THAT
21	IS WRITTEN IN PLAIN LANGUAGE AT A SIXTH- GRADE READING LEVEL AND
22	TRANSLATED INTO ALL LANGUAGES SPOKEN BY TEN PERCENT OR MORE OF
23	THE POPULATION IN EACH COUNTY OF THE STATE AND POST THE WRITTEN
24	EXPLANATION IN ALL REQUIRED LANGUAGES ON THE STATE DEPARTMENT'S
25	WEBSITE. EACH HEALTH-CARE FACILITY SHALL MAKE THE EXPLANATION
26	AVAILABLE TO THE PUBLIC AND EACH PATIENT AS PROVIDED IN SECTION
2.7	25.5-3-504.

-10-

(b) (I) ESTABLISH A PROCESS FOR PATIENTS TO SUBMIT A COMPLAINT RELATING TO NONCOMPLIANCE WITH THIS PART 5 TO THE STATE DEPARTMENT BY PHONE, MAIL, OR ONLINE. THE STATE DEPARTMENT SHALL CONDUCT A REVIEW WITHIN THIRTY DAYS AFTER RECEIVING A COMPLAINT.

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(II)THE STATE DEPARTMENT SHALL PERIODICALLY REVIEW HEALTH-CARE FACILITIES AND LICENSED HEALTH-CARE PROFESSIONALS TO ENSURE COMPLIANCE WITH THIS SECTION. IF THE STATE DEPARTMENT FINDS THAT A HEALTH-CARE FACILITY OR LICENSED HEALTH-CARE PROFESSIONAL IS NOT IN COMPLIANCE WITH THIS SECTION, THE STATE DEPARTMENT SHALL NOTIFY THE HEALTH-CARE FACILITY OR LICENSED HEALTH-CARE PROFESSIONAL AND THE FACILITY OR PROFESSIONAL HAS NINETY DAYS TO FILE A CORRECTIVE ACTION PLAN WITH THE STATE DEPARTMENT THAT MUST INCLUDE MEASURES TO INFORM THE PATIENT ABOUT THE NONCOMPLIANCE AND PROVIDE A FINANCIAL CORRECTION CONSISTENT WITH THIS PART 5. A HEALTH-CARE FACILITY OR LICENSED HEALTH-CARE PROFESSIONAL MAY REQUEST UP TO ONE HUNDRED TWENTY DAYS TO SUBMIT A CORRECTIVE ACTION PLAN. THE STATE DEPARTMENT MAY REQUIRE A HEALTH-CARE FACILITY OR LICENSED HEALTH-CARE PROFESSIONAL THAT IS NOT IN COMPLIANCE WITH THIS PART 5 OR ANY STATE BOARD RULES ADOPTED PURSUANT TO THIS PART 5 TO DEVELOP AND OPERATE UNDER A CORRECTIVE ACTION PLAN UNTIL THE STATE DEPARTMENT DETERMINES THE HEALTH-CARE FACILITY OR LICENSED HEALTH-CARE PROFESSIONAL IS IN COMPLIANCE.

(III) IF A HEALTH-CARE FACILITY'S OR LICENSED HEALTH-CARE PROFESSIONAL'S NONCOMPLIANCE WITH THIS SECTION IS DETERMINED BY THE STATE DEPARTMENT TO BE KNOWING OR WILLFUL OR THERE IS A

-11-

1	REPEATED PATTERN OF NONCOMPLIANCE, THE STATE DEPARTMENT MAY
2	FINE THE FACILITY OR PROFESSIONAL NO MORE THAN FIVE THOUSAND
3	DOLLARS. IF THE HEALTH-CARE FACILITY OR LICENSED HEALTH-CARE
4	PROFESSIONAL FAILS TO TAKE CORRECTIVE ACTION OR FAILS TO FILE A
5	CORRECTIVE ACTION PLAN WITH THE STATE DEPARTMENT PURSUANT TO
6	SUBSECTION (5)(b)(II) OF THIS SECTION, THE STATE DEPARTMENT MAY
7	FINE THE FACILITY OR PROFESSIONAL NO MORE THAN FIVE THOUSAND
8	DOLLARS A WEEK UNTIL THE FACILITY OR PROFESSIONAL TAKES
9	CORRECTIVE ACTION. THE STATE DEPARTMENT SHALL CONSIDER THE SIZE
10	OF THE HEALTH-CARE FACILITY AND THE SERIOUSNESS OF THE VIOLATION
11	IN SETTING THE FINE AMOUNT.
12	(6) The state department shall make the information
13	REPORTED PURSUANT TO SUBSECTION (1) OF THIS SECTION AND ANY
14	CORRECTIVE ACTION PLANS FOR WHICH FINES WERE IMPOSED PURSUANT
15	TO SUBSECTION $(5)(b)$ OF THIS SECTION AVAILABLE TO THE PUBLIC.
16	25.5-3-506. Limitations on collection actions - private
17	enforcement. (1) Before assigning or selling patient debt to a
18	COLLECTION AGENCY, AS DEFINED IN SECTION 5-16-103 (3)(a), OR A DEBT
19	BUYER, AS DEFINED IN SECTION 5-16-103 (8.5), OR BEFORE PURSUING,
20	EITHER DIRECTLY OR INDIRECTLY, ANY PERMISSIBLE EXTRAORDINARY
21	COLLECTION ACTION, AS DEFINED IN SECTION 6-20-201 (7):
22	(a) A HEALTH-CARE FACILITY SHALL MEET THE SCREENING
23	REQUIREMENTS IN SECTION 25.5-3-502;
24	(b) A HEALTH-CARE FACILITY AND LICENSED HEALTH-CARE
25	PROFESSIONAL SHALL PROVIDE DISCOUNTED CARE TO A PATIENT
26	PURSUANT TO SECTION 25.5-3-503;
27	(c) A HEALTH-CARE FACILITY AND LICENSED HEALTH-CARE

-12- 1198

1	PROFESSIONAL SHALL PROVIDE A PLAIN LANGUAGE EXPLANATION OF THE
2	HEALTH-CARE SERVICES AND FEES BEING BILLED AND NOTIFY THE PATIENT
3	OF POTENTIAL COLLECTION ACTIONS; AND
4	(d) A HEALTH-CARE FACILITY AND HEALTH-CARE PROFESSIONAL
5	SHALL BILL ANY THIRD-PARTY PAYER THAT IS RESPONSIBLE FOR
6	PROVIDING HEALTH-CARE COVERAGE TO THE PATIENT.
7	(2) A HEALTH-CARE FACILITY OR LICENSED HEALTH-CARE
8	PROFESSIONAL THAT FAILS TO COMPLY WITH THE REQUIREMENTS OF THIS
9	SECTION IS LIABLE TO THE PATIENT IN AN AMOUNT EQUAL TO THE SUM OF:
10	(a) ANY ACTUAL DAMAGES SUSTAINED BY THE PATIENT AS A
11	RESULT OF SUCH FAILURE;
12	(b) IN THE CASE OF SUCH ACTION BROUGHT BY AN INDIVIDUAL,
13	ANY ADDITIONAL DAMAGES THAT THE COURT MAY ALLOW, NOT TO
14	EXCEED ONE THOUSAND DOLLARS;
15	(c) IN THE CASE OF A CLASS ACTION, SUCH AMOUNT FOR EACH
16	NAMED PLAINTIFF THAT MAY RECOVER DAMAGES UNDER SUBSECTION
17	(2)(b) OF THIS SECTION, AND SUCH AMOUNT THAT THE COURT MAY ALLOW
18	FOR ALL OTHER CLASS MEMBERS WITHOUT REGARD TO A MINIMUM
19	INDIVIDUAL RECOVERY, NOT TO EXCEED THE LESSER OF FIVE HUNDRED
20	THOUSAND DOLLARS OR ONE PERCENT OF THE NET WORTH OF THE
21	HEALTH-CARE FACILITY OR LICENSED HEALTH-CARE PROFESSIONAL; AND
22	(d) IN THE CASE OF ANY SUCCESSFUL ACTION TO ENFORCE THE
23	FOREGOING LIABILITY, THE COSTS OF THE ACTION TOGETHER WITH
24	REASONABLE ATTORNEY FEES AS DETERMINED BY THE COURT. ON A
25	FINDING BY THE COURT THAT THE ACTION WAS BROUGHT IN BAD FAITH,
26	THE COURT MAY AWARD REASONABLE ATTORNEY FEES TO THE
27	DEFENDANT THAT ARE RELATED TO THE WORK EXPENDED AND COSTS.

-13-

1	(3) In determining the amount of liability in any action
2	PURSUANT TO SUBSECTION (2) OF THIS SECTION, THE COURT SHALL
3	CONSIDER, AMONG OTHER RELEVANT FACTORS:
4	(a) In any individual action brought pursuant to
5	SUBSECTION (2)(a) OF THIS SECTION, THE FREQUENCY AND PERSISTENCE
6	OF NONCOMPLIANCE BY THE HEALTH-CARE FACILITY OR LICENSED
7	HEALTH-CARE PROFESSIONAL, THE NATURE OF SUCH NONCOMPLIANCE,
8	AND THE EXTENT TO WHICH SUCH NONCOMPLIANCE WAS INTENTIONAL; OR
9	(b) IN ANY INDIVIDUAL ACTION BROUGHT PURSUANT TO
10	SUBSECTION (2)(b) OF THIS SECTION, THE FREQUENCY AND PERSISTENCE
11	OF NONCOMPLIANCE BY THE HEALTH-CARE FACILITY OR LICENSED
12	HEALTH-CARE PROFESSIONAL, THE NATURE OF SUCH NONCOMPLIANCE, THE
13	RESOURCES OF THE HEALTH-CARE FACILITY OR LICENSED HEALTH-CARE
14	PROFESSIONAL, THE NUMBER OF INDIVIDUALS ADVERSELY AFFECTED, AND
15	THE EXTENT TO WHICH THE HEALTH-CARE FACILITY'S OR LICENSED
16	HEALTH-CARE PROFESSIONAL'S NONCOMPLIANCE WAS INTENTIONAL.
17	SECTION 2. In Colorado Revised Statutes, 5-16-108, add (1)(1)
18	as follows:
19	5-16-108. Unfair practices. (1) A debt collector or collection
20	agency shall not use unfair or unconscionable means to collect or attempt
21	to collect any debt, including, but not limited to, the following conduct:
22	(1) AN ATTEMPT TO COLLECT A DEBT THAT VIOLATES THE
23	PROVISIONS OF SECTION $6-20-203(1)$ , $(2)$ , $(3)(b)$ , $(4)(a)$ , $(4)(b)(I)$ , $(4)(d)$ ,
24	(4)(e), OR $(5)(a)$ TO $(5)(c)$ .
25	<b>SECTION 3.</b> In Colorado Revised Statutes, 6-20-201, add
26	(4), (5), and (6) as follows:
27	<b>6-20-201. Definitions.</b> For the purposes of this part 2, unless the

-14- 1198

1	context otherwise requires:
2	
3	(4) "HOSPITAL SERVICES" MEANS HEALTH-CARE SERVICES, AS
4	DEFINED IN SECTION 10-16-102 (33), PROVIDED BY A HEALTH-CARE
5	FACILITY, AS DEFINED IN SECTION 25.5-3-501 (1), OR A LICENSED
6	HEALTH-CARE PROFESSIONAL, AS DEFINED IN SECTION 25.5-3-501 (3).
7	(5) "IMPERMISSIBLE EXTRAORDINARY COLLECTION ACTION"
8	MEANS INITIATING FORECLOSURE ON AN INDIVIDUAL'S PRIMARY
9	RESIDENCE OR HOMESTEAD, INCLUDING A MOBILE HOME, AS DEFINED IN
10	SECTION 38-12-201.5 (5).
11	(6) "MEDICAL CREDITOR" MEANS AN ENTITY THAT ATTEMPTS TO
12	COLLECT ON A MEDICAL DEBT, INCLUDING:
13	(a) A HEALTH-CARE PROVIDER OR HEALTH-CARE PROVIDER'S
14	BILLING OFFICE;
15	(b) A COLLECTION AGENCY, AS DEFINED IN SECTION 5-16-103 (3):
16	(c) A DEBT BUYER, AS DEFINED IN SECTION 5-16-103 (8.5); AND
17	(d) A DEBT COLLECTOR, AS DEFINED IN 15 U.S.C. SEC. 1692a (6)
18	(7) "PERMISSIBLE EXTRAORDINARY COLLECTION ACTION" MEANS
19	AN ACTION OTHER THAN AN IMPERMISSIBLE EXTRAORDINARY COLLECTION
20	ACTION THAT REQUIRES A LEGAL OR JUDICIAL PROCESS, INCLUDING BUT
21	NOT LIMITED TO PLACING A LIEN ON AN INDIVIDUAL'S REAL PROPERTY.
22	ATTACHING OR SEIZING AN INDIVIDUAL'S BANK ACCOUNT OR ANY OTHER
23	PERSONAL PROPERTY, OR GARNISHING AN INDIVIDUAL'S WAGES.
24	SECTION 4. In Colorado Revised Statutes, add 6-20-203 as
25	follows:
26	6-20-203. Limitations on collection actions - definition.
27	(1) IMPERMISSIBLE EXTRAORDINARY COLLECTION ACTIONS MAY

-15- 1198

1	NOT BE USED BY ANY MEDICAL CREDITOR TO COLLECT DEBTS OWED FOR
2	HOSPITAL SERVICES.
3	(2) NO MEDICAL CREDITOR COLLECTING ON A DEBT FOR
4	HOSPITAL SERVICES SHALL ENGAGE IN ANY PERMISSIBLE EXTRAORDINARY
5	COLLECTION ACTIONS UNTIL ONE HUNDRED EIGHTY-TWO DAYS AFTER THE
6	DATE THE PATIENT RECEIVES HOSPITAL SERVICES.
7	(3) (a) AT LEAST THIRTY DAYS BEFORE TAKING ANY PERMISSIBLE
8	EXTRAORDINARY COLLECTION ACTION, A MEDICAL CREDITOR, AS DEFINED
9	IN SECTION 6-20-201 (6)(a), COLLECTING ON A DEBT FOR HOSPITAL
10	SERVICES SHALL NOTIFY THE PATIENT OF POTENTIAL COLLECTION ACTIONS
11	AND SHALL INCLUDE WITH THE NOTICE A STATEMENT DEVELOPED BY THE
12	DEPARTMENT OF HEALTH CARE POLICY AND FINANCING THAT EXPLAINS
13	THE AVAILABILITY OF DISCOUNTED CARE FOR QUALIFIED INDIVIDUALS AND
14	HOW TO APPLY FOR SUCH CARE.
15	(b) (I) A MEDICAL CREDITOR, AS DEFINED IN SECTION 6-20-201
16	(6)(b), $(6)(c)$ , or $(6)(d)$ , collecting on a debt for hospital services
17	SHALL INCLUDE THE FOLLOWING STATEMENT IN THE NOTICES THE
18	MEDICAL CREDITOR PROVIDES TO THE PATIENT PURSUANT TO SECTION
19	5-16-109 (1) AND 15 U.S.C. SEC. 1692g (a): "PURSUANT TO COLORADO
20	LAW, DISCOUNTS FOR HOSPITAL SERVICES ARE AVAILABLE FOR QUALIFIED
21	INDIVIDUALS." THE STATEMENT MUST INCLUDE A LINK TO THE WRITTEN
22	EXPLANATION OF THE PATIENT'S RIGHTS THAT IS POSTED TO THE
23	DEPARTMENT OF HEALTH CARE POLICY AND FINANCING'S WEBSITE
24	PURSUANT TO SECTION $25.5-3-505$ (4)(a).
25	(II) A MEDICAL CREDITOR, AS DEFINED SECTION 6-20-201 (6)(b),
26	(6)(c), OR (6)(d), SHALL NOT TAKE ANY PERMISSIBLE EXTRAORDINARY
2.7	COLLECTION ACTIONS LINTIL THE LATER OF THIRTY DAYS FROM THE DATE

-16- 1198

1	OF SENDING THE NOTICE REQUIRED PURSUANT TO SUBSECTION (3)(b)(1) OF
2	THIS SECTION OR THE COMPLETION OF THE VALIDATION REQUIREMENTS
3	DESCRIBED IN SECTION 5-16-109 (2) AND 15 U.S.C. SEC. 1692g (b).
4	(4) IF A MEDICAL CREDITOR COLLECTING ON A DEBT FOR HOSPITAL
5	SERVICES BILLS OR INITIATES COLLECTION ACTIVITIES AND IT IS LATER
6	DETERMINED THAT THE PATIENT SHOULD HAVE BEEN SCREENED
7	PURSUANT TO SECTION 25.5-3-503 AND IS DETERMINED TO BE A QUALIFIED
8	PATIENT, AS DEFINED IN SECTION 25.5-3-501 (5), OR IT IS DETERMINED
9	THAT THE PATIENT'S BILL IS ELIGIBLE FOR REIMBURSEMENT THROUGH A
10	PUBLIC HEALTH-CARE COVERAGE PROGRAM OR THE COLORADO INDIGENT
11	CARE PROGRAM, THE MEDICAL CREDITOR SHALL:
12	(a) DELETE ANY NEGATIVE REPORTS TO CONSUMER REPORTING
13	AGENCIES;
14	(b) (I) UNLESS PROHIBITED BY LAW, IF THE COURT HAS ENTERED
15	A JUDGMENT ON THE MEDICAL DEBT:
16	(A) REQUEST THE COURT VACATE THE JUDGMENT IN ANY
17	COLLECTION LAWSUIT OVER THE MEDICAL DEBT AND ENTER INTO A
18	PAYMENT PLAN WITH THE PATIENT THAT MEETS THE REQUIREMENTS OF
19	SECTION 25.5-3-503 (1)(b);
20	(B) REQUEST THE COURT REDUCE THE AMOUNT OF THE JUDGMENT,
21	INCLUDING ANY FEES AND COSTS RELATED TO THE COLLECTION LAWSUIT,
22	TO THE TOTAL AMOUNT THE PATIENT OWES PURSUANT TO THE PUBLIC
23	HEALTH-CARE COVERAGE PROGRAM OR DISCOUNTED CARE POLICY THAT
24	THE PATIENT QUALIFIES FOR, ENTER INTO A PAYMENT PLAN WITH THE
25	PATIENT THAT MEETS THE REQUIREMENTS OF SECTION 25.5-3-503 (1)(b),
26	AND SUSPEND ALL EXECUTION ON THE JUDGMENT WHILE THE PATIENT IS
27	COMPLIANT WITH THE TERMS OF THE PAYMENT PLAN; OR

-17- 1198

1	(C) FILE A SATISFACTION OF JUDGMENT SUCH THAT THE
2	REMAINING UNPAID BALANCE OF THE JUDGMENT, INCLUDING ANY FEES
3	AND COSTS RELATED TO THE COLLECTION LAWSUIT, IS EQUAL TO THE
4	TOTAL AMOUNT THE PATIENT OWES UNDER THE PUBLIC HEALTH-CARE
5	COVERAGE PROGRAM OR DISCOUNTED CARE POLICY THAT THE PATIENT
6	QUALIFIES FOR, ENTER INTO A PAYMENT PLAN WITH THE PATIENT THAT
7	MEETS THE REQUIREMENTS OF SECTION 25.5-3-503 (1)(b), AND SUSPEND
8	ALL EXECUTION ON THE JUDGMENT WHILE THE PATIENT IS COMPLIANT
9	WITH THE TERMS OF THE PAYMENT PLAN.
10	(II) FOR THE PURPOSES OF SUBSECTION $(4)(b)(I)(B)$ AND
11	(4)(b)(I)(C) of this section, the court shall refund to the parties
12	ANY FEES AND COSTS PAID TO THE COURT IN CONNECTION WITH THE
13	LITIGATION OF THE MEDICAL DEBT AND THE HEALTH-CARE PROVIDER
14	SHALL INDEMNIFY THE MEDICAL CREDITOR FOR ANY FEES AWARDED AS
15	PART OF THE JUDGMENT IN CONNECTION WITH THE MEDICAL DEBT.
16	(c) As the term "medical creditor" is defined in section
17	6-20-201 (6)(a), REFUND ANY EXCESS AMOUNT TO THE PATIENT IF THE
18	PATIENT HAS PAID ANY PART OF THE MEDICAL DEBT OR IF ANY OF THE
19	PATIENT'S MONEY HAS BEEN SEIZED OR LEVIED IN EXCESS OF THE AMOUNT
20	THAT THE PATIENT OWES AFTER APPLICATION OF REQUIRED DISCOUNTS;
21	(d) As the term "medical creditor" is defined in sections
22	6-20-201 (6)(b), (6)(c), AND (6)(d), IF THE PATIENT HAS PAID ANY PART OF
23	THE MEDICAL DEBT OR IF ANY OF THE PATIENT'S MONEY HAS BEEN SEIZED
24	OR LEVIED IN EXCESS OF THE AMOUNT THAT THE PATIENT OWES AFTER
25	APPLICATION OF REQUIRED DISCOUNTS, REFUND ANY EXCESS AMOUNT TO
26	THE PATIENT TO THE EXTENT THE MEDICAL CREDITOR HAS NOT ALREADY
27	REMITTED SUCH AN AMOUNT TO THE HEALTH-CARE PROVIDER; AND

-18-

1	(e) REMEDY ANY OTHER PERMISSIBLE EXTRAORDINARY
2	COLLECTION ACTION.
3	(5) A MEDICAL CREDITOR COLLECTING ON A DEBT FOR HOSPITAL
4	SERVICES SHALL NOT SELL A MEDICAL DEBT TO ANOTHER PARTY UNLESS,
5	PRIOR TO THE SALE, THE MEDICAL DEBT SELLER HAS ENTERED INTO A
6	LEGALLY BINDING WRITTEN AGREEMENT WITH THE MEDICAL DEBT BUYER
7	OF THE DEBT PURSUANT TO WHICH:
8	(a) THE MEDICAL DEBT BUYER AGREES NOT TO PURSUE
9	IMPERMISSIBLE EXTRAORDINARY COLLECTION ACTIONS TO OBTAIN
10	PAYMENT FOR THE CARE;
11	
12	(b) The debt is returnable to or recallable by the medical
13	DEBT SELLER UPON A DETERMINATION THAT THE PATIENT SHOULD HAVE
14	BEEN SCREENED PURSUANT TO SECTION 25.5-3-502 AND IS ELIGIBLE FOR
15	DISCOUNTED CARE PURSUANT TO SECTION 25.5-3-503 OR THAT THE BILL
16	UNDERLYING THE MEDICAL DEBT IS ELIGIBLE FOR REIMBURSEMENT
17	THROUGH A PUBLIC HEALTH-CARE COVERAGE PROGRAM OR THE
18	COLORADO INDIGENT CARE PROGRAM; AND
19	(c) If it is determined that the patient should have been
20	SCREENED PURSUANT TO SECTION 25.5-3-502 AND IS ELIGIBLE FOR
21	DISCOUNTED CARE PURSUANT TO SECTION 25.5-3-503 OR THAT THE BILL
22	UNDERLYING THE MEDICAL DEBT IS ELIGIBLE FOR REIMBURSEMENT
23	THROUGH A PUBLIC HEALTH-CARE COVERAGE PROGRAM OR THE
24	COLORADO INDIGENT CARE PROGRAM AND THE DEBT IS NOT RETURNED TO
25	OR RECALLED BY THE MEDICAL DEBT SELLER, THE MEDICAL DEBT BUYER
26	SHALL ADHERE TO PROCEDURES THAT MUST BE SPECIFIED IN THE
27	AGREEMENT THAT ENSURES THE PATIENT WILL NOT PAY, AND HAS NO

-19-

1	OBLIGATION TO PAY, THE MEDICAL DEBT BUYER AND THE MEDICAL
2	CREDITOR TOGETHER MORE THAN THE PATIENT IS PERSONALLY
3	RESPONSIBLE FOR PAYING.
4	(6) THE MEDICAL DEBT SELLER SHALL INDEMNIFY THE MEDICAL
5	DEBT BUYER FOR ANY AMOUNT PAID FOR A DEBT THAT IS RETURNED TO OR
6	RECALLED BY THE MEDICAL DEBT SELLER.
7	(7) NOTHING IN THIS SECTION LIMITS OR AFFECTS A HEALTH-CARE
8	PROVIDER'S RIGHT TO PURSUE AGAINST ANY PARTY OTHER THAN THE
9	PATIENT THE COLLECTION OF PERSONAL INJURY, LIABILITY, UNINSURED,
10	UNDERINSURED, MEDICAL PAYMENT REHABILITATION, DISABILITY,
11	HOMEOWNER'S, BUSINESS OWNER'S, WORKER'S COMPENSATION,
12	FAULT-BASED INSURANCE, SUBROGATED CLAIMS, OR OTHER CLAIMS NOT
13	AGAINST THE PATIENT.
14	SECTION 5. In Colorado Revised Statutes, 25-49-105, amend
15	(1) as follows:
16	25-49-105. No review of health-care prices - no punishment for
17	exercising rights - no impairment of contracts. (1) Nothing in this
18	article 49 requires a health-care facility or health-care provider to report
19	its health-care prices to any agency for review, filing, or other purposes,
20	except as required by section 25-3-112, or for applications for health-care
21	professional loan repayment submitted pursuant to section 25-1.5-503.
22	This article 49 does not grant any agency the authority to approve,
23	disapprove, or limit a health-care facility's or health-care provider's
24	health-care prices or changes to its health-care prices. The department of
25	public health and environment is not authorized to take any action
26	regarding or pursuant to this article 49.
27	SECTION 6. In Colorado Revised Statutes, 25.5-3-104, add (3)

-20- 1198

I	as follows:
2	25.5-3-104. Program for the medically indigent established -
3	eligibility - rules. (3) For providers defined as hospital providers
4	IN 10 CCR 2505-10, SEC. 8.901.J, THE STATE DEPARTMENT SHALL
5	PROMULGATE RULES:
6	(a) Prohibiting hospitals from considering assets when
7	DETERMINING WHETHER A PATIENT MEETS THE SPECIFIED PERCENTAGE OF
8	THE FEDERAL POVERTY LINE REQUIRED IN SUBSECTION (2) OF THIS
9	SECTION; AND
10	(b) Ensuring the method used to determine whether a
11	PATIENT MEETS THE SPECIFIED PERCENTAGE OF THE FEDERAL POVERTY
12	LINE IS UNIFORM ACROSS HOSPITALS AND ALIGNED WITH THE METHOD FOR
13	COUNTING INCOME FOR THE PURPOSES OF DETERMINING ELIGIBILITY FOR
14	DISCOUNTED CARE, AS DESCRIBED IN SECTION 25.5-3-503.
15	<b>SECTION 7.</b> In Colorado Revised Statutes, <b>repeal</b> 25-3-112.
16	SECTION 8. Act subject to petition - effective date. This act
17	takes effect at 12:01 a.m. on the day following the expiration of the
18	ninety-day period after final adjournment of the general assembly; except
19	that, if a referendum petition is filed pursuant to section 1 (3) of article V
20	of the state constitution against this act or an item, section, or part of this
21	act within such period, then the act, item, section, or part will not take
22	effect unless approved by the people at the general election to be held in
23	November 2022 and, in such case, will take effect on the date of the
24	official declaration of the vote thereon by the governor.

-21- 1198