

## CHAPTER 264

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**HUMAN SERVICES - SOCIAL SERVICES**

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**HOUSE BILL 99-1019**

BY REPRESENTATIVES Morrison, Alexander, Hagedorn, Johnson, Clarke, Gotlieb, Kaufman, Keller, Lawrence, Mace, Paschall, Tochtrop, Tupa, S. Williams, and Witwer;  
also SENATORS Wham, Rupert, Linkhart, Nichol, Reeves, Tanner, and Weddig.

**AN ACT**

CONCERNING THE CREATION OF THE COLORADO HEALTH CARE TASK FORCE, AND, IN CONNECTION THEREWITH, ABOLISHING THE JOINT REVIEW COMMITTEE FOR THE MEDICALLY INDIGENT AND THE MEDICAL ASSISTANCE REFORM ADVISORY COMMITTEE, AND MAKING AN APPROPRIATION IN CONNECTION THEREWITH.

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

**SECTION 1.** 26-15-107, Colorado Revised Statutes, is REPEALED AND REENACTED, WITH AMENDMENTS, to read:

**26-15-107. Colorado health care task force - legislative declaration - creation - duties - repeal.** (1) **Legislative declaration.** (a) THE GENERAL ASSEMBLY HEREBY FINDS AND DETERMINES THAT:

(I) RECENT MAJOR SHIFTS IN THE WAY HEALTH CARE IS ORGANIZED, DELIVERED, AND PAID FOR HAVE CREATED INCREASED PUBLIC CONCERN ABOUT THE ABILITY OF COLORADANS TO GET AND KEEP GOOD, AFFORDABLE HEALTH INSURANCE COVERAGE;

(II) RELATIONSHIPS AMONG PHYSICIANS AND OTHER HEALTH CARE PROVIDERS, PATIENTS, AND PAYORS ARE CHANGING;

(III) IN COLORADO, THE DOMINANT FORM OF HEALTH INSURANCE COVERAGE IS NOW MANAGED CARE, AND MORE AND MORE CONSUMERS IN THIS STATE ARE VOICING CONCERNS ABOUT THEIR ABILITY TO GET TIMELY ACCESS TO QUALITY CARE AS THEY SEE A NARROWING OF THEIR CHOICES OF HEALTH CARE PROVIDERS;

(IV) EMPLOYEES ARE BEING ASKED TO PAY A LARGER SHARE OF THE COST OF THEIR COVERAGE AND ARE NOT BEING OFFERED COVERAGE FOR DEPENDENTS, LEADING TO

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*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

INCREASES IN THE NUMBER OF WORKING FAMILIES THAT CANNOT AFFORD HEALTH INSURANCE; AND

(V) EMPLOYERS ARE CONCERNED ABOUT RECENT TRENDS THAT POINT TO NEW ROUNDS OF SIGNIFICANT RATE INCREASES THAT DRIVE UP COSTS TO BUSINESSES AND CONSUMERS.

(b) THE GENERAL ASSEMBLY, THEREFORE, HEREBY DECLARES THAT THE FACTORS DESCRIBED IN THIS SUBSECTION (1) REQUIRE THAT MEMBERS OF THE GENERAL ASSEMBLY OBTAIN INFORMATION AND HAVE A SUFFICIENT LEVEL OF KNOWLEDGE TO ENABLE THEM TO DECIDE HEALTH CARE ISSUES IN THIS STATE. THIS SECTION IS ENACTED TO ALLOW MEMBERS OF THE GENERAL ASSEMBLY TO GATHER INFORMATION FROM INTERESTED PERSONS TO FORMULATE LEGISLATION IF NECESSARY FOR THE PROPER OPERATION OF THE HEALTH CARE SYSTEM IN THIS STATE.

(2) **Creation - membership.** (a) (I) IN ORDER TO STUDY THE HEALTH CARE SYSTEM IN THIS STATE, THERE IS HEREBY CREATED THE COLORADO HEALTH CARE TASK FORCE. THE TASK FORCE SHALL CONSIST OF TEN MEMBERS OF THE GENERAL ASSEMBLY SELECTED AS FOLLOWS:

(A) FIVE MEMBERS OF THE HOUSE OF REPRESENTATIVES APPOINTED BY THE SPEAKER OF THE HOUSE OF REPRESENTATIVES, NOT MORE THAN THREE OF WHOM SHALL BE FROM THE SAME POLITICAL PARTY;

(B) FIVE MEMBERS OF THE SENATE, THREE OF WHOM SHALL BE APPOINTED BY THE PRESIDENT OF THE SENATE, AND TWO OF WHOM SHALL BE APPOINTED BY THE MINORITY LEADER OF THE SENATE.

(II) THE SPEAKER OF THE HOUSE OF REPRESENTATIVES AND THE PRESIDENT OF THE SENATE SHALL JOINTLY DESIGNATE ONE MEMBER OF THE TASK FORCE TO SERVE AS THE CHAIRPERSON OF THE TASK FORCE.

(b) THE TERM OF OFFICE OF EACH MEMBER OF THE TASK FORCE SHALL BE FOR ONE YEAR AND SHALL COMMENCE ON JULY 1, 1999. INITIAL APPOINTMENTS TO THE TASK FORCE SHALL BE MADE BY JULY 1, 1999. MEMBERS MAY SERVE FOR TWO CONSECUTIVE TERMS.

(c) THE MEMBERS OF THE TASK FORCE SHALL SERVE WITHOUT COMPENSATION BUT SHALL BE REIMBURSED FOR ALL NECESSARY EXPENSES INCURRED IN THE PERFORMANCE OF THEIR DUTIES. SUCH MEMBERS SHALL RECEIVE REIMBURSEMENT FOR NO MORE THAN SIX MEETINGS IN ANY CALENDAR YEAR.

(d) (I) THE TASK FORCE MAY CONSIDER THE APPOINTMENT OF SUBCOMMITTEES TO ASSIST IN ADVISING THE TASK FORCE.

(II) IN THE EVENT THE TASK FORCE DECIDES TO APPOINT SUBCOMMITTEES:

(A) MEMBERS OF THE SUBCOMMITTEES ADVISING THE TASK FORCE SHOULD BE CHOSEN FROM GROUPS SUCH AS THOSE REPRESENTING MEDICAL PROFESSIONALS, INCLUDING, BUT NOT LIMITED TO, MEDICAL DOCTORS, NURSES, DENTISTS, PHARMACISTS, ALTERNATIVE MEDICAL SPECIALISTS, AND OTHER ALLIED HEALTH

PROFESSIONALS, LARGE AND SMALL EMPLOYERS, SELF-INSURED EMPLOYERS, PUBLIC AND PRIVATE FOR-PROFIT AND NONPROFIT HOSPITALS, MANAGED CARE ORGANIZATIONS, HEALTH INSURANCE CARRIERS, HEALTH MAINTENANCE ORGANIZATIONS, ORGANIZATIONS CONCERNED WITH INDIGENT CARE, ORGANIZATIONS CONCERNED WITH ELDER CARE, HEALTH CARE PROVIDERS IN THE HOME SETTING, THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING, THE STATE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT, THE DIVISION OF INSURANCE, ORGANIZATIONS CONCERNED WITH CARE FOR INDIVIDUALS WITH DISABILITIES, PUBLIC AND PRIVATE MENTAL HEALTH SERVICES PROVIDERS, AND THOSE CONDUCTING ADVOCACY IN THE HEALTH CARE ARENA ON BEHALF OF PATIENTS. NO TWO OF SUCH MEMBERS SHALL BE FROM THE SAME SEGMENT OF THE HEALTH CARE INDUSTRY.

(B) A MEMBER OF THE TASK FORCE SHALL BE APPOINTED TO CHAIR EACH SUBCOMMITTEE; AND

(C) MEMBERS OF SUBCOMMITTEES SHALL NOT RECEIVE COMPENSATION FOR THEIR SERVICE.

(e) THE STAFF OF THE LEGISLATIVE COUNCIL SHALL BE MADE AVAILABLE TO ASSIST THE TASK FORCE IN CARRYING OUT ITS DUTIES UNDER THIS SECTION.

(f) (I) ALL EXPENDITURES INCURRED IN THE CONDUCT OF THE ACTIVITIES OF THE TASK FORCE UNDER THIS SECTION SHALL BE APPROVED BY THE CHAIR OF THE LEGISLATIVE COUNCIL AND PAID BY VOUCHERS AND WARRANTS DRAWN AS PROVIDED BY LAW FROM FUNDS ALLOCATED TO THE LEGISLATIVE COUNCIL FOR LEGISLATIVE STUDIES FROM APPROPRIATIONS MADE BY THE GENERAL ASSEMBLY.

(II) IN CONDUCTING THE ACTIVITIES OF THE TASK FORCE UNDER THIS SECTION, THE LEGISLATIVE COUNCIL MAY ACCEPT AND EXPEND FEDERAL FUNDS, GRANTS, GIFTS, AND DONATIONS FOR PURPOSES OF THIS SECTION.

(g) THE TASK FORCE SHALL MEET AT LEAST FOUR TIMES PER YEAR AND AS CONVENED BY THE CHAIRPERSON.

(3) **Duties.** (a) IN CARRYING OUT ITS DUTIES AND FUNCTIONS UNDER THIS SECTION, THE TASK FORCE SHALL CONSIDER, BUT NEED NOT BE LIMITED TO, THE FOLLOWING:

(I) EMERGING TRENDS IN COLORADO HEALTH CARE AND THEIR IMPACTS ON CONSUMERS, INCLUDING, BUT NOT LIMITED TO:

(A) CHANGES IN RELATIONSHIPS AMONG HEALTH CARE PROVIDERS, PATIENTS, AND PAYORS;

(B) RESTRICTIONS IN HEALTH CARE OPTIONS AVAILABLE TO CONSUMERS;

(C) PROFESSIONAL LIABILITY ISSUES ARISING FROM SUCH RESTRICTIONS;

(D) MEDICAL AND PATIENT RECORD CONFIDENTIALITY;

(E) HEALTH CARE WORK FORCE REQUIREMENTS; AND

(F) HOME CARE IN THE CONTINUUM OF CARE.

(II) THE EFFECT OF RECENT SHIFTS IN THE WAY HEALTH CARE IS DELIVERED AND PAID FOR;

(III) THE ABILITY OF CONSUMERS TO OBTAIN AND KEEP ADEQUATE, AFFORDABLE HEALTH INSURANCE COVERAGE, INCLUDING COVERAGE FOR CATASTROPHIC ILLNESSES;

(IV) THE EFFECT OF MANAGED CARE ON THE ABILITY OF CONSUMERS TO OBTAIN TIMELY ACCESS TO QUALITY CARE;

(V) THE OPERATION OF THE PROGRAM FOR THE MEDICALLY INDIGENT IN ORDER TO GIVE GUIDANCE AND DIRECTION TO THE STATE DEPARTMENT IN THE DEVELOPMENT AND OPERATION OF SUCH PROGRAM;

(VI) THE FUTURE TRENDS FOR HEALTH CARE COVERAGE RATES FOR EMPLOYEES AND EMPLOYERS;

(VII) THE ROLE OF PUBLIC HEALTH PROGRAMS AND SERVICES;

(VIII) SOCIAL AND FINANCIAL COSTS AND BENEFITS OF MANDATED HEALTH CARE COVERAGE; AND

(IX) COSTS AND BENEFITS OF PROVIDING PREVENTIVE CARE AND EARLY TREATMENT FOR PEOPLE WITH CHRONIC ILLNESSES WHO MAY EVENTUALLY NEED LONG-TERM CARE.

(b) THE TASK FORCE SHALL MAKE SUCH RECOMMENDATIONS AS IT DEEMS NECESSARY TO THE GENERAL ASSEMBLY CONCERNING MATTERS STUDIED UNDER THIS SECTION. LEGISLATION RECOMMENDED BY THE TASK FORCE SHALL BE TREATED AS LEGISLATION RECOMMENDED BY AN INTERIM LEGISLATIVE COMMITTEE FOR PURPOSES OF ANY INTRODUCTION DEADLINES OR BILL LIMITATIONS IMPOSED BY THE JOINT RULES OF THE GENERAL ASSEMBLY.

(4) **Repeal of section.** THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2004.

**SECTION 2. Repeal.** 26-4-704, Colorado Revised Statutes, is repealed as follows:

**26-4-704. Medical assistance reform advisory committee.** ~~(1) In order for the agency responsible for developing an alternative plan for a nontraditional medical assistance program for the state, in accordance with section 26-4-702, to obtain sufficient input in developing such plan, there is hereby established a medical assistance reform advisory committee. The membership of the committee shall consist of fourteen members who shall be selected as follows:~~

~~(a) The speaker and the minority leader of the house of representatives and the president and minority leader of the senate shall each appoint one legislative member to serve on the committee and shall jointly appoint one of those members to serve as the chair of the committee;~~

~~(b) The speaker of the house of representatives and the president of the senate shall jointly appoint three members, each of whom shall respectively represent providers who participate in the medical assistance program, consumers under the medical assistance program or consumer advocates therefor, and members of the general public;~~

~~(c) The governor shall appoint seven members, who shall be selected from among representatives of the groups described in paragraph (b) of this subsection (1):~~

~~(2) Appointments to the committee shall be made no later than January 1, 1994. The members of the committee shall serve without compensation:~~

~~(3) The advisory committee shall meet with the agency responsible for developing the alternative plan in accordance with section 26-4-702 on a monthly basis to review and provide input on the development of such plan:~~

**SECTION 3.** 26-4-112 (2), Colorado Revised Statutes, is amended to read:

**26-4-112. Legislative declaration.** (2) The general assembly further finds that, with recommendations from the medical assistance reform advisory committee created in section 26-4-704, AS IT EXISTED PRIOR TO THE EFFECTIVE DATE OF THIS SUBSECTION (2), AS AMENDED, the office of state planning and budgeting has studied the alternative methods of providing medical assistance taking into account cost-efficiency, continued receipt of federal moneys, and minimal impact on the quality of medical assistance for poor persons in this state.

**SECTION 4.** 26-4-113 (1) (b), Colorado Revised Statutes, is amended to read:

**26-4-113. Statewide managed care system - implementation required.** (1) **Rules.** (b) It is the general assembly's intent that the state department eliminate administrative rules and functions that are unnecessary and unrelated to the implementation of the statewide managed care system. The rules and functions shall be reduced according to the schedule for implementing the statewide managed care system in subsection (2) of this section. The state department shall take into consideration recommendations from managed care providers, recipients or their advocates, AND health care coverage cooperatives and the medical assistance reform advisory committee in eliminating unnecessary and unrelated rules and functions.

**SECTION 5.** 26-4-703 (7) (a), Colorado Revised Statutes, is amended to read:

**26-4-703. Cost-containment and utilization control plan.** (7) (a) For services described in subparagraphs (I) to (III) of paragraph (b) of this subsection (7), the department shall release a formal request for information, developed with reasonable criteria and standards, for the provision of comprehensive services in order to provide the opportunity for affected medical assistance recipients and providers to provide input and make recommendations to the department with respect to the factors described in sub-subparagraphs (A) to (J) of subparagraph (I) of paragraph (d) of subsection (1) of this section during the request for information process. The department shall consult with the medical advisory council created in section 26-4-108 and with the medical assistance reform advisory committee created in section 26-4-704 during the request for information process. Nothing in this

subsection (7) shall be construed to preclude the executive director of the department from establishing ad hoc advisory committees to obtain input and recommendations during the request for information process.

**SECTION 6.** The introductory portion to 26-15-105 (1), Colorado Revised Statutes, is amended to read:

**26-15-105. Report concerning the program.** (1) The executive director shall prepare an annual report ~~to the joint review committee created pursuant to section 26-15-107~~ concerning the medically indigent program. The report shall be prepared following consultation with contract providers in the program, state department personnel, and other agencies, organizations, or individuals as it deems appropriate in order to obtain comprehensive and objective information about the program. The report shall contain a plan for a delivery system to provide medical services to medically indigent persons of Colorado in a manner ~~which~~ THAT assures access to services, appropriateness of care, prudent utilization of state resources, and accountability to the health, environment, welfare, and institutions committees of the house of representatives and senate of the general assembly. The executive director shall submit the report to the health, environment, welfare, and institutions committees of the house of representatives and senate of the general assembly no later than February 1 of each year. The report shall include recommendations regarding the following:

**SECTION 7. Appropriation.** In addition to any other appropriation, there is hereby appropriated, to the legislative department, for the fiscal year beginning July 1, 1999, the sum of five thousand dollars (\$5,000) and 0.2 FTE, or so much thereof as may be necessary, for the implementation of this act. Said sum shall be from grants and donations received pursuant to section 26-15-107 (2) (f) (II), Colorado Revised Statutes.

**SECTION 8. Safety clause.** The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: June 1, 1999