

CHAPTER 317

HEALTH AND ENVIRONMENT

HOUSE BILL 06-1278

BY REPRESENTATIVE(S) Weissmann, Berens, Boyd, Buescher, Carroll M., Carroll T., Crane, Frangas, Garcia, Jahn, Kerr J., Knoedler, Madden, McCluskey, McGihon, Merrifield, Paccione, Riesberg, Romanoff, Solano, Stengel, Todd, White, Witwer, Green, and Pommer;
also SENATOR(S) Keller, Fitz-Gerald, Groff, Shaffer, Tupa, Williams, and Windels.

AN ACT

CONCERNING THE PUBLIC REPORTING OF HOSPITAL STATISTICS BY MEANS OF A HOSPITAL REPORT CARD, AND MAKING AN APPROPRIATION THEREFOR.

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

SECTION 1. Article 3 of title 25, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW PART to read:

**PART 6
COLORADO HOSPITAL REPORT CARD ACT**

25-3-601. Short title. THIS PART 6 SHALL BE KNOWN AND MAY BE CITED AS THE "COLORADO HOSPITAL REPORT CARD ACT".

25-3-602. Comprehensive hospital information system - executive director - duties. (1) THE EXECUTIVE DIRECTOR SHALL APPROVE A COMPREHENSIVE HOSPITAL INFORMATION SYSTEM TO PROVIDE FOR THE COLLECTION, COMPILATION, COORDINATION, ANALYSIS, INDEXING, AND UTILIZATION OF BOTH PURPOSEFULLY COLLECTED AND EXTANT HOSPITAL-RELATED DATA AND STATISTICS TO PRODUCE AND REPORT COMPARABLE AND UNIFORM HEALTH INFORMATION AND STATISTICS THAT SHALL BE UTILIZED IN THE DEVELOPMENT AND PRODUCTION OF THE REPORT CARD DESCRIBED IN SECTION 25-3-603. THE EXECUTIVE DIRECTOR SHALL DESIGNATE OR CONTRACT WITH ANY INDIVIDUAL OR ENTITY HE OR SHE DEEMS APPROPRIATE TO CARRY OUT THE PURPOSES OF THIS PART 6.

(2) IN ORDER TO IMPLEMENT THIS SECTION THE EXECUTIVE DIRECTOR OR HIS OR HER DESIGNEE SHALL:

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

(a) DEVELOP AND IMPLEMENT A LONG-RANGE PLAN FOR MAKING AVAILABLE CLINICAL OUTCOMES AND DATA THAT WILL ALLOW CONSUMERS TO COMPARE HEALTH CARE SERVICES;

(b) ON OR BEFORE MAY 15, 2007, SUBMIT AN INITIAL PLAN AND AN ANNUAL UPDATE TO THE PLAN AND A REPORT ON THE STATUS OF IMPLEMENTATION TO THE GOVERNOR, THE PRESIDENT OF THE SENATE, AND THE SPEAKER OF THE HOUSE OF REPRESENTATIVES WITH COPIES TO ALL MEMBERS OF THE GENERAL ASSEMBLY AND AVAILABLE TO THE PUBLIC ON AN INTERNET WEBSITE. THE PLAN SHALL IDENTIFY THE PROCESS AND TIME FRAMES FOR IMPLEMENTATION, BARRIERS TO IMPLEMENTATION, AND RECOMMENDATIONS OF CHANGES IN THE LAW THAT MAY BE ENACTED BY THE GENERAL ASSEMBLY TO ELIMINATE THE BARRIERS.

(c) MAKE AVAILABLE CLINICAL OUTCOMES MEASURES FROM GENERAL HOSPITALS LICENSED PURSUANT TO THIS ARTICLE AND PUBLIC HOSPITALS CERTIFIED PURSUANT TO SECTION 25-1.5-103 (1) (a). WHEN DETERMINING WHICH DATA TO REPORT, THE EXECUTIVE DIRECTOR OR DESIGNEE SHALL CONSIDER:

(I) INCLUSION OF DATA ON ALL PATIENTS REGARDLESS OF THE PAYER SOURCE FOR COLORADO HOSPITALS AND OTHER INFORMATION THAT MAY BE REQUIRED FOR EITHER INDIVIDUAL OR GROUP PURCHASERS TO ASSESS THE VALUE OF THE PRODUCT;

(II) USE OF STANDARDIZED CLINICAL OUTCOMES MEASURES RECOGNIZED BY NATIONAL ORGANIZATIONS THAT ESTABLISH STANDARDS TO MEASURE THE PERFORMANCE OF HEALTH CARE PROVIDERS;

(III) DATA THAT IS SEVERITY AND ACUITY ADJUSTED USING STATISTICAL METHODS THAT SHOW VARIATION IN REPORTED OUTCOMES, WHERE APPLICABLE, AND DATA THAT HAS PASSED STANDARD EDITS;

(IV) REPORTING THE RESULTS WITH SEPARATE DOCUMENTS CONTAINING THE TECHNICAL SPECIFICATION AND MEASURES;

(V) STANDARDIZATION IN REPORTING; AND

(VI) DISCLOSURE OF THE METHODOLOGY OF REPORTING.

(3) (a) THE EXECUTIVE DIRECTOR SHALL SELECT A DULY CONSTITUTED ASSOCIATION OF HOSPITALS FOR ASSISTANCE IN CARRYING OUT THE PURPOSES OF THIS PART 6 AND SHALL RELY UPON THE ADVICE AND ASSISTANCE OF THE SELECTED ASSOCIATION. THE ASSOCIATION SHALL PROVIDE THE EXECUTIVE DIRECTOR WITH A COPY OF THE ASSOCIATION'S ORGANIZATIONAL DOCUMENTS AND ANY RULES OR REGULATIONS GOVERNING THE ASSOCIATION'S ACTIVITIES AND A LIST OF THE ASSOCIATION'S MEMBERS. THE ASSOCIATION SHALL PROVIDE TO THE EXECUTIVE DIRECTOR A PLAN OUTLINING THE ASSOCIATION'S INCLUSION AND CONSIDERATION OF THE INTERESTS OF HEALTH CARE CONSUMERS, INCLUDING HEALTH PLANS AND EMPLOYERS, IN THE PROCESS OF CARRYING OUT THE PURPOSES OF THIS PART 6. THE NAME AND ADDRESS OF A REPRESENTATIVE OF THE ORGANIZATION, WHO IS A RESIDENT OF THIS STATE, UPON WHOM NOTICES OR ORDERS OF THE EXECUTIVE DIRECTOR MAY BE SERVED SHALL BE PROVIDED TO THE EXECUTIVE DIRECTOR. THE

EXECUTIVE DIRECTOR SHALL HAVE THE AUTHORITY TO EXAMINE THE COLLECTION, ANALYSIS, AND VALIDITY OF THE DATA USED AS A BASIS FOR THE REPORTING REQUIRED IN THIS PART 6.

(b) THE EXECUTIVE DIRECTOR MAY REFUSE TO ACCEPT, OR MAY SUSPEND OR REVOKE THE ACCEPTANCE OF, AN ASSOCIATION FOR ANY OF THE FOLLOWING REASONS:

(I) IT REASONABLY APPEARS THAT THE ASSOCIATION WILL NOT BE ABLE TO CARRY OUT THE PURPOSE OF THIS PART 6.

(II) THE ASSOCIATION DOES NOT PROVIDE TO THE EXECUTIVE DIRECTOR A PLAN OUTLINING THE ASSOCIATION'S INCLUSION AND CONSIDERATION OF THE INTERESTS OF HEALTH CARE CONSUMERS, INCLUDING HEALTH PLANS AND EMPLOYERS, IN THE PROCESS OF CARRYING OUT THE PURPOSES OF THIS PART 6.

(III) ON OR BEFORE APRIL 15, 2007, THE ASSOCIATION DOES NOT SUBMIT A PLAN TO THE EXECUTIVE DIRECTOR AND REPORT ON THE STATUS OF ITS IMPLEMENTATION SATISFACTORY TO THE EXECUTIVE DIRECTOR.

(IV) THE ASSOCIATION FAILS TO MEET OTHER APPLICABLE REQUIREMENTS PRESCRIBED IN THIS PART 6.

(c) THERE SHALL NOT BE LIABILITY ON THE PART OF, NOR SHALL A CAUSE OF ACTION OF ANY NATURE ARISE AGAINST, THE ASSOCIATION OR ITS AGENTS, EMPLOYEES, DIRECTORS, OR AUTHORIZED DESIGNEES OF THE EXECUTIVE DIRECTOR FOR ACTIONS TAKEN OR OMITTED IN THE PERFORMANCE OF THEIR POWERS AND DUTIES UNDER THIS SECTION.

(4) (a) IN THE EVENT THE EXECUTIVE DIRECTOR REFUSES TO ACCEPT, OR SUSPENDS OR REVOKES THE ACCEPTANCE OF, AN ASSOCIATION PREVIOUSLY ACCEPTED FOR ASSISTANCE IN CARRYING OUT THE PURPOSES OF THIS PART 6 FOR ANY OF THE REASONS SET FORTH IN THIS PART 6, THERE SHALL BE CREATED IN THE STATE DEPARTMENT THE COLORADO COMMISSION FOR HOSPITAL STATISTICS, REFERRED TO IN THIS SUBSECTION (4) AS THE "COMMISSION", TO CARRY OUT THE PURPOSES OF THIS PART 6.

(b) THE COMMISSION SHALL CONSIST OF NINE MEMBERS, WHO SHALL BE APPOINTED BY THE GOVERNOR WITH THE CONSENT OF THE SENATE, AS FOLLOWS:

(I) THREE MEMBERS REPRESENTING HOSPITALS LICENSED UNDER THIS ARTICLE;

(II) TWO MEMBERS REPRESENTING LICENSED HEALTH CARE PROVIDERS; AND

(III) FOUR MEMBERS REPRESENTING CONSUMERS OR BUSINESSES WITHOUT ANY DIRECT INTEREST IN HOSPITALS LICENSED UNDER THIS ARTICLE.

(c) AT NO TIME SHALL THE COMMISSION HAVE MORE THAN FIVE MEMBERS OF ANY ONE POLITICAL PARTY. MEMBERS OF THE COMMISSION SHALL BE COMPENSATED FOR ACTUAL AND NECESSARY EXPENSES INCURRED IN THE CONDUCT OF OFFICIAL BUSINESS.

(d) THE COMMISSION SHALL ANNUALLY ELECT THE CHAIRMAN OF THE COMMISSION FROM ITS MEMBERS. A MAJORITY OF THE COMMISSION SHALL CONSTITUTE A QUORUM.

(e) THE COMMISSION SHALL MEET AT LEAST ONCE DURING EACH CALENDAR QUARTER. MEETING DATES SHALL BE SET UPON WRITTEN REQUEST BY THREE OR MORE MEMBERS OF THE COMMISSION OR BY A CALL OF THE CHAIRMAN UPON FIVE DAYS' NOTICE TO THE MEMBERS.

(f) ACTION OF THE COMMISSION SHALL NOT BE TAKEN EXCEPT UPON THE AFFIRMATIVE VOTE OF A MAJORITY OF A QUORUM OF THE COMMISSION.

(g) ALL MEETINGS OF THE COMMISSION SHALL BE OPEN TO THE PUBLIC PURSUANT TO SECTION 24-6-402, C.R.S.

25-3-603. Hospital report card. (1) THE EXECUTIVE DIRECTOR SHALL APPROVE A COLORADO HOSPITAL REPORT CARD CONSISTING OF PUBLIC DISCLOSURE OF DATA ASSEMBLED PURSUANT TO THIS PART 6. AT A MINIMUM, THE DATA SHALL BE MADE AVAILABLE ON AN INTERNET WEBSITE IN A MANNER THAT ALLOWS CONSUMERS TO CONDUCT AN INTERACTIVE SEARCH THAT ALLOWS THEM TO VIEW AND COMPARE THE INFORMATION FOR SPECIFIC HOSPITALS. THE WEBSITE SHALL INCLUDE SUCH ADDITIONAL INFORMATION AS IS DETERMINED NECESSARY TO ENSURE THAT THE WEBSITE ENHANCES INFORMED DECISION MAKING AMONG CONSUMERS AND HEALTH CARE PURCHASERS, WHICH SHALL INCLUDE, AT A MINIMUM, APPROPRIATE GUIDANCE ON HOW TO USE THE DATA AND AN EXPLANATION OF WHY THE DATA MAY VARY FROM HOSPITAL TO HOSPITAL. THE DATA SPECIFIED IN THIS SUBSECTION (1) SHALL BE RELEASED ON OR BEFORE NOVEMBER 30, 2007.

(2) PRIOR TO THE COMPLETION OF THE COLORADO HOSPITAL REPORT CARD, THE EXECUTIVE DIRECTOR SHALL ENSURE THAT EVERY HOSPITAL IS ALLOWED THIRTY DAYS WITHIN WHICH TO EXAMINE THE DATA AND SUBMIT COMMENTS FOR CONSIDERATION AND INCLUSION IN THE FINAL COLORADO HOSPITAL REPORT CARD.

25-3-604. Fees. (1) THE EXECUTIVE DIRECTOR SHALL ANNUALLY DETERMINE THE COSTS INCURRED BY THE DEPARTMENT AND THE COLORADO COMMISSION FOR HOSPITAL STATISTICS IN COMPLETING THE REQUIREMENTS OF THIS PART 6.

(2) THE EXECUTIVE DIRECTOR SHALL APPORTION, ACCORDING TO NET PATIENT SERVICE REVENUES, THE COSTS ANNUALLY AMONG THE HOSPITALS WHO PAY THE ANNUAL REGISTRATION FEE REQUIRED BY THIS SECTION AND REPORT THE SAME TO THE STATE BOARD OF HEALTH. THE STATE BOARD OF HEALTH BY RULE OR AS OTHERWISE PROVIDED BY LAW MAY INCREASE THE AMOUNT OF THE ANNUAL FEE IMPOSED BY THIS SECTION. AT NO TIME SHALL THE FEE BE HIGHER THAN WHAT IS NECESSARY TO IMPLEMENT THE REPORT REQUIRED PURSUANT TO THIS PART 6.

(3) ALL FEES COLLECTED PURSUANT TO THIS PART 6 SHALL BE TRANSMITTED TO THE STATE TREASURER, WHO SHALL CREDIT THE SAME TO THE HEALTH FACILITIES GENERAL LICENSURE CASH FUND CREATED IN SECTION 25-3-103.1.

(4) NOTWITHSTANDING THE AMOUNT SPECIFIED FOR THE FEE IN THIS SECTION, THE STATE BOARD OF HEALTH BY RULE OR AS OTHERWISE PROVIDED BY LAW MAY

REDUCE THE AMOUNT OF THE FEE IF NECESSARY PURSUANT TO SECTION 24-75-402 (3), C.R.S., TO REDUCE THE UNCOMMITTED RESERVES OF THE FUND TO WHICH ALL OR ANY PORTION OF THE FEE IS CREDITED. AFTER THE UNCOMMITTED RESERVES OF THE FUND ARE SUFFICIENTLY REDUCED, THE STATE BOARD OF HEALTH BY RULE OR AS OTHERWISE PROVIDED BY LAW MAY INCREASE THE AMOUNT OF THE FEE AS PROVIDED IN SECTION 24-75-402 (4), C.R.S.

SECTION 2. Appropriation. In addition to any other appropriation, there is hereby appropriated, out of any moneys in the health facilities general licensure cash fund created in section 25-3-103.1 (1), Colorado Revised Statutes, not otherwise appropriated, to the department of public health and environment, for allocation to the health facilities and emergency medical services division, for the fiscal year beginning July 1, 2006, the sum of thirty-one thousand five hundred forty-one dollars (\$31,541) and 0.5 FTE, or so much thereof as may be necessary, for the implementation of this act.

SECTION 3. Effective date. This act shall take effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly that is allowed for submitting a referendum petition pursuant to article V, section 1 (3) of the state constitution (August 9, 2006, if adjournment sine die is on May 10, 2006); except that, if a referendum petition is filed against this act or an item, section, or part of this act within such period, then the act, item, section, or part, if approved by the people, shall take effect on the date of the official declaration of the vote thereon by proclamation of the governor.

Approved: June 2, 2006