

Proposed initiative measure 2023-2024 #105

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AN ACT

A proposed tax of 5% on all medical entities doing business in Colorado, and an establishment of an independent insurance at a rate of one-thousand dollars per year per person, for the purpose of establishing State run medical facilities, that would be funded by this tax and serve those subscribing to the independent insurance, for the betterment of health care in Colorado. Effective date of the proposed initiative shall be 1/1/25

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

Section 1. Medical entity definition- Any business whose service or product is consumed or distributed in the state of Colorado for the purpose of providing patient health care, and associated products for Colorado residents:

- (a) Hospitals- any hospital doing business in the state of Colorado or physically located in the State of Colorado
- (b) Health insurance companies- any insurance company selling health insurance to Colorado residents.
 - 1. Vision insurance
 - 2. Dental insurance
 - 3. Major medical insurance

4. Supplemental insurance

(c) Dentists- any dental facility doing business in the State of Colorado or physically located in Colorado.

1. Cosmetic dentistry
2. Orthodontics
3. Endodontics
4. Periodontics
5. Oral surgery
6. Dental implant
7. Dentures
8. Prosthodontics
9. Oral implantology

(d) Pharmacies- any facility distributing pharmaceuticals to patients or medical entities in the State of Colorado or physically located in the State of Colorado.

(e) Surgical centers- any facility performing surgery in the State of Colorado or physically located in the State of Colorado

(f) Manufacturer's- any manufacturer selling service or equipment to medical entities in the State of Colorado or physically located in the State of Colorado.

1. Pharmaceutical manufacturers
2. Equipment manufacturers
3. Software manufacturers- (medical software and patient record manufacturers, otherwise known as EMR)

(g) Service company- any service company servicing medical equipment at any medical entity located in the State of Colorado

(h) Doctors' offices- any doctor's office doing business in the State of Colorado or physically located in the State of Colorado.

1. Dermatologist
2. Family practice
3. Pediatrics
4. Oncologist
5. Ent- ear, nose, and throat
6. Surgeons
7. Cardiologist
8. Gynecologist
9. Neurologist
10. Gastroenterologist
11. Psychiatrist
12. Endocrinologist
13. Internist
14. Radiologist
15. Anesthesiologist
16. Ophthalmologist
17. Allergist
18. Emergency Medicine
19. Nephrologist
20. Infectious disease
21. Geriatrician
22. Pulmonologist

23. Otolaryngologist
24. Hematologist
25. Internists
26. Hospice and palliative medicine

- (l) Urgent Care facilities- Any urgent care facilities doing business in the State of Colorado or physically located in the State of Colorado.

Section 2- State run medical facility definition- a medical facility leased or newly constructed by the state, that shall provide all the services under the definition of a medical entity.

- (a) Facility/facilities and personnel for facility/facilities would be funded by 5% tax on medical entities and independent insurance subscribers as described in section 3.
- (b) Facility/facilities shall be for use of subscribers to independent insurance only. (See section 3)
- (c) State run medical facility would consist of five story facility that houses 30-50 beds and attached building for facilities infrastructure that has the following architecture.
 1. Basement- support services (sterile processing, environmental services, facilities
 2. First floor- emergency department, urgent care, lab, pharmacy, radiology
 3. Second floor- operating rooms, pre and post op rooms
 4. Third floor- inpatient rooms

5. Fourth floor- clinic specialties as mentioned under doctor's office medical entities.
6. Attached building- HVAC and steam infrastructure.

Section 3- Independent insurance definition- insurance provided by independent third party, not currently a major carrier, whose purpose would be enrollment and verification of payment only.

- (a) All subscribers would pay one-thousand dollars per person/per calendar year.
- (b) Subscribers would be entitled to all services provided at the state-run facility/facilities- with no copay, no deductible, providing their one-thousand dollar per year payment is up to date.
- (c) A subscriber card would be issued to the subscriber with a picture of the subscriber on the card, this is the only ID that would need to be presented to be seen at the state-run facility or facilities.
- (d) Subscriber cards can only be used at state-run facility or facilities.

Section 4- Financing further explanation

- (a) The first year 1/25-1/26 would be for collection of tax, as to provide a cushion for second year of taxation, also second year would be when State run facilities would be put into operation, thus financing would always be ahead of any spending.
- (b) Estimated 350 million dollars of revenue from four major hospital systems based on public sources of their revenue for 2022
- (c) Any overage of collected taxes would be rolled over into the new fiscal year.
- (d) If it should become necessary for additional funding, which does not seem likely based on the overall medical spending in the state of Colorado, an additional vote would be required to raise the tax rate.
- (e) Also, should the Act pass and be successful in the State of Colorado, additional funding could be requested from Federal Sources.
- (f) 5% tax would be collected per transaction and collected quarterly.

Section 5- Benefits of Act

- (a) Additional facilities available in the event of next pandemic

- (b) Lowering of overall cost of health care in Colorado, due to increased competition with current health care institutions in operation in Colorado, and these business's profiting excessively.
- (c) Decrease in the overall confusion and excessive paperwork involved in obtaining health insurance and care in the State of Colorado.
- (d) Medical care that is more affordable, more available and better quality.

