

HOUSE COMMITTEE OF REFERENCE AMENDMENT

Committee on Health & Insurance.

HB19-1001 be amended as follows:

1 Amend printed bill, strike everything below the enacting clause and
2 substitute:

3 **"SECTION 1.** In Colorado Revised Statutes, 25.5-4-402.4, **add**
4 (7)(e.5) as follows:

5 **25.5-4-402.4. Hospitals - healthcare affordability and**
6 **sustainability fee - legislative declaration - Colorado healthcare**
7 **affordability and sustainability enterprise - federal waiver - fund**
8 **created - rules - reports. (7) Colorado healthcare affordability and**
9 **sustainability enterprise board.** (e.5) THE ENTERPRISE BOARD SHALL
10 CALCULATE THE ESTIMATES DESCRIBED IN SUBSECTION (7)(e)(V) OF THIS
11 SECTION BY USING APPROPRIATE INFORMATION PROVIDED TO THE STATE
12 DEPARTMENT BY HOSPITALS AND ANY STATE DEPARTMENT ANALYSIS OF
13 THAT INFORMATION.

14 **SECTION 2.** In Colorado Revised Statutes, **add** 25.5-4-402.8 as
15 follows:

16 **25.5-4-402.8. Hospital expenditure report.** (1) (a) THE STATE
17 DEPARTMENT SHALL ANNUALLY PREPARE A WRITTEN HOSPITAL
18 EXPENDITURE REPORT DETAILING UNCOMPENSATED HOSPITAL COSTS AND
19 THE DIFFERENT CATEGORIES OF EXPENDITURES, BY MAJOR PAYER GROUP,
20 MADE BY HOSPITALS IN THE STATE. THE STATE DEPARTMENT SHALL
21 CONSULT WITH THE COLORADO HEALTHCARE AFFORDABILITY AND
22 SUSTAINABILITY ENTERPRISE BOARD, CREATED PURSUANT TO SECTION
23 25.5-4-402.4 (7) AND REFERRED TO IN THIS SECTION AS THE "ENTERPRISE
24 BOARD", IN DEVELOPING THE HOSPITAL EXPENDITURE REPORT. THE STATE
25 DEPARTMENT MAY SHARE ANY INFORMATION IT RECEIVES FROM
26 HOSPITALS WITH THE ENTERPRISE BOARD. IN COMPILED THE HOSPITAL
27 EXPENDITURE REPORT, THE STATE DEPARTMENT SHALL USE PUBLICLY
28 AVAILABLE DATA SOURCES WHENEVER POSSIBLE.

29 (b) EXCEPT AS PROVIDED IN SUBSECTION (1)(c) OF THIS SECTION,
30 EACH HOSPITAL IN THE STATE SHALL MAKE INFORMATION AVAILABLE TO
31 THE STATE DEPARTMENT FOR PURPOSES OF PREPARING THE ANNUAL
32 HOSPITAL EXPENDITURE REPORT. THE STATE BOARD SHALL ESTABLISH THE
33 FORMAT AND FREQUENCY OF THE INFORMATION PROVIDED BY EACH
34 HOSPITAL. THE FIRST SUBMISSION BY EACH HOSPITAL MUST INCLUDE
35 INFORMATION FOR FISCAL YEARS 2012 THROUGH 2018. SPECIFICALLY, IN
36 THE FIRST AND SUBSEQUENT SUBMISSIONS, EACH HOSPITAL SHALL
37 PROVIDE THE FOLLOWING INFORMATION TO THE STATE DEPARTMENT:

38 (I) THE HOSPITAL COST REPORT SUBMITTED TO THE FEDERAL
39 CENTERS FOR MEDICARE AND MEDICAID SERVICES (CMS) PURSUANT TO 42
40 CFR 413.20, INCLUDING A COPY OF THE FINAL FORMS AND WORKSHEETS

1 SUBMITTED TO CMS AS PART OF THE HOSPITAL COST REPORT;

2 (II) (A) AN ANNUAL AUDITED FINANCIAL STATEMENT PREPARED
3 IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES.
4 EACH HOSPITAL SHALL SUBMIT THE STATEMENT WITHIN ONE HUNDRED
5 TWENTY DAYS AFTER THE END OF ITS FISCAL YEAR UNLESS THE STATE
6 DEPARTMENT GRANTS AN EXTENSION IN WRITING IN ADVANCE OF THAT
7 DATE.

8 (B) NOTWITHSTANDING THE PROVISIONS OF SUBSECTION
9 (1)(b)(II)(A) OF THIS SECTION, IF A HOSPITAL IS PART OF A CONSOLIDATED
10 OR COMBINED GROUP AND IS NORMALLY INCLUDED IN THAT GROUP'S
11 FINANCIAL STATEMENT, THE HOSPITAL MAY SUBMIT THE CONSOLIDATED
12 OR COMBINED STATEMENT IF THE GROUP'S STATEMENT SEPARATELY
13 IDENTIFIES THE FINANCIAL INFORMATION FOR EACH OF THE GROUP'S
14 LICENSED HOSPITALS OPERATING IN THIS STATE. FOR EACH HOSPITAL
15 OPERATING IN THIS STATE AND FOR EACH ADDITIONAL OPERATING UNIT
16 THAT ACCOUNTS FOR FIVE PERCENT OR MORE OF THE CONSOLIDATED OR
17 COMBINED GROUP'S GROSS REVENUES, THE STATEMENT MUST INCLUDE
18 FINANCIAL BALANCES AND INFORMATION FOR THAT UNIT, INCLUDING A
19 BALANCE SHEET, AN INCOME STATEMENT OR STATEMENT OF OPERATIONS,
20 A STATEMENT OF CHANGES IN EQUITY OR NET ASSETS, AND A STATEMENT
21 OF CASH FLOWS.

22 (III) A REPORT THAT CONTAINS THE FOLLOWING INFORMATION:

23 (A) THE TOTAL NUMBER OF AVAILABLE BEDS AND LICENSED BEDS;

24 (B) INPATIENT STATISTICS IN TOTAL AND BY MAJOR PAYER GROUP
25 AND BY CARE SETTING, INCLUDING BUT NOT LIMITED TO INPATIENT
26 DISCHARGES AND PATIENT DAYS;

27 (C) OTHER INPATIENT STATISTICS, INCLUDING BUT NOT LIMITED TO
28 THE NUMBER OF INPATIENT SURGERIES, NUMBER OF BIRTHS, NUMBER OF
29 NEWBORN PATIENT DAYS, NUMBER OF ADMISSIONS FROM THE
30 HOSPITAL-BASED EMERGENCY DEPARTMENT, AND NUMBER OF ADMISSIONS
31 FROM FREE-STANDING EMERGENCY DEPARTMENTS;

32 (D) OUTPATIENT STATISTICS IN TOTAL AND BY TYPE OF VISIT,
33 INCLUDING BUT NOT LIMITED TO HOSPITAL-BASED EMERGENCY
34 DEPARTMENT VISITS, FREE-STANDING EMERGENCY DEPARTMENT VISITS,
35 AMBULATORY SURGERY VISITS, HOME HEALTH VISITS, AND ALL OTHER
36 OUTPATIENT VISITS;

37 (E) GROSS CHARGES IN TOTAL, BY MAJOR PAYER GROUP, AND BY
38 CARE SETTING, INCLUDING BUT NOT LIMITED TO INPATIENT CARE AND
39 OUTPATIENT CARE;

40 (F) CONTRACTUAL ALLOWANCES IN TOTAL AND BY MAJOR PAYER
41 GROUP;

42 (G) BAD DEBT WRITE-OFFS IN TOTAL AND BY MAJOR PAYER GROUP;

43 (H) CHARITY WRITE-OFFS IN TOTAL AND BY MAJOR PAYER GROUP;

1 (I) OPERATING EXPENSES IN TOTAL AND BY EXPENSE
2 CLASSIFICATION, INCLUDING BUT NOT LIMITED TO NON-PHYSICIAN
3 PAYROLL EXPENSES AND ASSOCIATED HOURS, PHYSICIAN PAYROLL
4 EXPENSES AND ASSOCIATED HOURS, TOTAL PAYROLL EXPENSES AND
5 ASSOCIATED HOURS, CONTRACT LABOR EXPENSES AND ASSOCIATED
6 HOURS, EMPLOYEE BENEFITS EXPENSES, BUSINESS DEVELOPMENT,
7 MARKETING AND ADVERTISING EXPENSES, SUPPLY EXPENSES,
8 DEPRECIATION EXPENSES, INTEREST EXPENSES, AND ALL OTHER
9 OPERATING EXPENSES;

10 (J) OTHER OPERATING REVENUE, OPERATING MARGIN,
11 NON-OPERATING GAINS AND LOSSES, AND TOTAL MARGIN;

12 (K) A BALANCE SHEET, INCLUDING BUT NOT LIMITED TO DETAILS
13 FOR CURRENT ASSETS, RESTRICTED ASSETS, LONG-TERM ASSETS, OTHER
14 ASSETS, CURRENT LIABILITIES, LONG-TERM DEBT, OTHER LIABILITIES, AND
15 EQUITY OR NET ASSETS;

16 (L) STAFFING INFORMATION, INCLUDING BUT NOT LIMITED TO
17 FULL-TIME EQUIVALENTS, STAFF TURNOVER, AND STAFF VACANCY RATES;

18 (M) A ROLL FORWARD OF PROPERTY, PLANT, AND EQUIPMENT
19 ACCOUNTS BY ASSET TYPE FROM THE BEGINNING TO THE END OF THE
20 REPORTING PERIOD BY ASSET CATEGORY, INCLUDING BUT NOT LIMITED TO
21 PURCHASES, OTHER ACQUISITIONS, SALES, DISPOSALS, AND OTHER
22 CHANGES;

23 (N) ACQUISITIONS, AFFILIATION AGREEMENTS AND CONTRACTUAL
24 ARRANGEMENTS WITH PHYSICIAN GROUPS, HOSPITALS, AND OTHER
25 PROVIDERS; AND

26 (O) TO THE EXTENT SIMILAR INFORMATION IS REPORTED IN THE
27 MEDICARE COST REPORT, AUDITED FINANCIAL STATEMENTS OR OTHER
28 INFORMATION RESULTS IN DIFFERING AMOUNTS, AND AN EXPLANATION
29 FOR THOSE DIFFERENCES.

30 (c) THE STATE DEPARTMENT MAY EXEMPT FREE-STANDING
31 PSYCHIATRIC HOSPITALS, HOSPITALS THAT ARE LICENSED AS GENERAL
32 HOSPITALS AND CERTIFIED LONG-TERM CARE HOSPITALS BY THE STATE
33 DEPARTMENT, AND INPATIENT REHABILITATION FACILITIES FROM THE
34 REPORTING REQUIREMENTS DESCRIBED IN SUBSECTION (1)(b) OF THIS
35 SECTION.

36 (d) PRIOR TO DEVELOPING THE FIRST ANNUAL HOSPITAL
37 EXPENDITURE REPORT, THE STATE DEPARTMENT SHALL CONSULT WITH THE
38 ENTERPRISE BOARD REGARDING THE DEVELOPMENT OF THE REPORT. THE
39 STATE DEPARTMENT SHALL STRIVE FOR CONSISTENCY IN REPORTING THE
40 COMPONENTS IN EACH ANNUAL REPORT WITH THOSE IN THE REPORT OF THE
41 ENTERPRISE BOARD REQUIRED PURSUANT TO SECTION 25.5-4-402.4(7)(e).

42 (2) THE HOSPITAL EXPENDITURE REPORT MUST INCLUDE, BUT NOT
43 BE LIMITED TO:

19 (3) (a) ON OR BEFORE JANUARY 15, 2020, AND ON OR BEFORE
20 JANUARY 15 EACH YEAR THEREAFTER, THE STATE DEPARTMENT SHALL
21 SUBMIT THE ANNUAL HOSPITAL EXPENDITURE REPORT TO:

22 (I) THE PUBLIC HEALTH CARE AND HUMAN SERVICES COMMITTEE
23 OF THE HOUSE OF REPRESENTATIVES, OR ANY SUCCESSOR COMMITTEE;

24 (II) THE HEALTH AND HUMAN SERVICES COMMITTEE OF THE
25 SENATE, OR ANY SUCCESSOR COMMITTEE;

26 (III) THE JOINT BUDGET COMMITTEE OF THE GENERAL ASSEMBLY;
27 (IV) THE GOVERNOR; AND

28 (V) THE STATE BOARD.
29 (b) THE STATE DEPARTMENT MAY REQUEST THAT THE ENTERPRISE

30 BOARD COMBINE THE HOSPITAL EXPENDITURE REPORT DESCRIBED IN THIS
31 SECTION WITH THE REPORT OF THE ENTERPRISE BOARD SPECIFIED IN
32 SECTION 25.5-4-402.4 (7)(e), SO LONG AS THE SPECIFIC REQUIREMENTS OF
33 THIS SECTION ARE FULFILLED, AND SO LONG AS THE ENTERPRISE BOARD
34 AGREES TO THE REQUEST. THE STATE DEPARTMENT SHALL POST THE
35 ANNUAL REPORT ON ITS WEBSITE BY JANUARY 15 OF EACH YEAR.

36 (c) NOTWITHSTANDING SECTION 24-1-136 (11)(a)(I), THE REPORT
37 REQUIRED IN THIS SECTION CONTINUES INDEFINITELY.

38 **SECTION 3. Act subject to petition - effective date.** This act
39 takes effect at 12:01 a.m. on the day following the expiration of the
40 ninety-day period after final adjournment of the general assembly (August
41 2, 2019, if adjournment sine die is on May 3, 2019); except that, if a
42 referendum petition is filed pursuant to section 1 (3) of article V of the
43 state constitution against this act or an item, section, or part of this act

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

*** *** *** *** *