After consideration on the merits, the Committee recommends the following:

HB19-1174 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:

Amend printed bill, page 2, after line 14 insert:

"SECTION 3. In Colorado Revised Statutes, 10-16-107, add (7) as follows:

10-16-107. Rate filing regulation - benefits ratio - rules. (7) As part of the rate filing required pursuant to this section, each carrier shall provide to the commissioner, in a form and format determined by the commissioner, information concerning the utilization of out-of-network providers and facilities and the aggregate cost savings as a result of the implementation of section 10-16-704 (3)(d)(I) and (5.5)(b)(I)."

Renumber succeeding sections accordingly.

Page 3, line 1, strike "and (12)" and substitute "(5.5)(e), (12), (13), and (14)"

Page 3, line 21, after "RECEIVES" insert "COVERED".

Page 4, line 5, strike "AVERAGE" and substitute "MEDIAN".

Page 5, line 12, after the period add "ANY PAYMENT MADE BY A COVERED PERSON PURSUANT TO THIS SUBSECTION (5.5)(a)(V) MUST BE APPLIED TO THE COVERED PERSON'S IN-NETWORK OUT-OF-POCKET MAXIMUM.".
Page 6, line 10, strike "FACILITY," and substitute "FACILITY OTHER THAN ANY OUT-OF-NETWORK FACILITY OPERATED BY THE DENVER HEALTH AND HOSPITAL AUTHORITY PURSUANT TO ARTICLE 29 OF TITLE 25,".

Page 6, line 11, after "FACILITY" insert "AND OUT-OF-NETWORK PROVIDER".

Page 6, strike line 13 and substitute:

"(A) ONE HUNDRED FIFTY PERCENT OF THE CARRIER'S MEDIAN IN-NETWORK RATE OF".

Page 6, line 15, after "AREA;" add "OR".

Page 6, strikes line 16 through 18.

Reletter succeeding sub-subparagraph accordingly.

Page 6, after line 23 insert:

"(II) IF A COVERED PERSON RECEIVES EMERGENCY SERVICES AT ANY OUT-OF-NETWORK FACILITY OPERATED BY THE DENVER HEALTH AND HOSPITAL AUTHORITY CREATED IN SECTION 25-29-103, THE CARRIER SHALL REIMBURSE THE OUT-OF-NETWORK FACILITY DIRECTLY IN ACCORDANCE WITH SECTION 10-16-106.5 THE GREATER OF:

(A) THE CARRIER'S MEDIAN IN-NETWORK RATE OF REIMBURSEMENT FOR THAT SERVICE PROVIDED IN A SIMILAR FACILITY OR SETTING IN THE SAME GEOGRAPHIC AREA;

(B) TWO HUNDRED FIFTY PERCENT OF THE MEDICARE REIMBURSEMENT RATE FOR THE SAME SERVICE PROVIDED IN A SIMILAR FACILITY OR SETTING IN THE SAME GEOGRAPHIC AREA; OR

(C) ONE HUNDRED PERCENT OF THE MEDIAN IN-NETWORK RATE OF REIMBURSEMENT FOR THE SAME SERVICE PROVIDED IN A SIMILAR FACILITY OR SETTING IN THE SAME GEOGRAPHIC AREA FOR THE PRIOR YEAR AS DETERMINED BASED ON CLAIMS DATA FROM THE COLORADO ALL-PAYER HEALTH CLAIMS DATABASE CREATED IN SECTION 25.5-1-204.".

Renumber succeeding subparagraph accordingly.

Page 7, line 2, after "FACILITY" insert "AND THE CARRIER AND THE PROVIDER".
"(d) (I) Subsections (5.5)(a), (5.5)(b), and (5.5)(c) of this section do not apply to service agencies, as defined in section 25-3.5-103 (11.5), providing ambulance services, as defined in section 25-3.5-103 (3).

(II) (A) The commissioner shall promulgate rules to identify and implement a payment methodology that applies to service agencies described in subsection (5.5)(d)(I) of this section, except for service agencies that are publicly funded fire agencies.

(B) The commissioner shall make the payment methodology available to the public on the division's website. The rules must be equitable to providers and carriers; hold consumers harmless except for any applicable copayment, coinsurance, or deductible amounts; and based on a cost-based model that includes direct payment to service agencies as described in subsection (5.5)(d)(I) of this section.

(C) The division may contract with a neutral third-party that has no financial interest in providers, emergency service providers, or carriers to conduct the analysis to identify and implement the payment methodology."

Reletter succeeding paragraph accordingly.

"(13) When a carrier makes a payment to a provider or a facility pursuant to subsection (3)(d)(II) or (5.5)(b)(I) of this section, the provider or the facility may request and the commissioner shall collect data from the carrier to evaluate the carrier's compliance in paying the highest rate required. The information requested may include the methodology for determining the carrier's median in-network rate or reimbursement for each service in the same geographic area.

(14) On or before January 1 of each year, each carrier shall submit information to the commissioner, in a form and manner determined by the commissioner, concerning the use of out-of-network providers and facilities by covered persons and the impact on premium affordability for consumers.".
Page 10, line 4, strike "(5.5)(d)(II)." and substitute "(5.5)(e)(II).".

Page 10, after line 8 insert:

"(f) "HEALTH CARE PROVIDER" HAS THE SAME MEANING AS "PROVIDER" AS DEFINED IN SECTION 10-16-102 (56).".

Reletter succeeding paragraphs accordingly.

Page 12, after line 3 insert:

"(5) THIS SECTION DOES NOT APPLY TO SERVICE AGENCIES, AS DEFINED IN SECTION 25-3.5-103 (11.5), THAT ARE PUBLICLY FUNDED FIRE AGENCIES.".

Page 13, strike line 16 and substitute:

"(I) ONE HUNDRED FIVE PERCENT OF THE CARRIER'S MEDIAN IN-NETWORK RATE OF".

Page 13, line 18, after "AREA;" add "OR".

Page 13, strike lines 19 through 21.

Renumber succeeding subparagraph accordingly.

Page 17, line 21, strike "FACILITY" and substitute "FACILITY, OTHER THAN ANY OUT-OF-NETWORK FACILITY OPERATED BY THE DENVER HEALTH AND HOSPITAL AUTHORITY PURSUANT TO ARTICLE 29 OF TITLE 25,".

Page 17, strike line 26 and substitute:

"(I) ONE HUNDRED FIVE PERCENT OF THE CARRIER'S MEDIAN IN-NETWORK RATE OF".

Page 18, line 1, after "AREA;" add "OR".

Page 18, strike lines 2 through 4.

Renumber succeeding subparagraph accordingly.

Page 18, after line 9 insert:
"(b) AN OUT-OF-NETWORK FACILITY OPERATED BY THE DENVER HEALTH AND HOSPITAL AUTHORITY CREATED IN SECTION 25-29-103 MUST SEND A CLAIM FOR EMERGENCY SERVICES TO THE CARRIER WITHIN ONE HUNDRED EIGHTY DAYS AFTER THE DELIVERY OF SERVICES IN ORDER TO RECEIVE REIMBURSEMENT AS SPECIFIED IN THIS SUBSECTION (3)(b). THE REIMBURSEMENT RATE IS THE GREATER OF:

(I) THE CARRIER'S MEDIAN IN-NETWORK RATE OF REIMBURSEMENT FOR THAT SERVICE PROVIDED IN A SIMILAR FACILITY OR SETTING IN THE SAME GEOGRAPHIC AREA;

(II) TWO HUNDRED FIFTY PERCENT OF THE MEDICARE REIMBURSEMENT RATE FOR THE SAME SERVICE PROVIDED IN A SIMILAR FACILITY OR SETTING IN THE SAME GEOGRAPHIC AREA; OR

(III) ONE HUNDRED PERCENT OF THE MEDIAN IN-NETWORK RATE OF REIMBURSEMENT FOR THE SAME SERVICE PROVIDED IN A SIMILAR FACILITY OR SETTING IN THE SAME GEOGRAPHIC AREA FOR THE PRIOR YEAR AS DETERMINED BASED ON CLAIMS DATA FROM THE COLORADO ALL-PAYER HEALTH CLAIMS DATABASE CREATED IN SECTION 25.5-1-204.".

Reletter succeeding paragraphs accordingly.

Page 18, strike lines 25 through 27.

Strike page 19 and substitute:

"SECTION 8. Act subject to petition - effective date - applicability. (1) This act takes effect January 1, 2020; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within the ninety-day period after final adjournment of the general assembly, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2020 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

(2) This act applies to health benefit plans issued or renewed on or after the applicable effective date of this act.".

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