

First Regular Session
Seventy-first General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 17-0482.01 Christy Chase x2008

SENATE BILL 17-065

SENATE SPONSORSHIP

Lundberg, Aguilar

HOUSE SPONSORSHIP

(None),

Senate Committees

Health & Human Services

House Committees

A BILL FOR AN ACT

101 CONCERNING A REQUIREMENT THAT HEALTH CARE PROVIDERS
102 DISCLOSE THE CHARGES THEY IMPOSE FOR COMMON HEALTH
103 CARE SERVICES WHEN PAYMENT IS MADE DIRECTLY RATHER
104 THAN BY A THIRD PARTY.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

The bill creates the "Transparency in Health Care Prices Act", which requires health care professionals and health care facilities to make available to the public the health care prices they assess directly for

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

common health care services they provide. Health care professionals and facilities are not required to submit their health care prices to any government agency for review or approval. Additionally, the act prohibits health insurers, government agencies, or other persons or entities from penalizing a health care recipient, provider, facility, employer, or other person or entity who pays directly for health care services or otherwise exercises rights under or complies with the act. The bill takes effect January 1, 2018.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** article 49 to title
3 25 as follows:

4 **ARTICLE 49**

5 **Transparency in Health Care Prices**

6 **25-49-101. Short title.** THE SHORT TITLE OF THIS ARTICLE 49 IS
7 THE "TRANSPARENCY IN HEALTH CARE PRICES ACT".

8 **25-49-102. Definitions.** AS USED IN THIS ARTICLE 49, UNLESS THE
9 CONTEXT OTHERWISE REQUIRES:

10 (1) "AGENCY" MEANS A GOVERNMENT DEPARTMENT OR AGENCY
11 OR A GOVERNMENT-CREATED ENTITY.

12 (2) "CPT CODE" MEANS THE CURRENT PROCEDURAL TERMINOLOGY
13 CODE, OR ITS SUCCESSOR CODE, AS DEVELOPED AND COPYRIGHTED BY THE
14 AMERICAN MEDICAL ASSOCIATION OR ITS SUCCESSOR ENTITY.

15 (3) "HEALTH CARE FACILITY" MEANS A FACILITY LICENSED OR
16 CERTIFIED BY THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT
17 PURSUANT TO SECTION 25-1.5-103. THE TERM DOES NOT INCLUDE A
18 NURSING CARE FACILITY OR ASSISTED LIVING RESIDENCE.

19 (4) (a) "HEALTH CARE PRICE" MEANS THE PRICE, BEFORE
20 NEGOTIATING ANY DISCOUNTS, THAT A HEALTH CARE PROVIDER OR
21 HEALTH CARE FACILITY WILL CHARGE A RECIPIENT FOR HEALTH CARE

1 SERVICES THAT WILL BE RENDERED. "HEALTH CARE PRICE" IS THE PRICE
2 CHARGED FOR THE STANDARD SERVICE FOR THE PARTICULAR DIAGNOSIS
3 AND DOES NOT INCLUDE ANY AMOUNT THAT MAY BE CHARGED FOR
4 COMPLICATIONS OR EXCEPTIONAL TREATMENT.

5 (b) "HEALTH CARE PRICE" DOES NOT MEAN THE AMOUNT CHARGED
6 IF A PUBLIC OR PRIVATE THIRD PARTY WILL BE PAYING OR REIMBURSING
7 THE HEALTH CARE PROVIDER OR HEALTH CARE FACILITY FOR ANY PORTION
8 OF THE COST OF SERVICES RENDERED.

9 (5) "HEALTH CARE PROVIDER" MEANS A PERSON WHO IS LICENSED,
10 CERTIFIED, OR REGISTERED BY THIS STATE TO PROVIDE HEALTH CARE
11 SERVICES.

12 (6) (a) "HEALTH CARE SERVICES" OR "SERVICES" MEANS SERVICES
13 INCLUDED IN, OR INCIDENTAL TO, FURNISHING TO AN INDIVIDUAL:

14 (I) MEDICAL, MENTAL, DENTAL, OR OPTOMETRIC CARE OR
15 HOSPITALIZATION; OR

16 (II) OTHER SERVICES FOR THE PURPOSE OF PREVENTING,
17 ALLEVIATING, CURING, OR HEALING A PHYSICAL OR MENTAL ILLNESS OR
18 INJURY.

19 (b) "HEALTH CARE SERVICES" INCLUDES SERVICES RENDERED
20 THROUGH THE USE OF TELEMEDICINE.

21 (7) "HEALTH INSURER" MEANS A CARRIER, AS DEFINED IN SECTION
22 10-16-102 (8), DISABILITY INSURER, GROUP DISABILITY INSURER, OR
23 BLANKET DISABILITY INSURER.

24 (8) (a) "PUBLIC OR PRIVATE THIRD PARTY" MEANS A HEALTH
25 INSURER, SELF-INSURED EMPLOYER, OR OTHER THIRD PARTY, INCLUDING
26 A THIRD-PARTY ADMINISTRATOR OR INTERMEDIARY, RESPONSIBLE FOR
27 PAYING ALL OR A PORTION OF THE CHARGES FOR HEALTH CARE SERVICES.

1 (b) "PUBLIC OR PRIVATE THIRD PARTY" DOES NOT MEAN:

2 (I) AN EMPLOYER OF THE RECIPIENT OF THE HEALTH CARE
3 SERVICES;

4 (II) A PERSON PAYING MONEY FROM A HEALTH SAVINGS ACCOUNT,
5 FLEXIBLE SPENDING ACCOUNT, OR SIMILAR ACCOUNT; OR

6 (III) A FAMILY MEMBER, CHARITABLE ORGANIZATION, OR OTHER
7 PERSON WHO IS NOT RESPONSIBLE FOR, BUT PAYS CHARGES FOR, HEALTH
8 CARE SERVICES ON BEHALF OF THE RECIPIENT OF THE SERVICES.

9 (9) "PUNISH" MEANS TO IMPOSE A PENALTY, SURCHARGE, FEE, OR
10 OTHER ADDITIONAL COST OR MEASURE THAT HAS THE SAME EFFECT AS A
11 PENALTY OR THAT DISCOURAGES THE EXERCISE OF RIGHTS UNDER THIS
12 ARTICLE 49.

13 (10) "RECIPIENT" MEANS AN INDIVIDUAL WHO RECEIVES HEALTH
14 CARE SERVICES FROM A HEALTH CARE PROVIDER OR HEALTH CARE
15 FACILITY.

16 **25-49-103. Transparency - charges for services rendered by**
17 **health care providers.** (1) (a) A HEALTH CARE PROVIDER SHALL MAKE
18 AVAILABLE TO THE PUBLIC, IN A SINGLE DOCUMENT, EITHER
19 ELECTRONICALLY OR ON THE PROVIDER'S WEBSITE IF ONE EXISTS, THE
20 HEALTH CARE PRICES FOR AT LEAST THE FIFTEEN MOST COMMON HEALTH
21 CARE SERVICES THE HEALTH CARE PROVIDER PROVIDES. IF THE HEALTH
22 CARE PROVIDER, IN THE NORMAL COURSE OF HIS OR HER PRACTICE,
23 REGULARLY PROVIDES FEWER THAN FIFTEEN HEALTH CARE SERVICES, THE
24 HEALTH CARE PROVIDER SHALL MAKE AVAILABLE THE HEALTH CARE
25 PRICES FOR THE HEALTH CARE SERVICES THE PROVIDER MOST COMMONLY
26 PROVIDES.

27 (b) THE HEALTH CARE PROVIDER SHALL IDENTIFY THE SERVICES

1 BY:

2 (I) A COMMON PROCEDURAL TERMINOLOGY CODE OR OTHER
3 CODING SYSTEM COMMONLY USED BY THE HEALTH CARE PROVIDER AND
4 ACCEPTED AS A NATIONAL STANDARD FOR BILLING; AND

5 (II) A PLAIN ENGLISH DESCRIPTION.

6 (c) THE HEALTH CARE PROVIDER SHALL UPDATE THE DOCUMENT
7 AS FREQUENTLY AS THE HEALTH CARE PROVIDER DEEMS APPROPRIATE,
8 BUT AT LEAST ANNUALLY.

9 (2) THE HEALTH CARE PROVIDER SHALL INCLUDE A DISCLOSURE
10 SPECIFYING THAT THE HEALTH CARE PRICE FOR ANY GIVEN HEALTH CARE
11 SERVICE IS AN ESTIMATE AND THAT THE ACTUAL CHARGES FOR THE
12 HEALTH CARE SERVICE ARE DEPENDENT ON THE CIRCUMSTANCES AT THE
13 TIME THE SERVICE IS RENDERED.

14 **25-49-104. Transparency - health care facility charges.**

15 (1)(a) A HEALTH CARE FACILITY SHALL MAKE AVAILABLE TO THE PUBLIC,
16 IN A SINGLE DOCUMENT, EITHER ELECTRONICALLY OR ON ITS WEBSITE IF
17 ONE EXISTS, THE HEALTH CARE PRICES FOR AT LEAST:

18 (I) THE FIFTY MOST USED, DIAGNOSIS-RELATED GROUP CODES OR
19 OTHER CODES FOR IN-PATIENT HEALTH CARE SERVICES USED BY THE
20 HEALTH CARE FACILITY FOR BILLING OR, IF THOSE CODES ARE NOT USED,
21 THE CODES UNDER ANOTHER CODING SYSTEM FOR IN-PATIENT HEALTH
22 CARE SERVICES COMMONLY USED BY THE FACILITY AND ACCEPTED AS A
23 NATIONAL STANDARD FOR BILLING; AND

24 (II) THE TWENTY-FIVE MOST USED OUT-PATIENT CPT CODES OR
25 HEALTH CARE SERVICES PROCEDURE CODES USED FOR BILLING OR, IF
26 THOSE CODES ARE NOT USED, THE CODES UNDER ANOTHER CODING
27 SYSTEM FOR OUT-PATIENT HEALTH CARE SERVICES COMMONLY USED BY

1 THE FACILITY AND ACCEPTED AS A NATIONAL STANDARD FOR BILLING.

2 (b) THE HEALTH CARE FACILITY SHALL MAKE AVAILABLE THE
3 HEALTH CARE PRICES FOR A RELATED CODE OR PROCEDURE ONLY IF THE
4 HEALTH CARE FACILITY HAS USED THE CODE OR PROCEDURE AT LEAST
5 ELEVEN TIMES IN THE PREVIOUS TWELVE MONTHS.

6 (c) A HEALTH CARE FACILITY SHALL INCLUDE WITH THE HEALTH
7 CARE PRICE PROVIDED PURSUANT TO THIS SUBSECTION (1) A PLAIN
8 ENGLISH DESCRIPTION OF THE SERVICE FOR WHICH THE HEALTH CARE
9 PRICE IS PROVIDED.

10 (d) THE HEALTH CARE FACILITY SHALL UPDATE THE DOCUMENT AS
11 FREQUENTLY AS IT DEEMS APPROPRIATE, BUT AT LEAST ANNUALLY.

12 (2) THE HEALTH CARE FACILITY SHALL INCLUDE A DISCLOSURE
13 SPECIFYING THAT THE HEALTH CARE PRICE FOR ANY GIVEN HEALTH CARE
14 SERVICE IS AN ESTIMATE AND THAT THE ACTUAL CHARGES FOR THE
15 HEALTH CARE SERVICE ARE DEPENDENT ON THE CIRCUMSTANCES AT THE
16 TIME THE SERVICE IS RENDERED.

17 (3) A HEALTH CARE FACILITY MAY DISCLOSE THE BASIS FOR ITS
18 HEALTH CARE PRICES AND MAY TAKE INTO CONSIDERATION ALL PAYER
19 SOURCES WHEN DETERMINING A HEALTH CARE PRICE.

20 **25-49-105. No review of health care prices - no punishment for**
21 **exercising rights - no impairment of contracts.** (1) NOTHING IN THIS
22 ARTICLE 49 REQUIRES A HEALTH CARE FACILITY OR HEALTH CARE
23 PROVIDER TO REPORT ITS HEALTH CARE PRICES TO ANY AGENCY FOR
24 REVIEW, FILING, OR OTHER PURPOSES, EXCEPT AS REQUIRED BY SECTION
25 25-3-112. THIS ARTICLE 49 DOES NOT GRANT ANY AGENCY THE
26 AUTHORITY TO APPROVE, DISAPPROVE, OR LIMIT A HEALTH CARE
27 FACILITY'S OR HEALTH CARE PROVIDER'S HEALTH CARE PRICES OR

1 CHANGES TO ITS HEALTH CARE PRICES. THE DEPARTMENT OF PUBLIC
2 HEALTH AND ENVIRONMENT IS NOT AUTHORIZED TO TAKE ANY ACTION
3 REGARDING OR PURSUANT TO THIS ARTICLE 49.

4 (2) THIS ARTICLE 49 IS INTENDED TO MAKE HEALTH CARE PRICES
5 AND PAYMENTS, AND PARTICIPATION IN OR EXERCISING RIGHTS UNDER
6 THIS ARTICLE 49, FREE FROM PAPERWORK, PUNISHMENT, REPORTING, AND
7 REGULATION TO THE FULL EXTENT PERMISSIBLE UNDER THE STATE
8 CONSTITUTION AND STATE AND FEDERAL LAW. A PERSON, ENTITY,
9 AGENCY, OR HEALTH INSURER SHALL NOT PUNISH A RECIPIENT, HEALTH
10 CARE PROVIDER, HEALTH CARE FACILITY, PERSON, ENTITY, OR EMPLOYER
11 FOR PARTICIPATING DIRECTLY IN, EXERCISING RIGHTS UNDER, OR
12 COMPLYING WITH THIS ARTICLE 49.

13 (3) NOTHING IN THIS ARTICLE 49 IMPAIRS CONTRACTS BETWEEN
14 PRIVATE PARTIES.

15 **SECTION 2. Act subject to petition - effective date.** This act
16 takes effect January 1, 2018; except that, if a referendum petition is filed
17 pursuant to section 1 (3) of article V of the state constitution against this
18 act or an item, section, or part of this act within the ninety-day period
19 after final adjournment of the general assembly, then the act, item,
20 section, or part will not take effect unless approved by the people at the
21 general election to be held in November 2018 and, in such case, will take
22 effect on the date of the official declaration of the vote thereon by the
23 governor.