

First Regular Session
Seventy-first General Assembly
STATE OF COLORADO

ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

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.

SENATE
Amended 2nd Reading
February 3, 2017

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 THAT IS NOT RESPONSIBLE FOR PAYING THE CHARGES FOR THE
4 HEALTH CARE SERVICES PROVIDED TO THE RECIPIENT;

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

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

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

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

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

1 (II) A HEALTH CARE PROVIDER WHO IS A MEMBER OF A
2 PROFESSIONAL CORPORATION THAT CONTRACTS WITH A SINGLE HEALTH
3 MAINTENANCE ORGANIZATION, AS DEFINED IN SECTION 10-16-102 (35),
4 COMPLIES WITH THIS SECTION IF THE PROFESSIONAL CORPORATION OR ITS
5 CONTRACTING HEALTH MAINTENANCE ORGANIZATION POSTS, EITHER
6 ELECTRONICALLY OR ON ITS WEBSITE, THE HEALTH CARE PRICES FOR AT
7 LEAST THE FIFTEEN MOST COMMON HEALTH CARE SERVICES THAT THE
8 HEALTH CARE PROVIDER OR HEALTH MAINTENANCE ORGANIZATION
9 WOULD CHARGE INDIVIDUALS WHO ARE NOT MEMBERS OF THE HEALTH
10 MAINTENANCE ORGANIZATION.

11 (b) THE HEALTH CARE PROVIDER SHALL IDENTIFY THE SERVICES
12 BY:

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

16 (II) A PLAIN ENGLISH DESCRIPTION.

17 (c) THE HEALTH CARE PROVIDER SHALL UPDATE THE DOCUMENT
18 AS FREQUENTLY AS THE HEALTH CARE PROVIDER DEEMS APPROPRIATE,
19 BUT AT LEAST ANNUALLY.

20 (2) THE HEALTH CARE PROVIDER SHALL INCLUDE:

21 (a) A DISCLOSURE SPECIFYING THAT THE HEALTH CARE PRICE FOR
22 ANY GIVEN HEALTH CARE SERVICE IS AN ESTIMATE AND THAT THE ACTUAL
23 CHARGES FOR THE HEALTH CARE SERVICE ARE DEPENDENT ON THE
24 CIRCUMSTANCES AT THE TIME THE SERVICE IS RENDERED; AND

25 (b) THE FOLLOWING STATEMENT OR A STATEMENT CONTAINING
26 SUBSTANTIALLY SIMILAR INFORMATION:

27 IF YOU ARE COVERED BY HEALTH INSURANCE, YOU ARE

1 STRONGLY ENCOURAGED TO CONSULT WITH YOUR HEALTH
2 INSURER TO DETERMINE ACCURATE INFORMATION ABOUT
3 YOUR FINANCIAL RESPONSIBILITY FOR A PARTICULAR
4 HEALTH CARE SERVICE PROVIDED BY A HEALTH CARE
5 PROVIDER AT THIS OFFICE. IF YOU ARE NOT COVERED BY
6 HEALTH INSURANCE, YOU ARE STRONGLY ENCOURAGED TO
7 CONTACT OUR BILLING OFFICE AT (INSERT TELEPHONE
8 NUMBER) TO DISCUSS PAYMENT OPTIONS PRIOR TO
9 RECEIVING A HEALTH CARE SERVICE FROM A HEALTH CARE
10 PROVIDER AT THIS OFFICE SINCE POSTED HEALTH CARE
11 PRICES MAY NOT REFLECT THE ACTUAL AMOUNT OF YOUR
12 FINANCIAL RESPONSIBILITY.

13 **25-49-104. Transparency - health care facility charges.**

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

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

23 (II) THE TWENTY-FIVE MOST USED OUT-PATIENT CPT CODES OR
24 HEALTH CARE SERVICES PROCEDURE CODES USED FOR BILLING OR, IF
25 THOSE CODES ARE NOT USED, THE CODES UNDER ANOTHER CODING
26 SYSTEM FOR OUT-PATIENT HEALTH CARE SERVICES COMMONLY USED BY
27 THE FACILITY AND ACCEPTED AS A NATIONAL STANDARD FOR BILLING.

1 (b) IF A HEALTH CARE FACILITY DID NOT USE FIFTY CODES FOR
2 IN-PATIENT HEALTH CARE SERVICES AT LEAST ELEVEN TIMES IN THE
3 PREVIOUS TWELVE MONTHS OR DID NOT USE TWENTY-FIVE CODES FOR
4 OUT-PATIENT HEALTH CARE SERVICES AT LEAST ELEVEN TIMES IN THE
5 PREVIOUS TWELVE MONTHS, THE HEALTH CARE FACILITY SHALL MAKE
6 AVAILABLE THE HEALTH CARE PRICE FOR ONLY THOSE MOST COMMON
7 IN-PATIENT AND OUT-PATIENT HEALTH CARE SERVICES OR PROCEDURE
8 CODES THAT THE HEALTH CARE FACILITY USED AT LEAST ELEVEN TIMES IN
9 THE PREVIOUS TWELVE MONTHS.

10 (c) A HEALTH CARE FACILITY SHALL INCLUDE WITH THE HEALTH
11 CARE PRICE PROVIDED PURSUANT TO THIS SUBSECTION (1) A PLAIN
12 ENGLISH DESCRIPTION OF THE SERVICE FOR WHICH THE HEALTH CARE
13 PRICE IS PROVIDED.

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

16 (2) THE HEALTH CARE FACILITY SHALL INCLUDE:

17 (a) A DISCLOSURE SPECIFYING THAT THE HEALTH CARE PRICE FOR
18 ANY GIVEN HEALTH CARE SERVICE IS AN ESTIMATE AND THAT THE ACTUAL
19 CHARGES FOR THE HEALTH CARE SERVICE ARE DEPENDENT ON THE
20 CIRCUMSTANCES AT THE TIME THE SERVICE IS RENDERED; AND

21 (b) THE FOLLOWING STATEMENT OR A STATEMENT CONTAINING
22 SUBSTANTIALLY SIMILAR INFORMATION:

23 IF YOU ARE COVERED BY HEALTH INSURANCE, YOU ARE
24 STRONGLY ENCOURAGED TO CONSULT WITH YOUR HEALTH
25 INSURER TO DETERMINE ACCURATE INFORMATION ABOUT
26 YOUR FINANCIAL RESPONSIBILITY FOR A PARTICULAR
27 HEALTH CARE SERVICE PROVIDED AT THIS HEALTH CARE

1 FACILITY. IF YOU ARE NOT COVERED BY HEALTH
2 INSURANCE, YOU ARE STRONGLY ENCOURAGED TO CONTACT
3 (INSERT OFFICE NAME AND TELEPHONE NUMBER) TO
4 DISCUSS PAYMENT OPTIONS PRIOR TO RECEIVING A HEALTH
5 CARE SERVICE FROM THIS HEALTH CARE FACILITY SINCE
6 POSTED HEALTH CARE PRICES MAY NOT REFLECT THE
7 ACTUAL AMOUNT OF YOUR FINANCIAL RESPONSIBILITY.

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

11 **25-49-105. No review of health care prices - no punishment for**
12 **exercising rights - no impairment of contracts.** (1) NOTHING IN THIS
13 ARTICLE 49 REQUIRES A HEALTH CARE FACILITY OR HEALTH CARE
14 PROVIDER TO REPORT ITS HEALTH CARE PRICES TO ANY AGENCY FOR
15 REVIEW, FILING, OR OTHER PURPOSES, EXCEPT AS REQUIRED BY SECTION
16 25-3-112. THIS ARTICLE 49 DOES NOT GRANT ANY AGENCY THE
17 AUTHORITY TO APPROVE, DISAPPROVE, OR LIMIT A HEALTH CARE
18 FACILITY'S OR HEALTH CARE PROVIDER'S HEALTH CARE PRICES OR
19 CHANGES TO ITS HEALTH CARE PRICES. THE DEPARTMENT OF PUBLIC
20 HEALTH AND ENVIRONMENT IS NOT AUTHORIZED TO TAKE ANY ACTION
21 REGARDING OR PURSUANT TO THIS ARTICLE 49.

22 (2) THIS ARTICLE 49 IS INTENDED TO MAKE HEALTH CARE PRICES
23 AND PAYMENTS, AND PARTICIPATION IN OR EXERCISING RIGHTS UNDER
24 THIS ARTICLE 49, FREE FROM PAPERWORK, PUNISHMENT, REPORTING, AND
25 REGULATION TO THE FULL EXTENT PERMISSIBLE UNDER THE STATE
26 CONSTITUTION AND STATE AND FEDERAL LAW. A PERSON, ENTITY,
27 AGENCY, OR HEALTH INSURER SHALL NOT PUNISH A RECIPIENT, HEALTH

1 CARE PROVIDER, HEALTH CARE FACILITY, PERSON, ENTITY, OR EMPLOYER
2 FOR PARTICIPATING DIRECTLY IN, EXERCISING RIGHTS UNDER, OR
3 COMPLYING WITH THIS ARTICLE 49.

4 (3) NOTHING IN THIS ARTICLE 49 IMPAIRS CONTRACTS BETWEEN
5 PRIVATE PARTIES.

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