

Second Regular Session
Seventy-first General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 18-0626.01 Kristen Forrestal x4217

HOUSE BILL 18-1365

HOUSE SPONSORSHIP

Ginal and Sias,

SENATE SPONSORSHIP

Priola and Moreno,

House Committees

Health, Insurance, & Environment

Senate Committees

A BILL FOR AN ACT

101 CONCERNING A PRIMARY CARE PAYMENT REFORM COLLABORATIVE TO
102 EVALUATE INVESTMENT IN PRIMARY CARE.

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 establishes a primary care payment reform collaborative in the primary care office in the department of public health and environment. To facilitate the collaborative's work, the administrator of the all-payer health claims database is to report data on primary care spending by private health insurers, insurers providing state employee health benefit plans, and the department of health care policy and

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

financing under the state medicaid program and the children's basic health plan.

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

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 hereby finds and declares that:

4 (a) A highly functioning health care system with a robust primary
5 care foundation delivers quality health care at a lower cost;

6 (b) A primary care system with adequate resources would ensure
7 delivery of the right care, in the right place, at the right time;

8 (c) Evidence indicates investments in advanced primary care
9 delivery yields net savings, as demonstrated in the Colorado medicaid
10 accountable care collaborative;

11 (d) The share of health spending on primary care is a critical
12 measure of the primary care orientation of a health care system;

13 (e) The state of Colorado will achieve more affordable care and
14 better outcomes by consistently measuring and sustaining a system-wide
15 investment in primary care; and

16 (f) Additional investments in primary care should come through
17 evidence-based alternative payment models that:

18 (I) Provide incentives for value rather than volume;

19 (II) Are adequate to sustain infrastructure to deliver advanced
20 primary care that is patient-centered, comprehensive, coordinated, and
21 accessible;

22 (III) Direct resources to the patient and the practice level that
23 expand the capacity of the primary care system to meet the health needs
24 of patients; and

25 (IV) Sustain advanced primary care delivery models, such as the

1 patient-centered medical home, that provide quality and accountable care.

2 **SECTION 2.** In Colorado Revised Statutes, **add** 25-1.5-406 as
3 follows:

4 **25-1.5-406. Primary care - payment reform collaborative**
5 **created - powers and duties - report - repeal.** (1) THE PRIMARY CARE
6 OFFICE SHALL CONVENE A PRIMARY CARE PAYMENT REFORM
7 COLLABORATIVE TO PERFORM THE FOLLOWING FUNCTIONS:

8 (a) CONSULT WITH THE COMMISSIONER OF INSURANCE, THE
9 EXECUTIVE DIRECTOR OF THE DEPARTMENT OF HEALTH CARE POLICY AND
10 FINANCING, AND THE ADMINISTRATOR OF THE COLORADO ALL-PAYER
11 HEALTH CLAIMS DATABASE CREATED IN SECTION 25.5-1-204;

12 (b) ANALYZE THE PERCENTAGE OF MEDICAL EXPENSES THAT IS
13 ALLOCATED TO PRIMARY CARE:

14 (I) BY CARRIERS, AS DEFINED IN SECTIONS 10-16-102 (8) AND
15 24-50-603 (2);

16 (II) UNDER THE "COLORADO MEDICAL ASSISTANCE ACT",
17 ARTICLES 4, 5, AND 6 OF TITLE 25.5; AND

18 (III) UNDER THE "CHILDREN'S BASIC HEALTH PLAN ACT", ARTICLE
19 8 OF TITLE 25.5;

20 (c) DETERMINE THE DEFINITION OF PRIMARY CARE FOR THE
21 PURPOSES OF THIS PART 4;

22 (d) REPORT ON CURRENT CARRIER PRACTICES AND METHODS OF
23 REIMBURSEMENT THAT DIRECT GREATER HEALTH CARE RESOURCES AND
24 INVESTMENTS TOWARD HEALTH CARE INNOVATION AND CARE
25 IMPROVEMENT IN PRIMARY CARE;

26 (e) IDENTIFY BARRIERS TO THE ADOPTION OF ALTERNATIVE
27 PAYMENT MODELS BY CARRIERS AND PRACTICES, AND DEVELOP

1 RECOMMENDATIONS TO ADDRESS THE BARRIERS;

2 (f) DEVELOP RECOMMENDATIONS TO INCREASE THE USE OF
3 ALTERNATIVE PAYMENT MODELS THAT ARE NOT PAID ON A
4 FEE-FOR-SERVICE PER CLAIM BASIS TO:

5 (I) INCREASE THE INVESTMENT IN PRIMARY CARE;

6 (II) ALIGN PRIMARY CARE REIMBURSEMENT BY ALL PURCHASERS
7 OF PRIMARY CARE; AND

8 (III) DIRECT INVESTMENT TOWARD HIGHER VALUE PRIMARY CARE
9 SERVICES;

10 (g) CONSIDER HOW TO INCREASE INVESTMENT IN PRIMARY CARE
11 WITHOUT INCREASING COSTS TO CONSUMERS OR INCREASING THE TOTAL
12 COST OF HEALTH CARE;

13 (h) DEVELOP AND SHARE BEST PRACTICES AND TECHNICAL
14 ASSISTANCE TO CLINICS AND PAYERS, WHICH MAY INCLUDE:

15 (I) ALIGNING QUALITY METRICS AS DEVELOPED IN THE STATE
16 INNOVATION MODEL;

17 (II) FACILITATING THE INTEGRATION OF BEHAVIORAL AND
18 PHYSICAL PRIMARY CARE;

19 (III) PRACTICE TRANSFORMATION; AND

20 (IV) THE DELIVERY OF ADVANCED PRIMARY CARE THAT
21 FACILITATES APPROPRIATE UTILIZATION OF SERVICES IN APPROPRIATE
22 SETTINGS.

23 (2) THE PRIMARY CARE OFFICE SHALL INVITE REPRESENTATIVES
24 FROM THE FOLLOWING TO PARTICIPATE IN THE PRIMARY CARE PAYMENT
25 REFORM COLLABORATIVE:

26 (a) PRIMARY CARE PROVIDERS;

27 (b) HEALTH CARE CONSUMERS;

- 1 (c) EXPERTS IN PRIMARY CARE CONTRACTING AND
- 2 REIMBURSEMENT;
- 3 (d) INDEPENDENT PRACTICE ASSOCIATIONS;
- 4 (e) BEHAVIORAL HEALTH TREATMENT PROVIDERS;
- 5 (f) THIRD-PARTY ADMINISTRATORS;
- 6 (g) EMPLOYERS THAT PURCHASE HEALTH INSURANCE FOR
- 7 EMPLOYEES;
- 8 (h) EMPLOYERS THAT OFFER SELF-INSURED HEALTH BENEFIT
- 9 PLANS;
- 10 (i) HEALTH INSURANCE CARRIERS;
- 11 (j) A STATEWIDE ASSOCIATION OF HEALTH INSURANCE CARRIERS;
- 12 (k) A MEMBERSHIP ORGANIZATION REPRESENTING COMMUNITY
- 13 BEHAVIORAL HEALTH CARE PROVIDERS;
- 14 (l) A STATEWIDE ORGANIZATION REPRESENTING FEDERALLY
- 15 QUALIFIED HEALTH CENTERS;
- 16 (m) A STATEWIDE ORGANIZATION REPRESENTING HOSPITALS AND
- 17 HEALTH SYSTEMS;
- 18 (n) A STATEWIDE PROFESSIONAL ASSOCIATION FOR FAMILY
- 19 PHYSICIANS;
- 20 (o) A STATEWIDE PROFESSIONAL ASSOCIATION FOR PEDIATRICIANS;
- 21 (p) A STATEWIDE PROFESSIONAL SOCIETY WHOSE MEMBERSHIP
- 22 INCLUDES AT LEAST ONE-THIRD OF THE DOCTORS OF MEDICINE OR
- 23 OSTEOPATHY LICENSED IN THE STATE;
- 24 (q) A PRIMARY CARE INTERNAL MEDICINE PHYSICIAN FROM A
- 25 STATEWIDE PROFESSIONAL SOCIETY THAT REPRESENTS INTERNISTS;
- 26 (r) AN EMERGENCY DEPARTMENT PHYSICIAN;
- 27 (s) A STATEWIDE PROFESSIONAL ASSOCIATION FOR ADVANCED

1 PRACTICE NURSES;

2 (t) A STATEWIDE PROFESSIONAL ASSOCIATION FOR PHYSICIAN
3 ASSISTANTS;

4 (u) THE FEDERAL CENTERS FOR MEDICARE AND MEDICAID
5 SERVICES;

6 (v) THE COMMISSIONER OF INSURANCE;

7 (w) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF HEALTH
8 CARE POLICY AND FINANCING;

9 (x) EXPERTS IN HEALTH INSURANCE ACTUARIAL ANALYSIS; AND

10 (y) A MEMBER OF THE SENATE DESIGNATED BY THE PRESIDENT OF
11 THE SENATE AND A MEMBER OF THE HOUSE OF REPRESENTATIVES
12 APPOINTED BY THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

13 (3) THE PRIMARY CARE OFFICE SHALL CONVENE THE PRIMARY
14 CARE PAYMENT REFORM COLLABORATIVE ON OR BEFORE SEPTEMBER 1,
15 2018.

16 (4) BY OCTOBER 15, 2019, AND BY EACH OCTOBER 15
17 THEREAFTER, THE PRIMARY CARE PAYMENT REFORM COLLABORATIVE
18 SHALL PUBLISH A REPORT ON PRIMARY CARE SPENDING AND PRIMARY
19 CARE PAYMENT REFORM RECOMMENDATIONS. THE PRIMARY CARE
20 PAYMENT REFORM COLLABORATIVE SHALL MAKE THE REPORT AVAILABLE
21 ELECTRONICALLY TO THE GENERAL PUBLIC.

22 (5) THE PRIMARY CARE OFFICE MAY SEEK, ACCEPT, AND EXPEND
23 GIFTS, GRANTS, OR DONATIONS FROM PRIVATE OR PUBLIC SOURCES FOR
24 THE PURPOSES OF THIS SECTION.

25 (6) THIS SECTION IS REPEALED, EFFECTIVE SEPTEMBER 1, 2024.
26 BEFORE ITS REPEAL, THE FUNCTIONS OF THE PRIMARY CARE PAYMENT
27 REFORM COLLABORATIVE ARE SCHEDULED FOR REVIEW IN ACCORDANCE

1 WITH SECTION 24-34-104.

2 **SECTION 3.** In Colorado Revised Statutes, 24-34-104, **add**
3 (25)(a)(XVII) as follows:

4 **24-34-104. General assembly review of regulatory agencies**
5 **and functions for repeal, continuation, or reestablishment - legislative**
6 **declaration - repeal.** (25) (a) The following agencies, functions, or both,
7 are scheduled for repeal on September 1, 2024:

8 (XVII) THE PRIMARY CARE PAYMENT REFORM COLLABORATIVE
9 ESTABLISHED IN SECTION 25-1.5-406.

10 **SECTION 4.** In Colorado Revised Statutes, 25-1.5-404, **amend**
11 (1)(f) and (1)(g); and **add** (1)(h) as follows:

12 **25-1.5-404. Primary care office - powers and duties - rules.**

13 (1) The primary care office has, at a minimum, the following powers and
14 duties:

15 (f) To seek and accept public or private gifts, grants, or donations
16 to apply to the costs incurred in fulfilling the duties specified in this
17 section and otherwise administering the programs within the office; ~~and~~

18 (g) To administer nursing and health care professional faculty loan
19 repayment pursuant to part 5 of this article 1.5; AND

20 (h) TO CONVENE A PRIMARY CARE PAYMENT REFORM
21 COLLABORATIVE PURSUANT TO SECTION 25-1.5-406.

22 **SECTION 5.** In Colorado Revised Statutes, 25.5-1-204, **amend**
23 (6)(c); and **add** (3)(c) as follows:

24 **25.5-1-204. Advisory committee to oversee the all-payer health**
25 **claims database - creation - members - duties - legislative declaration**
26 **- rules.** (3) (c) (I) ON OR BEFORE AUGUST 31, 2019, THE ADMINISTRATOR
27 SHALL PROVIDE A REPORT TO THE PRIMARY CARE OFFICE IN THE

1 DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT, FOR USE BY THE
2 PRIMARY CARE PAYMENT REFORM COLLABORATIVE ESTABLISHED
3 PURSUANT TO SECTION 25-1.5-406, REGARDING PRIMARY CARE SPENDING:

4 (A) BY CARRIERS, AS DEFINED IN SECTIONS 10-16-102 (8) AND
5 24-50-603 (2);

6 (B) BY THE STATE DEPARTMENT UNDER THE "COLORADO MEDICAL
7 ASSISTANCE ACT", ARTICLES 4, 5, AND 6 OF THIS TITLE 25.5; AND

8 (C) BY THE STATE DEPARTMENT UNDER THE "CHILDREN'S BASIC
9 HEALTH PLAN ACT", ARTICLE 8 OF THIS TITLE 25.5.

10 (II) THE EXECUTIVE DIRECTOR SHALL, IN CONSULTATION WITH THE
11 DIVISION OF INSURANCE IN THE DEPARTMENT OF REGULATORY AGENCIES
12 AND THE PRIMARY CARE PAYMENT REFORM COLLABORATIVE ESTABLISHED
13 PURSUANT TO SECTION 25-1.5-406, PROMULGATE RULES PRESCRIBING THE
14 PRIMARY CARE SERVICES FOR WHICH COSTS MUST BE INCLUDED IN THE
15 REPORT.

16 (III) THE REPORT MUST INCLUDE THE PERCENTAGE OF THE
17 MEDICAL EXPENSE ALLOCATED TO PRIMARY CARE AND THE SHARE OF
18 PAYMENTS THAT ARE MADE THROUGH NATIONALLY RECOGNIZED
19 ALTERNATIVE PAYMENT MODELS, AS WELL AS THE SHARE OF PAYMENTS
20 THAT ARE NOT PAID ON A FEE-FOR-SERVICE OR PER-CLAIM BASIS.

21 (6) The administrator, with input from the advisory committee:

22 (c) (I) Shall determine the data elements to be collected, the
23 reporting formats for data submitted, and the use and reporting of any
24 data submitted. Data collection shall align with national, regional, and
25 other uniform all-payer claims databases' standards where possible.

26 (II) THE DATA ELEMENTS MUST INCLUDE NON-FEE-FOR-SERVICE
27 CLAIMS PAYMENTS FOR PRIMARY CARE, INCLUDING PER-MEMBER,

1 PER-MONTH, CAPITATED, AND PAY-FOR-PERFORMANCE PAYMENTS,
2 SUBMITTED BY:

3 (A) CARRIERS, AS DEFINED IN SECTIONS 10-16-102 (8) AND
4 24-50-603 (2); AND

5 (B) THE STATE DEPARTMENT, FOR PROGRAMS ADMINISTERED
6 UNDER THE "COLORADO MEDICAL ASSISTANCE ACT", ARTICLES 4, 5, AND
7 6 OF THIS TITLE 25.5, AND UNDER THE "CHILDREN'S BASIC HEALTH PLAN
8 ACT", ARTICLE 8 OF THIS TITLE 25.5.

9 **SECTION 6. Act subject to petition - effective date.** This act
10 takes effect at 12:01 a.m. on the day following the expiration of the
11 ninety-day period after final adjournment of the general assembly (August
12 8, 2018, if adjournment sine die is on May 9, 2018); except that, if a
13 referendum petition is filed pursuant to section 1 (3) of article V of the
14 state constitution against this act or an item, section, or part of this act
15 within such period, then the act, item, section, or part will not take effect
16 unless approved by the people at the general election to be held in
17 November 2018 and, in such case, will take effect on the date of the
18 official declaration of the vote thereon by the governor.