



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Final Fiscal Note

Drafting Number:	LLS 22-0589	Date:	September 14, 2022
Prime Sponsors:	Rep. Neville; Esgar Sen. Moreno; Cooke	Bill Status:	Signed into Law
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Bill Topic: PROHIBIT COLLECTION HOSPITAL NOT DISCLOSING PRICES

Summary of Fiscal Impact:

<input checked="" type="checkbox"/> State Revenue	<input checked="" type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

This bill prohibits a hospital from pursuing a collection action against a patient owing debt if the hospital was not in compliance with federal price transparency laws on the date that the items or services were provided to the patient, allows a patient to pursue legal action, and requires certain remedies from hospitals for violations. The bill may increase state workload and revenue beginning in FY 2022-23.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The fiscal note reflects the enacted bill.

Summary of Legislation

Under federal law, hospitals are required to post standard charges on a publically available website as of January 1, 2021. The bill prohibits a hospital from pursuing a collection action against a patient or patient guarantor (patient) owing debt if the hospital was not in material compliance with hospital price transparency laws on the date that the items or services were provided to the patient. If a patient believes that a hospital is not in material compliance, and the hospital takes a collection action against the patient, the patient may file suit, and the hospital is prohibited from taking a collection action while the lawsuit is pending. If a hospital is found by a judge or jury to be out of material compliance, the hospital is required to:

- refund any amount of the debt that has been paid, and pay a penalty to the payer in an amount equal to the total amount of the debt;
- dismiss any court action and pay any attorney fees and costs incurred by the patient relating to the action; and
- remove any report made to a consumer reporting agency relating to the debt from the patient's credit report.

Critical access hospitals are subject to the requirements of the bill beginning February 15, 2023.

State Revenue and Expenditures

Workload in the Judicial Department may increase to the extent that civil cases are filed to seek the remedies allowed under the bill. The number of cases are expected to be minimal and no additional appropriations are required. Revenue from civil filing fees may also increase minimally, and are subject to TABOR.

Effective Date

The bill was signed into law by the Governor on June 8, 2022, and it took effect on August 9, 2022.

State and Local Government Contacts

Health Care Policy and Financing
Judicial
Public Health and Environment

Information Technology
Law