

First Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO

REENGROSSED

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

LLS NO. 23-0468.03 Brita Darling x2241

SENATE BILL 23-298

SENATE SPONSORSHIP

Gardner and Roberts, Exum, Ginal, Kirkmeyer, Lundeen, Mullica, Pelton R., Priola, Will

HOUSE SPONSORSHIP

McCormick and Bockenfeld,

Senate Committees

Health & Human Services
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING ALLOWING CERTAIN PUBLIC HOSPITALS TO IMPROVE**
102 **ACCESS TO HEALTH CARE THROUGH COLLABORATION, AND, IN**
103 **CONNECTION THEREWITH, MAKING AN APPROPRIATION.**

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 permits a hospital that has fewer than 50 beds and is a county public hospital, a hospital formed by a health service district, or a hospital affiliated with either such hospital (hospital) to enter into collaborative agreements to engage in activities that may be characterized as anticompetitive or result in displacement of competition, such as

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

SENATE
Amended 3rd Reading
May 2, 2023

SENATE
Amended 2nd Reading
May 1, 2023

agreements to provide ancillary or specialty services, joint purchasing, shared services, consulting, and collaboration efforts with payers.

The bill exempts collaborating hospitals from state antitrust laws and provides immunity from federal antitrust laws under the state action doctrine for approved collaborative activity.

Prior to entering into a collaborative agreement, the hospitals must submit the proposed collaborative agreement (proposal) to the department of health care policy and financing (department) and to the attorney general. If the department determines that the collaborative agreement will result in cost savings or other efficiencies that will improve or expand the delivery of health-care services in rural and frontier communities, the department must refer the proposal to the attorney general.

The attorney general must review each proposal that is referred by the department and determine, within a specified time, that the benefits are not outweighed by any anticompetitive harm that may result from the agreement. The department or the attorney general may request additional information concerning a proposal within 60 days after its original submission. If additional information is requested, the department and attorney general have an additional 45 days to review the proposal.

If the department and the attorney general make a favorable determination, the proposal is approved and the hospitals may enter into a collaborative agreement. If neither the department nor the attorney general respond within the time frames set forth in the bill, the collaborative proposal is deemed approved.

The department or the attorney general may review a collaborative agreement annually to ensure the outcomes related to the collaborative agreement are consistent with statute.

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

2 **SECTION 1. In Colorado Revised Statutes, add part 9 to article**
3 **1 of title 25.5 as follows:**

4 **PART 9**

5 **HOSPITAL COLLABORATION AGREEMENTS**

6 **25.5-1-901. Hospital collaborative agreements - review of**
7 **proposed collaborative agreements - immunity - legislative**
8 **declaration - definitions - rules.** (1) THE GENERAL ASSEMBLY FINDS AND
9 DECLARES THAT:

1 (a) (I) FRONTIER AND RURAL HOSPITALS CONTINUE TO STRUGGLE
2 TO DELIVER HIGH-QUALITY, ACCESSIBLE, LOW-COST CARE DUE TO THE
3 RISING COSTS OF MEDICATIONS, SUPPLIES, MEDICAL EQUIPMENT, AND
4 CONTRACT LABOR;

5 (II) FRONTIER AND RURAL HOSPITALS ARE LARGELY INDEPENDENT,
6 GOVERNMENTAL FACILITIES THAT ARE GOVERNED BY LOCAL COMMUNITY
7 BOARDS;

8 (III) FRONTIER AND RURAL HOSPITALS ARE GENERALLY
9 SEPARATED BY LARGE DISTANCES AND ARE CHALLENGED BY THE NEED TO
10 PROVIDE ESSENTIAL SERVICES TO LOCAL COMMUNITIES DUE TO THE
11 SPARSE POPULATION IN RURAL AREAS;

12 (IV) FRONTIER AND RURAL HOSPITALS ARE INCREASINGLY
13 CHALLENGED BY COMPLEX REQUIREMENTS IMPOSED BY GOVERNMENT AND
14 PRIVATE PAYERS THAT DISPROPORTIONATELY NEGATIVELY IMPACT THESE
15 PROVIDERS AND UNNECESSARILY DRIVE-UP ADMINISTRATIVE COSTS; AND

16
17 (V) IN CASES WHERE THE STATE DEPARTMENT, THE DIVISION OF
18 INSURANCE, IF APPLICABLE, AND THE ATTORNEY GENERAL APPROVE
19 COLLABORATIVE ARRANGEMENTS, IT IS THE GENERAL ASSEMBLY'S INTENT
20 TO PROVIDE PROTECTION TO FRONTIER AND RURAL HOSPITALS FROM
21 CERTAIN ANTITRUST SCRUTINY THAT IMPEDES FRONTIER AND RURAL
22 HOSPITALS FROM WORKING COLLABORATIVELY TO IMPROVE QUALITY,
23 INCREASE ACCESS, AND REDUCE COSTS OF CARE TO THE COMMUNITIES
24 THEY SERVE;

25 (b) (I) FORTY-SEVEN OF COLORADO'S SIXTY-FOUR COUNTIES
26 INCLUDE RURAL AND FRONTIER COMMUNITIES YET CONTAIN ONLY TWELVE
27 PERCENT OF COLORADO'S POPULATION;

1 (II) THIRTY-TWO COUNTIES ARE SERVED BY CRITICAL ACCESS
2 HOSPITALS THAT HAVE TWENTY-FIVE OR FEWER BEDS AND ARE
3 GENERALLY LOCATED MORE THAN THIRTY-FIVE MILES FROM THE NEXT
4 CLOSEST HOSPITAL; ELEVEN COUNTIES LACK ANY HOSPITAL;

5 (III) THE SCARCITY OF NEARBY HOSPITALS CAUSES MANY
6 RESIDENTS TO STRUGGLE TO FIND QUALITY, AFFORDABLE HEALTH CARE
7 NEAR THEIR HOMES;

8 (IV) FURTHER, MANY RESIDENTS IN COLORADO'S RURAL AND
9 FRONTIER COMMUNITIES FOREGO PREVENTIVE AND BEHAVIORAL HEALTH
10 CARE AND LACK COMPREHENSIVE OR SPECIALIZED CARE OR CHOICE IN
11 HEALTH-CARE SERVICES, AND TWENTY-FOUR COUNTIES IN COLORADO ARE
12 CONSIDERED MATERNAL CARE "DESERTS";

13 (V) WHERE HOSPITALS DO EXIST IN RURAL AND FRONTIER AREAS,
14 THOSE HOSPITALS RECEIVE LOW REIMBURSEMENT RATES DUE TO A
15 PREPONDERANCE OF GOVERNMENT PAYERS AND DECLINING LOCAL TAX
16 DOLLARS, WHICH RESULTS IN A REDUCED AMOUNT OF MONEY AVAILABLE
17 TO INVEST IN EXPANDING OR UPGRADING FACILITIES OR TO PURCHASE
18 NECESSARY, NEW, OR INNOVATIVE MEDICAL SUPPLIES, EQUIPMENT, OR
19 TECHNOLOGY;

20 (VI) MANY HOSPITALS IN RURAL AND FRONTIER COMMUNITIES
21 HAVE DIFFICULTY RECRUITING AND RETAINING QUALIFIED HEALTH-CARE
22 PROFESSIONALS AND MAKING AVAILABLE NEEDED SERVICES; AND

23 (VII) COUNTY PUBLIC HOSPITALS, HEALTH SERVICE DISTRICTS,
24 AND HOSPITAL AFFILIATES PERFORM ESSENTIAL PUBLIC FUNCTIONS ON
25 BEHALF OF THE STATE;

26 (c) AS PART OF THE GOVERNMENT'S INTEREST IN PROVIDING
27 NEEDED HEALTH-CARE SERVICES IN COLORADO'S RURAL AND FRONTIER

1 COMMUNITIES, IT IS IMPORTANT FOR THE GOVERNMENT TO SUPPORT
2 EFFORTS TO FIND COLLABORATIVE, INNOVATIVE SOLUTIONS TO THE MANY
3 PROBLEMS CONFRONTING RURAL HEALTH CARE, INCLUDING
4 COLLABORATIVE OR COORDINATED ACTIVITIES THAT OFFER THE
5 OPPORTUNITY TO EXPAND HEALTH-CARE OPTIONS THROUGH JOINT
6 PURCHASING AND STAFFING, SHARED SERVICES, AND JOINT ACQUISITION
7 OF NEW AND EXPENSIVE DIAGNOSTIC AND TREATMENT SOLUTIONS;

8 (d) IT IS THE GENERAL ASSEMBLY'S INTENT TO EXEMPT FROM
9 STATE ANTITRUST LAWS, AND TO PROVIDE STATE ACTION IMMUNITY FROM
10 FEDERAL ANTITRUST LAWS FOR CERTAIN ACTIVITIES THAT MIGHT BE
11 CHARACTERIZED AS ANTICOMPETITIVE OR THAT MIGHT RESULT IN THE
12 DISPLACEMENT OF COMPETITION IN THE PROVISION OF HOSPITAL,
13 PHYSICIAN, OR OTHER HEALTH-CARE-RELATED SERVICES OR
14 ADMINISTRATIVE OR GENERAL BUSINESS SERVICES; AND

15 (e) IN ORDER TO PROMOTE IMPROVED QUALITY OF, INCREASE
16 ACCESS TO, AND REDUCE COSTS OF HEALTH-CARE SERVICES IN RURAL AND
17 FRONTIER COMMUNITIES THROUGH COLLABORATIVE AGREEMENTS
18 AUTHORIZED BY THIS SECTION, THE GENERAL ASSEMBLY FURTHER
19 INTENDS TO PROVIDE A SYSTEM OF REVIEW OF RELEVANT COLLABORATIVE
20 AGREEMENTS BY THE STATE DEPARTMENT, THE DIVISION OF INSURANCE,
21 IF APPLICABLE, AND THE ATTORNEY GENERAL TO ENSURE THAT ANY
22 POTENTIAL BENEFITS OF SUCH COLLABORATIVE AGREEMENTS ARE NOT
23 OUTWEIGHED BY THE HARM TO COMPETITION IN RURAL AND FRONTIER
24 COMMUNITIES.

25 (2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
26 REQUIRES:

27 (a) "COLLABORATIVE AGREEMENT" MEANS AN AGREEMENT OR

1 SIMILAR ARRANGEMENT BETWEEN TWO OR MORE HOSPITALS OR HOSPITAL
2 AFFILIATES THAT COMPLIES WITH THE REQUIREMENTS SET FORTH IN THIS
3 SECTION.

4 (b) "COUNTY PUBLIC HOSPITAL" MEANS A PUBLIC HOSPITAL
5 ESTABLISHED PURSUANT TO SECTION 25-3-301.

6 (c) "DIVISION OF INSURANCE" MEANS THE DIVISION OF INSURANCE
7 IN THE DEPARTMENT OF REGULATORY AGENCIES.

8 (d) "HEALTH SERVICE DISTRICT" HAS THE SAME MEANING AS SET
9 FORTH IN SECTION 32-1-103 (9).

10 (e) "HOSPITAL" MEANS A FACILITY WITH FEWER THAN FIFTY BEDS
11 THAT IS:

- 12 (I) A COUNTY PUBLIC HOSPITAL;
- 13 (II) A HOSPITAL ESTABLISHED, MAINTAINED, OR OPERATED
14 DIRECTLY OR INDIRECTLY BY A HEALTH SERVICE DISTRICT; OR
- 15 (III) A HOSPITAL AFFILIATE.

16 (f) "HOSPITAL AFFILIATE" MEANS AN AFFILIATE OF A COUNTY
17 PUBLIC HOSPITAL OR HEALTH SERVICE DISTRICT THAT IS UNDER THE SOLE
18 CONTROL OF THE COUNTY PUBLIC HOSPITAL OR HEALTH SERVICE DISTRICT.

19 (3) EXCEPT AS PROVIDED IN SUBSECTION (4) OF THIS SECTION, AND
20 SUBJECT TO THE REQUIREMENTS IN SUBSECTIONS (5), (6), AND (7) OF THIS
21 SECTION, A HOSPITAL IS AUTHORIZED TO ENTER INTO COLLABORATIVE
22 AGREEMENTS WITH ONE OR MORE HOSPITALS OR HOSPITAL AFFILIATES TO
23 ENGAGE IN THE FOLLOWING ACTIVITIES:

24 (a) ANCILLARY CLINICAL SERVICES, ACQUISITION OF EQUIPMENT,
25 CLINIC MANAGEMENT, OR HEALTH-CARE PROVIDER RECRUITMENT;

26 (b) JOINT PURCHASING OR LEASING ARRANGEMENTS, INCLUDING
27 THE JOINT PURCHASING OR LEASING OF:

- 1 (I) MEDICAL AND GENERAL SUPPLIES;
- 2 (II) MEDICAL AND GENERAL EQUIPMENT;
- 3 (III) PHARMACEUTICALS; OR
- 4 (IV) TEMPORARY STAFFING THROUGH A STAFFING AGENCY;
- 5 (c) CONSULTING SERVICES WITH A FOCUS ON PUBLIC HEALTH IN
- 6 RURAL OR FRONTIER COMMUNITIES AND NON-HOSPITAL-SPECIFIC
- 7 INNOVATIONS IN HEALTH-CARE DELIVERY IN THOSE COMMUNITIES;
- 8 (d) PURCHASING JOINT PROFESSIONAL, GENERAL LIABILITY, OR
- 9 PROPERTY INSURANCE;
- 10 (e) SHARING BACK-OFFICE SERVICES, SUCH AS SHARING A BUSINESS
- 11 OFFICE, ACCOUNTING AND FINANCE SERVICES, HUMAN RESOURCES, AND
- 12 RISK MANAGEMENT AND COMPLIANCE SERVICES, BUT NOT INCLUDING
- 13 SHARING SERVICE CHARGING EXPENSES OR RATES AMONG HOSPITALS;
- 14 (f) SHARING DATA SERVICES, INCLUDING SHARED SERVICES FOR
- 15 ELECTRONIC HEALTH RECORDS AND DATA EXTRACTION AND ANALYSIS
- 16 SERVICES, CHARGE MANAGEMENT, AND POPULATION HEALTH ANALYSIS;
- 17 AND
- 18 (g) NEGOTIATING WITH HEALTH INSURANCE OR GOVERNMENT
- 19 PAYERS, WHICH NEGOTIATIONS ARE LIMITED TO:
 - 20 (I) SHARED CARE PROTOCOLS INTENDED TO IMPROVE PATIENT
 - 21 MANAGEMENT AND OUTCOMES, INCLUDING IMPLEMENTATION OF
 - 22 EVIDENCE-BASED PROTOCOLS, CLINICAL PATHWAYS, AND RECOGNIZED
 - 23 BEST PRACTICES IN THE CARE AND TREATMENT OF PATIENTS, INCLUDING
 - 24 CLINICAL THERAPIES, NUTRITION, EXERCISE, DIAGNOSTIC TESTING, AND
 - 25 MEDICATION MANAGEMENT;
 - 26 (II) COLLABORATIVE EFFORTS WITH PAYERS TO PROMOTE
 - 27 APPROPRIATE AND ESSENTIAL SERVICES TO BE PROVIDED IN THE LOCAL

1 COMMUNITY;

2 (III) MANAGEMENT OF PRIOR AUTHORIZATION REQUESTS; AND

3 (IV) ANALYSIS OF AGGREGATE DATA TO COMPARE COSTS OF

4 PROCEDURES AND TO ANALYZE PATIENT OUTCOMES.

5 (4) NOTWITHSTANDING ANY COLLABORATIVE AGREEMENTS

6 DESCRIBED IN SUBSECTION (3) OF THIS SECTION, THE IMMUNITY AND

7 PROTECTIONS GRANTED TO HOSPITALS AND HOSPITAL AFFILIATES

8 ENTERING INTO COLLABORATIVE AGREEMENTS PURSUANT TO THIS

9 SECTION DOES NOT EXTEND TO COLLABORATIVE AGREEMENTS WITH

10 ANOTHER HOSPITAL OR HOSPITAL AFFILIATE THAT HAVE THE EFFECT OF:

11 (a) SETTING REIMBURSEMENT RATES OR OTHER COMPENSATION

12 FROM ANY COMMERCIAL SELF-INSURED OR COMMERCIAL HEALTH

13 INSURANCE OR GOVERNMENT PAYER;

14 (b) DIVIDING OR ALLOCATING AMONG HOSPITALS OR HOSPITAL

15 AFFILIATES SPECIFIC MARKETS FOR THE DELIVERY OF ANY GENERAL ACUTE

16 CARE OR SPECIALTY LINES OF HEALTH-CARE SERVICES; OR

17 (c) NEGOTIATING OR AGREEING TO COMPENSATION UNDER

18 HEALTH-CARE STAFFING ARRANGEMENTS FOR HOSPITAL EMPLOYEES THAT

19 RESULTS IN A REDUCTION OF WAGES OF HOSPITAL STAFF, WHETHER

20 EMPLOYED BY THE HOSPITAL, A STAFFING AGENCY, OR OTHER EMPLOYER.

21 (5) PRIOR TO ENGAGING IN ANY JOINT ACTIVITY DESCRIBED BY A

22 PROPOSED COLLABORATIVE AGREEMENT EXECUTED PURSUANT TO

23 SUBSECTION (3) OF THIS SECTION, THE HOSPITALS OR HOSPITAL AFFILIATES

24 SHALL JOINTLY SUBMIT THE PROPOSED COLLABORATIVE AGREEMENT TO

25 THE STATE DEPARTMENT AND TO THE DIVISION OF INSURANCE, IF THE

26 PROPOSED COLLABORATIVE AGREEMENT INCLUDES NEGOTIATING WITH

27 HEALTH INSURANCE PAYERS AS DESCRIBED IN SUBSECTION (3)(g) OF THIS

1 SECTION, PURSUANT TO RULES THAT MAY BE PROMULGATED FOR THE
2 SUBMISSION AND REVIEW OF PROPOSALS BY THE STATE DEPARTMENT AND
3 BY THE DIVISION OF INSURANCE, IF APPLICABLE. THE STATE DEPARTMENT
4 AND THE DIVISION OF INSURANCE, IF APPLICABLE, MAY REQUEST
5 ADDITIONAL INFORMATION NECESSARY TO REVIEW THE PROPOSAL.

6 (6) WITHIN FIFTEEN DAYS AFTER RECEIPT OF A PROPOSED
7 COLLABORATIVE AGREEMENT AND THE RECEIPT OF ADDITIONAL
8 INFORMATION REQUESTED BY THE STATE DEPARTMENT AND BY THE
9 DIVISION OF INSURANCE, IF APPLICABLE, IF THE STATE DEPARTMENT AND
10 THE DIVISION OF INSURANCE, IF APPLICABLE, CONCLUDE THAT A PROPOSED
11 COLLABORATIVE ACTIVITY WILL RESULT IN COST SAVINGS OR OTHER
12 EFFICIENCIES THAT WILL IMPROVE OR EXPAND THE DELIVERY OF
13 HEALTH-CARE SERVICES IN RURAL AND FRONTIER COMMUNITIES IN
14 COLORADO, THE STATE DEPARTMENT AND THE DIVISION OF INSURANCE,
15 IF APPLICABLE, SHALL REFER THE PROPOSAL TO THE ATTORNEY GENERAL
16 TO DETERMINE, PURSUANT TO RULES WHICH MAY BE PROMULGATED FOR
17 SUCH PURPOSE, THAT THE BENEFITS OF THE COLLABORATIVE ACTIVITY ARE
18 NOT OUTWEIGHED BY ANY ANTICOMPETITIVE HARM THAT MAY ARISE
19 FROM THE COLLABORATIVE ACTIVITY.

20 (7) WITHIN FORTY-FIVE DAYS AFTER RECEIVING A REFERRAL
21 AND REVIEW FROM THE STATE DEPARTMENT AND THE DIVISION OF
22 INSURANCE, IF APPLICABLE, THE ATTORNEY GENERAL SHALL REVIEW THE
23 PROPOSED COLLABORATIVE AGREEMENT AND EITHER APPROVE OR DENY
24 THE PROPOSED COLLABORATIVE AGREEMENT OR REQUEST ADDITIONAL
25 INFORMATION RELATED TO THE PROPOSAL. IF A REQUEST FOR ADDITIONAL
26 INFORMATION IS MADE, THE ATTORNEY GENERAL HAS AN ADDITIONAL
27 FORTY-FIVE DAYS TO COMPLETE THE REVIEW FOLLOWING RECEIPT OF THE

1 REQUESTED INFORMATION.

2 (8) (a) A COLLABORATIVE AGREEMENT IS APPROVED IF:

3 (I) THE STATE DEPARTMENT AND THE DIVISION OF INSURANCE, IF
4 APPLICABLE CONCLUDE THAT THE PROPOSED COLLABORATIVE AGREEMENT
5 WILL RESULT IN IMPROVED QUALITY, INCREASED ACCESS OR COST
6 SAVINGS, OR OTHER EFFICIENCIES THAT WILL IMPROVE OR EXPAND THE
7 DELIVERY OF HEALTH-CARE SERVICES IN RURAL AND FRONTIER
8 COMMUNITIES IN COLORADO; AND

9 (II) THE ATTORNEY GENERAL CONCLUDES THAT THE BENEFITS
10 IDENTIFIED BY THE STATE DEPARTMENT AND BY THE DIVISION OF
11 INSURANCE, IF APPLICABLE, ARE OUTWEIGHED BY ANY COMPETITIVE
12 CONCERNS IDENTIFIED BY THE ATTORNEY GENERAL, OR THE ATTORNEY
13 GENERAL DOES NOT RESPOND WITHIN THE TIME FRAMES SPECIFIED IN
14 SUBSECTION (7) OF THIS SECTION. ___

15 (b) (I) EXCEPT AS PROVIDED IN SUBSECTION (8)(b)(III) OF THIS
16 SECTION, IF A PROPOSED COLLABORATIVE AGREEMENT IS DENIED, THE
17 HOSPITALS OR HOSPITAL AFFILIATES MAY REQUEST RECONSIDERATION BY
18 RESUBMITTING THE PROPOSED AGREEMENT TO THE ATTORNEY GENERAL
19 WITHIN THIRTY DAYS AFTER THE DENIAL ALONG WITH ADDITIONAL
20 MATERIALS, INFORMATION, OR OTHER EVIDENCE THAT WAS NOT
21 PREVIOUSLY SUBMITTED RELATING TO THE DETERMINATION OF THE
22 BENEFITS OR ANTICOMPETITIVE HARM ASSOCIATED WITH THE PROPOSED
23 COLLABORATIVE AGREEMENT.

24 (II) THE ATTORNEY GENERAL HAS FORTY-FIVE DAYS FROM THE
25 DATE OF THE REQUEST TO RECONSIDER THE DENIAL AND MAY CONSULT
26 WITH THE STATE DEPARTMENT AND THE DIVISION OF INSURANCE AS PART
27 OF THE RECONSIDERATION. THE PROPOSED COLLABORATIVE AGREEMENT

1 IS NOT DEEMED APPROVED IF THE ATTORNEY GENERAL FAILS TO RESPOND
2 WITHIN THE FORTY-FIVE-DAY RECONSIDERATION PERIOD.

3 (III) A REQUEST FOR RECONSIDERATION OF A PROPOSED
4 COLLABORATIVE AGREEMENT MAY BE MADE ONLY ONCE WITHIN THE
5 THIRTY-DAY PERIOD FOLLOWING THE DENIAL OF THE PROPOSED
6 COLLABORATIVE AGREEMENT. THE ATTORNEY GENERAL'S DECISION ON A
7 PROPOSED COLLABORATIVE AGREEMENT THAT IS NOT SUBMITTED FOR
8 RECONSIDERATION WITHIN THIRTY DAYS OR THAT IS DENIED UPON
9 RECONSIDERATION IS FINAL AND NON-APPEALABLE.

10 (c) THE STATE DEPARTMENT, THE DIVISION OF INSURANCE, IF
11 APPLICABLE, OR THE ATTORNEY GENERAL MAY REVIEW A COLLABORATIVE
12 AGREEMENT ANNUALLY TO ENSURE THE OUTCOMES RELATED TO THE
13 COLLABORATIVE AGREEMENT ARE CONSISTENT WITH THIS SECTION.

14 **SECTION 2.** In Colorado Revised Statutes, **add 25-3-304.5** as
15 follows:

16 **25-3-304.5. Hospital collaborative agreements - additional**
17 **powers.** IN ADDITION TO THE POWERS SPECIFIED IN SECTION 25-3-304, THE
18 BOARD OF TRUSTEES OF A COUNTY PUBLIC HOSPITAL MAY ENTER INTO A
19 COLLABORATIVE AGREEMENT WITH ANOTHER COUNTY PUBLIC HOSPITAL,
20 HEALTH SERVICE DISTRICT, OR HOSPITAL AFFILIATE IN ACCORDANCE WITH
21 SECTION 25.5-1-901.

22 **SECTION 3.** In Colorado Revised Statutes, 32-1-1003, **add**
23 (1)(c.5) as follows:

24 **32-1-1003. Health service districts - additional powers.** (1) In
25 addition to the powers specified in section 32-1-1001, the board of any
26 health service district has any or all of the following powers for and on
27 behalf of such district:

1 (c.5) TO ENTER INTO A COLLABORATIVE AGREEMENT WITH
2 ANOTHER HEALTH SERVICE DISTRICT, COUNTY PUBLIC HOSPITAL, OR
3 HOSPITAL AFFILIATE IN ACCORDANCE WITH SECTION 25.5-1-901.

4 **SECTION 4. Appropriation.** (1) For the 2023-24 state fiscal
5 year, \$30,260 is appropriated to the department of health care policy and
6 financing for use by the executive director's office. This appropriation is
7 from the healthcare affordability and sustainability fee cash fund created
8 in section 25.5-4-402.4 (5)(a), C.R.S. To implement this act, the office
9 may use this appropriation as follows:

10 (a) \$26,385 for personal services, which amount is based on an
11 assumption that the office will require an additional 0.8 FTE; and

12 (b) \$3,875 for operating expenses.

13 (2) For the 2023-24 state fiscal year, the general assembly
14 anticipates that the department of health care policy and financing will
15 receive \$30,259 in federal funds to implement this act, which amount is
16 subject to the "(I)" notation as defined in the annual general appropriation
17 act for the same fiscal year. The appropriation in subsection (1) of this
18 section is based on the assumption that the department will receive this
19 amount of federal funds to be used as follows:

20 (a) \$26,384 for personal services; and

21 (b) \$3,875 for operating expenses.

22 **SECTION 5. Act subject to petition - effective date.** This act
23 takes effect at 12:01 a.m. on the day following the expiration of the
24 ninety-day period after final adjournment of the general assembly; except
25 that, if a referendum petition is filed pursuant to section 1 (3) of article V
26 of the state constitution against this act or an item, section, or part of this
27 act within such period, then the act, item, section, or part will not take

1 effect unless approved by the people at the general election to be held in
2 November 2024 and, in such case, will take effect on the date of the
3 official declaration of the vote thereon by the governor.