

Dr. Yolanda Bogaert supports HB 1232

Dear Members of the Colorado Senate Health and Human Services Committee,

Thank you for the opportunity to share my experiences as a physician and my support for HB 1232.

The status quo of health care isn't working. Many of the patients I see already have insurance. But deductibles, co-pays, and other costs mean it's still too expensive to get care. Essentially, they have insurance they can't even use.

Many of those patients come in much later after a health issue has developed. Their diabetes or high blood pressure gets worse because they can't afford to treat it earlier. These controllable issues become out of control, and the patients end up with serious kidney disease that could have been prevented.

In this system, people of color who experience underlying diseases at higher rates than white people are put at a further disadvantage. And while patients and families of all backgrounds across the state struggle, insurance and pharmaceutical corporations have seen record profits.

This system isn't sustainable. The Colorado Option can help fix it.

Reducing premiums can help families who are insured actually use their insurance. And it can help those who don't have coverage to be able to afford it. By lowering out-of-pocket costs for patients through the standardized plan, they'll be able to visit a doctor before a medical condition deteriorates and causes more severe illness and long-term negative health effects and drives up the costs of health care for everybody. In addition, the Colorado Option can deliver more affordable health care to underserved communities who have been shut out of doctors' offices, wellness visits, routine mammograms and screenings. By addressing historic health care inequities, we can improve health outcomes for Coloradans of color, making our whole state healthier and stronger while protecting Coloradans from high costs that are currently a barrier to care.

The Colorado Option is a reasonable step forward that will help me as a physician by ensuring patients can get the care they need.

HB 1232 will improve the health of all Coloradans, regardless of their background or wealth, throughout this pandemic and beyond. I urge you to pass it.

Thank you.

Dr. Yolanda Bogaert

Nephrology specialist in Wheat Ridge

Member of the Colorado Chapter of the Committee to Protect Health Care

Madam/Mr. Chair and members of the committee, my name is Aimee____, I am from _____, Colorado and I am testifying on my own behalf. Thank you for the opportunity to share my story with you today.

I have lived in Denver my whole life. The rising cost of living in my city paired with sky-high medical bills and insurance premiums makes me worry that I will soon be unable to afford to live in Colorado - the state my family has called home for over 100 years.

As my insurance premium keeps going up, the care consistently goes down. Currently I am paying over \$900 a month in premiums, but am largely left uncovered for the care I need. I am being failed by an industry that is supposed to provide us with the care we need to stay healthy.

Length of time ago I went to the doctor with **your symptoms**. The **doctor/hospital/gastro** recommended I take multiple tests that would have cost me thousands of dollars. I chose not to get them due to cost but ended up having to get an MRI which cost me \$1800, delayed my care, and got me no closer to understanding the root cause of my symptoms. I was eventually diagnosed with a condition affecting my small intestine that requires me to see a gastrointestinal specialist. I also have to take an antibiotic that costs \$2700 for a two week supply.

You would think that \$900 in monthly premiums would provide adequate care for my condition, but my carrier will not cover my medication or even let my doctor prescribe it. I have been shuffled around to different medical providers, and been charged absurd rates without being warned. One medical visit sent me home with a \$2800 bill because a previous provider did not perform a biopsy. I don't have an issue with paying for my health care or with carriers making a profit, but how much profit do they need? They line their pockets and leave regular people with the choice between massive debt or forgoing care.

Health insurance is so expensive that in the past I have taken the risk of not even carrying it, and the price still discourages me from receiving the preventive care I need. Breast cancer runs in my family and my mother has had it twice. Going without necessary preventive care simply due to the cost is dangerous, stressful, and has an impact on my mental and physical health.

Coloradans need access to more affordable care through a Colorado Option. Creating a standardized plan with lower OOP costs, deductibles, and copays will ensure that Coloradans have access to the health care they need. Specialist providers like my gastroenterologist also must operate within the standardized plan so that we have access to these life saving services when we need them most.

It is time for the health care industry to be held accountable to deliver lower costs and better access for the Coloradans who need it most. I thank you for your time and urge the committee to vote yes on HB1232.

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HB21-1232 Written Testimony
Senate Health & Human Services Committee
May 17, 2021

Madam Chair and Members of the Committee,

My name is Alex Becker, and I am one of thousands of health care workers who live and/or work in your district. I am also one of the 26,000 health care workers at UCHealth. I have worked at UCHealth 11 years, four as a Nutrition Assistant in our Food & Culinary department while I was an undergraduate at CSU, and the past seven on our Marketing and Communications team. In addition to being an employee at UCHealth, my husband and I trust UCHealth with our own healthcare as patients.

Like you, I want more people to have affordable health insurance and access to high quality, affordable health care. However, I am worried House Bill 21-1232 will cause serious, unintended consequences to the health care providers that our state depends upon.

House Bill 21-1232 punishes doctors, nurses and hospitals, and it doesn't take in to account the significant work that has already been done to reduce healthcare costs while not sacrificing quality of care.

House Bill 21-1232 would negatively impact patients, including my own family. My husband has a rare, complex congenital heart condition and UCHealth has the longest standing and only accredited adult congenital heart disease program in the state. We are grateful to have a nationally recognized program in our community. A few years back, my husband woke up in the middle of the night with chest discomfort and out of caution, went to the hospital ER closest to where we lived. During his visit when he was getting an echocardiogram, he was told by the providers that they had never seen someone with his heart condition before. This is one of the last things you want to be told by a health care provider. While I'm sure this hospital my husband visited provides great care to many patients, it did not have the expertise to care for his condition, and he depends on UCHealth for his ongoing care.

Under House Bill 21-1232, hospitals on the Front Range who care for the most complex cases like my husband's would have to take devastating reimbursement cuts. Some of the most expensive hospitals in our state who have less ability to care for the sickest patients actually receive reimbursement increases.

Working at UCHealth, I know my husband's case is far from unusual and many in Colorado and the Rocky Mountain region depend on UCHealth hospitals for care for a chronic condition or a healthcare emergency. In our Marketing & Communications department, I get the privilege of helping to tell our patients' stories and our doctors, nurses, staff and hospitals truly have an incredible impact on our patients' lives. Whether it's an innovative treatment approach to bring relief to a patient who spent years battling a chronic condition or a team of specialists working together to save a patient in an emergent trauma situation, the specialized care UCHealth provides is critical to our community and House Bill 21-1232 as it is currently written would damage the high-quality care of hospitals likes ours who care for the most complex patient cases.

House Bill 21-1232 is well intentioned, but it's the wrong direction. I ask you to please vote no on this bill in its entirety or to support amendments to ensure that complexity of care, quality and safety are appropriately compensated through the reimbursement rates set by the bill. Hospitals that treat the sickest and most acutely ill or injured patients should be reimbursed at a

sustainable rate that reflects actual costs, but certainly not lower than those hospitals that only treat minor conditions.

Thank you,
Alex Becker

Good Afternoon Madam Chair and members of the committee. Thank you for allowing me to share my story. My name is Bianey Bermudez and I'm from Sheridan, Colorado. I am here to testify in support of HB 1232, as a contract worker and as a member of the immigrant community.

I'm a first generation Mexican-American who has been working since the age of fourteen, I have been able to put myself through college to earn a BA in journalism from Metro State University. Through my years in the workforce something has become very clear to me; hard work does not always mean health insurance,. For me it has meant being uninsured and constantly risking a health emergency that could push me into medical debt. This is not just my reality, but this is a reality shared by many across Colorado.

The price of health insurance has always been an issue for me and my family. With changing jobs and promotions my income has constantly fluctuated which has made it hard for me to qualify for medicaid. One time in college I was kicked off of medicaid for making \$100 over. This meant that I had to choose between quitting my job or paying for health insurance myself. This was at the age of twenty, which meant that not only did I not know where to begin with the process, but that I was priced out of the individual payer market.

After being covered by my full time job I thought I would never have to worry about health insurance again; however, the pandemic forced me out of work and into the freelance-contractor world. Once again I've been left uninsured and paying a premium seems out of the question right now, due to the cost I'd rather be uninsured than not pay my rent.

The lack of health insurance impacts everyone in my family and community. Most of my family are undocumented people, which means that they're unable to purchase health insurance through the market due to their status, the stress of finding healthcare for them is immense. Most of the time I'm more worried about their health than mine and I find myself constantly hoping that a medical emergency doesn't happen, how and where will I find care for them?

And, unfortunately, I know that my family is not alone. Latinx families and immigrants in Colorado are significantly more likely to be uninsured and less likely to seek the care they need due to affordability and access issues. This unequal access has real consequences on my life and on my community, since Latinx Coloradans are more likely to die from preventable health conditions than White Coloradans. My family deserves better, every family in Colorado does.

I support the CO Option, HB 1232, because families like mine have struggled with the unaffordability of health care for too long, I think the Colorado Option can provide real

solutions to my community's problems. Immigrant families deserve the peace of mind that comes with having health care. Please join me in supporting HB 1232. Thank you.

Good afternoon Madam Chair and members of the committee. My name is April Vigil. I am a mother of 4 living in Pueblo West and working as a teacher in a low-income school. I am here to testify in support of bill HB21-1232, from my experience as a working mother and as a cancer survivor.

Affording health insurance has been an obstacle for me for many years now. I have been a middle school teacher for 13 years, and despite working for the 2nd largest employer in my area, if I were to get insurance through my job it would take away 50% of my paycheck. Having dedicated my life to helping my community, it is disheartening to not be provided the care I need. Time and time again, I have been caught between the need to qualify for state-assisted insurance and the need to keep my job - despite the inadequate or unaffordable health insurance provided.

When I was diagnosed with a brain tumor, that struggle became an issue of life or death. My employer-provided health insurance would not cover the surgery I urgently needed to remove the tumor. I was forced to quit my job and wait 3 months in order to qualify for Medicaid and get the surgery I needed to stay alive.

This was by far the scariest time of my life. My daughter was in kindergarten at the time, and I did not know if I would stay alive for the three months I awaited care. No mother - or anyone - should have to wake up every day wondering "What if I die today?" because they cannot afford the healthcare they drastically need.

Fortunately, I am still here and able to speak out on this issue. My friend's son, who also had a brain tumor, was not as fortunate despite her best efforts to get him an expensive experimental drug that could save his life and writing to the Governor.

Too many Coloradans like me are struggling to make ends meet, and health care costs shouldn't be the reason someone lives or dies. For myself and those in my community who do not make enough to afford costly insurance premiums, deductibles, and copays, but make too much to qualify for state aid, the Colorado Option would literally be life-saving. Specialty providers such as the one that performed my brain surgery must be included, so specialized care is accessible to everyone, not just to those with more financial resources.

It is past time to control the underlying costs of care and hold the healthcare industry accountable to deliver lower costs and better access for the Coloradans who need it most. I urge you to support HB-1232 to make health insurance more affordable for all Coloradans. Thank you for your time.

April Vigil

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Senator Fields and Senator Ginal
Senate Health and Human Services Committee

Anna Grammerstorf, MPH, PA Student
(631) 897-0496
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May 17th, 2021

In support of HB21-1232 Standardized Health Benefit Plan Colorado Option

My name is Anna Grammerstorf and I am a Physician Assistant student in Colorado. I have worked in various settings to provide quality healthcare to all populations, and often provide care for people who are uninsured as part of my training. I am testifying today in strong support of HB21-1232 which would establish a standardized health benefit plan to lower premiums and increase access to health insurance.

As a provider who regularly cares for those who are uninsured, I have personally witnessed the ways that our health care system has failed our communities. In the emergency room, I've watched patients repeatedly come back in with the same, untreated health concerns, **because they did not have insurance** and so they could not access preventative care to regularly manage their health. While working at a free community clinic in Denver, I regularly see patients in the midst of a medical emergency who avoid going to the emergency room **because they do not have insurance and know that the cost will be more than they can afford.**

Recently, a woman visited the free clinic with a life-threatening aneurysm that she was told was "near bursting." She needed surgery and speciality care, but she was uninsured and couldn't afford to get the care she needed so she left the clinic without care and with the knowledge that not receiving care could be fatal. Unfortunately, I am not sure what happened to her. Consistent follow-up with a provider is a luxury that those without insurance do not have. It is unlikely that I will ever see her again and I will likely never know if she got the treatment that she needed or succumbed to the aneurysm.

Soon, I will graduate and become part of the next generation of health care providers in Colorado. I believe that we need the Colorado Option as our current system is failing far too many Coloradans. As providers, we chose to study medicine to heal people; not to only treat patients who can afford it. The Colorado Option will ensure that more people can get the care that they need and providers can focus on what we got into this work to do; heal patients. I urge you to vote yes on HB21-1232, for my patients who deserve affordable, accessible health insurance. Thank you for your time.

Sincerely,
Anna Grammerstorf, MPH, PA Student

Senator Fields and Senator Ginal
Senate Health and Human Services Committee

Samantha Stetz
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(609) 682-0379
80121

May 17th, 2021

In support of HB21-1232 Standardized Health Benefit Plan Colorado Option

My name is Samantha Stetz and I am an ICU Nurse in Aurora. I work in trauma ICU taking care of some of the sickest patients at the hospital. I strongly support HB21-1232 which would establish a standardized health benefit plan to lower premiums and increase opportunities for purchasing insurance coverage across Colorado.

As a healthcare provider, I feel it is extremely important to make healthcare more affordable. It is time we focus on prevention rather than making health a business model. I see the way insurance company policy dictates quality of care. I've seen my trauma patients not recover to their full potential due to a lack of insurance. On a personal note, my father had pancreatic cancer, and had insurance. Even then, his testing and treatment was repeatedly denied, worsening his condition. He had insurance and he still was taken advantage of at one of the most vulnerable moments in his life. In my work I see the ways not having insurance exacerbates the pain for my patients in similar situations. Insurance companies have been driving patient care for far too long.

I chose a career to help people recover from severe illness. My colleagues and I provide some of the highest quality of specialty care in the state, but only to those who can pay. It's simple, my patients that have insurance to support their recovery after a traumatic injury experience better health outcomes. While high premiums do nothing but prevent people from getting the care they need until it is an emergency. The COVID-19 pandemic has pulled back the curtains on the intense inequity in health care across Colorado. High insurance rates hit low-income and people of color hardest. This bill would help to close the gap by creating an affordable option for all communities.

When I retire from working in health care, I want to open my own small business. I hope the Colorado Option exists so that I can afford the care that I provided for so many Coloradans as an ICU nurse. It is time for accountability and affordability. Ghandi said "Health is the real wealth, not pieces of gold and silver." As a healthcare provider, I support this legislation. We must act now to lower the cost for coverage, so our communities can get the treatments they deserve at every level of care. I urge you to vote yes on HB21-1232. Thank you.

Sincerely,

Samantha Scarborough, BSN, RN

Senator Fields and Senator Ginal
Senate Health and Human Services Committee

Marisa Santarella, MSW, LSW
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May 17th, 2021

In support of HB21-1232 Standardized Health Benefit Plan Colorado Option

My name is Marisa Santarella and I am a Licensed School Social Worker who works in Denver County. In my role I provide mental health care and crisis management to students across the Denver Metro area who attend an alternative Denver Public School. This school serves students in a small, holistic, school-setting focusing on postsecondary readiness and credit recovery. I strongly support HB21-1232 which would establish a standardized health benefit plan to lower premiums and increase opportunities for purchasing insurance coverage across Colorado.

I chose a career in adolescent mental health because I believe every young person should have the tools and support they need to live a fulfilling life regardless of socio-economic barriers. Mental wellness is just as critical to preventative health as physical wellness. Yet, it sees the same inaccessibility issues (e.g. high cost and network inadequacy). In fact, public schools are the biggest mental health provider for young people and for many students it is their only option for care. The issue with this option is that school-based mental health providers are stretched thin and often cannot provide the treatment students need to heal.

In my work, I spend significant time conducting suicide assessments- an emergency intervention. When a student needs acute or ongoing mental health care, I will refer them to a provider out of the school setting because I do not have capacity. For my students who come from mixed status families or families who cannot afford insurance, they often never receive that recommended care because their parents cannot afford insurance. If there was a low-cost coverage option available, comprehensive care would be possible and my students wouldn't fall through the cracks. This bill would slow the cycle that puts immense pressure on the public school system and leaves my students without critical treatment. As a licensed social worker, this bill is a good step towards increasing the availability and quality of affordable mental health care for kids who need it most. My students deserve an option.

Health care corporations are designed to make money, not healthy people and communities. It is time for accountability and affordability. As a mental health care provider, I support this legislation. We must act now to lower the cost for coverage, so our communities can get the treatments they deserve at every level of care. I urge you to vote yes on HB21-1232. Thank you.

Sincerely,
Marisa Santarella, MSW, LSW

Dan Weaver
HB21-1232 Testimony
Senate Health & Insurance Committee
May 17, 2021

Madam Chair and Members of the Committee,

Thank you for the opportunity to provide written testimony against HB21-1232. My name is Dan Weaver, and I am one of about 100,000 health care workers in our state who are dedicated to patients and ensuring that hospitals deliver the very best care and quality.

UCHealth, where I work, is focused on lowering the cost of care, increasing access to lower-cost care options (like primary care, urgent care, virtual urgent care and ambulatory surgery centers), and improving quality and safety – which also lower the overall cost of care.

UCHealth and our social work teams are also addressing social determinants of health – helping our patients with housing, food insecurity, increasing access to behavioral health services, and providing primary care and behavioral services for high-utilizers of emergency departments.

Further, we are advancing the shift to value-based care instead of the old, fee-for-service model. Medicare, payers and providers across the nation are shifting to value-based care to deliver higher-quality care at lower prices.

Instead of advancing these proven methods to reduce costs, HB21-1232 uses rate-setting to cement the antiquated fee-for-service model. Providers would be paid low rates – sometimes lower than the actual cost of care – for providing medical care when needed. There seems to be no incentives for keeping people healthy or improving quality and safety.

Further – the large hospitals that provide ICU-level care, specialty services and care for the largest number of the state's uninsured and Medicaid patients will receive the lowest reimbursement rates. The most expensive hospitals in the state – like those in Vail and Aspen – will receive some of the highest reimbursement rates.

This is simply bad policy.

Further, the government price controls in this bill are unrealistic. Choice, competition and the quality of care we can provide patients will all suffer. Excellent nurses and doctors will leave Colorado. I am concerned my coworkers could face salary freezes, or worse - layoffs. It is simply not realistic to think that a 20% reduction in revenue for **any** business wouldn't result in negative consequences.

House Bill 21-1232 is well intentioned, but it's the wrong way to go.

Colorado currently has some of the lowest insurance premiums in the nation. Colorado is ranked as having some of the nation's lowest hospital prices. Further – insurance premiums in Colorado have grown at the 2nd slowest rate in the nation over the past 5 years.

I ask you to please oppose HB21-1232, or to support amendments that could reduce the negative impacts of the bill.

Thank you for the opportunity to share my concerns.

Sincerely,
Dan Weaver

TAXPAYERS PROTECTION ALLIANCE

**Colorado State Senate
Senate Health and Human Services Committee
May 17, 2021
David Williams, President, Taxpayers Protection Alliance**

Good afternoon, my name is David Williams, President of the Taxpayers Protection Alliance (TPA). TPA is a free-market consumer and taxpayer watchdog organization. We strongly oppose House Bill 1232, which would lead to price controls and rate-setting for healthcare services. Our research shows that price controls lead to doctor shortages and worsening care for patients.

The legislative process around House Bill 1232 has unfortunately been shrouded in uncertainty. While I appreciate the opportunity to testify today, details of the proposal have been largely excluded from a political process that is supposed to be transparent and open to the public. In fact, just days before the protracted debate on the public option, it was reported that House Bill 1232 wasn't a public insurance option at all.

But, public option or not, it is clear that government price controls are once again being pitched as the cure to healthcare problems in Colorado. House Bill 1232 would empower the unelected Commissioner of Insurance to mandate arbitrary prices based on the whims of politicians. Unfortunately, lawmakers who support rate-setting have given little thought about how price-setting would affect patients across the state, the doctors who serve them, or the entire healthcare system that supports them.

As the Colorado General Assembly has considered House Bill 1232, it is the big insurance companies that have been pressuring lawmakers to include government rate-setting as the mechanism to control prices within that taxpayer-funded public insurance option. It's easy to see why the big insurance companies are pushing for rate-setting: it would lower the amount they would have to pay out to doctors. Meanwhile, the big insurance companies would continue to take in big money to provide the price-controlled coverage. In other words, the big insurance companies are simply aiming to line their pockets at the expense of taxpayers and at the peril of patients and their doctors.

Manipulating prices ignores the role they play in our economy. Prices are just information. Trying to manipulate prices without addressing the underlying issues is the equivalent of covering your car's check engine light with a sticky note. It's likely to make the problem a lot worse down the road.

This rate-setting would inevitably lead to a scarcity of care and reduction in quality. Rate-setting would result in fewer doctors being available to see patients in Colorado. There would be fewer ambulances and fewer urgent-care facilities. This isn't just hype. There is evidence from California to see what would happen if rate-setting were instituted in Colorado.

Lawmakers in California tried a similar rate-setting approach to the one contained in Colorado House Bill 1232, and the effects have been devastating. Doctors reported that they were considering leaving California when they were no longer able to negotiate with the insurance companies and this would result in patients having to travel farther and farther to access even the most basic care, let alone more specialized medical procedures. Doctors surveyed in 2019 as part of a comprehensive study in the American Journal of Managed Care reported that any say they once had in pay and quality has gone by the wayside, effectively sidelining small practices and giving increased clout to the very largest insurance companies. These large insurers already rake in billions of dollars in state and federal subsidies, and now have the benefit of these onerous

**Taxpayers Protection Alliance, 1401 K Street, NW., Suite 502, Washington, D.C. 20005 (202) 930-1716
www.protectingtaxpayers.org**

The logo for the Taxpayers Protection Alliance is a dark blue rectangle with the words "TAXPAYERS", "PROTECTION", and "ALLIANCE" stacked vertically in white, all-caps, sans-serif font.

TAXPAYERS
PROTECTION
ALLIANCE

price controls as well. It's no surprise that in California, the number of patient complaints has gone up by roughly 50 percent.

Doctors took a huge pay cut, and there were consolidations across the healthcare market, leaving patients with fewer and more distant options for care. And, as you can imagine, fewer options means rural patients and doctors will be affected the most.

Advocating for government rate-setting as a "fix" to healthcare costs via a public option allows lawmakers to posture and claim they are simply responding to a pressing problem, instead of radically redesigning the healthcare system to give big insurance another big payout. Colorado deserves better. New York and Texas have passed healthcare bills prohibiting rate-setting without experiencing any scarcity of care. As a result of rejecting price controls and implementing a market-based approach, New York was able to lower out-of-network billing by 34 percent and reduce in-network emergency physician payments by 9 percent.

Setting up voluntary negotiation processes has led to a better situation for everyone involved, including patients, doctors, and insurers. According to a 2019 Georgetown University Health Policy Institute report tracking New York's process, doctors and insurers have been able to come together and compromise on billing disputes. This is demonstrably superior to a lopsided system that favors one group of special interests against all the others. Colorado can stand to learn from this approach, rather than pushing for heavy-handed regulations that increase healthcare cronyism.

Colorado lawmakers have not been upfront with the citizens of Colorado. If House Bill 1232 is enacted into law, patients would suffer, and insurance companies will profit from unfair regulations that stifle choice and competition. Coloradans should be asking their lawmakers whether the government price controls in House Bill 1232 are really just another big payout for big insurance rather than a fair, impartial market-based approach.

Dr. Warren Dorlac
Trauma Surgeon

To: Senate Health & Human Services Committee
Re: HB21-1232
May 14, 2021

Madam Chair and Members of the Health & Human Services Committee,

My name is Warren Dorlac and I am the Trauma and Emergency General Surgery Medical Director at Medical Center of the Rockies in Loveland Colorado, a level II trauma center serving northern Colorado and the surrounding western state regions. I am a surgeon who specializes in trauma, emergency general surgery and surgical critical care. I am also a retired military surgeon. The vast majority of the patients that our group of 10 surgeons care for are in distress and not presenting electively but rather with an urgent or emergent problem.

As written currently, we oppose HB21-1232.

A couple of key facts for this committee to remember:

1. Trauma and emergency surgery are traditionally underfunded across the U.S. Most major trauma centers fund trauma care by pulling resources/funding from other areas or from external support like local/state and the federal government in order to keep these critical access services flowing.
2. CMS already disproportionately underfunds general surgical care and procedures versus other specialties.
3. Trauma also receives the lowest NIH funding vs any other disease.

UCHealth is a major provider of advanced trauma and emergency surgery across both Colorado and the western states region. This service and expertise, backed up by our premier quaternary referral center at the Anschutz Medical Campus, is provided to patients regardless of insurance status or ability to pay.

When looking for a place to practice after my 26 years of service as a trauma surgeon in the Department of Defense, I found that there were far too many states and systems that don't truly support critical access care for all like we do here. This commitment to excellence and access to care are two of the major reasons that all members of our group have elected to work in the state and for the UCHealth system.

The Public Option legislation has the potential to dramatically alter the availability of these critical access surgical services. Dramatically cutting reimbursement amounts will prevent needed investments and threaten our quality health care.

Due to state population growth alone, our system's facilities are already stretched thin, have outgrown the infrastructure and will require a major capital investment to expand to meet our patients' needs. If the hospital systems do not take on that huge burden, then who will?

It should be noted that all of these critical services have been fully maintained at great cost to hospitals despite the recent burden placed by the COVID pandemic.

For these reasons and those articulated by my many colleagues in opposition, I am asking you to vote no on this bill.

Sincerely,

Dr. Warren Dorlac

Dear Members of the Colorado Senate Health and Human Services Committee,

Thank you for the opportunity to share my experiences as a physician and my support for HB 1232.

My name is Scott Nelson and I'm a retired physician specializing in otolaryngology. I currently volunteer my time at a medical clinic in Boulder and I'm honored and humbled that I get to continue to care for their health and wellbeing of people in my community.

Throughout my career, I've seen that a lot of people don't get the care they need because of the cost which is why I write to urge you to pass the Colorado Option. The Colorado Option can mean the difference between families getting the relief they need and leading rewarding lives, and the present situation, which is really not tenable. The Colorado Option would require insurance corporations, which continue to make massive billion-dollar profits even during the COVID-19 pandemic, to reduce premiums.

The Colorado Option is an important change from the broken status quo. The Colorado Option places the burden of controlling skyrocketing health care costs on the insurance corporations that currently control increases in premiums, increases in out-of-pocket costs, and increases in deductibles. Premiums, out-of-pocket and deductible costs keep going higher every year, with no transparency and no accountability, and no input from the families these corporations are supposed to serve. Insurance corporations have immense, unfair power and leverage in the health care industry that silences the voices of Colorado families and, unfortunately, the voices of too many physicians as well.

I am also an active and dedicated member of the Colorado Medical Society. I know for a fact that the insurance industry is putting a lot of pressure on CMS as an organization to oppose the Colorado Option. The overwhelming majority of my colleagues in the CMS are hardworking, compassionate medical professionals committed to caring for our patients. Without pressure from the insurance industry, more doctors would support the Colorado Option compared with those who oppose it.

I promise my medical colleagues that if we look at HB 1232 with the clear, objective and compassionate approach we would take when assessing a patient who presents before us, we will find real and significant reforms that benefit our patients and their families.

I urge the Senate to pass the Colorado Option without delay.

Thank you for this opportunity to testify today.

Dr. Scott Nelson, MD

Elicia Bunch
Vice President, Behavioral Health
UCHealth

To: Senate Health & Human Services Committee
Re: HB21-1232
May 14, 2021

Dear Madam Chair and Members of the Committee,

In recent years, UCHealth has been expanding our behavioral health care offerings across the state – and, importantly, increasing access for patients who need these services. We have integrated behavioral health into primary care clinics, offering comprehensive care with teams of internal medicine and family medicine physicians. Now, psychologists and licensed therapists work together with primary care physicians so patients can receive behavioral health care in the same place they see their regular doctor.

We now offer virtual visits for behavioral health care, which we quickly expanded when the COVID-19 pandemic closed many doctors' offices for routine appointments, giving patients the choice to visit with their mental health provider from the comfort of their own home. We are also building a new inpatient behavioral health unit at University of Colorado Hospital, and we provide in-person or telehealth access to psychiatrists and/or social workers 24/7 for patients in our emergency departments and hospital units.

This is all part of UCHealth's \$150 million investment in behavioral health over five years, including \$25 million in philanthropic donations matched by UCHealth. This is the region's largest and most comprehensive investment, dedicated to the detection and treatment of substance-use disorders, depression and anxiety, and other mental health conditions. We are also expanding services at UCHealth's Mountain Crest Behavioral Health Center in Fort Collins and at the Center for Dependency, Addiction and Rehabilitation (CeDAR) in Aurora, which offers residential addiction treatment including a medically supervised detox program and outpatient services.

Providing behavioral health services is not a "money-maker" for providers. In fact, health care systems rarely are reimbursed for the full cost of these services. This is why access to behavioral health has been so limited over the years. It is a priority for UCHealth to care for the behavioral health needs of Coloradans, despite reimbursements being nowhere near the cost of care, because we recognize that to care for a person's physical health their mental well-being also must be considered essential medical care.

House Bill 21-1232 dramatically reduces reimbursements to hospitals that provide high-quality, specialized care. In fact, new estimates show the government price controls would reduce reimbursements to UCHealth by 40-50% – which means UCHealth may need to find other ways to pay for things like behavioral health. Reducing behavioral health access as a result of House Bill 1232 will severely impact patients at a time when they most need these services.

UCHealth is also the largest provider of Medicaid services in Colorado, caring for 661,000 Medicaid outpatient visits and admissions in FY20. Though proponents of House Bill 1232 seek to increase access for underserved patients in our state, we fear the opposite will happen. Such dramatic cuts in reimbursements will force hospitals to make significant reductions in expenses.

House Bill 1232 is the wrong idea and could cause harm to our communities. While reducing health care costs and insurance premiums must be a priority, this bill will cause serious unintended consequences. We cannot risk Colorado's health care system or the behavioral and physical health of our residents.

Thank you for considering how House Bill 1232 risks the behavioral health needs of the people it aims to help.

Sincerely,

Elicia Bunch



Colorado
Psychological
Association

Phone: 303-692-9303 Fax:
303-770-1614
info@coloradopsych.org
www.coloradopsych.org

Dear Representative Roberts, Representative Jodeh, and members of the Colorado General Assembly,

The Colorado Psychological Association (CPA) is writing to you today to express our members concerns with HB21-1232: Standardized Health Benefit Plan Colorado Option, as drafted. First, we'd like to thank you for your commitment to expanding affordable and equitable healthcare coverage and access to all Coloradans. CPA shares these goals and has a history of advocating for expanded coverage and parity for behavioral health services both at the state and federal level.

CPA appreciates the work done so far on the proposed legislation specifically removing the revocation of licensure in the original bill. However, CPA members are still concerned about two provisions within the newest version of the bill on page 27, lines 16-27 and page 28, line 1-10:

1. The ability of the insurance commissioner to require a healthcare provider to participate in a standardized plan and accept the set reimbursement rate.
2. The ability of the insurance commissioner to levy an up to \$5,000 penalty on a healthcare provider who refuses to participate in the standardized plan or accept the reimbursement rate.

CPA heard from our members that these two provisions would force licensed psychologists to take on more cases to meet the needs of their business and livelihood which in turn causes burnout, deterioration of quality of care, and worse client outcomes. Requiring providers to participate in the plan and receive the identified reimbursement rate, also doesn't consider the expenses of their business as well as the student loan burden our members carry. Given the already existing shortage of mental health providers in Colorado, CPA believes it is likely that our members may be compelled to join a plan as outlined under the provisions of the bill.

We respectfully request that you consider removing the fine for not participating in the plan because this condition will impact our members businesses and patient care. We also urge the sponsors to consider a different approach to mandatory participation such as looking at higher reimbursement rates for the mental health services within the standardized plan which then would put pressure on the whole market to raise reimbursement rates and even compel mental health professionals to be more attracted to serving patients under the standardized plan. With changes that focus on incentivizing providers to join the standardized plan instead of penalize them, CPA would gladly support HB21-1232.

Thank you for your consideration and please don't hesitate to reach out with any questions.

Erin Baurle, President, Colorado Psychological Association

Erin Baurle, PhD 5/11/2021

Senate Health & Human Services

HB21-1232 Standardized Health Benefit Plan Colorado Option

Typed Text of Testimony Submitted

Name, Position, Representing	Typed Text of Testimony
Jeff Chamberlain Against Self	<p>My name is Jeff Chamberlain and I am a board-certified obstetrician/gynecologist. I provide comprehensive obstetric and gynecologic care for women from Routt and surrounding counties and the full scope of gynecologic surgical services, all at UCHHealth Yampa Valley Medical Center in Steamboat Springs.</p> <p>I'd like to share several concerns about HB21-1232. First – this bill directly threatens my license and my ability to care for patients. Specifically, the bill would force me to accept reduced rates set by the Commissioner of Insurance and would authorize the state to take disciplinary action on my license if I do not accept all patients who are covered by the new Colorado Option plan created by the state. I would have no input in the plan or the reimbursement rates, yet my medical license could be suspended if I do not comply.</p> <p>Second, I want to share that I have experienced the disastrous effects of single payer reimbursements and rate setting in health care. I was born in Edmonton, Alberta, Canada, and my father was also a board-certified OB/GYN who trained and practiced in Alberta in the 1970's through 1990's as Alberta was settling into its socialized medicine program. In the early 1990's the Alberta provincial government chose to cut health care spending by 16% which directly affected reimbursement rates for providers. My father and many other physicians and nurses chose to leave Canada rather than to have their compensation slashed. We moved to the U.S. along with many others. This will happen in Colorado if this bill passes and if state-imposed reimbursement rates slash the compensation of our dedicated nurses, doctors and staff members.</p> <p>This bill has other problems – from not giving providers and health insurance companies credit for the work they've done in recent years to reduce premium prices, to using 2021 and its pandemic-skewed numbers as the benchmark year, to giving unheard of authority to a non-elected bureaucrat.</p>

	<p>Ultimately, I believe HB21-1232 sets up doctors, hospitals and insurance companies to fail, and the poorly-planned public option would cause serious damage to our state and the quality health care we provide our residents.</p> <p>I urge you to vote no on advancing HB21-1232 in its current form. Partner with providers and health insurance companies to improve health care quality and affordability to continue the progress made in recent years.</p> <p>Sincerely,</p> <p>Jeff Chamberlain, MD, MS, FACOG</p>
<p>Angel Merlos Against The LIBRE Initiative</p>	<p>Committee Chair Fields and members of the Committee, thank you for reading my written testimony today.</p> <p>My name is Angel Merlos, Coalitions Director for the LIBRE Initiative-Colorado. Our mission is to empower the Hispanic and Latino community to reach their full potential. Striving to remove barriers that keep members of this community from pursuing their potential.</p> <p>Healthcare costs has become a barrier for many members of our Community. We appreciate legislators working on bettering our healthcare but HB21-1232 is not the answer to our Healthcare problems. We need to expand access, offer better quality healthcare, and bring cost down with affordability. HB21-1232 would reduce access to healthcare to Coloradans especially Hispanics in rural areas and vulnerable communities.</p> <p>Lawmakers made the right decision when they offered to scrap the Colorado Health Insurance Option from their health care reform bill, HB 1232, with a new amendment.</p> <p>The solution to these problems is not to double down on what's causing them. Instead, it's a health care personal option that lowers costs, promotes price transparency, and places the patient — not bureaucrats and insurance companies — at the center of care.</p>

	<p>We urge a not vote on HB21-1232 that would bring more unnecessary harm to patients and providers.</p>
<p>Taj Kattapuram Against Colorado Radiological Society</p>	<p>Dear Senators on the Health and Insurance Committee,</p> <p>Thank you so much for your service and time. I am sorry I could not stay for remote testimony, and I applaud your willingness and ability to sit for 6 hours.</p> <p>My name is Taj Kattapuram, MD and I'm a physician speaking on behalf of the Colorado Radiological Society, representing the approximately 575 radiologists who deliver imaging interpretation and minimally invasive imaging-guided services in the state, in strong opposition to this bill.</p> <p>I listened to the testimony of many in opposition prior to having to sign off and we share the same concerns. Rather than waste your time reiterating the reasons for opposition, I will simply re-state what our esteemed Senator Donovan said at the very beginning.</p> <p>"This bill has come a long way, and it still has a long way to go."</p> <p>Let us continue to work together toward a bill favorable for all stakeholders.</p> <p>Thank you!</p> <p>Sincerely,</p> <p>Taj Kattapuram, MD</p>
<p>Monique McCollum Against Self</p>	<p>Monique McCollum HB21-1232 Testimony Senate Health & Insurance Committee May 17, 2021</p> <p>Madam Chair and Members of the Committee,</p> <p>Thank you for the opportunity to provide written testimony against HB21-1232. My name is Monique McCollum, and I have serious concerns about how this bill may negatively impact the behavioral health and future of my children.</p>

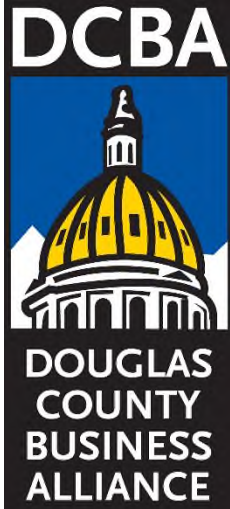
	<p>Early onset childhood schizophrenia, autism, generalized anxiety disorder, ADHD, developmental disabilities – these are all diagnosis that my children battle with every day.</p> <p>We can't go to just "any" pediatrician. Many are not used to working with children this young that have all these diagnoses at once. We need specialty care.</p> <p>If HB21-1232 passes with such steep reimbursement reductions imposed by government rate setting, hospitals and clinics will have less capacity to accept patients with Medicaid, especially those in need of mental health services. It is simply not possible to cut reimbursements to providers by up to 50 percent without reduced access for Medicaid and uninsured patients.</p> <p>Mental and behavioral health resources are scarce now. If this bill passes, even more services are at risk of being cut. Scheduling appointments for my kids and finding specialists willing to see them will become far more difficult.</p> <p>My children and others who are covered by Medicaid for their mental health needs will be some of the first ones to feel the full impact of the negative consequences of this well intended but poorly thought out bill.</p> <p>I urge you to reconsider HB21-1232 and either reject it outright or allow amendments to be made to protect our providers, our hospitals, and our state's patients. The future of Colorado's health care and the mental health of my children are at risk.</p> <p>Thank you for the opportunity to share my concerns.</p> <p>Sincerely, Monique McCollum</p>
Christina Hixson	My name is Christina Hixson.

<p>Against Self</p>	<p>I have been vocal over the last several weeks about my opposition to HB 1232. I will continue to be vocal on this topic as I am worried House Bill 21-1232 will cause serious, unintended consequences and harm the work now underway to improve quality and address those social determinants of health that our low-income patients sometimes experience.</p> <p>HB 21-1232 punishes doctors, nurses and hospitals, and it doesn't take into account the significant work that has already been done. The reimbursement cuts in the bill will be devastating especially for my hospital, while some of the most expensive hospitals in our state actually receive reimbursement increases. This is unfair and bad policy.</p> <p>And worse, it threatens the very programs that are having positive impacts on our community. After more than a year of fighting COVID-19, now is the time to rebuild our state's health care system, not damage it. Now is the time to support nurses and other caregivers around the state, not threaten their jobs. Now is the time to thank physicians, not threaten their licenses or drive them out of our state. HB 21-1232 is well intentioned, but it's the wrong direction. It will damage our state's high-quality health care.</p> <p>I ask you to please vote no on this bill in its entirety or to support amendments to ensure that complexity of care, quality and safety are appropriately compensated through the reimbursement rates set by the bill.</p> <p>Hospitals that treat the sickest and most acutely ill or injured patients should be reimbursed at a sustainable rate that reflects actual costs, but certainly not lower than those hospitals that only treat minor conditions.</p> <p>Thank you, Christina Hixson</p>
<p>Linda Schiller For Young Invincibles</p>	<p>Thank you to the Senate Health & Human Services Committee for reading my comment. My name is Linda Schiller and I am a research fellow at Young Invincibles and am currently applying to medical schools. I have also been volunteering at Colorado Consumer Health Initiative, or CCHI, a nonprofit healthcare advocacy organization.</p>

	<p>I've done a lot of volunteering in different health settings in the past, but working with CCHI has been eye-opening - I've called, texted, and read transcripts and quotes from their outreach campaigns to Coloradans. Through this volunteering, I've heard countless people talk about how they choose between paying for their health care and buying groceries, or how they give up their own medications so that they can afford to buy their family's prescriptions.</p> <p>This is no way for Coloradans, or for any of us, to live. Sometimes it makes me wonder how much good I will actually be able to do as a doctor if I am still simply working in a system where people can't afford the care they need, so they don't even bother to see a doctor. If people are uninsured and can't afford their care or medications, it doesn't matter how well their doctors treat them.</p> <p>It might sound cliché to say I'm going into medicine to help people, especially because it's much more complicated than that. What is the point of getting a medical education to help people if so many people can't afford health care? I used to think that good patient care was the main thing that mattered in health care, but now it is so clear to me that without adequate or affordable insurance coverage, patients are lucky to receive any kind of care.</p> <p>That is why I'm in favor of HB21-1232. Our state should be doing better for Coloradans, and it CAN be. Health care is a human right, not a privilege, and lack of insurance coverage should not be a deciding factor in someone's health. I urge you to vote yes on HB21-1232.</p>
<p>Liza Kindl For Self</p>	<p>Affordable health care is vital for any state that values independence and innovation. When health insurance is tied to our jobs, the need to protect and provide for our families stands between Coloradans and the risk of starting a new business or betting everything on the next big idea. The looming threat of medical debt blocks our way to independence and keeps Colorado's potential held hostage to maintaining insurance at almost any cost.</p>

	<p>To be a state that truly supports small business means paving the way for entrepreneurs who</p> <p>take great risks to benefit our economy. This means providing access to affordable insurance</p> <p>not tied to "keeping our day job".</p> <p>Small businesses are burdened by the need to provide insurance and large businesses are</p> <p>forced to either absorb huge costs or pass those costs along to their employees. This keeps</p> <p>money out of our pockets, out of our economy, and into for-profit insurance companies' coffers.</p> <p>A standardized Colorado Option, passed by Coloradans and based on our values, would benefit</p> <p>each of us. Lack of affordable health insurance holds us all back.</p> <p>We need the Colorado Option to boost our economy, spur innovation, and allow us to take risks</p> <p>to improve our lives. An affordable, standardized option for health insurance represents the best</p> <p>of Colorado, and it is within our power to make it happen.</p> <p>We can tell our elected representatives that to be successful we need the Colorado Option, and</p> <p>together we can make our voices heard.</p>
<p>Joseph Caldwell</p> <p>For</p> <p>Chronic Care Collaborative</p>	<p>Madame Chair and Members of the Committee,</p> <p>My name is Joe Caldwell and I work for the Chronic Care Collaborative on policy issues affecting Coloradans living with chronic conditions. I am writing today in support of House Bill 1232, for the creation of a Standardized Health Benefit Plan in the state of Colorado.</p> <p>The Chronic Care Collaborative represents nearly 40 voluntary health organizations, each respectively representing a wide range of chronic diseases. According to the State of Colorado's Chronic Disease State Plan 2018-2020, 61% of adults in Colorado have at least one chronic disease. For those over 65, the prevalence of chronic disease goes up to nearly 90%. While every condition we represent presents its own unique range of symptoms to manage or treat, many experience similar barriers in access to quality, affordable, and integrated care.</p>

	<p>Furthermore, chronic disease impacts all demographic groups, however, specific communities experience increased barriers, risk factors, and disease incidence therefore improved health equity is a critical component in all health policy conversations. For example, according to the Colorado Chronic Disease State Plan, compared to white patients, African American and Latino populations have higher incidence of colorectal cancer, higher incidence of lung and prostate cancer among males, and higher overall cancer mortality rates. Among those living with chronic diseases, lower income families, older adults, communities of color, and rural populations often experience more access barriers to health care. COVID-19 has helped shed light to many health disparities and now is the time to address them with policy solutions.</p> <p>Most Coloradans living with chronic conditions are no stranger to surprise bills, fluctuating out-of-pocket costs that change year-to-year (or sometimes even mid-year), and a lack of transparency around their cost of care. Many Coloradans living with chronic conditions are dependent on stable and uninterrupted treatments so they can contribute in meaningful ways. We believe that a standardized plan, as proposed in HB 1232, will provide security and stability to Coloradans living with chronic conditions. We are hopeful that the proposed legislation will help to stabilize out-of-pocket costs for our members in a comprehensive way across their health care costs.</p> <p>I want to thank you for your time today and the opportunity to testify in support of HB 1232.</p>
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Frank Gray, Chair, Douglas County Business Alliance
Written Testimony

Madame Chair and members of the committee, thank you for considering our comments. I represent the Douglas County Business Alliance, a collaboration between the Castle Rock Chamber of Commerce, Parker Chamber of Commerce, Castle Rock Economic Development Corporation, and Northwest Douglas County Chamber & Economic Development Corporation. We urge you to vote NO on HB21-1232.

This has been an incredibly difficult year for the Colorado business owners and their employees. But it has been even harder for healthcare workers in our hospitals. Not only have they been fighting COVID-19, but they have also been fighting huge budget cuts because of the pandemic. They have been there for us, putting their patients and communities first, despite the terrible toll that hospital systems and their staff have suffered. A big thank you to our front-line workers!

Today, hospital systems in Colorado are facing budget shortfalls in the billions of dollars due to the demands of fighting the pandemic. In terms of job losses, healthcare is one of the hardest hit sectors of the state economy.

Before the pandemic, the healthcare sector was one of the strongest parts of our state economy. Healthcare systems play an extremely important role in our communities and local economies, too.

Before the pandemic, Colorado hospital systems employed more than 70,000 healthcare workers. In fact, 10 years ago, after the Great Recession, investment in the healthcare sector helped our state recover much faster than the rest of the country.

It will take many years for these critical institutions to achieve financial stability and recovery. Our state government should not be digging a deeper financial hole for these hospitals by cutting their revenues.

Our system is just now beginning to recover from the epic year of 2020. Saddling new and extreme mandates will have devastating consequences. In fact, a recent [Common Sense Institute](#) report estimates job losses could climb as high as 5,400 people – 5,400 healthcare heroes. The very people who have put their lives and health on the line to care for all of us during the pandemic.

The last year has taken its toll and we simply must do everything we can to save jobs and keep Coloradans in the workforce.

What's more, we are doing a good job today – without this legislation. Over the last three years, the average benchmark premium in the ACA marketplace has fallen 28% in Colorado, and our benchmark premiums are 22% below the national average.

When it comes to public policy, particularly one as significant as a government-run health care system, facts and data matter. We simply cannot afford to make mistakes when it comes to our healthcare system. It is too important to our healthcare heroes.

For these reasons, I urge you to vote NO on HB21-1232.

Respectfully,
Frank Gray Chair- DCBA

Hello, my name is Danielle Andrade and I am one of the thousands of health care workers in the state of CO.

If HB21-1232 passes, it will have serious negative impacts to hospitals, patients and community partners. The reduction in reimbursements in an already turbulent time in healthcare would be catastrophic to care delivery as we know it. In a time where we need to be focused on health equity, HB21-1232 will decrease access to quality health care in communities of color. According to a FTI Consulting Report, published in February 2021, introducing a state government option would result in low-income Coloradans being disproportionately impacted. This bill reduces access to health care services. Hospitals fill a gap in health equity for minority populations seeking the majority of their healthcare needs at a hospital. The state government option would result in hospital closures, elimination of innovation and outreach to only further worsen access challenges for minority populations.

Manning, S. H., PhD. (2021). Colorado Government Option: Impact on Racial and Ethnic Minority Groups. FTI Consulting.

We want our hospitals changing the way care is delivered--investing in research, programs to address social determinants of health, behavioral health programming and more. With the significant cuts in reimbursement driven by HB21-1232, these service lines simply can't be maintained. We should be working together to improve the lives of Coloradans and reduce the overall cost of health care. Those caring for the majority of the Health First Colorado patients, will receive the lowest reimbursement rates if HB21-1232 passes. The inequity in the reimbursement formula set by the sponsors and the Governor's administration alone speaks to who will really be hurt by this bill--and it's not those in our beloved mountain towns. It's those hospitals providing care for the sickest of patients. The bill must adjust for social and clinical acuity. HB21-1232 isn't value. This isn't incentivizing quality care delivery, it's the opposite--the patients and clinicians lose. Care after COVID should be well distributed across Colorado, meeting the patients where they are at; it should put decisions and resources into the hands of clinicians at the bedside. Care needs to shift away from governments and large insurers and go back to the communities being served by hospitals. The COVID-19 crisis has been a magnifying glass to what's broken in our system. We know community health and outreach to the underserved populations is urgently needed. HB21-1232 would accelerate us towards healthcare destruction in Colorado. It's time to rebuild what was lost over the last 15 months. Support those who showed up to treat patients day in and day out, not threaten their job security via lack of funding. I ask that you please support amendments to ensure complexity of care. Quality and safety should be appropriately compensated through the reimbursement formulas set by the bill. Hospitals treating the most acutely ill or injured patients should be reimbursed at a sustainable rate relative to actual costs and certainly not lower than hospitals only treating minor conditions and transferring the sickest of patients to Front Range hospitals. Thank you for your time and consideration. Best wishes to better times in healthcare for all.

Danielle Andrade, RN, BSN, CCM, NHA

My name is Jeanine Prescott and I live in El Paso County. I am writing to ask for your support for HB1232. I believe there is an opportunity in this bill through the standardized plan to set more affordable cost-sharing measures. In my case, this is particularly a concern with the currently unaffordable out-of-pocket costs I pay for Durable Medical equipment (DME). Controlling cost-sharing for DME will make the critical equipment used to administer life-saving insulin for patients like me more affordable and accessible.

- I was diagnosed with brittle T1D when I was 2 years old- almost 37 years ago this November. I do not remember a life without this chronic illness because I was born this way. What I do remember is being kicked off my mother's health insurance when I turned 18 and started college in 2001- the Affordable Care Act would not become law for another 9 years and not be fully implemented for another 4.
- When I lost my insurance, I also lost coverage for my insulin pump- a critical piece of DME that delivers life-saving insulin via an infusion tube connected to a plastic cannula inserted under the skin. I would be forced to use a vial and syringe to administer multiple insulin injections which was substandard care for my serious condition. As a result, I was hospitalized several times due to diabetic complications. It was beyond stressful to deal with my healthcare needs while trying to earn a college degree.
- In 2014 I was able to afford to use an insulin pump again through my employer-provided coverage with Anthem Blue Cross Blue Shield. Although I was overjoyed, the initial cost of the pump, plus the special glucometer, and 3 months of infusion sets/insulin reservoirs cost a whopping \$1,700- because DME is subject to the health insurance deductible plus 20% coinsurance. I am now insured with Kaiser Permanente and the cost of their diabetic care, including DME, is abysmal at best.
- This is just a fraction of the items I need to manage my brittle T1D. This does not include IV tape, alcohol swabs, and AAA batteries for the pump itself, or the \$900 a year for the replacement infusion sets and reservoirs. These charges are separate from my Dexcom Continuous Glucose Monitor (GCM) which also costs \$600 per year for replacement pieces. This does not include the insulin itself at \$340 per year or the glucagon tablets for hypoglycemic incidents (\$50 per year) or other maintenance medications I take (\$360.00 per year) This does not include quarterly visits to the endocrinologist (\$425 per year), yearly visits to the ophthalmologist (\$40), or the special dental cleanings required 3 times annually to protect from gum disease (\$410). This does not include the cost of a special diet. KEEP IN MIND, THIS DOES NOT INCLUDE MY YEARLY PREMIUM, which costs a whopping \$3,960.

****(I put aside \$2,600 a year for pre-tax medical expenses through a flex-spending account (FSA). which severely diminishes my take-home pay as an educator).****

- **My point is, out-of-pocket and DME costs cannot be considered in isolation. Patients requiring DME have some of the most serious medical conditions that require complex, consistent, AND currently costly maintenance.** Moreover, in the case of T1D, pumps and CGM's are inextricably tied to insulin as a method of administration, just like syringes were to vials of insulin in the decades prior to pump technology. These things are just part of a larger, more intricate care plan that allows me

to stay out of the emergency room and avoid complications that are costly to myself, my insurer, the health care system, and my employer.

- I am asking for you to support the Colorado Option proposed in HB1232 today because there is an opportunity to set more affordable standards for out-of-pocket costs that help people like me access the DME, medications, and treatment we need. **Health care consumers are human beings, not profit margins. Thank you,**

Good afternoon Madam Chair and esteemed members of the Senate Committee.

It is truly an honor to be amongst you today. My name is Dr. Drew Updike, and I am a practicing Hospitalist as well as a system Medical Director of Coding & Health Information Management.

Drs. Reidy and Randall have already reiterated the inherent risks in this Bill far better than I can. I'll preface my opinions are my own and not those of the CU School of Medicine or UHealth, although I want to emphasize that the lessons these organizations have taught me on collaboration shape what I am about to tell you.

In my combined clinical and administrative job, one responsibility I have is convincing insurers NOT to deny the medical necessity of the claims filed for our patients. Last Friday, one of our payer partners denied 4 patients coverage for their hospitalizations, and I was able to help them overturn 3 of those; today we were 2 for 2. Do you know why commercial payers deny claims? As an ever-optimist seeing the best in people and organizations, I don't think it's because they are ill-intentioned. I think it's because they are stressed – even the behemoth commercial insurers are stressed. If they had a 20% margin, do you think they would be paying board-certified doctors – whom I can assure you have a good deal of clinical acumen – to nitpick with me over whether patients meet admission criteria, only to lose 5 out of 6 cases? No. This behavior only occurs because the margin in a Fee-For-Service world is MUCH less than what we believe.

During the history of House Bill 21-1232, I reconnected with a former colleague who had been the CEO of Blue Cross Blue Shield of Louisiana in the post-Katrina days. He and others formed a state-wide coalition of payers, providers, and legislators to re-examine financing of healthcare in Louisiana, and what they found may surprise you. The actual margin for a commercial payer – after controlling for operational costs and brokerage fees – was about 6%, if you're lucky.

The 2007 Coalition of Leaders for Louisiana Healthcare's goal was a 20% reduction in cost, akin to what we are targeting to stymie what we all recognize as the unsustainable rise in healthcare spending. From their vantage point, proposing another fee-for-service plan wasn't an option; every cost that could be controlled had already been squeezed out of the fee-for-service contracts; it was a dead-end street. The only way to accomplish the goal was to re-imagine how to both provide & pay for services – and the Accountable Care Organization methodology was modeled. Actuarial analysis demonstrated a magnitude of 20% savings in Louisiana's Region 1 – Orleans Parrish – the most socioeconomically challenged area in the state.

Why am I comparing one of the nation's worst states in health-outcomes to one of the nation's best states in health-outcomes? Because out of necessity comes creativity, and the comprehensive ACO plan designed by industry leaders and subject matter experts in Louisiana only had one fatal flaw – by fundamentally

challenging the status quo, it did not pass the political test. With the present bill proposal, the political will power exists to pass it – but I think we need to get out of our separate trenches and join forces, so that our collective expertise can very deliberately craft an ACO-like alternative to the fee-for-service model which is our real enemy whenever you talk about cost.

If you are considering whether to amend this House Bill prior to potentially passing it, we must make the ‘Standardized Plan’ meet two objectives:

- needs to accomplish a reduction in cost of 18-20% from current plans
- needs to ensure high-quality, readily-accessible care that accounts for cost across all continuums

Our payer partners are currently performing total-cost-analyses on their early-ACO pilot plans, so the waters are being tested. PLEASE let us articulate in an Amendment that this type of Accountable Care Organization is the fundamental structure of the HB 21-1232 Standardized Plan.

Earlier in my career, I thought the biggest weakness of the Affordable Care Act was all of its compromise – it did not go far enough. But now, I see that was its beauty. It has sustained the test of time because of compromise. Despite the back-and-forth about certain elements, it has a third-leg to stand on: consensus. The ACA opened the space for innovative Alternative Payment Models, now operating for the better part of the last decade.

This House Bill does not need to start from scratch – we have innovative payment models and care delivery here in Colorado and in other states that we can source to make this the best plan a patient can buy. If we do this right, if we do this together, we can Amend this bill so it will positively impact generations of Coloradans to come.

Thank you for your time.

Drew Updike M.D., M.P.H.
May 17th, 2021

Good day,

I am Tony Gagliardi, NFIB Colorado State Director. Currently NFIB Colorado has over 7,000 members. Ninety-two percent of my membership have fewer than 20 employees. The main tenet of NFIB is to protect the right of every individual to own, operate and grow their business.

I am here today on behalf of my membership to oppose House bill 1232. Colorado's state government option would put a political appointee in charge of designing a plan, by rule, with the ability to manipulate the private health care insurance markets and the small group market.

House bill 1232 places the future of Colorado's health care markets would be in the hands of an unelected political appointee.

The office of the Commissioner of Insurance is an extremely powerful office of State Government. The Commissioner's office has final say on any rate charged by an insurance carrier doing business in Colorado.

This bill is aimed at reducing premiums up to 18 percent by 2025. As I mentioned the power of approving rates is given to the insurance commissioner. In 2020 a carrier asked for a 12.2% rate decrease and was only allowed 5.1%? How can we ensure it does not happen with this bill when a carrier asks but is denied a premium decrease? Will our Commissioner be picking winners and losers? If that is the case it seems like there is a perverse incentive in this bill regarding the unchecked power given the commissioner.

Because the commissioner approves rates, would Hb 1232 not be creating a conflict of interest for the commissioner?

We believe the passage would lead to increased costs for millions of Coloradans and small businesses, hurt jobs and our economy, and threaten access to quality care.

We hear of constituents who pay extremely high rates due to health conditions. Suppose there is an individual who is paying \$2,000 per month because of a diabetic condition. I fully understand the life altering decisions that individuals facing the same circumstances must make. But what should the premium be for these individuals. \$1500 per month, \$1,000 per month? How do we determine what the premium should be and where do we shift the cost of reducing that premium?

House bill 1232 is not designed to work in our current insurance market. Under House bill 1232 private carriers would reach a point when they could no longer offer a competitive product in Colorado. This would be achieved by the required rate adjustments outlined in the bill. Private carriers would reach a point when the ability to compete because of House bill 1232 is near to impossible.

Until there is legitimate discussion regarding the factors that drive premiums such as the cost of care and utilization rates NFIB is opposed to passage of House bill 1232.

Some of those cost drivers are:

1. Physician, facility and drug costs. Data from the Organization for Economic Cooperation and Development have consistently showed the average unit costs for U.S. physicians, hospitals, facilities and drugs are the highest in the world.

2. Expensive technologies and procedures. When Americans do receive treatment, they often choose the most expensive technologies and procedures. For example, MRIs in the United States occur twice as often compared with the average country in OECD data. (Summit County, 4x that of the front range, high rate of multiple diagnostics for the same patient)

3. Fragmented and uncoordinated care. Because care providers often treat the same patient with little consultation, unnecessary care, errors and dissatisfaction proliferates.

4. Lack of cost consideration from patients. There is an assumption among patients that the most expensive care leads to the best quality, but expensive care has no correlation with quality. Patients have limited capabilities to participate in the cost decision making process of their care.

5. Fee-for-service. Hospitals and physicians are reimbursed for every service they provide, which often leads to a focus on volumes instead of a focus on care.

6. High administrative expenses. The morass of health insurers and billing processes cost the U.S. healthcare system billions in wasted costs every year.

7. Unhealthy behaviors. Chronic illnesses — like heart disease, cancer and diabetes — cause about 70 percent of all deaths in the United States, and they are the most expensive to treat. A majority of chronic illnesses stem from unhealthy behaviors.

8. Expensive end-of-life care. The last year of an American's life is the most expensive for medical treatment, and the unnecessary procedures and repeated hospitalizations provide little value to the patient and the system at large.

9. Provider consolidation. Hospitals and health systems are merging and acquiring each other at a feverish pace, and the same goes for physician groups. Studies have shown that although provider consolidation leads to some economies of scale, the increased market power leads to higher prices and oligopolistic behaviors.



**Testimony in Opposition to HB21-1232
May 17, 2021
Senate Health & Human Services Committee**

Madame Chair, Members of the Committee,

Good Afternoon.

My name is Cathy Shull and I am the Executive Director of Pro15. Pro15 represents the fifteen counties in Northeastern Colorado.

I am here today on behalf of Pro15 and all of our members to voice our opposition to HB21-1232. I urge all of you to join me and vote NO on this legislation.

We applaud the sponsors for addressing the topic of healthcare affordability. Unfortunately, the unintended consequences of this bill will have a catastrophic impact on both access and quality in rural Colorado.

Doctors, nurses and hospitals are the cornerstone of Colorado's diverse healthcare system, and for rural communities, they often mean even more. Rural healthcare providers make significant sacrifices to create access to critical services that individuals and families would have to travel long distances for otherwise. They are economic contributors, lifelines to preventative and behavioral health resources, and, perhaps above all, they are friends and neighbors.

The COVID-19 crisis has amplified the essential role that rural providers serve, but also the significant financial challenges and operational limitations. Keefe Memorial Hospital in Cheyenne Wells is just [one example](#) of how the pandemic is affecting the fragile rural healthcare system. The impact of an absence from even one physician – just one - can stress the entire system and finding replacements or substitute physicians – even before the COVID-19 pandemic – are hard to come by.

Just last week [BizWest](#) hosted a roundtable discussion in Northern Colorado to discuss biggest issues affecting healthcare in the region. No surprise, labor shortage topped the list. That issue would be made much worse if this bill passes. At the roundtable, Mike Bergerson, CEO of Orthopaedic & Spine Center of the Rockies, said, "We've been talking about a labor shortage, behavioral health investments and more training while at the same time the state is attacking the bullseye of the health-care system. ... They [legislators] don't understand how deep the cuts are going to go. How are we going to

attract the best quality doctors? How do we offer behavioral health [care] if the public option goes through?”

This is a terrifying prospect for me, for my members and for the residents of Northeastern Colorado.

If you need more evidence, look no further than the [study](#) released by the Common Sense Institute (CSI) just last week. According to CSI, the bill in its current form will adversely impact rural Colorado, “Hospitals, especially rural hospitals, and ones that provide services which may fall short of their regions’ network adequacy requirements, would stand to lose hundreds of millions of dollars in revenue under the bill’s rates. Some could be subject to contraction or closure.”

Rural hospitals are not healthcare warehouses or medical treatment factories. They are fundamental to communities’ public health. And they are invested in the doctors and nurses who work tirelessly to create access to high-quality care, particularly amid a pandemic. And their investment doesn’t stop at their local community either. Last year, Colorado’s hospitals paid \$40 million into the state’s reinsurance program, which has reduced health insurance premiums by almost [21 percent](#) for 2021 alone. Rural counties on the Western Slope and southwest Colorado, are projected to save nearly 38 percent over what premiums would have been without the program. Not to mention, many of those rural counties will see an increase in plan choice with at least two carriers offering plans on the individual insurance market.

Although it is often challenging, Colorado’s rural healthcare networks are on the right path. Increasingly, rural providers are working to expand services to meet our state’s rapidly evolving healthcare needs, and they are working with leaders to bring down the underlying costs of care, which will create continued savings for those they serve.

Don’t put Coloradans in a position where they’ll be forced to sacrifice quality of care, access to care and their insurance coverage for a short-sighted solution to a complex issue. Our states healthcare system is too consequential to be left to chance.

Cathy Shull is the executive director of [Pro15](#)

Testimony

Hello Madam chair, members of the committee.

My name is Stephanie Salazar-Rodriguez, and my family has been in Denver over 100 years. I'm here to testify in support of HB21-1232, because this bill can greatly assist people like me.

Like many Coloradans, I have had employer-sponsored health insurance for many years. The problem is what happens when you lose that coverage, and I'm here to shed a little light on just that.

While I still have limited income from consulting work, I recently lost my employer-sponsored insurance because of the economic impacts of COVID. I have had to consider whether to purchase health insurance through Connect for Health Colorado or continue my employer-based coverage through COBRA. At the age of 64, either option comes with exorbitant rates, and is requiring me to pay nearly \$1,000 a month, as I am just slightly above the income threshold to receive tax credits. However, \$1,000 a month is nearly one quarter of my monthly income, and this financial burden is not sustainable for any length of time.

This puts me in a very difficult financial situation and means I must make tradeoffs that will impact my overall wellness. I will not be able to pay the out of pocket expenses for urgent dental work, I will need to postpone veterinarian care for my canine companions, I may even lose my vehicle and/or house, without some assistance. Between the cost of my monthly mortgage and health insurance, I expend 60% of my income on two imperative expenditures, that ultimately may necessitate that I max out my credit cards and/or even surrender my fur babies.

For people like me and many others throughout Colorado, it is vital that we take action to reduce and control health care costs. I didn't expect to find myself in this situation. Nobody does. And the options I have are simply not affordable.

As someone that has advocated personally and professionally for people to enroll in health coverage and get the care they need, I find myself struggling to afford the health insurance I need in the middle of a pandemic. This predicament is even more agonizing for me, as over and over we are hearing how this pandemic is disproportionately hitting Colorado's Latinx/Chicano community, my community, including countless members of my immediate and extended family.

By the time the benefits of this legislation take effect, I will be enrolled in Medicare, which I will be thankful for. But I'm here to advocate for more affordable coverage so nobody finds themselves struggling to afford the health coverage they need to take care of their health and protect their finances.

Coloradans need more affordable health insurance options, and we need to reduce and control costs or more people will continue to struggle to afford their coverage like I am.

I respectfully ask you to vote yes today on HB21-1232.

Healthcare Rate-Setting: Bad Medicine for Patients—Especially Seniors

By Bill Greener III

The Colorado state legislature is currently considering House Bill 1232. If passed, the Commissioner of Insurance would mandate prices in healthcare based on arbitrary numbers decided by politicians, not doctors or other medical experts. It seems like the bill was concocted by big insurance companies and their lobbyists, because as far as I can tell, those are the only ones who would benefit.

As the President of United Seniors for American (US4A), I am most concerned on the negative impact this would have on Colorado seniors. Rate-setting would result in making healthcare even more difficult for us to access.

Government price controls for healthcare have already proven to be a disaster wherever they have been tried. Why would Colorado ever decide to institute that structure? It's all pretty simple: Rate-setting by politicians and bureaucrats might be good for the bottom line of big insurance companies and their lobbyists, but they are bad news for the rest of us.

For example, since the 1970s in Maryland, the state has set the prices that hospitals can charge for medical care, known as Maryland's All-Payer System (MAPS), and the federal government heavily subsidizes the cost of the care gap to prevent hospitals from closing under the system. That is to say, in order to make the Maryland system work, the state robs the Medicare Trust Fund—and it's to the tune of [\\$20 billion a year!](#)

As part of the debate on House Bill 1232, some Colorado lawmakers have advocated for a implementing a modified version of Maryland's system in their state, but Colorado wouldn't have the federal subsidies to protect doctors and patients. The people pointing to Maryland don't seem to understand that the MAPS system doesn't work without subsidies. Therefore, it would be only a matter of time before draconian measures like healthcare rationing would have to be implemented in Colorado.

Doctors in Colorado are already reimbursed at one of the lowest rates in the nation under Medicare. Allowing politicians to arbitrarily impose price controls to reduce reimbursements would force hospitals to reduce headcounts or scale back on updates to medical devices and supplies. That means patients would wait longer and travel farther to receive attention from specialists and be forced to accept getting treatment from outdated technology. Consolidation of healthcare facilities would be inevitable. Unable to make the model work, doctors would leave Colorado, just as they have left Maryland and other states that have instituted rate-setting.

Big insurance companies and their lobbyists are telling Coloradans that doctors support House Bill 1232, but it simply isn't true. It's hard to envision any doctor choosing to boost big insurance company profits and line the pockets of greedy insurance companies at the expense of patients.

Imagine if big insurance companies and their slick lobbyists push through price-fixing in Colorado: The results would be vanishing doctors, disappearing clinics, lower-quality care, and a consolidated rural healthcare system with fewer choices for seniors. It would be bad for doctors, terrible for patients, and devastating for Colorado.

All of this is why US4A is launching an aggressive grassroots campaign with Colorado seniors. H.B. 1232 needs to be defeated. To lend your voice, visit www.USAseniors.com. No politician should choose greedy insurance companies over Colorado seniors. That is literally the choice that lawmakers face. And we will make this clear to all Coloradans.

Bill Greener III is the President and Principal Spokesperson for United Seniors for America (US4A), an advocacy organization for seniors who support right of center principles and policies.