

HB1176_L.002

HOUSE COMMITTEE OF REFERENCE AMENDMENT

Committee on Health & Insurance.

HB19-1176 be amended as follows:

1 Amend printed bill, strike everything below the enacting clause and
2 substitute:

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

5 (a) Health care costs continue to rise at unsustainable levels that
6 exceed the rate of economic growth in the United States and that require
7 increasingly large portions of the state's budget;

8 (b) Recent polls of Americans from all demographics indicate that
9 access to affordable health care is a major concern for a substantial
10 majority of those polled;

11 (c) Colorado's rural residents pay disproportionately higher
12 premiums than urban residents for health insurance and often lack access
13 to adequate health care services;

14 (d) According to a recent Colorado Health Institute study, there
15 are approximately three hundred fifty thousand Coloradans without health
16 insurance, and there are approximately eight hundred fifty thousand
17 Coloradans who are underinsured in that their health insurance has high
18 deductibles or other coinsurance requirements that result in unaffordable
19 out-of-pocket expenditures; and

20 (e) Coloradans need facts to determine the most cost-effective
21 method of financing health care that ensures that all Coloradans have
22 access to adequate and affordable health care.

23 **SECTION 2.** In Colorado Revised Statutes, **add** article 11 to title
24 25.5 as follows:

25 **ARTICLE 11**

26 **Health Care Cost Savings Act**

27 **25.5-11-101. Short title.** THE SHORT TITLE OF THIS ARTICLE 11 IS
28 THE "HEALTH CARE COST SAVINGS ACT OF 2019".

29 **25.5-11-102. Definitions.** AS USED IN THIS ARTICLE 11, UNLESS
30 THE CONTEXT OTHERWISE REQUIRES:

31 (1) "AT-RISK INSURED" MEANS A RESIDENT OF COLORADO WHO IS
32 NOT UNDERINSURED BECAUSE THE INDIVIDUAL HAS FEW MEDICAL NEEDS
33 BUT WHO WOULD BE UNDERINSURED IF THE INDIVIDUAL DEVELOPED A
34 SERIOUS MEDICAL CONDITION.

35 (2) "FEDERAL ACT" MEANS THE FEDERAL "PATIENT PROTECTION
36 AND AFFORDABLE CARE ACT", PUB.L. 111-148, AS AMENDED BY THE
37 FEDERAL "HEALTH CARE AND EDUCATION RECONCILIATION ACT OF
38 2010", PUB.L. 111-152.

39 (3) "HEALTH BENEFIT EXCHANGE" MEANS THE COLORADO HEALTH

1 BENEFIT EXCHANGE CREATED IN ARTICLE 22 OF TITLE 10.

2 (4) "MEDICAID" MEANS THE PROGRAM ESTABLISHED PURSUANT TO
3 THE "COLORADO MEDICAL ASSISTANCE ACT", ARTICLES 4, 5, AND 6 OF
4 THIS TITLE 25.5;

5 (5) "MEDICARE" MEANS FEDERAL INSURANCE OR ASSISTANCE AS
6 PROVIDED BY TITLE XVIII OF THE FEDERAL "SOCIAL SECURITY ACT", AS
7 AMENDED, 42 U.S.C. SEC. 1395 ET SEQ.

8 (6) "PUBLIC OPTION SYSTEM" MEANS A HEALTH CARE SYSTEM
9 UNDER WHICH EVERY RESIDENT OF THE STATE IS ABLE TO PURCHASE A
10 HEALTH BENEFIT PLAN MANAGED BY THE STATE OR THROUGH THE HEALTH
11 BENEFIT EXCHANGE.

12 (7) "TASK FORCE" MEANS THE HEALTH CARE COST ANALYSIS TASK
13 FORCE CREATED IN SECTION 25.5-11-103.

14 (8) "UNDERINSURED" MEANS A PERSON WHO HAS HEALTH
15 INSURANCE BUT HAS HEALTH CARE COSTS, INCLUDING HIGH DEDUCTIBLES
16 AND OUT-OF-POCKET EXPENSES, THAT EXCEED TEN PERCENT OF THE
17 PERSON'S PERSONAL INCOME.

18 (9) "UNIVERSAL HEALTH CARE" MEANS A HEALTH CARE SYSTEM
19 UNDER WHICH EVERY RESIDENT OF THE STATE HAS ACCESS TO ADEQUATE
20 AND AFFORDABLE HEALTH CARE.

21 **25.5-11-103. Health care cost analysis task force - creation -**
22 **membership - duties - reports.** (1) THERE IS CREATED IN THE STATE
23 DEPARTMENT THE HEALTH CARE COST ANALYSIS TASK FORCE FOR THE
24 PURPOSE OF DEVELOPING COMPREHENSIVE FISCAL ANALYSES OF CURRENT
25 AND ALTERNATIVE HEALTH CARE FINANCING SYSTEMS.

26 (2) (a) ON OR BEFORE SEPTEMBER 1, 2019, THE PRESIDENT OF THE
27 SENATE, THE MINORITY LEADER OF THE SENATE, THE SPEAKER OF THE
28 HOUSE OF REPRESENTATIVES, AND THE MINORITY LEADER OF THE HOUSE
29 OF REPRESENTATIVES SHALL EACH APPOINT ONE MEMBER OF THE GENERAL
30 ASSEMBLY TO THE TASK FORCE.

31 (b) ON OR BEFORE SEPTEMBER 1, 2019, THE GOVERNOR SHALL
32 APPOINT EIGHT MEMBERS TO THE TASK FORCE. IN MAKING THE
33 APPOINTMENTS, THE GOVERNOR SHALL ENSURE THAT THE APPOINTEES:

34 (I) HAVE A DEMONSTRATED ABILITY TO REPRESENT THE INTERESTS
35 OF ALL COLORADANS AND, REGARDLESS OF THE APPOINTEES'
36 BACKGROUNDS OR AFFILIATIONS, ARE ABLE TO PRESENT OBJECTIVE,
37 NONPARTISAN, FACTUAL, AND EVIDENCE-BASED IDEAS AND TO
38 OBJECTIVELY ADVISE THE ANALYST CONCERNING THE HEALTH CARE
39 FINANCING SYSTEMS; AND

40 (II) REFLECT THE SOCIAL, DEMOGRAPHIC, AND GEOGRAPHIC
41 DIVERSITY OF THE STATE.

42 (c) THE EXECUTIVE DIRECTORS OF THE DEPARTMENT OF HUMAN
43 SERVICES, THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT, AND

1 THE STATE DEPARTMENT, THE COMMISSIONER OF INSURANCE, AND THE
2 CHIEF EXECUTIVE OFFICER OF THE HEALTH BENEFIT EXCHANGE, OR THEIR
3 DESIGNEES, SHALL SERVE ON THE TASK FORCE.

4 (3) THE TASK FORCE SHALL SELECT A CHAIR AND VICE-CHAIR FROM
5 AMONG ITS MEMBERS. A MEMBER OF THE TASK FORCE APPOINTED
6 PURSUANT TO SUBSECTION (2)(b) OF THIS SECTION MAY BE REMOVED BY
7 A MAJORITY VOTE OF THE REMAINING MEMBERS OF THE TASK FORCE. IF A
8 VACANCY OCCURS ON THE TASK FORCE, THE ORIGINAL APPOINTING
9 AUTHORITY SHALL APPOINT A NEW MEMBER TO FILL THE VACANCY.

10 (4) NONLEGISLATIVE TASK FORCE MEMBERS ARE NOT ENTITLED TO
11 RECEIVE PER DIEM OR OTHER COMPENSATION FOR PERFORMANCE OF
12 SERVICES FOR THE TASK FORCE BUT MAY BE REIMBURSED FOR ACTUAL
13 AND NECESSARY EXPENSES WHILE ENGAGED IN THE PERFORMANCE OF
14 OFFICIAL DUTIES OF THE TASK FORCE. LEGISLATIVE TASK FORCE MEMBERS
15 ARE REIMBURSED PURSUANT TO SECTION 2-2-307 (3).

16 (5) THE TASK FORCE SHALL:

17 (a) ON OR BEFORE OCTOBER 1, 2019, ISSUE A COMPETITIVE
18 SOLICITATION UNDER THE "PROCUREMENT CODE", ARTICLES 101 TO 112
19 OF TITLE 24, IN ORDER TO SELECT AN ANALYST TO PROVIDE A DETAILED
20 ANALYSIS OF FISCAL COSTS AND OTHER IMPACTS OF THE HEALTH CARE
21 FINANCING SYSTEMS SPECIFIED IN THIS ARTICLE 11;

22 (b) BY MAJORITY VOTE, SELECT AND CONTRACT WITH AN ANALYST
23 WHO:

24 (I) HAS EXPERIENCE CONDUCTING HEALTH CARE COST ANALYSES;

25 (II) IS FAMILIAR WITH DIFFERENT METHODOLOGIES USED; AND

26 (III) IS, IN THE OPINION OF THE TASK FORCE, EMPLOYED BY AN
27 ORGANIZATION THAT IS NONPARTISAN AND UNBIASED;

28 (c) ON OR BEFORE JANUARY 1, 2021, SUBMIT A PRELIMINARY
29 REPORT TO THE GENERAL ASSEMBLY THAT CONTAINS THE ANALYST'S
30 METHODOLOGY FOR STUDYING THE HEALTH CARE FINANCING SYSTEMS
31 SPECIFIED IN THIS ARTICLE 11; AND

32 (d) ON OR BEFORE SEPTEMBER 1, 2021, DELIVER TO THE GENERAL
33 ASSEMBLY A FINAL REPORT OF THE TASK FORCE'S FINDINGS RECEIVED
34 FROM THE ANALYST SELECTED PURSUANT TO THIS SECTION.

35 (6) IN CARRYING OUT ITS DUTIES PURSUANT TO THIS SECTION, THE
36 TASK FORCE MAY HIRE STAFF AND CONSULTANTS FOR THE PURPOSES OF
37 THIS ARTICLE 11.

38 (7) THE TASK FORCE IS SUBJECT TO ARTICLES 6 AND 72 OF TITLE
39 24.

40 **25.5-11-104. Analyst - duties.** (1) THE ANALYST SELECTED
41 PURSUANT TO SECTION 25.5-11-103 (5) SHALL HOST AT LEAST THREE
42 STAKEHOLDER MEETINGS IN DIFFERENT GEOGRAPHIC REGIONS OF THE
43 STATE TO DETERMINE THE METHODOLOGY TO BE USED TO STUDY THE

1 HEALTH CARE FINANCING SYSTEMS SPECIFIED IN SUBSECTION (2) OF THIS
2 SECTION.

3 (2) THE ANALYST SHALL ANALYZE, AT A MINIMUM, THE
4 FOLLOWING HEALTH CARE SYSTEMS:

5 (a) THE CURRENT COLORADO HEALTH CARE FINANCING SYSTEM IN
6 WHICH RESIDENTS RECEIVE HEALTH CARE COVERAGE FROM PRIVATE
7 INSURERS AND PUBLIC PROGRAMS OR ARE UNINSURED;

8 (b) A MULTI-PAYER UNIVERSAL HEALTH CARE SYSTEM IN WHICH
9 ALL RESIDENTS OF COLORADO ARE COVERED UNDER A PLAN WITH A
10 MANDATED SET OF BENEFITS THAT IS PUBLICLY AND PRIVATELY FUNDED
11 AND ALSO PAID FOR BY EMPLOYER AND EMPLOYEE CONTRIBUTIONS; AND

12 (c) A PUBLICLY FINANCED AND PRIVATELY DELIVERED UNIVERSAL
13 HEALTH CARE SYSTEM THAT DIRECTLY COMPENSATES PROVIDERS.

14 (3) THE ANALYST SHALL PREPARE A DETAILED ANALYSIS OF EACH
15 HEALTH CARE FINANCING SYSTEM. EACH ANALYSIS MAY:

16 (a) INCLUDE THE FIRST, SECOND, FIFTH, AND TENTH YEAR COSTS;

17 (b) SET COMPENSATION FOR LICENSED HEALTH CARE PROVIDERS
18 AT LEVELS THAT RESULT IN NET INCOME THAT WILL ATTRACT AND RETAIN
19 NECESSARY HEALTH CARE PROVIDERS;

20 (c) INCLUDE HEALTH CARE BENEFITS REIMBURSED AT ONE
21 HUNDRED TWENTY PERCENT OF MEDICARE RATES FOR RESIDENTS OF
22 COLORADO WHO ARE TEMPORARILY LIVING OUT OF STATE;

23 (d) DESCRIBE AND QUANTIFY THE NUMBER OF UNINSURED,
24 UNDERINSURED, AND AT-RISK INSURED INDIVIDUALS IN EACH SYSTEM;

25 (e) INCLUDE IN EACH SYSTEM THE PROVISION OF BENEFITS THAT
26 ARE THE SAME AS THE BENEFITS REQUIRED BY THE FEDERAL ACT;

27 (f) IDENTIFY HEALTH EXPENDITURES BY PAYER;

28 (g) IDENTIFY OUT-OF-POCKET CHARGES INCLUDING COINSURANCE,
29 DEDUCTIBLES, AND COPAYMENTS;

30 (h) DESCRIBE HOW THE SYSTEM PROVIDES THE FOLLOWING:

31 (I) SERVICES REQUIRED BY THE FEDERAL ACT;

32 (II) MEDICARE-QUALIFIED SERVICES;

33 (III) MEDICAID SERVICES AND BENEFITS EQUAL TO OR GREATER
34 THAN CURRENT SERVICES AND BENEFITS AND WITH EQUIVALENT PROVIDER
35 COMPENSATION RATES;

36 (IV) MEDICAID SERVICES AND BENEFITS FOR INDIVIDUALS WITH
37 DISABILITIES WHO DO NOT MEET ASSET OR INCOME QUALIFICATIONS, WHO
38 HAVE THE RIGHT TO MANAGE THEIR OWN CARE, AND WHO HAVE THE RIGHT
39 TO DURABLE MEDICAL EQUIPMENT;

40 (V) COVERAGE FOR WOMEN'S HEALTH CARE AND REPRODUCTIVE
41 SERVICES;

42 (VI) VISION, HEARING, AND DENTAL SERVICES;

43 (VII) ACCESS TO PRIMARY SPECIALTY HEALTH CARE SERVICES IN

1 RURAL COLORADO AND OTHER UNDERSERVED AREAS OR POPULATIONS;
2 AND

3 (VIII) BEHAVIORAL, MENTAL HEALTH, AND SUBSTANCE USE
4 DISORDERS SERVICES;

5 (i) PROVIDE A REVIEW OF EXISTING LITERATURE REGARDING THE
6 COLLATERAL COSTS TO SOCIETY OF HIGH HEALTH CARE COSTS, WHICH MAY
7 INCLUDE:

8 (I) THE COST OF EMERGENCY ROOM, URGENT CARE, AND INTENSIVE
9 CARE TREATMENT FOR INDIVIDUALS WHO ARE UNABLE TO AFFORD
10 PREVENTIVE OR PRIMARY CARE IN LOWER-COST SETTINGS;

11 (II) THE COST IN LOST TIME FROM WORK, DECREASED
12 PRODUCTIVITY, OR UNEMPLOYMENT FOR INDIVIDUALS WHO, AS A RESULT
13 OF BEING UNABLE TO AFFORD PREVENTIVE OR PRIMARY CARE, DEVELOP A
14 MORE SEVERE, URGENT, OR DISABLING CONDITION;

15 (III) THE COST OF BANKRUPTCIES CAUSED BY UNAFFORDABLE
16 MEDICAL EXPENSES, INCLUDING THE COST TO THE INDIVIDUALS WHO ARE
17 FORCED TO FILE FOR BANKRUPTCY AND THE COST TO HEALTH CARE
18 PROVIDERS THAT DO NOT GET PAID AS A RESULT;

19 (IV) THE COSTS TO AND EFFECTS ON INDIVIDUALS WHO DO NOT
20 FILE BANKRUPTCIES BECAUSE OF MEDICAL EXPENSES AND WHO ARE
21 FINANCIALLY DEPLETED BY THESE COSTS;

22 (V) MEDICAL COSTS CAUSED BY THE DIVERSION OF FUNDS FROM
23 OTHER HEALTH DETERMINANTS, SUCH AS EDUCATION, SAFE FOOD SUPPLY,
24 OR SAFE WATER SUPPLY; AND

25 (VI) OTHER COLLATERAL COSTS AS DETERMINED BY THE TASK
26 FORCE.

27 (4) THE ANALYST SHALL MODEL SUFFICIENT AND FAIR FUNDING
28 SYSTEMS THAT MAY BE VIABLE FOR EACH SYSTEM STUDIED PURSUANT TO
29 THIS SECTION THAT RAISE REVENUE FROM:

30 (a) THE GENERAL FUND;

31 (b) FEDERAL WAIVERS AVAILABLE UNDER MEDICAID AND THE
32 FEDERAL ACT, AS APPROPRIATE FOR EACH SYSTEM STUDIED;

33 (c) A COMBINATION OF TWO OR MORE OF:

34 (I) PROGRESSIVE INCOME TAXES;

35 (II) PAYROLL TAXES THAT MAY BE SPLIT BETWEEN EMPLOYER AND
36 EMPLOYEE; AND

37 (III) OTHER TAXES, INCLUDING INCOME, CIGARETTE, ALCOHOL,
38 MARIJUANA, AND SUGARY DRINK TAXES, AND PREMIUMS BASED ON
39 INCOME.

40 **25.5-11-105. Appropriation - gifts, grants, and donations.**

41 (1) THE GENERAL ASSEMBLY MAY APPROPRIATE MONEY TO THE STATE
42 DEPARTMENT FOR THE IMPLEMENTATION OF THIS ARTICLE 11.

43 (2) THE STATE DEPARTMENT AND THE TASK FORCE MAY SEEK,

1 ACCEPT, AND EXPEND GIFTS, GRANTS, OR DONATIONS, INCLUDING IN-KIND
2 DONATIONS, FROM PRIVATE OR PUBLIC SOURCES FOR THE PURPOSES OF
3 THIS ARTICLE 11.

4 (3) THE TASK FORCE MAY USE MONEY AVAILABLE PURSUANT TO
5 SUBSECTIONS (1) AND (2) OF THIS SECTION FOR THE IMPLEMENTATION OF
6 THIS ARTICLE 11, TO:

7 (a) COMPENSATE ANY NECESSARY STAFF AND CONSULTANTS HIRED
8 PURSUANT TO SECTION 25.5-11-103 (6);

9 (b) PAY THE ANALYST SELECTED PURSUANT TO SECTION
10 25.5-11-103 (5) FOR THE COSTS ASSOCIATED WITH THE DEVELOPMENT OF
11 THE METHODOLOGY AND ANALYSES CONDUCTED PURSUANT TO SECTION
12 25.5-11-104; AND

13 (c) REIMBURSE THE TASK FORCE MEMBERS' ACTUAL AND
14 NECESSARY EXPENSES IN PERFORMING THEIR DUTIES.

15 **25.5-11-106. Repeal of article.** THIS ARTICLE 11 IS REPEALED,
16 EFFECTIVE SEPTEMBER 1, 2022.

17 **SECTION 3. Safety clause.** The general assembly hereby finds,
18 determines, and declares that this act is necessary for the immediate
19 preservation of the public peace, health, and safety."

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