A BILL FOR AN ACT

CONCERNING A REQUIREMENT THAT HEALTH CARE PROVIDERS DISCLOSE THE CHARGES THEY IMPOSE FOR COMMON HEALTH CARE SERVICES WHEN PAYMENT IS MADE DIRECTLY RATHER THAN BY A THIRD PARTY.

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at http://www.leg.state.co.us/billssummaries.)

The bill creates the "Transparency in Health Care Prices Act", which requires health care professionals and health care facilities to make available to the public the direct pay prices they assess for common health
care services they provide. Health care professionals and facilities are not required to submit their direct pay prices to any government agency for review or approval. Additionally, the act prohibits health insurers and health systems from penalizing a person who pays directly for health care services. Any Colorado citizen may seek injunctive relief against the person allegedly violating the act, and the prevailing party is entitled to reasonable attorney fees and costs.

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

SECTION 1. In Colorado Revised Statutes, add article 47 to title 25 as follows:

ARTICLE 47
Transparency in Health Care Prices

25-47-101. Short title. This article shall be known and may be cited as the "Transparency in Health Care Prices Act".

25-47-102. Definitions. As used in this article, unless the context otherwise requires:

(1) "Agency" means a government department or agency or a government-created entity.

(2) "Health care facility" means a facility licensed or certified by the Department of Public Health and Environment pursuant to Section 25-1.5-103. The term does not include a nursing care facility or assisted living residence.

(3) "Health care price" means the price that a health care provider or health care facility will charge for health care services that will be rendered before negotiating any discounts. "Health care price" does not include the amount charged if a public or private third party will be paying or reimbursing the health care provider or health care facility for any portion of
THE SERVICES RENDERED. FOR PURPOSES OF HEALTH CARE FACILITIES, THE
HEALTH CARE PRICE IS FOR THE STANDARD SERVICE FOR THE PARTICULAR
DIAGNOSIS AND DOES NOT INCLUDE ANY COMPLICATIONS OR EXCEPTIONAL
TREATMENT.

(4) "HEALTH CARE PROVIDER" MEANS A PERSON WHO IS LICENSED,
certified, or registered by THIS STATE TO PROVIDE HEALTH CARE
SERVICES AND WHO DIRECTLY BILLS THE RECIPIENT OF THOSE SERVICES.

(5) (a) "HEALTH CARE SERVICES" OR "SERVICES" MEANS SERVICES
INCLUDED IN OR INCIDENTAL TO FURNISHING TO AN INDIVIDUAL:

(I) Medical, mental, dental, or optometric care;
hospitalization; or nursing home care; or

(II) Other services for the purpose of preventing,
alleviating, curing, or healing physical or mental illness or
injury.

(b) "HEALTH CARE SERVICES" INCLUDES SERVICES RENDERED
THROUGH THE USE OF TELEMEDICINE OR TELEHEALTH.

(6) "HEALTH INSURER" MEANS A CARRIER, AS DEFINED IN SECTION
10-16-102 (8), C.R.S., DISABILITY INSURER, GROUP DISABILITY INSURER,
OR BLANKET DISABILITY INSURER.

(7) (a) "PUBLIC OR PRIVATE THIRD PARTY" MEANS A HEALTH
INSURER, SELF-INSURED EMPLOYER, OR OTHER THIRD PARTY, INCLUDING
A THIRD-PARTY ADMINISTRATOR OR INTERMEDIARY, RESPONSIBLE FOR
PAYING ALL OR A PORTION OF THE CHARGES FOR HEALTH CARE SERVICES.

(b) "PUBLIC OR PRIVATE THIRD PARTY" DOES NOT INCLUDE:

(I) An employer of the recipient of the health care
services;
(II) A PERSON PAYING MONEYS FROM A HEALTH SAVINGS ACCOUNT, FLEXIBLE SPENDING ACCOUNT, OR SIMILAR ACCOUNT; OR

(III) A FAMILY MEMBER, CHARITABLE ORGANIZATION, ___ OR OTHER PERSON WHO IS NOT RESPONSIBLE FOR BUT PAYS CHARGES FOR HEALTH CARE SERVICES ON BEHALF OF THE RECIPIENT OF THE SERVICES.

(8) "PUNISH" MEANS TO IMPOSE A PENALTY, SURCHARGE, FEE, OR OTHER ADDITIONAL COST OR MEASURE THAT HAS THE SAME EFFECT AS A PENALTY OR THAT DISCOURAGES THE EXERCISE OF RIGHTS UNDER THIS ARTICLE.

(9) "RECIPIENT" MEANS AN INDIVIDUAL WHO RECEIVES HEALTH CARE SERVICES FROM A HEALTH CARE PROVIDER OR HEALTH CARE FACILITY.

25-47-103. Transparency - charges for services rendered by health care providers. (1) (a) A HEALTH CARE PROVIDER SHALL MAKE AVAILABLE TO THE PUBLIC, IN A SINGLE DOCUMENT, ELECTRONICALLY, OR ON ITS WEB SITE IF ONE EXISTS, THE HEALTH CARE PRICE FOR AT LEAST THE FIFTEEN MOST COMMON HEALTH CARE SERVICES, IF APPLICABLE, THE HEALTH CARE PROVIDER PROVIDES. THE HEALTH CARE PROVIDER SHALL IDENTIFY THE SERVICES BY:

(I) A COMMON PROCEDURAL TERMINOLOGY CODE OR OTHER CODING SYSTEM COMMONLY USED BY THE PROVIDER AND ACCEPTED AS A NATIONAL STANDARD FOR BILLING; AND

(II) A PLAIN ENGLISH DESCRIPTION.

(b) THE HEALTH CARE PROVIDER SHALL UPDATE THE DOCUMENT AS FREQUENTLY AS THE HEALTH CARE PROVIDER DEEMS APPROPRIATE, BUT AT LEAST ANNUALLY.

(2) THE HEALTH CARE PROVIDER SHALL PROVIDE THE RECIPIENT
WITH A DISCLOSURE SPECIFYING THAT THE HEALTH CARE PRICE FOR ANY
GIVEN HEALTH CARE SERVICE IS AN ESTIMATE AND THAT THE ACTUAL
CHARGES FOR THE HEALTH CARE SERVICE ARE DEPENDENT ON THE
CIRCUMSTANCES AT THE TIME THE SERVICE IS RENDERED.


(1) (a) A HEALTH CARE FACILITY SHALL MAKE AVAILABLE TO THE PUBLIC,
in a single document, electronically, or on its web site if one
exists, the health care price for at least:

(I) THE FIFTY MOST-USED, DIAGNOSIS-RELATED GROUP CODES OR
OTHER CODES FOR IN-PATIENT HEALTH CARE SERVICES USED BY THE
HEALTH CARE FACILITY FOR BILLING, OR IF NOT USED, ANOTHER CODING
SYSTEM FOR IN-PATIENT HEALTH CARE SERVICES COMMONLY USED BY THE
FACILITY AND ACCEPTED AS A NATIONAL STANDARD FOR BILLING; AND

(II) THE TWENTY-FIVE MOST-USED OUTPATIENT CPT OR HEALTH
CARE SERVICES PROCEDURE CODES USED FOR BILLING, AND IF NOT USED,
ANOTHER CODING SYSTEM FOR OUT-PATIENT HEALTH CARE SERVICES
COMMONLY USED BY THE FACILITY AND ACCEPTED AS A NATIONAL
STANDARD FOR BILLING.

(b) THE HEALTH CARE FACILITY SHALL MAKE AVAILABLE THE
HEALTH CARE PRICES FOR A RELATED CODE OR PROCEDURE ONLY IF THE
HEALTH CARE FACILITY HAS USED THE CODE OR PROCEDURE AT LEAST
ELEVEN TIMES IN THE PREVIOUS TWELVE MONTHS.

(c) THE HEALTH CARE FACILITY SHALL UPDATE THE DOCUMENT AS
FREQUENTLY AS IT DEEMS APPROPRIATE, BUT AT LEAST ANNUALLY.

(2) THE HEALTH CARE FACILITY SHALL PROVIDE THE RECIPIENT
WITH A DISCLOSURE SPECIFYING THAT THE HEALTH CARE PRICE FOR ANY
GIVEN HEALTH CARE SERVICE IS AN ESTIMATE AND THAT THE ACTUAL
CHARGES FOR THE HEALTH CARE SERVICE ARE DEPENDENT ON THE CIRCUMSTANCES AT THE TIME THE SERVICE IS RENDERED.

(3) A HEALTH CARE FACILITY MAY DISCLOSE THE BASIS FOR ITS HEALTH CARE PRICES AND MAY TAKE INTO CONSIDERATION ALL PAYER SOURCES WHEN DETERMINING A HEALTH CARE PRICE.

25-47-105. No review of health care prices. (1) NOTHING IN THIS ARTICLE REQUIRES A HEALTH CARE FACILITY OR HEALTH CARE PROVIDER TO REPORT ITS HEALTH CARE PRICES TO ANY AGENCY FOR REVIEW, FILING, OR OTHER PURPOSES, EXCEPT AS REQUIRED BY SECTION 25-3-112. THIS ARTICLE DOES NOT GRANT ANY AGENCY THE AUTHORITY TO APPROVE, DISAPPROVE, OR LIMIT A HEALTH CARE FACILITY'S OR HEALTH CARE PROVIDER'S HEALTH CARE PRICES OR CHANGES TO ITS HEALTH CARE PRICES. THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT IS NOT AUTHORIZED TO TAKE ANY ACTION REGARDING OR PURSUANT TO THIS ARTICLE.

(2) THIS ARTICLE IS INTENDED TO MAKE HEALTH CARE PRICES AND PAYMENTS FREE FROM PAPERWORK, PUNISHMENT, REPORTING, AND REGULATION TO THE FULL EXTENT PERMISSIBLE UNDER THE STATE CONSTITUTION AND STATE AND FEDERAL LAW. AN AGENCY, PERSON, OR ENTITY SHALL NOT PUNISH A RECIPIENT, HEALTH CARE PROVIDER, OR HEALTH CARE FACILITY FOR PARTICIPATING DIRECTLY IN, EXERCISING RIGHTS UNDER, OR COMPLYING WITH THIS ARTICLE.

25-47-106. No penalty for direct payment for health care services. AN AGENCY OR HEALTH INSURER SHALL NOT PUNISH ANY PERSON, ENTITY, OR EMPLOYER FOR PARTICIPATING DIRECTLY IN, EXERCISING RIGHTS UNDER, OR COMPLYING WITH THIS ARTICLE. IT IS THE INTENTION OF THIS ARTICLE TO MAKE PARTICIPATION IN OR EXERCISING
RIGHTS UNDER THIS ARTICLE FREE FROM PAPERWORK, PUNISHMENT, REPORTING, AND REGULATION TO THE FULL EXTENT PERMISSIBLE UNDER THE STATE CONSTITUTION AND FEDERAL LAW. NOTHING IN THIS ARTICLE IMPAIRS CONTRACTS BETWEEN PRIVATE PARTIES.

SECTION 2. Act subject to petition - effective date. This act takes effect January 1, 2016; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within the ninety-day period after final adjournment of the general assembly, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2016 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.