First Regular Session Seventieth General Assembly STATE OF COLORADO

REENGROSSED

This Version Includes All Amendments Adopted in the House of Introduction

LLS NO. 15-0361.01 Christy Chase x2008

SENATE BILL 15-074

SENATE SPONSORSHIP

Neville T., Marble, Cadman, Woods, Grantham, Cooke, Roberts, Lambert, Scheffel, Baumgardner, Crowder

HOUSE SPONSORSHIP

Joshi, Neville P., Saine, Humphrey, Conti, Everett

Senate Committees

Health & Human Services

House Committees

	A BILL FOR AN ACT
101	CONCERNING A REQUIREMENT THAT HEALTH CARE PROVIDERS
102	DISCLOSE THE CHARGES THEY IMPOSE FOR COMMON HEALTH
103	CARE SERVICES WHEN PAYMENT IS MADE DIRECTLY RATHER
104	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/billsummaries.)

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

SENATE 3rd Reading Unamended February 11, 2015

SENATE
Amended 2nd Reading
February 10, 2015

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.

1	Be it enacted by the General Assembly of the State of Colorado:
2	SECTION 1. In Colorado Revised Statutes, add article 47 to title
3	25 as follows:
4	ARTICLE 47
5	Transparency in Health Care Prices
6	25-47-101. Short title. This article shall be known and may
7	BE CITED AS THE "TRANSPARENCY IN HEALTH CARE PRICES ACT".
8	25-47-102. Definitions. As used in this article, unless the
9	CONTEXT OTHERWISE REQUIRES:
10	(1) "AGENCY" MEANS A GOVERNMENT DEPARTMENT OR AGENCY
11	OR A GOVERNMENT-CREATED ENTITY.
12	_
13	(2) "Health care facility" means a facility licensed or
14	CERTIFIED BY THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT
15	PURSUANT TO SECTION 25-1.5-103. THE TERM DOES NOT INCLUDE A
16	NURSING CARE FACILITY OR ASSISTED LIVING RESIDENCE.
17	(3) "HEALTH CARE PRICE" MEANS THE PRICE THAT A HEALTH CARE
18	PROVIDER OR HEALTH CARE FACILITY WILL CHARGE FOR HEALTH CARE
19	SERVICES THAT WILL BE RENDERED BEFORE NEGOTIATING ANY DISCOUNTS.
20	"HEALTH CARE PRICE" DOES NOT INCLUDE THE AMOUNT CHARGED IF A
21	PUBLIC OR PRIVATE THIRD PARTY WILL BE PAYING OR REIMBURSING THE
22	HEALTH CARE PROVIDER OR HEALTH CARE FACILITY FOR ANY PORTION OF

-2-

074

1	THE SERVICES RENDERED. FOR PURPOSES OF HEALTH CARE FACILITIES, THE
2	HEALTH CARE PRICE IS FOR THE STANDARD SERVICE FOR THE PARTICULAR
3	DIAGNOSIS AND DOES NOT INCLUDE ANY COMPLICATIONS OR EXCEPTIONAL
4	TREATMENT.
5	(4) "HEALTH CARE <u>PROVIDER"</u> MEANS A PERSON WHO IS LICENSED,
6	CERTIFIED, OR REGISTERED BY $\underline{\text{THIS}}$ STATE TO PROVIDE HEALTH CARE
7	SERVICES AND WHO DIRECTLY BILLS THE RECIPIENT OF THOSE SERVICES.
8	(5) (a) "HEALTH CARE SERVICES" OR "SERVICES" MEANS SERVICES
9	INCLUDED IN OR INCIDENTAL TO FURNISHING TO AN INDIVIDUAL:
10	(I) MEDICAL, MENTAL, DENTAL, OR OPTOMETRIC CARE;
11	HOSPITALIZATION; OR NURSING HOME CARE; OR
12	(II) OTHER SERVICES FOR THE PURPOSE OF PREVENTING,
13	ALLEVIATING, CURING, OR HEALING PHYSICAL OR MENTAL ILLNESS OR
14	INJURY.
15	(b) "Health care services" includes services rendered
16	THROUGH THE USE OF <u>TELEMEDICINE OR TELEHEALTH.</u>
17	
18	(6) "HEALTH INSURER" MEANS A CARRIER, AS DEFINED IN SECTION
19	10-16-102 (8), C.R.S., DISABILITY INSURER, GROUP DISABILITY INSURER,
20	OR BLANKET DISABILITY INSURER.
21	(7) (a) "Public or private third party" <u>means</u> a health
22	INSURER, <u>SELF-INSURED EMPLOYER</u> , OR OTHER THIRD PARTY, INCLUDING
23	A THIRD-PARTY <u>ADMINISTRATOR OR INTERMEDIARY</u> , RESPONSIBLE FOR
24	PAYING ALL OR A PORTION OF THE CHARGES FOR HEALTH CARE SERVICES.
25	(b) "PUBLIC OR PRIVATE THIRD PARTY" DOES NOT INCLUDE:
26	(I) AN EMPLOYER OF THE RECIPIENT OF THE HEALTH CARE
2.7	SERVICES:

-3-

1	(II) A PERSON PAYING MONEYS FROM A HEALTH SAVINGS
2	ACCOUNT, FLEXIBLE SPENDING ACCOUNT, OR SIMILAR ACCOUNT; OR
3	(III) A FAMILY MEMBER, CHARITABLE ORGANIZATION, OR
4	OTHER PERSON WHO IS NOT RESPONSIBLE FOR BUT PAYS CHARGES FOR
5	HEALTH CARE SERVICES ON BEHALF OF THE RECIPIENT OF THE SERVICES.
6	(8) "PUNISH" MEANS TO IMPOSE A PENALTY, SURCHARGE, FEE, OR
7	OTHER ADDITIONAL COST OR MEASURE THAT HAS THE SAME EFFECT AS A
8	PENALTY OR THAT DISCOURAGES THE EXERCISE OF RIGHTS UNDER THIS
9	ARTICLE.
10	(9) "RECIPIENT" MEANS AN INDIVIDUAL WHO RECEIVES HEALTH
11	CARE SERVICES FROM A HEALTH CARE PROVIDER OR HEALTH CARE
12	FACILITY.
13	25-47-103. Transparency - charges for services rendered by
14	health care <u>providers.</u> (1) (a) A HEALTH CARE <u>PROVIDER</u> SHALL MAKE
15	AVAILABLE TO THE PUBLIC, IN A SINGLE DOCUMENT, ELECTRONICALLY, OR
16	ON ITS WEB SITE IF ONE EXISTS, THE HEALTH CARE PRICE FOR AT LEAST THE
17	FIFTEEN MOST COMMON HEALTH CARE SERVICES, IF APPLICABLE, THE
18	HEALTH CARE PROVIDER PROVIDES. THE HEALTH CARE PROVIDER SHALL
19	IDENTIFY THE <u>SERVICES BY:</u>
20	(I) A COMMON PROCEDURAL TERMINOLOGY CODE OR OTHER
21	CODING SYSTEM COMMONLY USED BY THE PROVIDER AND ACCEPTED AS A
22	NATIONAL STANDARD FOR BILLING; AND
23	(II) A PLAIN ENGLISH DESCRIPTION.
24	(b) THE HEALTH CARE PROVIDER SHALL UPDATE THE DOCUMENT
25	AS FREQUENTLY AS THE HEALTH CARE PROVIDER DEEMS APPROPRIATE,
26	BUT AT LEAST ANNUALLY.
2.7	(2) THE HEALTH CARE PROVIDER SHALL PROVIDE THE RECIPIENT

-4- 074

1	WITH A DISCLOSURE SPECIFYING THAT THE HEALTH CARE PRICE FOR ANY
2	GIVEN HEALTH CARE SERVICE IS AN ESTIMATE AND THAT THE ACTUAL
3	CHARGES FOR THE HEALTH CARE SERVICE ARE DEPENDENT ON THE
4	CIRCUMSTANCES AT THE TIME THE SERVICE IS RENDERED.
5	25-47-104. Transparency - health care facility charges.
6	(1) (a) A HEALTH CARE FACILITY SHALL MAKE AVAILABLE TO THE PUBLIC,
7	IN A SINGLE DOCUMENT, ELECTRONICALLY, OR ON ITS WEB SITE IF ONE
8	EXISTS, THE HEALTH CARE PRICE FOR AT LEAST:
9	(I) THE FIFTY MOST-USED, DIAGNOSIS-RELATED GROUP CODES OR
10	OTHER CODES FOR IN-PATIENT HEALTH CARE SERVICES USED BY THE
11	HEALTH CARE FACILITY FOR BILLING, OR IF NOT USED, ANOTHER CODING
12	SYSTEM FOR IN-PATIENT HEALTH CARE SERVICES COMMONLY USED BY THE
13	FACILITY AND ACCEPTED AS A NATIONAL STANDARD FOR BILLING; AND
14	(II) THE TWENTY-FIVE MOST-USED OUTPATIENT CPT OR HEALTH
15	CARE SERVICES PROCEDURE CODES USED FOR BILLING, AND IF NOT USED,
16	ANOTHER CODING SYSTEM FOR OUT-PATIENT HEALTH CARE SERVICES
17	COMMONLY USED BY THE FACILITY AND ACCEPTED AS A NATIONAL
18	STANDARD FOR BILLING.
19	(b) The health care facility shall make available the
20	HEALTH CARE PRICES FOR A RELATED CODE OR PROCEDURE ONLY IF THE
21	HEALTH CARE FACILITY HAS USED THE CODE OR PROCEDURE AT LEAST
22	ELEVEN TIMES IN THE PREVIOUS TWELVE MONTHS.
23	(c) THE HEALTH CARE FACILITY SHALL UPDATE THE DOCUMENT AS
24	FREQUENTLY AS IT DEEMS APPROPRIATE, BUT AT LEAST ANNUALLY.
25	(2) THE HEALTH CARE FACILITY SHALL PROVIDE THE RECIPIENT
26	WITH A DISCLOSURE SPECIFYING THAT THE HEALTH CARE PRICE FOR ANY
27	GIVEN HEALTH CARE SERVICE IS AN ESTIMATE AND THAT THE ACTUAL

-5- 074

1	CHARGES FOR THE HEALTH CARE SERVICE ARE DEPENDENT ON THE
2	CIRCUMSTANCES AT THE TIME THE SERVICE IS RENDERED.
3	(3) A HEALTH CARE FACILITY MAY DISCLOSE THE BASIS FOR ITS
4	HEALTH CARE PRICES AND MAY TAKE INTO CONSIDERATION ALL PAYER
5	SOURCES WHEN DETERMINING A HEALTH CARE PRICE.
6	25-47-105. No review of health care prices. (1) NOTHING IN
7	THIS ARTICLE REQUIRES A HEALTH CARE FACILITY OR HEALTH CARE
8	PROVIDER TO REPORT ITS HEALTH CARE PRICES TO ANY AGENCY FOR
9	REVIEW, FILING, OR OTHER PURPOSES, EXCEPT AS REQUIRED BY SECTION
10	<u>25-3-112.</u> This article does not grant any agency the authority
11	TO APPROVE, DISAPPROVE, OR LIMIT A HEALTH CARE FACILITY'S OR
12	HEALTH CARE PROVIDER'S HEALTH CARE PRICES OR CHANGES TO ITS
13	HEALTH CARE PRICES. THE DEPARTMENT OF PUBLIC HEALTH AND
14	ENVIRONMENT IS NOT AUTHORIZED TO TAKE ANY ACTION REGARDING OR
15	PURSUANT TO THIS ARTICLE.
16	(2) This article is intended to make <u>Health Care Prices and</u>
17	PAYMENTS FREE FROM PAPERWORK, PUNISHMENT, REPORTING, AND
18	REGULATION TO THE FULL EXTENT PERMISSIBLE UNDER THE STATE
19	CONSTITUTION AND STATE AND FEDERAL LAW. AN AGENCY, PERSON, OR
20	ENTITY SHALL NOT PUNISH A RECIPIENT, HEALTH CARE PROVIDER, OR
21	HEALTH CARE FACILITY FOR PARTICIPATING DIRECTLY IN, EXERCISING
22	RIGHTS UNDER, OR COMPLYING WITH THIS ARTICLE.
23	25-47-106. No penalty for direct payment for health care
24	services. An agency or health insurer shall not punish any
25	PERSON, ENTITY, OR EMPLOYER FOR PARTICIPATING DIRECTLY IN,
26	EXERCISING RIGHTS UNDER, OR COMPLYING WITH THIS ARTICLE. IT IS THE
27	INTENTION OF THIS APTICLE TO MAKE DARTICIDATION IN OR EVERCISING

-6- 074

1	RIGHTS UNDER THIS ARTICLE FREE FROM PAPERWORK, PUNISHMENT,
2	REPORTING, AND REGULATION TO THE FULL EXTENT PERMISSIBLE UNDER
3	THE STATE CONSTITUTION AND FEDERAL LAW. NOTHING IN THIS ARTICLE
4	IMPAIRS CONTRACTS BETWEEN PRIVATE PARTIES.
5	_
6	SECTION 2. Act subject to petition - effective date. This act
7	takes effect January 1, 2016; except that, if a referendum petition is filed
8	pursuant to section 1 (3) of article V of the state constitution against this
9	act or an item, section, or part of this act within the ninety-day period
10	after final adjournment of the general assembly, then the act, item,
11	section, or part will not take effect unless approved by the people at the
12	general election to be held in November 2016 and, in such case, will take
13	effect on the date of the official declaration of the vote thereon by the
14	governor.

-7- 074