

Second Regular Session  
Seventieth General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 16-0843.01 Christy Chase x2008

SENATE BILL 16-139

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SENATE SPONSORSHIP

Roberts and Hodge,

HOUSE SPONSORSHIP

Coram,

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Senate Committees  
Health & Human Services

House Committees

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A BILL FOR AN ACT

101 CONCERNING A REQUIREMENT THAT THE COLORADO COMMISSION ON  
102 AFFORDABLE HEALTH CARE DEVELOP A PROPOSAL UNDER ANY  
103 APPLICABLE FEDERAL LAW TO ENABLE THE STATE TO OPERATE  
104 A GLOBAL PAYMENT SYSTEM PILOT PROGRAM FOR HOSPITALS IN  
105 CERTAIN AREAS OF THE STATE.

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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 directs the Colorado commission on affordable health care to develop a proposal under any applicable federal law to enable the state

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters indicate new material to be added to existing statute.*  
*Dashes through the words indicate deletions from existing statute.*

to modify the system for reimbursing hospitals located in certain rural areas of the state for treating medicare and privately insured patients using a total-cost-of-care model rather than a fee-for-service model. The commission is to develop and submit the proposal to the governor and specified legislative committees within 60 days after the bill takes effect and present its proposal to a joint meeting of the legislative committees.

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

2 **SECTION 1.** In Colorado Revised Statutes, 25-46-102, **amend**  
3 (1); and **add** (1.5) and (7) as follows:

4 **25-46-102. Definitions.** As used in this article:

5 (1) ~~"Commission" means the Colorado commission on affordable~~  
6 ~~health care established under section 25-46-103.~~ "AFFORDABLE CARE  
7 ACT" MEANS THE "PATIENT PROTECTION AND AFFORDABLE CARE ACT",  
8 PUB.L. 111-148, AS AMENDED BY THE "HEALTH CARE AND EDUCATION  
9 RECONCILIATION ACT OF 2010", PUB.L. 111-152.

10 (1.5) "COMMISSION" MEANS THE COLORADO COMMISSION ON  
11 AFFORDABLE HEALTH CARE ESTABLISHED UNDER SECTION 25-46-103.

12 (7) "MEDICARE" MEANS FEDERAL INSURANCE OR ASSISTANCE AS  
13 PROVIDED BY TITLE XVIII OF THE FEDERAL "SOCIAL SECURITY ACT", AS  
14 AMENDED, 42 U.S.C. SEC. 1305 ET SEQ.

15 **SECTION 2.** In Colorado Revised Statutes, 25-46-104, **add** (2.5)  
16 as follows:

17 **25-46-104. Duties of commission - mission - staffing - report.**

18 (2.5) (a) IN ADDITION TO THE POWERS AND DUTIES SPECIFIED IN  
19 SUBSECTION (2) OF THIS SECTION, WITHIN SIXTY DAYS AFTER THE  
20 EFFECTIVE DATE OF THIS SUBSECTION (2.5), THE COMMISSION SHALL  
21 DEVELOP A PROPOSAL UNDER ANY APPLICABLE FEDERAL LAW TO ENABLE  
22 THE STATE TO OPERATE A GLOBAL PAYMENT SYSTEM PILOT PROGRAM

1 THAT FOCUSES ON A TOTAL COST-OF-CARE MODEL RATHER THAN A  
2 FEE-FOR-SERVICE MODEL FOR THE REIMBURSEMENT OF HOSPITALS FOR  
3 MEDICARE PATIENTS. THE PROPOSAL MUST INCLUDE AT LEAST THE  
4 FOLLOWING COMPONENTS:

5 (I) DESIGNATION OF THE GEOGRAPHIC AREAS IN WHICH THE STATE  
6 WILL OPERATE THE PILOT PROGRAM, FOCUSING PRIMARILY ON THE TWO  
7 NONMETROPOLITAN STATISTICAL AREAS DESIGNATED BY THE COLORADO  
8 DIVISION OF INSURANCE FOR THE 2016 CALENDAR YEAR AS THE EAST AND  
9 WEST GEOGRAPHIC RATING AREAS AND THE GRAND JUNCTION  
10 METROPOLITAN STATISTICAL AREA;

11 (II) DESIGNATION OF THE SPECIFIC HOSPITALS REQUIRED TO  
12 PARTICIPATE IN THE PILOT PROGRAM;

13 (III) A GENERAL DESCRIPTION OF A TOTAL-COST-OF-CARE  
14 REIMBURSEMENT MODEL FOR HOSPITAL REIMBURSEMENT, INCLUDING HOW  
15 THE STATE MIGHT PROPOSE THAT THE FEDERAL GOVERNMENT MODIFY  
16 MEDICARE REIMBURSEMENT AND HOW THAT MODIFICATION IS INTENDED  
17 TO IMPACT HEALTH INSURANCE PREMIUMS;

18 (IV) SPECIFICATION OF WHAT AGENCY OR ENTITY WILL OPERATE  
19 THE PILOT PROGRAM AND WHO WILL PROVIDE OVERSIGHT OF THE AGENCY  
20 OR ENTITY OPERATING THE PILOT PROGRAM; AND

21 (V) A RECOMMENDATION INDICATING WHICH STATE DEPARTMENT  
22 OR AGENCY, OR COMBINATION OF DEPARTMENTS OR AGENCIES, SHOULD  
23 PURSUE THE PROPOSAL WITH THE FEDERAL GOVERNMENT.

24 (b) THE COMMISSION SHALL DEVELOP THE PROPOSAL WITHIN THE  
25 TIME SPECIFIED IN PARAGRAPH (a) OF THIS SUBSECTION (2.5), SUBMIT THE  
26 PROPOSAL TO THE GOVERNOR AND THE LEGISLATIVE COMMITTEES  
27 SPECIFIED IN SUBSECTION (8) OF THIS SECTION, AND PRESENT THE

1 PROPOSAL TO A JOINT MEETING OF THE LEGISLATIVE COMMITTEES DURING  
2 THE 2016 LEGISLATIVE SESSION.

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