# Second Regular Session Seventy-third General Assembly STATE OF COLORADO

## REENGROSSED

This Version Includes All Amendments Adopted in the House of Introduction

LLS NO. 22-0603.01 Brita Darling x2241

**SENATE BILL 22-068** 

### SENATE SPONSORSHIP

**Rodriguez and Kolker,** Buckner, Danielson, Donovan, Ginal, Gonzales, Hinrichsen, Jaquez Lewis, Lee, Moreno, Pettersen, Rankin, Story, Winter

### HOUSE SPONSORSHIP

Lontine and Woog,

### **Senate Committees**

Business, Labor, & Technology Appropriations

#### **House Committees**

|     | A BILL FOR AN ACT   |
|-----|---|
| 101 | CONCERNING THE CREATION OF A TOOL TO PROVIDE TRANSPARENCY |
| 102 | IN HEALTH CLAIMS DATA SUBMITTED TO THE COLORADO           |
| 103 | ALL-PAYER HEALTH CLAIMS DATABASE, AND, IN CONNECTION      |
| 104 | THEREWITH, MAKING AN APPROPRIATION.                       |

## **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 <a href="http://leg.colorado.gov">http://leg.colorado.gov</a>.)

The bill requires the administrator (administrator) of the all-payer health claims database (database) to create a tool to facilitate the review of certain health claims reimbursement data that are included in the SENATE 3rd Reading Unamended March 14, 2022

SENATE Amended 2nd Reading March 11, 2022 all-payer health claims database.

The bill includes minimum requirements for the design of the tool, including how the information will be displayed and searchable by users of the tool.

The bill requires the administrator, subject to available appropriations, to update the tool at least annually.

1 Be it enacted by the General Assembly of the State of Colorado: 2 **SECTION 1.** In Colorado Revised Statutes, add 25.5-1-204.7 as 3 follows: 4 25.5-1-204.7. All-payer health claims database - creation of 5 tool for review of data included in the database - definitions - rules. 6 (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE 7 **REQUIRES:** 8 "ADMINISTRATOR" MEANS THE ADMINISTRATOR OF THE 9 ALL-PAYER HEALTH CLAIMS DATABASE. 10 (b) "ALL-PAYER HEALTH CLAIMS DATABASE" OR "DATABASE" 11 MEANS THE ALL-PAYER HEALTH CLAIMS DATABASE CREATED PURSUANT 12 TO SECTION 25.5-1-204. 13 "CODE" MEANS CPT CODE, HCPCS CODE, OR OTHER 14 PACKAGED SERVICES OR INDUSTRY STANDARD PROCEDURE CODE THAT 15 MAY INCLUDE TIME UNITS, BASE UNIT VALUES, OR MODIFIERS. 16 (d) "CPT CODE" MEANS THE CURRENT PROCEDURAL TERMINOLOGY 17 CODE, OR ITS SUCCESSOR CODE, AS DEVELOPED AND COPYRIGHTED BY THE 18 AMERICAN MEDICAL ASSOCIATION OR ITS SUCCESSOR ENTITY. 19 (e) "HEALTHCARE COMMON PROCEDURE CODING SYSTEM CODE" 20 OR "HCPCS CODE" MEANS THE CODE ESTABLISHED BY THE FEDERAL 21 CENTERS FOR MEDICARE AND MEDICAID SERVICES' ALPHA-NUMERIC 22 EDITORIAL PANEL FOR IDENTIFYING HEALTH-CARE SERVICES IN A

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| 1  | CONSISTENT AND STANDARDIZED MANNER.                              |
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| 2  | (f) "PRIVATE HEALTH-CARE PAYER" MEANS A CARRIER, AS DEFINED      |
| 3  | IN SECTION 10-16-102 (8), THAT REPORTS CLAIMS RECEIVED FROM AN   |
| 4  | OUT-OF-NETWORK PROVIDER PURSUANT TO SECTION 12-30-113 (4).       |
| 5  | (g) "TOOL" MEANS THE TOOL DEVELOPED BY THE ADMINISTRATOR         |
| 6  | PURSUANT TO THIS SECTION TO ENABLE USERS TO REVIEW CERTAIN       |
| 7  | HEALTH CLAIMS REIMBURSEMENT DATA IN THE DATABASE.                |
| 8  | (2) (a) To facilitate the accurate determination of the          |
| 9  | REIMBURSEMENT RATES PURSUANT TO SECTIONS 10-16-704 (3)(d) AND    |
| 10 | (5.5)(b), 12-30-113 (4), AND 25-3-122 (3) AND TO PROVIDE         |
| 11 | TRANSPARENCY IN THE PROCESS, SUBJECT TO AVAILABLE                |
| 12 | APPROPRIATIONS, THE ADMINISTRATOR SHALL CREATE AND MAINTAIN A    |
| 13 | TOOL FOR IMPLEMENTATION BY JANUARY 1, 2023, THAT ENABLES USERS   |
| 14 | TO REVIEW CERTAIN HEALTH CLAIMS REIMBURSEMENT DATA INCLUDED IN   |
| 15 | THE ALL-PAYER HEALTH CLAIMS DATABASE. THE TOOL MUST INCLUDE      |
| 16 | 2018 HEALTH CLAIMS REIMBURSEMENT DATA AS THE FIRST YEAR OF DATA. |
| 17 | (b) TO THE EXTENT PRACTICABLE, THE TOOL MUST, AT A MINIMUM:      |
| 18 | (I) INCLUDE TWENTY-FIFTH, FIFTIETH, SIXTIETH, AND                |
| 19 | SEVENTY-FIFTH PERCENTILE OF IN-NETWORK REIMBURSEMENT RATES       |
| 20 | BASED ON CLAIMS AND THE NUMBER OF CLAIMS SUBMITTED FOR EACH      |
| 21 | CODE BY PAYER TYPE, FOR ALL CODES WITH SUFFICIENT VOLUME         |
| 22 | REPORTED TO THE <u>DATABASE</u> , FOR THREE YEARS OF DATA; AND   |
| 23 | (II) BE VIEWABLE AND SEARCHABLE BY:                              |
| 24 | (A) YEAR;  |
| 25 | (B) COUNTY;  |
| 26 | (C) GEOGRAPHIC RATING AREA AND STATEWIDE;                        |
| 27 | (D) PAYER TYPE, INCLUDING MEDICAID, MEDICARE, AND PRIVATE        |

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| 1  | HEALTH-CARE PAYERS;   |
|----|---|
| 2  | (E) SETTING, INCLUDING IN-PATIENT AND OUTPATIENT SERVICES:                        |
| 3  | AND   |
| 4  | (F) SPECIALTY.  |
| 5  | (c) THE ADMINISTRATOR SHALL ENSURE THAT THE VIEWING OR                            |
| 6  | REPORTING OF HEALTH CLAIMS DATA THROUGH THE TOOL COMPLIES WITH                    |
| 7  | ALL STATE AND FEDERAL DATA PRIVACY LAWS AND ANTITRUST LAWS.                       |
| 8  | (3) SUBJECT TO AVAILABLE APPROPRIATIONS, THE ADMINISTRATOR                        |
| 9  | SHALL UPDATE THE TOOL ANNUALLY AND MAY UPDATE THE TOOL MORE                       |
| 10 | FREQUENTLY AS DETERMINED BY THE ADMINISTRATOR.                                    |
| 11 | SECTION 2. Appropriation. For the 2022-23 state fiscal year                       |
| 12 | \$155,250 is appropriated to the department of health care policy and             |
| 13 | financing for use by the executive director's office. This appropriation is       |
| 14 | from the general fund. To implement this act, the department may use this         |
| 15 | appropriation for the all-payer claims database.                                  |
| 16 | <b>SECTION </b> <u>3.</u> <b>Safety clause.</b> The general assembly hereby finds |
| 17 | determines, and declares that this act is necessary for the immediate             |
| 18 | preservation of the public peace, health, or safety.                              |

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