

NOTE: This bill has been prepared for the signatures of the appropriate legislative officers and the Governor. To determine whether the Governor has signed the bill or taken other action on it, please consult the legislative status sheet, the legislative history, or the Session Laws.



HOUSE BILL 25-1088

BY REPRESENTATIVE(S) McCormick and Brown, Soper, Bacon, Barron, Bird, Boesenecker, Caldwell, Camacho, Carter, Clifford, Duran, Espenoza, Feret, Froelich, Garcia Sander, Gonzalez R., Hamrick, Jackson, Johnson, Keltie, Lieder, Lindstedt, Lukens, Martinez, Mauro, Paschal, Phillips, Ricks, Rutinel, Rydin, Sirota, Smith, Stewart K., Story, Valdez, Velasco, Weinberg, Winter T., Woodrow, McCluskie;
also SENATOR(S) Baisley and Mullica, Ball, Catlin, Exum, Gonzales J., Jodeh, Kipp, Michaelson Jenet, Pelton B., Pelton R., Roberts, Wallace, Weissman.

CONCERNING COSTS ASSOCIATED WITH THE PROVISION OF GROUND
AMBULANCE SERVICES, AND, IN CONNECTION THEREWITH, MAKING
AN APPROPRIATION.

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

SECTION 1. In Colorado Revised Statutes, **add** 10-16-171 as follows:

10-16-171. Ground ambulance service agencies - ambulance services - billing rate database - out-of-network rates - rules - definitions. (1) (a) A POLITICAL SUBDIVISION OR AN AMBULANCE SERVICE

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

DESIGNATED OR CONTRACTED TO PROVIDE AMBULANCE SERVICES ON BEHALF OF THE POLITICAL SUBDIVISION MAY SUBMIT TO THE DIVISION ANNUALLY, IN THE FORM AND MANNER PRESCRIBED BY THE COMMISSIONER, THE RATES FOR EMERGENCY AMBULANCE SERVICES ADOPTED BY THE POLITICAL SUBDIVISION. A POLITICAL SUBDIVISION OR AN AMBULANCE SERVICE THAT CHOOSES TO SUBMIT ITS RATES PURSUANT TO THIS SUBSECTION (1)(a) SHALL RESUBMIT THE RATES TO THE DIVISION IF THE RATES CHANGE.

(b) THE DIVISION SHALL PUBLISH RATES SUBMITTED PURSUANT TO THIS SUBSECTION (1) ANNUALLY ON THE DIVISION'S PUBLIC-FACING WEBSITE.

(c) THE DIVISION SHALL CONTINUE TO PUBLISH RATES PROVIDED BY A POLITICAL SUBDIVISION OR AN AMBULANCE SERVICE IN SUBSEQUENT YEARS, INCLUDING UPDATED RATES IF THE POLITICAL SUBDIVISION OR AMBULANCE SERVICE RESUBMITS THE RATES TO THE DIVISION PURSUANT TO SUBSECTION (1)(a) OF THIS SECTION DUE TO A RATE CHANGE.

(d) A POLITICAL SUBDIVISION OR AN AMBULANCE SERVICE SHALL ENSURE THAT RATES SUBMITTED TO THE DIVISION PURSUANT TO THIS SUBSECTION (1) ARE:

(I) REASONABLE CONSIDERING THE SERVICES PROVIDED AND RATIONALLY CALCULATED TO OFFSET THE COSTS OF PROVIDING SERVICES;

(II) LEGISLATIVELY ADOPTED BY THE GOVERNING BODY OF THE POLITICAL SUBDIVISION OR INCLUDED IN AN ORDINANCE, A RESOLUTION, A PUBLIC CONTRACT, OR AN ADOPTED BUDGET APPROVED BY THE GOVERNING BODY;

(III) UNIFORMLY CHARGED TO ALL PATIENTS, REGARDLESS OF THE PATIENTS' INSURANCE TYPE, INSURANCE SOURCE, OR INSURANCE STATUS; AND

(IV) IF THE RATES EXCEED THREE HUNDRED TWENTY-FIVE PERCENT OF THE AMOUNT REIMBURSED UNDER THE "HEALTH INSURANCE FOR THE AGED ACT", TITLE XVIII OF THE FEDERAL "SOCIAL SECURITY ACT", 42 U.S.C. SEC. 1395 ET SEQ., JUSTIFIED BY A THIRD-PARTY COST ANALYSIS OR PUBLICLY FILED INDUSTRY COST REPORT.

(2) (a) IF A COVERED PERSON RECEIVES COVERED SERVICES THAT ARE EMERGENCY AMBULANCE SERVICES FROM AN AMBULANCE SERVICE THAT IS OUT OF NETWORK, THE CARRIER SHALL REIMBURSE THE AMBULANCE SERVICE AT:

(I) THE RATES ESTABLISHED BY THE POLITICAL SUBDIVISION IN WHICH THE SERVICE ORIGINATED, IF THE POLITICAL SUBDIVISION OR AN AMBULANCE SERVICE DESIGNATED OR CONTRACTED TO PROVIDE AMBULANCE SERVICES ON BEHALF OF THE POLITICAL SUBDIVISION SUBMITTED ITS RATES TO THE DIVISION PURSUANT TO SUBSECTION (1) OF THIS SECTION; OR

(II) THE LESSER OF THE AMBULANCE SERVICE'S BILLED CHARGES OR THREE HUNDRED TWENTY-FIVE PERCENT OF THE AMOUNT REIMBURSED UNDER THE "HEALTH INSURANCE FOR THE AGED ACT", TITLE XVIII OF THE FEDERAL "SOCIAL SECURITY ACT", 42 U.S.C. SEC. 1395 ET SEQ., IF LOCALLY ESTABLISHED RATES FOR THE AMBULANCE SERVICE HAVE NOT BEEN SUBMITTED TO THE DIVISION PURSUANT TO SUBSECTION (1) OF THIS SECTION.

(b) IF A COVERED PERSON RECEIVES A COVERED SERVICE THAT IS A NONEMERGENCY AMBULANCE SERVICE FROM AN AMBULANCE SERVICE THAT IS OUT OF NETWORK, THE CARRIER SHALL REIMBURSE THE AMBULANCE SERVICE AT THE LESSER OF THE AMBULANCE SERVICE'S BILLED CHARGES OR THREE HUNDRED TWENTY-FIVE PERCENT OF THE AMOUNT REIMBURSED UNDER THE "HEALTH INSURANCE FOR THE AGED ACT", TITLE XVIII OF THE FEDERAL "SOCIAL SECURITY ACT", 42 U.S.C. SEC. 1395 ET SEQ.

(c) (I) A CARRIER SHALL MAKE PAYMENTS REQUIRED BY SUBSECTION (2)(a) OF THIS SECTION, MINUS ANY COINSURANCE, DEDUCTIBLE, OR COPAYMENT FOR WHICH A COVERED PERSON IS RESPONSIBLE, DIRECTLY TO THE AMBULANCE SERVICE.

(II) AT THE TIME OF THE DISPOSITION OF THE CLAIM, THE CARRIER SHALL NOTIFY THE AMBULANCE SERVICE AND THE COVERED PERSON OF ANY REQUIRED COINSURANCE, DEDUCTIBLE, OR COPAYMENT.

(d) PAYMENT MADE BY A CARRIER IN COMPLIANCE WITH THIS SUBSECTION (2) IS PRESUMED TO BE PAYMENT IN FULL FOR THE AMBULANCE SERVICES PROVIDED, EXCEPT FOR ANY COINSURANCE, DEDUCTIBLE, OR COPAYMENT AMOUNT A COVERED PERSON IS REQUIRED TO PAY.

(e) THIS SUBSECTION (2) DOES NOT PROHIBIT A CARRIER AND AN OUT-OF-NETWORK AMBULANCE SERVICE FROM VOLUNTARILY NEGOTIATING ALTERNATIVE REIMBURSEMENT TERMS AND RATES.

(3) AN AMBULANCE SERVICE THAT IS OUT OF NETWORK SHALL NOT DIRECTLY OR INDIRECTLY BILL A COVERED PERSON AN OUTSTANDING BALANCE FOR A COVERED SERVICE NOT PAID FOR BY A CARRIER, EXCEPT FOR ANY COINSURANCE, DEDUCTIBLE, OR COPAYMENT AMOUNT REQUIRED TO BE PAID BY THE COVERED PERSON.

(4) AN AMBULANCE SERVICE THAT IS OUT OF NETWORK SHALL NOT WILLFULLY AND KNOWINGLY SUBMIT RATES THAT ARE FALSE OR NOT IN COMPLIANCE WITH SUBSECTION (1) OF THIS SECTION TO THE DIVISION IF THE AMBULANCE SERVICE SUBMITS RATES FOR AMBULANCE SERVICES PURSUANT TO SUBSECTION (1)(a) OF THIS SECTION.

(5) A PAYMENT FOR ANY COINSURANCE, DEDUCTIBLE, OR COPAYMENT MADE BY A COVERED PERSON PURSUANT TO SUBSECTION (3) OF THIS SECTION MUST BE APPLIED TO THE COVERED PERSON'S IN-NETWORK DEDUCTIBLES AND IN-NETWORK OUT-OF-POCKET MAXIMUM AMOUNTS AND IN THE SAME MANNER AS IF THE COST-SHARING PAYMENTS WERE MADE TO AN IN-NETWORK PROVIDER OR AN IN-NETWORK FACILITY.

(6) THE COMMISSIONER MAY ADOPT RULES TO IMPLEMENT AND ENFORCE THIS SECTION.

(7) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "AMBULANCE SERVICE" HAS THE MEANING SET FORTH IN SECTION 25-3.5-103 (3).

(b) "COVERED SERVICE" MEANS A HEALTH-CARE SERVICE FOR WHICH REIMBURSEMENT IS AVAILABLE UNDER A COVERED PERSON'S HEALTH COVERAGE PLAN CONTRACT OR FOR WHICH REIMBURSEMENT WOULD BE AVAILABLE BUT FOR THE APPLICATION OF CONTRACTUAL LIMITATIONS SUCH AS DEDUCTIBLES, COPAYMENTS, COINSURANCE, WAITING PERIODS, ANNUAL OR LIFETIME MAXIMUMS, FREQUENCY LIMITATIONS, ALTERNATIVE BENEFIT PAYMENTS, OR OTHER CONTRACTUAL LIMITATIONS.

(c) "EMERGENCY AMBULANCE SERVICE" MEANS AN IMMEDIATE AMBULANCE RESPONSE AT THE TIME SERVICE IS REQUESTED THAT RESULTS IN AN ASSESSMENT, TREATMENT, OR TRANSPORT OF A PATIENT BY AN AMBULANCE SERVICE.

(d) "NONEMERGENCY AMBULANCE SERVICE" MEANS THE TRANSPORT OF A PATIENT BY AN AMBULANCE SERVICE, INCLUDING THE PROVISION OF MEDICALLY NECESSARY SUPPLIES AND SERVICES, THAT MEETS THE MEDICAL NECESSITY REQUIREMENTS UNDER 42 CFR 410.40 (e), AS THAT SECTION EXISTED ON JULY 1, 2025.

(e) "POLITICAL SUBDIVISION" MEANS A GOVERNING SUBDIVISION OF THE STATE, INCLUDING A STATUTORY OR HOME RULE CITY, TOWN, CITY AND COUNTY, COUNTY, SPECIAL DISTRICT, OR GOVERNMENTAL EMERGENCY SERVICES PROVIDER.

SECTION 2. In Colorado Revised Statutes, 10-16-704, **repeal** (5.5)(d)(II) as follows:

10-16-704. Network adequacy - required disclosures - balance billing - rules - legislative declaration - definitions. (5.5) (d) (II) ~~(A) The commissioner shall promulgate rules to identify and implement a payment methodology that applies to service agencies described in subsection (5.5)(d)(I) of this section, except for service agencies that are publicly funded fire agencies.~~

~~(B) The commissioner shall make the payment methodology available to the public on the division's website. The rules must be equitable to service agencies and carriers; hold consumers harmless except for any applicable coinsurance, deductible, or copayment amounts; and be based on a cost-based model that includes direct payment to service agencies as described in subsection (5.5)(d)(I) of this section.~~

~~(C) The division may contract with a neutral third-party that has no financial interest in providers, emergency service providers, or carriers to conduct the analysis to identify and implement the payment methodology.~~

SECTION 3. In Colorado Revised Statutes, 12-30-112, **amend** (5) as follows:

12-30-112. Health-care providers - required disclosures - balance billing - deceptive trade practice - rules - definitions. (5) This section does not apply to service agencies, as defined in section 25-3.5-103 (11.5). ~~that are publicly funded fire agencies.~~

SECTION 4. Appropriation. (1) For the 2025-26 state fiscal year, \$38,149 is appropriated to the department of regulatory agencies for use by the division of insurance. This appropriation is from the division of insurance cash fund created in section 10-1-103 (3)(a)(I), C.R.S. To implement this act, the division may use this appropriation as follows:

(a) \$30,217 for personal services, which amount is based on an assumption that the division will require an additional 0.4 FTE; and

(b) \$7,932 for operating expenses.

SECTION 5. Act subject to petition - effective date - applicability. (1) This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly; 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 such period, 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 2026 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

(2) This act applies to ambulance services provided on or after the applicable effective date of this act.

Julie McCluskie
SPEAKER OF THE HOUSE
OF REPRESENTATIVES

James Rashad Coleman, Sr.
PRESIDENT OF
THE SENATE

Vanessa Reilly
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES

Esther van Mourik
SECRETARY OF
THE SENATE

APPROVED _____
(Date and Time)

Jared S. Polis
GOVERNOR OF THE STATE OF COLORADO