

Second Regular Session  
Seventy-third General Assembly  
STATE OF COLORADO

REVISED

*This Version Includes All Amendments Adopted  
on Second Reading in the Second House*

LLS NO. 22-0572.01 Kristen Forrestal x4217

**HOUSE BILL 22-1401**

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**A BILL FOR AN ACT**

101     **CONCERNING THE PREPAREDNESS OF HEALTH FACILITIES TO MEET**  
102     **PATIENT NEEDS, AND, IN CONNECTION THEREWITH, MAKING AN**  
103     **APPROPRIATION.**

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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://leg.colorado.gov>.)*

SENATE  
2nd Reading Unamended  
May 10, 2022

HOUSE  
3rd Reading Unamended  
May 5, 2022

HOUSE  
Amended 2nd Reading  
May 4, 2022

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

staffing plan and to receive, track, and resolve complaints and receive feedback from direct-care nurses and other staff.

The bill requires a hospital to:

- Submit the nurse staffing plan to the department of public health and environment (department) on an annual basis;
- Post the nurse staffing plan on the hospital's website;
- Evaluate the nurse staffing plan on a quarterly basis and, based on complaints and recommendations of patients and staff, revise the nurse staffing plan accordingly; and
- Prepare a quarterly report containing the details of the evaluation.

The bill prohibits a hospital from assigning direct-care providers to a nursing unit or clinical area of a hospital unless the providers are properly trained in the unit or area assigned.

On or before September 1, 2022, in a form and manner determined by rules promulgated by the state board of health, each hospital is required to report:

- The baseline number of beds the hospital is able to staff; and
- The hospital's current bed capacity.

If the hospital's ability to meet staffed-bed capacity falls below 80% of the required baseline in a specified period, the hospital is required to notify the department and submit a plan to meet that requirement.

The bill requires the department to notify a hospital if the hospital's number of staffed beds exceeds 80% of a hospital's total licensed beds and fine the hospital if the hospital does not take corrective action.

Each hospital is required to update its emergency plan at least annually and as often as necessary, as circumstances warrant.

The bill authorizes the department to fine a hospital up to \$10,000 per day for the hospital's failure to:

- Meet the required staffed-bed capacity;
- Include the amount of necessary vaccines for administration in its annual emergency plan and have the vaccines available at each of its facilities; and
- Include the necessary testing capabilities available at each of its facilities.

The bill grants rule-making authority to the department and to the state board of health.

The bill requires the department to report certain data to its committee of reference as part of its presentation at the hearing held pursuant to the "State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act".

The bill requires the office of saving people money on health care in the office of the lieutenant governor to study:

- The level of preparedness of health facilities to respond to

- post-viral illness resulting from the COVID-19 virus;
- The effects of post-viral illness resulting from the COVID-19 virus on the mental, behavioral, and physical health and the financial security of the people of Colorado; and
- The effects of the COVID-19 pandemic on the cost of health care in Colorado and on the resiliency of Colorado's public health system.

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

2           **SECTION 1.** In Colorado Revised Statutes, **add** 25-3-128 and  
3       25-3-129 as follows:

4           **25-3-128. Hospitals - nurses, nurse aides, and EMS providers**  
5       **- staffing requirements - enforcement - waiver - rules - definitions.**

6       (1) AS USED IN THIS SECTION:

7           (a) "**CLINICAL STAFF NURSE**" MEANS A PRACTICAL █ █ NURSE OR  
8       REGISTERED PROFESSIONAL NURSE LICENSED PURSUANT TO ARTICLE 255  
9       OF TITLE 12 WHO PROVIDES DIRECT CARE TO PATIENTS.

10          █

11           (b) "**EMS PROVIDER**" MEANS AN INDIVIDUAL WHO HOLDS A VALID  
12       CERTIFICATE OR LICENSE ISSUED BY THE DEPARTMENT AS PROVIDED IN  
13       ARTICLE 3.5 OF THIS TITLE 25.

14           (c) "**NURSE AIDE**" MEANS A PERSON CERTIFIED PURSUANT TO  
15       ARTICLE 255 OF TITLE 12 TO PRACTICE AS A NURSE AIDE WHO PROVIDES  
16       DIRECT CARE TO PATIENTS OR WHO WORKS IN AN AUXILIARY CAPACITY  
17       UNDER THE SUPERVISION OF A REGISTERED NURSE.

18           (d) "**STAFFING PLAN**" MEANS THE **MASTER NURSE STAFFING PLAN**  
19       DEVELOPED FOR A HOSPITAL PURSUANT TO SUBSECTION (2)(b) OF THIS  
20       SECTION.

21       (2) (a) ON OR BEFORE SEPTEMBER 1, 2022, EACH HOSPITAL SHALL

1 ESTABLISH A NURSE STAFFING COMMITTEE PURSUANT TO RULES  
2 PROMULGATED BY THE STATE BOARD OF HEALTH, EITHER BY CREATING A  
3 NEW COMMITTEE OR ASSIGNING THE NURSE STAFFING FUNCTIONS TO AN  
4 EXISTING HOSPITAL STAFFING COMMITTEE. THE NURSE STAFFING  
5 COMMITTEE MUST HAVE AT LEAST SIXTY PERCENT OR GREATER  
6 PARTICIPATION BY CLINICAL STAFF NURSES, IN ADDITION TO AUXILIARY  
7 PERSONNEL AND NURSE MANAGERS. THE NURSE STAFFING COMMITTEE  
8 MUST INCLUDE A DESIGNATED LEADER OF WORKPLACE VIOLENCE  
9 PREVENTION AND REDUCTION EFFORTS.

10 (b) THE NURSE STAFFING COMMITTEE:

11 (I) SHALL ANNUALLY DEVELOP AND OVERSEE A MASTER NURSE  
12 STAFFING PLAN FOR THE HOSPITAL THAT:

13 (A) IS VOTED ON AND RECOMMENDED BY AT LEAST SIXTY  
14 PERCENT OF THE NURSE STAFFING COMMITTEE;

15 (B) INCLUDES MINIMUM STAFFING REQUIREMENTS AS  
16 ESTABLISHED IN RULES PROMULGATED BY THE STATE BOARD OF HEALTH  
17 FOR EACH INPATIENT UNIT AND EMERGENCY DEPARTMENT THAT ARE  
18 ALIGNED WITH NATIONALLY RECOGNIZED STANDARDS AND GUIDELINES;

19 (C) INCLUDES STRATEGIES THAT PROMOTE THE HEALTH, SAFETY,  
20 AND WELFARE OF THE HOSPITAL'S EMPLOYEES AND PATIENTS;

21 (D) INCLUDES GUIDANCE AND A PROCESS FOR REDUCING  
22 NURSE-TO-PATIENT ASSIGNMENTS TO ALIGN WITH THE DEMAND BASED ON  
23 PATIENT ACUITY; AND

24 (E) MAY INCLUDE INNOVATIVE STAFFING MODELS;

25 (II) (A) SHALL SUBMIT THE RECOMMENDED STAFFING PLAN TO THE  
26 HOSPITAL'S SENIOR NURSE EXECUTIVE AND THE HOSPITAL'S GOVERNING  
27 BODY FOR APPROVAL. IF THE FINAL PLAN APPROVED BY THE HOSPITAL

1 CHANGES MATERIALLY FROM THE RECOMMENDATIONS PUT FORTH BY THE  
2 STAFFING COMMITTEE, THE SENIOR NURSE EXECUTIVE SHALL PROVIDE THE  
3 NURSE STAFFING COMMITTEE WITH AN EXPLANATION FOR THE CHANGES.

4 (B) IF, AFTER RECEIVING THE EXPLANATION REFERENCED IN  
5 SUBSECTION (2)(b)(II)(A) OF THIS SECTION, THE STAFFING COMMITTEE  
6 BELIEVES THE FINAL PLAN DOES NOT MEET NURSE STAFFING STANDARDS  
7 ESTABLISHED IN RULES PROMULGATED BY THE STATE BOARD OF HEALTH,  
8 THE STAFFING COMMITTEE, WITH A VOTE OF SIXTY PERCENT OR MORE OF  
9 THE MEMBERS, MAY REQUEST THE DEPARTMENT REVIEW THE FINAL  
10 ADOPTED STAFFING PLAN FOR COMPLIANCE WITH RULES PROMULGATED BY  
11 THE STATE BOARD OF HEALTH.

12 (III) MAY PUBLISH A REPORT THAT IS RESPONSIVE TO THE  
13 CHANGES MADE TO THE RECOMMENDED PLAN PURSUANT TO SUBSECTION  
14 (2)(b)(II) OF THIS SECTION, IF ANY;

15 [REDACTED]

16 (IV) SHALL DESCRIBE IN WRITING THE PROCESS FOR RECEIVING,  
17 TRACKING, AND RESOLVING COMPLAINTS AND RECEIVING FEEDBACK ON  
18 THE STAFFING PLAN FROM CLINICAL STAFF NURSES AND OTHER STAFF; AND

19 (V) SHALL MAKE THE COMPLAINT AND FEEDBACK PROCESS  
20 AVAILABLE TO ALL [REDACTED] PROVIDERS, INCLUDING CLINICAL STAFF NURSES, [REDACTED]  
21 NURSE AIDES, AND EMS PROVIDERS.

22 (c) THE DEPARTMENT IS AUTHORIZED TO AND SHALL ENTER,  
23 SURVEY, AND INVESTIGATE EACH HOSPITAL AS NECESSARY TO ENSURE  
24 COMPLIANCE WITH THE NURSING STAFFING STANDARDS ESTABLISHED IN  
25 RULES PROMULGATED BY THE STATE BOARD OF HEALTH.

26 (3) A HOSPITAL SHALL:

27 (a) SUBMIT THE FINAL, APPROVED NURSE STAFFING PLAN TO THE

1 DEPARTMENT ON AN ANNUAL BASIS;

2 (b) ON A QUARTERLY BASIS, EVALUATE THE STAFFING PLAN AND

3 PREPARE A REPORT FOR INTERNAL REVIEW BY THE STAFFING COMMITTEE;

4 (c) PROVIDE THE RELEVANT UNIT-BASED STAFFING PLAN TO:

5 (I) EACH APPLICANT FOR A NURSING POSITION ON A GIVEN UNIT

6 UPON AN OFFER OF EMPLOYMENT; AND

7 (II) A PATIENT UPON REQUEST; AND

8 (d) PREPARE AN ANNUAL REPORT CONTAINING THE DETAILS OF THE

9 EVALUATION REQUIRED IN SUBSECTION (2)(c) OF THIS SECTION AND

10 SUBMIT THE REPORT TO THE DEPARTMENT, IN A FORM AND MANNER

11 DETERMINED BY RULES PROMULGATED BY THE STATE BOARD OF HEALTH.

12 (4) A HOSPITAL SHALL NOT ASSIGN A CLINICAL STAFF NURSE,

13 NURSE AIDE, OR EMS PROVIDER TO A HOSPITAL UNIT UNLESS, CONSISTENT

14 WITH THE CONDITIONS OF PARTICIPATION ADOPTED FOR FEDERAL

15 MEDICARE AND MEDICAID PROGRAMS, HOSPITAL PERSONNEL RECORDS

16 INCLUDE DOCUMENTATION THAT THE TRAINING AND DEMONSTRATION OF

17 COMPETENCY WERE SUCCESSFULLY COMPLETED DURING ORIENTATION

18 AND ON A PERIODIC BASIS CONSISTENT WITH HOSPITAL POLICIES.

19 (5) (a) ON OR BEFORE SEPTEMBER 1, 2022, EACH HOSPITAL SHALL

20 REPORT, IN A FORM AND MANNER DETERMINED BY RULES PROMULGATED

21 BY THE STATE BOARD OF HEALTH, THE BASELINE NUMBER OF BEDS THE

22 HOSPITAL IS ABLE TO STAFF IN ORDER TO PROVIDE PATIENT CARE AND THE

23 HOSPITAL'S CURRENT BED CAPACITY. THE REPORTING MAY INCLUDE:

24 (I) SEASONAL OR OTHER ANTICIPATED VARIANCES IN STAFFED-BED

25 CAPACITY; AND

26 (II) ANTICIPATED FACTORS IMPACTING STAFFED-BED CAPACITY.

27 (b) IN PROMULGATING RULES PURSUANT TO SUBSECTION (5)(a) OF

1        THIS SECTION, THE STATE BOARD OF HEALTH SHALL:

2            (I) USE THE DATA PROVIDED TO THE DEPARTMENT BY EACH  
3        HOSPITAL THROUGHOUT THE COVID-19 PANDEMIC THROUGH AN  
4        INTERNET-BASED RESOURCE MANAGEMENT AND COMMUNICATION TOOL  
5        DEVELOPED FOR AND COMMONLY USED BY HOSPITALS;

6            (II) DETERMINE THE NUMBER OF SEASONAL VARIATIONS  
7        ALLOWABLE WITH REGARD TO SUBSECTION (5)(a)(I) OF THIS SECTION WITH  
8        A MINIMUM OF TWO AND A MAXIMUM OF FOUR ALLOWABLE VARIANCES;

9        AND

10            (III) DEFINE "STAFFED-BED CAPACITY" FOR THE PURPOSES OF THIS  
11        SECTION.

12            (c) ON OR BEFORE SEPTEMBER 1, 2022, AS DETERMINED BY RULES  
13        PROMULGATED BY THE STATE BOARD OF HEALTH, IF A HOSPITAL'S ABILITY  
14        TO MEET STAFFED-BED CAPACITY FALLS BELOW EIGHTY PERCENT OF THE  
15        HOSPITAL'S REPORTED BASELINE FOR NOT LESS THAN SEVEN AND NOT  
16        MORE THAN FOURTEEN CONSECUTIVE DAYS, THE HOSPITAL SHALL NOTIFY  
17        THE DEPARTMENT AND SUBMIT:

18            (I) A PLAN TO ENSURE STAFF IS AVAILABLE, WITHIN THIRTY DAYS,  
19        TO RETURN TO A STAFFED-BED CAPACITY LEVEL THAT IS EIGHTY PERCENT  
20        OF THE REPORTED BASELINE; OR

21            (II) A REQUEST FOR A WAIVER DUE TO A HARDSHIP, WHICH  
22        REQUEST ARTICULATES WHY THE HOSPITAL IS UNABLE TO MEET THE  
23        REQUIRED STAFFED-BED CAPACITY IF:

24            (A) THE HOSPITAL'S CURRENT STAFFED-BED CAPACITY FALLS  
25        BELOW EIGHTY PERCENT OF THE HOSPITAL'S REPORTED BASELINE FOR NOT  
26        LESS THAN SEVEN AND NOT MORE THAN FOURTEEN CONSECUTIVE DAYS;

27        OR

1 (B) THE HOSPITAL'S CURRENT STAFFED-BED CAPACITY THREATENS  
2 PUBLIC HEALTH.

3 (d) THE DEPARTMENT MAY IMPOSE FINES, NOT TO EXCEED ONE  
4 THOUSAND DOLLARS PER DAY, FOR A HOSPITAL'S FAILURE TO:

5 (I) MEET THE REPORTED STAFFED-BED CAPACITY OF EIGHTY  
6 PERCENT OR MORE OF THE HOSPITAL'S REPORTED BASELINE; OR

7 (II) ACCURATELY REPORT A HOSPITAL'S BASELINE STAFFED-BED  
8 CAPACITY.

15 (a) A STATEWIDE PUBLIC HEALTH EMERGENCY IS DECLARED OR  
16 THE HOSPITAL IS NOTIFIED BY THE DEPARTMENT THAT SURGE CAPACITY IS  
17 NEEDED; AND

21 (I) LICENSING OR CERTIFICATION FLEXIBILITY FOR HEALTH  
22 FACILITIES;

23 (II) REDUCING REQUIREMENTS FOR LICENSING, CREDENTIALING,  
24 AND THE RECEIPT OF STAFF PRIVILEGES:

25 (III) WAIVING SCOPE OF PRACTICE LIMITATIONS; AND

26 (IV) WAIVING STATE-REGULATED PAYER PROVISIONS THAT  
27

7 (a) CROSS-TRAINING, JUST-IN-TIME TRAINING, AND  
8 REDEPLOYMENT OF STAFF;

9 (b) SUPPORTING ALL HOSPITAL FACILITIES, INCLUDING  
10 HOSPITAL-OWNED FACILITIES, TO PROVIDE ANY NECESSARY, AVAILABLE,  
11 AND APPROPRIATE PREVENTIVE CARE, VACCINE ADMINISTRATION,  
12 DIAGNOSTIC TESTING, AND THERAPEUTICS;

13 (c) MAXIMIZING HOSPITAL THROUGHPUT BY DISCHARGING  
14 PATIENTS TO SKILLED NURSING, POST-ACUTE, AND OTHER STEP-DOWN  
15 FACILITIES; AND

16 (d) REDUCING THE NUMBER OF SCHEDULED PROCEDURES IN THE  
17 HOSPITAL.

18 (8) BEGINNING SEPTEMBER 1, 2022, THE DEPARTMENT MAY FINE  
19 A HOSPITAL AN AMOUNT NOT TO EXCEED TEN THOUSAND DOLLARS PER  
20 DAY FOR THE FAILURE TO:

25 (b) INCLUDE THE AMOUNT OF NECESSARY VACCINES FOR  
26 ADMINISTRATION IN ITS ANNUAL EMERGENCY PLAN AND HAVE THE  
27 VACCINES AVAILABLE, TO THE EXTENT THAT THE VACCINES ARE

1 AVAILABLE, AT EACH OF ITS HOSPITAL FACILITIES AND HOSPITAL-OWNED  
2 PRIMARY CARE SITES DURING AND OUTSIDE OF THE PUBLIC HEALTH  
3 EMERGENCY, AS DETERMINED BY RULES PROMULGATED BY THE  
4 DEPARTMENT; AND

5 (c) INCLUDE THE NECESSARY TESTING CAPABILITIES AVAILABLE IN  
6 ITS ANNUAL EMERGENCY PLAN AND AT EACH OF ITS HOSPITAL FACILITIES  
7 AND HOSPITAL-OWNED PRIMARY CARE SITES DURING AND OUTSIDE OF A  
8 PUBLIC HEALTH EMERGENCY, TO THE EXTENT THAT THE TESTING IS  
9 AVAILABLE, AS DETERMINED BY RULES PROMULGATED BY THE  
10 DEPARTMENT.

11 (9) FOR THE PURPOSES OF THIS SECTION, THE DEPARTMENT SHALL  
12 ENTER, SURVEY, AND INVESTIGATE EACH HOSPITAL:

13 (a) AS DEEMED NECESSARY BY THE DEPARTMENT;  
14 (b) FOR PURPOSES OF INFECTION CONTROL AND EMERGENCY  
15 PREPAREDNESS; AND  
16 (c) TO ENSURE COMPLIANCE WITH THIS SECTION.

17 (10) THE DEPARTMENT SHALL ANNUALLY REPORT ON THE  
18 INFORMATION CONTAINED IN THE QUARTERLY REPORT DESCRIBED IN  
19 SUBSECTION (3)(d) OF THIS SECTION AS A PART OF ITS PRESENTATION TO  
20 ITS COMMITTEE OF REFERENCE AT A HEARING HELD PURSUANT TO SECTION  
21 2-7-203 (2)(a) OF THE "STATE MEASUREMENT FOR ACCOUNTABLE,  
22 RESPONSIVE, AND TRANSPARENT (SMART) GOVERNMENT ACT".

23 (11) THE DEPARTMENT MAY PROMULGATE RULES TO REQUIRE  
24 HEALTH FACILITIES LICENSED PURSUANT TO SECTION 25-1.5-103 TO  
25 DEVELOP AND IMPLEMENT INFECTION PREVENTION PLANS THAT ALIGN  
26 WITH NATIONAL BEST PRACTICES AND STANDARDS AND THAT ARE  
27 RESPONSIVE TO COVID-19 AND OTHER COMMUNICABLE DISEASES. THE

1 REQUIREMENTS MAY INCLUDE TESTING, VACCINATION, AND TREATMENT  
2 IN ACCORDANCE WITH APPLICABLE STATE LAWS, RULES, AND EXECUTIVE  
3 ORDERS.

4 (12) THE STATE BOARD OF HEALTH SHALL PROMULGATE RULES AS  
5 NECESSARY TO IMPLEMENT THIS SECTION.

6 **25-3-129. Office of saving people money on health care - study**  
7 - **report.** (1) THE OFFICE OF SAVING PEOPLE MONEY ON HEALTH CARE IN  
8 THE LIEUTENANT GOVERNOR'S OFFICE SHALL STUDY:

9 (a) THE LEVEL OF PREPAREDNESS OF HEALTH FACILITIES LICENSED  
10 PURSUANT TO SECTION 25-1.5-103 TO RESPOND TO POST-VIRAL ILLNESS  
11 RESULTING FROM THE COVID-19 VIRUS;

12 (b) THE EFFECTS OF POST-VIRAL ILLNESS RESULTING FROM THE  
13 COVID-19 VIRUS ON THE MENTAL, BEHAVIORAL, AND PHYSICAL HEALTH  
14 AND THE FINANCIAL SECURITY OF THE PEOPLE OF COLORADO; AND

15 (c) THE EFFECTS OF THE COVID-19 PANDEMIC ON THE COST OF  
16 HEALTH CARE IN COLORADO AND ON THE ABILITY OF COLORADO'S PUBLIC  
17 HEALTH SYSTEM TO RESPOND TO EMERGENCIES.

18 (2) **ON OR BEFORE JANUARY 1, 2023, AND ON OR BEFORE JANUARY**  
19 **1 EACH YEAR THEREAFTER, THE OFFICE OF SAVING PEOPLE MONEY ON**  
20 **HEALTH CARE SHALL REPORT ITS FINDINGS TO THE GOVERNOR.**

21 (3) **THE OFFICE OF SAVING PEOPLE MONEY ON HEALTH CARE SHALL**  
22 **COORDINATE, MONITOR, AND SUPPORT THE EFFORTS TO IMPROVE THE**  
23 **AFFORDABILITY OF HEALTH CARE, HEALTH OUTCOMES, AND PUBLIC**  
24 **HEALTH READINESS IN STATE PROGRAMS AND DEPARTMENTS.**

25 **SECTION 2.** In Colorado Revised Statutes, 25-1.5-103, **amend**  
26 (1)(a)(I)(C) as follows:

27 **25-1.5-103. Health facilities - powers and duties of department**

1       **- limitations on rules promulgated by department - definitions.**

2       (1) The department has, in addition to all other powers and duties  
3       imposed upon it by law, the powers and duties provided in this section as  
4       follows:

5               (a) (I) (C) The department shall extend the survey cycle or  
6       conduct a tiered inspection or survey of a health facility licensed for at  
7       least three years and against which no enforcement activity has been  
8       taken, no patterns of deficient practices exist, as documented in the  
9       inspection and survey reports issued by the department, and no  
10       substantiated complaint resulting in the discovery of significant  
11       deficiencies that may negatively affect the life, health, or safety of  
12       consumers of the health facility has been received within the three years  
13       prior to the date of the inspection. The department may expand the scope  
14       of the inspection or survey to an extended or full survey if the department  
15       finds deficient practice during the tiered inspection or survey. The  
16       department, by rule, shall establish a schedule for an extended survey  
17       cycle or a tiered inspection or survey system designed, at a minimum, to:  
18       Reduce the time needed for and costs of licensure inspections for both the  
19       department and the licensed health facility; reduce the number, frequency,  
20       and duration of on-site inspections; reduce the scope of data and  
21       information that health facilities are required to submit or provide to the  
22       department in connection with the licensure inspection; reduce the  
23       amount and scope of duplicative data, reports, and information required  
24       to complete the licensure inspection; and be based on a sample of the  
25       facility size. Nothing in this ~~sub-subparagraph~~ (C) SUBSECTION  
26       (1)(a)(I)(C) limits the ability of the department to conduct a periodic  
27       inspection or survey that is required to meet its obligations as a state

1 survey agency on behalf of the FEDERAL centers for medicare and  
2 medicaid services or the department of health care policy and financing  
3 to assure that the health facility meets the requirements for participation  
4 in the medicare and medicaid programs OR LIMITS THE ABILITY OF THE  
5 DEPARTMENT TO ENTER, SURVEY, AND INVESTIGATE HOSPITALS PURSUANT  
6 TO SECTION 25-3-128.

7 **SECTION 3.** In Colorado Revised Statutes, 25-3-102.1, **amend**  
8 (1)(b)(II) as follows:

9 **25-3-102.1. Deemed status for certain facilities.** (1) (b) (II) If  
10 the standards for national accreditation are less stringent than the state's  
11 licensure standards for a particular health facility, the department of  
12 public health and environment may conduct a survey that focuses on the  
13 more stringent state standards. Beginning one year after the department  
14 first grants deemed status to a health facility pursuant to this ~~paragraph~~  
15 ~~(b)~~ SUBSECTION (1)(b), the department may conduct validation surveys,  
16 based on a valid sample methodology, of up to ten percent of the total  
17 number of accredited health facilities in the industry. ~~excluding hospitals~~.  
18 If the department conducts a validation survey of a health facility, the  
19 validation survey is in lieu of a licensing renewal survey that the health  
20 facility would have undergone if the health facility did not have deemed  
21 status pursuant to this ~~paragraph~~ ~~(b)~~ SUBSECTION (1)(b).  
22 NOTWITHSTANDING ANY OTHER LAW TO THE CONTRARY, THE  
23 DEPARTMENT MAY ENTER, SURVEY, AND INVESTIGATE HOSPITALS  
24 PURSUANT TO SECTION 25-3-128.

25 **SECTION 4.** In Colorado Revised Statutes, 25-3-105, **amend**  
26 (1)(a)(I)(B) and (1)(a)(I)(C) as follows:

27 **25-3-105. License - fee - rules - penalty - repeal.**

1       (1) (a) (I) (B) On or after June 4, 2012, the state board of health may  
2       increase the amount of any fee on the schedule of fees established  
3       pursuant to subsection (1)(a)(I)(A) of this section that is in effect on June  
4       4, 2012, by an amount not to exceed the annual percentage change in the  
5       United States department of labor, bureau of labor statistics, consumer  
6       price index for Denver-Aurora-Lakewood for all urban consumers and all  
7       goods, or its applicable predecessor or successor index. Nothing in this  
8       subsection (1)(a)(I)(B) limits the ability of the state board of health to  
9       reduce the amount of any fee on the schedule of fees in effect on such  
10      date or to modify fees as necessary to comply with section 24-75-402.

11      NOTWITHSTANDING THE REQUIREMENTS OF THIS SUBSECTION (1)(a)(I)(B),  
12      THE STATE BOARD OF HEALTH MAY ASSESS FEES NECESSARY TO COVER  
13      THE COSTS ASSOCIATED WITH THE SURVEYS CONDUCTED PURSUANT TO  
14      SECTION 25-3-128.

15           (C) The department of public health and environment shall  
16       institute, by rule, a performance incentive system for licensed health  
17       facilities under which a licensed health facility would be eligible for a  
18       reduction in its license renewal fee if: The department's on-site  
19       relicensure inspection demonstrates that the health facility has no  
20       significant deficiencies that have negatively affected the life, safety, or  
21       health of its consumers; the licensed health facility has fully and timely  
22       cooperated with the department during the on-site inspection; the  
23       department has found no documented actual or potential harm to  
24       consumers; and, in the case where any significant deficiencies are found  
25       that do not negatively affect the life, safety, or health of consumers, the  
26       licensed health facility has submitted, and the department has accepted,  
27       a plan of correction and the health facility has corrected the deficient

1 practice, as verified by the department, within the period required by the  
2 department. NOTWITHSTANDING THE REQUIREMENTS OF THIS SUBSECTION  
3 (1)(a)(I)(C), ANY FEES ASSOCIATED WITH THE SURVEYS AND  
4 INVESTIGATIONS OF HOSPITALS AUTHORIZED BY SECTION 25-3-128 ARE  
5 NOT SUBJECT TO A REDUCTION BASED ON THE PERFORMANCE INCENTIVE  
6 SYSTEM.

7 **SECTION 5.** In Colorado Revised Statutes, **repeal** 25-3-702.

8 **SECTION 6.** In Colorado Revised Statutes, 25-3-703, **amend** (1)  
9 as follows:

10 **25-3-703. Hospital report card - rules - exemption.** (1) (a) The  
11 executive director shall approve a Colorado hospital report card  
12 consisting of public disclosure of data assembled pursuant to this part 7.  
13 At a minimum, the data shall be made available on an internet website in  
14 a manner that allows consumers to conduct an interactive search that  
15 allows them to view and compare the information for specific hospitals.

16 The website ~~shall~~ **MUST** include:

17 (I) CLINICAL OUTCOMES MEASURES FROM GENERAL AND PUBLIC  
18 HOSPITALS LICENSED PURSUANT TO SECTION 25-1.5-103; AND

19 (II) Such additional information as is determined necessary to  
20 ensure that the website enhances informed decision making among  
21 consumers and health-care purchasers, which ~~shall~~ **MUST** include, at a  
22 minimum, appropriate guidance on how to use the data and an  
23 explanation of why the data may vary from hospital to hospital. ~~The data~~  
24 ~~specified in this subsection (1) shall be released on or before November~~  
25 ~~30, 2007.~~

26 (b) WHEN MAKING A DETERMINATION AS TO WHAT DATA TO  
27 REPORT AS REQUIRED BY SUBSECTION (1)(a) OF THIS SECTION, EACH

1 EXECUTIVE DIRECTOR SHALL CONSIDER:

2 (I) INCLUSION OF DATA ON ALL PATIENTS REGARDLESS OF THE

3 PAYER SOURCE FOR COLORADO HOSPITALS AND OTHER INFORMATION

4 THAT MAY BE REQUIRED FOR EITHER INDIVIDUAL OR GROUP PURCHASERS

5 TO ASSESS THE VALUE OF THE PRODUCT;

6 (II) USE OF STANDARDIZED CLINICAL OUTCOMES MEASURES

7 RECOGNIZED BY NATIONAL ORGANIZATIONS THAT ESTABLISH STANDARDS

8 TO MEASURE THE PERFORMANCE OF HEALTH-CARE PROVIDERS;

9 (III) DATA THAT IS SEVERITY AND ACUITY ADJUSTED USING

10 STATISTICAL METHODS THAT SHOW VARIATION IN REPORTED OUTCOMES,

11 WHERE APPLICABLE, AND DATA THAT HAS PASSED STANDARD EDITS;

12 (IV) REPORTING THE RESULTS WITH SEPARATE DOCUMENTS

13 CONTAINING THE TECHNICAL SPECIFICATION AND MEASURES;

14 (V) STANDARDIZATION IN REPORTING; AND

15 (VI) DISCLOSURE OF THE METHODOLOGY OF REPORTING.

16 **SECTION 7.** In Colorado Revised Statutes, 25-3-703, **add (3)**

17 and (4) as follows:

18 **25-3-703. Hospital report card - rules - exemption.** (3) THE

19 STATE BOARD OF HEALTH SHALL PROMULGATE RULES THAT ESTABLISH

20 NURSING-SENSITIVE QUALITY MEASURES BASED UPON A NATIONALLY

21 RECOGNIZED STANDARD AND REVISE THE RULES AS NECESSARY EVERY

22 THREE YEARS TO BE INCLUDED IN THE HOSPITAL REPORT CARD. THE

23 NURSING-SENSITIVE QUALITY MEASURES MUST INCLUDE AT A MINIMUM:

24 (a) SKILL MIX;

25 (b) THE NURSING HOURS PER PATIENT PER DAY;

26 (c) VOLUNTARY TURNOVER;

27 (d) PATIENT FALLS PREVALENCE RATE;

1 (e) PATIENT FALLS WITH INJURY; AND

2 (f) RECORDED INCIDENCES OF VIOLENCE AGAINST STAFF AND

3 CONTRACTED STAFF.

4 (4) HOSPITALS WITH FEWER THAN ONE HUNDRED BEDS ARE  
5 EXEMPT FROM THE REQUIREMENTS OF THIS SECTION.

6                   **SECTION 8.** In Colorado Revised Statutes, 25-3-705, amend (1)  
7                   as follows:

## **25-3-705. Health-care charge transparency - hospital charge**

9 **report.** (1) The commissioner of insurance shall work with the duly  
10 constituted association of hospitals selected by the executive director  
11 pursuant to section 25-3-702 for assistance in carrying out the purposes  
12 of this section.

25 **SECTION 10. Safety clause.** The general assembly hereby  
26 finds, determines, and declares that this act is necessary for the immediate  
27 preservation of the public peace, health, or safety.