

2019 Legislative Session Wrap-Up

JUNE 5, 2019

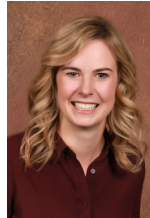


Today's Presenters

JOSHUA EWING



AMBER BURKHART





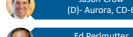
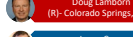
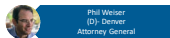
Today's Presentation

- Election Wave
- A New Kind of Administration
- A Challenging Session
- Transparency, Affordability and Reducing Costs
- Health Care Workforce and Employer Regulations
- Colorado's Changing Legal and Regulatory Environments
- Expanding Access to Care
- Looking Ahead

Election Wave Comes to Colorado

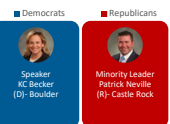
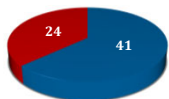


Statewide Election Results

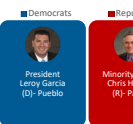
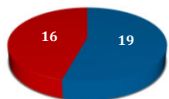


Post-Election State Legislative Control

House



Senate



A New Kind of Administration





A New Kind of Administration



- “Boldly forward”
- Hands-on approach
- Ambitious agenda




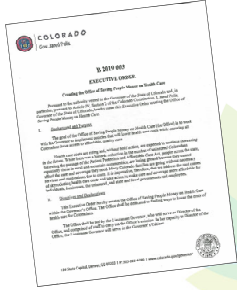
Health Care Highlights: State of the State Address

- “Our ultimate objective is to bring universal, high-quality, affordable care to every Colorado family”
- “We must tackle the **outrageous health care costs** facing Coloradans – particularly in rural and mountain counties”
- “We’ll empower the **Division of Insurance** to protect consumers and support rural and mountain communities working to lower their health care costs”
- “We’ll establish a **reinsurance program** to reduce costs and save Coloradans money”
- “We will address the **appalling costs of prescription drugs**...[find a] way for Colorado to safely import prescription drugs from Canada”



Executive Action

GOVERNOR POLIS SIGNS EXECUTIVE ORDER CREATING OFFICE OF SAVING PEOPLE MONEY ON HEALTH CARE

A Challenging Session



Key Drivers for 2019



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Colorado Hospital Association

Politics in the Capitol

Fields: Overreach an understatement in Democrat controlled legislature
By Michael Fields
Rep. Bruce Fields says overreach is the best word to describe the legislative session by the House. He says the session is a struggle with obstruction. Fields says the House is not the legislature. He says the House is not the legislature. He says the House is not the legislature.

Chaos and conflict brewing at the Colorado Capitol as Democrats push a big agenda and the GOP resists
A series of major policy shifts is generating leading Republican state senator promoting

Colorado Senate Democrats violated state constitution with computer reading of 2,700-page bill, judge says
Colorado's Senate Democrats should be arrested for the way they used computer reading as a political weapon. Republican Sen. Mark Ferrandino says the Senate's actions are unconstitutional.

Dem. Senate President Letty Garcia says he'll continue to keep measures above the political aisle
The from the day who kept the Senate's public hearing open during in a dangerous blizzard to give the GOP a look.

Obstruction-Stopwatch
Let's see how long it takes the House to pass the bill. The House is not the legislature. The House is not the legislature. The House is not the legislature.

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An Ambitious Legislative Agenda

HIGHER ED TUITION FREEZE & IMMIGRANT IN-STATE TUITION

AFFORDABLE HOUSING

OIL & GAS REGULATION & RENEWABLE ENERGY STANDARDS

K12 FULL DAY KINDERGARTEN

CRIMINAL JUSTICE REFORM

Governor Polis on 2019 session: "couldn't be more thrilled"

EQUAL PAY

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Colorado Hospital Association

CHA Legislative Priorities: Top Issues for Colorado Hospitals

Lead by Example
Colorado hospitals and health systems believe that all segments of the industry have a shared responsibility to develop solutions to the most pressing challenges facing our health care system. Getting there will take time, but hospitals will lead the way by:

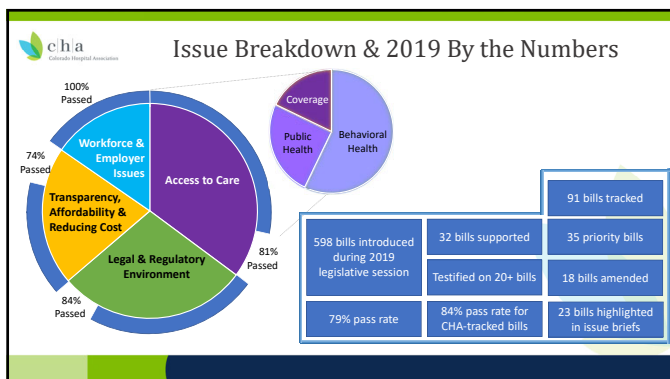
- Taking Responsibility for Pricing Transparency for Consumers
- Leading the Charge for Freestanding Emergency Department Licensure
- Supporting Efforts to Reauthorize the Medical Practice Act and the Colorado Professional Review Act

Simplify the Health Care System
The health care system in Colorado has developed and evolved over many decades into a system that is complicated for both consumers and providers. Hospitals will work to simplify the system by:

- Working to Improve Efficiency in Health Care Billing
- Honoring Patient Wishes and Streamlining the Delivery of Health Care Through the Creation of an Advanced Directives Registry
- Pushing for Rural Hospital Regulatory Relief







Transparency, Affordability and Reducing Costs





Transparency, Affordability and Reducing Costs




- High Cost of Health Insurance
- Improving Consumer Financial Protections and Resolving “Surprise Billing”
- Hospital Financial Transparency
- Pharmaceutical Transparency and Pricing




Spotlight: HB 19-1001, Hospital Financial Transparency


- Directs HCPF, in consultation with the CHASE Board, to develop an **annual report** on uncompensated costs and categorical expenditures made by hospitals
- Hospitals are required to submit **financial statements, operating expenses, staffing information**, etc.
- Report must include uncompensated care costs by payer group, and a breakdown of how different categories of expenses contribute to **overall costs**
- Report must be publicly available by Jan. 15 of each year **beginning in 2020**

Transparency


 **Spotlight: HB 19-1168, Reinsurance**

- The "Colorado Approach to Reinsurance"
- From Rate-Setting → Assessment
- Two-year program with up to \$40M/year from hospitals; amalgamation of other funding sources
- Year One: \$250M, \$87M state share
- Goal of statewide premium reduction of 16%, 30% in the Mountain areas
- Claims between \$30,000-\$400,000



 **Spotlight: HB 19-1174, Out-of-Network**

- Ensures consumers covered by state-regulated insurance plans are held harmless for out-of-network charges
- Caps reimbursement rates to out-of-network providers at in-network facilities and for emergency services provided at out-of-network facilities
- CHA secured several consumer protections, including ensuring savings from reduced costs are passed directly to consumers



Health Care Workforce and Employer Regulations




Health Care Workforce and Employer Regulations

- Strengthening Colorado's Health Care Workforce
- Colorado Imposes New Employer Regulations




Spotlight: SB 19-052, EMS Provider Scope Of Practice



- Current law allowed EMS providers to perform pre-hospital care under the medical direction of a physician
- EMS providers can now practice in a clinical setting under the medical supervision of a physician, PA, APN or RN
- CDPHE must promulgate rules; facilities must establish operating policies and procedures

Spotlight: HB 19-1041, Surgical Smoke Protection Policies



- Requires hospitals and surgical centers to implement a policy to evacuate surgical smoke during medical procedures
- Facilities must use a surgical smoke evacuation system during any procedure producing surgical smoke
- Policy must be implemented by May 1, 2021

Spotlight: SB 19-188, FAMLI Family Medical Leave Insurance Program

- A highly debated bill, the original draft created a state-run family leave program funded by payroll taxes with a \$2 billion annual budget
- CHA and the business community amended the bill to require a study that will assess feasibility of such a program
- Task force will report final recommendations on Jan. 8, 2020



Colorado Democrats postpone paid family leave effort until 2020, opt for study after mounting pressure against bill

Colorado's Changing Legal and Regulatory Environments



Colorado's Changing Legal and Regulatory Environments



- Legal Damages and Liabilities
- Enhancing Health Care Technology
- Modernizing Regulatory Requirements: Facility Licensing and Rural Hospital Regulatory Relief

Spotlight: SB 19-234, Sunset Professional Review Committees

CHA PRIORITY BILL

- Continues the Colorado Professional Review Act (CPRA), in place since 1975
- Provides medical review protections
- Overwhelmingly endorsed for full reauthorization by DORA
- Was reauthorized after hard-fought negotiations and proponent organizing
- Extended until 2030

43-year-old act with long history of bipartisan support

236 professional review boards in Colorado that support renewing peer review

49 states with professional review laws

Why We Need CPRA:

- 9-month study by DORA
- CPRA contributes to patient safety
- CPRA promotes a culture of safety between providers and patients
- CPRA helps Colorado attract and retain quality health care professionals


Without CPRA:

- Health care costs will increase
- Providers will leave the state
- Patient safety will be at risk

Vote YES on SB 19-234

Spotlight: SB 19-073, Statewide System Of Advance Medical Directives

CHA PRIORITY BILL




- Advanced directives offer a solution to situations when patients are unable to communicate their own wishes for treatment
- SB 19-073 creates a centralized repository for advanced directives
- Must be developed in conjunction with the state's health information exchanges
- Establishes legal protections for emergency personnel, providers and facilities

Spotlight: HB 19-1065, Public Hospital Boards Of Trustees

CHA PRIORITY BILL

- Originated with CHA Member Hospitals
- Removes the restriction that not more than four of the seven trustees of a public hospital may be residents of the city or town in which the hospital is located
- Clarifies when hospitals need approval from county commissioners for leases or purchase
- Takes effect Aug. 2, 2019



Expanding Access to Care





Expanding Access to Care

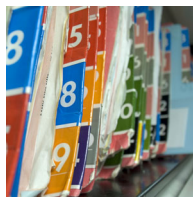
- Increasing Access to High-Quality, Accessible Behavioral Health Care
- Ensuring Health Insurance Provides Value to Consumers
- Focusing on Prevention to Address Public Health Concerns







Spotlight: HB 19-1211, Prior Authorization Requirements

- Requires insurance carriers and contracted utilization review companies to:
 - Publish prior authorization criteria on their website
 - Notify providers of new or changing requirements
 - Publish data about approvals/denials
- Prior approvals not processed within 5 days (2 for urgent services) are deemed granted
- Specifies the information carriers must provide when prior authorizations are denied or need more information



Spotlight: HB 19-1269, Mental Health Parity

PRIVATE INSURANCE

- Strengthens state-level parity protections to align with MHPAEA
- Mandates coverage for an annual mental wellness check
- Carriers and Insurance Commissioner to produce annual parity compliance report



MEDICAID

- Requires Medicaid to cover all covered diagnoses, regardless of co-occurring conditions
- Requires Medicaid to standardize utilization management standards
- Carriers and Insurance Commissioner to produce annual parity compliance report

Looking Forward



Member Education Forthcoming

- June 6: Legislative Report Released
- June 17: Issue Briefs & Implementation Materials Released

Transparency HB 1001, HB 1320	Reinsurance HB 1168	Out-of-Network HB 1174	Workforce HB 1088, HB 1105, HB 1242, SB 052	Employer-Related HB 1025, HB 1041, HB 1248, HB 1289, SB 049, SB 065, SB 085
Advance Directives HB 1044, SB 073	Professional Review & Candor SB 201, SB 234	Behavioral Health HB 1287, HB 1269	Prior Authorization HB 1211, HB 1301	

 **Sign Up for CHA Regulatory Updates**


Monthly updates cover information on regulatory issues, specifically those associated with state agencies involved in health care – CDHS, CDPHE, DORA and HCPF

TO SIGN UP, PLEASE
CONTACT KYLE JAY, CHA
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 **Regulatory
UPDATE**

June 4, 2019



 **Questions**