



HB 23-1215: Limits on Hospital Facility Fees



Summary

This bill would ban facility fees at off-campus locations and for telehealth visits, as well as give HCPF the authority to determine which on-campus outpatient, diagnostic, and imaging services can no longer include these fees. Additionally, the bill would require facilities to provide advance notice to patients as well as require an annual report on facility fees from the All-Payer Claims Database Administrator.

What are facility fees?

Patients who receive care at an outpatient setting or hospital-owned physician's office are generally charged with two separate fees – a professional fee (pays for the doctor and/or physician assistant) and a facility fee (pays for everyone and everything else). This misnomer actually has little to do with a facility and instead supports the variety of staff and resources required for outpatient care, including nurses, patient care technicians, registration professionals, environmental services, imaging specialists, pharmacists, equipment specialists, and more.

This bill will have catastrophic consequences for hospitals and the broader health care system.

Abolishing payments for hospital outpatient services will force hospitals to limit or eliminate outpatient care, significantly impacting both access and total expense.

- **Will have catastrophic consequences** – Half of Colorado's hospitals are operating with unsustainable finances (and not all are rural). This bill would cut \$9 billion more from hospitals and health systems, making 96% of hospitals financially unsustainable.
- **Disrupts gains in patient care** – Colorado has invested heavily in an integrated model of care and is starting to see the benefits of that, with lower per capita hospital costs and patients getting care at the right time and right place.
- **Threatens access and adds expense** – This could include all outpatient care, including on-campus and off-campus locations, and charges not labeled as "facility fee." Removing all payment for outpatient care beyond the doctor will force locations to close and will result in more emergency department usage and inpatient care, driving up health care costs for everyone.



How Your Care Team Gets Paid

Background: As hospitals focus more on “whole person care,” population health, and keeping people healthy and out of the hospital, typically only the very sickest patients receive care as an inpatient at a hospital.

Patients who receive care at an outpatient setting or physician’s office are typically charged as follows:

- **Professional fee, for the doctor and/or PA**
- **Facility fee which pays for everyone and everything else**



Professional Fees Pay For:



PA



Specialty Physician



Primary Physician

Facility Fees Pay For:



Registration Aid



Lab Tech



Patient Care Tech



BioMed Support



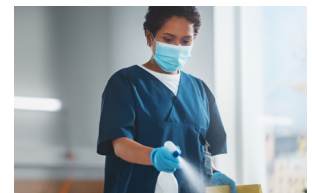
Medical Records/
IT and EHR Support



Charge Nurse/
Specialty Nurse



Nurse



Environmental
Services Staff



Food Services



Security

For questions, contact Joshua Ewing, CHA vice president, government affairs, at Joshua.Ewing@cha.com or 720.635.3493.