

Updating Colorado's Hospital Discounted Care Law

Support bill SB 24-116



Hospital Discounted Care is regularly identified by both large urban and small rural hospitals as their number one regulatory challenge. Resolving some of the more challenging aspects of the law will benefit all hospitals in Colorado while retaining the original benefits of the law for Colorado patients.

What You Need to Know

As with many large-scale reforms, unanticipated operational challenges emerge post-implementation.

+ **Medicaid:**
HDC does not do enough to incentivize enrollment in Medicaid for eligible individuals. Under the legislation, hospitals could serve as presumptive eligibility sites to give eligible patients temporary coverage on the day of service and help get them fully enrolled in Medicaid coverage.

U **Physician reporting:**
The statutory language mandates only reporting from hospitals despite there being a significant physician billing element to HDC. This legislation would remove hospitals from this inappropriate middleman role.

📄 **Inconsistent billing caps:**
Hospitals and providers can bill for services as a percent of gross monthly income for 36 payments. Facilities are allowed to bill up to 4%, and physicians can bill up to 2% (consistent with the HDC fee schedule) of a patient's monthly income. However, the statutory language does not effectively recognize instances where the hospital bills on behalf of an employed physician. The legislation would allow bills up to 6% when hospitals bill on behalf of physicians.

🔍 **Scope of hospital services:**
The language applies to all services under the hospital's license, which inappropriately includes many services outside of the scope of HDC. The legislation would exclude primary care provided in rural health clinics.

🏠 **Colorado residency:**
The language requires facilities to screen all patients despite non-Colorado residents not being eligible for HDC. The legislation would clarify in statute that an individual must attest to residing in Colorado to be eligible for hospital discounted care.



What can be done to fix this?

Support hospitals by working together to create common-sense solutions to these issues while ensuring those who need additional financial assistance are able to get it.



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