

Second Regular Session
Sixty-seventh General Assembly
STATE OF COLORADO

DRAFT
10.14.09

BILL 9

LLS NO. 10-0166.01 Christy Chase

INTERIM COMMITTEE BILL

Health Care Task Force

SHORT TITLE: "CoverColorado Provider Fee Schedule"

A BILL FOR AN ACT

101 CONCERNING MEASURES TO ENSURE THE FINANCIAL VIABILITY OF THE
102 COVERCOLORADO PROGRAM.

Bill Summary

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Health Care Task Force. The bill authorizes the board of directors (board) of the CoverColorado program to establish a schedule of fees for compensating health care providers that render covered health care services to CoverColorado participants. The bill also prohibits health care providers from billing participants for costs in excess of the applicable fee on the fee schedule for services covered by the program. Additionally, the bill authorizes the board to maintain enrollment

*Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

in the CoverColorado program consistent with the program's financial resources.

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

2 **SECTION 1.** 10-8-506 (1) (m), Colorado Revised Statutes, is
3 amended, and the said 10-8-506 (1) is further amended BY THE
4 ADDITION OF THE FOLLOWING NEW PARAGRAPHS, to read:

5 **10-8-506. Board - powers and duties.** (1) The board shall be
6 the governing body of the program and shall have all powers necessary
7 to implement the provisions of this part 5. In addition, the board shall
8 have the specific authority to:

9 (m) Establish procedures for the reasonable advance notice to
10 interested parties of the agenda for meetings of the board; ~~and~~

11 (o) ESTABLISH ONE OR MORE FEE SCHEDULES, IN ACCORDANCE
12 WITH SECTION 10-8-512.5, FIXING THE AMOUNT THAT ALL MEDICAL,
13 SURGICAL, HOSPITAL, AND OTHER HEALTH CARE SERVICE PROVIDERS WILL
14 BE COMPENSATED BY THE PROGRAM FOR PROVIDING SERVICES COVERED
15 BY THE PROGRAM TO A COVERCOLORADO PARTICIPANT; AND

16 (p) MAINTAIN ENROLLMENT CONSISTENT WITH AND WITHIN THE
17 AVAILABLE FINANCIAL RESOURCES OF THE PROGRAM, IN ACCORDANCE
18 WITH CRITERIA AND PROCEDURES ESTABLISHED BY THE BOARD AND
19 SUBJECT TO APPLICABLE FEDERAL LAW.

20 **SECTION 2.** Part 5 of article 8 of title 10, Colorado Revised
21 Statutes, is amended BY THE ADDITION OF A NEW SECTION to
22 read:

23 **10-8-512.5. Fee schedule - compensation of health care**
24 **providers - rules.** (1) THE BOARD MAY ESTABLISH ONE OR MORE FEE
25 SCHEDULES FIXING THE AMOUNT THAT THE PROGRAM WILL COMPENSATE

1 ALL MEDICAL, SURGICAL, HOSPITAL, AND OTHER HEALTH CARE SERVICE
2 PROVIDERS WHO PROVIDE SERVICES COVERED BY THE PROGRAM TO A
3 COVERCOLORADO PARTICIPANT. ANY FEE SCHEDULE ESTABLISHED
4 PURSUANT TO THIS SECTION SHALL TAKE EFFECT NO SOONER THAN
5 JANUARY 1, 2011, OR ON SUCH LATER DATE AS DETERMINED BY THE
6 BOARD.

7 (2) (a) A HEALTH CARE PROVIDER, HEALTH CARE FACILITY,
8 EMERGENCY SERVICE PROVIDER, OR OTHER PERSON OR ENTITY PROVIDING
9 HEALTH CARE SERVICES TO A PARTICIPANT SHALL NOT CONTRACT WITH,
10 BILL, OR CHARGE A PARTICIPANT OR THE PROGRAM A FEE FOR SERVICES
11 COVERED BY THE PROGRAM THAT IS IN EXCESS OF THE APPLICABLE FEE ON
12 A FEE SCHEDULE ESTABLISHED PURSUANT TO THIS SECTION. ANY BILL OR
13 CHARGE FOR SERVICES COVERED BY THE PROGRAM THAT IS IN EXCESS OF
14 THE APPLICABLE FEE ON THE FEE SCHEDULE SHALL BE UNLAWFUL, VOID,
15 AND UNENFORCEABLE AS A DEBT.

16 (b) NOTHING IN THIS SUBSECTION (2) SHALL PRECLUDE A HEALTH
17 CARE PROVIDER, HEALTH CARE FACILITY, EMERGENCY SERVICE PROVIDER,
18 OR OTHER PERSON OR ENTITY PROVIDING HEALTH CARE SERVICES TO A
19 PARTICIPANT FROM BILLING OR CHARGING A PARTICIPANT FOR APPLICABLE
20 COINSURANCE, DEDUCTIBLE, OR COPAYMENT AMOUNTS OR FOR SERVICES
21 NOT COVERED BY THE PROGRAM.

22 (3) THE COMMISSIONER MAY ADOPT RULES AS NECESSARY TO
23 IMPLEMENT THIS SECTION.

24 **SECTION 3.** 10-8-526, Colorado Revised Statutes, is amended
25 to read:

26 **10-8-526. Expenses covered.** Health benefit plans issued
27 pursuant to this part 5 shall cover expenses incurred for health care

1 services or articles or items related to such services or articles that are
2 medically necessary, subject to the cost containment controls authorized
3 by this part 5; except that such coverage shall not extend to costs for such
4 services or articles over and above ~~the reasonable and customary charge~~
5 ~~in the locality~~ ANY SCHEDULE OF FEES ESTABLISHED PURSUANT TO
6 SECTION 10-8-512.5 and shall not extend to services or articles that are
7 not prescribed by a physician who is licensed to practice in the state or
8 jurisdiction where such services or articles are provided. Such services
9 shall include but not be limited to care for acute illnesses and ongoing
10 care for the treatment of the insured's uninsurable condition. Coverage
11 under a health benefit plan shall be at least comparable to that issued on
12 a group basis in the market.

13 **SECTION 4. Act subject to petition - effective date.** This act
14 shall take effect at 12:01 a.m. on the day following the expiration of the
15 ninety-day period after final adjournment of the general assembly (August
16 11, 2010, if adjournment sine die is on May 12, 2010); except that, if a
17 referendum petition is filed pursuant to section 1 (3) of article V of the
18 state constitution against this act or an item, section, or part of this act
19 within such period, then the act, item, section, or part shall not take effect
20 unless approved by the people at the general election to be held in
21 November 2010 and shall take effect on the date of the official
22 declaration of the vote thereon by the governor. ~~ask task force~~