INTRODUCED

HOUSE BILL 10-1330

HOUSE SPONSORSHIP

Kefalas and Kagan, Apuan, Court, Fischer, Gagliardi, Levy, Miklosi, Pace, Primavera, Rice, Riesberg, Solano, Tyler, Vigil

SENATE SPONSORSHIP

Morse,

House Committees	Senate Committees
Health and Human Services	

A BILL FOR AN ACT

101 **CONCERNING THE CREATION OF AN ADVISORY COMMITTEE TO MAKE**
102   **RECOMMENDATIONS REGARDING THE CREATION OF A**
103   **COLORADO ALL-PAYER HEALTH CLAIMS DATABASE FOR THE**
104   **PURPOSE OF TRANSPARENT PUBLIC REPORTING OF HEALTH CARE**
105   **INFORMATION.**

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://www.leg.state.co.us/billsummaries.)

The bill requires the executive director of the department of health

care policy and financing (executive director) to appoint an advisory committee to make recommendations regarding the creation of a Colorado all-payer health claims database for the purpose of transparent public reporting of health care information. The executive director is required to appoint an administrator to create the database. The administrator, in consultation with the advisory committee, shall create the database if sufficient gifts, grants, and donations are received on or before January 1, 2012, to pay for the creation and maintenance of the database. The executive director shall promulgate rules to create and maintain the database. The data shall be made available to the public, state agencies, and private entities consistent with privacy laws. The advisory committee is scheduled to sunset July 1, 2016.

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

2   **SECTION 1.** Part 2 of article 1 of title 25.5, Colorado Revised

3   Statutes, is amended BY THE ADDITION OF A NEW SECTION to

4   read:

5   **25.5-1-204.   Advisory committee to establish an all-payer**

6   **health claims database - creation - members - duties - creation of**

7   **all-payer health claims database - rules - repeal.** (1) (a) WITHIN

8   FORTY-FIVE BUSINESS DAYS AFTER THE EFFECTIVE DATE OF THIS SECTION,

9   THE EXECUTIVE DIRECTOR SHALL APPOINT AN ADVISORY COMMITTEE TO

10   MAKE RECOMMENDATIONS REGARDING THE CREATION OF THE

11   FRAMEWORK AND IMPLEMENTATION PLAN FOR A COLORADO ALL-PAYER

12   CLAIMS DATABASE FOR THE PURPOSE OF FACILITATING THE REPORTING OF

13   HEALTH CARE AND HEALTH QUALITY DATA THAT RESULTS IN

14   TRANSPARENT AND PUBLIC REPORTING OF SAFETY, QUALITY, COST, AND

15   EFFICIENCY INFORMATION AT ALL LEVELS OF HEALTH CARE.   THE

16   EXECUTIVE DIRECTOR SHALL APPOINT AN ADMINISTRATOR OF THE

17   DATABASE AND DETERMINE WHERE THE DATABASE WILL BE LOCATED.

18   (b) THE EXECUTIVE DIRECTOR SHALL APPOINT THE MEMBERS OF

19   THE ADVISORY COMMITTEE, CONSISTING OF THE FOLLOWING MEMBERS:

1 (I) A MEMBER OF ACADEMIA WITH EXPERIENCE IN HEALTH CARE
2 DATA AND COST EFFICIENCY RESEARCH;
3 (II) A REPRESENTATIVE OF A HOSPITAL OR A REPRESENTATIVE OF
4 AN ASSOCIATION THAT REPRESENTS HOSPITALS;
5 (III) A REPRESENTATIVE OF AN INTEGRATED MULTI-SPECIALTY
6 ORGANIZATION;
7 (IV) A REPRESENTATIVE OF PHYSICIANS AND SURGEONS;
8 (V) A REPRESENTATIVE OF SMALL EMPLOYERS THAT PURCHASE
9 GROUP HEALTH INSURANCE FOR EMPLOYEES, WHICH REPRESENTATIVE IS
10 NOT A SUPPLIER OR BROKER OF HEALTH INSURANCE;
11 (VI) A REPRESENTATIVE OF LARGE EMPLOYERS THAT PURCHASE
12 HEALTH INSURANCE FOR EMPLOYEES, WHICH REPRESENTATIVE IS NOT A
13 SUPPLIER OR BROKER OF HEALTH INSURANCE;
14 (VII) A REPRESENTATIVE OF SELF-INSURED EMPLOYERS, WHICH
15 REPRESENTATIVE IS NOT A SUPPLIER OR BROKER OF HEALTH INSURANCE;
16 (VIII) A REPRESENTATIVE OF AN ORGANIZATION THAT PROCESSES
17 INSURANCE CLAIMS OR CERTAIN ASPECTS OF EMPLOYEE BENEFIT PLANS
18 FOR A SEPARATE ENTITY;
19 (IX) A REPRESENTATIVE OF A NONPROFIT ORGANIZATION THAT
20 DEMONSTRATES EXPERIENCE WORKING WITH EMPLOYERS TO ENHANCE
21 VALUE AND AFFORDABILITY IN HEALTH INSURANCE;
22 (X) A PERSON WITH A DEMONSTRATED RECORD OF ADVOCATING
23 HEALTH CARE PRIVACY ISSUES ON BEHALF OF CONSUMERS;
24 (XI) A PERSON WITH A DEMONSTRATED RECORD OF ADVOCATING
25 HEALTH CARE ISSUES ON BEHALF OF CONSUMERS;
26 (XII) TWO REPRESENTATIVES OF HEALTH INSURERS, ONE WHO
27 REPRESENTS NONPROFIT INSURERS AND ONE WHO REPRESENTS FOR-PROFIT

1   INSURERS;

2   (XIII) A REPRESENTATIVE OF DENTAL INSURERS;

3   (XIV) A REPRESENTATIVE OF SAFETY NET CLINICS WHO HAS

4   EXPERIENCE IN BEHAVIORAL HEALTH AND DATA COLLECTION;

5   (XV) A REPRESENTATIVE OF PHARMACISTS OR AN AFFILIATE

6   SOCIETY;

7   (XVI) A REPRESENTATIVE OF PHARMACY BENEFIT MANAGERS;

8   AND

9   (XVII) TWO REPRESENTATIVES OF NONPROFIT ORGANIZATIONS

10   THAT FACILITATE HEALTH INFORMATION EXCHANGE TO IMPROVE HEALTH

11   CARE FOR ALL COLORADANS.

12   (c)   THE FOLLOWING PERSONS SHALL SERVE AS EX OFFICIO

13   MEMBERS OF THE ADVISORY COMMITTEE:

14   (I) THE EXECUTIVE DIRECTOR OR HIS OR HER DESIGNEE;

15   (II) A REPRESENTATIVE OF THE DEPARTMENT OF PERSONNEL AND

16   ADMINISTRATION;

17   (III) THE COMMISSIONER OF INSURANCE OR HIS OR HER DESIGNEE;

18   AND

19   (IV) THE DIRECTOR OF THE OFFICE OF INFORMATION TECHNOLOGY

20   OR HIS OR HER DESIGNEE.

21   (d) (I) THIS SUBSECTION (1) IS REPEALED, EFFECTIVE JULY 1, 2016.

22   (II) PRIOR TO THE REPEAL OF THIS SUBSECTION (1), THE ADVISORY

23   COMMITTEE SHALL BE REVIEWED AS PROVIDED FOR IN SECTION 2-3-1203,

24   C.R.S.

25   (2) THE ADVISORY COMMITTEE SHALL MAKE RECOMMENDATIONS

26   TO THE ADMINISTRATOR REGARDING THE DATABASE THAT:

27   (a)   INCLUDE SPECIFIC STRATEGIES TO MEASURE AND COLLECT

1 DATA RELATED TO HEALTH CARE SAFETY AND QUALITY, UTILIZATION,

2 HEALTH OUTCOMES, AND COST TO CONSUMERS, PAYERS, AND

3 PURCHASERS;

4 (b) FOCUS ON DATA ELEMENTS THAT FOSTER QUALITY

5 IMPROVEMENT AND PEER GROUP COMPARISONS;

6 (c) FACILITATE VALUE-BASED, COST-EFFECTIVE PURCHASING OF

7 HEALTH CARE SERVICES BY PUBLIC AND PRIVATE PURCHASERS AND

8 CONSUMERS;

9 (d) RESULT IN USABLE AND COMPARABLE INFORMATION THAT

10 ALLOWS PUBLIC AND PRIVATE HEALTH CARE PURCHASERS, CONSUMERS,

11 AND DATA ANALYSTS TO IDENTIFY AND COMPARE HEALTH PLANS, HEALTH

12 INSURERS, HEALTH CARE FACILITIES, AND HEALTH CARE PROVIDERS

13 REGARDING THE PROVISION OF SAFE, COST-EFFECTIVE, HIGH-QUALITY

14 HEALTH CARE SERVICES;

15 (e) USE AND BUILD UPON EXISTING DATA COLLECTION STANDARDS

16 AND METHODS TO ESTABLISH AND MAINTAIN THE DATABASE IN A

17 COST-EFFECTIVE AND EFFICIENT MANNER;

18 (f) ARE DESIGNED TO MEASURE THE FOLLOWING PERFORMANCE

19 DOMAINS: SAFETY, TIMELINESS, EFFECTIVENESS, EFFICIENCY, EQUITY,

20 AND PATIENT-CENTEREDNESS;

21 (g) INCORPORATE AND UTILIZE CLAIMS, ELIGIBILITY, AND

22 PROVIDER DATA TO THE EXTENT IT IS THE MOST COST-EFFECTIVE METHOD

23 OF COLLECTING DATA TO MINIMIZE THE COST AND ADMINISTRATIVE

24 BURDEN ON DATA SOURCES;

25 (h) INCLUDE RECOMMENDATIONS ABOUT THE INCLUSION OF DATA

26 ON THE UNINSURED;

27 (i) DISCUSS THE HARMONIZATION OF A COLORADO DATABASE

1   WITH OTHER STATES', REGIONS', AND FEDERAL EFFORTS CONCERNING

2   ALL-PAYER CLAIMS DATABASES;

3   (j) DISCUSS THE HARMONIZATION OF A COLORADO DATABASE

4   WITH FEDERAL LEGISLATION CONCERNING AN ALL-PAYER CLAIMS

5   DATABASE;

6   (k) DISCUSS A LIMIT ON THE NUMBER OF TIMES THE

7   ADMINISTRATOR MAY REQUIRE SUBMISSION OF THE REQUIRED DATA

8   ELEMENTS; AND

9   (l) DISCUSS A LIMIT ON THE NUMBER OF TIMES THE

10   ADMINISTRATOR MAY CHANGE THE REQUIRED DATA ELEMENTS FOR

11   SUBMISSION IN A CALENDAR YEAR CONSIDERING ADMINISTRATIVE COSTS,

12   RESOURCES, AND TIME REQUIRED TO FULFILL THE REQUESTS.

13   (3) THE ADMINISTRATOR SHALL SEEK FUNDING FOR THE CREATION

14   OF THE ALL-PAYER HEALTH CLAIMS DATABASE AND DEVELOP A PLAN FOR

15   THE FINANCIAL STABILITY OF THE DATABASE. IF SUFFICIENT FUNDING IS

16   RECEIVED THROUGH GIFTS, GRANTS, AND DONATIONS ON OR BEFORE

17   JANUARY 1, 2012, AS DETERMINED BY THE EXECUTIVE DIRECTOR, THE

18   ADMINISTRATOR SHALL, IN CONSULTATION WITH THE ADVISORY

19   COMMITTEE, CREATE THE COLORADO ALL-PAYER CLAIMS DATABASE. THE

20   COLORADO ALL-PAYER CLAIMS DATABASE SHALL BE OPERATIONAL NO

21   LATER THAN JANUARY 1, 2013.

22   (4) IF SUFFICIENT FUNDING IS RECEIVED AND THE ADMINISTRATOR

23   IS DIRECTED TO CREATE THE DATABASE, THE ADMINISTRATOR SHALL:

24   (a) DETERMINE THE DATA TO BE COLLECTED AND THE METHOD OF

25   COLLECTION, INCLUDING MANDATORY AND VOLUNTARY REPORTING OF

26   HEALTH CARE AND HEALTH QUALITY DATA. IF THE ADMINISTRATOR

27   REQUIRES MANDATORY REPORTING, COVERCOLORADO, CREATED IN PART

1   5 OF ARTICLE 8 OF TITLE 10, C.R.S., SHALL BE INCLUDED IN THE

2   MANDATORY REPORTING REQUIREMENTS.

3   (b) SEEK TO ESTABLISH AGREEMENTS FOR VOLUNTARY REPORTING

4   OF HEALTH CARE CLAIMS DATA FROM HEALTH CARE PAYERS THAT ARE NOT

5   SUBJECT TO MANDATORY REPORTING REQUIREMENTS IN ORDER TO ENSURE

6   AVAILABILITY OF THE MOST COMPREHENSIVE AND SYSTEMWIDE DATA ON

7   HEALTH CARE COSTS AND QUALITY;

8   (c) SEEK TO ESTABLISH AGREEMENTS OR REQUESTS WITH THE

9   FEDERAL CENTERS FOR MEDICARE AND MEDICAID SERVICES TO OBTAIN

10   MEDICARE HEALTH CLAIMS DATA;

11   (d) DETERMINE THE MEASURES NECESSARY TO IMPLEMENT THE

12   REPORTING REQUIREMENTS IN A MANNER THAT IS COST-EFFECTIVE AND

13   REASONABLE FOR DATA SOURCES AND TIMELY, RELEVANT, AND RELIABLE

14   FOR CONSUMERS, PUBLIC AND PRIVATE PURCHASERS, PROVIDERS, AND

15   POLICYMAKERS;

16   (e) DETERMINE THE REPORTS AND DATA TO BE MADE AVAILABLE

17   TO THE PUBLIC IN ORDER TO ACCOMPLISH THE PURPOSES OF THIS SECTION,

18   INCLUDING CONDUCTING STUDIES AND REPORTING THE RESULTS OF THE

19   STUDIES;

20   (f) COLLECT, AGGREGATE, DISTRIBUTE, AND PUBLICLY REPORT

21   PERFORMANCE DATA ON QUALITY, HEALTH OUTCOMES, HEALTH

22   DISPARITIES, COST, UTILIZATION, AND PRICING IN A MANNER ACCESSIBLE

23   FOR CONSUMERS, PUBLIC AND PRIVATE PURCHASERS, PROVIDERS, AND

24   POLICYMAKERS;

25   (g) PROTECT PATIENT PRIVACY IN COMPLIANCE WITH STATE AND

26   FEDERAL MEDICAL PRIVACY LAWS WHILE PRESERVING THE ABILITY TO

27   ANALYZE DATA AND SHARE WITH PROVIDERS AND PAYERS TO ENSURE

1   ACCURACY PRIOR TO THE PUBLIC RELEASE OF INFORMATION;

2   (h) REPORT TO THE GOVERNOR AND THE GENERAL ASSEMBLY ON

3   OR BEFORE MARCH 1 OF EACH YEAR ON THE STATUS OF IMPLEMENTING

4   THE DATABASE AND ANY RECOMMENDATIONS FOR STATUTORY OR

5   REGULATORY CHANGES THAT WOULD ADVANCE THE PURPOSES OF THIS

6   SECTION;

7   (i) PROVIDE LEADERSHIP AND COORDINATION OF PUBLIC AND

8   PRIVATE HEALTH CARE QUALITY AND PERFORMANCE MEASUREMENTS TO

9   ENSURE EFFICIENCY, COST-EFFECTIVENESS, TRANSPARENCY, AND

10   INFORMED CHOICE BY CONSUMERS AND PUBLIC AND PRIVATE PURCHASERS.

11   (5) THE ADMINISTRATOR:

12   (a) SHALL INCORPORATE AND UTILIZE AVAILABLE DATA OTHER

13   THAN ADMINISTRATIVE CLAIMS DATA IF NECESSARY TO MEASURE AND

14   ANALYZE A SIGNIFICANT HEALTH CARE QUALITY, SAFETY, OR COST ISSUE

15   THAT CANNOT BE ADEQUATELY MEASURED WITH ADMINISTRATIVE CLAIMS

16   DATA ALONE;

17   (b) SHALL REQUIRE A DATA SOURCE TO SUBMIT DATA NECESSARY

18   TO IMPLEMENT THE ALL-PAYER CLAIMS DATABASE;

19   (c) SHALL DETERMINE THE DATA ELEMENTS TO BE COLLECTED, THE

20   REPORTING FORMATS FOR DATA SUBMITTED, AND THE USE AND REPORTING

21   OF ANY DATA SUBMITTED. DATA COLLECTION SHALL ALIGN WITH

22   NATIONAL STANDARDS WHERE POSSIBLE.

23   (d) MAY AUDIT THE ACCURACY OF ALL DATA SUBMITTED;

24   (e) MAY CONTRACT WITH THIRD PARTIES TO COLLECT AND

25   PROCESS THE HEALTH CARE DATA COLLECTED PURSUANT TO THIS SECTION.

26   THE CONTRACT SHALL PROHIBIT THE COLLECTION OF UNENCRYPTED

27   SOCIAL SECURITY NUMBERS AND THE USE OF THE DATA FOR ANY PURPOSE

1 OTHER THAN THOSE SPECIFICALLY AUTHORIZED BY THE CONTRACT. THE

2 CONTRACT SHALL REQUIRE THE THIRD PARTY TO TRANSMIT THE DATA

3 COLLECTED AND PROCESSED UNDER THE CONTRACT TO THE

4 ADMINISTRATOR OR OTHER DESIGNATED ENTITY.

5 (f) MAY SHARE DATA REGIONALLY OR HELP DEVELOP A

6 MULTI-STATE EFFORT IF RECOMMENDED BY THE ADVISORY COMMITTEE.

7 (6) THE ALL-PAYER HEALTH CLAIMS DATABASE SHALL:

8 (a) BE AVAILABLE TO THE PUBLIC WHEN DISCLOSED IN A FORM AND

9 MANNER THAT ENSURES THE PRIVACY AND SECURITY OF PERSONAL

10 HEALTH INFORMATION AS REQUIRED BY STATE AND FEDERAL LAW, AS A

11 RESOURCE TO INSURERS, CONSUMERS, EMPLOYERS, PROVIDERS,

12 PURCHASERS OF HEALTH CARE, AND STATE AGENCIES TO ALLOW FOR

13 CONTINUOUS REVIEW OF HEALTH CARE UTILIZATION, EXPENDITURES, AND

14 QUALITY AND SAFETY PERFORMANCE IN COLORADO;

15 (b) BE AVAILABLE TO STATE AGENCIES AND PRIVATE ENTITIES IN

16 COLORADO ENGAGED IN EFFORTS TO IMPROVE HEALTH CARE, SUBJECT TO

17 RULES PROMULGATED BY THE EXECUTIVE DIRECTOR;

18 (c) BE PRESENTED TO ALLOW FOR COMPARISONS OF GEOGRAPHIC,

19 DEMOGRAPHIC, AND ECONOMIC FACTORS AND INSTITUTIONAL SIZE;

20 (d) PRESENT DATA IN A CONSUMER-FRIENDLY MANNER.

21 (7) THE COLLECTION, STORAGE, AND RELEASE OF HEALTH CARE

22 DATA AND OTHER INFORMATION PURSUANT TO THIS SECTION IS SUBJECT

23 TO THE FEDERAL "HEALTH INSURANCE PORTABILITY AND

24 ACCOUNTABILITY ACT OF 1996", PUB.L. 104-191, AS AMENDED.

25 (8) THE EXECUTIVE DIRECTOR SHALL PROMULGATE RULES AS

26 NECESSARY TO IMPLEMENT THIS SECTION, WHICH RULES SHALL INCLUDE

27 THE ASSESSMENT OF A FINE FOR AN ENTITY REQUIRED TO SUBMIT DATA

1   THAT DOES NOT COMPLY WITH THIS SECTION.

2   **SECTION 2.** 2-3-1203 (3) (cc), Colorado Revised Statutes, is

3   amended BY THE ADDITION OF A NEW SUBPARAGRAPH to read:

4   **2-3-1203. Sunset review of advisory committees.** (3) The

5   following dates are the dates for which the statutory authorization for the

6   designated advisory committees is scheduled for repeal:

7   (cc) July 1, 2016:

8   (III) THE ADVISORY COMMITTEE TO ESTABLISH AN ALL-PAYER

9   HEALTH CLAIMS DATABASE CREATED IN SECTION 25.5-1-204 (1), C.R.S.

10   **SECTION 3. Act subject to petition - effective date.** This act

11   shall take effect at 12:01 a.m. on the day following the expiration of the

12   ninety-day period after final adjournment of the general assembly (August

13   11, 2010, if adjournment sine die is on May 12, 2010); except that, if a

14   referendum petition is filed pursuant to section 1 (3) of article V of the

15   state constitution against this act or an item, section, or part of this act

16   within such period, then the act, item, section, or part shall not take effect

17   unless approved by the people at the general election to be held in

18   November 2010 and shall take effect on the date of the official

19   declaration of the vote thereon by the governor.