Second Regular Session Sixty-seventh General Assembly STATE OF COLORADO

PREAMENDED

This Unofficial Version Includes Committee Amendments Not Yet Adopted on Second Reading

LLS NO. 10-0523.01 Kristen Forrestal

HOUSE BILL 10-1330

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A BILL FOR AN ACT CONCERNING THE CREATION OF 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.

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

HOUSE 3rd Reading Unam ended March 9,2010

HOUSE ended 2nd Reading March 8, 2010 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.

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

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:

DATABASE.

25.5-1-204. Advisory committee to establish an all-payer health claims database - creation - members - duties - creation of all-payer health claims database - rules - repeal. (1) (a) WITHIN FORTY-FIVE BUSINESS DAYS AFTER THE EFFECTIVE DATE OF THIS SECTION, THE EXECUTIVE DIRECTOR SHALL APPOINT AN ADVISORY COMMITTEE TO MAKE RECOMMENDATIONS REGARDING THE CREATION OF THE FRAMEWORK AND IMPLEMENTATION PLAN FOR A COLORADO ALL-PAYER CLAIMS DATABASE FOR THE PURPOSE OF FACILITATING THE REPORTING OF HEALTH CARE AND HEALTH QUALITY DATA THAT RESULTS IN TRANSPARENT AND PUBLIC REPORTING OF SAFETY, QUALITY, COST, AND EFFICIENCY INFORMATION AT ALL LEVELS OF HEALTH CARE. THE

(b) THE EXECUTIVE DIRECTOR SHALL APPOINT THE MEMBERS OF THE ADVISORY COMMITTEE, CONSISTING OF THE FOLLOWING MEMBERS:

EXECUTIVE DIRECTOR SHALL APPOINT AN ADMINISTRATOR OF THE

-2-

1	(I) A MEMBER OF ACADEMIA WITH EXPERIENCE IN HEALTH CARE
2	DATA AND COST EFFICIENCY RESEARCH;
3	(II) A REPRESENTATIVE OF A STATEWIDE ASSOCIATION OF
4	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
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-3-

1	INSURERS;
2	(XIII) A REPRESENTATIVE OF DENTAL INSURERS;
3	(XIV) A REPRESENTATIVE FROM A COMMUNITY MENTAL HEALTH
4	CENTER THAT HAS EXPERIENCE IN BEHAVIORAL HEALTH DATA
5	COLLECTION;
6	(XV) A REPRESENTATIVE OF PHARMACISTS OR AN AFFILIATE
7	SOCIETY;
8	(XVI) A REPRESENTATIVE OF PHARMACY BENEFIT MANAGERS:
9	AND
10	(XVII) TWO REPRESENTATIVES OF NONPROFIT ORGANIZATIONS
11	THAT FACILITATE HEALTH INFORMATION EXCHANGE TO IMPROVE HEALTH
12	CARE FOR ALL COLORADANS.
13	(c) The following persons shall serve as ex officio
14	MEMBERS OF THE ADVISORY COMMITTEE:
15	(I) THE EXECUTIVE DIRECTOR OR HIS OR HER DESIGNEE;
16	(II) A REPRESENTATIVE OF THE DEPARTMENT OF PERSONNEL AND
17	ADMINISTRATION;
18	(III) THE COMMISSIONER OF INSURANCE OR HIS OR HER DESIGNEE;
19	
20	(IV) THE DIRECTOR OF THE OFFICE OF INFORMATION TECHNOLOGY
21	OR HIS OR HER DESIGNEE; AND
22	(V) Two members of the general assembly, one from the
23	MAJORITY PARTY AND ONE FROM THE MINORITY PARTY.
24	(d) WHEN MAKING APPOINTMENTS TO THE ADVISORY COMMITTEE.
25	THE EXECUTIVE DIRECTOR SHALL INCLUDE AT LEAST TWO MEMBERS WHO
26	RESIDE IN A RURAL COMMUNITY WITH A POPULATION OF LESS THAN FIFTY
27	THOUSAND OR WHO REPRESENT RURAL INTERESTS.

-4- 1330

1	(e) (I) This subsection (1) is repealed, effective July 1, 2013 .
2	(II) PRIOR TO THE REPEAL OF THIS SUBSECTION (1), THE ADVISORY
3	COMMITTEE SHALL BE REVIEWED AS PROVIDED FOR IN SECTION 2-3-1203,
4	C.R.S.
5	(2) THE ADVISORY COMMITTEE SHALL MAKE RECOMMENDATIONS
6	TO THE ADMINISTRATOR REGARDING THE DATABASE THAT:
7	(a) INCLUDE SPECIFIC STRATEGIES TO MEASURE AND COLLECT
8	DATA RELATED TO HEALTH CARE SAFETY AND QUALITY, UTILIZATION,
9	HEALTH OUTCOMES, AND COST TO CONSUMERS, PAYERS, PROVIDERS, AND
10	PURCHASERS;
11	(b) FOCUS ON DATA ELEMENTS THAT FOSTER QUALITY
12	IMPROVEMENT AND PEER GROUP COMPARISONS;
13	(c) FACILITATE VALUE-BASED, COST-EFFECTIVE PURCHASING OF
14	HEALTH CARE SERVICES BY PUBLIC AND PRIVATE PURCHASERS AND
15	CONSUMERS;
16	(d) RESULT IN USABLE AND COMPARABLE INFORMATION THAT
17	ALLOWS PUBLIC AND PRIVATE HEALTH CARE PURCHASERS, CONSUMERS,
18	AND DATA ANALYSTS TO IDENTIFY AND COMPARE HEALTH PLANS, HEALTH
19	INSURERS, HEALTH CARE FACILITIES, AND HEALTH CARE PROVIDERS
20	REGARDING THE PROVISION OF SAFE, COST-EFFECTIVE, HIGH-QUALITY
21	HEALTH CARE SERVICES;
22	(e) USE AND BUILD UPON EXISTING DATA COLLECTION STANDARDS
23	AND METHODS TO ESTABLISH AND MAINTAIN THE DATABASE IN A
24	COST-EFFECTIVE AND EFFICIENT MANNER;
25	(f) ARE DESIGNED TO MEASURE THE FOLLOWING PERFORMANCE
26	DOMAINS: SAFETY, TIMELINESS, EFFECTIVENESS, EFFICIENCY, EQUITY,
27	AND PATIENT-CENTEREDNESS:

-5-

1	(g) INCORPORATE AND UTILIZE CLAIMS, ELIGIBILITY, AND OTHER
2	PUBLICLY AVAILABLE DATA TO THE EXTENT IT IS THE MOST
3	COST-EFFECTIVE METHOD OF COLLECTING DATA TO MINIMIZE THE COST
4	AND ADMINISTRATIVE BURDEN ON DATA SOURCES;
5	(h) INCLUDE RECOMMENDATIONS ABOUT WHETHER TO INCLUDE
6	DATA ON THE UNINSURED;
7	(i) DISCUSS THE HARMONIZATION OF A COLORADO DATABASE
8	WITH OTHER STATES', REGIONS', AND FEDERAL EFFORTS CONCERNING
9	ALL-PAYER CLAIMS DATABASES;
10	(j) DISCUSS THE HARMONIZATION OF A COLORADO DATABASE
11	WITH FEDERAL LEGISLATION CONCERNING AN ALL-PAYER CLAIMS
12	DATABASE;
13	(k) DISCUSS A LIMIT ON THE NUMBER OF TIMES THE
14	ADMINISTRATOR MAY REQUIRE SUBMISSION OF THE REQUIRED DATA
15	ELEMENTS; AND
16	(1) DISCUSS A LIMIT ON THE NUMBER OF TIMES THE
17	ADMINISTRATOR MAY CHANGE THE REQUIRED DATA ELEMENTS FOR
18	SUBMISSION IN A CALENDAR YEAR CONSIDERING ADMINISTRATIVE COSTS,
19	RESOURCES, AND TIME REQUIRED TO FULFILL THE REQUESTS.
20	(3) THE ADVISORY COMMITTEE SHALL MAKE RECOMMENDATIONS
21	TO THE EXECUTIVE DIRECTOR TO DETERMINE HOW THE ONGOING
22	OVERSIGHT OF THE OPERATIONS OF THE ALL-PAYER HEALTH CLAIMS
23	${\tt DATABASESHOULD} \underline{{\tt FUNCTION, INCLUDINGWHERETHEDATABASESHOULD}}$
24	BE HOUSED.
25	(4) THE ADMINISTRATOR SHALL SEEK FUNDING FOR THE CREATION
26	OF THE ALL-PAYER HEALTH CLAIMS DATABASE AND DEVELOP A PLAN FOR
27	THE FINANCIAL STABILITY OF THE DATABASE. ON OR BEFORE MARCH 1,

-6-

1	2011, THE ADMINISTRATOR SHALL REPORT TO THE GOVERNOR AND THE
2	GENERAL ASSEMBLY ON THE STATUS OF THE FUNDING EFFORT AND ON THE
3	STATUS OF THE RECOMMENDATIONS OF THE ADVISORY COMMITTEE. IF
4	SUFFICIENT FUNDING IS RECEIVED THROUGH GIFTS, GRANTS, AND
5	DONATIONS ON OR BEFORE JANUARY 1, 2012, AS DETERMINED BY THE
6	EXECUTIVE DIRECTOR, THE ADMINISTRATOR SHALL, IN CONSULTATION
7	WITH THE ADVISORY COMMITTEE, CREATE THE COLORADO ALL-PAYER
8	CLAIMS DATABASE. THE COLORADO ALL-PAYER CLAIMS DATABASE SHALL
9	BE OPERATIONAL NO LATER THAN JANUARY 1, 2013.
10	(5) IF SUFFICIENT FUNDING IS RECEIVED, THE EXECUTIVE DIRECTOR
11	SHALL DIRECT THE ADMINISTRATOR TO CREATE THE DATABASE AND THE
12	ADMINISTRATOR SHALL:
13	(a) DETERMINE THE DATA TO BE COLLECTED FROM PAYERS AND
14	THE METHOD OF COLLECTION, INCLUDING MANDATORY AND VOLUNTARY
15	REPORTING OF HEALTH CARE AND HEALTH QUALITY DATA. IF THE
16	ADMINISTRATOR REQUIRES MANDATORY REPORTING, COVERCOLORADO,
17	CREATED IN PART 5 OF ARTICLE 8 OF TITLE 10, C.R.S., SHALL BE INCLUDED
18	IN THE MANDATORY REPORTING REQUIREMENTS.
19	(b) SEEK TO ESTABLISH AGREEMENTS FOR VOLUNTARY REPORTING
20	OF HEALTH CARE CLAIMS DATA FROM HEALTH CARE PAYERS THAT ARE NOT
21	SUBJECT TO MANDATORY REPORTING REQUIREMENTS IN ORDER TO ENSURE
22	AVAILABILITY OF THE MOST COMPREHENSIVE AND SYSTEMWIDE DATA ON
23	HEALTH CARE COSTS AND QUALITY;
24	(c) Seek to establish agreements or requests with the
25	FEDERAL CENTERS FOR MEDICARE AND MEDICAID SERVICES TO OBTAIN
26	MEDICARE HEALTH CLAIMS DATA;
27	(d) DETERMINE THE MEASURES NECESSARY TO IMPLEMENT THE

-7- 1330

1	REPORTING REQUIREMENTS IN A MANNER THAT IS COST-EFFECTIVE AND
2	REASONABLE FOR DATA SOURCES AND TIMELY, RELEVANT, AND RELIABLE
3	FOR CONSUMERS, PUBLIC AND PRIVATE PURCHASERS, PROVIDERS, AND
4	POLICYMAKERS;
5	(e) DETERMINE THE REPORTS AND DATA TO BE MADE AVAILABLE
6	TO THE PUBLIC WITH RECOMMENDATIONS FROM THE ADVISORY
7	COMMITTEE IN ORDER TO ACCOMPLISH THE PURPOSES OF THIS SECTION,
8	INCLUDING CONDUCTING STUDIES AND REPORTING THE RESULTS OF THE
9	STUDIES;
10	(f) COLLECT, AGGREGATE, DISTRIBUTE, AND PUBLICLY REPORT
11	PERFORMANCE DATA ON QUALITY, HEALTH OUTCOMES, HEALTH
12	DISPARITIES, COST, UTILIZATION, AND PRICING IN A MANNER ACCESSIBLE
13	FOR CONSUMERS, PUBLIC AND PRIVATE PURCHASERS, PROVIDERS, AND
14	POLICYMAKERS;
15	(g) PROTECT PATIENT PRIVACY IN COMPLIANCE WITH STATE AND
16	FEDERAL MEDICAL PRIVACY LAWS WHILE PRESERVING THE ABILITY TO
17	ANALYZE DATA AND SHARE WITH PROVIDERS AND PAYERS TO ENSURE
18	ACCURACY PRIOR TO THE PUBLIC RELEASE OF INFORMATION;
19	(h) REPORT TO THE GOVERNOR AND THE GENERAL ASSEMBLY ON
20	OR BEFORE MARCH 1 OF EACH YEAR ON THE STATUS OF IMPLEMENTING
21	THE DATABASE AND ANY RECOMMENDATIONS FOR STATUTORY OR
22	REGULATORY CHANGES, WITH INPUT FROM THE ADVISORY COMMITTEE OR
23	ITS SUCCESSOR GOVERNANCE ENTITY, THAT WOULD ADVANCE THE
24	PURPOSES OF THIS SECTION;
25	(i) PROVIDE LEADERSHIP AND COORDINATION OF PUBLIC AND
26	PRIVATE HEALTH CARE QUALITY AND PERFORMANCE MEASUREMENTS TO
27	ENSURE EFFICIENCY, COST-EFFECTIVENESS, TRANSPARENCY, AND

-8-

1	INFORMED CHOICE BY CONSUMERS AND PUBLIC AND PRIVATE PURCHASERS.
2	(6) THE ADMINISTRATOR, WITH INPUT FROM THE ADVISORY
3	COMMITTEE:
4	(a) SHALL INCORPORATE AND UTILIZE PUBLICLY AVAILABLE DATA
5	OTHER THAN ADMINISTRATIVE CLAIMS DATA IF NECESSARY TO MEASURE
6	AND ANALYZE A SIGNIFICANT HEALTH CARE QUALITY, SAFETY, OR COST
7	ISSUE THAT CANNOT BE ADEQUATELY MEASURED WITH ADMINISTRATIVE
8	CLAIMS DATA ALONE;
9	(b) SHALL REQUIRE PAYER DATA SOURCES TO SUBMIT DATA
10	NECESSARY TO IMPLEMENT THE ALL-PAYER CLAIMS DATABASE;
11	(c) Shall determine the data elements to be collected, the
12	REPORTING FORMATS FOR DATA SUBMITTED, AND THE USE AND REPORTING
13	OF ANY DATA SUBMITTED. DATA COLLECTION SHALL ALIGN WITH
14	NATIONAL, REGIONAL, AND OTHER UNIFORM ALL-PAYER CLAIMS
15	DATABASES' STANDARDS WHERE POSSIBLE.
16	(d) MAY AUDIT THE ACCURACY OF ALL DATA SUBMITTED;
17	(e) MAY CONTRACT WITH THIRD PARTIES TO COLLECT AND PROCESS
18	THE HEALTH CARE DATA COLLECTED PURSUANT TO THIS SECTION. THE
19	CONTRACT SHALL PROHIBIT THE COLLECTION OF UNENCRYPTED SOCIAL
20	SECURITY NUMBERS AND THE USE OF THE DATA FOR ANY PURPOSE OTHER
21	THAN THOSE SPECIFICALLY AUTHORIZED BY THE CONTRACT. THE
22	CONTRACT SHALL REQUIRE THE THIRD PARTY TO TRANSMIT THE DATA
23	COLLECTED AND PROCESSED UNDER THE CONTRACT TO THE
24	ADMINISTRATOR OR OTHER DESIGNATED ENTITY.
25	(f) May share data regionally or help develop a
26	MULTI-STATE EFFORT IF RECOMMENDED BY THE ADVISORY COMMITTEE.
27	(7) THE ALL-PAYER HEALTH CLAIMS DATABASE SHALL:

-9-

1	(a) BE AVAILABLE TO THE PUBLIC WHEN DISCLOSED IN A FORM AND
2	MANNER THAT ENSURES THE PRIVACY AND SECURITY OF PERSONAL HEALTH
3	INFORMATION AS REQUIRED BY STATE AND FEDERAL LAW, AS A RESOURCE
4	TO INSURERS, CONSUMERS, EMPLOYERS, PROVIDERS, PURCHASERS OF
5	HEALTH CARE, AND STATE AGENCIES TO ALLOW FOR CONTINUOUS REVIEW
6	OF HEALTH CARE UTILIZATION, EXPENDITURES, AND QUALITY AND SAFETY
7	PERFORMANCE IN COLORADO;
8	(b) BE AVAILABLE TO STATE AGENCIES AND PRIVATE ENTITIES IN
9	COLORADO ENGAGED IN EFFORTS TO IMPROVE HEALTH CARE, SUBJECT TO
10	RULES PROMULGATED BY THE EXECUTIVE DIRECTOR;
11	(c) BE PRESENTED TO ALLOW FOR COMPARISONS OF GEOGRAPHIC,
12	DEMOGRAPHIC, AND ECONOMIC FACTORS AND INSTITUTIONAL SIZE;
13	(d) Present data in a consumer-friendly manner.
14	(8) THE COLLECTION, STORAGE, AND RELEASE OF HEALTH CARE
15	DATA AND OTHER INFORMATION PURSUANT TO THIS SECTION IS SUBJECT TO
16	THE FEDERAL "HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY
17	ACT OF 1996", Pub.L. 104-191, AS AMENDED.
18	(9) The executive director shall promulgate rules as
19	NECESSARY TO IMPLEMENT THIS SECTION, WHICH RULES SHALL INCLUDE
20	THE ASSESSMENT OF A FINE FOR A PAYER REQUIRED TO SUBMIT DATA THAT
21	DOES NOT COMPLY WITH THIS SECTION. ANY FINES COLLECTED SHALL BE
22	DEPOSITED IN THE ALL-PAYER HEALTH CLAIMS DATABASE CASH FUND,
23	WHICH IS HEREBY CREATED IN THE STATE TREASURY. THE MONEYS IN THE
24	FUND SHALL BE APPROPRIATED TO THE DEPARTMENT OF HEALTH CARE
25	POLICY AND FINANCING FOR THE PURPOSE OF MAINTAINING THE ALL-PAYER
26	HEALTH CLAIMS DATABASE. THE MONEYS IN THE FUND SHALL REMAIN IN
27	THE FUND AND NOT REVERT TO THE GENERAL FUND OR ANY OTHER FUND

-10-

1	AT THE END OF ANY FISCAL YEAR.
2	(10) This section is repealed, January 1, 2012, unless the
3	EXECUTIVE DIRECTOR NOTIFIES THE REVISOR OF STATUTES ON OR BEFORE
4	SUCH DATE THAT SUFFICIENT FUNDING TO CREATE THE DATABASE, AS
5	DETERMINED BY THE EXECUTIVE DIRECTOR, ADVISORY COMMITTEE, AND
6	ADMINISTRATOR, HAS BEEN RECEIVED THROUGH GIFTS, GRANTS, AND
7	DONATIONS.
8	(11) If at any time, there is not sufficient funding to
9	FINANCE THE ONGOING OPERATIONS OF THE DATABASE, THE DATABASE
10	SHALL CEASE OPERATING AND THE ADVISORY COMMITTEE AND
11	ADMINISTRATOR SHALL NO LONGER HAVE THE DUTY TO CARRY OUT THE
12	FUNCTIONS REQUIRED PURSUANT TO THIS SECTION. IF THE DATABASE
13	CEASES TO OPERATE, THE DATA SUBMITTED SHALL BE DESTROYED OR
14	RETURNED TO ITS ORIGINAL SOURCE.
15	SECTION 2. 2-3-1203 (3) (z), Colorado Revised Statutes, is
16	amended BY THE ADDITION OF A NEW SUBPARAGRAPH to read
17	2-3-1203. Sunset review of advisory committees. (3) The
18	following dates are the dates for which the statutory authorization for the
19	designated advisory committees is scheduled for repeal:
20	(z) July 1, 2013:
21	(VI) THE ADVISORY COMMITTEE TO ESTABLISH AN ALL-PAYER
22	HEALTH CLAIMS DATABASE CREATED IN SECTION 25.5-1-204 (1), C.R.S.
23	SECTION 3. Act subject to petition - effective date. This act
24	shall take effect at 12:01 a.m. on the day following the expiration of the
25	ninety-day period after final adjournment of the general assembly (August
26	11, 2010, if adjournment sine die is on May 12, 2010); except that, if a
27	referendum petition is filed pursuant to section 1 (3) of article V of the

-11- 1330

- state constitution against this act or an item, section, or part of this act
- 2 within such period, then the act, item, section, or part shall not take effect
- 3 unless approved by the people at the general election to be held in
- 4 November 2010 and shall take effect on the date of the official declaration
- 5 of the vote thereon by the governor.

-12-