Second Regular Session Sixty-eighth General Assembly STATE OF COLORADO

INTRODUCED

LLS NO. 12-0356.01 Duane Gall x4335

HOUSE BILL 12-1300

HOUSE SPONSORSHIP

Gardner B., Barker, Ryden, Waller

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House Committees

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Judiciary

A BILL FOR AN ACT 101 CONCERNING PROFESSIONAL REVIEW COMMITTEES, AND, IN 102 CONNECTION THEREWITH, IMPLEMENTING THE SUNSET REVIEW 103 RECOMMENDATIONS OF THE DEPARTMENT OF REGULATORY 104 AGENCIES.

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.)

Sunset Process - House Judiciary Committee. The bill implements the recommendations made by the department of regulatory

agencies (DORA) pursuant to DORA's 2011 sunset review report of professional review committees and the committee on anticompetitive conduct.

Sections 1 and 2 of the bill continue the functions of professional review committees for 7 years, until 2019.

Sections 3 to 7 of the bill authorize professional review of physician assistants and advanced practice nurses.

Section 6 of the bill also specifies that the sharing of professional review records and information with regulators and other professional review entities does not waive the professional review privilege or violate applicable confidentiality provisions.

Section 8 of the bill requires entities that conduct professional review of physicians or physician assistants to register with the Colorado medical board and report on their activities, and directs the medical board to publish summary data in aggregated form. Section 9 of the bill requires entities that conduct professional review of the practice of advanced practice nursing to register with the nursing board and report on their activities, and directs the nursing board to publish summary date in aggregated form. If an entity fails to register and report as required, the entity and its governing board lose the qualified immunity that would otherwise apply for acts and omissions occurring during the period of noncompliance.

The bill also corrects inconsistent references to peer review and professional review and makes nonsubstantive clarifications and corrections to statutory language.

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

2 **SECTION 1.** In Colorado Revised Statutes, **amend** 12-36.5-107

3 as follows:

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4 **12-36.5-107. Repeal of article.** This article is repealed, effective

5 July 1, 2012 SEPTEMBER 1, 2019. Prior to such repeal, THE DEPARTMENT

6 OF REGULATORY AGENCIES SHALL REVIEW the functions of professional

review committees and the committee on anticompetitive conduct shall

8 be reviewed in accordance with section 24-34-104, C.R.S.

9 **SECTION 2.** In Colorado Revised Statutes, 24-34-104, amend

10 (43) introductory portion and (50.5) introductory portion; **repeal** (43) (g);

and **add** (50.5) (e) as follows:

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1	24-34-104. General assembly review of regulatory agencies
2	and functions for termination, continuation, or reestablishment.
3	(43) The following agencies, functions, or both, shall terminate on July
4	1, 2012:
5	(g) The functions of professional review committees pursuant to
6	article 36.5 of title 12, C.R.S.;
7	(50.5) The following agencies, functions, or both, shall terminate
8	on September 1, 2019:
9	(e) THE FUNCTIONS OF PROFESSIONAL REVIEW COMMITTEES
10	PURSUANT TO ARTICLE 36.5 OF TITLE 12, C.R.S.
11	SECTION 3. In Colorado Revised Statutes, amend 12-36.5-101
12	as follows:
13	12-36.5-101. Legislative declaration. (1) The general assembly
14	hereby finds, determines, and declares that the Colorado medical board
15	created pursuant to IN article 36 of this title acts AND THE STATE BOARD
16	OF NURSING CREATED IN ARTICLE 38 OF THIS TITLE ACT for the state in its
17	sovereign capacity to govern licensure, discipline, and professional
18	review of persons licensed to practice medicine AND NURSING,
19	RESPECTIVELY, in this state. The general assembly further finds,
20	determines, and declares that:
21	(a) The authority to practice medicine PROVIDE HEALTH CARE in
22	this state is a privilege granted by the legislative authority of the state; and
23	that
24	(b) It is necessary for the health, safety, and welfare of the people
25	of this state that the Colorado medical board APPROPRIATE REGULATORY
26	BOARDS exercise its THEIR authority to protect the people of this state
27	from the unauthorized practice of medicine and from unprofessional

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1	conduct by persons licensed to practice medicine PROVIDE HEALTH CARE
2	under article 36 ARTICLES 36 AND 38 of this title.
3	(2) The general assembly recognizes that:
4	(a) Many patients of persons licensed to practice medicine
5	PROVIDE HEALTH CARE in this state have restricted choices of physicians
6	HEALTH CARE PROVIDERS under a variety of circumstances and
7	conditions;
8	(b) Many patients lack the knowledge, experience, or education
9	to properly evaluate the quality of medical OR NURSING practice or the
10	professional conduct of those licensed to practice medicine PROVIDE
11	HEALTH CARE; and
12	(c) It is necessary and proper that the Colorado medical board
13	APPROPRIATE REGULATORY BOARDS exercise its THEIR regulatory
14	authority to protect the health, safety, and welfare of the people of this
15	state.
16	(3) The general assembly recognizes that, in the proper exercise
17	of its THEIR authority and responsibilities under this article, the Colorado
18	medical board AND THE STATE BOARD OF NURSING must, to some extent,
19	replace competition with regulation, and that such THE replacement of
20	competition by regulation, particularly with regard to physicians HEALTH
21	CARE PROVIDERS, is related to a legitimate state interest in the protection
22	of the health, safety, and welfare of the people of this state.
23	SECTION 4. In Colorado Revised Statutes, amend 12-36.5-102
24	as follows:
25	12-36.5-102. Definitions. As used in this article, unless the
26	context otherwise requires:
27	(1) "Medical hoard" means the Colorado medical hoard created

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1	pursuant to section 12-36-103. "GOVERNING BOARD" MEANS A BOARD,
2	BOARD OF TRUSTEES, GOVERNING BOARD, OR OTHER BODY, OR DULY
3	AUTHORIZED SUBCOMMITTEE THEREOF, OF AN ORGANIZATION OF HEALTH
4	CARE PROVIDERS, WHICH BOARD OR BODY HAS FINAL AUTHORITY
5	PURSUANT TO THE ORGANIZATION'S WRITTEN BYLAWS, POLICIES, OR
6	PROCEDURES TO TAKE FINAL ACTION REGARDING THE RECOMMENDATIONS
7	OF AN AUTHORIZED PROFESSIONAL REVIEW COMMITTEE.
8	(2) "Governing board" means any board, board of trustees,
9	governing board, or other body, or duly authorized subcommittee thereof,
10	of any organization of health care providers, which board or body has
11	final authority pursuant to such organization's written bylaws, policies, or
12	procedures to take final action regarding the recommendations of any
13	authorized professional review committee. "HEALTH CARE PROVIDER"
14	MEANS:
15	(a) A PHYSICIAN LICENSED UNDER ARTICLE 36 OF THIS TITLE;
16	(b) A PHYSICIAN ASSISTANT LICENSED UNDER SECTION
17	12-36-107.4; AND
18	(c) An advanced practice nurse licensed under article 38
19	OF THIS TITLE AND REGISTERED UNDER SECTION 12-38-111.5.
20	(3) "MEDICAL BOARD" MEANS THE COLORADO MEDICAL BOARD
21	CREATED IN SECTION 12-36-103 (1).
22	(3) (4) "Professional review committee" means any committee
23	authorized under the provisions of this article to review and evaluate the
24	professional conduct of, and the quality and appropriateness of patient
25	care provided by, any physician licensed under article 36 of this title
26	HEALTH CARE PROVIDER.
27	(4) (5) "Records" means any and all written or verbal ORAL

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1	communications by any person any member of an investigative body, or
2	any professional review committee or governing board, or the staff
3	thereof arising from any activities of a GOVERNING BOARD OR A
4	professional review, QUALITY, RISK MANAGEMENT, OR OTHER committee
5	authorized by this article OR BY THE AGENT OR STAFF THEREOF, including
6	the ANY:
7	(a) CREDENTIALS APPLICATION;
8	(b) Reference;
9	(c) Complaint, response, OR correspondence related thereto TO
10	THE COMPLAINT OR RESPONSE;
11	(d) Interviews or statements, reports, memoranda,
12	ASSESSMENTS, AND PROGRESS REPORTS DEVELOPED TO ASSIST IN
13	EVALUATIONS;
14	(e) ASSESSMENTS AND PROGRESS REPORTS TO ASSIST IN
15	EVALUATIONS, REPORTS, AND ASSESSMENTS DEVELOPED BY INDEPENDENT
16	CONSULTANTS IN CONNECTION WITH PROFESSIONAL REVIEW REPORTS;
17	(f) Assessments and progress reports to assist in
18	PROFESSIONAL DEVELOPMENT ACTIVITIES; AND
19	(g) Recordings or transcripts of proceedings, minutes, formal
20	recommendations, decisions, exhibits, and other similar items or
21	documents typically constituting the records of administrative
22	proceedings.
23	(6) "STATE BOARD OF NURSING" OR "NURSING BOARD" MEANS THE
24	STATE BOARD OF NURSING CREATED IN SECTION 12-38-104.
25	SECTION 5. In Colorado Revised Statutes, amend 12-36.5-103
26	as follows:
27	12-36.5-103. Use of professional review committees.

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(1) (a) The general assembly recognizes that:

- (I) The medical board AND THE NURSING BOARD, while assuming and retaining ultimate authority for licensure and discipline in accordance with article ARTICLES 36 AND 38 of this title, RESPECTIVELY, and in accordance with this article, cannot practically and economically assume responsibility over every single allegation or instance of purported deviation from the standards of quality for the practice of medicine OR NURSING, from the standards of professional conduct, or from the standards of appropriate care; and that
 - (II) An attempt to exercise such oversight would result in extraordinary delays in the determination of the legitimacy of such THE allegations and would result in the inappropriate and unequal exercise of its authority to license and discipline physicians.
 - (b) It is therefore the intent of the general assembly that the medical board AND THE NURSING BOARD utilize and allow professional review committees and governing boards to assist it THEM in meeting its THEIR responsibilities under article ARTICLES 36 AND 38 of this title, RESPECTIVELY, and under this article.
 - (2) All physicians HEALTH CARE PROVIDERS are encouraged to serve upon such professional review committees when called to do so and to study and review in good faith AN OBJECTIVELY REASONABLE MANNER the professional conduct of physicians HEALTH CARE PROVIDERS, including the quality and appropriateness of patient care.
 - (3) (a) The use of professional review committees is declared to be an extension of the authority of the medical board AND NURSING BOARD. However, except as otherwise provided in this article, nothing in this article shall limit LIMITS the authority of professional review

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committees properly constituted under this article.

(b) Professional review committees, the members who constitute such THE committees, governing boards, and persons who participate directly or indirectly in professional review proceedings are granted certain immunities from liability FOR DAMAGES arising from actions which THAT are within the scope of their activities and taken in good faith as provided in section 12-36.5-105. Such THESE grants of immunity from liability are declared to be necessary to ensure that professional review committees and governing boards can exercise their professional knowledge and judgment.

SECTION 6. In Colorado Revised Statutes, **amend** 12-36.5-104 as follows:

12-36.5-104. Establishment of professional review committees - function - rules. (1) A professional review committee may be established pursuant to this section to review and evaluate the quality and appropriateness of patient care provided by, and the professional conduct of, any physician licensed under article 36 of this title HEALTH CARE PROVIDER.

- (2) Persons Licensed to practice medicine under article 36 of this title HEALTH CARE PROVIDERS who are actively engaged in the practice of medicine PRACTICING in this state shall MUST constitute a majority of any professional review committee established pursuant to this section, except for those boards authorized by paragraph (g) of subsection (4) of this section.
- (3) A utilization and quality control peer review organization, as defined pursuant to 42 U.S.C. sec. 1320c-1, or any other organization performing similar review services under federal or state law shall be IS

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- an approved professional review committee under this article.
- 2 (4) Any A professional review committee established by any of 3 the following organizations, entities, or professional societies shall be IS 4 an approved professional review committee under this article if it operates 5 pursuant to IN MATERIAL COMPLIANCE WITH written bylaws, policies, or
- 6 procedures that are in compliance with this article and that have been
- 7 approved by its governing board:

- (a) The medical OR NURSING staff of a hospital licensed pursuant to part 1 of article 3 of title 25, C.R.S., or certified pursuant to section 25-1.5-103 (1) (a) (II), C.R.S.;
- (b) The medical OR NURSING staff of a hospital-related corporation. For the purposes of this paragraph (b), a corporation is "hospital-related" if the licensed or certified hospital or holding company of such THE LICENSED OR CERTIFIED hospital has ownership or control of such THE corporation;
- (c) A society or association of physicians HEALTH CARE PROVIDERS whose membership includes not less than one-third of the doctors of medicine or doctors of osteopathy HEALTH CARE PROVIDERS licensed to practice and residing in this state, if the physician HEALTH CARE PROVIDER whose services are the subject of the review is a member of such THE society or association;
- (d) A society or association of physicians HEALTH CARE PROVIDERS licensed to practice and residing in this state and specializing in a specific discipline of medicine OR NURSING, whose society or association has been designated by the medical board OR NURSING BOARD as the specialty society or association representative of physicians HEALTH CARE PROVIDERS practicing such THE specific discipline of

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medicine OR NURSING, if the physician HEALTH CARE PROVIDER whose services are the subject of the review is a member of such THE specialty society or association;

- (e) An individual practice association or a preferred provider organization comprised CONSISTING of at least twenty-five physicians HEALTH CARE PROVIDERS or a medical group which THAT predominantly serves members of a health maintenance organization licensed pursuant to parts 1 and 4 of article 16 of title 10, C.R.S. A professional review committee established pursuant to this paragraph (e) shall have HAS jurisdiction to review only physicians HEALTH CARE PROVIDERS who are members of the association or organization creating and authorizing that committee; except that such THE professional review committee may review the care provided to a particular patient referred by a member of such THE association or organization to another physician HEALTH CARE PROVIDER who is not a member of such THE association or organization.
- (f) A corporation authorized to insure physicians HEALTH CARE PROVIDERS pursuant to article 3 of title 10, C.R.S., or any other corporation authorized to insure such physicians HEALTH CARE PROVIDERS in this state when designated by the medical board OR NURSING BOARD under subsection (5) of this section;
- (g) THE governing boards BOARD of any entity which THAT has a professional review committee established pursuant to article 36 OR ARTICLE 38 of this title;
- (h) Any peer PROFESSIONAL review committee established or created by a combination or pooling of any of the organizations authorized by this section to have a professional review committee;
- (i) (I) A nonprofit corporation or association comprised

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CONSISTING of representatives from a statewide medical PROFESSIONAL society and a statewide hospital association. Such THE association shall be comprised MUST CONSIST of physicians HEALTH CARE PROVIDERS, hospital administrators, and hospital trustees, with a majority of such THE representatives being physicians HEALTH CARE PROVIDERS. The association may establish, or contract for, one or more peer PROFESSIONAL review committees to review the care by hospital staff physicians HEALTH CARE PROVIDERS, with priority given to small rural medical HOSPITAL staffs. Such peer These Professional review services shall must be available statewide on a fee-for-service basis to licensed or certified hospitals at the joint request of the governing body and the medical OR NURSING staff of the hospital or at the sole request of the governing body of the hospital. If a physician HEALTH CARE PROVIDER being reviewed specializes in a generally recognized specialty of medicine OR NURSING, at least one of the physicians HEALTH CARE PROVIDERS on the peer PROFESSIONAL review committee shall MUST be a physician HEALTH CARE PROVIDER practicing such specialty.

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- (II) For purposes of the introductory portion to this subsection (4), the bylaws, policies, and procedures shall MUST be in compliance with this article and be approved by the nonprofit corporation or association.
- (j) The medical OR NURSING staff of an ambulatory surgical center licensed pursuant to part 1 of article 3 of title 25, C.R.S.
- (5) The medical board AND THE NURSING BOARD, WITH RESPECT TO THE HEALTH CARE PROVIDERS SUBJECT TO THEIR JURISDICTION, may establish by rule procedures necessary to authorize other health care or physician PROVIDER organizations or professional societies to establish professional review committees.

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(6) (a) A professional review committee acting pursuant to this part 1 may investigate or cause to be investigated:

- (I) The qualifications of any physician licensed under article 36 of this title HEALTH CARE PROVIDER who seeks to subject himself or herself to the authority of any organization, entity, or professional society listed in subsection (4) of this section or any organization or professional society that has been authorized by the medical board OR NURSING BOARD to establish a professional review committee pursuant to subsection (5) of this section; or
 - (II) The quality or appropriateness of patient care rendered by, or the professional conduct of, any physician licensed under article 36 of this title HEALTH CARE PROVIDER who is subject to the authority of such THE organization, entity, or professional society.
 - (b) Such The Professional Review Committee Shall conduct The investigation shall be conducted in conformity with written bylaws, policies, or procedures adopted by such The organization, entity, or professional society.
 - (7) The written bylaws, policies, or procedures of any professional review committee shall MUST provide for at least the following:
 - (a) (I) EXCEPT AS PROVIDED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH (a), if the findings of any investigation indicate that the physician HEALTH CARE PROVIDER who is the subject of the investigation is lacking in qualifications, has provided substandard or inappropriate patient care, or has exhibited inappropriate professional conduct, the professional review committee shall hold a hearing unless the physician waives his right to a hearing, to consider the findings, except that, UNLESS THE HEALTH CARE PROVIDER WAIVES THE RIGHT TO A HEARING.

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(II) If the professional review committee is submitting its findings to another professional review committee for review, only one hearing shall be IS necessary prior to any appeal before the governing body.

- (b) Any A person who has participated in the course of any AN investigation shall be IS disqualified as a member of the committee at any hearing held pursuant to paragraph (a) of this subsection (7), but such THE person may participate as a witness in such THE hearing.
- (c) The physician PROFESSIONAL REVIEW COMMITTEE SHALL GIVE REASONABLE NOTICE OF THE HEARING TO THE HEALTH CARE PROVIDER who is the subject of any AN investigation, shall be given reasonable notice of such hearing and shall have THE HEALTH CARE PROVIDER HAS a right to be present, to be represented by legal counsel at such THE hearing, and to offer evidence in his OR HER own behalf.
- (d) After such THE hearing, the professional review committee shall make any recommendations it deems necessary to the governing board, unless OTHERWISE provided by federal law or regulation.
- (e) The Professional Review Committee shall give a copy of such the recommendations shall be given to the subject physician HEALTH CARE PROVIDER, who then shall have HAS the right to appeal the findings and recommendations of the professional review committee to the governing board to which the recommendations are made.
- (f) The Professional Review Committee shall forward a copy of any recommendations made pursuant to paragraph (d) of this subsection (7) shall be promptly forwarded to the medical board OR THE NURSING BOARD, AS APPROPRIATE. NOTWITHSTANDING ANY OTHER PROVISION OF LAW, A RECOMMENDATION FOR THE FILING OF A COMPLAINT AGAINST AN ADVANCED PRACTICE NURSE SHALL NOT BE FORWARDED TO,

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AND SHALL	NOT BE ACTE	LIPON BY	THE MEDICAL	BOARD.
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- (8) (a) All governing boards shall adopt written bylaws, policies, or procedures UNDER which provide that a physician HEALTH CARE PROVIDER who is the subject of an adverse recommendation by a professional review committee may appeal to the governing board. such THE bylaws, policies, or procedures shall MUST provide that the physician shall HEALTH CARE PROVIDER be given reasonable notice of his OR HER right to appeal and, unless waived by the physician shall have HEALTH CARE PROVIDER, HAS the right to appear before the governing board, to be represented by legal counsel, and to offer such THE argument on the record as he OR SHE deems appropriate.
 - (b) The bylaws may provide that a committee of not fewer than three members of the governing board may hear the appeal. such ALSO, THE bylaws may also allow for an appeal to be heard by an independent third party designated by the board.
 - (9) All governing boards that are required to report their final actions to the medical board OR THE NURSING BOARD, AS APPROPRIATE, are not otherwise relieved of such THEIR obligations by virtue of any provision of this article.
 - (10) (a) EXCEPT AS SPECIFIED IN PARAGRAPH (b) OF THIS SUBSECTION (10), the records of a professional review committee, a governing board, or the committee on anticompetitive conduct shall ARE not be subject to subpoena or discovery and shall ARE not be admissible in any civil suit brought against a physician HEALTH CARE PROVIDER who is the subject of such THE records.
 - (b) Notwithstanding the provisions of paragraph (a) of this subsection (10), such The records: shall be

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1	(I) ARE subject to subpoena and available for use:
2	(I) (A) By the committee on anticompetitive conduct;
3	(H) (B) By either party in any AN appeal or de novo proceeding
4	brought pursuant to this part 1;
5	(HH) (C) By a physician HEALTH CARE PROVIDER in a suit seeking
6	judicial review of any AN action by the governing board;
7	(D) BY THE COLORADO DEPARTMENT OF PUBLIC HEALTH AND
8	ENVIRONMENT TO INVESTIGATE OR DISCIPLINE THE HEALTH CARE
9	PROVIDER WHO IS THE SUBJECT OF THE RECORDS;
10	(E) BY THE FEDERAL CENTERS FOR MEDICARE AND MEDICAID
11	SERVICES OR THE JOINT COMMISSION ON THE ACCREDITATION OF HEALTH
12	CARE ORGANIZATIONS TO INVESTIGATE OR DISCIPLINE THE HEALTH CARE
13	PROVIDER WHO IS THE SUBJECT OF THE RECORDS;
14	(IV) (F) By a governing board seeking judicial review; AND
15	(II) MAY BE SHARED BY AND AMONG PROFESSIONAL REVIEW
16	COMMITTEES, GOVERNING BOARDS, AND THE ENTITIES SPECIFIED IN
17	SUB-SUBPARAGRAPHS (D) AND (E) OF SUBPARAGRAPH (I) OF THIS
18	PARAGRAPH (b), FOR THE PURPOSE OF IDENTIFYING HEALTH CARE
19	PROVIDERS THAT ARE OR WERE THE SUBJECT OF COMPLAINTS OR
20	PROFESSIONAL REVIEW PROCEEDINGS. SHARING OF OTHERWISE
21	PRIVILEGED RECORDS AND INFORMATION PURSUANT TO THIS
22	SUBPARAGRAPH (II) DOES NOT CONSTITUTE A WAIVER OF THE PRIVILEGE
23	SPECIFIED IN PARAGRAPH (a) OF THIS SUBSECTION (10). RECORDS
24	PROVIDED TO THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT
25	PURSUANT TO THIS SUBPARAGRAPH (II) ARE NOT PUBLIC RECORDS SUBJECT
26	TO THE "COLORADO OPEN RECORDS ACT", PART 2 OF ARTICLE 72 OF TITLE
2.7	24 C.R.S. AND A PERSON PROVIDING THE RECORDS TO THE DEPARTMENT

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1	DOES NOT THEREBY ABROGATE ANY IMMUNITY THE PERSON OTHERWISE
2	WOULD BE ENTITLED TO UNDER SECTION 12-36.5-105.
3	(11) At the request of the medical OR NURSING board OR OTHER
4	REGULATORY AGENCY ACTING WITHIN THE SCOPE OF ITS AUTHORITY, a
5	governing board shall provide the medical board OR AGENCY with the
6	complete record of all professional review proceedings, including but not
7	limited to, the GOVERNING BOARD'S findings, recommendations, and
8	actions taken.
9	(12) Investigations, examinations, hearings, meetings, or any AND
10	other proceedings of a professional review committee or governing board
11	conducted pursuant to the provisions of this part 1 shall be ARE exempt
12	from the provisions of any law requiring that proceedings be conducted
13	publicly or that the minutes or records be open to public inspection.
14	(13) EXCEPT AS OTHERWISE PROVIDED IN PARAGRAPH (b) OF
15	SUBSECTION (10) OF THIS SECTION, all proceedings, recommendations,
16	records, and reports involving professional review committees or
17	governing boards shall be ARE confidential.
18	(14) A professional review committee or governing board which
19	THAT is constituted and conducts its reviews and activities pursuant to the
20	provisions of IN ACCORDANCE WITH this part 1 is declared not to be an
21	unlawful conspiracy in violation of section 6-4-104 or 6-4-105, C.R.S.
22	SECTION 7. In Colorado Revised Statutes, 12-36.5-104.4,
23	amend (1) as follows:
24	12-36.5-104.4. Hospital professional review committees.
25	(1) The quality and appropriateness of patient care rendered by
26	physicians HEALTH CARE PROVIDERS and other licensed health care
27	professionals so influence the total quality of patient care that a review of

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1	care provided in a hospital is ineffective without concomitantly reviewing
2	overall quality and appropriateness of care rendered by physicians
3	HEALTH CARE PROVIDERS and other licensed health care professionals.
4	SECTION 8. In Colorado Revised Statutes, add 12-36.5-104.6
5	as follows:
6	12-36.5-104.6. Committees to register with medical board -
7	annual reports - aggregation and publication of data - rules. (1) ON
8	OR BEFORE JULY 1, 2013, AND ANNUALLY THEREAFTER AS DETERMINED BY
9	THE MEDICAL BOARD, EACH GOVERNING BOARD THAT ESTABLISHES OR
10	USES ONE OR MORE PROFESSIONAL REVIEW COMMITTEES TO REVIEW THE
11	PRACTICE OF PHYSICIANS OR PHYSICIAN ASSISTANTS SHALL:
12	(a) REGISTER WITH THE MEDICAL BOARD, OR RENEW AN EXISTING
13	REGISTRATION, IN A FORM SATISFACTORY TO THE MEDICAL BOARD; AND
14	(b) REPORT ON ITS PROFESSIONAL REVIEW ACTIVITIES DURING THE
15	IMMEDIATELY PRECEDING CALENDAR YEAR, INCLUDING THE NUMBER AND
16	TYPE OF CASES REVIEWED AND THE RESULTS OF SUCH REVIEWS.
17	(2) THE MEDICAL BOARD SHALL PUBLISH THE DATA PROVIDED
18	PURSUANT TO PARAGRAPH (b) OF SUBSECTION (1) OF THIS SECTION IN
19	AGGREGATE FORM AND WITHOUT INDIVIDUALLY IDENTIFIABLE
20	INFORMATION.
21	(3) THE MEDICAL BOARD SHALL ADOPT RULES TO IMPLEMENT THIS
22	SECTION AND MAY COLLECT A REASONABLE REGISTRATION FEE TO
23	RECOVER ITS DIRECT AND INDIRECT COSTS OF ADMINISTERING THE
24	REGISTRATION AND PUBLICATION SYSTEMS REQUIRED BY THIS SECTION.
25	(4) A GOVERNING BOARD THAT FAILS TO REGISTER OR REPORT AS
26	REQUIRED BY THIS SECTION OR BY ANY APPLICABLE RULE OR ORDER OF
27	THE MEDICAL BOARD, AND THE ENTITY REPRESENTED BY THAT GOVERNING

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1	BOARD, ARE NOT ENTITLED TO THE IMMUNITY PROVIDED BY SECTION
2	12-36.5-105 (2) FOR ANY ACT OR OMISSION OCCURRING DURING THE
3	PERIOD THAT THE GOVERNING BOARD FAILED TO SO REGISTER OR REPORT,
4	AND THE PRIVILEGE OTHERWISE APPLICABLE UNDER SECTION 12-36.5-104
5	(10) (a) does not apply to records of the professional review
6	COMMITTEE CREATED DURING THAT PERIOD.
7	SECTION 9. In Colorado Revised Statutes, add 12-36.5-104.8
8	as follows:
9	12-36.5-104.8. Committees to register with nursing board -
10	annual reports - aggregation and publication of data - rules. (1) ON
11	OR BEFORE JULY 1, 2013, AND ANNUALLY THEREAFTER AS DETERMINED BY
12	THE NURSING BOARD, EACH GOVERNING BOARD THAT ESTABLISHES OR
13	USES ONE OR MORE PROFESSIONAL REVIEW COMMITTEES TO REVIEW THE
14	PRACTICE OF ADVANCED PRACTICE NURSES SHALL:
15	(a) REGISTER WITH THE NURSING BOARD, OR RENEW AN EXISTING
16	REGISTRATION, IN A FORM SATISFACTORY TO THE NURSING BOARD; AND
17	(b) REPORT ON ITS PROFESSIONAL REVIEW ACTIVITIES DURING THE
18	IMMEDIATELY PRECEDING CALENDAR YEAR, INCLUDING THE NUMBER AND
19	TYPE OF CASES REVIEWED AND THE RESULTS OF SUCH REVIEWS.
20	(2) The nursing board shall publish the data provided
21	PURSUANT TO PARAGRAPH (b) OF SUBSECTION (1) OF THIS SECTION IN
22	AGGREGATE FORM AND WITHOUT INDIVIDUALLY IDENTIFIABLE
23	INFORMATION.
24	(3) THE NURSING BOARD SHALL ADOPT RULES TO IMPLEMENT THIS
25	SECTION AND MAY COLLECT A REASONABLE REGISTRATION FEE TO
26	RECOVER ITS DIRECT AND INDIRECT COSTS OF ADMINISTERING THE
2.7	REGISTRATION AND PUBLICATION SYSTEMS REQUIRED BY THIS SECTION

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1	(4) A GOVERNING BOARD THAT FAILS TO REGISTER OR REPORT AS
2	REQUIRED BY THIS SECTION OR BY ANY APPLICABLE RULE OR ORDER OF
3	THE NURSING BOARD, AND THE ENTITY REPRESENTED BY THAT GOVERNING
4	BOARD, ARE NOT ENTITLED TO THE IMMUNITY PROVIDED BY SECTION
5	12-36.5-105 (2) FOR ANY ACT OR OMISSION OCCURRING DURING THE
6	PERIOD THAT THE GOVERNING BOARD FAILED TO SO REGISTER OR REPORT,
7	AND THE PRIVILEGE OTHERWISE APPLICABLE UNDER SECTION 12-36.5-104
8	(10) (a) does not apply to records of the professional review
9	COMMITTEE CREATED DURING THAT PERIOD.
10	SECTION 10. In Colorado Revised Statutes, amend 12-36.5-105
11	as follows:
12	12-36.5-105. Immunity from liability. (1) A member of a
13	professional review committee, a witness before a professional review
14	committee, or any A person who files a complaint or otherwise
15	participates in the professional review process shall be IS immune from
16	suit in any civil or criminal action, including antitrust actions, brought by
17	a physician HEALTH CARE PROVIDER who is the subject of the review by
18	such THE professional review committee, if: such
19	(a) THE member made a reasonable effort to obtain the facts of the
20	matter as to which he OR SHE acted, acted in the reasonable belief that the
21	action taken by him OR HER was warranted by the facts, and otherwise
22	acted in good faith AN OBJECTIVELY REASONABLE MANNER within the
23	scope of such THE professional review committee process; and
24	(b) if such THE witness, COMPLAINANT, or participant acted in
25	good faith AN OBJECTIVELY REASONABLE MANNER within the scope of
26	such THE professional review committee process.
27	(2) The governing board, the individual members of such THE

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board and the entity that has established a peer PROFESSIONAL review committee pursuant to section 12-36.5-104, the board's staff, any A person acting as a witness or consultant to the board, any A witness testifying in a proceeding authorized under this article, and any A person who lodges a complaint pursuant to this article shall be ARE immune from liability FOR DAMAGES in any civil action brought against him or her for acts occurring while acting in his or her capacity as board member, staff, consultant, or witness, respectively, if such THE individual was acting in good faith within the scope of his or her respective capacity, made a reasonable effort to obtain the facts of the matter as to which he or she acted, and acted in the reasonable belief that the action taken by him or her was warranted by the facts. Any A person participating in good faith AN OBJECTIVELY REASONABLE MANNER in lodging a complaint or participating in any AN investigative or administrative proceeding pursuant to this article shall be IS immune from any civil or criminal liability that may result from such THE participation.

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SECTION 11. In Colorado Revised Statutes, 12-36.5-106, **amend** (2), (5), (7), (8), (9) introductory portion, (9) (a), (9) (b), (9) (e), (9) (f), (9) (k), (9) (n), (10), (12), and (13) as follows:

12-36.5-106. Committee on anticompetitive conduct. (2) The committee shall be composed CONSISTS of five persons, none of whom shall be IS a member of the medical board, APPOINTED AS FOLLOWS:

(a) THE MEDICAL BOARD SHALL APPOINT four members of the committee, shall WHO MUST be licensed to practice medicine PROVIDE HEALTH CARE and actively engaged in the practice of medicine in this state. and shall be appointed by the medical board. No A member APPOINTED PURSUANT TO THIS PARAGRAPH (a) shall NOT practice in the

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same medical subspecialty as any other member nor AND SHALL NOT conduct his or her primary practice in the same county as any other member.

- (b) THE GOVERNOR SHALL APPOINT one member shall be appointed by the governor and shall be WHO IS an attorney licensed to practice in this state AND who has particular expertise and experience in the area of antitrust law.
- (5) The committee shall annually elect a chairman CHAIR from among its members. Any three members of the committee shall constitute a quorum. Any action of a majority of those present comprising such THE quorum shall be IS the action of the committee. Committee members shall be ARE compensated as provided in section 24-34-102 (13), C.R.S. The committee may in its discretion, utilize the expertise of consultants, including but not limited to, legal, medical, and business specialists. THE COMMITTEE SHALL ASSESS AND COLLECT costs of such THE consultants shall be assessed and collected as provided in subsection (11) of this section.
- (7) Any physician A HEALTH CARE PROVIDER who is the subject of a final action by a governing board, which action results in the denial, termination, or restriction of privileges at or membership in or participation in an organization, and who believes that such THE action resulted from unreasonable anticompetitive conduct shall have, as his sole and exclusive remedy, MAY SEEK direct review of the record by the committee. such THE review, shall be WHICH IS THE HEALTH CARE PROVIDER'S EXCLUSIVE REMEDY, IS limited to the sole issue of whether such THE final board action resulted from unreasonable anticompetitive conduct. Failure to exhaust this administrative remedy before the

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committee shall preclude PRECLUDES the right of de novo review on the merits of the issue of unreasonable anticompetitive conduct.

- (8) Nothing in this article shall preclude PRECLUDES a physician or health care provider otherwise aggrieved by the final action of a governing board from seeking other remedies available to them by law, except as provided in subsection (7) of this section.
- (9) Review by The committee shall be CONDUCT THE REVIEW in accordance with the following procedures and, to the extent practicable, in accordance with the procedures used in the district courts of this state:
- (a) Review THE AGGRIEVED HEALTH CARE PROVIDER shall be initiated INITIATE THE REVIEW by filing a verified complaint with the committee, no later than thirty days after receipt of a notice of final action by the governing board, alleging, with specificity, all facts disclosed in the record and all additional facts known to the complainant which THAT would support his OR HER allegation that the final action taken by the governing board resulted from unreasonable anticompetitive conduct.
- (b) The committee shall mail a copy of such THE complaint to the governing board and the professional review committee by certified mail, return receipt requested, within five days of AFTER the receipt of such THE complaint by the committee, advising them of their right to file a verified answer to the allegations stated therein IN THE COMPLAINT. Receipt of such complaint by mail shall make The recipients thereof OF THE COMPLAINT BECOME a party to these proceedings UPON RECEIPT OF THE COMPLAINT.
- (e) If the committee finds THAT no such probable cause exists, it shall dismiss the complaint, which dismissal shall constitute CONSTITUTES final administrative action.

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(f) If the committee finds such THAT probable cause exists, it shall schedule a hearing. At such THE hearing, the committee shall review the record below on the sole issue of whether the final action of the governing board resulted from unreasonable anticompetitive conduct and shall take evidence only with regard to the additional facts specifically alleged in the complaint or answer regarding unreasonable anticompetitive conduct, except when, in the discretion of the committee, the interests of a fair hearing demand otherwise.

- (k) If the committee finds by a preponderance of evidence that the final action of the governing board resulted from unreasonable anticompetitive conduct, it shall issue its final order disapproving and setting aside such THE action or modifying the action taken by the governing board in whole or in part, which final order shall be Is binding on the parties. THE COMMITTEE SHALL MAIL a copy of such THE order shall be mailed by certified mail, return receipt requested, to the parties.
- (n) In any case presented to the committee where the medical HEALTH CARE practice of the complainant constitutes a clear and present danger to patients, the committee shall refer the case to the medical board OR NURSING BOARD, AS APPLICABLE, for such action as the board deems appropriate.
- (10) (a) Following final administrative action by the committee, such action of the committee may be reviewed only by the court of appeals MAYREVIEWTHE ACTION OF THE COMMITTEE through appropriate proceedings brought pursuant to section 24-4-106 (11), C.R.S.
- (b) Following final administrative action by the committee, any A party aggrieved by the final action of a governing board who wishes to challenge the action of such THE governing board, rather than the

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committee's review of such THE action, shall have HAS the right to seek de novo review on the merits in a district court in Colorado. In no event shall the medical board, NURSING BOARD, or the committee be made parties to such a THE district court action.

- (c) As a condition of filing a complaint under paragraph (a) of subsection (9) of this section, the complainant shall post a cash bond or equivalent liquid security of three thousand dollars to cover anticipated costs which THAT may be assessed against him OR HER. Within thirty days of AFTER receipt of service of a complaint on a governing board, or concurrently with the filing of an answer, whichever is earlier, the governing board shall post a cash bond or equivalent liquid security of three thousand dollars to cover anticipated costs which THAT may be assessed against it as a party. The committee may enforce this latter requirement through the district court.
- (12) The committee shall promulgate such rules and regulations as may be necessary for the implementation of this section, including mechanisms to secure the payment of costs as provided in paragraph (c) of subsection (10) and subsection (11) of this section.
- (13) Any A member of the committee, any A member of the committee's staff, any A person acting as a witness or consultant to the committee, any A witness testifying in a proceeding authorized under this article, and any A person who lodges a complaint pursuant to this article shall be ARE immune from liability in any civil action brought against him or her for acts occurring while acting in his or her capacity as committee member, staff, consultant, or witness, respectively, if such THE individual was acting in good faith AN OBJECTIVELY REASONABLE MANNER within the scope of his or her respective capacity, made a reasonable effort to

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2	reasonable belief that the action taken by him or her was warranted by the
3	facts. Any person participating in good faith in lodging a complaint or
4	participating in any investigative or administrative proceeding pursuant
5	to this article shall be IS immune from any civil or criminal liability that
6	may result from such THE participation.
7	SECTION 12. In Colorado Revised Statutes, amend 12-36.5-202
8	as follows:
9	12-36.5-202. Rules - compliance with reporting requirements
10	of federal act. Upon implementation of the federal "Health Care Quality
11	Improvement Act of 1986", as amended, 42 U.S.C. secs. 11101 through
12	11152, and upon implementation of the federal data bank, the medical
13	board AND NURSING BOARD shall promulgate rules to comply with such
14	THE act which rules THAT are consistent with the standards and the
15	reporting requirements of such THE act.
16	SECTION 13. In Colorado Revised Statutes, 12-36.5-203,
17	amend (1) introductory portion, (2), and (3) as follows:
18	12-36.5-203. Limitations on liability relating to professional
19	review actions. (1) The following persons shall ARE not be liable for
20	damages in any A civil action with respect to their participation in,
21	assistance to, or reporting of information to a professional review body
22	in connection with a professional review action in this state, and such THE
23	persons shall ARE not be liable for damages in any A civil action with
24	respect to their participation in, assistance to, or reporting of information
25	to a professional review body which THAT meets the standards of and is
26	in conformity with the provisions of the federal "Health Care Quality
27	Improvement Act of 1986", as amended, 42 U.S.C. secs. 11101 through

obtain the facts of the matter as to which he or she acted, and acted in the

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11152: upon implementation of such act by the federal government:

- (2) Notwithstanding any other provision of law, no A person, whether as a witness or otherwise, who provides information to a professional review body regarding the competence or professional conduct of a physician HEALTH CARE PROVIDER shall NOT be held by reason of having provided such information, liable in damages in any A civil action FOR PROVIDING THE INFORMATION, unless such THE information is false and the person providing it knew that such THE information was false.
- (3) For the purposes of this section, unless the context otherwise requires:
- (a) "Professional review action" means an action or recommendation of a professional review body which THAT is taken or made in the conduct of professional review activity and which THAT is based on the competence or professional conduct of an individual physician HEALTH CARE PROVIDER, which conduct affects or may affect adversely the clinical privileges of or membership in a professional society of the physician HEALTH CARE PROVIDER. "Professional review action" includes a formal decision by the professional review body not to take an action or make a recommendation as provided in this paragraph (a) and also includes professional review activities relating to a professional review action. An action shall is not be considered to be based upon the competence or professional conduct of a physician HEALTH CARE PROVIDER if the action is primarily based on:
- (I) The physician's HEALTH CARE PROVIDER'S association or lack of association with a professional society or association;
 - (II) The physician's HEALTH CARE PROVIDER'S fees or his OR HER

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1	advertising or engaging in other competitive acts intended to solicit or
2	retain business;
3	(III) The physician's HEALTH CARE PROVIDER'S association with,
4	supervision of, delegation of authority to, support for, training of, or
5	participation in a private group practice with a member or members of a
6	particular class of health care practitioners or professionals;
7	(IV) The physician's HEALTH CARE PROVIDER'S participation in
8	prepaid group health plans, salaried employment, or any other manner of
9	delivering health services whether on a fee-for-service basis or other
10	basis;
11	(V) Any other matter that does not relate to the competence or
12	professional conduct of a physician HEALTH CARE PROVIDER.
13	(b) "Professional review body" means a health care entity and the
14	governing body or any A committee of a health care entity which THAT
15	conducts professional review actions and includes any committee of the
16	medical staff of such an THE entity when assisting the governing body in
17	a professional review activity.
18	SECTION 14. In Colorado Revised Statutes, 12-36-118, amend
19	(10) (b) as follows:
20	12-36-118. Disciplinary action by board - immunity - rules.
21	(10) (b) For purposes of the records related to a complaint filed pursuant
22	to this section against a licensee, the board shall be considered a
23	professional review committee, the records related to the complaint shall
24	include all records described in section 12-36.5-102 (4) (5), and section
25	12-36.5-104 (10) shall apply to those records.
26	SECTION 15. Effective date. (1) Except as otherwise provided
27	in subsection (2) of this section, this act takes effect July 1, 2012.

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1	(2) Section 11 of this act takes effect only if House Bill 12
2	does not become law.
3	SECTION 16. Safety clause. The general assembly hereby finds,
4	determines, and declares that this act is necessary for the immediate
5	preservation of the public peace, health, and safety.

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