

First Regular Session
Seventieth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 15-0361.01 Christy Chase x2008

SENATE BILL 15-074

SENATE SPONSORSHIP

Neville T., Marble, Cadman, Woods, Grantham, Cooke, Roberts, Lambert, Scheffel, Baumgardner, Crowder

HOUSE SPONSORSHIP

Joshi, Neville P., Saine, Humphrey, Conti, Everett

Senate Committees
Health & Human Services

House Committees

A BILL FOR AN ACT

101 **CONCERNING A REQUIREMENT THAT HEALTH CARE PROVIDERS**
102 **DISCLOSE THE CHARGES THEY IMPOSE FOR COMMON HEALTH**
103 **CARE SERVICES WHEN PAYMENT IS MADE DIRECTLY RATHER**
104 **THAN BY A THIRD PARTY.**

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 creates the "Transparency in Health Care Prices Act", which requires health care professionals and health care facilities to make available to the public the direct pay prices they assess for common health

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

care services they provide. Health care professionals and facilities are not required to submit their direct pay prices to any government agency for review or approval. Additionally, the act prohibits health insurers and health systems from penalizing a person who pays directly for health care services. Any Colorado citizen may seek injunctive relief against the person allegedly violating the act, and the prevailing party is entitled to reasonable attorney fees and costs.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** article 47 to title
3 25 as follows:

4 **ARTICLE 47**

5 **Transparency in Health Care Prices**

6 **25-47-101. Short title.** THIS ARTICLE SHALL BE KNOWN AND MAY
7 BE CITED AS THE "TRANSPARENCY IN HEALTH CARE PRICES ACT".

8 **25-47-102. Definitions.** AS USED IN THIS ARTICLE, UNLESS THE
9 CONTEXT OTHERWISE REQUIRES:

10 (1) "AGENCY" MEANS A GOVERNMENT DEPARTMENT OR AGENCY
11 OR A GOVERNMENT-CREATED ENTITY.

12 (2) "DIRECT PAY PRICE" MEANS THE PRICE THAT A HEALTH CARE
13 PROFESSIONAL OR HEALTH CARE FACILITY CHARGES FOR A LAWFUL
14 HEALTH CARE SERVICE THAT IS OR WILL BE PAID DIRECTLY BY THE
15 RECIPIENT OF THE SERVICES, AN EMPLOYER OF THE RECIPIENT OF THE
16 SERVICES, OR OTHER PERSON WHO IS NOT A PUBLIC OR PRIVATE THIRD
17 PARTY. "DIRECT PAY PRICE" DOES NOT INCLUDE THE AMOUNT CHARGED
18 IF A PUBLIC OR PRIVATE THIRD PARTY WILL BE PAYING OR REIMBURSING
19 THE HEALTH CARE PROFESSIONAL OR HEALTH CARE FACILITY FOR ANY
20 PORTION OF THE SERVICES RENDERED. THE DIRECT PAY PRICE IS FOR THE
21 STANDARD SERVICE FOR THE PARTICULAR DIAGNOSIS AND DOES NOT
22 INCLUDE ANY COMPLICATIONS OR EXCEPTIONAL TREATMENT.

1 (3) "HEALTH CARE FACILITY" MEANS A FACILITY LICENSED OR
2 CERTIFIED BY THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT
3 PURSUANT TO SECTION 25-1.5-103.

4 (4) "HEALTH CARE PROFESSIONAL" MEANS A PERSON WHO IS
5 LICENSED, CERTIFIED, OR REGISTERED BY THE STATE TO PROVIDE HEALTH
6 CARE SERVICES AND WHO DIRECTLY BILLS THE RECIPIENT OF THOSE
7 SERVICES.

8 (5) (a) "HEALTH CARE SERVICES" MEANS SERVICES INCLUDED IN
9 OR INCIDENTAL TO FURNISHING TO AN INDIVIDUAL:

10 (I) MEDICAL, MENTAL, DENTAL, OR OPTOMETRIC CARE;
11 HOSPITALIZATION; OR NURSING HOME CARE; OR

12 (II) OTHER SERVICES FOR THE PURPOSE OF PREVENTING,
13 ALLEVIATING, CURING, OR HEALING PHYSICAL OR MENTAL ILLNESS OR
14 INJURY.

15 (b) "HEALTH CARE SERVICES" INCLUDES SERVICES RENDERED
16 THROUGH THE USE OF TELEMEDICINE.

17 (6) "HEALTH CARE SYSTEM" MEANS A PUBLIC OR PRIVATE ENTITY
18 WHOSE FUNCTION OR PURPOSE IS TO MANAGE OR PROCESS THE PAYMENT
19 OF HEALTH CARE SERVICES OR TO ENROLL INDIVIDUALS IN THE SYSTEM.

20 (7) "HEALTH INSURER" MEANS A CARRIER, AS DEFINED IN SECTION
21 10-16-102 (8), C.R.S., DISABILITY INSURER, GROUP DISABILITY INSURER,
22 OR BLANKET DISABILITY INSURER.

23 (8) (a) "PUBLIC OR PRIVATE THIRD PARTY" INCLUDES A HEALTH
24 INSURER, HEALTH CARE SYSTEM, OR OTHER THIRD PARTY, INCLUDING A
25 THIRD-PARTY ADMINISTRATOR, RESPONSIBLE FOR PAYING ALL OR A
26 PORTION OF THE CHARGES FOR HEALTH CARE SERVICES.

27 (b) "PUBLIC OR PRIVATE THIRD PARTY" DOES NOT INCLUDE:

1 (I) AN EMPLOYER OF THE RECIPIENT OF THE HEALTH CARE
2 SERVICES;

3 (II) A PERSON PAYING MONEYS FROM A HEALTH SAVINGS
4 ACCOUNT, FLEXIBLE SPENDING ACCOUNT, OR SIMILAR ACCOUNT; OR

5 (III) A FAMILY MEMBER, CHARITABLE ORGANIZATION, SAMARITAN
6 HOSPITAL, OR OTHER PERSON WHO IS NOT RESPONSIBLE FOR BUT PAYS
7 CHARGES FOR HEALTH CARE SERVICES ON BEHALF OF THE RECIPIENT OF
8 THE SERVICES.

9 (9) "PUNISH" MEANS TO IMPOSE A PENALTY, SURCHARGE, FEE, OR
10 OTHER ADDITIONAL COST OR MEASURE THAT HAS THE SAME EFFECT AS A
11 PENALTY OR THAT DISCOURAGES THE EXERCISE OF RIGHTS UNDER THIS
12 ARTICLE.

13 **25-47-103. Transparency - charges for services rendered by**
14 **health care professionals.** A HEALTH CARE PROFESSIONAL SHALL MAKE
15 AVAILABLE TO THE PUBLIC, IN A SINGLE DOCUMENT ON REQUEST AND
16 ELECTRONICALLY ON HIS OR HER WEB SITE, IN A STRAIGHTFORWARD
17 MANNER, THE DIRECT PAY PRICE FOR AT LEAST THE TWENTY-FIVE MOST
18 COMMON HEALTH CARE SERVICES THE HEALTH CARE PROFESSIONAL
19 PROVIDES. THE HEALTH CARE PROFESSIONAL SHALL IDENTIFY THE
20 SERVICES BY A COMMON PROCEDURAL TERMINOLOGY CODE AND BY A
21 PLAIN ENGLISH DESCRIPTION. THE HEALTH CARE PROFESSIONAL SHALL
22 UPDATE THE DOCUMENT AT LEAST ANNUALLY. IF THE HEALTH CARE
23 PROFESSIONAL DOES NOT HAVE A WEB SITE, THE HEALTH CARE
24 PROFESSIONAL NEED NOT CREATE A WEB SITE IN ORDER TO COMPLY WITH
25 THIS SECTION.

26 **25-47-104. Transparency - health care facility charges.** A
27 HEALTH CARE FACILITY SHALL MAKE AVAILABLE TO THE PUBLIC, IN A

1 SINGLE DOCUMENT AND ELECTRONICALLY ON ITS WEB SITE, IN A
2 STRAIGHTFORWARD MANNER, THE DIRECT PAY PRICE FOR AT LEAST THE
3 FIFTY MOST-USED DIAGNOSIS-RELATED GROUP CODES, IF APPLICABLE, FOR
4 THE FACILITY AND AT LEAST THE FIFTY MOST-USED OUTPATIENT SERVICE
5 CODES, IF APPLICABLE, FOR THE FACILITY. THE HEALTH CARE FACILITY
6 SHALL UPDATE THE DOCUMENT AT LEAST ANNUALLY. IF THE HEALTH CARE
7 FACILITY DOES NOT HAVE A WEB SITE, THE HEALTH CARE FACILITY NEED
8 NOT CREATE A WEB SITE IN ORDER TO COMPLY WITH THIS SECTION.

9 **25-47-105. No government review of direct pay prices.**
10 NEITHER A HEALTH CARE FACILITY NOR A HEALTH CARE PROFESSIONAL IS
11 REQUIRED TO REPORT ITS DIRECT PAY PRICES TO ANY AGENCY FOR REVIEW,
12 FILING, OR OTHER PURPOSES. THIS ARTICLE DOES NOT GRANT ANY AGENCY
13 THE AUTHORITY TO APPROVE, DISAPPROVE, OR LIMIT A HEALTH CARE
14 FACILITY'S OR HEALTH CARE PROFESSIONAL'S DIRECT PAY PRICES OR
15 CHANGES TO ITS DIRECT PAY PRICES. THIS ARTICLE IS INTENDED TO MAKE
16 DIRECT PAYMENT TRANSACTIONS FREE FROM PAPERWORK, PUNISHMENT,
17 REPORTING, AND REGULATION TO THE FULL EXTENT PERMISSIBLE UNDER
18 THE STATE CONSTITUTION AND FEDERAL LAW.

19 **25-47-106. No penalty for direct payment for health care**
20 **services.** A HEALTH CARE SYSTEM OR HEALTH INSURER SHALL NOT PUNISH
21 ANY PERSON, ENTITY, OR EMPLOYER FOR DIRECTLY PAYING FOR HEALTH
22 CARE SERVICES. IT IS THE INTENTION OF THIS ARTICLE TO MAKE DIRECT
23 PAYMENT TRANSACTIONS FREE FROM PAPERWORK, PUNISHMENT,
24 REPORTING, AND REGULATION TO THE FULL EXTENT PERMISSIBLE UNDER
25 THE STATE CONSTITUTION AND FEDERAL LAW. NOTHING IN THIS ARTICLE
26 IMPAIRS CONTRACTS BETWEEN PRIVATE PARTIES.

27 **25-47-107. Injunctive relief.** ANY CITIZEN OF THE STATE OF

1 COLORADO MAY SEEK INJUNCTIVE RELIEF IN A COURT OF COMPETENT
2 JURISDICTION AGAINST A PERSON WHO VIOLATES THIS ARTICLE. THE
3 PREVAILING PARTY IN THE ACTION IS ENTITLED TO AN AWARD OF
4 REASONABLE ATTORNEY FEES AND COSTS.

5 **25-47-108. Article supercedes conflicting laws.** TO THE EXTENT
6 THIS ARTICLE CONFLICTS WITH ANY OTHER PROVISION OF STATE LAW, THIS
7 ARTICLE SUPERCEDES THE CONFLICTING PROVISION.

8 **SECTION 2. Act subject to petition - effective date.** This act
9 takes effect at 12:01 a.m. on the day following the expiration of the
10 ninety-day period after final adjournment of the general assembly (August
11 5, 2015, if adjournment sine die is on May 6, 2015); except that, if a
12 referendum petition is filed pursuant to section 1 (3) of article V of the
13 state constitution against this act or an item, section, or part of this act
14 within such period, then the act, item, section, or part will not take effect
15 unless approved by the people at the general election to be held in
16 November 2016 and, in such case, will take effect on the date of the
17 official declaration of the vote thereon by the governor.