

HJR 20 Study: Considerations Related to Colorado SB 65

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 for the HJR 20 Subcommittee
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Background

The Colorado Legislature last year passed Senate Bill 65 requiring health care providers and facilities to make price information available for commonly performed services and procedures. Since 2009, Montana law has required health care providers, facilities, and insurers to provide price information upon request to patients for health care services costing more than \$500.

This briefing paper summarizes differences between some definitions in Montana's law and the Colorado bill; highlights key requirements of the Colorado law; and poses questions to consider if members want to recommend that Montana adopt legislation similar to the Colorado law.

Differing Provisions

The table below shows which services, facilities, and providers are affected by the price disclosure law in each state.

Term	Montana	Colorado
Health Care	<ul style="list-style-type: none"> Both physical and mental health care 	<ul style="list-style-type: none"> Medical, mental, dental, or optometric care Other services for preventing, alleviating, curing, or healing a physical or mental illness or injury <ul style="list-style-type: none"> Includes telemedicine services
Health Care Facility	<ul style="list-style-type: none"> Hospital Outpatient Surgery Center Outpatient Clinic 	<ul style="list-style-type: none"> Hospital Outpatient Surgery Center Community Clinic Rehabilitation Hospital Convalescent Center Community Mental Health Center Acute Treatment Facility Facility for People with Developmental Disabilities Hospice Care Dialysis Treatment Clinic Birth Center Other Facilities of a Like Nature
Health Care Provider	<ul style="list-style-type: none"> Person licensed, certified, or otherwise authorized to provide health care 	<ul style="list-style-type: none"> Person licensed, certified, or registered to provide health care Medical group, independent practice association, or professional corporation providing health care
Health Care Price	<ul style="list-style-type: none"> Not defined. Term "cost" is used without definition 	<ul style="list-style-type: none"> The price, before any discounts, that will be charged if no complications occur. May be calculated by using: <ul style="list-style-type: none"> The price charged most frequently in the past 12 months The highest charge from the lowest half of all charges in the past 12 months A range that includes the middle 50% of all charges in the past 12 months Does not mean the amount negotiated with an insurer or other payer

Key Requirements of Colorado's SB 65

The following table shows the requirements of the Colorado law and indicates whether similar requirements exist in the current Montana law.

Colorado Requirement	Who's Affected?	Similar Montana Requirement?
Provide price information electronically or on a website	<ul style="list-style-type: none">• Providers: 15 most commonly provided services<ul style="list-style-type: none">▸ Solo and small practices can post in waiting room• Facilities: 50 most commonly provided services	No
Identify services by CPT or DRG and with a plain English description	<ul style="list-style-type: none">• Providers and facilities	Yes, for health insurance estimate
Update information at least annually	<ul style="list-style-type: none">• Providers and facilities	No
Disclose that price is an estimate and cost will depend on circumstances	<ul style="list-style-type: none">• Providers and facilities	Yes
Post a statement encouraging people to check on their actual financial responsibility	<ul style="list-style-type: none">• Providers and facilities	No
No penalty for violation or compliance with the law	<ul style="list-style-type: none">• Providers and facilities	Yes

Subcommittee Decision Points

If the committee decides to recommend that the Children, Families, Health, and Human Services Interim Committee introduce legislation similar to the Colorado's SB 65, members may want to refine their recommendation by answering the following questions.

1. Should the existing Montana requirements to provide prices and summaries of insurance coverage for services costing more than \$500 be:
 - a. retained and supplemented by the Colorado requirements; or
 - b. removed and replaced by the Colorado requirements?
2. If the Montana requirements are maintained, should any changes be made to the existing requirements, such as the floor for a price estimate or the definitions?
3. Should the requirement for facilities to provide price information include all or only some of the other facilities covered by the Colorado law?
 - a. If only some facilities are to be included, which ones should they be?
4. Does the subcommittee want to:
 - a. change the number of services for which price information must be provided?
 - b. require disclosure that the prices are only an estimate and may vary?
 - c. require providers and facilities to include a statement encouraging people to check with their insurers or the billing office to determine their financial responsibility?
 - d. include or explicitly prohibit a penalty for failure to comply with the law?
 - i. If the subcommittee wants to recommend a penalty, what should the penalty be?