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HEALTH CARE LEGISLATION: SUMMARY 2008 SESSION

Summary:

The Colorado Legislature took some steps to increase access to health care, control costs and protect consumers during the 2008 Session. Most significantly the Legislature laid the foundation for more significant reforms by investing in Colorado's health infrastructure. More ambitious expansions and streamlining efforts were hampered by fiscal constraints.

Health Care Infrastructure: A strong health infrastructure is essential in order for Colorado to expand coverage and ensure access to quality health care. Note that a number of the measures identified here are first steps, and will require further action

A. Strengthening the Foundation:

- **Public Health Reorganization.** (SB08-194)* Public health is an integral part of the health care system and SB08-194 begins the process of developing a more coordinated delivery system.
- **Centralizing Medicaid/CHP.** (Budget)* Budget allocation to HCPF to plan for centralization of eligibility determination and enrollment in Medicaid and CHP+. Centralization, if accomplished well, ought to ensure more timely and uniform processing of applications across the state.
- **Increase reimbursement rates for primary care providers and dentists in Medicaid.** (Budget)* This continues the process of reducing cost shifting and increasing participation of providers in public programs by moving towards adequate reimbursement of Medicaid providers.
- **Expand Scope of Practice: Strengthen the authority of Advanced Practice Nurses.** (HB08-1060, HB08-1061, and HB08-1094)* An important step in increasing access by addressing the current and anticipated future shortage of primary care providers in the State.
- **Support for Colorado Regional Health Information Organization (CORHIO).** (Budget)*

B. Expanding Access to Basic Services

- Expand mental health benefit in CHP+. (SB08-160)* Requires that mental health services in CHP+ be at least as comprehensive as Medicaid. This recognizes that mental health access and parity are important policy goals and, in conjunction with some expansions in dental services in other legislation, may signal the beginning of a move towards a more integrated care model.
- Additional funding for the Supplemental Old Age Pension Health and Medical Care Fund. Consistent underfunding of this program has created access problems for older people not eligible for Medicaid.
- Increased funding for immunizations.
- Permit expenditures over authorized appropriation for CHP+ up to \$250,000 per fiscal year. (SB08-022)

C. Controlling Costs

- Standardize Health Plan ID Cards. (SB08-135)* A recommendation from the Blue Ribbon Commission, which is projected to reduce administrative costs and streamline insurance payments to providers.
- FAIR- Prior approval of health insurance rates. (HB08-1189)
- Authorize reimbursements to qualified family caregivers for home-care services for people with developmental disabilities. (SB08-02) and create a pilot program to improve the efficiency of state employment services for individuals with developmental disabilities via integrated services. (SB08-05)

I. Expanding Coverage/Reducing Uninsured

- Expand CHP+ to 225% Federal Poverty Level (FPL) with option to increase to 250% if funding is available. (SB08-160)*
- Funding to expand outreach and enrollment in Medicaid/CHP+. (Budget)
- Administrative Simplification in Medicaid/CHP+. (SB08-161)* Simplifies application process by establishing system for administrative verification of income. Reducing barriers in the application process should increase enrollment and reduce the number of uninsured.
- DD Wait List. (Budget)* Funding allocated to diminish the waiting list by 600 persons (out of a total 12,000 waiting).
- Establishment of an Autism Commission to create 10 year strategic plan for funding necessary and coordinated services and treatment for autism. (SB08-163)* Note that early intervention and treatment of autism results in improved outcomes for children and long term cost savings.
- Medicaid Buy-In Program. (HB08-1072)* Requires actuarial study to develop a Medicaid Buy-in program for people with disabilities who want to return to work but require a Medicaid level of services. Currently some disabled adults must keep their incomes low in order to qualify for Medicaid.

II. Improving Quality & Efficiency in Health Care

- Medical Home for All Children in Medicaid and CHP+. (Budget)*
- Increase and improve transparency in health insurance by requiring DOI to provide a consumer guide on its website and requiring insurance producers (brokers) to disclose compensation to their clients. (HB08-1385)
- Add nursing-sensitive quality measures to the Colorado Hospital Report Card. (SB08-196)

III. Protecting Health Care Consumers

- Empower the Division of Insurance to seek restitution for consumers who are wronged by insurance carriers. (HB08-1228)
- Increase penalties and establish right of action in case of unreasonable delay or denial of payment of health insurance claim. (HB08-1407)
- Establish Insurance Ombudsman. (HB08-1216)*
- Expands the definition of “material change” for hospital transactions to include possible reduction in availability of health care services in the communities served by the hospital. Such potential changes would prompt review of the transaction. (HB08-1203)

V. Next Steps

- Centennial Cares SB08-217. Requires development of an RFI to health insurers, the State and other interested parties to explore the development of an individual health insurance product that would be designed as the minimum benefits package that would be available in the state. Assumes, for purposes of the RFI, that Medicaid would be increased to 100% FPL, the product would be guarantee issue and not rated on health status, and would be priced both as if Coloradans were subject to an individual mandate and as if they were not subject to such a mandate. The process will require exploration of some key issues important to a health reform discussion, including the desirability of an individual mandate, affordability, subsidization of health insurance, and comprehensiveness of benefits. Click on this link for more information about SB08-217.

* Items that either were part of the recommendations of the Blue Ribbon Commission on Health Care Reform or are closely aligned with and/or set the stage for implementation of those recommendations.