

Health Law and Policy Update:

July 24, 2013

This week's updates:

- [Governor Hickenlooper appoints four members to Connect for Health Colorado Board](#)
- [Governor Hickenlooper appoints new Colorado Division of Insurance Commissioner](#)
- [Colorado insurance marketplace awarded \\$116 million federal establishment grant](#)
- [Why is the royal birth so much cheaper in the UK?](#)

Governor Hickenlooper appoints four members to Connect for Health Colorado Board

Governor Hickenlooper announced on July 3 four appointments to the board of directors of Colorado's health insurance marketplace, doing business under the name Connect for Health Colorado (C4HCO). As the Denver Business Journal [reports](#), two of the appointments - Sharon O'Hara and Ellen Daehnick - are new to the board, both replacing health insurance company representatives Robert Ruiz-Moss and Elizabeth Soberg. Ms. O'Hara has a long history representing people with chronic diseases as the director of the Multiple Sclerosis Society - Colorado/Wyoming Chapter and the Chronic Care Collaborative. Ms. Daehnick is a small business owner in Lakewood with an extensive background in Information Technology and communications. Governor Hickenlooper also reappointed Richard Betts, a small business owner from Telluride, and Eric Grossman, an executive at Trizetto, a health care IT company.

The success of Connect for Health Colorado, particularly in its early years of operation, will depend largely on consumer and small business participation. The exchange must meet the needs of Colorado's many hard-to-reach individuals, families, and small businesses. Moreover, the exchange must establish and maintain effective outreach, communications and operations strategies to reach these populations. We commend Governor Hickenlooper for his recent appointments and believe that the diverse and capable C4HCO Board of Directors is well-positioned to effectively meet these challenges and move the exchange into its exciting first year of operation.

Governor Hickenlooper appoints new Colorado Division of Insurance Commissioner

Governor Hickenlooper [announced](#) July 22 his appointment of Marguerite Salazar as Colorado's new Commissioner of Insurance, replacing Jim Riesberg who resigned in early July. Ms. Salazar has previously been serving as the Region 8 Director of the

U.S. Department of Health and Human Services, overseeing implementation of the Affordable Care Act in six mountain west states, including Colorado. Before her role at HHS, Ms. Salazar spent a long career as the president and CEO of a large community health center in Alamosa, Colorado. CCLP welcomes Ms. Salazar to her new role as Insurance Commissioner - which she will begin in mid-August - and we look forward to working with her office as Connect for Health Colorado prepares to open its doors in October.

For more, see this Denver Post [article](#).

Colorado insurance marketplace awarded \$116 million federal establishment grant

The federal government recently awarded Connect for Health Colorado (C4HCO), Colorado's insurance marketplace, a \$116 million establishment grant, which will enable the marketplace to complete its development and implementation efforts through the end of 2014. The Denver Business Journal [reports](#) that these funds will support, among other things, the ongoing development of C4HCO's technology infrastructure, customer service center, in-person Assistance Network, and first year of operational costs. C4HCO, which will open its doors for business in October of this year, originally requested \$125 million, which the federal government ultimately reduced due to government-wide federal spending cuts known as the "sequester."

Why is the royal birth so much cheaper in the UK?

A recent [article](#) published in the New York Times highlights the fact that childbirth-related medical costs are higher than any other country in the world - much higher. According to the article, "the average total price charged for pregnancy and newborn care [in the U.S. during 2010] was about \$30,000 for a vaginal delivery and \$50,000 for a C-section, with commercial insurers paying out an average of \$18,329 and \$27,866. Sarah Kliff, a health policy writer for the Washington Post, [pointed out](#) this week that hospital where the Duchess of Cambridge gave birth this week charges \$15,000 on average for the same procedure - much less than the \$30,000 average in the U.S.

Average 2012 Amount Paid for Childbirth

	CONVENTIONAL DELIVERY	CAESAREAN
United States	\$9,775	\$15,041
Switzerland	4,039	5,186
France	3,541	6,441
Chile	2,992	3,378
Netherlands	2,669	5,328
Britain	2,641	4,435
South Africa	2,035	3,449

Note: Amounts paid are the actual payments agreed to by insurance companies or other payers for services, and are lower than billed charges. Amounts shown include routine prenatal, delivery and postpartum obstetric care. Some care provided by practitioners other than the obstetrician – like ultrasounds performed by a radiologist or blood testing by a lab – are not included in this tally.

Source: International Federation of Health Plans

CCLP recently released the first in a series of reports that will begin to examine the landscape of health care costs in Colorado. The first report is available here: "[Charges vary dramatically among Colorado hospitals, even within the same city.](#)" CCLP plans to release the second report in this series in the near future.