

HOUSE COMMITTEE OF REFERENCE AMENDMENT

Committee on Health & Human Services.

HB26-1432 be amended as follows:

1 Amend printed bill, strike everything below the enacting clause and  
2 substitute:

3 "SECTION 1. In Colorado Revised Statutes, 25.5-4-402, **amend**  
4 (3)(a) and (3)(b) as follows:

5 **25.5-4-402. Providers - hospital reimbursement - hospital**  
6 **review program - rules.**

7 (3) (a) (I) In addition to the reimbursement rate process described  
8 in subsection (1) of this section and subject to FEDERAL APPROVAL AND  
9 adequate funding being made available pursuant to section 25.5-4-402.4,  
10 the Colorado healthcare affordability and sustainability enterprise created  
11 in section 25.5-4-402.4 (3) shall pay an additional amount based upon  
12 performance IN THE HOSPITAL QUALITY IMPROVEMENT PROGRAM to those  
13 hospitals that ~~provide services that improve health-care outcomes for their~~  
14 ~~patients, including~~ DELIVER SAFER, MORE EFFECTIVE CARE THAT  
15 IMPROVES PATIENT OUTCOMES AND REDUCES PREVENTABLE UTILIZATION  
16 TO REDUCE HEALTH-CARE COSTS. THE HOSPITAL QUALITY IMPROVEMENT  
17 PROGRAM MUST INCLUDE a performance metric related to workplace  
18 violence. ~~The state department shall determine this amount based upon~~  
19 ~~nationally recognized performance measures established in rules adopted~~  
20 ~~by the state board. The state quality standards must be consistent with~~  
21 ~~federal quality standards published by an organization with expertise in~~  
22 ~~health-care quality, including, but not limited to, the federal centers for~~  
23 ~~medicare and medicaid services, the agency for healthcare research and~~  
24 ~~quality, or the national quality forum.~~

25 (II) (A) PRIOR TO IMPLEMENTATION OF THE PROGRAM, THE  
26 COLORADO HEALTHCARE AFFORDABILITY AND SUSTAINABILITY  
27 ENTERPRISE BOARD SHALL APPROVE THE PERCENTAGE OF HOSPITALS'  
28 REIMBURSEMENT IN THE HOSPITAL QUALITY IMPROVEMENT PROGRAM,  
29 PROGRAM STRUCTURE, PERFORMANCE MEASURES, AND SCORING  
30 METHODOLOGY.

31 (B) WHEN APPROVING A PROGRAM PURSUANT TO THIS SUBSECTION  
32 (3)(a), THE BOARD SHALL REQUIRE THAT NEW MEASURES REMAIN IN PLACE  
33 FOR A DEFINED PERIOD OF TIME NOT TO EXCEED THREE YEARS PRIOR TO  
34 MODIFICATION OR REPLACEMENT OF THE NEW MEASURES; EXCEPT THAT  
35 THE BOARD MAY APPROVE MODIFICATIONS OR REPLACEMENTS PRIOR TO  
36 THE END OF THE DEFINED PERIOD OF TIME IF THE BOARD IS PRESENTED  
37 WITH EVIDENCE THAT THE APPROVED MEASURES ARE NOT MEETING THE  
38 GOALS OF THE PROGRAM OR REQUIRE TECHNICAL ADJUSTMENTS. NOTHING  
39 IN THIS SUBSECTION (3)(a) PRECLUDES THE BOARD FROM RENEWING  
40 MEASURES THAT MEET THE GOALS OF THE PROGRAM AFTER THE DEFINED

1 PERIOD OF TIME NOT TO EXCEED THREE YEARS HAS EXPIRED.

2 (C) ANY MODIFICATIONS TO THE HOSPITAL QUALITY  
3 IMPROVEMENT PROGRAM MUST BE APPROVED BY THE BOARD PRIOR TO  
4 IMPLEMENTATION; EXCEPT THAT CHANGES NECESSARY TO COMPLY WITH  
5 FEDERAL LAW MAY BE IMPLEMENTED IMMEDIATELY.

6 (III) PERFORMANCE MEASURES AND METHODOLOGIES MUST BE  
7 BASED ON FACTORS THAT ARE REASONABLY WITHIN HOSPITALS' CONTROL,  
8 ALIGNED WITH NATIONALLY RECOGNIZED STANDARDS TO THE MAXIMUM  
9 EXTENT PRACTICABLE, AND DESIGNED TO MINIMIZE ADMINISTRATIVE  
10 BURDEN, INCLUDING BY AVOIDING DUPLICATIVE REPORTING AND  
11 LEVERAGING EXISTING DATA SOURCES WHEN POSSIBLE. THE HOSPITAL  
12 QUALITY IMPROVEMENT PROGRAM SHOULD ALIGN WITH FEDERAL QUALITY  
13 PROGRAMS.

14 (b) (I) ~~The amount of the payments made pursuant to subsection~~  
15 ~~(3)(a) of this section must be computed annually.~~ For each state fiscal  
16 year, the total amount of the payments must be no more than seven  
17 percent of the total reimbursements made to hospitals in the previous state  
18 fiscal year.

19 (II) THE MAXIMUM PERCENTAGE OF PAYMENTS SHALL NOT EXCEED  
20 SEVEN PERCENT OF THE TOTAL REIMBURSEMENTS MADE TO HOSPITALS IN  
21 THE PREVIOUS STATE FISCAL YEAR UNLESS AND UNTIL THE COLORADO  
22 HEALTHCARE AFFORDABILITY AND SUSTAINABILITY ENTERPRISE BOARD  
23 FORMALLY APPROVES A QUALITY INCENTIVE PROGRAM PURSUANT TO  
24 SUBSECTION (3)(a) OF THIS SECTION DEVELOPED WITH INPUT FROM  
25 HOSPITAL REPRESENTATIVES WITH CLINICAL EXPERTISE.

26 **SECTION 2.** In Colorado Revised Statutes, 25.5-4-402.4, amend  
27 (5)(b)(VIII) and (7)(e)(VI); and **repeal** (8) as follows:

28 **25.5-4-402.4. Hospitals - healthcare affordability and**  
29 **sustainability hospital provider fee - healthcare affordability and**  
30 **sustainability nursing facility provider fee - healthcare affordability**  
31 **and sustainability intermediate care facility fee - receipt of public**  
32 **funds - Colorado healthcare affordability and sustainability**  
33 **enterprise - federal waiver - funds created - reports - rules -**  
34 **legislative declaration - definitions - repeal.**

35 (5) **Healthcare affordability and sustainability hospital**  
36 **provider fee cash fund.**

37 (b) All money in the hospital provider fee cash fund is subject to  
38 federal matching as authorized under federal law and, subject to annual  
39 appropriation by the general assembly, shall be expended by the  
40 enterprise for the following purposes:

41 (VIII) ~~Subject to any necessary federal waivers being obtained, to~~  
42 ~~provide funding for a health-care delivery system reform incentive~~  
43 ~~payments program as described in subsection (8) of this section~~ SUBJECT

1 TO FEDERAL APPROVAL, FOR THE HOSPITAL QUALITY INCENTIVE PROGRAM  
2 DESCRIBED IN SECTION 25.5-4-402 (3);

3 (7) **Colorado healthcare affordability and sustainability**  
4 **enterprise board.**

5 (e) On or before January 15, 2018, and on or before January 15  
6 each year thereafter, the enterprise board shall submit a written report to  
7 the health and human services committee of the senate and the health and  
8 human services committee of the house of representatives, or any  
9 successor committees, the joint budget committee of the general  
10 assembly, the governor, and the state board. The report shall include, but  
11 need not be limited to:

12 (VI) A summary of:

13 (A) The efforts made by the enterprise acting in concert with or  
14 through an agreement with the state department if required by federal law,  
15 to seek any federal waiver necessary to fund and, in cooperation with the  
16 state department and hospitals, support the implementation of a  
17 health-care delivery system reform incentive payments program as  
18 described in subsection (8) of this section TO IMPLEMENT THE HOSPITAL  
19 QUALITY INCENTIVE PROGRAM REQUIRED PURSUANT TO SECTION  
20 25.5-4-402 (3), INCLUDING INFORMATION ABOUT THE STRUCTURE OF THE  
21 INCENTIVE PROGRAM AND ANY RESULTS ACHIEVED AS A RESULT OF THE  
22 HOSPITAL QUALITY INCENTIVE PROGRAM; and

23 (B) The progress actually made by the enterprise, in cooperation  
24 with the state department and hospitals, towards the goal of implementing  
25 such a program AND THE ENTERPRISE BOARD'S LEGISLATIVE  
26 RECOMMENDATIONS FOR CHANGES TO THE HOSPITAL QUALITY INCENTIVE  
27 PROGRAM.

28 (8) ~~Health-care delivery system reform incentive payments~~  
29 ~~program – funding and implementation.~~ The enterprise, acting in  
30 concert with or through an agreement with the state department if  
31 required by federal law, shall seek any federal waiver necessary to fund  
32 and, in cooperation with the state department and hospitals, support the  
33 implementation, no earlier than October 1, 2019, of a health-care delivery  
34 system reform incentive payments program that will improve health-care  
35 access and outcomes for individuals served by the state department while  
36 efficiently utilizing available financial resources. Such a program must,  
37 at a minimum:

38 (a) ~~Include an initial planning phase to:~~

39 (I) ~~Assess needs; and~~

40 (II) ~~Develop achievable outcome-based metrics to be used to~~  
41 ~~measure progress towards program goals, including the goals of~~  
42 ~~health-care delivery system integration, improved patient outcomes, and~~  
43 ~~more efficient provision of care; and~~

1           ~~(b) Address the following focus areas:~~  
2           ~~(I) Care coordination and care transition management;~~  
3           ~~(II) Integration of physical and behavioral health-care services;~~  
4           ~~(III) Chronic condition management;~~  
5           ~~(IV) Targeted population health; and~~  
6           ~~(V) Data-driven accountability and outcome measurement.~~  
7           **SECTION 3. Safety clause.** The general assembly finds,  
8 determines, and declares that this act is necessary for the immediate  
9 preservation of the public peace, health, or safety or for appropriations for  
10 the support and maintenance of the departments of the state and state  
11 institutions."

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