



# Legislative Council Staff

## Research Note

Version: House HIE  
Date: 3/3/2016

### Bill Number

**Senate Bill 16-127**

### Sponsors

**Senator Tate**  
**Representative Arndt**

### Short Title

**Repeal Medical Clean Claims  
Task Force**

### Research Analyst

**Jeanette Chapman (x4657)**

### Status

This bill is currently pending before the House Health, Insurance, and Environment committee. This research note reflects the reengrossed bill.

### Summary

This bill repeals the "Medical Clean Claims Transparency and Uniformity Act." Correspondingly, it repeals all ongoing work of the Medical Clean Claims Task Force and eliminates the requirement that commercial insurance carriers use the claims codes developed by the task force. Related definitions in statute are also repealed.

### Background

Colorado enacted the Medical Clean Claims Transparency and Uniformity Act (MCCTUA) in 2010, requiring the Executive Director of the Department of Health Care Policy and Financing to establish a task force of industry and government representatives to develop a standardized set of medical claim edits and payment rules, with the goal of reducing claim processing time. The Colorado Clean Claims Task Force (task force) was intended to address the wide range of edits and rules used by different medical payers to process the same codes reported by a health care provider by establishing a uniform way to edit claims. Claim edits are used by insurers to determine what adjustments should be made to the codes submitted by physicians and other providers for services provided. Payment rules indicate how codes should be reported and which codes are eligible for a pricing adjustment.

The task force was asked to submit a final report and recommendations to the General Assembly and the Commissioner of Insurance by January 31, 2016, regarding the complete set

*This research note was prepared by Legislative Council Staff, the nonpartisan research staff for the Colorado General Assembly. The research note is provided for informational purposes only and should not be relied upon as an official record of action by the General Assembly. Legislative Council Staff are not attorneys, and the research note is not a legal opinion. If you have legal questions about the bill, including questions about the meaning of the bill language or amendments, please contact the drafter.*

of uniform, standardized payment rules and claim edits, and establishment and operation of a central repository for accessing the edits and rules.

The task force was unable to obtain some commercial edit sets for inclusion due to intellectual property protection concerns, and was unable to find a long-term funding stream. As a result, the task force recommends that the MCCTUA be repealed and that the U.S. Department of Health and Human Services assume the oversight and funding of the development and maintenance of a common set of edits for professional claims that could ultimately be made available to all states.

## Senate Action

**Senate Business, Labor, and Technology Committee (February 24, 2016).** The committee adopted amendment L.001 and referred the bill, as amended, to the Senate Committee of the Whole with a recommendation that it be placed on the consent calendar. Amendment L.001 replaced the effective date petition clause with an effective date and a safety clause.

**Senate second reading (February 29, 2016).** The Senate adopted the Senate Business, Labor, and Technology committee report. The Senate passed the bill on second reading.

**Senate third reading (March 1, 2016).** The Senate passed the bill on third reading with no amendments.