



COLORADO
Department of Health Care
Policy & Financing
1570 Grant Street
Denver, CO 80203



HB23-1226 Hospital Transparency And Reporting Requirements - Supporter List

March 2023

This bill builds on HB19-1001 to further increase hospital transparency and accountability in Colorado. The additional data reporting will improve the timeliness of HCPF's reporting and provide a more complete picture of Colorado hospitals' revenue and expenditure streams.

Supporters

A wide range of state and local governments, employers and consumers support this legislation. This list will be updated as more organizations are added. To add your organization, contact Jo Donlin at Jo.Donlin@state.co.us.

Colorado Business Group on Health
Colorado Cross Disability Coalition
Colorado Department of Health Care Policy & Financing
Colorado Department of Personnel and Administration
Debbie Chandler, CEO, Engage Health Innovations
Ge Bai, PhD, CPA, Professor of Accounting at Johns Hopkins Carey Business School and
Professor of Health Policy and Management at Johns Hopkins Bloomberg School of Public
Health
Healthier Colorado
PEAK Health Alliance

For more information, contact:

Jo Donlin, HCPF Legislative Liaison, 720.610.7795, jo.donlin@state.co.us
Iris Hentze, HCPF Senior Legislative Analyst, 720.692.4288, iris.hentze@state.co.us

Improving health care equity, access and outcomes for the people we serve while
saving Coloradans money on health care and driving value for Colorado.
www.colorado.gov/hcpf





PRIMARY CARE PARTNERS

Your Healthcare Destination

To the honorable members of the House Health & Insurance Committee:

My name is Michael J. Pramenko M.D. I am writing in support of HB 1226.

As a practicing Family Physician and Chief Medical Officer for a large primary care practice and clinically integrated network in Western Colorado, I am writing to support HB-1226. Being a long-time advocate for my patients and a more equitable health care system, I endorse efforts to improve transparency of cost and quality in health care.

HB-1226 will increase transparency in the hospital sector. In turn, the public will have a better understanding of cash transfers, profits and reserves. Given that our national health care system is 50% publicly funded, we deserve further access to the finances of the hospitals and hospital systems within Colorado.

The public and private sectors must work in concert to enhance Colorado's ongoing progress towards a more equitable health care system. This requires alignment of policy and principles will only occur with transparency in public policy and private investments. HB-1226 represents another important tool to help our state move down the affordability in health care road.

I also believe that we need to have a better understanding of the impact of hospital mergers and physician acquisition. The ramifications of statewide mergers of hospital systems and the ongoing loss of independent-private practice must be evaluated for the cost to our health care system. HB-1226 can help with this analysis.

I appreciate your YES vote on HB1226.

Thank you.

Michael J. Pramenko M.D
Family Physician
Chief Medical Officer – Primary Care Partners
Past-President - Colorado Medical Society
mpramenko@pcpgi.com
970-640-8178

March 24, 2023

Dear Chairwoman Lontine and members of the House Health and Insurance Committee,

I am writing in support of HB23-1226.

Peak Health Alliance is a health insurance purchasing cooperative leveraging the power of the community to bring down the cost of health care in Colorado. We analyze data to determine the true cost of care in a community so we can negotiate directly with providers and carriers. Our mission is to create more comprehensive, lower-cost health insurance options for our citizens.

Given my CEO role with PEAK and my 30 years in healthcare, I am well acquainted with the challenges in health care and in negotiating with hospital systems for better pricing. The hospital transparency data delivered by the Department of Health Care Policy & Financing provides us with more leverage in our negotiations because it illuminates the true financials and makes them readily available to us.

In addition, this bill will also help craft future policy by providing insights and analysis into drivers of rising costs and prices – like mergers and acquisitions, executive incentive plans, building and construction and more.

Health care is complicated and the various players in the industry fight hard to protect their black box of secrecy because it works for them. The data to be reported and the subsequent analysis that HCPF and others are expected to generate will make it easier to see inside that black box. We will have improved ability to untangle the Gordian Knot of health care and gain essential insights. We expect those insights to help PEAK Health Alliance save Coloradans – small employers and individuals - money on healthcare.

Thank you for your YES vote on HB23-1226.

Sincerely,



Anne Ladd
CEO

**John Bartholomew
Independent Hospital Financial Consultant
Denver, Colorado**

March 27, 2023

Good day Chair Daugherty, Vice Chair Kennedy and Members of the Committee. Thank you for the opportunity to share my support for HB23-1226, which strengthens hospital financial insights and accountability.

I am now retired from the state Department of Health Care Policy and Financing but have been a part of studying hospital costs and prices since the Cost Commission created by SB14-187. For nearly a decade, I have been studying hospital costs, prices and profits in Colorado as an employee of the Department, as a prior contractor to NASHP, and as an independent consultant. And I am proud of Colorado's leading national position on hospital transparency.

I have read and studied the data collected as part of the original hospital financial transparency bill, HB19-1001 and I appreciate and support the additional provisions that HB23-1226 adds to that foundation. Specifically, more financial information is needed to understand why Colorado hospitals are high price, high cost AND high profit, though I applaud the hospitals movement out of the top ten nationally on the cost metric. Still, The Colorado hospital industry is rare to be categorized as high in all three categories and the information collected from HB19-1001 is not enough to answer all the questions as to why this is. HB23-1226 in its original, unamended draft will create a sharing of data hospitals already have to better understand the drivers of high cost, high price and/or high profit at the hospital or system level.

For too long, hospital finances have been a black box despite numerous legislative attempts to unravel them. Over the years and during the pandemic, we have witnessed record hospital profits and costs and prices that grow as much as 50% faster than the national median. Why? We do not know with existing information. Lately, we have heard of hospital losses;] however, these are from investments in the stock market. The requested information in HB23-1226 is information that any hospital should have and create to properly run a not-for-profit business. Amendments to this bill watering down the requested information are attempts to further the opaque nature of hospital finances and should not be allowed. This state and its citizens deserve to better understand the hospital industry's finances in Colorado.

Thank you for considering my expertise and thoughts on this important bill.

John Bartholomew