



1176 Health Care Cost Analysis Task Force

February 7, 2020

303 E 17th St, 11th Floor, Conference Room 11A, Denver



HB19-1176 Health Care Cost Savings Act of 2019

Phase 1 FORM

Sep 2019 – Dec 2019

- ✓ Create **Task Force**
- ✓ **“Norm”** (*bylaws, meetings dates/locales, action between meetings, contact info*)
- ✓ **Level set knowledge** of health care costs, **identify desired info.** *What has been done in CO? Elsewhere?*
- ✓ By Oct 1, **issue basic RFP**
- ✓ Create **DQ Scoping / Planning DQ**

Phase 2 ASK / LEARN

Jan 2020 – Aug 2020

- **Education** needed? Materials? Speakers?
- Complete **DQ Scoping / Planning** process
- By **???**, create & post **RFP / DQ for Cost Analysis**
- By **???**, select & engage **entity for Cost Analysis**
- **Fundraise**
- **Stakeholder meetings** (3-5)

Phase 3 EVALUATE / RECOMMEND

Sep 2020 – Aug 2021

- By **???**, receive **analysis**
- By **Jan 1, 2021**: report **preliminary findings** to General Assembly (*introduce analyst, method/process, explain next steps*)
- By **Sep 1, 2021**: submit **final report** with all findings to General Assembly

FY20: \$92,649 (\$5,200 task force travel; \$87,449 analysis) - \$5,000 Level setting

FY21: \$92,649 (\$5,200 task force travel; \$87,449 analysis)



1176 DQ or RFP for Cost Analysis

TBD

will be shaped by results of Scoping and Planning DQ





HB19-1176, Health Care Cost Savings Act of 2019

From previous meetings – provided as reference only

The Task Force must issue a **competitive solicitation** to select an analyst who will provide a **detailed analysis of fiscal costs and other impacts** of:

1. The current health care financing system, in which residents receive health care coverage from private and public insurance carriers or are uninsured;
2. A multi-payer universal health care system, in which all residents of Colorado are covered under a plan with a mandated set of benefits that is publicly funded and paid for by employer and employee contributions; and,
3. A publicly financed and privately delivered universal health care system that directly compensates providers.

MUST analyze these. MAY include a 4th – depending on time and resources.



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Each analysis MAY:

- Include **1st, 2nd, 5th, & 10th year costs**
- Set **compensation for licensed providers** at levels that result in net income that will attract and retain necessary providers
- Include **benefits reimbursed at 120% of Medicare rates** for CO residents temporarily living out of state
- Define, describe, & quantify the **# of uninsured, underinsured, & at-risk insured** individuals in each system
- Include the provision of **benefits** that are the **same as required by federal act**
- Identify **health expenditures by payer**
- Identify **out-of-pocket charges** including coinsurance, deductibles, and copayments



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Describe how the system provides:

- **Services required by the federal act**
- **Medicare-qualified** services
- **Medicaid services & benefits** = or \geq current (w/ equivalent provider compensation rates)
- **Medicaid services & benefits** for individuals with disabilities who don't meet asset or income qualifications & who have the right to manage their own care & the right to durable medical equipment
- Coverage for **women's health care & reproductive services**
- **Vision, hearing,** and **dental** services
- **Access to primary specialty services** in **rural CO** & other **underserved areas** or **populations**
- **Behavioral, mental health,** and **substance use disorders** services



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Provide a **review of existing literature regarding the collateral costs to society of high health care costs** which may include:

- **Cost of emergency room, urgent care, & intensive care treatment** for individuals who are unable to afford preventive or primary care in lower-cost settings
- **Cost in lost time from work, decreased productivity, or unemployment** for individuals who, as a result of being unable to afford preventive or primary care, develop a more severe, urgent or disabling condition
- **Cost of bankruptcies** – cost to the individual and the providers not paid
- **Costs to & effects on individuals who do not file bankruptcies but are financially depleted** due to medical costs
- **Medical costs** caused by **diversion of funds from** other **health determinants** (such as education, safe food supply or safe water supply)
- Other **collateral costs as determined** by the task force



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Analyst shall **model sufficient** and **fair funding systems** that may be viable for each system **that may raise revenue** from:

- The **general fund**
- Federal **waivers** under **Medicaid** and the federal act
- **Progressive income taxes**
- **Payroll taxes**, split between employer and employee
- Other **taxes**
- **Premiums based on income**



1176 Level Set Knowled

12/6/19 – 1/3/20: Task Force reviewed materials provided b
1/3/20: Tom Reid presented basic concepts of health care c

From previous
meetings – provided
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Goals:

- Resources to help us achieve a **common basic understanding** of health care costs, systems
- **Manageable**
- **Unbiased** – or at least **balanced** (identify key arguments for and against each option)
- **Estimate** the fiscal **cost** and **other impacts** (quality, access, & equality)

Product from HMA

- 16 **articles/studies** with summaries or abstracts
(3 “key findings” recaps added by HMA)
- 1 **video**
- **link** to a website for each resource
- **PDFs**
- **Organized** as follows:
 1. Background and overview – U.S. Healthcare System
 2. Background and overview – Colorado
 3. State-level universal health care initiatives
 4. Single payer systems – pros and cons, and design features
 5. Cost of universal health systems
 6. Comparisons of U.S. to models in other countries



HEALTH MANAGEMENT ASSOCIATES

<https://www.healthmanagement.com/>

<https://www.healthmanagement.com/our-team/staff-directory/name/tom-marks/>



1176 Rules of Engagement (approved 1/3/20) & Website

From previous meetings – provided as reference only

MEETINGS

- 230p - 4:30p.
- 1st & 3rd Friday of the month.
- Set location with audio, visual, call-in.
 - near Capitol during session
 - 5 meetings “in community” linked to stakeholder meetings

AGENDAS

- To task force at least 24 hours in advance.
- On website at least 24 hours in advance.
- Include public comment period?

MINUTES

- High level summary of discussion, action (motions, seconds, voting), and next steps. Approve at next meeting.
- To Task Force at least 24 hours in advance of next meeting.
- On website within week after approval.

QUORUM

- Required to take action.
- 7 of 13 members (in person or by phone).
- Proxy can be given to fellow appointed task force member via email to Chair. No delegates.

VOTING

- If quorum met, 51% majority.
- Removal of task force member requires super majority = 2/3rds of all members.
- Final product for legislature requires 2/3rds of all members.
- Email voting recorded in next meeting’s minutes.
 - Chair (or support staff) will text to prompt when email input needed.
 - Goal: give at least 24 hours to offer input via email.

TRAVEL REIMBURSEMENT

WEBSITE

- Intro/Welcome from Chair
- Resources:
 - Link to HB19-1176
 - More?
- Committee Members – bios & team pic
- Meeting locations, dates, times
- Agendas
- Approved Minutes

2020 Mtgs: 1/3, 1/17, 2/7, 2/21, 3/6, 3/20, 4/3, 4/17, 5/1, 5/15, 6/5, 6/19, 7/3, 7/17, 8/7, 8/21, 9/4, 9/18, 10/2, 10/16, 11/6, 11/20, 12/4, 12/18.

2021 Mtgs: 1/15, 2/5, 2/19, 3/5, 3/19, 4/2, 4/16, 5/7, 5/21, 6/4, 6/18, 7/2, 7/16, 8/6, 8/20, 9/3.

*red font = **dates of meetings outside of the metro area & locations TBD.**



1176 Task Force Members

From previous meetings – provided as reference only

Representative Emily Sirota, Colorado General Assembly

Representative ?????, Colorado General Assembly

Senator Jim Smallwood, Colorado General Assembly

Senator Joann Ginal, Colorado General Assembly – *Vice-Chair*

Carrie Cortiglio, Colorado Department of Public Health & Environment – *Secretary*

Karla Gonzales, Colorado Organization for Latina Opportunity and Reproductive Rights

Kate Harris, Colorado Division of Insurance

Michelle Miller, Colorado Department of Health Care Policy & Financing

Mitzi Moran, Sunrise Community Health - *Chair*

Monica VanBuskirk, Connect for Health Colorado - *Treasurer*

Dr. Renee Marquardt, Colorado Department of Human Services

Thomas “TR” Reid, Author

TBD, ?????

