

# HB23-1215

## Hospital Facility Fee Steering Committee

Facilitated by:  
Government Performance Solutions, Inc. (GPS)

Tuesday, April 9, 2024  
4:00 – 6:00 p.m.



**COLORADO**  
Department of Health Care  
Policy & Financing



# Virtual meeting guidelines

Here are some ideas to make virtual collaboration easy on us all:



This meeting is being recorded!



If your computer has a camera, please keep it on. Be careful there is nothing revealing in your background. We suggest using the blur feature or virtual background.



Put your computer microphones (or phone) on mute



Use the chat feature to share ideas and ask questions



Click the Live Transcript icon at the bottom of your screen



# Welcome



# Who's on the steering committee?

1. Isabel Cruz, Policy Director, Colorado Consumer Health Initiative
2. Diane Kruse, Health Care Consumer
3. Dr. Omar Mubarak, Managing Partner, Vascular Institute of the Rockies
4. Dan Rieber, Chief Financial Officer, UHealth
5. Bettina Schneider, Chief Financial Officer, Colorado Department of Health Care Policy and Financing (HCPF)
6. Kevin Stansbury, Chief Executive Officer, Lincoln Community Hospital
7. Karlee Tebbutt, Regional Director, America's Health Insurance Plans



# Why are we here? HB23-1215

- HCPF must form a steering committee to deliver to the state House of Representatives Health and Insurance Committee, the Senate Health and Human Services Committee, or their successor committees a separate, one-time report by October 1, 2024, that details the impact of facilities fees using data from the past 10 years.
- **The Steering Committee is required to develop a report detailing the impact of facility fees**, defined as “any fee a hospital or health system bills for outpatient hospital services that is intended to compensate the hospital or health system for its operational expenses and separate and distinct from a professional fee charged or billed by a health-care provider for professional medical services.”
- The Steering Committee is entitled to receive and request data from the All-Payers Claims Database, hospitals, and health systems, Health Care Policy and Financing (HCPF), Division of Insurance (DOI), commercial payers, and independent providers.

# What will we accomplish today?

- Confirm shared purpose, boundaries, requirements, and our behavioral commitments (10 min)
- Review data collection progress and initial insights from survey responses (15 min)
- Discuss feedback on the Medicare Facility Fee Identification Methodology memo (45 min)
- Review proposed edits to the perspectives section of the draft report (20 min)
- Discuss the plan for upcoming meetings (15 min)
- Hear public comment (10 min)
- Engage in Q&A and discuss next steps (5 min)



# Recap: Our boundaries

- The steering committee will keep the scope of work confined to HB23-1215's requirements.
- There may be limitations on the data available for actuarial analysis, so the report will be based on what is available.
- The steering committee shall not share publicly any information submitted to the steering committee as “confidential.”

# Procedural norms

- Follow [open meeting laws](#) protocols; communication between 2 or more steering committee members requires public notice
- If we need to vote to confirm consensus on the accuracy and completeness of the language/data that explain the impact, we will
  - Use roll call vote and ask dissenters to draft their opinion
  - If unable to attend a meeting where a vote is occurring, share your vote and opinion in writing before the meeting
- Have public comment at the end of the meeting, unless voting on impact/decision, then prior to the vote



# Shared behavioral commitments

In January, the group adopted these (8) behavioral commitments:

- Engage in candid, honest dialogue while maintaining an open mind about other's positions
- Avoid acronyms and speak up if you require clarification
- Stay on topic and within the boundaries established in [HB23-1215](#)
- Use the raise hand function to signal your desire to speak; allow some grace if there is a topic change
- Be succinct in your engagement to make room for others to ask questions and share their opinions
- Maintain mutual respect, acknowledging that each person has been chosen for a reason and is equally important
- It's okay to disagree, but do so without being disagreeable
- Be on camera by default; notify others if there is a reason you cannot

# Data Collection Update



# Overview on (3) Surveys

- Status:
  - Hospital—significant responses; currently in the cleaning stage
  - Independent Provider
    - Small sample size
    - Sample is only one type of provider so only represents that population
  - Carrier—no responses; extended the deadline and following up
- Importance of surveys to 1215's requirements:



# Overview: Hospital and Health System Survey Responses

Received responses from 60 of the 84 hospitals

Requested Element →	Billing Policies	Patient Visits	Facility Fee Revenue	CPT Codes (Count)	CPT Codes (Gross Charges)
Status ↓					
<b>Complete</b>	55	45	44	37	38
<b>Partial</b>	1	8	7	16	14
<b>Missing or unusable</b>	4	7	9	7	8

## Highlights:

- 34 respondents are health systems and offered nearly complete data
- Incomplete submissions mostly had to do with challenges accessing older data
- Still waiting on one Colorado system

# Proposals: Hospital and Health System Survey

Survey responses will be used to understand commercial billing policies to help identify facility fees in APCD data

## Proposals

- For aggregation and reporting propose excluding 2017-2018
- Follow-ups
  - Because some data submitted appears to have either typographical errors or consistent error (Example: all visit data = 25), we propose to follow-up to close gaps
  - While 55 hospitals provided responses for all billing policy questions, several did not address the question or provided too little information.
    - Ask either hospitals or CHA to meet to discuss or resubmit in more detail to get a more comprehensive data set

# Overview: Independent Medical Provider Survey Responses

Received 10 responses

- **Asked about**
  - Cost of care impact
  - Impact of facility fees
  - Impact of facility fee restrictions
  - Payer mix
  - Hospital referrals
- **Received responses on all questions**

# Proposals: Independent Medical Provider Survey Responses

- **Initial Insights**
  - Sample is family medicine practitioners
  - Practitioners provide various services
  - General frustration with inequity, cost of care
  - Descriptions of the impacts to patients
- **Challenge**
  - Cannot make inferences about independent providers, only family medicine independent providers
- **Proposal Options**
  - Can use “small data” to bring person-level quotes and perspectives to report
  - Could reissue the survey

## Word count: Service lines mentioned



# Overview: Payer Survey Responses

- Received 0 responses as of 4/2/2024
- Communicating with carrier representatives
- Emphasized the need and extended the deadline



# Facility Fee Identification Methodology—Medicare Focus



# Segment overview

## Objectives

- Orient steering committee to work performed since last meeting (e.g., data validation, methodology, etc)
- Gather steering committee feedback on the facility fee identification methodology for Medicare
- Share plans for expansion into commercial market

## As we review, please:

- This memo is in DRAFT form → Your feedback is necessary to improve it
- Caveats and limitations are critical → Let's work to describe what the data does/does not allow us to say
- Critical access hospitals have options for billing facility fees → We will discuss today

# Methodology

- Optumas produced a memo with initial findings on facility fee identification in the APCD data for the Medicare market
- The memo includes emerging insights and questions for steering committee discussion
- We will drive the discussion from the memo rather than slides



March 28, 2024

Subject: Colorado HB1215 – Medicare Facility Fee Identification Methodology Report

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## Medicare Facility Fee Identification Methodology - DRAFT

### Overview

CBIZ Optumas (Optumas) was contracted by the Colorado Department of Health Care Policy and Financing (HCPF) to explore the policies, practices, and costs to Colorado health payers of facility fees as outlined in HB23-1215. Optumas was tasked with identifying outpatient facility fees within the Colorado All Payer Claims Database (APCD) provided by the Center for Improving Value in Healthcare (CIVHC) for 2017 through 2022. The APCD contains claims data from Medicare, Medicaid, and Commercial payers within the State of Colorado. The purpose of this memo is to detail the methodology used to identify hospital outpatient department (HOPD) facility fees within the Medicare claims portion of the APCD. This covers both Medicare Fee-for-service (FFS) and Medicare Advantage.

### Data Validation

Optumas reviewed the data for all the requested fields to ensure they were complete and had the expected valid values. This review indicated that we received appropriate data aligned with our data request that would allow us to continue with the analysis. The exception to this is related to denied claims. The APCD does delineate if an individual service was denied during a visit but does not provide information on visits that were denied in their entirety. Optumas will note below for these analysis how

# Discussion



Carry Over from  
Last meeting

# Final Report Outline

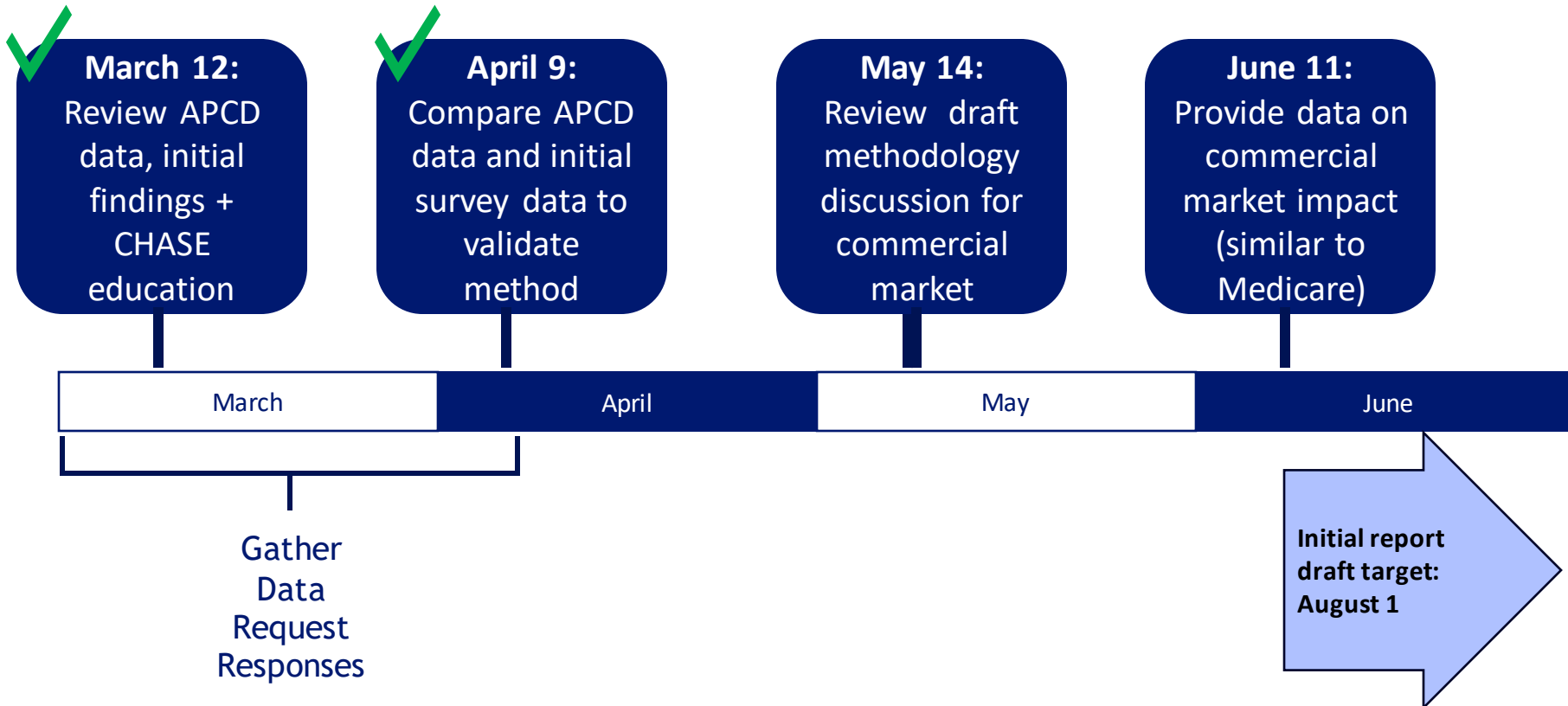


# Review & discuss proposed edits

- [DRAFT Facility Fee Report OUTLINE - Google Docs](#)
- Let's review the new materials (highlighted in light blue) and discuss your feedback

# Upcoming meetings

We are continually refining our meeting roadmap. Here is what is emerging, subject to discussion:



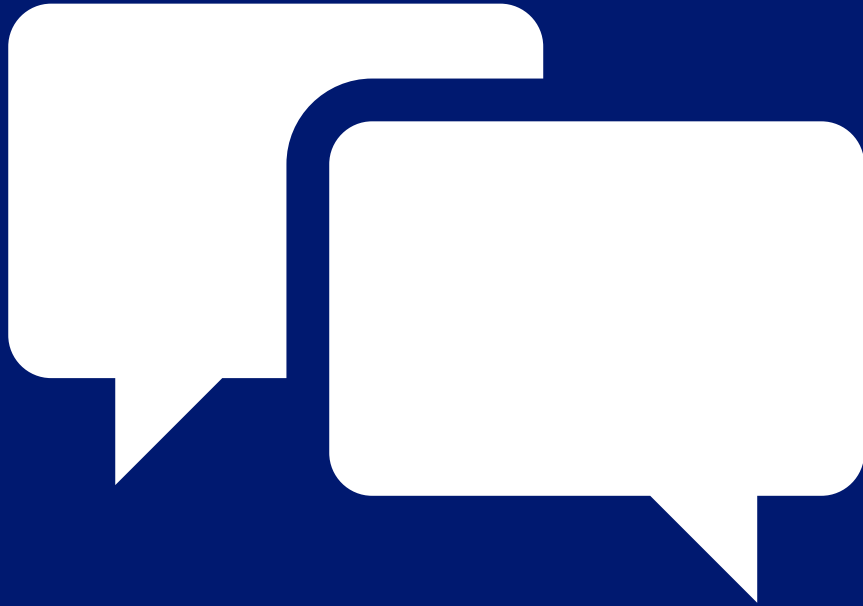
# Public comment

Please...

1. Indicate you wish to offer public comment:
  - Speak to the facilitator if in person
  - Use the “raise your hand” icon if online
  - Hit \*9 to raise your hand if you are on the phone.
2. Wait to speak until the facilitator calls your name.
3. Make your comments within the request time limit to allow other time to speak.
4. Written comments are also welcome at [hcpf\\_facilityfee@state.co.us](mailto:hcpf_facilityfee@state.co.us)

Thank you!





# Steering Committee Questions & Next Steps



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# Thank you!

