

HB23-1215

Hospital Facility Fee Steering Committee

Facilitated by:

Government Performance Solutions, Inc. (GPS)

Tuesday, February 13, 2023

4:00 – 6:00 p.m.



COLORADO
Department of Health Care
Policy & Financing



Hybrid meeting guidelines

The facilitator will steer the group, leaning on the shared commitments. Here are a few other thoughts for making this meeting go smoothly:

1. **Make room for others:** ensure even participation from those online and those in the room; we will monitor the chat and hand raise functions
2. **Maintain one conversation:** even quiet conversations will disrupt the microphones; if online, please manage your mute button
3. **Ask questions:** if you feel like we're out of sync or are struggling to follow, please speak up



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, University of Colorado Hospital Authority
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 and discuss the proposed outline for the final report; embody edits as available (80 min)
- Discuss data update and 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

Review and discuss DRAFT outline for the final report



Draft outline overview

Proposals:

- Attempt to mirror statutory language as exactly as possible to avoid challenges with summarization or other wording changes
- Acknowledge the multi-faceted nature of the task by including perspectives from stakeholder groups
- For each research requirement, propose addressing it with (3) segments:
 1. A summary of the analysis performed including data sources,
 2. A visual depiction (e.g. a chart, a graph, etc, with appropriate alt+text for accessibility), and
 3. A set of bullets articulating the insights from the charts/graphs in plain English without bias

Discussion

Part 1—General comments:

- What are your reactions to the overall design?
- Was there anything that surprised you?
- Do you believe any sections are missing?

Part 2—Specific edits:

- Would it be helpful to have time to work in small groups on the perspectives section?
- What edits do you propose to the structure? To the language?

Definitions



Definitions

- Draft definitions were circulated in December
- Feedback on alternative wording and sources were received through early January
 - Thanks to those who proposed edits
 - These were embodied in the [document available on the steering committee's website](#) under the Feb 13 banner
- Recommendation:
 - Discuss any remaining questions or edit proposals
 - Use these definitions, as required, as we build out the report

Data update



Data overview

- Received All Payer Claims Database (APCD)
- Performing initial data processing and data validation
 - Volume review by year, month, line of business
 - Alignment of member eligibility and incurred claims

Initial data processing and validation

- Reviewing valid values in each field, including key fields for facility fee analytics
 - Financial fields:
 - Charges
 - Allowed
 - Member share (copay, coinsurance, deductible)
 - Plan share
 - Confirmed that Allowed = member share + plan share
 - Additional fields for house bill analytics
 - In-network vs. Out of network
 - Group size
 - Provider NPI (to identify affiliation)

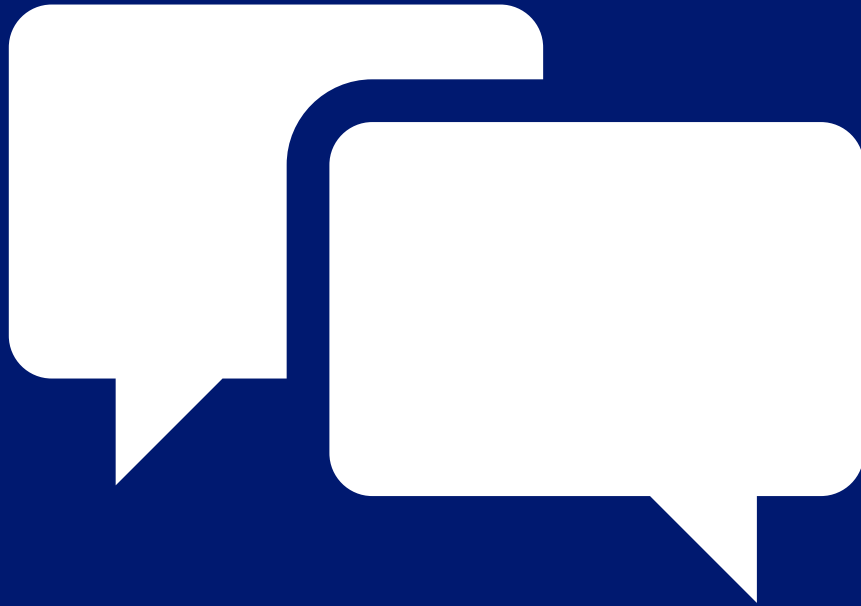
Scale of the APCD data received

	Total Allowed Amount					
Outpatient	2017	2018	2019	2020	2021	2022
Medicare	\$900,000,000	\$880,000,000	\$1,010,000,000	\$990,000,000	\$1,100,000,000	\$1,160,000,000
Medicare Advantage	\$450,000,000	\$550,000,000	\$700,000,000	\$730,000,000	\$890,000,000	\$1,170,000,000
Medicaid	\$1,000,000,000	\$1,060,000,000	\$1,100,000,000	\$1,040,000,000	\$1,260,000,000	\$1,480,000,000
Commercial	\$1,870,000,000	\$2,000,000,000	\$2,060,000,000	\$1,920,000,000	\$2,260,000,000	\$2,340,000,000
Total	\$4,220,000,000	\$4,490,000,000	\$4,870,000,000	\$4,680,000,000	\$5,510,000,000	\$6,150,000,000

	Total Allowed Amount					
Professional	2017	2018	2019	2020	2021	2022
Medicare	\$1,810,000,000	\$1,970,000,000	\$2,000,000,000	\$1,910,000,000	\$2,080,000,000	\$2,110,000,000
Medicare Advantage	\$1,130,000,000	\$1,260,000,000	\$1,500,000,000	\$1,480,000,000	\$1,780,000,000	\$2,000,000,000
Medicaid	\$2,380,000,000	\$2,490,000,000	\$2,910,000,000	\$3,070,000,000	\$3,590,000,000	\$4,220,000,000
Commercial	\$2,400,000,000	\$2,540,000,000	\$2,610,000,000	\$2,400,000,000	\$2,880,000,000	\$2,960,000,000
Total	\$7,720,000,000	\$8,260,000,000	\$9,020,000,000	\$8,860,000,000	\$10,330,000,000	\$11,290,000,000

Next steps on data

- Continue with data validation
- Begin developing and applying methodologies to identify facility fees in each line of business:
 - Medicare
 - Commercial
 - Medicaid
- Bring clarifying questions and emerging analysis to this group

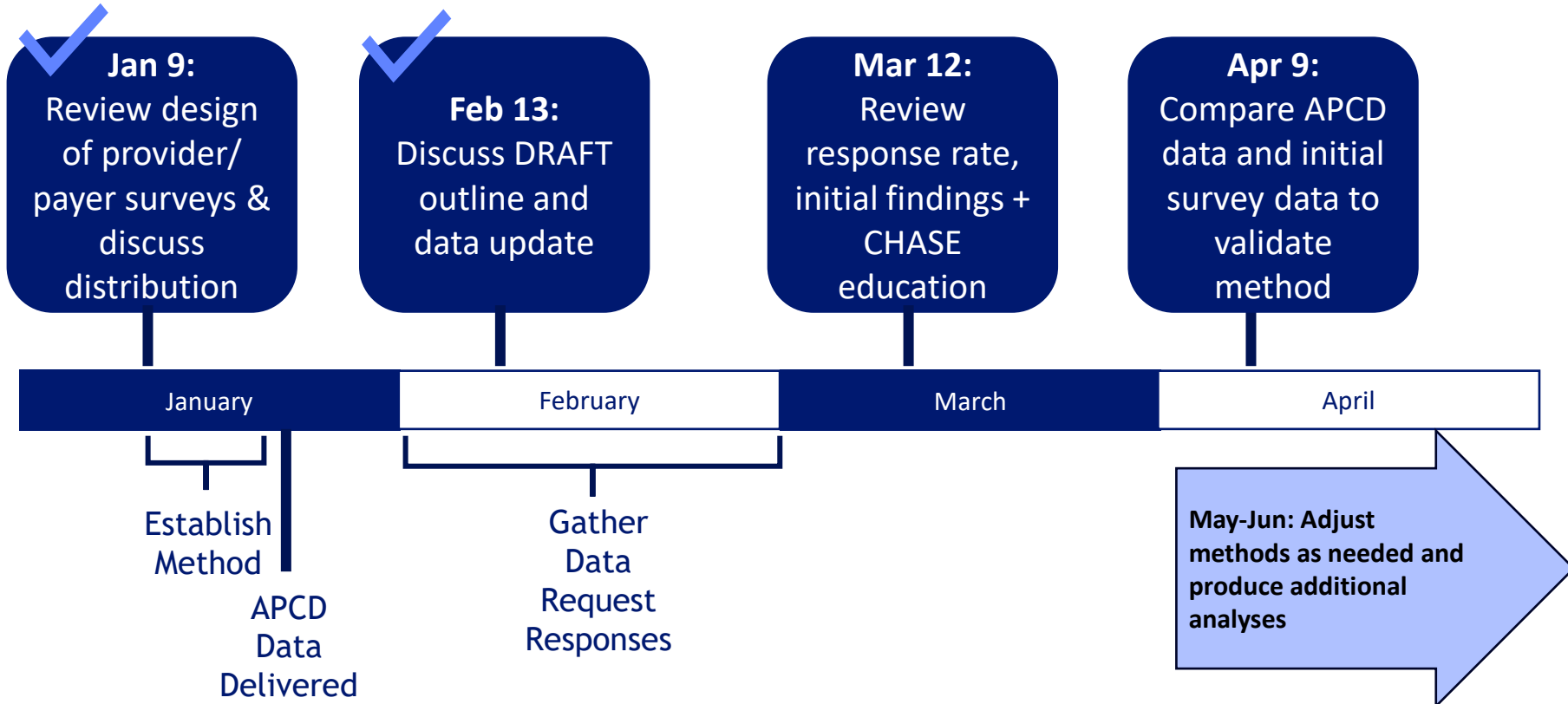


Steering Committee Discussion: Upcoming Meetings and Feedback



Upcoming meetings

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



Plus/minus of hybrid format

We are continually refining our methods to find the best approach for engagement. Let's discuss what worked well and what we should change.

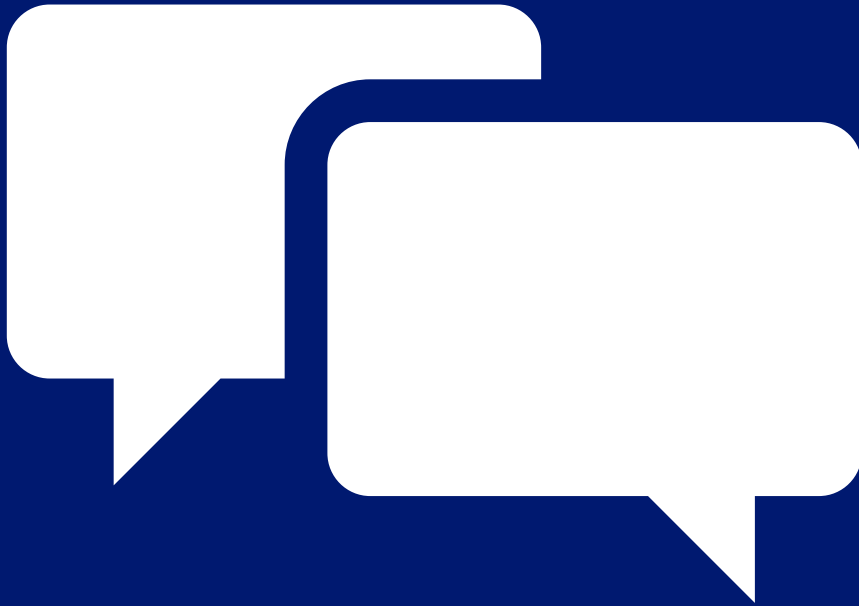
Plus (What worked well?)	Minus (What should change?)
■ ...	■ ...

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

Thank you!



Steering Committee Questions & Next Steps

Next steps

- Pending Steering Committee agreement, our next meeting is scheduled for Tuesday, March 12, 2024, from 4:00 - 6:00 p.m.
 - We will decide whether to meet hybrid or in-person based on the topic(s)
 - HCPF will post an agenda and registration link on its [website](#); please register
- Topics covered will include:
 - Review data request response rate, descriptive statistics, and initial findings
 - Discuss 25.5-4-216(6)(e): The impact of facility fees and payer coverage policies on the Colorado Healthcare Affordability and Sustainability Enterprise (CHASE), created in section 25.5-4-402.4, the Medicaid expansion, uncompensated care, and undercompensated care.



[Government Performance Solutions, Inc.](#)

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Planning**

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Engagement**

**Operational
Excellence**

**Organizational
Effectiveness**



Thank you!



Who are your facilitators?



- Greg & Kate work for Colorado-based Government Performance Solutions, Inc. (GPS)
- GPS partners with public and social sector organizations to navigate change by:
 - Using deep listening & a collaborative approach,
 - Engaging agency staff, their partners, & and the community to co-create solutions that drive sustainable transformations.



Learn more about GPS at governmentperformance.us

Who are your actuaries?



- CBIZ Optumas (Optumas) is Colorado's actuary of record since 2012
- Set actuarially sound capitated rates for all managed care programs:
 - Physical health (DHMC and PRIME), behavioral health (RAEs), CHP+ (HMO & Dental), and PACE
- Provided actuarial analytics and development for alternate payment models for the State:
 - APM 2, Maternity Bundled Payment, Hospital Transformation Program
- Conducted rate review and access to care studies

Who are your actuaries?



- Currently lead the vertical integration analysis for HCPF
 - Studies the effect of hospital systems acquiring independent physician practices
- Optumas will provide the actuarial analysis for the HB23-1215 project
 - Study the financial impact of facility fees on Colorado payers

What are the roles and responsibilities?

Steering Committee:

- Read all required materials to prepare for meetings
- Participate actively in all steering committee meetings
- Understand implication and evaluate options, recognizing constraints and limitations of data
- Debate proposals to consensus

GPS Facilitators:

- Provide a structured approach
- Ensure meetings are productive with balanced participation
- Act as a liaison between the steering committee and actuarial vendor

HCPF & Actuarial Vendor:

- Conduct research
- Perform analysis based on available data
- Share analysis in a user-friendly format
- Answer questions as timely as feasible

Reminder: Open Meetings Law

Statutorily defined as:

- A gathering of 2 or more members
- Discussing public business or taking formal action
- Communicating in-person, by phone, electronically (e.g., email, text, instant message), or other means (e.g., chat, Google documents, etc.)

[Open-meeting-requirements-of-the-colorado-sunshine-law.pdf](#)

[FAQ on § 24-6-402\(2\)\(a\), C.R.S.](#)

