



Summary Notes

HB23-1215 Hospital Facility Fee Steering Committee Meeting

[Register to attend the Zoom meeting](#)

Tuesday, January 9, 2024
4:00 - 6:00 p.m.

[Meeting Recording](#)

1. Agenda, shared purpose, and commitments (4:04pm)

- a. Introduced steering committee members and HCPF (Health Care Policy and Financing) staff Nancy Dolson to the public
 - i. Question clarifying additional HCPF and contracted consultant attendees. Answer from Nancy Dolson, HCPF: John Bartholomew and Tom Nash are contracted consultants and are preparing information related to HB 1215. Other HCPF staff members include project management and observer roles.
- b. Facilitator recapped the shared purpose (slide 5), boundaries (slide 7), and [open meeting law](#)
- c. 4:10pm Revisited group norms and shared commitments (slides 8 & 9). Discussion on revised commitments began at 4:15pm
 - i. Kevin Stansbury, Chief Executive Officer, Lincoln Community Hospital: I take exception to observation that there was acrimony at the last meeting. Felt it was honest communication and fair exchange. We should do everything we can to encourage a frank exchange.
 - ii. Isabel Cruz, Policy Director, Colorado Consumer Health Initiative: I appreciate the addition of the new pieces. We can highlight our different viewpoints and can share our various perspectives. Appreciate these and think they are a proper response.
 - iii. Dan Rieber, Chief Financial Officer, University of Colorado Hospital Authority: Using the technology makes it a little difficult to have the dialogue. If we were in a room, we would be having a conversation without raising hands. Thought conversations went well last time and more quickly.



- iv. Bettina Schneider, Chief Financial Officer, Colorado Department of Health Care Policy and Financing (HCPF): I think the proposed additions make sense, support order in the meetings, and empower everyone to use their voice.
- v. Dan Rieber, Chief Financial Officer, University of Colorado Hospital Authority: I would like to propose adding another that all members be on camera for the entire meeting, unless emergent needs arise. Revised language included in slides (slide 9).
- vi. 4:22pm Isabel Cruz, Policy Director, Colorado Consumer Health Initiative moved to adopt new behavioral agreements. Dr. Omar Mubarak, Managing Partner, Vascular Institute of the Rockies seconded. MOTION APPROVED at 4:21pm (via chat).
- d. 4:24pm Kevin Stansbury, Chief Executive Officer, Lincoln Community Hospital: shared concerns and challenges with making sure that email messages and requests that are sent to more than 2 members need to comply with open meeting requirements.
- e. 4:25pm Dan Rieber, Chief Financial Officer, University of Colorado Hospital Authority: Suggest that requests for information, support, or assistance that go to at least 2 members should go to all members of the Steering Committee going forward.

2. Provider and Carrier Data Requests (4:28pm)

- a. HCPF staff reviewed data requirements and the importance of provider and carrier data
- b. Discussed [HCPF questions and recommendations for data requests](#). Steering Committee provided feedback and direction to HCPF on data requests
 - i. 4:32pm **Hospital and Health Systems** - “HCPF recommends CPT codes be used to describe the services requested in the statute. HCPF proposes respondents provide a sufficient number of CPT codes to provide adequate coverage of the total number of unique services (frequency). HCPF recommends a minimum of 100 CPT codes should be required. HCPF also recommends respondents provide a sufficient number of CPT codes to provide adequate coverage of facility fee revenue. HCPF recommends a minimum number of CPT codes (100 codes) or a number that represents 67% of net facility fee revenue.” (Note that 67% was discussed by Steering Committee members through the following discussion).
 - ii. 4:35pm Diane Kruse, Health Care Consumer: clarified meaning of “hospital,” “outpatient facilities,” and whether this



- recommendation includes other facilities (stand alone, etc.). Nancy Dolson, HCPF shared that for the purposes of this recommendation, HCPF is looking at both “on campus” and “off campus” outpatient locations owned by a hospital
- iii. 4:38pm Kevin Stansbury, Chief Executive Officer, Lincoln Community Hospital: My question is about the number of codes. 25 CPT codes will capture 80% of our volume. Requiring a minimum of 100 CPT codes for hospitals my size or similar will generate many codes with 1 instance. Not sure how valuable that is. 25 CPT codes will capture lion’s share of our volume. Timeframe influences this too: what period of time is the data request covering?
 - 1. Nancy Dolson, HCPF: Calendar Year 2022 is the time frame.
 - iv. 5:03pm Dr. Omar Mubarak, Managing Partner, Vascular Institute of the Rockies: I agree that 25 codes cover the majority. What does this look like for a large facility like the University of Colorado?
 - 1. Nancy Dolson, HCPF: CHA shared that top 100 would get 2/3 of all services. We could ask for 100 CPT codes or 67% of services for smaller hospitals.
 - v. 5:05pm Isabel Cruz, Policy Director, Colorado Consumer Health Initiative: The APCD provides more longitudinal data. Could we ask for fewer codes over a longer period of time?
 - 1. Nancy Dolson, HCPF: The APCD includes data from CY 2017-2022 APCD. We could ask hospitals to provide data from the same period of time. Right now, the recommendation is to ask for data from CY 2022 for a full and complete year of data.
 - 2. Dan Rieber, Chief Financial Officer, University of Colorado Hospital Authority (via chat): CHA would be willing to support running data for the industry over some years. But asking 100 hospitals to run this for hospital specific data doesn't add much value.
 - 3. Nancy Dolson, HCPF: The legislation asks for insights into changes over time, where available.
 - vi. 4:39 pm Dr. Omar Mubarak, Managing Partner, Vascular Institute of the Rockies: Are you looking at private practice owned ambulatory service centers and office space labs and comparing them to hospitals or hospital-owned settings? This was a big issue in our last meeting.
 - 1. Nancy Dolson, HCPF: Nancy legislation does include



- owned practices. We will resolve payers and independent providers through separate data requests
- vii. 4:43pm Isabel Cruz, Policy Director, Colorado Consumer Health Initiative: Off campus (billing of facility fees) is the majority of what we are talking about. ASCs and independent health care providers are not defined in the legislation. The Office of Health Systems from the State of Connecticut has developed worksheets for how they collect information on net patient revenue from facility fees. Their formula could be helpful for Colorado.
 - viii. 4:45pm Dan Rieber, Chief Financial Officer, University of Colorado Hospital Authority: (Understand the legislation to over) Hospitals and outpatient services that the hospital provides, like emergency, imaging, labs, surgery, radiation oncology. Types of services that bill under a hospital as outpatient services. The biggest CPT codes will be emergency departments. Examples could be helpful to answer questions.
 - 1. Nancy Dolson, HCPF: The legislation is primarily concerned with off campus facility fees but does not specify. These may be different data requests.
 - 2. Diane Kruse, Health Care Consumer: may not reflect what many consumers experience.
 - ix. 4:48pm Kevin Stansbury, Chief Executive Officer, Lincoln Community Hospital: Are we looking at data on payer mixes for the providers? Any data being collected on uncompensated care and willingness to take patients? These points would inform the discussion. There's a lot of discussion about charges. Charges are generated for all patients, but we aren't paid for all charges. We are "rate takers," this is what we get paid regardless of what we charge. Is this evident in the difference between what is charged and what is paid or reimbursed?
 - 1. Nancy Dolson, HCPF: The data that the legislation requires is our focus. Payer reimbursement across payer types is included in the legislatively mandated analysis.
 - 2. Kevin Stansbury, Chief Executive Officer, Lincoln Community Hospital: Will we look at different types of providers, including hospital, outpatient services, and independent practices?
 - 3. Omar Mubarak, Managing Partner, Vascular Institute of the Rockies: That is my question too. We charge what we think we can get but forced to take whatever our contractual agreements allow us.



4. Nancy Dolson, HCPF: The APCD data may give us this information.
- x. 4:54pm Diane Kruse, Health Care Consumer: Is there a separate CPT code for facility fees?
 1. Dan Rieber, Chief Financial Officer, University of Colorado Hospital Authority: No, you can bill on two separate forms but CPTs can be on both types.
 2. Nancy Dolson, HCPF: CPT code refers to the procedure or service you received. Facility fee is what the hospital is billing and openly paid for their services.
 3. Diane Kruse, Health Care Consumer: Some bills have a separate line with separate number for facility fee.
 4. Nancy Dolson, HCPF: Medicaid uses a grouper methodology for outpatient hospital for facility fees, not specific to CPT or procedure.
 5. Diane Kruse, Health Care Consumer: If hospitals and insurance carriers have separate numbers (for coding facility fees), why can't it be teased out?
 6. Nancy Dolson, HCPF: CHA reports that they will not have that level of detail at the procedure level.
 - xi. 4:58pm Dan Rieber, Chief Financial Officer, University of Colorado Hospital Authority: I encourage us to keep on track and get a sketch of the 7 different categories of data needs and use that as a checklist and a way to reference what we will go after and on what schedule.
 - xii. 5:11pm Isabel Cruz, Policy Director, Colorado Consumer Health Initiative: It makes sense to check in with Medicaid on how they are thinking about this in terms of revenue. I want to flag we need to clarify on campus vs. off campus.
 - xiii. **5:13pm Commercial Payer Data Request - HCPF Recommendation:** "To provide clarity to the respondents and to provide consistency in responses, HCPF proposes that respondents provide a sufficient number of CPT codes to provide adequate coverage of the total number of unique services. HCPF recommends a minimum of 100 CPT codes should be required, consistent with the request to the hospitals."
 1. Whitney Kennedy (via chat): Let's make sure we are comparing apples to apples. It cannot just be by straight CPT codes. All specialties use 99213 99214 99215 however what an endocrinologist may get for one of these codes may be different than what a GI gets for those codes.



- xiv. 5:15pm Karlee Tebbutt, Regional Director, America’s Health Insurance Plans: work through Medicaid or the Division of Insurance (DOI)? Is this the only information being requested? Reporting already goes to DOI. We can help facilitate feedback and responses if we have an understanding if this is the only data request or if there are others. We can make sure there’s enough time and there are limited requests for data.
1. Nancy Dolson, HCPF: We will work with DOI to understand what they already have or are gathering and look for their support in terms of the data needs specific to HB 1215.
- xv. 5:18pm Kevin Stansbury, Chief Executive Officer, Lincoln Community Hospital: The DOI does not have jurisdiction over all plans in the state and so therefore not all plans have reporting responsibilities. I would want to ensure we are capturing as many commercial payers as possible and not just a narrow subset that falls under DOI jurisdiction. What % of commercial payers fall under DOI jurisdiction?
1. Karlee Tebbutt, Regional Director, America’s Health Insurance Plans: About 30% fall under DOI jurisdiction.
 2. Kevin Stansbury, Chief Executive Officer, Lincoln Community Hospital: How do we reach out to other carriers who pay big percentage of bills? Is this something Karlee’s group can help provide?
 3. Karlee Tebbutt, Regional Director, America’s Health Insurance Plans: We will explore what AHIP can provide, would be national perspective. This bill applies to state regulated plans and can compel state regulated plans to provide data.
 4. Kevin Stansbury, Chief Executive Officer, Lincoln Community Hospital: people surprised by what’s not regulated by DOI. It’s a hole in the data we will get and can create challenges.
- xvi. 5:20pm **Independent health care providers data request:** “HCPF suggests that committee members recommend questions to ask independent providers.”
- xvii. Nancy Dolson, HCPF: Legislation says data includes facility fee billing policies and top 10 codes associated with facility fees and professional fees. HCPF suggests a question: “how do you ensure your practice expense is covered when negotiating rates with commercial payers?”
- xviii. 5:25pm Isabel Cruz, Policy Director, Colorado Consumer Health Initiative: This is included b/c contention with
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people's understanding about what can and cannot be billed by independent providers. The suggested question makes sense.

- xix. 5:30pm Dan Rieber, Chief Financial Officer, University of Colorado Hospital Authority: Propose adding additional questions:
 - 1. What is your payer mix? For all respondents
 - 2. What is ownership (e.g., private equity, other physician groups, etc.)?
 - 3. What is referred to hospitals for outpatient care?
- xx. 5:28pm Dr. Omar Mubarak, Managing Partner, Vascular Institute of the Rockies: Concern with how many private practice groups will fill out the survey and how we will make them aware of how important it is?
- xxi. 5:34pm Kevin Stansbury, Chief Executive Officer, Lincoln Community Hospital: I am interested in interviewing physicians in rural areas who have affiliated with hospitals as to their rationale for doing so. Interview hospital CEOs who have purchased rural offices/services to understand why. There is a lot of data that says insurance companies are buying physician practices. How many are owned by insurance companies and what are their billing practices? This is a question we should ask.
- xxii. 5:36pm Dan Rieber, Chief Financial Officer, University of Colorado Hospital Authority : According to the American Hospital Association; from 2019-2023, 90% of physician acquisitions were by private equity, physician medical groups and insurers.
- c. 5:39pm Steering Committee Discussed actions and owners to ensure accurate distribution and significant response rate
 - i. Hospital survey: CHA support
 - ii. Payer survey: DOI and AHIP support needed
 - iii. Independent provider survey: submit ideas for recruitment to HCPF

3. Discuss the plan for upcoming meetings (5:42pm)

- a. Discussed the timing of key tasks aligned with upcoming meetings
- b. Reviewed ideas for innovative meeting designs

4. Public Comment (10 min; 5:45 - 5:55 p.m.) **Written comments are also welcome at hcpf_facilityfee@state.co.us**

- a. 5:45pm Adeline Ewing, Colorado Hospital Association: I would like to address the issue that the cost of care in hospital systems is

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fundamentally different than other types of care. HOPDs (hospital outpatient departments) take all patients regardless of payer mix. HOPDs provide specialty and complex services. (They must also) comply with complex scopes of licensing and regulatory requirements. None of these requirements are funded and must be funded through direct patient care revenue. I will share studies in the chat. From 2019-2023, private equity acquired 65% of physician groups, physician medical groups acquired 14%, 11% by health insurers, and 8% by hospital and health systems.

- i. [Physician Acquisitions Infographic](#)
 - ii. [Comparison of Medicare Beneficiary Characteristics Between Hospital Outpatient Departments and Other Ambulatory Care Settings](#)
- b. 5:48pm Erica Pike, CO Academy of Family Physicians: I would like to highlight the value of public stakeholdering and engagement. We (CAFP) would have happily provided feedback had we been able to see the (data request) memo ahead of time like the CHA. [CAFP Facility Fees Steering Committee Letter January 2024](#)
- i. Question: Will HCPF provide this to Civic and offer others the same access to drafts prior to committee review? Also curious about the timeline of the new memo so we can be proactive in sharing comments and suggestions for questions.
 1. Answer from Nancy Dolson, HCPF: We reached out to CHA for hospital data, reached out to Civic regarding APCD data; would welcome your (CAFP) data as well. We anticipate a revised memo within a week or so and will share via our website along with process to comment or provide feedback.
- c. 5:51pm Erica Pike, CO Academy of Family Physicians: (Encourage) this committee to think broadly about the context of our health care ecosystem and how facility fees play a part in that.

5. Steering committee Q&A (5 min)

- a. Steering Committee asked its final questions
 - i. 5:52pm Kevin Stansbury, Chief Executive Officer, Lincoln Community Hospital: Erica Pike, does your group have communication meetings with your members and would it be appropriate to get representatives from this group to explain what we are trying to learn and collect data at that meeting? Or could we rely on you and your group to send out data requests?



1. Erica Pike, CO Academy of Family Physicians: we would happily partner and would welcome more requests. Our membership includes 30% employed as independent providers and we would be happy to send solicited invitations to them for this. We also have specific questions we think would be useful for this group (Steering Committee) to know.
- ii. 5:54pm Dan Rieber, Chief Financial Officer, University of Colorado Hospital Authority: Have the definitions we discussed at the last meeting been updated? Is there a clean version to be shared?
1. Greg Bellomo, Facilitator, Government Performance Solutions: this will be a topic for the next meeting.
 2. Erica Pike, CO Academy of Family Physicians (via chat): Public input on definitions is also of interest to us! [The current version available to the public is linked here](#)
 3. Nancy Dolson, HCPF: Our group is integrating suggestions and is reviewing again.
 4. Greg Bellomo, Facilitator, Government Performance Solutions: Proposed process is to leave the current version out there so all can see until it is archived. Then we will share the cleaned-up version for the next round of review.
- iii. 5:56pm Diane Kruse, Health Care Consumer: Express concerns that when people are going to see doctors as a consumer there are so many more outpatient surgeries. Some (consumers) understand facility fees. There is an issue of financial barriers for people seeking care. Argument for more simple and direct understanding and clarity as we learn about the issues.
- iv. 5:57pm Isabel Cruz, Policy Director, Colorado Consumer Health Initiative: What is the process for public input on (various) components of this work? (e.g., definitions, data request, etc.) Can HCPF collect input, collate it, and send to Steering Committee so there is a level of public input?
1. Greg Bellomo, Facilitator, Government Performance Solutions: Propose starting now to echo the process for



the public as we do for the Steering Committee:
Notifying that something is available and making the process clear for submitting comments. Suggest people who are interested submit their email addresses to be notified at the same time as the Steering Committee

- a. erica@coloradoafp.org submitted via chat
(member of the public to be added to distribution list)
- v. 6:00pm Kevin Stansbury, Chief Executive Officer, Lincoln Community Hospital: What is the process for making a decision about meeting structure?
 1. Greg Bellomo, Facilitator, Government Performance Solutions: ask Steering Committee members to share their preferences now.
 - a. 6:01pm revised proposal, as agreed to by the Steering Committee: Group is open to half-day work sessions when the topic makes sense. Retain 2-hour meeting times and meet in person. HCPF is happy to schedule meeting rooms and could accommodate virtual (hybrid) participation.
 - b. Discussed next steps

6. Next meeting: February 13, 2024, from 4:00 - 6:00 p.m.

- a. Please visit: [Hospital Facility Fee Steering Committee | Colorado Department of Health Care Policy & Financing](#)

Reasonable accommodations will be provided upon request for persons with disabilities. Please notify the Board Coordinator at 303-866-4764 or Shay.Lyon@state.co.us or the 504/ADA Coordinator hcpf504ada@state.co.us at least one week prior to the meeting to make arrangements.

