



## Notes

### HB23-1215 Hospital Facility Fee Steering Committee Meeting

Tuesday, September 10, 2024  
4:00 - 6:00 p.m.

#### Participants register for Zoom meeting

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#### Resources:

- [Meeting slides](#)
  - [Appendices rating worksheet](#)
  - [Appendices - Google Drive](#)
  - [Meeting recording](#)
  - Additional resources from Steering Committee members are embedded in the notes below.
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#### 1. Introductions, milestones, and process (10 minutes)

- a. Introduce Steering Committee members to the public
  - i. Isabel Cruz, Policy Director, Colorado Consumer Health Initiative
  - ii. Diane Kruse, Health Care Consumer (unable to attend today)
  - iii. Dr. Omar Mubarak, Managing Partner, Vascular Institute of the Rockies
  - iv. Dan Rieber, Chief Financial Officer, UCHealth
  - v. Bettina Schneider, Chief Financial Officer, Colorado Department of Health Care Policy and Financing (HCPF)
  - vi. Kevin Stansbury, Chief Executive Officer, Lincoln Health
  - vii. Karlee Tebbutt, Regional Director, America's Health Insurance Plans
- b. Facilitator recaps the process to arrive at a consensus on proposed edits to the appendix (slides 4 - 9)





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### 2. Review appendix comments and embody agreed-upon edits (90 minutes)

- a. Facilitator shares proposed edit list
  - i. 7 green, 6 yellow, 19 red items on the rating sheet
- b. Steering Committee discussion
  - i. CHASE (index 4 - 5)
  - ii. Dan strongly believes that reducing the CHASE will increase the number of uninsured patients and bad debt.
    1. Nancy reviewed the edits to the CHASE language in the preliminary final report related to Dan's comment. Decreases in covered lives refer to individuals falling off of Medicaid.
      - a. Dan said it doesn't make it clear that it will increase in uninsured patients.
    2. Kevin thinks Dan suggests following it through the natural conclusion that more people will be without insurance.
    3. Isabel, I think it makes sense as written, but it is not 100% fair to say that people will have no coverage because other coverage options are available. We didn't look at the full scope of the impacts, so speculating on the outcome is not appropriate.
    4. Bettina, I don't think we can say that because someone loses Medicaid, they are uninsured. Could we say an increase in uninsured? I believe this is a report to the legislature so they will understand what covered lives mean.
    5. Kevin, I think one of the concerns I have is that we haven't had a lot of time to talk through these things and arrive at a consensus on what this really means, so we've come up short, and this is one of those areas. An increase in the number of uninsured will lead to my hospital's bad debt.
    6. The facilitator reminded everyone that at any point in time before and during the legislative session, you can offer clarification of what it means to me or the perspective you represent.





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7. Bettina, I want to caution us that we will never solve for someone pulling a sentence or paragraph from the report and using it for their means.
8. Dan, I would be supportive if we add, “it may lead to an increase to uninsured Coloradans.”
9. Isabel, can we say insurance churn because it addresses what could happen? This could lead to an increase in uninsured patients or insurance churn.
  - a. Dan, I don’t agree with that addition because people are often on Medicaid because they need the support due to their income levels.
10. Facilitator, Isabel, can you live with the parenthetical?
  - a. Isabel, I could, but I don’t think putting in only 1 perspective is fair.
11. The actual edit captured directly by Nancy in the draft final report.
  - iii. Resolved index 4 and 5 related to CHASE.
- c. Data Sources and Caveats (Index 6)
  - i. Dan, I don’t know if we should mention our struggles with other areas of data. Then, we should mention that the hospitals met their due dates for the data request. I think the due dates are not relevant.
  - ii. Isabel, in the other sections, there are specific calls outs for challenges in getting the data, so it does feel like there is that level of data.
  - iii. Karlee supports removing that specificity because it seems more like we are calling out entities for not responding.
  - iv. Rebecca Parrott at the Department reminded everyone of what the legislation required.
  - v. Kevin, we’ve been asked to do a lot of work in a short time frame, and we had challenges with data collection, so I would favor a general overall call out of challenges versus getting into specificity. For example, tackle an extremely complex problem in a short time frame.
    1. The facilitator noted that it is called out at the beginning of the report.





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- vi. Dan, we are moving very fast, and I would like to confirm that the level of specificity throughout the entire report that Isabel is stating is there.
  1. Facilitator: we can ask the support team to verify that it is significantly detailed. If the support team validates this, can you live with keeping the level of detail in?
  2. Kevin, I would ask that it be consistently presented equally in the same format.
  3. Facilitator: if we do that and rewrite the entire report to accommodate, it may introduce additional issues.
  4. The facilitator asked again, can you live with the result if the support team does that review and validates the level of detail applied throughout the Data Caveats and keep the report as-is if that is the case?
    - a. General agreement from Steering Committee members.
  5. Dan, we need to say we only had 2 responses for other sections that we didn't get responses.
    - a. Nancy, please see page 2 and page 4 of the Appendices to see the level of detail for the different sections you mentioned. We will go through the report to verify that the level of detail is similar throughout.
  6. Bettina, the Medicaid Appendix provides basics for the Medicaid Hospital Outpatient reimbursement and expenditures that are needed. The sources of all the reports and information are from the Joint Budget Committee monthly reports, and it is NOT drawing conclusions on the utilization of being appropriate or not appropriate. It does call out that expenditures are growing faster than caseload growth. I think it is 123 million dollars of the general fund. It does not call out causality but states the facts.





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7. Dan, I am OK with that as long as we say the Steering Committee did not review it and that the Department prepared the information.
8. Diane, I don't understand why this is so important, especially since it is in the Appendix. I don't think we need to call out we didn't review this.
9. Dan, to include information that has not been reviewed without disclosing that I have not reviewed it is why I think the way I do as a CFO.
10. Dan, I think a footnote that the Steering Committee did not review this data would suffice.
11. Kevin, I agree with that, or we did not review and discuss it. It goes back to our limited time to discuss and evaluate the data.
12. Bettina, this is not an audited financial statement. It has different reporting mechanisms, and the Appendix has been available to the Steering Committee. This information is not new and has been available to us. Also from Bettina in Chat: in the committee cover letter: Given the short timeline and the inherent challenge of the legislation, the Steering Committee offers the following caveats to the reader:
13. Kevin, we did not review and discuss this data. It may have been available, but we did not discuss this and come to a consensus.
14. Nancy, we acknowledge this is a source document and show the data. In the report body, we call out the data caveats and state that the information is from the state executive agency to the legislative branch.
15. Diane, I think it is coming from a reliable source, and with our charter, it seems appropriate to include it.
16. Dan, I don't know why it is an issue to say this was not reviewed and discussed by the Steering Committee to arrive at a consensus. We, as a





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- committee, did not participate in the development.
17. Nancy, It is sourced, and we didn't get to that level with the CHAs data tables. These are standard reports that we sourced.
  18. Kevin, I suggest that we express our disappointment that we didn't have time to discuss the data and data sources in detail as a Steering Committee.
  19. Bettina, it was part of our reading assignments, so I have read what we were assigned. CHAs data is not public, so I cannot comment on that.
  20. Isabel, I think the rub is the disconnect between reviewing the data as presented vs. reviewing the cited sources and analyzing the source data. Maybe we can reframe the caveat to make that more transparent.
  21. Facilitator: If the support team crafts a caveat with that in mind, can everyone live with it?
    - a. Dr. Mubarak, I think it waters it down to saying we trust the sources but didn't discuss and agree. Then, I feel it seems we are diluting the value of the data sources. However, I can live with a caveat that addresses this.
  22. The facilitator suggested a caveat: While the Steering Committee discussed the general concept of data sources and reviewed, we did not delve into the specific details of each source or conduct a comprehensive discussion of the credible data sources utilized to inform the report.
- vii. Methodology (index 29 - 30)
1. Seth, one of the other memos has similar language that gets into the detail so we could condense this
  2. Isabel, as long as it accurately reflects what Optumas has done and condenses where feasible.
    - a. No objections to Optumas condensing where feasible without losing context.





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3. Dan, what is the definition of this POS (freestanding or professional)? Seth from Optumas: We looked at non-facility settings; it is listed in the report (see page 4 of the Appendix under “Professional Fees”
  4. Dan, agreed this addresses his concerns.
- d. Nancy sent a message to the Steering Committee and the public on September 4 (embedded below)

Subject: Re: 9/10 Meeting Materials + Assignment 3

Hello Facility Fee Steering Committee Members,

Thank you for your ongoing work and feedback as we work to deliver the final report to the General Assembly. I have an update and a couple of documents for you in preparation for our 9/10/2024 meeting:

1. The Preliminary Hospital Facility Fee Report was submitted to the Senate and House Health and Human Services Committees on Monday, 9/3/2024. It will be published on the [HCPF's legislator resource center](#) and on the [Steering Committee's](#) webpages soon. In the meantime, it is accessible [here](#).
2. Here is the [Draft of the Final Facility Fee Report](#) with HCPF QC Reviewer suggestions as well as suggestions from the 8/27 meeting and a conclusion section for your review. In our meeting on 9/10, we will discuss handling these edits to the report as noted under next steps on [the agenda](#).
3. Along with the draft final report, I am sharing [feedback on the preliminary report](#) from Kevin Stansbury and Dan Rieber with HCPF comments for Committee review and discussion as well.

The subsection around independent physicians was deleted from the 8/1 version, the impact of facility fees on the healthcare workforce. We said we would work on rewording the section that was taken out for submission of the preliminary report so I want to ensure it gets addressed and included.

Discussed a request from Dr. Mubarak related to an email from Dr. Pramenko on September 6.

With the committee set to remove the following from final report:

This section from the 8/1 version was deleted: "Impact of Facility Fees on the Health Care Workforce"

Independent physicians are finding it more difficult to compete with hospitals and health systems due to a relative lack of negotiating power and stagnant payment





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rates. Independent physicians also incur overhead but without the benefit of economies of scale. Competing with hospitals and health systems for quality staff is an additional challenge for independent physicians and limits employment opportunities for those who do not wish to work for larger organizations. For reasons such as these, independent physicians are experiencing burnout, and many turn to becoming affiliated with larger organizations, including hospitals or health systems. Hospitals and health systems, on the other hand, generally have the capacity to provide more generous compensation packages to clinic staff and offer more opportunities for career advancement."

I believe the committee should reconsider this decision given the information they have gathered via the data, via feedback from independent practices, and via previously published articles relevant to this analysis.

Some of the existing data is footnoted and described in this very recent piece from JAMA: <https://jamanetwork.com/journals/jama/fullarticle/2822764>

Thank you for your consideration,  
Dr. Pramenko

Nancy shared a draft final report, which is in progress and has a rewritten section on the Impact of Facility Fees on the Health Care Workforce with newly cited sources.

1. Comments from the Steering Committee;
  - a. Kevin, I think you are getting what I wanted to articulate: this is a multifaceted problem.
  - b. Dr. Mubarak, some of this language addresses my concerns.
  - c. Dan talks about physicians but not the other workforce, so it doesn't cover the entire workforce.
  - d. Dr. Mubarak noted that it previously discussed private practices' struggle to keep staff and covered the broader workforce issues.
  - e. Dan, it incentivizes nurses, techs, etc., who have more resources in HOPDs, so I think Dr. Mubarak and I are aligned.
  - f. Kevin, I like the way this is going. It is a complex issue. I want us to capture that the motivations for not choosing to go into independent practices are varied, so acknowledging that in some way. I understand capturing all of the reasons are not possible.
  - g. Dr. Mubarak, I want to stress that private practice in Colorado is dying and some reasons why that is happening.
  - h. Kevin, I agree, but there are many reasons for why that is happening.







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- i. The facilitator proposed adding a sentence that there are other workforce issues not analyzed here. Are you on board with the edited text and adding a sentence about the additional workforce not being discussed?
  - i. The Steering Committee agreed.
2. Discussed [feedback on the preliminary report](#) from a few Steering Committee members
  - a. Kevin, thank you for reviewing and responding to my comments. We discussed the workforce today, and I am okay with what we arrived at today. Health Equity: My issue is with adherence, and I want to ensure we use a balanced approach.
  - b. Dan, we should find the proper literature that doesn't use the word suggest. So I don't know if we've reviewed all the sources cited in the document.
  - c. Nancy, if we want to look at the state of the document as it is now (in-progress draft).
  - d. Bettina, I am getting lost in this document. Can we go back to the [draft final report in progress](#)?
  - e. Dan, there is one long paragraph on one perspective but only a sentence on the provider perspective. I think the provider perspective needs to be expanded. Also, is equity and quality the same?
  - f. Diane, it appears that economically, the brunt of facility fee costs falls to those with commercial insurance and I don't know if that fits into here. Still, due to the high costs, people don't pursue medical insurance or care. Is this dealt with elsewhere in the report?
    - i. Seth from Optumas, we did not directly compare the total cost of care, but we did compare facility fees for the top codes, and there was a bigger differential on the commercial side.
    - ii. Diane, If I remember correctly, it was 50% higher, and I think it is worth mentioning without having someone read the tables to find that information.
    - iii. Seth from Optumas, that is a bit of a summary of what type of coverage you have based on the top codes, which can result in a bigger differential. Extending it to far as a blanket statement is where we need to be careful.





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- g. Kevin, I think this is an issue because, generally, Medicaid and Medicare do not cover the full cost of providing care, so the cost shifts to commercial payers. This issue is often debated in health care. In the health equity issue, we are missing the counter experience in rural areas and other compromised populations, such as when a hospital bought a practice that kept access to care available.
- h. Isabel, many economic studies say cost shifting is a myth, but I realize this is not within the scope of what we are to be talking about. I would be happy to talk with anyone offline about this topic.

### 3. Public comment 5:40 - 5:50 p.m. (10 minutes)

- a. Time is divided equally between the people who ask to speak.
  - i. No one made public comment.
- b. Written comments are also welcome at [hcpf\\_facilityfee@state.co.us](mailto:hcpf_facilityfee@state.co.us)

### 4. Decide on the next steps (10 minutes) (slide 13)

- a. Recap the upcoming deadlines
  - a. **All edits from the Steering Committee must be completed by September 20**
  - b. **October 1** is the legislative deadline for the Final Report with Appendices to be submitted.
- b. Determine when the Steering Committee wants to handle the remaining proposed edits to the Appendices and the Report
  - a. Dan, I would like a fully clean version without comments and redlines and highlight the remaining sections we need to review.
  - b. Nancy, there is a way to change the view so you view a clean version. And how do you want to handle the changes we are requested to make from today?
  - c. Dan, I'd like a clean version that highlights the sections the Steering Committee needs to discuss rather than using the track changes.
  - d. Isabel, I reviewed the QC changes, and we are fine with moving forward. If other folks feel that way, we can accept those and move on.





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- e. The facilitator: Create a clean version that accepts all of the agreed-upon edits to date and then use a highlighter to indicate the unresolved issues or areas that still require the Steering Committee to discuss.
  - f. Bettina, I am concerned about version control and would prefer we use the current version and turn off track changes to review a “clean” view.
  - g. Dan, you can turn off the track changes for the clean view but still can’t see the outstanding areas for discussion, so I suggest highlighting the text.
  - h. Nancy, we can do that; it will take longer. Does the Steering Committee want the same approach for all of the Appendices?
  - i. Dan, yes.
  - j. Nancy said the timing is tough due to other work obligations and it will be late Friday before the Department can get the clean versions to the Steering Committee.
  - k. Steering Committee agreed they can meet next Tuesday, September 17, from 4:00 - 6:00 PM
    - i. Karlee cannot attend until 5:15 PM
    - ii. Kevin has to leave at 5:30 PM
  - l. Kevin, after our meeting next Tuesday, how will we wrap up and determine if we have a consensus report?
    - i. As the facilitator, you will have clean copies of all the parts of the Final Report and Appendices, along with a checklist of outstanding items for discussion. These documents will also be published on the Department’s website.
    - ii. On Tuesday, the Steering Committee will discuss and hopefully arrive at a consensus. There will be a vote, and the vote results will be recorded.
- c. Please visit: [Hospital Facility Fee Steering Committee | Colorado Department of Health Care Policy & Financing](#)





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Reasonable accommodation 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 at [hcpf504ada@state.co.us](mailto:hcpf504ada@state.co.us) at least one week before the meeting to make arrangements.

