



Notes

HB23-1215 Hospital Facility Fee Steering Committee Meeting

Tuesday, September 17, 2024
4:00 - 6:00 p.m.

Participants register for Zoom meeting

Resources:

- [Meeting slides](#)
 - [Meeting Recording](#)
 - [CLEAN DRAFT Final Hospital Facility Fee Report](#)
 - [Facility Fee Report Final Feedback Checklist](#)
 - [Facility Fee Appendices](#)
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1. Introductions, milestones, and process (5 minutes)

- a. Introduce steering committee members to the public
 - i. Isabel Cruz, Policy Director, Colorado Consumer Health Initiative
 - ii. Diane Kruse, Health Care Consumer
 - iii. Dr. Omar Mubarak, Managing Partner, Vascular Institute of the Rockies
 - iv. Dan Rieber, Chief Financial Officer, UHealth
 - 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 draft final report.
 - i. The meeting began with an outline of the process and milestones reached, highlighting that today's objective was to review the final draft report, incorporate final edits, and take a vote on whether to submit the report. The committee had already undergone several rounds of





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review, with the majority of the report finalized, and any remaining issues identified in a [checklist](#). Public comment was scheduled for 5:35-5:45 PM, and a motion to approve the report, inclusive of all appendices, was planned at the end of the meeting.

2. Review remaining proposed edits (90 minutes)

- a. Consensus Building:
 - i. The committee's goal was to reach consensus on the remaining items, with a focus on compromise. A definition of consensus was shared on [slide 6](#).
- b. Checklist Orientation and Green vs. Yellow items:
 - i. The checklist included items from both the main report and the appendices.
 - ii. Green items: Completed changes that required confirmation.
 - iii. Yellow items: Items pending final Committee approval.
 - iv. Post-September 17 actions would focus on finalizing language, formatting, and legislative compliance.

NOTE: Links after this point are to pre-meeting materials and have not been updated to reflect decisions in the meeting.

- c. [Review of Data Sources and Caveats \(pg. 8\)](#)
 - i. Green item requiring confirmation - “As directed by the legislation, some analyses were completed using existing data from credible sources already subject to rigorous reporting and auditing standards.”
 1. Steering Committee confirmed change.
- d. [Impact of Facility Fees on Health Equity \(pg. 35\)](#)
 - i. Green item requiring confirmation - “From the provider perspective, facility fees are necessary to cover the higher costs of to help HOPDs serve a broader and more diverse population range and maintain 24/7 emergency care.”
 1. Dan Rieber commented that he is in support of this language and the Steering Committee confirmed this change.
- e. [Impact of Facility Fees on the Health Care Workforce \(pg. 36\)](#)





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- i. Green item requiring confirmation - “There are other segments of the workforce, including nurses, aides, technicians, administrative personnel, and others that were not analyzed or researched by the Committee.”
 1. Dan Rieber asked about the process for considering input from members absent from the meeting, specifically Omar Mubarak.
 2. The facilitator confirmed that Isabel Cruz had reviewed the proposed changes in advance and expressed her support.
 3. Kevin Stansbury recalled that in previous discussions, Dr. Mubarak did not raise significant concerns about the proposed changes. Based on this, he felt reasonably confident that Dr. Mubarak would be comfortable with the current language.
 4. The facilitator agreed, confirming they shared the same recollection of Dr. Mubarak’s stance.
- f. [Conclusion \(pgs. 39-41\)](#)
 - i. Kevin Stansbury commended Nancy and the support team for a strong conclusion, noting that it accurately captured the committee's discussions. He suggested adding a reference to workforce challenges, specifically regarding the ability to employ and retain nursing and clinical staff. He proposed including a sentence or two that recaps the workforce issues discussed in the body of the report.
 - ii. Dan Rieber expressed support for the conclusion, noting it was well-written and captured the discussion. He suggested adding a reference in the conclusion to indicate that more detailed perspectives from committee members are available in the appendices. He proposed language such as, "Complete perspectives are also captured in Appendix X."
 1. Kevin Stansbury supported this suggestion.
 2. Bettina Schneider also expressed support for including such a reference.
 - iii. Karlee Tebbutt raised a concern about the section mentioning "value-based perspective."





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1. Karlee asked about the link between facility fees and value-based care/payment models.
2. Nancy Dolson clarified that the intent was to explore whether facility fees impact the quality of care and access to care.
3. Kevin Stansbury proposed reframing the section header to focus on "quality of care" and "patient access" to avoid confusion with value-based payment terminology.
- iv. Kevin Stansbury commented that the phrase "Further exploration of the implications of facility fees" needed more clarity. He suggested enhancing the context in the second line to better explain what kind of implications were being referred to.
- v. Omar Mubarak joined the meeting at 4:36 PM.
 1. The facilitator provided a brief recap of the process for reviewing "green" and "yellow" items. Dr. Mubarak confirmed he had no issues with the "green" items.
- vi. Dan Rieber pointed out the phrase, "However, the data did confirm..." and suggested emphasizing "expected reimbursement" to maintain consistency throughout the report.
- vii. Bettina Schneider questioned whether the term should be "higher costs to consumers/patients," expressing that this was her interpretation.
 1. Dan Rieber responded that the committee did not analyze high-deductible vs. non-high-deductible plans or review costs to individual patients.
- viii. The facilitator asked for clarification from Optumas representative, Seth Adamson.
 1. Seth explained that the term "allowed amount" is used to describe the contracted amount between payer and provider. To avoid confusion, they settled on the term "expected reimbursement," which covers both payer and consumer contributions.





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2. Dr. Mubarak inquired if "expected reimbursement" was defined in the report, as it could be interpreted similarly to Bettina's understanding.
 3. Seth confirmed that "expected reimbursement" is footnoted in the report when it first appears (Footnote 1 on page 6 following the key findings).
- ix. Kevin Stansbury suggested a possible balance by adding language under the "further analysis" bullet to include a reference to the individual patient, as the committee did not analyze the patient-specific impact in detail. He proposed adding a line such as "including the impact to the individual patient," acknowledging that the committee never had the data for this.
1. Dr. Mubarak asked if the group would agree that healthcare costs more in certain cases, such as when higher levels of service are required.
 - a. Kevin Stansbury responded that the cost is justified based on the care provided to the patient but acknowledged that it varies depending on factors like insurance coverage and the hospital setting (e.g., rural vs. urban). He emphasized that future task forces need to examine these issues more closely.
 2. Bettina Schneider noted that the further analysis section should also emphasize these points, especially regarding the varying impacts on patients with different insurance types.
 3. Diane Kruse added that whether a patient has a low-deductible plan or not, someone is still paying more, either through premiums or other costs, which increases the overall cost of care.
 4. Dan Rieber clarified that the reference to "expected reimbursements" throughout the report was appropriate and consistent. He noted that some services, such as 510 codes, were excluded from analysis, but overall, the term remained accurate.





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5. Facilitator asked if the committee members could live with the conclusion section as written.
 - a. All members agreed that they could support the conclusion section as it stood.
- g. Dissenting Vote Discussion
 - i. The facilitator acknowledged that Dan Rieber submitted a formal objection letter and opened the floor for discussion on how to handle dissenting opinions.
 - ii. Dan Rieber asked whether his dissenting opinion would be included in the “report write-up.”
 1. The facilitator proposed that when the committee asks for a motion to approve the report, they should also include an appendix with Dan's objection letter.
 - iii. Diane Kruse asked if there was any procedural guidance on handling dissenting votes.
 1. Nancy Dolson responded that typically, the vote is simply recorded.
 2. The facilitator shared his experience, explaining that in past situations with opposition, the dissenting opinion was recorded, and the individual was given space to present their reasoning.
 - iv. Dr. Mubarak clarified, asking if Dan's dissent meant he wouldn't support certain parts of the proposal and would provide reasons for his objection.
 - v. Dan Rieber confirmed, stating that his objection had already been written and submitted. He noted that dissenting votes are often captured in the minutes.
 - vi. Nancy Dolson confirmed that Dan's dissent was the only one received.
 - vii. Dr. Mubarak expressed his comfort with the report as it was written, though he acknowledged that hospitals might be unhappy with the report's findings.
 - viii. Dan Rieber further explained his position, stating that the report didn't adequately address how impactful the changes would be to hospital systems. He emphasized the importance of the revenue from facility fees. Dan noted that private practice reimbursement rates had not kept pace with inflation, and he questioned whether the





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right amount of reimbursement was being considered in the report. He felt there was too much at risk for patients, staff, and hospitals, and that the report didn't reflect a neutral viewpoint or fully address the issue of appropriate reimbursement for hospitals.

ix. The facilitator linked Dan's dissent letter in the chat at 5:03 PM.

h. [Appendix X. Impact to CHASE Analysis](#)

i. Green item requiring confirmation - "to mitigate such impacts, although the extent to which the impacts could be mitigated has not been studied."

1. Steering Committee confirmed change.

i. [Appendix X. Data Sources and Caveats](#)

i. Green item requiring confirmation - "As directed by the legislation, some analyses were completed using existing data from credible sources already subject to rigorous reporting and auditing standards..."

1. Steering Committee confirmed change.

ii. Yellow item requiring approval - "Despite the low response rate, the providers shared valuable information, bringing anecdotal perspectives to the report."

1. Steering Committee approved change.

j. [Appendix X. Analysis Methods and Limitations](#)

i. Yellow item requiring approval - "The result is that the professional fees are on a separate and distinct claim within the dataset, and the HOPD facility fees can be identified independently from the professional fees in most cases."

1. Steering Committee approved change.

ii. Yellow item requiring approval - "Despite multiple attempts, data was not available for off-campus vs. on-campus for commercial claims."

1. Seth Adamson agreed that this is a representative statement.

iii. Isabel Cruz joined the meeting at 5:11PM.

1. There were no edits that were identified as "hard stops" by Isabel.

iv. Professional Fees, "freestanding physician office"





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1. Dr. Mubarak mentioned that the paragraph containing this term was difficult to understand.
 2. Seth from Optumas clarified the issue.
 - a. He explained that the paragraph was specific to the comparative analysis of professional fees, not facility fees. It was intended to highlight the distinction between these two types of fees.
 3. After the clarification, the team expressed their support for the language as written.
- v. Zero (\$0) Allowed Amount
1. Yellow item requiring approval - “Excluding services with \$0 allowed amount limits the scope of our analysis to services for which facility fees are charged, but we recognize that some hospitals and health systems may not charge facility fees for certain services or at all.”
 - a. Steering Committee approved change.
- vi. Colorado Hospital Association Top Count of CPTs Billed
1. Becca Parrot explained that the section in question was referencing the appendices being added to the report.
 - a. The cost association tables were among the appendices being referenced.
- k. Reviewing Diane Kruse Suggested Edits
- i. Diane noted that the section titled "Total Facility Fees" was misleading, as it didn't display the total facility fees over the six-year period, which she believed should be available.
 1. Seth from Optumas clarified that the data shown reflected only the lowest and highest years, and not the total.
 2. Diane asked if it would be possible to show the total for the entire period.
 - a. Seth responded that the total would be listed in the appendices and suggested adding a sentence referencing this.
 3. Dan Rieber explained that the range provided could be multiplied by the number of years to





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calculate the accumulated amount and proposed adding a sentence to reflect this and that a similar sentence should also be added for Medicare payers.

4. Kevin Stansbury pointed out a typo, suggesting the deletion of an extra "million" in the text.
- ii. Cost-Shifting Discussion
 1. Kevin Stansbury raised the broader issue of cost-shifting, questioning whether this concept should be addressed in the report and discussing why cost-shifting exists.
 2. Diane observed that this was a recurring data issue and proposed a sentence to clearly explain this to readers.
 3. Isabel stated she was fine with the sentence Diane suggested but did not support including an analysis on cost-shifting, as it could complicate the report unnecessarily.
 4. Kevin explained that many government plans, particularly Medicare, do not adequately cover the costs of care, which leads to cost-shifting.
 5. Bettina agreed with Diane and Isabel, noting that while the data supported Diane's suggestion, the committee was not tasked with analyzing cost-shifting in detail.
 - iii. Dan Rieber and Kevin Stansbury expressed opposition to including Diane's proposed edit on cost-shifting.
 - iv. Karlee Tebbett, Dr. Mubarak, Isabel Cruz, and Bettina Schneider all gave a thumbs up in support of Diane's sentence, but without addressing the complexities of cost-shifting.

3. Public comment 5:35- 5:45 p.m. (10 minutes)

- a. Time is divided equally between the people who ask to speak
- b. Written comments were also welcomed at hcpf_facilityfee@state.co.us
 - i. Michael Pramenko, MD (Family Physician - Grand Junction, CO)
 1. Dr. Pramenko highlighted two key points:





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- a. He noted that interviews with employer representatives revealed that facility fees are a high priority for employers. However, many employers are not fully informed about the details of facility fees.
 - b. Rural Hospitals: He emphasized that rural hospitals must be subsidized to maintain operations and expressed confusion about why this wasn't more prominently captured in the report. The need for facility fees in rural Colorado is different from other areas and should be addressed accordingly.
- ii. Megan Axelrod (Senior Director of Regulatory Policy & Federal Affairs, Colorado Hospital Association - CHA)
1. Megan expressed appreciation for the efforts of the Department of Healthcare Policy and Financing (HCPF), the steering committee, and the consulting team.
 2. Concerns:
 - a. Axelrod raised concerns about timing, data constraints, and the limitations of the analysis, particularly how the report might be used.
 - b. She acknowledged that many of these limitations were appropriately documented in the data/caveats section.
 - c. She emphasized that the report provides a non-comprehensive view of the facility fee issue.
- iii. Mannat Singh (Executive Director, Colorado Consumer Health Initiative - CCHI)
1. Singh commended the committee and steering team for their efforts on the report.
 2. Reiteration of Key Points:
 - a. Singh emphasized that competing priorities around facility fees are inevitable, and the purpose of the steering committee was to produce a comprehensive report. She acknowledged that there will never be





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enough time to gather "perfect data" but praised the committee for the report in its current state.

- b. Dissenting Opinions: Singh stated that including the full dissenting letter in the report was unnecessary and that noting dissenting opinions in the minutes would be sufficient.

4. Pre-Vote Discussion

- a. Kevin Stansbury expressed his comfort with the initial drafting of the report and suggested stopping all further edits. "I'd like the option to accept the report as it is."
 - i. On the rural hospital section, Kevin said, "I was reasonably pleased with the section on rural hospitals. At one point, we need to call 'good enough' good enough."
- b. Diane Kruse agreed with Kevin, stating, "The rural hospital section stands well."
- c. Dr. Omar Mubarak motioned to move the report forward as it is.
- d. Isabel Cruz seconded the motion.
- e. Prior to the vote, Kevin Stansbury asked if there would be further discussion, to which the facilitator confirmed.
 - i. Kevin stated, "We don't do health care policy in this country; we do health care finance policy. The value in this committee has been the interaction."
 - ii. He expressed concerns about the "big bad hospitals" narrative, stating, "People who work at hospitals are good, and have patients' concerns in mind."
 - iii. While noting his reservations about the data and the compressed time frame, Kevin stated, "I'm going to vote to support with reservations. I also would like to continue this dialogue."
- f. Bettina Schneider reiterated the committee's charge: "The General Assembly created this committee to analyze impacts using APCD data as the main source, which represents the vast majority of covered lives."
 - i. She commended Optumas for their support and highlighted the challenges of data availability,





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structure, and caveats. "While our time and resources were limited, we were diligent, and I'm proud of this work."

- g. Dan Rieber requested that his dissenting letter be included as an additional exhibit but not as part of the main report.
 - i. He proposed a motion to amend the original motion, ensuring the letter is included as an exhibit.
- h. Kevin Stansbury supported the amendment to include Dan's letter as an exhibit.
- i. Karlee Tebbutt asked if letters from other stakeholders would also be included or if such materials should be added to the HCPF website.
- j. Nancy Dolson clarified that if the committee wanted to include dissenting letters as part of the report, they would need to be added, as they were not included in the current appendix.
- k. Isabel Cruz seconded the amendment to include Dan Rieber's letter as an exhibit. She expressed some disappointment, stating, "I'm disappointed that this is where we landed."

5. Vote on final report (10 minutes)

- a. Isabel Cruz, Policy Director, Colorado Consumer Health Initiative
 - a. Vote: Yes
- b. Diane Kruse, Healthcare Consumer
 - a. Vote: Yes
- c. Dr. Omar Mubarak, Managing Partner, Vascular Institute of the Rockies
 - a. Vote: Yes
- d. Dan Rieber, Chief Financial Officer, UHealth
 - a. Reaffirmed his dissension.
- e. Bettina Schneider, Chief Financial Officer, Colorado Department of Health Care Policy and Financing (HCPF)
 - a. Vote: Yes
- f. Kevin Stansbury, Chief Executive Officer, Lincoln Health
 - a. Vote: Yes
- g. Karlee Tebbutt, Regional Director, America's Health Insurance Plans





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- a. Vote: Yes
- h. Final Vote Count:
 - a. In Favor: 6
 - b. Dissent: 1
- i. The motion passed with a majority vote of 6 to 1

6. Share next steps (5 minutes)

- a. Facilitator shared the next steps.
- b. Steering Committee Closing Thoughts
 - a. Dan Rieber expressed his appreciation for working with everyone, stating, "It's been a pleasure working with all of you. I hope you can accept my decision to dissent. I put a lot of time and energy into this process."
 - b. Isabel Cruz shared her gratitude for the committee's work and acknowledged the mix of consensus and dissent. Offered thanks to GPS, HCPF, and Optumas for their assistance.
 - c. Bettina Schneider thanked the group for their hard work and collaboration.
 - d. Dr. Omar Mubarak expressed his thanks to the team, stating, "It's been an absolute pleasure working with all of you."
 - e. Kevin Stansbury offered closing thanks and reflected on the passionate nature of the work done by the committee.
 - f. Karlee Tebbutt gave closing thanks and shared her appreciation. She added, "Also excited to have two weeks back," referring to a break in the schedule.
 - g. Facilitator expressed gratitude to the committee for their efforts.
 - h. Nancy Dolson provided the final word, expressing her appreciation and looking forward to wrapping up the process and submitting the final report. She gave a special shoutout to Becca Parrott for her work largely behind the scenes
- c. Please visit: [Hospital Facility Fee Steering Committee | Colorado Department of Health Care Policy & Financing](#)





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