

CCHI Legislative History Summary

This legislative session CCHI played a leading role in reforming the Colorado private insurance market, expanding access to quality care public health programs for the uninsured, and improving the quality of care delivered through transparency measures, reporting procedures, and certification requirements for health care providers. Although the 208 Blue Ribbon Commission for Health Care Reform continues its work to propose a comprehensive solution to Colorado's health care crisis, CCHI's work helped the Colorado legislature take important steps forward in expanding access to quality affordable health care.

CCHI tracked over 100 health care bills in the Colorado General Assembly. We testified over a dozen times on key legislative priority bills, and sent out 2,412 emails through our Health Care Action Network. The bills CCHI strongly supported were covered by statewide print, television, and radio outlets—ensuring healthcare consumers were well informed and able to take action.

Public

Public Program Expansion

CCHI believes in expanding public programs to increase public coverage for communities who are underinsured or otherwise uninsured. Colorado offers many programs coupled with funding from the national level to its citizens including Medicaid—to cover people living below the poverty level, SCHIP—which subsidizes children above the poverty level who do not qualify for Medicaid, WIC—which supports women, Medicare—affecting populations 65+, and SSI—for the disabled populations. CCHI strives to protect families, increase eligibility, and expand services covered for Colorado's public programs. The goal is that the recipients of these programs can have access to the same services as people on private insurance.

- **Children's Health Care:** Supported SB08-160 2008, for the baby and kid care program under Medicaid: a) Increased the percentage level of the FPL for eligibility for persons at least 6 and under 19 years of age to 133% effective July 1, 2009; b) Provided for 12 month enrollment following eligibility except for defined circumstances, and ensured continuous enrollment if eligible for the CHP+. For the CHP plan, the bill increased the percentage level of the FPL from 205% to 225% effective 7/1/08 and subject to available application, authorizes HCPF to increase the level for eligibility up to 250%. The bill finally directed the department to allow and actively seek organizations that do not provide direct medical services to presumptively determine eligibility for Medicaid and CHP.

Funding for Public Programs

Public programs need to be funded properly to ensure that all the individuals using the services will be covered in the future. CCHI believes that securing sufficient funding for these programs will ensure their success in the future. Funding public programs also includes reimbursement for providers servicing the consumers using the programs. If providers, hospitals, and health departments are adequately reimbursed for public programs then they will be more likely to choose to provide the services for the people enrolled. Thus, reimbursement increases access for people already enrolled in public programs.

- **Tobacco Moneys for Support Appropriations:** Supported SB07-189 2007, required the portion of the tobacco litigation settlement payment to be received by the state in April 2007 that is not required to be allocated for the 2007-08 fiscal year to tobacco settlement programs that currently receive tobacco litigation settlement moneys to be reserved in a newly created health care supplemental appropriations and over expenditures account in the to be litigation settlement cash fund.
- **Expansion of access to public health programs:** CCHI actively lobbied for the passage of Senate Bill 07-2 (Senator Sandoval) which expanded Medicaid eligibility to Foster care youth under 21 years of age and prior to their emancipation. Many Foster youth find obtaining jobs, and providing for their children difficult to do without health care coverage after they reached 18 years of age. CCHI actively lobbied the legislature to support this bill and testified that the funding source for this bill, as the Amendment 35 Tobacco Tax – Health Care Expansion Fund, was an appropriate funding source. This bill was signed into law on May 15th at the Denver Health.

Transparency/ Accountability

CCHI attempts to expand services to Coloradans by making public health departments and hospitals more accountable and transparent of the services they offer. For example, we are continually evaluating the charity care services of non-profit hospitals to evaluate if they are providing services for the uninsured that they are legally supposed to provide. CCHI also serves on the Hospital Acquired Infections Board to ensure that hospitals are accountable for the quality of healthcare they deliver. CCHI is also working to make insurance companies accountable for their yearly rate increases which accounts for a huge cost to healthcare consumers.

- **Consumer Insurance Council Codification:** Supported HB 08-1043 2008, codified the existing consumer insurance council within the division of insurance to operate as an advisory body to the commissioner of insurance concerning matters of interest to the public. The bill authorized the commissioner to appoint up to 15 members to the council to serve 2 year terms. It required the members to be representatives of consumers.

Private

Preventing Rate Increases/Service Roll Back:

The Colorado Consumer Health Initiative opposes any mandate-lite/free options. A Price Waterhouse Coopers study revealed that government mandates and regulations (including ERISA) constitute 2% of the total cost of health care. Mandated coverage plans are important parts of a benefit plan and are preventative in nature. Mandate-lite options do not provide “choice” to employees, but rather to employers. CCHI is opposed to rate increases for consumers and work to make insurance options that are more affordable for Coloradans. CCHI also strives to ensure that consumers have access to the quality services including preventative procedures under their insurance plans.

- **Access Affordable Health Insurance Out of State:** Opposed HB08-1327 2008, allowed Colorado residents to purchase and a health insurance carrier, whether or not the carrier is subject to Colorado insurance laws and regulations, to sell in

Colorado, a health insurance product that is lawfully sold, offered or issued in another state without subjecting that insurance product to the requirements of Colorado insurance laws and regulations. The bill also subjected a carrier that is not otherwise subject to Colorado insurance laws and regulations and that sells, offers, or issues in this state a health insurance product lawfully sold in another state to regulation by the commissioner of insurance with regard to enforcement of the contractual benefits under the health insurance product.

Accountability

Mistakes and deceptive behavior on the part of the insurance companies can lead to unnecessary, dangerous and in some cases lethal consequences for health consumers. CCHI supports initiatives that hold insurance companies responsible for their unfair business practices and work to inform consumers by creating a transparent system.

- **Fair Accountable Insurance Act:** Supported HB08-1389 2008, required each insurance carrier to file with the commissioner of insurance a detailed description of its rating and renewal practices for health and auto carriers. The bill also required such information to be public when filed and required each insurance carrier to file annually with the commissioner the number of lives insured in the previous year. The bill also allowed the commissioner to disapprove the rates upon later review and required insurance carriers to report to the division if specific reasons apply to an increase in rates for health and auto carriers. Finally, the bill required the division to track such information and make it public, prohibited persons from willfully withholding information that will affect rates or premiums charged or from giving false or misleading information, and created penalties for a violation.

Auto Insurance laws

Although CCHI does not directly deal with auto insurance there are rare occurrences where decisions in the legislature affect the health outcome of consumers. A major juncture between health and auto insurance occurred when Colorado switched to a Tort system in 2004. The implementation of this bill, which required that fault be determined before a payment is made, greatly burdened the healthcare system. After the bill was passed, it caused barriers to the access of healthcare by delaying payment to doctors, hospitals, emergency medical providers, and finally to consumers. As a result CCHI supports bills that deal with the healthcare aspect of auto insurance and move in the direction of reversing the auto tort system.

- **Medical Payments Coverage Auto Insurance:** Supported SB07-193 2007, required an auto insurance policy issued or renewed on or after July 1, 07 to contain medical payments coverage of a specified amount and for a specified period for payment of medically necessary and accident related health care expenses and rehab for bodily injury due to ownership, maintenance, or use of autos.

Community Rating

With "Community Rating," everyone pays the same premium. An insurer using community rating to set insurance premiums ignores any differences in expected costs among insured groups or people. Under "pure" community rating, insurers would be forced to charge the same price to every policyholder, regardless of age, sex or any other indicator of health risk. Community Rating can be contrasted with "Experience Rating," where people pay different

premiums based on differences in their demographics, past health care utilization, medical status, and other factors. From the Consumer perspective, this can be problematic because some employers may not hire people with chronically-ill dependents for fear that it will increase their health care premiums.

- **Determining Small Group Rating Factors:** Supported 2007, eliminated claims experience and health status as characteristics that may be used for determining health insurance rates for small employers and Multiple Employer Welfare Arrangements

Private Insurance Market Reform:

House Bill 07-1355 (Hagedorn/McGihon/Massey) repealed two of the most discriminatory rating factors used by insurance carriers for medical underwriting in this market: preexisting condition and claims experience. Without these rating factors, small business owners can now predict and manage their annual insurance premium costs for providing health care benefits to employees. Eliminating these rating factors protects small business owners from unpredictable and unreasonable premium increases. Since 84% of Colorado's uninsured citizens are members of working families, stabilizing the small group market is critical in bringing small business owners back under coverage and thereby providing insurance to a wider pool of working families. CCHI played a leading role in every phase of this bill.

Network Adequacy

Network Adequacy is about making sure Coloradans have access to healthcare. This is a larger concept that evaluates a number of public and private programs, looks at provider services, and makes sure that all of the communities ranging from children and women, to communities with health disparities, to rural communities. Since CCHI's inception, we have made Network Adequacy a priority in increasing access to healthcare in Colorado's communities.

- **Hospital Nurse Staffing Ratios:** supported SB07-10 2007, required hospitals to develop, implement, file & make available a nurse staffing plan for the minimum number of RNs in each hospital unit. Hospitals were to comply by good faith.

Simplified Process and Enrollment

One of the barriers to accessing medical care is complicated application and enrollment processes. Because of the excessive paperwork, complicated language, and regular reenrollment procedures of both public and private programs, consumers see increased rates of human errors and lapses in their health coverage. This leaves consumers exposed while they are in transition periods. CCHI sponsors bills that simplify the procedural barriers that prevent consumers from accessing health coverage.

- **Medicaid and CHP Enrollment:** Supported SB08-161 2008, subject to the receipt of sufficient gifts, grant, or donations to cover the costs, provided that HCPF shall adopt the following rules: a) Allowed the department to verify income eligibility under Medicaid and the CHP through the records of the Division of Employment and training in the dept. of labor and employment. b) Allowed applicants to submit income information more current than the records of the division and c) reenroll recipients of the Medicaid and the CHP plan if the records of the division establish the recipients income eligibility. Finally, the bill directs the advisory committee on covering all children in the Colorado to investigate the feasibility of combining Medicaid and the CHP plan.

Uninsured

Treating the Whole

CCHI considers each person as a whole and attempts to go beyond healthcare to help people get out of the poverty level. When people are living paycheck to paycheck healthcare is one of the compounding problems that prevent them from succeeding. During the summer of 2006 and 2007, CCHI joined with other organizations in a project called Paycheck away evaluating issues of poverty, hunger, homelessness, and healthcare in different communities around Colorado. CCHI reaches out to the uninsured audience and provides resources for individuals who fall between the eligibility levels of public and private programs. In addition to basic healthcare needs, CCHI also advocates for increased access to mental and oral care.

- **Juvenile Justice Family Advocate Program:** Supported HB07-1057 2007, created demonstration programs for systems of care family advocates for mental health juvenile justice populations that are implemented & monitored by the Division of Mental Health in the Dept of Human services with input from the division of criminal justice.
- **Mandatory Coverage Mental Disorders ICD9:** supported SB07-36 2007, expanded mandatory health insurance coverage to require coverage for mental disorders as defined by ICD-9.
- **Medical Home for Children:** Supported SB07-130 2007, defined the term "medical home" as a primary care practice that provides continuous, accessible, and comprehensive medical and non-medical services to a child and his/her family

Fiscal

Budget Cuts to Healthcare

During the 2005 legislative session, Governor Bill Owens and state lawmakers crafted a compromise proposal to help state government deal with massive budget cuts. The cuts were forced because tax revenues sharply declined during the 2001-03 recession. But while the state's economy began to rebound by 2004, the "ratchet effect" in the TABOR amendment prevented state government from using the rising tax revenues to restore funding. Over the years significant changes in fiscal measures have affected the health budget which can lead to a reduction in funding for public programs for the future. CCHI will oppose any fiscal reforms that detract money from the healthcare budget.

- **Health Assurance Districts:** Supported HB06-47 2006, allowed a health assurance district to be formed in any area of the state and allows voters to seek approval from voters to levy a sales or property tax. It also allows health assurance districts to work in conjunction with other health districts and providers.

Quality

Setting Standards for the Delivery of Healthcare

The Colorado Consumer Health Initiative believes that all consumers deserve the highest quality care. We support initiatives that regulate the quality of care delivered by the public health system or medical providers. Consumers should be able to access the most up to date

information about the health facilities so they can make informed decisions about where to access the healthcare system.

- **Promoting Community Long Term Services:** Supported HB07-1374 2007, directed HCPF ED to appoint a working group to study the process of transitioning clients from a hospital to a long-term care setting. The bill required the working group to report to the ED by 12/1/07. The report should include a timeline and estimated associated costs for the completion of changes to the system of long term care. The bill also authorized the state department to seek federal authorization to implement changes recommended by the working group.

Healthcare Reform

Our core values and principles are based on nationally recognized standards for a health care system developed by the Institute of Medicine (IOM). We have expanded upon the IOM principles to provide a local context for health care reform in Colorado. When addressing coverage health care coverage must be universal, meaning available to all Coloradans, including children, continuous and affordable to individuals and families. The health insurance strategy must be affordable and sustainable for society, meaning that over the long-term there are adequate finances for both the public and private sectors of the health care system. The quality of the healthcare must be effective and efficient. Colorado's health care system must promote access to care and eliminate administrative barriers, meaning that there is capacity in the system to provide a standard set of benefits, reliable and comprehensible information and timely health care.

- **Blue Ribbon Commission for Healthcare Reform:** Supported SB06-208 2006, the creation of Health Care Reform Committee for the purpose of studying health care reform issues.
- **Members Blue Ribbon Health Commission:** Supported SB07-104 2007, allowed the governor to appoint 3 additional citizens of the state at large to serve at the pleasure of the governor on the 208 commission.

Access

Access to information and services

There are many obstacles that stand in the way of accessing information surrounding healthcare including cost, citizenship, identification materials, geographic location of facilities, and hospital transparency among others. CCHI strives to increase consumer access across these fields and supports many of the measures beyond the scope of health that becomes a barrier to accessing health services or information. We also work to lower the cost of obtaining medical records so that Coloradans can have access to their own medical records at an affordable cost.

- **Rural Health Care Needs:** Supported HB07-1022 2007, conducted survey of health care costs in Pueblo county (by DOI). The bill modified the nursing teacher loan forgiveness pilot to include rural teachers, created nursing teacher recruit program, established (CDHPE - RFP) mobile cancer screening unit, created a medical equipment grant program for rural areas, and created medical equipment grant program & family mental health services grant program.

Hospital Accountability

The Colorado Consumer Health Initiative supports efforts that bring transparency to hospitals. We also believe that non-profit hospital should provide the charity care services that they are required to provide by law. CCHI will oppose any bill that interferes with a patient's access to the services they need.

- **Prudent Management Institutional Funds:** Supported HB08-1173 2008, replaced "Uniform Management of Institutional Funds Act" with the "Uniform Prudent Management of Institutional Funds Act" drafted by the national conference of commissioners on uniform state laws. The bill established the same standards for managing and investing institutional funds regardless of whether a charitable organization is organized as a trust, a nonprofit corp., or some other entity. The bill also authorized a court to modify the purposes to which a hospital's foundation's funds are dedicated if the foundation proves that continued dedication of the funds to the purposes originally specified is impractical or wasteful.