

## **HJR 20 Study: *Considerations Related to Colorado HB 1330***

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for the HJR 20 Subcommittee  
March 2018

### Background

In 2010, the Colorado Legislature set the state on the path to creating a database of payments made for health care services provided to Colorado residents. Commonly known as an all payer claims database, or APCD, these databases generally consist of health care claims paid by health insurers regulated by the state, by state-run programs such as Medicaid and the state employee health plan, and by other insurers or federal health programs that agree to participate on a voluntary basis.

Some states have used their APCDs to create websites where consumers can see the range of costs for health care procedures. The data is also used to evaluate the use, cost, and quality of care, as well as study public health issues.

This briefing paper outlines the provisions of House Bill 1330, the 2010 bill that authorized creation of Colorado's APCD. It also poses questions for subcommittee consideration if members want to recommend that Montana adopt legislation similar to HB 1330.

### Key Elements of HB 1330

HB 1330 became effective in August 2010 and required the director of the Colorado Department of Health Care Policy and Financing to:

- establish an advisory committee within 45 days; and
- select an administrator for the APCD.

The advisory committee was made up of:

- 19 members appointed by the executive director of the department, representing an array of health care, insurance, and consumer interests; and
- six ex-officio members representing state agencies and the Legislature.

The group was to make recommendations on items ranging from the data to be collected to the standards for collection, the frequency of data collection, and ways to ensure compliance with federal privacy laws.

The administrator was charged with seeking funding for the database and working with the advisory committee. The administrator was to report to the governor and the Legislature within 6 months on the status of advisory committee work and efforts to obtain funding. If enough funding from grants, gifts, and donations became available by Jan. 1, 2012, the administrator was responsible for establishing the database — with input from the advisory committee — by Jan. 1, 2013.

Subcommittee Decision Points

If the committee decides to recommend that the Children, Families, Health, and Human Services Interim Committee introduce legislation similar to Colorado's HB 1330, members may want to refine their recommendation by answering the following questions.

1. What agency should be given responsibility for appointing the advisory committee -- the State Auditor's Office, the Department of Public Health and Human Services, or another agency?
2. Should the advisory committee start with the premise that:
  - a. an APCD should be created or;
  - b. the committee will examine the need for and costs of an APCD and recommend whether an APCD should be created?
3. If the advisory committee starts with the premise that an APCD should be created, should an administrator be selected for the APCD at the same time the advisory committee is developing its recommendations or after the recommendations are final?
4. How many members should be appointed to the advisory committee and who should make the appointments?
  - a. Should there be ex-officio members?
  - b. If so, what entities should they represent and how should they be selected?
5. Should the list of duties for the advisory committee mirror those in the Colorado law?
  - a. If not, which duties should be removed or added?
6. How long should the advisory committee be given to complete its work and to whom should it make its recommendations? How frequently should it meet?

A bill creating an advisory committee would need an appropriation to pay for the costs of the advisory committee; if an appropriation is not included, the bill will have a fiscal note.

The table below shows potential costs of paying advisory committee members \$50 a day for their time and reimbursing their meals, mileage, and lodging costs. Estimates are based on the committee having 10, 12, 15, or 19 members.

**Biennial Costs of Time and Travel**

Members	Number of Meetings Per Year		
	2	4	6
10	\$14,000	\$28,000	\$42,000
12	\$16,800	\$33,600	\$50,400
15	\$21,000	\$42,000	\$63,000
19	\$26,600	\$53,200	\$79,800

In addition, the committee may require administrative staff support and could incur costs related to preparing and mailing materials.