

HOUSE COMMITTEE OF REFERENCE REPORT

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Chairman of Committee

February 19, 2013  
Date

Committee on Public Health Care & Human Services.

After consideration on the merits, the Committee recommends the following:

HB13-1196 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:

1 Amend printed bill, strike everything below the enacting clause and  
2 substitute:

3 "SECTION 1. In Colorado Revised Statutes, **add** 25.5-5-417 as  
4 follows:

5 **25.5-5-417. Reducing unnecessary duplicative services in the**  
6 **accountable care collaborative program - repeal.** (1)(a) THE GENERAL  
7 ASSEMBLY FINDS AND DECLARES THAT:

8 (I) THE STATE DEPARTMENT HAS CREATED A MEDICAID  
9 COORDINATED CARE SYSTEM KNOWN AND REFERRED TO IN THIS SECTION  
10 AS THE "ACCOUNTABLE CARE COLLABORATIVE" TO IMPROVE CLIENT  
11 HEALTH AND REDUCE COSTS IN THE MEDICAID PROGRAM;

12 (II) ONE OF THE PRIMARY GOALS OF THE ACCOUNTABLE CARE  
13 COLLABORATIVE IS TO REDUCE COSTS TO THE MEDICAID PROGRAM  
14 THROUGH COORDINATION BETWEEN THE PRIMARY CARE MEDICAL  
15 PROVIDERS, THE REGIONAL CARE COLLABORATIVE ORGANIZATIONS, AND  
16 THE STATEWIDE DATA AND ANALYTICS CONTRACTOR;

17 (III) ADDITIONALLY, THE ACCOUNTABLE CARE COLLABORATIVE IS  
18 ALSO EVALUATING THE PAYMENT SYSTEM USED FOR THE MEDICAID  
19 PROGRAM TO IMPROVE CLIENT HEALTH OUTCOMES THROUGH MORE  
20 EFFECTIVE PAYMENT SYSTEMS;

21 (IV) THE STATE DEPARTMENT HAS ENTERED INTO CONTRACTS  
22 WITH REGIONAL ORGANIZATIONS FOR THE ACCOUNTABLE CARE  
23 COLLABORATIVE;

1 (V) THESE REGIONAL CARE COLLABORATIVE ORGANIZATIONS,  
2 REFERRED TO IN THIS SECTION AS "RCCOs", RECEIVE A PER-MEMBER,  
3 PER-MONTH PAYMENT TO PERFORM A NUMBER OF FUNCTIONS THAT  
4 INCLUDE BUT ARE NOT LIMITED TO SUPPORTING COMMUNITY-BASED CARE  
5 COORDINATION, BEING ACCOUNTABLE FOR HEALTH AND COST OUTCOMES,  
6 AND ENSURING CARE COORDINATION FOR ALL CLIENTS; AND

7 (VI) DESPITE CARE COORDINATION AND ACCOUNTABILITY  
8 EFFORTS, THERE REMAINS WITHIN THE MEDICAID SYSTEM WASTE AND  
9 DUPLICATION OF SERVICES THAT ARE INCREASING STATE MEDICAID COSTS  
10 AND PREVENTING MAXIMUM EFFICIENCY IN THE MEDICAID SYSTEM.

11 (b) THEREFORE, THE GENERAL ASSEMBLY DECLARES THAT, IN AN  
12 EFFORT TO BRING GREATER TRANSPARENCY TO COST-CONTAINMENT  
13 EFFORTS BY THE ACCOUNTABLE CARE COLLABORATIVE, THE STATE  
14 DEPARTMENT SHALL REPORT ANNUALLY TO THE GENERAL ASSEMBLY  
15 CONCERNING EFFORTS TO REDUCE WASTE AND DUPLICATION WITHIN THE  
16 ACCOUNTABLE CARE COLLABORATIVE.

17 (2) AS PART OF THE ANNUAL REPORT REQUIRED PURSUANT TO  
18 PART 2 OF ARTICLE 7 OF TITLE 2, C.R.S., THE STATE DEPARTMENT SHALL  
19 PROVIDE INFORMATION CONCERNING THE FOLLOWING:

20 (a) THE SPECIFIC EFFORTS WITHIN THE ACCOUNTABLE CARE  
21 COLLABORATIVE, INCLUDING A SUMMARY OF TECHNOLOGY-BASED  
22 EFFORTS, TO IDENTIFY AND IMPLEMENT BEST PRACTICES RELATING TO  
23 COST CONTAINMENT, AND REDUCING AVOIDABLE, DUPLICATIVE,  
24 VARIABLE, AND INAPPROPRIATE USE OF HEALTH CARE RESOURCES, AND  
25 THE OUTCOME OF THOSE EFFORTS, INCLUDING COST SAVINGS IF KNOWN;

26 (b) ANY STATUTES OR POLICIES OR PROCEDURES THAT PREVENT  
27 THE RCCOs FROM REALIZING EFFICIENCIES AND REDUCING WASTE WITHIN  
28 THE MEDICAID SYSTEM; AND

29 (c) ANY OTHER EFFORTS BY THE RCCOs OR THE STATE  
30 DEPARTMENT TO ENSURE THAT THOSE WHO PROVIDE CARE FOR MEDICAID  
31 CLIENTS ARE AWARE OF AND ACTIVELY PARTICIPATE IN REDUCING WASTE  
32 WITHIN THE MEDICAID SYSTEM.

33 (3) THE STATE DEPARTMENT SHALL INDICATE ON ITS REPORT THE  
34 COUNTIES BEING SERVED BY EACH RCCO.

35 (4) THIS SECTION IS REPEALED, EFFECTIVE JULY 15, 2018.

36 **SECTION 2. Act subject to petition - effective date.** This act  
37 takes effect at 12:01 a.m. on the day following the expiration of the  
38 ninety-day period after final adjournment of the general assembly (August  
39 7, 2013, if adjournment sine die is on May 8, 2013); except that, if a  
40 referendum petition is filed pursuant to section 1 (3) of article V of the  
41 state constitution against this act or an item, section, or part of this act

1 within such period, then the act, item, section, or part will not take effect  
2 unless approved by the people at the general election to be held in  
3 November 2014 and, in such case, will take effect on the date of the  
4 official declaration of the vote thereon by the governor."

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