



# 1176 Health Care Cost Analysis Task Force

February 5, 2021 2:30p-4:30p

**VIRTUAL MEETING INFO ON NEXT SLIDE**



# 1176 Task Force - Agenda, 2/5/2021, 2:30-4:30p – Virtual Meeting

Join from PC, Mac, Linux, iOS or Android: <https://meetings.ringcentral.com/j/1490245198>

For the best audio experience, please use computer audio.

Or iPhone one-tap :

US: +1(646)3573664,,1490245198#  
+1(773)2319226,,1490245198# (US North)  
+1(312)2630281,,1490245198#  
+1(470)8692200,,1490245198# (US East)  
+1(469)4450100,,1490245198# (US South)  
+1(623)4049000,,1490245198# (US West)  
+1(650)2424929,,1490245198#  
+1(720)9027700,,1490245198# (US Central)  
+1(213)2505700,,1490245198#  
+1(346)9804201,,1490245198#

Or Telephone:

Dial(for higher quality, dial a number based on your current location):

US: +1(646)3573664  
+1(773)2319226 (US North)  
+1(312)2630281  
+1(470)8692200 (US East)  
+1(469)4450100 (US South)  
+1(623)4049000 (US West)  
+1(650)2424929  
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Meeting ID: 149 024 5198

International numbers available: <https://meetings.ringcentral.com/teleconference>



# HB19-1176 Health Care Cost Savings Act of 2019

## Phase 1 FORM

Sep 2019 – Dec 2019

- ✓ Create **Task Force**
- ✓ “**Norm**” (*bylaws, meetings dates/locales, action between meetings, contact info*)
- ✓ **Level set knowledge** of health care costs, **identify desired info**. *What has been done in CO? Elsewhere?*
- ✓ By Oct 1, **issue basic RFP**
- ✓ Create **DQ Scoping / Planning DQ**

## Phase 2

### ASK / LEARN

Jan 2020 – Aug 2020

- ✓ **Education** needed? Materials? Speakers?
- ✓ Complete **DQ Scoping / Planning** process
- ✓ By **10/9/20**, contact 5 vendors re: **Cost Analysis**
- ✓ By **11/20/20** select & engage **entity for Cost Analysis**
  - **Fundraise**
  - **Stakeholder meetings** (3-5)

## Phase 3

### EVALUATE / RECOMMEND

Sep 2020 – Aug 2021

- ✓ By **Jan 1, 2021**: report **preliminary findings** to General Assembly (*introduce analyst, method/process, explain next steps*)
  - By **5/21/21**, receive final **analysis**.
  - By **Sep 1, 2021**: submit **final report** with all findings to General Assembly

**FY20:** \$92,649 (\$5,200 task force travel; \$87,449 analysis) - \$5,000 Level setting, \$25,000 CSPH Scope of Work Planning  
**FY21:** \$92,649 (\$5,200 task force travel; \$87,449 analysis)



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TOPIC	ACTION	Presenter	Time
<b>Call to Order, Introductions, Conflicts of Interest 2:30p</b>		Mitzi	5 minutes
<b>Agenda</b>	Approve	Mitzi	
<b>Minutes, 1/15/21</b>	Approve	Carrie	
<b>Public Comments</b>	Listen	Mitzi	10 minutes
<b>Task Force</b> <ul style="list-style-type: none"> <li>New Member: Rep. Jennifer Bacon, District 7</li> </ul>	Update	January	5 minutes
<b>Projects</b> <ul style="list-style-type: none"> <li>Cost Analysis</li> <li>Stakeholder Meetings</li> </ul> <p><i>Deadlines:</i></p> <ul style="list-style-type: none"> <li><b>5/1/21</b> draft CSPH report to Task Force.</li> <li><b>5/15/21</b> final CSPH report to Task Force.</li> <li><b>9/1/21</b> final report to General Assembly</li> </ul>	<ul style="list-style-type: none"> <li>Update</li> <li>Update</li> </ul>	<ul style="list-style-type: none"> <li>CSPH</li> <li>Monica</li> </ul>	90 minutes
<b>Adjourn: 4:30p</b>			





# HB19-1176, Health Care Cost Savings Act of 2019

From previous meetings – provided as reference only

The Task Force must issue a **competitive solicitation** to select an analyst who will provide a **detailed analysis of fiscal costs and other impacts** of the following (text pasted directly from bill):

1. THE CURRENT COLORADO HEALTH CARE FINANCING SYSTEM IN WHICH RESIDENTS RECEIVE HEALTH CARE COVERAGE FROM PRIVATE INSURERS AND PUBLIC PROGRAMS OR ARE UNINSURED;
2. A MULTI -PAYER UNIVERSAL HEALTH CARE SYSTEM IN WHICH ALL RESIDENTS OF COLORADO ARE COVERED UNDER A PLAN WITH A MANDATED SET OF BENEFITS THAT IS PUBLICLY AND PRIVATELY FUNDED AND ALSO PAID FOR BY EMPLOYER AND EMPLOYEE CONTRIBUTIONS; and,
3. A PUBLICLY FINANCED AND PRIVATELY DELIVERED UNIVERSAL HEALTH CARE SYSTEM THAT DIRECTLY COMPENSATES PROVIDERS

*MUST analyze these. MAY include a 4<sup>th</sup> – depending on time and resources.*



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## Each analysis MAY:

- Include **1<sup>st</sup>, 2<sup>nd</sup>, 5<sup>th</sup>, & 10<sup>th</sup> year costs**
- Set **compensation for licensed providers** at levels that result in net income that will attract and retrain necessary providers
- Include **benefits reimbursed at 120% of Medicare rates** for CO residents temporarily living out of state
- Define, describe, & quantify the **# of uninsured, underinsured, & at-risk insured** individuals in each system
- Include the provision of **benefits** that are the **same as required by federal act**
- Identify **health expenditures by payer**
- Identify **out-of-pocket charges** including coinsurance, deductibles, and copayments



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## Describe how the system provides:

- **Services required by the federal act**
- **Medicare-qualified** services
- **Medicaid services & benefits** = or  $\geq$  current (w/ equivalent provider compensation rates)
- **Medicaid services & benefits** for individuals with disabilities who don't meet asset or income qualifications & who have the right to manage their own care & the right to durable medical equipment
- Coverage for **women's health care & reproductive services**
- **Vision, hearing,** and **dental** services
- **Access to primary specialty services** in **rural CO** & other **underserved areas** or **populations**
- **Behavioral, mental health,** and **substance use disorders** services





# HB19-1176, Health Care Cost Savings Act of 2019

Provide a **review of existing literature regarding the collateral costs to society of high health care costs** which may include:

- **Cost of emergency room, urgent care, & intensive care treatment** for individuals who are unable to afford preventive or primary care in lower-cost settings
- **Cost in lost time from work, decreased productivity, or unemployment** for individuals who, as a result of being unable to afford preventive or primary care, develop a more severe, urgent or disabling condition
- **Cost of bankruptcies** – cost to the individual and the providers not paid
- **Costs to & effects on individuals who do not file bankruptcies but are financially depleted** due to medical costs
- **Medical costs** caused by **diversion of funds from** other **health determinants** (such as education, safe food supply or safe water supply)
- Other **collateral costs as determined** by the task force



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Analyst shall **model sufficient** and **fair funding systems** that may be viable for each system **that may raise revenue** from:

- The **general fund**
- Federal **waivers** under **Medicaid** and the federal act
- **Progressive income taxes**
- **Payroll taxes**, split between employer and employee
- Other **taxes**
- **Premiums based on income**



# 1176 Level Set Knowledge

12/6/19 – 1/3/20: Task Force reviewed materials provided by  
1/3/20: Tom Reid presented basic concepts of health care c

From previous meetings – provided as reference only

## Goals:

- Resources to help us achieve a **common basic understanding** of health care costs, systems
- **Manageable**
- **Unbiased** – or at least **balanced** (identify key arguments for and against each option)
- **Estimate** the fiscal **cost** and **other impacts** (quality, access, & equality)

## Product from HMA

- 16 **articles/studies** with summaries or abstracts  
(3 “key findings” recaps added by HMA)
- 1 **video**
- **link** to a website for each resource
- **PDFs**
- **Organized** as follows:
  1. Background and overview – U.S. Healthcare System
  2. Background and overview – Colorado
  3. State-level universal health care initiatives
  4. Single payer systems – pros and cons, and design features
  5. Cost of universal health systems
  6. Comparisons of U.S. to models in other countries



## HEALTH MANAGEMENT ASSOCIATES

<https://www.healthmanagement.com/>

<https://www.healthmanagement.com/our-team/staff-directory/name/tom-marks/>



# 1176 Rules of Engagement (approved 1/3/20) & Website

*From previous meetings – provided as reference only*

## MEETINGS

- 230p - 4:30p.
- 1<sup>st</sup> & 3<sup>rd</sup> Friday of the month.
- Set location with audio, visual, call-in.
  - near Capitol during session
  - 5 meetings “in community” linked to stakeholder meetings

## AGENDAS

- To task force at least 24 hours in advance.
- On website at least 24 hours in advance.
- Include public comment period?

## MINUTES

- High level summary of discussion, action (motions, seconds, voting), and next steps. Approve at next meeting.
- To Task Force at least 24 hours in advance of next meeting.
- On website within week after approval.

## QUORUM

- Required to take action.
- 7 of 13 members (in person or by phone).
- Proxy can be given to fellow appointed task force member via email to Chair. No delegates.

## VOTING

- If quorum met, 51% majority.
- Removal of task force member requires super majority = 2/3rds of all members.
- Final product for legislature requires 2/3rds of all members.
- Email voting recorded in next meeting’s minutes.
  - Chair (or support staff) will text to prompt when email input needed.
  - Goal: give at least 24 hours to offer input via email.

## TRAVEL REIMBURSEMENT

## WEBSITE

- Intro/Welcome from Chair
- Resources:
  - Link to HB19-1176
  - More?
- Committee Members – bios & team pic
- Meeting locations, dates, times
- Agendas
- Approved Minutes

2020 Mtgs: 1/3, 1/17, 2/7, 2/21, 3/6, ~~3/20~~, 4/3, 4/17, 5/1, 5/15, 6/5, 6/19, 7/3, 7/17, 8/7, 8/21, 9/4, 9/18, 10/2, 10/16, 11/6, 11/20, 12/4, 12/18.

2021 Mtgs: 1/15, 2/5, 2/19, 3/5, 3/19, 4/2, 4/16, 5/7, 5/21, 6/4, 6/18, 7/2, 7/16, 8/6, 8/20, 9/3.

\*red font = **dates of meetings outside of the metro area & locations TBD.**



# 1176 Task Force Members

*From previous meetings – provided as reference only*

**Representative Emily Sirota**, Colorado General Assembly

**Representative ?????**, Colorado General Assembly

**Senator Jim Smallwood**, Colorado General Assembly

**Senator Joann Ginal**, Colorado General Assembly – *Vice-Chair*

**Carrie Cortiglio**, Colorado Department of Public Health & Environment – *Secretary*

**Karla Gonzales**, Colorado Organization for Latina Opportunity and Reproductive Rights

**Kate Harris**, Colorado Division of Insurance

**Michelle Miller**, Colorado Department of Health Care Policy & Financing

**Mitzi Moran**, Sunrise Community Health - *Chair*

**Monica VanBuskirk**, Connect for Health Colorado - *Treasurer*

**Dr. Renee Marquardt**, Colorado Department of Human Services

**Thomas “TR” Reid**, Author

**TBD, ?????**

