Amend the Health and Insurance Committee Report, dated February 27, 2019, page 1, after line 5 insert:

"Page 4 of the bill, strike lines 9 through 11.

Renumber succeeding subsections accordingly.

Page 5 of the bill, strike lines 2 and 3 and substitute:

"(6) "HOSPITAL" means a hospital licensed or certified by the Department of Public Health and Environment pursuant to Section 25-1.5-103 (1)(a).

(7) "MEDICAID" means federal insurance or assistance as provided by Title XIX of the federal "Social Security Act", as amended, and the "Colorado Medical Assistance Act", articles 4, 5, and 6 of Title 25.5."

Renumber succeeding subsections accordingly.

Page 5 of the bill, strike lines 8 through 10.

Renumber succeeding subsections accordingly.

Page 5 of the bill, line 12, strike "CAP, COINSURANCE RATE, AND FEE SCHEDULE" and substitute "CAP, AND COINSURANCE RATE".

Page 5 of the bill, strike lines 14 through 18.

Renumber succeeding subsections accordingly.

Page 6 of the bill, line 12, strike "CAP, COINSURANCE RATE, AND FEE SCHEDULE" and substitute "CAP, AND COINSURANCE RATE".

Page 7 of the bill, line 3, strike "10-16-1108," and substitute
"10-16-1109,.".

Page 1 of the committee report, strike line 7 and substitute:
"Page 7 of the bill, strike lines 10 through 12 and substitute "LAW WITH ANY FEDERAL PROGRAM AND RULES. THE RULES SHALL BE ADOPTED IN".".

Page 1 of the committee report, line 13, strike "10-16-1108," and substitute "10-16-1109,.".

Page 2 of the committee report, after line 6 insert:
"Page 7 of the bill, line 16, strike "fee schedule - rules -".

Page 7 of the bill, line 22, strike "10-16-1108." and substitute "10-16-1109.".

Page 8 of the bill, line 13, strike "10-16-1108" and substitute "10-16-1109".

Page 8 of the bill, line 21, strike "YEAR, EACH" and substitute "YEAR: (A) EACH".

Page 8 of the bill, strike lines 23 through 25 and substitute "YEAR;
(B) EACH HOSPITAL THAT IS SUBJECT TO THE SPECIAL FEES ASSESSED PURSUANT TO SECTION 10-16-1108 SHALL REPORT TO THE COMMISSIONER THE AMOUNT THE HOSPITAL IS RESPONSIBLE FOR FUNDING IN THE BENEFIT YEAR; AND
(C) IF SPECIAL FEES ARE ASSESSED AGAINST CARRIERS PURSUANT TO SECTION 10-16-1108 (1)(b), EACH CARRIER THAT IS SUBJECT TO THE SPECIAL FEES SHALL REPORT TO THE COMMISSIONER ON ITS COLLECTED ASSESSMENTS IN THAT BENEFIT YEAR.".".

Page 2 of the committee report, after line 8 insert:
"Page 10 of the bill, line 10, strike "FINANCE" and substitute "FUND".

Page 12 of the bill, strike lines 19 through 27.

Strike page 13 of the bill.

Page 14 of the bill, strike lines 1 through 7 and substitute:
"(5) IN ORDER TO PROMOTE MORE COST-EFFECTIVE HEALTH CARE COVERAGE AND TO BE FAIR TO FEDERAL TAXPAYERS BY RESTRAINING
GROWTH IN FEDERAL SPENDING COMMITMENTS, THE COMMISSIONER SHALL REQUIRE EACH ELIGIBLE CARRIER THAT PARTICIPATES IN THE PROGRAM TO FILE WITH THE COMMISSIONER, BY A DATE AND IN A FORM AND MANNER SPECIFIED BY THE COMMISSIONER BY RULE, THE CARE MANAGEMENT PROTOCOLS THE ELIGIBLE CARRIER WILL USE TO MANAGE CLAIMS WITHIN THE PAYMENT PARAMETERS."

Page 15 of the bill, strike lines 14 through 17 and substitute "U.S.C. SEC. 18052 (a)(3) OR ANY OTHER FEDERAL FUNDS THAT ARE MADE AVAILABLE FOR".

Page 15 of the bill, line 18, strike "PROGRAM." and substitute "PROGRAM; AND

(II) SPECIAL FEES ASSESSED AGAINST HOSPITALS AND, IF APPLICABLE, CARRIERS AS PROVIDED IN SECTION 10-16-1108.".

Page 16 of the bill, after line 11 insert:

"10-16-1108. Special assessments against hospitals and carriers - rules - enforcement. (1) (a) (I) For the 2020 benefit year, the commissioner shall assess special fees against hospitals to provide funding for the reinsurance program. The commissioner shall calculate the fees based on the amount necessary to reduce carriers' claims costs by the amounts specified in section 10-16-1105 (2)(a), but the commissioner shall set the fees at an amount to ensure that the total amount of fees collected does not exceed one hundred fifty million dollars for the 2020 benefit year.

(II) For the 2021 benefit year and each benefit year thereafter, the commissioner shall determine the amount of the special fees assessed against hospitals, which special fees must not exceed one hundred fifty million dollars per benefit year, based on the claims submitted under the reinsurance program and administrative and operating expenses of the program in the immediately preceding benefit year, the expected annual growth in the program, the payment parameters set by the commissioner pursuant to section 10-16-1105 (2) for the applicable benefit year, and other actuarial considerations.

(III) Notwithstanding the limits on the special fees specified in subsections (1)(a)(I) and (1)(a)(II) of this section:

(A) The total amount of special fees assessed against hospitals under this subsection (1)(a) over five years must not exceed five hundred million dollars; and

(B) No hospital system shall be responsible for funding, on a yearly basis, more than twenty-five percent of the total
FUNDING REQUIRED FOR THE PROGRAM.

(IV) The commissioner shall use the special fees assessed pursuant to this subsection (1)(a) to pay the administrative and operating expenses of the reinsurance program, including reinsurance payments and expenses of the program, the commissioner, and the division.

(V) The commissioner shall not fund the program through any type of fee schedule, rate setting, or other cost-saving mechanism imposed on hospitals.

(b) (I) For any benefit year starting on or after January 1, 2020, if, after carriers have filed and the commissioner has approved rates for the benefit year, the federal government suspends the fee imposed pursuant to section 9010 of the federal act for that benefit year, the commissioner shall assess against carriers a special fee of two and two-tenths percent of premiums collected by carriers, or a special fee in an amount equal to the amount of the fee imposed by the federal government pursuant to section 9010 of the federal act if that fee amount is different than the amount specified in this subsection (1)(b)(I), for the period that carriers collected the fee imposed pursuant to section 9010 of the federal act. The commissioner shall use the revenues generated from the special fees assessed pursuant to this subsection (1)(b) for the purposes specified in section 10-16-1107 (3) in order to decrease the amount of special fees required from hospitals pursuant to subsection (1)(a) of this section by up to thirty million dollars per year, with any remaining revenues used to reduce premiums.

(II) This subsection (1)(b) does not apply to plans or benefits provided under medicare, medicaid, or the "Children's Basic Health Plan" established under article 8 of title 25.5.

(c) The commissioner shall transmit special fees collected pursuant to this subsection (1) to the state treasurer for deposit in the reinsurance program cash fund created in section 10-16-1107.

(2) The commissioner shall promulgate rules to implement this section, including:

(a) The reasonable time periods for the billing and collection of the special fees;

(b) Procedures for exempting hospitals from special fees imposed pursuant to subsection (1)(a) of this section, in whole or in part, which procedures must include, at a minimum, the following parameters:

(I) Whether a hospital has fewer than fifty licensed beds;

(II) Whether a hospital is located in geographic rating area number five, seven, eight, or nine;
(III) WHETHER A HOSPITAL IS AFFILIATED WITH A NETWORK OF
HOSPITALS;

(IV) WHETHER A HOSPITAL'S NET INCOME AT YEAR END IN EACH
OF THE PREVIOUS THREE YEARS WAS LESS THAN ZERO BASED ON AUDITED
FINANCIAL STATEMENTS PROVIDED BY THE HOSPITAL;

(V) WHETHER A HOSPITAL IS A CRITICAL ACCESS HOSPITAL;

(VI) WHETHER THE AMOUNT OF UNCOMPENSATED CARE PROVIDED
BY THE HOSPITAL IS DISPROPORTIONATELY HIGHER THAN THE STATEWIDE
AVERAGE; AND

(VII) WHETHER A HOSPITAL'S PROPORTION OF PATIENTS ENROLLED
IN MEDICARE AND MEDICAID IS DISPROPORTIONATELY HIGHER THAN THE
STATEWIDE AVERAGE PROPORTION OF MEDICARE AND MEDICAID PATIENTS
FOR ALL HOSPITALS; AND

(c) DETERMINING THE AMOUNT OF THE ASSESSMENT ON HOSPITALS
IN ACCORDANCE WITH SUBSECTION (1)(a) OF THIS SECTION.

(3) A HOSPITAL SHALL PAY THE SPECIAL FEES IMPOSED PURSUANT
TO SUBSECTION (1)(a) OF THIS SECTION FROM ITS GENERAL REVENUES AND
IS PROHIBITED FROM:

(a) COLLECTING AN ASSESSMENT FROM CONSUMERS AS ANY TYPE
OF SURCHARGE ON ITS FEES;

(b) PASSING THE SPECIAL FEES ON TO CONSUMERS AS ANY TYPE OF
INCREASE TO FEES OR CHARGES FOR SERVICES; OR

(c) OTHERWISE PASSING THE SPECIAL FEE ON TO CONSUMERS IN
ANY MANNER.

(4) IF A HOSPITAL OR CARRIER, IF APPLICABLE, FAILS TO PAY A
SPECIAL FEE TO THE COMMISSIONER IN ACCORDANCE WITH THE TIME
PERIODS ESTABLISHED BY RULE, THE COMMISSIONER MAY USE ALL POWERS
CONFERRED BY THE INSURANCE LAWS OF THIS STATE TO ENFORCE
PAYMENT OF THE SPECIAL FEES.”.

Renumber succeeding C.R.S. sections accordingly.

Page 17 of the bill, line 8, strike "FINANCE" and substitute "FUND".

Page 17 of the bill, strike line 26 and substitute "10-16-1109.".

Page 1 of the bill, line 108, strike "PROGRAM AND" and substitute
"PROGRAM,".".

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