

HB 19-1174 Out of Network Bill
Colorado All Payer Claims Database Frequently Asked Questions
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CENTER FOR IMPROVING
VALUE IN HEALTH CARE

Overview:

During the 2019 Colorado legislative session, [House Bill 19-1174](#) was passed to help protect patients from surprise out-of-network bills. Included in the bill are specifications regarding provider reimbursements for out of network emergency and non-emergency visits. The Colorado All Payer Claims Database (CO APCD) is identified in the bill as a data source related specifically to the statewide commercial carrier median geographic payments specified in the bill. As administrator of the CO APCD, Center for Improving Value in Health Care (CIVHC) is working collaboratively with the Division of Insurance (DOI) to finalize specifics regarding the methodology that will be used and the data elements that will be available to the DOI from the CO APCD.

In an effort to support providers (including facilities) and payers who are working to understand the impact of the bill, CIVHC has put together the following list of Frequently Asked Questions (FAQs) based on our discussions with DOI to date. We will update this document regularly as more information and specifics become available.

General Timeline (Note: specific timeline subject to change prior to go-live Jan. 1, 2020):



Data-Related Questions:

What data will CIVHC provide through the CO APCD?

At a minimum, CIVHC will be providing CO APCD data to the DOI identifying the 60th percentile commercial medians by DOI region for non-emergency visits and median commercial payments by region for emergency payments as specified in the bill. CIVHC is also in discussion with the DOI to determine if the CO APCD will be a source of additional data such as the Medicare percentage payments and carrier-specific medians.

When will the CO APCD data begin to be used by the DOI to determine correct out-of-network payments?

According to the bill, the data will be made available to the DOI for the process to begin on January 1, 2020.

Can I get data from CIVHC now to help me understand median payments by geography?

CIVHC currently has a standard report available for a licensing fee that can help providers and payers understand facility and non-facility professional fees for CPT and HCPS codes by county and zip code. However, it's important to understand that the methodology in the currently available report may differ from the final methodology that is at the determination of the DOI. If you would like to learn more about what is available now and what insights it can provide, please contact us at ColoradoAPCD@civhc.org.

How often will the CO APCD data be updated?

The CO APCD data set will be updated on an annual basis when there is enough run-out of the claims data being submitted to the CO APCD for the defined previous year. As a point of reference, lag time for processing a year's worth of claims is between 4-6 months with the data being most inclusive of all claims six months after the end of the defined year.

How is the Out-of-Network provider geographic area being defined?

The Division of Insurance is defining a provider's geographic area as the [DOI rate setting region](#) in which the service was provided. For more information on the DOI regions, visit the Division of Insurance website.

How is the "previous year" of data going to be defined?

Data will be based on a calendar year (January-December), using the most recent complete calendar year of claims data available. For example, 2020 plan year calculations will use 2018 claims data.

Definitions of Emergency/Non-Emergency Reimbursements:

How does the bill specify Non-Emergency Out-of-Network provider reimbursements?

If the OON provider submits a bill **within 180 days of service** for non-emergency services, they will receive the **greater of**:

- 1) 110% of the health insurance carrier in-network median for that same geographic area, OR
- 2) the 60th percentile of the in-network rate in the same geographic area for the prior year based on commercial claims in the CO APCD

If the OON provider submits a bill **after 180 days of service** for non-emergency services, they will receive:

- 125% of the Medicare Reimbursement rate for the same geographic area

How does the bill specify Emergency Out-of-Network provider reimbursements?

If the OON provider (*with the exception of Denver Health and Hospital Authority*) submits a bill **within 180 days of service** for emergency services, they will receive the **greater of**:

- 1) 105% of the health insurance carrier in-network median for that same geographic area, OR
- 2) 100% of the in-network rate in the same geographic area for the prior year based on commercial claims in the CO APCD

If the OON provider is **Denver Health and Hospital Authority** and they submit a bill **within 180 days of service** for emergency services, they will get paid the **greater of**:

- 1) Denver Health's median commercial payment, or
- 2) 250% of Medicare reimbursement rate, or
- 3) The median in-network rate for the same service provided in a similar facility in the same geographic area for the prior year based on commercial claims in the CO APCD

If the OON provider or Denver Health and Hospital Authority submits a bill **after 180 days of service**, for non-emergent services, they will receive:

- 125% of the Medicare Reimbursement rate for the same geographic area