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0466 Health Care Task Force

Colorado Legislative Council

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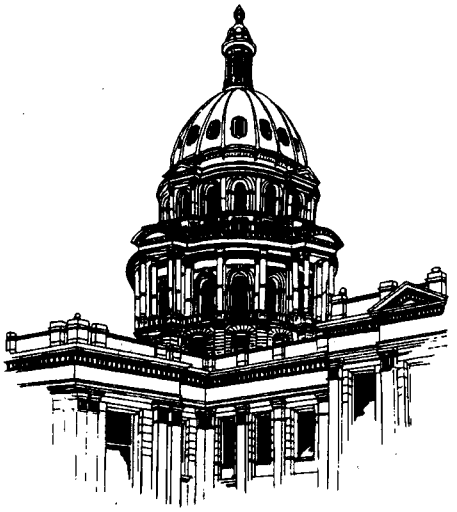

Health Care

Task Force

Report to the

COLORADO

GENERAL ASSEMBLY

Colorado Legislative Council
Research Publication No. 466
November 1999

RECOMMENDATIONS FOR 2000

HEALTH CARE TASK FORCE

Report to the
Colorado General Assembly

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November 1999

To Members of the Sixty-second General Assembly:

Submitted herewith is the final report of the Health Care Task Force. The statutory committee was created pursuant to Section 26-15-107, Colorado Revised Statutes.

At its meeting on November 15, 1999, the Legislative Council reviewed the report of this committee. A motion to forward this report and the bills therein for consideration in the 2000 session was approved.

Respectfully submitted,

/s/ Senator Ray Powers
Chairman
Legislative Council

RP/WG/cs

TABLE OF CONTENTS

RECOMMENDED BILL AND FISCAL NOTE

HEALTH CARE TASK FORCE

Members of the Committee

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Representative Bob Hagedorn*
Representative Steve Johnson
Representative Shawn Mitchell
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Executive Summary

Committee Charge

Pursuant to Section 26-15-107, C.R.S., the Colorado Health Care Task Force must study 13 specific health-related issues over five years. The study charges include reviewing issues regarding emerging trends, managed care, and the operation of the Medically Indigent program.

Committee Activities

The Task Force met four times during the 1999 interim to receive briefings and discuss issues primarily related to the uninsured. The Task Force recognized that despite Colorado's strong economy and low unemployment rate, the percentage of people without health insurance is growing. Testimony revealed that many employers, particularly those in the service industry, do not offer health insurance to their employees, or employees are unable to afford health insurance premiums. The Task Force also learned that escalating pharmaceutical costs may contribute to high insurance premiums, but patients who testified indicated that the newer, more expensive drugs have helped them manage their medical conditions more effectively. The Task Force also received testimony regarding Medicaid waivers. Although the application process is lengthy, once a waiver is approved by the Health Care Financing Administration, it often adds significant flexibility to the state's Medicaid program. Finally, the Task Force learned that the Office of State Planning and Budgeting is starting to research the possibility of consolidating the state's health care contracts in order to increase efficiency.

Three subcommittees were appointed by the Task Force to study other significant health care issues and report their findings and recommendations to the Task Force. Subcommittees are chaired by Task Force members and membership is comprised of health care experts (see Appendix A). The subcommittees studied the following topics: 1) emerging trends in Colorado health care and their impact on consumers; 2) the ability of consumers to obtain and keep adequate, affordable health insurance coverage, including coverage for catastrophic illnesses; and 3) future trends for health care coverage rates for employees and employers and the social and financial costs and benefits of mandated health care coverage. The Emerging Trends Subcommittee specifically studied trends in health care work force requirements and home health care. The Health Insurance Coverage Subcommittee established a goal of assuring health care access to all Coloradans. Finally, the Health Care Coverage Rates and Mandated Benefits Subcommittee studied a variety of topics and recommended a bill to establish a child immunization tracking system.

Committee Recommendation

As a result of committee discussion and deliberation, the Task Force recommends the following bill for consideration in the 2000 legislative session.

Bill A — Implementation of a Child Immunization Registry. Bill A requires the Department of Public Health and Environment to implement a comprehensive immunization tracking system by July 1, 2001. Prior to the implementation the Department must study and report on the cost of immunization and the possibility of a public/private purchasing cooperative. A cooperative may reduce the price of immunizations.

STATUTORY AUTHORITY AND RESPONSIBILITIES

Pursuant to Section 26-15-107, C.R.S (HB 99-1019), the Colorado Health Care Task Force must consider, but is not limited to, the following issues over five years.

- Emerging trends in Colorado health care and their impact on consumers, including but not limited to:
  - relationships among health care providers, patients, and payors;
  - restrictions in health care options available to consumers and professional liability issues arising from these restrictions;
  - medical and patient record confidentiality;
  - health care work force requirements; and
  - home care in the continuum of care.
- the effect of recent shifts in the way health care is delivered and paid for;
- the ability of consumers to obtain and keep adequate, affordable health insurance coverage, including coverage for catastrophic illnesses;
- the effect of managed care on the ability of consumers to obtain timely access to quality care;
- the operation of the Medically Indigent Program;
- future trends for health care coverage rates for employees and employers;
- the role of public health programs and services;
- the social and financial costs and benefits of mandated health care coverage; and
- the costs and benefits of providing preventive care and early treatment for people with chronic illnesses who may eventually need long-term care.

COMMITTEE ACTIVITIES

During the 1999 interim, the Colorado Health Care Task Force received testimony regarding the uninsured population, rising pharmaceutical costs, Medicaid waivers, and consolidation of state health care contracts. Due to the complexity of these topics, the Task Force will continue studying these issues over the next few years.

The Growing Uninsured Population

Scope of issue. The number of Americans without health insurance grew 36 percent between 1987 and 1997. In Colorado, 15 percent of the population, or approximately 580,000 adults and children, are uninsured. Employers are the primary source for health insurance coverage, but approximately 61 percent of uninsured Coloradans are in families where the head of the household works. The increasing cost of health insurance premiums and a shortage of employer-sponsored health benefits contribute to the large number of employed uninsured individuals. Comprehensive health insurance for a family currently costs approximately $6,000 per year and is increasing. Employers report premium increases of six to nine percent for health maintenance organizations (HMOs), five to eight percent for preferred provider organizations (PPOs), and nine to 11 percent for traditional indemnity plans. Low income workers have a particularly difficult time getting health insurance through their employers. A national survey of employers found that just 39 percent of firms employing primarily low income workers (less than $20,000 per year) offer health benefits.

Rising Pharmaceutical Costs

Scope of issue. Pharmaceutical costs are increasing rapidly. Between 1993 and 1998, the average price per prescription increased by 40 percent. Newer, more expensive drugs are primarily responsible for this price increase. Such increases reduce the percentage of individuals who can afford their prescription medications. People who can afford to purchase the new drugs however state that the drugs more effectively control their medical conditions. The new drugs may therefore reduce the need for more expensive medical treatments such as hospitalization and surgery.

Health insurance companies have tried to contain the costs of prescription drugs through the use of formularies. Formularies are lists of drugs which the insurer has decided are the most cost-effective pharmaceutical treatments. The level of coverage for formulary drugs varies, but formulary drugs are always less expensive to enrollees than non-formulary drugs. Despite these efforts, however, insurers are experiencing increases in their pharmaceutical costs and are increasing the price of medications and premiums to cover those costs.

Medicaid Waivers

Scope of issue. Waivers are available to states to allow more flexibility in their Medicaid programs. States have used waivers to control costs, increase participation in managed care, and target programs to specific populations. In order to be granted a waiver, a state must complete a lengthy application process with the Health Care Financing Administration and demonstrate continued quality, access to services, and a cost that is not higher than the standard Medicaid services.

Colorado has received several waivers and applied for others. Colorado's current Medicaid waivers include several for Home and Community Based Services. These programs target specific populations such as the elderly, blind, and disabled, the developmentally disabled, and children requiring habilitation (developing the ability to function at a higher level). Other state waivers have been used to establish Medicaid Managed Care, mental health capitation, and the Program for All-Inclusive Care for the Elderly (PACE). Colorado is awaiting approval for waivers for family planning, Consumer Directed Attendant Support for the disabled, a Disability Work Incentive Project, and Transition Plus for Medicaid enrollees who are becoming more self-sufficient.

Consolidating State Health Care Contracts

Scope of issue. Several state departments currently administer health care contracts for program enrollees and state employees. They include the Departments of Health Care Policy and Financing, Human Services, Public Health and Environment, Personnel, and Corrections. A consolidation of these contracts may reduce the state's health care costs by leveraging the state's buying power, increase the state's ability to monitor health care quality, increase the number of health insurance plans available to the state, and create greater efficiency by risk pooling certain populations.

Over the next five months, the Office of State Planning and Budgeting will inventory the state's health care contracts, research the potential for risk pooling, and review the feasibility of contract consolidation. The risks of such consolidation will also be considered. Risks may include the potential to shift costs to the private sector and create a more complex state health care contracts system. The Office of State Planning and Budgeting is in the very early stages of reviewing contract consolidation and will keep the Task Force informed of its progress.

Other Issues Considered by the Task Force

In addition to the aforementioned topics, the Health Care Task Force received testimony about Colorado medical malpractice tort reform, hospital charity care, and fiscal impacts of changes in Medicaid premiums. Briefings were made by COPIC Insurance, (the largest physician malpractice insurer), the National Conference of State Legislatures, the Colorado Health and Hospital Association, and Joint Budget Committee staff. The Task Force learned that Colorado has adopted some of the country's most rigorous tort reform laws, and that medical malpractice rates have declined since these laws were implemented. The president of the Colorado Health and Hospital Association testified that his organization has had difficulty defining charity care but expects a consensus on a definition in the near future. Joint Budget Committee staff indicated that a one percent variance in Medicaid premiums currently results in an approximately $15 million impact on the Medicaid premiums budget.

SUBCOMMITTEE ACTIVITIES

Emerging Trends Subcommittee

The Emerging Trends Subcommittee focused on trends in health care work force requirements and home health care. Several representatives from health professional groups and health facilities and family care givers testified regarding health care work force requirements. The subcommittee found there is a significant shortage of nurses and nurse aides and a lack of comprehensive data on Colorado's health care work force requirements. Testimony regarding emerging trends in home health care was presented by the state's Medicaid director and representatives from home health care agencies, Colorado Hospice, and a pediatric home care service. The subcommittee found that a large portion of home health care providers' time is devoted to completing paperwork required by government agencies and health insurance companies. Subcommittee members also discussed rising pharmaceutical prices and patient responsibility. Members decided not to recommend proposals for legislation and plan to focus future meetings on nursing shortages, data collection, paperwork requirements, pharmaceutical prices, and patient responsibility.

Health Insurance Coverage Subcommittee

The Health Insurance Coverage Subcommittee focused its discussions on access to health insurance and health care. Subcommittee members shared their respective expertise in health care issues but also heard testimony on the Taxpayer's Bill of Rights (TABOR), Colorado insurance laws and regulations, other states' experiences with the uninsured, the quality of managed care, and catastrophic illness. A memorandum from the subcommittee detailing its findings and guidelines for future study was presented to the Health Care Task Force. The subcommittee found the percentage of uninsured Coloradans is growing, health insurance premiums are increasing, disabled individuals wish to live independently, and TABOR restricts the health care program possibilities available to the state. Future meetings will be guided by the subcommittee's consensus that all Coloradans should have access to health insurance, barriers to health care should be reduced or eliminated, and the General Assembly should consider creative health program funding alternatives. Options could include a statewide vote to exceed TABOR limitations for health-related purposes.

Health Care Coverage Rates and Mandated Benefits Subcommittee

The Health Care Coverage Rates and Mandated Benefits Subcommittee studied a variety of topics. The subcommittee's review of managed care focused on patient issues such as access to specialists, consumer protections, mandated benefits, and utilization review (a review of the appropriateness of services provided to an enrollee). The subcommittee found that Colorado has implemented many of the protections proposed in

the federal patient bill of rights. A discussion of mental health parity included an overview of other states' insurance coverage requirements, impacts of pharmaceutical treatments, the costs of mental health parity, and drawbacks to partial parity. Mental health providers indicated that Colorado is one of 25 states which have implemented some level of mental health parity and supported extending Colorado's law to full parity. Testimony was also taken regarding child immunization. A representative from the Department of Public Health and Environment testified that Colorado's immunization rate is in the lowest 25 percent of the nation. A tracking system was proposed to help increase the state's immunization rate. The subcommittee recommended Bill A, Concerning Measures to Implement a Registry That Tracks Immunization Information for Children in Colorado, as a result of its hearings.

SUMMARY OF RECOMMENDATION

As a result of the Task Force's activities, the following bill is recommended to the Colorado General Assembly.

Bill A — Concerning Measures to Implement a Registry That Tracks Immunization Information for Children in Colorado.

The purpose of Bill A is to increase Colorado's childhood immunization rates. Currently, only 75 percent of Colorado's two-year-olds are fully immunized against eight vaccine preventable diseases. This ranks Colorado in the lowest 25 percent of states nationally. In order to increase the state's immunization rate, the bill requires the Department of Public Health and Environment to implement a comprehensive immunization tracking system by July 1, 2001. Prior to implementation, the Department must:

- study the cost for physicians to administer immunizations to children;
- study the cost for implementing and maintaining an electronic registry of immunization records; and
- study the implementation of a public and private cooperative arrangement for the purchase of vaccines.

The study results must be reported to the President of the Senate, Speaker of the House of Representatives, the majority and minority leaders of both houses, and the House and Senate chairmen of the Health, Environment, Welfare, and Institutions Committees before March 15, 2001. The Board of Health is required to biennially review the vaccine administration fee physicians are allowed to charge and make adjustments for inflation as necessary. This measure is meant to address providers' concerns that the fees do not sufficiently cover costs of administration. The fiscal note indicates that $60,000 General Fund and $442,131 Cash Fund Exempt are needed to implement the bill in FY 2000/2001.

Resource Materials

The resource materials listed below were provided to the committee or developed by Legislative Council Staff during the course of the study. The summaries of meetings and attachments are available at the Division of Archives, 1313 Sherman Street, Denver. For a limited period of time, the meeting summaries and materials developed by Legislative Council Staff are available on our web site at:

www.state.co.us/gov_dir/leg_dir/lcsstaff/1999/99interim.

Task Force Meeting Summaries	Topics Discussed
July 21, 1999	Colorado's Uninsured Population
September 22, 1999	Pharmaceutical Prices Medicaid Waivers
October 22, 1999	State Health Care Contract Consolidation Medical Malpractice Tort Reform Colorado Hospital Charity Care
November 3, 1999	Medicaid Premiums Consideration of Draft Legislation, Including Bill A

Subcommittee Meeting Summaries	Topics Discussed
Emerging Trends Subcommittee	
August 23, 1999	Health Care Work Force Requirements
September 1, 1999	Health Care Work Force Requirements
September 27, 1999	Health Care Work Force Requirements
October 21, 1999	Home Health Care Health Care Data Collection
November 10, 1999	Subcommittee Priorities for Further Study

Subcommittee Meeting Summaries	Topics Discussed
Health Insurance Coverage Subcommittee	
August 18, 1999	Colorado's Health Insurance Market Medicaid
August 31, 1999	TABOR Amendment Colorado Insurance Laws and Regulations Other States' Experiences with the Uninsured Allocation of Future Public Dollars Quality of Care and Physician Practice Under Managed Care
October 6, 1999	Continuing Care for Children with Disabilities Pharmaceutical Costs Medical Savings Accounts
October 27, 1999	Consideration of Subcommittee Memorandum Concerning Health Care for All Coloradans
Health Care Coverage Rates and Mandated Benefits Subcommittee	
August 25, 1999	The Future of Managed Care Patients' Bills of Rights
September 2, 1999	Medical Research Mental Health Parity Pharmaceutical Research and Development
September 21, 1999	Insurance Claims Involving Utilization Review Insurance Carrier Contracts with Providers Immunization Rates, a Cost-Benefit Analysis, and Benefits of a Tracking System Mandated Benefits

Health Care Coverage Rates and Mandated Benefits Subcommittee (continued)

October 14, 1999	Direct Access to Providers Mental Health Parity
October 26, 1999	Any Willing Provider Health Care Liability
November 23, 1999	Self-Inflicted Injury Exclusion Insurance Coverage of Specific Conditions and Health-Related Items

Memoranda and Reports

Staff memoranda titles:

Medical Malpractice Tort Reform in Colorado, Julie Hoerner, Office of Legislative Legal Services, September 1999.

Medicaid Premiums and the State's General Fund, Alexis Senger, Joint Budget Committee Staff, November 1999.

Medical Savings Accounts, Whitney Gustin, Legislative Council Staff, August 1999.

The Colorado Medicaid Home Health Budget, Alexis Senger, Joint Budget Committee Staff, October 1999.

Reports Provided to the Committee

1997 Colorado Health Source Book, Insurance Access and Expenditures, The Rose Community Foundation and The Colorado Trust, April 1998.

A Plan for Colorado, Meeting the Needs of the Medically Underserved, Colorado Coalition for the Medically Underserved, December 1998.

Claim Statistics and Tort Reform, COPIC Insurance, September 1999.

Findings for the 1999 Interim, Health Insurance Subcommittee of the Health Care Task Force, November 1999.

Medical Liability Statutes (a fifty-state overview), National Conference of State Legislatures, September 1999.

Reports Provided to the Committee (continued)

Priorities for Further Study, Emerging Trends Subcommittee of the Health Care Task Force, November 1999.

Reference Guide to Colorado Hospital and Health Care Organization Financial and Utilization Data, Colorado Health and Hospital Association, 1997.

Summary of Agenda Topics and Discussion, Health Care Coverage Rates and Mandated Benefits Subcommittee of the Health Care Task Force, November 1999.

Uninsured in America, A Chart Book, The Kaiser Commission on Medicaid and the Uninsured, June 1998.

Bill A

BY REPRESENTATIVES Hagedorn, Morrison, and Tochtrop
also SENATOR Reeves

A BILL FOR AN ACT

CONCERNING MEASURES TO IMPLEMENT A REGISTRY THAT TRACKS IMMUNIZATION INFORMATION FOR CHILDREN IN COLORADO.

Bill Summary

"Increasing Immunization Rates"

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Health Care Task Force. Requires the department of public health and environment (the department) to review the administrative fee paid to public and private physicians for immunizations every 2 years and adjust them for inflation.

Requires the department to study the administrative cost for:

- Public and private physicians to administer immunizations to children; and
- Implementing and maintaining an electronic tracking system of children's immunization records by public and private physicians.

Requires the department to report back to the president of the senate, majority and minority leaders of the senate, speaker of the house of representatives, majority and minority leaders of the house of representatives, and chairs of the health, environment, welfare, and institutions committees of the senate and the house of representatives no later than March 15, 2001, regarding the administration study. Requires the report to include methods of incentives for public and private physicians to increase the proper immunization of children and maintain an electronic tracking system. Allows the department to provide greater incentives to practitioners who implement and maintain an electronic tracking system of immunization records. Allows the study to be funded with private and public moneys.

Requires the department to study the implementation of a public and private cooperative arrangement for the purchase of vaccinations. Requires the department to evaluate the costs associated with the purchase and distribution of vaccines. Requires that participants of the vaccine cooperative implement and maintain an electronic tracking system of immunization records for children. Requires the department to report back to the president of the senate, majority and minority leaders of the senate, speaker of the house of representatives, majority and minority leaders of the house of representatives, and chairs of the health, environment, welfare, and institutions committees of the senate and the house of representatives no later than March 15, 2001, regarding the vaccine cooperative. Allows the study to be funded with private and public moneys.

Requires that the department implement an infant and child immunization tracking system by July 1, 2001.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. 25-4-1705 (3), the introductory portion to 25-4-1705 (5) (e) (I), and 25-4-1705 (5) (e) (I) (D), (5) (e) (II) (C), (5) (e) (II) (D), and (5) (g), Colorado Revised Statutes, are amended, and the said 25-4-1705 (5) (e) is further amended BY THE ADDITION OF A NEW SUBPARAGRAPH, to read:

25-4-1705. Department of public health and environment - powers and duties. (3) (a) The department shall distribute such vaccines, in accordance with rules promulgated by the board of health, without purchase, shipping, handling, or other charges to practitioners who agree not to impose a charge for such vaccine on the infant recipient, the child's parent or guardian, third-party payor, or any other person; except that a practitioner may charge a reasonable administrative fee in connection with the administration of a vaccine. The board of health shall determine the amount of such administrative fee that a PUBLIC OR PRIVATE practitioner may charge, AND THE BOARD OF HEALTH SHALL REVIEW THE ADMINISTRATIVE FEE EVERY TWO YEARS BEGINNING JULY 1, 2000, AND ADJUST THE FEE FOR INFLATION AS NECESSARY.

(b) (I) THE DEPARTMENT SHALL CONDUCT A STUDY TO DETERMINE THE COST FOR PRIVATE AND PUBLIC PRACTITIONERS TO IMMUNIZE CHILDREN. SUCH STUDY SHALL INCLUDE, BUT NOT BE LIMITED TO, THE ADMINISTRATIVE COSTS FOR PURCHASING VACCINES FOR PRACTITIONERS AND FOR IMPLEMENTING AND MAINTAINING AN ELECTRONIC TRACKING SYSTEM OF CHILDREN'S IMMUNIZATION RECORDS BY PRACTITIONERS.

(II) THE DEPARTMENT SHALL SUBMIT A REPORT OF THE STUDY, BASED ON ACTUARIALLY SOUND METHODS, CONTAINING CONCLUSIONS AND ALL POSSIBLE MEASURES TO IMPROVE INCENTIVES TO PUBLIC AND PRIVATE PRACTITIONERS WHO IMPROVE THE NUMBER OF CHILDREN PROPERLY IMMUNIZED WITHIN THEIR PRACTICE AND WHO IMPLEMENT AND MAINTAIN AN ELECTRONIC TRACKING SYSTEM OF IMMUNIZATION RECORDS. THE DEPARTMENT MAY PROVIDE GREATER INCENTIVES FOR PRACTITIONERS WHO IMPLEMENT AND MAINTAIN AN ELECTRONIC TRACKING SYSTEM OF IMMUNIZATION RECORDS. THE REPORT SHALL BE SUBMITTED TO THE PRESIDENT OF THE SENATE, MAJORITY AND MINORITY LEADERS OF THE SENATE, SPEAKER OF THE HOUSE OF REPRESENTATIVES, MAJORITY AND MINORITY LEADERS OF THE HOUSE OF REPRESENTATIVES, AND CHAIRS OF THE HEALTH, ENVIRONMENT, WELFARE, AND INSTITUTIONS COMMITTEES OF THE SENATE AND THE HOUSE OF REPRESENTATIVES NO LATER THAN MARCH 15, 2001.

(III) THE STUDY SHALL BE FUNDED THROUGH DONATIONS, GRANTS, AND GIFTS FROM PRIVATE SECTOR ORGANIZATIONS AND MONEYS APPROPRIATED BY THE STATE. PRIVATE MONEYS MAY BE RECEIVED FOR PURPOSES OF THE STUDY CONDUCTED PURSUANT TO THIS SECTION. THE EXECUTIVE DIRECTOR OF THE DEPARTMENT SHALL HAVE THE POWER TO ACCEPT OR DISPOSE OF ANY GIFT, GRANT, OR DONATION RECEIVED FOR THIS STUDY.

(c) (I) THE DEPARTMENT SHALL STUDY THE IMPLEMENTATION OF A COOPERATIVE EFFORT BETWEEN THE PUBLIC AND PRIVATE SECTOR TO PURCHASE VACCINES FOR THE IMMUNIZATION OF CHILDREN. THE DEPARTMENT SHALL DETERMINE THE COSTS ASSOCIATED WITH CREATING A VACCINE COOPERATIVE AND HOW THE VACCINE COOPERATIVE SHOULD PURCHASE AND DISTRIBUTE VACCINES.

(II) THE DEPARTMENT SHALL SUBMIT A REPORT OF THE STUDY CONTAINING CONCLUSIONS AND ALL POSSIBLE MEASURES TO IMPLEMENT THE VACCINE COOPERATIVE. THE REPORT SHALL SPECIFY THAT PUBLIC SECTOR AND PRIVATE SECTOR PARTICIPANTS SHALL MAINTAIN AN ELECTRONIC TRACKING SYSTEM OF CHILDREN'S IMMUNIZATION RECORDS. THE REPORT SHALL BE SUBMITTED TO THE PRESIDENT OF THE SENATE, MAJORITY AND MINORITY LEADERS OF THE SENATE, SPEAKER OF THE HOUSE OF REPRESENTATIVES, MAJORITY AND MINORITY LEADERS OF THE HOUSE OF REPRESENTATIVES, AND CHAIRS OF THE HEALTH, ENVIRONMENT, WELFARE, AND INSTITUTIONS COMMITTEES OF THE SENATE AND THE HOUSE OF REPRESENTATIVES NO LATER THAN MARCH 15, 2001.

(III) THE STUDY SHALL BE FUNDED THROUGH DONATIONS, GRANTS, AND GIFTS FROM PRIVATE SECTOR ORGANIZATIONS AND MONEYS APPROPRIATED BY THE STATE. PRIVATE MONEYS MAY BE RECEIVED FOR PURPOSES OF THE STUDY CONDUCTED PURSUANT TO THIS SECTION. THE EXECUTIVE DIRECTOR OF THE DEPARTMENT SHALL HAVE THE POWER TO ACCEPT OR DISPOSE OF ANY GIFT, GRANT OR DONATION RECEIVED FOR THIS STUDY.

(5) The board of health, in consultation with the medical services board in the state department of health care policy and financing, and such other persons, agencies, or organizations that the board of health deems advisable, shall formulate, adopt, and promulgate rules and regulations governing the implementation and operation of the infant immunization program. Such rules shall address the following:

(e) (I) The gathering of epidemiological information, including the establishment of a comprehensive immunization tracking system. Infant AND CHILD immunization information may be gathered for such tracking system by state and local health departments from the following sources:

(D) A parent of the infant, as defined in section 25-4-1703 (3), OR CHILD, AS DEFINED IN SECTION 25-4-1703 (1.5);

(II) Records in the immunization tracking system established pursuant to subparagraph (I) of this paragraph (e) shall be strictly confidential and shall not be released, shared with any agency or institution, or made public, except under the following circumstances:

(C) Release may be made of immunization records and epidemiological information to the parent of the infant OR CHILD, the physician treating the person who is the subject of an immunization record, a school in which such person is enrolled, or any entity or person described in sub-subparagraph (E), (F), (G), or (H) of subparagraph (I) of this paragraph (e).

(D) No officer or employee or agent of the state department of public health and environment or local department of health shall be examined in any judicial, executive, legislative, or other proceeding as to the existence or content of any infant's OR CHILD'S report obtained by such department without consent of the infant's OR CHILD'S parent. However, this provision shall not apply to infants OR CHILDREN who are under isolation, quarantine, or other restrictive action taken pursuant to section 25-1-107 (1) (b).

(III) THE DEPARTMENT SHALL IMPLEMENT THE COMPREHENSIVE IMMUNIZATION TRACKING SYSTEM NO LATER THAN JULY 1, 2001.

(g) The assessment of the vaccination status of infants AND CHILDREN;

SECTION 2. 25-4-1703, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

25-4-1703. Definitions. As used in this part 17, unless the context otherwise requires:

(1.5) "CHILD" MEANS ANY PERSON LESS THAN EIGHTEEN YEARS OF AGE.

SECTION 3. No appropriation. The general assembly has determined that this act can be implemented within existing appropriations, and therefore no separate appropriation of state moneys is necessary to carry out the purposes of this act.

SECTION 4. Effective date - applicability. This act shall take effect July 1, 2000, and shall apply to all records kept by private and public practitioners regarding immunization and all vaccines administered on or after said date.

SECTION 5. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

DRAFT

BILL A

Colorado Legislative Council Staff

STATE FISCAL IMPACT

Drafting Number:	LLS 00-0425	**Date:**	December 3, 1999
Prime Sponsor(s):	Rep. Hagedorn Sen. Reeves	**Bill Status:**	Health Care Task Force
		Fiscal Analyst:	Janis Baron (303-866-3523)

TITLE: CONCERNING MEASURES TO IMPLEMENT A REGISTRY THAT TRACKS IMMUNIZATION INFORMATION FOR CHILDREN IN COLORADO.

Fiscal Impact Summary	FY 2000/2001	FY 2001/2002
State Revenues General Fund		
State Expenditures General Fund Cash Fund Exempt	$ 60,000 442,131	$ 0 320,017
FTE Position Change	0.0 FTE	0.0 FTE
Other State Impact: None		
Effective Date: July 1, 2000 — Applies to all records regarding immunizations and vaccines administered on or after said date.		
Appropriation Summary for FY 2000-2001: Department of Public Health and Environment $ 502,131 Total 60,000 GF 442,131 CFE — Reserves from the Infant Immunization Fund		
Local Government Impact: None		

Summary of Legislation

The bill includes the following provisions:

- requires the Department of Public Health and Environment (DPHE) to review the administrative fee paid for immunizations every two years and adjust them for inflation;
- requires DPHE to study: (1) the administrative cost for public and private physicians to administer immunizations; (2) implementing and maintaining an electronic tracking system of children's immunization records; and (3) implementing a public and private cooperative arrangement for the purchase of vaccines;

- allows the studies to be funded with private and public moneys;
- establishes reporting requirements; and
- requires implementation of an infant and child immunization tracking system by July 1, 2001.

State Expenditures

The bill is assessed at having a fiscal impact of $502,131 in FY 2000-01 and $320,017 in FY 2001-02.

Required Studies. As noted above, the bill requires DPHE to study three distinct activities in addition to implementing a comprehensive immunization tracking system no later than July 1, 2001. The cost to conduct the studies is estimated at $60,000, and is based on the following assumptions:

- DPHE will contract with an actuary to conduct the administrative fee study at a cost of $30,000. The study shall include: (1) the administrative costs for purchasing vaccines for practitioners; and (2) the implementation and maintenance of an electronic registry of immunization records by medical practitioners.
- DPHE will contract with an economist to conduct a vaccine cooperative study at a cost of $30,000. This study will determine costs associated with creating a vaccine cooperative and methods the cooperative should use to purchase and distribute vaccines.
- Current staff in the Division of Disease Control and Environmental Epidemiology in DPHE will oversee the two studies, and prepare the reports to the General Assembly which are due no later than March 15, 2001. Oversight and report preparation can be accommodated within existing resources.

Implementation of Comprehensive Immunization Tracking System. In its budget submission for FY 2000-01, DPHE is requesting $442,131 CFE (Infant Immunization Fund Reserves) to implement the Colorado Immunization Tracking System (CITS). This ***Decision Item Request #2*** is submitted under the statutory authority of the Infant Immunization Act. Because the bill requires implementation of the system by July 1, 2001, and because current statutory language makes no such requirement, the fiscal note assumes that the $442,131 required to implement the system should be included in the bill. The $442,131 is required to purchase a data base server, web server, expanded switching equipment to handle increased Internet traffic, and application software.

State Appropriations

The fiscal note indicates that for FY 2000-01, the Department of Public Health and Environment should receive an appropriation of $502,131. Of the total amount, $60,000 is General Fund and $442,131 is cash funds exempt from reserves in the Infant Immunization Fund. Section 25-4-1708, C.R.S., creates the Infant Immunization Fund. This fund is for the purpose of purchasing vaccines and implementing, developing, and operating the infant immunization program. At this time, it is assumed that General Fund will be needed to fund the bill's study requirements.

Departments Contacted

Public Health and Environment

Subcommittee Member Lists

Emerging Trends Subcommittee

Senator Peggy Reeves, Chairman

Mike Bloom, Executive Director, Sunrise Community Health Center

David Briggs, CEO, Arapahoe Mental Health Center

Marty Kiernan, MD, Exempla Saint Joseph Hospital Family Practice Residency Center

Sandra Maloney, Executive Director, Colorado Medical Society

Beccy Pedot, President, Colorado Association for Healthcare Quality, Inc.

Richard Hoffman, MD, Acting Chief Medical Officer, Colorado Department of Public Health and Environment

Martha de Ulibarri, Vice President, Visiting Nurse Corporation of Colorado, Inc.

Health Insurance Coverage Subcommittee

Senator John Evans, Chairman

Craig Arnold, health insurance actuary

Dennis Brimhall, President and CEO, University of Colorado Hospital Authority

Virgilio Licona, MD, Vice President of Medical Affairs, Colorado Access

Julie Reiskin, Executive Director, Colorado Cross-Disability Coalition

Jonathan Sheldon, MD, family physician

Gary VanderArk, MD, Chairman, Colorado Coalition for the Medically Underserved

Larry Wall, President, Colorado Health and Hospital Association

Rebecca Weiss, Manager of Public Policy Development, Blue Cross Blue Shield of Colorado

Dean Woodward, Deputy Director, Colorado Department of Health Care Policy and Financing

Health Care Coverage Rates and Mandated Benefits Subcommittee

Representative Bob Hagedorn, Chairman

Richard Allen, Director, Office of Medical Assistance, Colorado Department of Health Care Policy and Financing

Catherine Benavidez Clayton, Executive Director, Epilepsy Foundation of Colorado

Tom Dameron, Director, Health and Welfare Benefits, U.S. West

Heidi Frey, President, Patient Advocacy Coalition

Joan Heller, Optometrist, Kaiser Permanente

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Rick Rush, Vice President, Actuarial Services, PacifiCare