

Date: February 7, 2017	POLICY SUMMARY PREPARED FOR THE BOARD OF DIRECTORS	 OF NORTHERN LARIMER COUNTY
Staff: Dan Sapienza		

SB17-004 – ACCESS TO PROVIDERS FOR MEDICAID RECIPIENTS:
Concerning access by Medicaid recipients to non-enrolled medical providers.

Details

Bill Sponsors: House – Wist (R)
Senate – Tate (R)

Committee: Senate Health and Human Services

Bill History: 02/09/2017 Senate Committee on Health & Human Services Refer Unamended to Senate Committee of the Whole

Next Action:

Bill Summary

Under current law, Medicaid recipients may not be billed for services that are covered by Medicaid by any health provider, regardless of whether the provider accepts Medicaid. This bill allows providers who do not accept Medicaid to bill Medicaid recipients for services provided if they first enter into a written agreement with the patient.

Issue Summary

To encourage provider participation in the Medicaid program and to ensure that Medicaid recipients are safe from the financial impacts of health issues, the Colorado Medicaid program prohibits billing Medicaid recipients for services. Medicaid patients may only be billed for services if the rendered services are not covered by Medicaid. If the service is covered, the recipient may not be billed. This policy applies to providers that accept Medicaid and those providers that opt to not accept Medicaid.

The current policy has a primary purpose of encouraging provider enrollment into Medicaid and in this goal it closely mirrors Medicare policies. To provide care to the large number of enrollees in Medicaid, especially under the expansion, and to be reimbursed for such care, this policy encourages providers to opt-in. Without such a policy, some providers would not opt-in because they might collect some money from Medicaid enrollees.

Another important goal of the current policy is to help Medicaid enrollees have confidence that they may seek health care without fear of encountering fees over any regular copayments. Without the policy, they would never be certain whether the care they receive would be covered or not (like the situation that can occur with in-network and out-of-network care with provide insurers). Medicaid would not be able to fulfill its mission of removing economic burdens of health care to low-income and high-need individuals.

While the current policy has long-term goals of improving access to care by Medicaid enrollees, in some situations problems have occurred where patients have been unable to access care because of the policy, especially specialty care. One example would be a Medicaid patient who is seeking dermatological care, but cannot find any specialists that accept Medicaid. These patients could not choose to opt out of Medicaid coverage for that dermatological visit and then receive a bill from the provider.

Date: February 7, 2016	POLICY BRIEF SB17-004	Page 2
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This legislation

This bill would allow providers to bill Medicaid patients for services if the provider chooses to not enroll in Medicaid and enters into a written agreement with the patient prior to providing services.

Reasons to Support

- The policy of prohibiting the billing of Medicaid enrollees, in some situations, is a bar to those enrollees receiving services. Especially in cases with specialty care, there are areas where enrollees have access to no providers. This bill would allow those patients to make the decision to accept charges.
- Some argue that the current law prevents Medicaid enrollees from exercising their rights to enter into contracts and make decisions about their own financial situations and health care.

Supporters

- Republican Caucus
- Republican Business Alliance
- Colorado Dental Association

Reasons to Oppose

- Medicaid enrollees do not have the finances to pay for expensive care and with this bill would be subject to charges for health care, including interest and penalties on charges. Medicaid is designed to allow enrolled individuals and families to access care without fear of the expenses they might incur.
- This bill could increase consumer confusion, as this bill would allow some providers to bill Medicaid enrollees, while others (Medicaid-enrolled providers) would not be allowed to do so. Unscrupulous providers might be able to advertise they will see Medicaid clients (with a small fee). Patients would have little certainty over where to go or what charges they might see.
- The existing law is intended to encourage more provider participation in Medicaid, which this bill would end. Contrary to the stated goal of allowing more access, in the long-term, this bill would likely reduce provider participation and thereby reduce Medicaid enrollees' access to care.

Opponents

- Colorado Department of Healthcare Policy and Financing
- ARC of Colorado
- Colorado Center on Law and Policy

About this Summary

This summary was prepared by Health District of Northern Larimer County staff to assist the Health District Board of Directors in determining whether to take an official stand on various health-related issues. The Health District is a special district of the northern two-thirds of Larimer County, Colorado, supported by local property tax dollars and governed by a publicly elected five-member board. The Health District provides medical, mental health, dental, preventive and health planning services to the communities it serves. For more information about this summary or the Health District, please contact Dan Sapienza, Policy Coordinator, at (970) 224-5209, or e-mail at dsapienza@healthdistrict.org.