

**HB13-1015 – Mental Health Claims in All-Payer Database**  
For the Health District of Northern Larimer County Board of Directors

---

<b>Bill Title:</b>	<b>Concerning elimination of the prohibition against disclosure of mental health claims information by small group health plans</b>
<b>Issue Summary:</b>	Under current law, small group health plans are prohibited from disclosing a person's mental health history, diagnosis, or treatment information without written consent. This bill repeals that prohibition and will allow the APCD to include a more complete picture of Colorado health claims.
<b>Bill Sponsors:</b>	Rep. Kraft-Tharp (D), Sens. Kefalas (D) and Aguilar (D)
<b>Bill History:</b>	February 4, 2013 – Passed Third Reading in House
<b>Date of Analysis:</b>	<b>February 7, 2013</b>
<b>Prepared by:</b>	Dan Sapienza, Policy Coordinator

---

### **BILL SUMMARY**

Under current law, small group health plans are prohibited from disclosing a person's mental health history, diagnosis, or treatment information without written consent. This bill repeals that prohibition and will allow the APCD to include a more complete picture of Colorado health claims.

### **BACKGROUND**

The All-Payer Claims Database (APCD) was established in Colorado in 2010 with a goal of allowing Coloradans to compare prices and data on health care across the state. This information has already been gathered on approximately 2 million individuals with private insurance, Medicaid, and Medicare. The Colorado APCD was an idea that emerged from the 2008 Blue Ribbon Commission on Healthcare Reform to aid consumers, providers, insurers, researchers, and policy makers. The APCC is administered by the Center for Improving Value in Health Care (CIVHC).

However, with implementation of the APCD, a gap in information has been found. The APCD gathers mental health claims information from private insurers in the individual and large-group markets, but not small group insurers, due to a provision in the Colorado Revised Statutes. CRS § 10-16-104 prohibits small group insurers from disclosing mental health history, diagnosis, or treatment services without written consent of the patient.

The prohibition on disclosing mental health information has a far reaching impact. The practical effect of the strict prohibition is that small group carriers are not reporting any health claims data to the APCD. Options to remedy this problem are for small group insurers to retool their entire system to separate mental health and other health claims or the current proposal to repeal the prohibition on mental health claims disclosure entirely.

### **WHY IS THIS ISSUE IMPORTANT?**

The APCD's aggregated claims information (cost, diagnosis, location, provider type) allows anyone to identify the costs, utilization, and quality of health care services provided in Colorado. The ability to understand the health care spending patterns and the performance of the health care system is critical to develop and measure new payment reform and delivery efforts, including improved access to care, reduced costs, and improved quality. With the lack of claims data from the small group market, the state and local communities are unable to effectively utilize this rich resource for accurate planning and evaluation.

### **POTENTIAL CONCERNS**

Most concerns about the APCD, and specifically the inclusion of mental health claims, center around patient privacy and whether patients can be identified through the system. This data, however, has many safeguard to prevent individuals' identification. Data is always encrypted and transmitted through secure connections. No names are used, only number identifiers. Birthdates are replaced with broad age categories and zip code information is obscured (zip codes are reduced to the first 3 digits or to 000 if from a zip code with fewer than 20,000 people). This bill does not change the security and privacy procedures, it only allows small group data to be collected with the other information the APCD already receives.

---

**About this Analysis**

This analysis 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. Analyses are based on bills or issues at the time of their consideration by the Board and are accurate to the best of staff knowledge. It is suggested that people check to see that a bill has not changed during the course of a legislative session by visiting the Colorado General Assembly web page at [www.state.co.us/gov\\_dir/stateleg.html](http://www.state.co.us/gov_dir/stateleg.html). To see whether the Health District Board of Directors took a position on this or other policy issues, please visit [www.healthdistrict.org/policy](http://www.healthdistrict.org/policy).

**About the Health District**

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 analysis or the Health District, please contact Dan Sapienza, Policy Coordinator, at (970) 224-5209, or e-mail at [dsapienza@healthdistrict.org](mailto:dsapienza@healthdistrict.org).