

COLORADO

Community Benefit Requirement

Colorado law does not expressly require nonprofit hospitals to provide community benefits.

Minimum Community Benefit Requirement

Colorado law does not expressly require nonprofit hospitals to provide community benefits.

Community Benefit Reporting Requirement

Colorado does not require nonprofit hospitals to report community benefits.

Community Health Needs Assessment

Colorado does not require nonprofit hospitals to conduct community health needs assessments.

Community Benefit Plan/Implementation Strategy

Colorado does not require nonprofit hospitals to develop community benefit plans or implementation strategies.

Financial Assistance Policy

Colorado law requires hospitals that do not participate in the [Colorado Indigent Care Program](#) to provide financial assistance to qualified patients.

Colorado's Hospital Payment Assistance Program, adopted in 2012, requires both nonprofit and for-profit hospitals to make financial assistance available to "qualified" patients on a community-specific basis. "Qualified patients" are individuals who 1) are uninsured, 2) have annual family income not exceeding 250 percent of the federal poverty level, and 3) received a service at a hospital at which the Colorado Indigent Care Program was not available. [Colo. Rev. Stat. §25-3-112\(2\) \(2012\), \(SB 12-134\)](#).



Financial Assistance Policy Dissemination

Colorado requires that both nonprofit and for-profit hospitals make financial assistance information available to patients and post their written financial assistance, charity care, and payment plan policies.

Colorado requires that these policies be posted on each hospital's website and in patient waiting areas. It also requires the information to be made available, when possible, before the patient's discharge, and that it be included in each patient billing statement. [Colo. Rev. Stat. §25-3-112\(1\) \(2012\)](#), [\(SB 12-134\)](#).

Limitations on Charges, Billing, and Collections

Colorado law limits nonprofit and for-profit hospital charges and collection practices.

Colorado law limits billing and collection practices against persons eligible for assistance under the hospital's financial assistance policy. Such persons may be charged no more than the lowest negotiated rate charged to a private health plan. In addition, before initiating collection proceedings, hospitals must: 1) offer qualified patients a reasonable payment plan and 2) allow for a 30-day period past the due date of the first scheduled payment that is not paid in full. [Colo. Rev. Stat. §25-3-112\(3\), \(4\)\(a\) \(2014\)](#); [\(SB 14-50\)](#). If a hospital discovers it has made an error, then the hospital should correct the error or omission, inform the patient, provide a financial correction, and inform the health department. The health department will make self-reported incidents, investigations, and complaints available to the public. [Colo. Rev. Stat. §25-3-112\(3.5\) \(2014\)](#), [\(SB 14-50\)](#).

If a hospital is notified by the health department that it is not in compliance with governing statutes or regulations, then it must file a corrective action plan that includes measures to inform the patient or patients, and provide a financial correction consistent with the statute and regulations. A hospital should not initiate collections proceedings if it is notified that it must submit a corrective action plan or when it is operating under a corrective action plan. [Colo. Rev. Stat. §25-3-112\(4\)\(b\) \(2014\)](#), [\(SB 14-50\)](#).

SB 14-50 also establishes compliance monitoring of hospitals and hospital penalties for "knowing or willfull noncompliance."

Income Tax Exemption

Colorado law exempts non-profit hospitals from state income tax.

Colorado law exempts from state income tax persons and organizations that are exempt from federal income tax. [Colo. Rev. Stat. §39-22-112\(1\) \(1987\)](#).



Property Tax Exemption

Colorado exempts from taxation property owned and used by nonprofit hospitals for a strictly charitable purpose.

Colorado exempts from state property tax real and personal property that is “owned and used solely and exclusively for strictly charitable purposes” by a nonprofit hospital that is licensed by the state as a health care facility. [Colo. Rev. Stat 39-3-108\(1\)\(b\) \(2013\)](#).

Sales Tax Exemption

Colorado law exempts nonprofit hospitals from state sales and use taxes.

All sales made to charitable organizations in the conduct of their regular activities are exempt from taxation. The proceeds of occasional sales of tangible personal property (such as concessions) by charitable organizations for fund-raising purposes are also exempt, up to a maximum of \$25,000 per year, if proceeds are “used in the course of the organization’s charitable service.” [Colo. Rev. Stat. §39-26-718\(1\) \(2008\)](#).

