

## CHAPTER 167

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**HEALTH CARE POLICY AND FINANCING**

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## SENATE BILL 21-022

BY SENATOR(S) Bridges and Smallwood, Coram, Ginal, Jaquez Lewis, Moreno, Priola, Rankin, Simpson;  
also REPRESENTATIVE(S) Snyder and McKean, Burnett, Duran, Michaelson Jenet, Ricks.

**AN ACT**

**CONCERNING CONFIRMATION OF RECEIPT OF A WRITTEN REQUEST TO PERFORM AN AUDIT OF A  
MEDICAID PROVIDER PRIOR TO THE COMMENCEMENT OF THE AUDIT.**

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

**SECTION 1.** In Colorado Revised Statutes, 25.5-4-301, **amend** (3)(a)(IV) as follows:

**25.5-4-301. Recoveries - overpayments - penalties - interest - adjustments - liens - review or audit procedures.** (3) (a) A review or audit of a provider is subject to the following procedures:

(IV) PRIOR TO A REVIEW OR AUDIT REQUIRING AN INSPECTION OF A PROVIDER'S RECORDS, THE REVIEWER OR AUDITOR, OR A QUALIFIED AGENT CONTRACTED WITH THE STATE DEPARTMENT PURSUANT TO SUBSECTION (3)(b) OF THIS SECTION, SHALL CONFIRM THE PROVIDER'S CONTACT INFORMATION WITH THE PROVIDER. AFTER CONFIRMING THE PROVIDER'S CONTACT INFORMATION, THE REVIEWER OR AUDITOR, OR QUALIFIED AGENT, SHALL NOTIFY THE PROVIDER OF ADDITIONAL INFORMATION CONCERNING THE REVIEW OR AUDIT, INCLUDING INSTRUCTIONS, CORRESPONDENCE TIMELINES, AND A STATE DEPARTMENT CONTACT FOR THE PROVIDER TO NOTIFY IF THE PROVIDER DOES NOT RECEIVE THE WRITTEN REQUEST FOR RECORDS. The reviewer or auditor shall initiate each review or audit requiring an inspection of the provider's records by delivering to the provider not less than ten business days prior to the commencement of the audit a written request THROUGH BOTH E-MAIL AND CERTIFIED MAIL describing in detail such records and offering the provider the option of providing either a reproduction of such records or inspection by the reviewer or auditor at the provider's site. The request must also clearly define milestone dates pertaining to records' requested due dates, permissible extensions of dates, the timelines for informal reconsideration, and deadlines for requesting a

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*Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.*

formal appeal. The records subject to the request must be limited to records directly related to claims for reimbursement submitted by the provider. PRIOR TO A QUALIFIED AGENT COMMENCING ANY REVIEW OR AUDIT, THE STATE DEPARTMENT SHALL ENSURE PROVIDERS UNDERSTAND THE RELATIONSHIP BETWEEN THE STATE DEPARTMENT AND THE QUALIFIED AGENT AND HOW TO CONTACT THE QUALIFIED AGENT. In the event such records are available from a county department of human or social services or another agency, subdivision, or contractor of the state, the reviewer or auditor shall request such records from such other agencies as may be appropriate prior to making a request to the provider. The reviewer or auditor shall conduct on-site inspections at reasonable times during regular business hours, and the reviewer or auditor shall make arrangements necessary for the reproduction of such records on site. If the provider chooses to provide a reproduction of the records requested by the reviewer or auditor instead of on-site inspection, the reviewer or auditor shall give the provider a reasonable period of time, not less than forty-five days, to provide such records, taking into account the scope of the request, the time frame covered, and the reproduction arrangements available to the provider.

**SECTION 2. Act subject to petition - effective date.** This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2022 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

Approved: May 21, 2021