

**Second Regular Session
Seventy-third General Assembly
STATE OF COLORADO**

ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

LLS NO. 22-0815.01 Shelby Ross x4510

HOUSE BILL 22-1302

HOUSE SPONSORSHIP

Kennedy and Will, Amabile, Gonzales-Gutierrez, Michaelson Jenet

SENATE SPONSORSHIP

Jaquez Lewis and Priola,

House Committees

Public & Behavioral Health & Human Services
Appropriations

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING HEALTH-CARE PRACTICE TRANSFORMATION TO SUPPORT**
102 **WHOLE-PERSON HEALTH THROUGH INTEGRATED CARE MODELS,**
103 **AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov/>.)

The bill creates the primary care and behavioral health statewide integration grant program in the department of health care policy and financing to provide grants to primary care clinics for implementation of evidence-based clinical integration care models.

The bill requires the department of health care policy and

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

HOUSE
Amended 2nd Reading
April 8, 2022

financing, in collaboration with the behavioral health administration and other agencies, to develop a universal contract for behavioral health services.

The bill makes an appropriation.

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

2 **SECTION 1. Legislative declaration.** (1) The general assembly
3 finds and declares that:

4 (a) Since the COVID-19 pandemic began, rates of psychological
5 distress, including anxiety, depression, and other behavioral and mental
6 health disorders, among them substance use disorders, have increased;

7 (b) From 2015 to 2019, Colorado's state innovation model used
8 federal grant funding to support 344 primary care practices and four
9 community mental health centers to integrate behavioral and physical
10 health care, build a network of regional health connectors that links
11 practices with community resources, and advance the development of
12 value-based payment structures;

13 (c) A federal evaluation showed that Colorado's practice
14 transformation program was associated with greater access to behavioral
15 health care and fewer behavioral-health-related emergency visits;

16 (d) Efforts to continue the progress of the state innovation model
17 have continued, but too few Coloradans have access to behavioral health
18 services, and even fewer have access to these services in their primary
19 care provider's office;

20 (e) The federal government enacted the "American Rescue Plan
21 Act of 2021" (ARPA), Pub.L. 117-2, to provide support to state, local,
22 and tribal governments in responding to the impact of the COVID-19
23 pandemic; and

1 (f) Regulations construing ARPA promulgated by the federal
2 department of treasury identify a nonexclusive list of uses for the
3 COVID-19 pandemic and its negative public health impacts.

4 (2) Therefore, the general assembly declares that:

5 (a) Investments in practice transformation, including behavioral
6 health integration, will increase access to behavioral health-care services
7 for Coloradans struggling due to the public health emergency; and

8 (b) The programs and services funded by the federal money in this
9 act are important government services and appropriate uses of the money
10 transferred to Colorado under ARPA.

11 **SECTION 2.** In Colorado Revised Statutes, **add** 25.5-5-332 as
12 follows:

13 **25.5-5-332. Primary care and behavioral health statewide**
14 **integration grant program - creation - report - definition - repeal.**

15 (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
16 REQUIRES, "GRANT PROGRAM" MEANS THE PRIMARY CARE AND
17 BEHAVIORAL HEALTH STATEWIDE INTEGRATION GRANT PROGRAM
18 CREATED IN SUBSECTION (2) OF THIS SECTION.

19 (2) THERE IS CREATED IN THE STATE DEPARTMENT THE PRIMARY
20 CARE AND BEHAVIORAL HEALTH STATEWIDE INTEGRATION GRANT
21 PROGRAM TO PROVIDE GRANTS TO PHYSICAL AND BEHAVIORAL HEALTH
22 CARE PROVIDERS FOR IMPLEMENTATION OF EVIDENCE-BASED CLINICAL
23 INTEGRATION CARE MODELS, AS DEFINED BY THE STATE DEPARTMENT, IN
24 COLLABORATION WITH THE BEHAVIORAL HEALTH ADMINISTRATION IN THE
25 DEPARTMENT OF HUMAN SERVICES.

26 (3) (a) GRANT RECIPIENTS MAY USE THE MONEY RECEIVED
27 THROUGH THE GRANT PROGRAM FOR THE FOLLOWING PURPOSES:

1 (I) DEVELOPING INFRASTRUCTURE FOR PRIMARY CARE, PEDIATRIC,
2 AND BEHAVIORAL HEALTH-CARE PROVIDERS TO BETTER SERVE
3 INDIVIDUALS WITH BEHAVIORAL HEALTH NEEDS IN OUTPATIENT HEALTH
4 CARE SETTINGS;

5 (II) INCREASING ACCESS TO QUALITY HEALTH CARE FOR
6 INDIVIDUALS WITH BEHAVIORAL HEALTH NEEDS;

7 (III) INVESTING IN EARLY INTERVENTIONS FOR CHILDREN, YOUTH,
8 AND ADULTS THAT REDUCE ESCALATION AND EXACERBATION OF
9 BEHAVIORAL HEALTH CONDITIONS;

10 (IV) ADDRESSING THE NEED TO EXPAND THE BEHAVIORAL
11 HEALTH-CARE WORKFORCE; AND

12 (V) DEVELOPING AND IMPLEMENTING ALTERNATIVE PAYMENT
13 MODELS, INCLUDING THE DEVELOPMENT OF PROTOCOLS, PROCESSES, WORK
14 FLOW, AND PARTNERSHIPS.

15 (b) ANY MONEY RECEIVED THROUGH THE GRANT PROGRAM MUST
16 SUPPLEMENT AND NOT SUPPLANT EXISTING HEALTH-CARE SERVICES.
17 GRANT RECIPIENTS SHALL NOT USE MONEY RECEIVED THROUGH THE
18 GRANT PROGRAM FOR:

19 (I) ONGOING OR EXISTING EXECUTIVE AND SENIOR STAFF
20 SALARIES;

21 (II) SERVICES ALREADY COVERED BY MEDICAID OR A CLIENT'S
22 INSURANCE; OR

23 (III) ONGOING OR EXISTING ELECTRONIC HEALTH RECORDS COSTS.

24 (c) (I) (A) IF A GRANT RECIPIENT IS A HOSPITAL-OWNED OR
25 HOSPITAL-AFFILIATED PRACTICE THAT IS NOT PART OF A HOSPITAL SYSTEM
26 AND HAS LESS THAN TEN PERCENT TOTAL PROFIT AS MEASURED BY STATE
27 DEPARTMENT TRANSPARENCY REPORTING, THE GRANT RECIPIENT SHALL

1 PROVIDE A TWENTY-FIVE PERCENT MATCH FOR THE AWARDED AMOUNT.
2 THE GRANT RECIPIENT MAY USE COMMUNITY BENEFIT FUNDS, IN-KIND
3 PERSONNEL TIME, OR FEDERAL RELIEF FUNDING FOR THE TWENTY-FIVE
4 PERCENT MATCH REQUIRED PURSUANT TO THIS SUBSECTION (3)(c)(I)(A).

5 (B) IF A GRANT RECIPIENT IS A HOSPITAL-OWNED OR
6 HOSPITAL-AFFILIATED PRACTICE THAT IS PART OF A HOSPITAL SYSTEM
7 OR HAS TEN PERCENT OR MORE TOTAL PROFIT AS MEASURED BY STATE
8 DEPARTMENT TRANSPARENCY REPORTING, THE GRANT RECIPIENT SHALL
9 PROVIDE A FIFTY PERCENT MATCH FOR THE AWARDED AMOUNT. THE
10 GRANT RECIPIENT MAY USE COMMUNITY BENEFIT FUNDS, IN-KIND
11 PERSONNEL TIME, OR FEDERAL RELIEF FUNDING FOR THE FIFTY PERCENT
12 MATCH REQUIRED PURSUANT TO THIS SUBSECTION (3)(c)(I)(B).

13 (C) IF A GRANT RECIPIENT IS A CRITICAL ACCESS HOSPITAL, AS
14 DEFINED IN SECTION 10-16-1303 (2), THE GRANT RECIPIENT SHALL
15 PROVIDE A TEN PERCENT MATCH FOR THE AWARDED AMOUNT. THE GRANT
16 RECIPIENT MAY USE COMMUNITY BENEFIT FUNDS, IN-KIND PERSONNEL
17 TIME, OR FEDERAL RELIEF FUNDING FOR THE TEN PERCENT MATCH
18 REQUIRED PURSUANT TO THIS SUBSECTION (3)(c)(I)(C).

19 (II) FOR THE PURPOSES OF THIS SUBSECTION (3)(c),
20 "HOSPITAL-AFFILIATED" MEANS THERE IS A CONTRACTUAL RELATIONSHIP
21 BETWEEN A HOSPITAL OR AN ENTITY THAT IS OWNED BY OR UNDER
22 COMMON OWNERSHIP AND CONTROL WITH THE HOSPITAL IN WHICH THE
23 CONTRACTUAL RELATIONSHIP ENABLES THE HOSPITAL OR ENTITY THAT IS
24 OWNED BY OR UNDER COMMON OWNERSHIP AND CONTROL WITH THE
25 HOSPITAL TO EXERCISE CONTROL OVER ONE OF THE FOLLOWING ENTITIES:

26 (A) ANOTHER HOSPITAL;

27 (B) AN ENTITY OWNED BY OR UNDER COMMON OWNERSHIP AND

1 CONTROL WITH ANOTHER HOSPITAL; OR

2 (C) A PHYSICIAN GROUP PRACTICE.

3 (d) THE STATE DEPARTMENT MAY PROVIDE FUNDING TO PHYSICAL
4 AND BEHAVIORAL HEALTH-CARE PROVIDERS THROUGH INFRASTRUCTURE
5 BUILDING AND POPULATION-BASED PAYMENT MECHANISMS.

6 (e) GRANT RECIPIENTS SHALL PARTICIPATE IN TECHNICAL
7 ASSISTANCE EDUCATION AND TRAINING AND RELATED WORKGROUPS AS
8 DETERMINED BY THE STATE DEPARTMENT.

9 (4) (a) THE STATE DEPARTMENT SHALL ADMINISTER THE GRANT
10 PROGRAM AND, SUBJECT TO AVAILABLE APPROPRIATIONS, SHALL AWARD
11 GRANTS AS PROVIDED IN THIS SECTION. SUBJECT TO AVAILABLE
12 APPROPRIATIONS, GRANTS SHALL BE PAID OUT OF THE BEHAVIORAL AND
13 MENTAL HEALTH CASH FUND CREATED IN SECTION 24-75-230.

14 (b) IN ORDER TO SUPPORT REAL-TIME TRANSFORMATION AND
15 ACCESS TO CARE, THE STATE DEPARTMENT SHALL ENSURE TIMELY
16 PAYMENT TO GRANT RECIPIENTS FOR SERVICES RELATED TO THE GRANT
17 PROGRAM.

18 (5) GRANT APPLICANTS SHALL DEMONSTRATE A COMMITMENT TO
19 MAINTAINING MODELS AND PROGRAMS THAT, AT A MINIMUM:

20 (a) MEASURABLY INCREASE ACCESS TO BEHAVIORAL HEALTH
21 SCREENING, REFERRAL, TREATMENT, AND RECOVERY CARE;

22 (b) IMPLEMENT OR EXPAND EVIDENCE-BASED MODELS FOR
23 INTEGRATION;

24 (c) LEVERAGE MULTIDISCIPLINARY TREATMENT TEAMS;

25 (d) SERVE PUBLICLY FUNDED CLIENTS;

26 (e) MAINTAIN A PLAN FOR HOW TO ADDRESS A CLIENT WITH
27 EMERGENCY NEEDS;

1 (f) MAINTAIN A PLAN FOR HOW TECHNOLOGY WILL BE LEVERAGED
2 FOR WHOLE-PERSON CARE, WHICH MAY INCLUDE PLANS FOR DATA
3 SECURITY, ELECTRONIC HEALTH RECORDS REFORMS, AND TELEHEALTH
4 IMPLEMENTATION OR EXPANSION; AND

5 (g) IMPLEMENT OR ENGAGE IN STATE-DEPARTMENT-SPECIFIED
6 TOOLS AND SHARED LEARNING AND RESOURCES, INCLUDING BUT NOT
7 LIMITED TO:

8 (I) PEER LEARNING COLLABORATIVES TO DEVELOP SUSTAINABLE
9 POPULATION-BASED PAYMENT MODELS LED BY THE STATE DEPARTMENT;

10 (II) USE OF ELECTRONIC TOOLS FOR SCREENING AND REFERRALS;
11 AND

12 (III) DATA-SHARING BEST PRACTICES.

13 (6) IN SELECTING GRANT RECIPIENTS, THE STATE DEPARTMENT
14 SHALL FIRST PRIORITIZE APPLICANTS THAT SERVE PRIORITY POPULATIONS
15 THAT EXPERIENCE DISPARITIES IN HEALTH-CARE ACCESS AND OUTCOMES,
16 INCLUDING BUT NOT LIMITED TO HISTORICALLY MARGINALIZED AND
17 UNDERSERVED COMMUNITIES, DETERMINED BY THE COMMUNITIES WITH
18 THE HIGHEST PROPORTION OF PATIENTS RECEIVING ASSISTANCE THROUGH
19 THE "COLORADO MEDICAL ASSISTANCE ACT", ARTICLES 4, 5, AND 6 OF
20 TITLE 25.5. THE STATE DEPARTMENT SHALL THEN PRIORITIZE APPLICANTS
21 THAT MEET AS MANY OF THE FOLLOWING CRITERIA AS POSSIBLE:

22 (a) SERVE INDIVIDUALS WITH CO-OCCURRING AND COMPLEX CARE
23 NEEDS, SERIOUS MENTAL ILLNESSES, OR DISABILITIES;

24 (b) SERVE CHILDREN AND YOUTH;

25 (c) INCLUDE OPPORTUNITIES TO BUILD OUT COMMUNITY HEALTH
26 WORKER, BEHAVIORAL HEALTH AIDE, OR SIMILAR PROGRAMS, SUPPORTED
27 BY POPULATION-BASED PAYMENTS;

- 1 (d) SERVE PREGNANT AND POSTPARTUM PEOPLE;
- 2 (e) THE PRACTICE IS CONSIDERED A SMALL AND INDEPENDENT
- 3 PRACTICE;
- 4 (f) DEMONSTRATE THE ABILITY AND INTENT TO SERVE
- 5 CULTURALLY DIVERSE POPULATIONS AND POPULATIONS WITH LIMITED
- 6 ENGLISH PROFICIENCY;
- 7 (g) INCLUDE WORKFORCE CAPACITY-BUILDING COMPONENTS;
- 8 (h) INCLUDE HIGH-INTENSITY OUTPATIENT SERVICES;
- 9 (i) IMPROVE DATA EXCHANGE AND DATA INTEGRATION THAT
- 10 SUPPORTS WHOLE-PERSON CARE;
- 11 (j) UTILIZE TELEHEALTH;
- 12 (k) ALIGN WITH OR PARTICIPATE IN COMMERCIAL ALTERNATIVE
- 13 PAYMENT MODELS;
- 14 (l) DEMONSTRATE COMMUNITY PARTNERSHIPS; OR
- 15 (m) PARTICIPATE IN THE REGIONAL HEALTH CONNECTOR
- 16 WORKFORCE PROGRAM CREATED IN SECTION 23-21-901.

17 (7) (a) THE STATE DEPARTMENT SHALL ESTABLISH A SET OF
18 STATEWIDE RESOURCES TO SUPPORT GRANT RECIPIENTS. AT A MINIMUM,
19 THE RESOURCES MUST INCLUDE:

20 (I) A CLINICAL CONSULTATION AND PRACTICE TRANSFORMATION
21 SUPPORT TEAM PROVIDED BY THE COLORADO HEALTH EXTENSION SYSTEM
22 IN THE PRACTICE INNOVATION PROGRAM; AND

23 (II) A SUSTAINABLE BILLING AND DATA PARTNERSHIP TEAM THAT
24 WILL TRAIN AND SUPPORT GRANT RECIPIENTS IN MEETING STANDARDS FOR
25 ALTERNATIVE PAYMENT MODELS AND CREATING AND IMPLEMENTING
26 DATA-SHARING PRACTICES AND POLICIES THAT SUPPORT MENTAL HEALTH
27 DISORDERS, SUBSTANCE USE DISORDERS, AND CO-OCCURRING DISORDERS.

1 (b) THE STATE DEPARTMENT MAY ENTER INTO INTERAGENCY
2 AGREEMENTS OR PROCURE CONTRACTS TO ESTABLISH THE RESOURCES
3 PURSUANT TO THIS SUBSECTION (7).

4 (8) THE STATE DEPARTMENT MAY PROCURE A GRANT APPLICATION
5 AND SUPPORT TEAM TO ASSIST THE STATE DEPARTMENT WITH DRAFTING
6 THE GRANT APPLICATION, REVIEWING APPLICATIONS, AND ADMINISTERING
7 AND PROCESSING GRANT AWARDS.

8 (9) A GRANT RECIPIENT SHALL SPEND OR OBLIGATE ANY MONEY
9 RECEIVED PURSUANT TO THIS SECTION NO LATER THAN **DECEMBER 30,**
10 **2024.** ANY MONEY A GRANT RECIPIENT OBLIGATES MUST BE EXPENDED NO
11 LATER THAN **DECEMBER 30, 2026.**

12 (10) (a) THE STATE DEPARTMENT SHALL ESTABLISH A STEERING
13 COMMITTEE TO:

14 (I) PROVIDE CONTINUOUS INPUT INTO GRANT APPLICATION
15 REQUIREMENTS;

16 (II) PROVIDE FEEDBACK AND DIRECTION ON DATA COLLECTION
17 STANDARDS AND REVIEW; AND

18 (III) ENGAGE WITH COMMUNITY PARTNERS WHO WILL HELP
19 SUPPORT THE INTEGRATED CARE PRACTICES THROUGH REFERRALS AND
20 TRUSTED COMMUNICATIONS.

21 (b) THE STATE DEPARTMENT SHALL SELECT A STATE DEPARTMENT
22 EMPLOYEE TO CHAIR THE STEERING COMMITTEE, STAFF THE STEERING
23 COMMITTEE, AND REIMBURSE ANY PARTICIPANT WHO IS NOT A STATE
24 EMPLOYEE FOR REASONABLE TRAVEL EXPENSES.

25 (11) THE STATE DEPARTMENT SHALL, IN COLLABORATION WITH
26 THE BEHAVIORAL HEALTH ADMINISTRATION AND THE DIVISION OF
27 INSURANCE, PREPARE A REPORT THAT INCLUDES RECOMMENDATIONS ON

1 BEST PRACTICES FOR SUSTAINING INTEGRATED CARE MODELS. IN
2 PREPARING THE REPORT, THE STATE DEPARTMENT SHALL COLLECT DATA
3 FROM EACH GRANT RECIPIENT RELATED TO CLINICAL QUALITY
4 IMPROVEMENT AND ACCESS TO CARE. GRANT RECIPIENTS SHALL PROVIDE
5 DATA TO THE STATE DEPARTMENT IN A TIMELY MANNER, AS DETERMINED
6 BY THE STATE DEPARTMENT. THE STATE DEPARTMENT IS AUTHORIZED TO
7 RECOUP OR DISCONTINUE GRANT FUNDING FOR GRANT RECIPIENTS THAT
8 DO NOT COMPLY WITH THE DATA REPORTING REQUIREMENTS OR GRANT
9 STANDARDS SET BY THE STATE DEPARTMENT.

10 (12) THE STATE DEPARTMENT AND ANY PERSON WHO RECEIVES
11 MONEY FROM THE STATE DEPARTMENT PURSUANT TO THIS SECTION SHALL
12 COMPLY WITH THE COMPLIANCE, REPORTING, RECORD-KEEPING, AND
13 PROGRAM EVALUATION REQUIREMENTS ESTABLISHED BY THE OFFICE OF
14 STATE PLANNING AND BUDGETING AND THE STATE CONTROLLER IN
15 ACCORDANCE WITH SECTION 24-75-226 (5).

16 (13) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2027.

17 **SECTION 3.** In Colorado Revised Statutes, 25.5-5-402, **add** (3.5)
18 as follows:

19 **25.5-5-402. Statewide managed care system - rules - definition**
20 **- repeal.** (3.5) (a) NO LATER THAN JULY 1, 2023, THE STATE
21 DEPARTMENT, IN COLLABORATION WITH THE BEHAVIORAL HEALTH
22 ADMINISTRATION IN THE DEPARTMENT OF HUMAN SERVICES AND OTHER
23 STATE AGENCIES, SHALL DEVELOP THE UNIVERSAL CONTRACT AS
24 DESCRIBED IN SECTION 27-50-203.

25 (b) (I) FOR THE 2022-23 STATE FISCAL YEAR, THE GENERAL
26 ASSEMBLY SHALL APPROPRIATE THREE MILLION DOLLARS FROM THE
27 BEHAVIORAL AND MENTAL HEALTH CASH FUND, CREATED IN SECTION

1 24-75-230, TO THE STATE DEPARTMENT FOR THE DEVELOPMENT,
2 IMPLEMENTATION, AND ADMINISTRATION OF THE UNIVERSAL CONTRACT.

3 (II) THIS SUBSECTION (3.5)(b) IS REPEALED, EFFECTIVE JULY 1,
4 2024.

5 **SECTION 4. Appropriation.** (1) For the 2022-23 state fiscal
6 year, \$31,750,000 is appropriated to the department of health care policy
7 and financing for use by other medical services. This appropriation is
8 from the behavioral and mental health cash fund created in section
9 24-75-230 (2)(a), C.R.S., is of money the state received from the federal
10 coronavirus state fiscal recovery fund, and is based on an assumption that
11 the division will require an additional 2.3 FTE. To implement this act, the
12 division may use this appropriation for the primary care and behavioral
13 health statewide integration grant program. Any money appropriated in
14 this section not expended prior to July 1, 2023, is further appropriated to
15 the division from July 1, 2023, through December 30, 2024, for the same
16 purpose.

17 (2) For the 2022-23 state fiscal year, \$3,000,000 is appropriated to
18 the department of health care policy and financing for use by the
19 executive director's office, general administration. This appropriation is
20 from the behavioral and mental health cash fund created in section
21 24-75-230 (2)(a), C.R.S., and is of money the state received from the
22 federal coronavirus state fiscal recovery fund. To implement this act, the
23 division may use this appropriation for the universal contract for
24 behavioral health services. Any money appropriated in this section not
25 expended prior to July 1, 2023, is further appropriated to the division
26 from July 1, 2023, through December 30, 2024, for the same purpose.

27 (3) For the 2022-23 fiscal year, \$250,000 is appropriated to the

1 department of higher education for use by the regents of the university of
2 Colorado. This appropriation is from the behavioral and mental health
3 cash fund created in section 24-75-230 (2)(a), C.R.S., and is of money the
4 state received from the federal coronavirus state fiscal recovery fund. To
5 implement this act, the regents may use this appropriation for allocation
6 to the school of medicine for the regional health connector workforce
7 program.

8 **SECTION 5. Effective date.** This act takes effect upon passage;
9 except that section 3 of this act takes effect only if House Bill 22-1278
10 becomes law, in which case section 3 takes effect either upon the
11 effective date of this act or House Bill 22-1278, whichever is later.

12 **SECTION 6. Safety clause.** The general assembly hereby finds,
13 determines, and declares that this act is necessary for the immediate
14 preservation of the public peace, health, or safety.