

CHAPTER 297

HEALTH AND ENVIRONMENT

SENATE BILL 22-200

BY SENATOR(S) Ginal and Rankin, Bridges, Buckner, Coram, Danielson, Fields, Gonzales, Hinrichsen, Hisey, Jaquez Lewis, Kolker, Moreno, Pettersen, Priola, Rodriguez, Simpson, Smallwood, Sonnenberg, Story, Winter, Fenberg;
also REPRESENTATIVE(S) Soper and McCluskie, Amabile, Bacon, Bennett, Bird, Bockenfeld, Caraveo, Cutter, Duran, Esgar, Exum, Gonzales-Gutierrez, Holtorf, Jodeh, Kipp, Lindsay, Lontine, McCormick, McLachlan, Michaelson Jenet, Mullica, Pelton, Ricks, Roberts, Snyder, Sullivan, Titone, Valdez D., Will, Young.

AN ACT**CONCERNING A GRANT PROGRAM TO IMPROVE ACCESS TO HEALTH CARE IN RURAL COMMUNITIES.**

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

SECTION 1. Legislative declaration. (1) The general assembly hereby finds and declares that:

(a) The health-care industry represents approximately eighteen percent of Colorado's gross domestic product;

(b) Rural communities in Colorado have lower levels of access to health-care services and higher health-care costs compared to other types of communities in Colorado;

(c) Health-care providers in rural communities are often forced to utilize more outdated infrastructure compared to health-care providers in other types of communities;

(d) The shortfalls of providing health-care services in rural communities mean that providers often migrate to other communities with more updated infrastructure and sustainable cost models, which leaves rural communities with even less access to necessary health-care services; and

(e) The effects of the COVID-19 pandemic exacerbated the difficulties of providing health-care services in rural communities, making it even less sustainable for health-care providers to continue operating in rural communities.

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.

(2) The general assembly further finds and declares that:

(a) The federal government enacted the "American Rescue Plan Act of 2021" (ARPA), Pub.L. 117-2, pursuant to which Colorado received \$3,828,761,790 to mitigate the fiscal effects stemming from the COVID-19 pandemic;

(b) Government recipients of ARPA money may use the money to provide resources to meet the public health and economic needs of those impacted by the COVID-19 pandemic and their communities;

(c) Expenditures for a program that provides grants to hospitals in rural communities for projects that modernize the information technology of hospitals in rural communities and projects that expand access to health care in rural communities (grant program) are considered an allowable use under ARPA and are necessary to respond to the COVID-19 pandemic; and

(d) The grant program is a critical government service.

(3) The general assembly therefore declares that the grant program is necessary to:

(a) Improve health-care access in rural communities;

(b) Drive financial sustainability for hospitals and clinics in rural communities;

(c) Improve the efficiency of health-care services in rural communities;

(d) Make investments in Colorado's rural economy;

(e) Modernize the information technology systems available to health-care providers in rural communities;

(f) Improve access to critically needed health-care services in rural communities, including behavioral health care, telemedicine, remote patient monitoring, and long-term and recovery care in skilled nursing facilities; and

(g) Lower the prices of health-care services in rural communities.

SECTION 2. In Colorado Revised Statutes, **add** 25.5-1-207 as follows:

25.5-1-207. Rural provider access and affordability stimulus grant program - advisory committee - fund - reporting - rules - definitions - repeal.

(1) **Definitions - rules.** AS USED IN THIS SECTION:

(a) "ADVISORY COMMITTEE" MEANS THE RURAL PROVIDER ACCESS AND AFFORDABILITY ADVISORY COMMITTEE CREATED IN SUBSECTION (3)(a) OF THIS SECTION.

(b) "AFFILIATE" HAS THE MEANING SET FORTH IN SECTION 25.5-4-402.8 (1)(b).

(c) "FRONTIER PROVIDER" MEANS A PROVIDER THAT IS LOCATED IN A COUNTY IN THE STATE WITH A POPULATION DENSITY OF SIX OR FEWER RESIDENTS PER ONE SQUARE MILE.

(d) "FUND" MEANS THE RURAL PROVIDER ACCESS AND AFFORDABILITY FUND CREATED IN SUBSECTION (6)(a) OF THIS SECTION.

(e) "GRANT PROGRAM" MEANS THE RURAL PROVIDER ACCESS AND AFFORDABILITY STIMULUS GRANT PROGRAM ESTABLISHED IN SUBSECTION (2) OF THIS SECTION.

(f) "HEALTH-CARE ACCESS PROJECTS" MEANS THE PROJECTS DESCRIBED IN SUBSECTION (2)(c)(II) OF THIS SECTION.

(g) "HEALTH-CARE AFFORDABILITY PROJECTS" MEANS THE PROJECTS DESCRIBED IN SUBSECTION (2)(c)(I) OF THIS SECTION.

(h) "HOSPITAL" MEANS A HOSPITAL LICENSED OR CERTIFIED PURSUANT TO SECTION 25-1.5-103 (1)(a) OR AN AFFILIATE OWNED OR CONTROLLED, AS DEFINED IN SECTION 25.5-4-402.8 (1)(c), BY THE HOSPITAL.

(i) "QUALIFIED RURAL PROVIDER" MEANS A RURAL HOSPITAL THAT HAS A LOWER NET PATIENT REVENUE OR FUND BALANCE COMPARED WITH OTHER RURAL HOSPITALS, AS DETERMINED BY THE STATE BOARD BY RULE.

(j) "RURAL COMMUNITY" MEANS:

(I) A COUNTY WITH A POPULATION OF FEWER THAN FIFTY THOUSAND RESIDENTS;
OR

(II) A MUNICIPALITY WITH A POPULATION OF FEWER THAN TWENTY-FIVE THOUSAND RESIDENTS IF THE MUNICIPALITY IS NOT CONTIGUOUS TO A MUNICIPALITY WITH A POPULATION OF TWENTY-FIVE THOUSAND OR MORE RESIDENTS.

(k) "RURAL PROVIDER" MEANS A HOSPITAL THAT IS LOCATED IN A RURAL COMMUNITY.

(l) "TELEMEDICINE" HAS THE MEANING SET FORTH IN SECTION 12-240-104 (6).

(2) **Grant program - permissible uses of grant money.** (a) THE RURAL PROVIDER ACCESS AND AFFORDABILITY STIMULUS GRANT PROGRAM IS HEREBY CREATED IN THE STATE DEPARTMENT. THE PURPOSE OF THE GRANT PROGRAM IS TO PROVIDE STATE ASSISTANCE IN THE FORM OF GRANTS TO QUALIFIED RURAL PROVIDERS BASED ON FINANCIAL NEED OR THE ABILITY TO EXPAND HEALTH-CARE ACCESS. THE GRANT PROGRAM IS INTENDED TO IMPROVE HEALTH-CARE AFFORDABILITY AND ACCESS IN RURAL COMMUNITIES.

(b) IN CONSULTATION WITH THE ADVISORY COMMITTEE, THE STATE DEPARTMENT SHALL ADMINISTER THE GRANT PROGRAM AND SHALL AWARD GRANTS TO QUALIFIED RURAL PROVIDERS IN ACCORDANCE WITH THIS SECTION. THE GRANTS ARE PAID OUT OF MONEY IN THE FUND.

(c) SUBJECT TO THE GUIDELINES ADOPTED PURSUANT TO SUBSECTION (4) OF THIS SECTION AND THE RULES PROMULGATED BY THE STATE BOARD PURSUANT TO SUBSECTION (5)(b) OF THIS SECTION, QUALIFIED RURAL PROVIDERS MAY USE THE MONEY RECEIVED THROUGH THE GRANT PROGRAM FOR:

(I) PROJECTS THAT MODERNIZE THE INFORMATION TECHNOLOGY INFRASTRUCTURE OF RURAL PROVIDERS, INCLUDING PROJECTS THAT:

(A) CREATE A SHARED ANALYTICS PLATFORM AND CARE COORDINATION PLATFORMS AMONG RURAL PROVIDERS; AND

(B) ENABLE TECHNOLOGIES, INCLUDING TELEHEALTH AND E-CONSULT SYSTEMS, THAT ALLOW RURAL PROVIDERS TO COMMUNICATE, SHARE CLINICAL INFORMATION, AND CONSULT ELECTRONICALLY TO MANAGE PATIENT CARE; AND

(II) PROJECTS THAT EXPAND ACCESS TO HEALTH CARE IN RURAL COMMUNITIES, INCLUDING PROJECTS THAT:

(A) EXTEND HOURS FOR ACCESS TO HEALTH CARE IN RURAL COMMUNITIES, INCLUDING ACCESS TO PRIMARY CARE AND BEHAVIORAL HEALTH SERVICES;

(B) INVEST IN DUAL TRACK EMERGENCY DEPARTMENT MANAGEMENT IN RURAL COMMUNITIES;

(C) EXPAND ACCESS TO TELEMEDICINE IN RURAL COMMUNITIES, INCLUDING REMOTE MONITORING SUPPORT;

(D) PROVIDE NEW OR REPLACEMENT HOSPITAL BEDS IN RURAL COMMUNITIES;

(E) EXPAND ACCESS TO REMOTE PATIENT MONITORING SYSTEMS IN RURAL COMMUNITIES;

(F) EXPAND ACCESS IN RURAL COMMUNITIES TO LONG-TERM CARE AND RECOVERY CARE IN SKILLED NURSING FACILITIES; AND

(G) CREATE OR EXPAND SITES THAT PROVIDE ACCESS IN RURAL COMMUNITIES TO SURGICAL CARE; CHEMOTHERAPY CENTERS; IMAGING AND ADVANCED IMAGING, INCLUDING MAGNETIC RESONANCE IMAGING AND COMPUTERIZED TOMOGRAPHY SCANS; AND BEHAVIORAL HEALTH CARE.

(d) TO BE ELIGIBLE TO RECEIVE GRANT MONEY FOR A CAPITAL EXPENDITURE, A GRANT RECIPIENT MUST SUBMIT TO THE STATE DEPARTMENT A WRITTEN JUSTIFICATION AS SET FORTH IN 31 CFR 35.6 (b)(4) FOR THE CAPITAL EXPENDITURE; EXCEPT THAT THIS REQUIREMENT DOES NOT APPLY IF THE STATE DEPARTMENT DETERMINES THAT THE WRITTEN JUSTIFICATION IS NOT REQUIRED BASED ON HOW THE EXPENDITURES AUTHORIZED UNDER THIS SECTION WILL BE REPORTED TO THE UNITED STATES DEPARTMENT OF THE TREASURY.

(3) **Advisory committee.** (a) THE RURAL PROVIDER ACCESS AND AFFORDABILITY ADVISORY COMMITTEE IS HEREBY CREATED IN THE STATE DEPARTMENT.

(b) THE ADVISORY COMMITTEE CONSISTS OF THE FOLLOWING VOTING MEMBERS, APPOINTED BY THE EXECUTIVE DIRECTOR:

(I) ONE MEMBER REPRESENTING THE STATE DEPARTMENT;

(II) ONE MEMBER REPRESENTING THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT;

(III) ONE MEMBER REPRESENTING THE OFFICE OF EHEALTH INNOVATION IN THE LIEUTENANT GOVERNOR'S OFFICE;

(IV) ONE MEMBER REPRESENTING A NONPROFIT ORGANIZATION WITH EXPERTISE IN HEALTH CARE IN RURAL COMMUNITIES;

(V) FOUR MEMBERS REPRESENTING RURAL PROVIDERS, INCLUDING AT LEAST TWO FRONTIER PROVIDERS; AND

(VI) ONE HEALTH-CARE CONSUMER LOCATED IN A RURAL COMMUNITY WHO IS A MEMBER OF THE DISABLED COMMUNITY.

(c) THE EXECUTIVE DIRECTOR SHALL MAKE ALL APPOINTMENTS TO THE ADVISORY COMMITTEE NO LATER THAN AUGUST 1, 2022. ADVISORY COMMITTEE MEMBERS SERVE FOR THE DURATION OF THE ADVISORY COMMITTEE. THE EXECUTIVE DIRECTOR SHALL FILL ANY VACANCY BY APPOINTMENT.

(d) THE EXECUTIVE DIRECTOR SHALL CONVENE THE FIRST MEETING OF THE ADVISORY COMMITTEE NO LATER THAN SEPTEMBER 1, 2022. AT THE FIRST MEETING, THE ADVISORY COMMITTEE SHALL SELECT A CHAIR AND VICE-CHAIR FROM AMONG ITS MEMBERS. THE ADVISORY COMMITTEE SHALL CONDUCT AT LEAST TWO MEETINGS EACH YEAR AND MAY AGREE TO CONDUCT MEETINGS MORE FREQUENTLY.

(e) THE ADVISORY COMMITTEE SHALL ADVISE AND MAKE FORMAL RECOMMENDATIONS TO:

(I) THE STATE DEPARTMENT ON:

(A) THE ADMINISTRATION OF THE GRANT PROGRAM;

(B) THE GUIDELINES ADOPTED PURSUANT TO SUBSECTION (4) OF THIS SECTION; AND

(C) THE SELECTION OF GRANT RECIPIENTS; AND

(II) THE STATE BOARD ON THE RULES PROMULGATED PURSUANT TO SUBSECTION (5) OF THIS SECTION.

(4) **Guidelines.** (a) ON OR BEFORE DECEMBER 31, 2022, THE STATE DEPARTMENT, IN CONSULTATION WITH THE ADVISORY COMMITTEE, SHALL ADOPT GUIDELINES FOR THE GRANT PROGRAM THAT INCLUDE:

(I) PROCEDURES AND TIMELINES BY WHICH A QUALIFIED RURAL PROVIDER MAY

APPLY FOR A GRANT;

(II) CRITERIA FOR DETERMINING GRANT ELIGIBILITY AND GRANT AMOUNTS; AND

(III) REPORTING REQUIREMENTS FOR GRANT RECIPIENTS IN ACCORDANCE WITH SUBSECTION (8)(b) OF THIS SECTION AND THE RULES PROMULGATED BY THE STATE BOARD PURSUANT TO SUBSECTION (5)(c) OF THIS SECTION.

(b) THE STATE DEPARTMENT SHALL POST THE GUIDELINES ON THE STATE DEPARTMENT'S WEBSITE.

(5) **Rules.** ON OR BEFORE DECEMBER 31, 2022, THE STATE BOARD, IN CONSULTATION WITH THE STATE DEPARTMENT, SHALL PROMULGATE RULES AS NECESSARY FOR THE ADMINISTRATION OF THIS SECTION THAT INCLUDE:

(a) A METHODOLOGY TO DETERMINE WHICH RURAL PROVIDERS ARE CONSIDERED QUALIFIED RURAL PROVIDERS;

(b) PERMISSIBLE USES OF GRANT MONEY; AND

(c) REPORTING REQUIREMENTS FOR GRANT RECIPIENTS.

(6) **Fund.** (a) THE RURAL PROVIDER ACCESS AND AFFORDABILITY FUND IS HEREBY CREATED IN THE STATE TREASURY. THE FUND CONSISTS OF:

(I) MONEY TRANSFERRED TO THE FUND PURSUANT TO SUBSECTION (7) OF THIS SECTION;

(II) MONEY APPROPRIATED OR TRANSFERRED TO THE FUND BY THE GENERAL ASSEMBLY; AND

(III) ANY GIFTS, GRANTS, OR DONATIONS FROM ANY PUBLIC OR PRIVATE SOURCES, INCLUDING GOVERNMENTAL ENTITIES.

(b) THE STATE DEPARTMENT IS AUTHORIZED TO SEEK, ACCEPT, AND EXPEND GIFTS, GRANTS, OR DONATIONS FROM PUBLIC OR PRIVATE SOURCES FOR THE PURPOSES OF THE GRANT PROGRAM. THE STATE DEPARTMENT SHALL TRANSMIT ALL PUBLIC OR PRIVATE MONEY RECEIVED THROUGH GIFTS, GRANTS, AND DONATIONS TO THE STATE TREASURER, WHO SHALL CREDIT THE SAME TO THE FUND.

(c) EXCEPT AS OTHERWISE REQUIRED BY THIS SUBSECTION (6)(c), ALL MONEY NOT EXPENDED OR ENCUMBERED, AND ALL INTEREST EARNED ON THE INVESTMENT OR DEPOSIT OF MONEY IN THE FUND, MUST REMAIN IN THE FUND AND SHALL NOT REVERT TO THE GENERAL FUND OR ANY OTHER FUND AT THE END OF ANY FISCAL YEAR. THE MONEY IN THE FUND IS CONTINUOUSLY APPROPRIATED TO THE STATE DEPARTMENT FOR THE PURPOSES OF THIS SECTION. ANY MONEY IN THE FUND NOT EXPENDED OR ENCUMBERED BY JULY 1, 2024, MUST REVERT TO THE ECONOMIC RECOVERY AND RELIEF CASH FUND CREATED IN SECTION 24-75-228 (2)(a).

(7) **Transfer.** NO LATER THAN JULY 1, 2022, THE STATE TREASURER SHALL TRANSFER TEN MILLION DOLLARS FROM THE ECONOMIC RECOVERY AND RELIEF CASH

FUND CREATED IN SECTION 24-75-228 (2)(a) TO THE FUND. THE STATE DEPARTMENT SHALL USE:

(a) FOUR MILLION EIGHT HUNDRED THOUSAND DOLLARS FOR AWARDING GRANTS FOR HEALTH-CARE AFFORDABILITY PROJECTS;

(b) FOUR MILLION EIGHT HUNDRED THOUSAND DOLLARS FOR AWARDING GRANTS FOR HEALTH-CARE ACCESS PROJECTS; AND

(c) UP TO FOUR HUNDRED THOUSAND DOLLARS FOR THE COSTS OF ADMINISTERING THE GRANT PROGRAM.

(8) **Reporting.** (a) IN ITS PRESENTATION TO THE JOINT COMMITTEES OF REFERENCE PURSUANT TO SECTION 2-7-203, THE STATE DEPARTMENT SHALL REPORT ON THE PROGRESS OF THE GRANT PROGRAM, INCLUDING A REPORT ON THE AMOUNT OF GRANT MONEY AWARDED TO EACH GRANT RECIPIENT AND A DESCRIPTION OF EACH GRANT RECIPIENT'S USE OF THE GRANT MONEY.

(b) THE STATE DEPARTMENT AND ANY PERSON THAT RECEIVES MONEY FROM THE STATE DEPARTMENT, INCLUDING EACH GRANT RECIPIENT, SHALL COMPLY WITH THE COMPLIANCE, REPORTING, RECORD-KEEPING, AND PROGRAM EVALUATION REQUIREMENTS ESTABLISHED BY THE OFFICE OF STATE PLANNING AND BUDGETING AND THE STATE CONTROLLER IN ACCORDANCE WITH SECTION 24-75-226 (5).

(9) **Repeal.** THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2025.

SECTION 3. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety.

Approved: June 1, 2022