

Ability to Suspend Medicaid Providers Draft Bill Language

Related Documents:

- [Draft Fact Sheet](#)

Sponsors:

- Rep. Bird asked Craig Harper to add to JBC agenda.
- Sen. Zenzinger and Rep Bird notified language was sent to Eric Kurtz 1/8

Quick Summary of Bill:

- This bill would give HCPF the ability to suspend Medicaid providers that are suspected of engaging in large scale ongoing organized crime or fraud schemes. There is no fiscal impact or additional FTE required to implement this bill.

Initial HCPF Draft

Desired Statutory Changes, Additions and Deletions:

Please detail in the chart below which *specific changes* you would like to make to state statute and where. Add as many rows as necessary.

Statutory Changes

| Goal | Statutory Citation | Action | Effective Date |
|--|--|--|--|
| Please describe in as few words as possible what the goal of your proposed change is. | What is the section of Colorado Statute you would like changed? | Do you need to change, add or repeal a section? | What is the necessary effective date? |
| To allow HCPF to suspend Medicaid & CHP+ provider enrollment based on a good cause determination (as defined in our rule). HCPF would be required to notify providers of the suspension of enrollment. | 25.5-4-301 | Add a new (16)a and b | Upon signature. ASAP. |
| Define “organized crime or organized fraud scheme” | 25.5-4-301 | add | Upon signature. ASAP. |

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|-----------------------------------|------------|-----|-----------------------|
| Define "suspension of enrollment" | 25.5-4-301 | add | Upon signature. ASAP. |
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Suggested language:

16(a) The state department may suspend the enrollment of a Medicaid or Child Health Plan Plus (CHP+) provider if the state department has identified the provider as participating in an ongoing, alleged, organized crime or organized fraud scheme, impacting the Medicaid or CHP+ program.

(b) The state department shall notify a provider of the suspension of enrollment. In the provider's notification, the state department shall include the reasons for the suspension.

Organized crime or organized fraud scheme is defined as entities allegedly participating in a large scale coercive, fraudulent, extortionary, criminal, or otherwise illegal coordinated scheme or operation to repeatedly or consistently defraud the Medicaid or CHP+ program carried out for unlawful financial gain, which may put members' health, safety or welfare at immediate risk.

Suspension of enrollment is defined as a provisional prohibition of a provider from participating in the medical assistance program, including the rendering of services or supplies to a Medicaid member and a provisional prohibition against the submission of claims to the Department for any services or supplies rendered.