

HOUSE COMMITTEE OF REFERENCE REPORT

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Chair of Committee

March 31, 2026  
Date

Committee on Health & Human Services.

After consideration on the merits, the Committee recommends the following:

HB26-1328 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:

1 Amend printed bill, page 4, line 17, strike "THE STATE DEPARTMENT" and  
2 substitute "THE TRANSPORTATION BROKER".

3 Page 4, line 18, strike "ADVISORY BOARD." and substitute "ADVISORY  
4 BOARD, WHICH IS COMPOSED OF REPRESENTATIVES OF A CROSS-SECTION  
5 OF NEMT STAKEHOLDERS, INCLUDING MEMBERS, TRANSPORTATION  
6 PROVIDERS, HEALTH-CARE TREATMENT PROVIDERS, AND DISABILITY  
7 ADVOCATES."

8 Page 5, strike lines 4 and 5 and substitute:

9           (f) HOSPITAL AND HEALTH SYSTEM REPRESENTATIVES, INCLUDING  
10 ENTITIES INVOLVED IN DISCHARGE PLANNING AND CARE TRANSITIONS FOR  
11 MEMBERS; AND

12           (g) A REPRESENTATIVE FROM THE STATE DEPARTMENT WITH  
13 KNOWLEDGE AND SPECIALIZATION IN NEMT."

14 Page 5, line 26, before "DEPARTMENT" insert "STATE".

15 Page 6, line 9, strike "MARKET;" and insert "MARKET, EXCEPT AS  
16 ALLOWED PURSUANT TO SUBSECTION (11) OF THIS SECTION;"

17 Page 7, line 7, strike "AND".

18 Page 7, line 9, strike "SERVICES." and substitute "SERVICES;

19           (k) REQUIRE A TRANSPORTATION PROVIDER TO MAINTAIN  
20 AUDITABLE ELECTRONIC TRIP RECORDS THAT INCLUDE, AT A MINIMUM,  
21 MEMBER PICKUP AND DROP-OFF LOCATIONS; GPS LOCATION DATA WITH

1 TIME STAMPS, WHEN AVAILABLE; MILEAGE TRAVELED; DRIVER AND  
2 VEHICLE IDENTIFICATION; AND ANY OTHER DATA REQUIRED BY THE STATE  
3 DEPARTMENT; AND

4 (l) ESTABLISH THAT MEMBERS HAVE A RIGHT TO RECEIVE NEMT  
5 SERVICES THAT ARE ACCESSIBLE AND APPROPRIATE TO THEIR INDIVIDUAL  
6 MEDICAL AND FUNCTIONAL NEEDS, INCLUDING MOBILITY AND  
7 COMMUNICATION ACCOMMODATIONS."

8 Page 7, after line 9 insert:

9 "(11) THE STATE DEPARTMENT MAY IMPOSE TRIP CAPS OR  
10 MARKET-SHARE RESTRICTIONS ON A TRANSPORTATION PROVIDER AS  
11 CORRECTIVE ACTION AS PART OF A CORRECTIVE ACTION PLAN BASED ON  
12 A TRANSPORTATION PROVIDER'S DOCUMENTED MATERIAL PERFORMANCE  
13 DEFICIENCIES THAT ARE SUPPORTED BY OBJECTIVE MEASURABLE CRITERIA  
14 APPLIED ON AN INDIVIDUALIZED, PROPORTIONAL, AND TIME-LIMITED BASIS  
15 FOLLOWING PRIOR WRITTEN NOTICE OF THE DEFICIENCIES AND A  
16 MEANINGFUL OPPORTUNITY TO CURE."

17 Renumber succeeding subsections accordingly.

18 Page 7, line 10, before "THE" insert "FOR THE PRIMARY PURPOSE OF  
19 SAFETY AND DRIVER ACCOUNTABILITY, EACH TRANSPORTATION PROVIDER  
20 SHALL IMPLEMENT AND UTILIZE A VIDEO RECORDING SYSTEM WITHIN EACH  
21 VEHICLE USED TO TRANSPORT MEMBERS."

22 Page 7, strike lines 15 through 17 and substitute "FOR BILLING  
23 PURPOSES."

24 Page 7, line 25, after "SECTION." insert "THE PROCEDURES MUST BE  
25 CONSISTENT WITH STATE AND FEDERAL MEDICAID REQUIREMENTS AND  
26 MUST NOT REQUIRE PAYMENT FOR CLAIMS THAT DO NOT MEET APPLICABLE  
27 PROGRAM INTEGRITY, DOCUMENTATION, OR ELIGIBILITY STANDARDS."

28 Page 8, strike line 7, and substitute "PROCEDURES ADOPTED PURSUANT TO  
29 SUBSECTION (14) OF THIS SECTION, EXCEPT AS NECESSARY TO ADDRESS  
30 PROGRAM INTEGRITY RISKS, INCLUDING FRAUD, WASTE, OR ABUSE, OR TO  
31 ENSURE COMPLIANCE WITH STATE OR FEDERAL LAW. IN INSTANCES OF  
32 FRAUD, WASTE, OR ABUSE OF NEMT SERVICES, THE STATE DEPARTMENT  
33 MAY PROVIDE IMMEDIATE INTERIM OPERATIONAL GUIDANCE IF THE STATE  
34 DEPARTMENT INCLUDES THE JUSTIFICATION FOR THE INTERIM  
35 OPERATIONAL GUIDANCE IN THE GUIDANCE AND PROVIDES REASONABLE  
36 ADVANCED NOTICE TO AFFECTED TRANSPORTATION PROVIDERS, UNLESS

1 IMMEDIATE ACTION IS REQUIRED TO PREVENT ONGOING FRAUD. IF THE  
2 STATE DEPARTMENT TAKES IMMEDIATE ACTION, THE ACTIONS MUST BE:  
3 (a) LIMITED IN SCOPE AND DURATION;  
4 (b) INCLUDE PROMPT WRITTEN NOTICE EXPLAINING THE CHANGE;  
5 (c) APPLIED PROSPECTIVELY TO THE EXTENT PERMITTED BY STATE  
6 AND FEDERAL LAW AND MUST NOT ALTER CLAIMS SUBMITTED PRIOR TO  
7 THE EFFECTIVE DATE OF THE INTERIM OPERATIONAL GUIDANCE, EXCEPT AS  
8 REQUIRED TO ADDRESS FRAUD, WASTE, OR ABUSE."

9 Page 8, after line 15 add:

10 "(17) NOTHING IN THIS SECTION ENTITLES A PROVIDER TO  
11 PAYMENT OR LIMITS THE STATE DEPARTMENT'S AUTHORITY TO DENY,  
12 RECOUP, OR ADJUST CLAIMS IN ACCORDANCE WITH STATE OR FEDERAL  
13 LAW.

14 (18) MATTERS OUTSIDE THE SCOPE OF THE BOARD OR THAT  
15 CANNOT BE RESOLVED AMONG BOARD MEMBERS MUST BE DIRECTED TO  
16 THE STATE DEPARTMENT."

17 Page 9, line 18, strike "MEMBER DEMAND" and substitute "MEMBERS'  
18 MEDICAL NEEDS".

19 Page 11, line 18, strike "REQUIRE" and substitute "ENCOURAGE".

20 Page 11, line 19, strike "MORE THAN" and substitute "AT LEAST".

21 Page 11, line 22, strike "TRANSPORTATION REQUESTS." and substitute  
22 "AND NEXT-DAY TRANSPORTATION REQUESTS, INCLUDING REQUESTS FOR  
23 URGENT MEDICAL AND BEHAVIORAL HEALTH OUTPATIENT, SPECIALTY,  
24 AND HOSPITAL VISITS; TIME-SENSITIVE IN-STATE AND OUT-OF-STATE  
25 TRANSFERS; AND DISCHARGES FROM HEALTH-CARE FACILITIES, WHEN  
26 FEASIBLE, AND SHALL NOT REQUIRE ADVANCED NOTICE THAT WOULD  
27 UNREASONABLY LIMIT ACCESS TO MEDICALLY NECESSARY SERVICES."

28 Page 12, line 3, after "PURPOSES." insert "THE TRANSPORTATION BROKER  
29 MAY ONLY PROVIDE MEMBERS THE OPTION TO REQUEST A SPECIFIC  
30 PROVIDER AFTER ALL SERVICE REGIONS HAVE BEEN IMPLEMENTED."

31 Page 13, after line 20 add:

32 "(19) (a) TRANSPORTATION NETWORK COMPANIES, AS DEFINED IN  
33 SECTION 40-10.1-602, MAY PROVIDE NEMT SERVICES IF:

34 (I) THE TRANSPORTATION PROVIDER ORIGINALLY ASSIGNED TO

1 COMPLETE A TRIP IS UNABLE TO FULFILL THE ASSIGNMENT AND NO OTHER  
2 ENROLLED TRANSPORTATION PROVIDER IS AVAILABLE TO COMPLETE THE  
3 TRIP WITHIN THE TIME FRAME NECESSARY TO ENSURE THE MEMBER  
4 ARRIVES AT THEIR APPOINTMENT; OR

5 (II) NO TRANSPORTATION PROVIDER IS AVAILABLE TO SERVE THE  
6 MEMBER IN THE MEMBER'S COUNTY OR SERVICE AREA AT THE TIME THE  
7 TRIP IS REQUESTED.

8 (b) EACH USE OF A TRANSPORTATION NETWORK COMPANY IN  
9 ACCORDANCE WITH THIS SUBSECTION MUST BE DOCUMENTED BY THE  
10 TRANSPORTATION BROKER IN WRITING OR AN ELECTRONIC RECORDS,  
11 INCLUDING THE REASON FOR USING THE TRANSPORTATION NETWORK  
12 COMPANY, THE REASON A TRANSPORTATION PROVIDER WAS UNABLE TO  
13 COMPLETE THE TRIP, AND THE DATE AND TIME OF THE REQUEST. THE  
14 TRANSPORTATION BROKER SHALL MAKE THE DOCUMENTATION AVAILABLE  
15 TO THE STATE DEPARTMENT OR ITS DESIGNEE UPON REQUEST FOR AUDIT  
16 PURPOSES.

17 (c) THE TRANSPORTATION NETWORK COMPANY PROVIDING NEMT  
18 SERVICES MUST COMPLY WITH ALL APPLICABLE DRIVER AND VEHICLE  
19 SAFETY REQUIREMENTS INCLUDING VIDEO RECORDING REQUIREMENTS  
20 ESTABLISHED IN SECTION 25.5-1-802.

21 (20) A LICENSED AMBULANCE SERVICE PROVIDER IS NOT SUBJECT  
22 TO THE REQUIREMENTS OF THIS SECTION AND MAY PROVIDE NEMT  
23 SERVICES TO MEMBERS."

24 Page 14, lines 5 and 6, strike "BILLING OR PAYMENT PURPOSES." and  
25 substitute "ROUTINE BILLING PURPOSES."

26 Page 14, line 8, after "PURPOSES." insert "THE STATE DEPARTMENT MAY  
27 REQUEST VIDEO RECORDINGS FOR PROGRAM INTEGRITY REVIEW WITHOUT  
28 ADVANCED NOTICE TO THE TRANSPORTATION PROVIDER, PROVIDED THAT  
29 REQUESTS ARE NARROWLY TAILORED TO SPECIFIC ISSUES UNDER REVIEW.  
30 THE USE OF VIDEO RECORDINGS MUST COMPLY WITH APPLICABLE PRIVACY  
31 AND CONFIDENTIALITY REQUIREMENTS. TRANSPORTATION PROVIDERS ARE  
32 NOT REQUIRED TO RETAIN OR PRODUCE VIDEO RECORDINGS BEYOND THE  
33 STANDARD RETENTION PERIOD ESTABLISHED IN THEIR OPERATING  
34 PROCEDURES. ABSENCE OF VIDEO RECORDINGS OUTSIDE A RETENTION  
35 PERIOD DOES NOT CONSTITUTE NONCOMPLIANCE, AND ADVERSE ACTION  
36 SHALL NOT BE TAKEN AGAINST A TRANSPORTATION PROVIDER ON THIS  
37 BASIS."

38 Page 15, strike lines 6 through 27.

39 Page 16, strike lines 1 through 27 and substitute:

1           "(1) THE STATE DEPARTMENT SHALL, SUBJECT TO AVAILABLE  
2 APPROPRIATIONS, AUDIT TRANSPORTATION PROVIDERS TO ENSURE  
3 REIMBURSEMENT IS MADE ONLY FOR TRIPS PERFORMED BY CREDENTIALLED  
4 DRIVERS OPERATING CREDENTIALLED VEHICLES PURSUANT TO THE RULES  
5 ADOPTED PURSUANT TO SECTION 25.5-1-802.

6           (2) THE STATE DEPARTMENT MAY USE DATA ANALYTICS,  
7 COMPLAINTS BY MEMBERS, AND OTHER PROGRAM INTEGRITY INDICATORS  
8 TO PRIORITIZE WHICH TRANSPORTATION PROVIDERS TO AUDIT. THE STATE  
9 DEPARTMENT IS NOT REQUIRED TO ANNUALLY PERFORM AUDITS BUT MUST  
10 PERFORM AUDITS AS RESOURCES ALLOW. AN AUDIT OF A TRANSPORTATION  
11 PROVIDER MAY INCLUDE A REVIEW OF THE FOLLOWING, AS THEY RELATE  
12 TO THE PROVIDER:

- 13           (a) CLAIMS SUBMITTED;
- 14           (b) THE PROVIDER'S POLICIES AND PROCEDURES;
- 15           (c) DRIVER AND VEHICLE CREDENTIALS;
- 16           (d) COMPLIANCE WITH STATE DEPARTMENT AND BROKER  
17 REQUIREMENTS;
- 18           (e) TRIP RECORDS;
- 19           (f) MEMBER GRIEVANCES, COMPLAINTS, AND INCIDENTS,  
20 INCLUDING THEIR RESOLUTION; OR
- 21           (g) OTHER DATA NECESSARY TO EVALUATE SAFETY, TIMELINESS,  
22 AND QUALITY OF THE SERVICES PROVIDED BY THE PROVIDER.

23           (3) THE STATE DEPARTMENT SHALL, SUBJECT TO AVAILABLE  
24 APPROPRIATIONS, CONDUCT AUDITS OF EACH TRANSPORTATION BROKER  
25 AT LEAST ANNUALLY. THE DEPARTMENT MAY USE THIRD-PARTY  
26 CONTRACTORS TO CONDUCT AUDITS OF TRANSPORTATION BROKERS. AN  
27 AUDIT OF A TRANSPORTATION BROKER MAY INCLUDE A REVIEW OF THE  
28 BROKER'S:

- 29           (a) POLICIES AND PROCEDURES;
- 30           (b) TRIP DISTRIBUTION AMONG TRANSPORTATION PROVIDERS,  
31 INCLUDING ANALYSIS BY GEOGRAPHY AND TRIP TYPE;
- 32           (c) COMPLIANCE WITH PROHIBITIONS ON TRIP CAPS ESTABLISHED  
33 IN STATE DEPARTMENT RULE;
- 34           (d) COMPLIANCE WITH DRIVER, VEHICLE, AND PROVIDER  
35 CREDENTIALING REQUIREMENTS ESTABLISHED IN STATE DEPARTMENT  
36 RULE; AND
- 37           (f) RESPONSE TO MEMBER REQUESTS FOR SPECIFIC  
38 TRANSPORTATION PROVIDERS, INCLUDING WHETHER THEY WERE HONORED  
39 AND, IF NOT, THE REASON FOR DENIAL.

40   Strike page 17.

41   Page 18, strike lines 1 and 2 and substitute:

1           **"SECTION 6.** In Colorado Revised Statutes, 25.5-5-102, **amend**  
2 (1)(m); and **add** (1)(n), (3), (4), (5), and (6) as follows:  
3           **25.5-5-102. Basic services for the categorically needy -**  
4 **mandated services.**  
5           (1) Subject to the provisions of subsection (2) of this section and  
6 section 25.5-4-104, the program for the categorically needy must include  
7 the following services as mandated and defined by federal law:  
8           (m) Federally qualified health centers; AND  
9           (n) NONEMERGENCY MEDICAL TRANSPORTATION SERVICES, AS  
10 REQUIRED BY 42 U.S.C. 1396a(a)(4)(A).  
11           (3) THE STATE DEPARTMENT SHALL CLASSIFY NONEMERGENCY  
12 MEDICAL TRANSPORTATION EXPENDITURES AS MEDICAL SERVICES FOR ALL  
13 ELIGIBLE POPULATIONS.  
14           (4) THE STATE DEPARTMENT SHALL, TO THE EXTENT PERMITTED BY  
15 FEDERAL LAW, ENSURE THAT ALL ELIGIBLE NONEMERGENCY MEDICAL  
16 TRANSPORTATION EXPENDITURES CLASSIFIED AS MEDICAL SERVICES  
17 RECEIVE AVAILABLE FEDERAL FINANCIAL PARTICIPATION.  
18           (5) ON NOVEMBER 1, 2026, AND NOVEMBER 1, 2027, THE STATE  
19 DEPARTMENT SHALL SUBMIT A REPORT TO THE JOINT BUDGET COMMITTEE  
20 AND THE COLORADO HEALTHCARE AFFORDABILITY AND SUSTAINABILITY  
21 ENTERPRISE BOARD ABOUT STATE SAVINGS EXPECTED OR RECEIVED AS A  
22 RESULT OF CLASSIFYING NONEMERGENCY MEDICAL TRANSPORTATION AS  
23 A MEDICAL SERVICE. THE REPORT MUST INCLUDE, AT A MINIMUM:  
24           (a) THE TOTAL AMOUNT OF NONEMERGENCY MEDICAL  
25 TRANSPORTATION EXPENDITURES CLASSIFIED AS MEDICAL SERVICES;  
26           (b) THE FEDERAL FINANCIAL PARTICIPATION AS A RESULT OF THE  
27 CLASSIFICATION;  
28           (c) A DESCRIPTION OF ACTIONS TAKEN TO IMPLEMENT SUBSECTION  
29 (3) OF THIS SECTION, INCLUDING STATE PLAN AMENDMENTS, WAIVERS, OR  
30 PROGRAM CHANGES;  
31           (d) IDENTIFICATION OF REMAINING NONEMERGENCY MEDICAL  
32 TRANSPORTATION EXPENDITURES NOT YET CLASSIFIED AS MEDICAL  
33 SERVICES AND THE BARRIERS TO THE CLASSIFICATION; AND  
34           (e) RECOMMENDATIONS FOR ADDITIONAL STATUTORY OR  
35 ADMINISTRATIVE CHANGES NECESSARY TO MAXIMIZE FEDERAL FINANCIAL  
36 PARTICIPATION.  
37           (6) SUBSECTION (5) OF THIS SECTION REPEALS, EFFECTIVE  
38 JANUARY 1, 2028."

39 Renumber succeeding sections accordingly.

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