

Second Regular Session  
Seventy-third General Assembly  
STATE OF COLORADO

INTRODUCED

LLS NO. 22-0572.01 Kristen Forrestal x4217

HOUSE BILL 22-1401

---

HOUSE SPONSORSHIP

Mullica,

SENATE SPONSORSHIP

Moreno,

---

House Committees  
Health & Insurance

Senate Committees

---

A BILL FOR AN ACT

101 CONCERNING THE PREPAREDNESS OF HEALTH FACILITIES TO MEET  
102 PATIENT NEEDS.

---

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 requires every hospital to establish, by September 1, 2022, a nurse staffing committee pursuant to rules promulgated by the state board of health, either by creating a new committee or assigning the nurse staffing functions to an existing hospital staffing committee. The nurse staffing committee is required to create, implement, and evaluate a nurse staffing plan and to receive, track, and resolve complaints and receive

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.

feedback from direct-care nurses and other staff.

The bill requires a hospital to:

- Submit the nurse staffing plan to the department of public health and environment (department) on an annual basis;
- Post the nurse staffing plan on the hospital's website;
- Evaluate the nurse staffing plan on a quarterly basis and, based on complaints and recommendations of patients and staff, revise the nurse staffing plan accordingly; and
- Prepare a quarterly report containing the details of the evaluation.

The bill prohibits a hospital from assigning direct-care providers to a nursing unit or clinical area of a hospital unless the providers are properly trained in the unit or area assigned.

On or before September 1, 2022, in a form and manner determined by rules promulgated by the state board of health, each hospital is required to report:

- The baseline number of beds the hospital is able to staff; and
- The hospital's current bed capacity.

If the hospital's ability to meet staffed-bed capacity falls below 80% of the required baseline in a specified period, the hospital is required to notify the department and submit a plan to meet that requirement.

The bill requires the department to notify a hospital if the hospital's number of staffed beds exceeds 80% of a hospital's total licensed beds and fine the hospital if the hospital does not take corrective action.

Each hospital is required to update its emergency plan at least annually and as often as necessary, as circumstances warrant.

The bill authorizes the department to fine a hospital up to \$10,000 per day for the hospital's failure to:

- Meet the required staffed-bed capacity;
- Include the amount of necessary vaccines for administration in its annual emergency plan and have the vaccines available at each of its facilities; and
- Include the necessary testing capabilities available at each of its facilities.

The bill grants rule-making authority to the department and to the state board of health.

The bill requires the department to report certain data to its committee of reference as part of its presentation at the hearing held pursuant to the "State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act".

The bill requires the office of saving people money on health care in the office of the lieutenant governor to study:

- The level of preparedness of health facilities to respond to post-viral illness resulting from the COVID-19 virus;

- The effects of post-viral illness resulting from the COVID-19 virus on the mental, behavioral, and physical health and the financial security of the people of Colorado; and
- The effects of the COVID-19 pandemic on the cost of health care in Colorado and on the resiliency of Colorado's public health system.

---

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 25-3-128 and  
3 25-3-129 as follows:

4 **25-3-128. Hospitals - nurses, nurse aides, and EMS providers**  
5 **- staffing requirements - enforcement - waiver - rules - definitions.**

6 (1) AS USED IN THIS SECTION:

7 (a) "DIRECT-CARE NURSE" MEANS A PRACTICAL NURSE,  
8 REGISTERED PROFESSIONAL NURSE, OR ADVANCED PRACTICE REGISTERED  
9 NURSE LICENSED PURSUANT TO ARTICLE 255 OF TITLE 12 WHO PROVIDES  
10 DIRECT CARE TO PATIENTS.

11 (b) "DIRECT-CARE NURSE AIDE" MEANS A PERSON CERTIFIED  
12 PURSUANT TO ARTICLE 255 OF TITLE 12 TO PRACTICE AS A NURSE AIDE  
13 WHO PROVIDES DIRECT CARE TO PATIENTS.

14 (c) "EMS PROVIDER" MEANS AN INDIVIDUAL WHO HOLDS A VALID  
15 CERTIFICATE OR LICENSE ISSUED BY THE DEPARTMENT AS PROVIDED IN  
16 ARTICLE 3.5 OF THIS TITLE 25.

17 (d) "STAFFING PLAN" MEANS THE PATIENT-CARE STAFFING PLAN  
18 DEVELOPED FOR A HOSPITAL PURSUANT TO SUBSECTION (2)(b) OF THIS  
19 SECTION.

20 (2) (a) ON OR BEFORE SEPTEMBER 1, 2022, EACH HOSPITAL SHALL  
21 ESTABLISH A NURSE STAFFING COMMITTEE PURSUANT TO RULES  
22 PROMULGATED BY THE STATE BOARD OF HEALTH, EITHER BY CREATING A

1 NEW COMMITTEE OR ASSIGNING THE NURSE STAFFING FUNCTIONS TO AN  
2 EXISTING HOSPITAL STAFFING COMMITTEE. AT LEAST SIXTY PERCENT OF  
3 THE NURSE STAFFING COMMITTEE MEMBERS MUST BE NURSES AND  
4 ANCILLARY NURSE HEALTH-CARE PERSONNEL, AND UP TO FORTY PERCENT  
5 OF THE MEMBERS OF THE NURSE STAFFING COMMITTEE MAY BE  
6 DETERMINED BY THE HOSPITAL ADMINISTRATION. THE NURSE STAFFING  
7 COMMITTEE MUST INCLUDE A DESIGNATED LEADER OF WORKPLACE  
8 VIOLENCE PREVENTION AND REDUCTION EFFORTS.

9 (b) THE NURSE STAFFING COMMITTEE:

10 (I) SHALL ANNUALLY DEVELOP AND OVERSEE A PATIENT-CARE  
11 STAFFING PLAN FOR THE HOSPITAL THAT:

12 (A) IS VOTED ON AND RECOMMENDED BY AT LEAST SIXTY  
13 PERCENT OF THE NURSE STAFFING COMMITTEE;

14 (B) INCLUDES MINIMUM STAFFING REQUIREMENTS FOR EACH  
15 INPATIENT UNIT AND EMERGENCY DEPARTMENT THAT ARE ALIGNED WITH  
16 NATIONALLY RECOGNIZED STANDARDS AND GUIDELINES IN EACH TYPE OF  
17 HOSPITAL UNIT;

18 (C) INCLUDES STRATEGIES THAT PROMOTE THE HEALTH, SAFETY,  
19 AND WELFARE OF THE HOSPITAL'S EMPLOYEES AND PATIENTS;

20 (D) INCLUDES GUIDANCE AND A PROCESS FOR REDUCING  
21 PROVIDER-TO-PATIENT RATIOS TO ALIGN WITH THE DEMAND BASED ON  
22 PATIENT ACUITY; AND

23 (E) MAY INCLUDE INNOVATIVE STAFFING MODELS;

24 (II) (A) SHALL SUBMIT THE RECOMMENDED STAFFING PLAN TO THE  
25 HOSPITAL'S SENIOR NURSE EXECUTIVE OR THE HOSPITAL'S GOVERNING  
26 BODY, OR BOTH, FOR APPROVAL. IF THE FINAL PLAN APPROVED BY THE  
27 HOSPITAL CHANGES MATERIALLY FROM THE RECOMMENDATIONS PUT

1 FORTH BY THE STAFFING COMMITTEE, THE SENIOR NURSE EXECUTIVE  
2 SHALL PROVIDE THE NURSE STAFFING COMMITTEE WITH AN EXPLANATION  
3 FOR THE CHANGES.

4 (B) IF, AFTER RECEIVING THE EXPLANATION REFERENCED IN  
5 SUBSECTION (2)(b)(II)(A) OF THIS SECTION, THE STAFFING COMMITTEE  
6 BELIEVES THE FINAL PLAN DOES NOT MEET NURSE STAFFING STANDARDS  
7 ESTABLISHED IN RULES PROMULGATED BY THE STATE BOARD OF HEALTH,  
8 THE STAFFING COMMITTEE, WITH A VOTE OF SIXTY PERCENT OR MORE OF  
9 THE MEMBERS, MAY REQUEST THE DEPARTMENT REVIEW THE FINAL  
10 ADOPTED STAFFING PLAN FOR COMPLIANCE.

11 (III) MAY PUBLISH A REPORT THAT IS RESPONSIVE TO THE  
12 CHANGES MADE TO THE RECOMMENDED PLAN PURSUANT TO SUBSECTION  
13 (2)(b)(II) OF THIS SECTION, IF ANY;

14 (IV) SHALL DOCUMENT, IMPLEMENT, AND EVALUATE THE NURSE  
15 STAFFING PLAN ON A QUARTERLY BASIS;

16 (V) SHALL DESCRIBE IN WRITING THE PROCESS FOR RECEIVING,  
17 TRACKING, AND RESOLVING COMPLAINTS AND RECEIVING FEEDBACK ON  
18 THE STAFFING PLAN FROM DIRECT-CARE NURSES AND OTHER STAFF; AND

19 (VI) SHALL MAKE THE COMPLAINT AND FEEDBACK PROCESS  
20 AVAILABLE TO ALL DIRECT-CARE PROVIDERS, INCLUDING DIRECT-CARE  
21 NURSES, DIRECT-CARE NURSE AIDES, AND EMS PROVIDERS.

22 (c) THE DEPARTMENT IS AUTHORIZED TO AND SHALL ENTER,  
23 SURVEY, AND INVESTIGATE EACH HOSPITAL AS NECESSARY TO ENSURE  
24 COMPLIANCE WITH THE NURSING STAFFING STANDARDS ESTABLISHED IN  
25 RULES PROMULGATED BY THE STATE BOARD OF HEALTH.

26 (3) A HOSPITAL SHALL:

27 (a) SUBMIT THE FINAL, APPROVED NURSE STAFFING PLAN TO THE

1 DEPARTMENT ON AN ANNUAL BASIS;

2 (b) POST THE NURSE STAFFING PLAN ON THE HOSPITAL'S WEBSITE  
3 WITHIN FIFTEEN DAYS AFTER SUBMITTING THE STAFFING PLAN TO THE  
4 DEPARTMENT;

5 (c) EVALUATE THE STAFFING PLAN ON A QUARTERLY BASIS; AND

6 (d) PREPARE A QUARTERLY REPORT CONTAINING THE DETAILS OF  
7 THE EVALUATION REQUIRED IN SUBSECTION (2)(c) OF THIS SECTION AND  
8 SUBMIT THE REPORT TO THE DEPARTMENT, IN A FORM AND MANNER  
9 DETERMINED BY RULES PROMULGATED BY THE STATE BOARD OF HEALTH.

10 THE REPORT MUST INCLUDE AT A MINIMUM THE FOLLOWING INFORMATION:

11 (I) PATIENT AND PERSONNEL INFORMATION;

12 (II) HEALTH-CARE-PROVIDER-SENSITIVE PATIENT OUTCOMES  
13 INFORMATION;

14 (III) HEALTH-CARE ASSOCIATED INFECTIONS; AND

15 (IV) RECORDED INCIDENCES OF VIOLENCE AGAINST STAFF AND  
16 CONTRACTED STAFF.

17 (4) A HOSPITAL SHALL NOT ASSIGN A DIRECT-CARE NURSE, A  
18 DIRECT-CARE NURSE AIDE, OR AN EMS PROVIDER TO A NURSING UNIT OR  
19 A CLINICAL AREA UNLESS THAT DIRECT-CARE NURSE, DIRECT-CARE NURSE  
20 AIDE, OR EMS PROVIDER HAS RECEIVED ORIENTATION IN THAT NURSING  
21 UNIT OR CLINICAL AREA THAT IS SUFFICIENT TO PROVIDE COMPETENT CARE  
22 TO PATIENTS IN THAT UNIT OR AREA AND HAS DEMONSTRATED CURRENT  
23 COMPETENCE IN PROVIDING THE REQUIRED CARE.

24 (5) (a) ON OR BEFORE SEPTEMBER 1, 2022, EACH HOSPITAL SHALL  
25 REPORT, IN A FORM AND MANNER DETERMINED BY RULES PROMULGATED  
26 BY THE STATE BOARD OF HEALTH, THE BASELINE NUMBER OF BEDS THE  
27 HOSPITAL IS ABLE TO STAFF IN ORDER TO PROVIDE PATIENT CARE AND THE

1 HOSPITAL'S CURRENT BED CAPACITY. THE REPORTING MAY INCLUDE:

2 (I) SEASONAL OR OTHER ANTICIPATED VARIANCES IN STAFFED-BED  
3 CAPACITY, NOT TO EXCEED THREE ANTICIPATED VARIANCES PER YEAR;  
4 AND

5 (II) ANTICIPATED FACTORS IMPACTING STAFFED-BED CAPACITY.

6 (b) IN PROMULGATING RULES PURSUANT TO SUBSECTION (5)(a) OF  
7 THIS SECTION, THE STATE BOARD OF HEALTH SHALL USE THE DATA  
8 PROVIDED TO THE DEPARTMENT BY EACH HOSPITAL THROUGHOUT THE  
9 COVID-19 PANDEMIC THROUGH AN INTERNET-BASED RESOURCE  
10 MANAGEMENT AND COMMUNICATION TOOL DEVELOPED FOR AND  
11 COMMONLY USED BY HOSPITALS.

12 (c) ON OR BEFORE SEPTEMBER 1, 2022, AS DETERMINED BY RULES  
13 PROMULGATED BY THE STATE BOARD OF HEALTH, IF A HOSPITAL'S ABILITY  
14 TO MEET STAFFED-BED CAPACITY FALLS BELOW EIGHTY PERCENT OF THE  
15 HOSPITAL'S REPORTED BASELINE FOR NOT LESS THAN SEVEN AND NOT  
16 MORE THAN FOURTEEN CONSECUTIVE DAYS, THE HOSPITAL SHALL NOTIFY  
17 THE DEPARTMENT AND SUBMIT:

18 (I) A PLAN TO ENSURE STAFF IS AVAILABLE, WITHIN THIRTY DAYS,  
19 TO RETURN TO A STAFFED-BED CAPACITY LEVEL THAT IS EIGHTY PERCENT  
20 OF THE REPORTED BASELINE; OR

21 (II) A REQUEST FOR A WAIVER DUE TO A HARDSHIP, WHICH  
22 REQUEST ARTICULATES WHY THE HOSPITAL IS UNABLE TO MEET THE  
23 REQUIRED STAFFED-BED CAPACITY IF:

24 (A) THE HOSPITAL'S CURRENT STAFFED-BED CAPACITY FALLS  
25 BELOW EIGHTY PERCENT OF THE HOSPITAL'S REPORTED BASELINE FOR NOT  
26 LESS THAN SEVEN AND NOT MORE THAN FOURTEEN CONSECUTIVE DAYS;  
27 OR

1 (B) THE HOSPITAL'S CURRENT STAFFED-BED CAPACITY THREATENS  
2 PUBLIC HEALTH.

3 (d) THE DEPARTMENT MAY IMPOSE FINES, NOT TO EXCEED ONE  
4 THOUSAND DOLLARS PER DAY, FOR A HOSPITAL'S FAILURE TO:

5 (I) MEET THE REPORTED STAFFED-BED CAPACITY OF EIGHTY  
6 PERCENT OR MORE OF THE HOSPITAL'S REPORTED BASELINE; OR

7 (II) ACCURATELY REPORT A HOSPITAL'S BASELINE STAFFED-BED  
8 CAPACITY.

9 (6) EACH HOSPITAL WITH MORE THAN TWENTY-FIVE BEDS SHALL  
10 ARTICULATE IN ITS EMERGENCY PLAN A DEMONSTRATED ABILITY TO  
11 EXPAND THE HOSPITAL'S STAFFED-BED CAPACITY UP TO ONE HUNDRED  
12 TWENTY-FIVE PERCENT OF THE HOSPITAL'S BASELINE STAFFED-BED  
13 CAPACITY AND INTENSIVE CARE UNIT CAPACITY WITHIN FOURTEEN DAYS  
14 AFTER:

15 (a) A STATEWIDE PUBLIC HEALTH EMERGENCY IS DECLARED OR  
16 THE HOSPITAL IS NOTIFIED BY THE DEPARTMENT THAT SURGE CAPACITY IS  
17 NEEDED; AND

18 (b) THE STATE HAS USED ALL AVAILABLE AUTHORITY TO EXPEDITE  
19 WORKFORCE AVAILABILITY AND MAXIMIZE HOSPITAL THROUGHPUT AND  
20 CAPACITY, SUCH AS:

21 (I) LICENSING OR CERTIFICATION FLEXIBILITY FOR HEALTH  
22 FACILITIES;

23 (II) REDUCING REQUIREMENTS FOR LICENSING, CREDENTIALING,  
24 AND THE RECEIPT OF STAFF PRIVILEGES;

25 (III) WAIVING SCOPE OF PRACTICE LIMITATIONS; AND

26 (IV) WAIVING STATE-REGULATED PAYER PROVISIONS THAT  
27 CREATE BARRIERS TO TIMELY PATIENT DISCHARGE.



1           (7) EACH HOSPITAL SHALL UPDATE ITS EMERGENCY PLAN AT LEAST  
2 ANNUALLY AND AS OFTEN AS NECESSARY, AS CIRCUMSTANCES WARRANT.  
3 THE EMERGENCY PLAN MUST INCLUDE THE ACTIONS THE HOSPITAL WILL  
4 TAKE TO MAXIMIZE STAFFED-BED CAPACITY AND APPROPRIATE  
5 UTILIZATION OF HOSPITAL BEDS TO THE EXTENT NECESSARY FOR A PUBLIC  
6 HEALTH EMERGENCY AND THROUGH THE FOLLOWING ACTIVITIES:

7           (a) CROSS-TRAINING, JUST-IN-TIME TRAINING, AND  
8 REDEPLOYMENT OF STAFF;

9           (b) SUPPORTING ALL HOSPITAL FACILITIES, INCLUDING  
10 HOSPITAL-OWNED FACILITIES, TO PROVIDE ANY NECESSARY, AVAILABLE,  
11 AND APPROPRIATE PREVENTIVE CARE, VACCINE ADMINISTRATION,  
12 DIAGNOSTIC TESTING, AND THERAPEUTICS;

13           (c) MAXIMIZING HOSPITAL THROUGHPUT BY DISCHARGING  
14 PATIENTS TO SKILLED NURSING, POST-ACUTE, AND OTHER STEP-DOWN  
15 FACILITIES; AND

16           (d) REDUCING THE NUMBER OF SCHEDULED PROCEDURES IN THE  
17 HOSPITAL.

18           (8) BEGINNING SEPTEMBER 1, 2022, THE DEPARTMENT MAY FINE  
19 A HOSPITAL AN AMOUNT NOT TO EXCEED TEN THOUSAND DOLLARS PER  
20 DAY FOR THE FAILURE TO:

21           (a) ACHIEVE THE REQUIRED STAFFED-BED CAPACITY DESCRIBED IN  
22 SUBSECTION (6) OF THIS SECTION WITHIN FOURTEEN DAYS AFTER A  
23 DECLARED STATEWIDE PUBLIC HEALTH EMERGENCY OR OTHER  
24 NOTIFICATION BY THE DEPARTMENT THAT SURGE CAPACITY IS NEEDED;

25           (b) INCLUDE THE AMOUNT OF NECESSARY VACCINES FOR  
26 ADMINISTRATION IN ITS ANNUAL EMERGENCY PLAN AND HAVE THE  
27 VACCINES AVAILABLE AT EACH OF ITS HOSPITAL FACILITIES AND

1 HOSPITAL-OWNED PRIMARY CARE SITES DURING AND OUTSIDE OF THE  
2 PUBLIC HEALTH EMERGENCY, AS DETERMINED BY RULES PROMULGATED  
3 BY THE DEPARTMENT; AND

4 (c) INCLUDE THE NECESSARY TESTING CAPABILITIES AVAILABLE IN  
5 ITS ANNUAL EMERGENCY PLAN AND AT EACH OF ITS HOSPITAL FACILITIES  
6 AND HOSPITAL-OWNED PRIMARY CARE SITES DURING AND OUTSIDE OF A  
7 PUBLIC HEALTH EMERGENCY, AS DETERMINED BY RULES PROMULGATED  
8 BY THE DEPARTMENT.

9 (9) FOR THE PURPOSES OF THIS SECTION, THE DEPARTMENT SHALL  
10 ENTER, SURVEY, AND INVESTIGATE EACH HOSPITAL:

11 (a) AS DEEMED NECESSARY BY THE DEPARTMENT;

12 (b) FOR PURPOSES OF INFECTION CONTROL AND EMERGENCY  
13 PREPAREDNESS; AND

14 (c) TO ENSURE COMPLIANCE WITH THIS SECTION.

15 (10) THE DEPARTMENT SHALL ANNUALLY REPORT ON THE  
16 INFORMATION CONTAINED IN THE QUARTERLY REPORT DESCRIBED IN  
17 SUBSECTION (3)(d) OF THIS SECTION AS A PART OF ITS PRESENTATION TO  
18 ITS COMMITTEE OF REFERENCE AT A HEARING HELD PURSUANT TO SECTION  
19 2-7-203 (2)(a) OF THE "STATE MEASUREMENT FOR ACCOUNTABLE,  
20 RESPONSIVE, AND TRANSPARENT (SMART) GOVERNMENT ACT".

21 (11) THE DEPARTMENT MAY PROMULGATE RULES TO REQUIRE  
22 HEALTH FACILITIES LICENSED PURSUANT TO SECTION 25-1.5-103 TO  
23 DEVELOP AND IMPLEMENT INFECTION PREVENTION PLANS THAT ALIGN  
24 WITH NATIONAL BEST PRACTICES AND STANDARDS AND THAT ARE  
25 RESPONSIVE TO COVID-19 AND OTHER COMMUNICABLE DISEASES. THE  
26 REQUIREMENTS MAY INCLUDE TESTING, VACCINATION, AND TREATMENT  
27 IN ACCORDANCE WITH APPLICABLE STATE LAWS, RULES, AND EXECUTIVE

1 ORDERS.

2 (12) THE STATE BOARD OF HEALTH SHALL PROMULGATE RULES AS  
3 NECESSARY TO IMPLEMENT THIS SECTION.

4 **25-3-129. Office of saving people money on health care - study**  
5 **- report.** (1) THE OFFICE OF SAVING PEOPLE MONEY ON HEALTH CARE IN  
6 THE LIEUTENANT GOVERNOR'S OFFICE SHALL STUDY:

7 (a) THE LEVEL OF PREPAREDNESS OF HEALTH FACILITIES LICENSED  
8 PURSUANT TO SECTION 25-1.5-103 TO RESPOND TO POST-VIRAL ILLNESS  
9 RESULTING FROM THE COVID-19 VIRUS;

10 (b) THE EFFECTS OF POST-VIRAL ILLNESS RESULTING FROM THE  
11 COVID-19 VIRUS ON THE MENTAL, BEHAVIORAL, AND PHYSICAL HEALTH  
12 AND THE FINANCIAL SECURITY OF THE PEOPLE OF COLORADO; AND

13 (c) THE EFFECTS OF THE COVID-19 PANDEMIC ON THE COST OF  
14 HEALTH CARE IN COLORADO AND ON THE ABILITY OF COLORADO'S PUBLIC  
15 HEALTH SYSTEM TO RESPOND TO EMERGENCIES.

16 (2) THE OFFICE OF SAVING PEOPLE MONEY ON HEALTH CARE SHALL  
17 REPORT ITS FINDINGS TO THE GOVERNOR ON OR BEFORE JANUARY 1, 2023.

18 **SECTION 2.** In Colorado Revised Statutes, 25-1.5-103, **amend**  
19 (1)(a)(I)(C) as follows:

20 **25-1.5-103. Health facilities - powers and duties of department**  
21 **- limitations on rules promulgated by department - definitions.**

22 (1) The department has, in addition to all other powers and duties  
23 imposed upon it by law, the powers and duties provided in this section as  
24 follows:

25 (a) (I) (C) The department shall extend the survey cycle or  
26 conduct a tiered inspection or survey of a health facility licensed for at  
27 least three years and against which no enforcement activity has been

1 taken, no patterns of deficient practices exist, as documented in the  
2 inspection and survey reports issued by the department, and no  
3 substantiated complaint resulting in the discovery of significant  
4 deficiencies that may negatively affect the life, health, or safety of  
5 consumers of the health facility has been received within the three years  
6 prior to the date of the inspection. The department may expand the scope  
7 of the inspection or survey to an extended or full survey if the department  
8 finds deficient practice during the tiered inspection or survey. The  
9 department, by rule, shall establish a schedule for an extended survey  
10 cycle or a tiered inspection or survey system designed, at a minimum, to:  
11 Reduce the time needed for and costs of licensure inspections for both the  
12 department and the licensed health facility; reduce the number, frequency,  
13 and duration of on-site inspections; reduce the scope of data and  
14 information that health facilities are required to submit or provide to the  
15 department in connection with the licensure inspection; reduce the  
16 amount and scope of duplicative data, reports, and information required  
17 to complete the licensure inspection; and be based on a sample of the  
18 facility size. Nothing in this ~~sub-subparagraph (C)~~ SUBSECTION  
19 (1)(a)(I)(C) limits the ability of the department to conduct a periodic  
20 inspection or survey that is required to meet its obligations as a state  
21 survey agency on behalf of the FEDERAL centers for medicare and  
22 medicaid services or the department of health care policy and financing  
23 to assure that the health facility meets the requirements for participation  
24 in the medicare and medicaid programs OR LIMITS THE ABILITY OF THE  
25 DEPARTMENT TO ENTER, SURVEY, AND INVESTIGATE HOSPITALS PURSUANT  
26 TO SECTION 25-3-128.

27 **SECTION 3.** In Colorado Revised Statutes, 25-3-102.1, **amend**

1 (1)(b)(II) as follows:

2 **25-3-102.1. Deemed status for certain facilities.** (1) (b) (II) If  
3 the standards for national accreditation are less stringent than the state's  
4 licensure standards for a particular health facility, the department of  
5 public health and environment may conduct a survey that focuses on the  
6 more stringent state standards. Beginning one year after the department  
7 first grants deemed status to a health facility pursuant to this ~~paragraph~~  
8 ~~(b)~~ SUBSECTION (1)(b), the department may conduct validation surveys,  
9 based on a valid sample methodology, of up to ten percent of the total  
10 number of accredited health facilities in the industry. ~~excluding hospitals.~~  
11 If the department conducts a validation survey of a health facility, the  
12 validation survey is in lieu of a licensing renewal survey that the health  
13 facility would have undergone if the health facility did not have deemed  
14 status pursuant to this ~~paragraph~~ ~~(b)~~ SUBSECTION (1)(b).  
15 NOTWITHSTANDING ANY OTHER LAW TO THE CONTRARY, THE  
16 DEPARTMENT MAY ENTER, SURVEY, AND INVESTIGATE HOSPITALS  
17 PURSUANT TO SECTION 25-3-128.

18 **SECTION 4.** In Colorado Revised Statutes, 25-3-105, **amend**  
19 (1)(a)(I)(B) and (1)(a)(I)(C) as follows:

20 **25-3-105. License - fee - rules - penalty - repeal.**  
21 (1) (a) (I) (B) On or after June 4, 2012, the state board of health may  
22 increase the amount of any fee on the schedule of fees established  
23 pursuant to subsection (1)(a)(I)(A) of this section that is in effect on June  
24 4, 2012, by an amount not to exceed the annual percentage change in the  
25 United States department of labor, bureau of labor statistics, consumer  
26 price index for Denver-Aurora-Lakewood for all urban consumers and all  
27 goods, or its applicable predecessor or successor index. Nothing in this

1 subsection (1)(a)(I)(B) limits the ability of the state board of health to  
2 reduce the amount of any fee on the schedule of fees in effect on such  
3 date or to modify fees as necessary to comply with section 24-75-402.  
4 NOTWITHSTANDING THE REQUIREMENTS OF THIS SUBSECTION (1)(a)(I)(B),  
5 THE STATE BOARD OF HEALTH MAY ASSESS FEES NECESSARY TO COVER  
6 THE COSTS ASSOCIATED WITH THE SURVEYS CONDUCTED PURSUANT TO  
7 SECTION 25-3-128.

8 (C) The department of public health and environment shall  
9 institute, by rule, a performance incentive system for licensed health  
10 facilities under which a licensed health facility would be eligible for a  
11 reduction in its license renewal fee if: The department's on-site  
12 relicensure inspection demonstrates that the health facility has no  
13 significant deficiencies that have negatively affected the life, safety, or  
14 health of its consumers; the licensed health facility has fully and timely  
15 cooperated with the department during the on-site inspection; the  
16 department has found no documented actual or potential harm to  
17 consumers; and, in the case where any significant deficiencies are found  
18 that do not negatively affect the life, safety, or health of consumers, the  
19 licensed health facility has submitted, and the department has accepted,  
20 a plan of correction and the health facility has corrected the deficient  
21 practice, as verified by the department, within the period required by the  
22 department. NOTWITHSTANDING THE REQUIREMENTS OF THIS SUBSECTION  
23 (1)(a)(I)(C), ANY FEES ASSOCIATED WITH THE SURVEYS AND  
24 INVESTIGATIONS OF HOSPITALS AUTHORIZED BY SECTION 25-3-128 ARE  
25 NOT SUBJECT TO A REDUCTION BASED ON THE PERFORMANCE INCENTIVE  
26 SYSTEM.

27 **SECTION 5. Act subject to petition - effective date -**

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

10           (2) This act applies to staffing limits in hospitals on or after  
11     September 1, 2022.