CHAPTER 362

HEALTH CARE POLICY AND FINANCING

HOUSE BILL 24-1322

BY REPRESENTATIVE(S) Brown and Bird, Amabile, Daugherty, deGruy Kennedy, Duran, Epps, Froelich, Garcia, Hamrick, Hernandez, Herod, Joseph, Kipp, Lieder, Lindsay, Lukens, Mabrey, Martinez, Marvin, Mauro, McLachlan, Ortiz, Parenti, Rutinel, Sirota, Story, Titone, Velasco, Weissman, Willford, Young, McCluskie; also SENATOR(S) Kirkmeyer and Rodriguez, Bridges, Buckner, Cutter, Exum, Jaquez Lewis, Michaelson Jenet, Priola.

AN ACT

CONCERNING THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING CONDUCTING A FEASIBILITY STUDY TO DETERMINE WHETHER TO SEEK FEDERAL AUTHORIZATION TO PROVIDE SERVICES THAT ADDRESS MEDICAID MEMBERS' HEALTH-RELATED SOCIAL NEEDS, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

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

SECTION 1. In Colorado Revised Statutes, **add** 25.5-5-338 as follows:

- 25.5-5-338. Coverage for services addressing health-related social needs feasibility study federal authorization report rules. (1) (a) The state department shall study the feasibility of providing nutrition, housing, and tenant supportive services that address members' health-related social needs in order to determine whether to seek a federal authorization to provide the services.
- (b) The feasibility study must address the costs, implementation factors, affected populations, federal and state funding mechanisms, and timeline for the state department to seek a federal authorization that, at a minimum, provides:
- (I) Housing-related services and tenant supportive services, including up to six months of rental assistance or temporary housing and utility assistance, where applicable, for:
- (A) Individuals transitioning out of institutional care or a congregate care setting, or individuals at risk of institutionalization;

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- (B) Individuals who are experiencing homelessness, at risk of homelessness, or transitioning out of an emergency shelter, noncongregate shelter, or micro-community; and
- (C) YOUTH IN OR TRANSITIONING OUT OF FOSTER CARE, OR FORMER FOSTER CARE YOUTH; AND
- (II) NUTRITION-RELATED SERVICES, INCLUDING UP TO THREE MEDICALLY TAILORED MEALS PER DAY, INITIALLY FOR UP TO SIX MONTHS WITH THE POSSIBILITY OF CONTINUING THE MEALS UPON A STATE DEPARTMENT DETERMINATION TO CONTINUE THE MEALS, DELIVERED TO A MEMBER'S HOME OR OTHER PRIVATE RESIDENCE IF THE MEMBER HAS AN ELIGIBLE HEALTH-RELATED MEDICAL OR HEALTH-RELATED SOCIAL NEED, AS DETERMINED BY THE STATE DEPARTMENT.
- (c) The feasibility study must also address the costs, implementation factors, timeline, provider types, settings, and full range of services to be covered for the state department to seek a federal authorization that provides:
- (I) Pre-tenancy and tenancy-sustaining services, including, but not limited to, tenant rights education and eviction prevention;
- (II) HOUSING TRANSITION NAVIGATION SERVICES, INCLUDING, BUT NOT LIMITED TO, INDIVIDUALIZED CASE MANAGEMENT, SKILLS BUILDING, AND PEER SUPPORT SERVICES;
- (III) One-time housing transition and moving costs, including, but not limited to, security deposits; first month's rent; movers; relocation expenses; and costs associated with utility activation, identification requirements, and housing applications and inspections;
- (IV) PANTRY STOCKING OR UP TO THREE MEALS PER DAY, DELIVERED TO THE MEMBER'S HOME OR OTHER PRIVATE RESIDENCE FOR A CHILD OR YOUTH UNDER TWENTY-ONE YEARS OF AGE OR A PREGNANT PERSON FOR UP TO SIX MONTHS; AND
- (V) NUTRITION PRESCRIPTIONS THAT ARE TARGETED TO MEDICALLY VULNERABLE POPULATIONS, AS DETERMINED BY THE STATE DEPARTMENT, AND TAILORED TO THE MEMBER'S HEALTH AND SOCIAL RISK, NUTRITION-SENSITIVE HEALTH CONDITIONS, OR HAVE A DEMONSTRATED OUTCOME IMPROVEMENT, INCLUDING FRUIT AND VEGETABLE PRESCRIPTIONS AND PROTEIN BOXES FOR UP TO SIX MONTHS.
- (2) In addition to the study topics detailed in subsection (1) of this section, the feasibility study must address how to best:
 - (a) Ensure the housing-related services and tenant supportive services

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DESCRIBED IN SUBSECTION (1) OF THIS SECTION SUPPLEMENT AND INTEGRATE WITH OTHER EXISTING HOUSING-RELATED SERVICES AND TENANT SUPPORTIVE SERVICES;

- (b) Coordinate eligibility and priority determinations for the housing-related services and tenant supportive services described in subsection (1) of this section with existing processes, including wait lists and coordinated entry systems;
- (c) Align temporary housing assistance described in subsection (1)(b)(I) of this section with existing long-term rental assistance program requirements and processes;
- (d) Ensure the nutrition-related services described in subsection (1) of this section supplement rather than supplant existing federal, state, and local nutrition-related services:
- (e) Coordinate with state agencies and county departments to connect members experiencing food insecurity to other state and federal nutrition programs, including the federal special supplemental food program for women, infants, and children, 42 U.S.C. sec. 1786, as amended; the supplemental nutrition assistance program, established in part 3 of article 2 of title 26; and temporary assistance for needy families, as defined in section 26-2-703;
- (f) COORDINATE WITH OTHER STATE AND LOCAL HOUSING AUTHORITIES TO ASSIST MEMBERS IN OBTAINING OTHER EXISTING HOUSING-RELATED SERVICES AND TENANT SUPPORTIVE SERVICES;
- (g) Ensure that all health-related social needs services provided pursuant to subsection (1) of this section are:
- (I) MEDICALLY APPROPRIATE, AS DETERMINED BY STATE-DEFINED CLINICAL AND SOCIAL RISK CRITERIA; AND
 - (II) OPTIONAL FOR MEMBERS, WHO MAY OPT OUT AT ANY TIME; AND
- (h) Utilize managed care entities, as defined in Section 25.5-5-403, to coordinate services that address the health-related social needs of members described in Subsection (1) of this section.
- (3) (a) In conducting the feasibility study pursuant to this section, the state department shall determine:
- (I) What provider types may be reimbursed for housing-related services and tenant supportive services, which must not be limited to clinical providers;

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- (II) THE TYPES OF HOUSING-RELATED SERVICES AND TENANT SUPPORTIVE SERVICES, INCLUDING SUPPORTIVE OR WRAPAROUND SERVICES, THAT ARE REQUIRED TO KEEP PEOPLE STABLY HOUSED AND THAT ARE AVAILABLE FOR REIMBURSEMENT, INCLUDING, BUT NOT LIMITED TO, CASE MANAGEMENT, ON-SITE PHYSICAL AND BEHAVIORAL HEALTH CARE, PEER SUPPORT SERVICES, SKILL-BUILDING SERVICES, AND NAVIGATION SERVICES; AND
- (III) The housing settings in which housing-related services and tenant supportive services may be provided, including, but not limited to, traditional congregate shelters, noncongregate shelters, and micro-communities, where people are transitionally housed.
- (b) In determining the reimbursement methodology for housing-related services and tenant supportive services pursuant to subsection (3)(a) of this section, the state department shall consider a per member per month lump sum payment combined with housing vouchers and other available subsidies rather than a direct reimbursement model.
- (c) In conducting the feasibility study pursuant to this section, the state department shall consider how best to leverage available state-designated health program funding.
- (4) In conducting the feasibility study pursuant to this section, the state department shall take into consideration examples of federal authorizations granted to other states in order to streamline the development of a potential federal authorization for health-related social needs in Colorado and increase the likelihood of its approval.
- (5) If, in conducting the feasibility study pursuant to this section, the state department determines that providing nutrition, housing, and tenant supportive services that address members' health-related social needs through federal authorization would be budget neutral to the general fund due to offsetting reductions in medical services expenditures or other state expenditures, then the state department shall seek federal authorization no later than July 1, 2025, to provide any of the nutrition, housing, and tenant supportive services described in this section.
- (6) On or before November 10, 2024, the state department shall submit a report detailing the findings and recommendations from the feasibility study to the joint budget committee. If the determination to seek federal authorization is made pursuant to subsection (5) of this section, the state department shall notify the joint budget committee in the state department's report of the state department's intent to seek federal authorization pursuant to subsection (5) of this section. The state department shall also notify the joint budget committee of the cost of

NUTRITION, HOUSING, AND TENANT SUPPORTIVE SERVICES THAT ADDRESS MEMBERS' HEALTH-RELATED SOCIAL NEEDS THROUGH FEDERAL AUTHORIZATION IF THE STATE DEPARTMENT DETERMINES THAT NUTRITION, HOUSING, AND TENANT SUPPORTIVE SERVICES THAT ADDRESS MEMBERS' HEALTH-RELATED SOCIAL NEEDS WOULD NOT BE BUDGET NEUTRAL.

- (7) THE STATE DEPARTMENT MAY HIRE A CONSULTANT TO ASSIST WITH DEVELOPING THE FEASIBILITY STUDY AND RELATED REPORT, THE PROCESS OF SEEKING FEDERAL AUTHORIZATION, AND ANY RESULTING MONITORING, RENEWAL, OR AMENDMENT PROCESSES.
- (8) THE STATE DEPARTMENT MAY SEEK, ACCEPT, AND EXPEND GIFTS, GRANTS, OR DONATIONS FROM PRIVATE OR PUBLIC SOURCES FOR THE PURPOSES OF CONDUCTING THE FEASIBILITY STUDY PURSUANT TO THIS SECTION.
- (9) The state board shall promulgate any rules necessary to implement and administer this section.
- (10) The state department shall continue to cover the costs of current housing-related and tenant supportive services through the statewide supportive services expansion pilot program until federal authorization is granted.
- **SECTION 2. Appropriation.** (1) For the 2024-25 state fiscal year, \$222,920 is appropriated to the department of health care policy and financing for use by the executive director's office. This appropriation is from the general fund. To implement this act, the office may use this appropriation as follows:
- (a) \$67,070 for personal services, which amount is based on an assumption that the office will require an additional 1.0 FTE;
 - (b) \$3,975 for operating expenses; and
 - (c) \$151,875 for general professional services and special projects.
- (2) For the 2024-25 state fiscal year, the general assembly anticipates that the department of health care policy and financing will receive \$222,919 in federal funds to implement this act, which amount is subject to the "(I)" notation as defined in the annual general appropriation act for the same fiscal year. The appropriation in subsection (1) of this section is based on the assumption that the department will receive this amount of federal funds to be used as follows:
 - (a) \$67,069 for personal services;
 - (b) \$3,975 for operating expenses; and

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(c) \$151,875 for general professional services and special projects.

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

Approved: June 3, 2024

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