

First Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 25-0820.01 Chelsea Princell x4335

HOUSE BILL 25-1213

HOUSE SPONSORSHIP

Feret,

SENATE SPONSORSHIP

Daugherty,

House Committees
Health & Human Services

Senate Committees

A BILL FOR AN ACT

101 CONCERNING CHANGES TO THE MEDICAL ASSISTANCE PROGRAM.

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 exempts an assisted living residence with fewer than 19 beds that has not undergone new construction or renovations and that complies with the standards for assisted living residences from complying with facility guidelines adopted by the state board of health.

The bill requires the department of health care policy and financing (state department) to follow the standards set by the federal centers for medicare and medicaid when updating rules.

The state department must establish a process for reviewing and

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

updating the general billing manual on an annual basis and ensure that the general billing manual includes all necessary CPT codes.

Beginning January 1, 2026, for claims that must be reprocessed as a result of updating the provider rates, the bill requires a managed care organization to issue payment to a contracted provider within one year after the provider rate is updated.

The bill requires the state department to include in each new contract with, or renewal of a contract with, a managed care entity (MCE) a provision requiring the MCE to submit to the state department, on an annual basis, the amount the MCE is paid and the MCE's medical loss ratio. The state department is required to publish this information on the state department's website on an annual basis.

The bill prohibits the state department from imposing signature requirements on a physician or practitioner certifying a medicaid member's (member) plan of care that involves physical therapy or occupational therapy.

The bill prevents a member receiving home- and community-based services from losing the services the member currently receives if the member's disability and need for services have not changed in the preceding 3 years.

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

2 **SECTION 1.** In Colorado Revised Statutes, 25-27-104, **add** (3)
3 as follows:

4 **25-27-104. Minimum standards for assisted living residences**
5 **- rules.** (3) RULES ADOPTED BY THE STATE BOARD PURSUANT TO
6 SUBSECTION (1) OF THIS SECTION MUST EXEMPT AN ASSISTED LIVING
7 RESIDENCE WITH FEWER THAN NINETEEN BEDS THAT HAS NOT UNDERGONE
8 NEW CONSTRUCTION OR RENOVATIONS AND THAT COMPLIES WITH THE
9 STANDARDS FOR ASSISTED LIVING RESIDENCES OUTLINED IN SECTION
10 25-27-104 FROM COMPLYING WITH FACILITY GUIDELINES ADOPTED BY THE
11 STATE BOARD.

12 **SECTION 2.** In Colorado Revised Statutes, 25.5-1-108, **add** (1.5)
13 as follows:

14 **25.5-1-108. Executive director - rules.** (1.5) THE EXECUTIVE

1 DIRECTOR SHALL ADOPT THE STANDARDS SET BY THE FEDERAL CENTERS
2 FOR MEDICARE AND MEDICAID SERVICES WHEN UPDATING EXISTING RULES
3 AND ENSURE UPDATES AND CHANGES TO THE RULES ARE EASILY
4 IDENTIFIABLE.

5 **SECTION 3.** In Colorado Revised Statutes, **add** 25.5-1-135 as
6 follows:

7 **25.5-1-135. Billing manual.** USING EXISTING RESOURCES
8 ALLOCATED FOR BILLING MANUAL REVIEWS, THE STATE DEPARTMENT
9 SHALL ESTABLISH A PROCESS TO REVIEW AND UPDATE THE GENERAL
10 BILLING MANUAL ON AN ANNUAL BASIS, WHICH MUST ENSURE THAT THE
11 GENERAL BILLING MANUAL INCLUDES ALL NECESSARY CPT CODES.

12 **SECTION 4.** In Colorado Revised Statutes, 25.5-1-303, **add** (10)
13 as follows:

14 **25.5-1-303. Powers and duties of the board - scope of authority**
15 **- rules - repeal.** (10) THE BOARD SHALL ADOPT THE STANDARDS SET BY
16 THE FEDERAL CENTERS FOR MEDICARE AND MEDICAID SERVICES WHEN
17 UPDATING EXISTING RULES AND ENSURE UPDATES AND CHANGES TO THE
18 RULES ARE EASILY IDENTIFIABLE.

19 **SECTION 5.** In Colorado Revised Statutes, 25.5-5-402, **add**
20 (7.5)(c) as follows:

21 **25.5-5-402. Statewide managed care system - rules -**
22 **definitions.** (7.5) (c) BEGINNING JANUARY 1, 2026, FOR A CLAIM THAT
23 MUST BE REPROCESSED AS A RESULT OF UPDATING THE PROVIDER RATES,
24 AN MCO SHALL ISSUE PAYMENT TO THE CONTRACTED PROVIDER WITHIN
25 ONE YEAR AFTER THE PROVIDER RATE IS UPDATED.

26 **SECTION 6.** In Colorado Revised Statutes, **add** 25.5-5-427 as
27 follows:

1 **25.5-5-427. Managed care entities - disclosure of payment and**
2 **medical loss ratio - definition.** (1) THE STATE DEPARTMENT SHALL
3 INCLUDE IN EACH NEW CONTRACT WITH, OR RENEWAL OF A CONTRACT
4 WITH, AN MCE A PROVISION REQUIRING THE MCE TO SUBMIT TO THE
5 STATE DEPARTMENT, ON AN ANNUAL BASIS, THE AMOUNT THE MCE IS
6 PAID FOR DELIVERING SERVICES AND THE MCE'S MEDICAL LOSS RATIO.

7 (2) THE STATE DEPARTMENT SHALL PUBLISH THE INFORMATION
8 RECEIVED PURSUANT TO SUBSECTION (1) OF THIS SECTION ON ITS WEBSITE
9 ON AN ANNUAL BASIS.

10 (3) FOR PURPOSES OF SUBSECTION (1) OF THIS SECTION, "MEDICAL
11 LOSS RATIO" MEANS THE PERCENTAGE OF PREMIUM REVENUE THAT THE
12 MCE SPENDS ON HEALTH-CARE SERVICES AND QUALITY IMPROVEMENT
13 ACTIVITIES.

14 **SECTION 7.** In Colorado Revised Statutes, **add** 25.5-6-117 as
15 follows:

16 **25.5-6-117. Plan of care - physical therapy and occupational**
17 **therapy - requirements - definition.** (1) AS USED IN THE SECTION,
18 UNLESS THE CONTEXT OTHERWISE REQUIRES, "PLAN OF CARE" HAS THE
19 SAME MEANING AS SET FORTH IN SECTION 25.5-6-403.

20 (2) THE STATE DEPARTMENT SHALL NOT IMPOSE SIGNATURE
21 REQUIREMENTS BEYOND WHAT IS REQUIRED BY THE FEDERAL CENTERS FOR
22 MEDICARE AND MEDICAID SERVICES PURSUANT TO 42 CFR 409.43 ON A
23 PHYSICIAN OR PRACTITIONER CERTIFYING A MEMBER'S PLAN OF CARE THAT
24 INVOLVES PHYSICAL THERAPY OR OCCUPATIONAL THERAPY SERVICES.

25 **SECTION 8.** In Colorado Revised Statutes, **add** 25.5-6-118 as
26 follows:

27 **25.5-6-118. Long-term care for members with permanent**

1 **disability.** (1) IF A MEMBER RECEIVES SERVICES THROUGH A LONG-TERM
2 CARE PROGRAM PURSUANT TO PARTS 3 TO 10 OF THIS ARTICLE 6 AND THE
3 MEMBER'S DISABILITY OR NEED FOR SERVICES HAS NOT CHANGED IN THE
4 PRECEDING THREE YEARS, THE STATE DEPARTMENT MUST CONTINUE TO
5 PROVIDE THE SERVICES THE MEMBER CURRENTLY RECEIVES AND IS
6 ELIGIBLE FOR TO THE MEMBER UNLESS THERE IS A CHANGE IN THE
7 MEMBER'S DISABILITY OR THE SERVICES THE MEMBER CURRENTLY
8 RECEIVES ARE NO LONGER NEEDED. THIS SUBSECTION (1) APPLIES EVEN IF
9 THE STATE DEPARTMENT DISCONTINUES THOSE SERVICES FOR A NEWLY
10 ELIGIBLE MEMBER.

11 (2) THIS SECTION DOES NOT LIMIT THE STATE DEPARTMENT'S
12 ABILITY TO INCREASE OR DECREASE THE SERVICES THE MEMBER MAY
13 RECEIVE IF A MEMBER'S DISABILITY WARRANTS AN INCREASE OR DECREASE
14 IN SERVICES TO ADEQUATELY MEET THE MEMBER'S NEEDS.

15 (3) THIS SECTION APPLIES TO MEMBERS WHO ARE FUNCTIONALLY
16 AND FINANCIALLY ELIGIBLE TO RECEIVE LONG-TERM CARE SERVICES
17 PURSUANT TO PARTS 3 TO 10 OF THIS ARTICLE 6.

18 **SECTION 9. Act subject to petition - effective date.** This act
19 takes effect at 12:01 a.m. on the day following the expiration of the
20 ninety-day period after final adjournment of the general assembly; except
21 that, if a referendum petition is filed pursuant to section 1 (3) of article V
22 of the state constitution against this act or an item, section, or part of this
23 act within such period, then the act, item, section, or part will not take
24 effect unless approved by the people at the general election to be held in
25 November 2026 and, in such case, will take effect on the date of the
26 official declaration of the vote thereon by the governor.