

CHAPTER 271

SOCIAL SERVICES

SENATE BILL 94-164

BY SENATOR Rizzuto;
also REPRESENTATIVE Romero.

AN ACT

CONCERNING AMENDMENTS TO STATE STATUTES AFFECTED BY THE FEDERAL "OMNIBUS BUDGET RECONCILIATION ACT OF 1993", AND MAKING AN APPROPRIATION IN CONNECTION THEREWITH.

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

SECTION 1. 10-16-104 (6), Colorado Revised Statutes, 1987 Repl. Vol., as amended, is amended, and the said 10-16-104 is further amended BY THE ADDITION OF THE FOLLOWING NEW SUBSECTIONS, to read:

10-16-104. Mandatory coverage provisions. (1.5) Child immunization coverage. AN ENTITY SUBJECT TO THE PROVISIONS OF THIS ARTICLE, ARTICLE 8 OF THIS TITLE, OR SECTION 607 (1) OF THE FEDERAL "EMPLOYMENT RETIREMENT INCOME SECURITY ACT OF 1974", AS AMENDED, THAT PROVIDED COVERAGE FOR PEDIATRIC VACCINATIONS ON MAY 1, 1993, SHALL NOT REDUCE THE LEVEL OF THE COVERAGE IN EFFECT ON THAT DATE.

(6) **Dependent children.** (a) No ~~insurance carrier~~ ENTITY subject to the provisions of ~~part 2~~ of this article, ~~and no entity subject to the provisions of part 3 or 4 of this article which provides individual or group sickness and accident coverage or health insurance in this state~~ ARTICLE 8 OF THIS TITLE, OR SECTION 607 (1) OF THE FEDERAL "EMPLOYMENT RETIREMENT INCOME SECURITY ACT OF 1974", AS AMENDED, shall refuse to accept and honor an otherwise valid claim for a covered benefit which is filed by either parent of a covered child, or by the state department of social services in the case of an assignment under section 26-13-106, C.R.S., who submits valid copies of medical bills. A claim submitted by a custodial parent who is not the insured under a policy issued by an ~~insurance carrier~~ ENTITY subject to the provisions of ~~part 2~~ of this article, ARTICLE 8 OF THIS TITLE, OR SECTION 607 (1) OF THE FEDERAL "EMPLOYMENT RETIREMENT INCOME SECURITY ACT OF 1974", AS

Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.

AMENDED, shall be deemed a valid assignment of benefits for payment to the health care provider.

(b) ~~No insurance carrier and no entity subject to the provisions of part 3 or 4 of this article which provides individual or group sickness and accident coverage or health insurance in this state~~ DESCRIBED IN PARAGRAPH (a) OF THIS SUBSECTION (6) shall refuse to provide coverage for a dependent child UNDER THE HEALTH PLAN OF THE CHILD'S PARENT for the sole reason that the child:

(I) ~~is~~ DOES NOT LIVE in the home of a THE parent applying for the policy; OR

(II) DOES NOT LIVE IN THE INSURER'S SERVICE AREA, NOTWITHSTANDING ANY OTHER PROVISION OF LAW RESTRICTING ENROLLMENT TO PERSONS WHO RESIDE IN AN INSURER'S SERVICE AREA; OR

(III) WAS BORN OUT OF WEDLOCK; OR

(IV) IS NOT CLAIMED AS A DEPENDENT ON THE FEDERAL OR STATE INCOME TAX RETURN OF THE CHILD'S PARENT.

(c) WHEN A DEPENDENT CHILD IS ENROLLED IN A NONCUSTODIAL PARENT'S HEALTH INSURANCE PLAN, THE ENTITY DESCRIBED IN PARAGRAPH (a) OF THIS SUBSECTION (6) SHALL:

(I) PROVIDE TO THE DEPENDENT CHILD'S CUSTODIAL PARENT INFORMATION THAT IS NECESSARY FOR THE DEPENDENT CHILD TO OBTAIN MEDICAL BENEFITS AND SERVICES;

(II) ALLOW THE CUSTODIAL PARENT, THE HEALTH CARE PROVIDER WITH THE CUSTODIAL PARENT'S APPROVAL, OR THE STATE TO SUBMIT CLAIMS FOR COVERED SERVICES WITHOUT THE APPROVAL OF THE NONCUSTODIAL PARENT;

(III) MAKE PAYMENTS DIRECTLY TO THE CUSTODIAL PARENT, THE HEALTH CARE PROVIDER, OR THE STATE MEDICAL ASSISTANCE AGENCY ON CLAIMS SUBMITTED PURSUANT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH (c).

(d) WHENEVER A NONCUSTODIAL PARENT OF A DEPENDENT CHILD IS SUBJECT TO A COURT OR AN ADMINISTRATIVE ORDER TO PROVIDE HEALTH CARE COVERAGE FOR THE DEPENDENT CHILD, AND THE NONCUSTODIAL PARENT IS ELIGIBLE FOR FAMILY HEALTH CARE COVERAGE THROUGH THE NONCUSTODIAL PARENT'S EMPLOYMENT, THE ENTITY DESCRIBED IN PARAGRAPH (a) OF THIS SUBSECTION (6) SHALL:

(I) PERMIT THE NONCUSTODIAL PARENT TO ENROLL THE DEPENDENT CHILD UNDER THE FAMILY COVERAGE PLAN, REGARDLESS OF ANY ENROLLMENT SEASON RESTRICTION;

(II) ENROLL THE DEPENDENT CHILD UPON APPLICATION FOR ENROLLMENT BY THE CUSTODIAL PARENT, THE STATE MEDICAL ASSISTANCE AGENCY, OR THE STATE CHILD SUPPORT ENFORCEMENT AGENCY OR A DELEGATE CHILD SUPPORT ENFORCEMENT UNIT IF THE NONCUSTODIAL PARENT IS ENROLLED IN A FAMILY COVERAGE PLAN BUT FAILS TO ENROLL THE DEPENDENT CHILD, REGARDLESS OF ANY ENROLLMENT RESTRICTIONS;

(III) NOT CANCEL OR REVOKE ENROLLMENT OF THE DEPENDENT CHILD, OR ELIMINATE COVERAGE FOR THE DEPENDENT CHILD, UNLESS THE INSURER IS PROVIDED WITH SATISFACTORY WRITTEN PROOF THAT:

(A) THE COURT OR ADMINISTRATIVE ORDER FOR HEALTH CARE COVERAGE IS NO LONGER IN EFFECT; OR

(B) THE CHILD IS OR WILL BE ENROLLED IN A COMPARABLE PLAN THROUGH ANOTHER INSURER, WHICH ENROLLMENT TAKES EFFECT NO LATER THAN THE EFFECTIVE DATE OF THE CANCELLATION OR REVOCATION OF ENROLLMENT OR THE ELIMINATION OF COVERAGE.

(e) AN ENTITY DESCRIBED IN PARAGRAPH (a) OF THIS SUBSECTION (6) SHALL NOT IMPOSE ON THE STATE MEDICAL ASSISTANCE AGENCY THAT IS ASSIGNED THE RIGHT TO RECOVER MEDICAL COSTS ON BEHALF OF A MEDICAL ASSISTANCE RECIPIENT ANY REQUIREMENT THAT IS NOT IMPOSED ON OR APPLICABLE TO OTHER AGENTS OR ASSIGNEES.

(6.5) Adopted child - dependent coverage. (a) WHENEVER AN ENTITY DESCRIBED IN PARAGRAPH (a) OF SUBSECTION (6) OF THIS SECTION OFFERS COVERAGE FOR DEPENDENT CHILDREN UNDER A HEALTH PLAN, THE ENTITY SHALL PROVIDE BENEFITS TO A CHILD PLACED FOR ADOPTION WITH AN ENROLLEE, POLICYHOLDER, OR SUBSCRIBER UNDER THE SAME TERMS AND CONDITIONS THAT APPLY TO A NATURAL DEPENDENT OF AN ENROLLEE, POLICYHOLDER, OR SUBSCRIBER, REGARDLESS OF WHETHER ADOPTION OF THE CHILD IS FINAL.

(b) AN ENTITY DESCRIBED IN PARAGRAPH (a) OF SUBSECTION (6) OF THIS SECTION SHALL NOT DENY OR RESTRICT COVERAGE TO AN ADOPTED CHILD OF AN ENROLLEE, POLICYHOLDER, OR SUBSCRIBER OR A CHILD PLACED FOR ADOPTION WITH AN ENROLLEE, POLICYHOLDER, OR SUBSCRIBER ON THE BASIS OF A PREEXISTING CONDITION IF THE CHILD WOULD OTHERWISE BE ELIGIBLE FOR ENROLLMENT OR COVERAGE AND THE ADOPTION OR PLACEMENT OCCURS WHILE THE ADOPTIVE PARENT OR PARENT WITH WHOM THE CHILD IS PLACED IS ENROLLED IN THE PLAN.

(c) FOR THE PURPOSES OF THIS SUBSECTION (6.5), UNLESS THE CONTEXT OTHERWISE REQUIRES:

(I) "CHILD" MEANS A PERSON WHO HAS NOT ATTAINED EIGHTEEN YEARS OF AGE.

(II) "PLACED FOR ADOPTION" MEANS CIRCUMSTANCES UNDER WHICH A PERSON ASSUMES OR RETAINS A LEGAL OBLIGATION TO PARTIALLY OR TOTALLY SUPPORT A CHILD IN ANTICIPATION OF THE CHILD'S ADOPTION. A PLACEMENT TERMINATES AT THE TIME SUCH LEGAL OBLIGATION TERMINATES.

(6.7) Medical assistance recipients - denial of coverage - liability to state.

(a) NO ENTITY SUBJECT TO THE PROVISIONS OF THIS ARTICLE, ARTICLE 8 OF THIS TITLE, OR SECTION 607 (1) OF THE FEDERAL "EMPLOYMENT RETIREMENT INCOME SECURITY ACT OF 1974", AS AMENDED, SHALL REFUSE TO ENROLL A PERSON FOR THE SOLE REASON THAT THE PERSON IS A MEDICAL ASSISTANCE RECIPIENT FOR WHOM COVERAGE IS SOUGHT PURSUANT TO SECTION 26-4-518.5, C.R.S., OR REFUSE TO ACCEPT AND HONOR AN OTHERWISE VALID CLAIM FOR A COVERED BENEFIT WHICH IS

FILED IN THE CASE OF AN ASSIGNMENT UNDER THE PROVISIONS OF ARTICLE 4 OF TITLE 26, C.R.S.

(b) AN ENTITY SUBJECT TO THIS SUBSECTION (6.7) THAT IS LIABLE AS A THIRD PARTY FOR THE MEDICAL COSTS OF A MEDICAL ASSISTANCE RECIPIENT OR THAT RECOVERS OR MAY RECOVER MEDICAL COSTS FROM A THIRD PARTY WHO IS LIABLE TO A MEDICAL ASSISTANCE RECIPIENT FOR MEDICAL COSTS IS LIABLE TO THE STATE PURSUANT TO SECTION 26-4-403 (3), C.R.S.

(c) THE STATE IS DEEMED TO HAVE ACQUIRED THE RIGHTS AS AN ASSIGNEE OF THE MEDICAL ASSISTANCE RECIPIENT TO ANY PAYMENT BY A THIRD PARTY FOR MEDICAL COSTS.

SECTION 2. 10-16-428, Colorado Revised Statutes, 1987 Repl. Vol., as amended, is repealed as follows:

10-16-428. Prohibition concerning state-funded medical assistance. ~~(1) No evidence of coverage issued, renewed, or reinstated by a health maintenance organization shall contain any provision which limits or excludes payments under hospital or medical benefits coverage to or on behalf of the enrollee because the enrollee or any covered dependent is eligible for or receiving medical assistance benefits under article 4 of title 26, C.R.S.~~

~~(2) The requirements of subsection (1) of this section shall apply to all such evidence of coverage issued, renewed, or reinstated on or after August 1, 1984.~~

SECTION 3. 13-54-104 (1) (b), Colorado Revised Statutes, 1987 Repl. Vol., as amended, is amended to read:

13-54-104. Restrictions on garnishment and levy under execution or attachment. (1) As used in this section, unless the context otherwise requires:

(b) (I) "Earnings" means:

(A) Compensation paid or payable for personal services, whether denominated as wages, salary, commission, or bonus;

(B) Funds held in or payable from any health, accident, or disability insurance.

(II) For the purposes of writs of garnishment which are the result of a judgment taken for arrearages for child support or for child support debt, "earnings" also means:

(A) Workers' compensation benefits; and

(B) Any pension or retirement benefits or payments, including but not limited to those paid pursuant to article 64 of title 22, articles 51, 54, 54.5, and 54.6 of title 24, and article 30 of title 31, C.R.S.

(III) FOR THE PURPOSES OF WRITS OF GARNISHMENT ISSUED BY THE STATE AGENCY RESPONSIBLE FOR ADMINISTERING THE STATE MEDICAL ASSISTANCE PROGRAM, WHICH

WRITS ARE ISSUED AS A RESULT OF A JUDGMENT FOR MEDICAL SUPPORT FOR CHILD SUPPORT OR FOR MEDICAL SUPPORT DEBT, "EARNINGS" INCLUDES:

(A) PAYMENTS RECEIVED FROM A THIRD PARTY TO COVER THE HEALTH CARE COST OF THE CHILD BUT WHICH PAYMENTS HAVE NOT BEEN APPLIED TO COVER THE CHILD'S HEALTH CARE COSTS; AND

(B) STATE TAX REFUNDS.

SECTION 4. 13-54.5-101 (2), Colorado Revised Statutes, 1987 Repl. Vol., as amended, is amended to read:

13-54.5-101. Definitions. As used in this article, unless the context otherwise requires:

(2) (a) "Earnings" means:

(I) Compensation paid or payable for personal services, whether denominated as wages, salary, commission, or bonus;

(II) Funds held in or payable from any health, accident, or disability insurance.

(b) For the purposes of writs of garnishment which are the result of a judgment taken for arrearages for child support or for child support debt, "earnings" also means:

(I) Workers' compensation benefits; and

(II) Any pension or retirement benefits or payments, including but not limited to those paid pursuant to article 64 of title 22, articles 51, 54, 54.5, and 54.6 of title 24, and article 30 of title 31, C.R.S.

(c) FOR THE PURPOSES OF WRITS OF GARNISHMENT ISSUED BY THE STATE AGENCY RESPONSIBLE FOR ADMINISTERING THE STATE MEDICAL ASSISTANCE PROGRAM, WHICH WRITS ARE ISSUED AS A RESULT OF A JUDGMENT FOR MEDICAL SUPPORT FOR CHILD SUPPORT OR FOR MEDICAL SUPPORT DEBT, "EARNINGS" INCLUDES:

(I) PAYMENTS RECEIVED FROM A THIRD PARTY TO COVER THE HEALTH CARE COST OF THE CHILD BUT WHICH PAYMENTS HAVE NOT BEEN APPLIED TO COVER THE CHILD'S HEALTH CARE COSTS; AND

(II) STATE TAX REFUNDS.

SECTION 5. 14-14-112 (1), (2) (c), (2) (d), and (2) (h), Colorado Revised Statutes, 1987 Repl. Vol., as amended, are amended, and the said 14-14-112 (2) is further amended BY THE ADDITION OF A NEW PARAGRAPH, to read:

14-14-112. Deductions for health insurance. (1) In all orders which direct the obligor to provide health insurance for any child, the court or delegate child support enforcement unit shall include a provision directing the obligor's employer to enroll such child in the health insurance plan and to deduct from the wages due the obligor

an amount sufficient to provide for premiums for health insurance when such insurance is offered by the employer, INCLUDING ANY EMPLOYER SUBJECT TO THE PROVISIONS OF SECTION 607 (1) OF THE FEDERAL "EMPLOYMENT RETIREMENT INCOME SECURITY ACT OF 1974", AS AMENDED. The court or the delegate child support enforcement unit shall direct the obligor to notify the court or unit, in writing, of any change of address or employment within ten days of the change.

(2) Notice of the deduction for health insurance shall be mailed by certified mail, return receipt requested, by the obligee, the obligee's representative, or the delegate child support enforcement unit, to the obligor's employer. The notice of the deduction for health insurance shall contain:

(c) A statement that ~~children~~ THE EMPLOYER shall ~~be enrolled~~ ENROLL AN OBLIGOR'S CHILD in the health insurance plan in which the obligor is enrolled if the ~~children~~ CHILD can be covered under that plan or, if the obligor is not enrolled, in the least costly plan otherwise available ~~and accessible~~ to the child, REGARDLESS OF WHETHER THE CHILD WAS BORN OUT OF WEDLOCK, IS CLAIMED AS A DEPENDENT ON THE OBLIGOR'S FEDERAL OR STATE INCOME TAX RETURN, LIVES WITH THE OBLIGOR, OR LIVES WITHIN THE INSURER'S SERVICE AREA, NOTWITHSTANDING ANY OTHER PROVISION OF LAW RESTRICTING ENROLLMENT TO PERSONS WHO RESIDE IN AN INSURER'S SERVICE AREA;

(d) A statement that the deduction for health insurance is to take effect no later than the first pay period after fourteen days from the ~~mailing~~ date on WHICH the notice IS MAILED to the employer OR FROM THE DATE ON WHICH THE OBLIGOR SUBMITS AN ORAL OR WRITTEN REQUEST TO THE EMPLOYER, WHICHEVER OCCURS SOONER, and THAT THE DEDUCTION FOR HEALTH INSURANCE IS treated as a significant life change under open enrollment requirements;

(h) A statement that, as long as the obligor is employed by the employer, the notice to deduct for health insurance shall not be terminated or modified, except AS FOLLOWS:

(I) Upon written notice by the court, obligee, or delegate child support enforcement unit;

(II) UPON WRITTEN VERIFICATION, PROVIDED BY THE OBLIGOR TO THE EMPLOYER, THE EMPLOYER DETERMINES THAT THE CHILD HAS BEEN ENROLLED IN A COMPARABLE HEALTH INSURANCE PLAN THAT TAKES EFFECT NO LATER THAN THE EFFECTIVE DATE ON WHICH THE CHILD IS NO LONGER ENROLLED UNDER THE PLAN OFFERED BY THE OBLIGOR'S EMPLOYER; OR

(III) UPON THE EMPLOYER'S ELIMINATION OF FAMILY HEALTH COVERAGE FOR ALL EMPLOYEES.

(k) A STATEMENT THAT WHEN A CHILD IS NO LONGER ENROLLED UNDER A FAMILY HEALTH PLAN FOR THE REASONS DESCRIBED IN SUBPARAGRAPHS (I) TO (III) OF PARAGRAPH (h) OF THIS SUBSECTION (2), THE EMPLOYER WITHIN FOURTEEN DAYS AFTER THE TERMINATION OF COVERAGE SHALL SEND TO THE LOCATION DESCRIBED ON THE HEALTH INSURANCE PREMIUM NOTICE A WRITTEN NOTICE OF CANCELLATION OF ENROLLMENT OR A COPY OF THE VERIFICATION PROVIDED BY THE OBLIGOR TO THE

EMPLOYER THAT THE CHILD IS ENROLLED IN A COMPARABLE HEALTH PLAN.

SECTION 6. 15-14-409.5, Colorado Revised Statutes, 1987 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

15-14-409.5. Limited court-approved arrangements authorized for persons seeking medical assistance for nursing home care - applicable to trusts established before a certain date. (6) THIS SECTION APPLIES TO TRUSTS ESTABLISHED OR TRANSFERS OF PROPERTY MADE PRIOR TO JULY 1, 1994. THE PROVISIONS SET FORTH IN SECTIONS 15-14-409.6 TO 15-14-409.9 AND ANY RULE ADOPTED BY THE MEDICAL SERVICES BOARD PURSUANT TO SECTION 26-4-506.6 APPLY TO TRUSTS ESTABLISHED OR PROPERTY TRANSFERRED ON OR AFTER JULY 1, 1994.

SECTION 7. Part 4 of article 14 of title 15, Colorado Revised Statutes, 1987 Repl. Vol., as amended, is amended BY THE ADDITION OF THE FOLLOWING NEW SECTIONS to read:

15-14-409.6. Trust established by an individual - eligibility for certain public assistance programs - general provisions. (1) FOR PURPOSES OF THIS SECTION AND SECTIONS 15-14-409.7 TO 15-14-409.9, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "ASSET" HAS THE SAME MEANING AS SET FORTH IN TITLE XIX OF THE FEDERAL "SOCIAL SECURITY ACT", 42 U.S.C. 1396p (e), AS AMENDED.

(b) "INCOME" HAS THE SAME MEANING AS SET FORTH IN TITLE XIX OF THE FEDERAL "SOCIAL SECURITY ACT", 42 U.S.C. 1396p (e), AS AMENDED.

(c) "PUBLIC ASSISTANCE" MEANS PUBLIC ASSISTANCE AS PROVIDED BY ARTICLE 2 OF TITLE 26, C.R.S., AND MEDICAL ASSISTANCE AS PROVIDED BY ARTICLE 4 OF TITLE 26, C.R.S.

(d) "RESOURCES" HAS THE SAME MEANING AS SET FORTH IN TITLE XIX OF THE FEDERAL "SOCIAL SECURITY ACT", 42 U.S.C. 1396p (e), AS AMENDED.

(e) "TRUST ESTABLISHED BY AN INDIVIDUAL" HAS THE SAME MEANING AS SET FORTH IN TITLE XIX OF THE FEDERAL "SOCIAL SECURITY ACT", 42 U.S.C. 1396p (d) (2), AS AMENDED.

(2) NOTWITHSTANDING ANY STATUTORY PROVISION TO THE CONTRARY, A COURT SHALL NOT AUTHORIZE, DIRECT, OR RATIFY ANY TRUST ESTABLISHED BY AN INDIVIDUAL THAT HAS THE EFFECT OF QUALIFYING OR PURPORTS TO QUALIFY THE TRUST BENEFICIARY FOR PUBLIC ASSISTANCE UNLESS THE TRUST MEETS THE CRITERIA SET FORTH IN THIS SECTION, SECTIONS 15-14-409.7 TO 15-14-409.9, AND ANY RULE ADOPTED BY THE MEDICAL SERVICES BOARD PURSUANT TO SECTION 26-4-506.6, C.R.S.

(3) THE COURT SHALL NOT AUTHORIZE, DIRECT, OR RATIFY THE TRANSFER OF ANY ASSETS OWNED BY A PROTECTED PERSON IF THE TRANSFER HAS THE EFFECT OF QUALIFYING OR PURPORTS TO QUALIFY THE PROTECTED PERSON FOR PUBLIC ASSISTANCE UNLESS THE ASSETS ARE TRANSFERRED TO A TRUST THAT MEETS THE CRITERIA SET FORTH IN THIS SECTION, SECTIONS 15-14-409.7 TO 15-14-409.9, AND

ANY RULE ADOPTED BY THE MEDICAL SERVICES BOARD PURSUANT TO SECTION 26-4-506.6, C.R.S.

(4) THIS SECTION AND SECTIONS 15-14-409.7 TO 15-14-409.9 APPLY TO TRUSTS ESTABLISHED OR PROPERTY TRANSFERRED ON OR AFTER JULY 1, 1994.

15-14-409.7. Income trusts - limitations. (1) AN INCOME TRUST WITHIN THE MEANING OF THIS SECTION IS A COURT-APPROVED TRUST ESTABLISHED FOR THE BENEFIT OF AN INDIVIDUAL THAT CONSISTS ONLY OF PENSION INCOME, SOCIAL SECURITY, AND OTHER MONTHLY INCOME TO THE INDIVIDUAL AND ACCUMULATED INCOME IN THE TRUST AND THAT IS ESTABLISHED FOR THE PURPOSE OR WITH THE EFFECT OF ESTABLISHING OR MAINTAINING INCOME-ELIGIBILITY FOR CERTAIN MEDICAL ASSISTANCE.

(2) THE COURT SHALL NOT AUTHORIZE, DIRECT, OR RATIFY AN INCOME TRUST FOR ANY CATEGORY OF PUBLIC ASSISTANCE OTHER THAN NURSING HOME CARE OR HOME AND COMMUNITY-BASED SERVICES.

(3) THE COURT SHALL NOT AUTHORIZE, DIRECT, OR RATIFY AN INCOME TRUST UNLESS THE TRUST MEETS ALL OF THE FOLLOWING CRITERIA:

(a) THE ASSETS USED TO FUND THE TRUST ARE LIMITED TO ANY MONTHLY UNEARNED INCOME RECEIVED BY THE APPLICANT, INCLUDING ANY PENSION PAYMENT;

(b) THE SOLE LIFETIME BENEFICIARIES OF THE TRUST ARE THE PERSON FOR WHOM THE TRUST IS ESTABLISHED AND THE STATE MEDICAL ASSISTANCE PROGRAM. AFTER THE DEATH OF THE PERSON FOR WHOM THE TRUST IS CREATED OR AFTER THE TRUST IS TERMINATED DURING THE BENEFICIARY'S LIFETIME, WHICHEVER OCCURS SOONER, NO PERSON IS ENTITLED TO PAYMENT FROM THE REMAINDER OF THE TRUST UNTIL THE STATE MEDICAL ASSISTANCE AGENCY HAS BEEN FULLY REIMBURSED FOR THE ASSISTANCE RENDERED TO THE PERSON FOR WHOM THE TRUST WAS CREATED.

(c) THE ENTIRE CORPUS OF THE TRUST, OR AS MUCH OF THE CORPUS AS MAY BE DISTRIBUTED EACH MONTH WITHOUT VIOLATING FEDERAL REQUIREMENTS FOR FEDERAL FINANCIAL PARTICIPATION, IS DISTRIBUTED EACH MONTH FOR EXPENSES RELATED TO NURSING HOME CARE OR HOME AND COMMUNITY-BASED SERVICES FOR THE BENEFICIARY THAT ARE APPROVED UNDER THE STATE MEDICAL ASSISTANCE PROGRAM; EXCEPT THAT AN AMOUNT REASONABLY NECESSARY TO MAINTAIN THE EXISTENCE OF THE TRUST AND TO COMPLY WITH FEDERAL REQUIREMENTS MAY BE RETAINED IN THE TRUST;

(d) THE TRUST PROVIDES THAT DEDUCTIONS MAY BE MADE FROM THE MONTHLY TRUST DISTRIBUTION TO THE SAME EXTENT THAT DEDUCTIONS FROM THE INCOME OF A NURSING HOME RESIDENT OR HOME AND COMMUNITY-BASED SERVICES CLIENT ARE ALLOWED UNDER THE STATE MEDICAL ASSISTANCE PROGRAM, ARTICLE 4 OF TITLE 26, C.R.S., FOR NURSING HOME RESIDENTS AND HOME AND COMMUNITY-BASED SERVICES CLIENTS WHO ARE NOT TRUST BENEFICIARIES. ALLOWABLE DEDUCTIONS INCLUDE THE FOLLOWING:

(I) A MONTHLY PERSONAL NEEDS ALLOWANCE;

(II) WITH RESPECT TO NURSING HOME RESIDENTS ONLY, PAYMENTS TO THE BENEFICIARY'S COMMUNITY SPOUSE OR DEPENDENT FAMILY MEMBERS AS PROVIDED AND IN ACCORDANCE WITH TITLE XIX OF THE FEDERAL "SOCIAL SECURITY ACT", 42 U.S.C. SEC. 1396r-5, AS AMENDED, AND SECTION 26-4-506, C.R.S.;

(III) SPECIFIED HEALTH INSURANCE COSTS AND SPECIAL MEDICAL SERVICES PROVIDED UNDER TITLE XIX OF THE FEDERAL "SOCIAL SECURITY ACT", 42 U.S.C. SEC. 1396a (r), AS AMENDED;

(IV) ANY OTHER DEDUCTION PROVIDED BY RULES OF THE MEDICAL SERVICES BOARD, INCLUDING RULES CONCERNING POSTELIGIBILITY TREATMENT OF INCOME FOR HOME AND COMMUNITY-BASED SERVICES CLIENTS;

(e) THE TRUST PROVIDES THAT, UPON THE DEATH OF THE BENEFICIARY OR TERMINATION OF THE TRUST DURING THE BENEFICIARY'S LIFETIME, WHICHEVER OCCURS SOONER, THE STATE AGENCY ADMINISTERING THE STATE MEDICAL ASSISTANCE PROGRAM RECEIVES ALL AMOUNTS REMAINING IN THE TRUST UP TO THE TOTAL MEDICAL ASSISTANCE PAID ON BEHALF OF THE INDIVIDUAL;

(f) THE APPLICANT'S MONTHLY GROSS INCOME FROM ALL SOURCES, WITHOUT REFERENCE TO THE COURT-APPROVED TRUST, EXCEEDS THE INCOME ELIGIBILITY STANDARD FOR MEDICAL ASSISTANCE THEN IN EFFECT BUT IS LESS THAN THE AVERAGE PRIVATE PAY RATE FOR NURSING HOME CARE FOR THE GEOGRAPHIC REGION IN WHICH THE APPLICANT LIVES.

15-14-409.8. Disability trusts - limitations. (1) A DISABILITY TRUST WITHIN THE MEANING OF THIS SECTION IS A TRUST THAT IS ESTABLISHED FOR AN INDIVIDUAL UNDER SIXTY-FIVE YEARS OF AGE WHO IS DISABLED, AS SUCH TERM IS DEFINED IN TITLE XIX OF THE FEDERAL "SOCIAL SECURITY ACT", 42 U.S.C. 1382c (a) (3), AS AMENDED, CONSISTS OF ASSETS OF THE INDIVIDUAL, AND IS ESTABLISHED FOR THE PURPOSE OR WITH THE EFFECT OF ESTABLISHING OR MAINTAINING THE INDIVIDUAL'S RESOURCE ELIGIBILITY FOR MEDICAL ASSISTANCE.

(2) A DISABILITY TRUST IS NOT VALID FOR THE PURPOSE OF ESTABLISHING OR MAINTAINING A PERSON'S RESOURCE ELIGIBILITY FOR MEDICAL ASSISTANCE UNLESS THE TRUST MEETS ALL OF THE FOLLOWING CRITERIA:

(a) THE INDIVIDUAL FOR WHOM THE TRUST IS ESTABLISHED IS UNDER SIXTY-FIVE YEARS OF AGE AND IS DISABLED WITHIN THE MEANING TITLE XIX OF THE FEDERAL "SOCIAL SECURITY ACT", 42 U.S.C. 1382c (a) (3), AS AMENDED;

(b) THE ONLY ASSETS USED TO FUND THE TRUST ARE THE PROCEEDS FROM ANY SETTLEMENT OR JUDGMENT BASED ON AN ACTION OR CLAIM FOR PERSONAL INJURY BROUGHT BY OR ON BEHALF OF THE TRUST BENEFICIARY OR RETROACTIVE FEDERAL SUPPLEMENTAL SECURITY INCOME BENEFIT PAYMENTS TO THE BENEFICIARY IN ACCORDANCE WITH THE UNITED STATES SUPREME COURT DECISION ENTITLED SULLIVAN V. ZEBLEY, 493 U.S. 521, 110 S. Ct. 885 (1990).

(c) THE SOLE LIFETIME BENEFICIARIES OF THE TRUST ARE THE INDIVIDUAL FOR WHOM THE TRUST IS ESTABLISHED AND THE STATE MEDICAL ASSISTANCE PROGRAM. AFTER THE DEATH OF THE PERSON FOR WHOM THE TRUST IS CREATED OR AFTER THE

TRUST IS TERMINATED DURING THE BENEFICIARY'S LIFETIME, WHICHEVER OCCURS SOONER, NO PERSON IS ENTITLED TO PAYMENT FROM THE REMAINDER OF THE TRUST UNTIL THE STATE MEDICAL ASSISTANCE AGENCY HAS BEEN FULLY REIMBURSED FOR THE ASSISTANCE RENDERED TO THE PERSON FOR WHOM THE TRUST WAS CREATED.

(d) THE TRUST IS ESTABLISHED FOR THE BENEFIT OF THE INDIVIDUAL BY A PARENT, GRANDPARENT, LEGAL GUARDIAN OF THE INDIVIDUAL, OR THE COURT;

(e) THE TRUST PROVIDES THAT, UPON THE DEATH OF THE BENEFICIARY OR TERMINATION OF THE TRUST DURING THE BENEFICIARY'S LIFETIME, WHICHEVER OCCURS SOONER, THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING RECEIVES ANY AMOUNT REMAINING IN THE TRUST UP TO THE TOTAL MEDICAL ASSISTANCE PAID ON BEHALF OF THE INDIVIDUAL.

(3) A DISABILITY TRUST IS NOT VALID FOR THE PURPOSE OF ESTABLISHING OR MAINTAINING ELIGIBILITY FOR ANY CATEGORY OF PUBLIC ASSISTANCE OTHER THAN MEDICAL ASSISTANCE.

(4) NO DISABILITY TRUST SHALL BE VALID UNLESS THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING, OR ITS DESIGNEE, HAS REVIEWED THE TRUST AND DETERMINED THAT THE TRUST CONFORMS TO THE REQUIREMENTS OF THIS SECTION AND ANY RULES ADOPTED BY THE MEDICAL SERVICES BOARD PURSUANT TO SECTION 26-4-506.6, C.R.S.

15-14-409.9. Pooled trusts - limitations. (1) A POOLED TRUST WITHIN THE MEANING OF THIS SECTION IS A TRUST CONSISTING OF INDIVIDUAL ACCOUNTS ESTABLISHED FOR INDIVIDUALS WHO ARE DISABLED AND IS ESTABLISHED FOR THE PURPOSE OR WITH THE EFFECT OF ESTABLISHING OR MAINTAINING A PERSON'S RESOURCE ELIGIBILITY FOR MEDICAL ASSISTANCE.

(2) A POOLED TRUST IS NOT VALID FOR THE PURPOSES OF ESTABLISHING OR MAINTAINING ELIGIBILITY FOR MEDICAL ASSISTANCE UNLESS THE TRUST MEETS THE FOLLOWING CRITERIA:

(a) THE TRUST IS ESTABLISHED AND MANAGED BY A NONPROFIT ASSOCIATION THAT IS APPROVED BY THE UNITED STATES INTERNAL REVENUE SERVICE;

(b) A SEPARATE ACCOUNT IS MAINTAINED FOR EACH BENEFICIARY OF THE TRUST; EXCEPT THAT THE ACCOUNTS ARE POOLED FOR PURPOSES OF INVESTMENT AND MANAGEMENT OF FUNDS;

(c) THE SOLE LIFETIME BENEFICIARIES OF THE TRUST ARE THE INDIVIDUAL FOR WHOM THE TRUST IS ESTABLISHED AND THE STATE MEDICAL ASSISTANCE PROGRAM. AFTER THE DEATH OF THE PERSON FOR WHOM THE TRUST IS CREATED OR AFTER THE TRUST IS TERMINATED DURING THE BENEFICIARY'S LIFETIME, WHICHEVER OCCURS SOONER, NO PERSON IS ENTITLED TO PAYMENT FROM THE REMAINDER OF THE TRUST UNTIL THE STATE MEDICAL ASSISTANCE AGENCY HAS BEEN FULLY REIMBURSED FOR THE ASSISTANCE RENDERED TO THE PERSON FOR WHOM THE TRUST WAS CREATED.

(d) THE ACCOUNT IS ESTABLISHED BY THE PARENT, GRANDPARENT, OR LEGAL GUARDIAN OF SUCH INDIVIDUAL, BY SUCH INDIVIDUAL, OR BY A COURT;

(e) THE ONLY ASSETS USED TO FUND EACH TRUST ACCOUNT ARE THE INDIVIDUAL'S PROCEEDS FROM THE SETTLEMENT OR JUDGMENT OF AN ACTION OR CLAIM FOR PERSONAL INJURY BROUGHT BY OR ON BEHALF OF THE TRUST BENEFICIARY OR RETROACTIVE FEDERAL SUPPLEMENTAL SECURITY INCOME BENEFIT PAYMENTS TO THE BENEFICIARY IN ACCORDANCE WITH THE UNITED STATES SUPREME COURT DECISION ENTITLED SULLIVAN V. ZEBLEY, 493 U.S. 521, 110 S. CT. 885 (1990).

(f) THE TRUST PROVIDES THAT, UPON THE DEATH OF THE BENEFICIARY OR TERMINATION OF THE TRUST DURING THE BENEFICIARY'S LIFETIME, WHICHEVER OCCURS SOONER, TO THE EXTENT THAT AMOUNTS REMAINING IN THE BENEFICIARY'S TRUST ACCOUNT ARE NOT RETAINED BY THE TRUST, THE STATE MEDICAL ASSISTANCE PROGRAM RECEIVES ANY AMOUNT REMAINING IN THAT INDIVIDUAL'S TRUST ACCOUNT UP TO THE TOTAL MEDICAL ASSISTANCE PAID ON BEHALF OF THE INDIVIDUAL.

(3) A POOLED TRUST IS NOT VALID FOR THE PURPOSE OF ESTABLISHING OR MAINTAINING A PERSON'S ELIGIBILITY FOR ANY CATEGORY OF PUBLIC ASSISTANCE OTHER THAN MEDICAL ASSISTANCE.

(4) NO POOLED TRUST SHALL BE VALID UNLESS THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING, OR ITS DESIGNEE, HAS REVIEWED THE TRUST AND DETERMINED THAT THE TRUST CONFORMS TO THE REQUIREMENTS OF THIS SECTION AND ANY RULES ADOPTED BY THE MEDICAL SERVICES BOARD PURSUANT TO SECTION 26-4-506.6, C.R.S.

SECTION 8. 26-4-403.3 (2) (a) and (7), Colorado Revised Statutes, 1989 Repl. Vol., as amended, are amended to read:

26-4-403.3. Recovery of assets. (2) (a) Medical assistance paid on behalf of any individual who was ~~sixty-five~~ FIFTY-FIVE years of age or older when the individual received such assistance may be recovered by the state department from the estate of such individual in accordance with paragraph (c) of this subsection (2).

~~(7) No recovery shall be made pursuant to this section unless federal funds are available for persons who would qualify for medical assistance as a result of the creation of a trust that meets the criteria set forth in section 26-4-506.5 (3).~~

SECTION 9. Part 4 of article 4 of title 26, Colorado Revised Statutes, 1989 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW SECTION to read:

26-4-403.4. State income tax refund intercept - garnishment of earning - failure to provide medical support for child. (1) (a) AT ANY TIME PRESCRIBED BY THE DEPARTMENT OF REVENUE, BUT NOT LESS FREQUENTLY THAN ANNUALLY, THE STATE DEPARTMENT MAY CERTIFY TO THE DEPARTMENT OF REVENUE INFORMATION REGARDING ANY PERSON WHO:

(I) IS OBLIGATED TO THE STATE AGENCY RESPONSIBLE FOR ADMINISTERING MEDICAL ASSISTANCE IN THIS STATE FOR MEDICAL SUPPORT BASED ON MEDICAL ASSISTANCE PROVIDED TO THE OBLIGOR'S DEPENDENT CHILD; AND

(II) HAS RECEIVED PAYMENT FROM A THIRD PARTY TO COVER THE HEALTH CARE COSTS OF THE CHILD BUT HAS NEITHER APPLIED SUCH PAYMENT TO COVER THE

CHILD'S HEALTH CARE COSTS NOR TO REIMBURSE THE STATE DEPARTMENT, THE CUSTODIAL PARENT OF THE CHILD, OR THE PROVIDER OF MEDICAL CARE.

(b) THE INFORMATION PROVIDED TO THE DEPARTMENT OF REVENUE SHALL INCLUDE THE NAME AND THE SOCIAL SECURITY NUMBER OF THE PERSON DESCRIBED IN PARAGRAPH (a) OF THIS SUBSECTION (1), THE AMOUNT OF MEDICAL ASSISTANCE PROVIDED TO THE CHILD DURING THE PERIOD FOR WHICH MEDICAL SUPPORT WAS ORDERED BUT NOT PROVIDED AS DESCRIBED IN SUBPARAGRAPH (II) OF PARAGRAPH (a) OF THIS SUBSECTION (1), AND ANY OTHER IDENTIFYING INFORMATION REQUIRED BY THE DEPARTMENT OF REVENUE.

(2) PRIOR TO A FINAL CERTIFICATION OF THE INFORMATION DESCRIBED IN SUBSECTION (1) OF THIS SECTION TO THE DEPARTMENT OF REVENUE, THE STATE DEPARTMENT SHALL NOTIFY THE OBLIGATED PERSON, IN WRITING, THAT THE STATE INTENDS TO REFER THE PERSON'S NAME TO THE DEPARTMENT OF REVENUE IN AN ATTEMPT TO OFFSET THE PERSON'S MEDICAL SUPPORT OBLIGATION AGAINST THE PERSON'S STATE INCOME TAX REFUND. SUCH NOTIFICATION SHALL INCLUDE INFORMATION ON THE PARENT'S RIGHT TO OBJECT TO THE OFFSET.

(3) UPON NOTIFICATION BY THE DEPARTMENT OF REVENUE OF AMOUNTS DEPOSITED WITH THE STATE TREASURER PURSUANT TO SECTION 39-21-108 (3), C.R.S., THE STATE DEPARTMENT MAY RECOVER THE AMOUNT OF THE MEDICAL ASSISTANCE DESCRIBED IN PARAGRAPH (b) OF SUBSECTION (1) OF THIS SECTION.

(4) THE STATE DEPARTMENT MAY GARNISH THE WAGES AND OTHER EARNINGS OF A PERSON DESCRIBED IN PARAGRAPH (a) OF SUBSECTION (1) OF THIS SECTION. THE GARNISHMENT OF WAGES AND EARNING SHALL BE IN ACCORDANCE WITH ARTICLES 54 AND 54.5 OF TITLE 13, C.R.S.

(5) THE STATE DEPARTMENT SHALL ADOPT RULES AS ARE NECESSARY FOR THE IMPLEMENTATION OF THIS SECTION.

SECTION 10. 26-4-506.5, Colorado Revised Statutes, 1989 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

26-4-506.5. Court-approved trusts - transfer of property for persons seeking medical assistance for nursing home care - undue hardship. (7) THIS SECTION SHALL APPLY TO TRUSTS ESTABLISHED OR TRANSFERS OF PROPERTY MADE PRIOR TO JULY 1, 1994. THE PROVISIONS SET FORTH IN SECTIONS 15-14-409.6 TO 15-14-409.9, C.R.S., AND ANY RULES ADOPTED BY THE MEDICAL SERVICES BOARD PURSUANT TO SECTION 26-4-506.6 SHALL APPLY TO TRUSTS ESTABLISHED OR PROPERTY TRANSFERRED ON OR AFTER THAT DATE.

SECTION 11. Part 5 of article 4 of title 26, Colorado Revised Statutes, 1989 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW SECTION to read:

26-4-506.6. Court-approved trust - transfer of property for persons seeking medical assistance - rule-making authority for trusts created on or after July 1, 1994 - undue hardship. (1) THE MEDICAL SERVICES BOARD SHALL ADOPT SUCH RULES AS ARE NECESSARY WITH RESPECT TO TRUSTS ESTABLISHED PURSUANT TO

SECTIONS 15-14-409.6 TO 15-14-409.9, C.R.S. THE MEDICAL SERVICES BOARD SHALL ADOPT RULES THAT ADDRESS, BUT NEED NOT BE LIMITED TO, THE FOLLOWING:

(a) THE DEFINITION, INCLUDING ANY LIMITATIONS, OF PERMISSIBLE DISTRIBUTIONS FROM TRUSTS, TAKING FEDERAL GUIDELINES INTO CONSIDERATION;

(b) REASONABLE FINANCIAL REIMBURSEMENT OR INCENTIVES TO THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING, COUNTY DEPARTMENTS OF SOCIAL SERVICES, AND ANY OTHER DESIGNATED AGENCIES FOR THE EFFORTS AND EXPENSES IN MONITORING TRUSTS, AND WHERE NECESSARY, FOR THE RECOVERY OF TRUST PROPERTY THAT HAS BEEN IMPROPERLY DISTRIBUTED OR OTHERWISE EXPENDED.

(2) THE MEDICAL SERVICES BOARD SHALL COMPLY WITH TITLE XIX OF THE FEDERAL "SOCIAL SECURITY ACT", 42 U.S.C. SEC. 1396p (d) (5), AS AMENDED, WHICH REQUIRES THE STATE MEDICAID AGENCY TO ESTABLISH PROCEDURES, IN ACCORDANCE WITH STANDARDS SPECIFIED BY THE SECRETARY OF THE UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES, UNDER WHICH THE STATE MEDICAID AGENCY MAY WAIVE THE APPLICATION OF THE GENERAL RULES FOR CONSIDERING TRUST PROPERTY IN DETERMINING ELIGIBILITY FOR MEDICAL ASSISTANCE IF THE APPLICANT FOR MEDICAL ASSISTANCE ESTABLISHES THAT THE APPLICATION OF THE GENERAL RULES WOULD WORK AN UNDUE HARDSHIP ON THE INDIVIDUAL.

(3) THE DEPARTMENT SHALL DETERMINE THE FEASIBILITY OF PROVIDING ONGOING SUPPORT OF DEPENDENTS BY USING THE TRUST CORPUS DURING THE LIFE OF THE PERSON FOR WHOM A TRUST IS CREATED OR USING THE REMAINDER OF THE TRUST AFTER THE DEATH OF THE PERSON FOR WHOM THE TRUST WAS CREATED. IF THE DEPARTMENT DETERMINES THAT IT IS FEASIBLE TO PROVIDE THAT SUPPORT, THE DEPARTMENT SHALL SEEK A WAIVER FROM THE FEDERAL HEALTH CARE FINANCING ADMINISTRATION TO PERMIT THE USE OF TRUST PROPERTY FOR THAT PURPOSE.

SECTION 12. Article 10 of title 38, Colorado Revised Statutes, 1982 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW SECTION to read:

38-10-111.5. Trusts to establish or maintain eligibility for certain public assistance void - exceptions. ANY TRUST ESTABLISHED BY OR FOR A PERSON, THAT CONSISTS OF THE PERSON'S INDIVIDUAL ASSETS, INCOME, OR PROPERTY OF ANY KIND, SHALL BE VOID FOR THE PURPOSE OF ESTABLISHING OR MAINTAINING ELIGIBILITY FOR ANY PUBLIC ASSISTANCE AS PROVIDED BY ARTICLE 2 OF TITLE 26, C.R.S., OR MEDICAL ASSISTANCE AS PROVIDED BY ARTICLE 4 OF TITLE 26, C.R.S., UNLESS THE TRUST IS ESTABLISHED IN ACCORDANCE WITH THE PROVISIONS OF SECTIONS 15-14-409.6 TO 15-14-409.9, C.R.S.

SECTION 13. 13-9-103, Colorado Revised Statutes, 1987 Repl. Vol., is amended BY THE ADDITION OF A NEW SUBSECTION to read:

13-9-103. Jurisdiction. (7) WITH RESPECT TO ANY TRUST ESTABLISHED BY OR FOR AN INDIVIDUAL WITH HIS OR HER ASSETS, INCOME, OR PROPERTY OF ANY KIND, NOTWITHSTANDING ANY STATUTORY PROVISION TO THE CONTRARY, THE COURT SHALL NOT AUTHORIZE, DIRECT, OR RATIFY ANY TRUST THAT EITHER HAS THE EFFECT OF QUALIFYING OR PURPORTS TO QUALIFY THE TRUST BENEFICIARY FOR FEDERAL SUPPLEMENTAL SECURITY INCOME, OR PUBLIC OR MEDICAL ASSISTANCE PURSUANT TO

TITLE 26, C.R.S., UNLESS THE TRUST MEETS THE CRITERIA SET FORTH IN SECTIONS 15-14-409.6 TO 15-14-409.9, C.R.S., AND ANY RULE ADOPTED BY THE MEDICAL SERVICES BOARD PURSUANT TO SECTION 26-4-506.6, C.R.S.

SECTION 14. Appropriations - appropriations in long bill to be adjusted.

(1) In addition to any other appropriation, there is hereby appropriated, to the department of human services, for the fiscal year beginning July 1, 1994, the sum of sixteen thousand five hundred ninety dollars (\$16,590) and 0.6 FTE, or so much thereof as may be necessary, for the implementation of this act. Of said sum, four thousand nine hundred seventy-seven dollars (\$4,977) shall be from the general fund, three thousand three hundred eighteen dollars (\$3,318) shall be from cash funds, and eight thousand two hundred ninety-five dollars (\$8,295) shall be from federal funds.

(2) (a) In addition to any other appropriation, there is hereby appropriated, to the department of health care policy and financing, for the fiscal year beginning July 1, 1994, the sum of one hundred fifty-eight thousand five hundred six dollars (\$158,506) and 0.9 FTE, or so much thereof as may be necessary, for medical services, administration costs associated with the implementation of this act. Of said sum, fifty-five thousand four hundred thirty-five dollars (\$55,435) shall be from the general fund, and one hundred three thousand seventy-one dollars (\$103,071) shall be from federal funds.

(b) In addition to any other appropriation, there is hereby appropriated, to the department of health care policy and financing, for the fiscal year beginning July 1, 1994, the sum of eight hundred forty-two thousand seven hundred eighteen dollars (\$842,718), or so much thereof as may be necessary, for medical program and services costs associated with the implementation of this act. Of said sum, three hundred ninety three thousand five hundred forty-nine dollars (\$393,549) shall be from the general fund, and four hundred forty-nine thousand one hundred sixty-nine dollars (\$449,169) shall be from federal funds.

(3) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the division of insurance cash fund created in section 10-1-103, Colorado Revised Statutes, not otherwise appropriated, to the department of regulatory agencies, for the fiscal year beginning July 1, 1994, the sum of two thousand nine hundred sixty-four dollars (\$2,964), or so much thereof as may be necessary, for the implementation of this act.

(4) Pursuant to section 24-75-201.1 (1) (a) (III) (B), Colorado Revised Statutes, the general fund appropriations in subsections (1), (2), and (3) of this section are exempt from the statutory limit on state general fund appropriations.

SECTION 15. Effective date. This act shall take effect July 1, 1994.

SECTION 16. Safety clause. The general assembly hereby finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, and safety.

Approved: May 31, 1994