

## CHAPTER 309

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**HUMAN SERVICES - SOCIAL SERVICES**

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**SENATE BILL 01-078**

BY SENATOR(S) Windels, Linkhart, Gordon, Epps, Fitz-Gerald, Hagedorn, Hanna, Hernandez, Pascoe, Reeves, Taylor, and Tupa;  
also REPRESENTATIVE(S) Jahn, Bacon, Borodkin, Boyd, Chavez, Coleman, Daniel, Garcia, Groff, Hefley, Kester, Lawrence, Mace, Madden, Miller, Paschall, Plant, Ragsdale, Rippey, Romanoff, Sanchez, Stafford, Tapia, Tochtrop, Vigil, Williams S., and Young.

**AN ACT**

CONCERNING IMPROVING QUALITY OF CARE IN NURSING FACILITIES, AND, IN CONNECTION THEREWITH, CREATING DEADLINES FOR RESPONSES TO COMPLAINTS, DEVELOPING A CONSUMER SATISFACTION SURVEY, CREATING A PROGRAM TO RECOGNIZE THE HIGHEST-QUALITY NURSING FACILITIES, IMPROVING GRANTS RECEIVED BY NURSING FACILITIES FROM THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING, AND MAKING AN APPROPRIATION THEREFOR.

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

**SECTION 1.** Part 1 of article 3 of title 25, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

**25-3-102.5. Nursing facilities - consumer satisfaction survey.** (1) (a) THE DEPARTMENT SHALL DEVELOP AND IMPLEMENT A CONSUMER SATISFACTION SURVEY TO DETERMINE THE LEVEL OF SATISFACTION AMONG RESIDENTS AND RESIDENTS' FAMILIES REGARDING THE QUALITY OF CARE AND QUALITY OF LIVING IN NURSING FACILITIES. "NURSING FACILITY", AS USED IN THIS SECTION, MEANS A NURSING FACILITY AS DEFINED IN SECTION 26-4-103 (11), C.R.S. THE DEPARTMENT SHALL APPOINT AN ADVISORY COMMITTEE TO DEVELOP THE CONSUMER SATISFACTION SURVEY. THE ADVISORY COMMITTEE SHALL INCLUDE, BUT NOT BE LIMITED TO, THE STATE OMBUDSMAN, REPRESENTATIVES OF SENIOR GROUPS, REPRESENTATIVES OF THE DISABLED COMMUNITY, REPRESENTATIVES OF PROVIDERS OF LONG TERM CARE SERVICES, AND LONG TERM CARE CONSUMERS OR THEIR FAMILY MEMBERS. THE ADVISORY COMMITTEE SHALL DEVELOP RECOMMENDATIONS FOR THE DEVELOPMENT OF AN ASSESSMENT TOOL FOR THE CONSUMER SATISFACTION SURVEY AND FOR THE IMPLEMENTATION OF THE SURVEY. THE ADVISORY COMMITTEE SHALL ENSURE THAT A REPRESENTATIVE SAMPLE OF PARTICIPANTS ARE CHOSEN AND SURVEYED IN A

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

MANNER THAT WILL YIELD ACCURATE AND USEFUL RESULTS. THE DEPARTMENT SHALL ENSURE THAT EVERY NURSING FACILITY LICENSED BY THE DEPARTMENT PARTICIPATES IN THE ASSESSMENT OF CONSUMER SATISFACTION; EXCEPT THAT ANY NURSING FACILITY THAT ACCEPTS EXCLUSIVELY PRIVATE PAY RESIDENTS SHALL NOT BE REQUIRED TO PARTICIPATE. INFORMATION ABOUT RESULTS OF THE MOST RECENT CONSUMER SATISFACTION SURVEY AND HOW SUCH SURVEY WAS CONDUCTED SHALL BE INCLUDED BY THE FACILITY IN ALL INFORMATIONAL MATERIALS PROVIDED TO PERSONS WHO INQUIRE ABOUT THE FACILITY. THE DEPARTMENT SHALL MAKE THE RESULTS OF CONSUMER SATISFACTION SURVEYS AVAILABLE TO THE PUBLIC.

(b) THE CONSUMER SATISFACTION SURVEY SHALL BE EASY TO UNDERSTAND SO THAT EACH RESIDENT OR RESIDENT'S FAMILY MEMBER OR REPRESENTATIVE WHO PARTICIPATES MAY FILL OUT THE SURVEY UNASSISTED; EXCEPT THAT THE DEPARTMENT OR ITS DESIGNATED REPRESENTATIVE MAY ASSIST A RESIDENT OR RESIDENT'S FAMILY WITH FILLING OUT THE SURVEY. NURSING FACILITY VOLUNTEERS AND EMPLOYEES SHALL BE PROHIBITED FROM ASSISTING PARTICIPANTS WITH THE COMPLETION OF THE SURVEY. THE NAMES OF THE PARTICIPANTS IN THE SURVEY SHALL BE KEPT CONFIDENTIAL, AND ALL SURVEYS SHALL BE RETURNED DIRECTLY TO THE DEPARTMENT.

(c) THE DEPARTMENT SHALL REPORT THE RECOMMENDATIONS OF THE ADVISORY COMMITTEE TO THE GENERAL ASSEMBLY BY JANUARY 15, 2002.

(d) THE DEPARTMENT SHALL ADMINISTER THE CONSUMER SATISFACTION SURVEY BASED ON THE RECOMMENDATIONS OF THE ADVISORY COMMITTEE IN ALL LICENSED NURSING FACILITIES THAT ARE REQUIRED TO PARTICIPATE IN ACCORDANCE WITH PARAGRAPH (a) OF THIS SUBSECTION (1). THE DEPARTMENT SHALL COMMENCE IMPLEMENTATION OF THE SURVEY ON OR BEFORE JULY 1, 2002, ON A THREE YEAR CYCLE WITH ONE-THIRD OF THE PARTICIPATING LICENSED NURSING FACILITIES COMPLETING THE INITIAL SURVEY IN ONE OF THE THREE YEARS. EACH PARTICIPATING LICENSED NURSING FACILITY SHALL PERFORM A NEW CONSUMER SATISFACTION SURVEY EVERY THREE YEARS THEREAFTER; EXCEPT THAT THE DEPARTMENT MAY REQUIRE, OR A PARTICIPATING LICENSED NURSING FACILITY MAY REQUEST, THAT A NEW CONSUMER SATISFACTION SURVEY BE PERFORMED MORE OFTEN IF CONDITIONS WARRANT. IF THE LICENSED NURSING FACILITY REQUESTS SUCH A SURVEY, THE DEPARTMENT SHALL PERFORM THE SURVEY IF THE LICENSED NURSING FACILITY PAYS THE DEPARTMENT FOR THE COSTS ASSOCIATED WITH PERFORMING THE SURVEY. A LICENSED NURSING FACILITY MAY COMMENT ON THE RESULTS OF A CONSUMER SATISFACTION SURVEY AND HAVE SUCH COMMENTS INCLUDED IN ANY PUBLICATION OR DISTRIBUTION OF THE RESULTS BY THE DEPARTMENT.

(2) (a) THE DEPARTMENT SHALL RESPOND TO A COMPLAINT FROM A NURSING FACILITY RESIDENT OR RESIDENT'S FAMILY MEMBER OR REPRESENTATIVE WITHIN FIVE WORKING DAYS AFTER RECEIPT OF THE COMPLAINT AND, FOR SIXTY DAYS AFTER THE DATE THE DEPARTMENT RECEIVED THE COMPLAINT, THE DEPARTMENT SHALL UPDATE THE COMPLAINANT ON THE STATUS OF THE COMPLAINT INVESTIGATION AT LEAST EVERY FOURTEEN DAYS UNTIL THE COMPLAINT IS RESOLVED AND AN INVESTIGATION IS FINALIZED. IF THE COMPLAINT IS NOT RESOLVED WITHIN SIXTY DAYS AFTER THE DATE THE DEPARTMENT RECEIVED THE COMPLAINT, THE DEPARTMENT SHALL CONTINUE TO UPDATE THE COMPLAINANT ON THE STATUS OF THE COMPLAINT EVERY THIRTY DAYS UNTIL THE COMPLAINT IS RESOLVED AND AN INVESTIGATION REPORT IS

RESOLVED AND AN INVESTIGATION IS FINALIZED. AT THE REQUEST OF THE COMPLAINANT, THE DEPARTMENT SHALL NOT MAINTAIN SUCH CONTACT.

(b) (I) THE STATE AND LOCAL LONG-TERM CARE OMBUDSMAN, ESTABLISHED PURSUANT TO ARTICLE 11.5 OF TITLE 26, C.R.S., IN COMPLIANCE WITH THE FEDERAL "OLDER AMERICANS ACT OF 1965", ("OMBUDSMAN") SHALL REFER TO THE STATE DEPARTMENT FOR INVESTIGATION AND RESOLUTION ALL COMPLAINTS RECEIVED BY THE OMBUDSMAN INVOLVING POSSIBLE LICENSURE VIOLATIONS IN NURSING HOMES THAT ARE EXCLUSIVELY PRIVATE PAY FACILITIES.

(II) INFORMATION ABOUT THE OMBUDSMAN, INCLUDING THE OMBUDSMAN'S ROLE IN DEALING WITH RESIDENT COMPLAINTS AND ALL CONTACT INFORMATION AND TELEPHONE NUMBERS FOR THE OMBUDSMAN, SHALL BE INCLUDED IN THE INFORMATION PROVIDED TO A RESIDENT UPON ADMISSION TO A FACILITY THAT IS NOT A PRIVATE PAY FACILITY.

**SECTION 2.** 26-4-410 (2) (c.5) (I), Colorado Revised Statutes, is amended, and the said 26-4-410 (2) is further amended BY THE ADDITION OF THE FOLLOWING NEW PARAGRAPHS, to read:

**26-4-410. Providers - nursing facility - nursing facility patient program improvement fund - reimbursement - maximum allowable - non-monetary incentive program - quality of care incentive payment program - legislative declaration - repeal.** (2) (c.5) (I) There is hereby established a quality of care incentive payment program for the purpose of encouraging improvement in the quality of care provided by nursing facility providers INCLUDING, BUT NOT LIMITED TO, IMPLEMENTATION OF THE CONSUMER SATISFACTION SURVEY IN ACCORDANCE WITH SECTION 26-4-410.3. The sum of all incentive payments made under the program shall be equal to the aggregate sum of payments made to all nursing facility providers under sub-subparagraph (B) of subparagraph (II) of paragraph (c) of this subsection (2). THE FIRST PAYMENT ANNUALLY FROM THE SOURCE OF FUNDS FOR THE PROGRAM SHALL BE MADE FOR THE STATE ADMINISTRATIVE OVERSIGHT OF THE CONSUMER SATISFACTION SURVEY CREATED IN SECTION 25-3-102.5, C.R.S., AND THE RESIDENT-CENTERED QUALITY IMPROVEMENT PROGRAM CREATED IN PARAGRAPH (c.7) OF THIS SUBSECTION (2). THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING, AFTER CONSULTING WITH THE DEPARTMENT OF HUMAN SERVICES AND THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT, SHALL REFLECT IN ITS ANNUAL BUDGET SUBMISSION THE OFFSET FOR ADMINISTRATIVE COSTS FOR THE QUALITY OF CARE INCENTIVE PROGRAM.

(c.6) THE DEPARTMENT MAY RESEARCH AND DEVELOP A NONMONETARY INCENTIVE PROGRAM FOR NURSING FACILITY PROVIDERS. SUCH PROGRAM SHALL RECOGNIZE THOSE NURSING FACILITY PROVIDERS WHO ACHIEVE THE HIGHEST QUALITY-OF-CARE STANDARDS WITHIN THEIR FACILITIES.

(c.7) (I) THERE IS HEREBY ESTABLISHED A RESIDENT-CENTERED QUALITY IMPROVEMENT PROGRAM, WHICH SHALL BE KNOWN AS RESQUIP, FOR THE PURPOSE OF ENCOURAGING IMPROVEMENT IN THE QUALITY OF LIFE IN NURSING FACILITIES BY RESIDENT PARTICIPATION IN LIFE-ENRICHING ACTIVITIES THAT PROMOTE ENHANCED COMMUNICATION, BETTER UNDERSTANDING OF RESIDENT NEEDS AND SELF-DETERMINATION, AND BUILDING POSITIVE RELATIONSHIPS AND A SENSE OF

COMMUNITY IN A NONTHREATENING ENVIRONMENT THAT PROVIDES AN ENCOURAGING AND ACCEPTING ATMOSPHERE.

(II) THE STATE DEPARTMENT SHALL ISSUE INCENTIVE PAYMENTS UNDER THE PROGRAM TO NURSING FACILITY PROVIDERS THAT MEET THE CRITERIA ESTABLISHED BY THE STATE DEPARTMENT BY RULE. A NURSING FACILITY PROVIDER MAY APPLY FOR AN INCENTIVE PAYMENT UNDER THE PROGRAM REGARDLESS OF WHETHER SUCH PROVIDER HAS QUALIFIED FOR AN INCENTIVE PAYMENT UNDER THE QUALITY OF CARE INCENTIVE PAYMENT PROGRAM ESTABLISHED PURSUANT TO PARAGRAPH (c.5) OF THIS SUBSECTION (2).

(III) APPLICANTS FOR PROGRAM INCENTIVE PAYMENTS SHALL CLEARLY DEFINE A RESIDENT-CENTERED PROGRAM PROPOSAL PURSUANT TO RULES ESTABLISHED BY THE STATE DEPARTMENT. SUCH APPLICATION SHALL INCLUDE A REQUEST FOR A SPECIFIC PAYMENT AMOUNT. PROPOSALS AND REQUESTS FOR A SPECIFIC PAYMENT AMOUNT MAY INCLUDE DIRECT AND INDIRECT COSTS INCLUDING ENHANCED EDUCATION AND TRAINING FOR STAFF, HUMAN RESOURCE EXPENDITURES, AND OTHER ACTIVITIES THAT MAY ENCOURAGE IMPROVEMENT IN THE QUALITY OF LIFE OF RESIDENTS IN NURSING FACILITIES.

(IV) RULES ISSUED BY THE DEPARTMENT REGARDING THE INCENTIVE PAYMENT PROGRAM SHALL INCLUDE REQUIREMENTS FOR PARTICIPATION BY RESIDENTS OR FAMILY MEMBERS IN APPLICATIONS BY PROVIDERS.

(V) THE MONEYS AVAILABLE TO THE PROGRAM SHALL BE FIFTY PERCENT OF THE MONEYS ALLOWED FOR THE QUALITY OF CARE INCENTIVE PAYMENT PROGRAM. ANY MONEYS NOT AWARDED TO NURSING FACILITY PROVIDERS AT THE END OF EACH FISCAL YEAR SHALL BE RETURNED TO THE QUALITY OF CARE INCENTIVE PROGRAM.

(VI) THE STATE DEPARTMENT AND THE RESQUIP TEAM OF EACH NURSING CARE FACILITY THAT RECEIVES AN INCENTIVE PAYMENT SHALL CONDUCT AN EVALUATION OF THE PROPOSAL TO DEMONSTRATE PROGRAM AND FINANCIAL ACCOUNTABILITY, ON AT LEAST AN ANNUAL BASIS, TO ENSURE THAT THE PAYMENTS ARE SPENT ONLY ON THE IMPLEMENTATION OF THE PROPOSAL. THE COMPOSITION OF EACH RESQUIP TEAM SHALL BE ESTABLISHED BY RULE OF THE STATE DEPARTMENT. ANY PAYMENTS THAT ARE NOT SPENT ON THE PROPOSAL SHALL BE RETURNED TO THE STATE DEPARTMENT.

(VII) BEGINNING JULY 1, 2002, AND EACH JULY 1 THEREAFTER, THE DEPARTMENT SHALL REPORT ANNUALLY TO THE MEMBERS OF THE SENATE HEALTH, ENVIRONMENT, CHILDREN AND FAMILIES COMMITTEE AND THE HOUSE HEALTH, ENVIRONMENT, WELFARE, AND INSTITUTIONS COMMITTEE ON CONSUMER SATISFACTION SURVEYS AND OTHER FACILITY INFORMATION. FOR EACH NURSING FACILITY, THIS REPORT SHALL CONTAIN INFORMATION ON THE SURVEY RESULTS, NUMBER OF COMPLAINTS, AND THE NUMBER OF OCCURRENCES, THAT ARE REPORTED TO THE DEPARTMENT PURSUANT TO SECTION 25-1-124, C.R.S.

**SECTION 3.** 26-4-410 (2) (c.5) (II) (D), Colorado Revised Statutes, is amended, and the said 26-4-410 (2) (c.5) (II) is further amended BY THE ADDITION OF THE FOLLOWING NEW SUB-SUBPARAGRAPHS, to read:

**26-4-410. Providers - nursing facility - nursing facility patient program improvement fund - reimbursement - maximum allowable - quality of care incentive payment program - legislative declaration - repeal.**

(2) (c.5) (II) Beginning January 1, 1995, the department shall issue incentive payments under the program to nursing facility providers that meet the criteria established by the department through rules and regulations. In determining which providers shall be eligible to receive incentive payments, the department shall consider the following factors:

(D) The resident care characteristics; ~~and~~

(F) INSPECTION SURVEYS;

(G) EXPERTISE OF THE NURSING FACILITY STAFF PROVIDING CARE;

(H) CONSUMER SATISFACTION, INCLUDING HOW WELL EACH RESIDENT AND RESIDENT'S FAMILY MEMBERS OR REPRESENTATIVES ARE INFORMED ABOUT RESIDENT RIGHTS AND CHOICES;

(I) SATISFACTORY RESOLUTION OF COMPLAINTS;

(J) APPROPRIATE EQUIPMENT AND SUPPORT NEEDED TO ACHIEVE MAXIMUM FUNCTIONAL ABILITY OF RESIDENTS; AND

(K) SCREENING FOR DEINSTITUTIONALIZATION.

**SECTION 4.** 26-4-410 (2) (c.5), Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBPARAGRAPH to read:

**26-4-410. Providers - nursing facility - nursing facility patient program improvement fund - reimbursement - maximum allowable - quality of care incentive payment program - legislative declaration - repeal.**

(2) (c.5) (II.5) AFTER DECEMBER 1, 2001, THE DEPARTMENT SHALL CONSIDER THE DEFINITIONS OF THE FACTORS LISTED IN SUBPARAGRAPH (II) OF THIS PARAGRAPH (c.5) DEVELOPED BY THE WORKING GROUP, CREATED IN SECTION 26-4-420, WHEN DETERMINING ELIGIBILITY TO RECEIVE INCENTIVE PAYMENTS.

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

**26-4-420. Nursing facilities - development of a survey and certification reform working group.**

(1) (a) A TWELVE-MEMBER WORKING GROUP SHALL BE ESTABLISHED IN THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING. THE GOAL OF THE WORKING GROUP SHALL BE TO ASSIST THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING WITH DEVELOPING A DETAILED PROPOSAL TO REFORM THE CURRENT SURVEY AND CERTIFICATION PROCESS FOR NURSING FACILITIES TO ONE THAT INCREASES THE FOCUS ON CONTINUOUS PERFORMANCE IMPROVEMENT. THE MEMBERSHIP OF THE WORKING GROUP SHALL INCLUDE:

(I) ONE MEMBER SHALL BE A MEMBER OF THE SENATE APPOINTED BY THE PRESIDENT OF THE SENATE, AND ONE MEMBER SHALL BE A MEMBER OF THE HOUSE OF

REPRESENTATIVES APPOINTED BY THE SPEAKER OF THE HOUSE OF REPRESENTATIVES;

(II) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT, OR THE EXECUTIVE DIRECTOR'S DESIGNEE;

(III) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING, OR THE EXECUTIVE DIRECTOR'S DESIGNEE;

(IV) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF HUMAN SERVICES, OR THE EXECUTIVE DIRECTOR'S DESIGNEE;

(V) THE COLORADO STATE LONG-TERM CARE OMBUDSMAN;

(VI) ONE LICENSED PHYSICIAN AND ONE HEALTH CARE PROFESSIONAL, EACH OF WHOM ARE FAMILIAR WITH THE NEEDS OF PATIENTS IN LONG-TERM CARE FACILITIES, WHO SHALL BE SELECTED BY THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT;

(VII) TWO REPRESENTATIVES OF PROVIDERS OF LONG-TERM CARE SERVICES, WHO SHALL BE SELECTED BY THE DIRECTOR OF THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING;

(VIII) TWO REPRESENTATIVES OF ELDERLY AND DISABLED LONG-TERM CARE CONSUMERS FAMILIAR WITH THE NEEDS OF PATIENTS IN LONG-TERM CARE FACILITIES. THESE TWO REPRESENTATIVES SHALL BE SELECTED BY THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF HUMAN SERVICES.

(b) THE WORKING GROUP MEMBERS SHALL BE APPOINTED ON OR BEFORE JULY 1, 2001.

(c) THE DETAILED PERFORMANCE IMPROVEMENT MODEL DEVELOPED BY THE WORKING GROUP SHALL CONSIDER, BUT NOT BE LIMITED TO, ENHANCED PROBLEM RESOLUTION AND ENFORCEMENT IN POORLY PERFORMING FACILITIES; ONGOING COLLABORATIVE INVOLVEMENT WITH RESIDENTS, FAMILY MEMBERS, HEALTH SURVEYORS, OMBUDSMEN, AND OTHERS TO IDENTIFY AND MONITOR PERFORMANCE IMPROVEMENT GOALS; AND OFFERING INCENTIVES FOR PROVIDERS TO DELIVER AN ENHANCED QUALITY OF CARE AND QUALITY OF LIFE FOR RESIDENTS.

(d) THE WORKING GROUP SHALL EXAMINE OTHER STATES' AND COLORADO'S EXPERIENCES, AS WELL AS THE INPUT OF OTHER INDIVIDUALS AND ORGANIZATIONS WITHIN COLORADO WITH EXPERTISE IN THIS AREA, TO EVALUATE REWARDS AND ENFORCEMENT ACTIONS AND DETERMINE THEIR EFFECTIVENESS FOR IMPROVING AND PROMOTING THE QUALITY OF LIFE AND QUALITY OF CARE FOR RESIDENTS IN NURSING HOMES.

(e) THE WORKING GROUP SHALL COMMENCE WORK ON THE EFFECTIVE DATE OF THIS SECTION AND SHALL PRESENT THE COMPLETED DETAILED PROPOSAL, ALONG WITH PROPOSED LEGISLATION FOR THE SECOND REGULAR SESSION OF THE SIXTY-THIRD GENERAL ASSEMBLY, TO THE SENATE HEALTH, ENVIRONMENT, CHILDREN AND FAMILIES COMMITTEE; THE HOUSE HEALTH, ENVIRONMENT, WELFARE, AND INSTITUTIONS COMMITTEE; THE JOINT BUDGET COMMITTEE; AND THE LEGISLATIVE

AUDIT COMMITTEE NO LATER THAN DECEMBER 1, 2001.

(f) THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING AND THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT ARE AUTHORIZED TO SEEK FROM THE APPROPRIATE FEDERAL AUTHORITIES OR AGENCIES ANY WAIVERS NECESSARY TO ALLOW THE IMPLEMENTATION OF A REFORMED SURVEY AND CERTIFICATION AND CONTINUOUS IMPROVEMENT PROCESS; EXCEPT THAT SUCH IMPLEMENTATION SHALL NOT OCCUR UNTIL APPROVED BY THE GENERAL ASSEMBLY BY BILL.

**SECTION 6.** 26-4-505 (3) (b) (I), Colorado Revised Statutes, is amended to read:

**26-4-505. Collection of penalties assessed against nursing facilities - creation of cash fund.** (3) (b) (I) The moneys in the fund are subject to annual appropriation by the general assembly to the department of health care policy and financing for the purposes set forth in ~~section~~ SECTIONS 25-1-107.5 AND 26-4-420, C.R.S.

**SECTION 7. Appropriation - adjustments to the 2001 long bill.** (1) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the nursing home penalty cash fund created in section 26-4-505 (3) (a), Colorado Revised Statutes, not otherwise appropriated, to the department of health care policy and financing, for the fiscal year beginning July 1, 2001, the sum of twenty-five thousand dollars (\$25,000), or so much thereof as may be necessary, for the implementation of this act.

(2) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the general fund not otherwise appropriated, to the department of health care policy and financing, medical programs administration, for the fiscal year beginning July 1, 2001, the sum of seventy-three thousand four dollars (\$73,004) and 1.0 FTE, or so much thereof as may be necessary, for the implementation of this act. Said sum shall be subject to the "(M)" notation as defined in the annual general appropriation act. In addition to said appropriation, the general assembly anticipates that, for the fiscal year beginning July 1, 2001, the department of health care policy and financing will receive the sum of seventy-three thousand four dollars (\$73,004) in federal funds for the implementation of this act. Although the federal funds are not appropriated in this act, they are noted for the purpose of indicating the assumptions used relative to these funds. Said sums shall be allocated as follows:

(a) Forty-seven thousand four hundred thirty-five dollars (\$47,435) shall be for personal services;

(b) Ninety-four thousand six hundred twenty-seven dollars (\$94,627) shall be for contract services; and

(c) Three thousand nine hundred forty-six dollars (\$3,946) shall be for operating expenses.

(3) In addition to any other appropriation, there is hereby appropriated, out of any moneys in the general fund not otherwise appropriated, to the department of public health and environment, for allocation to the health facilities division, for the fiscal year beginning July 1, 2001, the sum of thirty-six thousand forty-three dollars (\$36,043) and 0.7 FTE, or so much thereof as may be necessary, for the

implementation of this act.

(4) For the implementation of this act, appropriations made in the annual general appropriation act for the fiscal year beginning July 1, 2001, shall be adjusted as follows: The appropriation to the department of health care policy and financing, medical services premiums, is decreased by two hundred eighteen thousand ninety-four dollars (\$218,094). Of said sum, one hundred nine thousand forty-seven dollars (\$109,047) shall be from the general fund, and one hundred nine thousand forty-seven dollars (\$109,047) shall be from federal funds.

**SECTION 8. 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: June 5, 2001