

CHAPTER 16

HEALTH CARE POLICY AND FINANCING

SENATE BILL 03-176

BY SENATOR(S) Owen, Reeves, and Teck;
also REPRESENTATIVE(S) Witwer, Plant, and Young.

AN ACT

CONCERNING THE REPEAL OF ELIGIBILITY UNDER THE "COLORADO MEDICAL ASSISTANCE ACT" FOR SPECIFIED LEGAL IMMIGRANTS, AND MAKING AN APPROPRIATION IN CONNECTION THEREWITH.

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

SECTION 1. Repeal. 26-4-301 (1) (l), (1) (m), (2), (3), and (4), Colorado Revised Statutes, are repealed as follows:

26-4-301. Optional provisions - optional groups. (1) The federal government allows the state to select optional groups to receive medical assistance. Pursuant to federal law, any person who is eligible for medical assistance under the optional groups specified in this section shall receive both the mandatory services specified in sections 26-4-202 and 26-4-203 and the optional services specified in sections 26-4-302 and 26-4-303. Subject to the availability of federal financial aid funds, the following are the individuals or groups which Colorado has selected as optional groups to receive medical assistance pursuant to this article:

(l) ~~Individuals who are qualified aliens who were or would have been eligible for supplemental security income as a result of a disability but who are not eligible for such supplemental security income as a result of the passage of the federal "Personal Responsibility and Work Opportunity Reconciliation Act of 1996", Public Law 104-193, if such individuals meet the resource, income, and disability requirements for supplemental security income eligibility;~~

(m) ~~Other qualified aliens who entered or were present in the United States before August 22, 1996;~~

(2) ~~A qualified alien who entered the United States on or after August 22, 1996, shall not be eligible for benefits under this article, except as provided in section 26-4-203 (3), for five years after the date of entry into the United States unless he or~~

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

~~she meets the exceptions described in the federal "Personal Responsibility and Work Opportunity Reconciliation Act of 1996", Public Law 104-193, as amended. After five years, such qualified alien shall be eligible for benefits under this article but shall have sponsor income and resources deemed to the individual or family under rules established by the state board pursuant to section 26-2-137.~~

~~(3) A legal immigrant who is receiving medicaid nursing facility care or home- and community-based services on July 1, 1997, shall continue to receive such services as long as he or she meets the eligibility requirements other than citizen status. State general funds may be used to reimburse such care in the event that federal financial participation is not available.~~

~~(4) A pregnant legal immigrant shall be eligible to receive prenatal and medical services for labor and delivery as long as she meets eligibility requirements other than citizen status. State general funds may be used to reimburse such care in the event that federal financial participation is not available.~~

SECTION 2. 26-4-301, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SUBSECTION to read:

26-4-301. Optional provisions - optional groups. (5) A QUALIFIED ALIEN SHALL NOT BE ELIGIBLE FOR SERVICES UNDER THIS ARTICLE EXCEPT AS PROVIDED FOR IN SECTIONS 26-4-201 (2) AND 26-4-203 (3). QUALIFIED ALIENS WHO ARE NOT ELIGIBLE FOR SERVICES PURSUANT TO SECTION 26-4-201 (2) SHALL NOT BE AN OPTIONAL GROUP.

SECTION 3. Part 1 of article 4 of title 26, Colorado Revised Statutes, is amended BY THE ADDITION OF A NEW SECTION to read:

26-4-105.5. State plan amendment - authorization - repeal. (1) THE STATE DEPARTMENT SHALL AMEND THE STATE PLAN FOR MEDICAL ASSISTANCE TO REFLECT THE REPEAL OF SECTION 26-4-301 (1) (l), (1) (m), (2), (3), AND (4).

(2) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2004.

SECTION 4. 17-1-113.5 (1) (a) and (4) (c), Colorado Revised Statutes, are amended to read:

17-1-113.5. Inmates held in correctional facilities - medical benefits application assistance - county of residence - repeal. (1) (a) Except as otherwise provided in paragraph (b) of this subsection (1), on and after January 1, 2003, any person who is sentenced to a term of imprisonment in a correctional facility who was receiving medical assistance pursuant to section 26-4-201 (1) (i), C.R.S., ~~or section 26-4-301 (1) (l), C.R.S.~~, immediately prior to entering the correctional facility, or who is reasonably expected to meet eligibility criteria pursuant to section 26-4-201 (1) (i), C.R.S., ~~or section 26-4-301 (1) (l), C.R.S.~~, upon release, shall receive assistance from correctional facility personnel in applying for such medical assistance at least ninety days prior to release.

(4) (c) On or before January 1, 2003, the department of corrections shall attempt to enter into prerelease agreements with local social security administration offices,

and, if appropriate, the county departments of social services, the department of human services, or the department of health care policy and financing to simplify the processing of applications for medicaid or for supplemental security income to enroll inmates who are eligible for medical assistance pursuant to section 26-4-201 (1) (i), C.R.S., ~~or 26-4-301 (1) (i), C.R.S.~~, effective upon release and to provide such inmates with the information and paperwork necessary to access medical assistance immediately upon release.

SECTION 5. 17-27-105.7 (1) (a) and (4) (c), Colorado Revised Statutes, are amended to read:

17-27-105.7. Offenders held in community corrections programs - medical benefits application assistance - county of residence - repeal. (1) (a) Except as otherwise provided in paragraph (b) of this subsection (1), on and after January 1, 2003, any person who is sentenced to a community corrections program and who was receiving medical assistance pursuant to section 26-4-201 (1) (i), C.R.S., ~~or section 26-4-301 (1) (i), C.R.S.~~, immediately prior to entering the community corrections program, or who is reasonably expected to meet eligibility criteria pursuant to section 26-4-201 (1) (i), C.R.S., ~~or section 26-4-301 (1) (i), C.R.S.~~, upon release, shall receive assistance from community corrections program agents in applying for such medical assistance at least ninety days prior to release.

(4) (c) On or before January 1, 2003, each community corrections program shall attempt to enter into prerelease agreements with local social security administration offices, and, if appropriate, the county departments of social services, the department of human services, or the department of health care policy and financing to simplify the processing of applications for medicaid or for supplemental security income to enroll offenders who are eligible for medical assistance pursuant to section 26-4-201 (1) (i), C.R.S., ~~or 26-4-301 (1) (i), C.R.S.~~, effective upon release and to provide such offenders with the information and paperwork necessary to access medical assistance immediately upon release.

SECTION 6. Part V (2), (3), and (6) (D) and the affected totals of section 2 of chapter 399, Session Laws of Colorado 2002, are amended to read:

Section 2. **Appropriation.**

APPROPRIATION FROM

ITEM & SUBTOTAL	TOTAL	GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	CASH FUNDS EXEMPT	FEDERAL FUNDS
\$	\$	\$	\$	\$	\$	\$

PART V

DEPARTMENT OF HEALTH CARE POLICY AND FINANCING

(2) MEDICAL PROGRAMS ADMINISTRATION^{43, 44}

Personal Services	9,260,099 (147.7 FTE)	4,239,323(M)			71,913 ^a	4,948,863
Operating Expenses	684,213 719,213	330,671(M) 348,171(M)			250 ^b	353,292 370,792
S.B. 01-78 Nursing Home Quality of Care Contract Costs	68,524	34,262(M)				34,262
Alternative Care Facility Cost Reporting System Consulting Services	16,667	8,334(M)				8,333
Medicaid Management Information System Contract	18,324,459	4,418,380(M)			147,191 ^c	13,758,888

ITEM & SUBTOTAL	TOTAL	APPROPRIATION FROM				
		GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	CASH FUNDS EXEMPT	FEDERAL FUNDS
\$	\$	\$	\$	\$	\$	\$
Health Insurance Portability and Accountability Act of 1996 (HIPAA) Implementation Staffing Costs	298,576 (5.0 FTE)	70,180(M) ^d			6,250 ^e	222,146
Health Insurance Portability and Accountability Act of 1996 (HIPAA) Implementation Contract Costs ⁴⁵	11,530,545	2,753,374(M) ^d			180,967 ^e	8,596,204
Health Insurance Portability and Accountability Act of 1996 (HIPAA) Implementation Central State Appropriations	2,214,057	520,407(M) ^d			46,351 ^e	1,647,299
Medicaid Authorization Cards	1,323,100	661,550(M)				661,550

Department of Public Health and Environment Facility Survey and Certification	4,081,464	1,124,860(M)		2,956,604
Other Case-Mix Administrative Costs	42,000	12,000(M)		30,000
Contractual Utilization Review	4,557,179	1,157,499(M)	1,093 ^b	3,398,587
Early and Periodic Screening, Diagnosis, and Treatment Program	3,058,718	1,529,359(M)		1,529,359
Nursing Facility Audits	880,650	440,325(M)		440,325
Hospital and Federally Qualified Health Clinic Audits	250,000	125,000(M)		125,000
Nursing Home Preadmission and Resident Assessments	1,240,534	310,134(M)		930,400
Nurse Aide Certification	310,330	142,321(M)	12,844(T) ^f	155,165
Nursing Home Quality Assessments	26,955	6,739(M)		20,216
Estate Recovery	700,000		350,000 ^g	350,000
Single Entry Point Administration	65,900	32,950(M)		32,950
Single Entry Point Audits	35,339	17,669(M)		17,670
Phone Triage/Advice	324,513	81,128(M)		243,385

APPROPRIATION FROM

ITEM & SUBTOTAL	TOTAL	APPROPRIATION FROM				
		GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	CASH FUNDS EXEMPT	FEDERAL FUNDS
\$	\$	\$	\$	\$	\$	\$
S.B. 97-05 Enrollment Broker	1,073,258	536,629(M)				536,629
Primary Care Physician Credentialing	116,788	58,394(M)				58,394
H.B. 01-1271 Medicaid Buy-in	<u>327,427</u>					327,427
	60,811,295					
	60,846,295					

^a Of this amount, \$24,907 shall be from the Breast and Cervical Cancer Prevention and Treatment Fund created in Section 26-4-532 (7), C.R.S., and \$47,006 shall be from the Children's Basic Health Plan Trust created in Section 26-19-105, C.R.S.

^b This amount shall be from the Breast and Cervical Cancer Prevention and Treatment Fund created in Section 26-4-532 (7), C.R.S.

^c Of this amount, \$146,867(T) shall be from the Old Age Pension Health and Medical Care Fund appropriated in the Department of Human Services and \$324 shall be from the Breast and Cervical Cancer Prevention and Treatment Fund created in Section 26-4-532 (7), C.R.S.

^d Of these amounts, \$3,333,893 is exempt from the statutory limit on state General Fund appropriations pursuant to Section 24-75-201.1 (1) (a) (III) (B), C.R.S.

^e This amount shall be from the Children's Basic Health Plan Trust created in Section 26-19-105, C.R.S.

^f This amount shall be from the Department of Regulatory Agencies.

^g This amount shall be from estate recoveries.

(3) MEDICAL SERVICES PREMIUMS^{46, 47, 48, 49, 50, 51, 52, 53, 54, 54a}

Services for ~~35,230~~
 35,027 Old Age
 Pensioners (OAP-A) at
 an average cost of
~~\$16,895.22~~ \$16,973.13 ~~595,218,541~~
 594,517,689

Services for ~~5,430~~ 5,401
 Old Age Pensioners
 (OAP-B) at an average
 cost of ~~\$12,504.16~~
 \$12,560.33 ~~67,897,616~~
 67,838,351

Services for 4,046 Old
 Age Pension State
 Medical Program clients
 at an average cost of
 \$2,435.28 9,853,133

Services for ~~49,669~~
 49,494 Non-Elderly
 Disabled Recipients of
 Supplemental Security
 Income at an average
 cost of ~~\$10,450.73~~
 \$10,475.48 ~~519,077,445~~
 518,473,400

APPROPRIATION FROM

ITEM & SUBTOTAL	TOTAL	APPROPRIATION FROM				
		GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	CASH FUNDS EXEMPT	FEDERAL FUNDS
\$	\$	\$	\$	\$	\$	\$
Services for 38,349 38,185 Categorically Eligible Low-income Adults at an average cost of \$3,273.42 \$3,275.65	125,532,402 125,080,757					
Services for 158,488 158,279 Categorically Eligible Low-income Children and Baby Care Program Children at an average cost of \$1,750.40 \$1,751.06	277,418,122 277,155,501					
Services for 13,877 13,854 Foster Children at an average cost of \$2,652.07 \$2,652.89	36,802,812 36,753,177					

Services for 5,983 5,918 Baby Care Program Adults at an average cost of \$5,564.49 \$5,569.81	33,292,344 32,962,123			
Services for 9,492 Qualified Medicare Beneficiaries (QMBs) and Special Low-Income Medicare Beneficiaries (SLIMBs) at an average cost of \$1,071.80	10,173,529			
Services for 5,414 Non-Citizens at an Average Cost of \$9,876.00	53,468,640			
Services for 71 S.B. 01S2-12 Breast and Cervical Cancer Treatment Clients at an Average Cost of \$22,501.62	<u>1,597,615</u>			
	1,730,332,196	838,728,143(M)	34,565,803 ^a	857,038,250
	1,727,873,915	837,437,768(M)		855,870,344

^a Of this amount, \$9,853,133(T) shall be from the Old Age Pension Health and Medical Care Fund appropriated in the Department of Human Services, \$559,165 shall be from the Breast and Cervical Cancer Prevention and Treatment Fund created in Section 26-4-532 (7), C.R.S., and \$24,153,505 represents public funds certified as representing expenditures incurred by public nursing homes and hospitals that are eligible for federal financial participation under the Medicaid program.

APPROPRIATION FROM

ITEM & SUBTOTAL	TOTAL	APPROPRIATION FROM				
		GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	CASH FUNDS EXEMPT	FEDERAL FUNDS
\$	\$	\$	\$	\$	\$	\$
(6) DEPARTMENT OF HUMAN SERVICES MEDICAID-FUNDED PROGRAMS^{62, 63, 64}						
(D) Office of Behavioral Health and Housing - Medicaid Funding						
Administration	835,306	417,653(M)				417,653
Mental Health Community Programs, Mental Health Capitation and Performance						
Incentive Awards	148,707,702	74,353,851(M)				74,353,851
	148,516,188	74,258,094(M)				74,258,094
Mental Health Community Programs, Medicaid Mental Health Fee for Service Payments	3,618,529	1,809,265(M)				1,809,264
Mental Health Community Programs, Medicaid Mental Health Services for Breast and Cervical Cancer Patients	71,175			24,911 ^a		46,264

Mental Health Community Programs, Medicaid Anti-psychotic Pharmaceuticals	24,589,830	12,294,915(M)	12,294,915
Mental Health Institutes	3,984,829	1,992,415(M)	1,992,414
Alcohol and Drug Abuse Division, High Risk Pregnant Women Program	349,656	174,828(M)	174,828
	<u>182,157,027</u>		
	181,965,513		

^a This amount shall be from the Breast and Cervical Cancer Prevention and Treatment Fund created in Section 26-4-532 (7), C.R.S.

~~562,692,270~~
562,500,756

**TOTALS PART V
(HEALTH CARE
POLICY AND
FINANCING)^{5,6}**

\$2,714,652,157	\$1,180,936,543^a	\$751,563	\$186,737,806 ^b	\$1,346,226,245
<u>2,712,037,362</u>	<u>1,179,567,911^a</u>			<u>1,344,980,082</u>

^a Of this amount, \$3,355,821 is exempt from the statutory limit on state General Fund appropriations pursuant to Section 24-75-201.1 (1) (a) (III) (B), C.R.S.

^b Of this amount, \$781,748 contains an (L) notation, and \$10,068,871 contains a (T) notation.

SECTION 7. Part VII (4) (B) and the affected totals of section 2 of chapter 399, Session Laws of Colorado 2002, are amended to read:

ITEM & SUBTOTAL	TOTAL	APPROPRIATION FROM				
		GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	CASH FUNDS EXEMPT	FEDERAL FUNDS
\$	\$	\$	\$	\$	\$	\$

Section 2. Appropriation.

PART VII DEPARTMENT OF HUMAN SERVICES

(4) OFFICE OF BEHAVIORAL HEALTH AND HOUSING

(B) Mental Health Community Programs^{59, 84}

Mental Health Capitation ^{54, 62}	146,127,702				146,127,702(T)^a	
	145,936,188				145,936,188(T) ^a	
Capitation Performance Incentive Awards ⁶³	2,580,000				2,580,000(T) ^a	
Medicaid Mental Health Fee for Service Payments	3,618,529				3,618,529(T) ^a	
Medicaid Mental Health Services for Breast and Cervical Cancer Patients	71,175				71,175(T) ^a	
Medicaid Mental Health Child Placement Agency Program	7,152,728				7,152,728(T) ^b	

Medicaid Anti-Psychotic Pharmaceuticals ⁶⁴	24,589,830		24,589,830(T) ^a	
Services for Target Clients ⁸⁵	27,399,346	20,164,969	2,235,259 ^c	4,999,118 ^d
Services for Non-Target Clients	703,762	703,762		
Goebel Lawsuit Settlement ^{86, 87}	18,313,230	9,316,678 (2.0 FTE)	8,996,552(T) ^e	
Assertive Community Treatment Programs	1,225,736	612,868	612,868(L) ^f	
Alternatives to Inpatient Hospitalization for Not Less than Twenty-four Full-time Placements for Six Months ⁸⁸	877,500	877,500		
	<u>232,659,538</u>			
	232,468,024			

^a These amounts shall be from Medicaid funds appropriated to the Department of Health Care Policy and Financing.

^b This amount is shown for informational purposes only and reflects total estimated expenditures which originate as 50 percent General Fund appropriated to the Division of Child Welfare in the Department of Human Services and 50 percent federal funds transferred from the Department of Health Care Policy and Financing.

^c Of this amount, \$1,688,201(T) shall be from the Division of Vocational Rehabilitation and \$547,058(L) shall be from local matching funds to provide a 33 percent match for General Fund appropriations for purchase of pharmaceuticals.

^d Of this amount, it is estimated that \$4,577,373 shall be from the Mental Health Services Block Grant and \$421,745 shall be from the Homeless Prevention Block Grant.

^e Of this amount, \$161,909 shall be from the Division of Vocational Rehabilitation and \$8,834,643 is shown for informational purposes only and reflects the portion of the Mental Health Capitation line item estimated to be used for services to the Goebel plaintiff class.

ITEM & SUBTOTAL	TOTAL	APPROPRIATION FROM				
		GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	CASH FUNDS EXEMPT	FEDERAL FUNDS
\$	\$	\$	\$	\$	\$	\$

^f This amount shall be from local matching funds.

~~367,210,736~~
367,019,222

TOTALS PART VII,

(HUMAN SERVICES) ^{5, 6, 126, 127, 128, 129, 130}	\$1,894,987,436	\$551,358,333 ^a		\$85,414,768	\$776,015,115^b	\$482,199,220
	<u>\$1,894,795,922</u>				<u>\$775,823,601^b</u>	

^a Of this amount, \$410,751 is exempt from the statutory limit on state General Fund appropriations pursuant to Section 24-75-201.1 (1) (a) (III) (A), C.R.S.

^b Of this amount, ~~\$616,140,764~~ \$615,964,460 contains a (T) notation, and \$105,838,701 contains an (L) notation.

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: March 5, 2003