

CHAPTER 18

HEALTH AND ENVIRONMENT

SENATE BILL 03-175

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

AN ACT

CONCERNING PRESCRIBING THE USE OF THE NURSING HOME PENALTY CASH FUND, AND MAKING AN APPROPRIATION IN CONNECTION THEREWITH.

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

SECTION 1. 26-4-505 (3) (b), Colorado Revised Statutes, is amended BY THE ADDITION OF THE FOLLOWING NEW SUBPARAGRAPHS to read:

26-4-505. Collection of penalties assessed against nursing facilities - creation of cash fund - repeal. (3) (b) (III) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION, AND IN ADDITION TO THE PURPOSES SET FORTH IN THIS SUBSECTION (3) AND IN SECTION 25-1-107.5, C.R.S., FOR FISCAL YEAR 2002-03, THE NURSING HOME PENALTY CASH FUND MAY BE USED FOR INSPECTING AND INVESTIGATING COMPLAINTS OF NURSING FACILITIES THAT HAVE BEEN PREVIOUSLY CITED UNDER SECTION 25-1-107.5, C.R.S., OR PURSUANT TO FEDERAL LAW.

(IV) IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT THE NURSING HOME PENALTY CASH FUND ONLY BE USED FOR THE PURPOSES OF SUBPARAGRAPH (III) OF THIS PARAGRAPH (b) FOR FISCAL YEAR 2002-03. IT IS NOT THE GENERAL ASSEMBLY'S INTENT TO PROVIDE EITHER THE STATE DEPARTMENT OR THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT AN INCENTIVE FOR PENALTIES TO BE ASSESSED AGAINST NURSING FACILITIES. IT IS THE GENERAL ASSEMBLY'S INTENT THAT THE NURSING HOME PENALTY CASH FUND BE USED TO PROTECT THE HEALTH AND PROPERTY OF INDIVIDUALS RESIDING IN NURSING FACILITIES WHICH THE STATE DEPARTMENT HAS FOUND TO BE IN VIOLATION OF FEDERAL REGULATIONS FOR PARTICIPATION IN THE MEDICAID PROGRAM CONSISTENT WITH THE PROVISIONS OF SECTION 25-1-107.5, C.R.S.

(V) THIS SUBPARAGRAPH (V) AND SUBPARAGRAPHS (III) AND (IV) OF THIS PARAGRAPH (b) ARE REPEALED, EFFECTIVE JULY 1, 2003.

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

SECTION 2. Part V (2) 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	330,671(M)			250 ^b	353,292
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

 APPROPRIATION FROM

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) 566,346(M)	558,514(H)	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

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					

^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.

TOTALS PART V

