

## CHAPTER 185

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**HEALTH CARE POLICY AND FINANCING**


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**HOUSE BILL 04-1415**

BY REPRESENTATIVE(S) Young, Plant, Witwer, Tochtrop, and Weissmann;  
also SENATOR(S) Reeves, Owen, Teck, Entz, Groff, Isgar, Tapia, and Veiga.

**AN ACT**

**CONCERNING CHANGES TO REIMBURSEMENTS OF NURSING FACILITIES, AND, IN CONNECTION THEREWITH, REPEALING THE NURSING FACILITY PROVIDER FEE AND QUALITY OF CARE GRANT PROGRAM AND MAKING AN APPROPRIATION.**

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

**SECTION 1.** 26-15-202 (1), Colorado Revised Statutes, is amended to read:

**26-15-202. State nursing facility service program - authorization - rates.**

(1) There is hereby established the state nursing facility service program for the purpose of paying nursing facility providers for services provided to eligible persons. The state nursing facility service program shall be subject to available appropriations by the general assembly. ~~from the nursing facility cash fund established in section 26-4-410.2 (2).~~

**SECTION 2. Repeal.** 26-4-410.2, Colorado Revised Statutes, is repealed as follows:

**26-4-410.2. Nursing facilities - provider fee - waiver authority - grant program - cash fund - conditional repeal.** (1) (a) ~~Beginning July 1, 2003, the state department shall collect a fee from nursing facility providers, which fee shall be charged to a nursing facility provider on a per patient per day basis. The fee shall be no greater than six dollars and fifty cents per patient per day for each nursing facility provider. In no event shall the fee be charged to: A nursing care facility licensed pursuant to section 25-1-107 (1) (I), C.R.S., that does not accept state or federal assistance moneys for the services it provides to the facility's residents; a nursing facility provider that does not receive payment for services pursuant to Title XIX of the social security act, or to a nursing facility that is owned by a governmental entity. In addition, the fee shall not be charged for patient days of residents for whom 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.*

~~nursing facility provider receives payment for services pursuant to part A of title XVIII of the social security act. The state department shall set the nursing facility provider fee in accordance with the federal waiver authority and the appropriation made by the general assembly.~~

~~(b) The state department shall seek the appropriate federal waiver from the federal requirements for the imposition of a nursing facility provider fee. The state department shall exclude the fewest number of nursing facility providers from the fee to be charged pursuant to this subsection (1) as is necessary to obtain the waiver under this paragraph (b).~~

~~(c) The state department shall not collect a fee pursuant to this subsection (1) for purposes of the state nursing facility service program, established in part 2 of article 15 of this title, unless part 2 of article 15 of this title is implemented.~~

~~(2) All fees collected pursuant to subsection (1) of this section shall be transmitted to the state treasurer, who shall credit the same to the nursing facility cash fund, which fund is hereby created and referred to in this section as the "fund". The moneys in the fund shall be subject to annual appropriation by the general assembly for the purposes of the nursing facility quality of care grant program authorized in subsection (3) of this section and the state nursing facility service program authorized in part 2 of article 15 of this title. Any moneys in the fund not expended for these purposes may be invested by the state treasurer as provided by law. All interest and income derived from the investment and deposit of moneys in the fund shall be credited to the fund. Any unexpended and unencumbered moneys remaining in the fund at the end of any fiscal year shall remain in the fund and shall not be credited or transferred to the general fund or any other fund.~~

~~(3) The state department shall establish a nursing facility quality of care grant program for the purpose of maintaining the continuity and quality of care for medicaid nursing facility patients. The state department shall distribute grants to nursing facility providers, who paid the fee charged pursuant to subsection (1) of this section, under the nursing facility quality of care grant program on the basis of that nursing facility's medicaid patient days. The state department shall distribute grants under the program no more than fourteen days after receipt of the fee charged pursuant to subsection (1) of this section. The state department shall pay for the nursing facility quality of care grants from moneys in the fund.~~

~~(4) It is the intent of the general assembly that the nursing facility quality of care grant program shall be in addition to the amount of the general assembly's annual appropriation for nursing facility medicaid payments made pursuant to the Colorado medical assistance act.~~

~~(5) If the nursing facility provider fee required by subsection (1) of this section is repealed, notwithstanding any other provision of this section, the state department shall not continue the nursing facility quality of care grant program established in subsection (3) of this section. If the nursing facility quality of care grant program established in subsection (3) of this section is repealed, notwithstanding any other provision of this section, the state department is not authorized to charge the nursing facility provider fee required by subsection (1) of this section.~~

**SECTION 3. Appropriation.** 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, for the state nursing facility service program created in section 26-15-202 (1), Colorado Revised Statutes, for the fiscal year beginning July 1, 2004, eight hundred thirty-eight thousand five hundred twenty-eight dollars (\$838,528), or so much thereof as may be necessary, for the implementation of this act.

**SECTION 4. Effective date.** This act shall take effect July 1, 2004.

**SECTION 5. 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: April 21, 2004