

CHAPTER 167

HUMAN SERVICES - SOCIAL SERVICES

HOUSE BILL 07-1025

BY REPRESENTATIVE(S) Jahn, Garcia, Kefalas, Kerr A., Labuda, McGihon, Rose, Stafford, Borodkin, Butcher, Gallegos, Hicks, Kerr J., Lambert, Looper, Lundberg, Rice, Roberts, Romanoff, and Todd;
also SENATOR(S) Boyd.

AN ACT

CONCERNING THE FUNDING OF CHILD WELFARE SERVICES, AND, IN CONNECTION THEREWITH, REQUIRING THE STATE DEPARTMENT OF HUMAN SERVICES TO REVIEW RATES, SERVICES, AND OUTCOMES NEGOTIATED BY COUNTIES WITH PROVIDERS.

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

SECTION 1. 26-5-104 (6), Colorado Revised Statutes, is amended to read:

26-5-104. Funding of child welfare services - rules. (6) County negotiations with providers. (a) ~~On and after July 1, 1997~~ **SUBJECT TO RULES PROMULGATED BY THE STATE DEPARTMENT PURSUANT TO PARAGRAPH (b) OF THIS SUBSECTION (6),** a county shall be authorized to negotiate rates, services, and outcomes with providers if the county has a request for proposal process in effect for soliciting bids from providers or another mechanism for evaluating the rates, services, and outcomes that it is negotiating with such providers that is acceptable to the state department.

(b) NO LATER THAN JANUARY 1, 2008, THE STATE DEPARTMENT SHALL PROMULGATE RULES GOVERNING THE METHODOLOGY BY WHICH COUNTIES MAY NEGOTIATE RATES, SERVICES, AND OUTCOMES WITH LICENSED PROVIDERS.

(c) A COUNTY THAT NEGOTIATES OR RENEGOTIATES RATES, SERVICES, AND OUTCOMES PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (6) SHALL INCLUDE AS PART OF SUCH NEGOTIATIONS OR RENEGOTIATIONS COST OF LIVING ADJUSTMENTS AND PROVIDER RATE INCREASES APPROVED BY THE GENERAL ASSEMBLY.

(d) BY JULY 1, 2008, AND BY JULY 1 OF EACH EVEN-NUMBERED YEAR THEREAFTER, THE STATE DEPARTMENT SHALL COMPLETE A REVIEW OF THE

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

METHODOLOGY BY WHICH COUNTIES NEGOTIATE RATES, SERVICES, AND OUTCOMES WITH LICENSED PROVIDERS, WHICH METHODOLOGY IS GOVERNED BY RULES PROMULGATED BY THE STATE DEPARTMENT PURSUANT TO PARAGRAPH (b) OF THIS SUBSECTION (6). IN PREPARING FOR AND CONDUCTING THE REVIEW, THE STATE DEPARTMENT SHALL INVITE AND ACCEPT THE PARTICIPATION OF REPRESENTATIVES OF THE COUNTIES AND THE PROVIDER COMMUNITY.

SECTION 2. 25.5-4-406 (1) (a), (2), and (3), Colorado Revised Statutes, are amended to read:

25.5-4-406. Rate setting - medicaid residential treatment service providers - monitoring and auditing - report. (1) The state department shall approve a rate-setting process consistent with medicaid requirements for providers of medicaid residential treatment services in the state of Colorado as developed by the department of human services. The rate-setting process developed pursuant to this section may include, but shall not be limited to:

(a) A range for reimbursement that represents a base-treatment rate for serving a child who is subject to out-of-home placement due to dependency and neglect, a child placed in a residential child care facility pursuant to the "Child Mental Health Treatment Act", article 10.3 of title 27, C.R.S., or a child who has been adjudicated a delinquent, which includes a defined service package ~~and does not link the rate to the child's evaluation or assessment~~ TO MEET THE NEEDS OF THE CHILD;

(2) The medicaid rate-setting process approved by the state department shall include ~~recommendations~~ for a two- or three-year implementation timeline with implementation beginning in state fiscal year ~~2007-08~~ 2008-09.

(3) The state department and the department of human services, in consultation with the representatives of the counties and the provider community, shall review the rate-setting process every two years and shall submit any ~~recommended~~ changes to the joint budget committee of the general assembly.

SECTION 3. 26-1-132 (1) (a), (3), and (4), Colorado Revised Statutes, are amended to read:

26-1-132. Department of human services - rate setting - residential treatment service providers - monitoring and auditing - report. (1) The state department shall develop a rate-setting process consistent with medicaid requirements for providers of residential treatment services in the state of Colorado. Representatives of counties and the provider community shall be involved in the actual development of the rate-setting process. The rate-setting process for rates funded by medicaid shall be approved by the department of health care policy and financing. The rate-setting process developed pursuant to this section may include, but shall not be limited to:

(a) A range for reimbursement that represents a base-treatment rate for serving a child who is subject to out-of-home placement due to dependency and neglect, a child placed in a residential child care facility pursuant to the "Child Mental Health Treatment Act", article 10.3 of title 27, C.R.S., or a child who has been adjudicated a delinquent, which includes a defined service package ~~and does not link the rate to~~

~~the child's evaluation or assessment~~ TO MEET THE NEEDS OF THE CHILD;

(3) The rate-setting process developed by the state department, counties, and providers and approved by the department of health care policy and financing pursuant to subsection (1) of this section shall include ~~recommendations~~ for a two- or three-year implementation timeline with implementation beginning in state fiscal year ~~2007-08~~ 2008-09.

(4)(a) The state department, in conjunction with the counties and providers, shall submit an initial report to the joint budget committee of the general assembly on or before ~~July 1, 2006~~ JANUARY 1, 2008. The report shall include the rate-setting process and the ~~recommended~~ implementation timeline developed pursuant to this section.

(b) The department of health care policy and financing and the state department, in consultation with the representatives of the counties and the provider community, shall review the rate-setting process every two years and shall submit any ~~recommended~~ changes to the joint budget committee of the general assembly.

SECTION 4. Effective date. This act shall take effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly that is allowed for submitting a referendum petition pursuant to article V, section 1 (3) of the state constitution, (August 8, 2007, if adjournment sine die is on May 9, 2007); except that, if a referendum petition is filed against this act or an item, section, or part of this act within such period, then the act, item, section, or part, if approved by the people, shall take effect on the date of the official declaration of the vote thereon by proclamation of the governor.

Approved: April 26, 2007