

## CHAPTER 216

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**HEALTH CARE POLICY AND FINANCING**


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**SENATE BILL 13-200**

BY SENATOR(S) Aguilar, Kefalas, Carroll, Giron, Guzman, Heath, Hodge, Hudak, Johnston, Jones, Newell, Nicholson, Schwartz, Steadman, Tochtrop, Todd, Ulibarri, Morse;  
 also REPRESENTATIVE(S) Ferrandino, Duran, Exum, Fields, Fischer, Ginal, Hamner, Labuda, Lebsock, Levy, May, Melton, Mitsch Bush, Moreno, Pabon, Pettersen, Rosenthal, Ryden, Salazar, Schafer, Singer, Young.

**AN ACT**

**CONCERNING AN INCREASE IN THE INCOME ELIGIBILITY FOR CERTAIN OPTIONAL GROUPS IN THE MEDICAID PROGRAM TO ONE HUNDRED THIRTY-THREE PERCENT OF THE FEDERAL POVERTY LINE, AND, IN CONNECTION THEREWITH, MAKING AND REDUCING AN APPROPRIATION.**

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

**SECTION 1.** In Colorado Revised Statutes, 25.5-4-402.3, **amend** (4) (b) (IV) (A) and (4) (b) (IV) (C) as follows:

**25.5-4-402.3. Providers - hospital - provider fees - legislative declaration - federal waiver - fund created - rules - advisory board - repeal.** (4) (b) All moneys in the fund shall be subject to federal matching as authorized under federal law and subject to annual appropriation by the general assembly for the following purposes:

(IV) Subject to available revenue from the provider fee and federal matching funds, to expand eligibility for public medical assistance by:

(A) Increasing the eligibility level for parents AND CARETAKER RELATIVES of children who are eligible for medical assistance ~~or the children's basic health plan~~ PURSUANT TO SECTION 25.5-5-201 (1) (m), FROM SIXTY-ONE PERCENT ~~to up to~~ one hundred THIRTY-THREE percent of the federal poverty line;

(C) Providing eligibility under the state medical assistance program for a childless adult or an adult without a dependent child in the home PURSUANT TO SECTION 25.5-5-201 (1) (p), who earns up to one hundred THIRTY-THREE percent of the federal poverty line;

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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.*

**SECTION 2.** In Colorado Revised Statutes, 25.5-5-201, **amend** (1) (m) and (1) (p) as follows:

**25.5-5-201. Optional provisions - optional groups - repeal.** (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 25.5-5-102 and 25.5-5-103 and the optional services specified in sections 25.5-5-202 and 25.5-5-203. Subject to the availability of federal financial aid funds, the following are the individuals or groups that Colorado has selected as optional groups to receive medical assistance pursuant to this article and articles 4 and 6 of this title:

(m) ~~(f)(A)~~ Parents AND CARETAKER RELATIVES of children who are eligible for the medical assistance program or the children's basic health plan, article 8 of this title, whose family income does not exceed a ~~specified~~ ONE HUNDRED THIRTY-THREE percent of the federal poverty line, adjusted for family size. ~~as set by the state board by rule, which percentage shall be not less than one hundred percent.~~

~~(B)~~ Notwithstanding the provisions of sub-subparagraph (A) of this subparagraph ~~(f)~~, if the moneys in the hospital provider fee cash fund established pursuant to section 25.5-4-402.3 (4), together with the corresponding federal matching funds, are insufficient to fully fund all of the purposes described in section 25.5-4-402.3 (4) (b), after receiving recommendations from the hospital provider fee oversight and advisory board established pursuant to section 25.5-4-402.3 (6), for parents of children eligible for the medical assistance program or the children's basic health plan, the state board by rule adopted pursuant to the provisions of section 25.5-4-402.3 (5) (b) ~~(H)~~ may reduce the medical benefits offered to such parent whose family income exceeds sixty percent of the federal poverty line or reduce the percentage of the federal poverty line to below one hundred percent, but the percentage shall not be reduced to below sixty percent.

~~(C)~~ Notwithstanding the provisions of sub-subparagraph (A) of this subparagraph ~~(f)~~, until the state department receives federal authorization to increase the percentage of the federal poverty line for parents of children eligible for the medical assistance program or the children's basic health plan, the percentage of the federal poverty line shall be not less than sixty percent. Within sixty days after the state department receives authorization to increase the percentage of the federal poverty line, the executive director shall send written notice to the revisor of statutes informing him or her of the authorization. This sub-subparagraph (C) is repealed, effective the July 1 following the receipt of the notice to the revisor of statutes.

~~(H)~~ Repealed.

(p) ~~(f)~~ Subject to federal approval, ~~persons over eighteen years of age~~ ADULTS who are childless or without a dependent child in the home, AS DESCRIBED IN SECTION 1902 (a) (10) (A) (i) (VIII) OF THE SOCIAL SECURITY ACT, 42 U.S.C. SEC 1396a, WHO HAVE ATTAINED NINETEEN YEARS OF AGE BUT HAVE NOT ATTAINED SIXTY-FIVE YEARS OF AGE, and whose family income does not exceed a ~~specified percentage~~ ONE HUNDRED THIRTY-THREE PERCENT of the federal poverty line,

adjusted for family size, and as set by the state board by rule, which percentage shall be not less than one hundred percent.

~~(H) Notwithstanding the provisions of subparagraph (I) of this paragraph (p), if the moneys in the hospital provider fee cash fund established pursuant to section 25.5-4-402.3 (4), together with the corresponding federal matching funds, are insufficient to fully fund all of the purposes described in section 25.5-4-402.3 (4) (b), after receiving recommendations from the hospital provider fee oversight and advisory board established pursuant to section 25.5-4-402.3 (6), for childless persons or for persons without a dependent child in the home, the state board by rule adopted pursuant to the provisions of section 25.5-4-402.3 (5) (b) (H) may reduce the medical benefits offered or the percentage of the federal poverty line to below one hundred percent or may eliminate this eligibility group.~~

~~(H) Repealed.~~

**SECTION 3. Appropriation - adjustments to 2013 long bill.** (1) In addition to any other appropriation, there is hereby appropriated to the department of health care policy and financing, for the fiscal year beginning July 1, 2013, the sum of \$1,869,658 and 19.0 FTE, or so much thereof as may be necessary, comprised of \$934,830 from the hospital provider fee cash fund created in section 25.5-4-402.3 (4), Colorado Revised Statutes, and \$934,828 from federal funds, to be allocated to the executive director's office for general administration for the implementation of this act as follows:

- (a) \$1,206,378 and 19.0 FTE for personal services;
- (b) \$125,856 for health, life, and dental;
- (c) \$2,054 for short-term disability;
- (d) \$38,915 for S.B. 04-257 amortization equalization disbursement;
- (e) \$35,132 for S.B. 06-235 supplemental amortization equalization disbursement;
- (f) \$146,190 for operating expenses;
- (g) \$24,910 for the purchase of legal services;
- (h) \$12,122 for the purchase of administrative law judge services;
- (i) \$78,101 for leased space; and
- (j) \$200,000 for general professional services and special projects.

(2) In addition to any other appropriation, there is hereby appropriated to the department of health care policy and financing, for the fiscal year beginning July 1, 2013, the sum of \$1,554,374, or so much thereof as may be necessary, to be allocated to the executive director's office for information technology contracts for the implementation of this act as follows:

(a) \$201,600, comprised of \$100,800 from the hospital provider fee cash fund created in section 25.5-4-402.3 (4), Colorado Revised Statutes, and \$100,800 from federal funds, for medicaid management information system maintenance and projects;

(b) \$595,214, comprised of \$297,607 from the hospital provider fee cash fund created in section 25.5-4-402.3 (4), Colorado Revised Statutes, and \$297,607 from federal funds, for the centralized eligibility vendor; and

(c) \$757,560, comprised of \$378,780 from the hospital provider fee cash fund created in section 25.5-4-402.3 (4), Colorado Revised Statutes, and \$378,780 from federal funds, for the Colorado benefits management system modernization project.

(3) In addition to any other appropriation, there is hereby appropriated to the department of health care policy and financing, for the fiscal year beginning July 1, 2013, the sum of \$2,883,599, or so much thereof as may be necessary, to be allocated to the executive director's office for eligibility determinations and client services for the implementation of this act as follows:

(a) \$11,017, comprised of \$197 from the general fund, \$5,312 from the hospital provider fee cash fund created in section 25.5-4-402.3 (4), Colorado Revised Statutes, and \$5,508 from federal funds, for medical identification cards;

(b) \$1,537,200, comprised of \$768,600 from the hospital provider fee cash fund created in section 25.5-4-402.3 (4), Colorado Revised Statutes, and \$768,600 from federal funds, for contracts for special eligibility determinations;

(c) \$104,712, comprised of \$31,414 from the general fund, \$20,942 from local funds, and \$52,356 from federal funds, for county administration;

(d) \$1,023,453, comprised of \$451,727 from the hospital provider fee cash fund created in section 25.5-4-402.3 (4), Colorado Revised Statutes, and \$571,726 from federal funds for hospital provider fee county administration costs; and

(e) \$207,217, comprised of \$4,132 from the general fund, \$99,477 from the hospital provider fee cash fund created in section 25.5-4-402.3 (4), Colorado Revised Statutes, and \$103,608 from federal funds for customer outreach.

(4) In addition to any other appropriation, there is hereby appropriated to the department of health care policy and financing, for the fiscal year beginning July 1, 2013, the sum of \$410,502, or so much thereof as may be necessary, for allocation to the executive director's office for utilization and quality review contracts related to the implementation of this act. Of said sum, \$3,802 is from the general fund, \$102,762 is from the hospital provider fee cash fund created in section 25.5-4-402.3 (4), Colorado Revised Statutes, and \$303,938 is from federal funds.

(5) For the implementation of this act, appropriations made in the annual general appropriation act to the department of health care policy and financing for the fiscal year beginning July 1, 2013, for medical service premiums are adjusted as follows:

(a) The general fund appropriation is decreased by \$934,367;

(b) The cash funds appropriation from the hospital provider fee cash fund created in section 25.5-4-402.3 (4), Colorado Revised Statutes, is decreased by \$138,501,252;

(c) The cash funds appropriation from the old age pension health and medical care fund created in section 7 (c) of Article XXIV of the Colorado constitution is increased by \$1,745,639; and

(d) The federal funds appropriation is increased by \$412,433,097.

(6) For the implementation of this act, appropriations made in the annual general appropriation act to the department of health care policy and financing for the fiscal year beginning July 1, 2013, for behavioral health community programs for behavioral health capitation payments are adjusted as follows:

(a) The general fund appropriation is increased \$76,907;

(b) The appropriation from the hospital provider fee cash fund created in section 25.5-4-402.3 (4), Colorado Revised Statutes, is decreased by \$19,260,944; and

(c) The federal funds appropriation is increased by \$52,601,870.

(7) In addition to any other appropriation, there is hereby appropriated, to the department of health care policy and financing, for the fiscal year beginning July 1, 2013, the sum of \$2,007,812, or so much thereof as may be necessary, for allocation to the indigent care program for children's basic health plan medical and dental costs related to the implementation of this act. Of said sum, \$694,706 is from the general fund, \$22,938 is from the children's basic health plan trust created in section 25.5-8-105 (1), Colorado Revised Statutes, and \$1,290,168 is from federal funds.

(8) For the implementation of this act, appropriations made in the annual general appropriation act to the department of health care policy and financing for the fiscal year beginning July 1, 2013, for other medical services are adjusted as follows:

(a) The cash funds appropriation from the old age pension health and medical care fund created in section 7 (c) of Article XXIV of the Colorado constitution is decreased by \$1,745,639, for the old age pension state medical program.

**SECTION 4. Appropriation - adjustments to 2013 long bill.** (1) 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 corrections, for the fiscal year beginning July 1, 2013, the sum of \$28,249 and 0.4 FTE, or so much thereof as may be necessary, to be allocated to management for the executive director's office subprogram for the implementation of this act as follows:

(a) \$23,546 and 0.4 FTE for personal services; and

(b) \$4,703 for operating expenses.

(2) For the implementation of this act, appropriations made in the annual general appropriation act to the department of corrections for the fiscal year beginning July

1, 2013, for institutions for the medical services subprogram are adjusted as follows:

(a) The general fund appropriation for purchase of medical services from other medical facilities is decreased by \$950,000; and

(b) The general fund appropriation for catastrophic medical expenses is decreased by \$1,550,000.

**SECTION 5. Appropriation - adjustments to 2013 long bill.** (1) For the implementation of this act, appropriations made in the annual general appropriation act to the department of human services for the fiscal year beginning July 1, 2013, for behavioral health services for mental health community programs are adjusted as follows:

(a) The general fund appropriation for mental health services for the medically indigent is decreased by \$651,875.

**SECTION 6. Appropriation.** In addition to any other appropriation, there is hereby appropriated to the department of law, for the fiscal year beginning July 1, 2013, the sum of \$24,910, or so much thereof as may be necessary, for the provision of legal services for the department of health care policy and financing related to the implementation of this act. Said sum is from reappropriated funds received from the department of health care policy and financing out of the appropriation made in paragraph (g) of subsection (1) as contained in section 3 of this act.

**SECTION 7. Appropriation.** In addition to any other appropriation, there is hereby appropriated to the department of personnel, for the fiscal year beginning July 1, 2013, the sum of \$12,122, or so much thereof as may be necessary, for the provision of administrative law judge services for the department of health care policy and financing related to the implementation of this act. Said sum is from reappropriated funds received from the department of health care policy and financing out of the appropriation made in paragraph (h) of subsection (1) as contained in section 3 of this act.

**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: May 13, 2013