

CHAPTER 248

HUMAN SERVICES - SOCIAL SERVICES

SENATE BILL 14-012

BY SENATOR(S) Kefalas, Ulibarri, Aguilar, Heath, Jones, Kerr, Newell, Nicholson, Schwartz, Tochtrop, Todd, Zenzinger, Carroll;
 also REPRESENTATIVE(S) Exum, Fields, Pettersen, Court, Fischer, Ginal, Hamner, Hullinghorst, Kagan, Kraft-Tharp, Labuda, Lebsock, Melton, Mitsch Bush, Moreno, Pabon, Rosenthal, Ryden, Salazar, Schafer, Singer, Tyler, Williams, Young.

AN ACT
CONCERNING INCREASING THE ASSISTANCE PAYMENT FOR THE PROGRAM FOR AID TO THE NEEDY DISABLED, AND, IN CONNECTION THEREWITH, MAKING AND REDUCING APPROPRIATIONS.

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

SECTION 1. Legislative declaration. (1) The general assembly hereby finds and declares that:

(a) The Aid to the Needy Disabled (AND) program was established in 1953 as an “interim assistance program” for qualifying people waiting for their federal Supplemental Security Income (SSI) benefit to begin;

(b) The majority of people receiving AND support ultimately receive SSI, and the state receives reimbursement for all of the state's AND payments to program participants, retroactively from the date of application;

(c) The AND program provides basic financial assistance to people who meet the requirements of need and disability between the ages of 18 and 59, and a physician must medically certify their disability status and their inability to work for at least six months;

(d) The AND program serves some of our most vulnerable Colorado residents: Individuals who are poor, disabled, unable to work and awaiting SSI and ineligible for other state assistance programs, and many who are also homeless; and

(e) State funding for the AND program has not kept up with increased caseloads in recent years due to the recession and other factors, resulting in lower monthly

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

financial assistance amounts that fall far short of meeting the basic needs of any Coloradan.

(2) Therefore, the general assembly declares that the State of Colorado places a high priority on caring for our most vulnerable residents, and that it is in the public interest to restore funding to the AND program at the FY 2007 level, including an adjustment for the increased cost of living.

(3) Furthermore, the general assembly declares that it is in the public interest to encourage greater efficiencies and collaboration between departments, other public-sector agencies and private-sector community-based organizations to effectively administer the AND program and achieve savings from more timely SSI reimbursements to the state.

SECTION 2. In Colorado Revised Statutes, 26-2-111, **amend** (4) (b.5) as follows:

26-2-111. Eligibility for public assistance - pilot program - rules - repeal. (4) (b.5) (I) He or she has applied for supplemental security income benefits and complied with any recommendations for referrals made by the county department except for good cause shown.

(II) NOTWITHSTANDING THE PROVISIONS OF SUBPARAGRAPH (I) OF THIS PARAGRAPH (b.5) TO THE CONTRARY, THE STATE DEPARTMENT MAY PROMULGATE RULES ALLOWING A COUNTY TO WAIVE THE REQUIREMENT THAT A PERSON APPLY FOR SUPPLEMENTAL SECURITY INCOME BENEFITS PRIOR TO RECEIVING AID TO THE NEEDY DISABLED UNDER SUCH CONDITIONS AND FOR SUCH PERIOD OF TIME AS THE STATE DEPARTMENT DEEMS APPROPRIATE TO ENSURE THAT A PERSON HAS THE OPPORTUNITY TO SUBMIT A THOROUGH AND COMPLETE SUPPLEMENTAL SECURITY INCOME BENEFITS APPLICATION.

SECTION 3. In Colorado Revised Statutes, 26-2-119, **amend** (1); and **add** (6) as follows:

26-2-119. Amount of assistance payments - aid to the needy disabled. (1) (a) The amount of assistance payments that shall be granted to a recipient under the program for aid to the needy disabled shall be on the basis of budgetary need, as determined by the county department with due regard to any income, property, or other resources available to the recipient, within available appropriations, and in accordance with rules of the state department.

(b) The rules of the state department:

(I) SHALL ESTABLISH THE ASSISTANCE PAYMENT UNDER THE PROGRAM FOR AID TO THE NEEDY DISABLED, WHICH ASSISTANCE PAYMENT FOR THE 2014-15 STATE FISCAL YEAR MUST NOT BE LESS THAN THE AMOUNT OF THE ASSISTANCE PAYMENT FOR THE 2013-14 STATE FISCAL YEAR INCREASED BY EIGHT PERCENT. FOR STATE FISCAL YEARS 2015-16 THROUGH 2018-19, AND IN FISCAL YEARS THEREAFTER IF NECESSARY, SUBJECT TO AVAILABLE APPROPRIATIONS, THE STATE DEPARTMENT IS ENCOURAGED TO INCREASE THE AMOUNT OF THE ASSISTANCE PAYMENT TO RESTORE THE PAYMENT TO THE STATE FISCAL YEAR 2006-07 AMOUNT AND TO ADJUST THE

ASSISTANCE PAYMENT TO REFLECT INCREASES IN THE COST OF LIVING.

(II) May require an applicant or recipient who may be eligible for benefits under another federal or state program or who may have a right to receive or recover other income or resources to take reasonable steps to apply for, otherwise pursue, and accept such benefits, income, or resources.

(6)(a) THE FEDERAL SUPPLEMENTAL SECURITY INCOME APPLICATION ASSISTANCE PILOT PROGRAM IS CREATED IN THE STATE DEPARTMENT AND REFERRED TO IN THIS SECTION AS THE "PILOT PROGRAM". THE PURPOSE OF THE PILOT PROGRAM IS TO INCREASE THE FEDERAL INCOME ASSISTANCE REIMBURSEMENT RATE FOR THE PROGRAM FOR AID TO THE NEEDY DISABLED AND TO EVALUATE BEST PRACTICES FOR ENSURING THAT ACCURATE AND COMPLETE APPLICATIONS FOR FEDERAL SUPPLEMENTAL SECURITY INCOME AND SOCIAL SECURITY DISABILITY INSURANCE BENEFITS ARE SUBMITTED BY PERSONS APPLYING FOR OR RECEIVING AID TO THE NEEDY DISABLED IN COLORADO.

(b) THE PILOT PROGRAM SHALL CONTINUE FOR TWO YEARS AND MUST INCLUDE THE FOLLOWING:

(I) ASSISTANCE TO PERSONS APPLYING FOR OR RECEIVING AID TO THE NEEDY DISABLED IN COMPLETING APPLICATIONS FOR FEDERAL SUPPLEMENTAL SECURITY INCOME AND SOCIAL SECURITY DISABILITY INSURANCE BENEFITS IN A THOROUGH AND TIMELY MANNER;

(II) OUTREACH PRIMARILY TO PERSONS WHO ARE HOMELESS AND TO OTHER AT-RISK POPULATIONS THAT HAVE LOW RATES OF APPROVAL OF FEDERAL SUPPLEMENTAL SECURITY INCOME AND SOCIAL SECURITY DISABILITY INSURANCE BENEFITS APPLICATIONS;

(III) IMPLEMENTATION OF THE PILOT PROGRAM IN AT LEAST THREE COLORADO COUNTIES THAT HAVE A SIGNIFICANT NUMBER OF APPLICANTS FOR THE PROGRAM FOR AID TO THE NEEDY DISABLED;

(IV) THE DEVELOPMENT OF BEST PRACTICES TO INCREASE THE FEDERAL INCOME REIMBURSEMENT RATE FOR PERSONS PARTICIPATING IN THE PROGRAM FOR AID TO THE NEEDY DISABLED IN COLORADO AND REPORTING THESE BEST PRACTICES TO THE STATE DEPARTMENT, THE COUNTY DEPARTMENTS, AND THE GENERAL ASSEMBLY PURSUANT TO PARAGRAPH (e) OF THIS SUBSECTION (6).

(c) THE STATE DEPARTMENT SHALL AWARD A COMPETITIVE CONTRACT TO A NONPROFIT ORGANIZATION WITH EXPERIENCE IN PUBLIC PROGRAM OUTREACH AND IN FEDERAL SUPPLEMENTAL SECURITY INCOME BENEFITS PROGRAMS. THE STATE DEPARTMENT MUST AWARD THE CONTRACT AND THE PILOT PROGRAM MUST BE IMPLEMENTED BY OCTOBER 1, 2014. THE STATE DEPARTMENT SHALL ESTABLISH POLICIES AND PROCEDURES FOR THE PILOT PROGRAM.

(d) THE CONTRACTOR IMPLEMENTING THE PILOT PROGRAM SHALL BE RESPONSIBLE FOR HIRING, TRAINING, AND MANAGING EMPLOYEES TO PERFORM THE STATED SCOPE OF WORK IN THE CONTRACT AND WILL WORK IN COLLABORATION WITH PILOT COUNTIES TO PERFORM APPLICATION ASSISTANCE, OUTREACH, AND ONGOING CASE

MAINTENANCE.

(e) (I) THE STATE DEPARTMENT SHALL INCLUDE REPORTING REQUIREMENTS FOR THE CONTRACTOR IN THE CONTRACT FOR THE PILOT PROGRAM. AT A MINIMUM, THE REPORTING REQUIREMENTS MUST INCLUDE THE NUMBER OF APPLICANTS ASSISTED, THE PROCESS OR STRATEGIES USED TO ASSIST THE APPLICANTS, THE AVERAGE LENGTH OF TIME TO COMPLETE APPLICATIONS, WHETHER THE FEDERAL SUPPLEMENTAL SECURITY INCOME AND SOCIAL SECURITY DISABILITY INSURANCE BENEFITS APPLICATIONS WERE APPROVED AND FEDERAL REIMBURSEMENT WAS RECEIVED BY THE STATE, AND BEST PRACTICES DISCOVERED THROUGH THE IMPLEMENTATION OF THE PILOT PROGRAM.

(II) ON OR BEFORE NOVEMBER 1, 2015, AND ON OR BEFORE NOVEMBER 1, 2016, THE STATE DEPARTMENT SHALL SUBMIT A REPORT TO THE PUBLIC HEALTH CARE AND HUMAN SERVICES COMMITTEE OF THE HOUSE OF REPRESENTATIVES AND THE HEALTH AND HUMAN SERVICES COMMITTEE OF THE SENATE, OR ANY SUCCESSOR COMMITTEES, REGARDING THE IMPLEMENTATION OF THE PILOT PROGRAM AND THE OUTCOMES ACHIEVED BY PROVIDING ASSISTANCE FOR AID TO THE NEEDY DISABLED PROGRAM PARTICIPANTS WITH FEDERAL SUPPLEMENTAL SECURITY INCOME AND SOCIAL SECURITY DISABILITY INSURANCE BENEFITS APPLICATIONS. AT A MINIMUM, THE REPORT MUST INCLUDE A SUMMARY OF INFORMATION REQUESTED PURSUANT TO SUBPARAGRAPH (I) OF THIS PARAGRAPH (e).

(f) THE STATE DEPARTMENT IS AUTHORIZED TO ACCEPT AND EXPEND GIFTS, GRANTS, OR DONATIONS FROM PRIVATE OR PUBLIC SOURCES FOR THE PURPOSES OF THE PROGRAM; EXCEPT THAT THE OFFICE MAY NOT ACCEPT A GIFT, GRANT, OR DONATION THAT IS SUBJECT TO CONDITIONS THAT ARE INCONSISTENT WITH THIS SUBSECTION (6) OR ANY OTHER LAW OF THE STATE.

(g) THE STATE DEPARTMENT MAY EXPEND NO MORE THAN THREE PERCENT OF THE MONEYS ANNUALLY APPROPRIATED FOR THE PILOT PROGRAM TO OFFSET THE COSTS INCURRED IN ADMINISTERING THE CONTRACT AND COMPLYING WITH THE REPORTING REQUIREMENTS.

(h) THIS SUBSECTION (6) IS REPEALED, EFFECTIVE JULY 1, 2017.

SECTION 4. In Colorado Revised Statutes, 26-2-210, **amend** (1) as follows:

26-2-210. State supplemental security income stabilization fund - creation.

(1) There is hereby created in the state treasury the state supplemental security income stabilization fund, referred to in this section as the "stabilization fund", for the purpose of stabilizing the source of funding required to meet the federal requirements for maintenance of effort for the state-funded supplement to persons receiving SSI benefits. The stabilization fund shall consist of any excess moneys recovered due to overpayment of recipients, including regular, fraud, and interim assistance reimbursement recoveries, and any appropriations made to the stabilization fund by the general assembly. The moneys in the stabilization fund are hereby continuously appropriated to the state department to be expended on programs that count toward the maintenance of effort for the state supplemental security income as specified in the state plan when the state department determines that the state is at risk of not meeting the federal maintenance of effort for that

calendar year. All interest and income derived from the investment and deposit of moneys in the stabilization fund shall be credited to the stabilization fund. At the end of any fiscal year, an amount not exceeding ~~one million five hundred thousand dollars~~ TWENTY PERCENT OF THE TOTAL APPROPRIATION FOR THE APPLICABLE FISCAL YEAR IN THE ANNUAL GENERAL APPROPRIATIONS BILL FOR THE PROGRAM FOR AID TO THE NEEDY DISABLED shall remain in the stabilization fund as a continuous appropriation to be used to meet the state's maintenance of effort requirements under this part 2, and any unexpended and unencumbered moneys remaining in the stabilization fund at the end of any fiscal year in excess of ~~one million five hundred thousand dollars~~ AN AMOUNT EQUAL TO TWENTY PERCENT OF THE TOTAL APPROPRIATION FOR THE APPLICABLE FISCAL YEAR IN THE ANNUAL GENERAL APPROPRIATIONS BILL FOR THE PROGRAM FOR AID TO THE NEEDY DISABLED shall revert to the general fund.

SECTION 5. Appropriation - adjustments to 2014 long bill. (1) For the implementation of this act, the general fund appropriation made in the annual general appropriation act to the controlled maintenance trust fund created in section 24-75-302.5 (2) (a), Colorado Revised Statutes, for the fiscal year beginning July 1, 2014, is decreased by \$1,240,067.

(2) In addition to any other appropriation, there is hereby appropriated to the department of human services, for the fiscal year beginning July 1, 2014, the sum of \$1,495,144, or so much thereof as may be necessary, to be allocated for the implementation of this act as follows:

(a) \$1,234,483, comprised of \$987,586 from the general fund and \$246,897 from local funds, for aid to the needy disabled;

(b) \$13,764, comprised of \$3,283 from the general fund, \$442 from the old age pension fund created in section 1 of article XXIV of the state constitution, \$4,697 from reappropriated funds received from the department of health care policy and financing out of the appropriation made in subsection (3) of this section, and \$5,342 from federal funds, for modifications to the Colorado benefits management system; and

(c) \$246,897 from the general fund for the federal supplemental security income application assistance pilot program.

(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, 2014, the sum of \$4,697, or so much thereof as may be necessary, for allocation to department of human services medicaid-funded programs, office of information technology services-medicaid funding, Colorado benefits management system, for system modifications related to the implementation of this act. Of said sum, \$2,301 is from the general fund, \$12 is from the old age pension health and medical care fund pursuant to section 7 (c) of article XXIV of the state constitution, \$29 is from the children's basic health plan trust fund created in section 25.5-8-105 (1), Colorado Revised Statutes, and \$2,355 is from federal funds.

(4) In addition to any other appropriation, there is hereby appropriated to the governor - lieutenant governor - state planning and budgeting, for the fiscal year

beginning July 1, 2014, the sum of \$13,764, or so much thereof as may be necessary, for allocation to the office of information technology for the provision of services to the department of human services related to the implementation of this act. Said sum is from reappropriated funds received from the department of human services out of the appropriation made in paragraph (b) of subsection (2) of this section.

SECTION 6. Act subject to petition - effective date. This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 6, 2014, if adjournment sine die is on May 7, 2014); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2014 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

Approved: May 22, 2014