

First Regular Session
Sixty-sixth General Assembly
STATE OF COLORADO

ENGROSSED

*This Version Includes All Amendments Adopted
on Second Reading in the House of Introduction*

LLS NO. 07-0061.01 Christy Chase

SENATE BILL 07-004

SENATE SPONSORSHIP

Shaffer, and Williams

HOUSE SPONSORSHIP

Todd, and Solano

Senate Committees

Health and Human Services
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING A COORDINATED SYSTEM OF PAYMENT FOR EARLY**
102 **INTERVENTION SERVICES FOR CHILDREN ELIGIBLE FOR**
103 **BENEFITS UNDER PART C OF THE FEDERAL "INDIVIDUALS WITH**
104 **DISABILITIES EDUCATION ACT", AND, IN CONNECTION**
105 **THEREWITH, REQUIRING THE DEPARTMENT OF HUMAN SERVICES**
106 **TO DEVELOP A COORDINATED PAYMENT SYSTEM, REQUIRING**
107 **COVERAGE OF EARLY INTERVENTION SERVICES BY PUBLIC**
108 **MEDICAL ASSISTANCE AND PRIVATE HEALTH INSURANCE, AND**
109 **MAKING AN APPROPRIATION.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

SENATE
Amended 2nd Reading
April 17, 2007

adopted.)

Early Childhood and School Readiness Commission. Requires the department of human services (department) to develop and implement a coordinated system of payment for early intervention services for children from birth through their 3rd birthday who have developmental disabilities or developmental delays, using both public and private funds. In developing and implementing the system, specifies that the department is to:

Establish an interagency cooperating agreement with the departments of education, health care policy and financing, public health and environment, and regulatory agencies regarding the responsibilities of each department;
Develop the system for using public and private funds in cooperation with those specified departments and with private health insurance carriers;
Certify community centered boards (CCBs) or other entities as the billing agents for early intervention services;
Certify CCBs or other entities as the provider network for early intervention services; and
Ensure an appropriate allocation of costs among federal, state, local, and private sources.

Requires the departments of education, health care policy and financing, public health and environment, and regulatory agencies, and private health insurance carriers to cooperate with the department in implementing this act and specifies particular duties of those departments and private health insurance carriers.

Obligates CCBs and other designated entities to use procedures and forms determined by the department to provide or purchase early intervention services on behalf of eligible children and to submit invoices for the services to the appropriate federal, state, local, or private funding source based on available funds and applicable reimbursement rates.

Requires the department to submit an annual report to the general assembly regarding the various funding sources used for early intervention services, the number of eligible children served, and the average cost of early intervention services.

Requires the department of health care policy and financing to ensure integration of the medicaid system and the children's basic health plan into the coordinated system of payment for early intervention services and to make necessary modifications to medicaid and the children's basic health plan to achieve such integration.

Requires health insurance policies and health care service or indemnity contracts issued or delivered on or after January 1, 2008, to provide coverage for early intervention services delivered by an early intervention specialist to an eligible child. Specifies the duration and

limitations of the coverage and precludes the applicability of deductibles, copayments, and lifetime caps on the coverage. Limits the existing mandated coverage for congenital defects and birth abnormalities to a covered child from the child's 3rd birthday to the child's 6th birthday.

Defines terms. Makes legislative findings.

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

2 **SECTION 1.** Article 10.5 of title 27, Colorado Revised Statutes,
3 is amended BY THE ADDITION OF A NEW PART to read:

4 PART 7
5 COORDINATED SYSTEM OF PAYMENT FOR
6 EARLY INTERVENTION SERVICES
7 FOR INFANTS AND TODDLERS

8 **27-10.5-701. Legislative declaration.** (1) THE GENERAL
9 ASSEMBLY HEREBY FINDS THAT:

10 (a) THE EARLY CHILDHOOD AND SCHOOL READINESS COMMISSION,
11 WHICH IS THE SUCCESSOR OF THE CHILD CARE COMMISSION, WAS CREATED
12 IN THE 2004 LEGISLATIVE SESSION IN ORDER TO STUDY, REVIEW, AND
13 EVALUATE THE DEVELOPMENT OF PLANS FOR CREATING A COMPREHENSIVE
14 EARLY CHILDHOOD SYSTEM.

15 (b) THE EARLY CHILDHOOD AND SCHOOL READINESS COMMISSION
16 HAS EXTENSIVELY STUDIED AND EVALUATED ISSUES REGARDING EARLY
17 INTERVENTION SERVICES FOR INFANTS AND TODDLERS WHO HAVE DELAYS
18 IN DEVELOPMENT AND HAS LEARNED THAT THERE IS NO COORDINATED
19 SYSTEM OF PAYMENT FOR EARLY INTERVENTION SERVICES, RESULTING IN
20 THE PROVISION OF DISJUNCTIVE OR INTERRUPTED SERVICES TO ELIGIBLE
21 CHILDREN AND INADEQUATE REIMBURSEMENT OF EARLY INTERVENTION
22 SERVICE PROVIDERS.

23 (c) THE EARLY CHILDHOOD AND SCHOOL READINESS COMMISSION

1 ALSO WAS INFORMED THAT MANY ELIGIBLE CHILDREN ARE COVERED AS
2 DEPENDENTS BY THEIR PARENTS' HEALTH CARE PLANS, BUT SOME OF THE
3 PLANS MAY DENY BENEFITS FOR EARLY INTERVENTION SERVICES, THEREBY
4 ELIMINATING A SOURCE OF PRIVATE FUNDS FOR THE PAYMENT OF EARLY
5 INTERVENTION SERVICES.

6 (d) PURSUANT TO PART C OF THE FEDERAL "INDIVIDUALS WITH
7 DISABILITIES EDUCATION ACT", 20 U.S.C. SEC. 1400 ET SEQ., AS
8 AMENDED, THERE IS AN URGENT AND SUBSTANTIAL NEED TO FACILITATE
9 THE COORDINATION OF PAYMENT FOR EARLY INTERVENTION SERVICES
10 FROM FEDERAL, STATE, LOCAL, AND PRIVATE SOURCES, INCLUDING PUBLIC
11 MEDICAL ASSISTANCE AND PRIVATE INSURANCE COVERAGE.

12 (e) THE LONGER A CHILD'S DEVELOPMENTAL DELAYS ARE NOT
13 ADDRESSED, THE MORE DEVELOPMENTAL DIFFICULTIES THE CHILD WILL
14 EXPERIENCE IN THE FUTURE, THE LESS PREPARED THE CHILD WILL BE FOR
15 SCHOOL, THE MORE SPECIAL EDUCATION NEEDS THE CHILD IS LIKELY TO
16 HAVE, AND THE MORE COSTLY THOSE PROBLEMS WILL BE TO ADDRESS.

17 (f) COLORADO'S SYSTEM FOR PROVIDING EARLY INTERVENTION
18 SERVICES TO ELIGIBLE INFANTS AND TODDLERS UP TO THEIR THIRD
19 BIRTHDAY WITH SIGNIFICANT DEVELOPMENTAL DISABILITIES AND DELAYS
20 RELIES ON MULTIPLE SOURCES OF FUNDING.

21 (g) EXISTING LEVELS OF LOCAL, STATE, FEDERAL, AND PRIVATE
22 FUNDING MAY BE MORE EFFICIENTLY USED, MORE CHILDREN MAY BE
23 SERVED, AND A HIGHER QUALITY OF SERVICES MAY BE PROVIDED IF THE
24 EXISTING EARLY INTERVENTION SYSTEM IS MODIFIED TO CREATE A MORE
25 COHERENT AND COORDINATED SYSTEM OF PAYMENT FOR EARLY
26 INTERVENTION SERVICES.

27 **27-10.5-702. Definitions.** AS USED IN THIS PART 7, UNLESS THE

1 CONTEXT OTHERWISE REQUIRES:

2 (1) "CARRIER" SHALL HAVE THE SAME MEANING AS SET FORTH IN
3 SECTION 10-16-102 (8), C.R.S.

4 (2) "CERTIFIED EARLY INTERVENTION SERVICE BROKER" OR
5 "BROKER" MEANS A COMMUNITY CENTERED BOARD OR OTHER ENTITY
6 DESIGNATED BY THE DEPARTMENT TO PERFORM THE DUTIES AND
7 FUNCTIONS SPECIFIED IN SECTION 27-10.5-705 IN A PARTICULAR
8 DESIGNATED SERVICE AREA. NOTWITHSTANDING SECTION 27-10.5-104
9 (4), IF THE DEPARTMENT IS UNABLE TO DESIGNATE A COMMUNITY
10 CENTERED BOARD OR OTHER ENTITY TO SERVE AS THE BROKER FOR A
11 PARTICULAR DESIGNATED SERVICE AREA, THE DEPARTMENT SHALL SERVE
12 AS THE BROKER FOR THE DESIGNATED SERVICE AREA AND MAY CONTRACT
13 DIRECTLY WITH EARLY INTERVENTION SERVICE PROVIDERS TO PROVIDE
14 EARLY INTERVENTION SERVICES TO ELIGIBLE CHILDREN IN THE
15 DESIGNATED SERVICE AREA.

16 (3) "COORDINATED SYSTEM OF PAYMENT" MEANS THE POLICIES
17 AND PROCEDURES DEVELOPED BY THE DEPARTMENT, IN COOPERATION
18 WITH THE DEPARTMENTS OF EDUCATION, HEALTH CARE POLICY AND
19 FINANCING, AND PUBLIC HEALTH AND ENVIRONMENT, THE DIVISION OF
20 INSURANCE IN THE DEPARTMENT OF REGULATORY AGENCIES, PRIVATE
21 HEALTH INSURANCE CARRIERS, AND CERTIFIED EARLY INTERVENTION
22 SERVICE BROKERS, TO ENSURE THAT AVAILABLE PUBLIC AND PRIVATE
23 SOURCES OF FUNDS TO PAY FOR EARLY INTERVENTION SERVICES FOR
24 ELIGIBLE CHILDREN ARE ACCESSED AND UTILIZED IN AN EFFICIENT
25 MANNER.

26 (4) "DEPARTMENT" MEANS THE DEPARTMENT OF HUMAN SERVICES.

27 (5) "EARLY INTERVENTION SERVICES" MEANS SERVICES AS

1 DEFINED BY THE DEPARTMENT IN ACCORDANCE WITH PART C THAT ARE
2 AUTHORIZED THROUGH AN ELIGIBLE CHILD'S IFSP. _____ EARLY
3 INTERVENTION SERVICES, AS SPECIFIED IN AN ELIGIBLE CHILD'S IFSP,
4 SHALL QUALIFY AS MEETING THE STANDARD FOR MEDICALLY NECESSARY
5 SERVICES AS USED BY PUBLIC MEDICAL ASSISTANCE AND PRIVATE HEALTH
6 INSURANCE.

7 (6) "ELIGIBLE CHILD" MEANS AN INFANT OR TODDLER, FROM BIRTH
8 UP TO THE CHILD'S THIRD BIRTHDAY, _____ WHO, AS DEFINED BY THE
9 DEPARTMENT IN ACCORDANCE WITH PART C, HAS SIGNIFICANT DELAYS IN
10 DEVELOPMENT OR HAS A DIAGNOSED PHYSICAL OR MENTAL CONDITION
11 THAT HAS A HIGH PROBABILITY OF RESULTING IN SIGNIFICANT DELAYS IN
12 DEVELOPMENT OR WHO IS ELIGIBLE FOR SERVICES PURSUANT TO SECTION
13 27-10.5-102 (11) (c).

14 (7) "INDIVIDUALIZED FAMILY SERVICE PLAN" OR "IFSP" MEANS A
15 WRITTEN PLAN DEVELOPED PURSUANT TO 20 U.S.C. SEC. 1436 AND 34
16 CFR 303.340, AS AMENDED, THAT AUTHORIZES EARLY INTERVENTION
17 SERVICES TO AN ELIGIBLE CHILD AND THE CHILD'S FAMILY.

18 (8) "PART C" MEANS THE EARLY INTERVENTION PROGRAM FOR
19 INFANTS AND TODDLERS WHO ARE ELIGIBLE FOR SERVICES UNDER PART C
20 OF THE FEDERAL "INDIVIDUALS WITH DISABILITIES EDUCATION ACT", 20
21 U.S.C. SEC. 1400 ET SEQ., AS AMENDED.

22 (9) "PRIVATE HEALTH INSURANCE" MEANS A HEALTH COVERAGE
23 PLAN, AS DEFINED IN SECTION 10-16-102 (22.5), C.R.S., THAT IS
24 PURCHASED BY INDIVIDUALS OR GROUPS TO PROVIDE, DELIVER, ARRANGE
25 FOR, PAY FOR, OR REIMBURSE ANY OF THE COSTS OF HEALTH CARE
26 SERVICES, AS DEFINED IN SECTION 10-16-102 (22), C.R.S., PROVIDED TO
27 A PERSON ENTITLED TO RECEIVE BENEFITS OR SERVICES UNDER THE

1 HEALTH COVERAGE PLAN.

2 (10) "PUBLIC MEDICAL ASSISTANCE" MEANS MEDICAL SERVICES
3 THAT ARE PROVIDED BY THE STATE THROUGH THE "COLORADO MEDICAL
4 ASSISTANCE ACT", ARTICLES 4 TO 6 OF TITLE 25.5, C.R.S., OR THE
5 "CHILDREN'S BASIC HEALTH PLAN ACT", ARTICLE 8 OF TITLE 25.5, C.R.S.,
6 OR OTHER PUBLIC MEDICAL ASSISTANCE FUNDING SOURCES TO QUALIFYING
7 INDIVIDUALS.

8 (11) "QUALIFIED EARLY INTERVENTION SERVICE PROVIDER" OR
9 "QUALIFIED PROVIDER" MEANS A PERSON OR AGENCY, AS DEFINED BY THE
10 DEPARTMENT IN ACCORDANCE WITH PART C, WHO PROVIDES EARLY
11 INTERVENTION SERVICES AND IS LISTED ON THE REGISTRY OF EARLY
12 INTERVENTION SERVICE PROVIDERS PURSUANT TO SECTION 27-10.5-705
13 (1)(a).

14 (12) "STATE PLAN" MEANS THE COLORADO PLAN FOR A
15 COMPREHENSIVE AND COORDINATED SYSTEM OF EARLY INTERVENTION
16 SERVICES REQUIRED PURSUANT TO PART C.

17 **27-10.5-703. Coordinated system of payment for early**
18 **intervention services - duties of departments ___ - rules.** (1) IN ORDER
19 TO IMPLEMENT THE PROVISIONS OF THIS PART 7, THE DEPARTMENT, AS
20 LEAD AGENCY FOR PART C, SHALL BE RESPONSIBLE FOR THE FOLLOWING,
21 SUBJECT TO AVAILABLE APPROPRIATIONS:

22 (a) ESTABLISHING A STATE PLAN FOR A STATEWIDE,
23 COMPREHENSIVE SYSTEM OF EARLY INTERVENTION SERVICES IN
24 ACCORDANCE WITH PART C;

25 (b) ESTABLISHING AN INTERAGENCY OPERATING AGREEMENT
26 BETWEEN THE DEPARTMENT AND THE DEPARTMENTS OF EDUCATION,
27 HEALTH CARE POLICY AND FINANCING, AND PUBLIC HEALTH AND

1 ENVIRONMENT REGARDING THE RESPONSIBILITIES OF EACH DEPARTMENT
2 TO ASSIST IN THE DEVELOPMENT AND IMPLEMENTATION OF A STATEWIDE,
3 COMPREHENSIVE SYSTEM OF EARLY INTERVENTION SERVICES AND A
4 COORDINATED SYSTEM OF PAYMENTS FOR EARLY INTERVENTION SERVICES;

5 (c) DEVELOPING, IN COOPERATION WITH THE DEPARTMENTS OF
6 EDUCATION, HEALTH CARE POLICY AND FINANCING, AND PUBLIC HEALTH
7 AND ENVIRONMENT, THE DIVISION OF INSURANCE IN THE DEPARTMENT OF
8 REGULATORY AGENCIES, PRIVATE HEALTH INSURANCE CARRIERS, AND
9 CERTIFIED EARLY INTERVENTION SERVICE BROKERS, A COORDINATED
10 SYSTEM OF PAYMENT OF EARLY INTERVENTION SERVICES USING PUBLIC
11 AND PRIVATE FUNDS;

12 (d) CERTIFYING COMMUNITY CENTERED BOARDS OR OTHER
13 ENTITIES AS DETERMINED BY THE DEPARTMENT AS EARLY INTERVENTION
14 SERVICE BROKERS FOR EARLY INTERVENTION SERVICES PROVIDED
15 PURSUANT TO THIS PART 7;

16 _____
17 (e) ENSURING AN APPROPRIATE ALLOCATION OF PAYMENT
18 RESPONSIBILITIES FOR EARLY INTERVENTION SERVICES AMONG FEDERAL,
19 STATE, LOCAL, AND PRIVATE SOURCES, INCLUDING PUBLIC MEDICAL
20 ASSISTANCE AND PRIVATE INSURANCE COVERAGE.

21 (2) ANY ADDITIONAL SOURCE OF FUNDS THAT MAY BECOME
22 AVAILABLE FOR THE PAYMENT OF EARLY INTERVENTION SERVICES ON OR
23 AFTER JULY 1, 2007, AS A RESULT OF THE DEVELOPMENT AND
24 IMPLEMENTATION OF A STATEWIDE, COMPREHENSIVE SYSTEM OF EARLY
25 INTERVENTION SERVICES AND A COORDINATED SYSTEM OF PAYMENTS FOR
26 EARLY INTERVENTION SERVICES SHALL NOT REPLACE OR REDUCE ANY
27 OTHER FEDERAL OR STATE FUNDS AVAILABLE FOR THE PAYMENT OF EARLY

1 INTERVENTION SERVICES ON OR BEFORE JULY 1, 2007.

2 (3) NOTHING IN THIS PART 7 SHALL BE CONSTRUED TO INHIBIT,
3 ENCUMBER, OR CONTROL THE USE OF LOCAL FUNDS, INCLUDING COUNTY
4 GRANTS, REVENUES FROM LOCAL MILL LEVIES, AND PRIVATE GRANTS AND
5 CONTRIBUTIONS, THAT A COMMUNITY CENTERED BOARD OR COUNTY
6 GOVERNMENT MAY ELECT TO ALLOCATE FOR THE BENEFIT OF ELIGIBLE
7 CHILDREN.

8 (4) IN DEVELOPING A COORDINATED SYSTEM OF PAYMENT, THE
9 DEPARTMENT SHALL NOT DIRECTLY OR INDIRECTLY CREATE A NEW
10 ENTITLEMENT FOR EARLY INTERVENTION SERVICES FUNDED FROM THE
11 GENERAL FUND. HOWEVER, THIS SUBSECTION (4) SHALL NOT PROHIBIT
12 ANY ADJUSTMENTS TO PUBLIC MEDICAL ASSISTANCE REQUIRED BY
13 SECTION 25.5-1-123, C.R.S.

14 **27-10.5-704. Cooperation among state agencies _____ -**
15 **implementing coordinated payment system - revisions to rules.**

16 (1) THE DEPARTMENTS OF EDUCATION, HEALTH CARE POLICY AND
17 FINANCING, AND PUBLIC HEALTH AND ENVIRONMENT SHALL COOPERATE
18 WITH THE DEPARTMENT TO IMPLEMENT THE PROVISIONS OF THIS PART 7
19 AND SHALL:

20 (a) ASSIGN A REPRESENTATIVE ___ IN ACCORDANCE WITH PART C
21 TO ADVISE AND ASSIST THE DEPARTMENT IN THE DEVELOPMENT AND
22 IMPLEMENTATION OF THE EARLY INTERVENTION SYSTEM;

23 (b) PARTICIPATE IN THE ONGOING REVIEW OF FUNDING PRACTICES
24 FOR EARLY INTERVENTION SERVICES AND DEVELOP OR REVISE
25 PROCEDURES ___ FOR A COORDINATED SYSTEM OF PAYMENT FOR EARLY
26 INTERVENTION SERVICES;

27 (c) USE UNIFORM FORMS AND PROCEDURES FOR BILLING THE

1 COSTS OF EARLY INTERVENTION SERVICES TO PUBLIC MEDICAL
2 ASSISTANCE, AS SPECIFIED IN THE "COLORADO MEDICAL ASSISTANCE
3 ACT", ARTICLES 4 TO 6 OF TITLE 25.5, C.R.S., OR THE "CHILDREN'S BASIC
4 HEALTH PLAN ACT", ARTICLE 8 OF TITLE 25.5, C.R.S., AS APPROPRIATE,
5 AND PRIVATE HEALTH INSURANCE, AS SPECIFIED IN PART 1 OF ARTICLE 16
6 OF TITLE 10, C.R.S.

7 (d) COORDINATE REVISIONS TO EXISTING RULES ____ THAT ARE
8 NECESSARY TO IMPLEMENT THIS PART 7; AND

9 (e) PERFORM OTHER TASKS AND FUNCTIONS NECESSARY FOR THE
10 IMPLEMENTATION OF THIS PART 7.

11 (2) THE DIVISION OF INSURANCE IN THE DEPARTMENT OF
12 REGULATORY AGENCIES SHALL PROVIDE ASSISTANCE TO THE DEPARTMENT
13 RELATED TO THE REQUIREMENTS AND IMPLEMENTATION OF SECTION
14 10-16-104 (1.3), C.R.S., AND INSURANCE LAWS AND RULES RELATED TO
15 BILLING AND CLAIMS HANDLING.

16 _____
17 **27-10.5-705. Certified early intervention service brokers -**
18 **duties - payment for early intervention services - fees.** (1) FOR EACH
19 DESIGNATED SERVICE AREA IN THE STATE, THE CERTIFIED EARLY
20 INTERVENTION SERVICE BROKER FOR THE AREA SHALL:

21 (a) ESTABLISH A REGISTRY OF QUALIFIED EARLY INTERVENTION
22 SERVICE PROVIDERS TO PROVIDE EARLY INTERVENTION SERVICES TO
23 ELIGIBLE CHILDREN IN THE DESIGNATED SERVICE AREA. THE CERTIFIED
24 EARLY INTERVENTION SERVICE BROKER FOR A DESIGNATED SERVICE AREA
25 MAY PROVIDE EARLY INTERVENTION SERVICES DIRECTLY OR MAY
26 SUBCONTRACT THE PROVISION OF SERVICES TO OTHER QUALIFIED
27 PROVIDERS ON THE REGISTRY.

1 (b) ACCEPT AND PROCESS CLAIMS FOR REIMBURSEMENT FOR
2 EARLY INTERVENTION SERVICES PROVIDED UNDER THIS PART 7 BY
3 QUALIFIED PROVIDERS;

4 (c) NEGOTIATE RATES FOR THE PAYMENT OF EARLY INTERVENTION
5 SERVICES PROVIDED TO ELIGIBLE CHILDREN IN THE DESIGNATED SERVICE
6 AREA BY QUALIFIED PROVIDERS;

7 (d) ENSURE PAYMENT AT THE NEGOTIATED RATE TO A QUALIFIED
8 PROVIDER FOR EARLY INTERVENTION SERVICES RENDERED BY THE
9 QUALIFIED PROVIDER.

10 (2) CERTIFIED EARLY INTERVENTION SERVICE BROKERS SHALL USE
11 PROCEDURES AND FORMS DETERMINED BY THE DEPARTMENT TO
12 DOCUMENT THE PROVISION OR PURCHASE OF EARLY INTERVENTION
13 SERVICES ON BEHALF OF ELIGIBLE CHILDREN. INVOICES OR INSURANCE
14 CLAIMS FOR EARLY INTERVENTION SERVICES SHALL BE SUBMITTED BASED
15 ON THE AVAILABLE FUNDING SOURCE FOR EACH ELIGIBLE CHILD AND THE
16 REIMBURSEMENT RATE FOR THE APPROPRIATE FEDERAL, STATE, LOCAL,
17 OR PRIVATE FUNDING SOURCES, INCLUDING PUBLIC MEDICAL ASSISTANCE
18 AND PRIVATE HEALTH INSURANCE.

19 (3) THE DEPARTMENT SHALL ESTABLISH A SCHEDULE OF FEES TO
20 BE CHARGED BY CERTIFIED EARLY INTERVENTION SERVICE BROKERS FOR
21 PROVIDING BROKER SERVICES UNDER THIS PART 7. IN DEVELOPING THE
22 FEE SCHEDULE, THE DEPARTMENT SHALL OBTAIN INPUT FROM CERTIFIED
23 EARLY INTERVENTION SERVICE BROKERS AND SHALL CONSIDER THE
24 DUTIES OF BROKERS UNDER THIS PART 7, THE EXPENSES INCURRED BY
25 BROKERS, AND THE RELEVANT MARKET CONDITIONS.

26 (4) USE OF A CERTIFIED EARLY INTERVENTION BROKER IS
27 VOLUNTARY, AND NOTHING IN THIS PART 7 SHALL PROHIBIT A QUALIFIED

1 PROVIDER OF EARLY INTERVENTION SERVICES FROM DIRECTLY BILLING
2 THE APPROPRIATE PROGRAM OF PUBLIC MEDICAL ASSISTANCE OR A
3 PARTICIPATING PROVIDER, AS DEFINED IN SECTION 10-16-102 (28.5),
4 C.R.S., FROM DIRECTLY BILLING A PRIVATE HEALTH INSURANCE CARRIER
5 FOR SERVICES RENDERED UNDER THIS PART 7.

6 (5) TO THE EXTENT REQUESTED BY THE DEPARTMENT, CERTIFIED
7 EARLY INTERVENTION SERVICE BROKERS SHALL PARTICIPATE IN ONGOING
8 REVIEWS OF FUNDING PRACTICES FOR EARLY INTERVENTION SERVICES AND
9 THE DEVELOPMENT OR REVISION OF PROCEDURES FOR A COORDINATED
10 SYSTEM OF PAYMENT FOR EARLY INTERVENTION SERVICES.

11 **27-10.5-706. Payment from private health insurance for early**
12 **intervention services - trust fund.** (1) THE DEPARTMENT SHALL
13 NEGOTIATE WITH PRIVATE HEALTH INSURANCE CARRIERS REGARDING THE
14 METHOD OF PAYMENT OF BENEFITS FOR EARLY INTERVENTION SERVICES
15 FOR WHICH COVERAGE IS REQUIRED PURSUANT TO SECTION 10-16-104
16 (1.3), C.R.S. THE DEPARTMENT MAY ALLOW EACH PRIVATE HEALTH
17 INSURANCE CARRIER THAT IS SUBJECT TO THE REQUIREMENTS OF SECTION
18 10-16-104 (1.3), C.R.S., TO PAY BENEFITS TO A CERTIFIED EARLY
19 INTERVENTION SERVICE BROKER, A QUALIFIED EARLY INTERVENTION
20 SERVICE PROVIDER, OR TO THE DEPARTMENT IN TRUST FOR PAYMENT TO
21 A BROKER OR PROVIDER FOR SERVICES PROVIDED TO AN ELIGIBLE CHILD.

22 (2) (a) IF A PRIVATE HEALTH INSURANCE CARRIER NEGOTIATES TO
23 MAKE PAYMENTS OF BENEFITS FOR AN ELIGIBLE CHILD TO THE
24 DEPARTMENT IN TRUST, THOSE MONEYS SHALL BE DEPOSITED IN THE
25 EARLY INTERVENTION SERVICES TRUST FUND, WHICH TRUST FUND IS
26 HEREBY CREATED IN THE STATE TREASURY. EXCEPT AS PROVIDED IN
27 PARAGRAPH (b) OF THIS SUBSECTION (2), THE PRINCIPAL OF THE TRUST

1 FUND SHALL ONLY BE USED TO PAY CERTIFIED EARLY INTERVENTION
2 SERVICE BROKERS OR QUALIFIED EARLY INTERVENTION SERVICE
3 PROVIDERS FOR EARLY INTERVENTION SERVICES PROVIDED TO THE
4 ELIGIBLE CHILD FOR WHOM THE MONEYS WERE PAID TO THE DEPARTMENT
5 IN TRUST BY THE PRIVATE HEALTH INSURANCE CARRIER. EXCEPT AS
6 PROVIDED IN PARAGRAPH (b) OF THIS SUBSECTION (2), THE PRINCIPAL OF
7 THE TRUST FUND SHALL NOT CONSTITUTE STATE FISCAL YEAR SPENDING
8 FOR PURPOSES OF SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION,
9 AND SUCH MONEYS SHALL BE DEEMED CUSTODIAL FUNDS THAT ARE NOT
10 SUBJECT TO APPROPRIATION BY THE GENERAL ASSEMBLY.

11 (b) (I) FOR THE 2007-08 FISCAL YEAR AND EACH FISCAL YEAR
12 THEREAFTER, THE GENERAL ASSEMBLY SHALL MAKE APPROPRIATIONS
13 FROM THE PRINCIPAL OF THE EARLY INTERVENTION SERVICES TRUST FUND
14 FOR THE DIRECT AND INDIRECT COSTS OF ADMINISTERING THIS SECTION.
15 ANY MONEYS APPROPRIATED TO THE DEPARTMENT PURSUANT TO THIS
16 PARAGRAPH (b) SHALL CONSTITUTE STATE FISCAL YEAR SPENDING FOR
17 PURPOSES OF SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION.

18 (II) ALL INTEREST DERIVED FROM THE DEPOSIT AND INVESTMENT
19 OF MONEYS IN THE EARLY INTERVENTION SERVICES TRUST FUND SHALL BE
20 CREDITED TO THE TRUST FUND, MAY BE APPROPRIATED TO THE
21 DEPARTMENT IN ACCORDANCE WITH THIS PARAGRAPH (b), AND SHALL
22 CONSTITUTE STATE FISCAL YEAR SPENDING FOR PURPOSES OF SECTION 20
23 OF ARTICLE X OF THE STATE CONSTITUTION.

24 **27-10.5-707. Annual report - cooperation from certified early**
25 **intervention service brokers and qualified providers.** (1) BY
26 NOVEMBER 1, 2008, AND BY EACH NOVEMBER 1 THEREAFTER, THE
27 DEPARTMENT SHALL SUBMIT AN ANNUAL REPORT TO THE GENERAL

1 ASSEMBLY REGARDING THE VARIOUS FUNDING SOURCES USED FOR EARLY
2 INTERVENTION SERVICES, THE NUMBER OF ELIGIBLE CHILDREN SERVED,
3 THE AVERAGE COST OF EARLY INTERVENTION SERVICES, AND ANY OTHER
4 INFORMATION THE DEPARTMENT DEEMS APPROPRIATE. THE REPORT SHALL
5 BE SUBMITTED TO THE JOINT BUDGET COMMITTEE AS PART OF THE
6 DEPARTMENT'S ANNUAL BUDGET REQUEST. THE DEPARTMENT SHALL ALSO
7 SUBMIT THE REPORT TO THE HEALTH AND HUMAN SERVICES COMMITTEES
8 AND THE EDUCATION COMMITTEES OF THE SENATE AND HOUSE OF
9 REPRESENTATIVES, OR THEIR SUCCESSOR COMMITTEES, AND TO THE EARLY
10 CHILDHOOD AND SCHOOL READINESS COMMISSION CREATED IN PART 3 OF
11 ARTICLE 6 OF TITLE 26, C.R.S., OR ITS SUCCESSOR COMMISSION.

12 (2) THE DEPARTMENT SHALL REQUEST, AND CERTIFIED EARLY
13 INTERVENTION SERVICE BROKERS AND QUALIFIED EARLY INTERVENTION
14 SERVICE PROVIDERS SHALL PROVIDE, INFORMATION REGARDING EARLY
15 INTERVENTION SERVICES THAT IS NECESSARY FOR THE DEPARTMENT TO
16 PREPARE THE ANNUAL REPORT REQUIRED BY THIS SECTION OR OTHER
17 FEDERAL OR STATE REPORTS AS MAY BE REQUIRED.

18 **SECTION 2.** Part 1 of article 1 of title 25.5, Colorado Revised
19 Statutes, is amended BY THE ADDITION OF A NEW SECTION to
20 read:

21 **25.5-1-123. Early intervention payment system - participation**
22 **by state department.** (1) THE STATE DEPARTMENT SHALL PARTICIPATE
23 IN THE DEVELOPMENT AND IMPLEMENTATION OF THE COORDINATED
24 SYSTEM OF PAYMENT FOR EARLY INTERVENTION SERVICES AUTHORIZED
25 PURSUANT TO PART 7 OF ARTICLE 10.5 OF TITLE 27, C.R.S., AND PART C
26 OF THE FEDERAL "INDIVIDUALS WITH DISABILITIES EDUCATION ACT", 20
27 U.S.C. SEC. 1400 ET SEQ., AS AMENDED.

1 (2) THE STATE DEPARTMENT SHALL ENSURE THAT THE EARLY
2 INTERVENTION SERVICES AND PAYMENTS FOR RECIPIENTS OF MEDICAL
3 ASSISTANCE UNDER THIS TITLE ARE INTEGRATED INTO THE COORDINATED
4 EARLY INTERVENTION PAYMENT SYSTEM DEVELOPED PURSUANT TO PART
5 7 OF ARTICLE 10.5 OF TITLE 27, C.R.S. TO THE EXTENT NECESSARY TO
6 ACHIEVE THE COORDINATED PAYMENT SYSTEM AND COVERAGE OF THOSE
7 EARLY INTERVENTION SERVICES UNDER THIS TITLE, THE STATE
8 DEPARTMENT SHALL AMEND THE STATE PLAN FOR MEDICAL ASSISTANCE
9 OR SEEK THE NECESSARY FEDERAL AUTHORIZATION, PROMULGATE RULES,
10 AND MODIFY THE BILLING SYSTEM FOR MEDICAL ASSISTANCE TO
11 FACILITATE THE COORDINATED PAYMENT SYSTEM.

12 (3) THE STATE DEPARTMENT SHALL ALSO MAKE ANY
13 MODIFICATIONS NECESSARY TO THE "CHILDREN'S BASIC HEALTH PLAN
14 ACT", ARTICLE 8 OF THIS TITLE, INCLUDING PROMULGATING RULES, TO
15 ENSURE THAT THE CHILDREN'S BASIC HEALTH PLAN IS INTEGRATED INTO
16 THE COORDINATED EARLY INTERVENTION PAYMENT SYSTEM DEVELOPED
17 PURSUANT TO PART 7 OF ARTICLE 10.5 OF TITLE 27, C.R.S.

18 (4) FOR THE 2007-08 FISCAL YEAR, THE GENERAL ASSEMBLY
19 SHALL APPROPRIATE FROM THE SHORT-TERM INNOVATIVE HEALTH
20 PROGRAM GRANT FUND CREATED IN SECTION 25-36-101, C.R.S., TO THE
21 OFFICE OF THE EXECUTIVE DIRECTOR IN THE STATE DEPARTMENT FOR THE
22 ADMINISTRATION OF THIS SECTION THE LESSER OF THIRTY-ONE THOUSAND
23 TWO HUNDRED FORTY-SIX DOLLARS OR TWO AND TWO-TENTHS PERCENT
24 OF THE AMOUNT ALLOCATED TO THE SHORT-TERM INNOVATIVE HEALTH
25 PROGRAM GRANT FUND FOR THE FISCAL YEAR PURSUANT TO SECTION
26 24-75-1104.5 (1.5) (a) (IX), C.R.S., ENACTED BY SENATE BILL 07-097 AT
27 THE FIRST REGULAR SESSION OF THE SIXTY-SIXTH GENERAL ASSEMBLY.

1 FOR THE 2008-09 FISCAL YEAR AND EACH FISCAL YEAR THEREAFTER, THE
2 GENERAL ASSEMBLY SHALL APPROPRIATE FROM THE SHORT-TERM
3 INNOVATIVE HEALTH PROGRAM GRANT FUND CREATED IN SECTION
4 25-36-101, C.R.S., TO THE OFFICE OF THE EXECUTIVE DIRECTOR IN THE
5 STATE DEPARTMENT FOR THE ADMINISTRATION OF THIS SECTION THE
6 LESSER OF TWENTY-NINE THOUSAND SEVEN HUNDRED FORTY-THREE
7 DOLLARS OR ONE AND FOUR-TENTHS PERCENT OF THE AMOUNT
8 ALLOCATED TO THE SHORT-TERM INNOVATIVE HEALTH PROGRAM GRANT
9 FUND FOR THE FISCAL YEAR PURSUANT TO SECTION 24-75-1104.5 (1.5) (a)
10 (IX), C.R.S., ENACTED BY SENATE BILL 07-097 AT THE FIRST REGULAR
11 SESSION OF THE SIXTY-SIXTH GENERAL ASSEMBLY.

12 (5) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
13 REQUIRES, "EARLY INTERVENTION SERVICES" MEANS THOSE SERVICES
14 DEFINED AS EARLY INTERVENTION SERVICES BY THE DEPARTMENT OF
15 HUMAN SERVICES IN ACCORDANCE WITH SECTION 27-10.5-702 (5), C.R.S.,
16 BUT EXCLUDING THE FOLLOWING:

17 (a) NONEMERGENCY MEDICAL TRANSPORTATION;

18 (b) RESPITE CARE;

19 (c) SERVICE COORDINATION, AS DEFINED IN 34 CFR 303.12 (d)
20 (11); AND

21 (d) ASSISTIVE TECHNOLOGY, UNLESS ASSISTIVE TECHNOLOGY IS
22 COVERED UNDER THIS TITLE AS DURABLE MEDICAL EQUIPMENT.

23 **SECTION 3.** 10-16-104 (1.7) (a), Colorado Revised Statutes, is
24 amended, and the said 10-16-104 is further amended BY THE
25 ADDITION OF A NEW SUBSECTION, to read:

26 **10-16-104. Mandatory coverage provisions - definitions.**

27 (1.3) **Early intervention services.** (a) AS USED IN THIS SUBSECTION

1 (1.3), UNLESS THE CONTEXT OTHERWISE REQUIRES:

2 (I) "DIVISION" MEANS THE UNIT WITHIN THE DEPARTMENT OF
3 HUMAN SERVICES THAT IS RESPONSIBLE FOR DEVELOPMENTAL
4 DISABILITIES SERVICES.

5
6 (II) "EARLY INTERVENTION SERVICES" MEANS SERVICES AS
7 DEFINED BY THE DIVISION IN ACCORDANCE WITH PART C THAT ARE
8 AUTHORIZED THROUGH AN ELIGIBLE CHILD'S IFSP, BUT EXCLUDING
9 NONEMERGENCY MEDICAL TRANSPORTATION; RESPITE CARE; SERVICE
10 COORDINATION, AS DEFINED IN 34 CFR 303.12 (d) (11); AND ASSISTIVE
11 TECHNOLOGY, UNLESS ASSISTIVE TECHNOLOGY IS COVERED UNDER THE
12 APPLICABLE INSURANCE POLICY OR SERVICE OR INDEMNITY CONTRACT AS
13 DURABLE MEDICAL EQUIPMENT.

14 (III) "ELIGIBLE CHILD" MEANS AN INFANT OR TODDLER, FROM
15 BIRTH UP TO THE CHILD'S THIRD BIRTHDAY, WHO IS AN ENROLLED
16 DEPENDENT AND WHO, AS DEFINED BY THE DIVISION PURSUANT TO
17 SECTION 27-10.5-702 (6), C.R.S., HAS SIGNIFICANT DELAYS IN
18 DEVELOPMENT OR HAS A DIAGNOSED PHYSICAL OR MENTAL CONDITION
19 THAT HAS A HIGH PROBABILITY OF RESULTING IN SIGNIFICANT DELAYS IN
20 DEVELOPMENT OR WHO IS ELIGIBLE FOR SERVICES PURSUANT TO SECTION
21 27-10.5-102 (11) (c).

22 (IV) "INDIVIDUALIZED FAMILY SERVICE PLAN" OR "IFSP" MEANS
23 A WRITTEN PLAN DEVELOPED PURSUANT TO 20 U.S.C. SEC. 1436 AND 34
24 CFR 303.340, AS AMENDED, THAT AUTHORIZES EARLY INTERVENTION
25 SERVICES TO AN ELIGIBLE CHILD AND THE CHILD'S FAMILY.

26 (V) "PART C" MEANS THE EARLY INTERVENTION PROGRAM FOR
27 INFANTS AND TODDLERS WHO ARE ELIGIBLE FOR SERVICES UNDER PART C

1 OF THE FEDERAL "INDIVIDUALS WITH DISABILITIES EDUCATION ACT", 20
2 U.S.C. SEC. 1400 ET SEQ., AS AMENDED.

3 (VI) "QUALIFIED EARLY INTERVENTION SERVICE PROVIDER" OR
4 "QUALIFIED PROVIDER" MEANS A PERSON OR AGENCY, AS DEFINED BY THE
5 DIVISION IN ACCORDANCE WITH PART C, WHO PROVIDES EARLY
6 INTERVENTION SERVICES AND IS LISTED ON THE REGISTRY OF EARLY
7 INTERVENTION SERVICE PROVIDERS PURSUANT TO SECTION 27-10.5-705
8 (1) (a), C.R.S.

9 (b) (I) ALL INDIVIDUAL AND GROUP SICKNESS AND ACCIDENT
10 INSURANCE POLICIES ISSUED BY AN ENTITY SUBJECT TO PART 2 OF THIS
11 ARTICLE ON OR AFTER JANUARY 1, 2008, AND ALL SERVICE OR INDEMNITY
12 CONTRACTS ISSUED BY AN ENTITY SUBJECT TO PART 3 OR 4 OF THIS
13 ARTICLE ON OR AFTER JANUARY 1, 2008, THAT INCLUDE DEPENDENT
14 COVERAGE SHALL PROVIDE COVERAGE FOR EARLY _____ INTERVENTION
15 SERVICES DELIVERED BY A QUALIFIED EARLY INTERVENTION SERVICE
16 PROVIDER TO AN ELIGIBLE CHILD. EARLY INTERVENTION SERVICES
17 SPECIFIED IN AN ELIGIBLE CHILD'S IFSP SHALL QUALIFY AS MEETING THE
18 STANDARD FOR MEDICALLY NECESSARY HEALTH CARE SERVICES AS USED
19 BY PRIVATE HEALTH INSURANCE PLANS.

20 (II) THE COVERAGE REQUIRED BY THIS SUBSECTION (1.3) SHALL BE
21 AVAILABLE ANNUALLY TO AN ELIGIBLE CHILD FROM BIRTH UP TO THE
22 CHILD'S THIRD BIRTHDAY AND, FOR THE CALENDAR OR POLICY YEAR
23 BEGINNING JANUARY 1, 2008, SHALL BE LIMITED TO FIVE THOUSAND SEVEN
24 HUNDRED TWENTY-FIVE DOLLARS, _____ INCLUDING CASE MANAGEMENT
25 COSTS, FOR EARLY INTERVENTION SERVICES FOR EACH DEPENDENT CHILD
26 PER CALENDAR OR POLICY YEAR. FOR THE CALENDAR OR POLICY YEAR
27 BEGINNING JANUARY 1, 2009, AND FOR EACH CALENDAR OR POLICY YEAR

1 THEREAFTER, THE LIMIT SHALL BE ADJUSTED BY THE DIVISION BASED ON
2 THE CONSUMER PRICE INDEX FOR THE DENVER-BOULDER-GREELEY
3 METROPOLITAN STATISTICAL AREA FOR THE PRECEDING YEAR. ___

4 (III) EXCEPT AS PROVIDED IN PARAGRAPH (d) OF THIS SUBSECTION
5 (1.3), THE COVERAGE SHALL NOT BE SUBJECT TO DEDUCTIBLES OR
6 COPAYMENTS, AND ANY BENEFITS PAID UNDER THE COVERAGE REQUIRED
7 BY THIS SUBSECTION (1.3) SHALL NOT BE APPLIED TO AN ANNUAL OR
8 LIFETIME MAXIMUM BENEFIT CONTAINED IN THE POLICY OR CONTRACT.
9 UNLESS THE CARRIER AGREES PRIOR TO THE PROVISION OF EARLY
10 INTERVENTION SERVICES, A CARRIER SHALL NOT BE REQUIRED TO PAY A
11 REIMBURSEMENT RATE FOR EARLY INTERVENTION SERVICES PROVIDED BY
12 A NONPARTICIPATING PROVIDER THAT EXCEEDS THE REIMBURSEMENT RATE
13 ALLOWED FOR COMPARABLE EARLY INTERVENTION SERVICES PROVIDED BY
14 A PARTICIPATING PROVIDER.

15 (IV) THE LIMIT ON THE AMOUNT OF COVERAGE FOR EARLY
16 INTERVENTION SERVICES SPECIFIED IN SUBPARAGRAPH (II) OF THIS
17 PARAGRAPH (b) SHALL NOT APPLY TO:

18 (A) REHABILITATION OR THERAPEUTIC SERVICES THAT ARE
19 NECESSARY AS THE RESULT OF AN ACUTE MEDICAL CONDITION.

20 (B) SERVICES PROVIDED TO A CHILD WHO IS NOT PARTICIPATING IN
21 PART C AND SERVICES THAT ARE NOT PROVIDED PURSUANT TO AN IFSP.

22 (c) THIS SUBSECTION (1.3) SHALL NOT APPLY TO THE FOLLOWING:

23 (I) SHORT-TERM, ACCIDENT, FIXED INDEMNITY, OR SPECIFIED
24 DISEASE POLICIES, DISABILITY INCOME CONTRACTS, LIMITED BENEFIT OR
25 CREDIT DISABILITY INSURANCE, OR A MEDICARE SUPPLEMENT POLICY, AS
26 DEFINED IN SECTION 10-18-101 (4).

27 (II) WORKERS' COMPENSATION OR SIMILAR INSURANCE.

1 (III) AUTOMOBILE MEDICAL PAYMENT INSURANCE OR INSURANCE
2 UNDER WHICH BENEFITS ARE PAYABLE WITH OR WITHOUT REGARD TO
3 FAULT AND REQUIRED BY LAW TO BE CONTAINED IN ANY LIABILITY
4 INSURANCE POLICY OR EQUIVALENT SELF-INSURANCE.

5 (d) (I) THE COVERAGE REQUIRED BY THIS SUBSECTION (1.3) MAY
6 BE OFFERED THROUGH A HIGH DEDUCTIBLE PLAN THAT WOULD QUALIFY
7 FOR A HEALTH SAVINGS ACCOUNT PURSUANT TO 26 U.S.C. SEC. 223;
8 EXCEPT THAT A CARRIER MAY APPLY DEDUCTIBLE AMOUNTS FOR THE
9 REQUIRED COVERAGE IF IT IS NOT CONSIDERED BY THE UNITED STATES
10 DEPARTMENT OF TREASURY TO BE PREVENTATIVE OR TO HAVE AN
11 ACCEPTABLE DEDUCTIBLE AMOUNT.

12 (II) IF A HIGH DEDUCTIBLE PLAN THAT WOULD QUALIFY FOR A
13 HEALTH SAVINGS ACCOUNT PURSUANT TO 26 U.S.C. SEC. 223 REQUIRES A
14 DEDUCTIBLE OR COPAYMENT AMOUNT FOR THE COVERAGE REQUIRED BY
15 THIS SUBSECTION (1.3), THE DEDUCTIBLE OR COPAYMENT AMOUNT MAY BE
16 PAID BY THE STATE AS DETERMINED BY RULES ADOPTED BY THE
17 COMMISSIONER IN ACCORDANCE WITH ARTICLE 4 OF TITLE 24, C.R.S., IN
18 CONSULTATION WITH THE DIVISION OF INSURANCE.

19 **(1.7) Therapies for congenital defects and birth abnormalities.**

20 (a) After the first thirty-one days of life, policy limitations and exclusions
21 that are generally applicable under the policy may apply; except that all
22 individual and group health benefit plans shall provide medically
23 necessary physical, occupational, and speech therapy for the care and
24 treatment of congenital defects and birth abnormalities for ~~covered~~
25 ~~children up to five years of age~~ A COVERED CHILD FROM THE CHILD'S THIRD
26 BIRTHDAY TO THE CHILD'S SIXTH BIRTHDAY.

27 **SECTION 4. 10-16-105 (5) (g) (I), Colorado Revised Statutes, is**

1 amended to read:

2 **10-16-105. Small group sickness and accident insurance -**
3 **guaranteed issue - mandated provisions for basic health benefit plans**
4 **- rules - benefit design advisory committee - repeal.** (5) Each small
5 group sickness and accident insurer or other entity shall make reasonable
6 disclosure in solicitation and sales materials provided to small employers
7 the following information in a form and manner prescribed by the
8 commissioner and upon request of any such small employer shall provide
9 such information in detail:

10 (g) (I) That the small employer purchasing any health benefit plan
11 other than a basic plan pursuant to SUBPARAGRAPH (I), (III), OR (IV) OF
12 paragraph (b) of subsection (7.2) of this section, must pay for all of the
13 mandated benefits pursuant to section 10-16-104 and that these mandates
14 include mandatory, nonwaivable coverages for newborn, maternity,
15 pregnancy, childbirth, complications from pregnancy and childbirth,
16 EARLY INTERVENTION SERVICES, therapies for congenital defects and birth
17 abnormalities, low-dose mammography, mental illness, biologically-based
18 mental illness, the availability of alcoholism treatment, the availability of
19 hospice care, prostate cancer screening, child health supervision,
20 hospitalization and general anesthesia for dental procedures for dependent
21 children, diabetes, and prosthetic devices.

22 **SECTION 5. 25.5-8-105 (3) (b), Colorado Revised Statutes, as**
23 **enacted by Senate Bill 07-097, enacted at the First Regular Session of the**
24 **Sixty-sixth General Assembly, is amended to read:**

25 **25.5-8-105. Trust and supplemental settlement moneys account**
26 **- created.** (3) (b) Pursuant to section 24-75-1104.5 (1.5) (a) (V), C.R.S.,
27 beginning in the 2007-08 fiscal year and each fiscal year thereafter so long

1 as the state receives moneys pursuant to the master settlement agreement,
2 the state treasurer shall transfer to the supplemental tobacco litigation
3 settlement moneys account of the trust five percent of the portion of the
4 moneys annually received by the state pursuant to the master settlement
5 agreement, not including attorney fees and costs, during the preceding
6 fiscal year that remains after the programs, services, and funds that receive
7 such moneys pursuant to section 24-75-1104.5 (1), C.R.S., have been fully
8 funded. FOR THE 2007-08 FISCAL YEAR, THE STATE TREASURER SHALL
9 TRANSFER FROM THE SHORT-TERM INNOVATIVE HEALTH PROGRAM GRANT
10 FUND CREATED IN SECTION 25-36-101, C.R.S., TO THE ACCOUNT THE
11 LESSER OF EIGHTY-TWO THOUSAND FIFTY-NINE DOLLARS OR FIVE AND
12 NINE-TENTHS PERCENT OF THE AMOUNT ALLOCATED TO THE SHORT-TERM
13 INNOVATIVE HEALTH PROGRAM GRANT FUND FOR THE FISCAL YEAR
14 PURSUANT TO SECTION 24-75-1104.5 (1.5) (a) (IX), C.R.S., ENACTED BY
15 SENATE BILL 07-097 AT THE FIRST REGULAR SESSION OF THE SIXTY-SIXTH
16 GENERAL ASSEMBLY. FOR THE 2008-09 FISCAL YEAR AND EACH FISCAL
17 YEAR THEREAFTER, THE STATE TREASURER SHALL TRANSFER FROM THE
18 SHORT-TERM INNOVATIVE HEALTH PROGRAM GRANT FUND CREATED IN
19 SECTION 25-36-101, C.R.S., TO THE ACCOUNT THE LESSER OF ONE
20 HUNDRED THIRTEEN THOUSAND EIGHT HUNDRED SEVENTY-THREE DOLLARS
21 OR FIVE AND FOUR-TENTHS PERCENT OF THE AMOUNT ALLOCATED TO THE
22 SHORT-TERM INNOVATIVE HEALTH PROGRAM GRANT FUND FOR THE FISCAL
23 YEAR PURSUANT TO SECTION 24-75-1104.5 (1.5) (a) (IX), C.R.S., ENACTED
24 BY SENATE BILL 07-097 AT THE FIRST REGULAR SESSION OF THE
25 SIXTY-SIXTH GENERAL ASSEMBLY.

26 SECTION 6. 25-36-101, Colorado Revised Statutes, as enacted
27 by Senate Bill 07-097, enacted at the First Regular Session of the

1 Sixty-sixth General Assembly, is amended BY THE ADDITION OF THE
2 FOLLOWING NEW SUBSECTIONS to read:

3 **25-36-101. Short-term grants for innovative health programs**
4 **- grant fund - creation.** (3) NOTWITHSTANDING ANY OTHER PROVISION
5 OF THIS SECTION, FOR THE 2007-08 FISCAL YEAR, THE STATE TREASURER
6 SHALL TRANSFER FROM THE SHORT-TERM INNOVATIVE HEALTH PROGRAM
7 GRANT FUND TO THE SUPPLEMENTAL TOBACCO LITIGATION SETTLEMENT
8 MONEYS ACCOUNT OF THE CHILDREN'S BASIC HEALTH PLAN TRUST
9 CREATED IN SECTION 25.5-8-105, C.R.S., FOR THE PURPOSES OF THE
10 "CHILDREN'S BASIC HEALTH PLAN ACT", ARTICLE 8 OF TITLE 25.5, C.R.S.,
11 THE LESSER OF EIGHTY-TWO THOUSAND FIFTY-NINE DOLLARS OR FIVE AND
12 NINE-TENTHS PERCENT OF THE AMOUNT ALLOCATED TO THE SHORT-TERM
13 INNOVATIVE HEALTH PROGRAM GRANT FUND FOR THE FISCAL YEAR
14 PURSUANT TO SECTION 24-75-1104.5 (1.5) (a) (IX), C.R.S., ENACTED BY
15 SENATE BILL 07-097 AT THE FIRST REGULAR SESSION OF THE SIXTY-SIXTH
16 GENERAL ASSEMBLY. NOTWITHSTANDING ANY OTHER PROVISION OF THIS
17 SECTION, FOR THE 2008-09 FISCAL YEAR AND EACH FISCAL YEAR
18 THEREAFTER, THE STATE TREASURER SHALL TRANSFER FROM THE
19 SHORT-TERM INNOVATIVE HEALTH PROGRAM GRANT FUND TO THE
20 SUPPLEMENTAL TOBACCO LITIGATION SETTLEMENT MONEYS ACCOUNT OF
21 THE CHILDREN'S BASIC HEALTH PLAN TRUST CREATED IN SECTION
22 25.5-8-105, C.R.S., FOR THE PURPOSES OF THE "CHILDREN'S BASIC
23 HEALTH PLAN ACT", ARTICLE 8 OF TITLE 25.5, C.R.S., THE LESSER OF ONE
24 HUNDRED THIRTEEN THOUSAND EIGHT HUNDRED SEVENTY-THREE DOLLARS
25 OR FIVE AND FOUR-TENTHS PERCENT OF THE AMOUNT ALLOCATED TO THE
26 SHORT-TERM INNOVATIVE HEALTH PROGRAM GRANT FUND FOR THE FISCAL
27 YEAR PURSUANT TO SECTION 24-75-1104.5 (1.5) (a) (IX), C.R.S., ENACTED

1 BY SENATE BILL 07-097 AT THE FIRST REGULAR SESSION OF THE
2 SIXTY-SIXTH GENERAL ASSEMBLY.

3 (4) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION,
4 FOR THE 2007-08 FISCAL YEAR, THE GENERAL ASSEMBLY SHALL
5 APPROPRIATE FROM THE SHORT-TERM INNOVATIVE HEALTH PROGRAM
6 GRANT FUND TO THE OFFICE OF THE EXECUTIVE DIRECTOR IN THE
7 DEPARTMENT OF HEALTH CARE POLICY AND FINANCING FOR THE
8 ADMINISTRATION OF SECTION 25.5-1-123, C.R.S., THE LESSER OF
9 THIRTY-ONE THOUSAND TWO HUNDRED FORTY-SIX DOLLARS OR TWO AND
10 TWO-TENTHS PERCENT OF THE AMOUNT ALLOCATED TO THE SHORT-TERM
11 INNOVATIVE HEALTH PROGRAM GRANT FUND FOR THE FISCAL YEAR
12 PURSUANT TO SECTION 24-75-1104.5 (1.5) (a) (IX), C.R.S., ENACTED BY
13 SENATE BILL 07-097 AT THE FIRST REGULAR SESSION OF THE SIXTY-SIXTH
14 GENERAL ASSEMBLY. NOTWITHSTANDING ANY OTHER PROVISION OF THIS
15 SECTION, FOR THE 2008-09 FISCAL YEAR AND EACH FISCAL YEAR
16 THEREAFTER, THE GENERAL ASSEMBLY SHALL APPROPRIATE FROM THE
17 SHORT-TERM INNOVATIVE HEALTH PROGRAM GRANT FUND TO THE OFFICE
18 OF THE EXECUTIVE DIRECTOR IN THE DEPARTMENT OF HEALTH CARE
19 POLICY AND FINANCING FOR THE ADMINISTRATION OF SECTION 25.5-1-123,
20 C.R.S., THE LESSER OF TWENTY-NINE THOUSAND SEVEN HUNDRED
21 FORTY-THREE DOLLARS OR ONE AND FOUR-TENTHS PERCENT OF THE
22 AMOUNT ALLOCATED TO THE SHORT-TERM INNOVATIVE HEALTH PROGRAM
23 GRANT FUND FOR THE FISCAL YEAR PURSUANT TO SECTION 24-75-1104.5
24 (1.5) (a) (IX), C.R.S., ENACTED BY SENATE BILL 07-097 AT THE FIRST
25 REGULAR SESSION OF THE SIXTY-SIXTH GENERAL ASSEMBLY.

26 **SECTION 7. Appropriation.** (1) In addition to any other
27 appropriation, there is hereby appropriated, out of any moneys in the

1 short-term innovative health program grant fund created pursuant to
2 section 24-75-1104.5 (1.5) (a) (IX), Colorado Revised Statutes, enacted
3 by Senate Bill 07-097 at the first regular session of the sixty-sixth general
4 assembly, not otherwise appropriated, to the department of health care
5 policy and financing, executive director's office, the sum of thirty-one
6 thousand two hundred forty-six dollars (\$31,246) and 1.0 FTE, or so much
7 thereof as may be necessary, for implementation of this act. In addition to
8 said appropriation, the general assembly anticipates that, for the fiscal year
9 beginning July 1, 2007, the department of health care policy and financing
10 will receive the sum of thirty-one thousand two hundred forty-six dollars
11 (\$31,246) in federal funds for the implementation of this act. Although the
12 federal funds are not appropriated in this act, they are noted for the
13 purpose of indicating the assumptions used relative to these funds in
14 developing state appropriation amounts.

15 (2) In addition to any other appropriation, there is hereby
16 appropriated, to the department of health care policy and financing,
17 indigent care program, for children's basic health plan premium costs, for
18 the fiscal year beginning July 1, 2007, the sum of two hundred thirty-four
19 thousand four hundred fifty-six dollars (\$234,456), or so much thereof as
20 may be necessary, for the implementation of this act. Of said sum,
21 eighty-two thousand fifty-nine dollars (\$82,059) shall be cash funds
22 exempt from the supplemental tobacco litigation settlement account in the
23 children's basic health plan trust, created pursuant to section 25.5-8-105
24 (1), Colorado Revised Statutes, enacted by Senate Bill 07-097 at the first
25 regular session of the sixty-sixth general assembly, and one hundred
26 fifty-two thousand three hundred ninety-seven dollars (\$152,397) shall be
27 from federal funds.

1 (3) In addition to any other appropriation, there is hereby
2 appropriated, out of any moneys in the early intervention services trust
3 fund, created pursuant to section 27-10.5-706 (2) (a), Colorado Revised
4 Statutes, to the department of human services, services for people with
5 disabilities, developmental disability services, for community services, the
6 sum of fifty-three thousand five hundred sixty-eight dollars (\$53,568) cash
7 funds and 1.0 FTE, or so much thereof as may be necessary, for
8 implementation of this act. In addition to said appropriation, the general
9 assembly anticipates that, for the fiscal year beginning July 1, 2007, the
10 department of human services will receive the sum of two million eight
11 hundred eight thousand nine hundred thirty-two dollars (\$2,808,932) cash
12 funds exempt custodial funds, for early intervention services, from the
13 early intervention services trust fund created pursuant to section
14 27-10.5-706 (2) (a), Colorado Revised Statutes. Although the cash funds
15 exempt custodial funds are not appropriated in this act, they are noted for
16 the purpose of indicating the assumptions used relative to these funds in
17 developing state appropriation amounts.

18 (4) In addition to any other appropriation, there is hereby
19 appropriated, out of any moneys in the division of insurance cash fund,
20 created in section 10-1-103 (3), Colorado Revised Statutes, not otherwise
21 appropriated, to the department of regulatory agencies, division of
22 insurance, for the fiscal year beginning July 1, 2007, the sum of six
23 thousand one hundred eighty-eight dollars (\$6,188), or so much thereof as
24 may be necessary, for the implementation of this act.

25 **SECTION 8. Effective date - applicability.** (1) Except as
26 provided in subsection (2) of this section, this act shall take effect July 1,
27 2007.

1 (2) Section 3 of this act shall take effect January 1, 2008, and shall
2 apply to health insurance policies and health care service or indemnity
3 contracts delivered or issued on or after said date.

4 **SECTION 9. Safety clause.** The general assembly hereby finds,
5 determines, and declares that this act is necessary for the immediate
6 preservation of the public peace, health, and safety.