

SENATE COMMITTEE OF REFERENCE REPORT

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Chairman of Committee

April 11, 2007  
Date

Committee on Appropriations.

After consideration on the merits, the Committee recommends the following:

SB07-004 be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation:

1 Amend the Health and Human Services Committee Report, dated  
2 February 14, 2007, page 1, after line 3, insert the following:

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

5 line 4, strike ""(1)" and substitute "(2)".

6 Page 2 of the committee report, line 26, strike ""(10)" and substitute  
7 ""(11)".

8 Page 7 of the committee report, strike line 3 and substitute the following:

9 "SYSTEM OF PAYMENT FOR EARLY INTERVENTION SERVICES.

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

1 SERVICE PROVIDER, OR TO THE DEPARTMENT IN TRUST FOR PAYMENT TO  
2 A BROKER OR PROVIDER FOR SERVICES PROVIDED TO AN ELIGIBLE CHILD.

3 (2) (a) IF A PRIVATE HEALTH INSURANCE CARRIER NEGOTIATES TO  
4 MAKE PAYMENTS OF BENEFITS FOR AN ELIGIBLE CHILD TO THE  
5 DEPARTMENT IN TRUST, THOSE MONEYS SHALL BE DEPOSITED IN THE  
6 EARLY INTERVENTION SERVICES TRUST FUND, WHICH TRUST FUND IS  
7 HEREBY CREATED IN THE STATE TREASURY. EXCEPT AS PROVIDED IN  
8 PARAGRAPH (b) OF THIS SUBSECTION (2), THE PRINCIPAL OF THE TRUST  
9 FUND SHALL ONLY BE USED TO PAY CERTIFIED EARLY INTERVENTION  
10 SERVICE BROKERS OR QUALIFIED EARLY INTERVENTION SERVICE  
11 PROVIDERS FOR EARLY INTERVENTION SERVICES PROVIDED TO THE  
12 ELIGIBLE CHILD FOR WHOM THE MONEYS WERE PAID TO THE DEPARTMENT  
13 IN TRUST BY THE PRIVATE HEALTH INSURANCE CARRIER. EXCEPT AS  
14 PROVIDED IN PARAGRAPH (b) OF THIS SUBSECTION (2), THE PRINCIPAL OF  
15 THE TRUST FUND SHALL NOT CONSTITUTE STATE FISCAL YEAR SPENDING  
16 FOR PURPOSES OF SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION,  
17 AND SUCH MONEYS SHALL BE DEEMED CUSTODIAL FUNDS THAT ARE NOT  
18 SUBJECT TO APPROPRIATION BY THE GENERAL ASSEMBLY.

19 (b) (I) FOR THE 2007-08 FISCAL YEAR AND EACH FISCAL YEAR  
20 THEREAFTER, THE GENERAL ASSEMBLY SHALL MAKE APPROPRIATIONS  
21 FROM THE PRINCIPAL OF THE EARLY INTERVENTION SERVICES TRUST FUND  
22 FOR THE DIRECT AND INDIRECT COSTS OF ADMINISTERING THIS SECTION.  
23 ANY MONEYS APPROPRIATED TO THE DEPARTMENT PURSUANT TO THIS  
24 PARAGRAPH (b) SHALL CONSTITUTE STATE FISCAL YEAR SPENDING FOR  
25 PURPOSES OF SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION.

26 (II) ALL INTEREST DERIVED FROM THE DEPOSIT AND INVESTMENT  
27 OF MONEYS IN THE EARLY INTERVENTION SERVICES TRUST FUND SHALL BE  
28 CREDITED TO THE TRUST FUND, MAY BE APPROPRIATED TO THE  
29 DEPARTMENT IN ACCORDANCE WITH THIS PARAGRAPH (b), AND SHALL  
30 CONSTITUTE STATE FISCAL YEAR SPENDING FOR PURPOSES OF SECTION 20  
31 OF ARTICLE X OF THE STATE CONSTITUTION."

32 Renumber succeeding C.R.S. section accordingly.";

33 line 4 of the committee report, before "line", insert "Page 9,";

34 strike lines 15 through 18 of the committee report;



1 line 19 of the committee report, before "line", insert "Page 10,";  
2 line 23 of the committee report, strike "SHALL"." and substitute "SHALL";"  
3 after line 23 of the committee report, insert the following:  
4 "after line 25, insert the following:

5 "(4) FOR THE 2007-08 FISCAL YEAR, THE GENERAL ASSEMBLY  
6 SHALL APPROPRIATE FROM THE SHORT-TERM INNOVATIVE HEALTH  
7 PROGRAM GRANT FUND CREATED IN SECTION 25-36-101, C.R.S., TO THE  
8 OFFICE OF THE EXECUTIVE DIRECTOR IN THE STATE DEPARTMENT FOR THE  
9 ADMINISTRATION OF THIS SECTION THE LESSER OF THIRTY-ONE THOUSAND  
10 TWO HUNDRED FORTY-SIX DOLLARS OR TWO AND TWO-TENTHS PERCENT  
11 OF THE AMOUNT ALLOCATED TO THE SHORT-TERM INNOVATIVE HEALTH  
12 PROGRAM GRANT FUND FOR THE FISCAL YEAR PURSUANT TO SECTION  
13 24-75-1104.5 (1.5) (a) (IX), C.R.S., ENACTED BY SENATE BILL 07-097 AT  
14 THE FIRST REGULAR SESSION OF THE SIXTY-SIXTH GENERAL ASSEMBLY.  
15 FOR THE 2008-09 FISCAL YEAR AND EACH FISCAL YEAR THEREAFTER, THE  
16 GENERAL ASSEMBLY SHALL APPROPRIATE FROM THE SHORT-TERM  
17 INNOVATIVE HEALTH PROGRAM GRANT FUND CREATED IN SECTION  
18 25-36-101, C.R.S., TO THE OFFICE OF THE EXECUTIVE DIRECTOR IN THE  
19 STATE DEPARTMENT FOR THE ADMINISTRATION OF THIS SECTION THE  
20 LESSER OF TWENTY-NINE THOUSAND SEVEN HUNDRED FORTY-THREE  
21 DOLLARS OR ONE AND FOUR-TENTHS PERCENT OF THE AMOUNT  
22 ALLOCATED TO THE SHORT-TERM INNOVATIVE HEALTH PROGRAM GRANT  
23 FUND FOR THE FISCAL YEAR PURSUANT TO SECTION 24-75-1104.5 (1.5) (a)  
24 (IX), C.R.S., ENACTED BY SENATE BILL 07-097 AT THE FIRST REGULAR  
25 SESSION OF THE SIXTY-SIXTH GENERAL ASSEMBLY.

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

- 31 (a) NONEMERGENCY MEDICAL TRANSPORTATION;  
32 (b) RESPITE CARE;  
33 (c) SERVICE COORDINATION, AS DEFINED IN 34 CFR 303.12 (d)



1 (11); AND

2 (d) ASSISTIVE TECHNOLOGY, UNLESS ASSISTIVE TECHNOLOGY IS  
3 COVERED UNDER THIS TITLE AS DURABLE MEDICAL EQUIPMENT."."

4 Page 8 of the committee report, line 1, strike "IFSP.;" and substitute  
5 "IFSP, BUT EXCLUDING NONEMERGENCY MEDICAL TRANSPORTATION;  
6 RESPITE CARE; SERVICE COORDINATION, AS DEFINED IN 34 CFR 303.12 (d)  
7 (11); AND ASSISTIVE TECHNOLOGY, UNLESS ASSISTIVE TECHNOLOGY IS  
8 COVERED UNDER THE APPLICABLE INSURANCE POLICY OR SERVICE OR  
9 INDEMNITY CONTRACT AS DURABLE MEDICAL EQUIPMENT.";"

10 line 5 of the committee report, strike "(5)," and substitute "(6),";

11 line 21 of the committee report, after "(b)", insert "(I)";

12 strike line 29 of the committee report and substitute the following:

13 "line 8, strike "THE COVERAGE SHALL BE AVAILABLE" and substitute  
14 "EARLY INTERVENTION SERVICES SPECIFIED";".

15 Page 9 of the committee report, strike line 1 and substitute the following:

16 "HEALTH INSURANCE PLANS.

17 (II) THE COVERAGE REQUIRED BY THIS SUBSECTION (1.3) SHALL BE  
18 AVAILABLE";";

19 line 14 of the committee report, strike "EXCEPT AS";

20 strike line 15 of the committee report and substitute the following:

21 "(III) EXCEPT AS PROVIDED IN PARAGRAPH (d) OF THIS  
22 SUBSECTION (1.3), THE";";

23 after line 17 of the committee report, insert the following:

24 "line 17, after "CONTRACT.", add "UNLESS THE CARRIER AGREES PRIOR TO  
25 THE PROVISION OF EARLY INTERVENTION SERVICES, A CARRIER SHALL NOT  
26 BE REQUIRED TO PAY A REIMBURSEMENT RATE FOR EARLY INTERVENTION  
27 SERVICES PROVIDED BY A NONPARTICIPATING PROVIDER THAT EXCEEDS



1 THE REIMBURSEMENT RATE ALLOWED FOR COMPARABLE EARLY  
2 INTERVENTION SERVICES PROVIDED BY A PARTICIPATING PROVIDER."";

3 after line 18 of the committee report, insert the following:

4 ""(IV) THE LIMIT ON THE AMOUNT OF COVERAGE FOR EARLY  
5 INTERVENTION SERVICES SPECIFIED IN SUBPARAGRAPH (II) OF THIS  
6 PARAGRAPH (b) SHALL NOT APPLY TO:

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

9 (B) SERVICES PROVIDED TO A CHILD WHO IS NOT PARTICIPATING IN  
10 PART C AND SERVICES THAT ARE NOT PROVIDED PURSUANT TO AN IFSP."";

11 line 19 of the committee report, strike ""(c)" and substitute "(c)".

12 Page 11 of the committee report, strike line 1 and substitute the  
13 following:

14 "for dependent children, diabetes, and prosthetic devices.

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

18 **25.5-8-105. Trust and supplemental settlement moneys**  
19 **account - created.** (3) (b) Pursuant to section 24-75-1104.5 (1.5) (a)  
20 (V), C.R.S., beginning in the 2007-08 fiscal year and each fiscal year  
21 thereafter so long as the state receives moneys pursuant to the master  
22 settlement agreement, the state treasurer shall transfer to the supplemental  
23 tobacco litigation settlement moneys account of the trust five percent of  
24 the portion of the moneys annually received by the state pursuant to the  
25 master settlement agreement, not including attorney fees and costs, during  
26 the preceding fiscal year that remains after the programs, services, and  
27 funds that receive such moneys pursuant to section 24-75-1104.5 (1),  
28 C.R.S., have been fully funded. FOR THE 2007-08 FISCAL YEAR, THE  
29 STATE TREASURER SHALL TRANSFER FROM THE SHORT-TERM INNOVATIVE  
30 HEALTH PROGRAM GRANT FUND CREATED IN SECTION 25-36-101, C.R.S.,  
31 TO THE ACCOUNT THE LESSER OF EIGHTY-TWO THOUSAND FIFTY-NINE  
32 DOLLARS OR FIVE AND NINE-TENTHS PERCENT OF THE AMOUNT ALLOCATED

1 TO THE SHORT-TERM INNOVATIVE HEALTH PROGRAM GRANT FUND FOR THE  
2 FISCAL YEAR PURSUANT TO SECTION 24-75-1104.5 (1.5) (a) (IX), C.R.S.,  
3 ENACTED BY SENATE BILL 07-097 AT THE FIRST REGULAR SESSION OF THE  
4 SIXTY-SIXTH GENERAL ASSEMBLY. FOR THE 2008-09 FISCAL YEAR AND  
5 EACH FISCAL YEAR THEREAFTER, THE STATE TREASURER SHALL TRANSFER  
6 FROM THE SHORT-TERM INNOVATIVE HEALTH PROGRAM GRANT FUND  
7 CREATED IN SECTION 25-36-101, C.R.S., TO THE ACCOUNT THE LESSER OF  
8 ONE HUNDRED THIRTEEN THOUSAND EIGHT HUNDRED SEVENTY-THREE  
9 DOLLARS OR FIVE AND FOUR-TENTHS PERCENT OF THE AMOUNT  
10 ALLOCATED TO THE SHORT-TERM INNOVATIVE HEALTH PROGRAM GRANT  
11 FUND FOR THE FISCAL YEAR PURSUANT TO SECTION 24-75-1104.5 (1.5) (a)  
12 (IX), C.R.S., ENACTED BY SENATE BILL 07-097 AT THE FIRST REGULAR  
13 SESSION OF THE SIXTY-SIXTH GENERAL ASSEMBLY.

14           **SECTION 6.** 25-36-101, Colorado Revised Statutes, as enacted  
15 by Senate Bill 07-097, enacted at the First Regular Session of the  
16 Sixty-sixth General Assembly, is amended BY THE ADDITION OF THE  
17 FOLLOWING NEW SUBSECTIONS to read:

18           **25-36-101. Short-term grants for innovative health programs**  
19 **- grant fund - creation.** (3) NOTWITHSTANDING ANY OTHER PROVISION  
20 OF THIS SECTION, FOR THE 2007-08 FISCAL YEAR, THE STATE TREASURER  
21 SHALL TRANSFER FROM THE SHORT-TERM INNOVATIVE HEALTH PROGRAM  
22 GRANT FUND TO THE SUPPLEMENTAL TOBACCO LITIGATION SETTLEMENT  
23 MONEYS ACCOUNT OF THE CHILDREN'S BASIC HEALTH PLAN TRUST  
24 CREATED IN SECTION 25.5-8-105, C.R.S., FOR THE PURPOSES OF THE  
25 "CHILDREN'S BASIC HEALTH PLAN ACT", ARTICLE 8 OF TITLE 25.5, C.R.S.,  
26 THE LESSER OF EIGHTY-TWO THOUSAND FIFTY-NINE DOLLARS OR FIVE AND  
27 NINE-TENTHS PERCENT OF THE AMOUNT ALLOCATED TO THE SHORT-TERM  
28 INNOVATIVE HEALTH PROGRAM GRANT FUND FOR THE FISCAL YEAR  
29 PURSUANT TO SECTION 24-75-1104.5 (1.5) (a) (IX), C.R.S., ENACTED BY  
30 SENATE BILL 07-097 AT THE FIRST REGULAR SESSION OF THE SIXTY-SIXTH  
31 GENERAL ASSEMBLY. NOTWITHSTANDING ANY OTHER PROVISION OF THIS  
32 SECTION, FOR THE 2008-09 FISCAL YEAR AND EACH FISCAL YEAR  
33 THEREAFTER, THE STATE TREASURER SHALL TRANSFER FROM THE  
34 SHORT-TERM INNOVATIVE HEALTH PROGRAM GRANT FUND TO THE  
35 SUPPLEMENTAL TOBACCO LITIGATION SETTLEMENT MONEYS ACCOUNT OF  
36 THE CHILDREN'S BASIC HEALTH PLAN TRUST CREATED IN SECTION  
37 25.5-8-105, C.R.S., FOR THE PURPOSES OF THE "CHILDREN'S BASIC  
38 HEALTH PLAN ACT", ARTICLE 8 OF TITLE 25.5, C.R.S., THE LESSER OF ONE  
39 HUNDRED THIRTEEN THOUSAND EIGHT HUNDRED SEVENTY-THREE

1 DOLLARS OR FIVE AND FOUR-TENTHS PERCENT OF THE AMOUNT  
2 ALLOCATED TO THE SHORT-TERM INNOVATIVE HEALTH PROGRAM GRANT  
3 FUND FOR THE FISCAL YEAR PURSUANT TO SECTION 24-75-1104.5 (1.5) (a)  
4 (IX), C.R.S., ENACTED BY SENATE BILL 07-097 AT THE FIRST REGULAR  
5 SESSION OF THE SIXTY-SIXTH GENERAL ASSEMBLY.

6 (4) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION,  
7 FOR THE 2007-08 FISCAL YEAR, THE GENERAL ASSEMBLY SHALL  
8 APPROPRIATE FROM THE SHORT-TERM INNOVATIVE HEALTH PROGRAM  
9 GRANT FUND TO THE OFFICE OF THE EXECUTIVE DIRECTOR IN THE  
10 DEPARTMENT OF HEALTH CARE POLICY AND FINANCING FOR THE  
11 ADMINISTRATION OF SECTION 25.5-1-123, C.R.S., THE LESSER OF  
12 THIRTY-ONE THOUSAND TWO HUNDRED FORTY-SIX DOLLARS OR TWO AND  
13 TWO-TENTHS PERCENT OF THE AMOUNT ALLOCATED TO THE SHORT-TERM  
14 INNOVATIVE HEALTH PROGRAM GRANT FUND FOR THE FISCAL YEAR  
15 PURSUANT TO SECTION 24-75-1104.5 (1.5) (a) (IX), C.R.S., ENACTED BY  
16 SENATE BILL 07-097 AT THE FIRST REGULAR SESSION OF THE SIXTY-SIXTH  
17 GENERAL ASSEMBLY. NOTWITHSTANDING ANY OTHER PROVISION OF THIS  
18 SECTION, FOR THE 2008-09 FISCAL YEAR AND EACH FISCAL YEAR  
19 THEREAFTER, THE GENERAL ASSEMBLY SHALL APPROPRIATE FROM THE  
20 SHORT-TERM INNOVATIVE HEALTH PROGRAM GRANT FUND TO THE OFFICE  
21 OF THE EXECUTIVE DIRECTOR IN THE DEPARTMENT OF HEALTH CARE  
22 POLICY AND FINANCING FOR THE ADMINISTRATION OF SECTION 25.5-1-123,  
23 C.R.S., THE LESSER OF TWENTY-NINE THOUSAND SEVEN HUNDRED  
24 FORTY-THREE DOLLARS OR ONE AND FOUR-TENTHS PERCENT OF THE  
25 AMOUNT ALLOCATED TO THE SHORT-TERM INNOVATIVE HEALTH PROGRAM  
26 GRANT FUND FOR THE FISCAL YEAR PURSUANT TO SECTION 24-75-1104.5  
27 (1.5) (a) (IX), C.R.S., ENACTED BY SENATE BILL 07-097 AT THE FIRST  
28 REGULAR SESSION OF THE SIXTY-SIXTH GENERAL ASSEMBLY.

29 **SECTION 7. Appropriation.** (1) In addition to any other  
30 appropriation, there is hereby appropriated, out of any moneys in the  
31 short-term innovative health program grant fund created pursuant to  
32 section 24-75-1104.5 (1.5) (a) (IX), Colorado Revised Statutes, enacted  
33 by Senate Bill 07-097 at the first regular session of the sixty-sixth general  
34 assembly, not otherwise appropriated, to the department of health care  
35 policy and financing, executive director's office, the sum of thirty-one  
36 thousand two hundred forty-six dollars (\$31,246) and 1.0 FTE, or so  
37 much thereof as may be necessary, for implementation of this act. In  
38 addition to said appropriation, the general assembly anticipates that, for  
39 the fiscal year beginning July 1, 2007, the department of health care



1 policy and financing will receive the sum of thirty-one thousand two  
2 hundred forty-six dollars (\$31,246) in federal funds for the  
3 implementation of this act. Although the federal funds are not  
4 appropriated in this act, they are noted for the purpose of indicating the  
5 assumptions used relative to these funds in developing state appropriation  
6 amounts.

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

20 (3) In addition to any other appropriation, there is hereby  
21 appropriated, out of any moneys in the early intervention services trust  
22 fund, created pursuant to section 27-10.5-706 (2) (a), Colorado Revised  
23 Statutes, to the department of human services, services for people with  
24 disabilities, developmental disability services, for community services,  
25 the sum of fifty-three thousand five hundred sixty-eight dollars (\$53,568)  
26 cash funds and 1.0 FTE, or so much thereof as may be necessary, for  
27 implementation of this act. In addition to said appropriation, the general  
28 assembly anticipates that, for the fiscal year beginning July 1, 2007, the  
29 department of human services will receive the sum of two million eight  
30 hundred eight thousand nine hundred thirty-two dollars (\$2,808,932) cash  
31 funds exempt custodial funds, for early intervention services, from the  
32 early intervention services trust fund created pursuant to section 27-10.5-  
33 706 (2) (a), Colorado Revised Statutes. Although the cash funds exempt  
34 custodial funds are not appropriated in this act, they are noted for the  
35 purpose of indicating the assumptions used relative to these funds in  
36 developing state appropriation amounts.

37 (4) In addition to any other appropriation, there is hereby  
38 appropriated, out of any moneys in the division of insurance cash fund,

1 created in section 10-1-103 (3), Colorado Revised Statutes, not otherwise  
2 appropriated, to the department of regulatory agencies, division of  
3 insurance, for the fiscal year beginning July 1, 2007, the sum of six  
4 thousand one hundred eighty-eight dollars (\$6,188), or so much thereof  
5 as may be necessary, for the implementation of this act.".";

6 after line 2 of the committee report, insert the following:

7 "Page 1 of the printed bill, line 106, strike "SYSTEM AND" and substitute  
8 "SYSTEM,";

9 line 108, strike "INSURANCE." and substitute "INSURANCE, AND MAKING  
10 AN APPROPRIATION.".".

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