

Second Regular Session  
Sixty-seventh General Assembly  
STATE OF COLORADO

**REENGROSSED**

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

LLS NO. 10-0159.01 Kristen Forrestal

**HOUSE BILL 10-1005**

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**HOUSE SPONSORSHIP**

**Massey**, Frangas, Kerr J., McCann

**SENATE SPONSORSHIP**

**Foster**, Boyd, Lundberg, Schwartz

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**House Committees**

Health and Human Services

Appropriations

**Senate Committees**

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**A BILL FOR AN ACT**

101 **CONCERNING HOME HEALTH CARE THROUGH TELEMEDICINE**  
102 **PURSUANT TO THE "COLORADO MEDICAL ASSISTANCE ACT",**  
103 **AND MAKING AN APPROPRIATION THEREFOR.**

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**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)*

**Health Care Task Force.** This bill makes telemedicine eligible for reimbursement under the state's medical assistance program (program) in order to comply with direction from the federal centers for medicare and medicaid services.

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.*

HOUSE  
3rd Reading Unamended  
April 14, 2010

HOUSE  
Amended 2nd Reading  
April 13, 2010

Eliminates incorrect references to the way reimbursement payments are made under the program.

Deletes the requirement that reimbursement rates from telemedicine be budget neutral or result in cost savings to the program. Requires that any cost savings identified be considered for use in paying for home health care or home- and community-based services instead of requiring the savings be applied to payment for the services.

Deletes the requirement that the state medical services board consider reductions in travel costs by home health care or home- and community-based service providers and other factors when setting reimbursement rates for services.

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

2           **SECTION 1.** 25.5-5-321 (1), (2), and (3), Colorado Revised  
3 Statutes, are amended to read:

4           **25.5-5-321. Telemedicine - home health care - home health**

5 **telemedicine cash fund - rules.** (1) On or after January 1, 2008,  
6 ~~in-person contact between a home health care or a home- and~~  
7 ~~community-based services provider and a patient shall not be required~~  
8 ~~under the state's medical assistance program for home health care~~  
9 ~~services or home- and community-based services delivered through~~  
10 ~~telemedicine that are otherwise eligible for reimbursement under the~~  
11 ~~program. This program shall include health care professional oversight~~  
12 ~~and intervention as appropriate~~ THE EFFECTIVE DATE OF THIS SUBSECTION

13 (1), AS AMENDED, AT-HOME TELEMEDICINE SHALL BE ELIGIBLE FOR  
14 REIMBURSEMENT UNDER THE STATE'S MEDICAL ASSISTANCE PROGRAM.

15 The services delivered through telemedicine shall be subject to  
16 reimbursement policies promulgated by rule of the state board after  
17 consultation with home health care and home- and community-based  
18 services providers. This section also applies to managed care  
19 organizations that contract with the state department pursuant to the

1 statewide managed care system, but only to the extent that:

2 (a) Home health care or home- and community-based services  
3 delivered through telemedicine are covered by and reimbursed under the  
4 medicaid ~~per diem payment~~ program; and

5 (b) Managed care contracts with managed care organizations are  
6 amended to add coverage of home health care or home- and  
7 community-based services delivered through telemedicine. ~~and any~~  
8 ~~appropriate per diem rate adjustments are incorporated.~~

9 (2) (a) The reimbursement rate for home health care or home- and  
10 community-based services delivered through telemedicine that are  
11 otherwise eligible for reimbursement under the medical assistance  
12 program shall be set by rule of the state board and shall be:

13 (I) In the form of a flat fee ~~per month~~ in one or more levels,  
14 depending on acuity. ~~and~~

15 (II) ~~Budget-neutral or result in cost savings to the program.~~

16 (b) Any cost savings identified pursuant to this section shall be  
17 ~~made available~~ CONSIDERED for use in paying for home- and  
18 community-based services under part 6 of this article, community-based  
19 long-term care, and home health services.

20 (c) FOR THE FIRST TWO YEARS AFTER THE EFFECTIVE DATE OF THIS  
21 PARAGRAPH (c), GIFTS, GRANTS, AND DONATIONS SHALL BE USED TO  
22 IMPLEMENT THIS SECTION. GIFTS, GRANTS, AND DONATIONS MADE FOR  
23 THIS PURPOSE SHALL BE TRANSFERRED TO THE HOME HEALTH  
24 TELEMEDICINE CASH FUND, WHICH IS HEREBY CREATED IN THE STATE  
25 TREASURY. MONEYS IN THE HOME HEALTH TELEMEDICINE CASH FUND  
26 SHALL BE APPROPRIATED TO THE STATE BOARD AND USED TO IMPLEMENT  
27 THIS SECTION. MONEYS IN THE FUND SHALL REMAIN IN THE FUND AND

1 NOT BE TRANSFERRED TO THE GENERAL FUND AT THE END OF ANY FISCAL  
2 YEAR.

3 (3) ~~When setting the reimbursement rate for services under~~  
4 ~~subsection (2) of this section, the state board shall consider, to the extent~~  
5 ~~applicable, reductions in travel costs by home health care or home- and~~  
6 ~~community-based services providers to deliver the services and such~~  
7 ~~other factors as the state department deems relevant. Reimbursement~~  
8 shall not be provided for purchase or lease of telemedicine equipment.

9 **SECTION 2. Appropriation.** In addition to any other  
10 appropriation, there is hereby appropriated, to the department of health  
11 care policy and financing, for medical services premiums, for the fiscal  
12 year beginning July 1, 2010, the sum of one hundred twenty-three  
13 thousand two hundred seventy dollars (\$123,270), or so much thereof as  
14 may be necessary, for the implementation of this act. Of said sum,  
15 forty-seven thousand three hundred forty-eight dollars (\$47,348) shall be  
16 from the home health telemedicine cash fund created in section  
17 25.5-5-321 (1) (c), Colorado Revised Statutes, and seventy-five thousand  
18 nine hundred twenty-two dollars (\$75,922) shall be from federal funds.

19 **SECTION 3. Act subject to petition - effective date.** This act  
20 shall take effect at 12:01 a.m. on the day following the expiration of the  
21 ninety-day period after final adjournment of the general assembly  
22 (August 11, 2010, if adjournment sine die is on May 12, 2010); except  
23 that, if a referendum petition is filed pursuant to section 1 (3) of article  
24 V of the state constitution against this act or an item, section, or part of  
25 this act within such period, then the act, item, section, or part shall not  
26 take effect unless approved by the people at the general election to be

- 1 held in November 2010 and shall take effect on the date of the official
- 2 declaration of the vote thereon by the governor.