First Regular Session Sixty-eighth General Assembly STATE OF COLORADO

PREAMENDED

This Unofficial Version Includes Committee Amendments Not Yet Adopted on Second Reading

LLS NO. 11-0971.01 Brita Darling

SENATE BILL 11-213

SENATE SPONSORSHIP

Hodge, Steadman, Lambert

(None),

HOUSE SPONSORSHIP

Senate Committees Appropriations **House Committees**

A BILL FOR AN ACT

101 CONCERNING ENROLLEE COST-SHARING FOR CHILDREN ENROLLED IN

102 THE CHILDREN'S BASIC HEALTH PLAN, AND MAKING AN

103 **APPROPRIATION THEREFOR.**

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.)

The department of health care policy and financing (the department) currently has the duty to implement a cost-sharing system using an enrollment fee for enrollees in the children's basic health plan (plan), excluding pregnant women and enrollees with a family income of

less than 150% of the federal poverty line (FPL). The bill directs the department to assess an annual enrollment fee for persons with a family income up to 205% of FPL, and to assess a monthly enrollment fee, capped at \$50 per month, per family, for children in families with a family income that exceeds 205% of the FPL.

The bill authorizes the department to provide information to the department of revenue concerning unpaid enrollment fees for offset against a state income tax refund. The department shall establish a process for an enrollee to contest and appeal the determination of debt.

1 *Be it enacted by the General Assembly of the State of Colorado:* 2 **SECTION 1.** 25.5-8-107 (1) (b) and (1) (e), Colorado Revised 3 Statutes, are amended to read: 4 25.5-8-107. Duties of the department - schedule of services -5 premiums - copayments - subsidies. (1) In addition to any other duties 6 pursuant to this article, the department shall have the following duties: (b) (I) ____ To design and implement a system of cost-sharing with 7 8 enrollees using an annual enrollment fee that is based on a sliding fee 9 scale; The sliding fee scale shall be developed based on the enrollee's 10 family income; except that no enrollment fee shall be assessed against an 11 enrollee whose family income is at or below one hundred fifty percent of 12 the federal poverty line and no enrollment fee shall be assessed against an 13 enrollee who is a pregnant woman. As permitted by federal and state law, 14 enrollees in the plan may use funds from a medical savings account to pay 15 the annual enrollment fee FEES. On or before November 1 of each year, 16 the department shall submit for approval to the joint budget committee its 17 annual proposal for cost sharing for the plan based upon a family's 18 income. 19 (II) FOR CHILDREN IN FAMILIES WITH A FAMILY INCOME EQUAL TO

20 OR GREATER THAN ONE HUNDRED FIFTY PERCENT OF THE FEDERAL

-2-

POVERTY LINE, BUT NO MORE THAN TWO HUNDRED AND FIVE PERCENT OF
 THE FEDERAL POVERTY LINE, THE DEPARTMENT SHALL ASSESS AN ANNUAL
 ENROLLMENT FEE.

4 (III) FOR CHILDREN IN FAMILIES WITH A FAMILY INCOME GREATER 5 THAN TWO HUNDRED AND FIVE PERCENT OF THE FEDERAL POVERTY LINE, 6 THE DEPARTMENT SHALL ASSESS A MONTHLY ENROLLMENT FEE THAT IS 7 NOT LESS THAN TWENTY DOLLARS FOR THE FIRST CHILD ENROLLED IN THE 8 PLAN AND NOT LESS THAN TEN DOLLARS FOR EACH ADDITIONAL CHILD 9 ENROLLED IN THE PLAN. THE TOTAL MONTHLY ENROLLMENT FEE 10 ASSESSED FOR A FAMILY SHALL NOT EXCEED FIFTY DOLLARS PER MONTH. 11 THE DEPARTMENT MAY ADJUST THE AMOUNTS SPECIFIED IN THIS 12 SUBPARAGRAPH (III) FOR INFLATION.

13

(e) To design a procedure whereby a financial sponsor may pay
the annual enrollment fee or some portion thereof on behalf of a
subsidized or nonsubsidized enrollee; except that the payment made on
behalf of said enrollee shall not exceed the total enrollment fee due from
the enrollee;

19

20

SECTION <u>2.</u> Appropriation - adjustments in 2011 long bill.

(1) 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, 2011, shall be adjusted as
follows:

(a) The appropriation for the executive director's office, for
general administration, is increased by four thousand eight hundred
twenty-one dollars (\$4,821) and 0.2 FTE. Of this amount, one thousand

-3-

six hundred eighty-seven dollars (\$1,687) shall be from the general fund
 and three thousand one hundred thirty-four dollars (\$3,134) shall be from
 federal funds.

(b) The appropriation for the indigent care program, for children's
basic health plan administration, is increased by eleven thousand
eighty-eight dollars (\$11,088). Of this amount, three thousand eight
hundred eighty-one dollars (\$3,881) shall be from the general fund and
seven thousand two hundred seven dollars (\$7,207) shall be from federal
funds.

10 (c) The appropriation for the indigent care program, for children's 11 basic health plan medical and dental costs, is decreased by three hundred 12 ninety-eight thousand eight hundred forty-nine dollars (\$398,849). Of 13 this amount, one hundred thirty-nine thousand five hundred ninety-seven 14 dollars (\$139,597) shall be cash funds from the hospital provider fee cash 15 fund created in section 25.5-4-402.3 (4), Colorado Revised Statutes, and 16 two hundred fifty-nine thousand two hundred fifty-two dollars (\$259,252) 17 shall be from federal funds.

18 (d) The appropriation for the department of human services 19 medicaid-funded programs, office of information technology services -20 medicaid funding, for the Colorado benefits management system, is 21 increased by three hundred seventy-five thousand nine hundred sixty 22 dollars (\$375,960). Of said sum, twenty-nine thousand nine hundred 23 seventy dollars (\$29,970) shall be from the general fund, one hundred one 24 thousand six hundred sixteen dollars (\$101,616) shall be from the 25 children's basic health plan trust created in section 25.5-8-105 (1), 26 Colorado Revised Statutes, and two hundred forty-four thousand three 27 hundred seventy-four dollars (\$244,374) shall be from federal funds.

-4-

1 (2) For the implementation of this act, appropriations made in the 2 annual general appropriation act, to the department of human services, 3 office of information technology services, for the Colorado benefits 4 management system for the fiscal year beginning July 1, 2011, is 5 increased by three hundred seventy-five thousand nine hundred sixty 6 dollars (\$375,960). Said sum shall be reappropriated funds received from 7 the department of health care policy and financing out of the 8 appropriation made in subsection (1) (d) of this section.

9 (3) For the implementation of this act, appropriations made in the
10 annual general appropriation act, to the governor - lieutenant governor 11 state planning and budgeting, <u>for the fiscal year beginning July 1,</u>
12 <u>2011, shall be adjusted as follows:</u>

13 (a) The appropriation for the office of information technology for the Colorado benefits management system, is increased by three hundred 14 15 seventy-five thousand nine hundred sixty dollars (\$375,960). Said sum 16 shall be reappropriated funds received from the department of human 17 services out of the appropriation made in subsection (2) of this section. 18 (b) The appropriation for the office of information technology for 19 computer services is increased by five thousand nine hundred twenty 20 dollars (\$5,920). Said sum shall be reappropriated funds received from 21 the department of revenue out of the appropriations made in subsection 22 (4) of this section.

23 SECTION <u>3.</u> Effective date. This act shall take effect July 1,
24 2011.

25 SECTION <u>4.</u> Safety clause. The general assembly hereby finds,
 26 determines, and declares that this act is necessary for the immediate
 27 preservation of the public peace, health, and safety.

-5-