

SENATE COMMITTEE OF REFERENCE REPORT

Chairman of Committee

March 1, 2012
Date

Committee on Health and Human Services.

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

SB12-128 be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation:

1 Amend printed bill, strike everything below the enacting clause and
2 substitute:

3 "SECTION 1. In Colorado Revised Statutes, **add** 25.5-6-113 as
4 follows:

5 **25.5-6-113. Alternative care facilities - reimbursement**
6 **programs - legislative declaration - report - repeal.** (1) (a) THE
7 GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT:

8 (I) THE NUMBER OF COLORADANS NEEDING LONG-TERM CARE IS
9 INCREASING;

10 (II) STATE GENERAL FUND EXPENDITURES FOR LONG-TERM CARE
11 ALREADY REPRESENT A SIGNIFICANT PORTION OF THE STATE'S MEDICAL
12 ASSISTANCE BUDGET;

13 (III) MANY PERSONS IN NEED OF LONG-TERM CARE ARE OFTEN
14 UNAWARE THAT THEY MAY BE ABLE TO RECEIVE LONG-TERM CARE
15 SERVICES IN A HOME-LIKE ENVIRONMENT, AT A LOWER COST TO THE
16 MEDICAID PROGRAM;

17 (IV) ALTERNATIVES TO NURSING HOME CARE SHOULD BE
18 DEVELOPED AND IMPLEMENTED; AND

19 (V) UNLESS COLORADO IMPLEMENTS NEW METHODS FOR
20 FINANCING LONG-TERM CARE, THE COST TO THE STATE FOR LONG-TERM
21 CARE SERVICES WILL CONTINUE TO RISE PRECIPITOUSLY.

22 (b) THEREFORE, THE GENERAL ASSEMBLY FINDS THAT IT IS
23 APPROPRIATE TO ESTABLISH A PROGRAM TO PROVIDE GREATER FINANCIAL

1 INCENTIVES TO ALTERNATIVE CARE FACILITIES THAT ARE ABLE TO MEET
2 THE NEEDS OF MEDICAID CLIENTS AT A LOWER COST TO THE MEDICAID
3 PROGRAM.

4 (2) IN ORDER TO DECREASE THE NUMBER OF COSTLY
5 READMISSIONS TO NURSING FACILITIES, THE STATE DEPARTMENT MAY
6 CREATE AN ENHANCED REIMBURSEMENT PROGRAM IN WHICH AN
7 ALTERNATIVE CARE FACILITY RECEIVES A TEMPORARY INCREASE IN THE
8 MEDICAID PER DIEM REIMBURSEMENT RATE FOR A MEDICAID CLIENT
9 DISCHARGED FROM A NURSING FACILITY TO AN ALTERNATIVE CARE
10 FACILITY. THE STATE DEPARTMENT SHALL DEVELOP THE CRITERIA FOR
11 PARTICIPATION IN THE ENHANCED REIMBURSEMENT PROGRAM.

12 (3) THE STATE DEPARTMENT MAY ALSO CREATE A PROGRAM THAT
13 USES ALTERNATIVE CARE FACILITIES AND ENHANCED ALTERNATIVE CARE
14 SERVICES TO ADDRESS THE NEEDS OF MEDICAID CLIENTS WHO ARE AT RISK
15 OF NURSING HOME PLACEMENT.

16 (4) AS PART OF ITS ANNUAL REPORTING REQUIREMENT, THE STATE
17 DEPARTMENT SHALL SUBMIT A WRITTEN REPORT TO THE JOINT BUDGET
18 COMMITTEE OF THE GENERAL ASSEMBLY, THE HEALTH AND HUMAN
19 SERVICES COMMITTEE OF THE SENATE, OR ANY SUCCESSOR COMMITTEE,
20 AND THE HEALTH AND ENVIRONMENT COMMITTEE OF THE HOUSE OF
21 REPRESENTATIVES, OR ANY SUCCESSOR COMMITTEE, CONCERNING THE
22 DESIGN, IMPLEMENTATION, AND OUTCOME OF ANY PROGRAM CREATED
23 PURSUANT TO SUBSECTIONS (2) OR (3) OF THIS SECTION.

24 (5) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2015.

25 **SECTION 2. Act subject to petition - effective date.** This act
26 takes effect at 12:01 a.m. on the day following the expiration of the
27 ninety-day period after final adjournment of the general assembly (August
28 8, 2012, if adjournment sine die is on May 9, 2012); except that, if a
29 referendum petition is filed pursuant to section 1 (3) of article V of the
30 state constitution against this act or an item, section, or part of this act
31 within such period, then the act, item, section, or part will not take effect
32 unless approved by the people at the general election to be held in
33 November 2012 and, in such case, will take effect on the date of the
34 official declaration of the vote thereon by the governor."

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