# Second Regular Session Sixty-eighth General Assembly STATE OF COLORADO

## **INTRODUCED**

LLS NO. 12-0585.01 Jerry Barry x4341

**SENATE BILL 12-085** 

### SENATE SPONSORSHIP

Mitchell,

## **HOUSE SPONSORSHIP**

(None),

101

**Senate Committees**Health and Human Services

**House Committees** 

#### A BILL FOR AN ACT

#### CONCERNING REDUCTIONS IN GENERAL FUND EXPENDITURES.

## **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.)

Returns eligibility and services in medicaid and the children's basic health plan to the 2006 level by:

- ! Repealing eligibility for certain qualified aliens and their children, certain children in foster care, persons in the medicaid buy-in program, and childless adults;
- ! Lowering the income level for parents of children eligible for medicaid from 100% to 60% of the federal poverty line;

- ! Eliminating 12 months of continuous eligibility for children;
- ! Replacing advanced practice nurses services with nurse-midwife services;
- ! Repealing from the list of optional services eligible for reimbursement under medicaid: Over-the-counter medications; outpatient substance abuse treatment; cervical cancer immunization for females under 20 years of age; screening, brief intervention, and referral to treatment for individuals at risk of substance abuse; and alternative therapies for persons with spinal cord injuries.
- ! Eliminating presumptive eligibility for children and certain persons eligible for long-term care; and
- ! Lowering the income level for eligibility under the children's basic health plan from 250% to 205% of the federal poverty line.

The bill makes conforming amendments.

1 Be it enacted by the General Assembly of the State of Colorado: 2 **SECTION 1.** In Colorado Revised Statutes, 25.5-5-101, amend 3 (4) (c) (II); and **repeal** (2) (b) (II) as follows: 4 25.5-5-101. Mandatory provisions - eligible groups. (2) (b) (II) 5 Notwithstanding the five-year waiting period established in subparagraph 6 (I) of this paragraph (b), but subject to the availability of sufficient 7 appropriations and the receipt of federal financial participation, the state 8 department may provide benefits under this article and articles 4 and 6 of 9 this title to a pregnant woman who is a qualified alien and a child under 10 nineteen years of age who is a qualified alien so long as such woman or 11 child meets eligibility criteria other than citizenship. 12 (4) (c) Subject to the receipt of any necessary federal approval and 13 pursuant to 42 U.S.C. sec. 1396a (r) (2) and 42 U.S.C. sec. 1396u-1 (b) 14 (2) (C), for the groups described in paragraphs (a) to (c) of subsection (1) 15 of this section, the state board shall develop an income- and 16 resource-counting method to replace the method used under the aid to

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1	families with dependent children program pursuant to rules that were in
2	effect on July 16, 1996. The income- and resource-counting method shall
3	be:
4	(II) No less restrictive than the method used to determine
5	eligibility for other covered groups under subsection (1) of this section
6	and sections 25.5-5-201, 25.5-5-204, <del>25.5-5-204.5,</del> and 25.5-5-205.
7	SECTION 2. In Colorado Revised Statutes, 25.5-5-102, amend
8	(1) (j) as follows:
9	25.5-5-102. Basic services for the categorically needy -
10	mandated services. (1) Subject to the provisions of subsection (2) of this
11	section and section 25.5-4-104, the program for the categorically needy
12	shall include the following services as mandated and defined by federal
13	law:
14	(j) Advanced practice nurse NURSE-MIDWIFE services;
15	SECTION 3. In Colorado Revised Statutes, 25.5-5-201, amend
16	(1) (l), (1) (m) (I), and (5) (c) (II); and <b>repeal</b> (1) (n), (1) (o), (1) (p), (1)
17	(q), (1) (r), and (2) (b) as follows:
18	25.5-5-201. Optional provisions - optional groups - repeal.
19	(1) The federal government allows the state to select optional groups to
20	receive medical assistance. Pursuant to federal law, any person who is
21	eligible for medical assistance under the optional groups specified in this
22	section shall receive both the mandatory services specified in sections
23	25.5-5-102 and 25.5-5-103 and the optional services specified in sections
24	25.5-5-202 and 25.5-5-203. Subject to the availability of federal financial
25	aid funds, the following are the individuals or groups that Colorado has
26	selected as optional groups to receive medical assistance pursuant to this
27	article and articles 4 and 6 of this title:

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(l) Children for whom subsidized adoption assistance payments are made by the state pursuant to article 7 of title 26, C.R.S., or foster care maintenance payments are made by the state pursuant to article 5 of title 26, C.R.S., but who do not meet the requirements of Title IV-E of the "Social Security Act", as amended;

(m) (I) (A) Parents of children who are eligible for the medical assistance program or the children's basic health plan, article 8 of this title, whose family income does not exceed a specified percent of the federal poverty line, adjusted for family size, as set by the state board by rule, which percentage shall be not less than one hundred SIXTY percent.

(B) Notwithstanding the provisions of sub-subparagraph (A) of this subparagraph (I), if the moneys in the hospital provider fee cash fund established pursuant to section 25.5-4-402.3 (4), together with the corresponding federal matching funds, are insufficient to fully fund all of the purposes described in section 25.5-4-402.3 (4) (b), after receiving recommendations from the hospital provider fee oversight and advisory board established pursuant to section 25.5-4-402.3 (6), for parents of children eligible for the medical assistance program or the children's basic health plan, the state board by rule adopted pursuant to the provisions of section 25.5-4-402.3 (5) (b) (III) may reduce the medical benefits offered to such parent whose family income exceeds sixty percent of the federal poverty line or reduce the percentage of the federal poverty line to below one hundred percent, but the percentage shall not be reduced to below sixty percent.

(C) Notwithstanding the provisions of sub-subparagraph (A) of this subparagraph (I), until the state department receives federal authorization to increase the percentage of the federal poverty line for

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parents of children eligible for the medical assistance program or the children's basic health plan, the percentage of the federal poverty line shall be not less than sixty percent. Within sixty days after the state department receives authorization to increase the percentage of the federal poverty line, the executive director shall send written notice to the revisor of statutes informing him or her of the authorization. This sub-subparagraph (C) is repealed, effective the July 1 following the receipt of the notice to the revisor of statutes.

- (n) Individuals under the age of twenty-one years eligible for medical assistance pursuant to paragraph (l) of this subsection (1) or section 25.5-5-101 (1) (e) immediately prior to attaining the age of eighteen years or otherwise becoming emancipated.
- (o) (I) Individuals with disabilities who are participating in the medicaid buy-in program established in part 14 of article 6 of this title.

(II) Notwithstanding the provisions of subparagraph (I) of this paragraph (o), if the moneys in the hospital provider fee cash fund established pursuant to section 25.5-4-402.3 (4), together with the corresponding federal matching funds, are insufficient to fully fund all of the purposes described in section 25.5-4-402.3 (4) (b), after receiving recommendations from the hospital provider fee oversight and advisory board established pursuant to section 25.5-4-402.3 (6), for individuals with disabilities who are participating in the medicaid buy-in program established in part 14 of article 6 of this title, the state board by rule adopted pursuant to the provisions of section 25.5-4-402.3 (5) (b) (III) may reduce the medical benefits offered or the percentage of the federal poverty line to below four hundred fifty percent or may eliminate this eligibility group.

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(III) (A) Notwithstanding the provision of subparagraph (I) of this paragraph (o), individuals with disabilities who are participating in the medicaid buy-in program established in part 14 of article 6 of this title shall only be eligible for benefits under the medical assistance program if the state department receives federal authorization for such eligibility.

- (B) Within sixty days after the state department receives authorization to provide medical benefits to individuals with disabilities who are participating in the medicaid buy-in program established in part 14 of article 6 of this title, the executive director shall send written notice to the revisor of statutes informing him or her of the authorization.
- (C) This subparagraph (III) is repealed, effective the July 1 following the receipt of the notice to the revisor of statutes.
- (p) (I) Subject to federal approval, persons over eighteen years of age who are childless or without a dependent child in the home whose family income does not exceed a specified percentage of the federal poverty line, adjusted for family size and as set by the state board by rule, which percentage shall be not less than one hundred percent.
- (II) Notwithstanding the provisions of subparagraph (I) of this paragraph (p), if the moneys in the hospital provider fee cash fund established pursuant to section 25.5-4-402.3 (4), together with the corresponding federal matching funds, are insufficient to fully fund all of the purposes described in section 25.5-4-402.3 (4) (b), after receiving recommendations from the hospital provider fee oversight and advisory board established pursuant to section 25.5-4-402.3 (6), for childless persons or for persons without a dependent child in the home, the state board by rule adopted pursuant to the provisions of section 25.5-4-402.3 (5) (b) (III) may reduce the medical benefits offered or the percentage of

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the federal poverty line to below one hundred percent or may eliminate this eligibility group.

(III) (A) Notwithstanding the provision of subparagraph (I) of this

paragraph (p), persons over eighteen years of age who are childless or without a dependent child in the home shall only be eligible for benefits under the medical assistance program if the state department receives federal authorization for such eligibility.

- (B) Within sixty days after the state department receives authorization to provide medical benefits to persons over eighteen years of age who are childless or without a dependent child in the home, the executive director shall send written notice to the revisor of statutes informing him or her of the authorization.
- (C) This subparagraph (III) is repealed, effective the July 1 following the receipt of the notice to the revisor of statutes.
- (q) Children who are continuously eligible for twelve months pursuant to section 25.5-5-204.5.
- (r) (I) Persons eligible for a medicaid buy-in program established pursuant to section 25.5-5-206 whose family income does not exceed a specified percentage of the federal poverty line, adjusted for family size and as set by the state board by rule, which percentage shall be not more than four hundred fifty percent.
- (II) Notwithstanding the provisions of subparagraph (I) of this paragraph (r), if the moneys in the hospital provider fee cash fund established pursuant to section 25.5-4-402.3 (4), together with the corresponding federal matching funds, are insufficient to fully fund all of the purposes described in section 25.5-4-402.3 (4) (b), after receiving recommendations from the hospital provider fee oversight and advisory

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board established pursuant to section 25.5-4-402.3 (6), for persons eligible for a medicaid buy-in program established pursuant to section 25.5-5-206, the state board by rule adopted pursuant to the provisions of section 25.5-4-402.3 (5) (b) (III) may reduce the medical benefits offered, or the percentage of the federal poverty line, or may eliminate this eligibility group.

(III) (A) Notwithstanding the provision of subparagraph (I) of this paragraph (r), persons eligible for a medicaid buy-in program established pursuant to section 25.5-5-206 shall only be eligible for benefits under the medical assistance program if the state department receives federal authorization for such eligibility.

- (B) Within sixty days after the state department receives authorization to provide medical benefits to persons eligible for a medicaid buy-in program established pursuant to section 25.5-5-206, the executive director shall send written notice to the revisor of statutes informing him or her of the authorization.
- (C) This subparagraph (III) is repealed, effective the July 1 following the receipt of the notice to the revisor of statutes.
- (2) (b) Notwithstanding the five-year waiting period established in paragraph (a) of this subsection (2), but subject to the availability of sufficient appropriations and the receipt of federal financial participation, the state department may provide benefits under this article and articles 4 and 6 of this title to a pregnant woman who is a qualified alien and a child under nineteen years of age who is a qualified alien so long as such woman or child meets eligibility criteria other than citizenship.
- (5) (c) Subject to the receipt of any necessary federal approval and pursuant to 42 U.S.C. sec. 1396a (r) (2) and 42 U.S.C. sec. 1396u-1 (b)

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1	(2) (C), for the groups described in paragraphs (d) and (e) of subsection
2	(1) of this section, the state board shall develop an income- and
3	resource-counting method to replace the method used under the aid to
4	families with dependent children program pursuant to rules that were in
5	effect on July 16, 1996. The income- and resource-counting method shall
6	be:
7	(II) No less restrictive than the method used to determine
8	eligibility for other covered groups under subsection (1) of this section
9	and sections 25.5-5-101, 25.5-5-204, <del>25.5-5-204.5,</del> and 25.5-5-205.
10	SECTION 4. In Colorado Revised Statutes, 25.5-5-202, repeal
11	(1) (a.5), (1) (s), (1) (t), and (1) (u) as follows:
12	25.5-5-202. Basic services for the categorically needy - optional
13	services - repeal. (1) Subject to the provisions of subsection (2) of this
14	section, the following are services for which federal financial
15	participation is available and which Colorado has selected to provide as
16	optional services under the medical assistance program:
17	(a.5) Over-the-counter medications, as specified in section
18	<del>25.5-5-322;</del>
19	(s) (I) Outpatient substance abuse treatment.
20	(II) On or before March 31, 2011, pursuant to section 25.5-5-313
21	(2), if the legislative audit committee adopts a resolution finding that
22	providing outpatient substance abuse treatment has resulted in an overall
23	increase in costs to the medical assistance program, this paragraph (s) is
24	repealed, effective July 1, 2011.
25	(t) Cervical cancer immunization for all females under twenty
26	years of age;
27	(u) (I) Screening, brief intervention, and referral to treatment for

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1 individuals at risk of substance abuse, including referral to the appropriate 2 level of intervention and treatment. 3 (II) Notwithstanding the provisions of subparagraph (I) of this 4 paragraph (u), services relating to screening, brief intervention, and 5 referral to treatment shall not take effect unless all necessary approvals 6 under federal law and regulation have been obtained to receive federal 7 financial participation for the costs of such services. 8 **SECTION 5.** In Colorado Revised Statutes, 25.5-5-204, repeal 9 (2.5) and (2.7) as follows: 10 25.5-5-204. Presumptive eligibility - pregnant women -11 children - long-term care - state plan. (2.5) A child under the age of 12 eighteen years shall be presumptively eligible for the medical assistance 13 program and shall receive services specified by federal law only if a 14 parent or legal guardian of the child declares all pertinent information 15 relating to the criteria of income, assets, and status of the child's family. 16 (2.7) (a) The state department is authorized to seek federal 17 authorization to allow a person who is in need of long-term care, as 18 defined in section 25.5-6-104, to be presumptively eligible for the 19 medical assistance program pursuant to this article and articles 4 and 6 of 20 this title. 21 (b) If the state department receives federal authorization pursuant 22 to paragraph (a) of this subsection (2.7) and sufficient spending authority, 23 a person in need of long-term care shall be presumptively eligible for the 24 medical assistance program if the person or the person's legal 25 representative declares all pertinent information relating to the criteria of 26 income, assets, and immigration status. Such person shall be assessed for 27 the appropriate level of care pursuant to section 25.5-6-104. If required

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1	due to minitations of federal authorization of spending authority, the state
2	department may implement this paragraph (b) as a pilot program rather
3	than statewide.
4	(c) The state department shall make any necessary changes to the
5	state plan and waivers for home- and community-based service programs
6	authorized pursuant to this article and articles 4 and 6 of this title to
7	comply with this subsection (2.7).
8	(d) If it is determined that a recipient was not eligible for medical
9	benefits after the recipient had been determined to be eligible based upon
10	presumptive eligibility, the state department shall not pursue recovery
11	from a county department for the cost of medical services provided to the
12	recipient, and the county department shall not be responsible for any
13	federal error rate sanctions resulting from such determination.
14	SECTION 6. In Colorado Revised Statutes, repeal 25.5-5-204.5.
15	25.5-5-206, 25.5-5-322, and parts 13 and 14 of article 6 of title 25.5.
16	SECTION 7. In Colorado Revised Statutes, 25.5-5-205, amend
17	(3) (d) as follows:
18	25.5-5-205. Baby and kid care program - creation - eligibility.
19	(3) (d) An asset test shall not be applied as a condition of eligibility for
20	a child under this subsection (3). A child under this subsection (3) whose
21	family income does not exceed the applicable level pursuant to paragraph
22	(b) or (c) of this subsection (3) shall be presumptively eligible under this
23	section.
24	SECTION 8. In Colorado Revised Statutes, 25.5-8-103, amend
25	(4) as follows:
26	<b>25.5-8-103. Definitions.</b> As used in this article, unless the context
27	otherwise requires:

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1	(4) "Eligible person" means:
2	(a) (1) A person who is less than nineteen years of age, whose
3	family income does not exceed two hundred fifty FIVE percent of the
4	federal poverty line, adjusted for family size.
5	(II) Notwithstanding the provisions of subparagraph (I) of this
6	paragraph (a), if the moneys in the hospital provider fee cash fund
7	established pursuant to section 25.5-4-402.3 (4), together with the
8	corresponding federal matching funds, are insufficient to fully fund all of
9	the purposes described in section 25.5-4-402.3 (4) (b), after receiving
10	recommendations from the hospital provider fee oversight and advisory
11	board established pursuant to section 25.5-4-402.3 (6), for persons less
12	than nineteen years of age, the state board may by rule adopted pursuant
13	to the provisions of section 25.5-4-402.3 (5) (b) (III) reduce the
14	percentage of the federal poverty line to below two hundred fifty percent,
15	but the percentage shall not be reduced to below two hundred five
16	<del>percent.</del>
17	(HI) (A) Notwithstanding the provisions of subparagraph (I) of
18	this paragraph (a), until the state department receives federal
19	authorization to increase the percentage of the federal poverty line for a
20	person who is less than nineteen years of age, the percentage of the
21	federal poverty line shall not exceed two hundred five percent.
22	(B) Within sixty days after the state department receives
23	authorization to increase the percentage of the federal poverty line, the
24	executive director shall send written notice to the revisor of statutes
25	informing him or her of the authorization.

(C) This subparagraph (III) is repealed, effective the July 1

following the receipt of the notice to the revisor of statutes.

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1	(b) (I) A pregnant woman whose family income does not exceed
2	two hundred fifty FIVE percent of the federal poverty line, adjusted for
3	family size, and who is not eligible for medicaid.
4	(II) Notwithstanding the provisions of subparagraph (I) of this
5	paragraph (b), if the moneys in the hospital provider fee cash fund
6	established pursuant to section 25.5-4-402.3 (4), together with the
7	corresponding federal matching funds, are insufficient to fully fund all of
8	the purposes described in section 25.5-4-402.3 (4) (b), after receiving
9	recommendations from the hospital provider fee oversight and advisory
10	board established pursuant to section 25.5-4-402.3 (6), for pregnant
11	women, the state board by rule adopted pursuant to the provisions of
12	section 25.5-4-402.3 (5) (b) (III) may reduce the percentage of the federal
13	poverty line to below two hundred fifty percent, but the percentage shall
14	not be reduced to below two hundred five percent.
15	(III) (A) Notwithstanding the provisions of subparagraph (I) of
16	this paragraph (b), until the state department receives authorization to
17	increase the percentage of the federal poverty line for a person who is less
18	than nineteen years of age, the percentage of the federal poverty line shall
19	not exceed two hundred five percent.
20	(B) Within sixty days after the state department receives
21	authorization to increase the percentage of the federal poverty line, the
22	executive director shall send written notice to the revisor of statutes
23	informing him or her of the authorization.
24	(C) This subparagraph (III) is repealed, effective the July 1
25	following the receipt of the notice to the revisor of statutes.
26	SECTION 9. In Colorado Revised Statutes, 12-22-102, amend
27	(23.6) as follows:

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1	12-22-102. <b>Definitions.</b> As used in this part 1, unless the context
2	otherwise requires:
3	(23.6) "Pharmaceutical care" means the provision of drug therapy
4	and other pharmaceutical patient care services by a pharmacist intended
5	to achieve outcomes related to the cure or prevention of a disease,
6	elimination or reduction of a patient's symptoms, or arresting or slowing
7	of a disease process. In addition to the preparation, dispensing, and
8	distribution of medications, "pharmaceutical care" may include
9	assessment and evaluation of the patient's medication related needs and
10	development and communication of a therapeutic plan with defined
11	outcomes in consultation with the patient and the patient's other health
12	care professionals to attain the desired outcome. This function includes
13	efforts to prevent, detect, and resolve medication related problems for
14	individual patients. "Pharmaceutical care" does not include prescriptive
15	authority. except that a pharmacist may prescribe only over-the-counter
16	medications to a recipient under the "Colorado Medical Assistance Act"
17	as authorized pursuant to section 25.5-5-322, C.R.S.
18	SECTION 10. In Colorado Revised Statutes, 12-43.3-104,
19	amend (7) as follows:
20	12-43.3-104. Definitions. As used in this article, unless the
21	context otherwise requires:
22	(7) "Medical marijuana" means marijuana that is grown and sold
23	pursuant to the provisions of this article and for a purpose authorized by
24	section 14 of article XVIII of the state constitution but shall not be
25	considered a nonprescription drug for purposes of section 12-22-102 (20)
26	or section 39-26-717, C.R.S. or an over-the-counter medication for
27	purposes of section 25.5-5-322, C.R.S.

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1	SECTION 11. In Colorado Revised Statutes, 24-22-117, repeal
2	(2) (a) (II) (I) as follows:
3	24-22-117. Tobacco tax cash fund - accounts - creation -
4	<b>legislative declaration - repeal.</b> (2) There are hereby created in the state
5	treasury the following funds:
6	(a) (II) Except as provided in subparagraph (III) of this paragraph
7	(a), for fiscal year 2005-06 and each fiscal year thereafter, moneys in the
8	health care expansion fund shall be annually appropriated by the general
9	assembly to the department of health care policy and financing for the
10	following purposes:
11	(I) To provide funding for extending medicaid eligibility for
12	persons who are in the foster care system immediately prior to
13	emancipation, as set forth in section 25.5-5-201 (1) (n), C.R.S.
14	SECTION 12. In Colorado Revised Statutes, 39-26-123, amend
15	(6) (b) as follows:
16	39-26-123. Receipts - disposition - transfers of general fund
17	$\textbf{surplus - sales tax holding fund - creation - definitions.} \ (6) \ (b) \ (I) \ \ \Theta \\ \textbf{ne}$
18	half ALL of the moneys described in paragraph (a) of this subsection (6)
19	shall be appropriated to the department of human services to be used for
20	the circle program that provides intensive inpatient treatment for adults
21	who suffer from co-occurring disorders at the Colorado mental health
22	institute at Pueblo.
23	(II) One half of the moneys described in paragraph (a) of this
24	subsection (6) shall be appropriated to the department of health care
25	policy and financing for screening, brief intervention, and referral to
26	treatment for individuals at risk of substance abuse pursuant to section
27	<del>25.5-5-202 (1) (u), C.R.S.</del>

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- 1 **SECTION 13. Safety clause.** The general assembly hereby finds,
- determines, and declares that this act is necessary for the immediate
- 3 preservation of the public peace, health, and safety.

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