

First Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO

ENGROSSED

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

LLS NO. 13-0038.01 Brita Darling x2241

SENATE BILL 13-200

SENATE SPONSORSHIP

Aguilar, Kefalas

HOUSE SPONSORSHIP

Ferrandino,

Senate Committees

Health & Human Services
Appropriations

House Committees

A BILL FOR AN ACT

101 **CONCERNING AN INCREASE IN THE INCOME ELIGIBILITY FOR CERTAIN**
102 **OPTIONAL GROUPS IN THE MEDICAID PROGRAM TO ONE**
103 **HUNDRED THIRTY-THREE PERCENT OF THE FEDERAL POVERTY**
104 **LINE, AND, IN CONNECTION THEREWITH, MAKING AND REDUCING**
105 **AN APPROPRIATION.**

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>.)

Under current law, moneys in the hospital provider fee cash fund

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.

SENATE
Amended 2nd Reading
April 12, 2013

may be used to increase, up to 100% of the federal poverty line (FPL), the medicaid eligibility income level for parents of children who are eligible for medicaid and for childless adults or adults without a dependent child in the home. The bill allows moneys in the hospital provider fee cash fund to be used to increase the income eligibility for parents and caretaker relatives of medicaid children from 61% to 133% of FPL and to increase the income eligibility for childless adults or adults without a dependent child to up to 133% of FPL.

In addition, to implement the federal Affordable Care Act, the bill amends the optional eligibility groups in Colorado's medicaid program to increase the income eligibility levels for parents and caretaker relatives of medicaid children from 100% to 133% of FPL and for childless adults or adults without dependent children as described in federal law to 133% of FPL.

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

2 **SECTION 1.** In Colorado Revised Statutes, 25.5-4-402.3, **amend**

3 (4) (b) (IV) (A) and (4) (b) (IV) (C) as follows:

4 **25.5-4-402.3. Providers - hospital - provider fees - legislative**
5 **declaration - federal waiver - fund created - rules - advisory board -**

6 **repeal.** (4) (b) All moneys in the fund shall be subject to federal
7 matching as authorized under federal law and subject to annual
8 appropriation by the general assembly for the following purposes:

9 (IV) Subject to available revenue from the provider fee and
10 federal matching funds, to expand eligibility for public medical assistance
11 by:

12 (A) Increasing the eligibility level for parents AND CARETAKER
13 RELATIVES of children who are eligible for medical assistance ~~or the~~
14 ~~children's basic health plan~~ PURSUANT TO SECTION 25.5-5-201 (1) (m),
15 FROM SIXTY-ONE PERCENT to ~~up to~~ one hundred THIRTY-THREE percent of
16 the federal poverty line;

17 (C) Providing eligibility under the state medical assistance

1 program for a childless adult or an adult without a dependent child in the
2 home PURSUANT TO SECTION 25.5-5-201 (1) (p), who earns up to one
3 hundred THIRTY-THREE percent of the federal poverty line;

4 **SECTION 2.** In Colorado Revised Statutes, 25.5-5-201, **amend**
5 (1) (m), and (1) (p) as follows:

6 **25.5-5-201. Optional provisions - optional groups - repeal.**

7 (1) The federal government allows the state to select optional groups to
8 receive medical assistance. Pursuant to federal law, any person who is
9 eligible for medical assistance under the optional groups specified in this
10 section shall receive both the mandatory services specified in sections
11 25.5-5-102 and 25.5-5-103 and the optional services specified in sections
12 25.5-5-202 and 25.5-5-203. Subject to the availability of federal financial
13 aid funds, the following are the individuals or groups that Colorado has
14 selected as optional groups to receive medical assistance pursuant to this
15 article and articles 4 and 6 of this title:

16 (m) ~~(F)(A)~~ Parents AND CARETAKER RELATIVES of children who
17 are eligible for the medical assistance program ~~or the children's basic~~
18 ~~health plan, article 8 of this title,~~ whose family income does not exceed
19 ~~a specified~~ ONE HUNDRED THIRTY-THREE percent of the federal poverty
20 line, adjusted for family size. ~~as set by the state board by rule, which~~
21 ~~percentage shall be not less than one hundred percent.~~

22 ~~(B) Notwithstanding the provisions of sub-subparagraph (A) of~~
23 ~~this subparagraph (F), if the moneys in the hospital provider fee cash fund~~
24 ~~established pursuant to section 25.5-4-402.3 (4), together with the~~
25 ~~corresponding federal matching funds, are insufficient to fully fund all of~~
26 ~~the purposes described in section 25.5-4-402.3 (4) (b), after receiving~~
27 ~~recommendations from the hospital provider fee oversight and advisory~~

1 board established pursuant to section 25.5-4-402.3 (6), for parents of
2 children eligible for the medical assistance program or the children's basic
3 health plan, the state board by rule adopted pursuant to the provisions of
4 section 25.5-4-402.3 (5) (b) (III) may reduce the medical benefits offered
5 to such parent whose family income exceeds sixty percent of the federal
6 poverty line or reduce the percentage of the federal poverty line to below
7 one hundred percent, but the percentage shall not be reduced to below
8 sixty percent.

9 (C) Notwithstanding the provisions of sub-subparagraph (A) of
10 this subparagraph (I), until the state department receives federal
11 authorization to increase the percentage of the federal poverty line for
12 parents of children eligible for the medical assistance program or the
13 children's basic health plan, the percentage of the federal poverty line
14 shall be not less than sixty percent. Within sixty days after the state
15 department receives authorization to increase the percentage of the
16 federal poverty line, the executive director shall send written notice to the
17 revisor of statutes informing him or her of the authorization. This
18 sub-subparagraph (C) is repealed, effective the July 1 following the
19 receipt of the notice to the revisor of statutes.

20 (H) Repealed.

21 (p) (F) Subject to federal approval, persons over eighteen years of
22 age ADULTS who are childless or without a dependent child in the home,
23 AS DESCRIBED IN SECTION 1902 (a) (10) (A) (i) (VIII) OF THE SOCIAL
24 SECURITY ACT, 42 U.S.C. SEC 1396a, WHO HAVE ATTAINED NINETEEN
25 YEARS OF AGE BUT HAVE NOT ATTAINED SIXTY-FIVE YEARS OF AGE, and
26 whose family income does not exceed a specified percentage ONE
27 HUNDRED THIRTY-THREE PERCENT of the federal poverty line, adjusted for

1 family size. and as set by the state board by rule, which percentage shall
2 be not less than one hundred percent.

3 ~~(H) Notwithstanding the provisions of subparagraph (I) of this~~
4 ~~paragraph (p), if the moneys in the hospital provider fee cash fund~~
5 ~~established pursuant to section 25.5-4-402.3 (4), together with the~~
6 ~~corresponding federal matching funds, are insufficient to fully fund all of~~
7 ~~the purposes described in section 25.5-4-402.3 (4) (b), after receiving~~
8 ~~recommendations from the hospital provider fee oversight and advisory~~
9 ~~board established pursuant to section 25.5-4-402.3 (6), for childless~~
10 ~~persons or for persons without a dependent child in the home, the state~~
11 ~~board by rule adopted pursuant to the provisions of section 25.5-4-402.3~~
12 ~~(5) (b) (HH) may reduce the medical benefits offered or the percentage of~~
13 ~~the federal poverty line to below one hundred percent or may eliminate~~
14 ~~this eligibility group.~~

15 ~~(HH) Repealed.~~

16 **SECTION 3. Appropriation - adjustments to 2013 long bill.**

17 (1) In addition to any other appropriation, there is hereby appropriated to
18 the department of health care policy and financing, for the fiscal year
19 beginning July 1, 2013, the sum of \$1,752,297 and 17.4 FTE, or so much
20 thereof as may be necessary, comprised of \$876,150 from the hospital
21 provider fee cash fund created in section 25.5-4-402.3 (4), Colorado
22 Revised Statutes and \$876,147 from federal funds, to be allocated to the
23 executive director's office for general administration for the
24 implementation of this act as follows:

25 (a) \$1,105,847 and 17.4 FTE for personal services;

26 (b) \$115,368 for health, life, and dental;

27 (c) \$1,883 for short-term disability;

1 (d) \$35,672 for S.B. 04-257 amortization equalization
2 disbursement;

3 (e) \$32,204 for S.B. 06-235 supplemental amortization
4 equalization disbursement;

5 (f) \$146,190 for operating expenses;

6 (g) \$24,910 for the purchase of legal services;

7 (h) \$12,122 for the purchase of administrative law judge services;

8 (i) \$78,101 for leased space; and

9 (j) \$200,000 for general professional services and special
10 projects.

11 (2) In addition to any other appropriation, there is hereby
12 appropriated to the department of health care policy and financing, for the
13 fiscal year beginning July 1, 2013 the sum of \$1,554,374, or so much
14 thereof as may be necessary, to be allocated to the executive director's
15 office for information technology contracts for the implementation of this
16 act as follows:

17 (a) \$201,600, comprised of \$100,800 from the hospital provider
18 fee cash fund created in section 25.5-4-402.3 (4), Colorado Revised
19 Statutes and \$100,800 from federal funds, for medicaid management
20 information system maintenance and projects;

21 (b) \$595,214, comprised of \$297,607 from the hospital provider
22 fee cash fund created in section 25.5-4-402.3 (4), Colorado Revised
23 Statutes and \$297,607 from federal funds, for the centralized eligibility
24 vendor; and

25 (c) \$757,560, comprised of \$378,780 from the hospital provider
26 fee cash fund created in section 25.5-4-402.3 (4), Colorado Revised
27 Statutes and \$378,780 from federal funds, for the Colorado benefits

1 management system modernization project.

2 (3) In addition to any other appropriation, there is hereby
3 appropriated to the department of health care policy and financing, for the
4 fiscal year beginning July 1, 2013 the sum of \$2,883,599, or so much
5 thereof as may be necessary, to be allocated to the executive director's
6 office for eligibility determinations and client services for the
7 implementation of this act as follows:

8 (a) \$11,017, comprised of \$197 from the general fund, \$5,312
9 from the hospital provider fee cash fund created in section 25.5-4-402.3
10 (4), Colorado Revised Statutes, and \$5,508 from federal funds, for
11 medical identification cards;

12 (b) \$1,537,200, comprised of \$768,600 from the hospital provider
13 fee cash fund created in section 25.5-4-402.3 (4), Colorado Revised
14 Statutes and \$768,600 from federal funds, for contracts for special
15 eligibility determinations;

16 (c) \$104,712, comprised of \$31,414 from the general fund,
17 \$20,942 from local funds, and \$52,356 from federal funds, for county
18 administration;

19 (d) \$1,023,453, comprised of \$451,727 from the hospital provider
20 fee cash fund created in section 25.5-4-402.3 (4), Colorado Revised
21 Statutes and \$571,726 from federal funds for hospital provider fee county
22 administration costs; and

23 (e) \$207,217, comprised of \$4,132 from the general fund, \$99,477
24 from the hospital provider fee cash fund created in section 25.5-4-402.3
25 (4), Colorado Revised Statutes, and \$103,608 from federal funds for
26 customer outreach.

27 (4) For the implementation of this act, appropriations made in the

1 annual general appropriation act to the department of health care policy
2 and financing for the fiscal year beginning July 1, 2013, for medical
3 service premiums are adjusted as follows:

4 (a) The general fund appropriation is decreased by \$934,367;

5 (b) The cash funds appropriation from the hospital provider fee
6 cash fund created in section 25.5-4-402.3 (4), Colorado Revised Statutes,
7 is decreased by \$138,501,252;

8 (c) The cash funds appropriation from the old age pension health
9 and medical care fund created in section 7 (c) of Article XXIV of the
10 Colorado constitution is increased by \$1,745,639; and

11 (d) The federal funds appropriation is increased by \$412,433,097.

12 (5) For the implementation of this act, appropriations made in the
13 annual general appropriation act to the department of health care policy
14 and financing for the fiscal year beginning July 1, 2013, for behavioral
15 health community programs for behavioral health capitation payments are
16 adjusted as follows:

17 (a) The general fund appropriation is increased \$76,907;

18 (b) The appropriation from the hospital provider fee cash fund
19 created in section 25.5-4-402.3 (4), Colorado Revised Statutes, is
20 decreased by \$19,260,944; and

21 (c) The federal funds appropriation is increased by \$52,601,870.

22 (6) In addition to any other appropriation, there is hereby
23 appropriated, to the department of health care policy and financing, for
24 the fiscal year beginning July 1, 2013, the sum of \$2,007,812, or so much
25 thereof as may be necessary, for allocation to the indigent care program
26 for children's basic health plan medical and dental costs related to the
27 implementation of this act. Of said sum, \$694,706 is from the general

1 fund, \$22,938 is from the children's basic health plan trust created in
2 section 25.5-8-105 (1), Colorado Revised Statutes, and \$1,290,168 is
3 from federal funds.

4 (7) For the implementation of this act, appropriations made in the
5 annual general appropriation act to the department of health care policy
6 and financing for the fiscal year beginning July 1, 2013, for other medical
7 services are adjusted as follows:

8 (a) The cash funds appropriation from the old age pension health
9 and medical care fund created in section 7 (c) of Article XXIV of the
10 Colorado constitution is decreased by \$1,745,639, for the old age pension
11 state medical program.

12 **SECTION 4. Appropriation - adjustments to 2013 long bill.**

13 (1) In addition to any other appropriation, there is hereby appropriated,
14 out of any moneys in the general fund not otherwise appropriated, to the
15 department of corrections, for the fiscal year beginning July 1, 2013, the
16 sum of \$28,249 and 0.4 FTE, or so much thereof as may be necessary, to
17 be allocated to management for the executive director's office subprogram
18 for the implementation of this act as follows:

19 (a) \$23,546 and 0.4 FTE for personal services; and

20 (b) \$4,703 for operating expenses.

21 (2) For the implementation of this act, appropriations made in the
22 annual general appropriation act to the department of corrections for the
23 fiscal year beginning July 1, 2013, for institutions for the medical services
24 subprogram are adjusted as follows:

25 (a) The general fund appropriation for purchase of medical
26 services from other medical facilities is decreased by \$950,000; and

27 (b) The general fund appropriation for catastrophic medical

1 expenses is decreased by \$1,550,000.

2 **SECTION 5. Appropriation - adjustments to 2013 long bill.**

3 (1) For the implementation of this act, appropriations made in the annual
4 general appropriation act to the department of human services for the
5 fiscal year beginning July 1, 2013, for behavioral health services for
6 mental health community programs are adjusted as follows:

7 (a) The general fund appropriation for mental health services for
8 the medically indigent is decreased by \$651,875.

9 **SECTION 6. Appropriation.** In addition to any other
10 appropriation, there is hereby appropriated to the department of law, for
11 the fiscal year beginning July 1, 2013, the sum of \$24,910, or so much
12 thereof as may be necessary, for the provision of legal services for the
13 department of health care policy and financing related to the
14 implementation of this act. Said sum is from reappropriated funds
15 received from the department of health care policy and financing out of
16 the appropriation made in paragraph (g) of subsection (1) as contained in
17 section 3 of this act.

18 **SECTION 7. Appropriation.** In addition to any other
19 appropriation, there is hereby appropriated to the department of
20 personnel, for the fiscal year beginning July 1, 2013, the sum of \$12,122,
21 or so much thereof as may be necessary, for the provision of
22 administrative law judge services for the department of health care policy
23 and financing related to the implementation of this act. Said sum is from
24 reappropriated funds received from the department of health care policy
25 and financing out of the appropriation made in paragraph (h) of
26 subsection (1) as contained in section 3 of this act.

27 **SECTION 8. Safety clause.** The general assembly hereby finds,

- 1 determines, and declares that this act is necessary for the immediate
- 2 preservation of the public peace, health, and safety.