

First Regular Session  
Sixty-ninth General Assembly  
STATE OF COLORADO

**REREVISED**

*This Version Includes All Amendments  
Adopted in the Second House*

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**

Public Health Care & Human Services  
Appropriations

**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.*

HOUSE  
3rd Reading Unamended  
April 26, 2013

HOUSE  
Amended 2nd Reading  
April 25, 2013

SENATE  
3rd Reading Unamended  
April 15, 2013

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.

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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 \$1,869,658 and 19.0 FTE, or so much  
20 thereof as may be necessary, comprised of \$934,830 from the hospital  
21 provider fee cash fund created in section 25.5-4-402.3 (4), Colorado  
22 Revised Statutes, and \$934,828 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) \$1,206,378 and 19.0 FTE for personal services;
- 26 (b) \$125,856 for health, life, and dental;
- 27 (c) \$2,054 for short-term disability;

1 (d) \$38,915 for S.B. 04-257 amortization equalization  
2 disbursement;

3 (e) \$35,132 for S.B. 06-235 supplemental amortization  
4 equalization disbursement;

5

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

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

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

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

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

1 (4) In addition to any other appropriation, there is hereby  
2 appropriated to the department of health care policy and financing, for the  
3 fiscal year beginning July 1, 2013, the sum of \$410,502, or so much  
4 thereof as may be necessary, for allocation to the executive director's  
5 office for utilization and quality review contracts related to the  
6 implementation of this act. Of said sum, \$3,802 is from the general fund,  
7 \$102,762 is from the hospital provider fee cash fund created in section  
8 25.5-4-402.3 (4), Colorado Revised Statutes, and \$303,938 is from  
9 federal funds.

10 (5) For the implementation of this act, appropriations made in the  
11 annual general appropriation act to the department of health care policy  
12 and financing for the fiscal year beginning July 1, 2013, for medical  
13 service premiums are adjusted as follows:

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

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

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

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

22 (6) For the implementation of this act, appropriations made in the  
23 annual general appropriation act to the department of health care policy  
24 and financing for the fiscal year beginning July 1, 2013, for behavioral  
25 health community programs for behavioral health capitation payments are  
26 adjusted as follows:

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



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

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

5           (7) In addition to any other appropriation, there is hereby  
6 appropriated, to the department of health care policy and financing, for  
7 the fiscal year beginning July 1, 2013, the sum of \$2,007,812, or so much  
8 thereof as may be necessary, for allocation to the indigent care program  
9 for children's basic health plan medical and dental costs related to the  
10 implementation of this act. Of said sum, \$694,706 is from the general  
11 fund, \$22,938 is from the children's basic health plan trust created in  
12 section 25.5-8-105 (1), Colorado Revised Statutes, and \$1,290,168 is  
13 from federal funds.

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

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

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

23           (1) In addition to any other appropriation, there is hereby appropriated,  
24 out of any moneys in the general fund not otherwise appropriated, to the  
25 department of corrections, for the fiscal year beginning July 1, 2013, the  
26 sum of \$28,249 and 0.4 FTE, or so much thereof as may be necessary, to  
27 be allocated to management for the executive director's office subprogram

1 for the implementation of this act as follows:

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

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

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

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

10 (b) The general fund appropriation for catastrophic medical  
11 expenses is decreased by \$1,550,000.

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

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

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

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

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

10           **SECTION 8. Safety clause.** The general assembly hereby finds,  
11 determines, and declares that this act is necessary for the immediate  
12 preservation of the public peace, health, and safety.