

First Regular Session
Sixty-ninth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 13-0401.01 Brita Darling x2241

HOUSE BILL 13-1068

HOUSE SPONSORSHIP

Young,

SENATE SPONSORSHIP

Roberts,

House Committees
Public Health Care & Human Services

Senate Committees

A BILL FOR AN ACT

101 CONCERNING ON-SITE INSPECTIONS OF MEDICAID PROVIDERS.

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>.)

Currently, state law requires the department of health care policy and financing (department) to provide advance notice to a medicaid provider of a review or audit of the provider.

Federal law requires that the department require a provider to permit the department or its contractors and the federal medicaid agency or its agent to conduct on-site inspections of provider locations, unannounced and without advance notice to the provider, for purposes of

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.

ensuring the accuracy of records and compliance with federal and state medicaid requirements. The bill amends the statute to allow for unannounced inspections of medicaid providers.

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

2 **SECTION 1.** In Colorado Revised Statutes, 25.5-4-301, **amend**
3 (3) (a) (IV) as follows:

4 **25.5-4-301. Recoveries - overpayments - penalties - interest -**
5 **adjustments - liens - review or audit procedures.** (3) (a) A review or
6 audit of a provider shall be subject to the following procedures:

7 (IV) (A) The reviewer or auditor shall initiate each review or audit
8 requiring an inspection of the provider's records by delivering to the
9 provider not less than ten business days prior to the commencement of the
10 audit a written request describing in detail such records and offering the
11 provider the option of providing either a reproduction of such records or
12 inspection by the reviewer or auditor at the provider's site. The request
13 shall also clearly define milestone dates pertaining to records' requested
14 due dates, permissible extensions of dates, the timelines for informal
15 reconsideration, and deadlines for requesting a formal appeal. The records
16 subject to the request shall be limited to records directly related to claims
17 for reimbursement submitted by the provider. In the event such records
18 are available from a county department of social services or another
19 agency, subdivision, or contractor of the state, the reviewer or auditor
20 shall request such records from such other agencies as may be appropriate
21 prior to making a request to the provider. The reviewer or auditor shall
22 conduct on-site inspections at reasonable times during regular business
23 hours, and the reviewer or auditor shall make arrangements necessary for
24 the reproduction of such records on site. If the provider chooses to

1 provide a reproduction of the records requested by the reviewer or auditor
2 instead of on-site inspection, the reviewer or auditor shall give the
3 provider a reasonable period of time, that shall be not less than forty-five
4 days, to provide such records taking into account the scope of the request,
5 the time frame covered, and the reproduction arrangements available to
6 the provider.

7 (B) NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO THE
8 CONTRARY, A PROVIDER SHALL PERMIT THE CENTERS FOR MEDICARE AND
9 MEDICAID SERVICES OR ITS AGENT OR DESIGNATED CONTRACTORS AND
10 THE STATE DEPARTMENT OR ITS CONTRACTORS TO CONDUCT ON-SITE
11 INSPECTIONS OF ANY AND ALL PROVIDER SITES, UNANNOUNCED AND
12 WITHOUT ADVANCE NOTICE TO THE PROVIDER, FOR THE PURPOSE OF
13 CONDUCTING AN AUDIT OR REVIEW OR TO ENSURE COMPLIANCE WITH
14 FEDERAL AND STATE REQUIREMENTS.

15 **SECTION 2. Safety clause.** The general assembly hereby finds,
16 determines, and declares that this act is necessary for the immediate
17 preservation of the public peace, health, and safety.