

**First Regular Session
Sixty-seventh General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 09-0847.01 Jerry Barry

HOUSE BILL 09-1293

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A BILL FOR AN ACT

101 **CONCERNING A HOSPITAL PROVIDER FEE, AND, IN CONNECTION**
102 **THEREWITH, AUTHORIZING THE DEPARTMENT OF HEALTH CARE**
103 **POLICY AND FINANCING TO CHARGE AND COLLECT A HOSPITAL**
104 **PROVIDER FEE AND SPECIFYING THE ALLOWABLE USES OF THE**
105 **FEES.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments that may be subsequently adopted.)

Authorizes the department of health care policy and financing (department) to charge and collect from licensed or certified hospitals a hospital provider fee (fee). Authorizes the medical services board to

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.

establish the amount of the fee that shall not exceed the federal limit and to promulgate rules governing the administration and collection of the fee. Specifies that the fee shall:

- ! Supplement and not supplant existing general fund appropriations to hospital providers unless payments to other medicaid providers are reduced;
- ! Be used for increasing reimbursements to hospitals under medicaid and the Colorado indigent care program, expanding eligibility for medicaid and the children's basic health plan (CHP+), and paying the costs of the department in administering the fee;
- ! Be returned if the federal government does not approve the fee; and
- ! Cease if the federal government no longer provides matching federal funds for the fee.

Establishes the hospital provider fee oversight and advisory board (board) to make recommendations to the department concerning the amount of the fee, procedures for collecting the fee, and changes to the eligibility requirements for assistance if moneys from the fee are insufficient to pay for all of the proposed eligibility expansions. Specifies membership of the board. Directs the board to report annually to specified committees of the general assembly, the governor, and the medical services board.

Establishes an additional hospital reimbursement based upon a hospital's performance in providing improved health outcomes for recipients.

Subject to sufficient moneys being received from the fee and the matching federal funds:

- ! Expands eligibility for medicaid to:
 - ! Parents of children eligible for medical assistance or CHP+ to up to 100% of the federal poverty level;
 - ! Disabled individuals participating in a medicaid buy-in program to up to 400% of the federal poverty level; and
 - ! Childless adults or adults without a dependent child in the home to up to 100% of the federal poverty level subject to federal authorization.
- ! Provides for continuous eligibility in medicaid for children for 12 months.
- ! Expands eligibility for children and pregnant women under CHP+ to up to 250% of the federal poverty level.

Directs that if moneys are insufficient to fully fund the proposed eligibility expansions, the state board, subject to the approval of the joint budget committee, by rule may reduce the medical benefits offered or reduce the eligibility levels, but the state board may not reduce the

eligibility levels below the current levels. Provides that any rule reducing medical benefits or eligibility expires on the following May 15 unless the general assembly acts by bill to extend the rule.

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

2 **SECTION 1.** Part 4 of article 4 of title 25.5, Colorado Revised
3 Statutes, is amended BY THE ADDITION OF A NEW SECTION to
4 read:

5 **25.5-4-402.3. Providers - hospital - provider fees - legislative**
6 **declaration - federal waiver - fund created - rules - advisory board -**
7 **repeal.** (1) **Short title.** THIS SECTION SHALL BE KNOWN AND MAY BE
8 CITED AS THE "HEALTH CARE AFFORDABILITY ACT OF 2009".

9 (2) **Legislative declaration.** THE GENERAL ASSEMBLY HEREBY
10 FINDS AND DECLARES THAT:

11 (a) THE STATE AND THE PROVIDERS OF PUBLICLY FUNDED MEDICAL
12 SERVICES, AND HOSPITAL PROVIDERS IN PARTICULAR, SHARE A COMMON
13 COMMITMENT TO COMPREHENSIVE HEALTH CARE REFORM;

14 (b) HOSPITAL PROVIDERS WITHIN THE STATE INCUR SIGNIFICANT
15 COSTS BY PROVIDING UNCOMPENSATED EMERGENCY DEPARTMENT CARE
16 AND OTHER UNCOMPENSATED MEDICAL SERVICES TO LOW-INCOME AND
17 UNINSURED POPULATIONS; AND

18 (c) THIS SECTION IS ENACTED AS PART OF A COMPREHENSIVE
19 HEALTH CARE REFORM AND IS INTENDED TO PROVIDE THE FOLLOWING
20 STATE SERVICES AND BENEFITS:

21 (I) PROVIDING A PAYER SOURCE FOR SOME LOW-INCOME AND
22 UNINSURED POPULATIONS WHO MAY OTHERWISE BE CARED FOR IN
23 EMERGENCY DEPARTMENTS AND OTHER SETTINGS IN WHICH
24 UNCOMPENSATED CARE IS PROVIDED;

1 (II) REDUCING THE UNDERPAYMENT TO COLORADO HOSPITALS
2 PARTICIPATING IN PUBLICLY FUNDED HEALTH INSURANCE PROGRAMS;

3 (III) REDUCING THE NUMBER OF PERSONS IN COLORADO WHO ARE
4 WITHOUT HEALTH CARE BENEFITS;

5 (IV) REDUCING THE NEED OF HEALTH CARE PROVIDERS TO SHIFT
6 THE COST OF PROVIDING UNCOMPENSATED CARE TO OTHER PAYERS; AND

7 (V) EXPANDING ACCESS TO HIGH-QUALITY, AFFORDABLE HEALTH
8 CARE FOR LOW-INCOME AND UNINSURED POPULATIONS.

9 (3) **Hospital provider fee.** (a) BEGINNING WITH THE FISCAL YEAR
10 COMMENCING JULY 1, 2009, AND EACH FISCAL YEAR THEREAFTER, THE
11 STATE DEPARTMENT IS AUTHORIZED TO CHARGE AND COLLECT HOSPITAL
12 PROVIDER FEES, AS DESCRIBED IN 42 CFR 433.68 (b), ON OUTPATIENT AND
13 INPATIENT SERVICES PROVIDED BY ALL LICENSED OR CERTIFIED HOSPITALS,
14 REFERRED TO IN THIS SECTION AS "HOSPITALS", FOR THE PURPOSE OF
15 OBTAINING FEDERAL FINANCIAL PARTICIPATION UNDER THE STATE
16 MEDICAL ASSISTANCE PROGRAM AS DESCRIBED IN THIS ARTICLE AND
17 ARTICLES 5 AND 6 OF THIS TITLE, REFERRED TO IN THIS SECTION AS THE
18 STATE MEDICAL ASSISTANCE PROGRAM, AND THE COLORADO INDIGENT
19 CARE PROGRAM DESCRIBED IN PART 1 OF ARTICLE 3 OF THIS TITLE,
20 REFERRED TO IN THIS SECTION AS THE "COLORADO INDIGENT CARE
21 PROGRAM". THE HOSPITAL PROVIDER FEES SHALL BE USED TO:

22 (I) INCREASE REIMBURSEMENT TO HOSPITALS FOR PROVIDING
23 MEDICAL CARE UNDER:

24 (A) THE STATE MEDICAL ASSISTANCE PROGRAM; AND

25 (B) THE COLORADO INDIGENT CARE PROGRAM;

26 (II) INCREASE THE NUMBER OF PERSONS COVERED BY PUBLIC
27 MEDICAL ASSISTANCE; AND

1 (III) PAY THE ADMINISTRATIVE COSTS TO THE STATE DEPARTMENT
2 IN IMPLEMENTING AND ADMINISTERING THIS SECTION.

3 (b) THE PROVIDER FEES SHALL BE ASSESSED PURSUANT TO RULES
4 ADOPTED BY THE STATE BOARD, PURSUANT TO SECTION 24-4-103, C.R.S.
5 THE AMOUNT OF THE FEE SHALL BE ESTABLISHED BY RULE OF THE STATE
6 BOARD BUT SHALL NOT EXCEED THE FEDERAL LIMIT FOR SUCH FEES. IN
7 ESTABLISHING THE AMOUNT OF THE FEE AND IN PROMULGATING THE RULES
8 GOVERNING THE FEE, THE STATE BOARD SHALL:

9 (I) CONSIDER RECOMMENDATIONS OF THE HOSPITAL PROVIDER FEE
10 OVERSIGHT AND ADVISORY BOARD ESTABLISHED PURSUANT TO
11 SUBSECTION (6) OF THIS SECTION;

12 (II) ESTABLISH THE AMOUNT OF THE PROVIDER FEE SO THAT THE
13 AMOUNT COLLECTED FROM THE FEE AND FEDERAL MATCHING FUNDS
14 ASSOCIATED WITH THE FEE ARE SUFFICIENT TO PAY FOR THE ITEMS
15 DESCRIBED IN PARAGRAPH (a) OF THIS SUBSECTION (3), BUT NOTHING IN
16 THIS SUBPARAGRAPH (II) SHALL REQUIRE THE STATE BOARD TO INCREASE
17 THE PROVIDER FEE ABOVE THE AMOUNT RECOMMENDED BY THE ADVISORY
18 BOARD; AND

19 (III) ESTABLISH THE AMOUNT OF THE PROVIDER FEE SO THAT THE
20 AMOUNT COLLECTED FROM THE FEE IS APPROXIMATELY EQUAL TO OR LESS
21 THAN THE AMOUNT OF THE APPROPRIATION SPECIFIED FOR THE FEE IN THE
22 GENERAL APPROPRIATION ACT OR ANY SUPPLEMENTAL APPROPRIATION
23 ACT.

24 (c) (I) IN ACCORDANCE WITH THE REDISTRIBUTIVE METHOD SET
25 FORTH IN 42 CFR 433.68 (e) (1) AND (e) (2), THE STATE DEPARTMENT MAY
26 SEEK A WAIVER FROM THE BROAD-BASED PROVIDER FEES REQUIREMENT
27 OR THE UNIFORM PROVIDER FEES REQUIREMENT, OR BOTH. SUBJECT TO

1 FEDERAL APPROVAL AND TO MINIMIZE THE FINANCIAL IMPACT ON CERTAIN
2 HOSPITALS, THE STATE DEPARTMENT, IN CONSULTATION WITH THE
3 ADVISORY BOARD, MAY EXEMPT FROM PAYMENT OF THE PROVIDER FEE
4 CERTAIN TYPES OF HOSPITALS, INCLUDING BUT NOT LIMITED TO:

5 (A) PSYCHIATRIC HOSPITALS, AS LICENSED BY THE DEPARTMENT
6 OF PUBLIC HEALTH AND ENVIRONMENT;

7 (B) HOSPITALS THAT ARE LICENSED AS GENERAL HOSPITALS AND
8 CERTIFIED AS LONG-TERM CARE HOSPITALS BY THE DEPARTMENT OF
9 PUBLIC HEALTH AND ENVIRONMENT;

10 (C) CRITICAL ACCESS HOSPITALS THAT ARE LICENSED AS GENERAL
11 HOSPITALS AND ARE CERTIFIED BY THE DEPARTMENT OF PUBLIC HEALTH
12 AND ENVIRONMENT UNDER 42 CFR PART 485, SUBPART F;

13 (D) INPATIENT REHABILITATION FACILITIES; OR

14 (E) HOSPITALS SPECIFIED FOR EXEMPTION UNDER 42 CFR 433.68
15 (e).

16 (II) IN DETERMINING WHETHER A HOSPITAL MAY BE EXCLUDED,
17 THE STATE DEPARTMENT SHALL USE ONE OR MORE OF THE FOLLOWING
18 CRITERIA:

19 (A) A HOSPITAL THAT IS LOCATED IN A RURAL AREA;

20 (B) A HOSPITAL WITH WHICH THE STATE DEPARTMENT DOES NOT
21 CONTRACT TO PROVIDE SERVICES UNDER THE STATE MEDICAL ASSISTANCE
22 PROGRAM;

23 (C) A HOSPITAL WHOSE INCLUSION OR EXCLUSION WOULD NOT
24 SIGNIFICANTLY AFFECT THE NET BENEFIT TO HOSPITALS PAYING THE
25 PROVIDER FEE; OR

26 (D) A HOSPITAL THAT MUST BE INCLUDED TO RECEIVE FEDERAL
27 APPROVAL.

1 (III) THE STATE DEPARTMENT MAY REDUCE THE AMOUNT OF THE
2 PROVIDER FEE FOR CERTAIN HOSPITALS TO OBTAIN FEDERAL APPROVAL
3 AND TO MINIMIZE THE FINANCIAL IMPACT ON CERTAIN HOSPITALS. IN
4 DETERMINING FOR WHICH HOSPITALS THE STATE DEPARTMENT MAY
5 REDUCE THE AMOUNT OF THE PROVIDER FEE, THE STATE DEPARTMENT
6 SHALL USE ONE OR MORE OF THE FOLLOWING CRITERIA:

7 (A) THE HOSPITAL IS A TYPE OF HOSPITAL DESCRIBED IN
8 SUBPARAGRAPH (I) OF THIS PARAGRAPH (c);

9 (B) THE HOSPITAL IS LOCATED IN A RURAL AREA;

10 (C) THE HOSPITAL SERVES A HIGHER PERCENTAGE THAN THE
11 AVERAGE HOSPITAL OF PERSONS COVERED BY THE STATE MEDICAL
12 ASSISTANCE PROGRAM, MEDICARE, OR COMMERCIAL INSURANCE OR
13 PERSONS ENROLLED IN A MANAGED CARE ORGANIZATION;

14 (D) THE HOSPITAL DOES NOT CONTRACT WITH THE STATE
15 DEPARTMENT TO PROVIDE SERVICES UNDER THE STATE MEDICAL
16 ASSISTANCE PROGRAM;

17 (E) IF THE HOSPITAL PAID A REDUCED PROVIDER FEE, THE REDUCED
18 PROVIDER FEE WOULD NOT SIGNIFICANTLY AFFECT THE NET BENEFIT TO
19 HOSPITALS PAYING THE PROVIDER FEE; OR

20 (F) THE HOSPITAL IS REQUIRED NOT TO PAY A REDUCED PROVIDER
21 FEE AS A CONDITION OF FEDERAL APPROVAL.

22 (d) THE STATE DEPARTMENT MAY, WITH THE APPROVAL OF THE
23 ADVISORY BOARD, ALTER THE PROCESS PRESCRIBED IN THIS SECTION TO
24 THE EXTENT NECESSARY TO MEET THE FEDERAL REQUIREMENTS AND TO
25 OBTAIN FEDERAL APPROVAL.

26 (e) (I) THE STATE BOARD, IN CONSULTATION WITH THE ADVISORY
27 BOARD, SHALL PROMULGATE RULES ON THE CALCULATION, ASSESSMENT,

1 AND TIMING OF THE PROVIDER FEE. THE STATE DEPARTMENT SHALL
2 ASSESS THE PROVIDER FEE ON A SCHEDULE TO BE SET BY THE STATE
3 BOARD THROUGH RULE. THE STATE BOARD RULES SHALL REQUIRE THAT
4 THE PERIODIC PROVIDER FEE PAYMENTS FROM A HOSPITAL AND THE STATE
5 DEPARTMENT'S REIMBURSEMENT TO THE HOSPITAL UNDER
6 SUBPARAGRAPHS (I) AND (II) OF PARAGRAPH (b) OF SUBSECTION (4) OF
7 THIS SECTION ARE DUE AS NEARLY SIMULTANEOUSLY AS FEASIBLE; EXCEPT
8 THAT THE STATE DEPARTMENT'S REIMBURSEMENT TO THE HOSPITAL SHALL
9 BE DUE NO MORE THAN TWO DAYS AFTER THE PERIODIC PROVIDER FEE
10 PAYMENT IS RECEIVED FROM THE HOSPITAL. THE PROVIDER FEE SHALL BE
11 IMPOSED ON EACH HOSPITAL EVEN IF MORE THAN ONE HOSPITAL IS OWNED
12 BY THE SAME ENTITY. THE FEE SHALL BE PRORATED AND ADJUSTED FOR
13 THE EXPECTED VOLUME OF SERVICE FOR ANY YEAR IN WHICH A HOSPITAL
14 OPENS OR CLOSES.

15 (II) THE STATE DEPARTMENT IS AUTHORIZED TO REFUND ANY
16 UNUSED PORTION OF THE PROVIDER FEE. FOR ANY PORTION OF THE
17 PROVIDER FEE THAT HAS BEEN COLLECTED BY THE STATE DEPARTMENT
18 BUT FOR WHICH THE STATE DEPARTMENT HAS NOT RECEIVED FEDERAL
19 MATCHING FUNDS, THE STATE DEPARTMENT SHALL REFUND BACK TO THE
20 HOSPITAL THAT PAID THE FEE THE AMOUNT OF SUCH PORTION OF THE FEE
21 WITHIN FIVE BUSINESS DAYS AFTER THE FEE IS COLLECTED.

22 (III) THE STATE BOARD, IN CONSULTATION WITH THE ADVISORY
23 BOARD, SHALL PROMULGATE RULES ON THE REPORTS THAT HOSPITALS
24 SHALL BE REQUIRED TO SUBMIT FOR THE STATE DEPARTMENT TO
25 CALCULATE THE AMOUNT OF THE PROVIDER FEE. NOTWITHSTANDING THE
26 PROVISIONS OF PART 2 OF ARTICLE 72 OF TITLE 24, C.R.S., INFORMATION
27 PROVIDED TO THE STATE DEPARTMENT PURSUANT TO THIS SECTION SHALL

1 BE CONSIDERED CONFIDENTIAL AND SHALL NOT BE DEEMED A PUBLIC
2 RECORD. NONETHELESS, THE STATE DEPARTMENT, IN CONSULTATION
3 WITH THE ADVISORY BOARD, MAY PREPARE AND RELEASE SUMMARIES OF
4 THE REPORTS TO THE PUBLIC.

5 (f) A HOSPITAL SHALL NOT INCLUDE ANY AMOUNT OF THE
6 PROVIDER FEE AS A SEPARATE LINE ITEM IN ITS BILLING STATEMENTS.

7 (g) THE STATE BOARD SHALL PROMULGATE ANY RULES PURSUANT
8 TO THE "STATE ADMINISTRATIVE PROCEDURE ACT", ARTICLE 4 OF TITLE
9 24, C.R.S., NECESSARY FOR THE ADMINISTRATION AND IMPLEMENTATION
10 OF THIS SECTION. PRIOR TO SUBMITTING ANY PROPOSED RULES
11 CONCERNING THE ADMINISTRATION OR IMPLEMENTATION OF THE
12 PROVIDER FEE TO THE STATE BOARD, THE STATE DEPARTMENT SHALL
13 CONSULT WITH THE ADVISORY BOARD ON THE PROPOSED RULES AS
14 SPECIFIED IN PARAGRAPH (e) OF SUBSECTION (6) OF THIS SECTION.

15 (4) **Hospital provider fee cash fund.** (a) ALL PROVIDER FEES
16 COLLECTED PURSUANT TO THIS SECTION BY THE STATE DEPARTMENT
17 SHALL BE TRANSMITTED TO THE STATE TREASURER, WHO SHALL CREDIT
18 THE SAME TO THE HOSPITAL PROVIDER FEE CASH FUND, WHICH FUND IS
19 HEREBY CREATED AND REFERRED TO IN THIS SECTION AS THE "FUND".

20 (b) ALL MONEYS IN THE FUND SHALL BE SUBJECT TO FEDERAL
21 MATCHING AS AUTHORIZED UNDER FEDERAL LAW AND SUBJECT TO
22 ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY FOR THE FOLLOWING
23 PURPOSES:

24 (I) TO MAXIMIZE THE INPATIENT AND OUTPATIENT HOSPITAL
25 REIMBURSEMENTS TO UP TO THE UPPER PAYMENT LIMITS AS DEFINED IN 42
26 CFR 447.272 AND 42 CFR 447.321;

27 (II) TO INCREASE HOSPITAL REIMBURSEMENTS UNDER THE

1 COLORADO INDIGENT CARE PROGRAM TO UP TO ONE HUNDRED PERCENT
2 OF THE HOSPITAL'S COSTS OF PROVIDING MEDICAL CARE UNDER THE
3 PROGRAM;

4 (III) TO PAY THE QUALITY INCENTIVE PAYMENTS PROVIDED IN
5 SECTION 25.5-4-402 (3);

6 (IV) SUBJECT TO AVAILABLE REVENUE FROM THE PROVIDER FEE
7 AND FEDERAL MATCHING FUNDS, TO EXPAND ELIGIBILITY FOR PUBLIC
8 MEDICAL ASSISTANCE BY:

9 (A) INCREASING THE ELIGIBILITY LEVEL FOR PARENTS OF
10 CHILDREN WHO ARE ELIGIBLE FOR MEDICAL ASSISTANCE OR THE
11 CHILDREN'S BASIC HEALTH PLAN TO UP TO ONE HUNDRED PERCENT OF THE
12 FEDERAL POVERTY LEVEL;

13 (B) INCREASING THE ELIGIBILITY LEVEL FOR CHILDREN AND
14 PREGNANT WOMEN UNDER THE CHILDREN'S BASIC HEALTH PLAN TO UP TO
15 TWO HUNDRED FIFTY PERCENT OF THE FEDERAL POVERTY LEVEL;

16 (C) PROVIDING ELIGIBILITY UNDER THE STATE MEDICAL
17 ASSISTANCE PROGRAM FOR A CHILDLESS ADULT OR ADULTS WITHOUT A
18 DEPENDENT CHILD IN THE HOME WHO EARNS UP TO ONE HUNDRED
19 PERCENT OF THE FEDERAL POVERTY LEVEL;

20 (D) PROVIDING A BUY-IN PROGRAM IN THE STATE MEDICAL
21 ASSISTANCE PROGRAM FOR DISABLED ADULTS AND CHILDREN WHOSE
22 FAMILIES EARN UP TO FOUR HUNDRED PERCENT OF THE FEDERAL POVERTY
23 LEVEL;

24 (V) TO PROVIDE CONTINUOUS ELIGIBILITY FOR TWELVE MONTHS
25 FOR CHILDREN ENROLLED IN THE STATE MEDICAL ASSISTANCE PROGRAM;

26 (VI) TO PAY THE STATE DEPARTMENT'S ACTUAL ADMINISTRATIVE
27 COSTS OF IMPLEMENTING AND ADMINISTERING THIS SECTION, INCLUDING

1 BUT NOT LIMITED TO THE FOLLOWING COSTS:

2 (A) EXPENSES OF THE ADVISORY BOARD, INCLUDING BUT NOT
3 LIMITED TO THE STATE DEPARTMENT'S PERSONAL SERVICES AND
4 OPERATING COSTS RELATED TO THE ADMINISTRATION OF THE ADVISORY
5 BOARD;

6 (B) THE STATE DEPARTMENT'S ACTUAL COSTS RELATED TO
7 IMPLEMENTING AND MAINTAINING THE PROVIDER FEE, INCLUDING
8 PERSONAL SERVICES, OPERATING, AND CONSULTING EXPENSES;

9 (C) THE STATE DEPARTMENT'S ACTUAL COSTS FOR THE CHANGES
10 AND UPDATES TO THE MEDICAID MANAGEMENT INFORMATION SYSTEM FOR
11 THE IMPLEMENTATION OF SUBPARAGRAPHS (I) TO (III) OF THIS PARAGRAPH
12 (b);

13 (D) THE STATE DEPARTMENT'S PERSONAL SERVICES AND
14 OPERATING COSTS RELATED TO PERSONNEL, CONSULTING SERVICES, AND
15 FOR REVIEW OF HOSPITAL COSTS NECESSARY TO IMPLEMENT AND
16 ADMINISTER THE INCREASES IN INPATIENT AND OUTPATIENT HOSPITAL
17 PAYMENTS MADE PURSUANT TO SUBPARAGRAPH (I) OF THIS PARAGRAPH
18 (b), INCREASES IN THE COLORADO INDIGENT CARE PROGRAM PAYMENTS
19 MADE PURSUANT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH (b), AND
20 QUALITY INCENTIVE PAYMENTS MADE PURSUANT TO SUBPARAGRAPH (III)
21 OF THIS PARAGRAPH (b);

22 (E) THE STATE DEPARTMENT'S ACTUAL COSTS FOR THE CHANGES
23 AND UPDATES TO THE COLORADO BENEFITS MANAGEMENT SYSTEM AND
24 MEDICAID MANAGEMENT INFORMATION SYSTEM TO IMPLEMENT AND
25 MAINTAIN THE EXPANDED ELIGIBILITY PROVIDED FOR IN SUBPARAGRAPHS
26 (IV) AND (V) OF THIS PARAGRAPH (b);

27 (F) THE STATE DEPARTMENT'S PERSONAL SERVICES AND

1 OPERATING COSTS RELATED TO PERSONNEL NECESSARY TO IMPLEMENT
2 AND ADMINISTER THE EXPANDED ELIGIBILITY FOR PUBLIC MEDICAL
3 ASSISTANCE PROVIDED FOR IN SUBPARAGRAPHS (IV) AND (V) OF THIS
4 PARAGRAPH (b);

5 (G) THE STATE DEPARTMENT'S PERSONAL SERVICES, OPERATING,
6 AND SYSTEMS COSTS RELATED TO EXPANDING THE OPPORTUNITY FOR
7 INDIVIDUALS TO APPLY FOR PUBLIC MEDICAL ASSISTANCE DIRECTLY AT
8 HOSPITALS OR THROUGH ANOTHER ENTITY OUTSIDE THE COUNTY
9 DEPARTMENTS THAT WOULD INCREASE ACCESS TO PUBLIC MEDICAL
10 ASSISTANCE AND REDUCE THE NUMBER OF UNINSURED SERVED BY
11 HOSPITALS;

12 (H) THE STATE DEPARTMENT'S PERSONAL SERVICES, OPERATING,
13 AND SYSTEMS COSTS RELATED TO THE ESTABLISHMENT OF
14 OUTCOMES-BASED PRACTICES AND INTENSIVE CARE COORDINATION,
15 WHICH INCLUDES DATA SHARING BETWEEN HOSPITAL PROVIDERS AND
16 OTHER MEDICAL PROVIDERS, TO REDUCE HOSPITAL COSTS RELATED TO
17 INAPPROPRIATE OUTPATIENT SERVICES, TO REDUCE EMERGENCY ROOM
18 UTILIZATION FOR CONDITIONS THAT CAN BE TREATED IN AN OUTPATIENT
19 SETTING, AND TO REDUCE AVOIDABLE, PREVENTABLE, AND INAPPROPRIATE
20 INPATIENT HOSPITALIZATIONS; AND

21 (VII) TO OFFSET THE LOSS OF ANY FEDERAL MATCHING FUNDS DUE
22 TO A DECREASE IN THE CERTIFICATION OF THE PUBLIC EXPENDITURE
23 PROCESS FOR OUTPATIENT HOSPITAL SERVICES FOR MEDICAL SERVICES
24 PREMIUMS THAT WERE IN EFFECT AS OF JULY 1, 2008.

25 (c) ANY MONEYS IN THE FUND NOT EXPENDED FOR THE PURPOSES
26 DESCRIBED IN PARAGRAPH (b) OF THIS SUBSECTION (4) MAY BE INVESTED
27 BY THE STATE TREASURER AS PROVIDED BY LAW. ALL INTEREST AND

1 INCOME DERIVED FROM THE INVESTMENT AND DEPOSIT OF MONEYS IN THE
2 FUND SHALL BE CREDITED TO THE FUND. ANY UNEXPENDED AND
3 UNENCUMBERED MONEYS REMAINING IN THE FUND AT THE END OF ANY
4 FISCAL YEAR SHALL REMAIN IN THE FUND AND SHALL NOT BE CREDITED OR
5 TRANSFERRED TO THE GENERAL FUND OR ANY OTHER FUND BUT SHALL BE
6 APPROPRIATED BY THE GENERAL ASSEMBLY FOR THE PURPOSES DESCRIBED
7 IN PARAGRAPH (b) OF THIS SUBSECTION (4) IN FUTURE FISCAL YEARS.

8 (5) **Appropriations.** (a) (I) THE PROVIDER FEE IS TO SUPPLEMENT,
9 NOT SUPPLANT, GENERAL FUND APPROPRIATIONS TO SUPPORT HOSPITAL
10 REIMBURSEMENTS AS OF THE EFFECTIVE DATE OF THIS SECTION. GENERAL
11 FUND APPROPRIATIONS FOR HOSPITAL REIMBURSEMENTS SHALL BE
12 MAINTAINED AT THE LEVEL OF APPROPRIATIONS IN THE MEDICAL SERVICES
13 PREMIUM LINE ITEM MADE FOR THE FISCAL YEAR COMMENCING JULY 1,
14 2008; EXCEPT THAT GENERAL FUND APPROPRIATIONS FOR HOSPITAL
15 REIMBURSEMENTS MAY BE REDUCED IF AN INDEX OF APPROPRIATIONS TO
16 OTHER PROVIDERS SHOWS THAT GENERAL FUND APPROPRIATIONS ARE
17 REDUCED FOR OTHER PROVIDERS. IF THE INDEX SHOWS THAT GENERAL
18 FUND APPROPRIATIONS ARE REDUCED FOR OTHER PROVIDERS, THE
19 GENERAL FUND APPROPRIATIONS FOR HOSPITAL REIMBURSEMENTS SHALL
20 NOT BE REDUCED BY A GREATER PERCENTAGE THAN THE REDUCTIONS OF
21 APPROPRIATIONS FOR THE OTHER PROVIDERS AS SHOWN BY THE INDEX.

22 (II) IF GENERAL FUND APPROPRIATIONS FOR HOSPITAL
23 REIMBURSEMENTS ARE REDUCED BELOW THE LEVEL OF APPROPRIATIONS
24 IN THE MEDICAL SERVICES PREMIUM LINE ITEM MADE FOR THE FISCAL
25 YEAR COMMENCING JULY 1, 2008, THE GENERAL FUND APPROPRIATIONS
26 WILL BE INCREASED BACK TO THE LEVEL OF APPROPRIATIONS IN THE
27 MEDICAL SERVICES PREMIUM LINE ITEM MADE FOR THE FISCAL YEAR

1 COMMENCING JULY 1, 2008, AT THE SAME PERCENTAGE AS THE
2 APPROPRIATIONS FOR OTHER PROVIDERS AS SHOWN BY THE INDEX. THE
3 GENERAL ASSEMBLY IS NOT OBLIGATED TO INCREASE THE GENERAL FUND
4 APPROPRIATIONS BACK TO THE LEVEL OF APPROPRIATIONS IN THE MEDICAL
5 SERVICES PREMIUM LINE ITEM IN A SINGLE FISCAL YEAR AND SUCH
6 INCREASES MAY OCCUR OVER NONCONSECUTIVE FISCAL YEARS.

7 (III) FOR PURPOSES OF THIS PARAGRAPH (a), THE "INDEX OF
8 APPROPRIATIONS TO OTHER PROVIDERS" OR "INDEX" SHALL MEAN THE
9 AVERAGE PERCENT CHANGE IN REIMBURSEMENT RATES THROUGH
10 APPROPRIATIONS OR LEGISLATION ENACTED BY THE GENERAL ASSEMBLY
11 TO HOME HEALTH PROVIDERS, PHYSICIAN SERVICES, AND OUTPATIENT
12 PHARMACIES, EXCLUDING DISPENSING FEES. THE STATE BOARD, AFTER
13 CONSULTATION WITH THE ADVISORY BOARD, IS AUTHORIZED TO CLARIFY
14 THIS DEFINITION AS NECESSARY BY RULE.

15 (b) IF THE REVENUE FROM THE PROVIDER FEE IS INSUFFICIENT TO
16 FULLY FUND ALL OF THE PURPOSES DESCRIBED IN PARAGRAPH (b) OF
17 SUBSECTION (4) OF THIS SECTION:

18 (I) THE GENERAL ASSEMBLY IS NOT OBLIGATED TO APPROPRIATE
19 GENERAL FUND REVENUES TO FUND SUCH PURPOSES;

20 (II) THE HOSPITAL PROVIDER REIMBURSEMENT AND QUALITY
21 INCENTIVE PAYMENT INCREASES DESCRIBED IN SUBPARAGRAPHS (I) TO
22 (III) OF PARAGRAPH (b) OF SUBSECTION (4) OF THIS SECTION AND THE
23 COSTS DESCRIBED IN SUBPARAGRAPHS (VI) AND (VII) OF PARAGRAPH (b)
24 OF SUBSECTION (4) OF THIS SECTION SHALL BE FULLY FUNDED USING
25 REVENUE FROM THE PROVIDER FEE AND FEDERAL MATCHING FUNDS
26 BEFORE ANY ELIGIBILITY EXPANSION IS FUNDED; AND

27 (III) (A) IF THE STATE BOARD PROMULGATES RULES THAT EXPAND

1 ELIGIBILITY FOR MEDICAL ASSISTANCE TO BE PAID FOR PURSUANT TO
2 SUBPARAGRAPH (IV) OF PARAGRAPH (b) OF SUBSECTION (4) OF THIS
3 SECTION, AND THE STATE DEPARTMENT THEREAFTER NOTIFIES THE
4 ADVISORY BOARD THAT THE REVENUE AVAILABLE FROM THE PROVIDER
5 FEE AND THE FEDERAL MATCHING FUNDS WILL NOT BE SUFFICIENT TO PAY
6 FOR ALL OR PART OF THE EXPANDED ELIGIBILITY, THE ADVISORY BOARD
7 SHALL RECOMMEND TO THE STATE BOARD REDUCTIONS IN MEDICAL
8 BENEFITS OR ELIGIBILITY SO THAT THE REVENUE WILL BE SUFFICIENT TO
9 PAY FOR ALL OF THE REDUCED BENEFITS OR ELIGIBILITY. AFTER
10 RECEIVING THE RECOMMENDATIONS OF THE ADVISORY BOARD, THE STATE
11 BOARD SHALL ADOPT RULES PROVIDING FOR REDUCED BENEFITS OR
12 REDUCED ELIGIBILITY FOR WHICH THE REVENUE SHALL BE SUFFICIENT AND
13 SHALL FORWARD ANY ADOPTED RULES TO THE JOINT BUDGET COMMITTEE.
14 NOTWITHSTANDING THE PROVISIONS OF SECTION 24-4-103 (8) AND (12),
15 C.R.S., FOLLOWING THE ADOPTION OF RULES PURSUANT TO THIS
16 SUB-SUBPARAGRAPH (A), THE STATE BOARD SHALL NOT SUBMIT THE
17 RULES TO THE ATTORNEY GENERAL AND SHALL NOT FILE THE RULES WITH
18 THE SECRETARY OF STATE UNTIL THE JOINT BUDGET COMMITTEE APPROVES
19 THE RULES PURSUANT TO SUB-SUBPARAGRAPH (B) OF THIS SUBPARAGRAPH
20 (III).

21 (B) THE JOINT BUDGET COMMITTEE SHALL PROMPTLY CONSIDER
22 ANY RULES ADOPTED BY THE STATE BOARD PURSUANT TO
23 SUB-SUBPARAGRAPH (A) OF THIS SUBPARAGRAPH (III). THE JOINT BUDGET
24 COMMITTEE SHALL PROMPTLY NOTIFY THE STATE DEPARTMENT, THE
25 STATE BOARD, AND THE ADVISORY BOARD OF ANY ACTION ON SUCH RULES.
26 IF THE JOINT BUDGET COMMITTEE DOES NOT APPROVE THE RULES, THE
27 JOINT BUDGET COMMITTEE SHALL RECOMMEND A REDUCTION IN BENEFITS

1 OR ELIGIBILITY SO THAT THE REVENUE FROM THE PROVIDER FEE AND THE
2 MATCHING FEDERAL FUNDS WILL BE SUFFICIENT TO PAY FOR THE REDUCED
3 BENEFITS OR ELIGIBILITY. AFTER APPROVING THE RULES PURSUANT TO
4 THIS SUB-SUBPARAGRAPH (B), THE JOINT BUDGET COMMITTEE SHALL
5 REQUEST THAT THE COMMITTEE ON LEGAL SERVICES, CREATED PURSUANT
6 TO SECTION 2-3-501, C.R.S., EXTEND THE RULES AS PROVIDED FOR IN
7 SECTION 24-4-103 (8), C.R.S., UNLESS THE COMMITTEE ON LEGAL
8 SERVICES FINDS AFTER REVIEW THAT THE RULES DO NOT CONFORM WITH
9 SECTION 24-4-103 (8) (a), C.R.S.

10 (C) AFTER THE STATE BOARD HAS RECEIVED NOTIFICATION OF THE
11 APPROVAL OF RULES ADOPTED PURSUANT TO SUB-SUBPARAGRAPH (A) OF
12 THIS SUBPARAGRAPH (III), THE STATE BOARD SHALL SUBMIT THE RULES TO
13 THE ATTORNEY GENERAL PURSUANT TO SECTION 24-4-103 (8) (b), C.R.S.,
14 AND SHALL FILE THE RULES AND THE OPINION OF THE ATTORNEY GENERAL
15 WITH THE SECRETARY OF STATE PURSUANT TO SECTION 24-4-103 (12),
16 C.R.S., AND WITH THE OFFICE OF LEGISLATIVE LEGAL SERVICES.
17 PURSUANT TO SECTION 24-4-103 (5), C.R.S., THE RULES SHALL BE
18 EFFECTIVE TWENTY DAYS AFTER PUBLICATION OF THE RULES AND SHALL
19 ONLY BE EFFECTIVE UNTIL THE FOLLOWING MAY 15 UNLESS THE RULES
20 ARE EXTENDED PURSUANT TO A BILL ENACTED PURSUANT TO SECTION
21 24-4-103 (8), C.R.S.

22 (c) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION,
23 IF, AFTER RECEIPT OF AUTHORIZATION TO RECEIVE FEDERAL MATCHING
24 FUNDS FOR MONEYS IN THE FUND, THE AUTHORIZATION IS WITHDRAWN OR
25 CHANGED SO THAT FEDERAL MATCHING FUNDS ARE NO LONGER
26 AVAILABLE, THE STATE DEPARTMENT SHALL CEASE COLLECTING THE
27 PROVIDER FEE AND SHALL REPAY TO THE HOSPITALS ANY MONEYS

1 RECEIVED BY THE FUND THAT ARE NOT SUBJECT TO FEDERAL MATCHING
2 FUNDS.

3 **(6) Hospital provider fee oversight and advisory board.**

4 (a) THERE IS HEREBY CREATED IN THE STATE DEPARTMENT THE HOSPITAL
5 PROVIDER FEE OVERSIGHT AND ADVISORY BOARD, REFERRED TO IN THIS
6 SECTION AS THE "ADVISORY BOARD".

7 (b) (I) THE ADVISORY BOARD SHALL CONSIST OF ELEVEN MEMBERS
8 APPOINTED BY THE GOVERNOR, WITH THE ADVICE AND CONSENT OF THE
9 SENATE, AS FOLLOWS:

10 (A) FOUR MEMBERS WHO ARE EMPLOYED BY HOSPITALS IN
11 COLORADO, INCLUDING AT LEAST ONE PERSON WHO IS EMPLOYED BY A
12 HOSPITAL IN A RURAL AREA, ONE PERSON WHO IS EMPLOYED BY A
13 SAFETY-NET HOSPITAL FOR WHICH THE PERCENT OF MEDICAID-ELIGIBLE
14 INPATIENT DAYS RELATIVE TO ITS TOTAL INPATIENT DAYS SHALL BE EQUAL
15 TO OR GREATER THAN ONE STANDARD DEVIATION ABOVE THE MEAN, AND
16 ONE PERSON WHO IS EMPLOYED BY A HOSPITAL IN AN URBAN AREA;

17 (B) ONE MEMBER WHO IS A REPRESENTATIVE OF A STATEWIDE
18 ORGANIZATION OF HOSPITALS;

19 (C) ONE MEMBER WHO REPRESENTS A STATEWIDE ORGANIZATION
20 OF HEALTH INSURANCE COMPANIES OR A HEALTH INSURANCE COMPANY
21 LICENSED PURSUANT TO TITLE 10, C.R.S., AND WHO IS NOT A
22 REPRESENTATIVE OF A HOSPITAL;

23 (D) ONE MEMBER OF THE HEALTH CARE INDUSTRY WHO DOES NOT
24 REPRESENT A HOSPITAL OR A HEALTH INSURANCE COMPANY;

25 (E) ONE MEMBER WHO IS A CONSUMER OF HEALTH CARE AND WHO
26 IS NOT A REPRESENTATIVE OR AN EMPLOYEE OF A HOSPITAL, HEALTH
27 INSURANCE COMPANY, OR OTHER HEALTH CARE INDUSTRY ENTITY;

1 (F) ONE MEMBER WHO IS A REPRESENTATIVE OF A BUSINESS THAT
2 PURCHASES HEALTH INSURANCE FOR ITS EMPLOYEES; AND

3 (G) TWO EMPLOYEES OF THE STATE DEPARTMENT.

4 (II) THE GOVERNOR SHALL CONSULT WITH REPRESENTATIVES OF
5 A STATEWIDE ORGANIZATION OF HOSPITALS IN MAKING THE
6 APPOINTMENTS PURSUANT TO SUB-SUBPARAGRAPHS (A) AND (B) OF
7 SUBPARAGRAPH (I) OF THIS PARAGRAPH (b). NO MORE THAN SIX MEMBERS
8 OF THE ADVISORY BOARD MAY BE MEMBERS OF THE SAME POLITICAL
9 PARTY.

10 (III) MEMBERS OF THE ADVISORY BOARD SHALL SERVE AT THE
11 PLEASURE OF THE GOVERNOR. IN MAKING THE APPOINTMENTS, THE
12 GOVERNOR SHALL SPECIFY THAT FOUR MEMBERS SHALL SERVE INITIAL
13 TERMS OF TWO YEARS AND THREE MEMBERS SHALL SERVE INITIAL TERMS
14 OF THREE YEARS. ALL OTHER TERMS INCLUDING TERMS AFTER THE INITIAL
15 TERMS SHALL BE FOUR YEARS. A MEMBER WHO IS APPOINTED TO FILL A
16 VACANCY SHALL SERVE THE REMAINDER OF THE UNEXPIRED TERM OF THE
17 FORMER MEMBER.

18 (IV) THE GOVERNOR SHALL DESIGNATE A CHAIR FROM AMONG THE
19 MEMBERS OF THE ADVISORY BOARD APPOINTED PURSUANT TO
20 SUB-SUBPARAGRAPHS (A) TO (F) OF SUBPARAGRAPH (I) OF THIS
21 PARAGRAPH (b). THE ADVISORY BOARD SHALL ELECT A VICE-CHAIR FROM
22 AMONG ITS MEMBERS.

23 (c) MEMBERS OF THE ADVISORY BOARD SHALL SERVE WITHOUT
24 COMPENSATION BUT SHALL BE REIMBURSED FROM MONEYS IN THE FUND
25 FOR ACTUAL AND NECESSARY EXPENSES INCURRED IN THE PERFORMANCE
26 OF THEIR DUTIES PURSUANT TO THIS SECTION.

27 (d) THE ADVISORY BOARD MAY DIRECT THE STATE DEPARTMENT

1 TO CONTRACT FOR A GROUP FACILITATOR TO ASSIST THE MEMBERS OF THE
2 ADVISORY BOARD IN PERFORMING THEIR REQUIRED DUTIES.

3 (e) THE ADVISORY BOARD SHALL HAVE, AT A MINIMUM, THE
4 FOLLOWING DUTIES:

5 (I) TO RECOMMEND TO THE STATE DEPARTMENT THE TIMING AND
6 METHOD BY WHICH THE STATE DEPARTMENT SHALL ASSESS THE PROVIDER
7 FEE AND THE AMOUNT OF THE FEE;

8 (II) IF REQUESTED BY THE HEALTH AND HUMAN SERVICES
9 COMMITTEES OF THE SENATE OR HOUSE OF REPRESENTATIVES, OR ANY
10 SUCCESSOR COMMITTEES, TO CONSULT WITH THE COMMITTEES ON ANY
11 LEGISLATION THAT MAY IMPACT THE PROVIDER FEE OR HOSPITAL
12 REIMBURSEMENTS ESTABLISHED PURSUANT TO THIS SECTION;

13 (III) TO RECOMMEND TO THE STATE DEPARTMENT CHANGES IN THE
14 PROVIDER FEE THAT INCREASE THE NUMBER OF HOSPITALS BENEFITTING
15 FROM THE USES OF THE PROVIDER FEE DESCRIBED IN SUBPARAGRAPHS (I)
16 TO (V) OF PARAGRAPH (b) OF SUBSECTION (4) OF THIS SECTION OR THAT
17 MINIMIZE THE NUMBER OF HOSPITALS THAT SUFFER LOSSES AS A RESULT
18 OF PAYING THE PROVIDER FEE;

19 (IV) TO RECOMMEND TO THE STATE DEPARTMENT REFORMS OR
20 CHANGES TO THE INPATIENT HOSPITAL AND OUTPATIENT HOSPITAL
21 REIMBURSEMENTS AND QUALITY INCENTIVE PAYMENTS MADE UNDER THE
22 STATE MEDICAL ASSISTANCE PROGRAM TO INCREASE PROVIDER
23 ACCOUNTABILITY, PERFORMANCE, AND REPORTING;

24 (V) TO RECOMMEND TO THE STATE DEPARTMENT THE SCHEDULE
25 AND APPROACH TO THE IMPLEMENTATION OF SUBPARAGRAPHS (IV) AND
26 (V) OF PARAGRAPH (b) OF SUBSECTION (4) OF THIS SECTION;

27 (VI) IF MONEYS IN THE FUND ARE INSUFFICIENT TO FULLY FUND

1 ALL OF THE PURPOSES SPECIFIED IN PARAGRAPH (b) OF SUBSECTION (4) OF
2 THIS SECTION, TO RECOMMEND TO THE STATE BOARD CHANGES TO THE
3 EXPANDED ELIGIBILITY PROVISIONS DESCRIBED IN SUBPARAGRAPH (IV) OF
4 PARAGRAPH (b) OF SUBSECTION (4) OF THIS SECTION;

5 (VII) TO PREPARE THE REPORTS SPECIFIED IN PARAGRAPH (f) OF
6 THIS SUBSECTION (6);

7 (VIII) TO MONITOR THE IMPACT OF THE HOSPITAL PROVIDER FEE
8 ON THE BROADER HEALTH CARE MARKETPLACE; AND

9 (IX) TO PERFORM ANY OTHER DUTIES REQUIRED TO FULFILL THE
10 ADVISORY BOARD'S CHARGE OR THOSE ASSIGNED TO IT BY THE STATE
11 BOARD OR THE EXECUTIVE DIRECTOR.

12 (f) ON OR BEFORE JANUARY 15, 2010, AND ON OR BEFORE
13 JANUARY 15 EACH YEAR THEREAFTER, THE ADVISORY BOARD SHALL
14 SUBMIT A WRITTEN REPORT TO THE HEALTH AND HUMAN SERVICES
15 COMMITTEES OF THE SENATE AND THE HOUSE OF REPRESENTATIVES, OR
16 ANY SUCCESSOR COMMITTEES, THE JOINT BUDGET COMMITTEE OF THE
17 GENERAL ASSEMBLY, THE GOVERNOR, AND THE STATE BOARD. THE
18 REPORT SHALL INCLUDE, BUT NEED NOT BE LIMITED TO:

19 (I) THE RECOMMENDATIONS MADE TO THE STATE BOARD
20 PURSUANT TO THIS SECTION;

21 (II) AN ITEMIZATION OF THE TOTAL AMOUNT OF THE PROVIDER FEE
22 PAID BY EACH HOSPITAL AND ANY PROJECTED REVENUE THAT EACH
23 HOSPITAL IS EXPECTED TO RECEIVE DUE TO:

24 (A) THE INCREASED REIMBURSEMENTS MADE PURSUANT TO
25 SUBPARAGRAPHS (I) AND (II) OF PARAGRAPH (b) OF SUBSECTION (4) OF
26 THIS SECTION AND THE QUALITY INCENTIVE PAYMENTS MADE PURSUANT
27 TO SUBPARAGRAPH (III) OF PARAGRAPH (b) OF SUBSECTION (4) OF THIS

1 SECTION; AND

2 (B) THE INCREASED ELIGIBILITY DESCRIBED IN SUBPARAGRAPHS
3 (IV) AND (V) OF PARAGRAPH (b) OF SUBSECTION (4) OF THIS SECTION;

4 (III) AN ITEMIZATION OF THE COSTS INCURRED BY THE STATE
5 DEPARTMENT IN IMPLEMENTING AND ADMINISTERING THE HOSPITAL
6 PROVIDER FEE; AND

7 (IV) ESTIMATES OF THE DIFFERENCES BETWEEN THE COST OF CARE
8 PROVIDED AND THE PAYMENT RECEIVED BY HOSPITALS ON A PER-PATIENT
9 BASIS, AGGREGATED FOR ALL HOSPITALS, FOR PATIENTS COVERED BY EACH
10 OF THE FOLLOWING:

11 (A) MEDICAID;

12 (B) MEDICARE; AND

13 (C) ALL OTHERS PAYERS.

14 (g) (I) THIS SUBSECTION (6) IS REPEALED, EFFECTIVE JULY 1, 2019.

15 (II) PRIOR TO SAID REPEAL, THE ADVISORY BOARD SHALL BE
16 REVIEWED AS PROVIDED IN SECTION 2-3-1203, C.R.S.

17 (7) **Notice to revisor of statutes - repeal.** (a) WITHIN SIXTY
18 DAYS AFTER THE STATE DEPARTMENT RECEIVES AUTHORIZATION TO
19 RECEIVE FEDERAL MATCHING FUNDS FOR THE MONEYS IN THE FUND, THE
20 EXECUTIVE DIRECTOR SHALL SEND WRITTEN NOTICE TO THE REVISOR OF
21 STATUTES AND TO THE STATE TREASURER INFORMING THEM OF THE
22 AUTHORIZATION.

23 (b) NOTWITHSTANDING THE PROVISIONS OF SUBSECTION (3) OF
24 THIS SECTION, IF THE STATE TREASURER HAS NOT RECEIVED THE NOTICE
25 REQUIRED BY PARAGRAPH (a) OF THIS SUBSECTION (7) BY JULY 1, 2011,
26 THE STATE TREASURER SHALL RETURN ALL MONEYS CONTAINED IN THE
27 FUND TO THE HOSPITALS THAT PAID THE PROVIDER FEE, TOGETHER WITH

1 ANY INTEREST OR INCOME EARNED ON SUCH MONEYS.

2 (c) IF THE REVISOR OF STATUTES DOES NOT RECEIVE THE NOTICE
3 REQUIRED BY PARAGRAPH (a) OF THIS SUBSECTION (7) BY JULY 1, 2012,
4 THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2012.

5 (d) IF THE REVISOR OF STATUTES RECEIVES THE NOTICE REQUIRED
6 BY PARAGRAPH (a) OF THIS SUBSECTION (7), THIS SUBSECTION (7) IS
7 REPEALED, EFFECTIVE JULY 1 OF THE YEAR FOLLOWING THE RECEIPT OF
8 THE NOTICE.

9 **SECTION 2.** 2-3-1203 (3), Colorado Revised Statutes, is
10 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

11 **2-3-1203. Sunset review of advisory committees.** (3) The
12 following dates are the dates for which the statutory authorization for the
13 designated advisory committees is scheduled for repeal:

14 (ff) JULY 1, 2019: THE HOSPITAL PROVIDER FEE OVERSIGHT AND
15 ADVISORY BOARD, CREATED IN SECTION 25.5-4-402.3, C.R.S.

16 **SECTION 3.** 25.5-3-108, Colorado Revised Statutes, is amended
17 BY THE ADDITION OF A NEW SUBSECTION to read:

18 **25.5-3-108. Responsibility of the department of health care**
19 **policy and financing - provider reimbursement.** (17) PURSUANT TO
20 FUNDING MADE AVAILABLE UNDER SECTION 25.5-4-402.3, THE STATE
21 DEPARTMENT SHALL INCREASE HOSPITAL REIMBURSEMENTS UP TO ONE
22 HUNDRED PERCENT OF HOSPITAL COSTS FOR PROVIDING MEDICAL CARE
23 UNDER THE PROGRAM.

24 **SECTION 4.** 25.5-4-402 (1), Colorado Revised Statutes, is
25 amended, and the said 25.5-4-402 is further amended BY THE
26 ADDITION OF A NEW SUBSECTION, to read:

27 **25.5-4-402. Providers - hospital reimbursement - rules.**

1 (1) FOR ALL LICENSED OR CERTIFIED HOSPITALS CONTRACTING FOR
2 SERVICES UNDER THIS ARTICLE AND ARTICLES 5 AND 6 OF THIS TITLE,
3 EXCEPT THOSE HOSPITALS OPERATED BY THE DEPARTMENT OF HUMAN
4 SERVICES OR THOSE HOSPITALS DEEMED EXEMPT BY THE STATE BOARD, the
5 state department shall pay ~~all licensed or certified hospitals under this~~
6 ~~article and articles 5 and 6 of this title, except those hospitals operated by~~
7 ~~the department of human services,~~ FOR INPATIENT HOSPITAL SERVICES
8 pursuant to a system of prospective payment, generally based on the
9 elements of ~~the medicare system of~~ A diagnosis-related ~~groups~~ GROUP
10 SYSTEM. The state department shall develop and administer a system for
11 ~~assuring~~ ENSURING appropriate utilization and quality of care provided by
12 those providers who are reimbursed ~~pursuant to the system of prospective~~
13 ~~payment developed~~ under this section. SUBJECT TO AVAILABLE
14 APPROPRIATIONS, THE STATE DEPARTMENT MAY ALSO MAKE
15 SUPPLEMENTAL MEDICAID PAYMENTS TO CERTAIN HOSPITALS. The state
16 board shall promulgate rules to provide for the implementation of this
17 section.

18 (3) (a) IN ADDITION TO THE REIMBURSEMENT RATE PROCESS
19 DESCRIBED IN SUBSECTION (1) OF THIS SECTION AND SUBJECT TO FUNDING
20 MADE AVAILABLE PURSUANT TO SECTION 25.5-4-402.3, THE STATE
21 DEPARTMENT SHALL PAY AN ADDITIONAL AMOUNT BASED UPON
22 PERFORMANCE TO THOSE HOSPITALS THAT PROVIDE SERVICES THAT
23 IMPROVE HEALTH CARE OUTCOMES FOR THEIR PATIENTS. THIS AMOUNT
24 SHALL BE DETERMINED BY THE STATE DEPARTMENT BASED UPON
25 NATIONALLY RECOGNIZED PERFORMANCE MEASURES ESTABLISHED IN
26 RULES ADOPTED BY THE STATE BOARD. THE STATE QUALITY STANDARDS
27 SHALL BE CONSISTENT WITH FEDERAL QUALITY STANDARDS PUBLISHED BY

1 AN ORGANIZATION WITH EXPERTISE IN HEALTH CARE QUALITY, INCLUDING
2 BUT NOT LIMITED TO, THE CENTERS FOR MEDICARE AND MEDICAID
3 SERVICES, THE AGENCY FOR HEALTHCARE RESEARCH AND QUALITY, OR
4 THE NATIONAL QUALITY FORUM.

5 (b) THE AMOUNT OF THE PAYMENTS MADE PURSUANT TO THIS
6 SUBSECTION (3) SHALL BE COMPUTED ANNUALLY. FOR THE FIRST TWO
7 FISCAL YEARS THAT PAYMENTS ARE MADE PURSUANT TO THIS SUBSECTION
8 (3), THE TOTAL AMOUNT OF THE PAYMENTS SHALL BE UP TO FIVE PERCENT
9 OF THE TOTAL REIMBURSEMENTS MADE TO HOSPITALS IN THE PREVIOUS
10 YEAR. FOR EACH FISCAL YEAR AFTER THE FIRST TWO FISCAL YEARS, THE
11 TOTAL AMOUNT OF THE PAYMENTS SHALL BE UP TO SEVEN PERCENT OF THE
12 TOTAL REIMBURSEMENTS MADE TO HOSPITALS IN THE PREVIOUS YEAR.

13 **SECTION 5.** 25.5-5-201 (1) (m) (I) and (1) (o), Colorado
14 Revised Statutes, are amended, and the said 25.5-5-201 (1) is further
15 amended BY THE ADDITION OF THE FOLLOWING NEW
16 PARAGRAPHS, to read:

17 **25.5-5-201. Optional provisions - optional groups.** (1) The
18 federal government allows the state to select optional groups to receive
19 medical assistance. Pursuant to federal law, any person who is eligible
20 for medical assistance under the optional groups specified in this section
21 shall receive both the mandatory services specified in sections 25.5-5-102
22 and 25.5-5-103 and the optional services specified in sections 25.5-5-202
23 and 25.5-5-203. Subject to the availability of federal financial aid funds,
24 the following are the individuals or groups that Colorado has selected as
25 optional groups to receive medical assistance pursuant to this article and
26 articles 4 and 6 of this title:

27 (m) (I) (A) Parents of children who are eligible for the medical

1 assistance program or the children's basic health plan, article 8 of this
2 title, whose family income does not exceed a specified percent of the
3 federal poverty level, adjusted for family size, as set by the state board by
4 rule, which percentage shall be not less than ~~sixty~~ ONE HUNDRED percent.

5 (B) NOTWITHSTANDING THE PROVISIONS OF SUB-SUBPARAGRAPH
6 (A) OF THIS SUBPARAGRAPH (I), IF THE MONEYS IN THE HOSPITAL
7 PROVIDER FEE CASH FUND ESTABLISHED PURSUANT TO SECTION
8 25.5-4-402.3 (4), TOGETHER WITH THE CORRESPONDING FEDERAL
9 MATCHING FUNDS, ARE INSUFFICIENT TO FULLY FUND ALL OF THE
10 PURPOSES DESCRIBED IN SECTION 25.5-4-402.3 (4) (b), AFTER RECEIVING
11 RECOMMENDATIONS FROM THE HOSPITAL PROVIDER FEE OVERSIGHT AND
12 ADVISORY BOARD ESTABLISHED PURSUANT TO SECTION 25.5-4-402.3 (6),
13 FOR PARENTS OF CHILDREN ELIGIBLE FOR THE MEDICAL ASSISTANCE
14 PROGRAM OR THE CHILDREN'S BASIC HEALTH PLAN, THE STATE BOARD BY
15 RULE ADOPTED PURSUANT TO THE PROVISIONS OF SECTION 25.5-4-402.3
16 (5) (b) (III) MAY REDUCE THE MEDICAL BENEFITS OFFERED OR THE
17 PERCENTAGE OF THE FEDERAL POVERTY LEVEL TO BELOW ONE HUNDRED
18 PERCENT, BUT THE PERCENTAGE SHALL NOT BE REDUCED TO BELOW SIXTY
19 PERCENT.

20 (o) (I) Individuals with disabilities who are participating in the
21 medicaid buy-in program established in part 14 of article 6 of this title.

22 (II) NOTWITHSTANDING THE PROVISIONS OF SUBPARAGRAPH (I) OF
23 THIS PARAGRAPH (o), IF THE MONEYS IN THE HOSPITAL PROVIDER FEE CASH
24 FUND ESTABLISHED PURSUANT TO SECTION 25.5-4-402.3 (4), TOGETHER
25 WITH THE CORRESPONDING FEDERAL MATCHING FUNDS, ARE INSUFFICIENT
26 TO FULLY FUND ALL OF THE PURPOSES DESCRIBED IN SECTION 25.5-4-402.3
27 (4) (b), AFTER RECEIVING RECOMMENDATIONS FROM THE HOSPITAL

1 PROVIDER FEE OVERSIGHT AND ADVISORY BOARD ESTABLISHED PURSUANT
2 TO SECTION 25.5-4-402.3 (6), FOR INDIVIDUALS WITH DISABILITIES WHO
3 ARE PARTICIPATING IN THE MEDICAID BUY-IN PROGRAM ESTABLISHED IN
4 PART 14 OF ARTICLE 6 OF THIS TITLE, THE STATE BOARD BY RULE ADOPTED
5 PURSUANT TO THE PROVISIONS OF SECTION 25.5-4-402.3 (5) (b) (III) MAY
6 REDUCE THE MEDICAL BENEFITS OFFERED OR THE PERCENTAGE OF THE
7 FEDERAL POVERTY LEVEL TO BELOW FOUR HUNDRED PERCENT OR MAY
8 ELIMINATE THIS ELIGIBILITY GROUP.

9 (p) (I) SUBJECT TO FEDERAL APPROVAL, PERSONS OVER EIGHTEEN
10 YEARS OF AGE WHO ARE CHILDLESS OR WITHOUT A DEPENDENT CHILD IN
11 THE HOME WHOSE FAMILY INCOME DOES NOT EXCEED A SPECIFIED
12 PERCENTAGE OF THE FEDERAL POVERTY LEVEL, ADJUSTED FOR FAMILY
13 SIZE AND AS SET BY THE STATE BOARD BY RULE, WHICH PERCENTAGE
14 SHALL BE NOT LESS THAN ONE HUNDRED PERCENT.

15 (II) NOTWITHSTANDING THE PROVISIONS OF SUBPARAGRAPH (I) OF
16 THIS PARAGRAPH (p), IF THE MONEYS IN THE HOSPITAL PROVIDER FEE CASH
17 FUND ESTABLISHED PURSUANT TO SECTION 25.5-4-402.3 (4), TOGETHER
18 WITH THE CORRESPONDING FEDERAL MATCHING FUNDS, ARE INSUFFICIENT
19 TO FULLY FUND ALL OF THE PURPOSES DESCRIBED IN SECTION 25.5-4-402.3
20 (4) (b), AFTER RECEIVING RECOMMENDATIONS FROM THE HOSPITAL
21 PROVIDER FEE OVERSIGHT AND ADVISORY BOARD ESTABLISHED PURSUANT
22 TO SECTION 25.5-4-402.3 (6), FOR CHILDLESS PERSONS OR FOR PERSONS
23 WITHOUT A DEPENDENT CHILD IN THE HOME, THE STATE BOARD BY RULE
24 ADOPTED PURSUANT TO THE PROVISIONS OF SECTION 25.5-4-402.3 (5) (b)
25 (III) MAY REDUCE THE MEDICAL BENEFITS OFFERED OR THE PERCENTAGE
26 OF THE FEDERAL POVERTY LEVEL TO BELOW ONE HUNDRED PERCENT OR
27 MAY ELIMINATE THIS ELIGIBILITY GROUP.

1 (q) CHILDREN WHO ARE CONTINUOUSLY ELIGIBLE FOR TWELVE
2 MONTHS PURSUANT TO SECTION 25.5-5-204.5.

3 (r) (I) PERSONS ELIGIBLE FOR A MEDICAID BUY-IN PROGRAM
4 ESTABLISHED PURSUANT TO SECTION 25.5-5-206 WHOSE FAMILY INCOME
5 DOES NOT EXCEED A SPECIFIED PERCENTAGE OF THE FEDERAL POVERTY
6 LEVEL, ADJUSTED FOR FAMILY SIZE AND AS SET BY THE STATE BOARD BY
7 RULE, WHICH PERCENTAGE SHALL BE NOT MORE THAN FOUR HUNDRED
8 PERCENT.

9 (II) NOTWITHSTANDING THE PROVISIONS OF SUBPARAGRAPH (I) OF
10 THIS PARAGRAPH (r), IF THE MONEYS IN THE HOSPITAL PROVIDER FEE CASH
11 FUND ESTABLISHED PURSUANT TO SECTION 25.5-4-402.3 (4), TOGETHER
12 WITH THE CORRESPONDING FEDERAL MATCHING FUNDS, ARE INSUFFICIENT
13 TO FULLY FUND ALL OF THE PURPOSES DESCRIBED IN SECTION 25.5-4-402.3
14 (4) (b), AFTER RECEIVING RECOMMENDATIONS FROM THE HOSPITAL
15 PROVIDER FEE OVERSIGHT AND ADVISORY BOARD ESTABLISHED PURSUANT
16 TO SECTION 25.5-4-402.3 (6), FOR PERSONS ELIGIBLE FOR A MEDICAID
17 BUY-IN PROGRAM ESTABLISHED PURSUANT TO SECTION 25.5-5-206, THE
18 STATE BOARD BY RULE ADOPTED PURSUANT TO THE PROVISIONS OF
19 SECTION 25.5-4-402.3 (5) (b) (III) MAY REDUCE THE MEDICAL BENEFITS
20 OFFERED, OR THE PERCENTAGE OF THE FEDERAL POVERTY LEVEL, OR MAY
21 ELIMINATE THIS ELIGIBILITY GROUP.

22 **SECTION 6.** Part 2 of article 5 of title 25.5, Colorado Revised
23 Statutes, is amended BY THE ADDITION OF THE FOLLOWING NEW
24 SECTIONS to read:

25 **25.5-5-204.5. Continuous eligibility - children.** (1) A CHILD
26 WHO IS DETERMINED TO BE ELIGIBLE FOR BENEFITS UNDER THIS ARTICLE
27 OR UNDER ARTICLE 4 OR 6 OF THIS TITLE SHALL REMAIN ELIGIBLE FOR

1 TWELVE MONTHS SUBSEQUENT TO THE LAST DAY OF THE MONTH IN WHICH
2 THE CHILD WAS ENROLLED; EXCEPT THAT A CHILD SHALL NO LONGER BE
3 ELIGIBLE AND SHALL BE DISENROLLED FROM THE STATE MEDICAL
4 ASSISTANCE PROGRAM IF THE STATE DEPARTMENT BECOMES AWARE OF OR
5 IS NOTIFIED THAT THE CHILD HAS MOVED OUT OF THE STATE OR HAS
6 REACHED NINETEEN YEARS OF AGE.

7 (2) NOTWITHSTANDING THE PROVISIONS OF SUBSECTION (1) OF
8 THIS SECTION, IF THE MONEYS IN THE HOSPITAL PROVIDER FEE CASH FUND
9 ESTABLISHED PURSUANT TO SECTION 25.5-4-402.3 (4), TOGETHER WITH
10 THE CORRESPONDING FEDERAL MATCHING FUNDS, ARE INSUFFICIENT TO
11 FULLY FUND ALL OF THE PURPOSES DESCRIBED IN SECTION 25.5-4-402.3 (4)
12 (b), AFTER RECEIVING RECOMMENDATIONS FROM THE HOSPITAL PROVIDER
13 FEE OVERSIGHT AND ADVISORY BOARD ESTABLISHED PURSUANT TO
14 SECTION 25.5-4-402.3 (6), THE STATE BOARD BY RULE ADOPTED PURSUANT
15 TO THE PROVISIONS OF SECTION 25.5-4-402.3 (5) (b) (III) MAY ELIMINATE
16 THE CONTINUOUS ENROLLMENT REQUIREMENT PURSUANT TO THIS
17 SECTION.

18 **25.5-5-206. Medicaid buy-in program - disabled children -**
19 **disabled adults - federal authorization - rules.** (1) (a) SUBJECT TO
20 AVAILABLE APPROPRIATIONS, THE STATE DEPARTMENT IS AUTHORIZED TO
21 SEEK FEDERAL AUTHORIZATION TO AND TO ESTABLISH A MEDICAID BUY IN
22 PROGRAM OR PROGRAMS FOR:

23 (I) DISABLED CHILDREN; OR

24 (II) DISABLED ADULTS WHO DO NOT QUALIFY FOR THE MEDICAID
25 BUY-IN PROGRAM ESTABLISHED PURSUANT TO PART 14 OF ARTICLE 6 OF
26 THIS TITLE.

27 (b) THE MEDICAID BUY-IN PROGRAM OR PROGRAMS ESTABLISHED

1 PURSUANT TO PARAGRAPH (a) OF THIS SUBSECTION (1) MAY PROVIDE FOR
2 PREMIUM AND COST-SHARING CHARGES ON A SLIDING FEE SCALE BASED
3 UPON A FAMILY'S INCOME.

4 (2) THE STATE BOARD SHALL PROMULGATE RULES CONSISTENT
5 WITH ANY FEDERAL AUTHORIZATION TO IMPLEMENT AND ADMINISTER THE
6 MEDICAID BUY-IN PROGRAM OR PROGRAMS ESTABLISHED PURSUANT TO
7 PARAGRAPH (a) OF SUBSECTION (1) OF THIS SECTION.

8 **SECTION 7.** 25.5-6-1403 (2), Colorado Revised Statutes, is
9 amended to read:

10 **25.5-6-1403. Waivers and amendments.** (2) If approved by the
11 joint budget committee following its review of the report and subject to
12 available appropriations, the state department shall submit to the federal
13 ~~health care financing administration~~ CENTERS FOR MEDICARE AND
14 MEDICAID SERVICES an amendment to the state medical assistance plan,
15 and shall request any necessary waivers from the secretary of the federal
16 department of health and human services, to permit the state department
17 to expand medical assistance eligibility as provided in this part 14 for the
18 purpose of implementing a medicaid buy-in program for people with
19 disabilities who are in the basic coverage group or the medical
20 improvement group. In addition, the state department shall apply to the
21 secretary of the federal department of health and human services for a
22 medicaid infrastructure grant, if available, to develop and implement the
23 federal "Ticket to Work and Work Incentives Improvement Act of 1999",
24 Pub.L. 106-170.

25 **SECTION 8.** 25.5-8-103 (4) (a), Colorado Revised Statutes, as
26 it will become effective March 1, 2009, is amended to read:

27 **25.5-8-103. Definitions.** As used in this article, unless the context

1 otherwise requires:

2 (4) "Eligible person" means:

3 (a) (I) A person who is less than nineteen years of age, whose
4 family income does not exceed two hundred ~~twenty-five~~ FIFTY percent of
5 the federal poverty level, adjusted for family size; ~~except that, subject to~~
6 ~~available appropriations, the department may increase the percentage of~~
7 ~~the federal poverty level for purposes of eligibility to up to two hundred~~
8 ~~fifty percent; or~~

9 (II) NOTWITHSTANDING THE PROVISIONS OF SUBPARAGRAPH (I) OF
10 THIS PARAGRAPH (a), IF THE MONEYS IN THE HOSPITAL PROVIDER FEE CASH
11 FUND ESTABLISHED PURSUANT TO SECTION 25.5-4-402.3 (4), TOGETHER
12 WITH THE CORRESPONDING FEDERAL MATCHING FUNDS, ARE INSUFFICIENT
13 TO FULLY FUND ALL OF THE PURPOSES DESCRIBED IN SECTION 25.5-4-402.3
14 (4) (b), AFTER RECEIVING RECOMMENDATIONS FROM THE HOSPITAL
15 PROVIDER FEE OVERSIGHT AND ADVISORY BOARD ESTABLISHED PURSUANT
16 TO SECTION 25.5-4-402.3 (6), FOR PERSONS LESS THAN NINETEEN YEARS
17 OF AGE, THE STATE BOARD MAY BY RULE ADOPTED PURSUANT TO THE
18 PROVISIONS OF SECTION 25.5-4-402.3 (5) (b) (III) REDUCE THE
19 PERCENTAGE OF THE FEDERAL POVERTY LEVEL TO BELOW TWO HUNDRED
20 FIFTY PERCENT, BUT THE PERCENTAGE SHALL NOT BE REDUCED TO BELOW
21 TWO HUNDRED TWENTY-FIVE PERCENT; OR

22 **SECTION 9.** 25.5-8-103 (4) (b), Colorado Revised Statutes, as
23 it will become effective October 1, 2009, is amended to read:

24 **25.5-8-103. Definitions.** As used in this article, unless the context
25 otherwise requires:

26 (4) "Eligible person" means:

27 (b) (I) A pregnant woman whose family income does not exceed

1 two hundred ~~twenty-five~~ FIFTY percent of the federal poverty level,
2 adjusted for family size, and who is not eligible for medicaid. ~~except that,~~
3 ~~subject to available appropriations, the department may increase the~~
4 ~~percentage of the federal poverty level for purposes of eligibility to up to~~
5 ~~two hundred fifty percent.~~

6 (II) NOTWITHSTANDING THE PROVISIONS OF SUBPARAGRAPH (I) OF
7 THIS PARAGRAPH (b), IF THE MONEYS IN THE HOSPITAL PROVIDER FEE CASH
8 FUND ESTABLISHED PURSUANT TO SECTION 25.5-4-402.3 (4), TOGETHER
9 WITH THE CORRESPONDING FEDERAL MATCHING FUNDS, ARE INSUFFICIENT
10 TO FULLY FUND ALL OF THE PURPOSES DESCRIBED IN SECTION 25.5-4-402.3
11 (4) (b), AFTER RECEIVING RECOMMENDATIONS FROM THE HOSPITAL
12 PROVIDER FEE OVERSIGHT AND ADVISORY BOARD ESTABLISHED PURSUANT
13 TO SECTION 25.5-4-402.3 (6), FOR PREGNANT WOMEN, THE STATE BOARD
14 BY RULE ADOPTED PURSUANT TO THE PROVISIONS OF SECTION
15 25.5-4-402.3 (5) (b) (III) MAY REDUCE THE PERCENTAGE OF THE FEDERAL
16 POVERTY LEVEL TO BELOW TWO HUNDRED FIFTY PERCENT, BUT THE
17 PERCENTAGE SHALL NOT BE REDUCED TO BELOW TWO HUNDRED
18 TWENTY-FIVE PERCENT.

19 **SECTION 10.** 24-4-103 (8) (c) (I), Colorado Revised Statutes, is
20 amended to read:

21 **24-4-103. Rule-making - procedure - repeal.**
22 (8) (c) (I) Notwithstanding any other provision of law to the contrary
23 and the provisions of section 24-4-107, all rules adopted or amended on
24 or after January 1, 1993, and before November 1, 1993, shall expire at
25 11:59 p.m. on May 15 of the year following their adoption unless the
26 general assembly by bill acts to postpone the expiration of a specific rule,
27 and commencing with rules adopted or amended on or after November 1,

1 1993, all rules adopted or amended during any one-year period that begins
2 each November 1 and continues through the following October 31 shall
3 expire at 11:59 p.m. on the May 15 that follows such one-year period
4 unless the general assembly by bill acts to postpone the expiration of a
5 specific rule; EXCEPT THAT A RULE ADOPTED PURSUANT TO SECTION
6 25.5-4-402.3 (5) (b) (III), C.R.S., SHALL EXPIRE AT 11:59 P.M. ON THE
7 MAY 15 FOLLOWING THE ADOPTION OF THE RULE UNLESS THE GENERAL
8 ASSEMBLY ACTS BY BILL TO POSTPONE THE EXPIRATION OF A SPECIFIC
9 RULE. The general assembly, in its discretion, may postpone such
10 expiration, in which case, the provisions of section 24-4-108 or
11 24-34-104 shall apply, and the rules shall expire or be subject to review
12 as provided in said sections. The postponement of the expiration of a rule
13 shall not constitute legislative approval of the rule nor be admissible in
14 any court as evidence of legislative intent. The postponement of the
15 expiration date of a specific rule shall not prohibit any action by the
16 general assembly pursuant to the provisions of paragraph (d) of this
17 subsection (8) with respect to such rule.

18 **SECTION 11. Effective date.** This section and sections 1 and 12
19 of this act shall take effect upon passage; and sections 2 through 10 of
20 this act shall take effect on July 1 of the year following the receipt by the
21 revisor of statutes of the notice required by section 25.5-4-402.3 (7) (a),
22 Colorado Revised Statutes.

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