

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

REREVISED

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

LLS NO. 11-0971.01 Brita Darling

SENATE BILL 11-213

SENATE SPONSORSHIP

Hodge, Steadman, Lambert

HOUSE SPONSORSHIP

Gerou, Becker, Ferrandino

Senate Committees
Appropriations

House Committees
Appropriations

A BILL FOR AN ACT

101 **CONCERNING ENROLLEE COST-SHARING FOR CHILDREN ENROLLED IN**
102 **THE CHILDREN'S BASIC HEALTH PLAN, AND MAKING AN**
103 **APPROPRIATION THEREFOR.**

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>.)

The department of health care policy and financing (the department) currently has the duty to implement a cost-sharing system using an enrollment fee for enrollees in the children's basic health plan (plan), excluding pregnant women and enrollees with a family income 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.

HOUSE
3rd Reading Unam ended
April 14, 2011

HOUSE
Am ended 2nd Reading
April 13, 2011

SENATE
3rd Reading Unam ended
April 11, 2011

SENATE
Am ended 2nd Reading
April 8, 2011

less than 150% of the federal poverty line (FPL). The bill directs the department to assess an annual enrollment fee for persons with a family income up to 205% of FPL, and to assess a monthly enrollment fee, capped at \$50 per month, per family, for children in families with a family income that exceeds 205% of the FPL.

The bill authorizes the department to provide information to the department of revenue concerning unpaid enrollment fees for offset against a state income tax refund. The department shall establish a process for an enrollee to contest and appeal the determination of debt.

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

2 **SECTION 1.** 25.5-8-107 (1) (b) and (1) (e), Colorado Revised
3 Statutes, are amended to read:

4 **25.5-8-107. Duties of the department - schedule of services -**
5 **premiums - copayments - subsidies.** (1) In addition to any other duties
6 pursuant to this article, the department shall have the following duties:

7 (b) (I) (A) To design and implement a system of cost-sharing with
8 enrollees using an ~~annual~~ enrollment fee that is based on a sliding fee
9 scale; ~~The sliding fee scale shall be developed based on the enrollee's~~
10 ~~family income~~; except that no enrollment fee shall be assessed against an
11 enrollee whose family income is at or below one hundred fifty percent of
12 the federal poverty line and no enrollment fee shall be assessed against an
13 enrollee who is a pregnant woman. As permitted by federal and state law,
14 enrollees in the plan may use funds from a medical savings account to pay
15 the ~~annual~~ enrollment fee FEES. On or before November 1 of each year,
16 the department shall submit for approval to the joint budget committee its
17 annual proposal for cost sharing for the plan based upon a family's
18 income.

19 (B) FOR CHILDREN IN FAMILIES WITH A FAMILY INCOME EQUAL TO
20 OR GREATER THAN ONE HUNDRED FIFTY PERCENT OF THE FEDERAL

1 POVERTY LINE, BUT NO MORE THAN TWO HUNDRED AND FIVE PERCENT OF
2 THE FEDERAL POVERTY LINE, THE DEPARTMENT SHALL ASSESS AN ANNUAL
3 ENROLLMENT FEE.

4 (C) FOR CHILDREN IN FAMILIES WITH A FAMILY INCOME GREATER
5 THAN TWO HUNDRED AND FIVE PERCENT OF THE FEDERAL POVERTY LINE,
6 THE DEPARTMENT SHALL ASSESS A MONTHLY ENROLLMENT FEE THAT IS
7 NOT LESS THAN TWENTY DOLLARS FOR THE FIRST CHILD ENROLLED IN THE
8 PLAN AND NOT LESS THAN TEN DOLLARS FOR EACH ADDITIONAL CHILD
9 ENROLLED IN THE PLAN. THE TOTAL MONTHLY ENROLLMENT FEE
10 ASSESSED FOR A FAMILY SHALL NOT EXCEED FIFTY DOLLARS PER MONTH.
11 THE DEPARTMENT MAY ADJUST THE AMOUNTS SPECIFIED IN THIS
12 SUB-SUBPARAGRAPH (C) FOR INFLATION.

13 (II) THE DEPARTMENT MAY PROVIDE INFORMATION TO THE
14 DEPARTMENT OF REVENUE PURSUANT TO SECTION 26-2-133, C.R.S.,
15 REGARDING PERSONS WHO ARE OBLIGATED TO THE STATE FOR
16 NONPAYMENT OF ENROLLMENT FEES PURSUANT TO THIS PARAGRAPH (b).
17 PRIOR TO PROVIDING INFORMATION TO THE DEPARTMENT OF REVENUE
18 PURSUANT TO SECTION 26-2-133, C.R.S., THE DEPARTMENT SHALL
19 ESTABLISH A PROCESS TO ENSURE THAT THE OBLIGATED PERSON HAS BEEN
20 AFFORDED THE OPPORTUNITY TO CONTEST AND APPEAL THE
21 DETERMINATION OF THE DEBT.

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23 (e) To design a procedure whereby a financial sponsor may pay
24 the ~~annual~~ enrollment fee or some portion thereof on behalf of a
25 subsidized or nonsubsidized enrollee; except that the payment made on
26 behalf of said enrollee shall not exceed the total enrollment fee due from
27 the enrollee;

1 **SECTION 2.** 26-2-133 (2), Colorado Revised Statutes, is
2 amended to read:

3 **26-2-133. State income tax refund offset.** (2) As a condition of
4 certifying an overpayment to the department of revenue as provided in
5 subsection (1) of this section, the state department shall ensure that the
6 obligated person has been afforded the opportunity for a conference at the
7 county department level pursuant to section 26-2-127 or 25.5-4-207,
8 C.R.S., and the opportunity for an appeal to the state department pursuant
9 to section 26-2-127 or 26-2-304, OR THAT THE OBLIGATED PERSON HAS
10 BEEN AFFORDED THE PROCESS ESTABLISHED PURSUANT TO SECTION
11 25.5-8-107, C.R.S. In addition, the state department, prior to final
12 certification of the information specified in subsection (1) of this section
13 to the department of revenue, shall notify the obligated person, in writing,
14 at his OR HER last-known address, that the state intends to refer the
15 person's name to the department of revenue in an attempt to offset the
16 obligation against the person's state income tax refund. Such notification
17 shall inform the obligated person of the opportunity for a conference with
18 the county department pursuant to section 26-2-127 or 25.5-4-207,
19 C.R.S., and of the opportunity for an appeal to the state department
20 pursuant to section 26-2-127 or 26-2-304, OR OF THE PROCESS
21 ESTABLISHED PURSUANT TO SECTION 25.5-8-107, C.R.S. In addition, the
22 notice shall specify issues that may be raised at an evidentiary conference
23 or on appeal, as provided by this subsection (2), by the obligated person
24 in objecting to the offset and shall specify that the obligated person may
25 not object to the fact that an overpayment occurred. A person who has
26 received a notice pursuant to this subsection (2) shall request, within
27 thirty days from the date such notice was mailed, an administrative review

1 or evidentiary conference, as provided in this subsection (2).

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SECTION 3. Appropriation - adjustments in 2011 long bill.

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(1) For the implementation of this act, appropriations made in the annual
5 general appropriation act, to the department of health care policy and
6 financing, for the fiscal year beginning July 1, 2011, shall be adjusted as
7 follows:

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(a) The appropriation for the executive director's office, for
9 general administration, is increased by four thousand eight hundred
10 twenty-one dollars (\$4,821) and 0.2 FTE. Of this amount, one thousand
11 six hundred eighty-seven dollars (\$1,687) shall be from the general fund
12 and three thousand one hundred thirty-four dollars (\$3,134) shall be from
13 federal funds.

14

(b) The appropriation for the indigent care program, for children's
15 basic health plan administration, is increased by eleven thousand
16 eighty-eight dollars (\$11,088). Of this amount, three thousand eight
17 hundred eighty-one dollars (\$3,881) shall be from the general fund and
18 seven thousand two hundred seven dollars (\$7,207) shall be from federal
19 funds.

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(c) The appropriation for the indigent care program, for children's
21 basic health plan medical and dental costs, is decreased by three hundred
22 ninety-eight thousand eight hundred forty-nine dollars (\$398,849). Of
23 this amount, one hundred thirty-nine thousand five hundred ninety-seven
24 dollars (\$139,597) shall be cash funds from the hospital provider fee cash
25 fund created in section 25.5-4-402.3 (4), Colorado Revised Statutes, and
26 two hundred fifty-nine thousand two hundred fifty-two dollars (\$259,252)
27 shall be from federal funds.

1 (d) The appropriation for the department of human services
2 medicaid-funded programs, office of information technology services -
3 medicaid funding, for the Colorado benefits management system, is
4 increased by three hundred seventy-five thousand nine hundred sixty
5 dollars (\$375,960). Of said sum, twenty-nine thousand nine hundred
6 seventy dollars (\$29,970) shall be from the general fund, one hundred one
7 thousand six hundred sixteen dollars (\$101,616) shall be from the
8 children's basic health plan trust created in section 25.5-8-105 (1),
9 Colorado Revised Statutes, and two hundred forty-four thousand three
10 hundred seventy-four dollars (\$244,374) shall be from federal funds.

11 (2) For the implementation of this act, appropriations made in the
12 annual general appropriation act, to the department of human services,
13 office of information technology services, for the Colorado benefits
14 management system for the fiscal year beginning July 1, 2011, is
15 increased by three hundred seventy-five thousand nine hundred sixty
16 dollars (\$375,960). Said sum shall be reappropriated funds received from
17 the department of health care policy and financing out of the
18 appropriation made in subsection (1) (d) of this section.

19 (3) For the implementation of this act, appropriations made in the
20 annual general appropriation act, to the governor - lieutenant governor -
21 state planning and budgeting, for the fiscal year beginning July 1, 2011,
22 shall be adjusted as follows:

23 (a) The appropriation for the office of information technology for
24 the Colorado benefits management system, is increased by three hundred
25 seventy-five thousand nine hundred sixty dollars (\$375,960). Said sum
26 shall be reappropriated funds received from the department of human
27 services out of the appropriation made in subsection (2) of this section.

1 (b) The appropriation for the office of information technology for
2 computer services is increased by five thousand nine hundred twenty
3 dollars (\$5,920). Said sum shall be reappropriated funds received from
4 the department of revenue out of the appropriations made in subsection
5 (4) of this section.

6 (4) For the implementation of this act, the general fund
7 appropriation made in the annual general appropriation act, to the
8 department of revenue, information technology division, for system
9 support, is increased by five thousand nine hundred twenty dollars
10 (\$5,920).

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12 **SECTION 4. Effective date.** This act shall take effect July 1,
13 2011.

14 **SECTION 5. Safety clause.** The general assembly hereby finds,
15 determines, and declares that this act is necessary for the immediate
16 preservation of the public peace, health, and safety.