

Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 26-0390.01 Chelsea Princell x4335

HOUSE BILL 26-1235

HOUSE SPONSORSHIP

Feret,

SENATE SPONSORSHIP

Daugherty,

House Committees
Health & Human Services

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING UPDATES TO THE MEDICAL ASSISTANCE PROGRAM.**

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://leg.colorado.gov>.)

Beginning December 1, 2026, the bill requires each transportation broker that administers nonemergency medical transportation to medicaid members to submit certain information to the state department regarding transportation providers that the transportation broker contracts with. The department of health care policy and financing (state department) is required to include this information in its annual "SMART Act" presentation.

The bill requires the medical services board to adopt rules to

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

implement the federal community engagement requirements.

Under current law, the state department is required to reimburse an opioid treatment program for administering medication-assisted treatment in a jail setting. The bill amends this requirement to require the state department to reimburse a licensed provider who is licensed and authorized to prescribe, dispense, compound, or administer medication-assisted treatment in a jail setting.

The bill prohibits the state department from implementing a multiple procedure payment reduction, compound billing methodology, or substantially similar reimbursement policy for outpatient therapy services.

Beginning January 1, 2027, the bill requires home- and community-based service agencies to submit their medical loss ratio to the state department. The state department is required to publish this medical loss ratio data on the state department's website on an annual basis.

The bill repeals the state medical assistance and services advisory council.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 25.5-1-803 as
3 follows:

4 **25.5-1-803. Transportation provider data reporting**
5 **requirements.**

6 (1) ON OR BEFORE DECEMBER 1, 2026, AND ON OR BEFORE EACH
7 DECEMBER 1 THEREAFTER, EACH TRANSPORTATION BROKER SHALL
8 REPORT THE FOLLOWING INFORMATION TO THE STATE DEPARTMENT:

9 (a) REGARDING EACH TRANSPORTATION PROVIDER THAT THE
10 TRANSPORTATION BROKER CONTRACTS WITH:

11 (I) THE TOTAL NUMBER OF RIDES REQUESTED;

12 (II) THE TOTAL NUMBER OF RIDES COMPLETED;

13 (III) THE TOTAL NUMBER OF RIDES CANCELED BY MEMBERS AND
14 THE TRANSPORTATION PROVIDER;

15 (IV) THE TOTAL COST OF RIDES COMPLETED CATEGORIZED BY

1 PROCEDURE CODE; AND

2 (V) THE TOTAL NUMBER OF CALLS RECEIVED FROM MEMBERS
3 REQUESTING NONEMERGENCY MEDICAL TRANSPORTATION AND THE
4 AVERAGE TIME A MEMBER SPENT ON HOLD;

5 (b) THE NUMBER OF GRIEVANCES SUBMITTED BY MEMBERS
6 REGARDING A TRANSPORTATION PROVIDER THAT WERE SUBSTANTIATED,
7 AND THE TRANSPORTATION PROVIDER THAT THE GRIEVANCE CONCERNS;
8 AND

9 (c) THE TOTAL NUMBER OF TRANSPORTATION PROVIDERS
10 TERMINATED FROM THE TRANSPORTATION BROKER'S NETWORK, ON A
11 CORRECTIVE ACTION PLAN, OR ON A PERFORMANCE IMPROVEMENT PLAN.

12 (2) BEGINNING JANUARY 1, 2027, THE STATE DEPARTMENT SHALL
13 INCLUDE AS PART OF THE STATE DEPARTMENT'S "SMART ACT"
14 PRESENTATION REQUIRED BY SECTION 2-7-203 THE INFORMATION
15 SUBMITTED TO THE STATE DEPARTMENT BY THE TRANSPORTATION
16 BROKERS AS REQUIRED BY SUBSECTION (1) OF THIS SECTION.

17 **SECTION 2.** In Colorado Revised Statutes, **add** 25.5-4-217 as
18 follows:

19 **25.5-4-217. Multiple procedure payment reductions for**
20 **outpatient therapy - prohibition - definitions.**

21 (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
22 REQUIRES:

23 (a) "COMPOUND BILLING METHODOLOGY" MEANS A PAYMENT
24 METHODOLOGY UNDER WHICH MULTIPLE REDUCTIONS, DISCOUNTS, OR
25 ADJUSTMENTS ARE APPLIED CUMULATIVELY OR SEQUENTIALLY TO A
26 SINGLE CLAIM OR SET OF SERVICES, RESULTING IN A REIMBURSEMENT
27 AMOUNT THAT IS LESS THAN WHAT WOULD OTHERWISE BE PAID IF THE

1 REDUCTIONS OR ADJUSTMENTS WERE APPLIED INDEPENDENTLY.

2 (b) "MULTIPLE PROCEDURE PAYMENT REDUCTION" MEANS A
3 REIMBURSEMENT METHODOLOGY THAT REDUCES PAYMENT FOR ONE OR
4 MORE PROCEDURES FURNISHED TO A MEMBER DURING THE SAME DATE OF
5 SERVICE, ENCOUNTER, OR EPISODE OF CARE BASED SOLELY ON THE
6 NUMBER, SEQUENCING, OR COMBINATION OF PROCEDURES PERFORMED.

7 (2) THE STATE DEPARTMENT SHALL NOT IMPLEMENT, APPLY, OR
8 ENFORCE A MULTIPLE PROCEDURE PAYMENT REDUCTION, COMPOUND
9 BILLING METHODOLOGY, OR SUBSTANTIALLY SIMILAR REIMBURSEMENT
10 POLICY FOR OUTPATIENT THERAPY SERVICES PROVIDED UNDER THE
11 MEDICAL ASSISTANCE PROGRAM.

12 **SECTION 3.** In Colorado Revised Statutes, **add** 25.5-4-218 as
13 follows:

14 **25.5-4-218. Community engagement requirements for**
15 **medicaid eligibility - rules.**

16 ON OR BEFORE JANUARY 1, 2027, THE STATE BOARD SHALL ADOPT
17 RULES THAT ARE NECESSARY TO IMPLEMENT THE COMMUNITY
18 ENGAGEMENT REQUIREMENTS OF TITLE XIX OF THE FEDERAL "SOCIAL
19 SECURITY ACT OF 1965", 42 U.S.C. SEC. 1396a(xx).

20 **SECTION 4.** In Colorado Revised Statutes, 25.5-4-401.5, **amend**
21 (1)(c)(I) as follows:

22 **25.5-4-401.5. Review of provider rates - advisory committee**
23 **- recommendations - repeal.**

24 (1) (c) (I) The state department may propose to exclude rates from
25 the schedule established pursuant to subsection (1)(a) of this section if
26 those rates are adjusted OR REVIEWED on a periodic basis as a result of
27 other state statute or federal law or regulation. The state department shall

1 include the proposed list of exclusions with the schedule established
2 pursuant to subsection (1)(a) of this section.

3 **SECTION 5.** In Colorado Revised Statutes, 25.5-4-505.5, **amend**
4 (5) as follows:

5 **25.5-4-505.5. Federal authorization related to persons involved**
6 **in the criminal justice system - report - rules - legislative declaration.**

7 (5) (a) The state department shall ~~only reimburse an opioid~~
8 ~~treatment program, as defined in section 27-80-203, for administering~~
9 ~~medication-assisted treatment~~ REIMBURSE A PROVIDER WHO IS LICENSED
10 AND AUTHORIZED TO PRESCRIBE, DISPENSE, COMPOUND, OR ADMINISTER
11 MEDICATION-ASSISTED TREATMENT in a jail setting. ~~At a minimum, an~~
12 ~~opioid treatment program that administers medication-assisted treatment~~
13 ~~shall:~~

14 ~~(I) Employ a physician medical director;~~

15 ~~(II) Ensure the individual receiving medication-assisted treatment~~
16 ~~undergoes a minimum observation period after receiving~~
17 ~~medication-assisted treatment as determined by behavioral health~~
18 ~~administration rule pursuant to section 27-80-204; and~~

19 ~~(III) Meet all critical incident reporting requirements as~~
20 ~~determined by behavioral health administration rule pursuant to section~~
21 ~~27-80-204.~~

22 (b) The state department shall ensure as part of the state
23 department's quality oversight that ~~opioid treatment programs that~~
24 LICENSED PROVIDERS WHO administer medication-assisted treatment in a
25 jail setting maintain emergency policies and procedures that address
26 adverse outcomes.

27 **SECTION 6.** In Colorado Revised Statutes, **add** 25.5-5-428 as

1 follows:

2 **25.5-5-428. Home- and community-based service agencies -**
3 **disclosure of medical loss ratio - definition.**

4 (1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
5 REQUIRES, "MEDICAL LOSS RATIO" MEANS THE PERCENTAGE OF PREMIUM
6 REVENUE THAT A HOME- AND COMMUNITY-BASED SERVICE AGENCY
7 SPENDS ON HEALTH-CARE SERVICES AND QUALITY IMPROVEMENT
8 ACTIVITIES.

9 (2) BEGINNING JANUARY 1, 2027, AND ANNUALLY THEREAFTER,
10 A HOME- AND COMMUNITY-BASED SERVICE AGENCY SHALL SUBMIT TO THE
11 STATE DEPARTMENT THE HOME- AND COMMUNITY-BASED SERVICE
12 AGENCY'S MEDICAL LOSS RATIO.

13 (3) THE STATE DEPARTMENT SHALL ANNUALLY PUBLISH EACH
14 HOME- AND COMMUNITY-BASED SERVICE AGENCY'S MEDICAL LOSS RATIO
15 ON THE STATE DEPARTMENT'S WEBSITE.

16 **SECTION 7.** In Colorado Revised Statutes, **repeal** 25.5-4-203.

17 **SECTION 8. Act subject to petition - effective date.** This act
18 takes effect at 12:01 a.m. on the day following the expiration of the
19 ninety-day period after final adjournment of the general assembly (August
20 12, 2026, if adjournment sine die is on May 13, 2026); except that, if a
21 referendum petition is filed pursuant to section 1 (3) of article V of the
22 state constitution against this act or an item, section, or part of this act
23 within such period, then the act, item, section, or part will not take effect
24 unless approved by the people at the general election to be held in
25 November 2026 and, in such case, will take effect on the date of the
26 official declaration of the vote thereon by the governor.