

**Second Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO**

INTRODUCED

LLS NO. 26-0803.01 Richard Sweetman x4333

HOUSE BILL 26-1244

HOUSE SPONSORSHIP

Slaugh and Joseph,

SENATE SPONSORSHIP

Frizell and Exum,

House Committees
Health & Human Services

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING CONSIDERATIONS FOR THE DEPARTMENT OF PUBLIC**
102 **HEALTH AND ENVIRONMENT TO USE AS A BASIS FOR MAKING**
103 **DISTRIBUTIONS FROM THE NURSING HOME PENALTY CASH FUND.**

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>.)

Current law requires the department of public health and environment (CDPHE) to consider certain criteria as a basis for distributing grants from the nursing home penalty cash fund (fund). The bill strikes these criteria and instead requires CDPHE to distribute such grants in accordance with priorities and allowable uses identified by the

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.

centers for medicare and medicaid services within the federal department of health and human services (centers).

Current law requires the nursing home innovations grant board (board) to make recommendations for the approval of grants from the fund. The bill requires such recommendations to be consistent with the processes for grant cycles of, and priorities and allowable uses identified by, the centers.

Current law requires CDPHE and the department of health care policy and financing, with the board's assistance, to jointly submit an annual report to the governor and certain legislative committees of reference regarding the expenditure of money in the fund. The bill changes the due date of the report from October 1 to January 1.

In current law, the term "benefit residents of nursing facilities" is defined to mean that a grant has a direct impact on the residents of nursing facilities or has an indirect impact on the residents through education of nursing facility staff. The bill amends this definition to include training, as well as education, of nursing facility staff.

Current law states that a governmental entity may not apply for or receive a grant from the fund unless the entity is a facility that is owned or operated by a governmental agency and licensed as a nursing care facility. The bill removes this restriction.

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

2 **SECTION 1.** In Colorado Revised Statutes, 25-1-107.5, **amend**
3 (1) introductory portion, (1)(b.5), (4)(c)(II), (4)(d)(II.5)(A),
4 (4)(d)(II.5)(B), and (6)(d); and **add** (1)(a.5) as follows:

5 **25-1-107.5. Additional authority of department - rules -**
6 **remedies against nursing facilities - criteria for recommending**
7 **assessments for civil penalties - cooperation with department of**
8 **health care policy and financing - nursing home penalty cash fund -**
9 **nursing home innovations grant board - reports - transfer of**
10 **contracts to the department.**

11 (1) ~~For the purposes of~~ AS USED IN this section, unless the context
12 otherwise requires:

13 (a.5) "DEPARTMENTS" MEANS THE DEPARTMENT OF PUBLIC

1 HEALTH AND ENVIRONMENT AND THE DEPARTMENT OF HEALTH CARE
2 POLICY AND FINANCING.

3 (b.5) "Benefit residents of nursing facilities" means that a grant
4 has a direct impact on the residents of nursing facilities or has an indirect
5 impact on the residents through education OR TRAINING of nursing facility
6 staff.

7 (4) (c) The departments shall consider, as a basis for distribution
8 from the nursing home penalty cash fund, the following:

9 (II) Grants to be approved for measures AND PROJECTS that will
10 benefit residents of nursing facilities by fostering innovation and
11 improving the quality of life and care at the facilities, ~~including, but not~~
12 ~~limited to:~~ IN ACCORDANCE WITH PRIORITIES AND ALLOWABLE USES
13 IDENTIFIED BY THE FEDERAL CENTERS FOR MEDICARE AND MEDICAID
14 SERVICES.

15 ~~(A) Consumer education to promote resident-centered care in~~
16 ~~nursing facilities;~~

17 ~~(B) (Deleted by amendment, L. 2014.)~~

18 ~~(C) Initiatives in nursing facilities related to the quality measures~~
19 ~~promoted by the federal centers for medicare and medicaid services and~~
20 ~~other national quality initiatives;~~

21 ~~(D) Education and consultation for purposes of identifying and~~
22 ~~implementing resident-centered care initiatives in nursing facilities; and~~

23 ~~(E) Projects that support or compliment statewide quality and~~
24 ~~safety goals of the departments.~~

25 (d) (II.5) (A) The board shall make recommendations for the
26 approval of grants, ~~that benefit residents of nursing facilities for at least~~
27 ~~one year and not more than three-year cycles. The projects awarded via~~

1 ~~grants must be portable, sustainable, and replicable in other nursing~~
2 ~~facilities~~ WHICH RECOMMENDATIONS MUST BE CONSISTENT WITH THE
3 PROCESSES FOR GRANT CYCLES OF, AND PRIORITIES AND ALLOWABLE USES
4 IDENTIFIED BY, THE FEDERAL CENTERS FOR MEDICARE AND MEDICAID
5 SERVICES.

6 (B) The department and the board shall develop processes for
7 grant payments, which processes may allow grant payments to be made
8 in advance of the delivery of goods and services to grantees. Grantees
9 receiving advance payments shall report progress to the board. ~~No state~~
10 ~~agency, nor any other governmental entity, with the exception of a facility~~
11 ~~that is owned or operated by a governmental agency and that is licensed~~
12 ~~as a nursing care facility under section 25-1.5-103 (1)(a)(I)(A), may apply~~
13 ~~for or receive a grant under this subsection (4).~~

14 (6) (d) ~~By October 1~~ ON OR BEFORE JANUARY 1 of each year, the
15 departments, with the assistance of the board, shall jointly submit a report
16 to the governor and the health and human services committee of the
17 senate and the ~~public health care~~ and human services committee of the
18 house of representatives, ~~of the general assembly~~, or their successor
19 committees, regarding the expenditure of ~~moneys~~ MONEY in the nursing
20 home penalty cash fund for the purposes described in ~~subparagraph (H)~~
21 ~~of paragraph (c) of subsection (4)~~ SUBSECTION (4)(c)(II) of this section.
22 The report must detail the amount of ~~moneys~~ MONEY expended for such
23 purposes, the recipients of the ~~funds~~ MONEY, the effectiveness of the use
24 of the ~~funds~~ MONEY, and any other information deemed pertinent by the
25 departments or requested by the governor or the committees.
26 Notwithstanding ~~the requirement in~~ section 24-1-136 (11), ~~C.R.S.~~, the
27 ~~report required~~ REPORTING REQUIREMENT DESCRIBED in this ~~paragraph (d)~~

1 SUBSECTION (6)(d) continues indefinitely.

2 **SECTION 2. Act subject to petition - effective date -**
3 **applicability.** (1) This act takes effect at 12:01 a.m. on the day following
4 the expiration of the ninety-day period after final adjournment of the
5 general assembly (August 12, 2026, if adjournment sine die is on May 13,
6 2026); except that, if a referendum petition is filed pursuant to section 1
7 (3) of article V of the state constitution against this act or an item, section,
8 or part of this act within such period, then the act, item, section, or part
9 will not take effect unless approved by the people at the general election
10 to be held in November 2026 and, in such case, will take effect on the
11 date of the official declaration of the vote thereon by the governor.
12 (2) This act applies to distributions from the nursing home penalty
13 cash fund made on or after the applicable effective date of this act.