

# An Act

HOUSE BILL 24-1146

BY REPRESENTATIVE(S) Bird and Taggart, Sirota, Amabile, Bacon, Bockenfeld, Boesenecker, Bradfield, Brown, deGruy Kennedy, Duran, Herod, Jodeh, Kipp, Lindsay, Lindstedt, Marshall, Mauro, McCormick, Ortiz, Snyder, Soper, Titone, Vigil, Young, McCluskie; also SENATOR(S) Bridges and Zenzinger, Kirkmeyer, Baisley, Buckner, Coleman, Cutter, Exum, Fields, Gardner, Ginal, Gonzales, Hansen, Hinrichsen, Jaquez Lewis, Kolker, Liston, Lundeen, Marchman, Mullica, Pelton R., Priola, Rich, Rodriguez, Smallwood, Sullivan, Van Winkle, Will, Fenberg.

CONCERNING AUTHORIZING THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING TO SUSPEND A PROVIDER'S ENROLLMENT IF THE PROVIDER IS PARTICIPATING IN AN ORGANIZED FRAUD SCHEME.

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

**SECTION 1.** In Colorado Revised Statutes, 25.5-4-301, **add** (16) as follows:

**25.5-4-301. Recoveries - overpayments - penalties - interest - adjustments - liens - review or audit procedures - definitions - repeal.** (16) (a) THE STATE DEPARTMENT MAY SUSPEND THE ENROLLMENT OF A

*Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.*

PROVIDER, INCLUDING A CHILDREN'S BASIC HEALTH PLAN PROVIDER, ONLY IF:

(I) THE STATE DEPARTMENT IDENTIFIES THAT THE PROVIDER IS PARTICIPATING IN AN ALLEGED AND ONGOING ORGANIZED CRIME OR ORGANIZED FRAUD SCHEME THAT IMPACTS THE STATE MEDICAL ASSISTANCE PROGRAM, THIS ARTICLE 4 AND ARTICLES 5 AND 6 OF THIS TITLE 25.5, OR THE CHILDREN'S BASIC HEALTH PLAN, ARTICLE 8 OF THIS TITLE 25.5; AND

(II) IF THE STATE DEPARTMENT DOCUMENTS IN WRITING THAT AT LEAST THREE OF THE FOLLOWING FACTORS ARE MET:

(A) THE PROVIDER HAS BEEN ENROLLED IN THE STATE MEDICAL ASSISTANCE PROGRAM OR CHILDREN'S BASIC HEALTH PLAN FOR LESS THAN THREE YEARS;

(B) AT LEAST THREE PROVIDERS ARE INVOLVED IN THE ORGANIZED CRIME OR ORGANIZED FRAUD SCHEME;

(C) THE COLLECTIVE BILLING AMOUNT IDENTIFIED IN THE ORGANIZED CRIME OR ORGANIZED FRAUD SCHEME EXCEEDS ONE MILLION DOLLARS;

(D) THE PROVIDER'S BILLING INDICATES A PATTERN OF ABUSE OR NONCOMPLIANCE;

(E) THE VOLUME OF CLAIMS OR BILLING AMOUNT HAS INCREASED AT A SIGNIFICANT RATE AND THERE IS NO OTHER REASONABLE EXPLANATION FOR THE INCREASE;

(F) THE FEDERAL CENTERS FOR MEDICARE AND MEDICAID SERVICES HAS APPROVED A PROVIDER ENROLLMENT MORATORIUM FOR THE PROVIDER TYPE INVOLVED IN THE ORGANIZED CRIME OR ORGANIZED FRAUD SCHEME; OR

(G) THE STATE DEPARTMENT HAS NOTIFIED LAW ENFORCEMENT OF THE ORGANIZED CRIME OR ORGANIZED FRAUD SCHEME.

(b) THE STATE DEPARTMENT SHALL NOTIFY THE PROVIDER OF THE SUSPENSION IN WRITING AND INCLUDE THE REASONS FOR THE SUSPENSION.

(c) THE STATE DEPARTMENT MAY SUSPEND A PROVIDER'S ENROLLMENT PURSUANT TO SUBSECTION (16)(a) OF THIS SECTION FOR AN INITIAL PERIOD OF SIX MONTHS WHILE THE STATE DEPARTMENT CONDUCTS A REVIEW OF THE ORGANIZED CRIME OR ORGANIZED FRAUD SCHEME. AFTER THE STATE DEPARTMENT'S REVIEW IS COMPLETE, REGARDLESS OF WHETHER THE SIX-MONTH PERIOD HAS ENDED, THE STATE DEPARTMENT MUST REINSTATE THE PROVIDER'S ENROLLMENT IF THE STATE DEPARTMENT DETERMINES THE PROVIDER DID NOT ENGAGE IN AN ORGANIZED CRIME OR ORGANIZED FRAUD SCHEME. IF THE STATE DEPARTMENT'S REVIEW CANNOT BE COMPLETED DURING THE INITIAL SIX-MONTH PERIOD, THE STATE DEPARTMENT MAY EXTEND THE REVIEW PERIOD IN ADDITIONAL SIX-MONTH INCREMENTS IF THE STATE DEPARTMENT DOCUMENTS IN WRITING THE NECESSITY FOR EXTENDING THE REVIEW.

(d) AS USED IN THIS SUBSECTION (16):

(I) "ORGANIZED CRIME OR ORGANIZED FRAUD SCHEME" MEANS A PROVIDER IS ALLEGEDLY PARTICIPATING IN A COERCIVE, FRAUDULENT, EXTORTIONARY, CRIMINAL, OR OTHERWISE ILLEGAL COORDINATED SCHEME OR OPERATION THAT REPEATEDLY OR CONSISTENTLY DEFRAUDS THE STATE MEDICAL ASSISTANCE PROGRAM OR CHILDREN'S BASIC HEALTH PLAN THAT MAY PUT MEMBERS' HEALTH, SAFETY, OR WELFARE AT IMMEDIATE RISK.

(II) "SUSPEND" MEANS TEMPORARILY PROHIBITING A PROVIDER FROM PARTICIPATING IN THE STATE MEDICAL ASSISTANCE PROGRAM OR CHILDREN'S BASIC HEALTH PLAN, FROM RENDERING SERVICES OR SUPPLIES TO A MEMBER, AND FROM SUBMITTING CLAIMS TO THE STATE DEPARTMENT FOR ANY SERVICES OR SUPPLIES RENDERED TO A MEMBER.

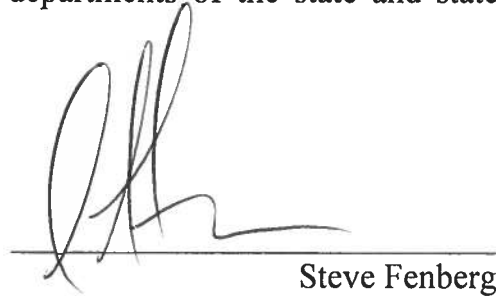
(e) THIS SECTION DOES NOT APPLY TO A PROVIDER THAT HAS BEEN ENROLLED IN THE STATE MEDICAL ASSISTANCE PROGRAM, INCLUDING THE CHILDREN'S BASIC HEALTH PLAN, FOR THREE YEARS OR MORE AND THAT HAS CONSISTENTLY RENDERED SERVICES AND RECEIVED PAYMENT FOR THOSE SERVICES DURING THE PROVIDER'S ENROLLMENT.

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

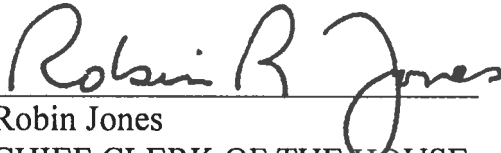
the support and maintenance of the departments of the state and state institutions.



Julie McCluskie  
SPEAKER OF THE HOUSE  
OF REPRESENTATIVES



Steve Fenberg  
PRESIDENT OF  
THE SENATE

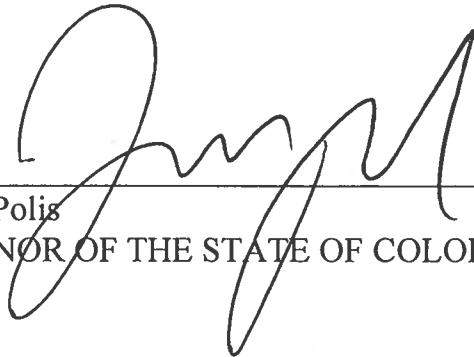


Robin Jones  
CHIEF CLERK OF THE HOUSE  
OF REPRESENTATIVES



Cindi L. Markwell  
SECRETARY OF  
THE SENATE

APPROVED Tuesday February 20<sup>th</sup> 2024 at 2:30 pm  
(Date and Time)



Jared S. Polis  
GOVERNOR OF THE STATE OF COLORADO