

Second Regular Session
Seventy-first General Assembly
STATE OF COLORADO

REVISED

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

LLS NO. 18-1180.01 Brita Darling x2241

HOUSE BILL 18-1329

HOUSE SPONSORSHIP

Rankin, Hamner, Young

SENATE SPONSORSHIP

Moreno, Lambert, Lundberg

House Committees
Appropriations

Senate Committees
Appropriations

A BILL FOR AN ACT

101 CONCERNING A SUPPLEMENTAL STATE PAYMENT TO QUALIFIED
102 PROVIDERS OF DURABLE MEDICAL EQUIPMENT WHO
103 EXPERIENCED A DECREASE IN REIMBURSEMENT IN THE 2017-18
104 STATE FISCAL YEAR AS A RESULT OF THE IMPLEMENTATION OF
105 THE FEDERAL "21ST CENTURY CURES ACT", AND, IN
106 CONNECTION THEREWITH, MAKING AN APPROPRIATION.

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/>.)

Joint Budget Committee. The bill authorizes a supplemental

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

SENATE
Amended 2nd Reading
April 4, 2018

HOUSE
3rd Reading Unamended
March 29, 2018

HOUSE
2nd Reading Unamended
March 28, 2018

payment of state-only money to qualified providers of durable medical equipment who experienced a decrease in reimbursement in the 2017-18 state fiscal year as a result of the implementation of the federal "21st Century Cures Act".

The bill directs the department of health care policy and financing (department) to distribute a supplemental payment to qualified providers, as defined in the bill, and includes provisions for determining the amount of each qualified provider's supplemental payment. The bill authorizes the medical services board to adopt rules as necessary.

The bill appropriates general fund money to the department for the supplemental payment to qualified providers.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 25.5-4-419 as
3 follows:

4 **25.5-4-419. Supplemental state payment to qualified durable**
5 **medical equipment providers - no federal financial participation -**
6 **definition - rules - repeal.** (1) AS USED IN THIS SECTION, UNLESS THE
7 CONTEXT OTHERWISE REQUIRES, "QUALIFIED PROVIDER" MEANS AN ENTITY
8 THAT:

9 (a) WAS ENROLLED WITH THE STATE DEPARTMENT AS OF JANUARY
10 1, 2018;

11 (b) PROVIDED DURABLE MEDICAL EQUIPMENT PURSUANT TO
12 SECTION 25.5-4-416 BETWEEN JANUARY 1, 2018, AND MARCH 31, 2018;

13 (c) HAS EXPERIENCED A REDUCTION IN REIMBURSEMENT
14 PAYMENTS FOR SERVICES PROVIDED FROM JANUARY 1, 2018, TO MARCH
15 31, 2018, AS A RESULT OF THE IMPLEMENTATION OF SECTION 1903 (i)(27)
16 OF THE SOCIAL SECURITY ACT, EFFECTIVE JANUARY 1, 2018; AND

17 (d) SATISFIES ANY OTHER CRITERIA SPECIFIED BY RULE OF THE
18 STATE BOARD.

19 (2) PURSUANT TO SUBSECTION (3) OF THIS SECTION, THE STATE

1 DEPARTMENT SHALL DISTRIBUTE MONEY APPROPRIATED FOR
2 SUPPLEMENTAL, STATE-ONLY PAYMENTS TO QUALIFIED PROVIDERS.

3 (3) (a) THE STATE DEPARTMENT SHALL ALLOCATE THE MONEY
4 APPROPRIATED FOR SUPPLEMENTAL PAYMENTS IN PROPORTION TO THE
5 REDUCTION IN REIMBURSEMENT PAYMENTS RECEIVED BY THE QUALIFIED
6 PROVIDERS AS A RESULT OF THE IMPLEMENTATION OF SECTION 1903
7 (i)(27) OF THE SOCIAL SECURITY ACT, EFFECTIVE JANUARY 1, 2018.

8 (b) SUBJECT TO SUBSECTION (1)(a) OF THIS SECTION, THE STATE
9 DEPARTMENT SHALL DETERMINE THE SUPPLEMENTAL PAYMENT FOR EACH
10 QUALIFIED PROVIDER BASED ON THE FOLLOWING FACTORS:

11 (I) THE DIFFERENCE BETWEEN THE AMOUNT THAT THE QUALIFIED
12 PROVIDER WOULD HAVE RECEIVED UNDER THE COLORADO MEDICAID FEE
13 SCHEDULE, EFFECTIVE DECEMBER 1, 2017, PRIOR TO THE
14 IMPLEMENTATION OF SECTION 1903 (i)(27) OF THE SOCIAL SECURITY ACT,
15 EFFECTIVE JANUARY 1, 2018, AND THE AMOUNT THE QUALIFIED PROVIDER
16 RECEIVED UNDER THE COLORADO MEDICAID FEE SCHEDULE, EFFECTIVE
17 JANUARY 1, 2018, FOR SERVICES PROVIDED FROM JANUARY 1, 2018, TO
18 MARCH 31, 2018;

19 (II) THE SERVICES ACTUALLY PROVIDED BY EACH QUALIFIED
20 PROVIDER UNDER THE MEDICAL ASSISTANCE PROGRAM FROM JANUARY 1,
21 2018, TO MARCH 31, 2018; AND

22 (III) AVAILABLE APPROPRIATIONS.

23 (4) (a) ONCE THE STATE DEPARTMENT HAS DETERMINED THE
24 AMOUNT OF THE SUPPLEMENTAL PAYMENTS, THE STATE DEPARTMENT
25 SHALL ALLOW QUALIFIED PROVIDERS TO EXAMINE THE CALCULATION OF
26 THE PAYMENTS PRIOR TO FINALIZING THE DISTRIBUTION OF FUNDING AND
27 SHALL CONSIDER FEEDBACK FROM QUALIFIED PROVIDERS PRIOR TO

1 FINALIZING THE DISTRIBUTION. A QUALIFIED PROVIDER MAY REQUEST
2 THAT THE STATE DEPARTMENT RECALCULATE THE SUPPLEMENTAL
3 PAYMENT AMOUNT WITHIN THIRTY DAYS AFTER NOTIFICATION OF THE
4 SUPPLEMENTAL PAYMENT AMOUNT.

5 (b) THE STATE DEPARTMENT SHALL DISTRIBUTE THE
6 SUPPLEMENTAL PAYMENTS TO QUALIFIED PROVIDERS NO LATER THAN
7 DECEMBER 31, 2018. ONCE PAYMENTS HAVE BEEN DISTRIBUTED, THE
8 STATE DEPARTMENT SHALL NOT RECALCULATE OR RE-ESTIMATE THE
9 PAYMENTS FOR THE PURPOSE OF CHANGING THE DISTRIBUTION. THE STATE
10 DEPARTMENT MAY RECOVER PAYMENTS MADE TO A QUALIFIED PROVIDER
11 PURSUANT TO THIS SECTION IF THE STATE DEPARTMENT DETERMINES THAT
12 THE PAYMENTS WERE MATERIALLY AFFECTED BY FRAUDULENT CLAIMS
13 SUBMISSIONS MADE BY THAT QUALIFIED PROVIDER UNDER THE MEDICAL
14 ASSISTANCE PROGRAM.

15 (5) THE STATE BOARD SHALL ADOPT ANY RULES NECESSARY TO
16 IMPLEMENT THIS SECTION.

17 (6) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2019.

18 **SECTION 2. Appropriation.** For the 2017-18 state fiscal year,
19 \$9,137,723 is appropriated to the department of health care policy and
20 financing. This appropriation is from the general fund. To implement this
21 act, the department may use this appropriation for supplemental payments
22 to qualified providers pursuant to section 25.5-4-419, C.R.S. Any money
23 appropriated in this section that is not expended prior to July 1, 2018, is
24 further appropriated to the department for the 2018-19 state fiscal year for
25 the same purpose.

26 **SECTION 3. Safety clause.** The general assembly hereby finds,

- 1 determines, and declares that this act is necessary for the immediate
- 2 preservation of the public peace, health, and safety.