

Second Regular Session
Seventy-second General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 20-0538.01 Shelby Ross x4510

HOUSE BILL 20-1092

HOUSE SPONSORSHIP

Caraveo and Will, Roberts

SENATE SPONSORSHIP

Donovan and Rankin,

House Committees

Public Health Care & Human Services

Senate Committees

A BILL FOR AN ACT

101 CONCERNING MEDICAID REIMBURSEMENT TO FEDERALLY QUALIFIED
102 HEALTH CENTERS, AND, IN CONNECTION THEREWITH, MAKING
103 COST REPORT CHANGES AND REQUIRING REIMBURSEMENT FOR
104 TELEMEDICINE.

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>.)

The bill requires the department of health care policy and financing to reimburse federally qualified health centers (FQHCs) for telemedicine services and clinical pharmacy services provided to

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.

medicaid recipients.

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

2 **SECTION 1. Legislative declaration.** (1) (a) The general
3 assembly finds that:

4 (I) Federally qualified health centers (FQHCs), also known as
5 community health centers, provide high-quality, low-cost primary health
6 care services to over one in seven Coloradans. FQHCs operate 208 sites
7 in 42 Colorado counties.

8 (II) FQHCs provide care to all, regardless of ability to pay.
9 FQHCs are the health care home to 27% of the state's medicaid enrollees
10 and 25% of the state's children's basic health plan enrollees, and they
11 provide care for 40% of Colorado's uninsured. In addition, Colorado
12 FQHCs provide services to 35,000 homeless persons, over 15,000
13 migrant and seasonal workers, and over 9,000 veterans annually.

14 (III) FQHCs are key partners in the Colorado medicaid program
15 and help to reduce total cost of care, improve population health, and
16 improve patient experience. Research has shown that the federally
17 qualified health center model, which integrates physical, behavioral, and
18 oral health care in a team-based setting, results in lower per-patient
19 spending on FQHC patients compared to non-FQHC patients as a result
20 of lower spending on specialty care, lower inpatient costs, and fewer
21 hospital admissions.

22 (IV) Telemedicine helps connect medicaid enrollees to health care
23 providers through live video and audio, enabling enrollees to receive the
24 care and consultation they need without traveling to visit a provider in
25 another city or area of the state. Telemedicine visits can lead to cost

1 savings for the medicaid system by improving access to primary care and
2 helping to avoid unnecessary trips to emergency departments.

3 (b) Some FQHCs deliver telemedicine in innovative ways to meet
4 the urgent needs of their populations. Therefore, enabling medicaid
5 reimbursement for these services allows for expanded access and further
6 innovation.

7 (2) (a) The general assembly further finds that:

8 (I) Clinical pharmacists help patients control diabetes,
9 hypertension, and other chronic illnesses that require medication
10 management; can reduce drug interactions and the number of
11 prescriptions for complex patients; contribute to improved health
12 outcomes; have proven results in addressing inadequate therapy and
13 nonadherence for patients, increasing patient satisfaction, and
14 contributing to high functioning team-based care units; and have
15 demonstrated a high return on investment; and

16 (II) Clinical pharmacists are integrated into a care team and work
17 with patients suffering from multiple chronic illnesses who require
18 medication management. Use of this model at some FQHCs and in other
19 settings has proven effective at controlling chronic health conditions,
20 thereby reducing health care costs.

21 (b) Recognizing services provided by clinical pharmacists as an
22 allowable cost in the FQHC setting allows FQHCs to maintain and
23 provide these cost-effective services.

24 (3) Therefore, the general assembly finds and declares that
25 enabling reimbursement to FQHCs for providing telemedicine and
26 clinical pharmacy services to medicaid enrollees allows FQHCs to expand
27 access, improve outcomes, and contribute to lower health system costs.

1 **SECTION 2.** In Colorado Revised Statutes, 25.5-5-320, **add** (2.5)
2 as follows:

3 **25.5-5-320. Telemedicine - reimbursement - disclosure**
4 **statement.** (2.5) A TELEMEDICINE SERVICE MEETS THE DEFINITION OF A
5 FACE-TO-FACE ENCOUNTER FOR A FEDERALLY QUALIFIED HEALTH CENTER,
6 AS DEFINED IN THE FEDERAL "SOCIAL SECURITY ACT", 42 U.S.C. SEC.
7 1395x (aa)(4). THE REIMBURSEMENT RATE FOR A TELEMEDICINE SERVICE
8 PROVIDED BY A FEDERALLY QUALIFIED HEALTH CENTER MUST, AS A
9 MINIMUM, BE SET AT THE SAME RATE AS THE MEDICAL ASSISTANCE
10 PROGRAM RATE FOR A COMPARABLE FACE-TO-FACE ENCOUNTER OR VISIT.

11 **SECTION 3.** In Colorado Revised Statutes, **add** 25.5-5-326 as
12 follows:

13 **25.5-5-326. Federally qualified health center - clinical**
14 **pharmacy services - reimbursement - rules.** (1) COSTS ASSOCIATED
15 WITH SERVICES PROVIDED BY CLINICAL PHARMACISTS THROUGH A
16 FEDERALLY QUALIFIED HEALTH CENTER, AS DEFINED IN THE FEDERAL
17 "SOCIAL SECURITY ACT", 42 U.S.C. SEC. 1395x (aa)(4), ARE CONSIDERED
18 ALLOWABLE COSTS FOR THE PURPOSES OF A FEDERALLY QUALIFIED
19 HEALTH CENTER'S COST REPORT AND MUST BE INCLUDED IN THE
20 CALCULATION OF THE REIMBURSEMENT RATE FOR A PATIENT VISIT AT A
21 FEDERALLY QUALIFIED HEALTH CENTER.

22 (2) THE STATE DEPARTMENT SHALL PROMULGATE RULES TO
23 IMPLEMENT THE PROVISIONS OF THIS SECTION.

24 **SECTION 4. Act subject to petition - effective date.** This act
25 takes effect at 12:01 a.m. on the day following the expiration of the
26 ninety-day period after final adjournment of the general assembly (August
27 5, 2020, if adjournment sine die is on May 6, 2020); except that, if a

1 referendum petition is filed pursuant to section 1 (3) of article V of the
2 state constitution against this act or an item, section, or part of this act
3 within such period, then the act, item, section, or part will not take effect
4 unless approved by the people at the general election to be held in
5 November 2020 and, in such case, will take effect on the date of the
6 official declaration of the vote thereon by the governor.