

NOTE: This bill has been prepared for the signatures of the appropriate legislative officers and the Governor. To determine whether the Governor has signed the bill or taken other action on it, please consult the legislative status sheet, the legislative history, or the Session Laws.

An Act

HOUSE BILL 23-1236

BY REPRESENTATIVE(S) Young and Amabile, Bacon, Bird, Boesenecker, Brown, Dickson, Duran, Froelich, Gonzales-Gutierrez, Hamrick, Herod, Jodeh, Joseph, Lieder, Lindsay, Marshall, McCormick, McLachlan, Michaelson Jenet, Ortiz, Sharbini, Snyder, Story, Velasco, McCluskie, deGruy Kennedy, English, Garcia, Lukens, Parenti; also SENATOR(S) Kolker and Simpson, Cutter, Exum, Ginal, Hansen, Jaquez Lewis, Marchman, Pelton B., Priola, Winter F.

CONCERNING IMPLEMENTATION UPDATES TO THE BEHAVIORAL HEALTH ADMINISTRATION, AND, IN CONNECTION THEREWITH MAKING AND REDUCING AN APPROPRIATION.

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

SECTION 1. In Colorado Revised Statutes, 16-8.5-111, **amend** (2)(b)(II)(B) as follows:

16-8.5-111. Procedure after determination of competency or incompetency. (2) If the final determination made pursuant to section 16-8.5-103 is that the defendant is incompetent to proceed, the court has the following options:

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.

(b) (II) (B) As a condition of bond, the court shall order that the restoration take place on an outpatient basis. Pursuant to section 27-60-105, ~~the behavioral health administration~~ in the department is the entity responsible for the oversight of restoration education and coordination of all competency restoration services. As a condition of release for outpatient restoration services, the court may require pretrial services, if available, to work with the ~~behavioral health administration~~ DEPARTMENT and the restoration services provider under contract with the ~~behavioral health administration~~ DEPARTMENT to assist in securing appropriate support and care management services, which may include housing resources. The individual agency responsible for providing outpatient restoration services for the defendant shall notify the court or other designated agency within twenty-one days if restoration services have not commenced.

SECTION 2. In Colorado Revised Statutes, 16-13-311, **amend** (3)(a)(VII)(B) as follows:

16-13-311. Disposition of seized personal property. (3) (a) If the prosecution prevails in the forfeiture action, the court shall order the property forfeited. Such order perfects the state's right and interest in and title to such property and relates back to the date when title to the property vested in the state pursuant to section 16-13-316. Except as otherwise provided in subsection (3)(c) of this section, the court shall also order such property to be sold at a public sale by the law enforcement agency in possession of the property in the manner provided for sales on execution, or in another commercially reasonable manner. Property forfeited pursuant to this section or proceeds therefrom must be distributed or applied in the following order:

(VII) The balance must be delivered, upon order of the court, as follows:

(B) Twenty-five percent to the behavioral health administrative services organization contracting with the ~~office of~~ behavioral health ADMINISTRATION in the department of human services serving the judicial district where the forfeiture proceeding was prosecuted to fund detoxification and substance use disorder treatment. Money appropriated to the behavioral health administrative services organization must be in addition to, and not be used to supplant, other funding appropriated to the ~~office of~~ behavioral health ADMINISTRATION; and

SECTION 3. In Colorado Revised Statutes, 19-2.5-704, **amend** (2)(b) as follows:

19-2.5-704. Procedure after determination of competency or incompetency. (2) (b) Pursuant to section 27-60-105, ~~the behavioral health administration~~ in the department of human services is the entity responsible for the oversight of restoration education and coordination of services necessary to competency restoration.

SECTION 4. In Colorado Revised Statutes, 19-3-304.4, **amend** (1)(d)(I)(J) as follows:

19-3-304.4. Pre-adolescent services task force - duties - report - repeal. (1) (d) (I) The task force shall convene on or before August 1, 2022. The appointing authorities shall appoint persons from throughout the state, persons with a disability, and persons who reflect the racial and ethnic diversity of the state. The task force consists of:

(J) A representative of the behavioral health administration with expertise concerning the development and operation of rapid crisis response teams, appointed by the ~~executive director of the department of human services~~ COMMISSIONER OF THE BEHAVIORAL HEALTH ADMINISTRATION;

SECTION 5. In Colorado Revised Statutes, 24-1-120, **repeal** (6)(d) as follows:

24-1-120. Department of human services - creation. (6) The department consists of the following divisions, units, offices, and boards:

(d) ~~The office of behavioral health in the department of human services created pursuant to article 80 of title 27. The office of behavioral health is a type 2 entity, as defined in section 24-1-105.~~

SECTION 6. In Colorado Revised Statutes, 24-37.5-702, **amend** (1)(c) as follows:

24-37.5-702. Government data advisory board - created - duties - definitions. (1) (c) (I) The remaining membership of the advisory board consists of persons from state agencies who are either experts in data or responsible for diverse aspects of data management within the member's

respective department and who are selected by the head of the member's respective department to participate on the advisory board at the invitation of the chief information officer.

(II) THE CHIEF INFORMATION OFFICER SHALL INVITE THE COMMISSIONER OF THE BEHAVIORAL HEALTH ADMINISTRATION TO SELECT A MEMBER TO REPRESENT THE BEHAVIORAL HEALTH ADMINISTRATION ON THE ADVISORY BOARD.

SECTION 7. In Colorado Revised Statutes, 25-1.5-103, **amend** (1)(a)(I)(A.5), (2)(a.3)(II), and (2)(b)(II); and **add** (1)(c)(III) as follows:

25-1.5-103. Health facilities - powers and duties of department - rules - limitations on rules - definitions - repeal. (1) The department has, in addition to all other powers and duties imposed upon it by law, the powers and duties provided in this section as follows:

(a) (I) (A.5) Notwithstanding the provisions of subsection (1)(a)(I)(A) of this section, after ~~June 30, 2023~~ DECEMBER 31, 2023, the department shall not issue a license to a community mental health center, an acute treatment unit, or a behavioral health entity. Prior to the expiration of any license issued by the department to such an entity, the entity shall apply to the behavioral health administration pursuant to part 5 of article 50 of title 27. This subsection (1)(a)(I)(A.5) is repealed, effective ~~July 1, 2024~~ JANUARY 1, 2025.

(c) (III) THIS SUBSECTION (1)(c) IS REPEALED, EFFECTIVE JANUARY 1, 2025.

(2) As used in this section, unless the context otherwise requires:

(a.3) (II) This subsection (2)(a.3) is repealed, effective ~~July 1, 2024~~ JANUARY 1, 2025.

(b) (II) This subsection (2)(b) is repealed, effective ~~July 1, 2024~~ JANUARY 1, 2025.

SECTION 8. In Colorado Revised Statutes, 25-1.5-302, **amend** (1) introductory portion as follows:

25-1.5-302. Administration of medications - powers and duties of department - record checks - rules. (1) The department has, in addition to all other powers and duties imposed upon it by law, the power to establish and maintain by rule a program for the administration of medications in facilities. The department of human services, THE BEHAVIORAL HEALTH ADMINISTRATION, the department of health care policy and financing, and the department of corrections shall develop and conduct a medication administration program as provided in this part 3. A medication administration program developed pursuant to this subsection (1) must be conducted within the following guidelines:

SECTION 9. In Colorado Revised Statutes, 25-4-2206, **amend** (2)(a) introductory portion, (2)(a)(XII), and (2)(a)(XIII); and **add** (2)(a)(XV) as follows:

25-4-2206. Health equity commission - creation - repeal. (2) (a) The commission consists of the following ~~twenty-two~~ TWENTY-THREE members, who are as follows:

(XII) The executive director of the department of corrections, or the executive director's designee; ~~and~~

(XIII) The executive director of the department of higher education, or the executive director's designee; AND

(XV) THE COMMISSIONER OF THE BEHAVIORAL HEALTH ADMINISTRATION IN THE DEPARTMENT OF HUMAN SERVICES, OR THE COMMISSIONER'S DESIGNEE.

SECTION 10. In Colorado Revised Statutes, 25-4-2209, **amend** (1)(a) as follows:

25-4-2209. Culturally relevant and affirming health-care training - health-care providers - grants - definitions. (1) As used in this section:

(a) "Priority populations" means people experiencing homelessness; people involved with the criminal justice system; Black people, indigenous people, and people of color; American Indians and Alaska natives; veterans; people who are lesbian, gay, bisexual, transgender, queer, or questioning;

people of disproportionately affected sexual orientations and gender identities; people who have AIDS or HIV; older adults; children and families; and people with disabilities, including people who are deaf and hard of hearing, people who are blind and deafblind, people with brain injuries, people with intellectual and developmental disabilities, people with other co-occurring disabilities; and other populations as deemed appropriate by the ~~office of~~ behavioral health ADMINISTRATION.

SECTION 11. In Colorado Revised Statutes, **recreate and reenact, with amendments, 25-27.6-104** as follows:

25-27.6-104. License required - repeal. (1) (a) ON OR AFTER JULY 1, 2022, IT IS UNLAWFUL FOR ANY PERSON, PARTNERSHIP, ASSOCIATION, OR CORPORATION TO CONDUCT OR MAINTAIN A BEHAVIORAL HEALTH ENTITY WITHOUT HAVING OBTAINED A LICENSE THEREFOR FROM THE DEPARTMENT.

(b) ON OR AFTER JULY 1, 2021, AN ENTITY SEEKING INITIAL LICENSURE AS A BEHAVIORAL HEALTH ENTITY SHALL APPLY FOR A BEHAVIORAL HEALTH ENTITY LICENSE IF THE ENTITY WOULD PREVIOUSLY HAVE BEEN LICENSED AS AN ACUTE TREATMENT UNIT, A COMMUNITY MENTAL HEALTH CENTER, A COMMUNITY MENTAL HEALTH CLINIC, OR A CRISIS STABILIZATION UNIT LICENSED AS A COMMUNITY CLINIC.

(c) A FACILITY LICENSED AS OF JUNE 30, 2021, AS AN ACUTE TREATMENT UNIT, A COMMUNITY MENTAL HEALTH CENTER, A COMMUNITY MENTAL HEALTH CLINIC, OR A CRISIS STABILIZATION UNIT LICENSED AS A COMMUNITY CLINIC SHALL APPLY FOR A BEHAVIORAL HEALTH ENTITY LICENSE PRIOR TO THE EXPIRATION OF THE FACILITY'S CURRENT LICENSE. SUCH A FACILITY IS SUBJECT TO THE STANDARDS UNDER WHICH IT IS LICENSED AS OF JULY 1, 2021, UNTIL SUCH TIME AS THE BEHAVIORAL HEALTH ENTITY LICENSE IS ISSUED.

(2) THIS SECTION IS REPEALED, EFFECTIVE JANUARY 1, 2024.

SECTION 12. In Colorado Revised Statutes, 25-27.6-108, **amend** (2) as follows:

25-27.6-108. Behavioral health entity cash fund - created. (2) On ~~June 30, 2024~~ DECEMBER 31, 2024, the state treasurer shall transfer all unexpended and unencumbered money in the fund to the behavioral health

licensing cash fund created pursuant to section 27-50-506.

SECTION 13. In Colorado Revised Statutes, **amend** 25-27.6-112 as follows:

25-27.6-112. Repeal of article. This article 27.6 is repealed, effective ~~July 1, 2024~~ JANUARY 1, 2025.

SECTION 14. In Colorado Revised Statutes, 25.5-5-325, **amend** (2)(b)(I) as follows:

25.5-5-325. Residential and inpatient substance use disorder treatment - medical detoxification services - federal approval - performance review report. (2) (b) Prior to seeking federal approval pursuant to subsection (2)(a) of this section, the state department shall seek input from relevant stakeholders, including existing providers of substance use disorder treatment and medical detoxification services and behavioral health administrative services organizations. The state department shall seek input and involve stakeholders in decisions regarding:

(I) The coordination of benefits with behavioral health administrative services organizations and ~~the office of behavioral health in~~ the department of human services;

SECTION 15. In Colorado Revised Statutes, 25.5-5-803, **amend** (1) as follows:

25.5-5-803. High-fidelity wraparound services for children and youth - federal approval - reporting. (1) Subject to available appropriations, the state department shall seek federal authorization from the federal centers for medicare and medicaid services to provide wraparound services for eligible children and youth who are at risk of out-of-home placement or in an out-of-home placement. Prior to seeking federal authorization, the state department shall seek input from relevant stakeholders including counties, managed care entities participating in the statewide managed care system, families of children and youth with behavioral health disorders, communities that have previously implemented wraparound services, mental health professionals, the behavioral health administration and ~~the office of behavioral health~~ in the department of human services, and other relevant departments. The state department shall

consider tiered care coordination as an approach when developing the wraparound model.

SECTION 16. In Colorado Revised Statutes, 26-5-117, **amend** (2)(a), (2)(b)(I), (2)(c), (4)(a) introductory portion, (4)(a)(II), (4)(b), (4)(c), (4)(d), (5), and (8); and **repeal** (2)(b)(II) as follows:

26-5-117. Out-of-home placement for children and youth with mental or behavioral needs - funding - report - rules - legislative declaration - definitions - repeal. (2) (a) The ~~BHA~~ STATE DEPARTMENT shall develop a program to provide emergency resources to licensed providers to help remove barriers such providers face in serving children and youth whose behavioral or mental health needs require services and treatment in a residential child care facility. Any such licensed provider shall meet the requirements of a qualified residential treatment program, as defined in section 26-5.4-102; a psychiatric residential treatment facility, as defined in section 25.5-4-103 (19.5); treatment foster care; or therapeutic foster care.

(b) (I) Beginning July 1, 2022, the ~~BHA~~ STATE DEPARTMENT shall provide ongoing operational support for psychiatric residential treatment facilities, therapeutic foster care, treatment foster care, and qualified residential treatment programs as described in subsection (2)(a) of this section.

(II) ~~For the 2022-23 budget year, the general assembly shall appropriate money from the behavioral and mental health cash fund created in section 24-75-230 to the BHA to fund operational support for psychiatric residential treatment facilities for youth, qualified residential treatment programs, therapeutic foster care, and treatment foster care for youth across the state as described in this subsection (2).~~

(c) The ~~BHA~~ STATE DEPARTMENT and any person who receives money from the ~~BHA~~ STATE DEPARTMENT shall comply with the compliance, reporting, record-keeping, and program evaluation requirements established by the office of state planning and budgeting and the state controller in accordance with section 24-75-226 (5).

(4) (a) The ~~BHA~~ STATE DEPARTMENT shall contract with licensed providers for the delivery of services to children and youth who are

determined eligible for and placed in the program. A provider that contracts with the ~~BHA~~ STATE DEPARTMENT shall not:

(II) Discharge a child or youth based on the severity or complexity of the child's or youth's physical, behavioral, or mental health needs; except that the ~~BHA~~ STATE DEPARTMENT may arrange for the placement of a child or youth with an alternate contracted provider if the placement with the alternate provider is better suited to deliver services that meet the needs of the child or youth.

(b) The ~~BHA~~ STATE DEPARTMENT shall reimburse a provider directly for the costs associated with the placement of a child or youth in the program for the duration of the treatment, including the costs the provider demonstrates are necessary in order for the provider to operate continuously during this period.

(c) The ~~BHA~~ STATE DEPARTMENT shall coordinate with the department of health care policy and financing to support continuity of care and payment for services for any children or youth placed in the program.

(d) The ~~BHA~~ STATE DEPARTMENT shall reimburse the provider one hundred percent of the cost of unutilized beds in the program to ensure available space for emergency residential out-of-home placements.

(5) (a) A hospital, health-care provider, provider of case management services, school district, managed care entity, or state or county department of human or social services may refer a family for the placement of a child or youth in the program. The entity referring a child or youth for placement in the program shall submit or assist the family with submitting an application to the ~~BHA~~ STATE DEPARTMENT for review. The ~~BHA~~ STATE DEPARTMENT shall consider each application as space becomes available. The ~~BHA~~ STATE DEPARTMENT shall approve admissions into the program and determine admission and discharge criteria for placement.

(b) The ~~BHA~~ STATE DEPARTMENT shall develop a discharge plan for each child or youth placed in the program. The plan must include the eligible period of placement of the child or youth and ~~shall~~ MUST identify the entity that will be responsible for the placement costs if the child or youth remains with the provider beyond the date of eligibility identified in the plan.

(c) The entity or family that places the child or youth in the program retains the right to remove the child or youth from the program any time prior to the discharge date specified by the ~~BHA~~ STATE DEPARTMENT.

(8) This section is intended to provide enhanced emergency services resulting from the increased need for services due to the COVID-19 pandemic. No later than September 30, 2024, the ~~BHA~~ STATE DEPARTMENT shall submit recommendations to the house of representatives public and behavioral health and human services committee, the senate health and human services committee, or their successor committees, and the joint budget committee about how to provide necessary services for children and youth in need of residential care, including hospital step-down services on an ongoing basis.

SECTION 17. In Colorado Revised Statutes, 27-50-101, **amend** (4), (7), (11) introductory portion, and (13); and **repeal** (11)(g) as follows:

27-50-101. Definitions. As used in this article 50, unless the context otherwise requires:

(4) "Behavioral health entity" means a facility or provider organization engaged in providing community-based health services, which may include services for a behavioral health disorder but does not include residential child care facilities, as defined in section ~~26-6-903 (29)~~; detention and commitment facilities operated by the division of youth services within the department of human services or services provided by a licensed or certified mental health-care provider under the provider's individual professional practice act on the provider's own premises.

(7) "Behavioral health safety net provider" means ~~any and all behavioral health safety net providers, including~~ comprehensive community behavioral health providers and essential behavioral health safety net providers. A community mental health center pursuant to 42 U.S.C. sec. 300x-2(c) and that is licensed as a behavioral health entity may apply to be approved as a comprehensive community behavioral health provider, an essential behavioral health safety net provider, or both.

(11) "Comprehensive community behavioral health provider" means a licensed behavioral health entity OR BEHAVIORAL HEALTH PROVIDER approved by the behavioral health administration to provide CARE

COORDINATION AND the following behavioral health safety net services, either directly or through formal agreements with behavioral health providers in the community or region:

(g) ~~Care coordination;~~

(13) "Essential behavioral health safety net provider" means a licensed behavioral health entity or behavioral health provider approved by the behavioral health administration to provide CARE COORDINATION AND at least one of the FOLLOWING behavioral health safety net services: ~~described in subsection (11) of this section.~~

(a) EMERGENCY OR CRISIS BEHAVIORAL HEALTH SERVICES;

(b) BEHAVIORAL HEALTH OUTPATIENT SERVICES;

(c) BEHAVIORAL HEALTH HIGH-INTENSITY OUTPATIENT SERVICES;

(d) BEHAVIORAL HEALTH RESIDENTIAL SERVICES;

(e) WITHDRAWAL MANAGEMENT SERVICES;

(f) BEHAVIORAL HEALTH INPATIENT SERVICES;

(g) INTEGRATED CARE SERVICES;

(h) HOSPITAL ALTERNATIVES; OR

(i) ADDITIONAL SERVICES THAT THE BEHAVIORAL HEALTH ADMINISTRATION DETERMINES ARE NECESSARY IN A REGION OR THROUGHOUT THE STATE.

SECTION 18. In Colorado Revised Statutes, 27-50-102, **add** (3) as follows:

27-50-102. Behavioral health administration - creation - coordination - health oversight agency. (3) FOR THE PURPOSE OF OVERSEEING THE BEHAVIORAL HEALTH CARE SYSTEM IN COLORADO AND DISCHARGING THE BHA'S DUTIES AS DESCRIBED IN THIS ARTICLE 50, THE BHA IS A HEALTH OVERSIGHT AGENCY, AS DEFINED IN 45 CFR 164.501.

SECTION 19. In Colorado Revised Statutes, 27-50-105, **amend** (1)(dd); and **add** (4) as follows:

27-50-105. Administration of behavioral health programs - state plan - sole mental health authority - gifts, grants, or donations. (1) The BHA shall administer and provide the following behavioral health programs and services:

(dd) The care navigation program pursuant to ~~section 27-80-119~~ SECTION 27-60-204;

(4) THE BHA MAY SEEK, ACCEPT, AND EXPEND GIFTS, GRANTS, OR DONATIONS FROM PRIVATE OR PUBLIC SOURCES FOR THE PURPOSE OF ADMINISTERING ANY BEHAVIORAL HEALTH PROGRAM OR SERVICE DESCRIBED IN SUBSECTION (1) OF THIS SECTION. THE COMMISSIONER, WITH THE APPROVAL OF THE GOVERNOR, MAY DIRECT THE DISPOSITION OF ANY GIFT, GRANT, OR DONATION FOR ANY PURPOSE CONSISTENT WITH THE TERMS AND CONDITIONS FOR WHICH THE GIFT, GRANT, OR DONATION WAS GIVEN.

SECTION 20. In Colorado Revised Statutes, 27-50-106, **amend** (1) introductory portion and (1)(a) as follows:

27-50-106. Transfer of functions. (1) The powers, duties, and functions previously administered by the department of public health and environment concerning licensing behavioral health entities pursuant to article 27.6 of title 25 shall transfer to the BHA over a period of two years, with all functions fully transferred to the BHA by ~~July 1, 2024~~ JANUARY 1, 2025, as follows:

(a) The department of public health and environment shall continue issuing and renewing behavioral health entity licenses until ~~June 30, 2023~~ SEPTEMBER 30, 2023, after which date the department of public health and environment shall not renew or confer any new behavioral health entity licenses. Behavioral health entities that are licensed by the department of public health and environment are subject to the rules and orders of the department of public health and environment until such rules and orders are revised, amended, repealed, or nullified. The department of public health and environment shall continue compliance monitoring and enforcement activities until all licenses the department of public health and environment has conferred are expired, revoked, or surrendered, but not after ~~June 30,~~

2024 DECEMBER 31, 2025.

SECTION 21. In Colorado Revised Statutes, 27-50-201, **amend** (5) as follows:

27-50-201. Behavioral health system monitoring - capacity - safety net performance. (5) (a) The BHA shall collaborate with the department of health care policy and financing to establish data collection and reporting requirements that align with the performance standards established in this section and that are of a high value in promoting systemic improvements. In establishing data collection and reporting requirements, the BHA must consider the impact on behavioral health providers and clients and state information technology systems.

(b) WHERE APPLICABLE, THE BHA SHALL COORDINATE WITH THE HEALTH INFORMATION ORGANIZATION NETWORKS TO PRIORITIZE LEVERAGING THE HEALTH INFORMATION ORGANIZATION NETWORK INFRASTRUCTURE TO MEET THE REQUIREMENTS OF THIS SECTION AND TO PROMOTE THE INTEROPERABLE EXCHANGE OF DATA TO IMPROVE THE QUALITY OF PATIENT CARE. THE BHA SHALL COORDINATE WITH THE HEALTH INFORMATION ORGANIZATION NETWORKS ON RELEVANT PROVISIONS OF THE UNIVERSAL CONTRACT PURSUANT TO SECTION 27-50-203 (1)(a).

SECTION 22. In Colorado Revised Statutes, 27-50-301, **amend** (1) as follows:

27-50-301. Behavioral health safety net system implementation. (1) No later than July 1, 2024, the BHA, in collaboration with the department of health care policy and financing and the department of public health and environment, shall establish a comprehensive and standardized behavioral health safety net system throughout the state that must include behavioral health safety net services for children, youth, and adults, INCLUDING ADULTS WHO HAVE A SERIOUS MENTAL ILLNESS AND CHILDREN AND YOUTH WHO HAVE A SERIOUS EMOTIONAL DISTURBANCE, along a continuum of care.

SECTION 23. In Colorado Revised Statutes, 27-50-302, **add** (4)(f) as follows:

27-50-302. Requirement to serve priority populations - screening

and triage for individuals in need of behavioral health services - referrals. (4) (f) A BEHAVIORAL HEALTH SAFETY NET PROVIDER SHALL INCLUDE SERVICES THAT ADDRESS THE LANGUAGE, ABILITY, AND CULTURAL BARRIERS, AS NECESSARY, TO SERVE COMMUNITIES OF COLOR AND OTHER UNDERSERVED POPULATIONS.

SECTION 24. In Colorado Revised Statutes, **amend** 27-50-401 as follows:

27-50-401. Regional behavioral health administrative services organizations - establishment. (1) No later than ~~July 1, 2024~~ JULY 1, 2025, the ~~commissioner~~ BHA shall select and contract with regionally based INFORMED behavioral health organizations to establish, administer, and maintain adequate networks of behavioral health safety net services and care coordination, as described in part 3 of this article 50.

(2) The ~~commissioner~~ BHA shall ~~designate regions of the state~~ ESTABLISH A COMMUNITY-INFORMED STRUCTURE for A behavioral health administrative services ~~organizations~~ ORGANIZATION to operate. In establishing ~~regions~~ THE BEHAVIORAL HEALTH ADMINISTRATIVE SERVICES ORGANIZATION STRUCTURE, the ~~commissioner~~ BHA shall consult with the department of health care policy and financing to ensure consideration of the regional structure that serves the medicaid population.

SECTION 25. In Colorado Revised Statutes, 27-50-402, **amend** (2) introductory portion as follows:

27-50-402. Behavioral health administrative services organizations - application - designation - denial - revocation. (2) The commissioner shall select a behavioral health administrative services organization based on factors established by BHA rules and the "Procurement Code", articles 101 to 112 of title 24. THE BHA SHALL REQUIRE AN APPLICANT TO FURNISH LETTERS OF SUPPORT FROM STAKEHOLDERS IN THE REGION THE APPLICANT IS APPLYING TO CONTRACT FOR, INCLUDING, BUT NOT LIMITED TO, COUNTY COMMISSIONERS AND ADVOCACY OR COMMUNITY-BASED ORGANIZATIONS. THE LETTERS OF SUPPORT MUST DEMONSTRATE THE APPLICANT'S ABILITY TO SERVE THE COMMUNITY. The factors for selection must include, but are not limited to, the following:

SECTION 26. In Colorado Revised Statutes, 27-50-501, **amend** (1)(a), (1)(b) introductory portion, and (1)(c) as follows:

27-50-501. Behavioral health entities - license required - criminal and civil penalties. (1) (a) On and after ~~July 1, 2024~~ JANUARY 1, 2024, it is unlawful for any person, partnership, association, or corporation to conduct or maintain a behavioral health entity, including a substance use disorder program or alcohol use disorder program, without having obtained a license from the BHA.

(b) On and after ~~July 1, 2023~~ JANUARY 1, 2024, an entity seeking initial licensure as a behavioral health entity shall apply for a behavioral health entity license from the BHA if the entity would previously have been licensed or subject to any of the following:

(c) A facility with a license or approval on or before ~~June 30, 2023~~ DECEMBER 31, 2023, as a behavioral health entity or a substance use disorder program, shall apply for a behavioral health entity license prior to the expiration of the facility's current license or approval. Such a facility is subject to the standards under which it is licensed or approved as of ~~July 1, 2023~~ JANUARY 1, 2024, until such time as the BHA's behavioral health entity license is issued or denied.

SECTION 27. In Colorado Revised Statutes, 27-50-502, **amend** (1) introductory portion as follows:

27-50-502. Behavioral health entities - minimum standard - rules. (1) No later than ~~April 30, 2023~~ JANUARY 1, 2024, the BHA shall promulgate rules pursuant to section 24-4-103 providing minimum standards for the operation of behavioral health entities within the state, including the following:

SECTION 28. In Colorado Revised Statutes, 27-50-504, **amend** (1)(a) as follows:

27-50-504. License fees - rules. (1) (a) By ~~April 30, 2023~~ JANUARY 1, 2024, the commissioner shall promulgate rules establishing a schedule of fees sufficient to meet the direct and indirect costs of administration and enforcement of this part 5.

SECTION 29. In Colorado Revised Statutes, 27-50-505, **amend** (2) as follows:

27-50-505. License - denial - suspension - revocation. (2) (a) The BHA may suspend, revoke, or refuse to renew the license of any behavioral health entity that is out of compliance with the requirements of this part 5 or the rules promulgated pursuant to this part 5. Suspension, revocation, or refusal must not occur until after a hearing and in compliance with the provisions and procedures specified in article 4 of title 24; EXCEPT THAT THE BHA MAY SUMMARILY SUSPEND A BEHAVIORAL HEALTH ENTITY'S LICENSE BEFORE A HEARING IN ACCORDANCE WITH SECTION 24-4-104 (4)(a).

(b) AFTER CONDUCTING A HEARING IN ACCORDANCE WITH ARTICLE 4 OF TITLE 24, THE BHA MAY REVOKE OR REFUSE TO RENEW A BEHAVIORAL HEALTH ENTITY'S LICENSE IF THE OWNER, MANAGER, OR ADMINISTRATOR OF THE BEHAVIORAL HEALTH ENTITY HAS BEEN CONVICTED OF A FELONY OR MISDEMEANOR INVOLVING CONDUCT THAT THE BHA DETERMINES COULD POSE A RISK TO THE HEALTH, SAFETY, OR WELFARE OF THE BEHAVIORAL HEALTH ENTITY'S CONSUMERS.

SECTION 30. In Colorado Revised Statutes, 27-50-403, **amend** (1)(i); and **add** (1)(k) as follows:

27-50-403. Behavioral health administrative services organizations - contract requirements - individual access - care coordination. (1) The BHA shall develop a contract for designated behavioral health administrative services organizations, which must include, but is not limited to, the following:

(i) Any provisions necessary to ensure the behavioral health administrative services organization fulfills the functions provided in subsection (2) of this section; ~~and~~

(k) A REQUIREMENT THAT THE BEHAVIORAL HEALTH ADMINISTRATIVE SERVICES ORGANIZATION PERFORM APPROPRIATE FISCAL MANAGEMENT AND QUALITY OVERSIGHT OF PROVIDERS IN ITS NETWORK WITHIN THE SCOPE OF THE PROVIDER'S CONTRACT, INCLUDING, BUT NOT LIMITED TO, THE BEHAVIORAL HEALTH ADMINISTRATIVE SERVICES ORGANIZATION DIRECTLY ENGAGING IN AUDITS AND CORRECTIVE ACTION PLANS WITH PROVIDERS IN ITS NETWORK TO ENSURE COMPLIANCE WITH THE

CONTRACT.

SECTION 31. In Colorado Revised Statutes, 27-50-703, **amend** (1) and (3); and **add** (1.3) and (1.5) as follows:

27-50-703. Advisory council - regional subcommittees - subcommittees - working groups. (1) The BHA shall create ~~one~~ A regional subcommittee ~~of the advisory council~~ STRUCTURE AS PART OF THE BEHAVIORAL HEALTH ADMINISTRATIVE SERVICE ORGANIZATIONS TO PROMOTE LOCAL COMMUNITY INPUT PERTAINING TO BEHAVIORAL HEALTH SERVICE NEEDS. IN ESTABLISHING A REGIONAL SUBCOMMITTEE STRUCTURE, THE BHA SHALL, TO THE BEST OF THE BHA'S ABILITY, ALIGN GEOGRAPHICALLY WITH JUDICIAL DISTRICTS WHENEVER FEASIBLE, TAKING INTO CONSIDERATION COMMUNITY FEEDBACK ON WHERE AND HOW INDIVIDUALS RECEIVE SERVICES IN THEIR COMMUNITIES. ~~for each behavioral health administrative services organization region established pursuant to section 27-50-401.~~ Regional subcommittee members are appointed by the commissioner for three-year terms; except that initial terms may be for two years. ~~Each regional~~ THE subcommittee consists of ~~five~~ NINE members. Membership of the regional subcommittees must include:

(a) ~~At least~~ One individual with expertise in the behavioral health needs of children and youth APPOINTED BY A LOCAL OR REGIONAL PUBLIC HEALTH OR HUMAN SERVICE AGENCY WITHIN THE SUBCOMMITTEE'S REGION;

(b) ~~At least~~ One individual who represents a behavioral health safety net provider that operates within the region APPOINTED BY A LOCAL OR REGIONAL PUBLIC HEALTH OR HUMAN SERVICE AGENCY WITHIN THE SUBCOMMITTEE'S REGION; ~~and~~

(c) A county commissioner of a county situated within the region APPOINTED BY THE BHA;

(d) ONE INDIVIDUAL WITH A CONNECTION TO A KINDERGARTEN THROUGH TWELFTH GRADE SCHOOL DISTRICT WITHIN THE SUBCOMMITTEE'S REGION APPOINTED BY A LOCAL OR REGIONAL PUBLIC HEALTH OR HUMAN SERVICE AGENCY WITHIN THE SUBCOMMITTEE'S REGION;

(e) ONE INDIVIDUAL WITH THE CRIMINAL JUSTICE SYSTEM WITHIN THE SUBCOMMITTEE'S REGION APPOINTED BY A LOCAL OR REGIONAL PUBLIC

HEALTH OR HUMAN SERVICE AGENCY WITHIN THE SUBCOMMITTEE'S REGION;

(f) ONE INDIVIDUAL WITH LIVED EXPERIENCE OR A COMMUNITY MEMBER WHO IS NOT ALSO A BEHAVIORAL HEALTH PROVIDER APPOINTED BY A LOCAL OR REGIONAL PUBLIC HEALTH OR HUMAN SERVICE AGENCY WITHIN THE SUBCOMMITTEE'S REGION;

(g) ONE INDIVIDUAL WITH LIVED EXPERIENCE APPOINTED BY THE BHA; AND

(h) TWO INDIVIDUALS WITH LIVED EXPERIENCE NOT ASSOCIATED WITH A BEHAVIORAL HEALTH TREATMENT PROVIDER APPOINTED BY THE BEHAVIORAL HEALTH ADMINISTRATIVE SERVICE ORGANIZATION CREATED PURSUANT TO PART 4 OF THIS ARTICLE 50 THAT REPRESENT THE SUBCOMMITTEE'S REGION.

(1.3) THE REGIONAL SUBCOMMITTEE IS CREATED TO DIRECTLY INFORM THE BEHAVIORAL HEALTH ADMINISTRATIVE SERVICE ORGANIZATION IN THE REGION IN ORDER TO IMPROVE SERVICES, ACCOUNTABILITY, AND TRANSPARENCY IN THE REGION. THE BEHAVIORAL HEALTH ADMINISTRATIVE SERVICE ORGANIZATION SHALL STAFF ALL SUBCOMMITTEE MEETINGS, WHICH SHALL MEET A MINIMUM OF SIX TIMES A YEAR AND ALLOW FOR PUBLIC COMMENT DURING EACH MEETING. THE BEHAVIORAL HEALTH ADMINISTRATIVE SERVICE ORGANIZATION SHALL ENGAGE WITH THE REGIONAL SUBCOMMITTEE, AT A MINIMUM, ON THE FOLLOWING AREAS:

(a) WHEN DETERMINING WHAT SERVICES ARE NEEDED TO ESTABLISH A FULL CONTINUUM OF CARE IN THE REGION;

(b) WHEN ADDRESSING BARRIERS TO INDIVIDUALS ACCESSING QUALITY AND TIMELY CARE IN THE REGION; AND

(c) NEEDED SPECIALTY SERVICES FOR PRIORITY POPULATIONS.

(1.5) THE BEHAVIORAL HEALTH ADMINISTRATION ADVISORY COUNCIL, CREATED PURSUANT TO SECTION 27-50-701, SHALL ESTABLISH A PROCESS TO RECEIVE DIRECT FEEDBACK FROM THE REGIONAL SUBCOMMITTEE THROUGHOUT THE YEAR TO CONSIDER INCLUDING IN THE BEHAVIORAL HEALTH ADMINISTRATION ADVISORY COUNCIL'S ANNUAL REPORT REQUIRED PURSUANT TO SECTION 27-50-701 (2)(d).

(3) ~~Each~~ UNLESS COMMITTEE MEMBERSHIP IS ESTABLISHED PURSUANT TO STATE OR FEDERAL LAW, THE REGIONAL SUBCOMMITTEE AND committee membership shall maintain a majority of members who represent individuals with lived behavioral health experience or families of individuals with lived behavioral health experience.

SECTION 32. In Colorado Revised Statutes, 27-60-105, **amend** (2), (4)(d), (4)(e), (5) introductory portion, (5)(d), and (5)(e); **repeal** (4)(f) and (5)(f); and **add** (4.5) and (5.5) as follows:

27-60-105. Outpatient restoration to competency services - jail-based behavioral health services - responsible entity - duties - report - legislative declaration. (2) The state department serves as a central organizing structure and responsible entity for the provision of competency restoration education services AND coordination of competency restoration services ordered by the court pursuant to section 16-8.5-111 (2)(b) or 19-2.5-704 (2), and THE BEHAVIORAL HEALTH ADMINISTRATION SERVES AS THE CENTRAL ORGANIZING STRUCTURE AND RESPONSIBLE ENTITY FOR jail-based behavioral health services pursuant to section 27-60-106.

(4) Beginning July 1, 2019, the state department has the following duties and responsibilities, subject to available appropriations:

(d) To engage with key stakeholders in the juvenile and adult justice systems to develop best practices in the delivery of competency restoration services; AND

(e) To make recommendations for legislation. ~~and~~

(f) ~~To oversee the functions of the jail-based behavioral health services program created in section 27-60-106.~~

(4.5) BEGINNING JULY 1, 2023, SUBJECT TO AVAILABLE APPROPRIATIONS, THE BEHAVIORAL HEALTH ADMINISTRATION SHALL OVERSEE FUNCTIONS OF THE JAIL-BASED BEHAVIORAL HEALTH SERVICES PROGRAM CREATED IN SECTION 27-60-106.

(5) Notwithstanding section 24-1-136 (11)(a)(I), on or before January 1, 2019, and every January 1 thereafter, the state department shall submit an annual written report to the general assembly summarizing the

state department's provision of competency restoration education AND its efforts toward the coordination of competency restoration education with other existing services. ~~and the results of the jail-based behavioral health services program created in section 27-60-106.~~ The report must include:

(d) A description of opportunities to maximize and increase available resources and funding; AND

(e) A description of gaps in and conflicts with existing funding, services, and programming essential to the effective restoration of competency for juveniles and adults; ~~and~~

(f) ~~A description of the services funded through the jail-based behavioral health services program created in section 27-60-106.~~

(5.5) NOTWITHSTANDING SECTION 24-1-136 (11)(a)(I), ON OR BEFORE JANUARY 1, 2024, AND EVERY JANUARY 1 THEREAFTER, THE BEHAVIORAL HEALTH ADMINISTRATION SHALL SUBMIT AN ANNUAL WRITTEN REPORT TO THE GENERAL ASSEMBLY SUMMARIZING THE RESULTS OF THE JAIL-BASED BEHAVIORAL HEALTH SERVICES PROGRAM CREATED IN SECTION 27-60-106. THE REPORT MUST INCLUDE A DESCRIPTION OF THE SERVICES FUNDED THROUGH THE JAIL-BASED BEHAVIORAL HEALTH SERVICES PROGRAM CREATED IN SECTION 27-60-106.

SECTION 33. In Colorado Revised Statutes, 27-60-104, **add** (6.5) as follows:

27-60-104. Behavioral health crisis response system - crisis service facilities - walk-in centers - mobile response units - report.

(6.5) FOR STATE FISCAL YEAR 2023-24, THE BHA SHALL SAFEGUARD PARTNERSHIPS BETWEEN COMMUNITY-BASED BEHAVIORAL HEALTH PROVIDERS AND RURAL HOSPITALS BY ALLOCATING MONEY TO COMMUNITY-BASED BEHAVIORAL HEALTH PROVIDERS.

SECTION 34. In Colorado Revised Statutes, 27-60-204, **amend** (1)(a) introductory portion, (6)(c), and (6)(d); **add** (6)(e); and **add with amended and relocated provisions** (9) as follows:

27-60-204. Care coordination infrastructure - implementation - care navigation program - creation - report - rules - definition -

repeal. (1) Care coordination infrastructure. (a) No later than July 1, 2024, the BHA, in collaboration with the department of health care policy and financing, shall develop a statewide care coordination infrastructure to drive accountability and more effective behavioral health navigation to care that builds upon and collaborates with existing care coordination services. The infrastructure must include:

(6) Beginning January 2025, and each January thereafter, the department of health care policy and financing shall assess the care coordination services provided by managed care entities and provide a report as part of its "State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act" hearing required by section 2-7-203. At a minimum, the report must include:

(c) Data on efforts made to reconnect with individuals ~~that~~ WHO did not initially follow through on care coordination services; ~~and~~

(d) Data on referrals to community-based services and follow-up services by each managed care entity for individuals served through care coordination services; AND

(e) DATA ON THE UTILIZATION OF CARE NAVIGATION SERVICES PURSUANT TO SUBSECTION (9) OF THIS SECTION IN ACCORDANCE WITH STATE AND FEDERAL HEALTH-CARE PRIVACY LAWS.

(9) Care navigation program. (a) **[Formerly 27-80-119 (2)]** As used in this section, "engaged client" means an individual who is interested in and willing to engage in substance use disorder treatment and recovery services or other treatment services either for the individual or an affected family member or friend.

(b) **[Formerly 27-80-119 (3)]** Subject to available appropriations, the BHA shall implement a care navigation program to assist engaged clients in obtaining access to treatment for substance use disorders. At a minimum, services available statewide must include independent screening of the treatment needs of the engaged client using nationally recognized screening criteria to determine the correct level of care; the identification of licensed or accredited substance use disorder treatment options, including social and medical detoxification services, medication-assisted treatment, and inpatient and outpatient treatment programs; and the availability of

various treatment options for the engaged client.

(c) [**Formerly 27-80-119 (4)**] To implement the care navigation program, the BHA shall, ~~include~~ DIRECTLY OR THROUGH CONTRACT, PROVIDE care navigation services AND ALIGN THE CARE NAVIGATION SERVICES WITH THE CARE COORDINATION INFRASTRUCTURE ESTABLISHED PURSUANT TO THIS SECTION. ~~in the twenty-four-hour telephone crisis service created pursuant to section 27-60-103. The contractor selected by the BHA must provide care navigation services to engaged clients statewide. Care navigation services must be available twenty-four hours a day and must be accessible through various formats. The contractor shall coordinate services in conjunction with other state care navigation and coordination services and behavioral health response systems to ensure coordinated and integrated service delivery. The use of peer support specialists is encouraged in the coordination of services. The contractor shall assist the engaged client with accessing treatment facilities, treatment programs, or treatment providers and shall provide services to engaged clients regardless of the client's payer source or whether the client is uninsured. Once the engaged client has initiated treatment, the contractor is no longer responsible for care navigation for that engaged client for that episode. Engaged clients who are enrolled in the medical assistance program pursuant to articles 4, 5, and 6 of title 25.5 shall be provided with contact information for their managed care entity. The contractor shall conduct ongoing outreach to inform behavioral health providers, counties, county departments of human or social services, jails, law enforcement personnel, health-care professionals, and other interested persons about care navigation services.~~

(d) [**Formerly 27-80-119 (7)**] The state board of human services may promulgate any rules necessary to implement the care navigation program.

SECTION 35. In Colorado Revised Statutes, 27-64-104, **amend** (3) as follows:

27-64-104. 988 crisis hotline cash fund - creation. (3) ~~Subject to annual appropriation by the general assembly~~ MONEY IN THE FUND IS CONTINUOUSLY APPROPRIATED. The enterprise may expend money from the fund for the purposes outlined in section 27-64-103 (4)(c) and (4)(d).

SECTION 36. In Colorado Revised Statutes, 27-65-106, **amend as**

it will become effective July 1, 2023, (9)(a) introductory portion as follows:

27-65-106. Emergency mental health hold - screening - court-ordered evaluation - discharge instructions - respondent's rights.

(9) (a) On or before ~~July 1, 2023~~ JULY 1, 2024, and each July 1 thereafter, each emergency medical services facility that has evaluated a person pursuant to this section shall provide an annual report to the BHA that includes only disaggregated and nonidentifying information concerning persons who were treated at an emergency medical services facility pursuant to this section. The report must comply with section 24-1-136 (9) and is exempt from section 24-1-136 (11)(a)(I). The report must contain the following:

SECTION 37. In Colorado Revised Statutes, 27-65-107, **amend** (3), (4)(a) introductory portion, and (4)(a)(V) as follows:

27-65-107. Emergency transportation - application - screening - respondent's rights.

(3) (a) Once the person is presented to an outpatient mental health facility or facility designated by the commissioner, an intervening professional shall screen the person immediately. If an intervening professional is not immediately available, the person must be screened within eight hours after the person's arrival at the facility to determine if the person meets criteria for an emergency mental health hold pursuant to section 27-65-106. Once the screening is completed and if the person meets the criteria, the intervening professional shall first pursue voluntary treatment and evaluation. If the person refuses or the intervening professional has reasonable grounds to believe the person will not remain voluntarily, the intervening professional may place the person under an emergency mental health hold pursuant to section 27-65-106.

(b) IF A PERSON DETAINED PURSUANT TO THIS SECTION IS TRANSPORTED TO AN EMERGENCY MEDICAL SERVICES FACILITY, THE INVOLUNTARY TRANSPORTATION HOLD EXPIRES UPON THE FACILITY RECEIVING THE PERSON FOR SCREENING BY AN INTERVENING PROFESSIONAL.

(4) (a) A person detained pursuant to this section ~~at an outpatient mental health facility or facility designated by the commissioner,~~ has the following rights while being detained, which must be explained to the person before being transported to a receiving facility:

(V) To have appropriate access to adequate water and ~~food~~ FOOD; and to have the person's nutritional needs met in a manner that is consistent with recognized dietary practices, TO THE EXTENT REASONABLY POSSIBLE AT THE RECEIVING FACILITY;

SECTION 38. In Colorado Revised Statutes, 27-65-113, **amend** (5)(a) and (5)(b) as follows:

27-65-113. Hearing procedures - jurisdiction. (5) (a) In the event that a respondent or a person found not guilty by reason of impaired mental condition pursuant to section 16-8-103.5 (5), or by reason of insanity pursuant to section 16-8-105 (4) or 16-8-105.5, refuses to accept medication, the court having jurisdiction of the action pursuant to subsection (4) of this section, the court committing the person or defendant to the custody of the ~~BHA~~ DEPARTMENT pursuant to section 16-8-103.5 (5), 16-8-105 (4), or 16-8-105.5, or the court of the jurisdiction in which the designated facility treating the respondent or person is located has jurisdiction and venue to accept a petition by a treating physician and to enter an order requiring that the respondent or person accept such treatment or, in the alternative, that the medication be forcibly administered to the respondent or person. The court of the jurisdiction in which the designated facility is located shall not exercise its jurisdiction without the permission of the court that committed the person to the custody of the ~~BHA~~ DEPARTMENT. Upon the filing of such a petition, the court shall appoint an attorney, if one has not been appointed, to represent the respondent or person and hear the matter within ten days.

(b) In any case brought pursuant to subsection (5)(a) of this section in a court for the county in which the treating facility is located, the county where the proceeding was initiated pursuant to subsection (4) of this section or the court committing the person to the custody of the ~~BHA~~ DEPARTMENT pursuant to section 16-8-103.5 (5), 16-8-105 (4), or 16-8-105.5, shall either reimburse the county in which the proceeding pursuant to this subsection (5) was filed and in which the proceeding was held for the reasonable costs incurred in conducting the proceeding or conduct the proceeding itself using its own personnel and resources, including its own district or county attorney, as the case may be.

SECTION 39. In Colorado Revised Statutes, 27-65-123, **amend** (1)(a) as follows:

27-65-123. Records. (1) Except as provided in subsection (2) of this section, all information obtained and records prepared in the course of providing any services to any person pursuant to any provision of this article 65 are confidential and privileged matter. The information and records may be disclosed only:

(a) In communications between qualified ~~professional~~ PROFESSIONALS, FACILITY personnel, OR STATE AGENCIES in the provision of services or appropriate referrals;

SECTION 40. In Colorado Revised Statutes, 27-71-104, **amend** (3) as follows:

27-71-104. Mental health residential facilities - initial license requirements - repeal. (3) On and after ~~July 1, 2023~~ OCTOBER 1, 2023, the behavioral health administration is responsible for licensing mental health ~~home- and community-based-waiver~~ residential facilities.

SECTION 41. In Colorado Revised Statutes, 27-80-102, **amend** (1) introductory portion and (2) as follows:

27-80-102. Duties of the behavioral health administration. (1) ~~The office of~~ behavioral health ADMINISTRATION is a **type 2** entity, as defined in section 24-1-105, and is responsible for the powers, duties, and functions relating to the alcohol and drug driving safety program specified in section 42-4-1301.3. ~~The office of~~ behavioral health ADMINISTRATION shall formulate a comprehensive state plan for substance use disorder treatment programs. ~~The office of~~ behavioral health ADMINISTRATION shall submit the state plan to the governor and, upon the governor's approval, submit it to the appropriate United States agency for review and approval. The state plan must include, but not be limited to:

(2) The department, acting by and through the ~~office of~~ behavioral health ADMINISTRATION, is designated as the sole state agency for the supervision of the administration of the state plan.

SECTION 42. In Colorado Revised Statutes, 27-80-107, **amend** (1), (2) introductory portion, (2)(b), (2)(d), (2.5)(a) introductory portion, (2.5)(a)(II), (3), (4), (5), and (7) as follows:

27-80-107. Designation of managed service organizations - purchase of services - revocation of designation. (1) The ~~director of the office of~~ behavioral health ADMINISTRATION shall establish designated service areas to provide substance use disorder treatment and recovery services in a particular geographical region of the state.

(2) To be selected as a designated managed service organization to provide services in a particular designated service area, a private corporation; for profit or not for profit; or a public agency, organization, or institution shall apply to the ~~office of~~ behavioral health ADMINISTRATION for a designation in the form and manner specified by the ~~executive director or the executive director's~~ COMMISSIONER OR THE COMMISSIONER'S designee. The designation process is in lieu of a competitive bid process pursuant to the "Procurement Code", articles 101 to 112 of title 24. The ~~director of the office of behavioral health~~ COMMISSIONER OR THE COMMISSIONER'S DESIGNEE shall make the designation based on factors established by the ~~executive director or the executive director's~~ COMMISSIONER OR THE COMMISSIONER'S designee. The factors for designation established by the executive director or the executive director's designee include the following:

(b) Whether the managed service organization has experience working with publicly funded clients, including expertise in treating priority populations designated by the ~~office of~~ behavioral health ADMINISTRATION;

(d) Whether the managed service organization has experience using the cost-share principles used by the ~~office of~~ behavioral health ADMINISTRATION in its contracts with providers and is willing to cost-share;

(2.5) (a) On or before January 1, 2023, in order to promote transparency and accountability, the ~~office of~~ behavioral health ADMINISTRATION shall require each managed service organization that has twenty-five percent or more ownership by providers of behavioral health services to comply with the following conflict of interest policies:

(II) The ~~office of~~ behavioral health ADMINISTRATION shall quarterly review a managed service organization's funding allocation to ensure that all providers are being equally considered for funding. The ~~office of~~ behavioral health ADMINISTRATION is authorized to review any other pertinent information to ensure the managed service organization is meeting

state and federal rules and regulations and is not inappropriately giving preference to providers with ownership or board membership.

(3) The designation of a managed service organization by the ~~director of the office of behavioral health~~ COMMISSIONER, as described in subsection (2) of this section, is an initial decision of the department ~~which~~ THAT may be reviewed by the executive director in accordance with the provisions of section 24-4-105. Review by the executive director in accordance with section 24-4-105 constitutes final agency action for purposes of judicial review.

(4) (a) The terms and conditions for providing substance use disorder treatment and recovery services must be specified in the contract entered into between the ~~office of behavioral health~~ ADMINISTRATION and the designated managed service organization. Contracts entered into between the ~~office of behavioral health~~ ADMINISTRATION and the designated managed service organization must include terms and conditions prohibiting a designated managed service organization contracted treatment provider from denying or prohibiting access to medication-assisted treatment, as defined in section 23-21-803, for a substance use disorder.

(b) Contracts entered into between the ~~office of behavioral health~~ ADMINISTRATION and the designated managed service organization must include terms and conditions that outline the expectations for the designated managed service organization to invest in the state's recovery services infrastructure, which include peer-run recovery support services and specialized services for underserved populations. Investments are based on available appropriations.

(5) The contract may include a provisional designation for ninety days. At the conclusion of the ninety-day provisional period, the ~~director of the office of behavioral health~~ COMMISSIONER may choose to revoke the contract or, subject to meeting the terms and conditions specified in the contract, may choose to extend the contract for a stated time period.

(7)(a) The ~~director of the office of behavioral health~~ COMMISSIONER may revoke the designation of a designated managed service organization upon finding that the managed service organization is in violation of the performance of the provisions of or rules promulgated pursuant to this article 80. The revocation must conform to the provisions and procedures

specified in article 4 of title 24, and occur only after notice and an opportunity for a hearing is provided as specified in article 4 of title 24. A hearing to revoke a designation as a designated managed service organization constitutes final agency action for purposes of judicial review.

(b) Once a designation has been revoked pursuant to subsection (7)(a) of this section, the ~~director of the office of behavioral health~~ COMMISSIONER may designate one or more service providers to provide the treatment services pending designation of a new designated managed service organization or may enter into contracts with subcontractors to provide the treatment services.

(c) From time to time, the ~~director of the office of behavioral health~~ COMMISSIONER may solicit applications from applicants for managed service organization designation to provide substance use disorder treatment and recovery services for a specified planning area or areas.

SECTION 43. In Colorado Revised Statutes, 27-80-108, **amend** (1)(c) and (1)(d) as follows:

27-80-108. Rules. (1) The state board of human services, created in section 26-1-107, has the power to promulgate rules governing the provisions of this article 80. The rules may include, but are not limited to:

(c) Requirements for public and private agencies, organizations, and institutions from which the ~~office of behavioral health~~ ADMINISTRATION may purchase services pursuant to section 27-80-106 (1), which requirements must include prohibiting the purchase of services from entities that deny or prohibit access to medical services or substance use disorder treatment and services to persons who are participating in prescribed medication-assisted treatment, as defined in section 23-21-803, for a substance use disorder;

(d) Requirements for managed service organizations that are designated by the ~~director of the office of behavioral health~~ COMMISSIONER to provide services in a designated service area pursuant to section 27-80-106 (2);

SECTION 44. In Colorado Revised Statutes, 27-80-303, **amend** (1)(b) introductory portion and (5) as follows:

27-80-303. Office of ombudsman for behavioral health access to care - creation - appointment of ombudsman - duties. (1) (b) ~~The office of behavioral health in the department and the BHA shall offer the office limited support with respect to:~~

(5) In the performance of the ombudsman's duties, the ombudsman shall act independently of ~~the office of behavioral health in the department and the BHA.~~ Any recommendations made or positions taken by the ombudsman do not reflect those of the ~~department, the office of behavioral health,~~ DEPARTMENT or the BHA.

SECTION 45. In Session Laws of Colorado 2022, section 263 of chapter 222, **amend** (1)(b) as follows:

Section 263. **Effective date.** (1) (b) Section 212 takes effect July 1, 2023, and sections 215 through 240 take effect July 1, 2024; EXCEPT THAT SECTION 25-1.5-103 (1)(a)(I)(A), AS ENACTED IN SECTION 226 OF THIS ACT, AND SECTION 228 OF THIS ACT TAKE EFFECT JANUARY 1, 2025.

SECTION 46. In Session Laws of Colorado 2022, **amend** section 58 of chapter 451 as follows:

Section 58. **Act subject to petition - effective date.** Sections 2 and 5 of this act take effect ~~July 1, 2023~~ JANUARY 1, 2024, sections 27-65-108 and 27-65-111, as enacted in section 1 of this act, and sections 3 and 4 of this act take effect July 1, 2024, and the remainder of this act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2022 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor; except that sections 2 and 5 of this act take effect ~~July 1, 2023~~ JANUARY 1, 2024, sections 27-65-108 and 27-65-111, as enacted in section 1 of this act, and sections 3 and 4 of this act take effect July 1, 2024.

SECTION 47. Repeal of relocated and nonrelocated provisions in this act. In Colorado Revised Statutes, **repeal** 27-80-119; except that (1),

(5), (6), and (8) are not relocated.

SECTION 48. Appropriation - adjustments to 2023 long bill.

(1) To implement this act, appropriations made in the annual general appropriation act for the 2023-24 state fiscal year to the department of human services are adjusted as follows:

(a) The general fund appropriation for use by the behavioral health administration for jail-based behavioral health services is decreased by \$2,250,400; and

(b) The general fund appropriation for use by the office of behavioral health for the jail-based competency restoration program is increased by \$2,250,400.

SECTION 49. Safety clause. The general assembly hereby finds,

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

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 _____
(Date and Time)

Jared S. Polis
GOVERNOR OF THE STATE OF COLORADO