



## Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

# Final Fiscal Note

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<b>Drafting Number:</b>	LLS 24-1095	<b>Date:</b>	July 11, 2024
<b>Prime Sponsors:</b>	Rep. Bird; Sirota Sen. Kirkmeyer; Zenzinger	<b>Bill Status:</b>	Signed into Law
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<b>Bill Topic:</b>	<b>MEDICAID ELIGIBILITY PROCEDURES</b>
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<b>Summary of Fiscal Impact:</b>	<input type="checkbox"/> State Revenue	<input type="checkbox"/> State Transfer	<input type="checkbox"/> Local Government
	<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> TABOR Refund	<input type="checkbox"/> Statutory Public Entity

**Budget package bill.** The bill modifies the Medicaid eligibility determination procedures. The bill increases state expenditures on an ongoing basis.

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**Appropriation Summary:** No appropriation is required.

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**Fiscal Note Status:** The final fiscal note reflects the enacted bill, which was recommended by the Joint Budget Committee as part of the FY 2024-25 budget package.

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## Summary of Legislation

For certain Medicaid eligibility determination procedures that were suspended during the pandemic, the bill extends the time the procedures are suspended until January 1, 2025, to align state statute with federal guidance.

In addition, the bill permits the Department of Health Care Policy and Financing (HCPF) to seek ongoing federal authorization so that under certain circumstances:

- applicants with previously verified income will not need to resubmit income verifications;
- applicants with no change in assets will not need to resubmit asset information;
- procedural eligibility terminations, which are typically due to missing information, could be delayed for specific populations; and
- information from other means-tested programs, such as the Supplemental Nutrition Assistance Program (SNAP) or Temporary Assistance for Needy Families (TANF), could be used to determine Medicaid eligibility regardless of differences in program rules for income counting and determining household composition.

## **Background**

[Senate Bill 23-182](#) suspended various statutory requirements related to enrollment and cost sharing for Medicaid and other state health programs in line with federal law. These changes were a condition of receiving federal funds under the Families First Coronavirus Response Act, which requires states to maintain continuous coverage for clients and provide certain services during specified wind-down periods following the end of the federal public health emergency.

## **State Expenditures**

To the extent the bill results in HCPF covering members for additional months due to continuous coverage requirements and streamlined enrollment processes, costs will increase. These impacts are discussed below.

**Continuous coverage requirements.** The bill codifies and aligns state statute with recent timeline changes in federal law and regulations. Given that HCPF is currently implementing these changes and their FY 2024-25 budget request already assumes the federal timeline, no additional appropriation is required.

**Streamlined enrollment processes.** The bill will increase workload in HCPF to the extent federal authorization is sought to streamline the enrollment process. Given the work that has already been completed on this topic, this workload is expected to be minimal. If federal authority is granted, assumed no earlier than January 1, 2025, based on new-member service utilization and the current timelines for enrolling new members, the effect on service costs is expected to be minimal. Any effect will be adjusted for through the annual budget process as more data becomes available.

## **Effective Date**

This bill was signed into law by the Governor and took effect on April 18, 2024.

## **State and Local Government Contacts**

Health Care Policy and Financing

Join Budget Committee Staff

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The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).