

MEMORANDUM



TO Joint Budget Committee Members
FROM JBC Staff
DATE January 25, 2024
SUBJECT Potential Legislation

This packet includes bill drafts and related memos for the Committee’s consideration. Each individual item has page numbers but also a packet page number to help navigate the whole document. The page numbers below refer to the packet page number.

POTENTIAL LEGISLATION

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MEMORANDUM



JOINT BUDGET COMMITTEE

TO Members of the Joint Budget Committee
FROM Abby Magnus, JBC Staff (303-866-2149)
DATE January 25, 2024
SUBJECT Approving JBC Bill Drafts for Introduction

If the Committee would like to approve a bill draft for introduction as a supplemental package bill, the following motion will need to be made:

- Approve for introduction in the House as a JBC bill and part of the Supplemental package LLS 24-XXXX;
- Identify prime sponsors and co-sponsors from the Committee; and
- Grant staff permission to make technical changes including adding appropriations.

Second Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO

REDRAFT

1/23/24

Double underlining
denotes changes from
prior draft

DRAFT

LLS NO. 24-0967.01 Michael Dohr x4347

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: Community Crime Victims Funding

A BILL FOR AN ACT

101 **CONCERNING COMMUNITY CRIME VICTIMS FUNDING.**

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. Under current law, there is a community crime victims grant program (program) and associated cash fund (cash fund) that provides funding for support services to crime victims. The bill reduces the current general fund appropriation for the program by \$4 million and requires that \$4 million be transferred from the general fund to the cash fund. The bill appropriates \$1 million in fiscal year 2023-24 to the department of public health and environment from the cash fund for the program. The bill exempts the cash fund from

*Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words indicate deletions from existing law.*

the statutory reserve limit and makes the cash fund subject to annual appropriations.

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

SECTION 1. In Colorado Revised Statutes, 25-20.5-801, **amend** (9)(a) and (9)(c); and **add** (9)(c.7) as follows:

25-20.5-801. Community crime victims grant program - created - cash fund. (9) (a) The community crime victims grant program cash fund, referred to in this subsection (9) as the "fund", is ~~hereby~~ created in the state treasury. The fund consists of money that the general assembly may appropriate or transfer to the fund. THE FUND IS EXEMPT FROM SECTION 24-75-402.

(c) Money in the fund is ~~continuously~~ ANNUALLY appropriated to the department for the grant program developed pursuant to this section.

(c.7) THE STATE TREASURER SHALL TRANSFER FOUR MILLION DOLLARS FROM THE GENERAL FUND TO THE FUND ON MARCH 1, 2024. _____

<{*Abby - I took out the roll forward language here since it is now covered by the appropriation clause.*}>

SECTION 2. Appropriation - adjustments to 2023 long bill.

(1) To implement this act, the general fund appropriations made in the annual general appropriation act for the 2023-24 state fiscal year to the department of public health and environment for use by the prevention services division for the community crime victims grant program is decreased by \$4,000,000.

(2) For the 2023-24 state fiscal year, \$1,000,000 is appropriated to the department of public health and environment for use by the prevention services division. This appropriation is from the community crime victims grant program cash fund created in section 25-20.5-801,

1 C.R.S. To implement this act, the division may use this appropriation for
2 the community crime victims grant program. Any money appropriated in
3 this section not expended prior to July 1, 2024, is further appropriated to
4 the division for the 2024-25 state fiscal year for the same purpose.

5 **SECTION 3. Safety clause.** The general assembly finds,
6 determines, and declares that this act is necessary for the immediate
7 preservation of the public peace, health, or safety or for appropriations for
8 the support and maintenance of the departments of the state and state
9 institutions.

Second Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO

DRAFT
1/22/24

DRAFT

LLS NO. 24-0933.01 Alana Rosen x2606

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: Colorado Imagination Library Program

A BILL FOR AN ACT

101 **CONCERNING MODIFICATIONS TO THE COLORADO IMAGINATION**
102 **LIBRARY PROGRAM TO ENHANCE EARLY CHILDHOOD LITERACY.**

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. Current law requires the state librarian in the department of education to oversee the Colorado imagination library program (program) and to contract with a Colorado nonprofit organization (contractor) to operate the program. The bill relocates the program to the department of early childhood (department).

No later than July 1, 2024, the rights, powers, duties, functions,

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Dashes through the words indicate deletions from existing law.*

and obligations concerning the program are transferred to the department. The bill transfers the contractual obligations with the contractor to the department.

The bill authorizes the contractor to enter into contracts with book vendors or publishers to provide additional age-appropriate, high-quality books to children enrolled in the program at no cost to families.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add with amended**
3 **and relocated provisions** 26.5-1-115 as follows:

4 **26.5-1-115. Colorado imagination library program - creation**
5 **- contract - report - legislative declaration - appropriations -**
6 **definitions.** (1) [Formerly 24-90-120 (1)] For the purposes of this
7 section, unless the context otherwise requires:

8 (a) "County-based affiliate programs" means a ~~local~~ NONPROFIT
9 ORGANIZATION OR NONPROFIT PARTNER affiliate of the Colorado
10 imagination library program that operates within a county or city and
11 county OR ACROSS CITIES AND COUNTIES.

12 (b) "Eligible child" means a child from birth to the child's fifth
13 birthday.

14 (c) "National nonprofit foundation" means a national nonprofit
15 foundation that exists for the sole purpose of working with local entities
16 to identify eligible children and ~~mail~~ PROVIDE age-appropriate,
17 high-quality books each month to those children at no cost to families.

18 (d) "Program" means the Colorado imagination library program
19 created pursuant to subsection (2) of this section.

20 (2) [Formerly 24-90-120 (2)] (a) (I) No later than ~~December 31,~~
21 ~~2021~~ the state librarian in the department of education JULY 1, 2024, THE
22 DEPARTMENT OF EARLY CHILDHOOD shall contract with a Colorado

1 nonprofit organization for the creation and operation of the Colorado
2 imagination library program.

3 (II) NO LATER THAN JULY 1, 2024, THE RIGHTS, POWERS, DUTIES,
4 FUNCTIONS, AND OBLIGATIONS CONCERNING THE PROGRAM ARE
5 TRANSFERRED TO THE DEPARTMENT OF EARLY CHILDHOOD.

6 (III) NO LATER THAN JULY 1, 2024, IF THE DEPARTMENT OF
7 EDUCATION IS REFERRED TO OR DESIGNATED BY THE CONTRACT
8 DESCRIBED IN SUBSECTION (2)(a)(I) OF THIS SECTION OR ANY OTHER
9 DOCUMENT IN CONNECTION WITH THE POWERS, DUTIES, AND FUNCTIONS
10 TRANSFERRED TO THE DEPARTMENT OF EARLY CHILDHOOD PURSUANT TO
11 SUBSECTION (2)(a)(II) OF THIS SECTION, THE REFERENCE OR DESIGNATION
12 APPLIES TO THE DEPARTMENT OF EARLY CHILDHOOD. ALL CONTRACTS
13 ENTERED INTO BY THE DEPARTMENT OF EDUCATION BEFORE JULY 1, 2024,
14 IN CONNECTION WITH THE POWERS, DUTIES, AND FUNCTIONS TRANSFERRED
15 TO THE DEPARTMENT OF EARLY CHILDHOOD PURSUANT TO SUBSECTION
16 (2)(a)(II) OF THIS SECTION ARE VALIDATED, WITH THE DEPARTMENT OF
17 EARLY CHILDHOOD SUCCEEDING ALL RIGHTS AND OBLIGATIONS UNDER
18 THE CONTRACT. ANY MONEY THAT WAS PREVIOUSLY RECEIVED OR
19 APPROPRIATED, AND REMAINS AVAILABLE, TO SATISFY OBLIGATIONS
20 INCURRED UNDER A CONTRACT IS TRANSFERRED AND FURTHER
21 APPROPRIATED TO THE DEPARTMENT OF EARLY CHILDHOOD FOR PAYMENT
22 OF THAT CONTRACTUAL OBLIGATION.

23 (b) The contractor DESCRIBED IN SUBSECTION (2)(a)(I) OF THIS
24 SECTION shall:

25 (a) (I) ~~Exist for the sole purpose of creating and operating~~
26 OPERATE the program BY PROVIDING AGE-APPROPRIATE, HIGH-QUALITY
27 BOOKS TO CHILDREN TO PROMOTE EARLY CHILDHOOD LITERACY;

1 ~~(b)~~ (II) Manage the daily operations of the program, including, but
2 not limited to, establishing county-based affiliate programs in all
3 Colorado counties and cities and counties and advancing and
4 strengthening the affiliate programs to ensure enrollment growth;

5 ~~(c) Develop, promote, and coordinate a public awareness~~
6 ~~campaign in coordination with the department of education to ensure~~
7 ~~alignment with the "Colorado READ Act", part 12 of article 7 of title 22,~~
8 ~~including any public awareness campaign for the "Colorado READ Act",~~
9 ~~and to make the public aware of the opportunity to register eligible~~
10 ~~children to receive free books through the program;~~

11 ~~(d)~~ (III) Contract with a national nonprofit foundation to provide
12 age-appropriate, high-quality books each month to eligible children at no
13 cost to families;

14 ~~(e)~~ (IV) Provide for a high-quality independent evaluation of the
15 impact of the program on child and family outcomes, including child
16 literacy and parent and family engagement; and

17 ~~(f)~~ (V) Establish a distressed affiliate fund using gifts, grants, or
18 donations to help county-based affiliate programs that have financial
19 difficulty meeting the county-based affiliate programs' funding
20 requirements.

21 (3) THE CONTRACTOR MAY ENTER INTO A CONTRACT WITH BOOK
22 VENDORS OR BOOK PUBLISHERS IN ACCORDANCE WITH THIS SECTION TO
23 PROVIDE ADDITIONAL AGE-APPROPRIATE, HIGH-QUALITY BOOKS TO
24 ELIGIBLE CHILDREN ENROLLED IN THE PROGRAM AT NO COST TO FAMILIES.

25 (4) **[Formerly 24-90-120 (3)]** Notwithstanding section 24-1-136
26 (11)(a)(I), on or before July 1 of the year after the state librarian enters
27 into a contract pursuant to subsection (2) of this section JULY 1, 2024, and

1 ON OR BEFORE each July 1 thereafter, the contractor shall submit a report
2 to the department, ~~of education~~ which shall then submit the report to the
3 education committees of the senate and house of representatives, or ~~any~~
4 THEIR successor committees, concerning the total number of eligible
5 children residing in each county or city and county in Colorado and how
6 many eligible children are enrolled in the program in each county or city
7 and county.

8 (5) **[Formerly 24-90-120 (4)]** (a) The contractor, in operating the
9 program pursuant to ~~subsection (2)~~ SUBSECTION (2)(a)(III) of this section,
10 shall pay to the national nonprofit foundation the statewide cost to
11 provide free books to eligible children enrolled in the program, as
12 determined by the national nonprofit foundation. THE CONTRACTOR
13 SHALL PAY A BOOK VENDOR OR BOOK PUBLISHER THAT ENTERS INTO A
14 CONTRACT WITH THE CONTRACTOR PURSUANT TO SUBSECTION (3) OF THIS
15 SECTION THE STATEWIDE COST TO PROVIDE ADDITIONAL FREE BOOKS TO
16 ELIGIBLE CHILDREN ENROLLED IN THE PROGRAM. The general assembly
17 shall annually appropriate money from the general fund to the department
18 ~~of education for the state librarian~~ to distribute to the contractor for the
19 state's fifty percent share of the cost to provide the books.

20 (b) Each county-based affiliate program ~~shall~~ MUST pay to the
21 contractor the remainder of the cost, as determined by the national
22 nonprofit foundation OR A BOOK VENDOR OR BOOK PUBLISHER THAT
23 ENTERS INTO A CONTRACT WITH THE CONTRACTOR PURSUANT TO THIS
24 SECTION, to provide books to the eligible children enrolled in the county
25 or city and county.

26 (6) **[Formerly 24-90-120 (5)]** The department ~~of education~~ may
27 seek, accept, and expend gifts, grants, or donations from private or public

1 sources for the implementation of this section.

2 (7) [Formerly 24-90-120 (6)] (a) It is the intent of the general
3 assembly to provide full funding by 2026 for any eligible child who wants
4 to participate in the program.

5 (b) For the 2022-23 state fiscal year, the general assembly shall
6 appropriate nine hundred seven thousand one hundred forty dollars for the
7 Colorado imagination library PROGRAM and shall increase the
8 appropriation in subsequent fiscal years as necessary to meet the intention
9 of the general assembly set forth in ~~subsection (6)(a)~~ SUBSECTION (7)(a)
10 of this section.

11 (c) FOR THE 2024-25 STATE FISCAL YEAR, THE GENERAL ASSEMBLY
12 SHALL APPROPRIATE THE FUNDS NECESSARY TO MEET THE INTENTION OF
13 THE GENERAL ASSEMBLY SET FORTH IN SUBSECTION (7)(a) OF THIS
14 SECTION.

15 ~~(e)~~ (d) Twenty percent of money appropriated for the 2021-22
16 state fiscal year, and each fiscal year thereafter, may be used for the
17 contractor operating the program for duties set forth in ~~subsections (2)(a)~~
18 ~~to (2)(d) and (2)(f)~~ SUBSECTIONS (2)(b)(I) TO (2)(b)(III) AND (2)(b)(V) of
19 this section.

20 **SECTION 2. Repeal of relocated provisions in this act.** In
21 Colorado Revised Statutes, **repeal** 24-90-120.

22 **SECTION 3. Safety clause.** The general assembly finds,
23 determines, and declares that this act is necessary for the immediate
24 preservation of the public peace, health, or safety or for appropriations for
25 the support and maintenance of the departments of the state and state
26 institutions.

Second Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO

DRAFT
1/23/24

DRAFT

LLS NO. 24-0976.01 Megan McCall x4215

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: America 250 - Colorado 150 Cash Fund

A BILL FOR AN ACT

101 CONCERNING CREATION OF THE AMERICA 250 - COLORADO 150 CASH
102 FUND.

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 America 250 - Colorado 150 commission (commission) was created in history Colorado to develop programs and plan for the official observance across Colorado of the semiquincentennial anniversary of the founding of the United States, as marked by the Declaration of Independence in 1776, and the sesquicentennial anniversary of Colorado statehood (the anniversaries).

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The commission's powers and duties include marketing to support commemorative events and involvement in local opportunities for public discussion, commemorative events, and historical and educational activities regarding the anniversaries. The bill creates a temporary cash fund that is continuously appropriated to the commission through history Colorado for earned revenue received from sale of items commemorating the anniversaries (fund). The commission will use money from the fund to provide grants to local communities to assist recipient communities providing local opportunities in connection with commemorating the anniversaries and must provide an annual report to the joint budget committee regarding grants that are awarded.

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

2 **SECTION 1.** In Colorado Revised Statutes, 24-80-215, **amend**
3 (10); and **add** (1)(b.5) and (8.5) as follows:

4 **24-80-215. America 250 - Colorado 150 commission - creation**
5 **- powers and duties - report - cash fund - definitions - repeal.**
6 (1) **Definitions.** As used in this section, unless the context otherwise
7 requires:

8 (b.5) "FUND" MEANS THE AMERICA 250 - COLORADO 150 CASH
9 FUND CREATED IN SUBSECTION (8.5) OF THIS SECTION.

10 (8.5) **Cash fund.** (a) THE AMERICA 250 - COLORADO 150 CASH
11 FUND IS CREATED IN THE STATE TREASURY. THE FUND CONSISTS OF
12 EARNED REVENUE FROM THE SALE OF COMMEMORATIVE ITEMS SOLD IN
13 CONNECTION WITH THE COMMISSION'S MARKETING AUTHORITY SET FORTH
14 IN SUBSECTION (4)(a)(I)(G) OF THIS SECTION THAT IS RECEIVED AND
15 CREDITED TO THE FUND PURSUANT TO THIS SUBSECTION (8.5) AND ANY
16 OTHER MONEY THAT THE GENERAL ASSEMBLY MAY APPROPRIATE OR
17 TRANSFER TO THE FUND.

18 (b) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND
19 INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE

1 FUND TO THE FUND.

2 (c) MONEY IN THE FUND IS CONTINUOUSLY APPROPRIATED TO THE
3 COMMISSION THROUGH HISTORY COLORADO FOR THE PURPOSE OF
4 PROVIDING COMMUNITY GRANTS TO COMMUNITIES ACROSS THE STATE TO
5 ASSIST RECIPIENT COMMUNITIES WITH PROVIDING LOCAL OPPORTUNITIES
6 RELATED TO COMMEMORATION OF THE TWO HUNDRED FIFTIETH
7 ANNIVERSARY OF THE FOUNDING OF THE UNITED STATES AND THE ONE
8 HUNDRED FIFTIETH ANNIVERSARY OF COLORADO STATEHOOD SUCH AS
9 THOSE SET FORTH IN SUBSECTION (4)(a)(II) OF THIS SECTION.

10 (d) ON OR BEFORE OCTOBER 15, 2024, AND ON OR BEFORE
11 OCTOBER 15 OF EACH YEAR THEREAFTER FOR THREE CONSECUTIVE YEARS,
12 THE COMMISSION SHALL SUBMIT A REPORT TO THE JOINT BUDGET
13 COMMITTEE OF THE GENERAL ASSEMBLY ABOUT THE COMMUNITY GRANTS
14 AWARDED PURSUANT TO THIS SUBSECTION (8.5), INCLUDING INFORMATION
15 ABOUT THE RECIPIENT OF EACH GRANT, THE DOLLAR AMOUNT OF EACH
16 GRANT, AND THE USES OF EACH GRANT. THE REPORT MAY BE SUBMITTED
17 IN CONNECTION WITH THE REPORT REQUIRED BY SUBSECTION (9) OF THIS
18 SECTION.

19 (e) THE STATE TREASURER SHALL TRANSFER ALL UNEXPENDED
20 AND UNENCUMBERED MONEY IN THE FUND ON JUNE 30, 2027, TO THE
21 GENERAL FUND.

22 (10) **Repeal.** This section is repealed, effective ~~June 30,~~
23 DECEMBER 31, 2027.

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

- 1 the support and maintenance of the departments of the state and state
- 2 institutions.

Second Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO

DRAFT
1/21/24

DRAFT

LLS NO. 24-0913.01 Shelby Ross x4510

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: Medicaid Provider Suspension for Organized Fraud
DEADLINES: File by: 1/22/2024

A BILL FOR AN ACT

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

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 the department of health care policy and financing (state department) to suspend the enrollment of a medicaid and children's basic health plan (programs)

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Dashes through the words indicate deletions from existing law.*

provider only if the state department identifies that the provider is participating in an alleged and ongoing organized crime or organized fraud scheme (scheme) that impacts the programs and if the state department documents in writing that at least 3 of the following factors are met:

- The provider has been enrolled in the programs for less than 3 years;
- At least 3 providers are involved in the scheme;
- The collective billing amount identified in the scheme exceeds \$1 million;
- The provider's billing indicates a pattern of abuse or noncompliance;
- The volume of claims or billing amount has increased at a significant rate and there is no other reasonable explanation for the increase;
- The federal centers for medicare and medicaid services has approved a provider enrollment moratorium for the provider type involved in the scheme; or
- The state department has notified law enforcement of the scheme.

The state department is required to notify the provider of the suspension in writing, including the reasons for the suspension.

The state department may suspend a provider's enrollment for an initial period of 6 months while the state department conducts a review of the scheme. After the state department's review is complete, the state department must reinstate the provider's enrollment if the department determines the provider did not engage in a scheme. If the state department's review cannot be completed during the initial 6-month period, the state department may extend the review period in additional 6-month increments if the state department documents in writing the necessity for extending the review.

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

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

4 **25.5-4-301. Recoveries - overpayments - penalties - interest -**
5 **adjustments - liens - review or audit procedures - definitions - repeal.**

6 (16) (a) THE STATE DEPARTMENT MAY SUSPEND THE ENROLLMENT OF A
7 PROVIDER, INCLUDING A CHILDREN'S BASIC HEALTH PLAN PROVIDER, ONLY

1 IF:

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

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

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

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

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

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

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

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

27 (G) THE STATE DEPARTMENT HAS NOTIFIED LAW ENFORCEMENT OF

1 THE ORGANIZED CRIME OR ORGANIZED FRAUD SCHEME.

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

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

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

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

26 (II) "SUSPEND" MEANS TEMPORARILY PROHIBITING A PROVIDER
27 FROM PARTICIPATING IN THE STATE MEDICAL ASSISTANCE PROGRAM OR

1 CHILDREN'S BASIC HEALTH PLAN, FROM RENDERING SERVICES OR SUPPLIES
2 TO A MEMBER, AND FROM SUBMITTING CLAIMS TO THE STATE DEPARTMENT
3 FOR ANY SERVICES OR SUPPLIES RENDERED TO A MEMBER.

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

9 **SECTION 2. Safety clause.** The general assembly finds,
10 determines, and declares that this act is necessary for the immediate
11 preservation of the public peace, health, or safety or for appropriations for
12 the support and maintenance of the departments of the state and state
13 institutions.

MEMORANDUM



JOINT BUDGET COMMITTEE

TO Members of the Joint Budget Committee
FROM Eric Kurtz, JBC Staff (303-866-4952)
DATE January 25, 2024
SUBJECT Autism Treatment Fund Potential Legislation

There is a mismatch between the statutory authority for the Autism Treatment Fund and the appropriations from the fund that needs the JBC's attention. Historically, the Autism Treatment Fund has received 2.0 percent of tobacco settlement money annually for autism screening, diagnosis, and treatment for children and for related program evaluations. Prior to FY 2018-19, these services were part of the Home- and Community-Based Services for Children with Autism waiver. The waiver became inactive in FY 2018-19, because new federal guidance required that these services be covered as part of the State Plan. Senate Bill 23-289, sponsored by the JBC, needed to make changes to several waiver statutes to implement Community First Choice and repealing the autism waiver was tacked on to those other waiver statute changes. Repealing the autism waiver was mostly innocuous, since the waiver was inactive, but the bill also repealed the Autism Treatment Fund, without changing appropriations in the FY 2023-24 Long Bill from the now nonexistent Autism Treatment Fund.

The bill did make a conforming change to the tobacco settlement distribution to end transfers to the Autism Treatment Fund, but that conforming change does not take effect until July 1, 2025. So, for FY 2023-24 and FY 2024-25 there is a statutory instruction for the Treasurer to transfer 2.0 percent of the tobacco settlement money to the nonexistent Autism Treatment Fund.

Finally, the Department built the request for FY 2024-25 assuming appropriations from the nonexistent Autism Treatment Fund for services and administrative expenses that would otherwise need to be financed from the General Fund.

Option 1 – Reauthorize the Autism Treatment Fund

One possible solution would be for the JBC to sponsor legislation to reauthorize the Autism Treatment Fund. This might be the simplest policy option to explain and it would avoid any potential misperceptions by autism advocates that money is being taken away from autism services. If the JBC approves Option 1, no changes to current appropriations would be necessary. The bill to reauthorize the Autism Treatment Fund would ideally move with the supplemental package, but it could move with the Long Bill, if the JBC needs more time to consider the options.

Option 2 – Replace appropriations from the Autism Treatment Fund with General Fund

There are several problems with the way the Autism Treatment Fund worked in the past.

- 1 The money didn't cover the full cost of autism services. It was merely a partial offset to the General Fund.
- 2 The revenue source, i.e. tobacco settlement money, is declining, but autism services are an ongoing need with increasing costs.
- 3 A small amount of the Autism Treatment Fund was allocated to administrative costs, requiring painstaking allocations and tracking by the Department and JBC staff of often tiny amounts in

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20 different line items that are attributable to the Autism Treatment Fund, such as \$3 of the Temporary Employees Related to Authorized Leave line item or \$67 of the CORE Operations line item.

For these reasons, staff recommends that the JBC sponsor legislation to eliminate the instruction in Section 24-75-1104.5 (1.7)(k), C.R.S., for the Treasurer to transfer money to the nonexistent Autism Treatment Fund, effective retroactively for FY 2023-24. If the JBC adopts option 2, the JBC will need to replace the existing \$1.8 million in appropriations from the Autism Treatment Fund in FY 2023-24 with General Fund. There would be no net change in autism benefits or in the appropriations for autism services.

Replacing the appropriations from the Autism Treatment Fund with General Fund would be best done in the supplemental bill, but it could be done as an add-on to the Long Bill, if the JBC needs more time to consider the options. Similarly, the bill to eliminate the transfers to the Autism Treatment Fund could move with the supplemental package or with the Long Bill. The table below details the existing FY 2023-24 appropriations from the Autism Treatment Fund that would need to be changed to appropriations from the General Fund.

FY 2023-24 Autism Treatment Fund			
Line Item	Current Approp	Supplementals	Total
Personal Services	\$30,511	\$0	\$30,511
Health, Life, and Dental	3,665	0	3,665
Short-term Disability	33	0	33
S.B. 04-257 Amortization Equalization Disbursement	1,106	0	1,106
S.B. 06-235 Supplemental Amortization Equalization Disbursement	1,105	0	1,105
Salary Survey	1,861	0	1,861
PERA Direct Distribution	95	0	95
Temporary Employees Related to Authorized Leave	3	0	3
Worker's Compensation	92	0	92
Operating Expenses	1,734	0	1,734
Legal Services	907	0	907
Administrative Law Judge Services	272	0	272
Payment to Risk Management and Property Funds	126	152	278
Leased Space	2,371	0	2,371
Capitol Complex Leased Space	0	0	0
Payments to OIT	5,851	0	5,851
IT Accessibility	2,706	0	2,706
CORE Operations	67	0	67
Statewide training	0	0	0
Contracts for Special Eligibility Determinations	5,000	0	5,000
Indirect Cost Assessment	1,412	0	1,412
Medical Services Premiums	1,740,843	240	1,741,083
TOTAL	\$1,799,760	\$392	\$1,800,152

Option 2 would leave 2.0 percent of the tobacco settlement money, or approximately \$1.8 million, unallocated. The JBC could either: (1) find a purpose for the money that is better suited to a declining fund source; or, (2) if the JBC wants to make sure that the change is budget neutral, consolidate the \$1.8 million into one of the larger existing allocations from the tobacco settlement money that offsets the need for General Fund, such as the allocation to CHP+.