CHAPTER 396

HEALTH CARE POLICY AND FINANCING

HOUSE BILL 22-1114

BY REPRESENTATIVE(S) Larson and Valdez A., Bernett, Bird, Boesenecker, Carver, Exum, Herod, Hooton, Jodeh, Lindsay, McCluskie, Michaelson Jenet, Mullica, Ricks, Titone, Woodrow, Young; also SENATOR(S) Zenzinger and Kirkmeyer, Bridges, Buckner, Coram, Donovan, Ginal, Gonzales, Hisey, Lee, Liston, Moreno, Pettersen, Priola, Rankin, Scott, Simpson, Smallwood, Sonnenberg, Winter, Woodward.

AN ACT

CONCERNING AUTHORIZING A TRANSPORTATION NETWORK COMPANY TO PROVIDE NONMEDICAL TRANSPORTATION SERVICES TO PERSONS WHO ARE ENROLLED IN CERTAIN MEDICAID WAIVER PROGRAMS, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

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

SECTION 1. Legislative declaration. (1) The general assembly finds that:

- (a) Adults with disabilities deserve an opportunity to live, work, and perform everyday activities in a community of their choice, at the time of their choosing, wherever and whenever possible;
- (b) Coloradans with disabilities are unemployed and underemployed at a higher rate than the general population and often live in relative isolation due to myriad barriers and disincentives despite their interest and eagerness to work and engage in the community;
- (c) Colorado is an Employment First state committed to addressing barriers and disincentives to employment to ensure that all Coloradans can access meaningful, competitive integrated employment;
- (d) Meaningful employment and day habilitation services, whether accessed separately or jointly, foster independence and allow adults with disabilities to make meaningful connections in their community;
- (e) For adults with disabilities, transportation represents a significant barrier to accessing employment and day habilitation services in the community;

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.

- (f) Many adults with disabilities are reliant on transportation available through home- and community-based services waivers to gain access to the community, including employment;
- (g) Traditional methods of transportation outlined in the waivers are often inefficient and overburdened;
- (h) For the past decade, Colorado, following national trends, has experienced a shortage in direct service providers, including transportation service providers;
- (i) Even where accessible public transportation exists, adults with disabilities and service providers consider current transportation options inadequate; and
- (j) Adults with disabilities require workplace and day habilitation transportation that is safe, efficient, and cost effective.
- (2) The general assembly further finds that many adults with disabilities are reliant on transportation available through the home- and community-based services for the elderly, blind, and disabled waiver; the home- and community-based services for persons with intellectual and developmental disabilities waiver; the home- and community-based services for persons with major mental health disorders waiver; the home- and community-based services for persons with brain injury waiver; the home- and community-based supported living services waiver; and the complementary and alternative medicine for a person with a spinal cord injury waiver, to gain access to the community, including employment.
- (3) Therefore, the general assembly declares that it is imperative that Colorado allow for flexibility and growth in available transportation options for adults with disabilities at comparable costs and funded as an alternative to mass transportation in a way that maintains safety and fosters community living and independence for adults with disabilities.

SECTION 2. In Colorado Revised Statutes, 25.5-6-307, **add** (5) as follows:

- 25.5-6-307. Services for the elderly, blind, and disabled rules. (5) (a) No later than January 2024, the state department shall submit a report to the senate health and human services committee, the house of representatives public and behavioral health and human services committee, and the house of representatives health and insurance committee, or any successor committees, as part of its "State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act" presentation required by section 2-7-203. At a minimum, the report must identify:
- (I) A REIMBURSEMENT SYSTEM WITH A GOAL TO INCENTIVIZE AND INCREASE TRANSPORTATION PROVIDER PARTICIPATION;
- (II) HOW THE STATE DEPARTMENT WILL ENSURE COMPLIANCE WITH APPLICABLE FEDERAL LAWS AND WAIVER REQUIREMENTS;
 - (III) A SYSTEM OF COMMON REPORTING TO ENSURE A RECIPIENT DOES NOT

EXCEED THE MEDICAID BENEFIT IN A MULTI-PROVIDER SCENARIO; AND

- (IV) BEST PRACTICES BASED ON WHAT OTHER STATES HAVE DONE TO ALLOW TRANSPORTATION NETWORK COMPANIES TO PROVIDE NONMEDICAL TRANSPORTATION SERVICES FOR INDIVIDUALS RECEIVING SERVICES, INCLUDING BUT NOT LIMITED TO, REIMBURSEMENT RATES; DRIVER COMPENSATION; AND INTEGRATION WITH PROGRAMS THAT PROVIDE NONMEDICAL TRANSPORTATION SERVICES.
- (b) In developing the report, the state department shall engage in a stakeholder process that includes individuals with intellectual and developmental disabilities and their families, individuals with disabilities, and transportation network companies. The report may be developed in conjunction with the reporting requirement in sections 25.5-6-409 (6), 25.5-6-606 (9), 25.5-6-704 (8), and 25.5-6-1303 (9).
- (c) (I) Upon completion of the report described in subsection (5)(a) of this section, the state department shall analyze and review each operational transportation network company, as defined in section 40-10.1-602 (3). The state department shall verify each transportation network company's viability to ensure the health, safety, welfare, cost effectiveness, and capability in expanding nonmedical transportation services for individuals receiving services pursuant to this section and comply with all rules promulgated pursuant to subsection (5)(e)(I) of this section.
- (II) No later than July 1, 2024, the state department shall authorize verified transportation network companies to provide nonmedical transportation services if the state department finds the transportation network company viable under federal requirements and within budgetary constraints.
- (III) FOR THE PURPOSES OF THIS SUBSECTION (5)(c), "VERIFY" MEANS A TRANSPORTATION NETWORK COMPANY MEETS ALL REQUIREMENTS RESULTING FROM THE REPORT DESCRIBED IN SUBSECTION (5)(a) OF THIS SECTION.
- (d) The state department may seek any necessary federal authorization for the implementation of this subsection (5).
- (e) (I) The state department shall promulgate any necessary rules to ensure transportation network companies comply with federal and state oversight requirements and shall include all relevant stakeholders, including medicaid recipients, transportation network companies, current providers and drivers for nonmedical transportation services, and other interested parties in the development of such requirements.
- (II) Pursuant to section 40-10.1-105 (1)(1), transportation network companies are not subject to regulation by the public utilities commission when providing nonmedical transportation services pursuant to this section and are instead subject to rules promulgated by the state department pursuant to this subsection (5)(e).

(f) This subsection (5) does not apply to a provider authorized to provide transportation services pursuant to part 8 of article 1 of title 25.5 prior to the effective date of this subsection (5).

SECTION 3. In Colorado Revised Statutes, 25.5-6-409, **add** (5) as follows:

- 25.5-6-409. Services for persons with intellectual and developmental disabilities rules. (5) (a) No later than January 2024, the state department shall submit a report to the senate health and human services committee, the house of representatives public and behavioral health and human services committee, and the house of representatives health and insurance committee, or any successor committees, as part of its "State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act" presentation required by section 2-7-203. At a minimum, the report must identify:
- (I) A REIMBURSEMENT SYSTEM WITH A GOAL TO INCENTIVIZE AND INCREASE TRANSPORTATION PROVIDER PARTICIPATION;
- (II) How the state department will ensure compliance with applicable federal laws and waiver requirements;
- (III) A SYSTEM OF COMMON REPORTING TO ENSURE A RECIPIENT DOES NOT EXCEED THE MEDICAID BENEFIT IN A MULTI-PROVIDER SCENARIO; AND
- (IV) BEST PRACTICES BASED ON WHAT OTHER STATES HAVE DONE TO ALLOW TRANSPORTATION NETWORK COMPANIES TO PROVIDE NONMEDICAL TRANSPORTATION SERVICES FOR INDIVIDUALS RECEIVING SERVICES, INCLUDING BUT NOT LIMITED TO, REIMBURSEMENT RATES; DRIVER COMPENSATION; AND INTEGRATION WITH PROGRAMS THAT PROVIDE NONMEDICAL TRANSPORTATION SERVICES.
- (b) In developing the report, the state department shall engage in a stakeholder process that includes individuals with intellectual and developmental disabilities and their families, individuals with disabilities, and transportation network companies. The report may be developed in conjunction with the reporting requirement in sections 25.5-6-307 (6), 25.5-6-606 (9), 25.5-6-704 (8), and 25.5-6-1303 (9).
- (c) (I) Upon completion of the report described in subsection (5)(a) of this section, the state department shall analyze and review each operational transportation network company, as defined in section 40-10.1-602 (3). The state department shall verify each transportation network company's viability to ensure the health, safety, welfare, cost effectiveness, and capability in expanding nonmedical transportation services for individuals receiving services pursuant to this section and comply with all rules promulgated pursuant to subsection (5)(e)(I) of this section.
- (II) No later than July 1, 2024, the state department shall authorize verified transportation network companies to provide nonmedical

TRANSPORTATION SERVICES IF THE STATE DEPARTMENT FINDS THE TRANSPORTATION NETWORK COMPANY VIABLE UNDER FEDERAL REQUIREMENTS AND WITHIN BUDGETARY CONSTRAINTS.

- (III) FOR THE PURPOSES OF THIS SUBSECTION (5)(c), "VERIFY" MEANS A TRANSPORTATION NETWORK COMPANY MEETS ALL REQUIREMENTS RESULTING FROM THE REPORT DESCRIBED IN SUBSECTION (5)(a) OF THIS SECTION.
- (d) The state department may seek any necessary federal authorization for the implementation of this subsection (5).
- (e) (I) The state department shall promulgate any necessary rules to ensure transportation network companies comply with federal and state oversight requirements and shall include all relevant stakeholders, including medicaid recipients, transportation network companies, current providers and drivers for nonmedical transportation services, and other interested parties in the development of such requirements.
- (II) Pursuant to section 40-10.1-105 (1)(1), transportation network companies are not subject to regulation by the public utilities commission when providing nonmedical transportation services pursuant to this section and are instead subject to rules promulgated by the state department pursuant to this subsection (5)(e).
- (f) This subsection (5) does not apply to a provider authorized to provide transportation services pursuant to part 8 of article 1 of title 25.5 prior to the effective date of this subsection (5).

SECTION 4. In Colorado Revised Statutes, 25.5-6-606, add (8) as follows:

- 25.5-6-606. Implementation of program for persons with mental health disorders authorized federal waiver duties of the department of health care policy and financing and the department of human services rules. (8) (a) No later than January 2024, the state department shall submit a report to the senate health and human services committee, the house of representatives public and behavioral health and human services committee, and the house of representatives health and insurance committee, or any successor committees, as part of its "State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act" presentation required by section 2-7-203. At a minimum, the report must identify:
- (I) A REIMBURSEMENT SYSTEM WITH A GOAL TO INCENTIVIZE AND INCREASE TRANSPORTATION PROVIDER PARTICIPATION;
- (II) HOW THE STATE DEPARTMENT WILL ENSURE COMPLIANCE WITH APPLICABLE FEDERAL LAWS AND WAIVER REQUIREMENTS;
- (III) A SYSTEM OF COMMON REPORTING TO ENSURE A RECIPIENT DOES NOT EXCEED THE MEDICAID BENEFIT IN A MULTI-PROVIDER SCENARIO; AND

- (IV) BEST PRACTICES BASED ON WHAT OTHER STATES HAVE DONE TO ALLOW TRANSPORTATION NETWORK COMPANIES TO PROVIDE NONMEDICAL TRANSPORTATION SERVICES FOR INDIVIDUALS RECEIVING SERVICES, INCLUDING BUT NOT LIMITED TO, REIMBURSEMENT RATES; DRIVER COMPENSATION; AND INTEGRATION WITH PROGRAMS THAT PROVIDE NONMEDICAL TRANSPORTATION SERVICES.
- (b) In developing the report, the state department shall engage in a stakeholder process that includes individuals with intellectual and developmental disabilities and their families, individuals with disabilities, and transportation network companies. The report may be developed in conjunction with the reporting requirement in sections 25.5-6-307(6), 25.5-6-409 (6), 25.5-6-704 (8), and 25.5-6-1303 (9).
- (c) (I) Upon completion of the report described in subsection (8)(a) of this section, the state department shall analyze and review each operational transportation network company, as defined in section 40-10.1-602 (3). The state department shall verify each transportation network company's viability to ensure the health, safety, welfare, cost effectiveness, and capability in expanding nonmedical transportation services for individuals receiving services pursuant to this section and comply with all rules promulgated pursuant to subsection (8)(e)(I) of this section.
- (II) No later than July 1, 2024, the state department shall authorize verified transportation network companies to provide nonmedical transportation services if the state department finds the transportation network company viable under federal requirements and within budgetary constraints.
- (III) FOR THE PURPOSES OF THIS SUBSECTION (8)(c), "VERIFY" MEANS A TRANSPORTATION NETWORK COMPANY MEETS ALL REQUIREMENTS RESULTING FROM THE REPORT DESCRIBED IN SUBSECTION (8)(a) OF THIS SECTION.
- (d) The state department may seek any necessary federal authorization for the implementation of this subsection (8).
- (e) (I) The state department shall promulgate any necessary rules to ensure transportation network companies comply with federal and state oversight requirements and shall include all relevant stakeholders, including medicaid recipients, transportation network companies, current providers and drivers for nonmedical transportation services, and other interested parties in the development of such requirements.
- (II) Pursuant to section 40-10.1-105 (1)(1), transportation network companies are not subject to regulation by the public utilities commission when providing nonmedical transportation services pursuant to this section and are instead subject to rules promulgated by the state department pursuant to this subsection (8)(e).
 - (f) This subsection (8) does not apply to a provider authorized to

PROVIDE TRANSPORTATION SERVICES PURSUANT TO PART 8 OF ARTICLE 1 OF TITLE 25.5 PRIOR TO THE EFFECTIVE DATE OF THIS SUBSECTION (8).

SECTION 5. In Colorado Revised Statutes, 25.5-6-704, **add** (7) as follows:

- 25.5-6-704. Implementation of home- and community-based services program for persons with brain injury authorized federal waiver duties of the department rules. (7) (a) No later than January 2024, the state department shall submit a report to the senate health and human services committee, the house of representatives public and behavioral health and human services committee, and the house of representatives health and insurance committee, or any successor committees, as part of its "State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act" presentation required by section 2-7-203. At a minimum, the report must identify:
- (I) A REIMBURSEMENT SYSTEM WITH A GOAL TO INCENTIVIZE AND INCREASE TRANSPORTATION PROVIDER PARTICIPATION;
- (II) HOW THE STATE DEPARTMENT WILL ENSURE COMPLIANCE WITH APPLICABLE FEDERAL LAWS AND WAIVER REQUIREMENTS;
- (III) A SYSTEM OF COMMON REPORTING TO ENSURE A RECIPIENT DOES NOT EXCEED THE MEDICAID BENEFIT IN A MULTI-PROVIDER SCENARIO; AND
- (IV) BEST PRACTICES BASED ON WHAT OTHER STATES HAVE DONE TO ALLOW TRANSPORTATION NETWORK COMPANIES TO PROVIDE NONMEDICAL TRANSPORTATION SERVICES FOR INDIVIDUALS RECEIVING SERVICES, INCLUDING BUT NOT LIMITED TO, REIMBURSEMENT RATES; DRIVER COMPENSATION; AND INTEGRATION WITH PROGRAMS THAT PROVIDE NONMEDICAL TRANSPORTATION SERVICES.
- (b) In developing the report, the state department shall engage in a stakeholder process that includes individuals with intellectual and developmental disabilities and their families, individuals with disabilities, and transportation network companies. The report may be developed in conjunction with the reporting requirement in sections 25.5-6-307 (6), 25.5-6-409 (6), 25.5-6-606 (9), and 25.5-6-1303 (9).
- (c) (I) Upon completion of the report described in subsection (7)(a) of this section, the state department shall analyze and review each operational transportation network company, as defined in section 40-10.1-602 (3). The state department shall verify each transportation network company's viability to ensure the health, safety, welfare, cost effectiveness, and capability in expanding nonmedical transportation services for individuals receiving services pursuant to this section and comply with all rules promulgated pursuant to subsection (7)(e)(I) of this section.
- (II) No later than July 1, 2024, the state department shall authorize verified transportation network companies to provide nonmedical

TRANSPORTATION SERVICES IF THE STATE DEPARTMENT FINDS THE TRANSPORTATION NETWORK COMPANY VIABLE UNDER FEDERAL REQUIREMENTS AND WITHIN BUDGETARY CONSTRAINTS.

- (III) FOR THE PURPOSES OF THIS SUBSECTION (7)(c), "VERIFY" MEANS A TRANSPORTATION NETWORK COMPANY MEETS ALL REQUIREMENTS RESULTING FROM THE REPORT DESCRIBED IN SUBSECTION (7)(a) OF THIS SECTION.
- (d) THE STATE DEPARTMENT MAY SEEK ANY NECESSARY FEDERAL AUTHORIZATION FOR THE IMPLEMENTATION OF THIS SUBSECTION (7).
- (e) (I) The state department shall promulgate any necessary rules to ensure transportation network companies comply with federal and state oversight requirements and shall include all relevant stakeholders, including medicaid recipients, transportation network companies, current providers and drivers for nonmedical transportation services, and other interested parties in the development of such requirements.
- (II) Pursuant to section 40-10.1-105 (1)(1), transportation network companies are not subject to regulation by the public utilities commission when providing nonmedical transportation services pursuant to this section and are instead subject to rules promulgated by the state department pursuant to this subsection (7)(e).
- (f) This subsection (7) does not apply to a provider authorized to provide transportation services pursuant to part 8 of article 1 of title 25.5 prior to the effective date of this subsection (7).

SECTION 6. In Colorado Revised Statutes, 25.5-6-1303, add (8) as follows:

- 25.5-6-1303. Pilot program complementary or alternative medicine rules. (8) (a) No later than January 2024, the state department shall submit a report to the senate health and human services committee, the house of representatives public and behavioral health and human services committee, and the house of representatives health and insurance committee, or any successor committees, as part of its "State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act" presentation required by section 2-7-203. At a minimum, the report must identify:
- (I) A REIMBURSEMENT SYSTEM WITH A GOAL TO INCENTIVIZE AND INCREASE TRANSPORTATION PROVIDER PARTICIPATION;
- (II) HOW THE STATE DEPARTMENT WILL ENSURE COMPLIANCE WITH APPLICABLE FEDERAL LAWS AND WAIVER REQUIREMENTS;
- (III) A SYSTEM OF COMMON REPORTING TO ENSURE A RECIPIENT DOES NOT EXCEED THE MEDICAID BENEFIT IN A MULTI-PROVIDER SCENARIO; AND
- (IV) BEST PRACTICES BASED ON WHAT OTHER STATES HAVE DONE TO ALLOW TRANSPORTATION NETWORK COMPANIES TO PROVIDE NONMEDICAL

TRANSPORTATION SERVICES FOR INDIVIDUALS RECEIVING SERVICES, INCLUDING BUT NOT LIMITED TO, REIMBURSEMENT RATES; DRIVER COMPENSATION; AND INTEGRATION WITH PROGRAMS THAT PROVIDE NONMEDICAL TRANSPORTATION SERVICES.

- (b) In developing the report, the state department shall engage in a stakeholder process that includes individuals with intellectual and developmental disabilities and their families, individuals with disabilities, and transportation network companies. The report may be developed in conjunction with the reporting requirement in sections 25.5-6-307 (6), 25.5-6-409 (6), 25.5-6-606 (9), and 25.5-6-704 (8).
- (c) (I) Upon completion of the report described in subsection (8)(a) of this section, the state department shall analyze and review each operational transportation network company, as defined in section 40-10.1-602 (3). The state department shall verify each transportation network company's viability to ensure the health, safety, welfare, cost effectiveness, and capability in expanding nonmedical transportation services for individuals receiving services pursuant to this section and comply with all rules promulgated pursuant to subsection (8)(e)(I) of this section.
- (II) No later than July 1, 2024, the state department shall authorize verified transportation network companies to provide nonmedical transportation services if the state department finds the transportation network company viable under federal requirements and within budgetary constraints.
- (III) FOR THE PURPOSES OF THIS SUBSECTION (8)(c), "VERIFY" MEANS A TRANSPORTATION NETWORK COMPANY MEETS ALL REQUIREMENTS RESULTING FROM THE REPORT DESCRIBED IN SUBSECTION (8)(a) OF THIS SECTION.
- (d) The state department may seek any necessary federal authorization for the implementation of this subsection (8).
- (e) (I) The state department shall promulgate any necessary rules to ensure transportation network companies comply with federal and state oversight requirements and shall include all relevant stakeholders, including medicaid recipients, transportation network companies, current providers and drivers for nonmedical transportation services, and other interested parties in the development of such requirements.
- (II) Pursuant to section 40-10.1-105 (1)(1), transportation network companies are not subject to regulation by the public utilities commission when providing nonmedical transportation services pursuant to this section and are instead subject to rules promulgated by the state department pursuant to this subsection (8)(e).
- (f) This subsection (8) does not apply to a provider authorized to provide transportation services pursuant to part 8 of article 1 of title 25.5 prior to the effective date of this subsection (8).

SECTION 7. In Colorado Revised Statutes, **amend** 40-10.1-603 as follows:

- **40-10.1-603. Limited regulation.** Notwithstanding any other provision of law, Transportation network companies are governed exclusively by this part 6, EXCEPT AS OTHERWISE PROVIDED IN ARTICLE 6 OF TITLE 25.5. A transportation network company is not subject to the commission's rate, entry, operational, or common carrier requirements, other than those requirements expressly set forth in this part 6.
- **SECTION 8. Appropriation.** (1) For the 2022-23 state fiscal year, \$110,811 is appropriated to the department of health care policy and financing. This appropriation consists of \$88,411 from the general fund, \$16,726 from the healthcare affordability and sustainability fee cash fund created in section 25.5-4-402.4 (5)(a), C.R.S., and \$5,674 from the children's basic health plan trust created in section 25.5-8-105 (a), C.R.S. To implement this act, the department may use this appropriation as follows:
- (a) \$62,115 from the general fund for use by the executive director's office for general professional services and special projects; and
- (b) \$48,686, which consists of \$26,296 from the general fund, \$16,726 from the healthcare affordability and sustainability fee cash fund created in section 25.5-4-402.4 (5)(a), C.R.S., and \$5,674 from the children's basic health plan trust created in section 25.5-8-105 (a), C.R.S., for use by the executive director's office for medicaid management information system maintenance and projects.
- (2) For the 2022-23 state fiscal year, the general assembly anticipates that the department of health care policy and financing will receive \$436,863 in federal funds. The appropriation in subsection (1) of this section is based on the assumption that the office will receive this amount of federal funds to be used as follows:
- (a) \$62,115 for use by the executive director's office for general professional services and special projects, which amount is subject to the "(I)" notation as defined in the annual general appropriation act for the same fiscal year;
- (b) \$374,748 for use by the executive director's office for medicaid management information system maintenance and projects, which amount is subject to the "(I)" notation as defined in the annual general appropriation act for the same fiscal year.
- **SECTION 9.** Act subject to petition effective date. 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.

Approved: June 7, 2022