

CHAPTER 352

HEALTH CARE POLICY AND FINANCING

HOUSE BILL 26-1147

BY REPRESENTATIVE(S) Brown and Boesenecker, Bacon, Camacho, Clifford, Duran, English, Froelich, Jackson, Lieder, Lindsay, Marshall, McCormick, Nguyen, Ricks, Rutinel, Stewart R., Titone, Zokaie, Hamrick, Lukens, Sirota, Smith, McCluskie; also SENATOR(S) Cutter, Gonzales J., Jodeh, Kipp.

AN ACT**CONCERNING PROCESSES RELATED TO HOST HOMES FOR INDIVIDUALS WITH INTELLECTUAL AND DEVELOPMENTAL DISABILITIES, 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 and declares that:

(a) Within the continuum of individual residential services and supports settings, host homes are a specific type of supported living arrangement in which an individual with intellectual and developmental disabilities resides in the private residence of a host home provider whose home is under contract with a service provider agency to deliver individual residential services and supports;

(b) Host homes are a subset of individual residential services and supports settings;

(c) Individual residential services and supports are home- and community-based service benefits available under the home- and community-based services waiver administered by the Colorado department of health care policy and financing;

(d) Individual residential services and supports are designed to ensure that individuals with intellectual and developmental disabilities receive residential supports that promote individualized guidance, habilitation, community inclusion, and health and safety in home settings;

(e) Individual residential services and supports include a variety of residential arrangements, including service provider agency-owned or leased homes and host

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.

homes, among other arrangements, to meet the unique needs and preferences of participants;

(f) The diversity of individual residential services and supports settings, including host homes and other residential options, reflects the state's commitment to person-centered choice, integration in community life, and compliance with the federal home- and community-based services rules that prohibit institutionalization and support community-based placement;

(g) While individual residential services and supports settings, including host homes, currently operate under regulatory oversight, there are identified needs for enhanced tracking, monitoring, and coordination to ensure consistent compliance with health, safety, and quality standards and to provide appropriate protections for participants across all settings;

(h) Further, the Colorado department of health care policy and financing must allow for appropriate parties to access relevant information in order to enable a more informed choice by participants or potential participants and their families, advocates, and other interested parties;

(i) The Colorado department of health care policy and financing and the Colorado department of public health and environment must coordinate to establish standardized requirements for the oversight of host homes and other individual residential services and supports settings, including inspection frequency, reporting mechanisms, data sharing, and corrective action processes where appropriate; and

(j) This coordinated oversight framework is necessary to strengthen accountability, ensure health and safety outcomes for home- and community-based services waiver participants, support compliance with state and federal home- and community-based services rules, and promote transparency for individuals, families, providers, and stakeholders.

SECTION 2. In Colorado Revised Statutes, **add** 25.5-6-415 as follows:

25.5-6-415. Individual residential services and supports settings for persons with intellectual and developmental disabilities - statewide database - risk criteria - complaint process - rules - definitions.

(1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "INDIVIDUAL RESIDENTIAL SERVICES AND SUPPORTS" MEANS THE RESIDENTIAL SERVICES PROVIDED BY A SERVICE PROVIDER AGENCY TO NO MORE THAN THREE INDIVIDUALS WITHIN ONE RESIDENCE.

(b) "INDIVIDUAL RESIDENTIAL SERVICES AND SUPPORTS SETTING" MEANS A COMMUNITY LIVING RESIDENTIAL SETTING IN WHICH INDIVIDUAL RESIDENTIAL SERVICES AND SUPPORTS ARE PROVIDED TO NO MORE THAN THREE PERSONS WITH INTELLECTUAL AND DEVELOPMENTAL DISABILITIES AND FOR WHICH A STATE LICENSE IS NOT REQUIRED.

(c) "SERVICE PROVIDER AGENCY" MEANS AN ORGANIZATION APPROVED BY THE STATE DEPARTMENT TO PROVIDE OVERSIGHT AND SUPPORT TO AN INDIVIDUAL RESIDENTIAL SERVICES AND SUPPORTS SETTING TO ENSURE THAT THE CAREGIVERS MEET STATE STANDARDS FOR HEALTH, SAFETY, AND QUALITY OF CARE.

(2) (a) THE STATE DEPARTMENT SHALL ESTABLISH A STATEWIDE DATABASE TO ENHANCE THE TRANSPARENCY OF COLORADO'S INDIVIDUAL RESIDENTIAL SERVICES AND SUPPORTS NETWORK. THE PURPOSE OF THE STATEWIDE DATABASE IS TO PROVIDE ACCURATE INFORMATION ABOUT CERTAIN INDIVIDUAL RESIDENTIAL SERVICES AND SUPPORTS SETTINGS AND THEIR ASSOCIATED SERVICE PROVIDER AGENCIES.

(b) THE DATABASE IS FOR USE BY THE STATE DEPARTMENT, THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT, AND SERVICE PROVIDER AGENCIES.

(c) THE DATABASE MUST INCLUDE INFORMATION ON INDIVIDUAL RESIDENTIAL SERVICES AND SUPPORTS SETTINGS. THE STATE DEPARTMENT SHALL DETERMINE WHAT INFORMATION MUST BE COLLECTED ON EACH INDIVIDUAL RESIDENTIAL SERVICES AND SUPPORTS SETTING TYPE FOR INCLUSION IN THE DATABASE. AT A MINIMUM, EACH SERVICE PROVIDER AGENCY MUST SUBMIT THE FOLLOWING INFORMATION FOR EACH COVERED INDIVIDUAL RESIDENTIAL SERVICES AND SUPPORTS SETTING THAT THE SERVICE PROVIDER AGENCY OVERSEES:

(I) THE NAME AND CONTACT INFORMATION OF THE INDIVIDUAL RESIDENTIAL SERVICES AND SUPPORTS SETTING, IF APPLICABLE;

(II) THE ADDRESS AND LOCATION OF THE INDIVIDUAL RESIDENTIAL SERVICES AND SUPPORTS SETTING;

(III) THE NAME OF EACH SERVICE PROVIDER AGENCY THAT THE INDIVIDUAL RESIDENTIAL SERVICES AND SUPPORTS SETTING IS CURRENTLY ASSOCIATED WITH AND THE SERVICE PROVIDER AGENCY'S CONTACT INFORMATION; AND

(IV) WHEN APPLICABLE, THE NAME OF EACH SERVICE PROVIDER AGENCY THAT THE INDIVIDUAL RESIDENTIAL SERVICES AND SUPPORTS SETTING CONTRACTED WITH IN THE PREVIOUS FIVE YEARS AND EACH SERVICE PROVIDER AGENCY'S CONTACT INFORMATION.

(d) BEGINNING JULY 1, 2026, AND QUARTERLY THEREAFTER, A SERVICE PROVIDER AGENCY SHALL SUBMIT THE INFORMATION DETAILED IN SUBSECTION (2)(c) OF THIS SECTION TO THE STATE DEPARTMENT.

(e) BEGINNING AUGUST 1, 2026, AND QUARTERLY THEREAFTER, THE STATE DEPARTMENT SHALL UPDATE THE DATABASE TO ACCURATELY REFLECT THE INFORMATION SUBMITTED BY A SERVICE PROVIDER AGENCY, AS REQUIRED BY SUBSECTION (2)(d) OF THIS SECTION. THE STATE DEPARTMENT SHALL UPDATE THE DATABASE WITHIN ONE MONTH AFTER RECEIVING THE INFORMATION DETAILED IN SUBSECTION (2)(c) OF THIS SECTION.

(f) THE STATE DEPARTMENT SHALL DETERMINE THE CIRCUMSTANCES IN WHICH INFORMATION FROM THE DATABASE MAY BE SHARED WITH MEMBERS OF THE PUBLIC,

CONSISTENT WITH ALL APPLICABLE STATE AND FEDERAL PRIVACY AND CONFIDENTIALITY LAWS.

(g) IDENTIFYING INFORMATION FROM RESIDENTIAL HOMES WHERE RESIDING INDIVIDUALS RECEIVE RESIDENTIAL SERVICES AND SUPPORTS FROM A FAMILY MEMBER SHALL NOT BE SHARED WITH THE PUBLIC.

(h) INFORMATION FROM THE DATABASE MAY BE PROVIDED TO APPROPRIATE AND AUTHORIZED PARTIES BY THE SERVICE PROVIDER AGENCY WHEN CONSIDERING POTENTIAL PLACEMENT.

(5) THE STATE DEPARTMENT MAY ADOPT RULES, AS NECESSARY, TO CARRY OUT THE REQUIREMENTS OF THIS SECTION.

(6) NOTHING IN THIS SECTION SHALL BE CONSTRUED TO REDUCE, LIMIT, OR OTHERWISE DIMINISH THE RIGHTS OF INDIVIDUALS RECEIVING INTELLECTUAL AND DEVELOPMENTAL DISABILITY SERVICES, INCLUDING THE RIGHT TO INFORMED CHOICE OF SETTING CONSISTENT WITH FEDERAL HOME- AND COMMUNITY-BASED SERVICES REQUIREMENTS.

SECTION 3. In Colorado Revised Statutes, 25.5-10-202, **amend** (22); and **add** (21.5) as follows:

25.5-10-202. Definitions.

As used in this article 10, unless the context otherwise requires:

(21.5) "INDIVIDUAL RESIDENTIAL SERVICES AND SUPPORTS" HAS THE MEANING SET FORTH IN SECTION 25.5-6-415.

~~(22) "Independent residential support services" means a community living situation, defined by rule of the state board, in which services and supports are provided to no more than three persons with intellectual and developmental disabilities and for which a state license is not required.~~ "INDIVIDUAL RESIDENTIAL SERVICES AND SUPPORTS SETTING" HAS THE MEANING SET FORTH IN SECTION 25.5-6-415.

SECTION 4. In Colorado Revised Statutes, 25.5-10-214, **amend** (1) as follows:

25.5-10-214. Community residential home - licenses - rules.

(1) The department of public health and environment and the state department shall implement a system of joint licensure and certification of community residential homes. ~~Independent residential support services~~ INDIVIDUAL RESIDENTIAL SERVICES AND SUPPORTS provided by the state department do not require licensure by the department of public health and environment. AN INDIVIDUAL RESIDENTIAL SERVICES AND SUPPORTS SETTING MUST BE TREATED AS RESIDENTIAL PROPERTY IN THE APPLICATION OF LOCAL REGULATIONS, INCLUDING ZONING, LAND USE DEVELOPMENT, FIRE AND LIFE SAFETY, SANITATION, AND BUILDING CODES. LOCAL GOVERNING AUTHORITIES SHALL NOT IMPOSE ADDITIONAL

REGULATIONS ON AN INDIVIDUAL RESIDENTIAL SERVICES AND SUPPORTS SETTING THAT DO NOT APPLY TO OTHER RESIDENTIAL PROPERTIES.

SECTION 5. Appropriation. (1) For the 2026-27 state fiscal year, \$20,000 is appropriated to the department of health care policy and financing for use by the executive director's office. This appropriation is from the general fund. To implement this act, the office may use this appropriation for general professional services and special projects.

(2) For the 2026-27 state fiscal year, the general assembly anticipates that the department of health care policy and financing will receive \$60,000 in federal funds for the executive director's office to implement this act. The appropriation in subsection (1) of this section is based on the assumption that the office will receive this amount of federal funds, which is subject to the "(I)" notation as defined in the annual general appropriation act for the same fiscal year.

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

Approved: June 3, 2026