

**First Regular Session  
Seventy-third General Assembly  
STATE OF COLORADO**

**REVISED**

*This Version Includes All Amendments Adopted  
on Second Reading in the Second House*

LLS NO. 21-0403.01 Shelby Ross x4510

**SENATE BILL 21-022**

---

**SENATE SPONSORSHIP**

**Bridges and Smallwood,** Coram, Ginal, Jaquez Lewis, Moreno, Priola, Rankin, Simpson

**HOUSE SPONSORSHIP**

**Snyder and McKean,**

---

**Senate Committees**

Health & Human Services  
Appropriations

**House Committees**

Public & Behavioral Health & Human Services

---

**A BILL FOR AN ACT**

101      **CONCERNING CONFIRMATION OF RECEIPT OF A WRITTEN REQUEST TO**  
102                    **PERFORM AN AUDIT OF A MEDICAID PROVIDER PRIOR TO THE**  
103                    **COMMENCEMENT OF THE AUDIT.**

---

**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>.)*

The bill requires that, prior to initiating a review or audit of a medicaid provider, a reviewer or auditor shall confirm receipt of the written request to perform the audit or review.

---

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters or bold & italic numbers indicate new material to be added to existing statute.*  
*Dashes through the words indicate deletions from existing statute.*

HOUSE  
2nd Reading Unamended  
May 7, 2021

SENATE  
3rd Reading Unamended  
April 26, 2021

SENATE  
Amended 2nd Reading  
April 23, 2021

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

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

4 **25.5-4-301. Recoveries - overpayments - penalties - interest -**  
5 **adjustments - liens - review or audit procedures.** (3) (a) A review or  
6 audit of a provider is subject to the following procedures:

7 (IV) PRIOR TO A REVIEW OR AUDIT REQUIRING AN INSPECTION OF  
8 A PROVIDER'S RECORDS, THE REVIEWER OR AUDITOR, OR A QUALIFIED  
9 AGENT CONTRACTED WITH THE STATE DEPARTMENT PURSUANT TO  
10 SUBSECTION (3)(b) OF THIS SECTION, SHALL CONFIRM THE PROVIDER'S  
11 CONTACT INFORMATION WITH THE PROVIDER. AFTER CONFIRMING THE  
12 PROVIDER'S CONTACT INFORMATION, THE REVIEWER OR AUDITOR, OR  
13 QUALIFIED AGENT, SHALL NOTIFY THE PROVIDER OF ADDITIONAL  
14 INFORMATION CONCERNING THE REVIEW OR AUDIT, INCLUDING  
15 INSTRUCTIONS, CORRESPONDENCE TIMELINES, AND A STATE DEPARTMENT  
16 CONTACT FOR THE PROVIDER TO NOTIFY IF THE PROVIDER DOES NOT  
17 RECEIVE THE WRITTEN REQUEST FOR RECORDS. The reviewer or auditor  
18 shall initiate each review or audit requiring an inspection of the provider's  
19 records by delivering to the provider not less than ten business days prior  
20 to the commencement of the audit a written request THROUGH BOTH  
21 E-MAIL AND CERTIFIED MAIL describing in detail such records and offering  
22 the provider the option of providing either a reproduction of such records  
23 or inspection by the reviewer or auditor at the provider's site. The request  
24 must also clearly define milestone dates pertaining to records' requested  
25 due dates, permissible extensions of dates, the timelines for informal  
26 reconsideration, and deadlines for requesting a formal appeal. The  
27 records subject to the request must be limited to records directly related

1 to claims for reimbursement submitted by the provider. PRIOR TO A  
2 QUALIFIED AGENT COMMENCING ANY REVIEW OR AUDIT, THE STATE  
3 DEPARTMENT SHALL ENSURE PROVIDERS UNDERSTAND THE RELATIONSHIP  
4 BETWEEN THE STATE DEPARTMENT AND THE QUALIFIED AGENT AND HOW  
5 TO CONTACT THE QUALIFIED AGENT. In the event such records are  
6 available from a county department of human or social services or another  
7 agency, subdivision, or contractor of the state, the reviewer or auditor  
8 shall request such records from such other agencies as may be appropriate  
9 prior to making a request to the provider. The reviewer or auditor shall  
10 conduct on-site inspections at reasonable times during regular business  
11 hours, and the reviewer or auditor shall make arrangements necessary for  
12 the reproduction of such records on site. If the provider chooses to  
13 provide a reproduction of the records requested by the reviewer or auditor  
14 instead of on-site inspection, the reviewer or auditor shall give the  
15 provider a reasonable period of time, not less than forty-five days, to  
16 provide such records, taking into account the scope of the request, the  
17 time frame covered, and the reproduction arrangements available to the  
18 provider.

19 **SECTION 2. Act subject to petition - effective date.** This act  
20 takes effect at 12:01 a.m. on the day following the expiration of the  
21 ninety-day period after final adjournment of the general assembly; except  
22 that, if a referendum petition is filed pursuant to section 1 (3) of article V  
23 of the state constitution against this act or an item, section, or part of this  
24 act within such period, then the act, item, section, or part will not take  
25 effect unless approved by the people at the general election to be held in  
26 November 2022 and, in such case, will take effect on the date of the  
27 official declaration of the vote thereon by the governor.