

Second Regular Session  
Seventy-third General Assembly  
STATE OF COLORADO

**ENGROSSED**

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

LLS NO. 22-1012.01 Shelby Ross x4510

**SENATE BILL 22-203**

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**SENATE SPONSORSHIP**

**Fields and Smallwood,**

**HOUSE SPONSORSHIP**

**Lontine and Soper,**

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**Senate Committees**  
Health & Human Services

**House Committees**

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**A BILL FOR AN ACT**

101 **CONCERNING THE DEPARTMENT OF HEALTH CARE POLICY AND**  
102 **FINANCING'S OVERSIGHT OF CONTRACTED ENTITIES PROVIDING**  
103 **SERVICES TO THE PROGRAM OF ALL-INCLUSIVE CARE FOR THE**  
104 **ELDERLY.**

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**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>.)*

No later than June 30, 2023, the bill requires the department of health care policy and financing (state department), in conjunction with the department of public health and environment, to develop a regulatory

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.*

SENATE  
2nd Reading Unamended  
April 21, 2022

plan to establish formal oversight requirements for the program of all-inclusive care for the elderly (PACE).

No later than March 1, 2024, the bill requires the state department to establish, administer, and enforce minimum regulatory standards and rules for the PACE program.

The bill requires the state department to continually analyze the reimbursement methodology for PACE entities and provide an update to specified committees of the general assembly of any methodology requirements that incorporate encounter data and any associated costs to the state department in overseeing PACE entities.

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

2 **SECTION 1.** In Colorado Revised Statutes, 25.5-5-412, **add** (15)  
3 as follows:

4 **25.5-5-412. Program of all-inclusive care for the elderly -**  
5 **services - eligibility - rules - legislative declaration - definitions.**

6 (15) (a) NO LATER THAN JUNE 30, 2023, THE STATE DEPARTMENT, IN  
7 CONJUNCTION WITH THE DEPARTMENT OF PUBLIC HEALTH AND  
8 ENVIRONMENT, SHALL DEVELOP A REGULATORY PLAN TO ESTABLISH  
9 FORMAL OVERSIGHT REQUIREMENTS FOR PACE ENTITIES. IN DEVELOPING  
10 THE PLAN, THE DEPARTMENTS SHALL CONSIDER, AT A MINIMUM:

11 (I) INPUT FROM EXECUTIVE AGENCIES; ANY LOCAL GOVERNMENTS  
12 WITHIN A PACE SERVICE AREA, INCLUDING CITIES AND COUNTIES; AGING  
13 AND OLDER ADULT ADVOCACY ORGANIZATIONS; PACE PARTICIPANTS;  
14 FAMILY MEMBERS OF PACE PARTICIPANTS; DISABILITY ADVOCACY  
15 ORGANIZATIONS; URBAN PACE ENTITIES; RURAL PACE ENTITIES; AND  
16 PACE TRADE ORGANIZATIONS;

17 (II) STATE DEPARTMENT DEMOGRAPHIC DATA TO DETERMINE THE  
18 FEASIBILITY OF POTENTIAL OR EXISTING PACE ENTITIES TO ESTABLISH OR  
19 EXPAND WITHIN A SPECIFIC GEOGRAPHICAL AREA WITH AN ESTABLISHED  
20 PACE PROGRAM;

1 (III) UTILIZATION, QUALITY, AND PERFORMANCE DATA OF EACH  
2 PACE ENTITY AND ASSOCIATED PACE ENTITIES;

3 (IV) BUSINESS CONTINUITY AND SOLVENCY INFORMATION OF EACH  
4 PACE ENTITY OR ASSOCIATED PACE ENTITIES;

5 (V) MEASURABLE INNOVATIVE PRACTICES OF PACE ENTITIES;

6 (VI) STAFFING PRACTICES OF PACE ENTITIES;

7 (VII) TRANSPORTATION DATA OF EACH PACE ENTITY, INCLUDING  
8 THE NUMBER OF TRIPS, TRAVEL TIME, AND PICK-UP AND DROP-OFF  
9 PROCESSES;

10 (VIII) SATISFACTION AND EXIT SURVEY DATA OF EACH PACE  
11 ENTITY;

12 (IX) AUDITS, COMPLAINTS, AND GRIEVANCES OF EACH PACE  
13 ENTITY;

14 (X) CURRENT PACE OVERSIGHT PROCESSES, INCLUDING HOME  
15 HEALTH REGULATORY REQUIREMENTS AND LICENSURE;

16 (XI) ANY DUPLICATION OF FEDERAL OVERSIGHT PROCESSES;

17 (XII) DUE PROCESS AND APPEAL RIGHTS OF PACE ENTITIES; AND

18 (XIII) CITATIONS, FINES, AND SUSPENSION REMEDIES TO ENSURE  
19 COMPLIANCE WITH REGULATIONS TO PROTECT THE HEALTH, SAFETY, AND  
20 WELFARE OF MEDICAID MEMBERS.

21 (b) NO LATER THAN MARCH 1, 2024, THE STATE DEPARTMENT  
22 SHALL ESTABLISH, ADMINISTER, AND ENFORCE MINIMUM REGULATORY  
23 STANDARDS AND RULES FOR THE PACE PROGRAM, INCLUDING FOR  
24 CONTRACTED ENTITIES OF THE PACE PROGRAM. THE STANDARDS AND  
25 RULES MUST BE SUFFICIENT TO ENSURE THE HEALTH, SAFETY, AND  
26 WELFARE OF PACE PARTICIPANTS.

27 (c) THE STATE DEPARTMENT SHALL CONTINUALLY ANALYZE THE

1 REIMBURSEMENT METHODOLOGY FOR PACE ENTITIES AND PROVIDE AN  
2 UPDATE TO THE HOUSE OF REPRESENTATIVES PUBLIC AND BEHAVIORAL  
3 HEALTH AND HUMAN SERVICES COMMITTEE, THE SENATE HEALTH AND  
4 HUMAN SERVICES COMMITTEE, AND THE JOINT BUDGET COMMITTEE, OR  
5 THEIR SUCCESSOR COMMITTEES, OF ANY NEW METHODOLOGY  
6 REQUIREMENTS THAT INCORPORATE ENCOUNTER DATA AND ANY  
7 ASSOCIATED COST TO THE STATE DEPARTMENT IN OVERSEEING PACE  
8 ENTITIES.

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