### First Regular Session Seventy-fourth General Assembly STATE OF COLORADO

## REVISED

This Version Includes All Amendments Adopted on Second Reading in the Second House HOUSE BILL 23-1300

LLS NO. 23-0934.01 Chelsea Princell x4335

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Zenzinger and Kirkmeyer,

House Committees Appropriations

Senate Committees Appropriations

# A BILL FOR AN ACT

101	CONCERNING	EXTENDING	CONTINUOUS	ELIGIBILITY	MEDICAL
102	COVERA	GE FOR CERT	AIN INDIVIDUA	ls, and, in co	NNECTION
103	THEREW	/ITH, SEEKING	FEDERAL AUTH	IORIZATION AN	D MAKING
104	AN APPR	OPRIATION.			

### **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 <u>http://leg.colorado.gov/.</u>)

**Joint Budget Committee.** The bill requires the department of health care policy and financing (state department) to conduct a study to determine the feasibility of extending continuous eligibility medical





Amended 2nd Reading April 21, 2023

HOUSE

coverage for eligible children and adults.

The state department is required to submit a report detailing its findings and recommendations from the feasibility study to the joint budget committee of the senate and house of representatives, the governor, and to the house of representatives public and behavioral health and human services committee and the senate health and human services committee, or any successor committees, by January 1, 2026.

The state department is required to prepare documents seeking federal authorization to provide continuous eligibility medical coverage to eligible adults and children and include the completed federal authorization documents with its report submitted to the joint budget committee of the senate and house of representatives, the governor, and to the house of representatives public and behavioral health and human services committee and the senate health and human services committee, or any successor committees.

No later than April 1, 2024, the state department is required to seek federal authorization to extend continuous eligibility coverage for children less than 3 years of age, including children who would be eligible for medical assistance coverage but are not because of their immigration status, and to extend eligibility coverage for 12 months for adults who have been released from a Colorado department of corrections facility, regardless of a change in income.

The bill makes an appropriation.

1	Be it enacted by the General Assembly of the State of Colorado:
2	<b>SECTION 1. Legislative declaration.</b> (1) The general assembly
3	finds and declares that:
4	(a) Extending continuous medical coverage for children and adults
5	will improve the health and well-being of Coloradans and ensure their
6	access to medical services during critical periods in life;
7	(b) Continuous coverage reduces family stress, increases the use
8	of preventive services, and reduces costly, avoidable hospitalization stays;
9	(c) Children need consistent access to health care, especially in
10	their early years, when frequent screenings, vaccinations, and wellness
11	checkups are critical to their development and school readiness;
12	(d) Young children experience several acute, short-term illnesses

each year that may require a health-care visit and treatment, including
 respiratory viruses, gastrointestinal illnesses, croup, ear infections,
 conjunctivitis, fevers, and skin rashes;

4 (e) During the COVID-19 public health emergency, longer
5 periods of continuous coverage in the state's medical assistance programs
6 allowed more Colorado families to access and maintain health insurance;

(f) In addition, continuous medical coverage helps people leaving
incarceration. Formerly incarcerated individuals have higher rates of
chronic health conditions, including hepatitis C, diabetes, and high blood
pressure, as well as higher rates of addiction and mental health needs.

(g) Research demonstrates that people released from incarceration
are almost forty times more likely to die from an overdose within two
weeks after being released than the general population is overall;

14 (h) Ensuring continuous coverage for previously incarcerated
15 people not only improves health outcomes but also improves public safety
16 by reducing rates of recidivism;

(i) Extending continuous coverage to underserved groups also
reduces coverage loss due to paperwork and administrative issues, which
are disproportionately common for children, Black and Latino families,
people experiencing homelessness, and low-income adults;

(j) Extending continuous coverage will allow millions of federal
funds to flow into Colorado for increased medical assistance coverage
and will benefit other programs as well, allowing Colorado to draw down
more federal funding for the special supplemental nutrition program for
women, infants, and children and the school lunch program; and

26 (k) Extending continuous coverage will increase the medicaid
27 department's ability to use medicaid to improve the social determinants

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1 of health.

2 (2) Therefore, the general assembly declares that extending
3 continuous coverage for adults and children is in the best interest of all
4 Coloradans.

5 SECTION 2. In Colorado Revised Statutes, add 25.5-5-334 as
6 follows:

25.5-5-334. Continuous medical coverage for children and
adults feasibility study - report - federal authorization - rules - report
- definition. (1) THE STATE DEPARTMENT SHALL STUDY THE FEASIBILITY
OF EXTENDING CONTINUOUS MEDICAL COVERAGE FOR ADDITIONAL
CHILDREN AND ADULTS AND HOW TO BETTER MEET THE HEALTH-RELATED
SOCIAL NEEDS OF MEDICAL ASSISTANCE PROGRAM RECIPIENTS.

13 (2) AT A MINIMUM, THE FEASIBILITY STUDY MUST CONSIDER THE 14 COSTS; IMPLEMENTATION FACTORS, INCLUDING COUNTY WORKLOAD, 15 TRAINING, AND ADMINISTRATIVE BURDENS ON THE COUNTIES, 16 INFORMATION TECHNOLOGY SYSTEMS, UPGRADES AND ASSOCIATED COSTS; 17 POTENTIAL HEALTH BENEFITS FOR INDIVIDUALS AND COMMUNITIES, 18 INCLUDING DISADVANTAGED AND MARGINALIZED GROUPS; IMPACTS OF 19 INCREASED USE OF PREVENTIVE AND HIGH-VALUE HEALTH SERVICES; 20 ADMINISTRATIVE SAVINGS, INCLUDING, BUT NOT LIMITED TO, REDUCING 21 OR ELIMINATING ELIGIBILITY PROCESSING FOR POPULATIONS DURING THE 22 CONTINUOUS ELIGIBILITY PERIOD; REDUCTIONS IN ADMINISTRATIVE 23 TURNOVER AND COVERAGE LOSS; AND, TO THE EXTENT PRACTICABLE, 24 SOCIAL AND ECONOMIC IMPACTS WITH RESPECT TO THE FOLLOWING:

(a) ALLOWING AN ELIGIBLE CHILD, AS DEFINED IN ARTICLES 2, 3,
5, 6, AND 8 OF THIS TITLE 25.5, INCLUDING CHILDREN ELIGIBLE UNDER
SECTIONS 25.5-2-104 AND 25.5-2-105, TO REMAIN CONTINUOUSLY

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ELIGIBLE FOR MEDICAL ASSISTANCE AND THE CHILDREN'S BASIC HEALTH
 PLAN FOR TWENTY-FOUR MONTHS AFTER THE LAST DAY OF THE MONTH IN
 WHICH THE CHILD WAS ENROLLED;

4 (b) ALLOWING AN ELIGIBLE CHILD, AS DEFINED IN ARTICLES 2,
3, 5, 6, AND 8 OF THIS TITLE 25.5, INCLUDING CHILDREN ELIGIBLE UNDER
25.5-2-104 AND 25.5-2-105 WHO ARE LESS THAN SIX YEARS OF AGE, TO
7 REMAIN CONTINUOUSLY ELIGIBLE FOR MEDICAL ASSISTANCE OR THE
8 CHILDREN'S BASIC HEALTH PLAN WITHOUT REGARD TO A CHANGE IN
9 HOUSEHOLD INCOME UNTIL THE CHILD REACHES SIX YEARS OF AGE;

10 (c) ALLOWING AN ELIGIBLE ADULT TO REMAIN CONTINUOUSLY
11 ELIGIBLE FOR MEDICAL ASSISTANCE WITHOUT REGARD TO INCOME FOR
12 TWELVE MONTHS AND TWENTY-FOUR MONTHS AFTER THE LAST DAY OF
13 THE MONTH IN WHICH THE ADULT WAS ENROLLED. FOR PURPOSES OF THIS
14 SUBSECTION (2)(c), AN "ELIGIBLE ADULT" INCLUDES A PERSON EIGHTEEN
15 YEARS OF AGE OR OLDER WHO:

16 (I) HAS AN INCOME UNDER THIRTY-THREE PERCENT OF THE
17 FEDERAL POVERTY LINE;

18 (II) IS EXPERIENCING HOMELESSNESS; OR

(III) HAS BEEN IN COMMUNITY CORRECTIONS, IS ON PAROLE,
OR HAS BEEN RELEASED FROM ANOTHER CARCERAL SETTING, INCLUDING
JAIL OR FEDERAL PRISON. FOR PURPOSES OF THIS SUBSECTION (2)(c)(III),
CONTINUOUS ELIGIBILITY STARTS ON THE INDIVIDUAL'S MEDICAID
APPROVAL DATE.

(d) Allowing an adult who is eligible for medical
assistance at the time of enrollment to remain continuously
eligible for medical assistance without regard to income for
twelve months after the last day of the month in which the

1 ADULT WAS ENROLLED.

(3) IN ADDITION TO THE STUDY TOPICS DETAILED IN SUBSECTION
(2) OF THIS SECTION, THE FEASIBILITY STUDY MUST STUDY HOW TO BEST
MEET THE HEALTH-RELATED SOCIAL NEEDS OF MEDICAL ASSISTANCE
PROGRAM RECIPIENTS WHO ARE HISTORICALLY DISADVANTAGED AND
UNDERSERVED AND MUST GIVE CONSIDERATION TO CONCERNS RELATED
TO HOUSING AND FOOD SECURITY.

8 (4) IN CONDUCTING THE FEASIBILITY STUDY PURSUANT TO THIS 9 SECTION, THE STATE DEPARTMENT SHALL TAKE INTO CONSIDERATION THE 10 EFFORTS OF OTHER STATES TO IMPROVE THE HEALTH-RELATED SOCIAL 11 NEEDS OF MEDICAL ASSISTANCE PROGRAM RECIPIENTS, INCLUDING, BUT 12 NOT LIMITED TO, HOUSING AND NUTRITIONAL NEEDS, INITIATIVES TO PAY 13 FOR RENTAL HOUSING ASSISTANCE FOR UP TO SIX MONTHS, THE NEEDS OF 14 PERINATAL RECIPIENTS, YOUTH IN OR TRANSITIONING OUT OF FOSTER 15 CARE, FORMER FOSTER CARE YOUTH PEOPLE WITH SUBSTANCE USE 16 DISORDERS, HIGH-RISK INFANTS AND CHILDREN, AND THE NEEDS OF LOW-INCOME INDIVIDUALS IMPACTED BY NATURAL DISASTERS, AND THE 17 18 STATE DEPARTMENT SHALL SEEK INPUT FROM RELEVANT STAKEHOLDERS. 19 IN CONDUCTING THE STAKEHOLDER PROCESS, THE STATE DEPARTMENT 20 SHALL:

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(a) ENGAGE DIRECTLY WITH:

(I) IMPACTED INDIVIDUALS WHO ARE ENROLLED IN MEDICAL
ASSISTANCE OR THE CHILDREN'S BASIC HEALTH PLAN AND WHOSE
COVERAGE, OR WHOSE CHILDREN'S COVERAGE, WOULD BE EXTENDED IF
LEGISLATION WERE PASSED TO EXTEND CONTINUOUS MEDICAL COVERAGE
FOR INDIVIDUALS PURSUANT TO SUBSECTIONS (2)(a) TO (2)(d) OF THIS
SECTION;

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(II) SERVICE PROVIDERS, PARTICULARLY THOSE WHOSE PATIENTS
 ARE PREDOMINANTLY MEDICAL ASSISTANCE PROGRAM RECIPIENTS OR ARE
 UNINSURED;

4 (III) ADVOCACY ORGANIZATIONS;

5 (IV) COUNTIES;

19

6 (V) ORGANIZATIONS THAT ASSIST WITH ENROLLMENT INTO THE 7 MEDICAL ASSISTANCE PROGRAMS AND THE COLORADO HEALTH 8 EXCHANGE; AND

9 (VI) INDIVIDUALS WORKING IN OR REPRESENTING COMMUNITIES 10 THAT ARE DIVERSE WITH REGARD TO RACE, ETHNICITY, IMMIGRATION 11 STATUS, AGE, ABILITY, SEXUAL ORIENTATION, GENDER IDENTITY, OR 12 GEOGRAPHIC REGION OF THE STATE AND ARE AFFECTED BY HIGHER RATES 13 OF HEALTH DISPARITIES AND INEQUITIES;

(b) PUBLICLY CONDUCT STAKEHOLDER MEETINGS, REPORT ON THE
OUTCOMES OF THE MEETINGS, AND PUBLICIZE THE REPORTS IN ENGLISH AS
WELL AS TWO OTHER COMMONLY SPOKEN LANGUAGES IN COLORADO;

17 (c) INCLUDE OPPORTUNITIES FOR PARTICIPATION IN THE18 STAKEHOLDER PROCESS OUTSIDE OF REGULAR WORK HOURS; AND

(d) HOLD AT LEAST THREE STAKEHOLDER MEETINGS.

20 (5) ON OR BEFORE JANUARY 1, 2026, THE STATE DEPARTMENT 21 SHALL SUBMIT A REPORT DETAILING THE FINDINGS AND 22 RECOMMENDATIONS FROM THE FEASIBILITY STUDY TO THE JOINT BUDGET 23 COMMITTEE OF THE SENATE AND THE HOUSE OF REPRESENTATIVES, OR ITS 24 SUCCESSOR COMMITTEE, THE GOVERNOR, AND TO THE HOUSE OF 25 REPRESENTATIVES PUBLIC AND BEHAVIORAL HEALTH AND HUMAN 26 SERVICES COMMITTEE AND THE SENATE HEALTH AND HUMAN SERVICES 27 COMMITTEE, OR ANY SUCCESSOR COMMITTEES. THE STATE DEPARTMENT

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SHALL ALSO MAKE THE REPORT AVAILABLE TO THE PUBLIC ON THE STATE
 DEPARTMENT'S WEBSITE.

3 (6) NOTHING IN THIS SECTION PROHIBITS OR LIMITS THE STATE
4 DEPARTMENT'S ABILITY TO AMEND ANY APPROVED FEDERAL
5 AUTHORIZATION OR TO SEEK OTHER FEDERAL PERMISSIONS NECESSARY TO
6 EXPAND CONTINUOUS ELIGIBILITY COVERAGE TO ADDITIONAL
7 POPULATIONS PRIOR TO THE COMPLETION OF THE FEASIBILITY STUDY
8 DESCRIBED IN THIS SECTION.

9 (7) (a) NO LATER THAN APRIL 1, 2024, THE STATE DEPARTMENT 10 SHALL SEEK FEDERAL AUTHORIZATION FROM THE FEDERAL CENTERS FOR 11 MEDICARE AND MEDICAID SERVICES TO PROVIDE CONTINUOUS MEDICAL 12 COVERAGE FOR ELIGIBLE CHILDREN AND ELIGIBLE ADULTS DESCRIBED IN 13 SUBSECTIONS (7)(b) AND (7)(c) OF THIS SECTION, AND TO CONTINUE 14 ENROLLMENT FOR INDIVIDUALS WITH NO INCOME, AS DESCRIBED IN 15 SUBSECTION (7)(d) OF THIS SECTION.

16 FOR PURPOSES OF SEEKING FEDERAL AUTHORIZATION (b) 17 PURSUANT TO SUBSECTION (7)(a) OF THIS SECTION, AN ELIGIBLE 18 CHILD IS AS DEFINED IN ARTICLES 2, 3, 5, 6, AND 8 OF THIS TITLE 25.5, 19 INCLUDING A CHILD ELIGIBLE PURSUANT TO SECTIONS 25.5-2-104 AND 20 25.5-2-105, AND MUST BE UNDER THREE YEARS OF AGE. AN ELIGIBLE 21 CHILD SHALL REMAIN CONTINUOUSLY ELIGIBLE WITHOUT REGARD TO 22 HOUSEHOLD INCOME UNTIL THE ELIGIBLE CHILD REACHES THREE YEARS OF 23 AGE; EXCEPT THAT A CHILD IS NO LONGER ELIGIBLE AND MUST BE 24 DISENROLLED FROM A MEDICAL ASSISTANCE PROGRAM IF THE STATE 25 DEPARTMENT BECOMES AWARE THAT THE CHILD HAS MOVED OUT OF THE 26 STATE, THE STATE DEPARTMENT OR COUNTY POSSESSES FACTS INDICATING 27 THAT THE FAMILY HAS REQUESTED THE CHILD'S VOLUNTARY

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DISENROLLMENT, THE STATE DEPARTMENT DETERMINES ELIGIBILITY WAS
 ERRONEOUSLY GRANTED, OR THE CHILD IS DECEASED.

3 FOR PURPOSES OF SEEKING FEDERAL AUTHORIZATION (c) 4 PURSUANT TO SUBSECTION (7)(a) OF THIS SECTION, AN ELIGIBLE ADULT IS 5 LIMITED TO AN ADULT WHO HAS BEEN RELEASED FROM A COLORADO 6 DEPARTMENT OF CORRECTIONS FACILITY AFTER SERVING A SENTENCE. AN 7 ELIGIBLE ADULT SHALL REMAIN CONTINUOUSLY ELIGIBLE FOR MEDICAL 8 ASSISTANCE WITHOUT REGARD TO INCOME FOR A PERIOD OF TWELVE 9 MONTHS BEGINNING ON THE DATE OF THE ELIGIBLE ADULT'S RELEASE; 10 EXCEPT THAT AN ADULT IS NO LONGER ELIGIBLE AND MUST BE 11 DISENROLLED FROM THE MEDICAL ASSISTANCE PROGRAM IF THE STATE 12 DEPARTMENT BECOMES AWARE THAT THE ADULT HAS MOVED OUT OF THE 13 STATE, THE STATE DEPARTMENT OR COUNTY POSSESSES FACTS INDICATING 14 THAT THE ADULT HAS REQUESTED VOLUNTARY DISENROLLMENT, THE 15 STATE DEPARTMENT DETERMINES ELIGIBILITY WAS ERRONEOUSLY 16 GRANTED, OR THE ADULT IS DECEASED.

(d) To FACILITATE THE RENEWAL PROCESS FOR THE MEDICAL
ASSISTANCE PROGRAM FOR INDIVIDUALS WITH NO INCOME, INCLUDING
THOSE WHO ARE EXPERIENCING HOMELESSNESS, THE STATE DEPARTMENT
SHALL SEEK FEDERAL AUTHORIZATION, TO THE EXTENT ALLOWABLE BY
THE CENTERS FOR MEDICARE AND MEDICAID SERVICES, TO COMPLETE THE
INCOME DETERMINATION FOR EX PARTE RENEWALS WITHOUT REQUESTING
ADDITIONAL INCOME INFORMATION OR DOCUMENTATION, IF:

(I) AN ATTESTATION OF ZERO-DOLLAR INCOME WAS VERIFIED
WITHIN THE LAST TWELVE MONTHS, AT THE INITIAL APPLICATION, OR THE
PREVIOUS RENEWAL; AND

27 (II) THE STATE DEPARTMENT HAS CHECKED FINANCIAL DATA

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SOURCES IN ACCORDANCE WITH ITS ELIGIBILITY VERIFICATION PLAN AS
 REQUIRED BY THE CENTERS FOR MEDICARE AND MEDICAID SERVICES AND
 NO INFORMATION IS RECEIVED.

4 (e) UPON APPROVAL OF THE FEDERAL AUTHORIZATION SOUGHT 5 PURSUANT TO THIS SUBSECTION (7), THE STATE DEPARTMENT SHALL 6 IMPLEMENT THE CONTINUOUS ELIGIBILITY COVERAGE REQUIREMENTS 7 PURSUANT TO THIS SUBSECTION (7) BY JANUARY 1, 2026. IN 8 IMPLEMENTING THE CONTINUOUS ELIGIBILITY REQUIREMENT OF THIS 9 SECTION, THE STATE DEPARTMENT SHALL TAKE ALL NECESSARY STEPS TO 10 RELIEVE THE OBLIGATION OF THE STATE DEPARTMENT AND COUNTIES TO 11 PROMPTLY EVALUATE INFORMATION THAT DOES NOT AFFECT ELIGIBILITY 12 FOR CONTINUOUS COVERAGE CASES UNDER THIS SECTION, UNLESS 13 REQUIRED FOR PROGRAM ADMINISTRATION OR AS APPROVED BY THE 14 FEDERAL AUTHORIZATION.

(f) THE CONTINUOUS ELIGIBILITY SOUGHT PURSUANT TO THIS
SUBSECTION (7) IS DEPENDANT ON THE RECEIPT OF FEDERAL FINANCIAL
PARTICIPATION, TO THE MAXIMUM EXTENT ALLOWED UNDER FEDERAL
LAW, THROUGH FEDERAL AUTHORIZATION, STATE PLAN AMENDMENT, OR
OTHERWISE, BY THE FEDERAL CENTERS FOR MEDICARE AND MEDICAID
SERVICES.

(g) THE STATE BOARD MAY PROMULGATE RULES AS NECESSARY TO
 IMPLEMENT THE REQUIREMENTS OF THIS SECTION.

SECTION 3. Appropriation. (1) For the 2023-24 state fiscal year, \$337,765 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 as follows: (a) \$192,915 for personal services, which amount is based on an
 assumption that the office will require an additional 4.5 FTE;

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(b) \$20,050 for operating expenses; and

4 (c) \$124,800 for general professional services and special
5 projects.

6 (2) For the 2023-24 state fiscal year, the general assembly 7 anticipates that the department of health care policy and financing will 8 receive \$337,765 in federal funds to implement this act, which amount is 9 subject to the "(I)" notation as defined in the annual general appropriation 10 act for the same fiscal year. The appropriation in subsection (1) of this 11 section is based on the assumption that the department will receive this 12 amount of federal funds to be used as follows:

13 (a) \$192,915 for personal services;

14 (b) \$20,050 for operating expenses; and

15 (c) \$124,800 for general professional services and special
16 projects.

SECTION 4. Safety clause. The general assembly hereby finds,
determines, and declares that this act is necessary for the immediate
preservation of the public peace, health, or safety.