

CHAPTER 77

HEALTH CARE POLICY AND FINANCING

HOUSE BILL 24-1400

BY REPRESENTATIVE(S) Bird and Sirota, Taggart, Amabile, Bacon, Brown, Duran, English, Epps, Garcia, Hamrick, Herod, Joseph, Lindsay, Lindstedt, Marvin, Rutinel, Snyder, Titone, Young, McCluskie;
also SENATOR(S) Kirkmeyer and Zenzinger, Bridges, Cutter, Exum, Hinrichsen, Michaelson Jenet, Priola.

AN ACT**CONCERNING MEDICAID ELIGIBILITY PROCEDURES.**

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

SECTION 1. In Colorado Revised Statutes, 25.5-5-101, **amend** (6)(a) introductory portion, (6)(b), and (6)(c) as follows:

25.5-5-101. Mandatory provisions - eligible groups - rules - repeal. (6) (a) To ensure that the state department maintains access to state and federal funding provided by the federal "Families First Coronavirus Response Act", Pub.L. 116-127, and the federal "Consolidated Appropriations Act, 2023", the following subsections of this section are suspended until ~~June 1, 2024~~ JANUARY 1, 2025:

(b) The state board may adopt rules to implement this subsection (6) to ensure that the state department can resume routine operations ~~by June 1, 2024~~, that follow guidance issued by the federal centers for medicare and medicaid services, including terminations of eligibility, the processing of eligibility renewals, and the transition between medical assistance and children's basic health plan eligibility categories.

(c) This subsection (6) is repealed, effective ~~June 1, 2024~~ JANUARY 1, 2025.

SECTION 2. In Colorado Revised Statutes, 25.5-5-201, **amend** (7)(a) introductory portion, (7)(b), and (7)(c) as follows:

25.5-5-201. Optional provisions - optional groups - rules - repeal. (7) (a) To ensure that the state department maintains access to state and federal funding provided by the federal "Families First Coronavirus Response Act", Pub.L. 116-127,

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.

and the federal "Consolidated Appropriations Act, 2023", the following subsections of this section are suspended until ~~June 1, 2024~~ JANUARY 1, 2025:

(b) The state board may adopt rules to implement this subsection (7) to ensure that the state department can resume routine operations ~~by June 1, 2024~~, that follow guidance issued by the federal centers for medicare and medicaid services, including terminations of eligibility, the processing of eligibility renewals, and the transition between medical assistance and children's basic health plan eligibility categories.

(c) This subsection (7) is repealed, effective ~~June 1, 2024~~ JANUARY 1, 2025.

SECTION 3. In Colorado Revised Statutes, 25.5-4-205, **amend** (3)(b)(I.5) and (3)(f) as follows:

25.5-4-205. Application - verification of eligibility - demonstration project - rules - repeal. (3) (b) (I.5) (A) If the state department determines that a ~~recipient~~ MEMBER was not eligible for medical benefits solely based upon the ~~recipient's~~ MEMBER'S income after the ~~recipient~~ MEMBER had been determined to be eligible based upon electronic data obtained through a federally approved electronic data source, the state department shall not pursue recovery from a county department for the cost of medical services provided to the ~~recipient~~ MEMBER, and the county department is not responsible for any federal error rate sanctions resulting from ~~such~~ THE determination.

(B) Notwithstanding any other provision in this ~~paragraph (b)~~ SUBSECTION (3)(b), for applications that contain self-employment income, the state department shall not implement this ~~paragraph (b)~~ SUBSECTION (3)(b) until it THE STATE DEPARTMENT can verify self-employment income through federally approved electronic data sources as authorized by rules of the state department and federal law.

(C) THE STATE DEPARTMENT MAY SEEK FEDERAL AUTHORIZATION TO NOT REQUIRE ADDITIONAL VERIFICATION DURING A MEMBER'S ELIGIBILITY REENROLLMENT PROCESS IF INFORMATION ABOUT THE MEMBER'S INCOME IS NOT VERIFIED THROUGH A FEDERALLY APPROVED ELECTRONIC DATA SOURCE. THE STATE DEPARTMENT MAY USE THE INFORMATION ON FILE OR THE INFORMATION THAT WAS ORIGINALLY COLLECTED DURING THE APPLICATION PROCESS TO DETERMINE WHETHER THE MEMBER IS ELIGIBLE FOR REENROLLMENT. NOTWITHSTANDING THIS SUBSECTION (3)(b)(I.5)(C) TO THE CONTRARY, THE STATE DEPARTMENT SHALL REQUIRE ADDITIONAL INCOME VERIFICATION IF INFORMATION ABOUT A MEMBER'S INCOME IS NOT VERIFIED THROUGH A FEDERALLY APPROVED ELECTRONIC DATA SOURCE FOR TWO OR MORE CONSECUTIVE YEARS OR AS SPECIFIED THROUGH FEDERAL AUTHORIZATION.

(D) THE STATE DEPARTMENT MAY SEEK FEDERAL AUTHORIZATION TO NOT REQUIRE ADDITIONAL VERIFICATION DURING A MEMBER'S ELIGIBILITY REENROLLMENT PROCESS IF INFORMATION ABOUT THE MEMBER'S ASSETS IS NOT VERIFIED THROUGH A FEDERALLY APPROVED ELECTRONIC DATA SOURCE IN A REASONABLE TIME, AS DETERMINED BY THE STATE DEPARTMENT. THE STATE DEPARTMENT MAY COMPLETE THE MEMBER'S ELIGIBILITY REENROLLMENT PROCESS WITHOUT ANY ADDITIONAL VERIFICATION OF THE MEMBER'S ASSETS IF THERE HAS

BEEN NO CHANGE IN THE MEMBER'S ASSETS SINCE THE INITIAL VERIFICATION DURING THE APPLICATION PROCESS OR AS SPECIFIED THROUGH FEDERAL AUTHORIZATION.

(E) THE STATE DEPARTMENT MAY SEEK FEDERAL AUTHORIZATION TO DELAY A MEMBER'S PROCEDURAL TERMINATION DURING THE REENROLLMENT PROCESS TO ALLOW THE MEMBER TO CONTINUE RECEIVING NECESSARY SERVICES DURING THE REENROLLMENT PROCESS. THE STATE DEPARTMENT MAY APPLY THIS DELAY IN PROCEDURAL TERMINATION TO A SPECIFIC POPULATION OR AS SPECIFIED THROUGH FEDERAL AUTHORIZATION.

(F) THE STATE DEPARTMENT MAY SEEK FEDERAL AUTHORIZATION TO ALLOW AN APPLICANT'S OR MEMBER'S ELIGIBILITY FOR REENROLLMENT TO BE BASED ON FINANCIAL FINDINGS FROM THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM ESTABLISHED PURSUANT TO PART 3 OF ARTICLE 2 OF TITLE 26, THE TEMPORARY ASSISTANCE FOR NEEDY FAMILIES PROGRAM ESTABLISHED PURSUANT TO PART 7 OF ARTICLE 2 OF TITLE 26, AND OTHER MEANS-TESTED BENEFIT PROGRAMS ADMINISTERED THROUGH THE COLORADO BENEFITS MANAGEMENT SYSTEM. THE STATE DEPARTMENT MAY APPLY FINANCIAL ELIGIBILITY FOR MEDICAID TO INDIVIDUALS WHOSE GROSS INCOME PROGRAM AND ASSETS FOR APPLICABLE MEANS-TESTED BENEFIT PROGRAMS ARE BELOW APPLICABLE MEDICAID LIMITS, REGARDLESS OF DIFFERENCES IN HOUSEHOLD COMPOSITION AND INCOME-COUNTING RULES BETWEEN PROGRAMS OR AS SPECIFIED THROUGH FEDERAL AUTHORIZATION.

(G) SUBJECT TO AVAILABLE APPROPRIATIONS AND UPON RECEIVING NECESSARY FEDERAL AUTHORIZATION, THE STATE DEPARTMENT MAY IMPLEMENT SUBSECTIONS (3)(b)(I.5)(C), (3)(b)(I.5)(D), (3)(b)(I.5)(E), AND (3)(b)(I.5)(F) OF THIS SECTION.

(f) (I) To ensure that the state department maintains access to state and federal funding provided by the federal "Families First Coronavirus Response Act", Pub.L. 116-127, and the federal "Consolidated Appropriations Act, 2023", subsections (3)(b)(I) and (3)(d) of this section requiring the collection or verification of any information related to medical assistance eligibility factors, including citizenship, household size, income, or assets for those individuals already enrolled in the medical assistance program, are suspended until ~~June 1, 2024~~ JANUARY 1, 2025.

(II) The state board may adopt rules to implement this subsection (3)(f) to ensure that the state department can resume routine operations ~~by June 1, 2024~~, that follow guidance issued by the federal centers for medicare and medicaid services, including terminations of eligibility, the processing of eligibility renewals, and the transition between medical assistance and children's basic health plan eligibility categories.

(III) This subsection (3)(f) is repealed, effective ~~June 1, 2024~~ JANUARY 1, 2025.

SECTION 4. In Colorado Revised Statutes, 25.5-6-1404, **amend** (6)(c) as follows:

25.5-6-1404. Medicaid buy-in program - eligibility - premiums - medicaid buy-in fund - report - rules - repeal. (6) (c) This subsection (6) is repealed, effective ~~June 1, 2024~~ SEPTEMBER 1, 2025.

SECTION 5. In Colorado Revised Statutes, 25.5-8-109, **amend** (8); and **add** (4.5)(a)(VI), (4.5)(a)(VII), (4.5)(a)(VIII), (4.5)(a)(IX), and (4.5)(a)(X) as follows:

25.5-8-109. Eligibility - children - pregnant women - rules - repeal.
(4.5)(a)(VI) THE STATE DEPARTMENT MAY SEEK FEDERAL AUTHORIZATION TO NOT REQUIRE ADDITIONAL VERIFICATION DURING A MEMBER'S ELIGIBILITY REENROLLMENT PROCESS IF INFORMATION ABOUT THE MEMBER'S INCOME IS NOT VERIFIED THROUGH A FEDERALLY APPROVED ELECTRONIC DATA SOURCE. THE STATE DEPARTMENT MAY USE THE INFORMATION ON FILE OR THE INFORMATION THAT WAS ORIGINALLY COLLECTED DURING THE APPLICATION PROCESS TO DETERMINE WHETHER THE MEMBER IS ELIGIBLE FOR REENROLLMENT. NOTWITHSTANDING THIS SUBSECTION (4.5)(a)(VI) TO THE CONTRARY, THE STATE DEPARTMENT SHALL REQUIRE ADDITIONAL INCOME VERIFICATION IF INFORMATION ABOUT A MEMBER'S INCOME IS NOT VERIFIED THROUGH A FEDERALLY APPROVED ELECTRONIC DATA SOURCE FOR TWO OR MORE CONSECUTIVE YEARS OR AS SPECIFIED THROUGH FEDERAL AUTHORIZATION.

(VII) THE STATE DEPARTMENT MAY SEEK FEDERAL AUTHORIZATION TO NOT REQUIRE ADDITIONAL VERIFICATION DURING A MEMBER'S ELIGIBILITY REENROLLMENT PROCESS IF INFORMATION ABOUT THE MEMBER'S ASSETS IS NOT VERIFIED THROUGH A FEDERALLY APPROVED ELECTRONIC DATA SOURCE IN A REASONABLE TIME, AS DETERMINED BY THE STATE DEPARTMENT. THE STATE DEPARTMENT MAY COMPLETE THE MEMBER'S ELIGIBILITY REENROLLMENT PROCESS WITHOUT ANY ADDITIONAL VERIFICATION OF THE MEMBER'S ASSETS IF THERE HAS BEEN NO CHANGE IN THE MEMBER'S ASSETS SINCE THE INITIAL VERIFICATION DURING THE APPLICATION PROCESS OR AS SPECIFIED THROUGH FEDERAL AUTHORIZATION.

(VIII) THE STATE DEPARTMENT MAY SEEK FEDERAL AUTHORIZATION TO DELAY A MEMBER'S PROCEDURAL TERMINATION DURING THE REENROLLMENT PROCESS TO ALLOW THE MEMBER TO CONTINUE RECEIVING NECESSARY SERVICES DURING THE REENROLLMENT PROCESS. THE STATE DEPARTMENT MAY APPLY THIS DELAY IN PROCEDURAL TERMINATION TO A SPECIFIC POPULATION OR AS SPECIFIED THROUGH FEDERAL AUTHORIZATION.

(IX) THE STATE DEPARTMENT MAY SEEK FEDERAL AUTHORIZATION TO ALLOW AN APPLICANT'S OR MEMBER'S ELIGIBILITY FOR REENROLLMENT TO BE BASED ON FINANCIAL FINDINGS FROM THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM ESTABLISHED PURSUANT TO PART 3 OF ARTICLE 2 OF TITLE 26, THE TEMPORARY ASSISTANCE FOR NEEDY FAMILIES PROGRAM ESTABLISHED PURSUANT TO PART 7 OF ARTICLE 2 OF TITLE 26, AND OTHER MEANS-TESTED BENEFIT PROGRAMS ADMINISTERED THROUGH THE COLORADO BENEFITS MANAGEMENT SYSTEM. THE STATE DEPARTMENT MAY APPLY FINANCIAL ELIGIBILITY FOR MEDICAID TO INDIVIDUALS WHOSE GROSS INCOME PROGRAM AND ASSETS FOR APPLICABLE MEANS-TESTED BENEFIT PROGRAMS ARE BELOW APPLICABLE MEDICAID LIMITS, REGARDLESS OF DIFFERENCES IN HOUSEHOLD COMPOSITION AND INCOME-COUNTING RULES BETWEEN PROGRAMS OR AS SPECIFIED THROUGH FEDERAL AUTHORIZATION.

(X) SUBJECT TO AVAILABLE APPROPRIATIONS AND UPON RECEIVING NECESSARY FEDERAL AUTHORIZATION, THE STATE DEPARTMENT MAY IMPLEMENT SUBSECTIONS (4.5)(a)(VI), (4.5)(a)(VII), (4.5)(a)(VIII), AND (4.5)(a)(IX) OF THIS SECTION.

(8) (a) To ensure that the state department maintains access to state and federal funding provided by the federal "Families First Coronavirus Response Act", Pub.L. 116-127, and the federal "Consolidated Appropriations Act, 2023", subsections (4) and (4.5)(a)(II) of this section requiring the state department to disenroll an individual enrolled in the children's basic health plan due to the annual verification of income, as authorized by the centers for medicare and medicaid services, are suspended until ~~June 1, 2024~~ JANUARY 1, 2025.

(b) The state board may adopt rules to implement this subsection (8) to ensure that the state department can resume routine operations ~~by June 1, 2024~~, that follow guidance issued by the federal centers for medicare and medicaid services, including terminations of eligibility, the processing of eligibility renewals, and the transition between medical assistance and children's basic health plan eligibility categories.

(c) This subsection (8) is repealed, effective ~~June 1, 2024~~ JANUARY 1, 2025.

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: April 18, 2024