

**First Regular Session
Sixty-eighth General Assembly
STATE OF COLORADO**

ENGROSSED

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

LLS NO. 11-0548.01 Brita Darling

HOUSE BILL 11-1025

HOUSE SPONSORSHIP

Joshi,

SENATE SPONSORSHIP

Lundberg,

House Committees
Health and Environment

Senate Committees

A BILL FOR AN ACT

101 **CONCERNING THE REPEAL OF PROVISIONS RELATED TO THE HOSPITAL**
102 **PROVIDER FEE.**

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://www.leg.state.co.us/billsummaries>.)

The bill repeals the "Health Care Affordability Act of 2009" that established hospital provider fees on outpatient and inpatient services provided by all licensed or certified hospitals.

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

SENATE
2nd Reading Unamended
February 21, 2011

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

2 **SECTION 1. Repeal.** 2-3-119, 2-3-1203 (3) (ff) (V), 25.5-3-108
3 (17), 25.5-4-402 (3), 25.5-4-402.3, 25.5-5-201 (1) (m) (I) (B), (1) (m) (I)
4 (C), (1) (o) (II), (1) (o) (III), (1) (p), (1) (q), and (1) (r), 25.5-5-204.5,
5 25.5-5-206, and 25.5-8-103 (4) (a) (II), (4) (a) (III), (4) (b) (II), and (4)
6 (b) (III), Colorado Revised Statutes, are repealed.

7 **SECTION 2.** 25.5-4-402 (1), Colorado Revised Statutes, is
8 amended to read:

9 **25.5-4-402. Providers - hospital reimbursement - rules.**

10 ~~(1) For all licensed or certified hospitals contracting for services under~~
11 ~~this article and articles 5 and 6 of this title, except those hospitals~~
12 ~~operated by the department of human services or those hospitals deemed~~
13 ~~exempt by the state board; The state department shall pay for inpatient~~
14 ~~hospital services~~ ALL LICENSED OR CERTIFIED HOSPITALS UNDER THIS
15 ARTICLE AND ARTICLES 5 AND 6 OF THIS TITLE, EXCEPT THOSE HOSPITALS
16 OPERATED BY THE DEPARTMENT OF HUMAN SERVICES, pursuant to a
17 system of prospective payment, generally based on the elements of a THE
18 MEDICARE SYSTEM OF diagnosis-related ~~group system~~ GROUPS. The state
19 department shall develop and administer a system for ensuring
20 appropriate utilization and quality of care provided by those providers
21 who are reimbursed PURSUANT TO THE SYSTEM OF PROSPECTIVE PAYMENT
22 DEVELOPED under this section. ~~Subject to available appropriations, the~~
23 ~~state department may also make supplemental medicaid payments to~~
24 ~~certain hospitals.~~ The state board shall promulgate rules to provide for
25 the implementation of this section.

26 **SECTION 3.** 25.5-5-101 (4) (c) (II), Colorado Revised Statutes,
27 is amended to read:

1 **25.5-5-101. Mandatory provisions - eligible groups.**

2 (4) (c) Subject to the receipt of any necessary federal approval and
3 pursuant to 42 U.S.C. sec. 1396a (r) (2) and 42 U.S.C. sec. 1396u-1 (b)
4 (2) (C), for the groups described in paragraphs (a) to (c) of subsection (1)
5 of this section, the state board shall develop an income- and
6 resource-counting method to replace the method used under the aid to
7 families with dependent children program pursuant to rules that were in
8 effect on July 16, 1996. The income- and resource-counting method shall
9 be:

10 (II) No less restrictive than the method used to determine
11 eligibility for other covered groups under subsection (1) of this section
12 and sections 25.5-5-201, 25.5-5-204, ~~25.5-5-204.5~~, and 25.5-5-205.

13 **SECTION 4.** 25.5-5-201 (1) (m) (I) (A) and (5) (c) (II), Colorado
14 Revised Statutes, are amended to read:

15 **25.5-5-201. Optional provisions - optional groups - repeal.**

16 (1) The federal government allows the state to select optional groups to
17 receive medical assistance. Pursuant to federal law, any person who is
18 eligible for medical assistance under the optional groups specified in this
19 section shall receive both the mandatory services specified in sections
20 25.5-5-102 and 25.5-5-103 and the optional services specified in sections
21 25.5-5-202 and 25.5-5-203. Subject to the availability of federal financial
22 aid funds, the following are the individuals or groups that Colorado has
23 selected as optional groups to receive medical assistance pursuant to this
24 article and articles 4 and 6 of this title:

25 (m) (I) (A) Parents of children who are eligible for the medical
26 assistance program or the children's basic health plan, article 8 of this
27 title, whose family income does not exceed a specified percent of the

1 federal poverty line, adjusted for family size, as set by the state board by
2 rule, which percentage shall be not less than ~~one hundred~~ SIXTY percent.

3 (5) (c) Subject to the receipt of any necessary federal approval and
4 pursuant to 42 U.S.C. sec. 1396a (r) (2) and 42 U.S.C. sec. 1396u-1 (b)
5 (2) (C), for the groups described in paragraphs (d) and (e) of subsection
6 (1) of this section, the state board shall develop an income- and
7 resource-counting method to replace the method used under the aid to
8 families with dependent children program pursuant to rules that were in
9 effect on July 16, 1996. The income- and resource-counting method shall
10 be:

11 (II) No less restrictive than the method used to determine
12 eligibility for other covered groups under subsection (1) of this section
13 and sections 25.5-5-101, 25.5-5-204, ~~25.5-5-204.5~~, and 25.5-5-205.

14 **SECTION 5.** 25.5-8-103 (4) (a) (I) and (4) (b) (I), Colorado
15 Revised Statutes, are amended to read:

16 **25.5-8-103. Definitions - repeal.** As used in this article, unless
17 the context otherwise requires:

18 (4) "Eligible person" means:

19 (a) (I) A person who is less than nineteen years of age, whose
20 family income does not exceed two hundred ~~fifty~~ FIVE percent of the
21 federal poverty line, adjusted for family size; EXCEPT THAT, SUBJECT TO
22 AVAILABLE APPROPRIATIONS, THE DEPARTMENT MAY INCREASE THE
23 PERCENTAGE OF THE FEDERAL POVERTY LINE FOR PURPOSES OF
24 ELIGIBILITY TO UP TO TWO HUNDRED FIFTY PERCENT; OR

25 (b) (I) A pregnant woman whose family income does not exceed
26 two hundred ~~fifty~~ FIVE percent of the federal poverty line, adjusted for
27 family size, and who is not eligible for medicaid; EXCEPT THAT, SUBJECT

1 TO AVAILABLE APPROPRIATIONS, THE DEPARTMENT MAY INCREASE THE
2 PERCENTAGE OF THE FEDERAL POVERTY LINE FOR PURPOSES OF
3 ELIGIBILITY TO UP TO TWO HUNDRED FIFTY PERCENT.

4 **SECTION 6.** 24-4-103 (8) (c) (I), Colorado Revised Statutes, is
5 amended to read:

6 **24-4-103. Rule-making - procedure - repeal.**

7 (8) (c) (I) Notwithstanding any other provision of law to the contrary and
8 the provisions of section 24-4-107, all rules adopted or amended on or
9 after January 1, 1993, and before November 1, 1993, shall expire at 11:59
10 p.m. on May 15 of the year following their adoption unless the general
11 assembly by bill acts to postpone the expiration of a specific rule, and
12 commencing with rules adopted or amended on or after November 1,
13 1993, all rules adopted or amended during any one-year period that begins
14 each November 1 and continues through the following October 31 shall
15 expire at 11:59 p.m. on the May 15 that follows such one-year period
16 unless the general assembly by bill acts to postpone the expiration of a
17 specific rule. ~~except that a rule adopted pursuant to section 25.5-4-402.3~~
18 ~~(5) (b) (III), C.R.S., shall expire at 11:59 p.m. on the May 15 following~~
19 ~~the adoption of the rule unless the general assembly acts by bill to~~
20 ~~postpone the expiration of a specific rule.~~ The general assembly, in its
21 discretion, may postpone such expiration, in which case, the provisions
22 of section 24-4-108 or 24-34-104 shall apply, and the rules shall expire
23 or be subject to review as provided in said sections. The postponement
24 of the expiration of a rule shall not constitute legislative approval of the
25 rule nor be admissible in any court as evidence of legislative intent. The
26 postponement of the expiration date of a specific rule shall not prohibit
27 any action by the general assembly pursuant to the provisions of

1 paragraph (d) of this subsection (8) with respect to such rule.

2 **SECTION 7. Repeal.** Section 11 of chapter 152, Session Laws
3 of Colorado 2009, is repealed as follows:

4 Section 11. **Accountability.** ~~Five years after this act becomes law~~
5 ~~and in accordance with section 2-2-1201, Colorado Revised Statutes, the~~
6 ~~legislative service agencies of the Colorado General Assembly shall~~
7 ~~conduct a post-enactment review of the implementation of this act~~
8 ~~utilizing the information contained in the legislative declaration set forth~~
9 ~~in section 25.5-4-402.3 (2), Colorado Revised Statutes.~~

10 **SECTION 8. Act subject to petition - effective date.** This act
11 shall take effect at 12:01 a.m. on the day following the expiration of the
12 ninety-day period after final adjournment of the general assembly (August
13 10, 2011, if adjournment sine die is on May 11, 2011); except that, if a
14 referendum petition is filed pursuant to section 1 (3) of article V of the
15 state constitution against this act or an item, section, or part of this act
16 within such period, then the act, item, section, or part shall not take effect
17 unless approved by the people at the general election to be held in
18 November 2012 and shall take effect on the date of the official
19 declaration of the vote thereon by the governor.