INTRODUCED

SENATE BILL 12-032

SENATE SPONSORSHIP

Brophy,

HOUSE SPONSORSHIP

(None),

Senate Committees
Health and Human Services

House Committees

A BILL FOR AN ACT

101 **CONCERNING REFORMS TO STATE-ADMINISTERED HEALTH CARE**
102   **ASSISTANCE PROGRAMS BY SEEKING FEDERAL AUTHORIZATION**
103   **TO ALLOW THE STATE GREATER FLEXIBILITY IN THE**
104   **MANAGEMENT OF THE PROGRAMS.**

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 requires the department of health care policy and financing (state department) to seek a federal waiver to allow for

increased flexibility and efficiency in the management of the medicaid program and the children's basic health plan.

The waiver will seek authorization to determine eligibility categories and income levels and to establish an asset test for eligibility, implement cost-sharing and premiums, encourage the use of private health benefits coverage, and encourage persons to maintain employer-sponsored health insurance. As part of the waiver, the state department may negotiate for capped federal reimbursements with provisions for adjustments in the federal reimbursements for population growth and inflation.

The state department shall report to the general assembly concerning the waiver request and identify necessary changes to state law to implement the reforms requested in the waiver.

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

2   **SECTION 1.** In Colorado Revised Statutes, **add** 25.5-4-504 as

3   follows:

4   **25.5-4-504. Federal authorization - report.** (1) (a) ON OR

5   BEFORE SEPTEMBER 1, 2012, THE STATE DEPARTMENT SHALL SEEK A

6   FEDERAL WAIVER OF PROVISIONS OF THE FEDERAL "SOCIAL SECURITY

7   ACT" AUTHORIZING INCREASED FLEXIBILITY AND EFFICIENCY IN THE

8   MANAGEMENT OF COLORADO'S MEDICAL ASSISTANCE PROGRAM. THE

9   WAIVER SHALL BE DESIGNED TO REFORM THE MEDICAL ASSISTANCE

10   PROGRAM AND THE CHILDREN'S BASIC HEALTH PLAN BY SEEKING

11   AUTHORIZATION TO:

12   (I) DETERMINE PROGRAM ELIGIBILITY, INCLUDING ELIGIBILITY

13   CATEGORIES AND INCOME LEVELS, AND ESTABLISH AN ASSET TEST FOR

14   ELIGIBILITY;

15   (II) ALLOW FOR INFORMED CONSUMER BEHAVIOR AND

16   APPROPRIATE UTILIZATION OF HEALTH SERVICES THROUGH REASONABLE

17   COST-SHARING AND PREMIUMS;

18   (III) ENCOURAGE THE USE OF THE PRIVATE HEALTH BENEFITS

1   COVERAGE MARKET RATHER THAN PUBLIC BENEFITS SYSTEMS; AND

2   (IV)   ENCOURAGE PERSONS WHO HAVE ACCESS TO PRIVATE

3   EMPLOYER-BASED HEALTH BENEFITS TO OBTAIN AND MAINTAIN THOSE

4   BENEFITS.

5   (b)   IN SEEKING FEDERAL AUTHORIZATION PURSUANT TO THIS

6   SECTION FOR THE REFORM OF THE MEDICAL ASSISTANCE PROGRAM AND

7   CHILDREN'S BASIC HEALTH PLAN, THE STATE DEPARTMENT IS AUTHORIZED

8   TO NEGOTIATE A CAP ON FEDERAL REIMBURSEMENTS TO THE STATE WITH

9   PROVISIONS FOR ADJUSTMENTS DUE TO POPULATION GROWTH AND

10   INFLATION.

11   (2) THE STATE DEPARTMENT SHALL:

12   (a) REPORT TO THE HEALTH AND ENVIRONMENT COMMITTEE OF

13   THE HOUSE OF REPRESENTATIVES, OR ITS SUCCESSOR COMMITTEE, AND TO

14   THE HEALTH AND HUMAN SERVICES COMMITTEE OF THE SENATE, OR ITS

15   SUCCESSOR   COMMITTEE,   CONCERNING   FEDERAL   AUTHORIZATION

16   PURSUANT TO SUBSECTION (1) OF THIS SECTION FOR THE REFORM OF THE

17   MEDICAL ASSISTANCE PROGRAM AND THE CHILDREN'S BASIC HEALTH

18   PLAN; AND

19   (b) IDENTIFY NECESSARY CHANGES TO STATE LAW TO IMPLEMENT

20   REFORMS PURSUANT TO THE FEDERAL AUTHORIZATION.

21   **SECTION 2. Safety clause.** The general assembly hereby finds,

22   determines, and declares that this act is necessary for the immediate

23   preservation of the public peace, health, and safety.