

Second Regular Session
Seventy-second General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 20-1047.01 Brita Darling x2241

SENATE BILL 20-173

SENATE SPONSORSHIP

Sonnenberg,

HOUSE SPONSORSHIP

Pelton,

Senate Committees
Health & Human Services

House Committees

A BILL FOR AN ACT

101 CONCERNING ENHANCED REIMBURSEMENT RATES UNDER THE MEDICAL
102 ASSISTANCE PROGRAM FOR ALTERNATIVE CARE FACILITIES
103 WITH HIGHER STAFFING RATIOS.

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>.)

The bill requires the state board of medical services to adopt rules creating an enhanced or tiered reimbursement rate or rates for secure alternative care facilities that have higher staffing ratios due to providing services to persons with dementia or other conditions. The department of health care policy and financing shall confer with interested stakeholders

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.

concerning the appropriate reimbursement rate or rates and may review enhanced or tiered reimbursement rate structures from other states. The state department shall seek any federal authorization necessary to implement the reimbursement rates.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 25.5-6-115 as
3 follows:

4 **25.5-6-115. Alternative care facilities - enhanced**
5 **reimbursement for secure facilities - rules - legislative declaration.**

6 (1) (a) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT:

7 (I) UNDER CURRENT LAW, ALTERNATIVE CARE FACILITIES IN THE
8 STATE ARE REIMBURSED AT A SINGLE RATE UNDER THE STATE MEDICAL
9 ASSISTANCE PROGRAM;

10 (II) ALTHOUGH THEY RECEIVE THE SAME REIMBURSEMENT RATE
11 AS OTHER ALTERNATIVE CARE FACILITIES, SECURE ALTERNATIVE CARE
12 FACILITIES THAT SERVE RESIDENTS REQUIRING MEMORY CARE OR SIMILAR
13 CARE MUST MAINTAIN A MUCH HIGHER STAFFING RATIO;

14 (III) AS A RESULT, MANY SECURE ALTERNATIVE CARE FACILITIES
15 LIMIT THE NUMBER OF INDIVIDUALS OR DO NOT ADMIT INDIVIDUALS WHO
16 RECEIVE MEDICAL ASSISTANCE, WHICH MAY RESULT IN THOSE
17 INDIVIDUALS BEING PLACED IN NURSING HOMES AT A HIGHER COST TO THE
18 STATE AND IN LONG-TERM CARE SETTINGS THAT ARE NOT BEST-SUITED TO
19 THE INDIVIDUAL;

20 (IV) RECOGNIZING THE HIGHER COSTS OF SECURE ALTERNATIVE
21 CARE FACILITIES SERVING INDIVIDUALS IN NEED OF MEMORY CARE OR
22 SIMILAR SERVICES, MANY STATES HAVE IMPLEMENTED ENHANCED OR
23 TIERED REIMBURSEMENT RATES FOR SUCH FACILITIES; AND

1 (V) GIVEN COLORADO'S AGING POPULATION, IT IS IN THE STATE'S
2 INTEREST TO ENSURE CAPACITY IN A BROAD RANGE OF LONG-TERM CARE
3 PLACEMENTS FOR MEDICAL ASSISTANCE RECIPIENTS.

4 (b) THEREFORE, THE GENERAL ASSEMBLY DECLARES THAT
5 PROVIDING ENHANCED OR TIERED REIMBURSEMENT RATES IN THE STATE
6 MEDICAL ASSISTANCE PROGRAM FOR SECURE ALTERNATIVE CARE
7 FACILITIES THAT REQUIRE HIGHER STAFFING RATIOS WILL ENSURE
8 GREATER CAPACITY IN ALTERNATIVE CARE FACILITIES FOR MEDICAL
9 ASSISTANCE RECIPIENTS AND MAY AVOID MORE COSTLY NURSING HOME
10 PLACEMENTS.

11 (2) THE STATE BOARD, BY RULE, SHALL IMPLEMENT AN ENHANCED
12 OR TIERED REIMBURSEMENT RATE OR RATES FOR SECURE ALTERNATIVE
13 CARE FACILITIES THAT ARE SUBJECT TO A HIGHER STAFFING RATIO IN
14 ORDER TO SERVE CERTAIN INDIVIDUALS, INCLUDING BUT NOT LIMITED TO
15 THOSE WHO SUFFER FROM DEMENTIA.

16 (3) THE STATE DEPARTMENT RULES MUST INCLUDE A PROVISION
17 FOR INCREASING THE ENHANCED REIMBURSEMENT RATES AS REGULAR
18 REIMBURSEMENT RATES INCREASE OR AS REQUIRED STAFFING LEVELS
19 CHANGE.

20 (4) PRIOR TO THE ADOPTION OF STATE BOARD RULES, THE STATE
21 DEPARTMENT SHALL ENGAGE INTERESTED STAKEHOLDERS CONCERNING
22 THE APPROPRIATE LEVEL OF REIMBURSEMENT TO ENSURE CAPACITY IN
23 SECURE ALTERNATIVE CARE FACILITIES FOR MEDICAL ASSISTANCE
24 RECIPIENTS AND MAY REVIEW TIERED OR ENHANCED REIMBURSEMENT
25 RATES IN STATES THAT HAVE IMPLEMENTED SUCH REIMBURSEMENT RATES.

26 (5) THE STATE DEPARTMENT SHALL SEEK ANY FEDERAL
27 AUTHORIZATION NECESSARY TO RECEIVE FEDERAL FINANCIAL

1 PARTICIPATION FOR ENHANCED OR TIERED REIMBURSEMENT RATES FOR
2 SECURE ALTERNATIVE CARE FACILITIES.

3 **SECTION 2. Act subject to petition - effective date.** This act
4 takes effect at 12:01 a.m. on the day following the expiration of the
5 ninety-day period after final adjournment of the general assembly (August
6 5, 2020, if adjournment sine die is on May 6, 2020); except that, if a
7 referendum petition is filed pursuant to section 1 (3) of article V of the
8 state constitution against this act or an item, section, or part of this act
9 within such period, then the act, item, section, or part will not take effect
10 unless approved by the people at the general election to be held in
11 November 2020 and, in such case, will take effect on the date of the
12 official declaration of the vote thereon by the governor.