

First Regular Session
Seventy-first General Assembly
STATE OF COLORADO

BILL C

LLS NO. 17-0161.01 Brita Darling x2241

HOUSE BILL

HOUSE SPONSORSHIP

Landgraf,

SENATE SPONSORSHIP

Crowder,

House Committees

Senate Committees

A BILL FOR AN ACT

101 CONCERNING AUDITS OF CORRESPONDENCE SENT TO MEDICAID
102 CLIENTS.

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/bills/summaries>.)

Interim Study Committee on Communication Between the Department of Health Care Policy and Financing (HCPF) and Medicaid Clients. The bill directs the office of the state auditor (OSA) to conduct or cause to be conducted an audit of client communications, including letters and notices, sent to clients or potential clients in medicaid programs. The audits will be conducted in 2020 and 2023 and

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.

thereafter at the discretion of the state auditor.

Among other items set forth in the bill, the performance audits will review client communications for readability, understandability, and accuracy. In addition, the audits will review available county data regarding customer contacts relating to client confusion with client communications.

The OSA will report audit findings, conclusions, and recommendations to the legislative audit committee, the joint budget committee, the public health care and human services committee of the house of representatives, the health and human services committee of the senate, and the joint technology committee, or any successor committees.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 25.5-4-213 as
3 follows:

4 **25.5-4-213. Audit of medicaid client communications.**

5 (1) DURING THE 2020 CALENDAR YEAR AND THE 2023 CALENDAR YEAR,
6 THE OFFICE OF THE STATE AUDITOR SHALL CONDUCT OR CAUSE TO BE
7 CONDUCTED A PERFORMANCE AUDIT OF CLIENT COMMUNICATIONS,
8 INCLUDING LETTERS AND NOTICES, THAT AFFECT OR CONCERN ELIGIBILITY
9 FOR PROGRAM BENEFITS AND SERVICES, SENT TO CLIENTS OR APPLICANTS
10 IN COLORADO MEDICAID PROGRAMS. THEREAFTER, THE STATE AUDITOR
11 IN THE EXERCISE OF HIS OR HER DISCRETION MAY CONDUCT OR CAUSE TO
12 BE CONDUCTED ADDITIONAL PERFORMANCE AUDITS OF CLIENT
13 COMMUNICATIONS PURSUANT TO THIS SECTION. THE AUDIT SHALL
14 INCLUDE COMMUNICATIONS GENERATED THROUGH THE COLORADO
15 BENEFITS MANAGEMENT SYSTEM, AS WELL AS COMMUNICATIONS THAT
16 ARE NOT GENERATED THROUGH THE COLORADO BENEFITS MANAGEMENT
17 SYSTEM.

18 (2) THE PERFORMANCE AUDIT CONDUCTED PURSUANT TO THIS
19 SECTION SHALL INCLUDE BUT NEED NOT BE LIMITED TO:

1 (a) A REVIEW OF AVAILABLE COUNTY DATA REGARDING CUSTOMER
2 SERVICE CONTACTS THAT ARE RELATED TO CLIENT CONFUSION REGARDING
3 COMMUNICATIONS RECEIVED BY MEDICAID CLIENTS OR APPLICANTS;

4 (b) A REVIEW OF THE ACCURACY OF CLIENT COMMUNICATIONS;
5 AND

6 (c) A REVIEW OF WHETHER CLIENT COMMUNICATIONS SATISFY THE
7 REQUIREMENTS OF ANY STATE OR FEDERAL LAW, RULE, OR REGULATION
8 RELATING TO THE SUFFICIENCY OF ANY NOTICE.

9 (3) IF AUDIT FINDINGS INCLUDE FINDINGS THAT INFORMATION
10 CONTAINED IN CLIENT COMMUNICATIONS IS INACCURATE AT THE TIME THE
11 COMMUNICATION WAS GENERATED, THE AUDIT SHALL IDENTIFY, IF
12 POSSIBLE, THE SOURCE OF THE INACCURATE INFORMATION, WHICH MAY
13 INCLUDE BUT IS NOT LIMITED TO COMPUTER SYSTEM OR INTERFACE ISSUES,
14 COUNTY INPUT ERROR, OR APPLICANT ERROR.

15 (4) BASED ON THE FINDINGS AND CONCLUSIONS IDENTIFIED
16 DURING THE PERFORMANCE AUDIT CONDUCTED PURSUANT TO THIS
17 SECTION, THE OFFICE OF THE STATE AUDITOR SHALL MAKE
18 RECOMMENDATIONS TO THE STATE DEPARTMENT FOR IMPROVING CLIENT
19 COMMUNICATIONS. ON OR BEFORE DECEMBER 30, 2020, DECEMBER 30,
20 2023, AND DECEMBER 30 IN ANY CALENDAR YEAR IN WHICH AN AUDIT IS
21 CONDUCTED PURSUANT TO THIS SECTION, THE OFFICE OF THE STATE
22 AUDITOR SHALL SUBMIT THE FINDINGS, CONCLUSIONS, AND
23 RECOMMENDATIONS FROM THE PERFORMANCE AUDIT IN THE FORM OF A
24 WRITTEN REPORT TO THE LEGISLATIVE AUDIT COMMITTEE, WHICH SHALL
25 HOLD A PUBLIC HEARING FOR THE PURPOSES OF A REVIEW OF THE REPORT.
26 THE REPORT SHALL ALSO BE SUBMITTED TO THE JOINT BUDGET
27 COMMITTEE, THE PUBLIC HEALTH CARE AND HUMAN SERVICES COMMITTEE

1 OF THE HOUSE OF REPRESENTATIVES, THE HEALTH AND HUMAN SERVICES
2 COMMITTEE OF THE SENATE, AND THE JOINT TECHNOLOGY COMMITTEE, OR
3 ANY SUCCESSOR COMMITTEES.

4 **SECTION 2.** In Colorado Revised Statutes, 25.5-4-213, **amend**
5 (2)(b); and **add** (2)(d), (2)(e), and (2)(f) as follows:

6 (2) The performance audit conducted pursuant to this section shall
7 include but need not be limited to:

8 (b) A review of the accuracy of client communications; **and**

9 (d) A DETERMINATION AS TO WHETHER CLIENT COMMUNICATIONS
10 COMPLY WITH THE REQUIREMENTS OF SECTION 25.5-4-212;

11 (e) A REVIEW OF THE SUFFICIENCY OF THE STATE DEPARTMENT'S
12 CLIENT COMMUNICATIONS TESTING PROCESS PURSUANT TO SECTION
13 25.5-4-212 AND WHETHER TESTING IS UNDERTAKEN PRIOR TO
14 IMPLEMENTING NEW OR SIGNIFICANTLY REVISED CLIENT
15 COMMUNICATIONS; AND

16 (f) A REVIEW OF THE UNDERSTANDABILITY OF CLIENT
17 COMMUNICATIONS, INCLUDING A SAMPLING OF MEDICAID CLIENTS,
18 INCLUDING BOTH CLIENTS WHO ARE TRAINED AS ADVOCATES AND CLIENTS
19 WHO ARE NOT, AND A REVIEW OF THE FEEDBACK FROM THE STATE
20 DEPARTMENT'S CLIENT COMMUNICATIONS TESTING PROCESS PURSUANT TO
21 SECTION 25.5-4-212.

22 **SECTION 3. Effective date.** (1) Except as provided in
23 subsection (2) of this section, this act takes effect upon passage.

24 (2) Section 2 of this act takes effect only if ___ Bill 17-___
25 becomes law.

26 **SECTION 4. Act subject to petition - effective date.** This act
27 takes effect at 12:01 a.m. on the day following the expiration of the

1 ninety-day period after final adjournment of the general assembly (August
2 9, 2017, if adjournment sine die is on May 10, 2017); except that, if a
3 referendum petition is filed pursuant to section 1 (3) of article V of the
4 state constitution against this act or an item, section, or part of this act
5 within such period, then the act, item, section, or part will not take effect
6 unless approved by the people at the general election to be held in
7 November 2018 and, in such case, will take effect on the date of the
8 official declaration of the vote thereon by the governor.