



Department of Health Care Policy and Financing 2016 Legislative Update

Department Bills:

SB16-027 Allow Clients to Get Health Maintenance Medications through the Mail

Summary: The bill would allow Medicaid clients the option to get their health maintenance prescriptions through the mail. Current statute only allows Medicaid clients to get their medications from mail order pharmacies in very limited circumstances – they can receive maintenance medications if they have a physical hardship that prevents them from going to a pharmacy or they have primary insurance that allows them to use a mail order pharmacy. The bill would also allow retail pharmacies with mail order programs to participate.

Allowing clients to get their health maintenance medications through the mail would improve client convenience, potentially increase drug adherence, and reduce dispensing fees which would save the state money.

Status: Awaiting Governor's Signature

HB16-1097 Reduce Regulations for Medicaid Transportation Providers while Improving Safety

Summary: Non-Emergent Medical Transportation (NEMT) and Non-Medical Transportation (NMT) providers are currently regulated by the Public Utilities Commission (PUC) as common carriers. This level of regulation has proven troublesome to attract new providers since larger transportation providers regularly protest or block new applications. The state lacks an adequate number of NEMT and NMT providers largely due to the current regulation structure.

The bill would allow NEMT and NMT providers to be licensed as a "limited regulation carrier." This type of license would still require regular vehicle inspections, driver background checks, and sufficient insurance as a common carrier but does not allow applications to be protested or blocked by other companies. Certain Medicaid transportation providers (i.e. buses owned by long-term care facilities) would not be included in this legislation since they are currently not licensed by the PUC.

Status: Awaiting Governor's Signature

HB16-1081 Improve Department Efficiency by Eliminating Outdated Statutory Reports

Summary: The Department is currently required to submit 36 statutory reports, 32 of which are submitted annually. Some of these annual reports date back to 1991 – prior to the Department's existence. As the Department has evolved over the last 20 years, some of the reports are now obsolete, but their requirements have remained in statute. The Department proposes repealing seven annual reports and a one-time report that



ask for information that is duplicative of other reporting requirements or has become impracticable due to changes in health care or the Medicaid program.

Status: Governor Signed 3/18/16

Other Bills Affecting Medicaid:

HB16-1277 Appeal Process for Changes to Medicaid Benefits

Summary: The bill requires the Department to give a Medicaid recipient at least a 10-day advance notice if medical assistance benefits are being suspended, terminated, or modified, (intended action) unless certain conditions are met. The bill extends the time for appeal to 60 days after the date of the notice. If authorized under federal law, the state department may permit a recipient's medical benefits to continue even though the appeal is filed after the effective date of the intended action. The Department shall promulgate rules, consistent with federal law, that prescribe the circumstances under which the benefits may continue.

Status: Awaiting Governor's Signature

HB16-1321 Medicaid buy-in Certain Medicaid Waivers

The bill directs the Department to seek federal authorization for and to implement a Medicaid buy-in program for persons who are eligible for home- and community-based services under the supported living services Medicaid waiver, the persons with brain injury waiver, and the spinal cord injury waiver pilot program.

Status: Awaiting Governor's signature

HB16-1398 Implement Respite Care Task Force Recommendations

Summary: This bill requires the Department of Human Services (DHS) to use a competitive request-for-proposal (RFP) process to select a contractor to implement the recommendations of the Respite Care Task Force. The selected contractor must have a presence in Colorado and serve individuals with disabilities or chronic conditions by providing and coordinating respite care. The selected contractor must provide progress reports annually to the Health committees of the General Assembly.

Status: Awaiting Governor's Signature

HB16-1407 Extend Medicaid Payment Reform & Innovation Project

Summary: This Joint Budget Committee bill removes the date by which the Department must select payment projects to be included in the Medicaid payment reform and innovation pilot program, allowing the department to continue selecting new payment projects for the pilot program. The bill also removes the date for completion of pilot projects.

Status: Governor Signed 5/4/16

HB16-1408 Cash Fund Allocations For Health-related Programs

Summary: This Joint Budget Committee bill modifies cash fund allocations to various health-related programs. Regarding Medicaid provider rates, the bill transfers \$20 million from the children's basic health plan trust to a newly created Primary Care Sustainability Fund on July 1, 2016, for the purpose of funding various sets of primary care codes for one year.

Status: Governor Signed 5/4/16

SB16-038 Transparency of Community-centered Boards

Summary: The bill requires the state auditor, at least once every five years or more frequently at the state auditor's discretion, to conduct a performance audit of each community-centered board (CCB) that receives more than 75% of its funding on an annual basis from federal, state, or local government, or from any combination of such governmental entities, to determine whether such CCB is effectively and efficiently fulfilling its statutory obligations. Thereafter, a performance audit may be conducted of a CCB if requested by the state auditor in the exercise of his or her discretion. The bill also makes each CCB subject to the requirements of the "Colorado Local Government Audit Law".

Status: Awaiting Governor's Signature

SB16-077 Employment First for Persons with Disabilities

Summary: The bill creates the employment first advisory partnership of existing entities, including the state rehabilitation council, the state work force development council, and the employment first state leadership mentoring program core state advisory group, to develop an employment-first strategic plan that increases competitive integrated employment, as defined in the bill, for persons with disabilities. No later than November 1, 2017, the partnership shall prepare an initial report of the strategic plan, and the agencies shall present the initial report to the legislative committees of reference during the legislative interim prior to the 2017 legislative session.

Status: Awaiting Governor's Signature

SB16-120 Review by Medicaid Client for Billing Fraud

Summary: The bill requires the Department to develop and implement an explanation of benefits for Medicaid recipients. The purpose of the explanation of benefits is to inform a Medicaid client of a claim for reimbursement made for services provided to the client or on his or her behalf, so that the client may discover and report administrative or provider errors or fraudulent claims for reimbursement. The explanation of benefits must be sent to clients not less than bimonthly, and the department shall determine the most cost-effective means for producing and distributing the explanation of benefits, which may include e-mail or distribution with existing communications to clients.

Status: Awaiting Governor's Signature

SB16-192 Assessment Tool Intellectual and Developmental Disabilities

Summary: This Joint Budget Committee bill requires the Department pursuant to the state department's ongoing stakeholder process relating to eligibility determination for long-term services and supports, to select

a needs assessment tool for persons receiving long-term services and supports, including persons with intellectual and developmental disabilities, and, once selected, to begin using the tool as soon as practicable. Once selected, the Department shall report to certain committees of the general assembly the needs assessment tool selected and the level of stakeholder involvement in the process of selecting the tool. The Department shall develop or select the needs assessment tool in collaboration with persons with intellectual and developmental disabilities and stakeholders. The needs assessment tool must include a reasonable reassessment process that allows a reassessment to be completed within thirty days after a reassessment is requested.

Status: Awaiting Governor's Signature

SB16-199 Program for All-inclusive Care for the Elderly

Summary: The bill requires that the Department participate with Colorado Program for All-inclusive Care for the Elderly (PACE) organizations to develop an actuarially sound upper payment limit methodology that meets conditions stated in the bill. The department shall provide data relevant to computing the upper payment limit, and the computation shall be made with the assistance of an actuary. Until the upper payment limit methodology is developed and adopted in medical services board rules, the percentage of the upper payment limit used to calculate the monthly capitated rate shall not be less than the percentage negotiated for the 2016-17 state fiscal year. The bill creates the state PACE ombudsman in the state long-term care ombudsman program. The bill sets forth the duties of the ombudsman, including, among others, establishing statewide policies and procedures to identify, investigate, and seek the resolution or referral of complaints made by or on behalf of a PACE participant related to any action, inaction, or decision of a PACE organization that may adversely affect the health, safety, welfare, or rights of the PACE participant.

Status: Awaiting Governor's Signature

Notable Bills Postponed Indefinitely

- HB16-1195 Home Modification Services In Medicaid Waivers
- HB16-1380 Add In-home Support Services to Certain Medicaid Waivers
- HB16-1420 CO Healthcare Affordability & Sustainability Enterprise
- HB16-1435 Low-wage Employer Corporate Responsibility Act
- HB16-162 Medicaid Recipient Access To Non-enrolled Medicaid Providers

Questions?

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