

MEMORANDUM



JOINT BUDGET COMMITTEE

TO Joint Budget Committee Members
FROM JBC Staff
DATE April, 11, 2017
SUBJECT JBC Bill Drafts

This memo includes the following bill drafts for the Committees consideration.

- LLS 17-0858 “Concerning Implementation of Conflict-free Case Management for Person with Intellectual and Developmental Disabilities who are Eligible for Home- and Community-based Services Under the Medicaid Program.” (Megan Davisson)
- LLS 17-0859 “Concerning Revising Higher Education Performance Requirements.” (Amanda Bickel)
- LLS 17-1027 “Concerning the Creation of the Employment Opportunities with Wages Program for Qualifying Colorado Works Basic Cash Assistance Recipients, and, in Connection Therewith, Making an Appropriation.” (Kevin Neimond)
- LLS 17-1058 “Concerning Requirements Related to the Use of Seclusion on Youth by the Division of Youth Corrections.” (Kevin Neimond)
- LLS 17-1086 “Concerning an Independent Evaluation of the Centralization of the Management of State Agency Information Technology Resources in the Office of Information Technology, and, in Connection Therewith, Making an Appropriation.” (Kevin Neimond)
- LLS 17-1060 “Concerning the Authority of the Department of Revenue to Establish a Renewal Application Fee for Each Liquor License that the Department Issues.” (Scott Thompson)
- LLS 17-1077.02 “Concerning Authorizing the Continuing Implementation of the Accountable Care Collaborative in the Medicaid Program.” (Eric Kurtz)
- LLS 17-1077.03 “Concerning the Implementation of Medicaid Initiatives that Create Higher Value in the Medicaid Program Leading to Better Health Outcomes for Medicaid Clients, and, in Connection Therewith, Continuing the Implementation of the Accountable Care Collaborative, Authorizing Performance-based Provider Payments, and Enhancing Medicaid Fraud Reporting Requirements.” (Eric Kurtz)
- LLS 17-1134 “Concerning Authorizing Performance-based Payments to Medicaid Providers.” (Eric Kurtz)
- LLS 17-1135 “Concerning Revisions to the Department of Health Care Policy and Financing’s Annual Report Concerning Client Fraud in the Medicaid Program.” (Eric Kurtz)
- LLS 17-1059 “Concerning Early Childhood Education Services for Children from Birth through Five Years of Age.” (Robin Smart)
- LLS 17-1081 “Concerning a Reduction in the Maximum Amount of Actual Value of the Owner-occupied Primary Residence of a Qualifying Senior of which Fifty Percent is Exempt from Property Taxation.” (Robin Smart)
- LLS 17-1138 “Concerning the Transfer of Money from the Marijuana Tax Cash Fund to the General Fund.” (Carolyn Kampman)
- LLS 17-1139 “Concerning an Increase in the Retail Marijuana Sales Tax Rate from Eight Percent to Ten Percent.” (Carolyn Kampman)

First Regular Session
Seventy-first General Assembly
STATE OF COLORADO

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4.10.17

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LLS NO. 17-0858.02 Brita Darling x2241

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: "Implement Conflict-free Case Management"

A BILL FOR AN ACT

101 CONCERNING IMPLEMENTATION OF CONFLICT-FREE CASE
102 MANAGEMENT FOR PERSONS WITH INTELLECTUAL AND
103 DEVELOPMENTAL DISABILITIES WHO ARE ELIGIBLE FOR HOME-
104 AND COMMUNITY-BASED SERVICES UNDER THE MEDICAID
105 PROGRAM.

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 implements conflict-free case management for persons with intellectual and developmental disabilities who are enrolled in home-

*Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

and community-based services under Colorado's medicaid program.

The definition of conflict-free case management is included in the bill and reflects the policy that case management services are provided to a person with intellectual and developmental disabilities who is enrolled in home- and community-based services by an agency that is not also providing the same person services and supports unless a federal exemption is approved.

The bill defines and creates case management agencies that will provide case management services, and contains provisions for the department of health care policy and financing's (department) oversight of case management agencies. The state medical services board (state board) shall promulgate rules upon the enactment of the bill for the certification and decertification of case management agencies as well as rules that ensure that a person with intellectual and developmental disabilities enrolled in home- and community-based services has access to case management services and that there is a process for a person to select the case management agency of his or her choice. A case management agency shall develop an individualized plan for these persons. Designated community-centered boards shall continue to develop individualized plans for a child with disabilities from birth to age two and for persons eligible for other programs. The bill makes conforming amendments in existing statutes to add references to case management agencies, where relevant.

The bill contains time frames for the implementation of conflict-free case management in Colorado. Initially, the department shall determine the options for community-centered boards to become compliant with conflict-free case management when serving persons with intellectual and developmental disabilities who are enrolled in home- and community-based services. Conflicted community-centered boards are required to develop a business continuity plan to transition to providing either case management services or services and supports to these persons. The bill includes a date by which all persons receiving home- and community-based services will be served through a system of conflict-free case management.

The bill authorizes the department to seek a federal exemption from conflict-free case management in geographic areas within the state where the only willing and qualified entity to provide case management services is also the only willing and qualified entity to provide home- and community-based services in that geographic area. The bill contains procedures and time frames for rural community-centered boards, as defined in the bill, to request that the department seek the federal exemption. The bill includes provisions relating to the denial of a federal exemption and requires state board rules for when a federal exemption is pending and for when there are multiple agencies operating in the same geographic area.

The bill authorizes and prioritizes the use of money in the intellectual and developmental disabilities services cash fund (cash fund) for systems changes related to the implementation of conflict-free case management and repeals the cash fund in 2022.

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

2 **SECTION 1.** In Colorado Revised Statutes, 25.5-10-202, **amend**
3 the introductory portion, (4), (14), (24)(b), (28), (29), and (36)
4 introductory portion; **repeal** (2)(a); and **add** (1.9), (5.7), and (13.5) as
5 follows:

6 **25.5-10-202. Definitions.** As used in this ~~article~~ ARTICLE 10,
7 unless the context otherwise requires:

8 (1.9) "CASE MANAGEMENT AGENCY" MEANS A PUBLIC OR PRIVATE
9 NOT-FOR-PROFIT OR FOR-PROFIT AGENCY THAT MEETS ALL APPLICABLE
10 STATE AND FEDERAL REQUIREMENTS AND IS CERTIFIED BY THE STATE
11 DEPARTMENT TO PROVIDE CASE MANAGEMENT SERVICES PURSUANT TO
12 SECTION 25.5-10-209.5. THE CASE MANAGEMENT AGENCY SHALL PROVIDE
13 CASE MANAGEMENT SERVICES PURSUANT TO A CONTRACT WITH THE STATE
14 DEPARTMENT.

15 (2) "Case management services" means the following:

16 (a) ~~The determination of eligibility for services and supports;~~

17 (4) "Community-centered board" means a private corporation,
18 for-profit or not-for-profit, that ~~when~~ IS designated pursuant to ~~section~~
19 ~~25.5-10-208,~~ ~~provides case management services to persons with~~
20 ~~intellectual and developmental disabilities, is authorized to determine~~
21 ~~eligibility of those persons within a specified geographical area, serves as~~
22 ~~the single point of entry for persons to receive services and supports~~
23 ~~under this article, and provides authorized services and supports to those~~
24 ~~persons either directly or by purchasing services and supports from~~

1 ~~service agencies~~ SECTION 25.5-10-209.

2 (5.7) "CONFLICT-FREE CASE MANAGEMENT" MEANS CASE
3 MANAGEMENT SERVICES PROVIDED TO A PERSON WITH AN INTELLECTUAL
4 AND DEVELOPMENTAL DISABILITY ENROLLED IN A HOME- AND
5 COMMUNITY-BASED SERVICES WAIVER THAT ARE PROVIDED BY A CASE
6 MANAGEMENT AGENCY THAT IS NOT THE SAME AGENCY THAT PROVIDES
7 SERVICES AND SUPPORTS TO THAT PERSON. SERVICE AGENCIES AND CASE
8 MANAGEMENT AGENCIES ARE RESPONSIBLE FOR ENSURING PERSONS WHO
9 ARE EMPLOYED BY THE AGENCY MEET THE REQUIREMENTS OF THIS
10 ARTICLE 10.

11 (13.5) "ELIGIBLE FOR HOME- AND COMMUNITY-BASED SERVICES"
12 MEANS A "PERSON WITH AN INTELLECTUAL AND DEVELOPMENTAL
13 DISABILITY", AS DEFINED IN SECTION 25.5-6-403, WHO MEETS THE
14 DEFINITION OF AN "ELIGIBLE PERSON", AS DEFINED IN SECTION 25.5-6-403.

15 (14) "Eligible for supports and services" refers to any person with
16 an intellectual and developmental disability as determined ~~eligible by the~~
17 ~~A community-centered boards, BOARD~~ pursuant to ~~section 25.5-10-210~~
18 SECTION 25.5-10-211.

19 (24) (b) Every individualized plan must include a statement of
20 agreement with the plan, signed by the person receiving services or other
21 such person legally authorized to sign on behalf of the person and by a
22 representative of the community-centered board OR CASE MANAGEMENT
23 AGENCY.

24 (28) "Interdisciplinary team" means a group of people convened
25 by a designated community-centered board OR BY A CASE MANAGEMENT
26 AGENCY that includes the person receiving services; the parents or
27 guardian of a minor; a guardian or an authorized representative, as

1 appropriate; the person who coordinates the provisions of services and
2 supports; and others ~~as determined by the person's needs and preference~~
3 CHOSEN BY THE PERSON RECEIVING SERVICES, who are assembled to work
4 in a cooperative manner to develop or review the individualized plan.

5 (29) "Least restrictive environment" means an environment that
6 represents the least departure from the typical patterns of living and that
7 effectively meets the needs and preferences of the person receiving
8 services. "Least restrictive environment" may include, but need not be
9 limited to, receiving services from a community-centered board, service
10 agency, CASE MANAGEMENT AGENCY, or a family caregiver in the family
11 home.

12 (36) "Services and supports" OR "SUPPORTS AND SERVICES" means
13 one or more of the following: Education, training, independent or
14 supported living assistance, therapies, identification of natural supports,
15 and other activities provided:

16 **SECTION 2.** In Colorado Revised Statutes, 25.5-10-204, **amend**
17 (1) introductory portion, (1)(a), and (1)(b) as follows:

18 **25.5-10-204. Duties of the executive director - state board**
19 **rules.** (1) In order to implement the provisions of this ~~article~~ ARTICLE 10,
20 the executive director shall, subject to available appropriations, carry out
21 the following duties:

22 (a) Conduct monitoring and review activities that include
23 community-centered boards, ~~and~~ service agencies, AND CASE
24 MANAGEMENT AGENCIES;

25 (b) Provide or obtain training and technical assistance through
26 community-centered boards, ~~and~~ service agencies, AND CASE
27 MANAGEMENT AGENCIES in order to improve the quality of services and

1 supports provided to persons with intellectual and developmental
2 disabilities;

3 **SECTION 3.** In Colorado Revised Statutes, 25.5-10-206, **amend**
4 (1) introductory portion, (2), (3), (4)(a) introductory portion, (4)(b), and
5 (5) as follows:

6 **25.5-10-206. Authorized services and supports - conditions of**
7 **funding - purchase of services and supports - boards of county**
8 **commissioners - appropriation.** (1) Subject to annual appropriations by
9 the general assembly, the state department shall provide or purchase,
10 pursuant to subsection (4) of this section, authorized services and
11 supports from community-centered boards, CASE MANAGEMENT
12 AGENCIES, or service agencies for persons who have been determined to
13 be eligible for such services and supports pursuant to section 25.5-10-211
14 and as specified in the eligible person's individualized plan. Those
15 services and supports may include, but need not be limited to, the
16 following:

17 (2) Service agencies, COMMUNITY-CENTERED BOARDS, AND CASE
18 MANAGEMENT AGENCIES receiving funds pursuant to subsection (1) of
19 this section shall comply with all of the provisions of this ~~article~~ ARTICLE
20 10 and the rules promulgated thereunder.

21 (3) ~~Service and support coordination shall~~ CASE MANAGEMENT
22 SERVICES MUST be purchased from the community-centered board
23 designated pursuant to section 25.5-10-209 OR THE CASE MANAGEMENT
24 AGENCY except as otherwise provided in subsection (4) of this section.

25 (4) (a) The state department may purchase services and supports
26 ~~including service and support coordination,~~ directly from service agencies
27 AND CASE MANAGEMENT SERVICES FROM CASE MANAGEMENT AGENCIES

1 if:

2 (b) The state department shall only purchase services and supports
3 directly from those community-centered boards, CASE MANAGEMENT
4 AGENCIES, or service agencies that meet established standards.

5 (5) Governmental units, including but not limited to counties,
6 municipalities, school districts, health service districts, and state
7 institutions of higher education, are authorized at their own expense to
8 furnish money, materials, or services and supports to persons with
9 intellectual and developmental disabilities, or to purchase services and
10 supports for such persons through designated community-centered
11 boards, CASE MANAGEMENT AGENCIES, or service agencies, so long as no
12 conditions or requirements imposed as a result of the provision or
13 purchase through a community-centered board or service agency conflict
14 with the provisions of this ~~article~~ ARTICLE 10 or the rules promulgated
15 thereunder.

16 **SECTION 4.** In Colorado Revised Statutes, 25.5-10-207, **amend**
17 (3) introductory portion, (3)(c), and (3)(d); and **add** (3)(e), (8), and (9) as
18 follows:

19 **25.5-10-207. Services and supports - waiting list reduction -**
20 **cash fund - repeal.** (3) The general assembly may annually appropriate
21 ~~moneys~~ MONEY in the intellectual and developmental disabilities services
22 cash fund to the state department for:

23 (c) Increasing system capacity for home- and community-based
24 intellectual and developmental disabilities programs, services, and
25 supports; ~~and~~

26 (d) The development of an assessment tool pursuant to section
27 25.5-6-104 (5); AND

1 (e) SYSTEMS CHANGES RELATED TO ENSURING THAT THE SYSTEM
2 OF SERVICES AND SUPPORTS IS COMPLIANT WITH CONFLICT-FREE CASE
3 MANAGEMENT PROVISIONS PURSUANT TO SECTION 25.5-10-211.5.

4 (8) THE MONEY IN THE FUND SHALL BE PRIORITIZED FOR THE
5 PURPOSE SET FORTH IN SUBSECTION (3)(e) OF THIS SECTION.

6 (9) (a) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2022.

7 (b) PRIOR TO ITS REPEAL, ANY REMAINING MONEY IN THE
8 INTELLECTUAL AND DEVELOPMENTAL DISABILITIES SERVICES CASH FUND
9 SHALL BE TRANSFERRED TO THE GENERAL FUND.

10 **SECTION 5.** In Colorado Revised Statutes, 25.5-10-208, **amend**
11 (1), (2) introductory portion, (2)(b), (2)(c), and (4) as follows:

12 **25.5-10-208. Service agencies and case management agencies**
13 **- money - rules.** (1) A service agency ~~including a community-centered~~
14 ~~board when acting as a service agency,~~ AND A CASE MANAGEMENT
15 AGENCY shall comply with the requirements set forth in this ~~article~~
16 ARTICLE 10 and the rules promulgated thereunder.

17 (2) The state board shall promulgate rules to implement the
18 purchase of services and supports from a community-centered board,
19 service agency, CASE MANAGEMENT AGENCY, or family caregiver. The
20 rules ~~shall~~ MUST include, but need not be limited to:

21 (b) Procedures for obtaining an annual audit of designated
22 community-centered boards, CASE MANAGEMENT AGENCIES, and service
23 agencies ~~not affiliated with a designated community-centered board~~ to
24 provide financial information deemed necessary by the state department
25 to establish costs of services and supports and to ensure proper
26 management of ~~moneys~~ MONEY received pursuant to section 25.5-10-206;

27 (c) Delineation of a system to resolve contractual disputes

1 between the state department and designated community-centered boards,
2 ~~or~~ service agencies, OR CASE MANAGEMENT AGENCIES, and between
3 designated community-centered boards and service agencies, including
4 the contesting of any rates that the designated community-centered boards
5 charge to service agencies based upon a percentage of the rates that
6 service agencies charge for services and supports;

7 (4) Upon a determination by the executive director that services
8 or supports have not been provided in accordance with the program or
9 financial administration standards specified in this ~~article~~ ARTICLE 10 and
10 the rules promulgated thereunder, the executive director may reduce,
11 suspend, or withhold payment to a designated community-centered board,
12 CASE MANAGEMENT AGENCY, ~~or~~ service agency under contract with a
13 designated community-centered board, or service agency from which the
14 state department purchased services or supports directly. When the
15 executive director decides to reduce, suspend, or withhold payment, the
16 executive director shall specify the reasons therefor and the actions that
17 are necessary to bring the designated community-centered board, CASE
18 MANAGEMENT AGENCY, or service agency into compliance.

19 **SECTION 6.** In Colorado Revised Statutes, 25.5-10-209, **amend**
20 (2)(e) as follows:

21 **25.5-10-209. Community-centered boards - designation -**
22 **purchase of services and supports - performance audits - Colorado**
23 **local government audit law - public disclosure of board**
24 **administration and operations.** (2) Once a community-centered board
25 has been designated pursuant to this section, it shall, subject to available
26 appropriations:

27 (e) Provide case management services ~~including service and~~

1 ~~support coordination~~ and periodic reviews PURSUANT TO SECTION
2 25.5-10-211, for persons receiving services and families with children
3 with intellectual and developmental disabilities or delays;

4 **SECTION 7.** In Colorado Revised Statutes, **add** 25.5-10-209.5
5 as follows:

6 **25.5-10-209.5. Case management agencies - certification -**
7 **purchase of services and supports - rules.** (1) IN ORDER TO BE
8 CERTIFIED AS A CASE MANAGEMENT AGENCY, A PUBLIC OR PRIVATE
9 FOR-PROFIT OR NOT-FOR-PROFIT AGENCY SHALL APPLY FOR CERTIFICATION
10 TO THE STATE DEPARTMENT IN THE FORM AND MANNER SPECIFIED BY THE
11 EXECUTIVE DIRECTOR. THE STATE BOARD SHALL PROMULGATE RULES FOR
12 CERTIFICATION AND DECERTIFICATION OF CASE MANAGEMENT AGENCIES.

13 (2) ONCE CERTIFIED PURSUANT TO THIS SECTION, A CASE
14 MANAGEMENT AGENCY SHALL, SUBJECT TO AVAILABLE APPROPRIATIONS:

15 (a) DETERMINE THE NEEDS OF A PERSON ENROLLED IN HOME- AND
16 COMMUNITY-BASED SERVICES WHO SELECTS THE CASE MANAGEMENT
17 AGENCY; AND

18 (b) PROVIDE CASE MANAGEMENT SERVICES AND PERIODIC REVIEWS
19 PURSUANT TO SECTION 25.5-10-211.

20 (3) THE EXECUTIVE DIRECTOR OR HIS OR HER DESIGNEE SHALL
21 REVIEW EACH CASE MANAGEMENT AGENCY TO ENSURE THAT THE AGENCY
22 COMPLIES WITH THE REQUIREMENTS AND STANDARDS SET FORTH IN THIS
23 ARTICLE 10 AND THE RULES PROMULGATED PURSUANT TO THIS ARTICLE
24 10.

25 (4) THE STATE BOARD SHALL PROMULGATE RULES TO ENSURE
26 THAT:

27 (a) EACH ENROLLED PERSON WITH AN INTELLECTUAL AND

1 DEVELOPMENTAL DISABILITY HAS ACCESS TO CASE MANAGEMENT
2 SERVICES;

3 (b) A PERSON WHO IS ENROLLED IN HOME- AND
4 COMMUNITY-BASED SERVICES AND OTHER PROGRAMS, AS DEFINED IN
5 SECTION 25.5-10-202, IS NOT REQUIRED TO HAVE MULTIPLE CASE
6 MANAGERS; AND

7 (c) THERE IS AN ESTABLISHED PROCESS FOR A PERSON TO SELECT
8 THE CASE MANAGEMENT AGENCY OF HIS OR HER CHOICE.

9 (5) THE STATE BOARD SHALL BEGIN PROMULGATING RULES FOR
10 CASE MANAGEMENT AGENCIES UPON THE EFFECTIVE DATE OF THIS
11 SECTION.

12 **SECTION 8.** In Colorado Revised Statutes, 25.5-10-211, **amend**
13 (1), (2), and (3); and **add** (2.5) as follows:

14 **25.5-10-211. Eligibility determination - individualized plan -**
15 **periodic review - rules.** (1) (a) Any person may request an evaluation
16 to determine whether he or she has an intellectual and developmental
17 disability and is eligible to receive services and supports pursuant to this
18 ~~article~~ ARTICLE 10. The person must apply for eligibility determination to
19 the designated community-centered board in the designated service area
20 where the person resides.

21 (b) Pursuant to the contract with the state department, designated
22 community-centered boards shall determine whether a person is eligible
23 to receive services and supports pursuant to this ~~article and, if so,~~ ARTICLE
24 10. FOR PERSONS ELIGIBLE FOR SERVICES AND SUPPORTS OTHER THAN
25 HOME- AND COMMUNITY-BASED SERVICES, THE DESIGNATED
26 COMMUNITY-CENTERED BOARD shall develop an individualized plan for
27 him or her as part of his or her enrollment into a program. ~~The state board~~

1 ~~shall promulgate rules, pursuant to article 4 of title 24, C.R.S., setting~~
2 ~~forth the procedure and criteria for determination of eligibility and~~
3 ~~individualized plan development. The procedure and criteria shall be~~
4 ~~uniform in nature and applied throughout the state in a consistent manner.~~

5 (c) FOR A PERSON ELIGIBLE FOR AND AUTHORIZED TO RECEIVE
6 HOME- AND COMMUNITY-BASED SERVICES, DESIGNATED
7 COMMUNITY-CENTERED BOARDS SHALL REFER THE PERSON TO A
8 THIRD-PARTY ENTITY FOR SELECTION OF A CASE MANAGEMENT AGENCY.

9 (2) (a) Following intake and assessment, PURSUANT TO
10 SUBSECTION (2)(b) OF THIS SECTION, the designated community-centered
11 board OR THE CASE MANAGEMENT AGENCY CHOSEN BY THE PERSON shall
12 develop an individualized plan as provided by rules promulgated by the
13 state board. The designated community-centered board shall develop an
14 individualized family service plan for a child with disabilities from birth
15 through two years of age pursuant to section 27-10.5-703. ~~C.R.S.~~

16 (b) (I) THE CASE MANAGEMENT AGENCY SHALL DEVELOP AN
17 INDIVIDUALIZED PLAN FOR PERSONS ENROLLED IN HOME- AND
18 COMMUNITY-BASED SERVICES.

19 (II) THE DESIGNATED COMMUNITY-CENTERED BOARD SHALL
20 DEVELOP AN INDIVIDUALIZED PLAN FOR PERSONS ELIGIBLE FOR OTHER
21 PROGRAMS, AS DEFINED IN SECTION 25.5-10-202, AND FOR A CHILD WITH
22 DISABILITIES FROM BIRTH THROUGH TWO YEARS OF AGE PURSUANT TO
23 SECTION 27-10.5-703.

24 (2.5) THE STATE BOARD SHALL PROMULGATE RULES PURSUANT TO
25 ARTICLE 4 OF TITLE 24 SETTING FORTH THE PROCEDURE AND CRITERIA FOR
26 DETERMINATION OF ELIGIBILITY AND INDIVIDUALIZED PLAN
27 DEVELOPMENT. THE PROCEDURE AND CRITERIA MUST BE UNIFORM IN

1 NATURE AND APPLIED THROUGHOUT THE STATE IN A CONSISTENT MANNER.
2 THE PROCEDURE AND CRITERIA ESTABLISHED BY THE STATE BOARD MUST
3 CONFORM WITH THE PROVISIONS OF SECTION 25.5-10-211.5 RELATING TO
4 CONFLICT-FREE CASE MANAGEMENT.

5 (3) Subject to available appropriations pursuant to section
6 25.5-10-206 and to the capacity of an individual service agency, the
7 person with an intellectual and developmental disability must be provided
8 options for services and supports within the designated service area that
9 can appropriately meet the person's identified needs, as identified
10 pursuant to subsection (2) of this section, and may select the CASE
11 MANAGEMENT AGENCY AND service agency from which to receive
12 services or supports.

13 **SECTION 9.** In Colorado Revised Statutes, **add** 25.5-10-211.5
14 as follows:

15 **25.5-10-211.5. Conflict-free case management -**
16 **implementation - legislative declaration - definition.** (1) THE GENERAL
17 ASSEMBLY ACKNOWLEDGES THE RIGHTS OF INDIVIDUALS TO MAKE
18 CHOICES REGARDING THEIR CASE MANAGEMENT AGENCY AND SERVICE
19 AGENCY. THEREFORE, THE GENERAL ASSEMBLY BELIEVES THERE EXISTS
20 THE NEED TO ENSURE CONFLICT-FREE CASE MANAGEMENT SERVICES
21 WITHIN THE MEDICAID WAIVERS FOR PERSONS WITH INTELLECTUAL AND
22 DEVELOPMENTAL DISABILITIES.

23 (2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE
24 REQUIRES, "RURAL COMMUNITY-CENTERED BOARD" MEANS A
25 COMMUNITY-CENTERED BOARD COMPRISED PRIMARILY OF COUNTIES
26 DESIGNATED BY THE STATE OFFICE OF RURAL HEALTH AS A RURAL OR
27 FRONTIER COUNTY.

1 (3) A CONFLICT-FREE CASE MANAGEMENT SYSTEM SHALL BE
2 IMPLEMENTED IN COLORADO AS FOLLOWS:

3 (a) NO LATER THAN JULY 1, 2017, THE STATE DEPARTMENT SHALL
4 DETERMINE THE OPTIONS FOR COMMUNITY-CENTERED BOARDS TO BECOME
5 COMPLIANT WITH CONFLICT-FREE CASE MANAGEMENT;

6 (b) NO LATER THAN JANUARY 1, 2018, THE STATE DEPARTMENT
7 SHALL PUBLISH GUIDANCE ON THE COMPONENTS OF A BUSINESS
8 CONTINUITY PLAN;

9 (c) NO LATER THAN JULY 1, 2018, EACH COMMUNITY-CENTERED
10 BOARD SHALL SUBMIT A BUSINESS CONTINUITY PLAN TO THE STATE
11 DEPARTMENT BASED ON THE BEST OPTION FOR THE
12 COMMUNITY-CENTERED BOARD PURSUANT TO SUBSECTION (3)(a) OF THIS
13 SECTION;

14 (d) ONCE A COMMUNITY-CENTERED BOARD HAS SUBMITTED ITS
15 BUSINESS CONTINUITY PLAN, ON OR BEFORE JUNE 30, 2019, THE STATE
16 DEPARTMENT SHALL COMPLETE AN ANALYSIS OF THE ADEQUACY OF THE
17 CONTINUITY PLAN, UNREIMBURSED TRANSITION COSTS, AND COMMUNITY
18 IMPACTS OF THE TRANSITION TO CONFLICT-FREE CASE MANAGEMENT;

19 (e) NO LATER THAN JUNE 30, 2020, A COMMUNITY-CENTERED
20 BOARD SHALL COMPLETE ANY NECESSARY CHANGES TO ITS BUSINESS
21 OPERATION THAT ARE REQUIRED TO IMPLEMENT ITS BUSINESS CONTINUITY
22 PLAN;

23 (f) NO LATER THAN JUNE 30, 2021, AT LEAST TWENTY-FIVE
24 PERCENT OF CLIENTS RECEIVING HOME- AND COMMUNITY-BASED SERVICES
25 MUST BE SERVED THROUGH A SYSTEM OF CONFLICT-FREE CASE
26 MANAGEMENT; AND

27 (g) NO LATER THAN JUNE 30, 2022, ALL CLIENTS RECEIVING HOME-

1 AND COMMUNITY-BASED SERVICES MUST BE SERVED THROUGH A SYSTEM
2 OF CONFLICT-FREE CASE MANAGEMENT.

3 (4) **Rural-based services - exemption.** (a) THE STATE
4 DEPARTMENT IS AUTHORIZED TO SEEK A FEDERAL EXEMPTION FROM
5 CONFLICT-FREE CASE MANAGEMENT REQUIREMENTS FOR GEOGRAPHIC
6 AREAS WITHIN THE STATE WHERE THE ONLY WILLING AND QUALIFIED
7 ENTITY TO PROVIDE CASE MANAGEMENT SERVICES IS ALSO THE ONLY
8 WILLING AND QUALIFIED ENTITY TO PROVIDE HOME- AND
9 COMMUNITY-BASED SERVICES IN THAT GEOGRAPHIC AREA.

10 (b) A RURAL COMMUNITY-CENTERED BOARD MUST INITIALLY
11 NOTIFY THE STATE DEPARTMENT IN WRITING, NO LATER THAN JULY 1,
12 2017, TO REQUEST THAT THE STATE DEPARTMENT SEEK A FEDERAL
13 EXEMPTION FOR ITS DESIGNATED SERVICE AREA, AS DEFINED IN SECTION
14 25.5-10-202. UPON RECEIPT OF THE NOTICE, THE STATE DEPARTMENT
15 SHALL EVALUATE CASE MANAGEMENT SERVICE PROVIDER CAPACITY, AND,
16 IF THE STATE DEPARTMENT DETERMINES THAT IT IS SUPPORTED, THE STATE
17 DEPARTMENT SHALL SEEK A FEDERAL EXEMPTION FOR ITS DESIGNATED
18 SERVICE AREA WITHIN A REASONABLE PERIOD OF TIME.

19 (c) UPON NOTIFICATION OF FEDERAL APPROVAL OR DENIAL OF A
20 FEDERAL EXEMPTION FROM CONFLICT-FREE CASE MANAGEMENT
21 REQUIREMENTS, THE RURAL COMMUNITY-CENTERED BOARD SHALL SUBMIT
22 A BUSINESS CONTINUITY PLAN AND COMMENCE ANY NECESSARY CHANGES
23 TO ITS BUSINESS OPERATION PURSUANT TO SUBSECTION (3)(e) OF THIS
24 SECTION.

25 (d) THE STATE BOARD SHALL PROMULGATE RULES FOR THE
26 PROVISION OF SERVICES AND SUPPORTS, INCLUDING SERVICES AND
27 SUPPORTS COORDINATION, WHEN THERE ARE MULTIPLE AGENCIES

1 OPERATING IN A SPECIFIED GEOGRAPHIC AREA.

2 (e) IF THE STATE DEPARTMENT HAS NOT RECEIVED NOTIFICATION
3 BY JULY 1, 2019, REGARDING APPROVAL OR DENIAL FOR A FEDERAL
4 EXEMPTION FROM CONFLICT-FREE CASE MANAGEMENT REQUIREMENTS,
5 THE STATE BOARD SHALL PROMULGATE RULES FOR THE PROVISION OF
6 SERVICES AND SUPPORTS, INCLUDING SERVICES AND SUPPORTS
7 COORDINATION, FOR DESIGNATED SERVICE AREAS WHERE A FEDERAL
8 EXEMPTION FROM CONFLICT-FREE CASE MANAGEMENT IS PENDING.

9 **SECTION 10. Safety clause.** The general assembly hereby finds,
10 determines, and declares that this act is necessary for the immediate
11 preservation of the public peace, health, and safety.

JOINT BUDGET COMMITTEE BILL

SUMMARY OF 0859.04: CONCERNING REVISING HIGHER EDUCATION PERFORMANCE REQUIREMENTS

Bill Summary

The bill revises various higher education performance requirements. These changes include:

- Striking statutory provisions requiring performance funding (Section 23-1-108 (1.9), C.R.S.). These provisions were adopted prior to the current higher education funding model and as part of 2011 legislation (S.B. 11-052) authorizing the State Master Plan for Higher Education. The statute authorizes funding based on institutional performance on individually negotiated performance contracts. Funding has never been allocated based on this mechanism because the mechanism triggered when total governing board funding is restored to \$706.0 million. This funding level has not been reached since the legislation was enacted.
- Striking Section 23-5-129, C.R.S., related to higher education performance contracts and relocating, with revisions, some of the statutory provisions.

Current Law: Section 23-5-129 was initially added in 2004 and has been updated on various occasions, including as part of legislation authorizing the State Master Plan. This section currently:

- Requires the governing boards of the state institutions of higher to annually negotiate a performance contract with the Department of Higher Education and specifies various potential performance components.
- Allows compliance with performance contract goals to be in lieu of the requirements of Article 1 of Title 23. Also specifies various other statutory requirements that do and do not apply to an institution with a performance contract.
- Requires a private institution that accepts College Opportunity Fund stipends on behalf of an eligible undergraduate to negotiate a performance contract with the Department.
- Requires reporting to legislative education committees and the Joint Budget Committee on the financial impact of the performance contracts and reporting each January about each institution's progress toward the goals in the performance contracts.

Instead of these provisions, the bill includes related provisions in other statutory sections.

Instead of performance contracts for public institutions, the bill, in Section 23-1-108:

- Requires public institutions of higher education to annually affirm the institutions' contribution toward meeting the goals of the master plan.
- Requires master plan goals for each public institution to be outlined.
- Specifies that each public institution's contributions toward master plan goals shall be measured using data collected for state and federal reporting purposes and for populating the higher education funding.

Instead of provisions allowing the Commission to waive any statutory provision in Article 1 of Title 23, provides waivers and statutory changes for the specific statutory provisions currently waived in institutions' performance contracts. Specifically:

- Allows the Commission to waive certain statutory provisions related to student fees (23-1-105.5);
- Allows the Commission to waive certain statutory provisions related to capital construction master plan and cash-funded project approval (23-1-106); and

- Specifies that a governing board is not required to obtain approval from the Commission to create, modify or discontinue academic programs so long as the creation, modification, or discontinuance is consistent with the institution's role and mission. Also allows the Commission to waive provisions related its review of duplicate graduate programs (23-1-107).

Instead of previous reporting requirements:

- Requires reporting by December 1 of each year to the Joint Budget Committee and the education committees concerning the master plan goals and each institution's progress toward master plan goals. Also requires this information be posted to the Department's website. (Section 23-1-108)

Provisions related to stipends for students at private institutions:

- Continues to require a private institution that accepts College Opportunity Fund stipends on behalf of an eligible undergraduate to negotiate a performance contract with the Department. This requirement is moved. (23-1-108 and 23-18-201).

The bill makes various other conforming amendments and related adjustments, including, among other changes:

- Eliminating an obsolete provision related to funding for programs of excellence.
- Continuing an annual report on student fees and clarifying that this report should also address tuition.
- Modifying a large number of statutory provisions that refer to performance contracts.

The bill does **not** substantively change requirements relating to the performance contract for the Colorado School of Mines, which is located in its own statutory section.

The bill sections are organized as follows

- Sections 1, 2, and 3 eliminate requirements or authorize the Commission to waive statutory provisions that are currently waived due to institutional performance contracts. The statutory changes are designed to align with the language in the existing performance contracts and current practice. The changes relate to student fees, capital construction master plans and cash-funded capital projects, and Commission approval of academic programs.
- Section 4 modifies Section 23-1-108 concerning the Commission's responsibilities. This section adds most of the statutory provisions that are modified and relocated from Section 23-5-129 concerning performance contracts and performance reporting.
- Section 5 strikes the former performance funding statute.
- Section 11 strikes the former performance contracting statute.
- Sections 6-10 and 12-21 include conforming amendments and strike related obsolete provisions.
- Section 22 provides the effective date.

Fiscal Impact

This bill has no fiscal impact.

Background Information

Staff understands that, with the exception of President Foster of Colorado Mesa University, the institutions either support this bill draft or are neutral. (Staff assumes institutions are neutral if they have chosen not to comment. Only Fort Lewis, Adams, and Western State did not comment.)

Staff's understanding is that President Foster believes the following provisions are unnecessary:

- Require public institutions of higher education to annually affirm the institutions' contribution toward meeting the goals of the master plan;
- Require master plan goals for each public institution to be outlined; and
- Specify that each public institution's contributions toward master plan goals shall be measured.

First Regular Session
Seventy-first General Assembly
STATE OF COLORADO

DRAFT
4.10.17

DRAFT

LLS NO. 17-0859.04 Brita Darling x2241

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: "Revising Higher Education Performance Requirements"

A BILL FOR AN ACT

101 CONCERNING REVISING HIGHER EDUCATION PERFORMANCE
102 REQUIREMENTS.

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 repeals a performance-based funding plan for institutions of higher education (institutions) that was included in the master plan for Colorado postsecondary education. The performance-based funding plan was not implemented.

The bill repeals the statutory provision requiring performance contracts between the department of higher education (department) and

*Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

each institution, except the Colorado school of mines. Instead, the department and the institutions shall affirm annually the institution's contribution toward meeting master plan goals. The department shall report annually to legislative committees concerning the institutions' progress towards those goals. The department shall post the information on its website. The bill makes conforming amendments relating to the repeal.

The bill repeals a provision that allowed the Colorado commission on higher education (commission) to waive any provision of article 1 of title 23, Colorado Revised Statutes, for a governing board with a performance contract and replace this with provisions that modify sections related to student fees, capital construction, and commission approval of academic programs. These provisions are currently waived or modified for all the state higher education governing boards as part of their performance contracts.

The bill removes the requirement that an institution submit a proposal to obtain approval from the commission to create, modify, or discontinue an academic or vocational program so long as programs offered are consistent with the institution's statutory role and mission. Current law includes the same provision, but this provision only applies to an institution with a performance contract. The bill allows the commission to waive other provisions relating to graduate program duplication.

The bill amends provisions relating to commission master plan approval and approval of capital construction projects. Under certain circumstances, and with the commission's approval, an institution is not required to seek facility master plan approval or approval of capital construction projects. The bill amends provisions related to student fees to enable the commission to waive fee policies. It requires a report on student fees to continue indefinitely and requires the report to also address student tuition.

The bill repeals an obsolete program recognizing performance by designating institutions' programs of excellence.

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

2 **SECTION 1.** In Colorado Revised Statutes, **amend** 23-1-105.5
3 as follows:

4 **23-1-105.5. Duties and powers of the commission with respect**
5 **to student fees - report on tuition and fees.** (1) (a) The commission
6 shall adopt policies concerning the collection and use of student fees by

1 the governing boards of the state institutions of higher education, as
2 defined in section 23-5-119.5. The policies may address, but need not be
3 limited to, the purposes for student fees, categories of student fees, the
4 distinctions between tuition revenue and student fee revenue, accounting
5 for student fee revenue, student fee fund balances, the minimum level of
6 student involvement in the processes for establishing, reviewing,
7 changing the amount of, and discontinuing student fees, and student fees
8 that apply to a student concurrently enrolled pursuant to article 35 of title
9 22. ~~C.R.S.~~ In preparing the policies, the commission shall seek input from
10 the governing boards, the state institutions of higher education, and the
11 student representative to the advisory committee created pursuant to
12 section 23-1-103 and representatives of the student governments at the
13 state institutions of higher education.

14 (b) THE COMMISSION MAY WAIVE THE REQUIREMENTS OF THE
15 POLICIES ADOPTED PURSUANT TO THIS SUBSECTION (1).

16 (2) (a) On or before January 15, ~~2012~~ 2018, and on or before
17 January 15 each year thereafter, the department shall report to THE JOINT
18 BUDGET COMMITTEE AND the education committees of the house of
19 representatives and the senate, or any successor committees, concerning
20 the governing boards' fee policies, ~~and~~ the collection and use of student
21 fees, AND TUITION RATES.

22 (b) NOTWITHSTANDING THE PROVISIONS OF SECTION 24-1-136
23 (11)(a)(I) TO THE CONTRARY, THE REPORT REQUIRED PURSUANT TO
24 SUBSECTION (2)(a) OF THIS SECTION CONTINUES INDEFINITELY.

25 **SECTION 2.** In Colorado Revised Statutes, 23-1-106, **amend**
26 (7)(b); and **add** (14) and (15) as follows:

27 **23-1-106. Duties and powers of the commission with respect**

1 **to capital construction and long-range planning - legislative**
2 **declaration - definitions.** (7) (b) Except as provided in subsection
3 SUBSECTIONS (5) AND (15) of this section, it is the policy of the general
4 assembly to appropriate funds only for capital construction or capital
5 renewal projects approved by the commission.

6 (14) WITH THE COMMISSION'S APPROVAL, BEGINNING JULY 1, 2017,
7 A STATE INSTITUTION OF HIGHER EDUCATION IS NOT SUBJECT TO FACILITY
8 MASTER PLAN APPROVAL DESCRIBED IN SUBSECTIONS (3) AND (4) OF THIS
9 SECTION, SO LONG AS THE GOVERNING BOARD OF THE INSTITUTION
10 APPROVES EACH PLAN, NOTIFIES THE COMMISSION OF ITS APPROVAL, AND
11 MAKES THE PLAN AVAILABLE TO THE COMMISSION. SUCH INSTITUTION IS
12 ALSO EXEMPT FROM THE PROVISIONS OF SUBSECTION (5) OF THIS SECTION
13 FOR A PROJECT THE COST OF WHICH DOES NOT EXCEED TWO MILLION
14 DOLLARS.

15 (15) WITH THE COMMISSION'S APPROVAL, BEGINNING JULY 1, 2017,
16 AND NOTWITHSTANDING THE PROVISIONS OF SUBSECTION (7)(b) OF THIS
17 SECTION, A STATE INSTITUTION OF HIGHER EDUCATION IS NOT REQUIRED
18 TO SUBMIT PROJECTS FOR FACILITIES TO THE COMMISSION FOR APPROVAL
19 PURSUANT TO SUBSECTION (6)(b) OF THIS SECTION SO LONG AS THE
20 INSTITUTION ANNUALLY SUBMITS A REPORT TO THE CAPITAL
21 DEVELOPMENT COMMITTEE THAT IS SUBSTANTIALLY SIMILAR IN CONTENT
22 TO THE REPORT CONCERNING CAPITAL CONSTRUCTION PROJECTS
23 DESCRIBED IN SUBSECTION (6)(b) OF THIS SECTION.

24 **SECTION 3.** In Colorado Revised Statutes, 23-1-107, **amend** (1);
25 and **add** (3.5) as follows:

26 **23-1-107. Duties and powers of the commission with respect**
27 **to program approval, review, reduction, and discontinuance.**

1 ~~(1) (a) The commission shall define what constitutes an academic or~~
2 ~~career and technical education program and shall establish criteria or~~
3 ~~guidelines that define programs and procedures for approval of new~~
4 ~~programs~~ A GOVERNING BOARD OF A STATE-SUPPORTED INSTITUTION OF
5 HIGHER EDUCATION IS NOT REQUIRED TO SUBMIT A PROPOSAL TO OR
6 OBTAIN APPROVAL FROM THE COMMISSION TO CREATE, MODIFY, OR
7 DISCONTINUE ACADEMIC OR VOCATIONAL PROGRAMS OFFERED BY THE
8 INSTITUTION, SO LONG AS THE CREATION, MODIFICATION, OR
9 DISCONTINUANCE OF THE ACADEMIC OR VOCATIONAL PROGRAM IS
10 CONSISTENT WITH THE INSTITUTION'S STATUTORY ROLE AND MISSION.

11 ~~(b) An institution of higher education shall submit a proposal for~~
12 ~~a new program to the department. Within a reasonable time after receipt~~
13 ~~of a proposal for a new program, the department shall review and,~~
14 ~~consistent with the institutional role and mission and the statewide goals~~
15 ~~specified in section 23-1-108 and further articulated in the master plan~~
16 ~~adopted pursuant to section 23-1-108, make recommendations to the~~
17 ~~commission for appropriate action on a proposal for a new program.~~

18 ~~(c) An institution of higher education shall not establish a new~~
19 ~~program without first notifying and receiving approval from the~~
20 ~~commission.~~

21 ~~(d) The provisions of this subsection (1) shall not apply to an~~
22 ~~institution of higher education for which there is a performance contract~~
23 ~~in effect with the commission as an exemplary institution of higher~~
24 ~~education pursuant to section 23-41-104.6 or an institution of higher~~
25 ~~education for which there is a performance contract in effect with the~~
26 ~~department pursuant to section 23-5-129.~~

27 (3.5) THE COMMISSION MAY WAIVE THE PROVISIONS OF

1 SUBSECTIONS (2) AND (3) OF THIS SECTION.

2 **SECTION 4.** In Colorado Revised Statutes, 23-1-108, **amend**
3 (1.5)(f), (1.7), and (3); and **add** (14) as follows:

4 **23-1-108. Duties and powers of the commission with regard to**
5 **systemwide planning - reporting.** (1.5) (f) (I) (A) The commission, IN
6 COLLABORATION WITH THE PUBLIC INSTITUTIONS OF HIGHER EDUCATION,
7 shall ensure that the master plan is implemented through ~~the performance~~
8 ~~contracts authorized pursuant to sections 23-5-129 and 23-41-104.6, by~~
9 ~~negotiating with the governing boards individualized goals and~~
10 ~~expectations for the public institutions of higher education, which goals~~
11 ~~and expectations support achievement of the statewide goals identified in~~
12 ~~paragraph (c) of this subsection (1.5) and in the master plan. The~~
13 ~~commission and the governing boards shall ensure that the institutions'~~
14 ~~renegotiated performance contracts are finalized no later than December~~
15 ~~1, 2012~~ THE PUBLIC INSTITUTIONS OF HIGHER EDUCATION, INCLUDING
16 THROUGH FUNDING ALLOCATED PURSUANT TO PART 3 OF ARTICLE 18 OF
17 THIS TITLE 23 AND SECTION 23-41-104.6. THE DEPARTMENT SHALL SUBMIT
18 A BUDGET REQUEST PURSUANT TO SECTION 23-18-307 THAT SUPPORTS
19 MASTER PLAN GOALS.

20 (B) THE DEPARTMENT AND PUBLIC INSTITUTIONS OF HIGHER
21 EDUCATION SHALL ANNUALLY AFFIRM THE INSTITUTIONS' CONTRIBUTION
22 TOWARD MEETING THE GOALS OF THE COMMISSION'S MASTER PLAN
23 CREATED PURSUANT TO THIS SECTION. AN INSTITUTION'S CONTRIBUTIONS
24 TOWARD MEETING THE GOALS OF THE MASTER PLAN MUST BE OUTLINED IN
25 ACCORDANCE WITH THE INSTITUTION'S ROLE AND MISSION AND SHALL
26 INCLUDE, AT A MINIMUM, INCREASING CREDENTIAL COMPLETION,
27 INCREASING ANNUAL COMPLETIONS BY MINORITY AND LOW-INCOME

1 STUDENTS, AND IMPROVING PERSISTENCE AND RETENTION RATES. THE
2 DEPARTMENT SHALL MEASURE AN INSTITUTION'S CONTRIBUTIONS USING
3 DATA COLLECTED FOR STATE AND FEDERAL REPORTING PURPOSES AND FOR
4 POPULATING THE HIGHER EDUCATION FUNDING MODEL.

5 ~~(II) In fulfilling the requirements of paragraph (c) of subsection~~
6 ~~(1) of this section, the commission shall refer to each institution's role and~~
7 ~~mission and service area, as necessary, to interpret jointly with the~~
8 ~~institution's governing board the implications of the role and mission and~~
9 ~~service area on the academic, financial, and student services elements of~~
10 ~~each institution's performance contract~~ BEGINNING DECEMBER 1, 2017,
11 AND NO LATER THAN DECEMBER 1 OF EACH YEAR THEREAFTER, THE
12 DEPARTMENT SHALL REPORT TO THE JOINT BUDGET COMMITTEE AND TO
13 THE EDUCATION COMMITTEES OF THE HOUSE OF REPRESENTATIVES AND OF
14 THE SENATE, OR THEIR SUCCESSOR COMMITTEES, CONCERNING THE
15 MASTER PLAN GOALS AND EACH INSTITUTION'S PROGRESS TOWARD
16 MEETING THOSE GOALS. THE DEPARTMENT SHALL POST THE INFORMATION
17 CONTAINED IN THE REPORT ON THE DEPARTMENT'S WEBSITE.
18 NOTWITHSTANDING THE PROVISIONS OF SECTION 24-1-136 (11)(a)(I) TO
19 THE CONTRARY, THE DEPARTMENT'S REPORT CONTINUES INDEFINITELY.

20 (1.7) The commission, working with the department, the
21 governing boards, and the institutions of higher education, shall collect
22 data, including but not limited to research conducted by national policy
23 organizations and agencies or institutions of higher education in other
24 states, as necessary to support development and implementation of the
25 master plan pursuant to subsection (1.5) of this section. ~~and to use in~~
26 ~~negotiating the performance contracts pursuant to sections 23-5-129 and~~
27 ~~23-41-104.6. The commission shall take into consideration the costs to~~

1 ~~the governing boards of collecting and reporting any data the commission~~
2 ~~may request from the governing boards or the institutions of higher~~
3 ~~education pursuant to this subsection (1.7).~~

4 (3) The commission, ~~shall develop~~, after consultation with the
5 governing boards of institutions, MAY SUPPORT THE DEVELOPMENT OF
6 cooperative programs among state-supported institutions of higher
7 education.

8 (14) PURSUANT TO SECTION 23-18-201 (2), THE COMMISSION
9 SHALL NEGOTIATE PERFORMANCE CONTRACTS WITH PRIVATE
10 INSTITUTIONS OF HIGHER EDUCATION THAT PARTICIPATE IN THE COLLEGE
11 OPPORTUNITY FUND PROGRAM.

12 **SECTION 5.** In Colorado Revised Statutes, **repeal** 23-1-108
13 (1.9).

14 **SECTION 6.** In Colorado Revised Statutes, 23-1-109.7, **amend**
15 (2) as follows:

16 **23-1-109.7. Duties and powers of the commission with regard**
17 **to the provision of educational services.** (2) Beginning July 1, 2005, the
18 commission is responsible for ensuring the provision of postsecondary
19 educational services pursuant to part 3 of article 18 of this ~~title~~ TITLE 23.
20 The department of higher education on behalf of the commission shall
21 annually enter into fee-for-service contracts with one or more governing
22 boards of institutions of higher education pursuant to section 23-18-303
23 to provide the higher education services specified in section 23-18-301.
24 ~~The department of higher education may contract with a governing board~~
25 ~~of an institution of higher education only to the extent that the contract~~
26 ~~remains consistent with any contract entered into pursuant to section~~
27 ~~23-5-129 with the governing board.~~

1 **SECTION 7.** In Colorado Revised Statutes, 23-1-113.2, **amend**
2 (3) as follows:

3 **23-1-113.2. Department directive - admission standards for**
4 **students holding international baccalaureate diplomas.** (3) The
5 provisions of this section shall not apply to ~~any institution of higher~~
6 ~~education that has entered into a performance contract with the~~
7 ~~commission as an exemplary institution of higher education~~ THE
8 COLORADO SCHOOL OF MINES WHILE THE INSTITUTION IS OPERATING
9 UNDER A PERFORMANCE CONTRACT NEGOTIATED PURSUANT TO SECTION
10 23-41-104.6.

11 **SECTION 8.** In Colorado Revised Statutes, **repeal** 23-1-118.

12 **SECTION 9.** In Colorado Revised Statutes, 23-1-104, **amend**
13 (3)(a) as follows:

14 **23-1-104. Financing the system of postsecondary education -**
15 **report.** (3) (a) Notwithstanding the provisions of section 24-75-102,
16 ~~C.R.S.~~, the governing boards are authorized to retain all ~~moneys~~ MONEY
17 appropriated pursuant to this section ~~and section 23-1-118~~, or otherwise
18 generated from fiscal year to fiscal year.

19 **SECTION 10.** In Colorado Revised Statutes, 23-2-103.8, **amend**
20 (1)(a) as follows:

21 **23-2-103.8. Financial integrity - surety.** (1) A private college
22 or university is exempt from the provisions of this section if:

23 (a) The private college or university is a party to a performance
24 contract with the commission ~~under section 23-5-129~~ PURSUANT TO
25 SECTION 23-18-201 (2); or

26 **SECTION 11.** In Colorado Revised Statutes, **repeal** 23-5-129.

27 **SECTION 12.** In Colorado Revised Statutes, 23-18-102, **amend**

1 the introductory portion and (8) as follows:

2 **23-18-102. Definitions.** As used in parts 1 and 2 of this article
3 ARTICLE 18, unless the context otherwise requires:

4 (8) "Participating private institution of higher education" means
5 a private institution of higher education that enters into a performance
6 contract with the department pursuant to ~~section 23-5-129~~ SECTION
7 23-18-201 (2) and agrees to participate in the program.

8 **SECTION 13.** In Colorado Revised Statutes, 23-18-201, **amend**
9 (2) as follows:

10 **23-18-201. College opportunity fund program - creation -**
11 **eligibility - guidelines.** (2) A student of a private institution of higher
12 education shall be a beneficiary of the college opportunity fund and
13 eligible to participate in the college opportunity fund program only if the
14 private institution of higher education that the student attends has agreed
15 to participate in the program by establishing a performance contract with
16 the department. ~~pursuant to section 23-5-129.~~ THE PERFORMANCE
17 CONTRACT SHALL SPECIFY THE PERFORMANCE GOALS THE INSTITUTION
18 SHALL ACHIEVE DURING THE PERIOD THAT IT OPERATES UNDER THE
19 PERFORMANCE CONTRACT. The department shall include each
20 participating private institution of higher education and its students who
21 participate in the college opportunity fund program in the student unit
22 reporting data system, in order to enable the students of the participating
23 private institution of higher education to participate in the program. The
24 participating private institution of higher education shall reimburse the
25 department for the actual expenses associated with including the
26 institution in the student unit reporting data system.

27 **SECTION 14.** In Colorado Revised Statutes, 23-18-202, **amend**

1 (2)(e) and (5)(d)(I)(F) as follows:

2 **23-18-202. College opportunity fund - appropriations -**
3 **payment of stipends - reimbursement.** (2) (e) An eligible
4 undergraduate student who attends a participating private institution of
5 higher education may receive financial assistance under this part 2 in the
6 amount of fifty percent of the stipend amount. ~~except that the amount of~~
7 ~~the stipend under this paragraph (e) may increase in proportion to the~~
8 ~~percent of unfunded enrollment growth that is appropriated to the~~
9 ~~governing boards pursuant to section 23-5-129 (8).~~

10 (5) (d) (I) An eligible undergraduate student and an institution of
11 higher education shall not receive the payment of a stipend on behalf of
12 an eligible undergraduate student for:

13 (F) Off-campus, extended campus, or continuing education classes
14 that are not supported by state general fund ~~moneys~~ MONEY, except as
15 approved by the commission, and, on or after July 1, 2007, except for
16 classes or programs offered by an institution of higher education that ~~has~~
17 ~~entered into a performance contract with the department pursuant to~~
18 ~~section 23-5-129, and that~~ an eligible undergraduate student who is a
19 member of the armed forces or a dependent of a member of the armed
20 forces attends for credit on a military base; or

21 **SECTION 15.** In Colorado Revised Statutes, 23-18-304, **amend**
22 (2)(b) and (3)(b) as follows:

23 **23-18-304. Funding for specialty education programs - area**
24 **technical colleges - local district junior colleges.** (2) (b) ~~After~~
25 ~~considering the status of the performance contracts with the area technical~~
26 ~~colleges pursuant to section 23-5-129,~~ The commission may recommend
27 as part of its budget request that direct grants to area technical colleges

1 increase by a percentage that is greater than the percentage change in the
2 total state appropriation for the preceding state fiscal year or decrease by
3 a percentage that is less than the percentage change in the total state
4 appropriation for the applicable fiscal year from the total state
5 appropriation for the preceding state fiscal year.

6 (3) (b) ~~After considering the status of the performance contracts~~
7 ~~with Colorado mountain college and with Aims community college~~
8 ~~pursuant to section 23-5-129,~~ The commission may recommend as part
9 of its budget request FOR COLORADO MOUNTAIN COLLEGE AND AIMS
10 COMMUNITY COLLEGE that the direct grant to either or both institutions
11 increase by a percentage that is greater than the percentage change in the
12 total state appropriation for the preceding state fiscal year or decrease by
13 a percentage that is less than the percentage change in the total state
14 appropriation for the applicable fiscal year from the total state
15 appropriation for the preceding state fiscal year.

16 **SECTION 16.** In Colorado Revised Statutes, **repeal** 23-18-305
17 (4).

18 **SECTION 17.** In Colorado Revised Statutes, 23-41-104.6,
19 **amend** (3) introductory portion as follows:

20 **23-41-104.6. Performance contract - authorization -**
21 **operations.** (3) The board of trustees of the Colorado school of mines
22 shall negotiate AND SIGN a performance contract with the department of
23 higher education, subject to approval by the Colorado commission on
24 higher education, that ~~shall specify~~ SPECIFIES the performance goals that
25 the institution shall achieve during the period that it operates under the
26 performance contract. The specified goals ~~shall~~ MUST be measurable and
27 specific to the Colorado school of mines' role and mission and ~~shall~~

1 include at a minimum, the goals negotiated for the institution pursuant to
2 sections ~~23-1-108 (1.5)(f) and 23-5-129~~ PROVISIONS RELATING TO MASTER
3 PLAN GOALS and MAY ALSO INCLUDE, BUT NEED NOT BE LIMITED TO, the
4 following issues:

5 **SECTION 18.** In Colorado Revised Statutes, 23-60-211, **amend**
6 (4) as follows:

7 **23-60-211. Degrees.** (4) ~~Notwithstanding the provisions of~~
8 ~~section 23-5-129 (6) (b),~~ Subject to the approval of the Colorado
9 commission on higher education pursuant to section 23-1-133, the board
10 may establish at community colleges within the state system technical,
11 career, and workforce development bachelor of applied science degree
12 programs. Nothing in this section shall be construed to allow for the
13 approval of bachelor of arts or bachelor of science degree programs.

14 **SECTION 19.** In Colorado Revised Statutes, 2-7-204, **amend**
15 (3)(a)(II)(A) as follows:

16 **2-7-204. Performance management systems.**

17 (3) (a) (II) (A) The department of higher education will satisfy the
18 requirements in this subsection (3) through the master plan for
19 postsecondary education that the Colorado commission on higher
20 education maintains as described in section 23-1-108 (1.5). ~~C.R.S., and~~
21 ~~any performance contracts that the Colorado commission on higher~~
22 ~~education negotiates and enters into with the governing boards of the state~~
23 ~~institutions of higher education as specified in section 23-5-129, C.R.S.~~
24 The department of higher education shall ensure that copies of the master
25 plan ~~and performance contracts be~~ ARE submitted to the joint budget
26 committee and the appropriate joint committee of reference as determined
27 pursuant to section 2-7-203, and shall post the master plan and ANY

1 performance contracts AND REPORTS to its official website and the official
2 website of the office of state planning and budgeting.

3 **SECTION 20.** In Colorado Revised Statutes, 2-7-205, **amend**
4 (1)(a)(II) as follows:

5 **2-7-205. Annual performance report.** (1) (a) (II) The office of
6 state planning and budgeting shall prepare the section of the annual
7 performance report for the department of higher education by reviewing
8 the institutions of higher education's progress towards the goals set forth
9 in the ~~institution of higher education's performance contract described in~~
10 ~~section 23-5-129, C.R.S., and the outcomes of the recommended~~
11 ~~performance funding plan required in section 23-1-108 (1.9)(b), C.R.S.~~
12 MASTER PLAN FOR COLORADO POSTSECONDARY EDUCATION, AS
13 DESCRIBED IN SECTION 23-1-108 (1.5) AND TAKING INTO ACCOUNT THE
14 DATA AND METRICS DESCRIBED IN SECTIONS 23-18-201 (2) AND PART 3 OF
15 ARTICLE 18 OF TITLE 23.

16 **SECTION 21.** In Colorado Revised Statutes, 24-1-114, **amend**
17 (5)(b) as follows:

18 **24-1-114. Department of higher education - creation.**
19 (5) (b) With respect to the Colorado commission on higher education and
20 the universities, colleges, and boards specified in subsection (4) of this
21 section, the executive director ~~shall have~~ HAS only those powers, duties,
22 and functions prescribed in article 1 of title 23; ~~C.R.S.;~~ except that the
23 executive director of the Colorado commission on higher education is
24 authorized to negotiate, implement, and monitor contracts, as described
25 in ~~sections 23-5-129 and~~ SECTIONS 23-18-201 (2), 23-18-303, 23-18-304,
26 AND 23-41-104.6, ~~C.R.S.;~~ with universities, colleges, and boards, in
27 consultation with the Colorado commission on higher education.

1 **SECTION 22. Act subject to petition - effective date.** This act
2 takes effect at 12:01 a.m. on the day following the expiration of the
3 ninety-day period after final adjournment of the general assembly (August
4 9, 2017, if adjournment sine die is on May 10, 2017); except that, if a
5 referendum petition is filed pursuant to section 1 (3) of article V of the
6 state constitution against this act or an item, section, or part of this act
7 within such period, then the act, item, section, or part will not take effect
8 unless approved by the people at the general election to be held in
9 November 2018 and, in such case, will take effect on the date of the
10 official declaration of the vote thereon by the governor.

First Regular Session
Seventy-first General Assembly
STATE OF COLORADO

DRAFT
4.10.17

DRAFT

LLS NO. 17-1027.01 Jane Ritter x4342

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: "CO Works Employment Opportunities With Wages"

A BILL FOR AN ACT

101 **CONCERNING THE CREATION OF THE EMPLOYMENT OPPORTUNITIES**
102 **WITH WAGES PROGRAM FOR QUALIFYING COLORADO WORKS**
103 **BASIC CASH ASSISTANCE RECIPIENTS, AND, IN CONNECTION**
104 **THEREWITH, MAKING AN APPROPRIATION.**

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/>.)

Joint Budget Committee. The bill directs the department of human services (department) to work with counties and the Colorado work force development council to develop program and reporting

*Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

requirements for an employment opportunities with wages program (employment program). The department shall seek input from community-based organizations and businesses when creating the employment program.

The department is authorized and directed to contract with an independent entity to evaluate the employment program to annually assess its efficacy and effectiveness in meeting the objectives of the Colorado works program. A final evaluation report must be completed on or before October 1, 2020.

The department is required to submit 3 annual reports to the joint budget committee and joint health and human services committee, beginning October 15, 2018.

The employment program is repealed, effective September 1, 2021.

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

2 **SECTION 1.** In Colorado Revised Statutes, 26-2-706.6, **add** (9)
3 as follows:

4 **26-2-706.6. Payments and services under Colorado works -**
5 **rules - repeal. (9) Colorado works subsidized employment.** (a) ON OR
6 BEFORE OCTOBER 1, 2017, THE STATE DEPARTMENT SHALL, IN
7 COORDINATION WITH COUNTIES AND THE COLORADO WORK FORCE
8 DEVELOPMENT COUNCIL AND IN COMPLIANCE WITH THE PROVISIONS OF
9 THIS SUBSECTION (9), DEVELOP PROGRAM AND REPORTING REQUIREMENTS,
10 INCLUDING GOALS, PARAMETERS, ALLOWABLE USES OF FUNDING, AND AN
11 APPLICATION PROCESS FOR AN EMPLOYMENT OPPORTUNITIES WITH WAGES
12 PROGRAM, REFERRED TO IN THIS SUBSECTION (9) AS THE "EMPLOYMENT
13 PROGRAM". THE STATE DEPARTMENT SHALL SOLICIT INPUT FROM
14 COMMUNITY-BASED ORGANIZATIONS AND BUSINESSES WHEN CREATING
15 THE EMPLOYMENT PROGRAM.

16 (b) THE EMPLOYMENT PROGRAM IS INTENDED TO ASSIST
17 PARTICIPANTS IN ATTAINING LIVING-WAGE, PERMANENT JOBS BY FUNDING

1 EVIDENCE-BASED SUBSIDIZED WAGES OPPORTUNITIES, INCLUDING
2 SUBSIDIZED EMPLOYMENT, APPRENTICESHIPS, ON-THE-JOB TRAINING, AND
3 TRANSITIONAL JOBS, AS IDENTIFIED IN THE PROGRAM DEVELOPMENT
4 PHASE. AN ENTITY, INCLUDING A COUNTY DEPARTMENT OF HUMAN OR
5 SOCIAL SERVICES, A WORKFORCE CENTER, OR A COMMUNITY-BASED
6 ORGANIZATION, MAY APPLY FOR FUNDING FROM THE EMPLOYMENT
7 PROGRAM. WHEN APPLYING FOR FUNDING FROM THE EMPLOYMENT
8 PROGRAM, AN ENTITY OTHER THAN A COUNTY DEPARTMENT OF HUMAN OR
9 SOCIAL SERVICES OR A WORKFORCE CENTER MUST DEMONSTRATE IN ITS
10 PROPOSAL COLLABORATION WITH COUNTY DEPARTMENTS OF HUMAN OR
11 SOCIAL SERVICES OR WORKFORCE CENTERS, AS WELL AS PROVIDE A LETTER
12 OF SUPPORT FROM THE COUNTY OR COUNTIES IN WHICH THE ENTITY
13 INTENDS TO IMPLEMENT THE EMPLOYMENT PROGRAM. ANY
14 ORGANIZATION IN COLORADO MAY APPLY FOR FUNDS FROM THE
15 EMPLOYMENT PROGRAM IF IT MEETS THE PROGRAM PARAMETERS
16 DEVELOPED PURSUANT TO SUBSECTION (9)(a) OF THIS SECTION. THE GOAL
17 OF THE EMPLOYMENT PROGRAM IS TO SUPPORT ALL REGIONS OF THE
18 STATE.

19 (c) PARTICIPANTS MAY BEGIN ENROLLING IN THE EMPLOYMENT
20 PROGRAM AS SOON AS IT IS DEVELOPED, BUT NO LATER THAN JANUARY 1,
21 2018. THE EMPLOYMENT PROGRAM CEASES OPERATING ON JUNE 30, 2020.

22 (d) WAGES EARNED BY PARTICIPANTS IN THE EMPLOYMENT
23 PROGRAM DO NOT COUNT AS INCOME FOR THE PURPOSES OF COLORADO
24 WORKS PROGRAM ELIGIBILITY AND GRANT DETERMINATION, AS DEFINED
25 IN THIS SECTION.

26 (e) THE EXECUTIVE DIRECTOR MAY ANNUALLY USE UP TO THE
27 EQUIVALENT OF TWO AND ONE-HALF PERCENT OF THE MONEY ANNUALLY

1 APPROPRIATED TO THE EMPLOYMENT PROGRAM TO CONTRACT WITH A
2 QUALIFIED, INDEPENDENT ENTITY TO EVALUATE THE EMPLOYMENT
3 PROGRAM. THE EVALUATION MUST INCLUDE AN ANALYSIS OF THE SUCCESS
4 OF PARTICIPANTS IN GAINING PERMANENT EMPLOYMENT AND ACHIEVING
5 NEW SKILLS AND CREDENTIALS. THE INDEPENDENT ENTITY SHALL ALSO
6 EVALUATE THE SUCCESS OF THE EMPLOYMENT PROGRAM IN FILLING JOBS
7 IN INDUSTRIES WITH HIGH WORKER SHORTAGES AND INCREASING THE
8 NUMBER OF COLORADO WORKS PARTICIPANTS FINDING NEW EMPLOYMENT
9 IN LIVING-WAGE JOBS. THE INDEPENDENT EVALUATION MUST BE
10 DEVELOPED TOGETHER WITH THE EMPLOYMENT PROGRAM DESIGN AND
11 ANNUALLY ASSESS THE EFFICACY AND EFFECTIVENESS OF THE
12 EMPLOYMENT PROGRAM IN MEETING THE OBJECTIVES OF THE COLORADO
13 WORKS PROGRAM, THE SHORT- AND LONG-TERM OUTCOMES ACHIEVED,
14 AND THE EFFECTIVENESS OF REGIONAL AND LOCAL EFFORTS. THE FINAL
15 EVALUATION REPORT MUST BE COMPLETED ON OR BEFORE OCTOBER 1,
16 2020.

17 (f) (I) ON OR BEFORE OCTOBER 15, 2018, AND ON OR BEFORE
18 OCTOBER 15, 2019, THE EXECUTIVE DIRECTOR SHALL SUBMIT AN ANNUAL
19 REPORT TO THE JOINT BUDGET COMMITTEE AND TO THE JOINT HEALTH AND
20 HUMAN SERVICES COMMITTEE, OR ANY SUCCESSOR COMMITTEES. THE
21 ANNUAL REPORT MUST INCLUDE DETAILS CONCERNING IMPLEMENTATION
22 OF THE EMPLOYMENT PROGRAM AND OUTCOMES ACHIEVED THROUGH THE
23 INVESTMENT OF EMPLOYMENT PROGRAM FUNDS IN THE PREVIOUS FISCAL
24 YEAR. THE FIRST INDEPENDENT EVALUATION COMPLETED PURSUANT TO
25 SUBSECTION (9)(e) OF THIS SECTION MUST ACCOMPANY THE ANNUAL
26 REPORT SUBMITTED ON OR BEFORE OCTOBER 15, 2019.

27 (II) ON OR BEFORE OCTOBER 15, 2020, THE EXECUTIVE DIRECTOR

1 SHALL SUBMIT A FINAL REPORT, INCLUDING THE FINAL INDEPENDENT
2 EVALUATION COMPLETED PURSUANT TO SUBSECTION (9)(e) OF THIS
3 SECTION, TO THE JOINT BUDGET COMMITTEE AND TO THE JOINT HEALTH
4 AND HUMAN SERVICES COMMITTEE, OR ANY SUCCESSOR COMMITTEES.

5 (g) THIS SUBSECTION (9) IS REPEALED, EFFECTIVE SEPTEMBER 1,
6 2021.

7 **SECTION 2. Appropriation.** For the 2017-18 state fiscal year,
8 \$4,000,000 is appropriated to the department of human services for use
9 by the office of self sufficiency. This appropriation is from federal
10 temporary assistance for needy families block grant funds. To implement
11 this act, the office may use the appropriation for a subsidized employment
12 program for qualifying Colorado works program basic cash assistance
13 recipients.

14 **SECTION 3. Act subject to petition - effective date.** This act
15 takes effect at 12:01 a.m. on the day following the expiration of the
16 ninety-day period after final adjournment of the general assembly (August
17 9, 2017, if adjournment sine die is on May 10, 2017); except that, if a
18 referendum petition is filed pursuant to section 1 (3) of article V of the
19 state constitution against this act or an item, section, or part of this act
20 within such period, then the act, item, section, or part will not take effect
21 unless approved by the people at the general election to be held in
22 November 2018 and, in such case, will take effect on the date of the
23 official declaration of the vote thereon by the governor.

First Regular Session
Seventy-first General Assembly
STATE OF COLORADO

DRAFT
4.10.17

DRAFT

LLS NO. 17-1058.01 Jane Ritter x4342

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: "Div Youth Corrections Use Of Seclusion On Youth"

A BILL FOR AN ACT

101 **CONCERNING REQUIREMENTS RELATED TO THE USE OF SECLUSION ON**
102 **YOUTH BY THE DIVISION OF YOUTH CORRECTIONS.**

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/>.)

Joint Budget Committee. The bill creates definitions, in the context of the use of seclusion with youth, for "medical isolation" and "staff-directed time out", and further clarifies the definition of "seclusion". Specifically, "seclusion" does not include normal sleeping hours, medical isolation as prescribed by a licensed health care provider, or a staff-directed time out that does not require the use of restraints or

*Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

physical management. The bill requires that a youth may not be held in seclusion for more than 8 total hours in 2 consecutive calendar days unless the division of youth corrections first seeks a court order granting the continued use of seclusion.

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

2 **SECTION 1.** In Colorado Revised Statutes, 26-20-102, **amend**
3 the introductory portion, (5.7), (7), and (9); and **add** (3.7), (4.5), and (7.7)
4 as follows:

5 **26-20-102. Definitions.** As used in this ~~article~~ ARTICLE 20, unless
6 the context otherwise requires:

7 (3.7) "LICENSED HEALTH CARE PROVIDER" MEANS A PERSON,
8 CORPORATION, FACILITY, OR INSTITUTION LICENSED OR CERTIFIED BY THIS
9 STATE TO PROVIDE HEALTH CARE OR PROFESSIONAL SERVICES AS A
10 HOSPITAL, HEALTH CARE FACILITY, OR DISPENSARY OR TO PRACTICE AND
11 PRACTICING MEDICINE, OSTEOPATHY, CHIROPRACTIC, NURSING, PHYSICAL
12 THERAPY, PODIATRY, DENTISTRY, PHARMACY, ACUPUNCTURE, OR
13 OPTOMETRY IN THIS STATE, OR AN OFFICER, EMPLOYEE, OR AGENT OF THE
14 PERSON, CORPORATION, FACILITY, OR INSTITUTION WORKING UNDER THE
15 SUPERVISION OF THE PERSON, CORPORATION, FACILITY, OR INSTITUTION IN
16 PROVIDING HEALTH CARE SERVICES.

17 (4.5) "MEDICAL ISOLATION" MEANS THE PLACEMENT OF AN
18 INDIVIDUAL ALONE IN A ROOM OR AN AREA FROM WHICH EGRESS IS
19 INVOLUNTARILY PREVENTED FOR THE PERIOD OF TIME NECESSARY TO
20 RESOLVE A MEDICAL CONDITION, AS PRESCRIBED BY A LICENSED HEALTH
21 CARE PROVIDER, BUT NO LONGER THAN IS MEDICALLY NECESSARY.

22 (5.7) "Qualified mental health professional" means an individual
23 who is a licensed psychologist, a licensed psychiatrist, a licensed clinical

1 social worker, a psychologist candidate for licensure, A LICENSED
2 PROFESSIONAL COUNSELOR, a licensed marriage and family therapist, or
3 a masters-level mental health therapist who is under the supervision of a
4 licensed mental health professional.

5 (7) "Seclusion" means the placement of an individual alone in a
6 room or AN area from which egress is involuntarily prevented. ~~except~~
7 ~~during normal sleeping hours.~~ "SECLUSION" DOES NOT INCLUDE:

8 (a) NORMAL SLEEPING HOURS; OR

9 (b) MEDICAL ISOLATION; OR

10 (c) A STAFF-DIRECTED TIME OUT.

11 (7.7) "STAFF-DIRECTED TIME OUT" MEANS THE PLACEMENT OF AN
12 INDIVIDUAL ALONE IN A ROOM OR AN AREA FROM WHICH EGRESS IS
13 INVOLUNTARILY PREVENTED FOR NO MORE THAN THIRTY MINUTES FOR
14 THE PURPOSE OF DE-ESCALATING AN INDIVIDUAL TO PREVENT AN
15 EMERGENCY. A STAFF-DIRECTED TIME OUT MUST NOT OCCUR
16 CONSECUTIVELY OR BE UTILIZED FOR MORE THAN TWO EPISODES PER DAY.
17 "STAFF-DIRECTED TIME OUT" DOES NOT INCLUDE A SITUATION WHERE IT
18 IS NECESSARY FOR A STAFF MEMBER TO USE RESTRAINTS OR PHYSICAL
19 MANAGEMENT TO EXECUTE THE TIME OUT. SUCH A SITUATION IS
20 CONSIDERED A SECLUSION EVENT. <{Note: I think these last 2 sentences
21 (a variation on them) more appropriately belong in the definition of
22 "seclusion". OK to move?}>

23 (9) "Youth" means an individual who is TEN YEARS OF AGE AND
24 OLDER BUT less than twenty-one years of age.

25 **SECTION 2.** In Colorado Revised Statutes, 26-20-104.5, **amend**
26 (2)(c) as follows:

27 **26-20-104.5. Duties relating to use of seclusion by division of**

1 **youth corrections.** (2) (c) A youth may not be held in seclusion under
2 ~~any circumstances~~ for more than eight total hours in two consecutive
3 calendar days ~~without a written court order~~ UNLESS THE DIVISION OF
4 YOUTH CORRECTIONS FIRST PETITIONS THE COURT FOR AN ORDER
5 ALLOWING THE CONTINUED USE OF SECLUSION. THE DIVISION OF YOUTH
6 CORRECTIONS SHALL SUBMIT THE PETITION SEEKING THE WRITTEN COURT
7 ORDER AFTER THE YOUTH HAS BEEN IN SECLUSION FOR SIX TOTAL HOURS
8 IN TWO CONSECUTIVE CALENDAR DAYS. THE LIMIT ON THE USE OF
9 SECLUSION FOR YOUTH FOR EIGHT HOURS IN TWO CONSECUTIVE CALENDAR
10 DAYS MUST BE TOLLED PENDING A DECISION BY THE COURT. IN
11 DETERMINING WHETHER TO GRANT THE REQUEST FOR AN ORDER
12 ALLOWING FOR THE CONTINUED USE OF SECLUSION, THE COURT SHALL
13 CONSIDER THE FACTORS SET FORTH IN SECTION 26-20-106 (2)(c) TO (2)(h).

14 **SECTION 3. Safety clause.** The general assembly hereby finds,
15 determines, and declares that this act is necessary for the immediate
16 preservation of the public peace, health, and safety.

First Regular Session
Seventy-first General Assembly
STATE OF COLORADO

DRAFT
4.10.17

DRAFT

LLS NO. 17-1086.01 Nicole Myers x4326

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: "Evaluate Centralization Of Resources In OIT"

A BILL FOR AN ACT

101 CONCERNING AN INDEPENDENT EVALUATION OF THE CENTRALIZATION
102 OF THE MANAGEMENT OF STATE AGENCY INFORMATION
103 TECHNOLOGY RESOURCES IN THE OFFICE OF INFORMATION
104 TECHNOLOGY, AND, IN CONNECTION THEREWITH, MAKING AN
105 APPROPRIATION.

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/>.)

Joint Budget Committee. In 2008, the general assembly adopted legislation to create the governor's office of information technology

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Dashes through the words indicate deletions from existing statute.*

(office) and to centralize the management of state agency information technology resources in the office. The bill requires the office to retain a qualified independent consulting firm to evaluate the success of the centralization of the management of state agency information technology resources.

The qualified independent consulting firm selected by the office is required to evaluate specified aspects of the office, including cost savings as a result of the consolidation, efficiency of the office and its operations, the location of information technology resources, and the office's strategic plan.

The qualified independent consulting firm is required to submit a report to the office and to the members of the joint budget committee and the joint technology committee. The report is required to include recommendations to the office for industry best practice standards that are either already in place or that should be implemented and recommendations to the general assembly regarding changes that could be made to realize the outcomes envisioned by the general assembly when it created the office and consolidated the management of state agency information technology resources and services.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 24-37.5-803 as
3 follows:

4 **24-37.5-803. Centralization of information technology**
5 **resources - independent evaluation and recommendations - report -**
6 **repeal.** (1) THE OFFICE SHALL RETAIN A QUALIFIED INDEPENDENT
7 CONSULTING FIRM TO EVALUATE THE SUCCESS OF THE CENTRALIZATION OF
8 THE MANAGEMENT OF STATE AGENCY INFORMATION TECHNOLOGY
9 RESOURCES IN THE OFFICE OF INFORMATION TECHNOLOGY PURSUANT TO
10 SENATE BILL 08-155, ENACTED IN 2008. THE OFFICE SHALL SOLICIT
11 QUALIFIED INDEPENDENT CONSULTING FIRMS WITH THE NECESSARY
12 CREDENTIALS TO BID FOR THE REVIEW THROUGH A COMPETITIVE
13 SOLICITATION PROCESS IN ACCORDANCE WITH THE "PROCUREMENT CODE",
14 ARTICLES 101 TO 112 OF THIS TITLE 24. THE OFFICE SHALL ENTER INTO A

1 CONTRACT WITH THE SELECTED FIRM BY _____.

2 (2) THE QUALIFIED INDEPENDENT CONSULTING FIRM RETAINED
3 PURSUANT TO SUBSECTION (1) OF THIS SECTION SHALL EVALUATE THE
4 FOLLOWING:

5 (a) WHETHER STATE AGENCIES HAVE TRANSFERRED INFORMATION
6 TECHNOLOGY RESOURCES TO THE OFFICE SINCE THE STATE CENTRALIZED
7 THE MANAGEMENT OF STATE AGENCY INFORMATION TECHNOLOGY
8 RESOURCES;

9 (b) IF STATE AGENCIES HAVE NOT REDUCED THE NUMBER OF
10 FULL-TIME EMPLOYEES PROVIDING INFORMATION TECHNOLOGY SERVICES
11 OR HAVE NOT TRANSFERRED INFORMATION TECHNOLOGY RESOURCES TO
12 THE OFFICE SINCE THE STATE CENTRALIZED THE MANAGEMENT OF STATE
13 AGENCY INFORMATION TECHNOLOGY RESOURCES, WHY SUCH REDUCTIONS
14 AND TRANSFERS HAVE NOT OCCURRED AND WHAT MEASURES MAY HELP
15 STATE AGENCIES ACHIEVE SUCH REDUCTIONS AND TRANSFERS;

16 (c) WHETHER SOFTWARE AND HARDWARE DECISIONS MADE BY THE
17 OFFICE HAVE PROVIDED SAVINGS AND EFFICIENCIES TO THE STATE AND
18 WHETHER THOSE SAVINGS CAN BE QUANTIFIED;

19 (d) WHETHER THE OFFICE'S EXISTING LEGISLATIVE REVIEW AND
20 REPORTING PROCESSES IN CONNECTION WITH THE JOINT BUDGET
21 COMMITTEE AND THE JOINT TECHNOLOGY COMMITTEE ARE ADEQUATE;

22 (e) WHETHER THE OFFICE'S PRACTICE OF BILLING STATE AGENCIES
23 FOR INFORMATION TECHNOLOGY SERVICES HAS RESULTED IN EFFICIENCIES
24 OR LONG-TERM COST SAVINGS FOR THE STATE AND WHAT EFFECT SUCH
25 PRACTICE HAS HAD ON ACCOUNTING PROCESS AND EMPLOYEE COSTS FOR
26 STATE AGENCIES;

27 (f) WHETHER THE OFFICE HAS A STRATEGIC PLAN TO USE

1 CONSULTANTS, VENDORS, OR ORGANIZATIONS SUCH AS THE STATEWIDE
2 INTERNET PORTAL AUTHORITY TO REALIZE THE ORIGINAL OBJECTIVES OF
3 CENTRALIZING THE MANAGEMENT OF STATE AGENCY INFORMATION
4 TECHNOLOGY RESOURCES;

5 (g) WHETHER THE STATE SHOULD CONDUCT A CONSUMER
6 SATISFACTION SURVEY TO DETERMINE WHETHER STATE AGENCIES AND
7 RESIDENTS OF THE STATE HAVE SEEN THE BENEFITS OF CENTRALIZING THE
8 MANAGEMENT OF STATE AGENCY INFORMATION TECHNOLOGY RESOURCES;

9 (h) THE EFFICIENCY AND EFFECTIVENESS OF THE OFFICE'S
10 CURRENT PROCESS FOR INFORMATION TECHNOLOGY PROJECT SELECTION
11 AND PRIORITIZATION, INCLUDING A COST-BENEFIT ANALYSIS AND
12 WHETHER THE OFFICE COULD MAKE ANY CHANGES OR IMPROVEMENTS TO
13 THE PROCESS;

14 (i) THE NATURE OF THE OFFICE'S ROLE IN PROVIDING ESSENTIAL
15 AND EXPECTED GOVERNMENT SERVICES; AND

16 (j) WHETHER THE STATE CAN TAKE ADVANTAGE OF NEW AND
17 EMERGING OPPORTUNITIES FOR FUTURE AUTOMATION AND ONLINE CITIZEN
18 INTERACTION WITH GOVERNMENT AND, IF SO, HOW THE STATE COULD
19 PROCEED WITH SUCH OPPORTUNITIES.

20 (3) ON OR BEFORE _____, THE QUALIFIED INDEPENDENT
21 CONSULTING FIRM SHALL SUBMIT A REPORT TO THE OFFICE AND TO THE
22 MEMBERS OF THE JOINT BUDGET COMMITTEE AND THE JOINT TECHNOLOGY
23 COMMITTEE. THE REPORT SHALL INCLUDE RECOMMENDATIONS TO THE
24 OFFICE FOR INDUSTRY BEST PRACTICE STANDARDS THAT ARE EITHER
25 ALREADY IN PLACE OR THAT SHOULD BE IMPLEMENTED. THE REPORT
26 SHALL ALSO INCLUDE RECOMMENDATIONS TO THE GENERAL ASSEMBLY
27 REGARDING CHANGES THAT COULD BE MADE TO REALIZE THE OUTCOMES

1 ENVISIONED BY THE GENERAL ASSEMBLY WHEN IT CREATED THE OFFICE
2 AND CONSOLIDATED THE MANAGEMENT OF STATE AGENCY INFORMATION
3 TECHNOLOGY RESOURCES AND SERVICES.

4 (4) THIS SECTION IS REPEALED, EFFECTIVE _____.

5 **SECTION 2. Appropriation.** For the 2017-18 state fiscal year,
6 \$300,000 is appropriated to the office of the governor for use by the
7 office of information technology. This appropriation is from the general
8 fund. To implement this act, the office may use this appropriation for the
9 purposes authorized in section 24-37.5-803, C.R.S.

10 **SECTION 3. Safety clause.** The general assembly hereby finds,
11 determines, and declares that this act is necessary for the immediate
12 preservation of the public peace, health, and safety.

First Regular Session
Seventy-first General Assembly
STATE OF COLORADO

DRAFT
3.10.17

DRAFT

LLS NO. 17-1060.01 Yelana Love x2295

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: "Liquor License Renewal Application Fees"

A BILL FOR AN ACT

101 **CONCERNING THE AUTHORITY OF THE DEPARTMENT OF REVENUE TO**
102 **ESTABLISH A RENEWAL APPLICATION FEE FOR EACH LIQUOR**
103 **LICENSE THAT THE DEPARTMENT ISSUES.**

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/>.)

Joint Budget Committee. The bill authorizes the department of revenue to establish a renewal application fee for each liquor license issued by the state.

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

2 **SECTION 1.** In Colorado Revised Statutes, 12-47-501, **add**
3 (2)(a)(XVIII) as follows:

4 **12-47-501. State fees.** (2) (a) The state licensing authority shall
5 establish fees for processing the following types of applications, notices,
6 or reports required to be submitted to the state licensing authority:

7 (XVIII) APPLICATIONS FOR THE RENEWAL OF A LIQUOR LICENSE OR
8 PERMIT ISSUED IN ACCORDANCE WITH THIS ARTICLE 47 OR ARTICLE 46 OF
9 THIS TITLE 12.

10 **SECTION 2. Safety clause.** The general assembly hereby finds,
11 determines, and declares that this act is necessary for the immediate
12 preservation of the public peace, health, and safety.

First Regular Session
Seventy-first General Assembly
STATE OF COLORADO

DRAFT
4.7.17

DRAFT

LLS NO. 17-1077.02 Brita Darling x2241

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: "Implement Medicaid Accountable Care Collaborative"

A BILL FOR AN ACT

101 CONCERNING AUTHORIZING THE CONTINUING IMPLEMENTATION OF
102 THE ACCOUNTABLE CARE COLLABORATIVE IN THE MEDICAID
103 PROGRAM.

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/>.)

Joint Budget Committee. The bill authorizes the department of health care policy and financing (department) to continue its implementation of the medicaid coordinated care system, referred to as the accountable care collaborative (ACC). The bill defines the goals of the ACC and the department's implementation of the ACC, including, in

*Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

part, establishing primary care medical homes for medicaid clients, providing regional coordination and accountability, and integrating physical and behavioral health care delivery. The medical services board is required to promulgate rules implementing the ACC.

The bill requires the department to submit an annual report concerning the implementation of the ACC to the joint budget committee and to the health care committees of the house of representatives and of the senate that oversee the medicaid program. Among other information listed in the bill, the report must include information on the number of medicaid clients participating in the ACC, performance results, and fiscal impacts of the ACC.

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

2 **SECTION 1.** In Colorado Revised Statutes, 25.5-4-103, **amend**
3 the introductory portion; and **add** (1.5) as follows:

4 **25.5-4-103. Definitions.** As used in this ~~article~~ ARTICLE 4 and
5 articles 5 and 6 of this ~~title~~ TITLE 25.5, unless the context otherwise
6 requires:

7 (1.5) "ACCOUNTABLE CARE COLLABORATIVE" MEANS A MEDICAID
8 COORDINATED CARE SYSTEM ESTABLISHED PURSUANT TO SECTION
9 25.5-5-419.

10 **SECTION 2.** In Colorado Revised Statutes, **add** 25.5-5-419 as
11 follows:

12 **25.5-5-419. Accountable care collaborative - legislative**
13 **declaration - reporting - rules.** (1) (a) THE GENERAL ASSEMBLY FINDS
14 AND DECLARES THAT:

15 (I) THE STATE DEPARTMENT HAS CREATED THE ACCOUNTABLE
16 CARE COLLABORATIVE, ALSO REFERRED TO IN THIS TITLE 25.5 AS THE
17 MEDICAID COORDINATED CARE SYSTEM, TO IMPROVE CLIENT HEALTH AND
18 REDUCE COSTS IN THE MEDICAID PROGRAM;

19 (II) SINCE ITS CREATION IN 2011, THE ACCOUNTABLE CARE

1 COLLABORATIVE HAS IMPROVED HEALTH OUTCOMES, PROVIDED FOR
2 BETTER CARE COORDINATION, AND MANAGED PROGRAM COSTS
3 EFFECTIVELY BY SERVING CLIENTS IN PRIMARY CARE MEDICAL HOMES,
4 PROVIDING REGIONAL COORDINATION AND ACCOUNTABILITY AND
5 PROVIDER NETWORK SUPPORT, AND ENHANCING THE AVAILABILITY OF
6 DATA TO REGIONAL PARTNERS AND PROVIDERS IN ORDER TO BETTER
7 MANAGE CLIENT CARE;

8 (III) MOVING FORWARD, THE STATE DEPARTMENT WILL INCREASE
9 THE CAPACITY OF THE ACCOUNTABLE CARE COLLABORATIVE TO IMPROVE
10 CLIENT HEALTH AND REDUCE COSTS IN THE MEDICAID PROGRAM BY
11 INTEGRATING PHYSICAL AND BEHAVIORAL HEALTH CARE DELIVERY AND
12 IMPLEMENTING ENHANCED COORDINATION, ACCOUNTABILITY, AND
13 PERFORMANCE INCENTIVES; AND

14 (IV) THE ACCOUNTABLE CARE COLLABORATIVE IS A PLATFORM
15 FOR INNOVATION IN CARE DELIVERY AND PAYMENT REFORM IN THE
16 MEDICAID PROGRAM.

17 (b) THEREFORE, THE GENERAL ASSEMBLY DECLARES THAT THE
18 STATE DEPARTMENT SHOULD CONTINUE TO INNOVATE IN CARE DELIVERY
19 AND PAYMENT REFORM THROUGH THE ACCOUNTABLE CARE
20 COLLABORATIVE TO IMPROVE HEALTH OUTCOMES, BETTER COORDINATE
21 CARE, AND CONTAIN COSTS IN THE MEDICAID PROGRAM.

22 (2) THE STATE DEPARTMENT SHALL CONTINUE TO PROVIDE CARE
23 DELIVERY THROUGH THE ACCOUNTABLE CARE COLLABORATIVE. THE
24 GOALS OF THE ACCOUNTABLE CARE COLLABORATIVE ARE TO IMPROVE
25 MEMBER HEALTH AND REDUCE COSTS IN THE MEDICAID PROGRAM. TO
26 ACHIEVE THESE GOALS, THE STATE DEPARTMENT'S IMPLEMENTATION OF
27 THE ACCOUNTABLE CARE COLLABORATIVE MUST INCLUDE, BUT NEED NOT

1 BE LIMITED TO:

2 (a) ESTABLISHING PRIMARY CARE MEDICAL HOMES FOR ALL
3 MEDICAID CLIENTS;

4 (b) PROVIDING REGIONAL CARE COORDINATION AND PROVIDER
5 NETWORK SUPPORT;

6 (c) PROVIDING DATA TO REGIONAL ENTITIES AND PROVIDERS TO
7 HELP MANAGE CLIENT CARE;

8 (d) INTEGRATING THE DELIVERY OF BEHAVIORAL HEALTH AND
9 PHYSICAL HEALTH SERVICES FOR CLIENTS;

10 (e) CONNECTING PRIMARY CARE WITH SPECIALTY CARE AND
11 NONHEALTH COMMUNITY SUPPORTS;

12 (f) PROMOTING MEMBER CHOICE AND ENGAGEMENT;

13 (g) UTILIZING INNOVATIVE CARE MODELS AND PROVIDER PAYMENT
14 MODELS AS PART OF THE CARE DELIVERY PLATFORM;

15 (h) RECEIVING FEEDBACK FROM AFFECTED STAKEHOLDER GROUPS;

16 (i) ESTABLISHING A FLEXIBLE STRUCTURE THAT ALLOWS FOR THE
17 EFFICIENT EXPANSION OF THE ACCOUNTABLE CARE COLLABORATIVE TO
18 FURTHER INTEGRATE LONG-TERM SERVICES AND SUPPORTS AND BENEFIT
19 INNOVATION; AND <{*Added to address some of Rep. Young's concerns*
20 *regarding designing a system that would allow integration of long-term*
21 *services and supports.*>

22 (j) ESTABLISHING A CARE DELIVERY AND PROVIDER PAYMENT
23 PLATFORM THAT CAN ADAPT TO CHANGING FEDERAL FINANCIAL
24 PARTICIPATION MODELS OR FUNDING LEVELS. <{*Added to address Sen.*
25 *Lambert's concerns regarding the ACC's need to be flexible given*
26 *possible changes to Medicaid program.*>

27 (3) THE STATE DEPARTMENT SHALL FACILITATE TRANSPARENCY

1 AND COLLABORATION IN THE DEVELOPMENT, PERFORMANCE
2 MANAGEMENT, AND EVALUATION OF THE ACCOUNTABLE CARE
3 COLLABORATIVE THROUGH THE CREATION OF STAKEHOLDER ADVISORY
4 COMMITTEES.

5 (4) ON OR BEFORE DECEMBER 1, 2017, AND ON OR BEFORE
6 DECEMBER 1 EACH YEAR THEREAFTER, THE STATE DEPARTMENT SHALL
7 PREPARE AND SUBMIT A REPORT TO THE JOINT BUDGET COMMITTEE, THE
8 PUBLIC HEALTH CARE AND HUMAN SERVICES COMMITTEE OF THE HOUSE OF
9 REPRESENTATIVES, AND THE HEALTH AND HUMAN SERVICES COMMITTEE
10 OF THE SENATE, OR ANY SUCCESSOR COMMITTEES, CONCERNING THE
11 IMPLEMENTATION OF THE ACCOUNTABLE CARE COLLABORATIVE.
12 NOTWITHSTANDING THE PROVISIONS OF SECTION 24-1-136 (11)(a)(I), THE
13 REPORT REQUIRED PURSUANT TO THIS SUBSECTION (4) CONTINUES
14 INDEFINITELY. AT A MINIMUM, THE STATE DEPARTMENT'S REPORT MUST
15 INCLUDE THE FOLLOWING INFORMATION CONCERNING THE ACCOUNTABLE
16 CARE COLLABORATIVE:

17 (a) THE NUMBER OF MEDICAID CLIENTS ENROLLED IN THE
18 PROGRAM;

19 (b) PERFORMANCE RESULTS WITH AN EMPHASIS ON MEMBER
20 HEALTH IMPACTS;

21 (c) CURRENT ADMINISTRATIVE FEES AND COSTS FOR THE
22 PROGRAM;

23 (d) FISCAL PERFORMANCE;

24 (e) INFORMATION ON ANY ADVISORY COMMITTEES CREATED,
25 INCLUDING THE PARTICIPANTS, FOCUS, AND OUTCOMES OF THE WORK OF
26 THE ADVISORY COMMITTEES;

27 (f) FUTURE AREAS OF PROGRAM FOCUS AND DEVELOPMENT; AND

1 (g) INFORMATION CONCERNING EFFORTS TO REDUCE MEDICAID
2 WASTE AND INEFFICIENCIES THROUGH THE ACCOUNTABLE CARE
3 COLLABORATIVE, INCLUDING:

4 (I) THE SPECIFIC EFFORTS WITHIN THE ACCOUNTABLE CARE
5 COLLABORATIVE, INCLUDING A SUMMARY OF TECHNOLOGY-BASED
6 EFFORTS, TO IDENTIFY AND IMPLEMENT BEST PRACTICES RELATING TO
7 COST CONTAINMENT; AND REDUCING AVOIDABLE, DUPLICATIVE,
8 VARIABLE, AND INAPPROPRIATE USES OF HEALTH CARE RESOURCES; AND
9 THE OUTCOME OF THOSE EFFORTS, INCLUDING COST SAVINGS, IF KNOWN;

10 (II) ANY STATUTES, POLICIES, OR PROCEDURES THAT PREVENT
11 REGIONAL CARE COORDINATORS FROM REALIZING EFFICIENCIES AND
12 REDUCING WASTE WITHIN THE MEDICAID SYSTEM; AND

13 (III) ANY OTHER EFFORTS BY REGIONAL ENTITIES OR THE STATE
14 DEPARTMENT TO ENSURE THAT THOSE WHO PROVIDE CARE FOR MEDICAID
15 CLIENTS ARE AWARE OF AND ACTIVELY PARTICIPATE IN REDUCING WASTE
16 WITHIN THE MEDICAID SYSTEM.

17 (5) ON OR BEFORE DECEMBER 1, 2017, THE STATE DEPARTMENT
18 SHALL SUBMIT A REPORT TO THE JOINT BUDGET COMMITTEE, THE PUBLIC
19 HEALTH CARE AND HUMAN SERVICES COMMITTEE OF THE HOUSE OF
20 REPRESENTATIVES, AND THE HEALTH AND HUMAN SERVICES COMMITTEE
21 OF THE SENATE, OR ANY SUCCESSOR COMMITTEES, OUTLINING THE
22 STATUTORY CHANGES NEEDED TO PART 4 OF THIS ARTICLE 5 RELATING TO
23 THE STATEWIDE MANAGED CARE SYSTEM, AS WELL AS ANY OTHER
24 SECTIONS OF THE COLORADO REVISED STATUTES, IN ORDER TO ALIGN
25 COLORADO LAW WITH THE FEDERAL "MEDICAID AND CHIP MANAGED
26 CARE FINAL RULE", CMS-2390-F.

27 (6) THE STATE BOARD SHALL PROMULGATE RULES IMPLEMENTING

1 THE ACCOUNTABLE CARE COLLABORATIVE.

2 **SECTION 3. Safety clause.** The general assembly hereby finds,
3 determines, and declares that this act is necessary for the immediate
4 preservation of the public peace, health, and safety.

First Regular Session
Seventy-first General Assembly
STATE OF COLORADO

DRAFT
4.7.17

DRAFT

LLS NO. 17-1077.03 Brita Darling x2241

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: "Implement Medicaid Delivery System & Payment Prog"

A BILL FOR AN ACT

101 **CONCERNING THE IMPLEMENTATION OF MEDICAID INITIATIVES THAT**
102 **CREATE HIGHER VALUE IN THE MEDICAID PROGRAM LEADING TO**
103 **BETTER HEALTH OUTCOMES FOR MEDICAID CLIENTS, AND, IN**
104 **CONNECTION THEREWITH, CONTINUING THE IMPLEMENTATION**
105 **OF THE ACCOUNTABLE CARE COLLABORATIVE, AUTHORIZING**
106 **PERFORMANCE-BASED PROVIDER PAYMENTS, AND ENHANCING**
107 **MEDICAID FRAUD REPORTING REQUIREMENTS.**

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/>.)

*Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

Joint Budget Committee. The bill authorizes the department of health care policy and financing (department) to continue its implementation of the medicaid coordinated care system, referred to as the accountable care collaborative (ACC). The bill defines the goals of the ACC and the department's implementation of the ACC, including, in part, establishing primary care medical homes for medicaid clients, providing regional coordination and accountability, and integrating physical and behavioral health care delivery. The medical services board is required to promulgate rules implementing the ACC.

The bill requires the department to deliver an annual report concerning the implementation of the ACC to the joint budget committee and to the health care committees of the house of representatives and of the senate that oversee the medicaid program. Among other information listed in the bill, the report must include information on the number of medicaid clients participating in the ACC, performance results, and fiscal impacts of the ACC.

The bill authorizes the department to implement performance-based payments for medicaid providers. Prior to implementing performance-based payments, the department shall report to the joint budget committee concerning the performance-based payment, including whether the payment is cost-neutral or requires a budget request; the amount of the payments compared to total reimbursements for the affected service; and a description of the stakeholder process and the department's response to stakeholder feedback. After implementation of performance-based payments, the department shall report to the joint budget committee and the health care committees of the house of representatives and the senate that oversee the medicaid program concerning the design of the performance-based payments, the stakeholder engagement process with respect to the payments, and other information regarding the implementation of the performance-based payments described in the bill.

The bill updates the department of health care policy and financing's annual reporting on efforts to detect and prosecute medicaid client fraud. The bill adds the joint budget committee to the legislative committees receiving the report and requires that the report include additional cost and savings information.

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

2 **SECTION 1.** In Colorado Revised Statutes, 25.5-4-103, **amend**
3 the introductory portion; and **add** (1.5) as follows:

4 **25.5-4-103. Definitions.** As used in this ~~article~~ ARTICLE 4 and

1 articles 5 and 6 of this ~~title~~ TITLE 25.5, unless the context otherwise
2 requires:

3 (1.5) "ACCOUNTABLE CARE COLLABORATIVE" MEANS A MEDICAID
4 COORDINATED CARE SYSTEM ESTABLISHED PURSUANT TO SECTION
5 25.5-5-419.

6 **SECTION 2.** In Colorado Revised Statutes, **add** 25.5-5-419 as
7 follows:

8 **25.5-5-419. Accountable care collaborative - legislative**
9 **declaration - reporting - rules.** (1) (a) THE GENERAL ASSEMBLY FINDS
10 AND DECLARES THAT:

11 (I) THE STATE DEPARTMENT HAS CREATED THE ACCOUNTABLE
12 CARE COLLABORATIVE, ALSO REFERRED TO IN THIS TITLE 25.5 AS THE
13 MEDICAID COORDINATED CARE SYSTEM, TO IMPROVE CLIENT HEALTH AND
14 REDUCE COSTS IN THE MEDICAID PROGRAM;

15 (II) SINCE ITS CREATION IN 2011, THE ACCOUNTABLE CARE
16 COLLABORATIVE HAS IMPROVED HEALTH OUTCOMES, PROVIDED FOR
17 BETTER CARE COORDINATION, AND MANAGED PROGRAM COSTS
18 EFFECTIVELY BY SERVING CLIENTS IN PRIMARY CARE MEDICAL HOMES,
19 PROVIDING REGIONAL COORDINATION AND ACCOUNTABILITY AND
20 PROVIDER NETWORK SUPPORT, AND ENHANCING THE AVAILABILITY OF
21 DATA TO REGIONAL PARTNERS AND PROVIDERS IN ORDER TO BETTER
22 MANAGE CLIENT CARE;

23 (III) MOVING FORWARD, THE STATE DEPARTMENT WILL INCREASE
24 THE CAPACITY OF THE ACCOUNTABLE CARE COLLABORATIVE TO IMPROVE
25 CLIENT HEALTH AND REDUCE COSTS IN THE MEDICAID PROGRAM BY
26 INTEGRATING PHYSICAL AND BEHAVIORAL HEALTH CARE DELIVERY AND
27 IMPLEMENTING ENHANCED COORDINATION, ACCOUNTABILITY, AND

1 PERFORMANCE INCENTIVES; AND

2 (IV) THE ACCOUNTABLE CARE COLLABORATIVE IS A PLATFORM
3 FOR INNOVATION IN CARE DELIVERY AND PAYMENT REFORM IN THE
4 MEDICAID PROGRAM.

5 (b) THEREFORE, THE GENERAL ASSEMBLY DECLARES THAT THE
6 STATE DEPARTMENT SHOULD CONTINUE TO INNOVATE IN CARE DELIVERY
7 AND PAYMENT REFORM THROUGH THE ACCOUNTABLE CARE
8 COLLABORATIVE TO IMPROVE HEALTH OUTCOMES, BETTER COORDINATE
9 CARE, AND CONTAIN COSTS IN THE MEDICAID PROGRAM.

10 (2) THE STATE DEPARTMENT SHALL CONTINUE TO PROVIDE CARE
11 DELIVERY THROUGH THE ACCOUNTABLE CARE COLLABORATIVE. THE
12 GOALS OF THE ACCOUNTABLE CARE COLLABORATIVE ARE TO IMPROVE
13 MEMBER HEALTH AND REDUCE COSTS IN THE MEDICAID PROGRAM. TO
14 ACHIEVE THESE GOALS, THE STATE DEPARTMENT'S IMPLEMENTATION OF
15 THE ACCOUNTABLE CARE COLLABORATIVE MUST INCLUDE, BUT NEED NOT
16 BE LIMITED TO:

17 (a) ESTABLISHING PRIMARY CARE MEDICAL HOMES FOR ALL
18 MEDICAID CLIENTS;

19 (b) PROVIDING REGIONAL CARE COORDINATION AND PROVIDER
20 NETWORK SUPPORT;

21 (c) PROVIDING DATA TO REGIONAL ENTITIES AND PROVIDERS TO
22 HELP MANAGE CLIENT CARE;

23 (d) INTEGRATING THE DELIVERY OF BEHAVIORAL HEALTH AND
24 PHYSICAL HEALTH SERVICES FOR CLIENTS;

25 (e) CONNECTING PRIMARY CARE WITH SPECIALTY CARE AND
26 NONHEALTH COMMUNITY SUPPORTS;

27 (f) PROMOTING MEMBER CHOICE AND ENGAGEMENT;

1 (g) UTILIZING INNOVATIVE CARE MODELS AND PROVIDER PAYMENT
2 MODELS AS PART OF THE CARE DELIVERY PLATFORM;

3 (h) RECEIVING FEEDBACK FROM AFFECTED STAKEHOLDER GROUPS;

4 (i) ESTABLISHING A FLEXIBLE STRUCTURE THAT ALLOWS FOR THE
5 EFFICIENT EXPANSION OF THE ACCOUNTABLE CARE COLLABORATIVE TO
6 FURTHER INTEGRATE LONG-TERM SERVICES AND SUPPORTS AND BENEFIT
7 INNOVATION; AND <{*Added to address some of Rep. Young's concerns*
8 *regarding designing a system that would allow integration of long-term*
9 *services and supports.*>

10 (j) ESTABLISHING A CARE DELIVERY AND PROVIDER PAYMENT
11 PLATFORM THAT CAN ADAPT TO CHANGING FEDERAL FINANCIAL
12 PARTICIPATION MODELS OR FUNDING LEVELS. <{*Added to address Sen.*
13 *Lambert's concerns regarding the ACC's need to be flexible given*
14 *possible changes to Medicaid program.*>

15 (3) THE STATE DEPARTMENT SHALL FACILITATE TRANSPARENCY
16 AND COLLABORATION IN THE DEVELOPMENT, PERFORMANCE
17 MANAGEMENT, AND EVALUATION OF THE ACCOUNTABLE CARE
18 COLLABORATIVE THROUGH THE CREATION OF STAKEHOLDER ADVISORY
19 COMMITTEES.

20 (4) ON OR BEFORE DECEMBER 1, 2017, AND ON OR BEFORE
21 DECEMBER 1 EACH YEAR THEREAFTER, THE STATE DEPARTMENT SHALL
22 PREPARE AND SUBMIT A REPORT TO THE JOINT BUDGET COMMITTEE, THE
23 PUBLIC HEALTH CARE AND HUMAN SERVICES COMMITTEE OF THE HOUSE OF
24 REPRESENTATIVES, AND THE HEALTH AND HUMAN SERVICES COMMITTEE
25 OF THE SENATE, OR ANY SUCCESSOR COMMITTEES, CONCERNING THE
26 IMPLEMENTATION OF THE ACCOUNTABLE CARE COLLABORATIVE.
27 NOTWITHSTANDING THE PROVISIONS OF SECTION 24-1-136 (11)(a)(I), THE

1 REPORT REQUIRED PURSUANT TO THIS SUBSECTION (4) CONTINUES
2 INDEFINITELY. AT A MINIMUM, THE STATE DEPARTMENT'S REPORT MUST
3 INCLUDE THE FOLLOWING INFORMATION CONCERNING THE ACCOUNTABLE
4 CARE COLLABORATIVE:

5 (a) THE NUMBER OF MEDICAID CLIENTS ENROLLED IN THE
6 PROGRAM;

7 (b) PERFORMANCE RESULTS WITH AN EMPHASIS ON MEMBER
8 HEALTH IMPACTS;

9 (c) CURRENT ADMINISTRATIVE FEES AND COSTS FOR THE
10 PROGRAM;

11 (d) FISCAL PERFORMANCE;

12 (e) INFORMATION ON ANY ADVISORY COMMITTEES CREATED,
13 INCLUDING THE PARTICIPANTS, FOCUS, AND OUTCOMES OF THE WORK OF
14 THE ADVISORY COMMITTEES;

15 (f) FUTURE AREAS OF PROGRAM FOCUS AND DEVELOPMENT; AND

16 (g) INFORMATION CONCERNING EFFORTS TO REDUCE MEDICAID
17 WASTE AND INEFFICIENCIES THROUGH THE ACCOUNTABLE CARE
18 COLLABORATIVE, INCLUDING:

19 (I) THE SPECIFIC EFFORTS WITHIN THE ACCOUNTABLE CARE
20 COLLABORATIVE, INCLUDING A SUMMARY OF TECHNOLOGY-BASED
21 EFFORTS, TO IDENTIFY AND IMPLEMENT BEST PRACTICES RELATING TO
22 COST CONTAINMENT; AND REDUCING AVOIDABLE, DUPLICATIVE,
23 VARIABLE, AND INAPPROPRIATE USES OF HEALTH CARE RESOURCES; AND
24 THE OUTCOME OF THOSE EFFORTS, INCLUDING COST SAVINGS, IF KNOWN;

25 (II) ANY STATUTES, POLICIES, OR PROCEDURES THAT PREVENT
26 REGIONAL CARE COORDINATORS FROM REALIZING EFFICIENCIES AND
27 REDUCING WASTE WITHIN THE MEDICAID SYSTEM; AND

1 (III) ANY OTHER EFFORTS BY REGIONAL ENTITIES OR THE STATE
2 DEPARTMENT TO ENSURE THAT THOSE WHO PROVIDE CARE FOR MEDICAID
3 CLIENTS ARE AWARE OF AND ACTIVELY PARTICIPATE IN REDUCING WASTE
4 WITHIN THE MEDICAID SYSTEM.

5 (5) ON OR BEFORE DECEMBER 1, 2017, THE STATE DEPARTMENT
6 SHALL SUBMIT A REPORT TO THE JOINT BUDGET COMMITTEE, THE PUBLIC
7 HEALTH CARE AND HUMAN SERVICES COMMITTEE OF THE HOUSE OF
8 REPRESENTATIVES, AND THE HEALTH AND HUMAN SERVICES COMMITTEE
9 OF THE SENATE, OR ANY SUCCESSOR COMMITTEES, OUTLINING THE
10 STATUTORY CHANGES NEEDED TO PART 4 OF THIS ARTICLE 5 RELATING TO
11 THE STATEWIDE MANAGED CARE SYSTEM, AS WELL AS ANY OTHER
12 SECTIONS OF THE COLORADO REVISED STATUTES, IN ORDER TO ALIGN
13 COLORADO LAW WITH THE FEDERAL "MEDICAID AND CHIP MANAGED
14 CARE FINAL RULE", CMS-2390-F.

15 (6) THE STATE BOARD SHALL PROMULGATE RULES IMPLEMENTING
16 THE ACCOUNTABLE CARE COLLABORATIVE.

17 **SECTION 3.** In Colorado Revised Statutes, **add** 25.5-4-401.2 as
18 follows:

19 **25.5-4-401.2. Performance-based payments - reporting.** (1) TO
20 IMPROVE HEALTH OUTCOMES AND LOWER HEALTH CARE COSTS, THE STATE
21 DEPARTMENT IS AUTHORIZED TO IMPLEMENT PAYMENTS TO PROVIDERS
22 THAT ARE BASED ON QUANTIFIABLE PERFORMANCE OR MEASURES OF
23 QUALITY OF CARE. THESE PERFORMANCE-BASED PAYMENTS MAY INCLUDE,
24 BUT ARE NOT LIMITED TO, PAYMENTS TO:

- 25 (a) PRIMARY CARE PROVIDERS;
26 (b) FEDERALLY QUALIFIED HEALTH CENTERS; AND
27 (c) BEHAVIORAL HEALTH PROVIDERS.

1 (2) (a) PRIOR TO IMPLEMENTING PERFORMANCE-BASED PAYMENTS
2 IN THE MEDICAID PROGRAM PURSUANT TO THIS ARTICLE 4 AND ARTICLES
3 5 AND 6 OF THIS TITLE 25.5, INCLUDING PERFORMANCE-BASED PAYMENTS
4 DESCRIBED IN THIS SECTION, THE STATE DEPARTMENT SHALL SUBMIT TO
5 THE JOINT BUDGET COMMITTEE:

6 (I) (A) EVIDENCE THAT THE PERFORMANCE-BASED PAYMENTS ARE
7 DESIGNED TO BE COST-NEUTRAL OR TO ACHIEVE BUDGET SAVINGS; OR

8 (B) A BUDGET REQUEST FOR COSTS ASSOCIATED WITH THE
9 PERFORMANCE-BASED PAYMENTS;

10 (II) THE ESTIMATED PERFORMANCE-BASED PAYMENTS COMPARED
11 TO TOTAL REIMBURSEMENTS FOR THE AFFECTED SERVICE; AND

12 (III) A DESCRIPTION OF THE STAKEHOLDER ENGAGEMENT PROCESS
13 FOR DEVELOPING THE PERFORMANCE-BASED PAYMENTS AND THE STATE
14 DEPARTMENT'S RESPONSE TO STAKEHOLDER FEEDBACK.

15 (b) THE INFORMATION REQUIRED PURSUANT TO SUBSECTION (2)(a)
16 OF THIS SECTION MUST BE PROVIDED ON OR BEFORE NOVEMBER 1 FOR
17 PERFORMANCE-BASED PAYMENTS THAT WILL TAKE EFFECT IN THE
18 FOLLOWING FISCAL YEAR UNLESS THE STATE DEPARTMENT INCLUDES WITH
19 ITS SUBMISSION AN EXPLANATION OF THE NEED FOR FASTER
20 IMPLEMENTATION OF THE PAYMENT. IF FASTER IMPLEMENTATION IS
21 REQUESTED, THE STATE DEPARTMENT SHALL PROVIDE THE INFORMATION
22 AT LEAST THREE MONTHS PRIOR TO THE IMPLEMENTATION OF THE
23 PERFORMANCE-BASED PAYMENTS UNLESS COMPLIANCE WITH FEDERAL
24 LAW NECESSITATES SHORTER NOTICE.

25 (3) ON OR BEFORE NOVEMBER 1, 2017, AND ON OR BEFORE
26 NOVEMBER 1 EACH YEAR THEREAFTER, THE STATE DEPARTMENT SHALL
27 SUBMIT A REPORT TO THE JOINT BUDGET COMMITTEE, THE PUBLIC HEALTH

1 CARE AND HUMAN SERVICES COMMITTEE OF THE HOUSE OF
2 REPRESENTATIVES, AND THE HEALTH AND HUMAN SERVICES COMMITTEE
3 OF THE SENATE, OR ANY SUCCESSOR COMMITTEES, DESCRIBING RULES
4 ADOPTED BY THE STATE BOARD AND CONTRACT PROVISIONS APPROVED BY
5 THE CENTERS FOR MEDICARE AND MEDICAID SERVICES IN THE PRECEDING
6 CALENDAR YEAR THAT AUTHORIZE PAYMENTS TO PROVIDERS BASED ON
7 PERFORMANCE. NOTWITHSTANDING THE PROVISIONS OF SECTION 24-1-136
8 (11)(a)(I), THE REPORT REQUIRED PURSUANT TO THIS SUBSECTION (3)
9 CONTINUES INDEFINITELY. THE REPORT MUST INCLUDE, AT A MINIMUM:

10 (a) A DESCRIPTION OF PERFORMANCE-BASED PAYMENTS INCLUDED
11 IN STATE BOARD RULES, INCLUDING WHICH PERFORMANCE STANDARDS
12 ARE TARGETED WITH EACH PERFORMANCE-BASED PAYMENT;

13 (b) A DESCRIPTION OF THE OBJECTIVES OF THE
14 PERFORMANCE-BASED PAYMENTS;

15 (c) A SUMMARY OF THE EVIDENCE FOR THE PERFORMANCE-BASED
16 PAYMENTS;

17 (d) A SUMMARY OF THE ANTICIPATED IMPACT OR OUTCOMES OF
18 IMPLEMENTING THE PERFORMANCE-BASED PAYMENTS;

19 (e) A DESCRIPTION OF HOW THE IMPACT OR OUTCOMES WILL BE
20 EVALUATED;

21 (f) A SUMMARY OF THE STAKEHOLDER ENGAGEMENT PROCESS
22 WITH RESPECT TO EACH PERFORMANCE-BASED PAYMENT, INCLUDING
23 MAJOR CONCERNS RAISED THROUGH THE STAKEHOLDER PROCESS AND
24 HOW THOSE CONCERNS WERE REMEDIATED;

25 (g) WHEN AVAILABLE, EVALUATION RESULTS FOR
26 PERFORMANCE-BASED PAYMENTS THAT WERE IMPLEMENTED IN PRIOR
27 YEARS; AND

1 (h) A DESCRIPTION OF PROPOSED MODIFICATIONS TO CURRENT
2 PERFORMANCE-BASED PAYMENTS.

3 **SECTION 4.** In Colorado Revised Statutes, 25.5-1-115.5, **amend**
4 (1) introductory portion, (1)(d), (1)(e); and **add** (1)(f) as follows:

5 **25.5-1-115.5. Medical assistance client fraud - report.** (1) On
6 or before ~~January 15, 2013~~ NOVEMBER 1, 2017, and on or before ~~January~~
7 ~~15~~ NOVEMBER 1 each year thereafter, the state department shall submit a
8 written report to the JOINT BUDGET COMMITTEE; THE judiciary committee
9 and the PUBLIC health CARE and ~~environment~~ HUMAN SERVICES committee
10 of the house of representatives, or their successor committees; and to the
11 judiciary committee and the health and human services committee of the
12 senate, or their successor committees, relating to fraudulent receipt of
13 medicaid benefits, including, at a minimum:

14 (d) Recoveries, including fines and penalties, restitution ordered,
15 and restitution collected; ~~and~~

16 (e) Trends in methods used to commit client fraud, excluding law
17 enforcement-sensitive information; AND

18 (f) AN ESTIMATE OF THE TOTAL SAVINGS, TOTAL COST, AND NET
19 COST-EFFECTIVENESS OF FRAUD DETECTION EFFORTS.

20 **SECTION 5. Safety clause.** The general assembly hereby finds,
21 determines, and declares that this act is necessary for the immediate
22 preservation of the public peace, health, and safety.

First Regular Session
Seventy-first General Assembly
STATE OF COLORADO

DRAFT
4.7.17

DRAFT

LLS NO. 17-1134.01 Brita Darling x2241

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: "Performance-based Payments Medicaid Providers"

A BILL FOR AN ACT

101 CONCERNING AUTHORIZING PERFORMANCE-BASED PAYMENTS TO
102 MEDICAID PROVIDERS.

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/>.)

Joint Budget Committee. The bill authorizes the department of health care policy and financing (department) to implement performance-based payments for medicaid providers. Prior to implementing performance-based payments, the department shall report to the joint budget committee concerning the performance-based payment, including whether the payment is cost-neutral or requires a

*Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

budget request, the amount of the payments compared to total reimbursements for the affected service, and a description of the stakeholder process and the department's response to stakeholder feedback. After implementation of performance-based payments, the department shall report to the joint budget committee and the health care committees of the house of representatives and the senate that oversee the medicaid program concerning the design of the performance-based payments, the stakeholder engagement process with respect to the payments, and other information regarding the implementation of the performance-based payments described in the bill.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 25.5-4-401.2 as
3 follows:

4 **25.5-4-401.2. Performance-based payments - reporting.** (1) To
5 IMPROVE HEALTH OUTCOMES AND LOWER HEALTH CARE COSTS, THE STATE
6 DEPARTMENT IS AUTHORIZED TO IMPLEMENT PAYMENTS TO PROVIDERS
7 THAT ARE BASED ON QUANTIFIABLE PERFORMANCE OR MEASURES OF
8 QUALITY OF CARE. THESE PERFORMANCE-BASED PAYMENTS MAY INCLUDE,
9 BUT ARE NOT LIMITED TO, PAYMENTS TO:

- 10 (a) PRIMARY CARE PROVIDERS;
11 (b) FEDERALLY QUALIFIED HEALTH CENTERS; AND
12 (c) BEHAVIORAL HEALTH PROVIDERS.

13 (2) (a) PRIOR TO IMPLEMENTING PERFORMANCE-BASED PAYMENTS
14 IN THE MEDICAID PROGRAM PURSUANT TO THIS ARTICLE 4 AND ARTICLES
15 5 AND 6 OF THIS TITLE 25.5, INCLUDING PERFORMANCE-BASED PAYMENTS
16 SET FORTH IN THIS SECTION, THE STATE DEPARTMENT SHALL SUBMIT TO
17 THE JOINT BUDGET COMMITTEE:

- 18 (I) (A) EVIDENCE THAT THE PERFORMANCE-BASED PAYMENTS ARE
19 DESIGNED TO BE COST-NEUTRAL OR TO ACHIEVE BUDGET SAVINGS; OR
20 (B) A BUDGET REQUEST FOR COSTS ASSOCIATED WITH THE

1 PERFORMANCE-BASED PAYMENTS;

2 (II) THE ESTIMATED PERFORMANCE-BASED PAYMENTS COMPARED
3 TO TOTAL REIMBURSEMENTS FOR THE AFFECTED SERVICE; AND

4 (III) A DESCRIPTION OF THE STAKEHOLDER ENGAGEMENT PROCESS
5 FOR DEVELOPING THE PERFORMANCE-BASED PAYMENTS AND THE STATE
6 DEPARTMENT'S RESPONSE TO STAKEHOLDER FEEDBACK.

7 (b) THE INFORMATION REQUIRED PURSUANT TO SUBSECTION (2)(a)
8 OF THIS SECTION MUST BE PROVIDED ON OR BEFORE NOVEMBER 1 FOR
9 PERFORMANCE-BASED PAYMENTS THAT WILL TAKE EFFECT IN THE
10 FOLLOWING FISCAL YEAR UNLESS THE STATE DEPARTMENT INCLUDES WITH
11 ITS SUBMISSION AN EXPLANATION OF THE NEED FOR FASTER
12 IMPLEMENTATION OF THE PAYMENT. IF FASTER IMPLEMENTATION IS
13 REQUESTED, THE STATE DEPARTMENT SHALL PROVIDE THE INFORMATION
14 AT LEAST THREE MONTHS PRIOR TO THE IMPLEMENTATION OF THE
15 PERFORMANCE-BASED PAYMENTS UNLESS COMPLIANCE WITH FEDERAL
16 LAW NECESSITATES SHORTER NOTICE.

17 (3) ON OR BEFORE NOVEMBER 1, 2017, AND ON OR BEFORE
18 NOVEMBER 1 EACH YEAR THEREAFTER, THE STATE DEPARTMENT SHALL
19 SUBMIT A REPORT TO THE JOINT BUDGET COMMITTEE, THE PUBLIC HEALTH
20 CARE AND HUMAN SERVICES COMMITTEE OF THE HOUSE OF
21 REPRESENTATIVES, AND THE HEALTH AND HUMAN SERVICES COMMITTEE
22 OF THE SENATE, OR ANY SUCCESSOR COMMITTEES, DESCRIBING RULES
23 ADOPTED BY THE STATE BOARD AND CONTRACT PROVISIONS APPROVED BY
24 THE CENTERS FOR MEDICARE AND MEDICAID SERVICES IN THE PRECEDING
25 CALENDAR YEAR THAT AUTHORIZE PAYMENTS TO PROVIDERS BASED ON
26 PERFORMANCE. NOTWITHSTANDING THE PROVISIONS OF SECTION 24-1-136
27 (11)(a)(I), THE REPORT REQUIRED PURSUANT TO THIS SUBSECTION (3)

1 CONTINUES INDEFINITELY. THE REPORT MUST INCLUDE, AT A MINIMUM:

2 (a) A DESCRIPTION OF PERFORMANCE-BASED PAYMENTS INCLUDED
3 IN STATE BOARD RULES, INCLUDING WHICH PERFORMANCE STANDARDS
4 ARE TARGETED WITH EACH PERFORMANCE-BASED PAYMENT;

5 (b) A DESCRIPTION OF THE OBJECTIVES OF THE
6 PERFORMANCE-BASED PAYMENTS;

7 (c) A SUMMARY OF THE EVIDENCE FOR THE PERFORMANCE-BASED
8 PAYMENTS;

9 (d) A SUMMARY OF THE ANTICIPATED IMPACT OR OUTCOMES OF
10 IMPLEMENTING THE PERFORMANCE-BASED PAYMENTS;

11 (e) A DESCRIPTION OF HOW THE IMPACT OR OUTCOMES WILL BE
12 EVALUATED;

13 (f) A SUMMARY OF THE STAKEHOLDER ENGAGEMENT PROCESS
14 WITH RESPECT TO EACH PERFORMANCE-BASED PAYMENT, INCLUDING
15 MAJOR CONCERNS RAISED THROUGH THE STAKEHOLDER PROCESS AND
16 HOW THOSE CONCERNS WERE REMEDIATED;

17 (g) WHEN AVAILABLE, EVALUATION RESULTS FOR
18 PERFORMANCE-BASED PAYMENTS THAT WERE IMPLEMENTED IN PRIOR
19 YEARS; AND

20 (h) A DESCRIPTION OF PROPOSED MODIFICATIONS TO CURRENT
21 PERFORMANCE-BASED PAYMENTS.

22 **SECTION 2. Act subject to petition - effective date.** This act
23 takes effect at 12:01 a.m. on the day following the expiration of the
24 ninety-day period after final adjournment of the general assembly (August
25 9, 2017, if adjournment sine die is on May 10, 2017); except that, if a
26 referendum petition is filed pursuant to section 1 (3) of article V of the
27 state constitution against this act or an item, section, or part of this act

1 within such period, then the act, item, section, or part will not take effect
2 unless approved by the people at the general election to be held in
3 November 2018 and, in such case, will take effect on the date of the
4 official declaration of the vote thereon by the governor.

First Regular Session
Seventy-first General Assembly
STATE OF COLORADO

DRAFT
4.7.17

DRAFT

LLS NO. 17-1135.01 Brita Darling x2241

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: "Revise HCPF Medicaid Client Fraud Reporting"

A BILL FOR AN ACT

101 CONCERNING REVISIONS TO THE DEPARTMENT OF HEALTH CARE
102 POLICY AND FINANCING'S ANNUAL REPORT CONCERNING CLIENT
103 FRAUD IN THE MEDICAID PROGRAM.

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/>.)

Joint Budget Committee. The bill updates the department of health care policy and financing's annual reporting on efforts to detect and prosecute medicaid client fraud. The bill adds the joint budget committee to the legislative committees receiving the report and requires that the report include additional cost and savings information.

*Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

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

2 **SECTION 1.** In Colorado Revised Statutes, 25.5-1-115.5, **amend**
3 (1) introductory portion, (1)(d), and (1)(e); and **add** (1)(f) as follows:

4 **25.5-1-115.5. Medical assistance client fraud - report.** (1) On
5 or before ~~January 15, 2013~~ NOVEMBER 1, 2017, and on or before ~~January~~
6 ~~15~~ NOVEMBER 1 each year thereafter, the state department shall submit a
7 written report to the JOINT BUDGET COMMITTEE; THE judiciary committee
8 and the PUBLIC health CARE and ~~environment~~ HUMAN SERVICES committee
9 of the house of representatives, or their successor committees; and to the
10 judiciary committee and the health and human services committee of the
11 senate, or their successor committees, relating to fraudulent receipt of
12 medicaid benefits, including, at a minimum:

13 (d) Recoveries, including fines and penalties, restitution ordered,
14 and restitution collected; ~~and~~

15 (e) Trends in methods used to commit client fraud, excluding law
16 enforcement-sensitive information; AND

17 (f) AN ESTIMATE OF THE TOTAL SAVINGS, TOTAL COST, AND NET
18 COST-EFFECTIVENESS OF FRAUD DETECTION EFFORTS.

19 **SECTION 2. Act subject to petition - effective date.** This act
20 takes effect at 12:01 a.m. on the day following the expiration of the
21 ninety-day period after final adjournment of the general assembly (August
22 9, 2017, if adjournment sine die is on May 10, 2017); except that, if a
23 referendum petition is filed pursuant to section 1 (3) of article V of the
24 state constitution against this act or an item, section, or part of this act
25 within such period, then the act, item, section, or part will not take effect
26 unless approved by the people at the general election to be held in

- 1 November 2018 and, in such case, will take effect on the date of the
- 2 official declaration of the vote thereon by the governor.

First Regular Session
Seventy-first General Assembly
STATE OF COLORADO

DRAFT
4.10.17

DRAFT

LLS NO. 17-1059.02 Julie Pelegrin x2700

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: "Early Childhood Ed Data And Services"

A BILL FOR AN ACT

101 **CONCERNING EARLY CHILDHOOD EDUCATION SERVICES FOR CHILDREN**
102 **FROM BIRTH THROUGH FIVE YEARS OF AGE.**

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/>.)

Joint Budget Committee. The bill requires the department of human services (department), working with the department of education and the early childhood leadership commission, to appoint a voluntary working group to design and make recommendations concerning a suspension and expulsion data collection system. The system will be designed to collect information from licensed child care facilities,

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Dashes through the words indicate deletions from existing statute.*

licensed family child care homes, and licensed specialized group facilities concerning the suspension and expulsion of children from birth through age 5. The working group must submit its recommendations to the department by November 1, 2017. The department must submit a report of the recommendations and the itemized cost of creating and maintaining the data collection system to the joint budget committee by December 1, 2017.

The bill directs the department to convene a group of experts in early childhood education, early childhood education providers, and other interested persons to create a rubric of evidence-based indicators for identifying children who are at risk of suspension or expulsion from early childhood education. The department will make the rubric available to early childhood education providers and public entities that provide early childhood education services.

The bill directs the department to appoint a group of experts to create policies and processes by which the department and the department of education must coordinate services for a child with disabilities and the child's family during the time that the child leaves the developmental disabilities system and moves to the public education system. The group must submit its recommendations to the department by November 1, 2017. The department must submit a report of the recommendations and the itemized cost of implementing the policies and processes to the joint budget committee by December 1, 2017.

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

2 **SECTION 1.** In Colorado Revised Statutes, **add** 26-6-122 and
3 26-6-123 as follows:

4 **26-6-122. Suspension and expulsion data collection system -**
5 **created - report - definitions.** (1) AS USED IN THIS SECTION AND
6 SECTION 26-2-123, UNLESS THE CONTEXT OTHERWISE REQUIRES:

7 (a) "COMMUNITY-CENTERED BOARD" HAS THE SAME MEANING AS
8 PROVIDED IN SECTION 25.5-10-202.

9 (b) "EARLY CHILDHOOD COUNCIL" MEANS AN EARLY CHILDHOOD
10 COUNCIL ESTABLISHED AS PROVIDED IN SECTION 26-6.5-103.

11 (c) "LICENSED FACILITY" MEANS A CHILD CARE CENTER, FAMILY
12 CHILD CARE HOME, OR SPECIALIZED GROUP FACILITY THAT IS LICENSED

1 PURSUANT TO THIS PART 1.

2 (2) NO LATER THAN JULY 1, 2017, THE STATE DEPARTMENT,
3 WORKING WITH THE DEPARTMENT OF EDUCATION AND THE EARLY
4 CHILDHOOD LEADERSHIP COMMISSION CREATED IN SECTION 26-6.2-103,
5 SHALL CONVENE A VOLUNTARY WORKING GROUP TO DESIGN AND MAKE
6 RECOMMENDATIONS CONCERNING A SUSPENSION AND EXPULSION DATA
7 COLLECTION SYSTEM TO COLLECT DATA FROM LICENSED FACILITIES
8 CONCERNING THE SUSPENSION AND EXPULSION OF CHILDREN FROM BIRTH
9 THROUGH FIVE YEARS OF AGE. THE WORKING GROUP MAY INCLUDE BUT
10 NEED NOT BE LIMITED TO EXPERTS IN EARLY CHILDHOOD EDUCATION,
11 EARLY CHILDHOOD EDUCATION PROVIDERS, REPRESENTATIVES FROM
12 COMMUNITY-CENTERED BOARDS WHO WORK IN EARLY CHILDHOOD
13 EDUCATION, REPRESENTATIVES FROM EARLY CHILDHOOD COUNCILS, AND
14 OTHER INTERESTED PERSONS. THE GROUP SHALL:

15 (a) DEFINE SUSPENSION AND EXPULSION FOR PURPOSES OF THE
16 DATA COLLECTION SYSTEM;

17 (b) DESIGN THE DATA COLLECTION SYSTEM TO COLLECT DATA
18 THAT:

19 (I) ENABLES THE STATE DEPARTMENT TO ACCURATELY MEASURE
20 THE NUMBER OF CHILDREN FROM BIRTH THROUGH FIVE YEARS OF AGE WHO
21 ARE SUSPENDED AND EXPELLED;

22 (II) PROVIDES DEMOGRAPHIC DATA CONCERNING THESE CHILDREN
23 WHO ARE SUSPENDED OR EXPELLED;

24 (III) IDENTIFIES THE REASONS FOR SUSPENSIONS AND EXPULSIONS;

25 (IV) IDENTIFIES OTHER DISCIPLINE STRATEGIES THAT LICENSED
26 FACILITIES USE BEFORE SUSPENDING OR EXPELLING A CHILD;

27 (V) IDENTIFIES THE LENGTH OF SUSPENSIONS AND THE CONDITIONS

1 PLACED ON A CHILD'S RETURN TO THE CLASSROOM; AND

2 (VI) COMPLIES WITH THE APPLICABLE PRIVACY REQUIREMENTS OF
3 THE FEDERAL "HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY
4 ACT OF 1996", 42 U.S.C. SEC. 1320d TO 1320d-8, AS AMENDED, AND THE
5 FEDERAL "FAMILY EDUCATION RIGHTS AND PRIVACY ACT OF 1974", 20
6 U.S.C. SEC. 1232g, AS AMENDED, AND ALL FEDERAL REGULATIONS AND
7 APPLICABLE GUIDELINES ADOPTED TO IMPLEMENT SAID FEDERAL ACTS;
8 AND

9 (c) IDENTIFY THE PURPOSES FOR WHICH THE DATA COLLECTED
10 THROUGH THE DATA COLLECTION SYSTEM MAY BE USED; EXCEPT THAT
11 THE DATA SHALL NOT BE USED AS THE BASIS FOR A NEGATIVE LICENSING
12 ACTION. PURPOSES FOR COLLECTING DATA MAY INCLUDE, BUT NEED NOT
13 BE LIMITED TO, PROVIDING INFORMATION FOR ALLOCATING RESOURCES;
14 DETERMINING ACCESS TO BEHAVIORAL HEALTH SUPPORTS FOR CHILDREN,
15 HOME VISITATION SERVICES, OR OTHER SERVICES AND SUPPORTS THROUGH
16 PROGRAMS SUPERVISED OR ADMINISTERED BY STATE AGENCIES; AND
17 IDENTIFYING PROFESSIONAL DEVELOPMENT FOR EMPLOYEES OF LICENSED
18 FACILITIES.

19 (3) THE WORKING GROUP SHALL REPORT ITS RECOMMENDATIONS
20 TO THE STATE DEPARTMENT NO LATER THAN NOVEMBER 1, 2017. BY
21 DECEMBER 1, 2017, THE STATE DEPARTMENT SHALL SUBMIT A REPORT TO
22 THE JOINT BUDGET COMMITTEE OF THE GENERAL ASSEMBLY THAT MUST
23 INCLUDE THE RECOMMENDATIONS OF THE WORKING GROUP, THE
24 DEPARTMENT'S ANALYSIS OF AND STATEMENTS AGREEING OR
25 DISAGREEING WITH THE WORKING GROUP'S RECOMMENDATIONS, AND AN
26 ITEMIZATION OF THE COST TO IMPLEMENT AND MAINTAIN THE DATA
27 COLLECTION SYSTEM.

1 **26-6-123. Children at risk of suspension or expulsion - early**
2 **identification.** BY JULY 1, 2017, THE STATE DEPARTMENT SHALL
3 CONVENE A VOLUNTARY WORKING GROUP THAT INCLUDES EXPERTS IN
4 EARLY CHILDHOOD EDUCATION, EARLY CHILDHOOD EDUCATION
5 PROVIDERS, AND OTHER INTERESTED PERSONS, TO REVIEW THE AVAILABLE
6 RESEARCH AND RECOMMEND TO THE STATE DEPARTMENT A RUBRIC OF
7 EVIDENCE-BASED INDICATORS FOR IDENTIFYING CHILDREN FROM BIRTH
8 THROUGH FIVE YEARS OF AGE WHO ARE AT RISK OF SUSPENSION OR
9 EXPULSION FROM EARLY CHILDHOOD EDUCATION FACILITIES. THE GROUP
10 SHALL DESIGN THE RUBRIC TO TAKE INTO ACCOUNT DATA COLLECTED
11 THROUGH THE DATA COLLECTION SYSTEM CONCERNING THE SUSPENSION
12 AND EXPULSION OF CHILDREN FROM BIRTH THROUGH FIVE YEARS OF AGE,
13 AS RECOMMENDED PURSUANT TO SECTION 26-6-122, IF THE DATA
14 COLLECTION SYSTEM BECOMES OPERABLE. THE WORKING GROUP SHALL
15 SUBMIT THE RECOMMENDED RUBRIC TO THE STATE DEPARTMENT BY
16 DECEMBER 1, 2017. THE STATE DEPARTMENT, WITH ADVICE FROM THE
17 EARLY CHILDHOOD LEADERSHIP COMMISSION CREATED IN SECTION
18 26-6.2-103, SHALL ADOPT THE RUBRIC, WITH MODIFICATIONS IF
19 APPROPRIATE, AND PROVIDE IT TO EARLY CHILDHOOD EDUCATION
20 PROVIDERS, SCHOOL DISTRICTS, COUNTY DEPARTMENTS OF HUMAN OR
21 SOCIAL SERVICES, COMMUNITY-CENTERED BOARDS, AND THE EARLY
22 CHILDHOOD COUNCILS ESTABLISHED AS PROVIDED IN SECTION 26-6.5-103.
23 THE EARLY CHILDHOOD EDUCATION PROVIDERS, SCHOOL DISTRICTS,
24 COUNTY DEPARTMENTS OF HUMAN OR SOCIAL SERVICES, AND
25 COMMUNITY-CENTERED BOARDS MAY USE THE RUBRIC TO IDENTIFY AS
26 EARLY AS POSSIBLE THOSE CHILDREN WHO MAY BE AT RISK OF SUSPENSION
27 OR EXPULSION AND REFER THESE CHILDREN AND THEIR FAMILIES TO

1 PROGRAMS FOR SERVICES AND SUPPORTS, INCLUDING BUT NOT LIMITED TO
2 PROGRAMS SUPERVISED OR ADMINISTERED BY STATE AGENCIES.

3 **SECTION 2.** In Colorado Revised Statutes, 27-10.5-704, **add** (4)
4 as follows:

5 **27-10.5-704. Child find - responsibilities - interagency**
6 **operating agreements - rules.** (4) THE DEPARTMENT, WORKING WITH
7 THE DEPARTMENT OF EDUCATION, SHALL CONVENE A VOLUNTARY
8 WORKING GROUP OF PERSONS WITH EXPERTISE IN PROVIDING SERVICES FOR
9 YOUNG CHILDREN WITH DISABILITIES TO DEVELOP POLICIES AND
10 PROCESSES FOR PROVIDING CONTINUED AND COORDINATED SUPPORT FOR
11 CHILDREN DURING THE TIME THAT THEY ARE LEAVING THE
12 DEVELOPMENTAL DISABILITIES OR EARLY INTERVENTION SYSTEM AND
13 ENTERING THE PUBLIC EDUCATION SYSTEM. THE WORKING GROUP SHALL
14 SUBMIT ITS RECOMMENDATIONS CONCERNING THE POLICIES AND
15 PROCESSES TO THE DEPARTMENT BY NOVEMBER 1, 2017. BY DECEMBER
16 1, 2017, THE DEPARTMENT SHALL SUBMIT A REPORT TO THE JOINT BUDGET
17 COMMITTEE OF THE GENERAL ASSEMBLY THAT MUST INCLUDE THE
18 RECOMMENDATIONS OF THE WORKING GROUP, THE DEPARTMENT'S
19 ANALYSIS OF AND STATEMENTS AGREEING OR DISAGREEING WITH THE
20 WORKING GROUP'S RECOMMENDATIONS, AND AN ITEMIZATION OF THE
21 COST TO IMPLEMENT THE RECOMMENDED POLICIES AND PROCESSES.

22 **SECTION 3. Safety clause.** The general assembly hereby finds,
23 determines, and declares that this act is necessary for the immediate
24 preservation of the public peace, health, and safety.

First Regular Session
Seventy-first General Assembly
STATE OF COLORADO

DRAFT
3.15.17

DRAFT

LLS NO. 17-1081.01 Jason Gelender x4330

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: "Reduce Senior Property Tax Exemption"

A BILL FOR AN ACT

101 **CONCERNING A REDUCTION IN THE MAXIMUM AMOUNT OF ACTUAL**
102 **VALUE OF THE OWNER-OCCUPIED PRIMARY RESIDENCE OF A**
103 **QUALIFYING SENIOR OF WHICH FIFTY PERCENT IS EXEMPT FROM**
104 **PROPERTY TAXATION.**

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/>.)

Joint Budget Committee. The Colorado constitution allows a qualifying senior a property tax exemption for 50% of the first \$200,000 of actual value of the senior's owner-occupied primary residence and

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Dashes through the words indicate deletions from existing statute.*

authorizes the general assembly to raise or lower by law the maximum amount of actual value of such property of which 50% is exempt. For property tax years commencing on or after January 1, 2017, the bill lowers the maximum amount of actual value of a qualifying senior's owner-occupied primary residence of which 50% is exempt from property taxation from \$200,000 to \$100,000.

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-3-203, **amend** (1)
3 introductory portion as follows:

4 **39-3-203. Property tax exemption - qualifications.** (1) For the
5 property tax year commencing January 1, 2002, for property tax years
6 commencing on or after January 1, 2006, but before January 1, 2009, and
7 for property tax years commencing on or after January 1, 2012, BUT
8 BEFORE JANUARY 1, 2017, fifty percent of the first two hundred thousand
9 dollars of actual value of residential real property that as of the
10 assessment date is owner-occupied and is used as the primary residence
11 of the owner-occupier ~~shall be~~ IS exempt from taxation, and for property
12 tax years commencing on or after January 1, 2003, but before January 1,
13 2006, and on or after January 1, 2009, but before January 1, 2012, fifty
14 percent of zero dollars of actual value of residential real property that as
15 of the assessment date is owner-occupied and is used as the primary
16 residence of the owner-occupier ~~shall be~~ IS exempt from taxation, AND
17 FOR PROPERTY TAX YEARS COMMENCING ON OR AFTER JANUARY 1, 2017,
18 FIFTY PERCENT OF THE FIRST ONE HUNDRED THOUSAND DOLLARS OF
19 ACTUAL VALUE OF RESIDENTIAL REAL PROPERTY THAT AS OF THE
20 ASSESSMENT DATE IS OWNER-OCCUPIED AND IS USED AS THE PRIMARY
21 RESIDENCE OF THE OWNER-OCCUPIER IS EXEMPT FROM TAXATION if:

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

- 1 determines, and declares that this act is necessary for the immediate
- 2 preservation of the public peace, health, and safety.

First Regular Session
Seventy-first General Assembly
STATE OF COLORADO

UNEDITED
UNREVISED
DRAFT
3.23.17

DRAFT

LLS NO. 17-1138.01 Ed DeCecco x4216

SENATE BILL

SENATE SPONSORSHIP

Lambert, Lundberg, Moreno

HOUSE SPONSORSHIP

Hamner, Young, Rankin

BILL TOPIC: "General Fund Transfer From Marijuana Tax Cash Fund"

A BILL FOR AN ACT

101 CONCERNING THE TRANSFER OF MONEY FROM THE MARIJUANA TAX
102 CASH FUND TO THE GENERAL FUND.

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/>.)

Joint Budget Committee. The bill requires the state treasurer to transfer \$26 million from the marijuana tax cash fund to the general fund on July 1, 2017.

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

*Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

1 **SECTION 1.** In Colorado Revised Statutes, 39-28.8-501, add
2 (4)(e) as follows:

3 **39-28.8-501. Marijuana tax cash fund - creation - distribution**
4 **- legislative declaration.** (4) The state treasurer shall make the following
5 transfers from the fund to the general fund:

6 (e) ON JULY 1, 2017, TWENTY-SIX MILLION DOLLARS, [WHICH
7 AMOUNT IS FROM REVENUES TRANSFERRED TO THE FUND FROM THE SALES
8 TAX IMPOSED PURSUANT TO SECTION 39-26-106 ON THE RETAIL SALE OF
9 PRODUCTS UNDER ARTICLES 43.3 AND 43.4 OF TITLE 12, C.R.S.]

10 **SECTION 2. Safety clause.** The general assembly hereby finds,
11 determines, and declares that this act is necessary for the immediate
12 preservation of the public peace, health, and safety.

First Regular Session
Seventy-first General Assembly
STATE OF COLORADO

DRAFT
4.7.17

DRAFT

LLS NO. 17-1139.01 Ed DeCecco x4216

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: "Retail Marijuana Sales Tax Rate"

A BILL FOR AN ACT

101 **CONCERNING AN INCREASE IN THE RETAIL MARIJUANA SALES TAX**
102 **RATE FROM EIGHT PERCENT TO TEN PERCENT.**

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/>.)

Joint Budget Committee. Under current law, the retail marijuana sales tax rate is scheduled to decrease on July 1, 2017, from 10% to 8%. Prior to the rate reduction taking effect, the bill raises the tax rate back to 10%.

*Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.*

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

2 **SECTION 1.** In Colorado Revised Statutes, 39-28.8-202, **amend**
3 (1)(a)(I) as follows:

4 **39-28.8-202. Retail marijuana sales tax.** (1) (a) (I) In addition
5 to the tax imposed pursuant to part 1 of article 26 of this title and the sales
6 tax imposed by a local government pursuant to title 29, 30, 31, or 32, but
7 except as otherwise set forth in ~~subparagraphs (H) and (HH) of this~~
8 ~~paragraph (a)~~ SUBSECTIONS (1)(a)(II) AND (1)(a)(III) OF THIS SECTION,
9 beginning January 1, 2014, ~~and through June 30, 2017,~~ there is imposed
10 upon all sales of retail marijuana and retail marijuana products by a
11 retailer a tax at the rate of ten percent of the amount of the sale. ~~and~~
12 ~~beginning July 1, 2017, there is imposed upon all sales of retail marijuana~~
13 ~~and retail marijuana products by a retailer a tax at the rate of eight percent~~
14 ~~of the amount of the sale.~~ The tax imposed by this section is computed in
15 accordance with schedules or forms prescribed by the executive director
16 of the department; except that a retail marijuana store is not allowed to
17 retain any portion of the retail marijuana sales tax collected pursuant to
18 this part 2 to cover the expenses of collecting and remitting the tax and
19 except that the department of revenue may require a retailer to make
20 returns and remit the tax described in this part 2 by electronic means.

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.