



Joint Budget Committee Staff

Memorandum

To: Joint Budget Committee Members
From: Kelly Shen, JBC Staff (303-866-5434)
Date: Thursday, March 20, 2025
Subject: [JBC Potential Legislation – Packet 14](#)

This packet includes bill drafts for the Committee’s consideration. Unless otherwise indicated by the JBC analyst, **these bills are seeking approval for introduction**. This includes:

- deciding on sponsors,
- allowing JBC staff permission to make technical changes including adding appropriation clauses, and
- indicating if the bill will run with the Long Bill package.

Each individual item has page numbers, but also a packet page number (P-XX) to help navigate the whole document.

Potential Legislation

Healthcare Policy and Financing

LLS 25-0975 Enterprise Disability Buy-in Premiums (Kurtz)	P-1
LLS 25-0976 Enterprise Nursing Facility Provider Fees (Kurtz)	P-8

First Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

REDRAFT

3/19/25

Double underlining
denotes changes from
prior draft

DRAFT

LLS NO. 25-0975.01 Rebecca Bayetti x4348

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: Enterprise Disability Buy-in Premiums

A BILL FOR AN ACT

101 **CONCERNING THE CREATION OF A CASH FUND WITHIN THE COLORADO**
102 **HEALTHCARE AFFORDABILITY AND SUSTAINABILITY ENTERPRISE**
103 **FOR PREMIUMS PAID BY INDIVIDUALS TO BUY IN TO THE STATE**
104 **MEDICAL ASSISTANCE PROGRAMS FOR LOW-INCOME**
105 **INDIVIDUALS WITH DISABILITIES.**

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, there are 2 programs available to low-income individuals to buy in to the state medical

*Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words indicate deletions from existing law.*

assistance program, one for adults with disabilities and one for children with disabilities (medicaid buy-in programs). Individuals who participate in either program pay a premium based on their family income. The premiums are credited to the medicaid buy-in cash fund. The premiums credited to the medicaid buy-in cash fund are used to offset the costs of providing the medicaid buy-in programs. The costs of providing the medicaid buy-in programs are also offset by the money in the healthcare affordability and sustainability fee cash fund in the Colorado healthcare affordability and sustainability enterprise (CHASE) within the department of health care policy and financing (HCPF).

The bill repeals the existing medicaid buy-in cash fund and creates the healthcare affordability and sustainability medicaid buy-in cash fund (buy-in cash fund) within CHASE and directs that individuals who participate in the existing medicaid buy-in programs pay their premiums into the buy-in cash fund. The bill creates a medicaid buy-in enterprise support board within CHASE to support the existing enterprise with the implementation of the medicaid buy-in program, including consulting with HCPF and the state medical services board on the amount of the premiums for and other components of the medicaid buy-in programs. Because CHASE is an enterprise for purposes of the Taxpayer's Bill of Rights, its revenue does not count against the state fiscal year spending limit.

The bill also makes conforming amendments.

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

2 **SECTION 1.** In Colorado Revised Statutes, 25.5-4-402.4, **amend**
3 (3)(a); and **add** (3)(d)(III.5), (5.5), and (7)(g) as follows:

4 **25.5-4-402.4. Hospitals - healthcare affordability and**
5 **sustainability fee - Colorado healthcare affordability and**
6 **sustainability enterprise - federal waiver - funds created - reports -**
7 **rules - legislative declaration - repeal. (3) Colorado healthcare**
8 **affordability and sustainability enterprise. (a) The Colorado**
9 healthcare affordability and sustainability enterprise, referred to in this
10 section as the "enterprise", is created. The enterprise is and operates as a
11 government-owned business within the state department for the purpose
12 of charging and collecting the healthcare affordability and sustainability

1 fee; leveraging healthcare affordability and sustainability fee revenue to
2 obtain federal matching money; ~~and~~ utilizing and deploying the
3 healthcare affordability and sustainability fee revenue and federal
4 matching money to provide the business services specified in subsections
5 (2)(d)(I) and (2)(d)(II) of this section to hospitals that pay the healthcare
6 affordability and sustainability fee; AND UTILIZING AND DEPLOYING THE
7 MEDICAID BUY-IN PREMIUM REVENUE TO PROVIDE THE MEDICAID BUY-IN
8 PROGRAMS CREATED PURSUANT TO PART 14 OF ARTICLE 6 OF THIS TITLE
9 25.5 AND SECTION 25.5-5-206, WHICH ARE SERVICES AND BENEFITS
10 SPECIFIED IN SUBSECTION (2)(c) OF THIS SECTION.

11 (d) The enterprise's primary powers and duties are:

12 (III.5) TO EXPEND MEDICAID BUY-IN PREMIUM REVENUE FROM THE
13 BUY-IN FUND AS SPECIFIED IN SUBSECTION (5.5) OF THIS SECTION;

14 **(5.5) Healthcare affordability and sustainability medicaid**
15 **buy-in cash fund.** (a) THE HEALTHCARE AFFORDABILITY AND
16 SUSTAINABILITY MEDICAID BUY-IN CASH FUND, REFERRED TO IN THIS
17 SECTION AS THE "BUY-IN FUND", IS CREATED IN THE STATE TREASURY. THE
18 FUND CONSISTS OF THE PREMIUMS CREDITED TO THE BUY-IN FUND
19 PURSUANT TO SECTIONS 25.5-5-206 AND 25.5-6-1404 AND ANY OTHER
20 MONEY THAT THE GENERAL ASSEMBLY MAY APPROPRIATE OR TRANSFER
21 TO THE BUY-IN FUND. MONEY IN THE BUY-IN FUND SHALL NOT BE
22 TRANSFERRED TO ANY OTHER FUND AND SHALL NOT BE USED FOR ANY
23 PURPOSE OTHER THAN THE PURPOSES SPECIFIED IN THIS SUBSECTION (5.5).

24 (b) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND
25 INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE
26 BUY-IN FUND TO THE BUY-IN FUND.

27 (c) SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL

1 ASSEMBLY, THE ENTERPRISE MAY EXPEND MONEY FROM THE BUY-IN FUND
2 FOR THE PURPOSE OF PROVIDING THE MEDICAID BUY-IN PROGRAMS
3 CREATED PURSUANT TO PART 14 OF ARTICLE 6 OF THIS TITLE 25.5 AND
4 SECTION 25.5-5-206.

5 (7) **Colorado healthcare affordability and sustainability**
6 **enterprise board.** (g) (I) THE MEDICAID BUY-IN ENTERPRISE SUPPORT
7 BOARD IS CREATED WITHIN THE ENTERPRISE FOR THE PURPOSE OF
8 SUPPORTING THE ENTERPRISE BOARD WITH THE IMPLEMENTATION OF THE
9 MEDICAID BUY-IN PROGRAM. THE MEDICAID BUY-IN ENTERPRISE SUPPORT
10 BOARD CONSISTS OF FIVE MEMBERS APPOINTED BY THE GOVERNOR, WITH
11 THE ADVICE AND CONSENT OF THE SENATE, AS FOLLOWS:

12 (A) ONE MEMBER WHO IS A REPRESENTATIVE OF PERSONS WITH
13 DISABILITIES, WHO IS LIVING WITH A DISABILITY;

14 (B) TWO MEMBERS WHO ARE REPRESENTATIVES OF A DISABILITY
15 RIGHTS ORGANIZATION OR A DISABLED PERSONS CONSUMER ADVOCACY
16 ORGANIZATION;

17 (C) ONE EMPLOYEE OF THE STATE DEPARTMENT; AND

18 (D) ONE EMPLOYEE OF THE DEPARTMENT OF HUMAN SERVICES
19 CREATED IN SECTION 24-1-120.

20 (II) (A) MEMBERS OF THE MEDICAID BUY-IN ENTERPRISE SUPPORT
21 BOARD SERVE AT THE PLEASURE OF THE GOVERNOR. ALL TERMS ARE FOR
22 FOUR YEARS. A MEMBER WHO IS APPOINTED TO FILL A VACANCY SHALL
23 SERVE THE REMAINDER OF THE UNEXPIRED TERM OF THE FORMER MEMBER.

24 (B) THE GOVERNOR SHALL MAKE THE INITIAL APPOINTMENTS TO
25 THE MEDICAID BUY-IN ENTERPRISE SUPPORT BOARD AS SOON AS
26 PRACTICAL FOLLOWING MAY 1, 2025.

27 (III) THE MEDICAID BUY-IN ENTERPRISE SUPPORT BOARD SHALL

1 ELECT A CHAIR AND A VICE-CHAIR FROM AMONG ITS MEMBERS.

2 (IV) ON BEHALF OF THE ENTERPRISE, THE MEDICAID BUY-IN
3 ENTERPRISE SUPPORT BOARD SHALL CONSULT WITH THE STATE
4 DEPARTMENT AND THE STATE BOARD ON THE AMOUNT OF THE PREMIUMS
5 FOR AND OTHER COMPONENTS OF THE MEDICAID BUY-IN PROGRAMS
6 CREATED PURSUANT TO PART 14 OF ARTICLE 6 OF THIS TITLE 25.5 AND
7 SECTION 25.5-5-206;

8 (V) MEMBERS OF THE MEDICAID BUY-IN ENTERPRISE SUPPORT
9 BOARD SERVE WITHOUT COMPENSATION BUT MUST BE REIMBURSED FROM
10 MONEY IN THE BUY-IN FUND FOR ACTUAL AND NECESSARY EXPENSES
11 INCURRED IN THE PERFORMANCE OF THEIR DUTIES PURSUANT TO THIS
12 SECTION.

13 **SECTION 2.** In Colorado Revised Statutes, 25.5-5-206, **add** (3)
14 as follows:

15 **25.5-5-206. Medicaid buy-in program - disabled children -**
16 **disabled adults - federal authorization - rules.** (3) ANY PREMIUMS OR
17 COST-SHARING CHARGES PAID FOR THE MEDICAID BUY-IN PROGRAMS
18 ESTABLISHED PURSUANT TO THIS SECTION ARE CREDITED TO THE
19 HEALTHCARE AFFORDABILITY AND SUSTAINABILITY MEDICAID BUY-IN
20 CASH FUND CREATED IN SECTION 25.5-4-402.4 (5.5).

21 **SECTION 3.** In Colorado Revised Statutes, 25.5-6-1404, **amend**
22 (3)(a) and (3)(b); and **add** (3)(d) as follows:

23 **25.5-6-1404. Medicaid buy-in program - eligibility - premiums**
24 **- medicaid buy-in fund - report - rules - repeal.** (3) **Premiums.** (a) An
25 individual who is eligible for and receives medicaid under subsection (1)
26 of this section shall pay a premium pursuant to a payment schedule
27 established by the state department IN CONSULTATION WITH THE

1 COLORADO HEALTHCARE AFFORDABILITY AND SUSTAINABILITY
2 ENTERPRISE CREATED IN SECTION 25.5-4-402.4 (3)(a). The amount of the
3 premium shall be determined from a sliding-fee scale adopted by rule of
4 the state board that is based on a percentage of the individual's income
5 adjusted for family size and on any impairment-related work expenses;
6 except that, consistent with federal law, if the amount of the individual's
7 adjusted gross income exceeds seventy-five thousand dollars, the
8 individual shall be responsible for paying one hundred percent of the
9 premium. The rules shall specify the amount of unearned income the state
10 department shall disregard in calculating the individual's income.
11 PREMIUMS ARE CREDITED TO THE HEALTHCARE AFFORDABILITY AND
12 SUSTAINABILITY MEDICAID BUY-IN CASH FUND CREATED IN SECTION
13 25.5-4-402.4 (5.5) FOR THE PURPOSE OF OFFSETTING PROGRAM COSTS.

14 (b) (I) The rules setting the premiums and the sliding-fee scale
15 ~~shall~~ MUST be based on an actuarial study of the disabled population in
16 this state. The state department may solicit and accept federal grants to
17 cover the costs of the actuarial study. ~~Moneys~~ MONEY received through
18 any grants ~~and any premiums shall be~~ IS credited to the medicaid buy-in
19 cash fund, which fund is ~~hereby~~ created in the state treasury. ~~Moneys~~
20 MONEY in the fund ~~shall be~~ IS appropriated by the general assembly and
21 expended by the state department for the purpose of conducting
22 implementation activities as determined by the state department,
23 including conducting the actuarial study. ~~Premiums shall be credited to~~
24 ~~the fund for the purpose of offsetting program costs.~~

25 (II) ON JUNE 30, 2025, THE STATE TREASURER SHALL TRANSFER
26 THE BALANCE OF THE MEDICAID BUY-IN CASH FUND TO THE HEALTHCARE
27 AFFORDABILITY AND SUSTAINABILITY MEDICAID BUY-IN CASH FUND

1 CREATED IN SECTION 25.5-4-402.4 (5.5).

2 (III) THIS SUBSECTION (3)(b) IS REPEALED, EFFECTIVE JULY 1,
3 2025.

4 **SECTION 4.** In Colorado Revised Statutes, 25.5-6-1405, **amend**
5 (1) as follows:

6 **25.5-6-1405. Rule-making authority.** (1) The state board shall
7 promulgate rules necessary to implement and administer the medicaid
8 buy-in program created in this part 14, including, IN CONSULTATION WITH
9 THE COLORADO HEALTHCARE AFFORDABILITY AND SUSTAINABILITY
10 ENTERPRISE CREATED IN SECTION 25.5-4-402.4 (3)(a), the establishment
11 of appropriate premium and cost-sharing charges on a sliding-fee scale
12 based on income. The premiums and cost-sharing charges shall be based
13 upon an actuarial study of the disabled population in this state.

14 **SECTION 5. Safety clause.** The general assembly finds,
15 determines, and declares that this act is necessary for the immediate
16 preservation of the public peace, health, or safety or for appropriations for
17 the support and maintenance of the departments of the state and state
18 institutions.

First Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO

REDRAFT
3/20/25

Double underlining
denotes changes from
prior draft

DRAFT

LLS NO. 25-0976.04 Rebecca Bayetti x4348

COMMITTEE BILL

Joint Budget Committee

BILL TOPIC: Enterprise Nursing Facility Provider Fees

A BILL FOR AN ACT

101 **CONCERNING CHARGES COLLECTED BY THE COLORADO HEALTHCARE**
102 **AFFORDABILITY AND SUSTAINABILITY ENTERPRISE, AND, IN**
103 **CONNECTION THEREWITH, AUTHORIZING THE ENTERPRISE TO**
104 **PROVIDE ADDITIONAL SERVICES IN EXCHANGE FOR THE**
105 **CHARGES COLLECTED.**

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 repeals the existing nursing facility provider fee and intermediate care facility service fee, effective

*Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words indicate deletions from existing law.*

May 1, 2025, and provides that, beginning on May 1, 2025, and for each state fiscal year thereafter, the Colorado healthcare affordability and sustainability enterprise (CHASE) within the department of health care policy and financing will charge and collect a new healthcare affordability and sustainability nursing facility provider fee and a new healthcare affordability and sustainability intermediate care facility fee that function similarly to the repealed fees. A facility provider fee enterprise support board is created within CHASE for the purpose of supporting the existing enterprise with the implementation of the healthcare affordability and sustainability nursing facility provider fee and the healthcare affordability and sustainability intermediate care facility fee. In exchange for payment of the healthcare affordability and sustainability nursing facility provider fee, CHASE will provide certain business services to nursing facility providers to sustain or increase reimbursement rates and make supplemental medicaid payments to nursing facility providers. In exchange for payment of the healthcare affordability and sustainability intermediate care facility fee, CHASE will provide certain business services to intermediate care facility providers for individuals with intellectual disabilities for the purposes of maintaining the quality and continuity of services provided by intermediate care facilities for individuals with intellectual disabilities. Because CHASE is an enterprise for purposes of the Taxpayer's Bill of Rights, its revenue does not count against the state fiscal year spending limit.

The bill also makes conforming amendments.

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

2 **SECTION 1.** In Colorado Revised Statutes, 25.5-4-402.4, **amend**

3 (2) introductory portion, (2)(a), (2)(c) introductory portion, (2)(c)(V),

4 (2)(c)(VI), (2)(d) introductory portion, (2)(e), (2)(f), (2)(g), (3)(a),

5 (3)(c)(I), (3)(d)(I), (3)(d)(II), (3)(d)(III), (3)(d)(V), (4)(b) introductory

6 portion, (4)(b)(II), (4)(b)(III), (4)(c)(I) introductory portion, (4)(c)(II)(C),

7 (4)(c)(III) introductory portion, (4)(c)(III)(E), (4)(c)(III)(F), (4)(e), (4)(f),

8 (5)(a), (5)(b) introductory portion, (5)(b)(IV) introductory portion,

9 (5)(b)(VI)(B), (5)(c)(I)(A), (5)(c)(II)(C), (5)(c)(III), (5)(c)(V), (6)(a)(I),

10 (6)(b) introductory portion, (6)(b)(II), (6)(b)(III)(A), (6)(b)(III)(B), (6)(c),

11 (7)(b), (7)(d)(I), (7)(d)(II), (7)(d)(III), (7)(d)(IX), (7)(d)(X), (7)(e)

1 introductory portion, (7)(e)(II), (7)(e)(III) introductory portion, and
 2 (7)(e)(IV); **amend as it exists until July 1, 2025, (2)(d)(I),** (4)(a)
 3 introductory portion, and (4)(g); and **add** (2)(c)(V.5), (2)(c)(V.7),
 4 (2)(d.5), (2)(d.7), (3)(c)(III), (3)(c)(IV), (4.5), (4.7), (5.5), (5.7),
 5 (6)(a)(IV), (6)(a)(V), (6)(b.5), (6)(c.5), (6)(c.7), (7)(e)(II.5), (7)(e)(II.7),
 6 (7)(e)(III.5), (7)(e)(III.7), (7)(g), and (9) as follows:

7 **25.5-4-402.4. Hospitals - healthcare affordability and**
 8 **sustainability fee - healthcare affordability and sustainability nursing**
 9 **facility provider fee - healthcare affordability and sustainability**
 10 **intermediate care facility fee - Colorado healthcare affordability and**
 11 **sustainability enterprise - federal waiver - funds created - reports -**
 12 **rules - legislative declaration - repeal.** (2) **Legislative declaration.** The
 13 general assembly ~~hereby~~ finds and declares that:

14 (a) The state and the providers of publicly funded medical
 15 services, and hospitals, NURSING FACILITY PROVIDERS, AND INTERMEDIATE
 16 CARE FACILITIES FOR INDIVIDUALS WITH INTELLECTUAL DISABILITIES in
 17 particular, share a common commitment to comprehensive health-care
 18 reform;

19 (c) This section is enacted as part of a comprehensive health-care
 20 reform and is intended to provide the following services and benefits to
 21 hospitals, NURSING FACILITY PROVIDERS, INTERMEDIATE CARE FACILITIES
 22 FOR INDIVIDUALS WITH INTELLECTUAL DISABILITIES, and individuals:

23 (V) Expanding access to high-quality, affordable health care for
 24 low-income and uninsured populations; **and**

25 (V.5) SUSTAINING OR INCREASING THE REIMBURSEMENT FOR
 26 PROVIDING MEDICAL CARE UNDER THE STATE'S MEDICAL ASSISTANCE
 27 PROGRAM FOR NURSING FACILITY PROVIDERS AND MAKING SUPPLEMENTAL

1 MEDICAID PAYMENTS TO NURSING FACILITY PROVIDERS;

2 (V.7) MAINTAINING THE QUALITY AND CONTINUITY OF SERVICES
3 PROVIDED BY INTERMEDIATE CARE FACILITIES FOR INDIVIDUALS WITH
4 INTELLECTUAL DISABILITIES; AND

5 (VI) Providing the additional business services specified in
6 subsection (4)(a)(IV) of this section to hospitals that pay the healthcare
7 affordability and sustainability HOSPITAL PROVIDER fee charged and
8 collected as authorized by subsection (4) of this section by the Colorado
9 healthcare affordability and sustainability enterprise created in subsection
10 (3)(a) of this section;

11 (d) The Colorado healthcare affordability and sustainability
12 enterprise provides business services to hospitals when, in exchange for
13 payment of healthcare affordability and sustainability HOSPITAL PROVIDER
14 fees by hospitals, it:

15 (I) Obtains federal matching money and returns both the
16 healthcare affordability and sustainability HOSPITAL PROVIDER fee and the
17 federal matching money to hospitals to increase reimbursement rates to
18 hospitals for providing medical care under the state medical assistance
19 program and the Colorado indigent care program and to increase the
20 number of individuals covered by public medical assistance; and

21 (d.5) THE COLORADO HEALTHCARE AFFORDABILITY AND
22 SUSTAINABILITY ENTERPRISE PROVIDES BUSINESS SERVICES TO NURSING
23 FACILITY PROVIDERS WHEN, IN EXCHANGE FOR PAYMENT OF NURSING
24 FACILITY PROVIDER FEES, IT OBTAINS FEDERAL MATCHING MONEY AND
25 RETURNS BOTH THE NURSING FACILITY PROVIDER FEE AND THE FEDERAL
26 MATCHING MONEY TO NURSING FACILITY PROVIDERS TO SUSTAIN OR
27 INCREASE REIMBURSEMENT RATES AND MAKE SUPPLEMENTAL MEDICAID

1 PAYMENTS TO NURSING FACILITY PROVIDERS;

2 (d.7) THE COLORADO HEALTHCARE AFFORDABILITY AND
3 SUSTAINABILITY ENTERPRISE PROVIDES BUSINESS SERVICES TO
4 INTERMEDIATE CARE FACILITIES FOR INDIVIDUALS WITH INTELLECTUAL
5 DISABILITIES WHEN, IN EXCHANGE FOR PAYMENT OF INTERMEDIATE CARE
6 FACILITY FEES, IT OBTAINS FEDERAL MATCHING MONEY AND RETURNS
7 BOTH THE INTERMEDIATE CARE FACILITY FEE AND THE FEDERAL
8 MATCHING MONEY TO INTERMEDIATE CARE FACILITIES FOR INDIVIDUALS
9 WITH INTELLECTUAL DISABILITIES TO SUSTAIN OR INCREASE
10 REIMBURSEMENT RATES AND MAKE SUPPLEMENTAL MEDICAID PAYMENTS
11 TO SUCH INTERMEDIATE CARE FACILITIES;

12 (e) It is necessary, appropriate, and in the best interest of the state
13 to acknowledge that by providing the business services specified in
14 ~~subsections (2)(d)(I) and (2)(d)(H)~~ SUBSECTIONS (2)(d) TO (2)(d.7) of this
15 section, the Colorado healthcare affordability and sustainability enterprise
16 engages in an activity conducted in the pursuit of a benefit, gain, or
17 livelihood and therefore operates as a business;

18 (f) Consistent with the determination of the Colorado supreme
19 court in *Nicholl v. E-470 Public Highway Authority*, 896 P.2d 859 (Colo.
20 1995), that the power to impose taxes is inconsistent with enterprise status
21 under section 20 of article X of the state constitution, it is the conclusion
22 of the general assembly that the healthcare affordability and sustainability
23 HOSPITAL PROVIDER fee, THE HEALTHCARE AFFORDABILITY AND
24 SUSTAINABILITY NURSING FACILITY PROVIDER FEE, AND THE HEALTHCARE
25 AFFORDABILITY AND SUSTAINABILITY INTERMEDIATE CARE FACILITY FEE
26 charged and collected by the Colorado healthcare affordability and
27 sustainability enterprise ~~is a fee~~ ARE FEES, not ~~a tax~~ TAXES, because the

1 ~~fee is~~ FEES ARE imposed for the specific purposes of allowing the
 2 enterprise to defray the costs of providing the business services specified
 3 in ~~subsections (2)(d)(I) and (2)(d)(II)~~ SUBSECTIONS (2)(d) TO (2)(d.7) of
 4 this section to hospitals, NURSING FACILITY PROVIDERS, AND
 5 INTERMEDIATE CARE FACILITIES FOR INDIVIDUALS WITH INTELLECTUAL
 6 DISABILITIES that pay the ~~fee~~ FEES and ~~is~~ ARE collected at rates that are
 7 reasonably calculated based on the benefits received by those hospitals,
 8 NURSING FACILITY PROVIDERS, AND INTERMEDIATE CARE FACILITIES; and

9 (g) So long as the Colorado healthcare affordability and
 10 sustainability enterprise qualifies as an enterprise for purposes of section
 11 20 of article X of the state constitution, the revenues from the ~~healthcare~~
 12 ~~affordability and sustainability fee~~ FEES charged and collected by the
 13 enterprise are not state fiscal year spending, as defined in section
 14 24-77-102 (17), or state revenues, as defined in section 24-77-103.6
 15 (6)(c), and do not count against either the state fiscal year spending limit
 16 imposed by section 20 of article X of the state constitution or the excess
 17 state revenues cap, as defined in section 24-77-103.6 (6)(b)(I).

18 (3) **Colorado healthcare affordability and sustainability**
 19 **enterprise.** (a) The Colorado healthcare affordability and sustainability
 20 enterprise ~~referred to in this section as the "enterprise"~~, is created. The
 21 enterprise is and operates as a government-owned business within the
 22 state department for the purpose of:

23 (I) Charging and collecting:

24 (A) The ~~healthcare affordability and sustainability~~ HOSPITAL
 25 PROVIDER fee;

26 (B) THE NURSING FACILITY PROVIDER FEE; AND

27 (C) THE INTERMEDIATE CARE FACILITY FEE;

1 (II) Leveraging ~~healthcare affordability and sustainability~~
2 REVENUE FROM THE HOSPITAL PROVIDER fee, ~~revenue~~ THE NURSING
3 FACILITY PROVIDER FEE, AND THE INTERMEDIATE CARE FACILITY FEE to
4 obtain federal matching money; and

5 (III) Utilizing and deploying:

6 (A) The ~~healthcare affordability and sustainability~~ HOSPITAL
7 PROVIDER fee revenue and federal matching money to provide the
8 business services specified in subsections (2)(d)(I) and (2)(d)(II) of this
9 section to hospitals that pay the healthcare affordability and sustainability
10 fee;

11 (B) THE NURSING FACILITY PROVIDER FEE REVENUE AND ANY
12 FEDERAL MATCHING MONEY TO PROVIDE THE BUSINESS SERVICES
13 SPECIFIED IN SUBSECTION (2)(d.5) OF THIS SECTION TO NURSING FACILITY
14 PROVIDERS THAT PAY THE NURSING FACILITY PROVIDER FEE; AND

15 (C) THE INTERMEDIATE CARE FACILITY FEE REVENUE AND ANY
16 FEDERAL MATCHING MONEY TO PROVIDE THE BUSINESS SERVICES
17 SPECIFIED IN SUBSECTION (2)(d.7) OF THIS SECTION TO INTERMEDIATE
18 CARE FACILITIES FOR INDIVIDUALS WITH INTELLECTUAL DISABILITIES THAT
19 PAY THE INTERMEDIATE CARE FACILITY FEE.

20 (c) (I) The repeal of the hospital provider fee program, as it
21 existed pursuant to section 25.5-4-402.3 before its repeal, effective July
22 1, 2017, by Senate Bill 17-267, enacted in 2017, and the creation of the
23 Colorado healthcare affordability and sustainability enterprise as a new
24 enterprise to charge and collect a new healthcare affordability and
25 sustainability HOSPITAL PROVIDER fee as authorized by subsection (4) of
26 this section and provide ~~healthcare affordability and sustainability~~
27 fee-funded business services to hospitals that replace and supplement

1 services previously funded by THE REPEALED hospital provider fees is the
2 creation of a new government-owned business that provides business
3 services to hospitals as a new enterprise for purposes of section 20 of
4 article X of the state constitution, does not constitute the qualification of
5 an existing government-owned business as an enterprise for purposes of
6 section 20 of article X of the state constitution or section 24-77-103.6
7 (6)(b)(II), and, therefore, does not require or authorize adjustment of the
8 state fiscal year spending limit calculated pursuant to section 20 of article
9 X of the state constitution or the excess state revenues cap, as defined in
10 section 24-77-103.6 (6)(b)(I).

11 (III) THE REPEAL OF THE NURSING FACILITY PROVIDER FEE
12 PROGRAM, AS IT EXISTED IN SECTION 25.5-6-203 (1) BEFORE ITS REPEAL,
13 EFFECTIVE MAY 1, 2025, BY THIS ___ BILL 25-___, ENACTED IN 2025, AND
14 THE ENTERPRISE'S ABILITY TO CHARGE AND COLLECT A NEW HEALTHCARE
15 AFFORDABILITY AND SUSTAINABILITY NURSING FACILITY PROVIDER FEE AS
16 AUTHORIZED BY SUBSECTION (4.5) OF THIS SECTION AND PROVIDE
17 FEE-FUNDED BUSINESS SERVICES TO NURSING FACILITY PROVIDERS THAT
18 REPLACE AND SUPPLEMENT SERVICES PREVIOUSLY FUNDED BY THE
19 NURSING FACILITY PROVIDER FEE DOES NOT CONSTITUTE CREATION OF A
20 NEW ENTERPRISE OR THE QUALIFICATION OF AN EXISTING
21 GOVERNMENT-OWNED BUSINESS AS AN ENTERPRISE FOR PURPOSES OF
22 SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION, SECTION
23 24-77-103.6 (6)(b)(II), OR SECTION 24-77-108, AND, THEREFORE, DOES
24 NOT REQUIRE OR AUTHORIZE ADJUSTMENT OF THE STATE FISCAL YEAR
25 SPENDING LIMIT CALCULATED PURSUANT TO SECTION 20 OF ARTICLE X OF
26 THE STATE CONSTITUTION OR THE EXCESS STATE REVENUES CAP, AS
27 DEFINED IN SECTION 24-77-103.6 (6)(b)(I), AND DOES NOT REQUIRE VOTER

1 APPROVAL.

2 (IV) THE REPEAL OF THE INTERMEDIATE CARE FACILITY SERVICE
3 FEE PROGRAM, AS IT EXISTED IN SECTION 25.5-6-204 (1)(c)(I) BEFORE ITS
4 REPEAL, EFFECTIVE MAY 1, 2025, BY THIS ____ BILL 25-____, ENACTED IN
5 2025, AND THE ENTERPRISE'S ABILITY TO CHARGE AND COLLECT A NEW
6 HEALTHCARE AFFORDABILITY AND SUSTAINABILITY INTERMEDIATE CARE
7 FACILITY FEE AS AUTHORIZED BY SUBSECTION (4.7) OF THIS SECTION AND
8 PROVIDE FEE-FUNDED BUSINESS SERVICES TO INTERMEDIATE CARE
9 FACILITIES FOR INDIVIDUALS WITH INTELLECTUAL DISABILITIES THAT
10 REPLACE AND SUPPLEMENT SERVICES PREVIOUSLY FUNDED BY THE
11 INTERMEDIATE CARE FACILITY SERVICE FEE DOES NOT CONSTITUTE
12 CREATION OF A NEW ENTERPRISE OR THE QUALIFICATION OF AN EXISTING
13 GOVERNMENT-OWNED BUSINESS AS AN ENTERPRISE FOR PURPOSES OF
14 SECTION 20 OF ARTICLE X OF THE STATE CONSTITUTION, SECTION
15 24-77-103.6 (6)(b)(II), OR SECTION 24-77-108, AND, THEREFORE, DOES
16 NOT REQUIRE OR AUTHORIZE ADJUSTMENT OF THE STATE FISCAL YEAR
17 SPENDING LIMIT CALCULATED PURSUANT TO SECTION 20 OF ARTICLE X OF
18 THE STATE CONSTITUTION OR THE EXCESS STATE REVENUES CAP, AS
19 DEFINED IN SECTION 24-77-103.6 (6)(b)(I), AND DOES NOT REQUIRE VOTER
20 APPROVAL.

21 (d) The enterprise's primary powers and duties are:

22 (I) To charge and collect:

23 (A) ~~The healthcare affordability and sustainability~~ HOSPITAL
24 PROVIDER fee as specified in subsection (4) of this section;

25 (B) THE NURSING FACILITY PROVIDER FEE AS SPECIFIED IN
26 SUBSECTION (4.5) OF THIS SECTION; AND

27 (C) THE INTERMEDIATE CARE FACILITY FEE AS SPECIFIED IN

1 SUBSECTION (4.7) OF THIS SECTION:

2 (II) To leverage ~~healthcare affordability and sustainability~~
3 REVENUE FROM THE HOSPITAL PROVIDER fee, ~~revenue collected~~ THE
4 NURSING FACILITY PROVIDER FEE, AND THE INTERMEDIATE CARE FACILITY
5 FEE to obtain federal matching money, working with or through the state
6 department and the state board to the extent required by federal law or
7 otherwise necessary;

8 (III) To expend:

9 (A) ~~healthcare affordability and sustainability~~ HOSPITAL PROVIDER
10 fee revenue, matching federal money, and any other money from the
11 ~~healthcare affordability and sustainability~~ HOSPITAL PROVIDER fee cash
12 fund as specified in subsections (4) and (5) of this section;

13 (B) NURSING FACILITY PROVIDER FEE REVENUE, MATCHING
14 FEDERAL MONEY, AND ANY OTHER MONEY FROM THE NURSING FACILITY
15 PROVIDER FEE CASH FUND AS SPECIFIED IN SUBSECTION (5.5) OF THIS
16 SECTION; AND

17 (C) INTERMEDIATE CARE FACILITY FEE REVENUE, MATCHING
18 FEDERAL MONEY, AND ANY OTHER MONEY FROM THE INTERMEDIATE CARE
19 FACILITY FEE CASH FUND AS SPECIFIED IN SUBSECTION (5.7) OF THIS
20 SECTION;

21 (V) To enter into agreements with the state department to the
22 extent necessary to collect and expend ~~healthcare affordability and~~
23 ~~sustainability~~ REVENUE FROM THE HOSPITAL PROVIDER fee, ~~revenue~~ THE
24 NURSING FACILITY PROVIDER FEE, AND THE INTERMEDIATE CARE FACILITY
25 FEE;

26 (4) **Healthcare affordability and sustainability hospital**
27 **provider fee.** (a) For the fiscal year commencing July 1, 2017, and for

1 each fiscal year thereafter, the enterprise is authorized to charge and
2 collect a healthcare affordability and sustainability HOSPITAL PROVIDER
3 fee, as described in 42 CFR 433.68 (b), on outpatient and inpatient
4 services provided by all licensed or certified hospitals ~~referred to in this~~
5 ~~section as "hospitals"~~, for the purpose of obtaining federal financial
6 participation under the state medical assistance program as described in
7 this article 4 and articles 5 and 6 of this title 25.5 ~~referred to in this~~
8 ~~section as the "state medical assistance program"~~, and the Colorado
9 indigent care program described in part 1 of article 3 of this title 25.5,
10 referred to in this section as the "Colorado indigent care program". If the
11 amount of ~~healthcare affordability and sustainability~~ HOSPITAL PROVIDER
12 fee revenue collected exceeds the federal net patient revenue-based limit
13 on the amount of such fee revenue that may be collected, requiring
14 repayment to the federal government of excess federal matching money
15 received, hospitals that received such excess federal matching money
16 shall be responsible for repaying the excess federal money and any
17 associated federal penalties to the federal government. The enterprise
18 shall use the ~~healthcare affordability and sustainability~~ HOSPITAL
19 PROVIDER fee revenue to:

20 (b) The enterprise shall recommend for approval and
21 establishment by the state board the amount of the ~~healthcare affordability~~
22 ~~and sustainability~~ HOSPITAL PROVIDER fee that it intends to charge and
23 collect. The state board must establish the final amount of the fee by rules
24 promulgated in accordance with article 4 of title 24. The state board shall
25 not establish any amount that exceeds the federal limit for such fees. The
26 state board may deviate from the recommendations of the enterprise, but
27 shall express in writing the reasons for any deviations. In establishing the

1 amount of the fee and in promulgating the rules governing the fee, the
2 state board shall:

3 (II) Establish the amount of the ~~healthcare affordability and~~
4 ~~sustainability~~ HOSPITAL PROVIDER fee so that the amount collected from
5 the fee and federal matching funds associated with the fee are sufficient
6 to pay for the items described in subsection (4)(a) of this section, but
7 nothing in this subsection (4)(b)(II) requires the state board to increase
8 the fee above the amount recommended by the enterprise; and

9 (III) For the 2017-18 fiscal year, establish the amount of the
10 ~~healthcare affordability and sustainability~~ HOSPITAL PROVIDER fee so that
11 the amount collected from the fee is approximately equal to the sum of
12 the amounts of the appropriations specified for the fee in the general
13 appropriation act, Senate Bill 17-254, enacted in 2017, and any other
14 supplemental appropriation act.

15 (c) (I) In accordance with the redistributive method set forth in 42
16 CFR 433.68 (e)(1) and (e)(2), the enterprise, acting in concert with or
17 through an agreement with the state department if required by federal law,
18 may seek a waiver from the broad-based ~~healthcare affordability and~~
19 ~~sustainability~~ HOSPITAL PROVIDER fee requirement or the uniform
20 ~~healthcare affordability and sustainability~~ HOSPITAL PROVIDER fee
21 requirement, or both. In addition, the enterprise, acting in concert with or
22 through an agreement with the state department if required by federal law,
23 shall seek any federal waiver necessary to fund and, in cooperation with
24 the state department and hospitals, support the implementation of a
25 health-care delivery system reform incentive payments program as
26 described in subsection (8) of this section. Subject to federal approval and
27 to minimize the financial impact on certain hospitals, the enterprise may

1 exempt from payment of the ~~healthcare affordability and sustainability~~
2 HOSPITAL PROVIDER fee certain types of hospitals, including but not
3 limited to:

4 (II) In determining whether a hospital may be excluded, the
5 enterprise shall use one or more of the following criteria:

6 (C) A hospital whose inclusion or exclusion would not
7 significantly affect the net benefit to hospitals paying the ~~healthcare~~
8 ~~affordability and sustainability~~ HOSPITAL PROVIDER fee; or

9 (III) The enterprise may reduce the amount of the ~~healthcare~~
10 ~~affordability and sustainability~~ HOSPITAL PROVIDER fee for certain
11 hospitals to obtain federal approval and to minimize the financial impact
12 on certain hospitals. In determining for which hospitals the enterprise may
13 reduce the amount of the ~~healthcare affordability and sustainability~~
14 HOSPITAL PROVIDER fee, the enterprise shall use one or more of the
15 following criteria:

16 (E) If the hospital paid a reduced ~~healthcare affordability and~~
17 ~~sustainability~~ HOSPITAL PROVIDER fee, the reduced fee would not
18 significantly affect the net benefit to hospitals paying the ~~healthcare~~
19 ~~affordability and sustainability~~ fee; or

20 (F) The hospital is required not to pay a reduced ~~healthcare~~
21 ~~affordability and sustainability~~ HOSPITAL PROVIDER fee as a condition of
22 federal approval.

23 (e) (I) The enterprise shall establish policies on the calculation,
24 assessment, and timing of the ~~healthcare affordability and sustainability~~
25 HOSPITAL PROVIDER fee. The enterprise shall assess the ~~healthcare~~
26 ~~affordability and sustainability~~ HOSPITAL PROVIDER fee on a schedule to
27 be set by the enterprise board as provided in subsection (7)(d) of this

1 section. The periodic ~~healthcare affordability and sustainability~~ HOSPITAL
2 PROVIDER fee payments from a hospital and the enterprise's
3 reimbursement to the hospital under subsections (5)(b)(I) and (5)(b)(II)
4 of this section are due as nearly simultaneously as feasible; except that the
5 enterprise's reimbursement to the hospital is due no more than two days
6 after the periodic ~~healthcare affordability and sustainability~~ HOSPITAL
7 PROVIDER fee payment is received from the hospital. The ~~healthcare~~
8 ~~affordability and sustainability~~ HOSPITAL PROVIDER fee must be imposed
9 on each hospital even if more than one hospital is owned by the same
10 entity. The fee must be prorated and adjusted for the expected volume of
11 service for any year in which a hospital opens or closes.

12 (II) The enterprise is authorized to refund any unused portion of
13 the ~~healthcare affordability and sustainability~~ HOSPITAL PROVIDER fee. For
14 any portion of the ~~healthcare affordability and sustainability~~ HOSPITAL
15 PROVIDER fee that has been collected by the enterprise but for which the
16 enterprise has not received federal matching funds, the enterprise shall
17 refund back to the hospital that paid the fee the amount of that portion of
18 the fee within five business days after the fee is collected.

19 (III) The enterprise shall establish requirements for the reports that
20 hospitals must submit to the enterprise to allow the enterprise to calculate
21 the amount of the ~~healthcare affordability and sustainability~~ HOSPITAL
22 PROVIDER fee. Notwithstanding the provisions of part 2 of article 72 of
23 title 24 or subsection (7)(f) of this section, information provided to the
24 enterprise pursuant to this section is confidential and is not a public
25 record. Nonetheless, the enterprise may prepare and release summaries of
26 the reports to the public.

27 (f) A hospital shall not include any amount of the ~~healthcare~~

1 ~~affordability and sustainability~~ HOSPITAL PROVIDER fee as a separate line
2 item in its billing statements.

3 (g) The state board shall promulgate any rules pursuant to the
4 "State Administrative Procedure Act", article 4 of title 24, necessary for
5 the administration and implementation of this section. Prior to submitting
6 any proposed rules concerning the administration or implementation of
7 the ~~healthcare affordability and sustainability~~ HOSPITAL PROVIDER fee to
8 the state board, the enterprise shall consult with the state board on the
9 proposed rules as specified in subsection (7)(d) of this section.

10 (4.5) **Healthcare affordability and sustainability nursing**
11 **facility provider fee.** (a) BEGINNING ON MAY 1, 2025, THE ENTERPRISE
12 IS AUTHORIZED TO CHARGE AND COLLECT A HEALTHCARE AFFORDABILITY
13 AND SUSTAINABILITY NURSING FACILITY PROVIDER FEE ON HEALTH-CARE
14 ITEMS OR SERVICES PROVIDED BY NURSING FACILITY PROVIDERS FOR THE
15 PURPOSE OF OBTAINING FEDERAL FINANCIAL PARTICIPATION UNDER THE
16 STATE MEDICAL ASSISTANCE PROGRAM AS DESCRIBED IN THIS ARTICLE 4
17 AND ARTICLES 5 AND 6 OF THIS TITLE 25.5. THE ENTERPRISE SHALL USE
18 THE NURSING FACILITY PROVIDER FEE REVENUE TO PROVIDE A BUSINESS
19 SERVICE TO NURSING FACILITY PROVIDERS BY SUSTAINING OR INCREASING
20 REIMBURSEMENT FOR PROVIDING MEDICAL CARE UNDER THE STATE
21 MEDICAL ASSISTANCE PROGRAM FOR NURSING FACILITY PROVIDERS AND
22 MAKING SUPPLEMENTAL MEDICAID PAYMENTS TO NURSING FACILITY
23 PROVIDERS, AS SPECIFIED BY THE PRIORITY OF THE USES OF THE NURSING
24 FACILITY PROVIDER FEE REVENUE SET FORTH IN SUBSECTION (5.5)(b) OF
25 THIS SECTION.

26 (b) THE ENTERPRISE SHALL RECOMMEND FOR APPROVAL AND
27 ESTABLISHMENT BY THE STATE BOARD THE AMOUNT OF THE NURSING

1 FACILITY PROVIDER FEE THAT IT INTENDS TO CHARGE AND COLLECT. THE
2 STATE BOARD MUST ESTABLISH THE FINAL AMOUNT OF THE FEE BY RULE.
3 THE STATE BOARD SHALL NOT ESTABLISH ANY AMOUNT THAT EXCEEDS
4 THE FEDERAL LIMIT FOR SUCH FEES. THE STATE BOARD MAY DEVIATE
5 FROM THE RECOMMENDATIONS OF THE ENTERPRISE, BUT SHALL EXPRESS
6 IN WRITING THE REASONS FOR ANY DEVIATIONS. IN ESTABLISHING THE
7 AMOUNT OF THE FEE AND IN PROMULGATING THE RULES GOVERNING THE
8 FEE, THE STATE BOARD SHALL:

9 (I) CONSIDER RECOMMENDATIONS OF THE ENTERPRISE; AND

10 (II) ESTABLISH THE AMOUNT OF THE NURSING FACILITY PROVIDER
11 FEE SO THAT THE AMOUNT COLLECTED FROM THE FEE AND FEDERAL
12 MATCHING FUNDS ASSOCIATED WITH THE FEE ARE SUFFICIENT TO PAY FOR
13 THE ITEMS DESCRIBED IN SUBSECTION (4.5)(a) OF THIS SECTION, BUT
14 NOTHING IN THIS SUBSECTION (4.5)(b)(II) REQUIRES THE STATE BOARD TO
15 INCREASE THE FEE ABOVE THE AMOUNT RECOMMENDED BY THE
16 ENTERPRISE.

17 (c) THE ENTERPRISE SHALL NOT CHARGE OR COLLECT THE NURSING
18 FACILITY PROVIDER FEE IN THE ABSENCE OF THE FEDERAL GOVERNMENT'S
19 APPROVAL OF A STATE MEDICAID PLAN AMENDMENT AUTHORIZING
20 FEDERAL FINANCIAL PARTICIPATION FOR THE NURSING FACILITY PROVIDER
21 FEE. THE ENTERPRISE MAY ALTER THE PROCESS PRESCRIBED IN THIS
22 SUBSECTION (4.5) TO THE EXTENT NECESSARY TO MEET FEDERAL
23 REQUIREMENTS AND TO OBTAIN FEDERAL APPROVAL. THE ENTERPRISE
24 MAY LOWER THE AMOUNT OF THE NURSING FACILITY PROVIDER FEE
25 CHARGED TO CERTAIN NURSING FACILITY PROVIDERS TO MEET THE
26 REQUIREMENTS OF 42 CFR 433.68 (e) AND TO OBTAIN FEDERAL
27 APPROVAL.

1 (d) (I) IN ACCORDANCE WITH THE REDISTRIBUTIVE METHOD SET
2 FORTH IN 42 CFR 433.68 (e)(1) AND (e)(2), THE ENTERPRISE, ACTING IN
3 CONCERT WITH OR THROUGH AN AGREEMENT WITH THE STATE
4 DEPARTMENT IF REQUIRED BY FEDERAL LAW, MAY SEEK A WAIVER FROM
5 THE BROAD-BASED NURSING FACILITY PROVIDER FEE REQUIREMENT OR
6 THE UNIFORM NURSING FACILITY PROVIDER FEE REQUIREMENT, OR BOTH.

7 (II) SUBJECT TO FEDERAL APPROVAL AND TO MINIMIZE THE
8 FINANCIAL IMPACT ON CERTAIN NURSING FACILITY PROVIDERS, THE
9 ENTERPRISE MAY EXEMPT FROM PAYMENT OF THE NURSING FACILITY
10 PROVIDER FEE CERTAIN TYPES OF NURSING PROVIDER FACILITIES,
11 INCLUDING BUT NOT LIMITED TO:

12 (A) A FACILITY OPERATED AS A CONTINUING CARE RETIREMENT
13 COMMUNITY THAT PROVIDES A CONTINUUM OF SERVICES BY ONE
14 OPERATIONAL ENTITY PROVIDING INDEPENDENT LIVING SERVICES,
15 ASSISTED LIVING SERVICES, AND SKILLED NURSING CARE ON A SINGLE,
16 CONTIGUOUS CAMPUS. ASSISTED LIVING SERVICES INCLUDE AN ASSISTED
17 LIVING RESIDENCE AS DEFINED IN SECTION 25-27-102 OR A FACILITY THAT
18 PROVIDES ASSISTED LIVING SERVICES ON-SITE, TWENTY-FOUR HOURS PER
19 DAY, SEVEN DAYS PER WEEK.

20 (B) A SKILLED NURSING FACILITY OWNED AND OPERATED BY THE
21 STATE;

22 (C) A NURSING FACILITY THAT IS A DISTINCT PART OF A FACILITY
23 THAT IS LICENSED AS A GENERAL ACUTE CARE HOSPITAL; AND

24 (D) A FACILITY THAT HAS FORTY-FIVE OR FEWER LICENSED BEDS.

25 (e) (I) THE ENTERPRISE SHALL ESTABLISH POLICIES ON THE
26 CALCULATION, ASSESSMENT, AND TIMING OF THE NURSING FACILITY
27 PROVIDER FEE. THE ENTERPRISE SHALL ASSESS THE NURSING FACILITY

1 PROVIDER FEE ON A MONTHLY BASIS. THE NURSING FACILITY PROVIDER
2 FEE PAYMENTS FROM A NURSING FACILITY PROVIDER AND THE
3 ENTERPRISE'S REIMBURSEMENT AND SUPPLEMENTAL PAYMENTS TO THE
4 NURSING FACILITY PROVIDER UNDER SUBSECTION (5.5)(b) OF THIS SECTION
5 ARE DUE AS NEARLY SIMULTANEOUSLY AS FEASIBLE; EXCEPT THAT THE
6 ENTERPRISE'S REIMBURSEMENT AND SUPPLEMENTAL PAYMENTS TO THE
7 NURSING FACILITY PROVIDER ARE DUE NO MORE THAN FIFTEEN DAYS
8 AFTER THE NURSING FACILITY PROVIDER FEE PAYMENT IS RECEIVED FROM
9 THE NURSING FACILITY PROVIDER.

10 (II) THE ENTERPRISE SHALL ESTABLISH REQUIREMENTS FOR THE
11 REPORTS THAT NURSING FACILITY PROVIDERS MUST SUBMIT TO THE
12 ENTERPRISE TO ALLOW THE ENTERPRISE TO CALCULATE THE AMOUNT OF
13 THE NURSING FACILITY PROVIDER FEE, INCLUDING A REQUIREMENT THAT
14 EACH NURSING FACILITY PROVIDER REPORT ANNUALLY ITS TOTAL NUMBER
15 OF DAYS OF CARE PROVIDED TO NONMEDICARE RESIDENTS.
16 NOTWITHSTANDING PART 2 OF ARTICLE 72 OF TITLE 24 OR SUBSECTION
17 (7)(f) OF THIS SECTION, INFORMATION PROVIDED TO THE ENTERPRISE
18 PURSUANT TO THIS SUBSECTION (4.5)(e)(II) IS CONFIDENTIAL AND IS NOT
19 A PUBLIC RECORD. NONETHELESS, THE ENTERPRISE MAY PREPARE AND
20 RELEASE SUMMARIES OF THE REPORTS TO THE PUBLIC.

21 (f) A NURSING FACILITY PROVIDER SHALL NOT INCLUDE ANY
22 AMOUNT OF THE NURSING FACILITY PROVIDER FEE AS A SEPARATE LINE
23 ITEM IN ITS BILLING STATEMENTS.

24 (g) (I) THE STATE BOARD SHALL ADOPT ANY RULES PURSUANT TO
25 THE "STATE ADMINISTRATIVE PROCEDURE ACT", ARTICLE 4 OF TITLE 24,
26 NECESSARY FOR THE ADMINISTRATION AND IMPLEMENTATION OF THIS
27 SECTION. PRIOR TO SUBMITTING ANY PROPOSED RULES CONCERNING THE

1 ADMINISTRATION OR IMPLEMENTATION OF THE NURSING FACILITY
2 PROVIDER FEE TO THE STATE BOARD, THE ENTERPRISE SHALL CONSULT
3 WITH THE STATE BOARD ON THE PROPOSED RULES AS SPECIFIED IN
4 SUBSECTION (7)(g) OF THIS SECTION.

5 (4.7) **Healthcare affordability and sustainability intermediate**
6 **care facility fee.** (a) BEGINNING ON MAY 1, 2025, THE ENTERPRISE IS
7 AUTHORIZED TO CHARGE AND COLLECT A HEALTHCARE AFFORDABILITY
8 AND SUSTAINABILITY INTERMEDIATE CARE FACILITY FEE ON BOTH
9 PRIVATELY OWNED AND STATE-OPERATED INTERMEDIATE CARE FACILITIES
10 FOR INDIVIDUALS WITH INTELLECTUAL DISABILITIES FOR THE PURPOSE OF
11 MAINTAINING THE QUALITY AND CONTINUITY OF SERVICES PROVIDED BY
12 INTERMEDIATE CARE FACILITIES FOR INDIVIDUALS WITH INTELLECTUAL
13 DISABILITIES. THE ENTERPRISE SHALL USE THE INTERMEDIATE CARE
14 FACILITY FEE REVENUE TO PROVIDE A BUSINESS SERVICE TO SUCH
15 INTERMEDIATE CARE FACILITIES BY SUSTAINING OR INCREASING
16 REIMBURSEMENT TO SUCH FACILITIES, AS SPECIFIED IN SUBSECTION
17 (5.7)(b) OF THIS SECTION.

18 (b) THE ENTERPRISE SHALL RECOMMEND FOR APPROVAL AND
19 ESTABLISHMENT BY THE STATE BOARD THE AMOUNT OF THE
20 INTERMEDIATE CARE FACILITY FEE THAT IT INTENDS TO CHARGE AND
21 COLLECT, WHICH MUST NOT EXCEED FIVE PERCENT OF THE TOTAL COSTS
22 INCURRED BY ALL INTERMEDIATE CARE FACILITIES FOR THE FISCAL YEAR
23 IN WHICH THE FEE IS CHARGED. THE STATE BOARD MUST ESTABLISH THE
24 FINAL AMOUNT OF THE FEE BY RULE. THE STATE BOARD SHALL NOT
25 ESTABLISH ANY AMOUNT THAT EXCEEDS THE FEDERAL LIMIT FOR SUCH
26 FEES. THE STATE BOARD MAY DEVIATE FROM THE RECOMMENDATIONS OF
27 THE ENTERPRISE, BUT SHALL EXPRESS IN WRITING THE REASONS FOR ANY

1 DEVIATIONS.

2 (c) THE ENTERPRISE MAY ALTER THE PROCESS PRESCRIBED IN THIS
3 SUBSECTION (4.7) TO THE EXTENT NECESSARY TO MEET FEDERAL
4 REQUIREMENTS.

5 (d) (I) THE ENTERPRISE SHALL ESTABLISH POLICIES ON THE
6 CALCULATION, ASSESSMENT, AND TIMING OF THE INTERMEDIATE CARE
7 FACILITY FEE.

8 (II) THE ENTERPRISE SHALL ESTABLISH REQUIREMENTS FOR THE
9 REPORTS THAT INTERMEDIATE CARE FACILITIES MUST SUBMIT TO THE
10 ENTERPRISE TO ALLOW THE ENTERPRISE TO CALCULATE THE AMOUNT OF
11 THE INTERMEDIATE CARE FACILITY FEE. NOTWITHSTANDING PART 2 OF
12 ARTICLE 72 OF TITLE 24 OR SUBSECTION (7)(f) OF THIS SECTION,
13 INFORMATION PROVIDED TO THE ENTERPRISE PURSUANT TO THIS
14 SUBSECTION (4.7)(d)(II) IS CONFIDENTIAL AND IS NOT A PUBLIC RECORD.
15 NONETHELESS, THE ENTERPRISE MAY PREPARE AND RELEASE SUMMARIES
16 OF THE REPORTS TO THE PUBLIC.

17 (e) THE STATE BOARD SHALL ADOPT ANY RULES PURSUANT TO THE
18 "STATE ADMINISTRATIVE PROCEDURE ACT", ARTICLE 4 OF TITLE 24,
19 NECESSARY FOR THE ADMINISTRATION AND IMPLEMENTATION OF THIS
20 SECTION. PRIOR TO SUBMITTING ANY PROPOSED RULES CONCERNING THE
21 ADMINISTRATION OR IMPLEMENTATION OF THE INTERMEDIATE CARE
22 FACILITY FEE TO THE STATE BOARD, THE ENTERPRISE SHALL CONSULT
23 WITH THE STATE BOARD ON THE PROPOSED RULES AS SPECIFIED IN
24 SUBSECTION (7)(g) OF THIS SECTION.

25 **(5) Healthcare affordability and sustainability hospital**
26 **provider fee cash fund. (a) Any healthcare affordability and**
27 **sustainability HOSPITAL PROVIDER fee collected pursuant to this section**

1 by the enterprise must be transmitted to the state treasurer, who shall
2 credit the fee to the healthcare affordability and sustainability HOSPITAL
3 PROVIDER fee cash fund, which fund is hereby created, and referred to in
4 this section as the "fund". The state treasurer shall credit all interest and
5 income derived from the deposit and investment of money in the
6 HOSPITAL PROVIDER FEE CASH fund to the fund. The state treasurer shall
7 invest any money in the HOSPITAL PROVIDER FEE CASH fund not expended
8 for the purposes specified in subsection (5)(b) of this section as provided
9 by law. Money in the HOSPITAL PROVIDER FEE CASH fund shall not be
10 transferred to any other fund and shall not be used for any purpose other
11 than the purposes specified in this subsection (5) and in subsection (4) of
12 this section.

13 (b) All money in the HOSPITAL PROVIDER FEE CASH fund is subject
14 to federal matching as authorized under federal law and, subject to annual
15 appropriation by the general assembly, shall be expended by the
16 enterprise for the following purposes:

17 (IV) Subject to available revenue from the healthcare affordability
18 and sustainability HOSPITAL PROVIDER fee and federal matching funds, to
19 expand eligibility for public medical assistance by:

20 (VI) To pay the enterprise's actual administrative costs of
21 implementing and administering this section, including but not limited to
22 the following costs:

23 (B) The enterprise's actual costs related to implementing and
24 maintaining the healthcare affordability and sustainability HOSPITAL
25 PROVIDER fee, including personal services, operating, and consulting
26 expenses;

27 (c) ARPA home- and community-based services account.

1 (I) (A) There is created the "ARPA home- and community-based services
2 account" within the HOSPITAL PROVIDER FEE CASH fund, referred to in this
3 subsection (5)(c) as the "ARPA account". Notwithstanding any other
4 provision of this section to the contrary, money in the ARPA account as
5 a result of fund savings and federal matching dollars must be used in
6 accordance with section 9817 of the federal "American Rescue Plan Act
7 of 2021", Pub.L. 117-2, as amended, referred to in this section as
8 "ARPA", to implement or supplement the implementation of home- and
9 community-based services under the medical assistance program pursuant
10 to the provisions of part 18 of article 6 of this title 25.5.

11 (II) (C) If the fund savings due to the enhanced federal match
12 under ARPA is less than the amount transferred to the ARPA account
13 under subsection (5)(c)(II)(A) of this section, then the state department
14 shall notify the state treasurer of the amount by which the transfer
15 exceeds the savings. The state treasurer shall transfer this amount from
16 the ARPA account to the HOSPITAL PROVIDER FEE CASH fund.

17 (III) The state treasurer shall credit all interest and income derived
18 from the money in the ARPA account to the HOSPITAL PROVIDER FEE
19 CASH fund.

20 (V) Money in the ARPA account remains in the ARPA account
21 until the end of the spending period authorized under ARPA, at which
22 time money remaining in the ARPA account becomes part of the
23 HOSPITAL PROVIDER FEE CASH fund.

24 **(5.5) Healthcare affordability and sustainability nursing**
25 **facility provider fee cash fund. (a) ALL HEALTHCARE AFFORDABILITY**
26 **AND SUSTAINABILITY NURSING PROVIDER FEES COLLECTED PURSUANT TO**
27 **THIS SECTION BY THE ENTERPRISE MUST BE TRANSMITTED TO THE STATE**

1 TREASURER, WHO SHALL CREDIT THE FEE TO THE HEALTHCARE
2 AFFORDABILITY AND SUSTAINABILITY NURSING FACILITY PROVIDER FEE
3 CASH FUND, WHICH FUND IS CREATED. THE STATE TREASURER SHALL
4 CREDIT ALL INTEREST AND INCOME DERIVED FROM THE DEPOSIT AND
5 INVESTMENT OF MONEY IN THE NURSING FACILITY PROVIDER FEE CASH
6 FUND TO THE NURSING FACILITY PROVIDER FEE CASH FUND. THE STATE
7 TREASURER SHALL INVEST ANY MONEY IN THE NURSING FACILITY
8 PROVIDER FEE CASH FUND NOT EXPENDED FOR THE PURPOSES SPECIFIED IN
9 SUBSECTIONS (4.5)(a) AND (5.5)(b) OF THIS SECTION AS PROVIDED BY LAW.
10 MONEY IN THE NURSING FACILITY PROVIDER FEE CASH FUND SHALL NOT
11 BE TRANSFERRED TO ANY OTHER FUND AND SHALL NOT BE USED FOR ANY
12 PURPOSE OTHER THAN THE PURPOSES SPECIFIED IN THIS SUBSECTION (5.5)
13 AND IN SUBSECTION (4.5)(a) OF THIS SECTION.

14 (b) ALL MONEY IN THE NURSING FACILITY PROVIDER FEE CASH
15 FUND IS SUBJECT TO FEDERAL MATCHING AS AUTHORIZED UNDER FEDERAL
16 LAW AND, SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL
17 ASSEMBLY, MUST BE EXPENDED BY THE ENTERPRISE FOR THE FOLLOWING
18 PURPOSES:

19 (I) (A) TO PAY THE ADMINISTRATIVE COSTS OF IMPLEMENTING
20 THIS SUBSECTION (5.5) AND SUBSECTION (4.5) OF THIS SECTION;

21 (B) TO SATISFY SETTLEMENTS OR JUDGMENTS RESULTING FROM
22 NURSING FACILITY PROVIDER REIMBURSEMENT APPEALS; AND

23 (C) TO PAY A NURSING FACILITY PROVIDER A SUPPLEMENTAL
24 MEDICAID PAYMENT FOR CARE AND SERVICES RENDERED TO MEDICAID
25 RESIDENTS TO OFFSET PAYMENT OF THE NURSING FACILITY PROVIDER FEE.
26 THE ENTERPRISE, IN CONSULTATION WITH THE STATE DEPARTMENT, SHALL
27 COMPUTE THIS PAYMENT ANNUALLY, BEGINNING ON MAY 1, 2025, AND

1 EACH JULY 1 THEREAFTER.

2 (II) AFTER THE PAYMENT OF THE AMOUNTS DESCRIBED IN
3 SUBSECTION (5.5)(b)(I) OF THIS SECTION, TO PAY THE SUPPLEMENTAL
4 MEDICAID PAYMENTS FOR ACUITY OR CASE-MIX OF RESIDENTS
5 ESTABLISHED UNDER SECTION 25.5-6-202 (2), PRIOR TO ITS REPEAL ON
6 JULY 1, 2026, OR AS PROVIDED IN THE RULES ADOPTED BY THE STATE
7 BOARD PURSUANT TO SECTION 25.5-6-202 (10) AND (14)(a), IN
8 CONSULTATION WITH THE ENTERPRISE AS PROVIDED IN SUBSECTION
9 (7)(g)(IV) OF THIS SECTION;

10 (III) AFTER THE PAYMENT OF THE AMOUNTS DESCRIBED IN
11 SUBSECTIONS (5.5)(b)(I) AND (5.5)(b)(II) OF THIS SECTION, TO PAY
12 SUPPLEMENTAL MEDICAID PAYMENTS BASED UPON PERFORMANCE TO
13 THOSE NURSING FACILITY PROVIDERS THAT PROVIDE SERVICES THAT
14 RESULT IN BETTER CARE AND HIGHER QUALITY OF LIFE FOR THEIR
15 RESIDENTS. THE ENTERPRISE, IN CONSULTATION WITH THE STATE BOARD,
16 SHALL DETERMINE THE PAYMENT AMOUNT BASED UPON PERFORMANCE
17 MEASURES ESTABLISHED IN RULES ADOPTED BY THE STATE BOARD IN THE
18 DOMAINS OF QUALITY OF LIFE, QUALITY OF CARE, AND FACILITY
19 MANAGEMENT. DURING EACH STATE FISCAL YEAR, THE ENTERPRISE MAY
20 DISCONTINUE THE SUPPLEMENTAL MEDICAID PAYMENT ESTABLISHED
21 PURSUANT TO THIS SUBSECTION (5.5)(b)(III) TO ANY NURSING FACILITY
22 PROVIDER THAT FAILS TO COMPLY WITH THE ESTABLISHED PERFORMANCE
23 MEASURES DURING THE STATE FISCAL YEAR, AND THE ENTERPRISE MAY
24 INITIATE THE SUPPLEMENTAL MEDICAID PAYMENT ESTABLISHED PURSUANT
25 TO THIS SUBSECTION (5.5)(b)(III) TO ANY NURSING FACILITY PROVIDER
26 THAT COMES INTO COMPLIANCE WITH THE ESTABLISHED PERFORMANCE
27 MEASURES DURING THE STATE FISCAL YEAR.

1 (IV) (A) AFTER THE PAYMENT OF THE AMOUNTS DESCRIBED IN
2 SUBSECTIONS (5.5)(b)(I) TO (5.5)(b)(III) OF THIS SECTION, TO PAY THE
3 SUPPLEMENTAL MEDICAID PAYMENTS TO NURSING FACILITY PROVIDERS
4 THAT SERVE RESIDENTS WHO HAVE MODERATE TO VERY SEVERE MENTAL
5 HEALTH CONDITIONS, DEMENTIA DISEASES AND RELATED DISABILITIES, OR
6 ACQUIRED BRAIN INJURY. THE ENTERPRISE, IN CONSULTATION WITH THE
7 STATE DEPARTMENT, SHALL COMPUTE THIS PAYMENT ANNUALLY,
8 BEGINNING ON MAY 1, 2025, AND EACH JULY 1 THEREAFTER.

9 (B) IF THE ENTERPRISE DETERMINES, IN CONSULTATION WITH THE
10 STATE DEPARTMENT, THAT THE CASE-MIX REIMBURSEMENT DESCRIBED IN
11 SUBSECTION (5.5)(b)(II) OF THIS SECTION INCLUDES A FACTOR FOR
12 NURSING FACILITY PROVIDERS THAT SERVE RESIDENTS WITH SEVERE
13 DEMENTIA DISEASES AND RELATED DISABILITIES OR ACQUIRED BRAIN
14 INJURY, THE ENTERPRISE MAY ELIMINATE THIS SUPPLEMENTAL MEDICAID
15 PAYMENT TO THOSE NURSING FACILITY PROVIDERS THAT SERVE RESIDENTS
16 WITH SEVERE DEMENTIA DISEASES AND RELATED DISABILITIES OR
17 ACQUIRED BRAIN INJURY.

18 (V) AFTER THE PAYMENT OF THE AMOUNTS DESCRIBED IN
19 SUBSECTIONS (5.5)(b)(I) TO (5.5)(b)(IV) OF THIS SECTION, TO PAY THE
20 SUPPLEMENTAL MEDICAID PAYMENTS FOR THE AMOUNT OF THE
21 AGGREGATE STATEWIDE AVERAGE PER DIEM RATE OF PATIENT PAYMENT
22 ESTABLISHED UNDER SECTION 25.5-6-202 (9), PRIOR TO ITS REPEAL ON
23 JULY 1, 2026, OR AS PROVIDED IN THE RULES ADOPTED BY THE STATE
24 BOARD PURSUANT TO SECTION 25.5-6-202 (10) AND (14)(a), IN
25 CONSULTATION WITH THE ENTERPRISE AS PROVIDED IN SUBSECTION
26 (7)(g)(IV) OF THIS SECTION.

27 (5.7) **Healthcare affordability and sustainability intermediate**

1 **care facility fee cash fund.** (a) ALL HEALTHCARE AFFORDABILITY AND
2 SUSTAINABILITY INTERMEDIATE CARE FACILITY FEES COLLECTED
3 PURSUANT TO THIS SECTION BY THE ENTERPRISE MUST BE TRANSMITTED
4 TO THE STATE TREASURER, WHO SHALL CREDIT THE FEE TO THE
5 HEALTHCARE AFFORDABILITY AND SUSTAINABILITY INTERMEDIATE CARE
6 FACILITY FEE CASH FUND, WHICH FUND IS CREATED. THE STATE
7 TREASURER SHALL CREDIT ALL INTEREST AND INCOME DERIVED FROM THE
8 DEPOSIT AND INVESTMENT OF MONEY IN THE INTERMEDIATE CARE
9 FACILITY FEE CASH FUND TO THE INTERMEDIATE CARE FACILITY CASH
10 FUND. THE STATE TREASURER SHALL INVEST ANY MONEY IN THE
11 INTERMEDIATE CARE FACILITY FEE CASH FUND NOT EXPENDED FOR THE
12 PURPOSES SPECIFIED IN SUBSECTIONS (4.7)(a) AND (5.7)(b) OF THIS
13 SECTION AS PROVIDED BY LAW. MONEY IN THE INTERMEDIATE CARE
14 FACILITY FEE CASH FUND SHALL NOT BE TRANSFERRED TO ANY OTHER
15 FUND AND SHALL NOT BE USED FOR ANY PURPOSE OTHER THAN THE
16 PURPOSES SPECIFIED IN THIS SUBSECTION (5.7) AND IN SUBSECTION (4.7)(a)
17 OF THIS SECTION.

18 (b) ALL MONEY IN THE INTERMEDIATE CARE FACILITY FEE CASH
19 FUND IS SUBJECT TO FEDERAL MATCHING AS AUTHORIZED UNDER FEDERAL
20 LAW AND, SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL
21 ASSEMBLY, MUST BE EXPENDED BY THE ENTERPRISE FOR THE FOLLOWING
22 PURPOSES:

23 (I) TO PAY THE ADMINISTRATIVE COSTS OF IMPLEMENTING THIS
24 SUBSECTION (5.7) AND SUBSECTION (4.7) OF THIS SECTION; AND

25 (II) TO SUPPLEMENT REIMBURSEMENTS TO INTERMEDIATE CARE
26 FACILITIES FOR INDIVIDUALS WITH INTELLECTUAL DISABILITIES AS
27 PROVIDED IN SECTION 25.5-6-204. THE ENTERPRISE, IN CONSULTATION

1 WITH THE STATE DEPARTMENT, SHALL COMPUTE THIS PAYMENT
2 ANNUALLY, BEGINNING ON MAY 1, 2025, AND EACH JULY 1 THEREAFTER.

3 (6) **Appropriations.** (a) (I) Except as otherwise provided in
4 subsection (6)(b)(I.5) or (6)(b)(I.7) of this section, the ~~healthcare~~
5 ~~affordability and sustainability~~ HOSPITAL PROVIDER fee is to supplement,
6 not supplant, general fund appropriations to support hospital
7 reimbursements. General fund appropriations for hospital reimbursements
8 shall be maintained at the level of appropriations in the medical services
9 premium line item made for the fiscal year commencing July 1, 2008;
10 except that general fund appropriations for hospital reimbursements may
11 be reduced if an index of appropriations to other providers shows that
12 general fund appropriations are reduced for other providers. If the index
13 shows that general fund appropriations are reduced for other providers,
14 the general fund appropriations for hospital reimbursements shall not be
15 reduced by a greater percentage than the reductions of appropriations for
16 the other providers as shown by the index.

17 (IV) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (5.5)(b)(V)
18 OF THIS SECTION, THE NURSING FACILITY PROVIDER FEE IS TO SUPPLEMENT,
19 NOT SUPPLANT, GENERAL FUND APPROPRIATIONS TO SUPPORT NURSING
20 FACILITY PROVIDER REIMBURSEMENTS.

21 (V) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (5.7)(b)(II)
22 OF THIS SECTION, THE INTERMEDIATE CARE FACILITY FEE IS TO
23 SUPPLEMENT, NOT SUPPLANT, GENERAL FUND APPROPRIATIONS TO
24 SUPPORT INTERMEDIATE CARE FACILITY REIMBURSEMENTS.

25 (b) If the revenue from the ~~healthcare affordability and~~
26 ~~sustainability~~ HOSPITAL PROVIDER fee is insufficient to fully fund all of
27 the purposes described in subsection (5)(b) of this section:

1 (II) The hospital provider reimbursement and quality incentive
2 payment increases described in subsections (5)(b)(I) to (5)(b)(III) of this
3 section and the costs described in subsection (5)(b)(VI) of this section
4 shall be fully funded using revenue from the ~~healthcare affordability and~~
5 ~~sustainability~~ HOSPITAL PROVIDER fee and federal matching funds before
6 any eligibility expansion is funded; and

7 (III) (A) If the state board promulgates rules that expand eligibility
8 for medical assistance to be paid for pursuant to subsection (5)(b)(IV) of
9 this section, and the state department thereafter notifies the enterprise
10 board that the revenue available from the ~~healthcare affordability and~~
11 ~~sustainability~~ HOSPITAL PROVIDER fee and the federal matching funds will
12 not be sufficient to pay for all or part of the expanded eligibility, the
13 enterprise board shall recommend to the state board reductions in medical
14 benefits or eligibility so that the revenue will be sufficient to pay for all
15 of the reduced benefits or eligibility. After receiving the
16 recommendations of the enterprise board, the state board shall adopt rules
17 providing for reduced benefits or reduced eligibility for which the
18 revenue will be sufficient and shall forward any adopted rules to the joint
19 budget committee. Notwithstanding the provisions of section 24-4-103
20 (8) and (12), following the adoption of rules pursuant to this subsection
21 (6)(b)(III)(A), the state board shall not submit the rules to the attorney
22 general and shall not file the rules with the secretary of state until the joint
23 budget committee approves the rules pursuant to subsection (6)(b)(III)(B)
24 of this section.

25 (B) The joint budget committee shall promptly consider any rules
26 adopted by the state board pursuant to subsection (6)(b)(III)(A) of this
27 section. The joint budget committee shall promptly notify the state

1 department, the state board, and the enterprise board of any action on the
2 rules. If the joint budget committee does not approve the rules, the joint
3 budget committee shall recommend a reduction in benefits or eligibility
4 so that the revenue from the ~~healthcare affordability and sustainability~~
5 HOSPITAL PROVIDER fee and the matching federal funds will be sufficient
6 to pay for the reduced benefits or eligibility. After approving the rules
7 pursuant to this subsection (6)(b)(III)(B), the joint budget committee shall
8 request that the committee on legal services, created pursuant to section
9 2-3-501, extend the rules as provided for in section 24-4-103 (8) unless
10 the committee on legal services finds after review that the rules do not
11 conform with section 24-4-103 (8)(a).

12 (b.5) IF THE REVENUE FROM THE NURSING FACILITY PROVIDER FEE
13 IS INSUFFICIENT TO FULLY FUND ALL OF THE PURPOSES DESCRIBED IN
14 SUBSECTION (5.5)(b) OF THIS SECTION:

15 (I) THE GENERAL ASSEMBLY IS NOT OBLIGATED TO APPROPRIATE
16 GENERAL FUND REVENUES TO FUND SUCH PURPOSES; AND

17 (II) SUBJECT TO THE PRIORITY OF THE USES FOR THE NURSING
18 FACILITY PROVIDER FEE AS PROVIDED IN SUBSECTION (5.5)(b) OF THIS
19 SECTION, THE ENTERPRISE, IN CONSULTATION WITH THE STATE
20 DEPARTMENT, MAY SUSPEND OR REDUCE ANY SUPPLEMENTAL MEDICAID
21 PAYMENT.

22 (c) Notwithstanding any other provision of this section, if, after
23 receipt of authorization to receive federal matching funds for money in
24 the HOSPITAL PROVIDER FEE CASH fund, the authorization is withdrawn or
25 changed so that federal matching funds are no longer available, the
26 enterprise shall cease collecting the ~~healthcare affordability and~~
27 sustainability HOSPITAL PROVIDER fee and shall repay to the hospitals any

1 money received by the HOSPITAL PROVIDER FEE CASH fund that is not
2 subject to federal matching funds.

3 (c.5) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION,
4 IF, AFTER RECEIPT OF AUTHORIZATION TO RECEIVE FEDERAL MATCHING
5 FUNDS FOR MONEY IN THE NURSING FACILITY PROVIDER FEE CASH FUND,
6 THE AUTHORIZATION IS WITHDRAWN OR CHANGED SO THAT FEDERAL
7 MATCHING FUNDS ARE NO LONGER AVAILABLE, THE ENTERPRISE SHALL
8 CEASE COLLECTING THE NURSING FACILITY PROVIDER FEE AND SHALL
9 REPAY TO THE NURSING FACILITY PROVIDERS ANY MONEY RECEIVED IN
10 THE NURSING FACILITY PROVIDER FEE CASH FUND THAT IS NOT SUBJECT TO
11 FEDERAL MATCHING FUNDS.

12 (c.7) NOTWITHSTANDING ANY OTHER PROVISION OF THIS SECTION,
13 IF, AFTER RECEIPT OF AUTHORIZATION TO RECEIVE FEDERAL MATCHING
14 FUNDS FOR MONEY IN THE INTERMEDIATE CARE FACILITY FEE CASH FUND,
15 THE AUTHORIZATION IS WITHDRAWN OR CHANGED SO THAT FEDERAL
16 MATCHING FUNDS ARE NO LONGER AVAILABLE, THE ENTERPRISE SHALL
17 CEASE COLLECTING THE INTERMEDIATE CARE FACILITY FEE AND SHALL
18 REPAY TO THE INTERMEDIATE CARE FACILITIES ANY MONEY RECEIVED IN
19 THE INTERMEDIATE CARE FACILITY FEE CASH FUND THAT IS NOT SUBJECT
20 TO FEDERAL MATCHING FUNDS.

21 (7) **Colorado healthcare affordability and sustainability**
22 **enterprise board.** (b) Members of the enterprise board serve without
23 compensation but must be reimbursed from money in the HOSPITAL
24 PROVIDER FEE CASH fund for actual and necessary expenses incurred in
25 the performance of their duties pursuant to this section.

26 (d) The enterprise board has, at a minimum, the following duties:

27 (I) To determine the timing and method by which the enterprise

1 ~~assesses the healthcare affordability and sustainability~~ HOSPITAL
2 ~~PROVIDER fee and the amount of the fee;~~

3 (II) If requested by the health and human services committee of
4 the senate or the ~~public health care~~ and human services committee of the
5 house of representatives, or any successor committees, to consult with the
6 committees on any legislation that may impact the ~~healthcare affordability~~
7 ~~and sustainability fee~~ FEES, PAYMENTS, or ~~hospital~~ reimbursements
8 established pursuant to this section;

9 (III) ~~To determine changes in the healthcare affordability and~~
10 ~~sustainability~~ HOSPITAL PROVIDER fee that increase the number of
11 ~~hospitals benefitting from the uses of the healthcare affordability and~~
12 ~~sustainability~~ fee described in subsections (5)(b)(I) to (5)(b)(IV) of this
13 section or that minimize the number of hospitals that suffer losses as a
14 result of paying the ~~healthcare affordability and sustainability~~ HOSPITAL
15 PROVIDER fee;

16 (IX) To monitor the impact of the ~~healthcare affordability and~~
17 ~~sustainability~~ HOSPITAL PROVIDER fee, THE NURSING FACILITY PROVIDER
18 FEE, AND THE INTERMEDIATE CARE FACILITY FEE on the broader
19 health-care marketplace;

20 (X) ~~To establish requirements for the reports that hospitals must~~
21 ~~submit to the enterprise to allow the enterprise to calculate the amount of~~
22 ~~the healthcare affordability and sustainability~~ HOSPITAL PROVIDER fee;
23 ~~and~~

24 (e) On or before January 15, 2018, and on or before January 15
25 each year thereafter, the enterprise board shall submit a written report to
26 the health and human services committee of the senate and the ~~public~~
27 ~~health care~~ and human services committee of the house of representatives,

1 or any successor committees, the joint budget committee of the general
2 assembly, the governor, and the state board. The report shall include, but
3 need not be limited to:

4 (II) A description of the formula for how the ~~healthcare~~
5 ~~affordability and sustainability~~ HOSPITAL PROVIDER fee is calculated and
6 ~~the process by which the ~~healthcare affordability and sustainability~~ fee is~~
7 ~~assessed and collected;~~

8 (II.5) A DESCRIPTION OF THE FORMULA FOR HOW THE NURSING
9 FACILITY PROVIDER FEE IS CALCULATED AND THE PROCESS BY WHICH THE
10 FEE IS ASSESSED AND COLLECTED;

11 (II.7) A DESCRIPTION OF THE FORMULA FOR HOW THE
12 INTERMEDIATE CARE FACILITY FEE IS CALCULATED AND THE PROCESS BY
13 WHICH THE FEE IS ASSESSED AND COLLECTED;

14 (III) An itemization of the total amount of the ~~healthcare~~
15 ~~affordability and sustainability~~ HOSPITAL PROVIDER fee paid by each
16 ~~hospital and any projected revenue that each hospital is expected to~~
17 ~~receive due to;~~

18 (III.5) AN ITEMIZATION OF THE TOTAL AMOUNT OF THE NURSING
19 FACILITY PROVIDER FEE PAID BY EACH NURSING FACILITY PROVIDER AND
20 ANY PROJECTED REVENUE THAT EACH NURSING FACILITY PROVIDER IS
21 EXPECTED TO RECEIVE DUE TO INCREASED REIMBURSEMENTS AND
22 SUPPLEMENTAL PAYMENTS MADE PURSUANT TO SUBSECTION (5.5)(b) OF
23 THIS SECTION;

24 (III.7) AN ITEMIZATION OF THE TOTAL AMOUNT OF THE
25 INTERMEDIATE CARE FACILITY FEE PAID BY EACH INTERMEDIATE CARE
26 FACILITY FOR INDIVIDUALS WITH INTELLECTUAL DISABILITIES AND ANY
27 PROJECTED REVENUE THAT EACH INTERMEDIATE CARE FACILITY IS

1 EXPECTED TO RECEIVE DUE TO INCREASED REIMBURSEMENTS MADE
2 PURSUANT TO SUBSECTION (5.7)(b) OF THIS SECTION;

3 (IV) An itemization of the costs incurred by the enterprise in
4 implementing and administering the ~~healthcare affordability and~~
5 ~~sustainability~~ HOSPITAL PROVIDER fee, THE NURSING FACILITY PROVIDER
6 FEE, AND THE INTERMEDIATE CARE FACILITY FEE;

7 (g) (I) THE FACILITY PROVIDER FEE ENTERPRISE SUPPORT BOARD
8 IS CREATED WITHIN THE ENTERPRISE FOR THE PURPOSE OF SUPPORTING THE
9 ENTERPRISE BOARD WITH THE IMPLEMENTATION OF THE NURSING FACILITY
10 PROVIDER FEE AND THE INTERMEDIATE CARE FACILITY FEE. THE FACILITY
11 PROVIDER FEE ENTERPRISE SUPPORT BOARD CONSISTS OF EIGHT MEMBERS
12 APPOINTED BY THE GOVERNOR, WITH THE ADVICE AND CONSENT OF THE
13 SENATE, AS FOLLOWS:

14 (A) TWO MEMBERS WHO ARE REPRESENTATIVES OF NURSING
15 FACILITY ASSOCIATIONS;

16 (B) TWO MEMBERS WHO ARE REPRESENTATIVES OF NURSING
17 FACILITIES, WITH ONE MEMBER REPRESENTING A RURAL NURSING
18 FACILITY;

19 (C) ONE MEMBER WHO IS A RESIDENT OF A LONG-TERM CARE
20 FACILITY OR A CONSUMER OF LONG-TERM CARE SERVICES, OR A FAMILY
21 MEMBER OR GUARDIAN REPRESENTING SUCH RESIDENT OR CONSUMER;

22 (D) ONE EMPLOYEE OF THE STATE DEPARTMENT;

23 (E) ONE EMPLOYEE OF THE DEPARTMENT OF HUMAN SERVICES
24 CREATED IN SECTION 24-1-120; AND

25 (F) ONE EMPLOYEE OF THE DEPARTMENT OF PUBLIC HEALTH AND
26 ENVIRONMENT CREATED IN SECTION 25-1-102.

27 (II) (A) MEMBERS OF THE FACILITY PROVIDER FEE ENTERPRISE

1 SUPPORT BOARD SERVE AT THE PLEASURE OF THE GOVERNOR. ALL TERMS
2 ARE FOR FOUR YEARS. A MEMBER WHO IS APPOINTED TO FILL A VACANCY
3 SHALL SERVE THE REMAINDER OF THE UNEXPIRED TERM OF THE FORMER
4 MEMBER.

5 (B) THE GOVERNOR SHALL MAKE THE INITIAL APPOINTMENTS TO
6 THE FACILITY PROVIDER FEE ENTERPRISE SUPPORT BOARD AS SOON AS
7 PRACTICAL FOLLOWING MAY 1, 2025.

8 (III) THE FACILITY PROVIDER FEE ENTERPRISE SUPPORT BOARD
9 SHALL ELECT A CHAIR AND A VICE-CHAIR FROM AMONG ITS MEMBERS.

10 (IV) THE FACILITY PROVIDER FEE ENTERPRISE SUPPORT BOARD
11 SHALL FULFILL, AT A MINIMUM, THE FOLLOWING DUTIES ON BEHALF OF THE
12 ENTERPRISE:

13 (A) TO DETERMINE THE TIMING AND METHOD BY WHICH THE
14 ENTERPRISE ASSESSES THE NURSING FACILITY PROVIDER FEE AND THE
15 INTERMEDIATE CARE FACILITY FEE AND THE AMOUNTS OF THE FEES;

16 (B) TO DETERMINE CHANGES IN THE NURSING FACILITY PROVIDER
17 FEE THAT INCREASE THE NUMBER OF NURSING FACILITY PROVIDERS
18 BENEFITTING FROM THE USES OF THE FEE DESCRIBED IN SUBSECTION
19 (5.5)(b) OF THIS SECTION OR THAT MINIMIZE THE NUMBER OF NURSING
20 FACILITY PROVIDERS THAT SUFFER LOSSES AS A RESULT OF PAYING THE
21 NURSING FACILITY PROVIDER FEE;

22 (C) TO DETERMINE CHANGES IN THE INTERMEDIATE CARE FACILITY
23 FEE THAT INCREASE THE NUMBER OF INTERMEDIATE CARE FACILITIES FOR
24 INDIVIDUALS WITH INTELLECTUAL DISABILITIES THAT BENEFIT FROM THE
25 USES OF THE FEE DESCRIBED IN SUBSECTION (5.7)(b) OF THIS SECTION OR
26 THAT MINIMIZE THE NUMBER OF INTERMEDIATE CARE FACILITIES FOR
27 INDIVIDUALS WITH INTELLECTUAL DISABILITIES THAT SUFFER LOSSES AS

1 A RESULT OF PAYING THE NURSING FACILITY PROVIDER FEE;

2 (D) TO CONSULT WITH THE STATE BOARD ON THE RULES
3 REGARDING PAYMENTS TO NURSING FACILITY PROVIDERS THAT IT ADOPTS
4 PURSUANT TO SECTION 25.5-6-202 (10) AND (14)(a);

5 (E) TO CONSULT WITH THE STATE BOARD AND THE STATE
6 DEPARTMENT ON THE RULES, PRICE SCHEDULES, AND ALLOWANCES
7 REGARDING REIMBURSEMENT AND PAYMENTS TO INTERMEDIATE CARE
8 FACILITIES THAT THEY ADOPT PURSUANT TO SECTION 25.5-6-204;

9 (F) TO ESTABLISH REQUIREMENTS FOR THE REPORTS THAT
10 NURSING FACILITY PROVIDERS MUST SUBMIT TO THE ENTERPRISE TO
11 ALLOW THE ENTERPRISE TO CALCULATE THE AMOUNT OF THE NURSING
12 FACILITY PROVIDER FEE; AND

13 (G) TO ESTABLISH REQUIREMENTS FOR THE REPORTS THAT
14 INTERMEDIATE CARE FACILITIES MUST SUBMIT TO THE ENTERPRISE TO
15 ALLOW THE ENTERPRISE TO CALCULATE THE AMOUNT OF THE
16 INTERMEDIATE CARE FACILITY FEE.

17 (V) MEMBERS OF THE FACILITY PROVIDER FEE ENTERPRISE
18 SUPPORT BOARD SERVE WITHOUT COMPENSATION BUT MUST BE
19 REIMBURSED FROM MONEY IN THE NURSING FACILITY PROVIDER FEE CASH
20 FUND OR THE INTERMEDIATE CARE FACILITY FEE CASH FUND FOR ACTUAL
21 AND NECESSARY EXPENSES INCURRED IN THE PERFORMANCE OF THEIR
22 DUTIES PURSUANT TO THIS SECTION.

23 (9) **Definitions.** AS USED IN THIS SECTION, UNLESS THE CONTEXT
24 OTHERWISE REQUIRES:

25 (a) "CASE-MIX" HAS THE SAME MEANING AS SET FORTH IN SECTION
26 25.5-6-201 (8).

27 (b) "CASE-MIX REIMBURSEMENT" HAS THE SAME MEANING AS SET

1 FORTH IN SECTION 25.5-6-201 (12).

2 (c) "COLORADO HEALTHCARE AFFORDABILITY AND
3 SUSTAINABILITY ENTERPRISE" OR "ENTERPRISE" MEANS THE ENTERPRISE
4 CREATED IN SUBSECTION (3) OF THIS SECTION.

5 (d) "FACILITY PROVIDER FEE ENTERPRISE SUPPORT BOARD" MEANS
6 THE FACILITY PROVIDER FEE ENTERPRISE SUPPORT BOARD CREATED IN
7 SUBSECTION (7)(g) OF THIS SECTION.

8 (e) "HEALTHCARE AFFORDABILITY AND SUSTAINABILITY HOSPITAL
9 PROVIDER FEE" OR "HOSPITAL PROVIDER FEE" MEANS THE HEALTHCARE
10 AFFORDABILITY AND SUSTAINABILITY HOSPITAL PROVIDER FEE CHARGED
11 AND COLLECTED AS AUTHORIZED BY SUBSECTION (4) OF THIS SECTION.

12 (f) "HEALTHCARE AFFORDABILITY AND SUSTAINABILITY HOSPITAL
13 PROVIDER FEE CASH FUND" OR "HOSPITAL PROVIDER FEE CASH FUND"
14 MEANS THE HEALTHCARE AFFORDABILITY AND SUSTAINABILITY HOSPITAL
15 PROVIDER FEE CASH FUND CREATED IN SUBSECTION (5) OF THIS SECTION.

16 (g) "HEALTHCARE AFFORDABILITY AND SUSTAINABILITY
17 INTERMEDIATE CARE FACILITY FEE" OR "INTERMEDIATE CARE FACILITY
18 FEE" MEANS THE HEALTHCARE AFFORDABILITY AND SUSTAINABILITY
19 INTERMEDIATE CARE FACILITY FEE FOR INTERMEDIATE CARE FACILITIES
20 FOR INDIVIDUALS WITH INTELLECTUAL DISABILITIES CHARGED AND
21 COLLECTED AS AUTHORIZED BY SUBSECTION (4.7) OF THIS SECTION.

22 (h) "HEALTHCARE AFFORDABILITY AND SUSTAINABILITY
23 INTERMEDIATE CARE FACILITY FEE CASH FUND" OR "INTERMEDIATE CARE
24 FACILITY FEE CASH FUND" MEANS THE HEALTHCARE AFFORDABILITY AND
25 SUSTAINABILITY INTERMEDIATE CARE FACILITY FEE CASH FUND CREATED
26 IN SUBSECTION (5.7) OF THIS SECTION.

27 (i) "HEALTHCARE AFFORDABILITY AND SUSTAINABILITY NURSING

1 FACILITY PROVIDER FEE" OR "NURSING FACILITY PROVIDER FEE" MEANS
2 THE HEALTHCARE AFFORDABILITY AND SUSTAINABILITY NURSING FACILITY
3 PROVIDER FEE CHARGED AND COLLECTED AS AUTHORIZED BY SUBSECTION
4 (4.5) OF THIS SECTION.

5 (j) "HEALTHCARE AFFORDABILITY AND SUSTAINABILITY NURSING
6 FACILITY PROVIDER FEE CASH FUND" OR "NURSING FACILITY PROVIDER FEE
7 CASH FUND" MEANS THE HEALTHCARE AFFORDABILITY AND
8 SUSTAINABILITY NURSING FACILITY PROVIDER FEE CASH FUND CREATED IN
9 SUBSECTION (5.5) OF THIS SECTION.

10 (k) "HOSPITAL" MEANS A LICENSED OR CERTIFIED HOSPITAL.

11 (l) "NURSING FACILITY PROVIDER" HAS THE SAME MEANING AS SET
12 FORTH IN SECTION 25.5-6-201 (25).

13 (m) "STATE MEDICAL ASSISTANCE PROGRAM" MEANS THE
14 PROGRAM DESCRIBED IN THIS ARTICLE 4 AND ARTICLES 5 AND 6 OF THIS
15 TITLE 25.5.

16 (n) "STATEWIDE AVERAGE PER DIEM RATE" HAS THE SAME
17 MEANING AS SET FORTH IN SECTION 25.5-6-201 (35).

18 (o) "SUPPLEMENTAL MEDICAID PAYMENT" HAS THE SAME MEANING
19 AS SET FORTH IN SECTION 25.5-6-201 (36).

20 **SECTION 2.** In Colorado Revised Statutes, 25.5-4-402.4, amend
21 (2) introductory portion and (2)(d) introductory portion; and amend as it
22 **will become effective July 1, 2025,** (2)(d)(I), (4)(a) introductory portion,
23 and (4)(g)(I) as follows:

24 **25.5-4-402.4. Hospitals - healthcare affordability and**
25 **sustainability fee - healthcare affordability and sustainability nursing**
26 **facility provider fee - healthcare affordability and sustainability**
27 **intermediate care facility fee - Colorado healthcare affordability and**

1 sustainability enterprise - federal waiver - funds created - reports -
2 rules - legislative declaration - repeal. (2) Legislative declaration. The
3 general assembly hereby finds and declares that:

4 (d) The Colorado healthcare affordability and sustainability
5 enterprise provides business services to hospitals when, in exchange for
6 payment of healthcare affordability and sustainability HOSPITAL PROVIDER
7 fees by hospitals, it:

8 (I) Obtains federal matching money and returns both the
9 healthcare affordability and sustainability HOSPITAL PROVIDER fee and the
10 federal matching money to hospitals to increase reimbursement rates to
11 hospitals for providing medical care under the state medical assistance
12 program, including disproportionate share hospital payments pursuant to
13 42 U.S.C. sec. 1396r-4, and to increase the number of individuals covered
14 by public medical assistance; and

15 (4) **Healthcare affordability and sustainability fee.** (a) For the
16 fiscal year commencing July 1, 2017, and for each fiscal year thereafter,
17 the enterprise is authorized to charge and collect a healthcare affordability
18 and sustainability HOSPITAL PROVIDER fee, as described in 42 CFR 433.68
19 (b), on outpatient and inpatient services provided by all licensed or
20 certified hospitals ~~referred to in this section as "hospitals"~~, for the purpose
21 of obtaining federal financial participation under the state medical
22 assistance program as described in this article 4 and articles 5 and 6 of
23 this title 25.5, ~~referred to in this section as the "state medical assistance~~
24 ~~program"~~, including disproportionate share hospital payments pursuant
25 to 42 U.S.C. sec. 1396r-4. If the amount of healthcare affordability and
26 sustainability HOSPITAL PROVIDER fee revenue collected exceeds the
27 federal net patient revenue-based limit on the amount of such fee revenue

1 that may be collected, requiring repayment to the federal government of
2 excess federal matching money received, hospitals that received such
3 excess federal matching money are responsible for repaying the excess
4 federal money and any associated federal penalties to the federal
5 government. The enterprise shall use the healthcare affordability and
6 sustainability HOSPITAL PROVIDER fee revenue to:

7 (g) (I) The state board shall promulgate any rules pursuant to the
8 "State Administrative Procedure Act", article 4 of title 24, necessary for
9 the administration and implementation of this section. Prior to submitting
10 any proposed rules concerning the administration or implementation of
11 the healthcare affordability and sustainability HOSPITAL PROVIDER fee to
12 the state board, the enterprise shall consult with the state board on the
13 proposed rules as specified in subsection (7)(d) of this section.

14 **SECTION 3.** In Colorado Revised Statutes, 25.5-5-103, **amend**
15 (1)(b) as follows:

16 **25.5-5-103. Mandated programs with special state provisions**
17 **- rules.** (1) This section specifies programs developed by Colorado to
18 meet federal mandates. These programs include but are not limited to:

19 (b) Special provisions relating to nursing facilities, as specified in
20 ~~sections 25.5-6-201 to 25.5-6-203, 25.5-6-205, and 25.5-6-206~~ SECTIONS
21 25.5-4-402.4 (4.5) AND (5.5), 25.5-6-201, 25.5-6-202, 25.5-6-205, AND
22 25.5-6-206;

23 **SECTION 4.** In Colorado Revised Statutes, 25.5-6-202, **amend**
24 (9)(b)(I) introductory portion, (9)(b)(II), and (9)(b)(VI); and **repeal** (5),
25 (6), (7), (9)(b.3), and (9)(d) as follows:

26 **25.5-6-202. Providers - nursing facility provider**
27 **reimbursement - exemption - rules - repeal.** (5) ~~Subject to available~~

1 ~~appropriations and the priority of the uses of the provider fees as~~
2 ~~established in section 25.5-6-203 (2)(b), in addition to the reimbursement~~
3 ~~rate components paid pursuant to subsections (1) to (4) of this section, the~~
4 ~~state department shall make a supplemental medicaid payment based~~
5 ~~upon performance to those nursing facility providers that provide services~~
6 ~~that result in better care and higher quality of life for their residents. The~~
7 ~~state department shall determine the payment amount based upon~~
8 ~~performance measures established in rules adopted by the state board in~~
9 ~~the domains of quality of life, quality of care, and facility management.~~
10 ~~Beginning July 1, 2024, the payment must not be less than twelve percent~~
11 ~~of total provider fee payments and must be adjusted for fiscal years~~
12 ~~2024-25 and 2025-26. No later than July 1, 2026, the payment must not~~
13 ~~be less than fifteen percent of total provider fee payments and must be~~
14 ~~annually adjusted thereafter. During each state fiscal year, the state~~
15 ~~department may discontinue the supplemental medicaid payment~~
16 ~~established pursuant to this subsection (5) to any nursing facility provider~~
17 ~~that fails to comply with the established performance measures during the~~
18 ~~state fiscal year, and the state department may initiate the supplemental~~
19 ~~medicaid payment established pursuant to this subsection (5) to any~~
20 ~~provider that comes into compliance with the established performance~~
21 ~~measures during the state fiscal year.~~

22 (6) ~~Subject to available appropriations and the priority of the uses~~
23 ~~of the provider fees as established in section 25.5-6-203 (2)(b), in~~
24 ~~addition to the reimbursement rate components paid pursuant to~~
25 ~~subsections (1) to (5) of this section, the state department shall make a~~
26 ~~supplemental medicaid payment to nursing facility providers that serve~~
27 ~~residents:~~

1 (a) ~~Who have severe mental health conditions that are classified~~
2 ~~at a level II by the medicaid program's preadmission screening and~~
3 ~~resident review assessment tool. The state department shall compute this~~
4 ~~payment annually as of July 1, 2009, and each July 1 thereafter, and it~~
5 ~~must not be less than two percent of the statewide average per diem rate~~
6 ~~for the combined rate components determined pursuant to subsections (1)~~
7 ~~to (4) of this section. Beginning July 1, 2023, the state department shall~~
8 ~~annually adjust the rate to ensure access to care for residents who have~~
9 ~~severe mental health conditions.~~

10 (b) ~~With severe dementia diseases and related disabilities or~~
11 ~~acquired brain injury. The state department shall calculate the payment~~
12 ~~based upon the resident's cognitive assessment established in rules~~
13 ~~adopted by the state board. The state department shall compute this~~
14 ~~payment annually as of July 1, 2009, and each July 1 thereafter, and it~~
15 ~~must not be less than one percent of the statewide average per diem rate~~
16 ~~for the combined rate components determined pursuant to subsections (1)~~
17 ~~to (4) of this section. Beginning July 1, 2023, the state department shall~~
18 ~~annually adjust the rate to ensure access to care for residents with severe~~
19 ~~dementia diseases and related disabilities or acquired brain injury.~~

20 (7) ~~Subject to available moneys and the priority of the uses of the~~
21 ~~provider fees as established in section 25.5-6-203 (2)(b), in addition to the~~
22 ~~reimbursement rate components paid pursuant to subsections (1) to (6) of~~
23 ~~this section, the state department shall pay a nursing facility provider a~~
24 ~~supplemental medicaid payment for care and services rendered to~~
25 ~~medicaid residents to offset payment of the provider fee assessed under~~
26 ~~the provisions of section 25.5-6-203. The state department shall compute~~
27 ~~this payment annually, as of July 1, 2009, and each July 1 thereafter.~~

1 (9) (b) (I) Except for changes in the number of patient days, the
2 state department shall establish the general fund share of the aggregate
3 statewide average of the per diem rate net of patient payment pursuant to
4 subsections (1) to (4) of this section. The state's share of the
5 reimbursement rate components pursuant to subsections (1) to (4) of this
6 section may be funded through the provider fee assessed pursuant to
7 ~~section 25.5-6-203~~ SECTION 25.5-4-402.4 (4.5) and any associated federal
8 funds. Any provider fee used as the state's share and all federal funds
9 must be excluded from the calculation of the general fund share. For the
10 fiscal year commencing July 1, 2009, and for each fiscal year thereafter,
11 the state department shall calculate the general fund share of the
12 aggregate statewide average per diem rate net of patient payment pursuant
13 to subsections (1) to (4) of this section using the rates that were effective
14 on July 1 of that fiscal year; except that:

15 (II) If the aggregate statewide average per diem rate net of patient
16 payment pursuant to subsections (1) to (4) of this section exceeds the
17 general fund share, the amount of the average statewide per diem rate that
18 exceeds the general fund share ~~shall~~ MUST be paid as a supplemental
19 medicaid payment using the provider fee established under ~~section~~
20 ~~25.5-6-203~~ SECTION 25.5-4-402.4 (4.5). Subject to the priority of the uses
21 of the provider fee established under ~~section 25.5-6-203 (2)(b)~~ SECTION
22 25.5-4-402.4 (5.5)(b), if the provider fee is insufficient to fully fund the
23 supplemental medicaid payment, the supplemental medicaid payment
24 ~~shall~~ MUST be reduced to all providers proportionately.

25 (VI) Notwithstanding any other provision of law, for the fiscal
26 year commencing July 1, 2013, and each fiscal year thereafter, the general
27 fund portion of the per diem rate pursuant to subsections (1) to (4) of this

1 section shall be reduced by one and one-half percent. The state
2 department may, but is not required to, increase the supplemental
3 medicaid payment pursuant to ~~subparagraph (H) of this paragraph (b)~~
4 ~~SUBSECTION (9)(b)(II) OF THIS SECTION~~ due to this reduction. ~~except that~~
5 ~~the provider fee shall not exceed the amount specified in section~~
6 ~~25.5-6-203 (1)(a)(H).~~

7 (b.3) (I) ~~For the fiscal year commencing July 1, 2009, and for each~~
8 ~~fiscal year thereafter, if the provider fee established under section~~
9 ~~25.5-6-203 is insufficient to fully fund the supplemental medicaid~~
10 ~~payments established under subsections (5) to (7) of this section, subject~~
11 ~~to the priority of the uses of the provider fee established pursuant to~~
12 ~~section 25.5-6-203 (2)(b), the state department may suspend or reduce the~~
13 ~~supplemental medicaid payment subject to the uses of the provider fee~~
14 ~~established under section 25.5-6-203.~~

15 (H) ~~If it is determined by the state department that the case-mix~~
16 ~~reimbursement includes a factor for nursing facility providers that serve~~
17 ~~residents with severe dementia diseases and related disabilities or~~
18 ~~acquired brain injury, the state department may eliminate the~~
19 ~~supplemental medicaid payment to those providers that serve residents~~
20 ~~with severe dementia diseases and related disabilities or acquired brain~~
21 ~~injury.~~

22 (d) ~~The reimbursement rate components pursuant to subsections~~
23 ~~(5) to (7) of this section shall be funded entirely through the provider fee~~
24 ~~assessed pursuant to the provisions of section 25.5-6-203 and any~~
25 ~~associated federal funds. No general fund moneys shall be used to pay for~~
26 ~~the reimbursement rate components established pursuant to subsections~~
27 ~~(5) to (7) of this section.~~

1 **SECTION 5.** In Colorado Revised Statutes, 25.5-6-203, **repeal**
2 (1); and **add** (2)(a.5) and (3) as follows:

3 **25.5-6-203. Nursing facilities - provider fees - federal waiver**
4 **- fund created - rules - repeal.** (1) (a) ~~(I) Beginning with the fiscal year~~
5 ~~commencing July 1, 2008, and each fiscal year thereafter, the state~~
6 ~~department shall charge and collect provider fees on health-care items or~~
7 ~~services provided by nursing facility providers for the purpose of~~
8 ~~obtaining federal financial participation under the state's medical~~
9 ~~assistance program as described in articles 4 to 6 of this title. As specified~~
10 ~~by the priority of the uses of the provider fee in paragraph (b) of~~
11 ~~subsection (2) of this section, the provider fees shall be used to sustain or~~
12 ~~increase reimbursement for providing medical care under the state's~~
13 ~~medical assistance program for nursing facility providers.~~

14 ~~(II) For the fiscal years commencing July 1, 2009, and July 1,~~
15 ~~2010, the provider fee shall not exceed seven dollars and fifty cents per~~
16 ~~nonmedicare-resident day. For the fiscal year commencing July 1, 2011,~~
17 ~~and each fiscal year thereafter, the provider fee shall not exceed twelve~~
18 ~~dollars per nonmedicare-resident day plus inflation based on the national~~
19 ~~skilled nursing facility market basket index as determined by the secretary~~
20 ~~of the department of health and human services pursuant to 42 U.S.C. sec.~~
21 ~~1395yy (c)(5) or any successor index.~~

22 ~~(III) In calculating the amount of the provider fee portion of the~~
23 ~~supplemental medicaid payments established under section 25.5-6-202~~
24 ~~(5), the state department may include an additional amount of up to five~~
25 ~~percent of the provider fee portion of said supplemental medicaid~~
26 ~~payments to initiate the payment to any provider who complies with the~~
27 ~~established performance measures during the state fiscal year.~~

1 (b) ~~The provider fees shall be charged on a nonmedicare-resident~~
2 ~~day basis and shall be based upon the aggregate gross or net revenue, as~~
3 ~~prescribed by the state department, of all nursing facility providers subject~~
4 ~~to the provider fee. The state department may exempt revenue categories~~
5 ~~from the gross or net revenue calculation and the collection of the~~
6 ~~provider fee from nursing facility providers, as authorized by federal law.~~

7 (c) ~~(f) In accordance with the redistributive method set forth in 42~~
8 ~~CFR 433.68 (c)(1) and (c)(2), the state department shall seek a waiver~~
9 ~~from the broad-based provider fees requirement or the uniform provider~~
10 ~~fees requirement, or both, to exclude nursing facility providers from the~~
11 ~~provider fee. The state department shall exempt the following nursing~~
12 ~~facility providers to obtain federal approval and minimize the financial~~
13 ~~impact on nursing facility providers:~~

14 (A) ~~A facility operated as a continuing care retirement community~~
15 ~~that provides a continuum of services by one operational entity providing~~
16 ~~independent living services, assisted living services, and skilled nursing~~
17 ~~care on a single, contiguous campus. Assisted living services include an~~
18 ~~assisted living residence as defined in section 25-27-102 or that provides~~
19 ~~assisted living services on-site, twenty-four hours per day, seven days per~~
20 ~~week.~~

21 (B) ~~A skilled nursing facility owned and operated by the state;~~

22 (C) ~~A nursing facility that is a distinct part of a facility that is~~
23 ~~licensed as a general acute care hospital; and~~

24 (D) ~~A facility that has forty-five or fewer licensed beds.~~

25 (H) ~~No later than July 1, 2026, the state department shall~~
26 ~~promulgate rules maintaining the exemptions identified in this subsection~~

27 ~~(1)(c) in order to minimize the financial impact on nursing facility~~

1 providers.

2 (HH) ~~This subsection (1)(c) is repealed, effective July 1, 2028.~~

3 (d) ~~The state department may lower the amount of the provider fee~~
4 ~~charged to certain nursing facility providers to meet the requirements of~~
5 ~~42 CFR 433.68 (c) and to obtain federal approval.~~

6 (e) ~~The imposition and collection of a provider fee shall be~~
7 ~~prohibited without the federal government's approval of a state medicaid~~
8 ~~plan amendment authorizing federal financial participation for the~~
9 ~~provider fees. The state department may alter the method prescribed in~~
10 ~~this section to the extent necessary to meet the federal requirements and~~
11 ~~to obtain federal approval.~~

12 (f) ~~If the provider fee required by this subsection (1) is not~~
13 ~~approved by the federal government, notwithstanding any other provision~~
14 ~~of this section, the state department shall not implement the assessment~~
15 ~~or collection of the provider fee from nursing facility providers.~~

16 (g) ~~The state department shall establish a schedule to assess and~~
17 ~~collect the provider fee on a monthly basis. The state board shall establish~~
18 ~~rules so that provider fee payments from a nursing facility provider and~~
19 ~~the state department's supplemental medicaid payments to the nursing~~
20 ~~facility are due as nearly simultaneously as feasible; except that the state~~
21 ~~department's supplemental medicaid payments to the nursing facility shall~~
22 ~~be due no more than fifteen days after the provider fee payment is~~
23 ~~received from the nursing facility. The state department shall require each~~
24 ~~nursing facility provider to report annually its total number of days of care~~
25 ~~provided to nonmedicare residents.~~

26 (h) ~~The state department shall not assess or collect the provider~~
27 ~~fee until state medicaid plan amendments adopting the medicaid~~

1 reimbursement system for the state's class I nursing facility providers,
2 pursuant to section 25.5-6-202, including the waiver with respect to the
3 provider fees pursuant to this section, have been approved by the federal
4 government.

5 (i) The state board shall promulgate any rules pursuant to the
6 "State Administrative Procedure Act", article 4 of title 24, C.R.S.,
7 necessary for the administration and implementation of this section.

8 (j) A nursing facility provider shall not include any amount of the
9 provider fee as a separate line item in its billing statements.

10 (2) (a.5) NOTWITHSTANDING ANY PROVISION OF THIS SUBSECTION
11 (2) TO THE CONTRARY, ON JUNE 30, 2025, THE STATE TREASURER SHALL
12 TRANSFER THE BALANCE OF THE FUND TO THE HEALTHCARE
13 AFFORDABILITY AND SUSTAINABILITY NURSING FACILITY PROVIDER FEE
14 CASH FUND CREATED IN SECTION 25.5-4-402.4 (5.5).

15 (3) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2025.

16 **SECTION 6.** In Colorado Revised Statutes, 25.5-6-204, **amend**
17 (1)(c) as follows:

18 **25.5-6-204. Providers - reimbursement - intermediate care**
19 **facility for individuals with intellectual disabilities - reimbursement**
20 **- maximum allowable - repeal.** (1) (c) (f) ~~Beginning in fiscal year~~
21 ~~2013-14, and for each fiscal year thereafter, the state department is~~
22 ~~authorized to charge both privately owned intermediate care facilities for~~
23 ~~individuals with intellectual disabilities and state-operated intermediate~~
24 ~~care facilities for individuals with intellectual disabilities a service fee for~~
25 ~~the purposes of maintaining the quality and continuity of services~~
26 ~~provided by intermediate care facilities for individuals with intellectual~~
27 ~~disabilities. The service fee charged by the state department pursuant to~~

1 ~~this paragraph (c) will be assessed pursuant to rules adopted by the state~~
2 ~~board but must not exceed five percent of the total costs incurred by all~~
3 ~~intermediate care facilities for the fiscal year in which the service fee is~~
4 ~~charged. The state board shall adopt rules consistent with federal law in~~
5 ~~order to implement the provisions of this paragraph (c).~~

6 (II) ~~The moneys collected in each fiscal year pursuant to~~
7 ~~subparagraph (I) of this paragraph (c) shall be transmitted by the state~~
8 ~~department to the state treasurer, who shall credit the same to The service~~
9 ~~fee fund which fund is hereby created and referred to in this paragraph (c)~~
10 ~~SUBSECTION (1)(c) as the "fund". The moneys MONEY in the fund shall be~~
11 ~~subject to annual appropriation by the general assembly to the state~~
12 ~~department to be used toward the state match for the federal financial~~
13 ~~participation to reimburse intermediate care facilities for individuals with~~
14 ~~intellectual disabilities pursuant to this section. Any unexpended and~~
15 ~~unencumbered moneys MONEY remaining in the fund at the end of any~~
16 ~~fiscal year shall remain in the fund and not be credited or transferred to~~
17 ~~the general fund or any other fund.~~

18 (III) (A) NOTWITHSTANDING ANY PROVISION OF THIS SUBSECTION
19 (1)(c) TO THE CONTRARY, ON JUNE 30, 2025, THE STATE TREASURER SHALL
20 TRANSFER THE BALANCE OF THE SERVICE FEE FUND TO THE HEALTHCARE
21 AFFORDABILITY AND SUSTAINABILITY INTERMEDIATE CARE FACILITY FEE
22 CASH FUND CREATED IN SECTION 25.5-4-402.4 (5.7).

23 (B) THIS SUBSECTION (1)(c) IS REPEALED, EFFECTIVE JULY 1, 2025.

24 **SECTION 7.** In Colorado Revised Statutes, 25.5-6-210, **amend**
25 (4)(b) as follows:

26 **25.5-6-210. Additional supplemental payments - nursing**
27 **facilities - funding methodology - reporting requirement - rules -**

1 **repeal.** (4) (b) For the purposes of federal upper payment limit
2 calculations, the state department shall pursue federal matching funds for
3 payments made pursuant to this section but only after securing federal
4 matching funds for payments outlined in ~~sections 25.5-6-203 (2)~~
5 SECTIONS 25.5-4-402.4 (5.5)(b) and 25.5-6-208.

6 **SECTION 8.** In Colorado Revised Statutes, 25-3-108, **amend** (7)
7 as follows:

8 **25-3-108. Receivership.** (7) The department of public health and
9 environment shall grant the receiver a license pursuant to section
10 25-3-102 and shall recommend certification for medicaid participation,
11 and the department of health care policy and financing AND THE
12 COLORADO HEALTHCARE AFFORDABILITY AND SUSTAINABILITY
13 ENTERPRISE shall reimburse the receiver for the long-term health-care
14 facility's medicaid residents pursuant to ~~section~~ SECTIONS 25.5-6-204
15 ~~C.R.S.~~ AND 25.5-4-402.4 (5.7).

16 **SECTION 9.** In Colorado Revised Statutes, **amend** 2-3-119 as
17 **follows:**

18 **2-3-119. Audit of healthcare affordability and sustainability**
19 **hospital provider fee - cost shift.** At the discretion of the legislative
20 **audit committee, the state auditor shall conduct or cause to be conducted**
21 **a performance and fiscal audit of the healthcare affordability and**
22 **sustainability HOSPITAL PROVIDER fee established pursuant to section**
23 **25.5-4-402.4.**

24 **SECTION 10.** In Colorado Revised Statutes, 7-121-401, **amend**
25 (33.5)(b)(V) as follows:

26 **7-121-401. General definitions.** As used in articles 121 to 137 of
27 this title 7, unless the context otherwise requires:

1 (33.5) (b) Notwithstanding subsection (33.5)(a) of this section,
2 "residential nonprofit corporation" does not include:

3 (V) A continuing care retirement community, as described in
4 ~~section 25.5-6-203, C.R.S.~~ SECTION 25.5-4-402.4 (4.5)(d)(II)(A), operated
5 by an entity that is licensed or otherwise subject to state regulation.

6 **SECTION 11. In Colorado Revised Statutes, 10-16-1205, amend**
7 **(5)(a) as follows:**

8 **10-16-1205. Health insurance affordability fee - special**
9 **assessment on hospitals - allocation of revenues. (5) (a) The special**
10 **assessments on hospitals under subsection (1)(a)(II) of this section must**
11 **comply with and not violate 42 CFR 433.68. If the federal centers for**
12 **medicare and medicaid services in the United States department of health**
13 **and human services informs the state that the state will not be in**
14 **compliance with 42 CFR 433.68 as a result of the special assessment on**
15 **hospitals pursuant to subsection (1)(a)(II) of this section, the enterprise**
16 **shall reduce the amount of the special assessment as necessary to avoid**
17 **any reduction in the healthcare affordability and sustainability HOSPITAL**
18 **PROVIDER fee collected pursuant to section 25.5-4-402.4.**

19 **SECTION 12. In Colorado Revised Statutes, 25.5-4-402.8,**
20 **amend (2)(g)(I) as follows:**

21 **25.5-4-402.8. Hospital transparency report and requirements**
22 **- definitions. (2) (g) (I) If a hospital does not provide all of the**
23 **information required pursuant to subsection (2)(b) of this section, the**
24 **state department shall inform the hospital of its noncompliance within**
25 **sixty days and identify the information that needs to be provided. If a**
26 **hospital does not comply, the state department shall issue a corrective**
27 **action plan with a timeline of sixty days required for compliance. If a**

1 hospital continues to not comply, the state department may create a
2 mandatory pay-for-reporting compliance measure within the hospital
3 transformation program that is tied to the healthcare affordability and
4 sustainability HOSPITAL PROVIDER fee supplemental payment and is based
5 on compliance with subsection (2)(b) of this section.

6 **SECTION 13. In Colorado Revised Statutes, 25.5-5-201, amend**
7 **(1)(o)(II) and (1)(r)(II) as follows:**

8 **25.5-5-201. Optional provisions - optional groups - rules.**

9 (1) (o) (II) Notwithstanding the provisions of subsection (1)(o)(I) of this
10 section, if the money in the healthcare affordability and sustainability
11 HOSPITAL PROVIDER fee cash fund established pursuant to section
12 25.5-4-402.4, together with the corresponding federal matching funds, is
13 insufficient to fully fund all of the purposes described in section
14 25.5-4-402.4 (5)(b), after receiving recommendations from the Colorado
15 healthcare affordability and sustainability enterprise established pursuant
16 to section 25.5-4-402.4 (3), for individuals with disabilities who are
17 participating in the medicaid buy-in program established in part 14 of
18 article 6 of this title 25.5, the state board by rule adopted pursuant to the
19 provisions of section 25.5-4-402.4 (6)(b)(III) may reduce the medical
20 benefits offered or the percentage of the federal poverty line to below
21 four hundred fifty percent or may eliminate this eligibility group.

22 (r) (II) Notwithstanding the provisions of subsection (1)(r)(I) of
23 this section, if the money in the healthcare affordability and sustainability
24 HOSPITAL PROVIDER fee cash fund established pursuant to section
25 25.5-4-402.4, together with the corresponding federal matching funds, is
26 insufficient to fully fund all of the purposes described in section
27 25.5-4-402.4 (5)(b), after receiving recommendations from the Colorado

1 healthcare affordability and sustainability enterprise established pursuant
2 to section 25.5-4-402.4 (3), for persons eligible for a medicaid buy-in
3 program established pursuant to section 25.5-5-206, the state board by
4 rule adopted pursuant to the provisions of section 25.5-4-402.4 (6)(b)(III)
5 may reduce the medical benefits offered, or the percentage of the federal
6 poverty line, or may eliminate this eligibility group.

7 **SECTION 14.** In Colorado Revised Statutes, 25.5-5-204.5,
8 **amend (2) as follows:**

9 **25.5-5-204.5. Continuous eligibility - children.**
10 (2) Notwithstanding the provisions of subsection (1) of this section, if the
11 money in the healthcare affordability and sustainability HOSPITAL
12 PROVIDER fee cash fund established pursuant to section 25.5-4-402.4,
13 together with the corresponding federal matching funds, is insufficient to
14 fully fund all of the purposes described in section 25.5-4-402.4 (5)(b),
15 after receiving recommendations from the Colorado healthcare
16 affordability and sustainability enterprise established pursuant to section
17 25.5-4-402.4 (3), the state board by rule adopted pursuant to the
18 provisions of section 25.5-4-402.4 (6)(b)(III) may eliminate the
19 continuous enrollment requirement pursuant to this section.

20 **SECTION 15.** In Colorado Revised Statutes, 25.5-6-1403,
21 **amend (5)(b) as follows:**

22 **25.5-6-1403. Waivers and amendments.** (5) (b) The state
23 department shall not prepare and submit the amendments to the state
24 medical assistance plan pursuant to this subsection (5) if there are
25 insufficient revenues from the healthcare affordability and sustainability
26 HOSPITAL PROVIDER fee cash fund, created in section 25.5-4-402.4, for the
27 administrative expenses associated with preparing and submitting the

1 state plan amendments. If there are insufficient revenues from the
2 healthcare affordability and sustainability HOSPITAL PROVIDER fee cash
3 fund, the state department may accept and expend gifts, grants, or
4 donations for this purpose.

5 **SECTION 16. In Colorado Revised Statutes, 25.5-8-103, amend**
6 **(4)(a)(II) and (4)(b)(II) as follows:**

7 **25.5-8-103. Definitions - rules. As used in this article 8, unless**
8 **the context otherwise requires:**

9 **(4) "Eligible person" means:**

10 **(a) (II) Notwithstanding the provisions of subsection (4)(a)(I) of**
11 **this section, if the money in the healthcare affordability and sustainability**
12 **HOSPITAL PROVIDER fee cash fund established pursuant to section**
13 **25.5-4-402.4 (5), together with the corresponding federal matching funds,**
14 **is insufficient to fully fund all of the purposes described in section**
15 **25.5-4-402.4 (5)(b), after receiving recommendations from the Colorado**
16 **healthcare affordability and sustainability enterprise established pursuant**
17 **to section 25.5-4-402.4 (3), for persons less than nineteen years of age,**
18 **the state board may by rule adopted pursuant to the provisions of section**
19 **25.5-4-402.4 (6)(b)(III) reduce the percentage of the federal poverty line**
20 **to below two hundred sixty percent, but the percentage shall not be**
21 **reduced to below two hundred thirteen percent.**

22 **(b) (II) Notwithstanding the provisions of subsection (4)(b)(I) of**
23 **this section, if the money in the healthcare affordability and sustainability**
24 **HOSPITAL PROVIDER fee cash fund established pursuant to section**
25 **25.5-4-402.4 (5), together with the corresponding federal matching funds,**
26 **is insufficient to fully fund all of the purposes described in section**
27 **25.5-4-402.4 (5)(b), after receiving recommendations from the Colorado**

1 healthcare affordability and sustainability enterprise established pursuant
2 to section 25.5-4-402.4 (3), for pregnant women, the state board by rule
3 adopted pursuant to the provisions of section 25.5-4-402.4 (6)(b)(III) may
4 reduce the percentage of the federal poverty line to below two hundred
5 sixty percent, but the percentage shall not be reduced to below two
6 hundred thirteen percent.

7 **SECTION 17. Effective date.** This act takes effect May 1, 2025.

8 **SECTION 18. Safety clause.** The general assembly finds,
9 determines, and declares that this act is necessary for the immediate
10 preservation of the public peace, health, or safety or for appropriations for
11 the support and maintenance of the departments of the state and state
12 institutions.