

First Regular Session  
Sixty-eighth General Assembly  
STATE OF COLORADO

REVISED

*This Version Includes All Amendments Adopted  
on Second Reading in the Second House*

LLS NO. 11-0321.01 Christy Chase

HOUSE BILL 11-1101

HOUSE SPONSORSHIP

Swalm,

SENATE SPONSORSHIP

Morse,

House Committees

Economic and Business Development  
Appropriations

Senate Committees

Health and Human Services  
Appropriations

A BILL FOR AN ACT

101 CONCERNING AN EXEMPTION FROM STATE LICENSURE REQUIREMENTS  
102 FOR A COMMUNITY CLINIC THAT IS A FEDERALLY QUALIFIED  
103 HEALTH CENTER, AND MAKING AN APPROPRIATION IN  
104 CONNECTION THEREWITH.

Bill Summary

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)*

Under current law, community clinics, like some other health facilities, are required to obtain a license from, submit to on-site

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters indicate new material to be added to existing statute.*  
*Dashes through the words indicate deletions from existing statute.*

SENATE  
Am ended 2nd Reading  
March 22, 2011

HOUSE  
3rd Reading Unam ended  
February 23, 2011

HOUSE  
Am ended 2nd Reading  
February 22, 2011

inspections by, and obtain approval of construction plans from the department of public health and environment.

The bill excludes from the definition of a community clinic any clinic that is a federally qualified health center (FQHC) under the federal "Social Security Act", thereby exempting FQHCs from state licensure and related requirements. **Section 3** of the bill clarifies that while an FQHC will no longer be licensed by the department, an FQHC continues as a general provider under the Colorado indigent care program.

---

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

2 **SECTION 1.** 25-1.5-103 (2), Colorado Revised Statutes, is  
3 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

4 **25-1.5-103. Health facilities - powers and duties of department**  
5 **- limitations on rules promulgated by department.** (2) For purposes  
6 of this section, unless the context otherwise requires:

7 (a.5) "COMMUNITY CLINIC" DOES NOT INCLUDE A FEDERALLY  
8 QUALIFIED HEALTH CENTER, AS DEFINED IN SECTION 1861 (aa) (4) OF THE  
9 FEDERAL "SOCIAL SECURITY ACT", 42 U.S.C. SEC. 1395x (aa) (4).

10 **SECTION 2.** 25-3-101 (1) and (2), Colorado Revised Statutes,  
11 are amended to read:

12 **25-3-101. Hospitals - health facilities - licensed - definitions.**  
13 (1) It is unlawful for any person, partnership, association, or corporation  
14 to open, conduct, or maintain any general hospital, hospital unit, as  
15 ~~defined in subsection (2) of this section,~~ psychiatric hospital, community  
16 clinic, rehabilitation center, convalescent center, community mental  
17 health center, acute treatment unit, facility for persons with  
18 developmental disabilities, habilitation center for ~~brain-damaged~~ children  
19 WITH BRAINDAMAGE, chiropractic center and hospital, maternity hospital,  
20 nursing care facility, pilot project rehabilitative nursing facility, hospice  
21 care, assisted living residence, except an assisted living residence shall be

1 assessed a license fee as set forth in section 25-27-107, dialysis treatment  
2 clinic, ambulatory surgical center, birthing center, home care agency, or  
3 other facility of a like nature, except those wholly owned and operated by  
4 any governmental unit or agency, without first having obtained a license  
5 therefor from the department of public health and environment.

6 (2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE  
7 REQUIRES:

8 (a) "COMMUNITY CLINIC" DOES NOT INCLUDE A FEDERALLY  
9 QUALIFIED HEALTH CENTER, AS DEFINED IN SECTION 1861 (aa) (4) OF THE  
10 FEDERAL "SOCIAL SECURITY ACT", 42 U.S.C. SEC. 1395x (aa) (4).

11 (b) "Hospital unit" means a physical portion of a licensed or  
12 certified general hospital, psychiatric hospital, maternity hospital, or  
13 rehabilitation hospital ~~which~~ THAT is leased or otherwise occupied  
14 pursuant to a contractual agreement by a person other than the licensee of  
15 the host facility for the purpose of providing outpatient or inpatient  
16 services.

17 **SECTION 3.** 25.5-3-103 (3), Colorado Revised Statutes, is  
18 amended to read:

19 **25.5-3-103. Definitions.** As used in this part 1, unless the context  
20 otherwise requires:

21 (3) "General provider" means ~~any~~ A general hospital, birth center,  
22 or community health clinic licensed or certified by the department of  
23 public health and environment pursuant to section 25-1.5-103 (1) (a) (I)  
24 or (1) (a) (II), C.R.S.; ~~any~~ A FEDERALLY QUALIFIED HEALTH CENTER, AS  
25 DEFINED IN SECTION 1861 (aa) (4) OF THE FEDERAL "SOCIAL SECURITY  
26 ACT", 42 U.S.C. SEC. 1395x (aa) (4); A health maintenance organization  
27 issued a certificate of authority pursuant to section 10-16-402, C.R.S.; and

1 the health sciences center when acting pursuant to section 25.5-3-108 (5)  
2 (a) (I) or (5) (a) (II) (A). For the purposes of the program, "general  
3 provider" includes associated physicians.

4 **SECTION 4. Adjustments to the 2011 long bill.** For the  
5 implementation of this act, the cash funds appropriation made in the  
6 annual general appropriation act for the fiscal year beginning July 1,  
7 2011, to the department of public health and environment, health facilities  
8 and emergency medical services division, licensure, for the health  
9 facilities general licensure program, is decreased by twenty-four  
10 thousand five hundred eighty-one dollars (\$24,581) and 0.4 FTE. Said  
11 sum shall be from the health facilities general licensure cash fund created  
12 in section 25-3-103.1 (1), Colorado Revised Statutes.

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