

**First Regular Session
Seventy-third General Assembly
STATE OF COLORADO**

REREVISED

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

LLS NO. 21-0403.01 Shelby Ross x4510

SENATE BILL 21-022

SENATE SPONSORSHIP

Bridges and Smallwood, Coram, Ginal, Jaquez Lewis, Moreno, Priola, Rankin, Simpson

HOUSE SPONSORSHIP

Snyder and McKean, Bernett, Duran, Michaelson Jenet, Ricks

Senate Committees

Health & Human Services
Appropriations

House Committees

Public & Behavioral Health & Human Services

HOUSE
3rd Reading Unamended
May 10, 2021

A BILL FOR AN ACT

101 **CONCERNING CONFIRMATION OF RECEIPT OF A WRITTEN REQUEST TO**
102 **PERFORM AN AUDIT OF A MEDICAID PROVIDER PRIOR TO THE**
103 **COMMENCEMENT OF THE AUDIT.**

HOUSE
2nd Reading Unamended
May 7, 2021

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>.)

SENATE
3rd Reading Unamended
April 26, 2021

The bill requires that, prior to initiating a review or audit of a medicaid provider, a reviewer or auditor shall confirm receipt of the written request to perform the audit or review.

SENATE
Amended 2nd Reading
April 23, 2021

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

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

2 **SECTION 1.** In Colorado Revised Statutes, 25.5-4-301, **amend**
3 (3)(a)(IV) as follows:

4 **25.5-4-301. Recoveries - overpayments - penalties - interest -**
5 **adjustments - liens - review or audit procedures.** (3) (a) A review or
6 audit of a provider is subject to the following procedures:

7 (IV) PRIOR TO A REVIEW OR AUDIT REQUIRING AN INSPECTION OF
8 A PROVIDER'S RECORDS, THE REVIEWER OR AUDITOR, OR A QUALIFIED
9 AGENT CONTRACTED WITH THE STATE DEPARTMENT PURSUANT TO
10 SUBSECTION (3)(b) OF THIS SECTION, SHALL CONFIRM THE PROVIDER'S
11 CONTACT INFORMATION WITH THE PROVIDER. AFTER CONFIRMING THE
12 PROVIDER'S CONTACT INFORMATION, THE REVIEWER OR AUDITOR, OR
13 QUALIFIED AGENT, SHALL NOTIFY THE PROVIDER OF ADDITIONAL
14 INFORMATION CONCERNING THE REVIEW OR AUDIT, INCLUDING
15 INSTRUCTIONS, CORRESPONDENCE TIMELINES, AND A STATE DEPARTMENT
16 CONTACT FOR THE PROVIDER TO NOTIFY IF THE PROVIDER DOES NOT
17 RECEIVE THE WRITTEN REQUEST FOR RECORDS. The reviewer or auditor
18 shall initiate each review or audit requiring an inspection of the provider's
19 records by delivering to the provider not less than ten business days prior
20 to the commencement of the audit a written request THROUGH BOTH
21 E-MAIL AND CERTIFIED MAIL describing in detail such records and offering
22 the provider the option of providing either a reproduction of such records
23 or inspection by the reviewer or auditor at the provider's site. The request
24 must also clearly define milestone dates pertaining to records' requested
25 due dates, permissible extensions of dates, the timelines for informal
26 reconsideration, and deadlines for requesting a formal appeal. The
27 records subject to the request must be limited to records directly related

1 to claims for reimbursement submitted by the provider. PRIOR TO A
2 QUALIFIED AGENT COMMENCING ANY REVIEW OR AUDIT, THE STATE
3 DEPARTMENT SHALL ENSURE PROVIDERS UNDERSTAND THE RELATIONSHIP
4 BETWEEN THE STATE DEPARTMENT AND THE QUALIFIED AGENT AND HOW
5 TO CONTACT THE QUALIFIED AGENT. In the event such records are
6 available from a county department of human or social services or another
7 agency, subdivision, or contractor of the state, the reviewer or auditor
8 shall request such records from such other agencies as may be appropriate
9 prior to making a request to the provider. The reviewer or auditor shall
10 conduct on-site inspections at reasonable times during regular business
11 hours, and the reviewer or auditor shall make arrangements necessary for
12 the reproduction of such records on site. If the provider chooses to
13 provide a reproduction of the records requested by the reviewer or auditor
14 instead of on-site inspection, the reviewer or auditor shall give the
15 provider a reasonable period of time, not less than forty-five days, to
16 provide such records, taking into account the scope of the request, the
17 time frame covered, and the reproduction arrangements available to the
18 provider.

19 **SECTION 2. Act subject to petition - effective date.** This act
20 takes effect at 12:01 a.m. on the day following the expiration of the
21 ninety-day period after final adjournment of the general assembly; except
22 that, if a referendum petition is filed pursuant to section 1 (3) of article V
23 of the state constitution against this act or an item, section, or part of this
24 act within such period, then the act, item, section, or part will not take
25 effect unless approved by the people at the general election to be held in
26 November 2022 and, in such case, will take effect on the date of the
27 official declaration of the vote thereon by the governor.