

First Regular Session
Sixty-eighth General Assembly
STATE OF COLORADO

INTRODUCED

LLS NO. 11-0614.02 Debbie Haskins

SENATE BILL 11-170

SENATE SPONSORSHIP

Aguilar,

HOUSE SPONSORSHIP

Ferrandino,

Senate Committees
Health and Human Services

House Committees

A BILL FOR AN ACT

101 CONCERNING THE LIMIT ON THE GROWTH OF THE GENERAL FUND
102 SHARE OF RATES FOR REIMBURSING NURSING HOME PROVIDERS
103 UNDER THE "COLORADO MEDICAL ASSISTANCE ACT".

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 the current law, class I nursing facilities are reimbursed under medicaid for actual costs based on historical data reported by each nursing home facility. The statute establishes per diem rates for and sets limits on annual increases for 4 components of costs (direct and indirect

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.

health care services, raw food, administrative and general services, and fair rental allowance). The payments through the per diem rate are paid from the general fund and matching federal funds. A general fund cap, established in the statute, limits the growth of the general fund share of the per diem rates for different components. Because the percentage of the general fund growth cap is set in statute, any changes to the rate of growth in costs from the general fund share requires the passage of legislation.

For the fiscal year commencing July 1, 2012, and for each fiscal year thereafter, the general fund share of the aggregate statewide average of the per diem rate net of patient payment (the general fund growth cap) will no longer be set in statute; instead, subject to available appropriations, the amount of growth that the general assembly will fund out of the general fund will be determined annually by the medical services board.

The bill applies to fiscal year 2012-13 and fiscal years thereafter.

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

2 **SECTION 1.** 25.5-6-202 (9) (b) (I), Colorado Revised Statutes,
3 is amended to read:

4 **25.5-6-202. Providers - nursing facility provider**
5 **reimbursement - rules - repeal.** (9) (b) (I) Except for changes in the
6 number of patient days, FOR THE FISCAL YEAR COMMENCING JULY 1, 2012,
7 AND FOR EACH FISCAL YEAR THEREAFTER, SUBJECT TO AVAILABLE
8 APPROPRIATIONS, the general fund share of the aggregate statewide
9 average of the per diem rate net of patient payment pursuant to
10 subsections (1) to (4) of this section shall be ~~limited to an annual increase~~
11 ~~of three percent~~ DETERMINED ANNUALLY BY THE STATE BOARD. The
12 state's share of the reimbursement rate components pursuant to
13 subsections (1) to (4) of this section may be funded through the provider
14 fee assessed pursuant to the provisions of section 25.5-6-203 and any
15 associated federal funds. Any provider fee used as the state's share and
16 all federal funds shall be excluded from the calculation of the general

1 fund limitation on the annual increase. For the fiscal year commencing
2 July 1, 2009, and for ~~each fiscal year thereafter~~ FISCAL YEARS 2010-11
3 AND 2011-12, the general fund share of the aggregate statewide average
4 per diem rate net of patient payment pursuant to subsections (1) to (4) of
5 this section shall be calculated using the rates that were effective on July
6 1 of that fiscal year.

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