

**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. 11-0963.01 Brita Darling

SENATE BILL 11-212

SENATE SPONSORSHIP

Hodge, Steadman, Lambert

HOUSE SPONSORSHIP

Gerou, Becker, Ferrandino

Senate Committees
Appropriations

House Committees
Appropriations

A BILL FOR AN ACT

101 **CONCERNING AUTHORITY FOR AN ADDITIONAL PERMISSIBLE USE OF**
102 **MONEYS IN THE HOSPITAL PROVIDER FEE CASH FUND FOR STATE**
103 **MEDICAID EXPENDITURES TO OFFSET STATE GENERAL FUND**
104 **EXPENDITURES FOR THE NEXT TWO FISCAL YEARS, AND MAKING**
105 **AN APPROPRIATION THEREFOR.**

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>.)

For the 2011-12 and 2012-13 state fiscal years, the bill authorizes

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.

HOUSE
2nd Reading Unam ended
April 13, 2011

SENATE
3rd Reading Unam ended
April 11, 2011

SENATE
Am ended 2nd Reading
April 8, 2011

the use of hospital provider fees for medicaid expenditures and allows appropriations from the hospital provider fee cash fund to offset general fund expenditures for the medicaid program. The bill clarifies that if revenue from hospital provider fees are insufficient to fund all of the purposes for which the fee is collected, provider fees shall be appropriated first to offset the general fund expenditures for the medicaid program in state fiscal years 2011-12 and 2012-13, in the amounts set forth in the bill.

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

2 **SECTION 1.** 25.5-4-402.3 (3) (a) (II) and (3) (a) (III), Colorado
3 Revised Statutes, are amended, and the said 25.5-4-402.3 (3) (a) is further
4 amended BY THE ADDITION OF A NEW SUBPARAGRAPH, to read:

5 **25.5-4-402.3. Providers - hospital - provider fees - legislative**
6 **declaration - federal waiver - fund created - rules - advisory board -**
7 **repeal.** (3) **Hospital provider fee.** (a) Beginning with the fiscal year
8 commencing July 1, 2009, and each fiscal year thereafter, the state
9 department is authorized to charge and collect hospital provider fees, as
10 described in 42 CFR 433.68 (b), on outpatient and inpatient services
11 provided by all licensed or certified hospitals, referred to in this section
12 as "hospitals", for the purpose of obtaining federal financial participation
13 under the state medical assistance program as described in this article and
14 articles 5 and 6 of this title, referred to in this section as the "state medical
15 assistance program", and the Colorado indigent care program described
16 in part 1 of article 3 of this title, referred to in this section as the
17 "Colorado indigent care program". The hospital provider fees shall be
18 used to:

19 (II) Increase the number of persons covered by public medical
20 assistance; ~~and~~

21 (III) Pay the administrative costs to the state department in

1 implementing and administering this section; AND

2 (IV) OFFSET GENERAL FUND EXPENDITURES FOR THE STATE
3 MEDICAID PROGRAM FOR STATE FISCAL YEARS 2011-12 AND 2012-13
4 ONLY.

5 **SECTION 2.** 25.5-4-402.3 (4) (b), Colorado Revised Statutes, is
6 amended BY THE ADDITION OF A NEW SUBPARAGRAPH to read:

7 **25.5-4-402.3. Providers - hospital - provider fees - legislative**
8 **declaration - federal waiver - fund created - rules - advisory board -**
9 **repeal. (4) Hospital provider fee cash fund. (b)** All moneys in the
10 fund shall be subject to federal matching as authorized under federal law
11 and subject to annual appropriation by the general assembly for the
12 following purposes:

13 (IX) (A) FOR STATE MEDICAID EXPENDITURES FOR STATE FISCAL
14 YEAR 2011-12 ONLY, FIFTY MILLION DOLLARS SHALL BE APPROPRIATED TO
15 OFFSET GENERAL FUND EXPENDITURES.

16 (B) FOR STATE MEDICAID EXPENDITURES FOR STATE FISCAL YEAR
17 2012-13 ONLY, TWENTY-FIVE MILLION DOLLARS SHALL BE APPROPRIATED
18 TO OFFSET GENERAL FUND EXPENDITURES.

19 (C) THIS SUBPARAGRAPH (IX) IS REPEALED, EFFECTIVE DECEMBER
20 31, 2013.

21 **SECTION 3.** 25.5-4-402.3 (5), Colorado Revised Statutes, is
22 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

23 **25.5-4-402.3. Providers - hospital - provider fees - legislative**
24 **declaration - federal waiver - fund created - rules - advisory board -**
25 **repeal. (5) Appropriations. (b.5) (I)** NOTWITHSTANDING ANY
26 PROVISIONS OF PARAGRAPH (b) OF THIS SUBSECTION (5) TO THE
27 CONTRARY, IF REVENUE FROM THE PROVIDER FEE IS INSUFFICIENT TO

1 FULLY FUND ALL OF THE PURPOSES DESCRIBED IN PARAGRAPH (b) OF
2 SUBSECTION (4) OF THIS SECTION, REVENUE FROM THE PROVIDER FEE
3 SHALL BE USED FIRST TO OFFSET GENERAL FUND EXPENDITURES FOR THE
4 STATE MEDICAID PROGRAM FOR STATE FISCAL YEARS 2011-12 AND
5 2012-13 IN THE AMOUNTS SET FORTH IN SUBPARAGRAPH (IX) OF
6 PARAGRAPH (b) OF SUBSECTION (4) OF THIS SECTION.

7 (II) THIS PARAGRAPH (b.5) IS REPEALED, EFFECTIVE DECEMBER 31,
8 2013.

9 **SECTION 4. Appropriation - adjustments in the 2011 long**
10 **bill.** == For the implementation of this act, appropriations made in the
11 annual general appropriation act to the department of health care policy
12 and financing, for medical services premiums, for the fiscal year
13 beginning July 1, 2011, shall be adjusted as follows:

14 (1) The general fund appropriation is decreased by fifty million
15 dollars (\$50,000,000);

16 (2) The cash fund appropriation is increased by fifty million
17 dollars (\$50,000,000). Said sum shall be from the hospital provider fee
18 cash fund created in section 25.5-4-402.3 (4), Colorado Revised Statutes.

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