Second Regular Session Seventy-second General Assembly STATE OF COLORADO

INTRODUCED

LLS NO. 20-1200.02 Jacob Baus x2173

HOUSE BILL 20-1361

HOUSE SPONSORSHIP

Esgar and McCluskie,

SENATE SPONSORSHIP

Moreno and Zenzinger, Rankin

House Committees Appropriations **Senate Committees**

A BILL FOR AN ACT

101 CONCERNING THE REDUCTION OF THE ADULT DENTAL BENEFIT, AND, IN

102 CONNECTION THEREWITH, REDUCING AN APPROPRIATION.

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 <u>http://leg.colorado.gov/</u>.)

Joint Budget Committee. Beginning when the higher federal match afforded through the federal "Families First Coronavirus Response Act" expires, the bill reduces the adult dental benefit so that it does not exceed \$1,000 per year for a participant.

From the savings from the reduction of the adult dental benefit in the medical assistance program, the bill transfers \$1,139,402 from the

unclaimed property trust fund to the general fund in the 2020-21 fiscal year and \$2,278,804 in the 2021-22 fiscal year. Furthermore, the bill requires \$331,462 to be appropriated from the healthcare affordability and sustainability fee cash fund to offset general fund expenditures for the state medical assistance program.

1	Be it enacted by the General Assembly of the State of Colorado:
2	SECTION 1. In Colorado Revised Statutes, 25.5-5-207, add (2.5)
3	as follows:
4	25.5-5-207. Adult dental benefit - adult dental fund - creation
5	- legislative declaration - repeal. (2.5) (a) BEGINNING WHEN THE
6	HIGHER FEDERAL MATCH AFFORDED THROUGH THE FEDERAL "FAMILIES
7	FIRST CORONAVIRUS RESPONSE ACT", PUB.L. 116-127, OR ANY
8	AMENDMENT THERETO, EXPIRES THROUGH JUNE 30, 2022, THE ADULT
9	DENTAL BENEFIT PROVIDED BY THIS SECTION MUST NOT EXCEED ONE
10	THOUSAND DOLLARS PER YEAR FOR EACH RECIPIENT.
11	(b) This subsection (2.5) is repealed, effective December 31,
12	2022.
13	SECTION 2. In Colorado Revised Statutes, 25.5-4-402.4, amend
14	(5)(b)(VIII) and (6)(a)(I); and add (4)(a)(II.5), (5)(b)(VIII.5), and
15	(6)(b)(I.5) as follows:
16	25.5-4-402.4. Hospitals - healthcare affordability and
17	sustainability fee - legislative declaration - Colorado healthcare
18	affordability and sustainability enterprise - federal waiver - fund
19	created - rules - reports - repeal. (4) Healthcare affordability and
20	sustainability fee. (a) For the fiscal year commencing July 1, 2017, and
21	for each fiscal year thereafter, the enterprise is authorized to charge and
22	collect a healthcare affordability and sustainability fee, as described in 42
23	CFR 433.68 (b), on outpatient and inpatient services provided by all

1 licensed or certified hospitals, referred to in this section as "hospitals", for 2 the purpose of obtaining federal financial participation under the state 3 medical assistance program as described in this article 4 and articles 5 and 4 6 of this title 25.5, referred to in this section as the "state medical 5 assistance program", and the Colorado indigent care program described 6 in part 1 of article 3 of this title 25.5, referred to in this section as the 7 "Colorado indigent care program". The enterprise shall use the healthcare 8 affordability and sustainability fee revenue to:

9 (II.5) (A) FOR THE 2020-21 STATE FISCAL YEAR ONLY, OFFSET
10 GENERAL FUND EXPENDITURES FOR THE STATE MEDICAL ASSISTANCE
11 PROGRAM.

12 (B) THIS SUBSECTION (4)(a)(II.5) IS REPEALED, EFFECTIVE
13 DECEMBER 31, 2021.

14 (5) Healthcare affordability and sustainability fee cash fund. 15 (b) All money in the fund is subject to federal matching as authorized 16 under federal law and, subject to annual appropriation by the general 17 assembly, shall be expended by the enterprise for the following purposes: 18 (VIII) Subject to any necessary federal waivers being obtained, to 19 provide funding for a health care delivery system reform incentive 20 payments program as described in subsection (8) of this section; and 21 (VIII.5) (A) FOR THE 2020-21 STATE FISCAL YEAR ONLY, DUE TO 22 REDUCTIONS IN THE ADULT DENTAL BENEFIT PURSUANT TO SECTION 23 25.5-5-207 (2.5), THREE HUNDRED THIRTY-ONE THOUSAND FOUR 24 HUNDRED SIXTY-TWO DOLLARS TO OFFSET GENERAL FUND EXPENDITURES 25 FOR THE STATE MEDICAL ASSISTANCE PROGRAM. 26 (B) THIS SUBSECTION (5)(b)(VIII.5) IS REPEALED, EFFECTIVE

27 DECEMBER 31, 2021.

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1 (6) **Appropriations.** (a) (I) EXCEPT AS OTHERWISE PROVIDED IN 2 SUBSECTION (6)(b)(I.5) OF THIS SECTION, the healthcare affordability and 3 sustainability fee is to supplement, not supplant, general fund 4 appropriations to support hospital reimbursements. General fund 5 appropriations for hospital reimbursements shall be maintained at the level of appropriations in the medical services premium line item made 6 7 for the fiscal year commencing July 1, 2008; except that general fund 8 appropriations for hospital reimbursements may be reduced if an index of 9 appropriations to other providers shows that general fund appropriations 10 are reduced for other providers. If the index shows that general fund 11 appropriations are reduced for other providers, the general fund 12 appropriations for hospital reimbursements shall not be reduced by a 13 greater percentage than the reductions of appropriations for the other 14 providers as shown by the index.

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

(I.5) (A) FOR THE 2020-21 STATE FISCAL YEAR ONLY, DUE TO
REDUCTIONS IN THE ADULT DENTAL BENEFIT PURSUANT TO SECTION
25.5-5-207 (2.5), THREE HUNDRED THIRTY-ONE THOUSAND FOUR
HUNDRED SIXTY-TWO DOLLARS OF REVENUE SHALL BE USED FIRST TO
OFFSET GENERAL FUND EXPENDITURES FOR THE STATE MEDICAL
ASSISTANCE PROGRAM.

24 (B) THIS SUBSECTION (6)(b)(I.5) IS REPEALED, EFFECTIVE
25 DECEMBER 31, 2021.

SECTION 3. In Colorado Revised Statutes, 38-13-801, as it will
become effective July 1, 2020, add (2.5) as follows:

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38-13-801. Unclaimed property trust fund - creation payments - interest - appropriations - records - rules - repeal.
 (2.5) (a) NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO THE
 CONTRARY, ON JULY 1, 2020, THE STATE TREASURER SHALL TRANSFER
 ONE MILLION ONE HUNDRED THIRTY-NINE THOUSAND FOUR HUNDRED TWO
 DOLLARS FROM THE UNCLAIMED PROPERTY TRUST FUND TO THE GENERAL
 FUND.

8 (b) NOTWITHSTANDING ANY PROVISION OF THIS SECTION TO THE
9 CONTRARY, ON JULY 1, 2021, THE STATE TREASURER SHALL TRANSFER
10 TWO MILLION TWO HUNDRED SEVENTY-EIGHT THOUSAND EIGHT HUNDRED
11 FOUR DOLLARS FROM THE UNCLAIMED PROPERTY TRUST FUND TO THE
12 GENERAL FUND.

SECTION 4. Appropriation - adjustments to 2020 long bill.
 (1) To implement this act, appropriations made in the annual general
 appropriation act for the 2020-21 state fiscal year to the department of
 health care policy and financing for medical services premiums are
 adjusted as follows:

(a) The general fund appropriation, which is subject to the "(M)"
notation as defined in the annual general appropriation act for the same
fiscal year, is decreased by \$331,462; and

(b) The cash funds appropriation from the adult dental fund
created in section 25.5-5-207 (4)(a), C.R.S., is decreased by \$1,139,402.

(2) The decrease in subsection (1) of this section is based on the
assumption that the anticipated amount of federal funds received for the
2020-21 state fiscal year by the department of health care policy and
financing for medical services premiums will decrease by \$4,094,136.

27 **SECTION 5. Safety clause.** The general assembly hereby finds,

- 1 determines, and declares that this act is necessary for the immediate
- 2 preservation of the public peace, health, or safety.