



**COLORADO**

Department of Health Care  
Policy & Financing

1570 Grant Street  
Denver, CO 80203

## FY 2021-22 Long Bill Overview

Below is a summary of provisions included in the Long Appropriations Bill or Long bill ([SB21-205](#)) for the Colorado Department of Health Care Policy & Financing (the Department). The Long Bill included some of the Department's budget requests and other provisions passed by the General Assembly. The state fiscal year runs from July 1, 2021 to June 30, 2022. Additional detail on each request as well as caseload information is available on our [budget request site](#).

A high-level overview of other legislation passed that affects the Department can be found in the 2021 Legislative Session Wrap-up.

The provisions outlined below are generally effective on July 1, 2021; some elements require system changes and/or federal approvals, so implementation dates can vary. Sign up for our e-newsletters to receive updates as they are available.

### Department Budget Requests

#### R6 | Remote Supports for HCBS Programs

**Summary:** The Department received funding to add a remote support benefit to five Home and Community-Based Services (HCBS) waiver programs via [SB21-210](#). Remote supports are an emerging service model that combines technology and direct care to support people with disabilities. When hands-on care is not required, remote supports make it possible for direct care staff to provide supervision, prompting, or instruction from a remote location, reducing the need for residential or in-person services. A remote support option will help address workforce shortages by increasing provider efficiency, improving access to care in rural areas and helping members stay safely in their homes and communities. The new benefit will not be a mandate for all waiver participants. It will be an option for those who are comfortable receiving services through this type of delivery model.

**FY 2021-22 Budget Impact:** Reduction of \$716,616 total funds, including a reduction of \$348,345 General Fund

**FY 2022-23 Budget Impact:** Reduction of \$2,149,847 total funds, including a reduction of \$1,045,040 General Fund

#### R7 | Nurse Advice Line

**Summary:** The Department received a funding adjustment to continue operation of the Nurse Advice Line (NAL) services. The NAL is a 24-hour phone line, available 365 days a year, for members to call for medical information and advice. The NAL ensures members receive the most appropriate level of care and, in some cases, prevents unnecessary emergency room visits. The Centers for Medicare and



Medicaid Services (CMS) informed the Department the NAL will no longer qualify for federal funds and required the Department to repay federal funds claims for the NAL in prior years. As a result, the Joint Budget Committee approved the Department request to backfill the loss of funds with General Fund to continue the NAL and to repay CMS for disallowed federal funds.

**FY 2020-21 Budget Impact:** \$966,896 total funds, including \$1,117,028 General Fund  
**FY 2021-22 Budget Impact:** \$0 total funds, including an increase of \$898,265 General Fund  
**FY 2022-23 Budget Impact:** \$0 total funds, including an increase of \$898,265 General Fund

R8 | Supported Living Services Flexibility

**Summary:** The Department received funding to expand access to care for adults with intellectual or developmental disabilities by offering additional long-term services and supports to members enrolled in the Home and Community Based Services Support Living Services (HCBS-SLS) waiver program. HCBS-SLS offers similar services and supports to the Persons with Developmental Disabilities (HCBS-DD) waiver except the SLS waiver does not provide living arrangements and 24-hour supervision. The request funds to offer exceptions to unit limits and Service Plan Authorization Limits (SPAL) to members on HCBS-SLS, which could potentially delay or avoid enrollments into the HCBS-DD program. HCBS-DD program is the only waiver currently with a waiting list.

**FY 2021-22 Budget Impact:** \$940,718 total funds, including \$470,359 General Fund  
**FY 2022-23 Budget Impact:** \$1,881,437 total funds, including \$940,719 General Fund

R9 | Patient Access and Interoperability Rule Compliance

**Summary:** The Department received funding adjustments to comply with the CMS Patient Access and Interoperability final rule. Under the rule, all state Medicaid agencies and Children’s Health Insurance Program plans (Health First Colorado and CHP+ in Colorado) must meet specific technology and data sharing standards that enable patient access to personal health information. The requested funding will enhance new system functionalities to meet rule standards and develop application programming interfaces to facilitate the exchange of member claims data with third-party applications.

**FY 2021-22 Budget Impact:** \$2,846,713 total funds, including a reduction of \$9,695 General Fund and 1.0 FTE  
**FY 2022-23 Budget Impact:** \$1,988,223 total funds, including \$294,890 General Fund and 1.0 FTE

R10 | Convert Contractor Resources to FTE

**Summary:** The Department received approval to repurpose funding appropriated for contractor resources and instead hire state FTE to perform these duties. Outside vendors are a less cost-effective way to meet the Department’s need for provider field representatives and project management capacity. This change would allow the Department to build internal efficiencies and build more institutional knowledge on complex subject matter without additional General Fund.

**FY 2021-22 Budget Impact:** Reduction of \$1,249,111 total funds, including a reduction of \$55,061 General Fund  
**FY 2022-23 Budget Impact:** Reduction of \$719,409 total funds, including \$0 General Fund



R11 | Medicaid Funding for Connect for Health

**Summary:** The Department received spending authority to reimburse Connect for Health Colorado (C4HCO) for Medicaid-related customer service and eligibility determination costs. C4HCO provides these services for individuals eligible for Health First Colorado and CHP+.

**FY 2020-21 Budget Impact:** \$10,855,572 total funds, including \$0 General Fund

**FY 2021-22 Budget Impact:** \$4,509,043 total funds, including \$0 General Fund

**FY 2022-23 Budget Impact:** \$4,991,706 total funds, including \$0 General Fund

R12 | ARRA-HITECH Funding Transition

**Summary:** The Department received authority to reallocate existing appropriations due to the expiration of federal matching funds authorized under ARRA-HITECH (Health Information Technology for Economic and Clinical Health Act, part of the American Recovery and Reinvestment Act of 2009). This funding will be used to build health information exchange infrastructure in Colorado and incentivize eligible providers for the adoption and meaningful use of Certified Electronic Health Record Technology. Using HITECH funding and state appropriations, the Department has been able to connect over 300 clinics and 90 hospitals' Electronic Health Records (EHRs) to Colorado's Health Information Exchanges (HIEs).

**FY 2020-21 Budget Impact:** \$0 total funds, including \$0 General Fund

**FY 2021-22 Budget Impact:** \$0 total funds, including \$0 General Fund

R13 | Funding for Family Medicine Residency Training Programs

**Summary:** The Department received funding to restore funding to the University of Colorado Family Medicine Residency, which was eliminated for FY 2020-21. The family medicine and residency programs in Colorado receive proportionate state and federal match funds. Most Department payments to family medicine residency programs are funded from the Commission on Family Medicine Residency Programs line item.

**FY 2020-21 Budget Impact:** \$1,204,207 total funds, including \$353,723 General Fund

**FY 2021-22 Budget Impact:** \$1,204,207 total funds, including \$353,723 General Fund

**FY 2022-23 Budget Impact:** \$1,204,207 total funds, including \$377,104 General Fund

R14 | Technical Adjustments

**Summary:** The Department received approval to make several technical adjustments in the budget to increase funding transparency and align appropriations with existing programs. These changes include: (1) collapsing the funding for Community Centered Boards (CCBs) and Single Entry Points (SEPs) into one line item, (2) moving funds from Preadmission Screening and Resident Review (PASRR) to the Contracts for Special Eligibility Determinations line item, (3) moving Healthy Communities funding to the Medical Services Premiums line item, and (4) restoring appropriate state funding to Colorado Department of Public Health and Environment (CDPHE).

**FY 2020-21 Budget Impact:** \$0 total funds, including \$0 General Fund

**FY 2021-22 Budget Impact:** Reduction of \$1,973,609 including a reduction of \$948,193 General Fund



**FY 2022-23 Budget Impact:** Reduction of \$728,105, including a reduction of \$364,052 General Fund

R23 | Behavioral Health Claims and Eligibility Processing

**Summary:** The Department received funding to implement recommendations from Colorado’s Behavioral Health Task Force. Currently, the state’s Behavioral Health System is fragmented and confusing for consumers. To achieve the goals of the Task Force and meet the behavioral health needs of the community, the funding will be used to establish an eligibility system, a claims processing and submission system, and a data reporting system to serve all the state’s behavioral health programs. The Department will leverage existing Medicaid infrastructure to create these systems to help reduce administrative cost and provide efficiencies.

**FY 2021-22 Budget Impact:** \$7,466,780 total funds, including \$7,488,276 General Fund

**FY 2022-23 Budget Impact:** \$2,052,479 total funds, including \$2,073,975 General Fund

R24 | Addressing Health Care Disparities

**Summary:** The Department received funding to address health disparities in the Medicaid program and Colorado by collecting data to identify health disparities by race and ethnicity and use the data to inform outcome-based value-based payments to Medicaid providers. The funding will support data transfer from community partners and provide data analytics to better target the efforts of community-based organizations, including outreach, training, and technical assistance.

**FY 2021-22 Budget Impact:** \$5,900,000 total funds, including \$1,000,000 General Fund

**FY 2022-23 Budget Impact:** \$0 total funds, including \$0 General Fund

R20 | MMIS Annualization Delay

**Summary:** The Department was appropriated a one-time reduction to the Department’s funding for a Services Integrator vendor for the Medicaid Management Information System (MMIS). The Department has delayed the implementation timeline for a full-scale Services Integrator vendor and will not require the full amount of the appropriation until FY 2022-23.

**FY 2021-22 Budget Impact:** Reduction of \$7,376,207 total funds, including a reduction of \$2,035,713 General Fund

**FY 2022-23 Budget Impact:** \$0 total funds, including \$0 General Fund

R16 | Provider Rate Adjustments

**Summary:** The Department received approval to make certain targeted adjustments to provider rates across several service categories, including reductions to rates related to the preparation of antigens and administration of allergy testing; repricing pulse oximeters; benchmarking certain rates to Medicare reimbursement rates; reducing Outpatient Hospital Physician Administrated Drugs; and a reduction in lab testing rates. These reductions align with appropriate benchmarks for reimbursements, including those identified by the Medicaid Provider Rate Review Advisory Committee.

**FY 2021-22 Budget Impact:** Reduction of \$19,129,600 total funds, including a reduction of \$4,337,625 General Fund



**FY 2022-23 Budget Impact:** Reduction of \$19,674,769 total funds, including a reduction of \$4,579,611 General Fund

R17 | Medicaid Benefit Adjustments

**Summary:** The Department received approval to make a targeted benefit reduction in the Medicaid program by setting a limit on outpatient speech therapy evaluations.

**FY 2021-22 Budget Impact:** Reduction of \$531,260 total funds, including a reduction of \$265,630 General Fund

**FY 2022-23 Budget Impact:** Reduction of \$583,433 total funds, including a reduction of \$291,716 General Fund

R19 | Financing and Grant Program Adjustments

**Summary:** The Department received approval to eliminate the Pediatric Specialty Hospital line item, and refinance the Primary Care Fund Program to access available federal funds. In addition, the Department was appropriated an additional \$250,000 from the Marijuana Tax Cash Fund for the Screening, Brief Intervention, and Referral to Treatment Training Grant Program (SBIRT).

**FY 2021-22 Budget Impact:** Reduction of \$5,789,386 total funds, including a reduction of \$2,832,471 General Fund

**FY 2022-23 Budget Impact:** \$250,000 total funds, including \$0 General Fund

R21 | Increased Medicaid Match for Financing Payments

**Summary:** The Department received approval for one-time reduction to allow the state to use a temporary increase in federal financial participation available through the Families First Coronavirus Response Act as an offset to General Fund expenditure. The request initiatives were appropriated in SB 21-213 "Use of Increased Medicaid Match".

**FY 2021-22 Budget Impact:** Reduction of \$23,358,871 total funds, a reduction of including \$57,330,334 General Fund

**FY 2022-23 Budget Impact:** Reduction of \$11,679,435 total funds, including \$0 General Fund

**FY 2023-24 Budget Impact:** \$0 total funds, including \$0 General Fund

**For more information contact**

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