



Fiscal Note

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

HB 25-1213: UPDATES TO MEDICAID

Prime Sponsors:

Rep. Feret; Weinberg

Sen. Daugherty; Ball

Fiscal Analyst:

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Fiscal note status: This revised fiscal note reflects the reengrossed bill.

Summary Information

Overview. The bill exempts small assisted living facilities from certain regulations and modifies the state Medicaid program.

Types of impacts. The bill is projected to affect the following areas on an ongoing basis:

- Minimal State Workload

Appropriations. No appropriation is required.

Table 1
State Fiscal Impacts

Type of Impact	Budget Year FY 2025-26	Out Year FY 2026-27
State Revenue	\$0	\$0
State Expenditures	\$0	\$0
Transferred Funds	\$0	\$0
Change in TABOR Refunds	\$0	\$0
Change in State FTE	0.0 FTE	0.0 FTE

Summary of Legislation

The bill exempts certain assisted living facilities from compliance standards and modifies the state's Medicaid program.

Assisted Living Facilities

The bill requires the Colorado Department of Public Health and Environment (CDPHE) to exempt an assisted living facility with fewer than 19 beds that has not undergone new construction or renovations from complying with certain facility guidelines.

Medicaid

The bill makes several changes to administrative, eligibility, billing, and review requirements of the state's Medicaid program under the Department of Health Care Policy and Financing (HCPF), including:

- requiring HCPF to establish a process to review and update the general billing manual on an annual basis;
- requiring a managed care organization (MCO) to issue payment to a contracted provider within one year for a claim that is reprocessed after updating provider rates;
- expanding contract requirements between HCPF and MCOs;
- prohibiting HCPF from imposing signature requirements beyond what is required by CMS on a physician or practitioner who is certifying a member's plan of care that involves physical, occupational, or speech therapy services; and
- requiring HCPF to confirm and communicate the timeline for continuity of treatment for members receiving long-term care services that have been discontinued.

The bill also extends quarterly reporting requirements on the system of care for children and youth with complex behavioral needs to the department's implementation and leadership teams and the General Assembly. The report must include the rationale for any recommendation from the leadership team that HCPF elects not to implement.

State Expenditures

Starting in FY 2025-26, the bill minimally increases workload in the Department of Public Health and Environment and the Department of Health Care Policy and Financing, as described below.

Department Public Health and Environment

Workload in the CDPHE will minimally increase to assist the Board of Health with rule modification and conduct outreach to exempted facilities. The department may require legal services, provided by the Department of Law, related to rulemaking and implementation. Concurrently, workload to conduct facility inspections may minimally decrease due to fewer regulatory guidelines that facilities must comply with. This workload is expected to be minimal and no change in appropriations is required.

Department of Health Care Policy and Financing

Workload in HCPF will minimally increase to update rules, publish medical loss ratio data, engage with members receiving long-term care services, and implement certain provisions in the bill. This workload is expected to be minimal and no change in appropriations is required.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State and Local Government Contacts

Health Care Policy and Financing

Public Health and Environment

Law