

**First Regular Session
Seventy-fifth General Assembly
STATE OF COLORADO**

REVISED

*This Version Includes All Amendments Adopted
on Second Reading in the Second House*

LLS NO. 25-0996.01 Shelby Ross x4510

SENATE BILL 25-294

SENATE SPONSORSHIP

Amabile and Kirkmeyer, Bridges, Catlin, Cutter, Exum, Jodeh, Kipp, Michaelson Jenet,
Wallace

HOUSE SPONSORSHIP

Bird and Taggart, Sirota

Senate Committees

Appropriations

House Committees

Appropriations

A BILL FOR AN ACT

101 **CONCERNING RESIDENTIAL BEHAVIORAL HEALTH SERVICES FOR**
102 **MEDICAID MEMBERS WHO ARE IN THE CUSTODY OF A COUNTY**
103 **DEPARTMENT OF HUMAN OR SOCIAL SERVICES.**

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://leg.colorado.gov/>.)

Joint Budget Committee. The bill excludes from the statewide managed care program the services delivered to medicaid members who are in a qualified residential treatment program or a psychiatric residential treatment facility and in the care and custody of a county department of human or social services until July 1, 2026.

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

HOUSE
2nd Reading Unamended
April 29, 2025

SENATE
3rd Reading Unamended
April 23, 2025

SENATE
2nd Reading Unamended
April 22, 2025

No later than December 1, 2025, the bill requires the department of health care policy and financing (HCPF), in collaboration with the department of human services, the behavioral health administration, and relevant stakeholders, to develop policies to transition qualified residential treatment programs and psychiatric residential treatment facilities to the statewide managed care system for medicaid members who are in the care and custody of a county department of human or social services (policies). No later than July 1, 2026, the bill requires HCPF to implement the policies.

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

2 **SECTION 1.** In Colorado Revised Statutes, 25.5-5-402, **amend**
3 (2)(a); and **add** (2)(c) as follows:

4 **25.5-5-402. Statewide managed care system - rules -**
5 **definitions - repeal.** (2) The statewide managed care system
6 implemented pursuant to this article 5 does not include:

7 (a) The services delivered ~~under~~ PURSUANT TO the residential
8 child health-care program described in section 25.5-6-903; ~~except in those~~
9 ~~counties in which there is a written agreement between the county~~
10 ~~department of human or social services, the designated and contracted~~
11 ~~MCE responsible for community behavioral health care, and the state~~
12 ~~department;~~

13 (c) (I) THE SERVICES DELIVERED IN A QUALIFIED RESIDENTIAL
14 TREATMENT PROGRAM, AS DEFINED IN SECTION 26-5.4-102, OR IN A
15 PSYCHIATRIC RESIDENTIAL TREATMENT FACILITY, AS DEFINED IN SECTION
16 25.5-4-103, TO MEMBERS WHO ARE IN THE CARE AND CUSTODY OF A
17 COUNTY DEPARTMENT OF HUMAN OR SOCIAL SERVICES.

18 (II) THIS SUBSECTION (2)(c) IS REPEALED, EFFECTIVE JULY 1, 2026.

19 **SECTION 2.** In Colorado Revised Statutes, 25.5-5-202, **add** (5)
20 as follows:

1 **25.5-5-202. Basic services for the categorically needy - optional**

2 **services - repeal.** (5) (a) NO LATER THAN DECEMBER 1, 2025, THE STATE
3 DEPARTMENT SHALL, IN COLLABORATION WITH THE DEPARTMENT OF
4 HUMAN SERVICES, THE BEHAVIORAL HEALTH ADMINISTRATION, AND
5 RELEVANT STAKEHOLDERS, DEVELOP POLICIES TO TRANSITION QUALIFIED
6 RESIDENTIAL TREATMENT PROGRAMS, AS DEFINED IN SECTION 26-5.4-102,
7 AND PSYCHIATRIC RESIDENTIAL TREATMENT FACILITIES, AS DEFINED IN
8 SECTION 25.5-4-103, TO THE STATEWIDE MANAGED CARE SYSTEM, PART
9 4 OF THIS ARTICLE 5, FOR MEMBERS WHO ARE IN THE CARE AND CUSTODY
10 OF A COUNTY DEPARTMENT OF HUMAN OR SOCIAL SERVICES. THE POLICIES
11 MAY INCLUDE IMPROVING DISCHARGE PLANNING, CONNECTION ACROSS
12 SYSTEMS, STANDARD UTILIZATION MANAGEMENT POLICIES, AND
13 STEP-DOWN SERVICE PLANS.

14 (b) NO LATER THAN JULY 1, 2026, THE STATE DEPARTMENT SHALL
15 IMPLEMENT THE POLICIES DEVELOPED PURSUANT TO SUBSECTION (5)(a) OF
16 THIS SECTION.

17 (c) THIS SUBSECTION (5) IS REPEALED, EFFECTIVE JULY 1, 2027.

18 **SECTION 3. Safety clause.** The general assembly finds,
19 determines, and declares that this act is necessary for the immediate
20 preservation of the public peace, health, or safety or for appropriations for
21 the support and maintenance of the departments of the state and state
22 institutions.