

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

**PREAMENDED**

*This Unofficial Version Includes Committee  
Amendments Not Yet Adopted on Second Reading*

LLS NO. 25-0820.01 Chelsea Princell x4335

**HOUSE BILL 25-1213**

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**HOUSE SPONSORSHIP**

**Feret,**

**SENATE SPONSORSHIP**

**Daugherty,**

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**House Committees**

Health & Human Services  
Appropriations

**Senate Committees**

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**A BILL FOR AN ACT**

101 **CONCERNING CHANGES TO THE MEDICAL ASSISTANCE PROGRAM.**

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**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>.)*

The bill exempts an assisted living residence with fewer than 19 beds that has not undergone new construction or renovations and that complies with the standards for assisted living residences from complying with facility guidelines adopted by the state board of health.

The bill requires the department of health care policy and financing (state department) to follow the standards set by the federal centers for medicare and medicaid when updating rules.

The state department must establish a process for reviewing and

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.

updating the general billing manual on an annual basis and ensure that the general billing manual includes all necessary CPT codes.

Beginning January 1, 2026, for claims that must be reprocessed as a result of updating the provider rates, the bill requires a managed care organization to issue payment to a contracted provider within one year after the provider rate is updated.

The bill requires the state department to include in each new contract with, or renewal of a contract with, a managed care entity (MCE) a provision requiring the MCE to submit to the state department, on an annual basis, the amount the MCE is paid and the MCE's medical loss ratio. The state department is required to publish this information on the state department's website on an annual basis.

The bill prohibits the state department from imposing signature requirements on a physician or practitioner certifying a medicaid member's (member) plan of care that involves physical therapy or occupational therapy.

The bill prevents a member receiving home- and community-based services from losing the services the member currently receives if the member's disability and need for services have not changed in the preceding 3 years.

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

2 **SECTION 1.** In Colorado Revised Statutes, 25-27-104, **add** (3)  
3 as follows:

4 **25-27-104. Minimum standards for assisted living residences**

5 **- rules - definition.** (3) (a) RULES ADOPTED BY THE STATE BOARD  
6 PURSUANT TO SUBSECTION (1) OF THIS SECTION MUST EXEMPT AN  
7 ASSISTED LIVING RESIDENCE WITH FEWER THAN NINETEEN BEDS FROM  
8 COMPLYING WITH THE FACILITY GUIDELINE INSTITUTE (FGI) GUIDELINES,  
9 EXCEPT IN THE CASE OF NEW CONSTRUCTION OR MAJOR RENOVATIONS. AN  
10 ASSISTED LIVING RESIDENCE WITH FEWER THAN NINETEEN BEDS MUST  
11 STILL COMPLY WITH ALL OTHER STANDARDS OUTLINED IN THIS SECTION.

12 (b) FOR PURPOSES OF SUBSECTION (3)(a) OF THIS SECTION, "MAJOR  
13 RENOVATIONS" MEANS ADDITIONS TO A BUILDING'S STRUCTURE OR  
14 CHANGES THAT AFFECT THE STRUCTURAL INTEGRITY OF THE BUILDING.

1 MAJOR RENOVATIONS DO NOT INCLUDE CHANGING THE FUNCTIONAL  
2 OPERATION OF A SPACE IF NO CONSTRUCTION IS COMPLETED AND THE  
3 FLOOR PLAN OF THE BUILDING REMAINS THE SAME. IT ALSO DOES NOT  
4 INCLUDE ADDING BEDS TO ACCOMMODATE MORE RESIDENTS OR UPGRADES  
5 TO THE HEATING OR COOLING SYSTEMS AND ELECTRICAL SYSTEMS IF  
6 THOSE IMPROVEMENTS DO NOT REQUIRE CONSTRUCTION, COMPLY WITH  
7 ALL OTHER STANDARDS OUTLINED IN THIS SECTION, AND ARE APPROVED  
8 THROUGH LOCAL PERMITTING AND FIRE SAFETY.

9 **SECTION 2.** In Colorado Revised Statutes, **add** 25.5-1-135 as  
10 follows:

11 **25.5-1-135. Billing manual.** USING EXISTING RESOURCES  
12 ALLOCATED FOR BILLING MANUAL REVIEWS, THE STATE DEPARTMENT  
13 SHALL ESTABLISH A PROCESS TO REVIEW AND UPDATE THE GENERAL  
14 BILLING MANUAL ON AN ANNUAL BASIS, WHICH MUST ENSURE THAT THE  
15 GENERAL BILLING MANUAL INCLUDES ALL NECESSARY CPT CODES, OR  
16 PROVIDES LINKS TO THE STATE DEPARTMENT'S LIST OF CPT CODES.

17  
18 **SECTION 3.** In Colorado Revised Statutes, 25.5-5-402, **add**  
19 (7.5)(c) as follows:

20 **25.5-5-402. Statewide managed care system - rules -**  
21 **definitions.** (7.5) (c) (I) BEGINNING JANUARY 1, 2026, FOR A CLAIM THAT  
22 MUST BE REPROCESSED AS A RESULT OF UPDATING THE PROVIDER RATES,  
23 AN MCO SHALL ISSUE PAYMENT TO THE CONTRACTED PROVIDER WITHIN  
24 ONE YEAR AFTER THE PROVIDER RATE IS UPDATED.

25 (II) THE STATE DEPARTMENT SHALL NOTIFY THE MCOs OF ANY  
26 CHANGE TO THE PROVIDER RATES WITHIN SIXTY DAYS OF CHANGING THE  
27 PROVIDER RATES.

1           **SECTION 4.** In Colorado Revised Statutes, **add 25.5-5-427** as  
2 follows:

3           **25.5-5-427. Managed care entities - disclosure of payment and**  
4 **medical loss ratio - definition.** (1) THE STATE DEPARTMENT SHALL  
5 INCLUDE IN EACH NEW CONTRACT WITH, OR RENEWAL OF A CONTRACT  
6 WITH, AN MCE A PROVISION REQUIRING THE MCE TO SUBMIT TO THE  
7 STATE DEPARTMENT, ON AN ANNUAL BASIS, THE AMOUNT THE MCE IS  
8 PAID FOR DELIVERING SERVICES AND THE MCE'S MEDICAL LOSS RATIO.

9           (2) THE STATE DEPARTMENT SHALL ANNUALLY PUBLISH THE  
10 FOLLOWING INFORMATION ON ITS WEBSITE:

11           (a) THE INFORMATION RECEIVED PURSUANT TO SUBSECTION (1) OF  
12 THIS SECTION;

13           (b) HISTORICAL MEDIAL LOSS RATIO DATA FOR EACH MCE; AND

14           (c) AUDIT FINDINGS REGARDING AN MCE'S MOST RECENTLY  
15 COMPLETED MEDICAL LOSS RATIO AUDIT.

16           (3) FOR PURPOSES OF SUBSECTION (1) OF THIS SECTION, "MEDICAL  
17 LOSS RATIO" MEANS THE PERCENTAGE OF PREMIUM REVENUE THAT THE  
18 MCE SPENDS ON HEALTH-CARE SERVICES AND QUALITY IMPROVEMENT  
19 ACTIVITIES.

20           **SECTION 5.** In Colorado Revised Statutes, **add 25.5-6-117** as  
21 follows:

22           **25.5-6-117. Plan of care - rehabilitation therapy -**  
23 **requirements - definition.** (1) AS USED IN THE SECTION, UNLESS THE  
24 CONTEXT OTHERWISE REQUIRES, "PLAN OF CARE" HAS THE SAME MEANING  
25 AS SET FORTH IN SECTION 25.5-6-403.

26           (2) THE STATE DEPARTMENT SHALL NOT IMPOSE SIGNATURE  
27 REQUIREMENTS BEYOND WHAT IS REQUIRED BY THE FEDERAL CENTERS FOR

1 MEDICARE AND MEDICAID SERVICES PURSUANT TO 42 CFR 409.43 ON A  
2 PHYSICIAN OR PRACTITIONER CERTIFYING A MEMBER'S PLAN OF CARE THAT  
3 INVOLVES PHYSICAL THERAPY, OCCUPATIONAL THERAPY, OR SPEECH  
4 THERAPY SERVICES.

5 **SECTION 6.** In Colorado Revised Statutes, **add** 25.5-6-118 as  
6 follows:

7 **25.5-6-118. Long-term care for members with permanent**  
8 **disability.** (1) FOR A MEMBER RECEIVING SERVICES THROUGH A  
9 LONG-TERM CARE PROGRAM PURSUANT TO PARTS 3 TO 10 OF THIS ARTICLE  
10 6, IF A SERVICE THE MEMBER RECEIVES IS DISCONTINUED OR IS NO LONGER  
11 A COVERED SERVICE, THE STATE DEPARTMENT MUST CONFIRM THE  
12 TIMELINE FOR CONTINUITY OF TREATMENT WITH THE FEDERAL CENTERS  
13 FOR MEDICARE AND MEDICAID DURING THE TRANSITION PERIOD OF THE  
14 BENEFIT OR SERVICE BEING DISCONTINUED. UPON CONFIRMATION, THE  
15 STATE DEPARTMENT SHALL COMMUNICATE THE TIMELINE TO THE MEMBER  
16 IMPACTED BY THE BENEFIT OR SERVICE BEING DISCONTINUED.

17 (2) THIS SECTION APPLIES TO MEMBERS WHO ARE FUNCTIONALLY  
18 AND FINANCIALLY ELIGIBLE TO RECEIVE LONG-TERM CARE SERVICES  
19 PURSUANT TO PARTS 3 TO 10 OF THIS ARTICLE 6.

20 **SECTION 7. Act subject to petition - effective date.** This act  
21 takes effect at 12:01 a.m. on the day following the expiration of the  
22 ninety-day period after final adjournment of the general assembly; except  
23 that, if a referendum petition is filed pursuant to section 1 (3) of article V  
24 of the state constitution against this act or an item, section, or part of this  
25 act within such period, then the act, item, section, or part will not take  
26 effect unless approved by the people at the general election to be held in

- 1 November 2026 and, in such case, will take effect on the date of the
- 2 official declaration of the vote thereon by the governor.