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HOUSE COMMITTEE OF REFERENCE REPORT

March 19, 2025
Chair of Committee Date
Committee on <u>Health & Human Services</u> .
After consideration on the merits, the Committee recommends the following:
HB25-1288 be amended as follows, and as so amended, be referred to the Committee of the Whole with favorable recommendation:
Amend printed bill, page 3, line 3, strike "fund that are" and substitute "fund.".
Page 3, strike lines 4 and 5.
Page 3, line 7, strike " $(2)(b)(I)$ " and substitute " $(2)(b)(I)$; and add $(2)(b)(VI)$ ".
Page 3, line 21, strike "SECTION 25.5-3-302" and substitute "SUBSECTION (2)(b)(VI) OF THIS SECTION".
Page 4, after line 4 insert:
"(VI) THE STATE DEPARTMENT MAY SEEK AND ACCEPT GIFTS FROM PRIVATE OR PUBLIC SOURCES FOR THE PURPOSES OF THIS SUBSECTION $(2)(b)$.".
Page 4, strike lines 5 through 27.
Strike page 5.
Page 6, strike lines 1 through 17 and substitute:
"SECTION 3. In Colorado Revised Statutes, amend 25.5-5-331 as follows:
 25.5-5-331. Federally qualified health center - reimbursement rules. (1) Costs associated with services provided by clinical pharmacists through a federally qualified health center, as defined in the

federal "Social Security Act", 42 U.S.C. sec. 1395x (aa)(4), are considered allowable costs for the purpose of a federally qualified health center's cost report and must be included in the calculation of the reimbursement rate for a patient visit at a federally qualified health center.

- (2) (a) A FEDERALLY QUALIFIED HEALTH CENTER, AS DEFINED IN THE FEDERAL "SOCIAL SECURITY ACT", 42 U.S.C. SEC. 1395x (aa)(4), MAY ESTABLISH A SEPARATE SUBSIDIARY COMPANY FOR THE PURPOSE OF PROVIDING FEE-FOR-SERVICE SERVICES OUTSIDE OF THE FEDERALLY QUALIFIED HEALTH CENTER'S STANDARD COST REPORT IF:
- (I) THE SUBSIDIARY IS PROVIDING FEE-FOR-SERVICE SERVICES THAT HAVE HISTORICALLY BEEN PROVIDED AND REIMBURSED ON A FEE-FOR-SERVICE BASIS; AND
- (II) THE STATE DEPARTMENT DETERMINES THAT THE SUBSIDIARY'S REIMBURSEMENTS WOULD BE BUDGET NEUTRAL.
- (b) Upon receiving any necessary federal authorization, the state department shall reimburse a subsidiary company, as described in subsection (2)(a) of this section, on a fee-for-service basis for services that are eligible for fee-for-service reimbursement.
- (c) A SUBSIDIARY THAT RECEIVES REIMBURSEMENT PURSUANT TO THIS SECTION MAY PASS THROUGH MONEY RECEIVED FROM THE REIMBURSEMENT DIRECTLY TO THE FEDERALLY QUALIFIED HEALTH CENTER OPERATING AS THE SUBSIDIARY'S PARENT CORPORATION.
- (d) (I) THE STATE DEPARTMENT SHALL EXCLUDE ALL COSTS ASSOCIATED WITH A SUBSIDIARY COMPANY ESTABLISHED PURSUANT TO THIS SUBSECTION (2) FROM THE CALCULATION OF A FEDERALLY QUALIFIED HEALTH CENTER'S REIMBURSEMENT RATES.
- (II) THE STATE DEPARTMENT SHALL REQUIRE A FEDERALLY QUALIFIED HEALTH CENTER THAT ESTABLISHES A SEPARATE SUBSIDIARY COMPANY PURSUANT TO THIS SUBSECTION (2) TO INCLUDE THE COSTS ASSOCIATED WITH THE SUBSIDIARY IN ITS COST REPORT THAT IS NECESSARY TO CALCULATE REIMBURSEMENT RATES.
- $\frac{2}{2}$ (3) The state department shall promulgate rules to implement the provisions of this section.".
- 35 Renumber succeeding section accordingly.

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