

Report to the Colorado General Assembly:

RECOMMENDATIONS FOR 1988

**MEDICALLY INDIGENT/
ILLEGAL ALIENS**



**Joint Review Committee For
Medically Indigent**

COLORADO LEGISLATIVE COUNCIL

**RESEARCH PUBLICATION NO. 316
December, 1987**

RECOMMENDATIONS FOR 1988

JOINT REVIEW COMMITTEE FOR
THE MEDICALLY INDIGENT/ILLEGAL ALIENS

Report to the
Colorado General Assembly

Colorado Legislative Council
Research Publication No. 316
December, 1987

COLORADO GENERAL ASSEMBLY



LEGISLATIVE COUNCIL

ROOM 029 STATE CAPITOL
DENVER, COLORADO 80203-1784
(303) 866-3521

Members

Sen. Wayne Allard
Sen. Harold McCormick
Sen. Jana Mendez
Sen. Ray Peterson
Sen. Ray Powers
Sen. Jeffrey Wells
Rep. Vickie Armstrong
Rep. Charles Berry
Rep. Chris Paulson
Rep. Gilbert Romero
Rep. Paul Schauer
Rep. Ruth Wright

OFFICERS

Sen. Ted L. Strickland
Chairman
Rep. Carl B. "Bev" Bledsoe
Vice Chairman

STAFF

Charles S. Brown
Director
David Hite
Assistant Director

To Members of the Fifty-sixth Colorado General Assembly:

Submitted herewith is the final report of the Joint Review Committee for the Medically Indigent/Illegal Aliens. The Joint Review Committee for the Medically Indigent was established pursuant to Section 26-15-107, Colorado Revised Statutes, and was assigned the additional study topic of illegal aliens by the Legislative Council pursuant to House Joint Resolution No. 1032, 1987 session.

At its meeting on November 18, the Legislative Council reviewed this report. A motion to forward the report and recommendations of the Joint Review Committee for the Medically Indigent/Illegal Aliens to the Fifty-sixth General Assembly was also approved.

Respectfully submitted,

/s/ Senator Ted Strickland
Chairman
Colorado Legislative Council

TS/pn

TABLE OF CONTENTS

	<u>Page</u>
LETTER OF TRANSMITTAL.....	iii
TABLE OF CONTENTS.....	v
LIST OF BILLS AND RESOLUTIONS.....	v
 COMMITTEE REPORT	
Committee Charge.....	3
Activities of the Committee.....	4
Committee Recommendations	
I. Medically Indigent Program.....	6
Administration.....	6
Providers.....	8
Appropriation.....	9
II. Medicaid Expansion.....	10
III. Illegal Aliens.....	12
IV. Interpreters' Fees.....	12
Background Report.....	13
History of the Medically Indigent Program.....	13
History of the Community Maternity Program.....	15
Issues Addressed by the Committee.....	16
Reimbursements to Program Providers.....	16
Rural Issues.....	17
Health Insurance.....	20
Malpractice Insurance.....	20
Medical Treatment of Aliens.....	21
 APPENDICES	
A - Funding for the Medically Indigent Program.....	23
B - Reimbursements to Medically Indigent Providers.....	25
C - Community Maternity Program Funding.....	35
 BILLS RECOMMENDED BY THE COMMITTEE	
BILL 1 -- Concerning the Program for the Provision of Health Care Services for the Medically Indigent, and Making an Appropriation Therefor.....	37

	<u>Page</u>
BILL 2 -- Concerning the Eligibility for Benefits Under the "Colorado Medical Assistance Act" for Children and Pregnant Women.....	53
BILL 3 -- Concerning Public Assistance Benefits.....	57
Bill 4 -- Concerning the Assessment of Costs for Interpreters' Fees in Criminal Casts.....	59

JOINT REVIEW COMMITTEE
FOR THE MEDICALLY INDIGENT/ILLEGAL ALIENS

Members of the Committee

Rep. Carol Taylor-Little, Chairman	Rep. Marleen Fish
Sen. Jim Brandon	Rep. Tony Grampas
Sen. Terry Considine	Rep. Elim Lawson
Sen. Dennis Gallagher	Rep. Phil Pankey
Sen. Bill Schroeder	Rep. Gloria Tanner

Legislative
Council Staff

Stanley Elofson
Principal Analyst

Rich Mauro
Research Associate

Cindy Baouchi
Economist

Legislative
Drafting Staff

John Berry
Administrative Attorney

Mike Genoways
Staff Attorney

COMMITTEE ON FOR MEDICALLY INDIGENT/ILLEGAL ALIENS

Committee Charge

The Joint Review Committee for the Medically Indigent/Illegal Aliens was assigned two tasks: (1) to meet its statutory obligation toward the study of the medically indigent, and (2) to examine issues related to illegal aliens.

The statutory assignment of the Joint Review Committee for the Medically Indigent is as follows:

26-15-107. Joint review committee for the medically indigent. In order to give guidance and direction to the health sciences center in the development of the program for the medically indigent and to provide legislative overview of and advice concerning the development of the program, there is hereby established the joint review committee for the medically indigent... The committee shall meet when necessary with providers and the health sciences center to review progress in the development of the program. The committee may consult with such experts as may be necessary. The staffs of the legislative council and of the state auditor shall assist the committee.

Regarding illegal aliens, House Joint Resolution 1032, 1987 session, directed the following:

The Joint Review Committee for the Medically Indigent established pursuant to Section 26-15-107, Colorado Revised Statutes, shall, in addition to its statutory assignment, conduct a study of the fiscal impact of illegal aliens on public entitlement programs and Colorado courts, prisons, and health care systems, including but not limited to the following:

- (a) The quantification of specific expenditures by state and local governments for immigration status verification that are appropriate for federal government reimbursement;
- (b) Possible amendments to appropriate statutes regarding qualification for public entitlement programs; and
- (c) An evaluation of Colorado's legal responsibility in terms of the "Immigration Control and Legalization Amendments Act of 1986."

Activities of the Committee

The Joint Review Committee for the Medically Indigent/Illegal Aliens convened six times from July through October 1987. The recommendations contained in the four bills generated by the committee are the result of hours of testimony, research, discussion, and concerted efforts of various concerned parties. The recommended bills pertain to the following: administration and design of the Medically Indigent Program; expansion of Medicaid for children and pregnant women; receipt of public assistance benefits by aliens; and payment of interpreters' fees in criminal cases.

Medically Indigent

An overview of the Medically Indigent Program was presented by the University of Colorado Health Sciences Center (UCHSC), the current administrator of the program. University Hospital and Denver Health and Hospitals, the statutory providers of indigent health care in the Denver metropolitan region, explained the operation of the program and offered suggestions for improvement. Participants in the Medically Indigent Program from Greeley and Pueblo provided a rural perspective of the program and explained problems associated with care of the medically indigent that are unique to rural areas. Specialty providers, namely Children's Hospital and National Jewish Hospital, discussed their roles in the program. The Colorado Department of Health described the Community Maternity Program, which operates in out-state regions. A legislative history of the Medically Indigent and Community Maternity Programs was presented by Legislative Council staff.

The committee spent a day touring University Hospital, Denver General Hospital, and the East Side Health Center. (The East Side Health Center is a neighborhood health and dental clinic affiliated with Denver Health and Hospitals Network.) The committee visited emergency rooms, burn units, neo-natal care facilities, pediatric wards, and other specialty areas. Medical and administrative personnel were available to respond to questions from the group. Committee members also participated in "mock" patient registrations to learn how patient eligibility for participation in the Medically Indigent (MI) Program is determined.

Studies of indigent health care in Colorado have been conducted by several task forces. Reports were presented by the Piton Foundation, the Colorado Health Data Commission, and the Colorado Association of Commerce and Industry's Coalition for the Medically Indigent. The National Conference of State Legislatures explained programs implemented around the country to combat the problems of medical indigency, as well as methods of funding these programs.

Committee members and sponsors of past legislation which addressed medically indigent issues participated in a roundtable.

Topics discussed included whether the characteristics of the medically indigent problem had changed over time, reasons why proposed legislation had failed in the past, and possible recommendations for the upcoming legislative session.

The Medically Indigent Program is not the sole source of health care for the medically indigent in Colorado. Other organizations located in the state are presently serving this population and still others are preparing to meet the needs of this group. Testimony and proposals were presented by the Colorado Trust, Metro Denver Provider Network, Tri-County Health Department, and the Stout Street Clinic for the Homeless.

The committee learned that many factors contribute to and exacerbate medical indigency. The Shared Cost Option for Private Employers (SCOPE) briefed the committee on the magnitude and implications of employed persons in the state who do not have health insurance. In response to this issue, SCOPE is creating a suitable insurance program to meet the needs of this segment of the population.

Spiraling costs of malpractice insurance present threats to the care of the medically indigent, especially those in rural regions. In response to this issue, the committee heard testimony from the major insurer of physicians in the state, the Colorado Physicians Insurance Corporation (COPIC). Lastly, the committee was apprised by a Colorado physician who is participating in the National Health Service Corps program that federal assistance is available to recruit physicians to rural areas.

Illegal Aliens

Concerning illegal aliens, the committee was brought up to date on the impact of the federal Immigration Reform and Control Act of 1986 (IRCA) on Colorado public assistance programs. The Departments of Personnel, Social Services, and Health explained the effects of this law on their programs. The Department of Social Services also addressed the committee concerning aliens receiving state Old Age Pension (OAP) funds.

The United States Immigration and Naturalization Services (INS) testified regarding alien receipt of public health care and unemployment compensation, and the impact of aliens on the criminal justice system. The INS also provided statistics showing the cost to the state of assisting aliens through these public services. The committee also examined Denver General Hospital's policy regulating care of undocumented aliens at that institution.

Committee Recommendations

The committee's recommendations regarding illegal aliens and the medically indigent are contained in four bills. Descriptions of each bill and the committee's rationale for major provisions follow.

I. Medically Indigent Program

Concerning the Program for the Provision of Health Care Services for the Medically Indigent, and Making an Appropriation Therefor -- Bill 1

Administration of the Medically Indigent Program

The administration of the Medically Indigent (MI) Program is transferred from the University of Colorado Health Sciences Center to the state Department of Social Services under Bill 1. The bill states that county departments of social services are not to be involved in administration of the program.

While the committee praised the Health Sciences Center for its efficient and effective administration of the program since assuming the program in fiscal year 1982-83, the transfer of administration to the Department of Social Services is recommended for three main reasons.

- 1) An appearance of a conflict of interest presently exists since University Hospital is a provider in the MI Program and the University of Colorado Health Sciences Center administers the program. The committee concluded that separate line item appropriations to the hospital do not completely remove the possibility of conflict of interest.
- 2) The primary function of UCHSC is to provide the public with quality medical care, education, and research. Excessive administrative burdens placed on the institution could adversely affect its performance as a health care provider. The UCHSC has estimated that the combined direct and indirect costs of administration have exceeded appropriations for this purpose by \$1.7 million since fiscal year 1982-83.
- 3) The Department of Social Services is capable of providing thorough tracking of patient eligibility and extensive data management services. This will result in the allocation of funds based on actual medical need.

The committee, the Health Sciences Center, and the Department of Social Services worked jointly in the development of recommendations

for restructuring the program to offer better health care for the medically indigent while practicing fiscal responsibility. As administrator of the program, the department intends to incorporate MI patients claims processing functions into its statewide Client-Oriented-Information-Network (COIN) system, which is presently used for those enrolled in Medicaid, Aid to Families With Dependent Children (AFDC), and OAP. This system assigns an identification number to each client and will permit the department to double check patients' eligibility status to ensure that persons who are Medicaid eligible are enrolled in Medicaid and are not draining state appropriations from the MI fund. The department's fiscal agent will be responsible for processing and paying claims.

The department will also establish a computerized central registry of active MI patients. Statistics compiled from this data source will be valuable in the study of the medically indigent problem as well as useful in the diagnosis and treatment of MI patients. This data bank is described in further detail below.

Presently, health care providers in the MI Program accept patient applications for participation in the program at the health care facility. This practice will continue under this bill. However, the Department of Social Services will be responsible for verifying application procedures and patient eligibility. The committee considered mandating county departments of social services to accept and verify patient applications to the MI Program but concluded that it would be too expensive for counties to comply with this regulation.

Responsibilities of the Administrator

Verify eligibility. The bill instructs the department to verify patient eligibility. To facilitate this process and streamline the operation of the program, the department plans to install a computer terminal at each health care facility participating in the program. Each terminal will be linked to the COIN system at the Department of Social Services. This interactive network between the administrator and providers will allow 24-hour access to information relevant to the determination of patient eligibility. In addition, the department plans to review a targeted, statistical sample of applications accepted by health care providers to determine accuracy of eligibility.

Negotiate contracts. The department is to award contracts to health care providers which it has determined are eligible participants. Providers will enforce an ability-to-pay or co-payment schedule. The Department of Social Services would prefer to design its own schedules rather than adopting those presently used.

Stipulations regulating contracts demonstrate the committee's intent to control costs. Patient co-payments lessen the state's financial burden for care of this population, to some degree. Reimbursement rates are capped at Medicare and Medicaid rates, when

applicable. Use of outpatient settings is encouraged, when appropriate, not only because it is less expensive, but also because primary and preventive care promote wellness. This strategy will be cost-effective to society in the long run.

Finally, contracts must reflect the disproportionate share of care offered by some providers in the program. To date, Denver Health and Hospitals and University Hospital have served the vast majority of MI patients. Contracts should not be awarded that would jeopardize the quality of health care available to the medically indigent.

Data bank. The department is instructed to create a centralized computerized data base for the medically indigent. Analysis of the information compiled in this data bank will enable the General Assembly to appropriate funds for care of the medically indigent in a more efficient and effective manner. The data base is to include adequate information to identify a patient, list claims made by an individual, specify the pay classification of the patient, and may include any other information necessary to adequately administer the program. The contents of the data base shall be available to health care providers, the General Assembly, and the Colorado Health Data Commission. However, information pertaining to specific individuals shall be confidential and may only be released to health care providers to aid in the diagnosis and treatment of patients.

Annual report. The Department of Social Services is required to submit an annual report to the Joint Review Committee for the Medically Indigent, the General Assembly, and the Health Data Commission.

Providers

Expanded definition of providers. The bill authorizes licensed physicians and free-standing ambulatory surgical and emergency facilities to act as providers in the MI Program. Broadening the definition of providers to include these categories will result in greater access to health care by the medically indigent throughout the state. In addition, outpatient services rendered at physicians' offices are less expensive than inpatient or emergency room treatment and early diagnosis and treatment is cost-effective.

Status of Denver General Hospital (DGH) and University Hospital. Present statutes define DGH as the primary MI provider in the City and County of Denver and University Hospital as the primary MI provider for those residing in the remainder of the Denver metropolitan area. University Hospital is named as the provider of complex medical care for the state. The restriction on primary care has precluded participation in the MI Program by other private hospitals in the metropolitan area, with the exception of specialty hospitals. Repealing this section of the law will ease the medically indigent caseload at Denver General and University Hospital and create a larger network of health care providers from which MI patients may receive

care. University Hospital will retain the designation of complex care provider for the region due to the fact that it is the only hospital equipped to provide certain types of specialized care.

Charity care. The bill stipulates that contracts may not be signed with health care providers which do not provide charity care or charity education to equal at least three percent of their total operating expenses. In the past, footnotes in long bills giving legislative directives for the MI Program specified that participants offering services were to provide a minimum of three percent charity care. Although this provision has not been included in the Long Bill in recent years, as administrator of the MI Program the Health Sciences Center continued this requirement. Representatives of UCHSC told the committee that health care providers applying for MI reimbursement have questioned the Health Sciences Center's authority to enforce this requirement. The committee determined that this requirement should be included in the medically indigent statute.

Research conducted by Legislative Council staff showed that, generally, hospitals that participate in the MI Program provide a larger percent of charity care than those hospitals that do not participate in the program. This added to the committee's recommendation that this provision should be part of statute. Charity education programs may also be offered to fulfill this requirement. It was the committee's view that education programs can benefit the medically indigent in prevention of illness and provide cost-effective medical treatment of certain conditions.

Fraud

Detection of fraud or abuse of the program by a recipient or health care provider will result in ineligibility for reimbursement and participation in the program for a period of two years. Under current law those convicted of abusing the program are guilty of a class 2 misdemeanor.

Effective Date -- Appropriation

The transfer of administration of the MI Program to the Department of Social Services will necessitate modifications of the computerized COIN system to incorporate MI clients and will require contract negotiations with a fiscal agent to process MI claims. Consequently, the department has estimated that it will not be capable of administering the program, as restructured in the proposed bill, until July 1, 1989. However, the department has indicated that it is prepared to manage the program as it is currently administered by July 1, 1988.

The Department of Social Services reported that it will need \$623,000 to cover administration and systems modification costs for the fiscal year beginning July 1, 1988. The department anticipates

that the costs of administering the program and implementing claims processing functions and verification of patient eligibility will require \$640,550 for the fiscal year commencing July 1, 1989.

Although administrative costs of the redesigned MI Program exceed those associated with the program in its present form, for example, appropriations to UCHSC to cover direct costs of administration of the program stood at \$87,300 for the current fiscal year, the committee asserts that enhanced data collection and patient verification capabilities in the bill will enable the General Assembly to finance care for the medically indigent in a more informed and cost-effective manner.

II. Medicaid Expansion

Concerning Eligibility for Benefits Under the "Colorado Medical Assistance Act" for Children and Pregnant Women -- Bill 2

Bill Summary

Effective July 1, 1988, the bill extends Medicaid coverage to children up to one year of age and pregnant women up to 100 percent of the federal poverty line who are members of families who also meet Aid to Families with Dependent Children eligibility requirements. Presently, the Colorado Medicaid program only covers this segment of the population up to 60 percent of the federal poverty level. The 1987 federal poverty level for a family of four is \$11,200.

The bill also requires the Department of Social Services to submit a report to the Joint Budget Committee by January 1, 1989, explaining the cost-effectiveness of serving this expanded category of Medicaid eligibles.

Committee Findings

Significant committee discussion centered on the long-term health benefits and cost-effectiveness of preventing low-weight births. Several groups stressed that adequate prenatal care is essential to the delivery of healthy infants. Statistics provided by the Department of Social Services concluded that for every \$1.00 spent for prenatal care, \$3.38 is saved in medical care during a child's first year of life, and \$8.00 in medical care is saved over the course of a lifetime.

The federal Omnibus Budget Reconciliation Act of 1986 (Public Law 99-509) facilitates the expansion of Medicaid coverage to pregnant women up to 100 percent of the poverty level and permits phased-in coverage of newborns up to age five over a five-year period. Moreover, expansion of Medicaid leverages federal funds for the state program at a one-to-one ratio.

The Department of Social Services reported that the medical needs of indigent pregnant women and children could be better met if the Department of Health, the Medically Indigent Program, and the Community Maternity Program pooled resources. Initial studies by the department have shown that if Medicaid coverage was extended to all pregnant women and children up to one year of age, up to 150 percent of the federal poverty line, all persons in this category who are currently served under various state programs could be enrolled in the Medicaid program. Appropriations to the Community Maternity Program could be eliminated and general fund requirements to the MI Program could be reduced if the 150 percent level were funded.

The projected total cost of the expansion is \$18.6 million. The state's share of this amount, \$9.3 million, could be transferred from existing state programs. Hence, no additional appropriations would be necessary for this purpose -- assuming that Bill 2 would be amended to extend coverage up to 150 percent of the poverty level. Preliminary research suggested that the following funds could be available for Medicaid expansion:

- \$3.3 million from state appropriations to the Community Maternity Program. (This program would no longer be necessary since its clients would be included in the Medicaid expansion.)
- \$3 million from state appropriations to University Hospital via the Medically Indigent Program which is currently expended to serve this group. (This \$3 million would be returned to University Hospital in the form of Medicaid reimbursements.)
- \$3 million from appropriations to other providers in the MI Program which help cover the costs of medical care to this population. (Again, these providers would receive this \$3 million from Medicaid for services rendered to eligible patients.)
- \$1.8 million in federal funds from higher Medicaid reimbursements to current Medicaid eligibles utilizing Denver General and University Hospital. (Increasing Medicaid reimbursement rates to 100 percent requires federal approval. Presently, Medicaid reimbursement rates for these two hospitals are approximately 70 percent.)

As previously noted, the department's figures are based on Medicaid expansion up to 150 percent of the federal poverty line. However, expansion up to this level hinges on pending federal legislation which would extend coverage up to 185 percent of the poverty level. In the event that the broader option is made available to states, the committee recommends that the bill be amended to provide Medicaid coverage up to 150 percent of the poverty line. This percentage would allow coverage for families of four earning the equivalent of \$16,800.

III. Illegal Aliens

Concerning Public Assistance Benefits -- Bill 3

This bill represents a revised version of House Bill 1268 of the 1987 session. House Bill 1268 was vetoed by the Governor; and the veto was sustained by the House of Representatives. The committee has reformulated the bill in cooperation with the Department of Social Services and the Office of the Governor.

The revised bill limits payments from the state Old Age Pension fund (OAP) to aliens who have resided in the United States less than three years and are sponsored by family members. House Bill 1268 had restricted OAP benefits to those who had lived in the United States for less than five years. The residency requirement was shortened to three years in the bill to correspond with federal residency requirements regulating benefits available under the Social Security Act. An exception to the three-year rule will be made for those aliens who are sponsored by a non-relative who has insufficient income, property, or other resources to meet the needs of the alien at the time of the application.

The bill requires that applications for public assistance contain information relative to citizenship and the number of years in which the applicant has resided in the United States. Aliens are required to name the person who sponsored their entry into this country.

IV. Interpreters' Fees

Concerning the Assessment of Costs for Interpreters' Fees in Criminal Cases -- Bill 4

The bill states that costs for interpreters in criminal cases are to be charged to the defendant, if found guilty. The state paid a combined total of \$71,214 for court interpreters' fees in criminal, juvenile, and civil cases during fiscal year 1986-87.

The state Judicial Department has reported that it expects these fees to be assessed in criminal cases. However, interpreters' fees are not presently included in the statutory list of court costs that may be assessed in connection with criminal cases. The Judicial Department has also noted that some judges may have been reluctant to assess these fees because of this statutory omission. The bill adds a paragraph to Section 16-11-501, C.R.S., to specifically include this cost among other fees that may be assessed for depositions or trials, such as docket fees, jury fees, transcript fees, witness fees, and mileage fees for witnesses.

Background Report

History of the Medically Indigent Program

The Department of Social Services was designated as program administrator at the inception of the Medically Indigent Program in fiscal year 1974-75. The ability-to-pay fee schedule of Colorado General Hospital, subsequently renamed University Hospital, was used to determine indigency and a minimum charge was required of all patients. Participation was limited to public hospitals. Providers were required to contribute three percent of all operating expenditures to charity care prior to becoming eligible for reimbursement from the program.

Beginning in 1978, physicians were reimbursed for services to indigent patients in participating facilities. In 1981, private and nonprofit hospitals were made eligible for the program but payment for physician services was struck. The Department of Social Services was directed to define, by contract, the terms of reimbursement and the services for which reimbursement was to be made. Hospitals were required to utilize the ability-to-pay fee schedule developed for University Hospital by the University of Colorado Board of Regents.

Administration of the program was shifted from the Department of Social Services to the University of Colorado Health Sciences Center in fiscal year 1982-83. There were three reasons given for the change in administration.

- 1) The University of Colorado Health Sciences Center was authorized in statute to provide care for the medically indigent, while such authorization did not exist for the Department of Social Services.
- 2) The transfer of this program, along with the transfer of the Community Maternity Program from the Department of Health, provided for the consolidated administration of medically indigent services in a unit that was an actual provider of medical care.
- 3) It was suggested that data gathering capabilities would be improved by placing the program in the Health Sciences Center. (At the time, the Department of Social Services' computerized, statewide data base, the Client-Oriented-Information-Network (COIN), was not operational.)

In 1983, the General Assembly enacted House Bill 1129 to provide a statutory base for the Medically Indigent Program -- the "Reform Act for the Provision of Health Care for the Medically Indigent" (Article 15 of Title 26, C.R.S.). Program administration remained with the University of Colorado Health Sciences Center.

In keeping with past practice, the program was not structured as an entitlement program but was designed to provide payment in the form of reimbursements to providers for the provision of medical services to eligible indigent persons (Section 26-15-104, C.R.S.). Consequently, reimbursement rates to providers under contract with the University of Colorado Health Sciences Center fluctuate with the amount of care provided to patients and the number of health care providers participating in the program.

The law designated Denver Health and Hospitals as the primary provider of medical services to the medically indigent in the City and County of Denver, while the Health Sciences Center was designated as the primary provider for the rest of the Denver Standard Metropolitan Statistical Area and the provider of complex care for the state (Section 26-15-106, C.R.S.). Consequently, other general hospitals located in the Denver metropolitan area were precluded from participating in the program. However, specialty hospitals were permitted to act as providers of specialized care. No restrictions, similar in nature, were imposed upon out-state providers.

The legislative declaration to the 1983 act states that the program for medically indigent is intended to "allocate available resources in a manner which will provide treatment of those conditions constituting the most serious threats to the health of such medically indigent persons, as well as increase access to primary medical care to prevent deterioration of the health conditions among medically indigent people." (Section 26-15-102, C.R.S.).

There is no official federal or state definition of medical indigency. Generally, the medically indigent are designated as those whose incomes prohibit them from qualifying for Medicaid, yet they are unable to pay for medical care due to poverty, lack of health insurance, or inadequate health insurance coverage.

Funding and Reimbursement for the Medically Indigent Program

The program was initiated in 1974 with a \$12 million appropriation. Funding fluctuated between \$9 million and \$16 million until fiscal year 1982-83. In fiscal year 1982-83 the appropriation stood at over \$35 million. Funding peaked at almost \$38 million in fiscal year 1985-86 and has declined over the last two fiscal years. A detailed history of funding is presented in Appendix A, page 23.

Information on reimbursements to providers is contained in Appendix B, page 25. As indicated, the number of health care providers participating in the program has grown from thirteen in fiscal year 1974-75 to an estimated 56 in the present fiscal year.

History of the Community Maternity Program

Initially entitled the "Rural Delivery Program", the purpose of the Community Maternity Program was to encourage medically indigent women to deliver their infants in lower-cost rural hospitals rather than urban hospitals. For fiscal years 1978-79 through 1981-82, funds were appropriated directly to the Department of Health to manage the program. Since fiscal year 1982-83, funds for the program have been appropriated to the Health Sciences Center. Each year, however, the Health Sciences Center has contracted with the Department of Health to operate the program so, in effect, the Department of Health has administered the program since its inception.

In fiscal year 1979-80, funds were allocated to the Colorado General Hospital "Diversion Delivery Program," the Denver General Hospital "Diversion Delivery Program," and the "Special Programs Delivery Program" for out-state community hospitals. Footnotes in the Long Bill stipulated the number of lower-risk obstetric patients to be served at community hospitals through diversion program funds who otherwise would have been cared for by Colorado General and Denver General hospitals.

Again, in fiscal year 1980-81, funds were earmarked for the above three programs and the number of patients to be served was mandated. A footnote in the Long Bill also specified which community hospitals were to be part of the "Special Programs Delivery Program."

Funds were appropriated to the "Community Low-Risk Delivery Program" for fiscal years 1981-82 through 1983-84. Footnotes in the long bills indicated the number of low-risk obstetric patients to be served at community hospitals, the length of the hospital stay, the maximum state reimbursement to the hospital, and the minimum amount to be paid by each client for services rendered.

For fiscal years 1984-85 to the present, appropriations were made to the Community Maternity Program without any specific instructions from the General Assembly. However, according to records from the Health Sciences Center, from fiscal year 1985-86 on, funds have been split between high-risk and low-risk delivery programs.

Annual appropriations to the program are recorded in Appendix C, page 35.

Issues Addressed by the Committee

MI Program Reimbursement to Providers

The University of Colorado Health Sciences Center reimburses health care participants in the Medically Indigent Program on a monthly basis. At the beginning of each year, providers project their cost of care to the medically indigent over the course of the annum. This figure is submitted to UCHSC. The Health Sciences Center applies the Medicare costs-to-charges ratio to this estimate. The resulting figure is then compared with the General Assembly's appropriation to the MI Program to establish a preliminary reimbursement rate. This rate is revised throughout the year to reflect actual costs of treating the medically indigent. At the end of the year, if the audit concludes that certain providers have been under- or over-paid because of inaccurate projections of the reimbursement rate, adjustments are made to account for the difference.

Expenditures on the MI Program are capped at the General Assembly's annual appropriation to the program. This results in reimbursement rates fluctuating based on the amount of medical care provided and the general fund appropriation. If the program were to guarantee a fixed rate of reimbursement to each provider, funding for the program would vary with respect to the amount and cost of care rendered. Consequently, the fluctuating reimbursement mechanism used in the program is cost-effective for the state. However, as medical costs have risen, the medically indigent population has grown, and the number of providers participating in the program has risen as time has gone by, year-end actual reimbursement rates have declined while the amount of uncompensated care has increased. Moreover, health care institutions have found it increasingly difficult to shift the costs of uncompensated care to taxpayers or paying patients.

The tables below illustrate the anticipated drop in actual reimbursement rates and appropriations to providers in the MI Program, as well as the corresponding value of non-reimbursed care.

Provider Reimbursement As a Percentage of MI Costs

<u>Hospital</u>	<u>FY 1986-87</u>	<u>FY 1987-88</u>
University	66.0%	43.2%
DH & H	46.2	43.1
Out-State	42.2	33.3
Specialty	86.2	32.0

SOURCE: UCHSC 1987 Annual Report

(Figures for FY 1987-88 are estimates.
Denver Health and Hospitals is designated
as DH & H.)

Reimbursements to MI Providers

<u>Hospital</u>	<u>FY 1986-87</u>	<u>FY 1987-88</u>
University	\$ 12,567,875	\$ 7,115,362
DH & H	16,160,200	15,900,491
Out-State	4,147,349	5,380,498
Specialty	1,361,297	1,389,078
TOTAL	\$ 34,236,721	\$ 29,785,429

SOURCE: UCHSC 1987 Annual Report

(Figures for FY 1987-88 are estimates. Reimbursements to University Hospital do not include physician reimbursements.)

Difference Between Cost of MI Care
and Reimbursement

<u>Hospital</u>	<u>FY 1986-87</u>	<u>FY 1987-88</u>
University	\$ 7,439,685	\$ 12,080,159
DH & H	18,839,000	20,997,839
Out-State	5,684,345	10,769,691
Specialty	217,319	2,945,022
TOTAL	\$ 32,180,349	\$ 46,792,711

SOURCE: UCHSC 1987 Annual Report

(Figures for FY 1987-88 are estimates.)

Rural Issues

Outreach. Although rural participation in the Medically Indigent and Community Maternity programs has increased over the past few years, these programs are still not available to the medically indigent in each of Colorado's 63 counties. Preliminary data for fiscal year 1987-88 indicates that 33 counties will be served by 56 MI providers this fiscal year. The Community Maternity Program is expected to operate in 40 counties. Additional efforts are needed to assure equal access to quality health care statewide.

Disproportionate share of care. The committee examined the distribution of MI funds throughout the state. Generally, line items in the long bill dictate separate appropriations for University Hospital, Denver Health and Hospitals, Out-State Providers, Specialty Providers, and the Community Maternity Program. Allegations were made that Denver Health and Hospitals and University Hospital were receiving a disproportionate share of funds. Data compiled from UCHSC's annual report to the General Assembly indicates otherwise.

During the 1985-86 fiscal year, 19,430 medically indigent inpatient discharges were recorded statewide. The corresponding number of medically indigent outpatient occasions of service was 301,878. The following table demonstrates that the percentage of medically indigent funds received by each provider correlated with the percentage of medically indigent patients served by that classification of provider for fiscal year 1985-86.

Comparison of MI Patients Served
and MI Funds Received

FY 1985-86

<u>Hospital</u>	<u>% of Total MI Inpatients Served</u>	<u>% of Total MI Outpatients Served</u>	<u>% of Total MI Funds Received</u>
DH & H	46%	69%	46%
University	39	29	42
Out-State	14	2	8
Specialty	1	0	4

Together, Denver Health and Hospitals and University Hospital served 85 percent of the total MI inpatient population in fiscal year 1985-86. These two institutions also provided inpatient treatment for 34 percent of medically indigent patients originating from out-state areas. (Out-state is here defined as counties other than Adams, Arapahoe, Jefferson, and the City and County of Denver.)

The segment of the rural medically indigent population that is treated in urban hospitals tends to require more expensive and sophisticated treatment than the average medically indigent patient. As indicated in the table below, during fiscal year 1986-87, ten percent of the MI patients served by University Hospital were from out-state regions. Yet, this group accounted for 21 percent of the hospital's writeoffs to the MI Program.

University Hospital
Percentage of MI Patients, Charges, and Writeoffs
By Region of Origin

FY 1986-87

<u>Region of Patient Origin</u>	<u>% of Patients from Region</u>	<u>% of Charges from Region</u>	<u>% of Writeoffs from Region</u>
Denver	31%	32%	26%
Suburban	58	46	50
Out-State	10	20	21
Unknown	1	2	3

NOTE: Adams, Arapahoe, and Jefferson counties are included in the suburban category.

The average charge per patient and average writeoff per patient accrued to out-state patients were also considerably higher than the statewide averages in fiscal year 1986-87.

University Hospital
MI Average Per-Patient Charges and Writeoffs
By Region of Origin

FY 1986-87

<u>Region of Patient Origin</u>	<u>Average Charge Per Patient</u>	<u>Average Writeoff Per Patient</u>
Denver	\$ 489	\$ 183
Suburban	373	188
Out-State	957	457
Unknown	515	519
STATE AVERAGE	\$ 469	\$ 219

NOTE: Adams, Arapahoe, and Jefferson counties are included in the suburban category.

National Health Service Corps. Rural areas in Colorado and throughout the nation are experiencing an acute shortage of physicians and other health care personnel. It is difficult to recruit and retain physicians in rural areas because rural lifestyles are unattractive to many, salaries are lower in rural regions than in urban areas, and malpractice insurance premiums are spiraling upward. Rural settings are also very stressful for physicians practicing in "one-physician" communities.

The National Health Service Corps has been very successful in placing physicians in rural communities. However, federal funding for this program has been cut dramatically since 1981. Testimony from rural providers and a Colorado physician participating in the program urged the committee to memorialize Congress to increase funding of this much-needed program.

Health Insurance

Reports by the Piton Foundation and the Colorado Association of Commerce and Industry (CACI) have suggested that the employed uninsured and underinsured comprise a substantial portion of the medically indigent population. The Shared Cost Option for Private Employers (SCOPE) recently conducted a study of 43,500 firms employing 20 or fewer employees in Denver, Boulder, Adams, Arapahoe, and Jefferson counties. Their survey found that 40 percent of these firms do not offer health insurance plans to their employees. The majority of this sample of small businesses indicated that health insurance options were not made available to employees because premiums were unaffordable. Based on the results of the study, SCOPE has concluded that 90,000 full-time employees, plus an undetermined number of part-time workers, are uninsured in the Denver metropolitan area.

To alleviate the financial burden of medical indigency, SCOPE is striving to provide small businesses with low-cost health insurance options for their employees. The targeted monthly premium for a single person under the SCOPE group rate plan is \$40. (Presently, the lowest rates available for an individual range from \$55 to \$60.) An individual plan paid by voluntary paycheck deductions will also be offered to part-time employees. The director of SCOPE also recommended that the committee increase the Colorado state income tax deduction for small businesses as an incentive for providing health insurance coverage for their employees.

Malpractice Insurance

The committee received testimony from the Colorado Physicians Insurance Company (COPIC), a non-profit agency that provides malpractice insurance for approximately 90 percent of Colorado's physicians. Based on proposals submitted from two independent actuarial firms, COPIC has made the decision to increase annual premiums on an average of 30 percent beginning in January of 1988.

This increase will have a profound impact on health care delivery systems, especially in rural areas. In small rural communities, family medicine practitioners participate in most newborn deliveries. However, many rural physicians have declared that the proposed increase in malpractice insurance premiums, coupled with the relatively lower pay scales in rural regions, will preclude them from engaging in obstetrics. For example, plans to create a high-risk obstetrics pilot program allowing family practice physician residents to be classified as medically indigent providers were cancelled by the Advisory Commission of Family Medicine because of the expected increase in malpractice insurance rates.

Physicians employed by Denver General Hospital will not be affected by this increase to the same degree as their rural counterparts. Denver General purchases malpractice insurance for its high-risk physicians, such as surgeons, anesthesiologists, and obstetricians; all others are self-insured. Last year, hospital expenditures to insure those classified as high-risk totalled \$600,000. Moreover, physicians employed by DGH are immune to malpractice claims in excess of \$300,000 under the "Government Immunity Act."

In response to this issue, the committee considered drafting legislation to reinstate statutes of repose and limit malpractice claims that could be filed against a health care provider in the Medically Indigent Program. After deliberation, the committee concluded that such measures were beyond the scope of the committee's charge.

Treatment of Aliens at Denver General Hospital

Denver Health and Hospitals provides undocumented aliens with medical care and treatment as a matter of public health. Nonresidents of the state are ineligible for MI funds; hence, no charges accrued to illegal aliens are billed to the Medically Indigent Program. The hospital requires all undocumented aliens seeking treatment from its institution to sign statements notifying them that they are responsible for full payment of their bills. However, when charges are mailed to the addresses indicated on their patient records, many of these undocumented aliens cannot be located at that place of residency.

Although the hospital strives to properly identify persons to ensure that charges are billed to the appropriate fund, that is, Medicaid or the Medically Indigent Program; and if a patient chooses to give false identification information, it is difficult for the hospital to prove otherwise. Presently, if a patient gives misleading information relating to citizenship, such as an incorrect birthplace, the hospital does not pursue the matter further. To verify Colorado residency, the hospital examines driver's licenses, rent receipts, and the like, but does not request presentation of birth certificates. Hospital administrators reported that implementation of stricter screening and documentation procedures would place additional financial and administrative burdens on the institution.

APPENDIX A

APPROPRIATIONS FOR THE MEDICALLY INDIGENT PROGRAM
FY 1974-75 TO FY 1987-88

<u>Fiscal Year</u>	<u>Appropriation</u>
1974-75	\$ 11,950,000
1975-76	10,000,000
1976-77	9,576,000
1977-78	9,069,453
1978-79	10,000,000
1979-80	10,369,000
1980-81	12,967,386
1981-82	15,731,885
1982-83	34,400,995
1983-84	33,389,786
1984-85	32,014,361
1985-86	37,987,924
1986-87	34,508,821
1987-88	31,935,586

SOURCE: Appropriation figures for fiscal years 1974-75 through 1981-82 and fiscal years 1984-85 through 1986-87 are taken from corresponding long bills. Figures from fiscal years 1982-83 through 1983-84 and fiscal year 1987-88 are from the University of Colorado Health Sciences Center (UCHSC). Figures from UCHSC include appropriations to University Hospital, Denver Health and Hospitals, out-state providers, specialty providers, UCHSC for administering the medically indigent program, and the University Hospital physician reimbursement fund.

APPENDIX B

REIMBURSEMENTS TO MEDICALLY INDIGENT PROVIDERS
FY 1974-75 TO FY 1987-88

FY 1974-75

<u>Provider</u>	<u>Reimbursement</u>
Denver General Hospital	\$ 7,204,000
Out-State Providers:	
Colorado Springs Memorial	168,000
Prowers Medical Center - Lamar	30,000
Delta Memorial	26,000
LaPlata Community - Durango	26,000
Huerfano Memorial - Walsenburg	16,000
Aspen Valley	14,000
Walsh District	14,000
Clagett Memorial	7,000
Salida City	6,000
Craig Memorial	2,000
McNamara Memorial	1,000
Conejos County Memorial Hospital	500

FY 1975-76

<u>Provider</u>	<u>Reimbursement</u>
Denver General Hospital	\$ 8,509,000
Out-State Providers:	
Colorado Springs Memorial	348,000
Montrose Memorial	31,000
Walsh District Hospital	30,000
Delta Memorial Hospital	23,000
Huerfano Memorial - Walsenburg	23,000
Aspen Valley Hospital	17,000
Prowers Medical Center - Lamar	2,000

FY 1976-77

<u>Provider</u>	<u>Reimbursement</u>
Denver General Hospital	\$ 9,063,000
Out-State Providers:	
Colorado Springs Memorial Hospital	602,000
Walsh District Hospital	36,000
Montrose Memorial Hospital	25,000
Gunnison Public Hospital	5,000

FY 1977-78

<u>Provider</u>	<u>Reimbursement</u>
Denver General Hospital	\$ 8,845,056
Out-State Providers:	
Colorado Springs Memorial Hospital	442,589
Walsh District Hospital	51,696
Montrose Memorial	16,325

FY 1978-79

<u>Provider</u>	<u>Reimbursement</u>
Denver General Hospital	\$ 8,845,056
Out-State Providers:	
Colorado Springs Memorial Hospital	666,963
Walsh District	25,443
Specialty Providers:	
Children's Hospital - Denver	362,538
Physician Reimbursement	100,000

FY 1979-80

<u>Provider</u>	<u>Reimbursement</u>
Denver General Hospital	\$ 9,650,483
Out-State Providers: Walsh District	8,237
Specialty Providers: Children's Hospital - Denver	510,280
Physician Reimbursement	120,093

FY 1980-81

<u>Provider</u>	<u>Reimbursement</u>
Denver General Hospital	\$ 12,604,460
Out-State Providers: Walsh District	8,190
Specialty Providers: Children's Hospital - Denver	385,927
Physician Reimbursement	107,154

FY 1981-82

<u>Provider</u>	<u>Reimbursement</u>
Denver General Hospital	\$ 14,816,271
Out-State Providers: Walsh District (Hospital) (Physician)	9,766 2,211
Specialty Providers: Children's Hospital - Denver (Hospital) (Physician)	675,236 92,837
UCHSC Faculty Services	1,000,000 <u>1/</u>

1/ An additional \$250,000 was provided for this purpose from the university's discretionary funds.

FY 1982-83

<u>Provider</u>	<u>Reimbursement</u>
Denver General Hospital	\$ 15,671,033
University Hospital - Denver	16,922,516
Out-State Providers:	
St. Mary-Corwin Hospital - Pueblo	178,693
North Colorado Medical Center - Greeley	117,671
St. Joseph - Del Norte	37,808
Huerfano Memorial	22,821
Conejos County Memorial Hospital	21,725
Mercy Medical - Durango	18,002
Monte Vista Community	17,292
Memorial Hospital - Craig	13,447
Salida Hospital	9,197
Kit Carson County Hospital - Burlington	8,652
St. Thomas Moore - Canon City	2,316
Walsh District	350
Specialty Providers:	
Children's Hospital - Denver	292,857
AMC Cancer	66,615
Physician Reimbursement (UCHSC)	1,000,000

FY 1983-84

<u>Provider</u>	<u>Reimbursement</u>
Denver Health and Hospitals	\$ 16,340,162
University Hospital - Denver	14,122,711
Out-State Providers:	
Brighton Community Hospital	22,461
Walsh District Hospital	14,469
Bent County Memorial Hospital - Las Animas	5,219
Salida Hospital	13,710
Conejos County Memorial Hospital - LaJara	25,393
Penrose Hospital - Colorado Springs	131,907
St. Joseph's Hospital - Florence	31,089
Kremmling Memorial	22,027
Huerfano Memorial Hospital - Walsenburg	35,802
Kit Carson Community - Burlington	2,608
Mercy Medical Center - Durango	9,252
North Colorado Medical Center - Fort Collins	103,161
Poudre Valley Hospital - Fort Collins	81,469
Mount San Rafael - Trinidad	20,667

Community Hospital - Grand Junction	7,790
St. Mary's Hospital - Grand Junction	108,524

<u>Provider</u>	<u>Reimbursement</u>
Pioneers Memorial Hospital - Rocky Ford	7,724
Prowers Medical Center - Lamar	28,488
Avondale-Boone Health Center	2,448
St. Mary-Corwin Hospital - Pueblo	169,617
Monte Vista Community	15,557
Norwood Clinic	1,913
Yuma District Hospital	4,592
Specialty Providers:	
American Cancer Research Center - Lakewood	70,917
Children's Hospital - Denver	325,960
Physician Reimbursement (UCHSC)	1,367,885

FY 1984-85

<u>Provider</u>	<u>Reimbursement</u>
Denver Health and Hospitals	\$ 16,798,133
University Hospital - Denver	11,111,854
Out-State Providers:	
Brighton Community Hospital	29,435
Alamosa Community Hospital	48,123
Salida Hospital	26,902
Conejos County Memorial Hospital - LaJara	44,299
Delta County Hospital	78,755
Penrose Hospital - Colorado Springs	161,914
St. Joseph's Hospital - Florence	16,932
Kremmling Memorial	41,308
Huerfano Memorial Hospital - Walsenburg	57,146
Kit Carson Community - Burlington	15,160
Mercy Medical Center - Durango	20,119
North Colorado Medical Center - Fort Collins	316,097
Poudre Valley Hospital - Fort Collins	158,782
Mount San Rafael - Trinidad	45,369
Community Hospital - Grand Junction	8,245
St. Mary's Hospital - Grand Junction	204,706
Southwest Memorial Hospital - Cortez	41,346
Montrose Memorial Hospital	113,702
Fort Morgan Community Hospital	106,319
Pioneers Memorial Hospital - Rocky Ford	14,570
Prowers Medical Center - Lamar	61,573
Avondale-Boone Health Center	3,463
Parkview Episcopal Hospital - Pueblo	215,844

St. Mary-Corwin Hospital - Pueblo	290,604
Monte Vista Community	46,071
Norwood Clinic	2,807
Yuma District Hospital	18,491

<u>Provider</u>	<u>Reimbursement</u>
Specialty Providers:	
National Jewish Hospital - Denver	142,868
Children's Hospital - Denver	340,210
Physician Reimbursement (UCHSC)	1,380,744

FY 1985-86

<u>Provider</u>	<u>Reimbursement</u>
Denver Health and Hospitals	\$ 17,722,925
University Hospital - Denver	14,539,846
Out-State Providers:	
Alamosa Community Hospital	81,978
Boulder Community Hospital	227,193
Community Health Center - Colorado Springs	92,046
Community Hospital - Grand Junction	12,746
Conejos Community Hospital - LaJara	37,802
Delta County Memorial Hospital	40,785
Estes Park Medical Center	8,230
Fort Morgan Community Hospital	70,356
Gunnison County Public Hospital	26,319
Hi Plains Health Center	17,216
Huerfano Memorial Hospital - Walsenburg	47,036
Kremmling Memorial Hospital	8,278
Mercy Medical Center - Durango	24,072
Monte Vista Community Hospital	30,030
Montrose Memorial Hospital	102,017
Mount San Rafael Hospital - Trinidad	4,579
North Colorado Medical Center - Greeley	296,241
Norwood Clinic	5,916
Parkview Episcopal Medical Center - Pueblo	289,878
Penrose Hospital - Colorado Springs	199,314
Pioneers Memorial Hospital - Rocky Ford	958
Platte Valley Medical Center - Brighton	27,298
Poudre Valley Hospital - Fort Collins	718,771
Prowers Medical Center - Lamar	26,092
St. Joseph's Hospital - Florence	14,302
St. Mary-Corwin Hospital - Pueblo	310,526
St. Mary's Hospital - Grand Junction	309,445
Salida Hospital	16,725
Southwest Memorial Hospital - Cortez	9,377

Memorial Hospital - Craig	47,806
Walsh District Hospital	6,321
Yuma District Hospital	3,221

<u>Provider</u>	<u>Reimbursement</u>
Specialty Providers:	
National Jewish Hospital - Denver	335,502
Children's Hospital - Denver	727,461
Physician Reimbursement (UCHSC)	1,577,382

FY 1986-87

<u>Provider</u>	<u>Projected Reimbursement</u>
Denver Health and Hospitals	\$ 16,160,200
University Hospital - Denver	12,567,875
Out-State Providers:	
Alamosa Community Hospital	86,285
Boulder Community Hospital	185,484
Community Health Center - Colorado Springs	334,703
Community Health Clinic - Dove Creek	1,785
Community Hospital - Grand Junction	12,318
Conejos County Memorial Hospital - LaJara	19,442
Estes Park Medical Center	22,997
Fort Morgan Community Hospital	59,788
Gunnison Valley Hospital	31,432
Huerfano Memorial Hospital - Walsenburg	26,124
Kit Carson County Memorial - Burlington	13,455
Kremmling Memorial Hospital	16,002
Lincoln Community Hospital - Hugo	480
Memorial Hospital - Craig	31,598
Memorial Hospital - Colorado Springs	84,326
Mercy Medical Center - Durango	41,814
Monte Vista Community Hospital, Inc.	18,449
Montrose Memorial Hospital	125,680
North Colorado Medical Center - Greeley	249,833
Norwood Clinic	6,435
Parkview Episcopal Hospital - Pueblo	152,722
Penrose Hospital - Colorado Springs	405,612
Plan De Salud Del Valle, Inc. - Fort Lupton	133,910
Platte Valley Medical Center - Brighton	24,150
Poudre Valley Hospital - Fort Collins	570,428
Prowers Medical Center - Lamar	18,542

Rangely District Hospital	11,257
St. Francis Hospital - Colorado Springs	652,099
St. Joseph's Hospital - Florence	11,398
St. Mary-Corwin Hospital - Pueblo	339,410
St. Mary's Hospital - Grand Junction	315,037
Salida Hospital	16,632
Southwest Memorial Hospital - Cortez	53,308

<u>Provider</u>	<u>Projected Reimbursement</u>
Sunrise Community Health Center - Greeley	32,832
Valley-Wide Health Services, Inc. - Alamosa	34,711
Walsh District Hospital	1,331
Yuma District Hospital	5,540
Specialty Providers:	
Children's Hospital - Denver	874,069
National Jewish Hospital - Denver	487,228
Physician Reimbursement (UCHSC)	1,892,858

FY 1987-88

<u>Preliminary Provider</u>	<u>Projected Reimbursement</u>
Denver Health and Hospitals	\$ 15,900,491
University Hospital - Denver	7,115,362
Out-State Providers:	
Alamosa Community Hospital	92,950
Boulder Community Hospital	245,201
Columbine Family Health Center - Blackhawk	8,278
Commerce City Health Center	13,089
Community Health Center - Colorado Springs	333,154
Community Health Clinic - Dove Creek	1,199
Community Hospital - Grand Junction	8,862
Conejos County Memorial Hospital	20,889
CSOF/Family Medicine Center - Colorado Springs	66,631
Eisenhower Medical Center - Colorado Springs	129,930
Estes Park Medical Center	12,548
Fort Morgan Community Hospital	44,519
Gunnison Valley Hospital	18,590
Huerfano Memorial Hospital - Walsenburg	36,502
Kit Carson County Hospital - Burlington	13,193
Kremmling Memorial Hospital	12,527
La Clinica, Inc. - Gardner	2,665
La Plata Community Hospital - Durango	46,455

Lincoln Community Hospital - Hugo	4,244
Lutheran Medical Center - Wheatridge	132,519
Memorial Hospital- Craig	52,797
Memorial Hospital - Colorado Springs	124,933
Mercy Medical Center - Durango	11,827
Metro Denver Provider Network	354,515
Monte Vista Community Hospital, Inc.	27,985
Montrose Memorial Hospital	76,226
Mount San Rafael Hospital - Trinidad	14,842

<u>Preliminary Provider</u>	<u>Projected Reimbursement</u>
North Colorado Medical Center - Greeley	404,282
Norwood Clinic	8,495
Parkview Episcopal Hospital - Pueblo	199,207
Penrose Hospital - Colorado Springs	523,601
People's Clinic - Boulder	67,343
Plan De Salud Del Valle, Inc. - Fort Lupton	170,208
Platte Valley Medical Center - Brighton	20,489
Poudre Valley Hospital - Fort Collins	608,154
Prowers Medical Center - Lamar	25,586
Pueblo Community Health Center	8,795
Rangely District Hospital	11,660
Routt Memorial Hospital - Steamboat Springs	15,698
St. Francis Hospital - Colorado Springs	428,769
St. Joseph's Hospital - Florence	9,295
St. Mary-Corwin Hospital - Pueblo	324,825
St. Mary's Hospital - Grand Junction	336,544
St. Vincent General Hospital - Leadville	11,844
Salida Hospital	10,485
Southwest Memorial Hospital - Cortez	74,399
Sunrise Community Health Center - Greeley	49,973
Valley-Wide Health Services, Inc. - Alamosa	133,262
Walsh District Hospital	4,664
Wardenburg Student Health Service - Boulder	16,658
Yuma District Hospital	9,192
Specialty Providers:	
Children's Hospital - Denver	594,765
National Jewish Center - Denver	134,610
Rose Medical Center - Denver	659,703
Physician Reimbursement (UCHSC)	1,892,858

SOURCE: Reimbursement figures from fiscal years 1974-75 through 1977-78 are taken from a Department of Social Services memorandum. However, the data cannot be verified by the

Department of Social Services nor Legislative Council staff. Actual reimbursements are shown for fiscal years 1978-79 through 1982-83. Reimbursement figures for fiscal years 1983-84 to 1985-86 are taken from the University of Colorado Health Sciences Center's annual reports to the General Assembly. Figures for fiscal years 1986-87 and 1987-88 are from James Anderson, Controller of the Indigent Care Program. Reimbursement figures for fiscal year 1986-87 are based on actual data submitted through February 1987 and projected to June 1987. Reimbursement figures for fiscal year 1987-88 are projected for preliminary providers.

APPENDIX C

COMMUNITY MATERNITY PROGRAM APPROPRIATIONS
 FY 1978-79 TO FY 1987-88

<u>Fiscal Year</u>	<u>Long Bill Appropriation</u>
1978-79	\$ 75,000 <u>1/</u>
1979-80	956,116
1980-81	1,600,000
1981-82	1,600,000
1982-83	1,633,674 <u>2/</u>
1983-84	1,709,435 <u>3/</u>
1984-85	1,821,824
1985-86	2,293,241
1986-87	3,345,579
1987-88	3,345,579

-
- 1/ A 1979 supplemental appropriation increased this amount to \$230,910.
- 2/ According to a University of Colorado Health Sciences Center report, \$1,687,832 was appropriated for fiscal year 1982-83.
- 3/ The University of Colorado Health Sciences Center reports that \$1,766,128 was appropriated in fiscal year 1983-84.

BILL 1

A BILL FOR AN ACT

1 CONCERNING THE PROGRAM FOR THE PROVISION OF HEALTH CARE
2 SERVICES FOR THE MEDICALLY INDIGENT, AND MAKING AN
3 APPROPRIATION THEREFOR.

Bill Summary

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments which may be subsequently adopted.)

Designates the department of social services to administer and implement the program for the medically indigent. The program is currently administered by the University of Colorado health sciences center.

Provides that the department of social services shall not reimburse inpatient services which can be performed adequately and less expensively in the outpatient setting. Includes free-standing ambulatory surgical facilities, free-standing emergency facilities, and licensed physicians as providers within the program. Makes said department responsible for determining the eligibility of persons seeking assistance under the program. Requires providers to use and enforce an ability-to-pay scale or a copayment schedule before providing medical assistance.

Authorizes the department to contract with providers to supply services under the program. Repeals the designation of Denver health and hospitals and the University of Colorado health sciences center as primary providers of care in the city and county of Denver and the Denver standard metropolitan statistical area, thus allowing for selection of providers by the department of social services in these areas. Designates the University of Colorado health sciences center as the primary provider of complex care in the entire state.

Specifies maximum levels for the reimbursement of providers under the program. Authorizes the department of social services to obtain wage and employment data concerning applicants for medical services from the department of labor and employment. Creates a computerized data base for the medically indigent which shall contain the names and other data submitted by providers or applicants desiring to avail themselves of the benefits of the medically indigent program. Requires providers of health care for the medically indigent to provide charity care or charity education programs for medically indigent. Specifies the amount of charity care or charity education which shall be provided. Stipulates that all other sources of payment shall be exhausted before medically indigent funds are utilized for reimbursement. Provides that a single detection of fraud or abuse committed by a recipient or provider shall preclude receipt of benefits or payments under the program for a specified period. Eliminates the technical advisory committee on the medically indigent.

Makes an appropriation to provide for the implementation of this act.

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

2 SECTION 1. 26-15-102 (1) (a) and (1) (b), Colorado
3 Revised Statutes, 1982 Repl. Vol., as amended, are amended to
4 read:

5 26-15-102. Legislative declaration. (1) (a) The state
6 has insufficient resources to pay for all medical services for
7 persons who are indigent and must therefore allocate available
8 resources ~~in-a-manner~~ THROUGHOUT THE STATE which will provide
9 treatment of those conditions constituting the most serious
10 threats to the health of such medically indigent persons, as
11 well as increase access to primary medical care to prevent
12 deterioration of the health conditions among medically
13 indigent people; and

14 (b) Such allocation of resources will require the
15 prioritization of medical services by providers, and the

1 coordination of administration and delivery of medical
2 services, AND THE UTILIZATION OF OUTPATIENT SERVICES WHENEVER
3 POSSIBLE IF AN ADEQUATE LEVEL OF CARE MAY BE PROVIDED IN AN
4 OUTPATIENT SETTING, DEPENDING ON THE INDIVIDUAL PATIENT'S
5 CONDITION.

6 SECTION 2. 26-15-103, Colorado Revised Statutes, 1982
7 Repl. Vol., as amended, is REPEALED AND REENACTED, WITH
8 AMENDMENTS, to read:

9 26-15-103. Definitions. As used in this article, unless
10 the context otherwise requires:

11 (1) "Department" means the state department of social
12 services.

13 (2) "Emergency care" means treatment for conditions of
14 an acute, severe nature which are life, limb, or disability
15 threats requiring immediate (minutes to hours) attention,
16 where any delay in treatment would, in the judgment of the
17 responsible physician, be definitely harmful and would
18 threaten life or loss of function of a patient or viable
19 fetus.

20 (3) "Health sciences center" means the university of
21 Colorado university hospital provided for in part 1 of article
22 21 of title 23, C.R.S.

23 (4) "Program" means the program for the medically
24 indigent established by section 26-15-104.

25 (5) "Provider" means any general hospital, community
26 clinic, maternity hospital, free-standing ambulatory surgical
27 facility, or free-standing emergency facility licensed or

1 certified by the department of health pursuant to section
2 25-1-107 (1) (1) (I) or (1) (1) (II), C.R.S., any health
3 maintenance organization issued a certificate of authority
4 pursuant to section 10-17-104, C.R.S., and the health sciences
5 center when acting pursuant to this article. A home health
6 agency may also serve as a provider of community maternity
7 services. For the purposes of the program, "provider"
8 includes associated physicians and physicians licensed
9 pursuant to article 36 of title 12, C.R.S.

10 SECTION 3. 26-15-104, Colorado Revised Statutes, 1982
11 Repl. Vol., as amended, is amended to read:

12 26-15-104. Program for the medically indigent
13 established. A program for the medically indigent is hereby
14 established, to commence July 1, 1983, which shall be
15 administered by the ~~health--sciences--center~~ DEPARTMENT, to
16 provide payment to providers for the provision of medical
17 services to eligible persons who are medically indigent.
18 COUNTY DEPARTMENTS OF SOCIAL SERVICES WILL NOT BE INVOLVED
19 WITH THE ADMINISTRATION OF THE PROGRAM. The ~~health--sciences~~
20 ~~center~~ DEPARTMENT may promulgate such rules and regulations as
21 are necessary for the implementation of this article in
22 accordance with article 4 of title 24, C.R.S.; EXCEPT THAT NO
23 RULES SHALL BE PROMULGATED WHICH SHIFT ADMINISTRATIVE
24 RESPONSIBILITIES FOR THIS PROGRAM TO COUNTY DEPARTMENTS OF
25 SOCIAL SERVICES.

26 SECTION 4. The introductory portion to 26-15-104.5 (4)
27 (a) and 26-15-104.5 (4) (b) and (6) (b) (III), Colorado

1 Revised Statutes, 1982 Repl. Vol., as amended, are amended to
2 read:

3 26-15-104.5. No public funds for abortion - exception.

4 (4) (a) Any physician who renders necessary medical services
5 pursuant to subsection (2) of this section shall report the
6 following information to the state department:

7 (b) The information required to be reported pursuant to
8 paragraph (a) of this subsection (4) shall be compiled by the
9 state department, and such compilation shall be an ongoing
10 public record; except that the privacy of the pregnant woman
11 and the attending physician shall be preserved.

12 (6) (b) (III) The presence of a psychiatric condition
13 which represents a serious and substantial threat to the life
14 of the pregnant woman if the pregnancy continues to term. In
15 such case, unless the pregnant woman has been receiving
16 prolonged psychiatric care, the attending licensed physician
17 shall obtain consultation from a licensed physician
18 specializing in psychiatry confirming the presence of such a
19 psychiatric condition. The attending physician shall report
20 the findings of such consultation to the state department.

21 SECTION 5. The introductory portion to 26-15-105 (1) and
22 26-15-105 (1) (k), Colorado Revised Statutes, 1982 Repl. Vol.,
23 as amended, are amended to read:

24 26-15-105. Report concerning the program. (1) The
25 health--sciences--center,--in--cooperation--with--the--technical
26 advisory--committee--created--pursuant--to--section--26-15-108,
27 DEPARTMENT shall prepare an annual report to the joint review

1 committee created pursuant to section 26-15-107 concerning the
2 ~~medically-indigent~~ program. The report shall be prepared
3 following consultation with contract providers in the program
4 ~~state-department-personnel~~, and other agencies, organizations,
5 or individuals as it deems appropriate in order to obtain
6 comprehensive and objective information about the program.
7 The report shall contain a plan for a delivery system to
8 provide medical services to medically indigent persons of
9 Colorado in a manner which assures appropriateness of care,
10 prudent utilization of state resources, and accountability to
11 the general assembly. The ~~health-sciences-center~~ DEPARTMENT
12 shall submit the report to the general assembly AND TO THE
13 HEALTH DATA COMMISSION no later than February 1 of each year.
14 The report shall MAY include ~~recommendations-regarding~~ ITEMS
15 SUCH AS the following:

16 (k) ~~Feasibility-of-a~~ THE central registry DATA BANK of
17 all medically indigent persons receiving assistance;

18 SECTION 6. The introductory portion to 26-15-106 (1),
19 26-15-106 (1) (a), (2), (3), (5), (6), (10), and (13) (a), the
20 introductory portion to 26-15-106 (13) (b), and 26-15-106 (13)
21 (b) (II) and (14), Colorado Revised Statutes, 1982 Repl. Vol.,
22 as amended, are amended, and the said 26-15-106 (13) is
23 further amended BY THE ADDITION OF A NEW PARAGRAPH, to read:

24 26-15-106. Responsibility of the department - provider
25 contracts - computerized data base established. (1) The
26 ~~health-sciences-center~~ DEPARTMENT shall be responsible for:

27 (a) Execution of such contracts with providers for

1 payment of costs of medical services rendered to the medically
2 indigent as the ~~health--sciences--center~~ DEPARTMENT shall
3 determine are necessary for the continuation of the
4 ~~state-funded--programs--for--the--medically--indigent-existing~~
5 ~~prior-to-July-1, 1983~~ PROGRAM, including any short-term or
6 transitional contracts and contract extensions which may be
7 necessary to allow time for promulgation of rules and
8 negotiation and execution of detailed contracts;

9 (2) The contracts required by paragraph (a) of
10 subsection (1) of this section shall be negotiated between the
11 ~~health-sciences-center~~ DEPARTMENT and the providers and shall
12 include contracts with providers to provide tertiary or
13 specialized services. ~~The-center~~ DEPARTMENT may award such
14 contracts upon a determination that it would not be cost
15 effective nor result in adequate quality of care for such
16 services to be developed by the contract providers, or upon a
17 determination that the contract providers are unable or
18 unwilling to provide such services.

19 (3) Every contract between the ~~health-sciences-center~~
20 DEPARTMENT and a provider shall provide for proof of indigency
21 to be submitted by the person seeking assistance, but the
22 provider shall be responsible for ~~the-determination~~ RECEIPT OF
23 APPLICATIONS FOR MEDICAL SERVICES ACCORDING TO PROCEDURES
24 ESTABLISHED BY THE DEPARTMENT, AND THE DEPARTMENT SHALL BE
25 RESPONSIBLE FOR DETERMINATION AND VERIFICATION of eligibility.
26 EACH SUCH CONTRACT SHALL REQUIRE THE PROVIDER TO USE AND
27 ENFORCE AN ABILITY-TO-PAY SCALE CURRENTLY APPROVED BY THE

1 DEPARTMENT OR A COPAYMENT SCHEDULE CURRENTLY APPROVED BY THE
2 DEPARTMENT BEFORE PROVIDING MEDICAL SERVICES PURSUANT TO THIS
3 ARTICLE. THE DEPARTMENT SHALL USE SUCH CURRENT ABILITY-TO-PAY
4 SCALE OR SUCH CURRENT COPAYMENT SCHEDULE TO DETERMINE THE
5 EXTENT OF STATE REIMBURSEMENT PURSUANT TO THIS ARTICLE.

6 (5) (a) (I) ~~Denver--health--and---hospitals,---including~~
7 ~~associated--physicians,--shall,--up-to-its-physical,--staff,--and~~
8 ~~financial-capabilities-as-provided-for-under-this-program,--be~~
9 ~~designated--by--contract--as--the-primary-providers-of-medical~~
10 ~~services-to-the-medically-indigent-for-the-city-and-county--of~~
11 ~~Denver.~~

12 (II) ~~The--health--sciences--center,--including-associated~~
13 ~~physicians,--shall,--up-to-its-physical,--staff,--and--financial~~
14 ~~capabilities--as--provided--for--under--this--program,--be-the~~
15 ~~primary-provider-of-medical-services-to-the-medically-indigent~~
16 ~~for-the-Denver-standard-metropolitan-statistical-area.~~

17 (b) The university of Colorado health sciences center,
18 including associated physicians, shall be the primary provider
19 of such complex care as is not available or is not contracted
20 for in the ~~remaining-areas-of-the~~ state up to its physical,
21 staff, and financial capabilities as provided for under this
22 program.

23 (c) ~~When-acting-in--the--capacity--of--a--provider,--the~~
24 ~~health--sciences--center-shall-comply-with-all-requirements-of~~
25 ~~this-article-relating-to-contracts-with-providers.~~

26 (d) Any two or more providers awarded contracts may,
27 with the approval of the ~~health-sciences-center~~ DEPARTMENT,

1 redistribute their respective populations and associated
2 funds.

3 (6) Contracts with providers shall specify the aggregate
4 level of funding which will be available for the care of the
5 medically indigent. ~~However, providers will not be funded at~~
6 ~~a level exceeding actual costs~~ HOSPITAL PROVIDERS SHALL BE
7 REIMBURSED AT A LEVEL NOT TO EXCEED COSTS AS DETERMINED BY THE
8 MEDICARE/MEDICAID COST REPORT. OTHER PROVIDERS SHALL BE
9 REIMBURSED AT A LEVEL NOT TO EXCEED AMOUNTS PROVIDED BY THE
10 STATE MEDICAID SCALE. REIMBURSEMENT OF PROVIDERS SHALL TAKE
11 INTO ACCOUNT THE DISPROPORTIONATE SHARE OF MEDICALLY INDIGENT
12 PATIENTS SERVED AND EDUCATION GIVEN BY SOME PROVIDERS. Each
13 year, ~~funds will be allocated to providers based on the~~
14 ~~anticipated utilization of services in the respective region,~~
15 ~~giving due consideration to actual utilization of comparable~~
16 ~~services within the program (including specialty and tertiary~~
17 ~~services) in the respective region, for the prior fiscal year.~~

18 (b) ~~For the fiscal year beginning July 1, 1983, the~~
19 ~~contract amounts for provision of services to the medically~~
20 ~~indigent shall be those identified in the general~~
21 ~~appropriation bill as follows:~~

22 Denver health and hospitals	\$-16,340,162
23 University of Colorado health	
24 sciences center	\$-15,490,596
25 Community maternity providers	\$-1,709,435
26 All other providers	\$-1,509,531

27 (10) A provider awarded a contract shall not be liable

1 in civil damages for refusing to admit for treatment or for
2 refusing to treat any medically indigent person for a
3 condition which the ~~health-sciences-center~~ DEPARTMENT or the
4 provider has determined to be outside of the scope of the
5 program.

6 (13) (a) Every contract shall require that a medically
7 indigent person who wishes to be determined eligible for
8 assistance under this article shall submit a signed
9 application therefor to the provider. ~~or--to--the--health~~
10 ~~sciences-center.~~

11 (b) By signing the application, the medically indigent
12 person specifically authorizes the ~~health--sciences--center~~
13 DEPARTMENT to:

14 (II) Obtain records pertaining to eligibility from a
15 financial institution, as defined in section 15-15-101 (3),
16 C.R.S., or from any insurance company OR FROM ANY WAGE AND
17 EMPLOYMENT DATA AVAILABLE FROM THE DEPARTMENT OF LABOR AND
18 EMPLOYMENT.

19 (d) Eligibility determination shall be made by the
20 department.

21 (14) With the approval of the ~~health--sciences--center~~
22 DEPARTMENT, any provider awarded a contract may enter into
23 subcontracts or other agreements for services related to the
24 program.

25 SECTION 7. 26-15-106, Colorado Revised Statutes, 1982
26 Repl. Vol., as amended, is amended BY THE ADDITION OF THE
27 FOLLOWING NEW SUBSECTIONS to read:

1 26-15-106. Responsibility of the department - provider
2 contracts - computerized data base established. (17) The
3 department shall not reimburse inpatient services which can be
4 performed as adequately and less expensively in the outpatient
5 setting.

6 (18) The department shall establish a computerized date
7 base for the medically indigent. Such date base shall be
8 compatible with other computer data systems utilized by the
9 department. The data base shall include the following
10 information:

11 (a) The name, date of birth, social security number, and
12 address of each applicant for care;

13 (b) The date of application;

14 (c) The providers who have provided care to the
15 individual, the dates when such care was provided, and the
16 nature of such care;

17 (d) The claims made by an individual, the basis for
18 being medically indigent, the pay classification of the
19 individual, and the date the individual was determined to be
20 medically indigent;

21 (e) The maximum medicaid reimbursement, if any, for an
22 individual and any amounts paid by the individual pursuant to
23 the program; and

24 (f) Any other information deemed necessary by the
25 department or the health data commission to effectively and
26 efficiently administer the program.

27 (19) Information in the data base shall be made readily

1 available to providers in a manner to aid diagnosis and
2 treatment and to the health data commission and shall be used
3 in the report concerning the program required by section
4 26-15-105. Information concerning specific individuals shall
5 be confidential and shall only be released to appropriate
6 health care providers or agencies.

7 (20) It is intended that such data base shall expedite
8 the process of verification procedures and information
9 exchanges concerning eligibility and accuracy with respect to
10 the keeping of records.

11 (21) Providers, as a part of the contract, shall be
12 responsible to provide charity care or charity educational
13 expense. For purposes of this subsection (21) "charity care
14 or charity educational program expense" means not less than
15 three percent of the total operating expense of a hospital
16 participating in this program which shall be provided at no
17 charge to indigent patients. Charity educational programs
18 shall include, but are not limited to, educational programs
19 designed for or including medically indigent persons who would
20 benefit from hospital-sponsored instruction to encourage
21 wellness, prevent illness or disease, or assist medically
22 indigent patients with specific medical conditions. The
23 amount of the credit toward the requirement for charity care
24 or charity educational programs for medically indigent
25 patients shall be determined under guidelines of the program
26 administrator.

27 SECTION 8. 26-15-107, Colorado Revised Statutes, 1982

1 Repl. Vol., as amended, is amended to read:

2 26-15-107. Joint review committee for the medically
3 indigent. In order to give guidance and direction to the
4 ~~health-sciences-center~~ DEPARTMENT in the development of the
5 program for the medically indigent and to provide legislative
6 overview of and advice concerning the development of the
7 program, there is hereby established the joint review
8 committee for the medically indigent. The membership of the
9 committee shall consist of six representatives appointed by
10 the speaker of the house of representatives and four senators
11 appointed by the president of the senate, who shall be
12 appointed no later than ten days after the convening of the
13 first regular session of each general assembly. ~~except that~~
14 ~~the members for the fifty-fourth general assembly may be~~
15 ~~appointed at any time after June 12, 1983.~~ The appointments
16 shall include representation from each of the political
17 parties. The committee shall meet when necessary with
18 providers and the ~~health-sciences-center~~ DEPARTMENT to review
19 progress in the development of the program. The committee may
20 consult with such experts as may be necessary. The staffs of
21 the legislative council and of the state ~~auditor~~ AUDITOR'S
22 OFFICE shall assist the committee.

23 SECTION 9. 26-15-109, Colorado Revised Statutes, 1982
24 Repl. Vol., as amended, is amended to read:

25 26-15-109. Community maternity services. Providers
26 awarded contracts for community maternity services shall be
27 reimbursed for low-risk deliveries at a single negotiated fee.

1 Reimbursement for medically low-risk women who complicate
2 prior to or during delivery or who have babies who require an
3 extended newborn stay shall be at a variable negotiated fee.
4 Patients must be receiving regular care and must be medically
5 low risk, according to standards promulgated by rule by the
6 ~~health-sciences-center~~ DEPARTMENT.

7 SECTION 10. Article 15 of title 26, Colorado Revised
8 Statutes, 1982 Repl. Vol., as amended, is amended BY THE
9 ADDITION OF A NEW SECTION to read:

10 26-15-109.5. Medically indigent program - payor of last
11 resort. All other means of payment shall be exhausted before
12 medically indigent funds are utilized for reimbursement
13 pursuant to this article. The medically indigent program
14 shall be the payor of last resort.

15 SECTION 11. 26-15-110 (2), Colorado Revised Statutes,
16 1982 Repl. Vol., as amended, is amended to read:

17 26-15-110. Existing programs included - exceptions -
18 appropriations. (2) The general assembly shall make annual
19 appropriations to the ~~health--sciences--center~~ DEPARTMENT to
20 accomplish the purposes of this article.

21 SECTION 12. Article 15 of title 26, Colorado Revised
22 Statutes, 1982 Repl. Vol., as amended, is amended BY THE
23 ADDITION OF THE FOLLOWING NEW SECTIONS to read:

24 26-15-110.2. Reference in contracts, documents.
25 Whenever the health sciences center is referred to or
26 designated by any contract or other document in connection
27 with the powers, duties, and functions vested in the

1 department by this article, such reference or designation
2 shall be deemed to apply to the department. All contracts
3 entered into by the health sciences center prior to July 1,
4 1985, in connection with the duties and functions transferred
5 to the department by this article are hereby validated, with
6 the department succeeding to all the rights and obligations of
7 such contracts.

8 26-15-110.5. Transfer of records, equipment, and moneys
9 to the department. All books, records, equipment, property,
10 accounts, and liabilities of the health sciences center which
11 pertain to the powers, duties, and functions vested in the
12 department by this article shall be transferred thereto. Any
13 moneys available from appropriations to the department of
14 higher education for purposes of this article, and any related
15 full-time equivalent authorizations, are hereby transferred
16 and appropriated to the department for such purposes.

17 SECTION 13. 26-15-112, Colorado Revised Statutes, 1982
18 Repl. Vol., as amended, is amended to read:

19 26-15-112. Penalties. (1) Any person who represents
20 that any medical service is reimbursable or subject to payment
21 under this article when he knows that it is not and any person
22 who represents that he is eligible for assistance under this
23 article when he knows that he is not commits a class 2
24 misdemeanor and shall be punished as provided in section
25 18-1-106, C.R.S.

26 (2) A SINGLE DETECTION OF FRAUD OR ABUSE COMMITTED BY A
27 RECIPIENT OR PROVIDER SHALL PRECLUDE RECEIPT OF BENEFITS OR

1 PAYMENTS FROM THE MEDICALLY INDIGENT PROGRAM FOR A PERIOD OF
2 TWO YEARS.

3 SECTION 14. Repeal. 2-3-1203 (3) (c) (VIII), Colorado
4 Revised Statutes, 1980 Repl. Vol., as amended, and 26-15-106
5 (7), (11), (12), and (15) and 26-15-108, Colorado Revised
6 Statutes, 1982 Repl. Vol., as amended, are repealed.

7 SECTION 15. Appropriation. In addition to any other
8 appropriation, there is hereby appropriated, out of any moneys
9 in the state treasury not otherwise appropriated, to the
10 department of social services, for the fiscal year beginning
11 July 1, 1988, the sum of _____ dollars (\$), or so
12 much thereof as may be necessary, to implement the provisions
13 of this act.

14 SECTION 16. Effective date. This act shall take effect
15 July 1, 1988.

16 SECTION 17. Safety clause. The general assembly hereby
17 finds, determines, and declares that this act is necessary
18 for the immediate preservation of the public peace, health,
19 and safety.

BILL 2

A BILL FOR AN ACT

1 CONCERNING ELIGIBILITY FOR BENEFITS UNDER THE "COLORADO
2 MEDICAL ASSISTANCE ACT" FOR CHILDREN AND PREGNANT WOMEN.

Bill Summary

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments which may be subsequently adopted.)

Establishes certain children and pregnant women as a new category of individuals eligible to receive assistance under the "Colorado Medical Assistance Act". Requires that a recipient's family income not exceed one hundred percent of the poverty line but exceed the income eligibility threshold used in determining eligibility for aid to families with dependent children. Requires a recipient to meet all other eligibility requirements for aid to families with dependent children. Limits the age eligibility of child recipients. Directs the department of social services to report as to the cost-effectiveness of maintaining the new category of eligible individuals, and sets a repeal date ending the eligibility period.

Establishes standards for a presumption of medical assistance eligibility for all pregnant women who are eligible to receive benefits under the "Colorado Medical Assistance Act."

3 Be it enacted by the General Assembly of the State of Colorado:
4 SECTION 1. 26-4-103 (2), Colorado Revised Statutes, 1982
5 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW

1 PARAGRAPH to read:

2 26-4-103. Definitions. (2) (e) Children and pregnant
3 women; except that, for the purpose of eligibility under this
4 paragraph (e) only:

5 (I) Such individuals' family income shall exceed the
6 eligibility threshold used in determining eligibility for aid
7 to families with dependent children assistance pursuant to
8 section 26-2-118, but shall not exceed the equivalent of one
9 hundred percent of the federal poverty line, as defined
10 pursuant to 42 U.S.C. section 9902(2);

11 (II) Such individuals shall meet all standards used to
12 determine eligibility for aid to families with dependent
13 children assistance except as provided in this paragraph (e);

14 (III) Children under the age of one year shall be
15 eligible to receive assistance.

16 (IV) By January 1, 1989, the state department shall
17 submit a written report to the joint budget committee
18 concerning the cost-effectiveness of maintaining eligibility
19 pursuant to this paragraph (e);

20 (V) This paragraph (e) is repealed, effective July 1,
21 1990.

22 SECTION 2. 26-4-107, Colorado Revised Statutes, 1982
23 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW
24 SUBSECTION to read:

25 26-4-107. Application - verification of eligibility -
26 eligibility for the elderly, blind, disabled requiring
27 intermediate care, and pregnant women. (5) Pregnant women

1 may be presumptively eligible to receive assistance in
2 accordance with the provisions of 42 U.S.C. section 1396a (a)
3 (47).

4 SECTION 3. Effective date. This act shall take effect
5 July 1, 1988.

6 SECTION 4. Safety clause. The general assembly hereby
7 finds, determines, and declares that this act is necessary
8 for the immediate preservation of the public peace, health,
9 and safety.

BILL 3

A BILL FOR AN ACT

1 CONCERNING PUBLIC ASSISTANCE BENEFITS.

Bill Summary

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments which may be subsequently adopted.)

Requires all applications for public assistance to contain questions relating to the citizenship of the applicant, the number of years the applicant has resided in the United States, and, if the applicant is an alien, the name of the person who sponsored the applicant's entry into the United States. Provides that, before such benefits may be awarded to an alien, the department of social services must determine that the nonrelative who sponsored the alien's entry into the United States must have insufficient income to meet the needs of such alien.

2 Be it enacted by the General Assembly of the State of Colorado:

3 SECTION 1. 26-2-106, Colorado Revised Statutes, 1982
4 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW
5 SUBSECTION to read:

6 26-2-106. Applications for public assistance.

7 (1.5) All applications for public assistance shall contain
8 the citizenship of the applicant, the number of years the

1 applicant has resided in the United States, and, if the
2 applicant is an alien, the name of the person, if any, who
3 sponsored the applicant's entry into the United States.

4 SECTION 2. 26-2-111 (2), Colorado Revised Statutes, 1982
5 Repl. Vol., as amended, is amended BY THE ADDITION OF A NEW
6 PARAGRAPH to read:

7 26-2-111. Eligibility for public assistance. (2) Old
8 age pension. (c) No alien who has resided in the United
9 States for less than three years shall be granted public
10 assistance under the provisions of this subsection (2) unless
11 it is shown that the person, other than a relative, who
12 sponsored the alien's entry into the United States and who
13 satisfied sponsorship financial requirements at the time of
14 initial sponsorship now has insufficient income, property, or
15 other resources to meet the needs of the alien as determined
16 pursuant to rules and regulations of the state department.

17 SECTION 3. No appropriation. The general assembly has
18 determined that this act can be implemented within existing
19 appropriations, and therefore no separate appropriation of
20 state moneys is necessary to carry out the purposes of this
21 act.

22 SECTION 4. Safety clause. The general assembly hereby
23 finds, determines, and declares that this act is necessary
24 for the immediate preservation of the public peace, health,
25 and safety.

BILL 4

A BILL FOR AN ACT

1 CONCERNING THE ASSESSMENT OF COSTS FOR INTERPRETERS' FEES IN
2 CRIMINAL CASES.

Bill Summary

(Note: This summary applies to this bill as introduced and does not necessarily reflect any amendments which may be subsequently adopted.)

Includes fees for interpreters required during depositions and trials as costs which may be assessed against offenders upon conviction of criminal offenses.

3 Be it enacted by the General Assembly of the State of Colorado:

4 SECTION 1. 16-11-501 (2), Colorado Revised Statutes,
5 1986 Repl. Vol., is amended BY THE ADDITION OF A NEW PARAGRAPH
6 to read:

7 16-11-501. Judgment for costs and fines. (2) (h.5) Any
8 fees for interpreters required during depositions or during
9 trials;

10 SECTION 2. Safety clause. The general assembly hereby
11 finds, determines, and declares that this act is necessary
12 for the immediate preservation of the public peace, health,
13 and safety.