

First Regular Session  
Seventy-first General Assembly  
STATE OF COLORADO

**REREVISED**

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

LLS NO. 17-0858.02 Brita Darling x2241

**HOUSE BILL 17-1343**

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**HOUSE SPONSORSHIP**

**Young,** Hamner, Rankin

**SENATE SPONSORSHIP**

**Moreno,** Lambert, Lundberg

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**House Committees**

Public Health Care & Human Services  
Appropriations

**Senate Committees**

Appropriations

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**A BILL FOR AN ACT**

101      **CONCERNING IMPLEMENTATION OF CONFLICT-FREE CASE**  
102            **MANAGEMENT FOR PERSONS WITH INTELLECTUAL AND**  
103            **DEVELOPMENTAL DISABILITIES WHO ARE ELIGIBLE FOR HOME-**  
104            **AND COMMUNITY-BASED SERVICES UNDER THE MEDICAID**  
105            **PROGRAM, AND, IN CONNECTION THEREWITH, MAKING AN**  
106            **APPROPRIATION.**

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**Bill Summary**

*(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov/>.)*

**Joint Budget Committee.** The bill implements conflict-free case

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.  
*Capital letters indicate new material to be added to existing statute.*  
*Dashes through the words indicate deletions from existing statute.*

SENATE  
3rd Reading Unamended  
May 9, 2017

SENATE  
2nd Reading Unamended  
May 8, 2017

HOUSE  
3rd Reading Unamended  
May 1, 2017

HOUSE  
2nd Reading Unamended  
April 28, 2017

management for persons with intellectual and developmental disabilities who are enrolled in home- and community-based services under Colorado's medicaid program.

The definition of conflict-free case management is included in the bill and reflects the policy that case management services are provided to a person with intellectual and developmental disabilities who is enrolled in home- and community-based services by an agency that is not also providing the same person services and supports unless a federal exemption is approved.

The bill defines and creates case management agencies that will provide case management services, and contains provisions for the department of health care policy and financing's (department) oversight of case management agencies. The state medical services board (state board) shall promulgate rules upon the enactment of the bill for the certification and decertification of case management agencies, as well as rules that ensure that a person with intellectual and developmental disabilities enrolled in home- and community-based services has access to case management services and that there is a process for a person to select the case management agency of his or her choice. A case management agency shall develop an individualized plan for these persons. Designated community-centered boards shall continue to develop individualized plans for a child with disabilities from birth to age 2 and for persons eligible for other programs. The bill makes conforming amendments in existing statutes to add references to case management agencies, where relevant.

The bill contains time frames for the implementation of conflict-free case management in Colorado. Initially, the department shall determine the options for community-centered boards to become compliant with conflict-free case management when serving persons with intellectual and developmental disabilities who are enrolled in home- and community-based services. Conflicted community-centered boards are required to develop a business continuity plan to transition to providing either case management services or services and supports to these persons. The bill includes a date by which all persons receiving home- and community-based services will be served through a system of conflict-free case management.

The bill authorizes the department to seek a federal exemption from conflict-free case management in geographic areas within the state where the only willing and qualified entity to provide case management services is also the only willing and qualified entity to provide home- and community-based services in that geographic area. The bill contains procedures and time frames for rural community-centered boards, as defined in the bill, to request that the department seek the federal exemption. The bill includes provisions relating to the denial of a federal exemption and requires state board rules for when a federal exemption is

pending and for when there are multiple agencies operating in the same geographic area.

The bill authorizes and prioritizes the use of money in the intellectual and developmental disabilities services cash fund (cash fund) for systems changes related to the implementation of conflict-free case management and repeals the cash fund in 2022.

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

2           **SECTION 1.** In Colorado Revised Statutes, 25.5-10-202, **amend**  
3 the introductory portion, (4), (14), (24)(b), (28), (29), and (36)  
4 introductory portion; **repeal** (2)(a); and **add** (1.9), (5.7), and (13.5) as  
5 follows:

6           **25.5-10-202. Definitions.** As used in this ~~article~~ ARTICLE 10,  
7 unless the context otherwise requires:

8           (1.9) "CASE MANAGEMENT AGENCY" MEANS A PUBLIC OR PRIVATE  
9 NOT-FOR-PROFIT OR FOR-PROFIT AGENCY THAT MEETS ALL APPLICABLE  
10 STATE AND FEDERAL REQUIREMENTS AND IS CERTIFIED BY THE STATE  
11 DEPARTMENT TO PROVIDE CASE MANAGEMENT SERVICES PURSUANT TO  
12 SECTION 25.5-10-209.5. THE CASE MANAGEMENT AGENCY SHALL PROVIDE  
13 CASE MANAGEMENT SERVICES PURSUANT TO A CONTRACT WITH THE STATE  
14 DEPARTMENT.

15           (2) "Case management services" means the following:

16           (a) ~~The determination of eligibility for services and supports;~~

17           (4) "Community-centered board" means a private corporation,  
18 for-profit or not-for-profit, that ~~when~~ IS designated pursuant to ~~section~~  
19 ~~25.5-10-208~~, ~~provides case management services to persons with~~  
20 ~~intellectual and developmental disabilities, is authorized to determine~~  
21 ~~eligibility of those persons within a specified geographical area, serves as~~  
22 ~~the single point of entry for persons to receive services and supports~~

1 ~~under this article, and provides authorized services and supports to those~~  
2 ~~persons either directly or by purchasing services and supports from~~  
3 ~~service agencies~~ SECTION 25.5-10-209.

4 (5.7) "CONFLICT-FREE CASE MANAGEMENT" MEANS, PURSUANT TO  
5 42 CFR 441.301 (c)(1)(VI), CASE MANAGEMENT SERVICES PROVIDED TO  
6 A PERSON WITH AN INTELLECTUAL AND DEVELOPMENTAL DISABILITY  
7 ENROLLED IN A HOME- AND COMMUNITY-BASED SERVICES WAIVER THAT  
8 ARE PROVIDED BY A CASE MANAGEMENT AGENCY THAT IS NOT THE SAME  
9 AGENCY THAT PROVIDES SERVICES AND SUPPORTS TO THAT PERSON.  
10 SERVICE AGENCIES AND CASE MANAGEMENT AGENCIES ARE RESPONSIBLE  
11 FOR ENSURING PERSONS WHO ARE EMPLOYED BY THE AGENCY MEET THE  
12 REQUIREMENTS OF THIS ARTICLE 10.

13 (13.5) "ELIGIBLE FOR HOME- AND COMMUNITY-BASED SERVICES"  
14 MEANS A "PERSON WITH AN INTELLECTUAL AND DEVELOPMENTAL  
15 DISABILITY", AS DEFINED IN SECTION 25.5-6-403, WHO MEETS THE  
16 DEFINITION OF AN "ELIGIBLE PERSON", AS DEFINED IN SECTION 25.5-6-403.

17 (14) "Eligible for supports and services" refers to any person with  
18 an intellectual and developmental disability as determined ~~eligible by the~~  
19 ~~A community-centered boards, BOARD~~ pursuant to ~~section 25.5-10-210~~  
20 SECTION 25.5-10-211.

21 (24) (b) Every individualized plan must include a statement of  
22 agreement with the plan, signed by the person receiving services or other  
23 such person legally authorized to sign on behalf of the person and by a  
24 representative of the community-centered board OR CASE MANAGEMENT  
25 AGENCY.

26 (28) "Interdisciplinary team" means a group of people convened  
27 by a designated community-centered board OR BY A CASE MANAGEMENT

1 AGENCY that includes the person receiving services; the parents or  
2 guardian of a minor; a guardian or an authorized representative, as  
3 appropriate; the person who coordinates the provisions of services and  
4 supports; and others ~~as determined by the person's needs and preference~~  
5 CHOSEN BY THE PERSON RECEIVING SERVICES, who are assembled to work  
6 in a cooperative manner to develop or review the individualized plan.

7 (29) "Least restrictive environment" means an environment that  
8 represents the least departure from the typical patterns of living and that  
9 effectively meets the needs and preferences of the person receiving  
10 services. "Least restrictive environment" may include, but need not be  
11 limited to, receiving services from a community-centered board, service  
12 agency, CASE MANAGEMENT AGENCY, or a family caregiver in the family  
13 home.

14 (36) "Services and supports" OR "SUPPORTS AND SERVICES" means  
15 one or more of the following: Education, training, independent or  
16 supported living assistance, therapies, identification of natural supports,  
17 and other activities provided:

18 **SECTION 2.** In Colorado Revised Statutes, 25.5-10-204, **amend**  
19 (1) introductory portion, (1)(a), and (1)(b) as follows:

20 **25.5-10-204. Duties of the executive director - state board**  
21 **rules.** (1) In order to implement the provisions of this ~~article~~ ARTICLE 10,  
22 the executive director shall, subject to available appropriations, carry out  
23 the following duties:

24 (a) Conduct monitoring and review activities that include  
25 community-centered boards, ~~and~~ service agencies, AND CASE  
26 MANAGEMENT AGENCIES;

27 (b) Provide or obtain training and technical assistance through

1 community-centered boards, ~~and~~ service agencies, AND CASE  
2 MANAGEMENT AGENCIES in order to improve the quality of services and  
3 supports provided to persons with intellectual and developmental  
4 disabilities;

5 **SECTION 3.** In Colorado Revised Statutes, 25.5-10-206, **amend**  
6 (1) introductory portion, (2), (3), (4)(a) introductory portion, (4)(b), and  
7 (5) as follows:

8 **25.5-10-206. Authorized services and supports - conditions of**  
9 **funding - purchase of services and supports - boards of county**  
10 **commissioners - appropriation.** (1) Subject to annual appropriations by  
11 the general assembly, the state department shall provide or purchase,  
12 pursuant to subsection (4) of this section, authorized services and  
13 supports from community-centered boards, CASE MANAGEMENT  
14 AGENCIES, or service agencies for persons who have been determined to  
15 be eligible for such services and supports pursuant to section 25.5-10-211  
16 and as specified in the eligible person's individualized plan. Those  
17 services and supports may include, but need not be limited to, the  
18 following:

19 (2) Service agencies, COMMUNITY-CENTERED BOARDS, AND CASE  
20 MANAGEMENT AGENCIES receiving funds pursuant to subsection (1) of  
21 this section shall comply with all of the provisions of this ~~article~~ ARTICLE  
22 10 and the rules promulgated thereunder.

23 (3) ~~Service and support coordination shall~~ CASE MANAGEMENT  
24 SERVICES MUST be purchased from the community-centered board  
25 designated pursuant to section 25.5-10-209 OR THE CASE MANAGEMENT  
26 AGENCY, except as otherwise provided in subsection (4) of this section.

27 (4) (a) The state department may purchase services and supports

1 ~~including service and support coordination,~~ directly from service agencies  
2 AND CASE MANAGEMENT SERVICES FROM CASE MANAGEMENT AGENCIES  
3 if:

4 (b) The state department shall only purchase services and supports  
5 directly from those community-centered boards, CASE MANAGEMENT  
6 AGENCIES, or service agencies that meet established standards.

7 (5) Governmental units, including but not limited to counties,  
8 municipalities, school districts, health service districts, and state  
9 institutions of higher education, are authorized at their own expense to  
10 furnish money, materials, or services and supports to persons with  
11 intellectual and developmental disabilities, or to purchase services and  
12 supports for such persons through designated community-centered  
13 boards, CASE MANAGEMENT AGENCIES, or service agencies, so long as no  
14 conditions or requirements imposed as a result of the provision or  
15 purchase ~~through a community-centered board or service agency~~ conflict  
16 with the provisions of this ~~article~~ ARTICLE 10 or the rules promulgated  
17 thereunder.

18 **SECTION 4.** In Colorado Revised Statutes, 25.5-10-207, **amend**  
19 (3) introductory portion, (3)(c), and (3)(d); and **add** (3)(e), (8), and (9) as  
20 follows:

21 **25.5-10-207. Services and supports - waiting list reduction -**  
22 **cash fund - repeal.** (3) The general assembly may annually appropriate  
23 ~~moneys~~ MONEY in the intellectual and developmental disabilities services  
24 cash fund to the state department for:

25 (c) Increasing system capacity for home- and community-based  
26 intellectual and developmental disabilities programs, services, and  
27 supports; ~~and~~

1 (d) The development of an assessment tool pursuant to section  
2 25.5-6-104 (5); AND

3 (e) SYSTEMS CHANGES RELATED TO ENSURING THAT THE SYSTEM  
4 OF SERVICES AND SUPPORTS IS COMPLIANT WITH CONFLICT-FREE CASE  
5 MANAGEMENT PROVISIONS PURSUANT TO SECTION 25.5-10-211.5.

6 (8) THE MONEY IN THE FUND SHALL BE PRIORITIZED FOR THE  
7 PURPOSE SET FORTH IN SUBSECTION (3)(e) OF THIS SECTION.

8 (9) (a) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2022.

9 (b) PRIOR TO ITS REPEAL, ANY REMAINING MONEY IN THE  
10 INTELLECTUAL AND DEVELOPMENTAL DISABILITIES SERVICES CASH FUND  
11 SHALL BE TRANSFERRED TO THE GENERAL FUND.

12 **SECTION 5.** In Colorado Revised Statutes, 25.5-10-208, **amend**  
13 (1), (2) introductory portion, (2)(b), (2)(c), and (4) as follows:

14 **25.5-10-208. Service agencies and case management agencies**  
15 **- money - rules.** (1) A service agency ~~including a community-centered~~  
16 ~~board when acting as a service agency~~, AND A CASE MANAGEMENT  
17 AGENCY shall comply with the requirements set forth in this ~~article~~  
18 ARTICLE 10 and the rules promulgated thereunder.

19 (2) The state board shall promulgate rules to implement the  
20 purchase of services and supports from a community-centered board,  
21 service agency, CASE MANAGEMENT AGENCY, or family caregiver. The  
22 rules ~~shall~~ MUST include, but need not be limited to:

23 (b) Procedures for obtaining an annual audit of designated  
24 community-centered boards, CASE MANAGEMENT AGENCIES, and service  
25 agencies ~~not affiliated with a designated community-centered board~~ to  
26 provide financial information deemed necessary by the state department  
27 to establish costs of services and supports and to ensure proper



1 management of ~~moneys~~ MONEY received pursuant to section 25.5-10-206;

2 (c) Delineation of a system to resolve contractual disputes  
3 between the state department and designated community-centered boards,  
4 ~~or~~ service agencies, OR CASE MANAGEMENT AGENCIES, and between  
5 designated community-centered boards and service agencies, including  
6 the contesting of any rates that the designated community-centered boards  
7 charge to service agencies based upon a percentage of the rates that  
8 service agencies charge for services and supports;

9 (4) Upon a determination by the executive director that services  
10 or supports have not been provided in accordance with the program or  
11 financial administration standards specified in this ~~article~~ ARTICLE 10 and  
12 the rules promulgated thereunder, the executive director may reduce,  
13 suspend, or withhold payment to a designated community-centered board,  
14 CASE MANAGEMENT AGENCY, ~~or~~ service agency under contract with a  
15 designated community-centered board, or service agency from which the  
16 state department purchased services or supports directly. When the  
17 executive director decides to reduce, suspend, or withhold payment, the  
18 executive director shall specify the reasons therefor and the actions that  
19 are necessary to bring the designated community-centered board, CASE  
20 MANAGEMENT AGENCY, or service agency into compliance.

21 **SECTION 6.** In Colorado Revised Statutes, 25.5-10-209, **amend**  
22 (2)(e) as follows:

23 **25.5-10-209. Community-centered boards - designation -**  
24 **purchase of services and supports - performance audits - Colorado**  
25 **local government audit law - public disclosure of board**  
26 **administration and operations.** (2) Once a community-centered board  
27 has been designated pursuant to this section, it shall, subject to available

1 appropriations:

2 (e) Provide case management services ~~including service and~~  
3 ~~support coordination~~ and periodic reviews PURSUANT TO SECTION  
4 25.5-10-211, for persons receiving services and families with children  
5 with intellectual and developmental disabilities or delays;

6 **SECTION 7.** In Colorado Revised Statutes, **add** 25.5-10-209.5  
7 as follows:

8 **25.5-10-209.5. Case management agencies - certification -**  
9 **purchase of services and supports - rules.** (1) IN ORDER TO BE  
10 CERTIFIED AS A CASE MANAGEMENT AGENCY, A PUBLIC OR PRIVATE  
11 FOR-PROFIT OR NOT-FOR-PROFIT AGENCY SHALL APPLY FOR CERTIFICATION  
12 TO THE STATE DEPARTMENT IN THE FORM AND MANNER SPECIFIED BY THE  
13 EXECUTIVE DIRECTOR. THE STATE BOARD SHALL PROMULGATE RULES FOR  
14 CERTIFICATION AND DECERTIFICATION OF CASE MANAGEMENT AGENCIES.

15 (2) ONCE CERTIFIED PURSUANT TO THIS SECTION, A CASE  
16 MANAGEMENT AGENCY SHALL, SUBJECT TO AVAILABLE APPROPRIATIONS:

17 (a) DETERMINE THE NEEDS OF A PERSON ENROLLED IN HOME- AND  
18 COMMUNITY-BASED SERVICES WHO SELECTS THE CASE MANAGEMENT  
19 AGENCY; AND

20 (b) PROVIDE CASE MANAGEMENT SERVICES AND PERIODIC REVIEWS  
21 PURSUANT TO SECTION 25.5-10-211.

22 (3) THE EXECUTIVE DIRECTOR OR HIS OR HER DESIGNEE SHALL  
23 REVIEW EACH CASE MANAGEMENT AGENCY TO ENSURE THAT THE AGENCY  
24 COMPLIES WITH THE REQUIREMENTS AND STANDARDS SET FORTH IN THIS  
25 ARTICLE 10 AND THE RULES PROMULGATED PURSUANT TO THIS ARTICLE  
26 10.

27 (4) THE STATE BOARD SHALL PROMULGATE RULES TO ENSURE

1 THAT:

2 (a) EACH ENROLLED PERSON WITH AN INTELLECTUAL AND  
3 DEVELOPMENTAL DISABILITY HAS ACCESS TO CASE MANAGEMENT  
4 SERVICES;

5 (b) A PERSON WHO IS ENROLLED IN HOME- AND  
6 COMMUNITY-BASED SERVICES AND OTHER PROGRAMS, AS DEFINED IN  
7 SECTION 25.5-10-202, IS NOT REQUIRED TO HAVE MULTIPLE CASE  
8 MANAGERS; AND

9 (c) THERE IS AN ESTABLISHED PROCESS FOR A PERSON TO SELECT  
10 THE CASE MANAGEMENT AGENCY OF HIS OR HER CHOICE.

11 (5) THE STATE BOARD SHALL BEGIN PROMULGATING RULES FOR  
12 CASE MANAGEMENT AGENCIES UPON THE EFFECTIVE DATE OF THIS  
13 SECTION.

14 **SECTION 8.** In Colorado Revised Statutes, 25.5-10-211, **amend**  
15 (1), (2), and (3); and **add** (2.5) as follows:

16 **25.5-10-211. Eligibility determination - individualized plan -**  
17 **periodic review - rules.** (1) (a) Any person may request an evaluation  
18 to determine whether he or she has an intellectual and developmental  
19 disability and is eligible to receive services and supports pursuant to this  
20 ~~article~~ ARTICLE 10. The person must apply for eligibility determination to  
21 the designated community-centered board in the designated service area  
22 where the person resides.

23 (b) Pursuant to the contract with the state department, designated  
24 community-centered boards shall determine whether a person is eligible  
25 to receive services and supports pursuant to this ~~article and, if so,~~ ARTICLE  
26 10. FOR PERSONS ELIGIBLE FOR SERVICES AND SUPPORTS OTHER THAN  
27 HOME- AND COMMUNITY-BASED SERVICES, THE DESIGNATED

1 COMMUNITY-CENTERED BOARD shall develop an individualized plan for  
2 him or her as part of his or her enrollment into a program. ~~The state board~~  
3 ~~shall promulgate rules, pursuant to article 4 of title 24, C.R.S., setting~~  
4 ~~forth the procedure and criteria for determination of eligibility and~~  
5 ~~individualized plan development. The procedure and criteria shall be~~  
6 ~~uniform in nature and applied throughout the state in a consistent manner.~~

7 (c) FOR A PERSON ELIGIBLE FOR AND AUTHORIZED TO RECEIVE  
8 HOME- AND COMMUNITY-BASED SERVICES, DESIGNATED  
9 COMMUNITY-CENTERED BOARDS SHALL REFER THE PERSON TO A  
10 THIRD-PARTY ENTITY FOR SELECTION OF A CASE MANAGEMENT AGENCY.

11 (2) (a) Following intake and assessment, PURSUANT TO  
12 SUBSECTION (2)(b) OF THIS SECTION, the designated community-centered  
13 board OR THE CASE MANAGEMENT AGENCY CHOSEN BY THE PERSON shall  
14 develop an individualized plan as provided by rules promulgated by the  
15 state board. The designated community-centered board shall develop an  
16 individualized family service plan for a child with disabilities from birth  
17 through two years of age pursuant to section 27-10.5-703. ~~C.R.S.~~

18 (b) (I) THE CASE MANAGEMENT AGENCY SHALL DEVELOP AN  
19 INDIVIDUALIZED PLAN FOR PERSONS ENROLLED IN HOME- AND  
20 COMMUNITY-BASED SERVICES.

21 (II) THE DESIGNATED COMMUNITY-CENTERED BOARD SHALL  
22 DEVELOP AN INDIVIDUALIZED PLAN FOR PERSONS ELIGIBLE FOR OTHER  
23 PROGRAMS, AS DEFINED IN SECTION 25.5-10-202, AND FOR A CHILD WITH  
24 DISABILITIES FROM BIRTH THROUGH TWO YEARS OF AGE PURSUANT TO  
25 SECTION 27-10.5-703.

26 (2.5) THE STATE BOARD SHALL PROMULGATE RULES PURSUANT TO  
27 ARTICLE 4 OF TITLE 24 SETTING FORTH THE PROCEDURE AND CRITERIA FOR

1 DETERMINATION OF ELIGIBILITY AND INDIVIDUALIZED PLAN  
2 DEVELOPMENT. THE PROCEDURE AND CRITERIA MUST BE UNIFORM IN  
3 NATURE AND APPLIED THROUGHOUT THE STATE IN A CONSISTENT MANNER.  
4 THE PROCEDURE AND CRITERIA ESTABLISHED BY THE STATE BOARD MUST  
5 CONFORM WITH THE PROVISIONS OF SECTION 25.5-10-211.5 RELATING TO  
6 CONFLICT-FREE CASE MANAGEMENT.

7 (3) Subject to available appropriations pursuant to section  
8 25.5-10-206 and to the capacity of an individual service agency, the  
9 person with an intellectual and developmental disability must be provided  
10 options for services and supports within the designated service area that  
11 can appropriately meet the person's identified needs, as identified  
12 pursuant to subsection (2) of this section, and may select the CASE  
13 MANAGEMENT AGENCY AND service agency from which to receive  
14 services or supports.

15 **SECTION 9.** In Colorado Revised Statutes, **add** 25.5-10-211.5  
16 as follows:

17 **25.5-10-211.5. Conflict-free case management -**  
18 **implementation - legislative declaration - definition.** (1) THE GENERAL  
19 ASSEMBLY ACKNOWLEDGES THE RIGHTS OF INDIVIDUALS TO MAKE  
20 CHOICES REGARDING THEIR CASE MANAGEMENT AGENCY AND SERVICE  
21 AGENCY. THEREFORE, THE GENERAL ASSEMBLY BELIEVES THERE EXISTS  
22 THE NEED TO ENSURE CONFLICT-FREE CASE MANAGEMENT SERVICES  
23 WITHIN THE MEDICAID WAIVERS FOR PERSONS WITH INTELLECTUAL AND  
24 DEVELOPMENTAL DISABILITIES.

25 (2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE  
26 REQUIRES, "RURAL COMMUNITY-CENTERED BOARD" MEANS A  
27 COMMUNITY-CENTERED BOARD COMPRISED PRIMARILY OF COUNTIES

1 DESIGNATED BY THE STATE OFFICE OF RURAL HEALTH AS A RURAL OR  
2 FRONTIER COUNTY.

3 (3) A CONFLICT-FREE CASE MANAGEMENT SYSTEM SHALL BE  
4 IMPLEMENTED IN COLORADO AS FOLLOWS:

5 (a) NO LATER THAN JULY 1, 2017, THE STATE DEPARTMENT SHALL  
6 DETERMINE THE OPTIONS FOR COMMUNITY-CENTERED BOARDS TO BECOME  
7 COMPLIANT WITH CONFLICT-FREE CASE MANAGEMENT;

8 (b) NO LATER THAN JANUARY 1, 2018, THE STATE DEPARTMENT  
9 SHALL PUBLISH GUIDANCE ON THE COMPONENTS OF A BUSINESS  
10 CONTINUITY PLAN;

11 (c) NO LATER THAN JULY 1, 2018, EACH COMMUNITY-CENTERED  
12 BOARD SHALL SUBMIT A BUSINESS CONTINUITY PLAN TO THE STATE  
13 DEPARTMENT BASED ON THE BEST OPTION FOR THE  
14 COMMUNITY-CENTERED BOARD PURSUANT TO SUBSECTION (3)(a) OF THIS  
15 SECTION;

16 (d) ONCE A COMMUNITY-CENTERED BOARD HAS SUBMITTED ITS  
17 BUSINESS CONTINUITY PLAN, ON OR BEFORE JUNE 30, 2019, THE STATE  
18 DEPARTMENT SHALL COMPLETE AN ANALYSIS OF THE ADEQUACY OF THE  
19 CONTINUITY PLAN, UNREIMBURSED TRANSITION COSTS, AND COMMUNITY  
20 IMPACTS OF THE TRANSITION TO CONFLICT-FREE CASE MANAGEMENT;

21 (e) NO LATER THAN JUNE 30, 2020, A COMMUNITY-CENTERED  
22 BOARD SHALL COMPLETE ANY NECESSARY CHANGES TO ITS BUSINESS  
23 OPERATION THAT ARE REQUIRED TO IMPLEMENT ITS BUSINESS CONTINUITY  
24 PLAN;

25 (f) NO LATER THAN JUNE 30, 2021, AT LEAST TWENTY-FIVE  
26 PERCENT OF CLIENTS RECEIVING HOME- AND COMMUNITY-BASED SERVICES  
27 MUST BE SERVED THROUGH A SYSTEM OF CONFLICT-FREE CASE

1 MANAGEMENT; AND

2 (g) NO LATER THAN JUNE 30, 2022, ALL CLIENTS RECEIVING HOME-  
3 AND COMMUNITY-BASED SERVICES MUST BE SERVED THROUGH A SYSTEM  
4 OF CONFLICT-FREE CASE MANAGEMENT.

5 (4) **Rural-based services - exemption.** (a) THE STATE  
6 DEPARTMENT IS AUTHORIZED TO SEEK A FEDERAL EXEMPTION FROM  
7 CONFLICT-FREE CASE MANAGEMENT REQUIREMENTS FOR GEOGRAPHIC  
8 AREAS WITHIN THE STATE WHERE THE ONLY WILLING AND QUALIFIED  
9 ENTITY TO PROVIDE CASE MANAGEMENT SERVICES IS ALSO THE ONLY  
10 WILLING AND QUALIFIED ENTITY TO PROVIDE HOME- AND  
11 COMMUNITY-BASED SERVICES IN THAT GEOGRAPHIC AREA.

12 (b) A RURAL COMMUNITY-CENTERED BOARD MUST INITIALLY  
13 NOTIFY THE STATE DEPARTMENT IN WRITING, NO LATER THAN JULY 1,  
14 2017, TO REQUEST THAT THE STATE DEPARTMENT SEEK A FEDERAL  
15 EXEMPTION FOR ITS DESIGNATED SERVICE AREA, AS DEFINED IN SECTION  
16 25.5-10-202. UPON RECEIPT OF THE NOTICE, THE STATE DEPARTMENT  
17 SHALL EVALUATE CASE MANAGEMENT SERVICE PROVIDER CAPACITY, AND,  
18 IF THE STATE DEPARTMENT DETERMINES THAT IT IS SUPPORTED, THE STATE  
19 DEPARTMENT SHALL SEEK A FEDERAL EXEMPTION FOR ITS DESIGNATED  
20 SERVICE AREA WITHIN A REASONABLE PERIOD OF TIME.

21 (c) UPON NOTIFICATION OF FEDERAL APPROVAL OR DENIAL OF A  
22 FEDERAL EXEMPTION FROM CONFLICT-FREE CASE MANAGEMENT  
23 REQUIREMENTS, THE RURAL COMMUNITY-CENTERED BOARD SHALL SUBMIT  
24 A BUSINESS CONTINUITY PLAN AND COMMENCE ANY NECESSARY CHANGES  
25 TO ITS BUSINESS OPERATION PURSUANT TO SUBSECTION (3)(e) OF THIS  
26 SECTION.

27 (d) THE STATE BOARD SHALL PROMULGATE RULES FOR THE

1 PROVISION OF SERVICES AND SUPPORTS, INCLUDING SERVICES AND  
2 SUPPORTS COORDINATION, WHEN THERE ARE MULTIPLE AGENCIES  
3 OPERATING IN A SPECIFIED GEOGRAPHIC AREA.

4 (e) IF THE STATE DEPARTMENT HAS NOT RECEIVED NOTIFICATION  
5 BY JULY 1, 2019, REGARDING APPROVAL OR DENIAL FOR A FEDERAL  
6 EXEMPTION FROM CONFLICT-FREE CASE MANAGEMENT REQUIREMENTS,  
7 THE STATE BOARD SHALL PROMULGATE RULES FOR THE PROVISION OF  
8 SERVICES AND SUPPORTS, INCLUDING SERVICES AND SUPPORTS  
9 COORDINATION, FOR DESIGNATED SERVICE AREAS WHERE A FEDERAL  
10 EXEMPTION FROM CONFLICT-FREE CASE MANAGEMENT IS PENDING.

11 (f) IN ORDER TO ENSURE STABILITY, CLIENT CHOICE, AND ACCESS  
12 TO SERVICES IN RURAL COMMUNITIES, THE STATE BOARD SHALL  
13 PROMULGATE RULES, AS PERMITTED UNDER FEDERAL LAW, THAT ALLOW  
14 A QUALIFIED ENTITY TO PROVIDE BOTH CASE MANAGEMENT SERVICES AND  
15 HOME- AND COMMUNITY-BASED SERVICES TO THE SAME INDIVIDUAL IF  
16 THERE IS INSUFFICIENT CHOICE OR CAPACITY AMONG EXISTING SERVICE  
17 AGENCIES OR CASE MANAGEMENT AGENCIES SERVING A DESIGNATED  
18 SERVICE AREA OF A RURAL COMMUNITY-CENTERED BOARD.

19 (5) THE STATE BOARD SHALL AMEND ITS RULES CONSISTENT WITH  
20 CHANGES IN FEDERAL LAW AS SET FORTH IN 42 CFR (c)(1)(VI), INCLUDING  
21 CHANGES RELATING TO ALLOWABLE EXEMPTIONS.

22 **SECTION 10. Appropriation.** (1) For the 2017-18 state fiscal  
23 year, \$75,000 is appropriated to the department of health care policy and  
24 financing for use by the executive director's office. This appropriation is  
25 from the intellectual and developmental disabilities services cash fund  
26 created in section 25.5-10-207 (1), C.R.S. To implement this act, the  
27 office may use this appropriation for general professional services and



1 special projects.

2 (2) For the 2017-18 state fiscal year, the general assembly  
3 anticipates that the department of health care policy and financing will  
4 receive \$75,000 in federal funds to implement this act, which amount is  
5 included for informational purposes only. The appropriation in subsection  
6 (1) of this section is based on the assumption that the department will  
7 receive this amount of federal funds to be used for general professional  
8 services and special projects.

9 (3) For the 2017-18 state fiscal year, \$36,398 is appropriated to  
10 the department of health care policy and financing for use by the office  
11 of community living. This appropriation is from the intellectual and  
12 developmental disabilities services cash fund created in section  
13 25.5-10-207 (1), C.R.S. To implement this act, the office may use this  
14 appropriation as follows:

15 (a) \$33,571 for personal services, which amount is based on an  
16 assumption that the office will require an additional 1.0 FTE; and

17 (b) \$2,827 for operating expenses.

18 (4) For the 2017-18 state fiscal year, the general assembly  
19 anticipates that the department of health care policy and financing will  
20 receive \$36,396 in federal funds to implement this act, which amount is  
21 included for informational purposes only. The appropriation in subsection  
22 (3) of this section is based on the assumption that the department will  
23 receive this amount of federal funds to be used as follows:

24 (a) \$33,570 for personal services; and

25 (b) \$2,826 for operating expenses.

26 **SECTION 11. Safety clause.** The general assembly hereby finds,

- 1 determines, and declares that this act is necessary for the immediate
- 2 preservation of the public peace, health, and safety.