

HOUSE COMMITTEE OF REFERENCE AMENDMENT

Committee on Public & Behavioral Health & Human Services.

SB21-137 be amended as follows:

1 Amend reengrossed bill, page 7, strike lines 23 through 27.

2 Page 8, strike lines 1 through 22 and substitute:

3 **"SECTION 8.** In Colorado Revised Statutes, **add 25.5-5-423** as
4 follows:

5 **25.5-5-423. Residential and inpatient substance use disorder**
6 **treatment - MCE standardized utilization management process -**
7 **medical necessity - report.** (1) ON OR BEFORE OCTOBER 1, 2021, THE
8 STATE DEPARTMENT SHALL CONSULT WITH THE OFFICE OF BEHAVIORAL
9 HEALTH IN THE DEPARTMENT OF HUMAN SERVICES, RESIDENTIAL
10 TREATMENT PROVIDERS, AND MCEs TO DEVELOP STANDARDIZED
11 UTILIZATION MANAGEMENT PROCESSES TO DETERMINE MEDICAL
12 NECESSITY FOR RESIDENTIAL AND INPATIENT SUBSTANCE USE DISORDER
13 TREATMENT. THE PROCESSES MUST INCORPORATE THE MOST RECENT
14 EDITION OF "THE ASAM CRITERIA FOR ADDICTIVE, SUBSTANCE-RELATED,
15 AND CO-OCCURRING CONDITIONS" AND ALIGN WITH FEDERAL MEDICAID
16 PAYMENT REQUIREMENTS.

17 (2) ON OR BEFORE JANUARY 1, 2022, THE STATE DEPARTMENT
18 SHALL INCORPORATE THE STANDARDS DEVELOPED PURSUANT TO
19 SUBSECTION (1) OF THIS SECTION INTO EXISTING MCE CONTRACTS, AND
20 EACH MCE SHALL ADHERE TO THE STANDARDS WHEN CONDUCTING
21 UTILIZATION MANAGEMENT FOR RESIDENTIAL AND INPATIENT SUBSTANCE
22 USE DISORDER TREATMENT.

23 (3) ON OR BEFORE JANUARY 1, 2022, EACH MCE'S NOTICE OF AN
24 ADVERSE BENEFIT DETERMINATION MUST DEMONSTRATE HOW EACH
25 DIMENSION OF THE MOST RECENT EDITION OF "THE ASAM CRITERIA FOR
26 ADDICTIVE, SUBSTANCE-RELATED, AND CO-OCCURRING CONDITIONS"
27 WAS CONSIDERED WHEN DETERMINING MEDICAL NECESSITY.

28 (4) (a) BEGINNING OCTOBER 1, 2021, AND QUARTERLY
29 THEREAFTER, THE STATE DEPARTMENT SHALL COLLABORATE WITH THE
30 OFFICE OF BEHAVIORAL HEALTH IN THE DEPARTMENT OF HUMAN SERVICES,
31 RESIDENTIAL TREATMENT PROVIDERS, AND MCEs TO DEVELOP A REPORT
32 ON THE RESIDENTIAL AND INPATIENT SUBSTANCE USE DISORDER
33 UTILIZATION MANAGEMENT STATISTICS. AT A MINIMUM, THE REPORT MUST
34 INCLUDE:

35 (I) THE AVERAGE LENGTH OF AN INITIAL AUTHORIZATION AND THE
36 AVERAGE LENGTH OF CONTINUED AUTHORIZATIONS FOR EACH MCE AND
37 PROVIDER DISAGGREGATED BY LEVEL OF RESIDENTIAL CARE;

38 (II) DENIALS OF INITIAL AUTHORIZATIONS REPORTED FOR EACH
39 MCE AND PROVIDER AND THE REASONS FOR THE DENIALS; AND

1 (III) THE AVERAGE RESPONSE TIME FOR AN INITIAL
2 AUTHORIZATION AND CONTINUED AUTHORIZATION, DISAGGREGATED BY
3 EACH MCE; LEVEL OF RESIDENTIAL CARE, INCLUDING THE PERCENTAGE OF
4 EXTENSIONS GRANTED TO HEALTH-CARE PROVIDERS TO SUBMIT COMPLETE
5 CLINICAL DOCUMENTATION; RETROACTIVE AUTHORIZATION REQUESTS;
6 INCOMPLETE AUTHORIZATION REQUESTS; AND THE NUMBER OF REQUESTS
7 THAT MET AND DID NOT MEET THE STATE DEPARTMENT'S RESPONSE TIME
8 REQUIREMENTS.

9 (b) THE STATE DEPARTMENT SHALL MAKE THE REPORT DEVELOPED
10 PURSUANT TO SUBSECTION (4)(a) OF THIS SECTION PUBLICLY AVAILABLE
11 ON THE STATE DEPARTMENT'S WEBSITE.

12 (c) ANY INFORMATION REQUIRED TO BE REPORTED PURSUANT TO
13 SUBSECTION (4)(a) OF THIS SECTION MAY BE AGGREGATED AS NECESSARY
14 TO ENSURE CONFIDENTIALLY PURSUANT TO 42 CFR PART 2.

15 **SECTION 9.** In Colorado Revised Statutes, **add 25.5-5-424** as
16 follows:

17 **25.5-5-424. Audit of MCE denials for residential and inpatient**
18 **substance use disorder treatment authorization - report.** (1) NO
19 LATER THAN JULY 1, 2022, THE STATE DEPARTMENT SHALL CONTRACT
20 WITH AN INDEPENDENT THIRD-PARTY VENDOR TO AUDIT THIRTY-THREE
21 PERCENT OF ALL DENIALS OF AUTHORIZATION FOR INPATIENT AND
22 RESIDENTIAL SUBSTANCE USE DISORDER TREATMENT FOR EACH MCE.

23 (2) BEGINNING DECEMBER 1, 2022, AND EACH DECEMBER 1
24 THEREAFTER, THE STATE DEPARTMENT SHALL SUBMIT THE RESULTS OF THE
25 AUDIT CONDUCTED PURSUANT TO SUBSECTION (1) OF THIS SECTION AND
26 ANY RECOMMENDED CHANGES TO THE RESIDENTIAL AND INPATIENT
27 SUBSTANCE USE DISORDER BENEFIT TO THE HOUSE OF REPRESENTATIVES
28 HEALTH AND INSURANCE COMMITTEE, THE HOUSE OF REPRESENTATIVES
29 PUBLIC AND BEHAVIORAL HEALTH AND HUMAN SERVICES COMMITTEE, THE
30 SENATE HEALTH AND HUMAN SERVICES COMMITTEE, OR THEIR SUCCESSOR
31 COMMITTEES, AND THE JOINT BUDGET COMMITTEE."

32 Renumber succeeding sections accordingly.

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