

An Act

HOUSE BILL 26-1429

BY REPRESENTATIVE(S) Brown and Sirota, Taggart, Bacon, Boesenecker, Duran, Gilchrist, Lindsay, Nguyen, Rutinel, McCluskie; also SENATOR(S) Bridges and Kirkmeyer, Amabile, Cutter, Exum, Gonzales J., Jodeh, Kipp, Marchman, Simpson, Coleman.

CONCERNING THE CONSOLIDATED ADMINISTRATION OF PUBLIC ASSISTANCE PROGRAMS, AND, IN CONNECTION THEREWITH, MAKING AND REDUCING AN APPROPRIATION.

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

SECTION 1. Legislative declaration. (1) The general assembly finds and declares that:

(a) Access to public benefits is fundamental to the health, stability, and economic security of Colorado residents; the systems used to administer those benefits must be accessible, efficient, and reliable;

(b) Modern, integrated technology systems are necessary to support efficient program administration, improve client experience, and ensure timely and effective delivery of benefits and services;

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

(c) The state's current benefits technology infrastructure is fragmented, difficult to navigate, and imposes administrative burdens on applicants, recipients, and staff who determine applicant eligibility, which may limit access to services for eligible individuals and families;

(d) Colorado has the opportunity to redesign its benefits infrastructure through modular technology built on published, open standards—preserving state control of technology direction; ensuring ongoing development of a comprehensive, long-term plan to redesign the state's public benefits system to support cost mitigation; and increasing administrative efficiency and the delivery of high-quality services for individuals and families; and

(e) To ensure effective change management and minimize disruption to services for individuals and families, the approach to redesigning the safety net must occur within established timelines and include structured planning processes, intentional stakeholder engagement, and regular progress updates to the general assembly.

(2) The general assembly further declares that:

(a) The department of human services, the department of early childhood, and the department of health care policy and financing, in partnership with counties, front line workers, and other interested stakeholders, shall conduct a structured, facilitated process to ensure that Colorado operates a redesigned public benefits delivery model consisting of no more than twelve cohorts of counties working together to administer public assistance programs no later than July 1, 2028;

(b) The public benefits delivery system redesign:

(I) Replaces existing benefits technology with modular solutions built on published, open standards to ensure adaptability, preserve state control of technology direction, and enable continuous improvement in service delivery;

(II) Ensures state-directed product management so the state retains authority over strategy, roadmap, and measurement of user outcomes and experience;

(III) Streamlines access through unified systems that are integrated across programs to improve coordination and reduce administrative burden on residents, applicants, and eligibility technicians;

(IV) Designs eligibility, enrollment, and redetermination processes around the whole person using plain language and simple processes so that seeking help is straightforward, dignified, and accessible regardless of language or ability; and

(V) Adopts published, open standards and interoperability requirements to ensure ongoing vendor competition and competitive procurement that drives the best outcomes for residents; and

(c) The redesign of the state's benefits technology infrastructure is a priority necessary to support improved program administration and resident service delivery. State agencies responsible for benefits administration should coordinate across programs, prioritize implementation of redesign efforts, and report annually to the general assembly, including working demonstrations of deployed service improvements and measurable outcomes for residents.

SECTION 2. In Colorado Revised Statutes, **add** 25.5-1-210 as follows:

25.5-1-210. Centralized member integrity service - transition plan - member integrity service fund.

(1) THE STATE DEPARTMENT, IN COORDINATION WITH THE DEPARTMENT OF HUMAN SERVICES AND THE DEPARTMENT OF EARLY CHILDHOOD, SHALL CONTRACT WITH A SINGLE COUNTY DEPARTMENT TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE. PURSUANT TO THE TERMS OF THE CONTRACT, THE COUNTY ADMINISTERING THE CENTRALIZED MEMBER INTEGRITY SERVICE MAY SUBCONTRACT WITH OTHER COUNTIES TO FULFILL ITS OBLIGATIONS. THE CENTRALIZED MEMBER INTEGRITY SERVICE MUST BE OPERATIONAL AND UTILIZED ON JULY 1, 2027.

(2) THE CENTRALIZED MEMBER INTEGRITY SERVICE IS RESPONSIBLE FOR CONDUCTING FRAUD INVESTIGATIONS FOR FRAUD CLAIMS, FRAUD RECOVERY, FRAUD DISPUTE RESOLUTION CONFERENCES, AND STATE-LEVEL FRAUD HEARINGS, INTENTIONAL PROGRAM VIOLATION WAIVERS, AND

CRIMINAL COURT PROCEEDINGS, CONCERNING PROGRAM ELIGIBILITY OR FRAUD AFFECTING ELECTRONIC BENEFITS TRANSFER CARDS OR SIMILAR CREDIT-CARD-TYPE DEVICES THROUGH WHICH FOOD STAMP OR CASH ASSISTANCE BENEFITS MAY BE DELIVERED.

(3) THE CENTRALIZED MEMBER INTEGRITY SERVICE MUST BE UTILIZED FOR THE FOLLOWING PUBLIC ASSISTANCE PROGRAMS:

(a) THE MEDICAL ASSISTANCE PROGRAM ESTABLISHED PURSUANT TO ARTICLES 4 TO 6 OF THIS TITLE 25.5;

(b) THE CHILDREN'S BASIC HEALTH PLAN ESTABLISHED PURSUANT TO ARTICLE 8 OF TITLE 25.5;

(c) THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM ESTABLISHED PURSUANT TO PART 3 OF ARTICLE 2 OF TITLE 26;

(d) THE COLORADO CHILD CARE ASSISTANCE PROGRAM ESTABLISHED PURSUANT TO PART 1 OF ARTICLE 4 OF TITLE 26.5;

(e) THE TEMPORARY ASSISTANCE FOR NEEDY FAMILIES PROGRAM, AS DEFINED IN SECTION 26-2-703; AND

(f) ADULT FINANCIAL PROGRAMS ESTABLISHED PURSUANT TO PART 1 OF ARTICLE 2 OF TITLE 26, WHICH INCLUDES THE OLD AGE PENSION, AID TO THE NEEDY DISABLED, AND HOME CARE ALLOWANCE.

(4) (a) BY JANUARY 1, 2027, THE STATE DEPARTMENTS SHALL COLLABORATE WITH THE COUNTY DEPARTMENTS TO CREATE A TRANSITION PLAN THAT MUST BE USED TO TRANSITION COUNTIES TO THE CENTRALIZED MEMBER INTEGRITY SERVICE.

(b) THE TRANSITION PLAN MUST OUTLINE THE PARAMETERS FOR COUNTY DEPARTMENT FRAUD AND PROGRAM INTEGRITY FUNCTIONS, INCLUDING FRAUD CLAIMS, FRAUD RECOVERY, FRAUD DISPUTE RESOLUTION CONFERENCES, AND STATE-LEVEL FRAUD HEARINGS, RELATED TO THE PROGRAMS DETAILED IN SUBSECTION (3) OF THIS SECTION.

(c) THE TRANSITION PLAN MUST INCLUDE A PHASED TRANSITION PROCESS, WHICH BEGINS JULY 1, 2027, AND CONCLUDES WITH ALL FRAUD

AND PROGRAM INTEGRITY FUNCTIONS BEING CONDUCTED THROUGH THE CENTRALIZED MEMBER INTEGRITY SERVICE BY JULY 1, 2028.

(d) A COUNTY DEPARTMENT SHALL CONTINUE TO CONDUCT AND COMPLETE FRAUD PROGRAM INTEGRITY FUNCTIONS IN ACCORDANCE WITH ALL APPLICABLE STATE AND FEDERAL LAWS AND REGULATIONS UNTIL THE COUNTY DEPARTMENT HAS TRANSITIONED TO THE CENTRALIZED MEMBER INTEGRITY SERVICE IN ACCORDANCE WITH THE TRANSITION PLAN. ALL FRAUD AND PROGRAM INTEGRITY FUNCTIONS, INCLUDING OPEN INVESTIGATIONS, UNWORKED REFERRALS, RECOVERIES, FRAUD DISPUTE RESOLUTION CONFERENCES, STATE-LEVEL FRAUD HEARINGS, INTENTIONAL PROGRAM VIOLATION WAIVERS, AND CRIMINAL COURT PROCEEDINGS, MUST BE TRANSFERRED TO THE CENTRALIZED MEMBER INTEGRITY SERVICE BY JULY 1, 2028.

(5) (a) THE CENTRALIZED MEMBER INTEGRITY SERVICE CASH FUND IS CREATED IN THE STATE TREASURY. THE FUND CONSISTS OF RECOUPED MONEY BY THE STATE DEPARTMENT THAT RESULTS FROM MEMBER FRAUD INVESTIGATIONS AND ANY OTHER MONEY THAT THE GENERAL ASSEMBLY MAY APPROPRIATE OR TRANSFER TO THE FUND. SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY, MONEY IN THE FUND MAY BE USED FOR THE ADMINISTRATION OF CENTRALIZED MEMBER INTEGRITY SERVICE FUNCTIONS AS REQUIRED BY THIS SECTION, INCLUDING CONTRACTOR EXPENSES.

(b) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE CENTRALIZED MEMBER INTEGRITY SERVICE CASH FUND TO THE FUND.

SECTION 3. In Colorado Revised Statutes, add 26-1-119.5 as follows:

26-1-119.5. State and county departments - minimum requirements - state supervision - corrective action protocols - definitions - legislative declaration.

(1) (a) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT:

(I) COLORADO CURRENTLY OPERATES A STATE-SUPERVISED, COUNTY-ADMINISTERED HUMAN SERVICES SYSTEM IN WHICH COUNTIES

DELIVER SERVICES DIRECTLY TO RESIDENTS;

(II) CONSISTENT STATEWIDE PERFORMANCE REQUIREMENTS, INCLUDING OVERSIGHT AND PERFORMANCE IMPROVEMENT PROCESSES, ARE NECESSARY TO ENSURE THAT INDIVIDUALS AND FAMILIES RECEIVE SERVICES IN ACCORDANCE WITH STATE LAW, FEDERAL REQUIREMENTS, AND PROGRAM STANDARDS;

(III) PERFORMANCE REQUIREMENTS, INCLUDING OVERSIGHT AND CORRECTIVE ACTION PROCESSES, CURRENTLY VARY ACROSS PUBLIC ASSISTANCE PROGRAMS ADMINISTERED BY THE DEPARTMENT OF HUMAN SERVICES, THE DEPARTMENT OF EARLY CHILDHOOD, AND THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING, RESULTING IN INCONSISTENCIES IN ACCOUNTABILITY, TRANSPARENCY, AND SUPPORT; AND

(IV) ESTABLISHING A STANDARDIZED FRAMEWORK FOR PERFORMANCE REQUIREMENTS, MONITORING, AND CORRECTIVE ACTION THROUGH STREAMLINED CONTRACTS BETWEEN THE STATE AND COUNTIES PROMOTES TRANSPARENCY, ACCOUNTABILITY, AND EFFECTIVE PARTNERSHIP BETWEEN THE STATE AND COUNTIES TO DELIVER SERVICES TO INDIVIDUALS AND FAMILIES.

(b) THE GENERAL ASSEMBLY FURTHER FINDS AND DECLARES THAT A CONSISTENT CORRECTIVE ACTION FRAMEWORK MUST ENSURE:

(I) EARLY IDENTIFICATION OF PERFORMANCE CONCERNS;

(II) TIMELY TECHNICAL ASSISTANCE AND SUPPORT;

(III) CLEAR EXPECTATIONS FOR CORRECTIVE ACTIONS; AND

(IV) APPROPRIATE REMEDIAL MEASURES WHEN SYSTEMIC ISSUES REMAIN UNRESOLVED.

(2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "ADULT FINANCIAL PROGRAMS" MEANS A STATE-RUN BENEFIT ADMINISTERED BY THE DEPARTMENT OF HUMAN SERVICES THAT INCLUDES THE OLD AGE PENSION, AID TO THE NEEDY DISABLED, AND HOME CARE

ALLOWANCE, AS DETAILED IN PART 1 OF ARTICLE 2 OF THIS TITLE 26.

(b) "CORRECTIVE ACTION PLAN" MEANS A FORMAL PLAN FOR WHEN A COUNTY DEPARTMENT FAILS TO MEET THE REQUIREMENTS OF A PERFORMANCE-BASED CONTRACT IN WHICH THE COUNTY IS A PARTY, PERFORMANCE METRICS, OR APPLICABLE STATE OR FEDERAL LAW OR REGULATION.

(c) "PUBLIC ASSISTANCE PROGRAMS" MEANS THE MEDICAL ASSISTANCE PROGRAM ESTABLISHED PURSUANT TO ARTICLES 4 TO 6 OF TITLE 25.5; THE CHILDREN'S BASIC HEALTH PLAN ESTABLISHED PURSUANT TO ARTICLE 8 OF TITLE 25.5; THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM ESTABLISHED PURSUANT TO PART 3 OF ARTICLE 2 OF THIS TITLE 26; THE COLORADO CHILD CARE ASSISTANCE PROGRAM ESTABLISHED PURSUANT TO PART 1 OF ARTICLE 4 OF THIS TITLE 26.5; THE TEMPORARY ASSISTANCE FOR NEEDY FAMILIES PROGRAM, AS DEFINED IN SECTION 26-2-703; THE OLD AGE PENSION PROGRAM ESTABLISHED PURSUANT TO ARTICLE XXIV OF THE COLORADO CONSTITUTION; AND ADULT FINANCIAL PROGRAMS.

(d) "STATE DEPARTMENTS" MEANS THE DEPARTMENT OF HUMAN SERVICES, DEPARTMENT OF HEALTH CARE POLICY AND FINANCING, AND THE DEPARTMENT OF EARLY CHILDHOOD.

(3) ON OR BEFORE FEBRUARY 1, 2027, THE STATE DEPARTMENTS SHALL COLLABORATE TO ESTABLISH ALIGNED MINIMUM REQUIREMENTS FOR COUNTY DEPARTMENTS THROUGH PERFORMANCE-BASED CONTRACTS, TAKING INTO ACCOUNT THE SPECIFIC STATE AND FEDERAL REQUIREMENTS APPLICABLE TO EACH PUBLIC ASSISTANCE PROGRAM. PRIOR TO FEBRUARY 1, 2027, THE STATE DEPARTMENTS SHALL SHARE DRAFT TEMPLATES OF THE PERFORMANCE-BASED CONTRACT WITH THE COUNTY DEPARTMENTS FOR REVIEW AND COMMENT.

(4)(a) ON OR BEFORE JULY 1, 2027, THE STATE DEPARTMENTS SHALL ENTER INTO A PERFORMANCE-BASED CONTRACT WITH EACH COUNTY DEPARTMENT FOR THE PURPOSES OF:

(I) ESTABLISHING REQUIREMENTS FOR THE STATE AND COUNTY DEPARTMENTS FOR ADMINISTERING PUBLIC ASSISTANCE PROGRAMS;

(II) ESTABLISHING CORRECTIVE ACTION PROTOCOLS APPLICABLE TO BOTH THE STATE DEPARTMENTS AND COUNTY DEPARTMENTS; AND

(III) CONSOLIDATING EXISTING CONTRACTS, MEMORANDA OF UNDERSTANDING, AND OTHER AGREEMENTS RELATED TO THE ADMINISTRATION OF PUBLIC ASSISTANCE PROGRAMS.

(b) EACH PERFORMANCE-BASED CONTRACT MUST INCLUDE, AT A MINIMUM:

(I) MINIMUM REQUIREMENTS FOR THE STATE DEPARTMENTS AND COUNTY DEPARTMENTS;

(II) MEASURABLE OUTCOMES AND PERFORMANCE METRICS;

(III) CORRECTIVE ACTION PROTOCOLS AND CONSEQUENCES FOR A COUNTY DEPARTMENT THAT FAILS TO MEET THE PERFORMANCE-BASED CONTRACT REQUIREMENTS;

(IV) FOR COUNTY DEPARTMENTS, REQUIREMENTS TO MEET PERFORMANCE THRESHOLDS IDENTIFIED IN THE PERFORMANCE-BASED CONTRACT, INCLUDING:

(A) THRESHOLDS FOR METRICS INCLUDED IN MANAGEMENT EVALUATIONS;

(B) THRESHOLDS FOR METRICS INCLUDED IN QUALITY ASSURANCE REVIEWS;

(C) TRACKING AND REPORTING DATA FOR CONTINUOUS QUALITY IMPROVEMENT AND PUBLIC REPORTING;

(D) REQUIREMENTS CURRENTLY INCLUDED IN CONTRACTS, MEMORANDA OF UNDERSTANDING, AND OTHER AGREEMENTS BETWEEN THE STATE DEPARTMENTS AND COUNTY DEPARTMENTS;

(E) REQUIRED PARTICIPATION IN STATE-PROVIDED TRAINING AND TECHNICAL ASSISTANCE;

(F) COMPLYING WITH CORRECTIVE ACTION PROTOCOLS; AND

(G) THRESHOLDS FOR METRICS REQUIRED BY FEDERAL AGENCIES OVERSEEING PUBLIC ASSISTANCE PROGRAMS; AND

(V) FOR THE STATE DEPARTMENTS, REQUIREMENTS TO MEET PERFORMANCE THRESHOLDS IDENTIFIED IN THE PERFORMANCE-BASED CONTRACT, INCLUDING:

(A) PROVIDING FUNDING, TECHNICAL ASSISTANCE, AND TRAINING TO ENABLE COUNTY DEPARTMENTS TO PROCESS CASES AND SERVE RECIPIENTS;

(B) MAINTAINING PRIMARY ACCOUNTABILITY TO THE FEDERAL GOVERNMENT AND ENSURING COMPLIANCE WITH STATE AND FEDERAL LAW;

(C) REQUIREMENTS CURRENTLY INCLUDED IN CONTRACTS, MEMORANDA OF UNDERSTANDING, AND OTHER AGREEMENTS BETWEEN THE STATE DEPARTMENTS AND COUNTY DEPARTMENTS;

(D) REQUIREMENTS FOR CARRYING OUT MANAGEMENT EVALUATIONS AND QUALITY ASSURANCE REVIEWS;

(E) REQUIREMENTS FOR LEADING STATEWIDE CONTINUOUS QUALITY IMPROVEMENT PROCESSES IN CONSULTATION WITH COUNTY DEPARTMENTS; AND

(F) REQUIREMENTS TO PUBLISH PUBLIC-FACING PERFORMANCE DATA IN ACCORDANCE WITH SECTION 26-1-144.

(5) (a) THE STATE DEPARTMENTS RETAIN ULTIMATE SUPERVISORY AUTHORITY OVER EACH COUNTY DEPARTMENT AND SHALL MONITOR EACH COUNTY DEPARTMENT'S COMPLIANCE WITH PERFORMANCE-BASED CONTRACTS, STATE LAW, AND FEDERAL LAW. MONITORING MUST INCLUDE, AT A MINIMUM:

(I) DETERMINING THE COUNTY DEPARTMENT'S COMPLIANCE WITH PROGRAM PERFORMANCE METRICS;

(II) QUALITY ASSURANCE REVIEWS;

(III) CASE OR REPORT REVIEWS;

(IV) AUDIT FINDINGS; AND

(V) COMPLIANCE MONITORING REQUIRED BY STATE OR FEDERAL LAW.

(b) MONITORING MUST OCCUR AT LEAST MONTHLY, OR MORE FREQUENTLY WHEN PROGRAM PERFORMANCE METRICS PERMIT.

(c) THE STATE DEPARTMENTS SHALL NOTIFY A COUNTY DEPARTMENT OF PERFORMANCE CONCERNS WHEN:

(I) A COUNTY DEPARTMENT'S PERFORMANCE FAILS TO MEET REQUIREMENTS OUTLINED IN THE PERFORMANCE-BASED CONTRACTS OR THIS SECTION 26-1-119.5 FOR THREE CONSECUTIVE MONTHS; OR

(II) MONITORING SYSTEMIC PRACTICE OR COMPLIANCE CONCERNS.

(d) UPON IDENTIFICATION OF A PERFORMANCE CONCERN, THE DEPARTMENT SHALL PROVIDE WRITTEN NOTICE TO THE COUNTY DEPARTMENT THAT INCLUDES:

(I) A DESCRIPTION OF THE CONCERN;

(II) APPLICABLE PERFORMANCE METRICS OR STANDARDS NOT BEING MET;

(III) SUPPORTING DATA OR FINDINGS; AND

(IV) NOTICE OF WHETHER OR NOT A CORRECTIVE ACTION PLAN IS NECESSARY.

(e) A COUNTY DEPARTMENT HAS TEN BUSINESS DAYS AFTER RECEIVING THE NOTICE REQUIRED BY SUBSECTION (5)(d) OF THIS SECTION TO SUBMIT A WRITTEN DISPUTE OF THE FINDINGS OF A STATE DEPARTMENT'S PERFORMANCE CONCERNS. THE STATE DEPARTMENTS MUST RESPOND TO A COUNTY DEPARTMENT'S DISPUTE WITHIN TEN BUSINESS DAYS AFTER RECEIVING NOTICE OF THE DISPUTE.

(f) THE STATE DEPARTMENTS SHALL PROVIDE TECHNICAL ASSISTANCE, TRAINING, AND PROGRAM SUPPORT THROUGHOUT ALL PHASES

OF PERFORMANCE IMPROVEMENT AND CORRECTIVE ACTION.

(6) (a) IF A CORRECTIVE ACTION PLAN IS REQUIRED, THE COUNTY DEPARTMENT SHALL SUBMIT THE CORRECTIVE ACTION PLAN WITHIN TEN BUSINESS DAYS, UNLESS AN EXTENSION IS GRANTED IN ACCORDANCE WITH RULE, AFTER RECEIVING NOTICE OF THE STATE DEPARTMENT'S PERFORMANCE CONCERNS AS REQUIRED BY SUBSECTION (5)(d) OF THIS SECTION.

(b) THE CORRECTIVE ACTION PLAN MUST INCLUDE, AT A MINIMUM:

(I) A DESCRIPTION OF THE AREAS OF NONCOMPLIANCE OR UNDERPERFORMANCE;

(II) REQUIRED CORRECTIVE ACTIONS;

(III) IMPLEMENTATION TIMELINES FOR THE CORRECTIVE ACTIONS;

(IV) MEASURABLE INDICATORS OF PROGRESS TOWARD COMPLIANCE;

(V) REPORTING SCHEDULES;

(VI) A TARGET DATE FOR ACHIEVING COMPLIANCE, AS DETERMINED BY THE STATE DEPARTMENTS; AND

(VII) A CORRECTIVE ACTION PLAN MONITORING PERIOD THAT COMPLIES WITH SUBSECTION (6)(d) OF THIS SECTION.

(c) WITHIN TEN BUSINESS DAYS AFTER THE COUNTY DEPARTMENT'S SUBMISSION OF A CORRECTIVE ACTION PLAN, AS REQUIRED BY SUBSECTION (6)(a) OF THIS SECTION, THE STATE DEPARTMENT SHALL APPROVE THE CORRECTIVE ACTION PLAN OR REQUEST MODIFICATIONS TO THE CORRECTIVE ACTION PLAN.

(d) THE CORRECTIVE ACTION PLAN MONITORING PERIOD MUST BE NO MORE THAN SIX MONTHS AND MAY INCLUDE CASE REVIEWS, SITE VISITS, STAFF INTERVIEWS, DATA ANALYSIS, OR OTHER APPROPRIATE MEASURES.

(e) THE STATE DEPARTMENTS MAY EXTEND THE CORRECTIVE ACTION PLAN MONITORING PERIOD ONLY WHEN NECESSARY TO ACCOUNT FOR DATA AVAILABILITY OR A REPORTING DELAY. AN EXTENSION MUST BE BASED ON

OBJECTIVE CRITERIA, APPLIED CONSISTENTLY ACROSS COUNTY DEPARTMENTS, AND DOCUMENTED IN WRITING.

(f) CORRECTIVE ACTION PLAN REQUIREMENTS MUST BE ALIGNED ACROSS STATE DEPARTMENTS TO ENSURE UNIFORMITY, TAKING INTO ACCOUNT DIFFERENCES IN STATE AND FEDERAL REQUIREMENTS FOR THE INDIVIDUAL PUBLIC ASSISTANCE PROGRAMS.

(7) (a) IF A COUNTY DEPARTMENT FAILS TO COMPLY WITH A PERFORMANCE-BASED CONTRACT OR AN APPROVED CORRECTIVE ACTION PLAN, THE STATE DEPARTMENT MAY IMPOSE SANCTIONS.

(b) SANCTIONS MAY INCLUDE:

(I) DISALLOWANCE OF STATE FUNDS;

(II) ASSIGNMENT OF PROGRAM ADMINISTRATION TO ANOTHER COUNTY DEPARTMENT; OR

(III) ASSUMPTION OF PROGRAM ADMINISTRATION BY A STATE DEPARTMENT.

(c) IF NONCOMPLIANCE PRESENTS AN IMMINENT RISK TO THE HEALTH OR SAFETY OF RECIPIENTS, THE STATE DEPARTMENTS MAY TAKE IMMEDIATE ACTION AS AUTHORIZED BY LAW.

(8) THIS SECTION DOES NOT RESTRICT OR AFFECT THE POWERS, DUTIES, OR FUNCTIONS OF A STATE DEPARTMENT AS AUTHORIZED OR REQUIRED PURSUANT TO ANY OTHER PROVISION OF STATE LAW.

SECTION 4. In Colorado Revised Statutes, **add 26-1-144** as follows:

26-1-144. Continuous quality improvement.

(1) ON OR BEFORE SEPTEMBER 1, 2026, THE DEPARTMENT OF HUMAN SERVICES, IN COLLABORATION WITH THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING AND DEPARTMENT OF EARLY CHILDHOOD, AND IN CONSULTATION WITH THE COUNTY DEPARTMENTS, SHALL ESTABLISH A CONTINUOUS QUALITY IMPROVEMENT PROCESS TO REVIEW THE METRICS

REPORTED THROUGH COUNTY-LEVEL AND STATEWIDE PERFORMANCE DATA, ERROR RATES, AND OTHER ERRORS AND INCONSISTENCIES TO IDENTIFY ROOT CAUSES AND IMPLEMENT STRATEGIES TO IMPROVE ACCURACY AND CONSISTENCY IN ELIGIBILITY DETERMINATIONS.

(2) ON OR BEFORE JANUARY 1, 2027, AND ON OR BEFORE EVERY JANUARY 1 THEREAFTER, THE DEPARTMENT, IN COLLABORATION WITH THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING AND DEPARTMENT OF EARLY CHILDHOOD, SHALL SUBMIT A REPORT TO THE JOINT BUDGET COMMITTEE PROVIDING AN UPDATE ON THE CONTINUOUS QUALITY IMPROVEMENT PROCESS AND DATA ON THE IMPACT OF THE CONTINUOUS QUALITY IMPROVEMENT PROCESS ON THE METRICS INCLUDED IN THE PROCESS.

SECTION 5. In Colorado Revised Statutes, add 25.5-1-138 as follows:

25.5-1-138. Data transparency and public reporting - definitions.

(1) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "ADULT FINANCIAL PROGRAMS" MEANS A STATE-RUN BENEFIT ADMINISTERED BY THE DEPARTMENT OF HUMAN SERVICES AND INCLUDES THE OLD AGE PENSION, AID TO THE NEEDY DISABLED, AND HOME CARE ALLOWANCE.

(b) "DEPARTMENTS" MEANS THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING, DEPARTMENT OF HUMAN SERVICES, AND THE DEPARTMENT OF EARLY CHILDHOOD.

(c) "PUBLIC ASSISTANCE PROGRAMS" MEANS THE MEDICAL ASSISTANCE PROGRAM ESTABLISHED PURSUANT TO ARTICLES 4 TO 6 OF TITLE 25.5; THE CHILDREN'S BASIC HEALTH PLAN ESTABLISHED PURSUANT TO ARTICLE 8 OF TITLE 25.5; THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM ESTABLISHED PURSUANT TO PART 3 OF ARTICLE 2 OF THIS TITLE 26; THE COLORADO CHILD CARE ASSISTANCE PROGRAM ESTABLISHED PURSUANT TO PART 1 OF ARTICLE 4 OF TITLE 26.5; THE TEMPORARY ASSISTANCE FOR NEEDY FAMILIES PROGRAM, AS DEFINED IN SECTION 26-2-703; THE OLD AGE PENSION PROGRAM ESTABLISHED PURSUANT TO

ARTICLE XXIV OF THE COLORADO CONSTITUTION; AND ADULT FINANCIAL PROGRAMS.

(2) BEGINNING JANUARY 2027, AND MONTHLY THEREAFTER, THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING, IN COLLABORATION WITH THE DEPARTMENT OF HUMAN SERVICES AND THE DEPARTMENT OF EARLY CHILDHOOD, SHALL ESTABLISH A SINGLE, SHARED ONLINE DASHBOARD USED TO PUBLISH COUNTY-LEVEL AND STATEWIDE PERFORMANCE ON THE METRICS FOR EACH OF THE PUBLIC ASSISTANCE PROGRAMS:

(a) FOR THE MEDICAL ASSISTANCE PROGRAM, ESTABLISHED PURSUANT TO ARTICLES 4 TO 6 OF TITLE 25.5 AND THE CHILDREN'S BASIC HEALTH PLAN ESTABLISHED PURSUANT TO ARTICLE 8 OF TITLE 25.5:

(I) THE NUMBER OF APPLICATIONS AND RENEWAL APPLICATIONS APPROVED WITHIN THE TIMELINES REQUIRED IN FEDERAL LAW AND REGULATION FOR ALL APPLICATIONS, INCLUDING APPLICATIONS BASED ON DISABILITY;

(II) THE NUMBER OF APPLICATIONS AND RENEWAL APPLICATIONS DENIED WITHIN THE TIMELINES REQUIRED IN FEDERAL LAW AND REGULATION FOR ALL APPLICATIONS, INCLUDING APPLICATIONS BASED ON DISABILITY;

(III) THE TOTAL NUMBER OF RENEWAL APPLICATIONS PROCESSED EACH MONTH, INCLUDING:

(A) THE NUMBER OF APPLICATIONS RENEWED USING EXISTING DATA SOURCES AND THE NUMBER OF APPLICATIONS RENEWED USING ADDITIONAL COMPLETED DOCUMENTATION SUBMITTED BY THE RECIPIENTS;

(B) THE NUMBER OF INITIAL APPLICATIONS AND RENEWAL APPLICATIONS PROCESSED AND DETERMINED INELIGIBLE;

(C) THE NUMBER OF INITIAL APPLICATIONS AND RENEWAL APPLICATIONS DENIED FOR PROCEDURAL REASONS; AND

(D) THE NUMBER OF INITIAL APPLICATIONS AND RENEWAL APPLICATIONS PENDING REVIEW;

(IV) THE NUMBER OF FORMAL COMPLAINTS OR APPEALS REGARDING ELIGIBILITY, BENEFITS, OR SERVICES FILED WITH THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING; AND

(V) THE TOTAL NUMBER OF INITIAL APPLICATIONS AND RENEWAL APPLICATIONS THAT ARE PENDING DETERMINATION AND THE TOTAL NUMBER DEEMED UNTIMELY BASED ON THE TIMELINES REQUIRED BY FEDERAL LAW AND REGULATION FOR APPLICATIONS BASED ON DISABILITY, AND FOR ALL OTHER APPLICATIONS;

(b) FOR THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM, ESTABLISHED PURSUANT TO PART 3 OF ARTICLE 2 OF THIS TITLE 26:

(I) THE RATE OF APPLICATION PROCESSING TIMELINESS FOR STANDARD APPLICATIONS;

(II) THE RATE OF APPLICATION PROCESSING TIMELINESS FOR EXPEDITED APPLICATIONS; AND

(III) THE RATE OF RECERTIFICATION PROCESSING TIMELINESS;

(c) FOR THE CHILD CARE ASSISTANCE PROGRAM, ESTABLISHED PURSUANT TO PART 1 OF ARTICLE 4 OF TITLE 26.5:

(I) THE PERCENTAGE OF INITIAL APPLICATIONS AND APPLICATIONS FOR REDETERMINATION APPROVED WITHIN THE TIMELINES REQUIRED BY RULES ADOPTED BY THE DEPARTMENT OF EARLY CHILDHOOD; AND

(II) ENROLLMENT IN EACH OF THE FOLLOWING INCOME ELIGIBILITY TIERS:

(A) ONE HUNDRED THIRTY PERCENT OF THE FEDERAL POVERTY LINE AND BELOW; AND

(B) ABOVE ONE HUNDRED THIRTY PERCENT OF THE FEDERAL POVERTY LINE;

(d) FOR THE TEMPORARY ASSISTANCE FOR NEEDY FAMILIES PROGRAM, AS DEFINED IN SECTION 26-2-703, THE PERCENTAGE OF APPLICATIONS AND REDETERMINATIONS APPROVED WITHIN THE TIMELINES

REQUIRED BY RULES ADOPTED BY THE DEPARTMENT OF HUMAN SERVICES;

(e) FOR ADULT FINANCIAL PROGRAMS, THE PERCENTAGE OF APPLICATIONS AND REDETERMINATIONS APPROVED WITHIN THE TIMELINES REQUIRED BY RULES ADOPTED BY THE DEPARTMENT OF HUMAN SERVICES; AND

(f) FOR EACH OF THE PUBLIC ASSISTANCE PROGRAMS:

(I) THE MONTHLY CASELOAD;

(II) THE PERCENTAGE OF APPLICATIONS, ENROLLMENTS, AND RENEWALS PROCESSED THROUGH THE STATE'S ONLINE SYSTEM FOR APPLICATION AND MANAGEMENT OF PUBLIC ASSISTANCE PROGRAMS, AND THE PERCENTAGE OF APPLICATIONS, ENROLLMENTS, AND RENEWALS PROCESSED BY OTHER METHODS; AND

(III) ON A QUARTERLY BASIS, THE NUMBER OF APPEALS FILED WITH THE OFFICE OF ADMINISTRATIVE COURTS THAT NAME A COUNTY AS A PARTY.

(3) (a) EXCEPT AS PROVIDED IN SUBSECTION (2)(f)(III) OF THIS SECTION, THE DATA REPORTED PURSUANT TO SUBSECTION (2) OF THIS SECTION MUST:

(b) BE PUBLISHED ON EACH OF THE DEPARTMENT'S WEBSITE'S IN A PUBLICLY ACCESSIBLE FORMAT;

(c) BE UPDATED MONTHLY AND PUBLISHED IN ACCORDANCE WITH DATA PRIVACY AND CONFIDENTIALITY LAWS OF THE STATE; AND

(d) BE MAINTAINED FROM PREVIOUS MONTHS IN A PUBLICLY ACCESSIBLE MANNER.

(4) BEGINNING IN SEPTEMBER 2026, AND MONTHLY THEREAFTER, EACH COUNTY DEPARTMENT SHALL PROVIDE THE INFORMATION DETAILED IN SUBSECTION (2) OF THIS SECTION, OTHER THAN THE INFORMATION DETAILED IN SUBSECTION (2)(a)(V) OF THIS SECTION, TO EACH RESPECTIVE DEPARTMENT.

(5) THE STATE DEPARTMENT, IN COLLABORATION WITH THE

DEPARTMENT OF HUMAN SERVICES AND THE DEPARTMENT OF EARLY CHILDHOOD, SHALL PROVIDE TECHNICAL SUPPORT, TECHNOLOGY ASSISTANCE, AND TRAINING TO THE COUNTY DEPARTMENTS, AS REASONABLY NECESSARY, ON HOW TO PROVIDE THE INFORMATION REQUIRED BY SUBSECTION (2) OF THIS SECTION TO THE RESPECTIVE DEPARTMENTS.

SECTION 6. In Colorado Revised Statutes, **add** part 8 to article 1 of title 26 as follows:

PART 8
DELIVERY OF PUBLIC BENEFITS

26-1-801. Legislative declaration.

(1) THE GENERAL ASSEMBLY FINDS AND DECLARES THAT:

(a) IN ADDITION TO NEAR-TERM POLICY CHANGES NEEDED TO STABILIZE THE SAFETY NET, COLORADO SHOULD DEVELOP A COMPREHENSIVE, LONG-TERM PLAN TO REDESIGN THE STATE'S PUBLIC BENEFITS SYSTEM TO SUPPORT COST MITIGATION, INCREASED ADMINISTRATIVE EFFICIENCY, AND THE DELIVERY OF HIGHER-QUALITY SERVICES FOR INDIVIDUALS AND FAMILIES;

(b) TO ENSURE EFFECTIVE CHANGE MANAGEMENT AND TO MINIMIZE DISRUPTION TO SERVICES FOR INDIVIDUALS AND FAMILIES, THE APPROACH TO REDESIGNING THE SAFETY NET MUST OCCUR WITHIN ESTABLISHED TIMELINES AND INCLUDE STRUCTURED PLANNING PROCESSES, INTENTIONAL STAKEHOLDER ENGAGEMENT, AND REGULAR PROGRESS REPORTS TO THE GENERAL ASSEMBLY;

(c) IT IS NECESSARY FOR THE DEPARTMENT OF HUMAN SERVICES, THE DEPARTMENT OF EARLY CHILDHOOD, AND THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING, IN PARTNERSHIP WITH COUNTIES, FRONT LINE WORKERS, AND OTHER INTERESTED STAKEHOLDERS, TO CONDUCT A STRUCTURED, FACILITATED PROCESS IN ORDER TO ENSURE THAT ON OR BEFORE JULY 1, 2028, COLORADO WILL OPERATE A REDESIGNED PUBLIC BENEFITS DELIVERY MODEL CONSISTING OF NO MORE THAN TWELVE COHORTS OF COUNTIES WORKING TOGETHER TO ADMINISTER PUBLIC ASSISTANCE PROGRAMS; AND

(d) BECAUSE ACCESS TO PUBLIC BENEFITS IS FUNDAMENTAL TO THE HEALTH, STABILITY, AND ECONOMIC SECURITY OF COLORADO RESIDENTS, THE SYSTEMS USED TO ADMINISTER THOSE BENEFITS MUST BE ACCESSIBLE, EFFICIENT, AND RELIABLE.

(2) THE GENERAL ASSEMBLY FURTHER FINDS AND DECLARES THAT:

(a) THE STATE'S CURRENT BENEFITS TECHNOLOGY INFRASTRUCTURE IS FRAGMENTED, DIFFICULT TO NAVIGATE, AND IMPOSES ADMINISTRATIVE BURDENS ON APPLICANTS, RECIPIENTS, AND STAFF WHO DETERMINE APPLICANT ELIGIBILITY, WHICH MAY LIMIT ACCESS TO SERVICES FOR ELIGIBLE INDIVIDUALS AND FAMILIES;

(b) MODERN, INTEGRATED TECHNOLOGY SYSTEMS ARE NECESSARY TO SUPPORT EFFICIENT PROGRAM ADMINISTRATION, IMPROVE RECIPIENT EXPERIENCE, AND ENSURE TIMELY AND EFFECTIVE DELIVERY OF BENEFITS AND SERVICES;

(c) COLORADO HAS THE OPPORTUNITY TO REDESIGN ITS BENEFITS TECHNOLOGY INFRASTRUCTURE THROUGH THE DEVELOPMENT OF A STATE-OWNED, MODULAR, AND INTEROPERABLE PLATFORM TO IMPROVE COORDINATION ACROSS PROGRAMS AND ENHANCE SERVICE DELIVERY; AND

(d) REDESIGNING THE STATE'S BENEFITS TECHNOLOGY INFRASTRUCTURE IS NECESSARY TO SUPPORT EFFECTIVE PROGRAM ADMINISTRATION AND SERVICE DELIVERY UNDER THE REDESIGNED PUBLIC BENEFITS DELIVERY MODEL. THE REDESIGN OF THE PUBLIC BENEFITS DELIVERY MODEL WILL BE MOST EFFECTIVE WHEN THE STATE AGENCIES RESPONSIBLE FOR BENEFITS ADMINISTRATION COORDINATE ACROSS PROGRAMS, PRIORITIZE IMPLEMENTATION OF REDESIGN EFFORTS, AND PROVIDE REPORTS TO THE GENERAL ASSEMBLY REGARDING PROGRESS TOWARD THESE GOALS.

(3) THEREFORE, IT IS THE INTENT OF THE GENERAL ASSEMBLY THAT THE FOLLOWING PRINCIPLES GUIDE BENEFITS TECHNOLOGY REDESIGN:

(a) THE STATE SHOULD DEVELOP AND MAINTAIN A STATE-OWNED BENEFITS PLATFORM THAT SUPPORTS MODULAR DESIGN, INTEROPERABILITY, AND LONG-TERM ADAPTABILITY THAT ENABLE THE MEASUREMENT OF PROGRAM OUTCOMES AND USER EXPERIENCE;

(b) THE STATE SHOULD DEVELOP AND MAINTAIN A CENTRALIZED SYSTEM THROUGH WHICH RESIDENTS MAY ACCESS, APPLY FOR, AND MANAGE BENEFITS ACROSS MULTIPLE PROGRAMS IN A MANNER THAT IS ACCESSIBLE TO INDIVIDUALS OF ALL ABILITIES, LANGUAGES, AND LEVELS OF DIGITAL ACCESS;

(c) THE STATE SHOULD IMPLEMENT A WHOLE-PERSON APPROACH TO BENEFITS ADMINISTRATION BY STREAMLINING AND INTEGRATING INTAKE, ELIGIBILITY, AND ENROLLMENT PROCESSES TO IMPROVE COORDINATION AND REDUCE ADMINISTRATIVE BURDEN ON APPLICANTS, RECIPIENTS, AND STAFF WHO DETERMINE APPLICANT ELIGIBILITY; AND

(d) THE STATE SHOULD ENSURE CONTINUOUS IMPROVEMENT AND RESPONSIVENESS BY ADOPTING MODERN PRODUCT MANAGEMENT PRACTICES IN ITS APPROACH TO BENEFITS TECHNOLOGY REDESIGN, INCLUDING ONGOING USER RESEARCH, STATE-LED PRIORITIZATION OF SYSTEM REQUIREMENTS AND ENHANCEMENTS, AND ITERATIVE, AGILE DEVELOPMENT INFORMED BY PERFORMANCE METRICS AND USER EXPERIENCE DATA.

26-1-802. Definitions.

AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(1) "COHORT" MEANS A GROUP OF COUNTIES THAT ARE REQUIRED TO WORK TOGETHER TO ADMINISTER PUBLIC ASSISTANCE BENEFITS THROUGH SHARED WORK AND POOLED RESOURCES. A COHORT'S WORK IS INFORMED BY THE TRANSITION PLAN, REPORT, AND RECOMMENDATIONS REQUIRED BY THIS PART 8.

(2) "CROSS-DEPARTMENTAL POLICY ALIGNMENT TEAM" OR "TEAM" MEANS THE CROSS-DEPARTMENTAL POLICY ALIGNMENT TEAM CREATED IN SECTION 26-1-808.

(3) "IMPLEMENTATION WORK GROUP" MEANS THE IMPLEMENTATION WORK GROUP CREATED IN SECTION 26-1-806.

(4) "PUBLIC ASSISTANCE PROGRAMS" MEANS THE MEDICAL ASSISTANCE PROGRAM ESTABLISHED IN ARTICLES 4 TO 6 OF TITLE 25.5; CHILDREN'S BASIC HEALTH PLAN ESTABLISHED PURSUANT TO ARTICLE 8 OF

TITLE 25.5, THE SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM ESTABLISHED IN PART 3 OF ARTICLE 2 OF THIS TITLE 26, THE COLORADO CHILD CARE ASSISTANCE PROGRAM ESTABLISHED IN PART 1 OF ARTICLE 4 OF TITLE 26.5; THE TEMPORARY ASSISTANCE FOR NEEDY FAMILIES PROGRAM DESCRIBED IN PART 7 OF ARTICLE 2 OF THIS TITLE 26; THE OLD AGE PENSION PROGRAM ESTABLISHED IN ARTICLE XXIV OF THE STATE CONSTITUTION; AND THE ADULT FINANCIAL PROGRAMS DESCRIBED IN PART 1 OF ARTICLE 2 OF THIS TITLE 26, WHICH INCLUDE THE OLD AGE PENSION, AID TO THE NEEDY DISABLED, AND HOME CARE ALLOWANCE.

(5) "PUBLIC BENEFITS DELIVERY MODEL" MEANS A SYSTEM IN WHICH THE ADMINISTRATION, PROCESSING, AND DELIVERY OF PUBLIC ASSISTANCE BENEFITS AND SERVICES ARE CONSOLIDATED INTO A SINGLE CENTRALIZED AND UNIFORM DELIVERY MODEL.

(6) "SHARED SERVICES" MEANS AN ADMINISTRATIVE OR OPERATIONAL FUNCTION PERFORMED BY A COUNTY DEPARTMENT ON BEHALF OF COUNTY DEPARTMENTS IN A COHORT AND DEVELOPED IN CONSULTATION AND COLLABORATION WITH THE STATE DEPARTMENTS AND ALL COUNTY DEPARTMENTS. SHARED SERVICES INCLUDE THE FOLLOWING:

(a) A CALL CENTER TO HANDLE ALL CALLS RELATED TO PROGRAM ELIGIBILITY ON BEHALF OF ALL COUNTY DEPARTMENTS;

(b) QUALITY ASSURANCE TO HANDLE ALL RESPONSIBILITIES RELATED TO THE QUALITY OF ELIGIBILITY DETERMINATION FOR THE PUBLIC ASSISTANCE PROGRAMS; AND

(c) SECURITY ADMINISTRATION SERVICES TO MANAGE THE PROVISION AND REVOCATION OF ACCESS BY COUNTY PERSONNEL TO STATE-PROVIDED TECHNOLOGY PRODUCTS AND SYSTEMS.

(7) "STATE DEPARTMENTS" MEANS THE DEPARTMENT OF HUMAN SERVICES, THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING, AND THE DEPARTMENT OF EARLY CHILDHOOD.

(8) "THIRD-PARTY CONTRACTOR" MEANS THE ENTITY CONTRACTED BY THE STATE DEPARTMENTS TO ASSIST THE IMPLEMENTATION WORK GROUP PURSUANT TO SECTION 26-1-805.

(9) "TRANSITION PLAN" MEANS THE TRANSITION PLAN DESCRIBED IN SECTION 26-1-807.

26-1-803. Public benefits delivery model - state departments responsibilities.

(1) BEGINNING JULY 1, 2028, THE STATE DEPARTMENTS SHALL OVERSEE A STREAMLINED PUBLIC BENEFITS DELIVERY MODEL MADE UP OF NO MORE THAN TWELVE COHORTS. EACH COHORT SHALL COORDINATE AND DISTRIBUTE PUBLIC ASSISTANCE PROGRAM ELIGIBILITY AND CASE PROCESSING WORK ACCORDING TO A SHARED WORKFLOW, AS DETERMINED BY THE TRANSITION PLAN.

(2) THE STATE DEPARTMENTS SHALL ENSURE THAT THE PUBLIC BENEFITS DELIVERY MODEL IS IMPLEMENTED WITH CONSISTENCY ACROSS THE STATE DEPARTMENTS AND COHORTS, TAKING INTO ACCOUNT THE DIFFERENCES AND REQUIREMENTS OF EACH STATE DEPARTMENT IN ADMINISTERING THE STATE DEPARTMENT'S PUBLIC ASSISTANCE PROGRAMS.

(3) THE DEPARTMENT OF HUMAN SERVICES SHALL EMPLOY UP TO TWELVE HUMAN SERVICES AND MEDICAL ASSISTANCE PROGRAM REGIONAL MANAGERS WHO ARE GEOGRAPHICALLY DISPERSED THROUGHOUT THE STATE TO SUPPORT THE COHORTS AND PROVIDE GUIDANCE, DIRECTION, AND TECHNICAL ASSISTANCE TO THE COHORTS TO ENSURE CONSISTENT, EFFECTIVE, COMPLIANT, AND ACCOUNTABLE DELIVERY OF PUBLIC ASSISTANCE PROGRAMS.

(4) THE STATE DEPARTMENTS, THROUGH REGULAR MONITORING AND SUPERVISION, SHALL ENSURE COHORTS COMPLY WITH THE REQUIREMENTS OF THIS PART 8 AND WITH RULES ADOPTED BY THE STATE DEPARTMENTS.

(5) THE STATE DEPARTMENTS RETAIN SUPERVISORY AUTHORITY OVER THE COHORTS AND COUNTIES WITHIN THE COHORTS UNDER THE PUBLIC BENEFITS DELIVERY MODEL. THE STATE DEPARTMENTS SHALL MONITOR PUBLIC ASSISTANCE PROGRAM COMPLIANCE AND INSTITUTE CORRECTIVE ACTION PROTOCOLS, WHICH MUST BE ALIGNED ACROSS THE STATE DEPARTMENTS AND INCLUDED IN ALL PERFORMANCE-BASED CONTRACTS REQUIRED BY SECTION 26-1-804. THE STATE DEPARTMENTS SHALL COMMUNICATE WITH COHORTS AS NEEDED REGARDING COMPLIANCE, CORRECTIVE ACTION PROTOCOLS, AND PROGRAM-SPECIFIC PERFORMANCE

ISSUES.

(6) FULL IMPLEMENTATION OF THE PUBLIC BENEFITS DELIVERY MODEL IS CONTINGENT ON AVAILABLE AND OPERATIONAL READINESS OF SYSTEM ENHANCEMENTS NECESSARY TO SUPPORT CROSS-COUNTY WORK SHARING. THE STATE DEPARTMENTS MUST ENSURE THAT COHORTS AND COUNTIES ARE PROVIDED ADEQUATE TIME, TRAINING, AND SUPPORT TO IMPLEMENT THE PUBLIC BENEFITS DELIVERY MODEL, INCLUDING NEW WORKFORCE PROCESSES, UPDATED TECHNOLOGY, AND OPERATIONAL MODELS NECESSARY TO SUPPORT CROSS-COUNTY WORK SHARING.

(7) A COUNTY DEPARTMENT IN A COHORT IS NOT FINANCIALLY OR LEGALLY RESPONSIBLE FOR THE PERFORMANCE OF ANOTHER COUNTY DEPARTMENT IN THE COHORT, SUBJECT TO THE TERMS OF A PERFORMANCE-BASED CONTRACT WITH THE STATE DEPARTMENTS OR INTERGOVERNMENTAL AGREEMENTS BETWEEN COUNTIES, TO THE EXTENT ALLOWABLE UNDER FEDERAL LAW.

26-1-804. Performance-based contracts.

(1) THE STATE DEPARTMENTS AND COHORTS, OR COUNTY DEPARTMENTS WITHIN A COHORT, SHALL ENTER INTO A PERIODICALLY NEGOTIATED PERFORMANCE-BASED CONTRACT THAT IDENTIFIES THE DUTIES AND RESPONSIBILITIES OF EACH PARTY UNDER THE PUBLIC BENEFITS DELIVERY MODEL.

(2) STATE DEPARTMENTS SHALL DEVELOP PERFORMANCE-BASED CONTRACTS IN CONSULTATION WITH THE COHORTS, AND PERFORMANCE-BASED CONTRACTS MUST COMPLY WITH STATE AND FEDERAL LAW.

(3) AT A MINIMUM, A PERFORMANCE-BASED CONTRACT MUST INCLUDE:

(a) MINIMUM REQUIREMENTS ESTABLISHED FOR THE STATE DEPARTMENTS AND COHORTS, OR COUNTY DEPARTMENTS WITHIN A COHORT, IN THE TRANSITION PLAN, IN ACCORDANCE WITH SECTION 26-1-807;

(b) MEASURABLE OUTCOME- AND PERFORMANCE-BASED METRICS AND ANY ASSOCIATED INCENTIVE PAYMENT STRUCTURES;

(c) CORRECTIVE ACTION PROTOCOLS WHEN A COHORT OR COUNTY DEPARTMENT WITHIN A COHORT FAILS TO MEET THE REQUIREMENTS OF THE PERFORMANCE-BASED CONTRACT; AND

(d) OPERATIONAL PLANS FOR SHARED WORK AND SHARED RESOURCES.

26-1-805. Third-party contractor.

(1) ON OR BEFORE JULY 1, 2026, THE STATE DEPARTMENTS, IN CONSULTATION WITH THE COUNTY DEPARTMENTS, SHALL CONTRACT WITH AT LEAST ONE THIRD-PARTY CONTRACTOR TO ASSIST THE IMPLEMENTATION WORK GROUP IN DEVELOPING AND IMPLEMENTING THE TRANSITION PLAN AND CORRESPONDING REPORT AND DEVELOPING RECOMMENDATIONS FOR THE PUBLIC BENEFITS DELIVERY MODEL.

(2) AT A MINIMUM, THE SELECTED THIRD-PARTY CONTRACTOR IS RESPONSIBLE FOR:

(a) PRESENTING MULTIPLE COHORT-BASED MODEL OPTIONS TO THE STATE DEPARTMENTS FOR THE ADMINISTRATION OF PUBLIC ASSISTANCE PROGRAMS. THE COHORT-BASED MODEL OPTIONS MUST:

(I) VARY IN SIZE AND STRUCTURE;

(II) IMPROVE THE QUALITY OF SERVICES RENDERED TO PUBLIC ASSISTANCE PROGRAM RECIPIENTS; AND

(III) INCLUDE FISCAL, OPERATIONAL, AND SHARED SERVICES CONSIDERATIONS, THE CENTRALIZED MEMBER INTEGRITY SERVICE ESTABLISHED IN SECTION 25.5-1-210, SHARED SERVICES, AND STRATEGIES THAT SUPPORT COMPLIANCE, COST CONTAINMENT, MAXIMIZATION OF EXISTING CAPACITY AND STRENGTHS, AND INCREASED EFFICACY. THE CONSIDERATIONS AND STRATEGIES MUST DRAW UPON AVAILABLE DATA, RESEARCH, EXISTING STRUCTURES, AND EXAMPLES FROM OTHER STATES.

(b) CONVENING AND FACILITATING DISCUSSIONS AMONG THE STATE DEPARTMENTS, COUNTY DEPARTMENTS, FRONT LINE WORKERS, AND OTHER RELEVANT STAKEHOLDERS THROUGH THE IMPLEMENTATION WORK GROUP TO SUPPORT THE DEVELOPMENT OF THE TRANSITION PLAN AND

CORRESPONDING REPORT FOR THE PUBLIC BENEFITS DELIVERY MODEL;

(c) FACILITATING THE DEVELOPMENT OF THE TRANSITION PLAN AND CORRESPONDING REPORT IN ALIGNMENT WITH THE REQUIREMENTS FOR THE TRANSITION PLAN;

(d) ENSURING INTENTIONAL OUTREACH TO AND ENGAGEMENT WITH COUNTIES OF VARYING SIZES AND GEOGRAPHIES, INCLUDING SMALL AND RURAL COUNTIES; ADVOCATES; FRONTLINE WORKERS EMPLOYED BY THE COUNTY DEPARTMENTS; COMMUNITY PARTNERS; AND PUBLIC ASSISTANCE PROGRAM RECIPIENT REPRESENTATIVES, TO SUPPORT THE DEVELOPMENT OF THE TRANSITION PLAN AND CORRESPONDING REPORT;

(e) RESEARCHING AND PRESENTING OPTIONS FOR PUBLIC ASSISTANCE PROGRAM RECIPIENT CASE MANAGEMENT MODELS AND FOR TRACKING PUBLIC ASSISTANCE PROGRAM RECIPIENTS' EXPERIENCES AND ENGAGEMENT THROUGHOUT THE APPLICATION PROCESS, ENROLLMENT PROCESS, AND UTILIZATION OF PUBLIC ASSISTANCE PROGRAMS, TO IMPROVE THE QUALITY OF CUSTOMER SERVICE AND OUTCOMES; AND

(f) FACILITATING DISCUSSIONS AND STRATEGY DEVELOPMENT RELATED TO THE IMPACT OF CHANGES IN THE AVAILABILITY OF STATE AND FEDERAL FUNDING ON PUBLIC BENEFIT PROGRAMS, TAKING INTO CONSIDERATION THE IMPACTS OF H.R. 1, 119TH CONGRESS (2025-2026), PUB.L. 119-21, AND THE FINANCIAL IMPACTS ON ERROR RATES, REDUCTIONS IN RESOURCES, AND INCREASED WORKLOAD.

(3) THE THIRD-PARTY CONTRACTOR SHALL BE SELECTED THROUGH A PROCESS THAT INCLUDES COMMUNITY ADVOCATES, FRONT LINE WORKERS, AND REPRESENTATIVES FROM COUNTIES, INCLUDING COUNTIES WITH RURAL, URBAN, SUBURBAN, AND RESORT COMMUNITIES AND COUNTIES WITH VARYING PUBLIC ASSISTANCE PROGRAM CASELOADS. THE THIRD-PARTY CONTRACTOR MUST HAVE A DEMONSTRATED RECORD OF EXPERTISE IN PUBLIC ASSISTANCE PROGRAM ADMINISTRATION, FISCAL MODELING, FACILITATION OF MULTIPLE WORKING AND ADVISORY GROUP STRUCTURES; IN STRUCTURED STAKEHOLDER ENGAGEMENT; AND A DEMONSTRATED ABILITY TO EFFECTIVELY OPERATE AND ENGAGE STAKEHOLDERS ACROSS THE STATE TO ARRIVE AT RECOMMENDATIONS THAT REFLECT A CONSENSUS, WHEN POSSIBLE.

(4) UPON APPROVAL BY THE STATE DEPARTMENTS, THE THIRD-PARTY CONTRACTOR MAY SUBCONTRACT WITH OTHER INDEPENDENT ENTITIES WITH RELEVANT EXPERIENCE TO CARRY OUT ONE OR MORE OF THE REQUIREMENTS LISTED IN SUBSECTION (2) OF THIS SECTION.

(5) COUNTY DEPARTMENTS AND STATE DEPARTMENTS SHALL COOPERATE WITH REASONABLE REQUESTS FOR INFORMATION RECEIVED FROM THE THIRD-PARTY CONTRACTOR OR A THIRD-PARTY CONTRACTOR'S SUBCONTRACTOR.

(6) THE SELECTION OF THE THIRD-PARTY CONTRACTOR IS EXEMPT FROM THE REQUIREMENTS OF THE "PROCUREMENT CODE", ARTICLES 101 TO 112 OF TITLE 24.

26-1-806. Implementation work group - subgroups - reports.

(1) ON OR BEFORE JULY 1, 2026, THE STATE DEPARTMENTS, IN COLLABORATION WITH COUNTY DEPARTMENTS, SHALL ESTABLISH AN IMPLEMENTATION WORK GROUP TO WORK WITH THE THIRD-PARTY CONTRACTOR AND SUBGROUP DESCRIBED IN SUBSECTION (3) OF THIS SECTION TO DEVELOP THE TRANSITION PLAN AND CORRESPONDING REPORT AND TO DEVELOP RECOMMENDATIONS FOR THE PUBLIC BENEFITS DELIVERY MODEL.

(2) THE IMPLEMENTATION WORK GROUP IS COMPOSED OF THE FOLLOWING SEVENTEEN MEMBERS:

(a) SIX MEMBERS REPRESENTING COUNTIES, APPOINTED BY A COLORADO ORGANIZATION THAT ASSISTS COUNTY COMMISSIONERS, MAYORS, AND COUNCIL MEMBERS AND ENCOURAGES COUNTIES TO WORK TOGETHER, WHO MUST BE REPRESENTATIVE OF THE STATE OF COLORADO AND INCLUDE:

(I) AT LEAST ONE MEMBER WHO MUST BE A COUNTY COMMISSIONER, HUMAN SERVICES DIRECTOR, OR A DESIGNEE OF A COUNTY COMMISSIONER OR HUMAN SERVICES DIRECTOR, WHO HAS RELEVANT SUBJECT MATTER EXPERTISE IN HUMAN SERVICES;

(II) AT LEAST ONE MEMBER WHO MUST REPRESENT A RURAL COUNTY; AND

(III) AT LEAST TWO MEMBERS WHO MUST BE COUNTY REPRESENTATIVES REPRESENTING COUNTIES WITH HIGH HUMAN SERVICES CASELOADS;

(b) THREE REPRESENTATIVES FROM THE GOVERNOR'S OFFICE, APPOINTED BY THE GOVERNOR;

(c) A REPRESENTATIVE FROM THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING, APPOINTED BY THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING;

(d) A REPRESENTATIVE FROM THE DEPARTMENT OF HUMAN SERVICES, APPOINTED BY THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF HUMAN SERVICES;

(e) A REPRESENTATIVE FROM THE DEPARTMENT OF EARLY CHILDHOOD, APPOINTED BY THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF EARLY CHILDHOOD; AND

(f) FOUR REPRESENTATIVES FROM PHILANTHROPIC ORGANIZATIONS, COMMUNITY ORGANIZATIONS, OR MEMBER EXPERIENCE COUNCILS WHO ARE NOT STATE OR COUNTY GOVERNMENT EMPLOYEES AND HAVE RELEVANT SUBJECT MATTER EXPERTISE:

(I) ONE APPOINTED BY THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING;

(II) ONE APPOINTED BY THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF HUMAN SERVICES;

(III) ONE APPOINTED BY THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF EARLY CHILDHOOD; AND

(IV) ONE APPOINTED BY THE GOVERNOR; AND

(g) ONE MEMBER WHO IS A NONSUPERVISORY EMPLOYEE WHO DETERMINES ELIGIBILITY OR PROCESSES CASES FROM A COUNTY DEPARTMENT, APPOINTED BY THE GOVERNOR.

(3) (a) THE IMPLEMENTATION WORK GROUP SHALL CONVENE A

SUBGROUP TO ADVISE THE IMPLEMENTATION WORK GROUP ON THE DEVELOPMENT AND IMPLEMENTATION OF THE TRANSITION PLAN AND CORRESPONDING REPORT.

(b) THE SUBGROUP MUST INCLUDE THE FOLLOWING INDIVIDUALS AND REPRESENTATIVES:

(I) BENEFIT RECIPIENTS OR THE PARENTS OF CHILD BENEFIT RECIPIENTS;

(II) HUMAN SERVICES PROVIDERS AND PROVIDERS ENROLLED IN THE STATE MEDICAL ASSISTANCE PROGRAM;

(III) COUNTY PUBLIC ASSISTANCE BENEFIT ELIGIBILITY EMPLOYEES AND CASE WORKERS;

(IV) REPRESENTATIVES FROM THE SOUTHERN UTE INDIAN TRIBE AND THE UTE MOUNTAIN UTE TRIBE;

(V) DISABILITY ADVOCATES;

(VI) REPRESENTATIVES OF ADVOCACY ORGANIZATIONS THAT REPRESENT SENIOR CITIZENS AND CHILDREN AND ADVOCATE FOR POVERTY REFORM;

(VII) REPRESENTATIVES OF BUSINESSES AND EMPLOYERS THAT PARTICIPATE IN WORKFORCE DEVELOPMENT ACTIVITIES FOR PUBLIC ASSISTANCE PROGRAMS; AND

(VIII) REPRESENTATIVES OF MANAGED CARE ENTITIES.

(c) MEMBERS OF THE SUBGROUP MUST NOT BE MEMBERS WHO SERVE ON THE IMPLEMENTATION WORK GROUP.

(d) THE SUBGROUP FUNCTIONS IN AN ADVISORY ROLE TO THE IMPLEMENTATION WORK GROUP.

(e) THE IMPLEMENTATION WORK GROUP SHALL SOLICIT INPUT ON THE DEVELOPMENT AND IMPLEMENTATION OF THE TRANSITION PLAN AND CORRESPONDING REPORT FROM THE SUBGROUP AND INCLUDE THE

SUBGROUP'S INPUT IN THE FINAL REPORT.

(4) THE IMPLEMENTATION WORK GROUP MAY CONVENE ADDITIONAL SUBGROUPS TO ASSIST THE IMPLEMENTATION WORK GROUP ON TOPICS THAT MAY INCLUDE:

(a) TECHNOLOGY MODERNIZATION;

(b) PUBLIC ASSISTANCE PROGRAM RECIPIENT ENGAGEMENT, CASE MANAGEMENT, AND PROGRAM DELIVERY PROCESS IMPROVEMENT;

(c) FISCAL, ALLOCATION, AND GOVERNANCE REFORM;

(d) WORKFORCE TRANSITION AND LABOR PROTECTIONS;

(e) PERFORMANCE-BASED CONTRACTS AND OUTCOME MEASURES; OR

(f) ANY OTHER TOPIC THE IMPLEMENTATION WORK GROUP DEEMS APPROPRIATE.

(5) (a) IN DEVELOPING THE TRANSITION PLAN AND CORRESPONDING REPORT, THE IMPLEMENTATION WORK GROUP AND SUBGROUPS SHALL ENGAGE WITH, TO THE EXTENT POSSIBLE, INTERESTED AND IMPACTED INDIVIDUALS FROM ALL AREAS OF THE STATE, INCLUDING URBAN, SUBURBAN, AND RURAL AREAS, AND ACROSS PUBLIC ASSISTANCE PROGRAMS, AND SHALL ACTIVELY SEEK THE INPUT AND GUIDANCE OF PUBLIC ASSISTANCE PROGRAM RECIPIENTS, HUMAN SERVICES PROVIDERS, MEDICAL ASSISTANCE PROVIDERS, COUNTY ELIGIBILITY EMPLOYEES AND CASEWORKERS, THE SOUTHERN UTE INDIAN TRIBE AND UTE MOUNTAIN UTE TRIBE, ADVOCACY GROUPS, AND OTHER INTERESTED AND IMPACTED COMMUNITY MEMBERS. THE IMPLEMENTATION WORK GROUP MAY INCLUDE DIFFERENT APPROACHES AND MULTIPLE OPTIONS FOR THE PUBLIC BENEFITS DELIVERY MODEL IN ITS REPORTS OR RECOMMENDATIONS. A MEMBER OF THE IMPLEMENTATION WORK GROUP MAY SUBMIT A MINORITY REPORT WITH AN ALTERNATIVE APPROACH OR RECOMMENDATIONS AS PART OF THE IMPLEMENTATION WORK GROUP'S FINAL REPORT.

(b) TO FACILITATE THE ENGAGEMENT DESCRIBED IN SUBSECTION (5)(a) OF THIS SECTION, THE IMPLEMENTATION WORK GROUP MUST ENGAGE WITH STAKEHOLDERS THROUGH PUBLIC MEETINGS, WORKING SESSIONS,

WRITTEN COMMENTS, AND PUBLIC REPORTING OF RECOMMENDATIONS FOR THE TRANSITION PLAN.

(c) TO INCREASE EFFICIENCY AND MEET WITH AS MANY STAKEHOLDERS AS POSSIBLE, THE IMPLEMENTATION WORK GROUP MAY MEET WITH STAKEHOLDERS USING ELECTRONIC OR DIGITAL PLATFORMS AND FORMATS.

(6) (a) FROM JULY 1, 2026, THROUGH JANUARY 1, 2027, THE STATE DEPARTMENTS, IN COLLABORATION WITH COUNTY DEPARTMENTS, SHALL PROVIDE MONTHLY PROGRESS REPORTS ON THE WORK OF THE IMPLEMENTATION WORK GROUP TO THE JOINT BUDGET COMMITTEE, THE JOINT TECHNOLOGY COMMITTEE, THE HOUSE OF REPRESENTATIVES HEALTH AND HUMAN SERVICES COMMITTEE, AND THE SENATE HEALTH AND HUMAN SERVICES COMMITTEE, OR THEIR SUCCESSOR COMMITTEES.

(b) FROM JANUARY 1, 2027, THROUGH JULY 1, 2028, THE STATE DEPARTMENTS, IN COLLABORATION WITH COUNTY DEPARTMENTS, SHALL PROVIDE QUARTERLY PROGRESS REPORTS ON THE WORK OF THE IMPLEMENTATION WORK GROUP AND DEVELOPMENT OF THE TRANSITION PLAN AND CORRESPONDING REPORT TO THE JOINT BUDGET COMMITTEE, THE JOINT TECHNOLOGY COMMITTEE, THE HOUSE OF REPRESENTATIVES HEALTH AND HUMAN SERVICES COMMITTEE, AND THE SENATE HEALTH AND HUMAN SERVICES COMMITTEE, OR THEIR SUCCESSOR COMMITTEES.

26-1-807. Transition plan.

(1) THE IMPLEMENTATION WORK GROUP SHALL WORK WITH THE THIRD-PARTY CONTRACTOR TO DESIGN A TRANSITION PLAN FOR THE ADMINISTRATION OF PUBLIC ASSISTANCE PROGRAMS UNDER THE PUBLIC BENEFITS DELIVERY MODEL. THE TRANSITION PLAN MUST BE DELIVERED TO THE JOINT BUDGET COMMITTEE BY JANUARY 1, 2027.

(2) THE TRANSITION PLAN MUST TAKE INTO ACCOUNT THE STATE DEPARTMENTS' AND COUNTY DEPARTMENTS' EXISTING WORK, STRUCTURES, AGREEMENTS, AND UPDATES TO ENSURE THE NEW PUBLIC BENEFITS DELIVERY MODEL BUILDS ON EXISTING PROCESSES AND PROCEDURES. THE TRANSITION PLAN MUST ALSO CONSIDER PUBLIC BENEFITS DELIVERY MODELS USED BY OTHER STATES THAT OPERATE A COUNTY-ADMINISTERED PUBLIC BENEFITS SYSTEM.

(3) AT A MINIMUM, THE TRANSITION PLAN MUST ADDRESS THE FOLLOWING:

(a) FOR THE STATE DEPARTMENTS:

(I) FUNDING, TECHNICAL ASSISTANCE, AND TRAINING FOR THE PUBLIC ASSISTANCE PROGRAMS THE INDIVIDUAL STATE DEPARTMENTS OVERSEE;

(II) STANDARDS FOR PUBLIC ASSISTANCE PROGRAM ELIGIBILITY, SERVICE DELIVERY, EFFICIENCY, AND PROGRAM ADMINISTRATION AND HOW THOSE STANDARDS ARE ALIGNED ACROSS PUBLIC ASSISTANCE PROGRAMS;

(III) PUBLIC ASSISTANCE PROGRAM COMPLIANCE WITH FEDERAL AND STATE LAW;

(IV) POLICY ANALYSIS AND GUIDANCE FOR THE ADMINISTRATION OF PUBLIC ASSISTANCE PROGRAMS THROUGH SHARED WORK AND POOLED RESOURCES IN CONSULTATION WITH THE CROSS-DEPARTMENTAL POLICY ALIGNMENT TEAM;

(V) TECHNOLOGY INFRASTRUCTURE AND IMPROVEMENTS NECESSARY TO ENABLE THE RECOMMENDED PUBLIC BENEFITS DELIVERY MODEL AND SUPPORT COHORTS OR INDIVIDUAL COUNTIES WITHIN COHORTS IN MEETING THE PERFORMANCE AND OUTCOME MEASURES ESTABLISHED IN THE PERFORMANCE-BASED CONTRACTS REQUIRED IN SECTION 26-1-804;

(VI) CONTINUOUS QUALITY IMPROVEMENT PROCESSES;

(VII) MANAGEMENT EVALUATION AND QUALITY ASSURANCE PROCESSES;

(VIII) ACHIEVEMENT OF METRICS ESTABLISHED IN THE PERFORMANCE-BASED CONTRACTS;

(IX) INITIATION OF CORRECTIVE ACTION PROTOCOLS;

(X) PUBLICATION OF PUBLIC-FACING PERFORMANCE DATA ON A MONTHLY BASIS REQUIRED PURSUANT TO SECTION 26-1-144;

(XI) ESTABLISHMENT AND MONITORING OF THE CENTRALIZED MEMBER INTEGRITY SERVICE DESCRIBED IN SECTION 25.5-1-210 AND ANY OTHER CENTRALIZED SERVICES AND PROCESSES; AND

(XII) DEVELOPMENT OF PUBLIC ASSISTANCE PROGRAM RECIPIENT EXPERIENCE MEASUREMENT TOOLS, INCLUDING SURVEYS THAT CAPTURE EXPERIENCES ACROSS PUBLIC ASSISTANCE PROGRAMS.

(b) FOR THE COHORTS:

(I) STANDARDIZED AND CONSISTENT ADMINISTRATION OF PUBLIC ASSISTANCE PROGRAMS;

(II) STANDARDIZED AND CONSISTENT GOVERNANCE AND COORDINATION STRUCTURE;

(III) ACHIEVEMENT OF METRICS ESTABLISHED IN PERFORMANCE-BASED CONTRACTS;

(IV) DATA TRACKING AND REPORTING FOR CONTINUOUS QUALITY IMPROVEMENT PROCESSES AND PERFORMANCE REPORTING;

(V) REQUIRED PARTICIPATION IN THE CENTRALIZED MEMBER INTEGRITY SERVICE DESCRIBED IN SECTION 25.5-1-210 AND ANY OTHER SHARED SERVICE MODELS;

(VI) REQUIRED PARTICIPATION IN CONTINUOUS QUALITY IMPROVEMENT PROCESSES ESTABLISHED IN SECTION 26-1-144;

(VII) REQUIRED PARTICIPATION IN STATE-PROVIDED TRAINING AND TECHNICAL ASSISTANCE;

(VIII) REQUIRED IMPLEMENTATION OF STATE-PROVIDED TECHNOLOGY TO MEET FEDERAL OR STATE REQUIREMENTS;

(IX) COMPLIANCE WITH CORRECTIVE ACTION PROTOCOLS;

(X) STANDARDIZED AND CONSISTENT PUBLIC ASSISTANCE PROGRAM RECIPIENT ELIGIBILITY, ENROLLMENT, AND ENGAGEMENT PROTOCOLS;

(XI) CONSISTENT USE OF PUBLIC ASSISTANCE PROGRAM RECIPIENT EXPERIENCE MEASUREMENT TOOLS, INCLUDING SURVEYS THAT CAPTURE EXPERIENCE ACROSS THE PUBLIC ASSISTANCE PROGRAMS; AND

(XII) RECOMMENDATIONS FOR THE OPERATION OF SHARED SERVICES.

(4) THE TRANSITION PLAN MUST:

(a) ESTABLISH RECOMMENDATIONS, OPTIONS, AND MODELS FOR A COHORT-BASED PUBLIC BENEFITS DELIVERY MODEL THAT INCLUDES NO MORE THAN TWELVE COHORTS AND COMPONENTS THAT ALIGN WITH THE REQUIREMENTS OF THIS PART 8;

(b) ENSURE THAT THE TECHNOLOGY SYSTEMS AND INFRASTRUCTURE NEEDED TO SUPPORT THE PUBLIC BENEFITS DELIVERY MODEL ARE IDENTIFIED AND ENSURE THAT TECHNOLOGY MODERNIZATION PROCEEDS INDEPENDENTLY AS AN ESSENTIAL ENABLER OF PUBLIC BENEFITS DELIVERY, DESIGNED TO BE FLEXIBLE TO SUPPORT A RANGE OF STRUCTURES, PROMOTE INTEROPERABILITY, DATA SECURITY, AND EQUITABLE ACCESS FOR RECIPIENTS AND STAFF. TECHNOLOGY MODERNIZATION MUST NOT BE DELAYED OR CONSTRAINED BY OTHER ASPECTS OF THE TRANSITION PLAN.

(c) INCLUDE RECOMMENDATIONS FOR ESTABLISHING A COHORT OR STATEWIDE SHARED SERVICES MODEL FOR KEY ADMINISTRATIVE FUNCTIONS IN THE PUBLIC BENEFITS DELIVERY MODEL, INCLUDING A CALL CENTER, QUALITY ASSURANCE, AND SECURITY ADMINISTRATION SERVICES, AND IDENTIFY ADDITIONAL FUNCTIONS THAT ARE SUITABLE FOR SHARED DELIVERY AND ARE NECESSARY TO IMPROVE CONSISTENCY, REDUCE DUPLICATION, AND ENSURE COMPLIANCE;

(d) INCLUDE RECOMMENDATIONS FOR THE ROLE, STRUCTURE, AUTHORITY, AND RESPONSIBILITIES OF THE REGIONAL MANAGERS DESCRIBED IN SECTION 26-1-803, INCLUDING THE GEOGRAPHICAL DISTRIBUTION OF THE REGIONAL MANAGERS THROUGHOUT THE STATE, TO SUPPORT PERFORMANCE, ACCOUNTABILITY, AND COMMUNICATION OF COUNTY DEPARTMENTS AND COHORTS;

(e) INCLUDE RECOMMENDATIONS FOR ESTABLISHING A PHASED OUTCOME MEASUREMENT FRAMEWORK FOR PERFORMANCE-BASED CONTRACTS THAT INCLUDES BASELINE DATA DEVELOPMENT,

ADMINISTRATIVE PERFORMANCE METRICS, AND CLIENT-CENTERED OUTCOME MEASURES THAT ALIGN METRICS ACROSS THE STATE DEPARTMENTS AND SUPPORT A TRANSITION TOWARD HOLISTIC, FAMILY-CENTERED OUTCOMES RELATED TO STABILITY, ACCESS, AND WELL-BEING;

(f) INCLUDE RECOMMENDATIONS FOR THE DESIGN AND IMPLEMENTATION OF A PUBLIC REPORTING FRAMEWORK, INCLUDING TIMELY PUBLICATION OF COHORT AND STATEWIDE PERFORMANCE DATA, AND ANNUAL REPORTS OF THE DATA TO THE JOINT BUDGET COMMITTEE, THE JOINT TECHNOLOGY COMMITTEE, THE HOUSE OF REPRESENTATIVES HEALTH AND HUMAN SERVICES COMMITTEE, THE SENATE HEALTH AND HUMAN SERVICES COMMITTEE, OR THEIR SUCCESSOR COMMITTEES. THE TRANSITION PLAN MUST ALSO INCLUDE PERFORMANCE DATA REPORTED PURSUANT TO SECTION 25.5-1-138 AND THE FOLLOWING METRICS:

(I) FOR THE MEDICAL ASSISTANCE PROGRAM ESTABLISHED PURSUANT TO ARTICLES 4 TO 6 OF TITLE 25.5:

(A) THE PERCENTAGE OF INITIAL APPLICATIONS AND RENEWAL APPLICATIONS DETERMINED ELIGIBLE DURING THE NINETY DAY RECONSIDERATION PERIOD, IN ACCORDANCE WITH 42 CFR 435.916 (b)(2)(III); AND

(B) THE PERCENTAGE OF PERSONAL INFORMATION CHANGE REQUESTS FOR MEDICAL ASSISTANCE ENROLLMENT APPROVED WITHIN THE FEDERALLY REQUIRED TIMELINES AND THE PERCENTAGE DENIED WITHIN THE FEDERALLY REQUIRED TIMELINES; AND

(II) FOR EACH PUBLIC ASSISTANCE PROGRAM, THE AVERAGE CALL TIME, INCLUDING THE CALL TIME AND EXPERIENCE RATING FOR CALLS THAT OCCUR AT A COHORT CALL CENTER.

(g) INCLUDE RECOMMENDATIONS BASED ON FISCAL MODELING, TAKING INTO ACCOUNT REQUIREMENTS OF FEDERAL LAW, FOR AN INTEGRATED ALLOCATION COMMITTEE THAT INCLUDES:

(I) A BALANCED MEMBERSHIP OF REPRESENTATIVES FROM STATE AGENCIES, THE GOVERNOR'S OFFICE, COUNTY DEPARTMENTS, THE FAMILY VOICE COUNCIL WITHIN THE DEPARTMENT OF HUMAN SERVICES, FRONT LINE WORKERS, AND OTHER STAKEHOLDERS WITH RELEVANT EXPERIENCE;

(II) ALIGNMENT AND INTEGRATION OF EXISTING ALLOCATION COMMITTEES AND CURRENT STRUCTURES FOR ALLOCATING AVAILABLE FUNDING IN EACH PUBLIC ASSISTANCE PROGRAM TO A SINGLE INTEGRATED ALLOCATION COMMITTEE;

(III) A GOVERNANCE AND VOTING STRUCTURE FOR DECISION-MAKING; AND

(IV) DUTIES AND RESPONSIBILITIES OF THE INTEGRATED ALLOCATION COMMITTEE, INCLUDING ALLOCATION OF AVAILABLE FUNDING BASED UPON:

(A) DATA METRICS RELATED TO COMMUNITY NEED; AND

(B) SPENDING PRIORITIES BASED ON AVAILABLE ALLOCATIONS AND THE RECOMMENDATIONS DEVELOPED PURSUANT TO SUBSECTION (4)(e) OF THIS SECTION; AND

(h) INCLUDE RECOMMENDATIONS FOR INTEGRATION OF CURRENT RULE-MAKING STRUCTURES AND PROCESSES ACROSS STATE DEPARTMENTS, TAKING INTO ACCOUNT REQUIREMENTS OF FEDERAL LAW.

26-1-808. State cross-departmental policy alignment team.

(1) THERE IS CREATED IN THE STATE DEPARTMENT THE STATE CROSS-DEPARTMENTAL POLICY ALIGNMENT TEAM.

(2) THE TEAM CONSISTS OF STAFF DESIGNATED BY THE EXECUTIVE DIRECTORS OF THE STATE DEPARTMENTS. THE STAFF DESIGNATED PURSUANT TO THIS SUBSECTION (2) MUST HAVE SUBJECT MATTER EXPERTISE ON THE PUBLIC ASSISTANCE PROGRAMS AND DECISION-MAKING AUTHORITY RELATED TO POLICY AND PROGRAM ADMINISTRATION.

(3) THE TEAM SHALL:

(a) FOCUS ON ALIGNMENT OF PUBLIC ASSISTANCE PROGRAM POLICIES TO IMPROVE SERVICE DELIVERY AND OUTCOMES FOR COLORADANS, WITH AN EMPHASIS ON INDIVIDUALS AND FAMILIES ACCESSING MULTIPLE PROGRAMS AND SERVICES;

(b) ANALYZE FEDERAL, STATE, AND LOCAL POLICIES CONCERNING

THE ADMINISTRATION OF THE PUBLIC ASSISTANCE PROGRAMS, INCLUDING THE IMPACTS OF THOSE POLICIES ON OTHER PROGRAMS AND ON ALLOCATIONS OF AVAILABLE FUNDING FOR PUBLIC ASSISTANCE PROGRAMS;

(c) CREATE EVIDENCE-BASED ALIGNED AND STANDARDIZED POLICY GUIDANCE FOR ADMINISTERING THE PUBLIC ASSISTANCE PROGRAMS THAT ENABLES ADMINISTRATIVE UNIFORMITY AND CONSISTENCY TO THE EXTENT ALLOWABLE UNDER FEDERAL LAW;

(d) ANNUALLY REVIEW THE INTERNAL POLICIES AND PROCEDURES UTILIZED BY THE PUBLIC ASSISTANCE PROGRAMS, AS WELL AS PROGRESS TOWARD ESTABLISHED GOALS AND OUTCOMES, INCLUDING, BUT NOT LIMITED TO:

(I) REDUCING ADMINISTRATIVE BURDEN;

(II) IMPROVING COST EFFICIENCY;

(III) DECREASING THE NUMBER OF ELIGIBLE BUT NOT ENROLLED INDIVIDUALS;

(IV) EVALUATING BENEFIT AMOUNTS;

(V) ASSESSING PARTICIPANT DIRECT SERVICES; AND

(VI) MEASURING COUNTY AND PROGRAM PARTNER PERFORMANCE OUTCOMES IN ORDER TO IDENTIFY AREAS FOR IMPROVEMENT;

(e) ANALYZE THE IMPACT OF AND OVERSEE THE ALIGNMENT OF SIGNIFICANT POLICY OR PROGRAMMATIC CHANGES TO THE ADMINISTRATION OF PUBLIC ASSISTANCE PROGRAMS;

(f) CREATE A PROCESS FOR THE STATE DEPARTMENTS TO COORDINATE ALIGNED IMPLEMENTATION PROGRAM GUIDANCE AND OVERSIGHT ACTIVITIES FOR COUNTIES, AS WELL AS COORDINATE BUDGET REQUESTS ACROSS STATE DEPARTMENTS PRIOR TO SUBMISSION; AND

(g) SUBMIT QUARTERLY REPORTS TO RELEVANT STATE BOARDS AND EXECUTIVE DIRECTORS OF STATE DEPARTMENTS THAT INCLUDE A SUMMARY OF POLICY ITEMS DISCUSSED AND EVIDENCE-BASED DECISIONS MADE TO

DATE.

(4) THE TEAM SHALL MAKE RECOMMENDATIONS TO THE STATE DEPARTMENTS CONCERNING ITS FINDINGS REGARDING THE ITEMS LISTED IN SUBSECTION (3) OF THIS SECTION.

(5) NOTHING IN THIS SECTION DIMINISHES EXISTING RULE-MAKING AUTHORITY OR ROLE OF BOARDS OR THE STATE DEPARTMENTS.

SECTION 7. In Colorado Revised Statutes, 26-2-307, amend (1)(b)(I) and (1)(b)(V) introductory portion as follows:

26-2-307. Fuel assistance payments - eligibility for federal standard utility allowance - supplemental utility assistance fund established - definitions - repeal.

(1) (b) (I) The state department shall make the fuel assistance payments to ~~eligible~~ households that receive SNAP benefits ~~but that do not receive assistance under LEAP in order to qualify those households for the standard utility allowance to maximize their SNAP benefits~~ THAT HAVE NOT RECEIVED LEAP ASSISTANCE IN THE PRECEDING TWELVE MONTHS AND THAT ARE ELIGIBLE FOR THE STANDARD UTILITY ALLOWANCE PURSUANT 7 U.S.C. SEC. 2014 (e)(6)(C)(iv).

(V) ~~On or before April 1, 2024, and on or before April 1 of each year, thereafter,~~ the state department shall submit a budget to the organization and the commission to include the state department's administrative costs to implement the program, including the cost to issue payments to ELIGIBLE recipients' electronic benefits transfer cards for payments made pursuant to subsection (1)(a) of this section, and the projected number of eligible households, ~~that the state department identifies as receiving SNAP benefits but that are not receiving assistance under LEAP,~~ including an estimated number of new SNAP cases THAT ARE ELIGIBLE FOR THE BENEFIT, that the state department will approve during the upcoming federal fiscal year. Based on the budget that the state department submits, the organization shall:

SECTION 8. In Colorado Revised Statutes, amend 25.5-1-115 as follows:

25.5-1-115. Locating violators - recoveries - repeal.

(1) The executive director of the state department, AND A COUNTY CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210, or district attorneys may request and ~~shall~~ MUST receive from departments, boards, bureaus, or other agencies of the state or any of its political subdivisions, and the same are authorized to provide, ~~such~~ THE assistance and data as will enable the state department, ~~and~~ county departments, AND A COUNTY CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210 TO properly to carry out their powers and duties to locate and prosecute ~~any~~ A person who has fraudulently obtained medical assistance under this ~~title~~. ~~Any~~ TITLE 25.5. Records established pursuant to the provisions of this section ~~shall be~~ ARE available only to the state department, the department of human services, the county departments, A COUNTY CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210, the attorney general, and the district attorneys, county attorneys, and courts having jurisdiction in fraud or recovery proceedings or actions.

(2) (a) All departments and agencies of the state and local governments shall cooperate in the location and prosecution of ~~any~~ A person who has fraudulently obtained medical assistance under this ~~title~~ TITLE 25.5, and, on request of the county board, the county director, the state department, or the district attorney of any judicial district in this state, shall supply all information on hand relative to the location, employment, income, and property of ~~such~~ THE persons, notwithstanding any other provision of law making such information confidential, except the laws pertaining to confidentiality of any tax returns filed pursuant to law with the department of revenue. The department of revenue shall furnish at no cost to inquiring departments and agencies ~~such~~ information ~~as may be~~ necessary to effectuate the purposes of this ~~article~~ ARTICLE 1. The procedures ~~whereby~~ ~~this information will be requested and provided~~ ~~shall~~ USED TO REQUEST AND PROVIDE THIS INFORMATION MUST be established by rule of the state department. The state department or county departments shall use ~~such~~ THE information only for the purposes of administering medical assistance under this ~~title~~ TITLE 1, and the district attorney shall use it only for the prosecution of persons who have fraudulently obtained medical assistance under this title, and shall not use the information, or disclose it, for any other purpose. THE STATE DEPARTMENT SHALL UTILIZE THE CENTRALIZED

MEMBER INTEGRITY SERVICE, ESTABLISHED PURSUANT TO SECTION 25.5-1-210, TO CONDUCT FRAUD INVESTIGATIONS, FRAUD CLAIMS, FRAUD RECOVERY, FRAUD DISPUTE RESOLUTION CONFERENCES, STATE-LEVEL HEARINGS, INTENTIONAL PROGRAM VIOLATION WAIVERS, AND CRIMINAL COURT PROCEEDINGS CONCERNING MEMBER ELIGIBILITY IN THE MEDICAL ASSISTANCE PROGRAM.

(b) (I) Whenever the state department, A COUNTY DEPARTMENT CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210, or a district attorney for the state department, or the state department on behalf of a county department, recovers any amount of fraudulently obtained medical assistance funds, the federal government ~~shall be~~ IS entitled to a share proportionate to the amount of federal funds paid unless a different amount is otherwise provided by federal law, the state ~~shall be~~ IS entitled to a share proportionate to the amount of state funds paid and ~~such~~ additional amounts of federal funds recovered as provided by federal law, and the county department ~~shall be~~ IS entitled to a share proportionate to the amount of county funds paid unless a different amount is provided pursuant to federal law or this section.

(II) (A) Whenever a county department, a county board, a district attorney, A COUNTY CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210, or a state department on behalf of a county department recovers any amount of fraudulently obtained public assistance funds in the form of assistance payments, ~~it shall~~ THE RECOVERED FUNDS MUST be deposited in the county social services fund ~~and the~~ UNTIL THE COUNTY HAS FULLY TRANSITIONED TO UTILIZING THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210. WHEN THE COUNTY HAS FULLY TRANSITIONED TO UTILIZING THE CENTRALIZED MEMBER INTEGRITY SERVICE, THE COUNTY SHALL NOTIFY THE STATE DEPARTMENT OF THE FULL TRANSITION AND THE COUNTY SHALL TRANSFER THE MONEY IN THE COUNTY SOCIAL SERVICES FUND TO THE STATE TREASURER, WHO SHALL CREDIT THE MONEY TO THE CENTRALIZED MEMBER INTEGRITY SERVICE CASH FUND CREATED IN SECTION 25.5-1-210. AFTER THE COUNTY HAS FULLY TRANSITIONED TO UTILIZING THE CENTRALIZED MEMBER INTEGRITY SERVICE, AN ENTITY THAT RECOVERS, ON BEHALF OF A COUNTY, AN AMOUNT OF FRAUDULENTLY OBTAINED PUBLIC ASSISTANCE FUNDS SHALL TRANSFER THE RECOVERED FUNDS TO THE STATE TREASURER, WHO SHALL CREDIT THE MONEY TO THE CENTRALIZED MEMBER INTEGRITY SERVICE CASH FUND. THE federal government is entitled to a

share proportionate to the amount of federal funds paid, unless a different amount is provided for by federal law, the state is entitled to a share proportionate to one-half the amount of state funds paid, and the county is entitled to a share proportionate to the amount of county funds paid and, in addition, a share proportionate to one-half the amount of state funds paid.

(B) Whenever a county department, a county board, a district attorney, A COUNTY CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210, or a state department on behalf of a county department recovers any amount of fraudulently obtained medical assistance, ~~it shall~~ THE RECOVERED FUNDS MUST be deposited in the county social services fund ~~and the~~ UNTIL THE COUNTY HAS FULLY TRANSITIONED TO UTILIZING THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210. WHEN THE COUNTY HAS FULLY TRANSITIONED TO UTILIZING THE CENTRALIZED MEMBER INTEGRITY SERVICE, THE COUNTY SHALL NOTIFY THE STATE DEPARTMENT OF THE FULL TRANSITION AND THE COUNTY SHALL TRANSFER THE MONEY IN THE COUNTY SOCIAL SERVICES FUND TO THE STATE TREASURER, WHO SHALL CREDIT THE MONEY TO THE CENTRALIZED MEMBER INTEGRITY SERVICE CASH FUND CREATED IN SECTION 25.5-1-210. AFTER THE COUNTY HAS FULLY TRANSITIONED TO UTILIZING THE CENTRALIZED MEMBER INTEGRITY SERVICE, AN ENTITY THAT RECOVERS, ON BEHALF OF A COUNTY, AN AMOUNT OF FRAUDULENTLY OBTAINED MEDICAL ASSISTANCE FUNDS SHALL TRANSFER THE RECOVERED FUNDS TO THE STATE TREASURER, WHO SHALL CREDIT THE MONEY TO THE CENTRALIZED MEMBER INTEGRITY SERVICE CASH FUND. THE federal government is entitled to a share proportionate to the amount of federal funds paid, unless a different amount is provided for by federal law, and the county is entitled to the remaining funds.

(C) THIS SUBSECTION (2)(b)(II) IS REPEALED, EFFECTIVE JULY 1, 2028.

(III) (A) BEGINNING JULY 1, 2028, WHENEVER A COUNTY DEPARTMENT, A COUNTY BOARD, A DISTRICT ATTORNEY, A COUNTY CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210, OR A STATE DEPARTMENT ON BEHALF OF A COUNTY DEPARTMENT RECOVERS ANY AMOUNT OF FRAUDULENTLY OBTAINED PUBLIC ASSISTANCE FUNDS IN THE FORM OF ASSISTANCE PAYMENTS, THE FRAUDULENT FUNDS SHALL BE TRANSFERRED TO THE STATE TREASURER, WHO SHALL CREDIT THE MONEY TO THE

CENTRALIZED MEMBER INTEGRITY SERVICE CASH FUND CREATED IN SECTION 25.5-1-210. THE FEDERAL GOVERNMENT IS ENTITLED TO A SHARE PROPORTIONATE TO THE AMOUNT OF FEDERAL FUNDS PAID, UNLESS A DIFFERENT AMOUNT IS PROVIDED FOR BY FEDERAL LAW, THE STATE IS ENTITLED TO A SHARE PROPORTIONATE TO ONE-HALF THE AMOUNT OF STATE FUNDS PAID, AND THE COUNTY IS ENTITLED TO A SHARE PROPORTIONATE TO THE AMOUNT OF COUNTY FUNDS PAID AND, IN ADDITION, A SHARE PROPORTIONATE TO ONE-HALF THE AMOUNT OF STATE FUNDS PAID.

(B) BEGINNING JULY 1, 2028, WHENEVER A COUNTY DEPARTMENT, A COUNTY BOARD, A DISTRICT ATTORNEY, A COUNTY CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210, OR A STATE DEPARTMENT ON BEHALF OF A COUNTY DEPARTMENT RECOVERS ANY AMOUNT OF FRAUDULENTLY OBTAINED MEDICAL ASSISTANCE, AN AMOUNT FROM AN INDIVIDUAL FOR THE VALUE OF THE MEDICAL ASSISTANCE BENEFITS THE INDIVIDUAL FRAUDULENTLY OBTAINED SHALL BE TRANSFERRED TO THE STATE TREASURER, WHO SHALL CREDIT THE MONEY TO THE CENTRALIZED MEMBER INTEGRITY SERVICE CASH FUND CREATED IN SECTION 25.5-1-210. THE FEDERAL GOVERNMENT IS ENTITLED TO A SHARE PROPORTIONATE TO THE AMOUNT OF FEDERAL FUNDS PAID, UNLESS A DIFFERENT AMOUNT IS PROVIDED FOR BY FEDERAL LAW, AND THE COUNTY IS ENTITLED TO THE REMAINING FUNDS.

~~(3) Whenever a county department, a county board, a district attorney, or the state department on behalf of the county recovers any amount of medical assistance payments that were obtained through unintentional member error, the federal government is entitled to a share proportionate to the amount of federal funds paid, unless a different amount is provided for by federal law; the state is entitled to a share proportionate to seventy-five percent of the amount of state funds paid; and the county is entitled to a share proportionate to the amount of county funds paid, if any; and, in addition, a share proportionate to twenty-five percent of the amount of state funds paid.~~

~~(4) Actual costs and expenses incurred by the district attorney's office in carrying out the provisions of subsection (2) of this section shall be billed to counties or a county within the judicial district in the proportions specified in section 20-1-302, C.R.S. Each county shall make an annual accounting to the state department on all amounts recovered.~~

(5) THE STATE PORTION OF THE MONEY RECOUPED BY THE STATE DEPARTMENT PURSUANT TO THIS SECTION MUST BE DEPOSITED INTO THE CENTRALIZED MEMBER INTEGRITY SERVICE CASH FUND CREATED IN SECTION 25.5-1-210.

SECTION 9. In Colorado Revised Statutes, 25.5-1-118, **amend** (1); and **repeal** (3) as follows:

25.5-1-118. Duties of county departments.

(1) The county departments or other state designated agencies, where applicable, ~~shall~~ serve as agents of the state department and NO LATER THAN JULY 1, 2028, ~~shall be charged with the~~ UTILIZE THE CENTRALIZED MEMBER INTEGRITY SERVICE, ESTABLISHED IN SECTION 25.5-1-210, FOR THE administration of medical assistance and related activities in the respective counties in accordance with the rules of the state department.

~~(3) The county department or other state designated agencies, where applicable, in each county shall submit quarterly and annually to the board of county commissioners a budget containing an estimate and supporting data setting forth the amount of money needed to carry out the provisions of this title.~~

SECTION 10. In Colorado Revised Statutes, 25.5-1-121, **amend** (2); and **add** (4) as follows:

25.5-1-121. County expenditures - advancements - procedures.

(2) Notwithstanding any other provision of this ~~article~~ ARTICLE 1, the county department may spend in excess of twenty percent of actual costs for the purpose of matching federal funds for the administration of the child support enforcement program or for the administrative costs of activities involving food stamp OR public assistance. ~~or medical assistance fraud investigations or prosecutions.~~

(4) ADMINISTRATIVE COSTS DO NOT INCLUDE EXPENDITURES THAT ARE DUPLICATIVE OF COSTS COVERED BY THE CENTRALIZED MEMBER INTEGRITY SERVICE, ESTABLISHED IN SECTION 25.5-1-210, OR SHARED SERVICES, AS DEFINED IN SECTION 26-1-802.

SECTION 11. In Colorado Revised Statutes, add 25.5-1-139 as follows:

25.5-1-139. State income tax refund offset - rules.

(1)(a) AT ANY TIME PRESCRIBED BY THE DEPARTMENT OF REVENUE, BUT NOT LESS FREQUENTLY THAN ANNUALLY, THE STATE DEPARTMENT SHALL CERTIFY TO THE DEPARTMENT OF REVENUE INFORMATION REGARDING PERSONS WHO ARE OBLIGATED TO THE STATE FOR OVERPAYMENT OF BENEFITS RECEIVED PURSUANT TO ARTICLES 4 TO 6 OF THIS TITLE 25.5. THE INFORMATION MUST INCLUDE CERTIFICATION OF THE AMOUNT OF OVERPAYMENT THAT HAS BEEN DETERMINED BY FINAL AGENCY ACTION, HAS BEEN ORDERED BY A COURT AS RESTITUTION, OR HAS BEEN REDUCED TO JUDGMENT.

(b) THE INFORMATION REGARDING OVERPAYMENT OF BENEFITS MUST ALSO INCLUDE THE NAME AND THE SOCIAL SECURITY NUMBER OF THE PERSON OBLIGATED TO THE STATE FOR THE OVERPAYMENT, THE AMOUNT OF THE OVERPAYMENT, AND ANY OTHER IDENTIFYING INFORMATION REQUIRED BY THE DEPARTMENT OF REVENUE.

(2) AS A CONDITION OF CERTIFYING AN OVERPAYMENT TO THE DEPARTMENT OF REVENUE AS PROVIDED IN SUBSECTION (1) OF THIS SECTION, THE STATE DEPARTMENT MUST ENSURE THAT THE OBLIGATED PERSON HAS BEEN AFFORDED THE OPPORTUNITY FOR A CONFERENCE AT THE COUNTY DEPARTMENT LEVEL AND AFFORDED THE OPPORTUNITY FOR AN APPEAL TO THE STATE DEPARTMENT PURSUANT TO SECTION 25.5-4-207. IN ADDITION, THE STATE DEPARTMENT, PRIOR TO FINAL CERTIFICATION OF THE INFORMATION SPECIFIED IN SUBSECTION (1) OF THIS SECTION TO THE DEPARTMENT OF REVENUE, MUST NOTIFY THE OBLIGATED PERSON, IN WRITING, AT THE OBLIGATED PERSON'S LAST-KNOWN ADDRESS, THAT THE STATE INTENDS TO REFER THE PERSON'S NAME TO THE DEPARTMENT OF REVENUE IN AN ATTEMPT TO OFFSET THE OBLIGATION AGAINST THE PERSON'S STATE INCOME TAX REFUND. THE NOTIFICATION MUST INFORM THE OBLIGATED PERSON OF THE OPPORTUNITY FOR A CONFERENCE WITH THE COUNTY DEPARTMENT, AS DESCRIBED IN SECTION 25.5-4-207, OR THE COUNTY CONTRACTED TO ADMINISTER A CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210, AND OF THE OPPORTUNITY FOR AN APPEAL TO THE STATE DEPARTMENT PURSUANT TO SECTION 25.5-4-207. IN ADDITION, THE NOTICE MUST SPECIFY ISSUES THAT MAY BE RAISED AT AN

EVIDENTIARY CONFERENCE OR ON APPEAL, AS PROVIDED BY THIS SUBSECTION (2), BY THE OBLIGATED PERSON IN OBJECTING TO THE OFFSET. THE NOTICE MUST SPECIFY THAT THE OBLIGATED PERSON MAY NOT OBJECT TO THE FACT THAT AN OVERPAYMENT OCCURRED. A PERSON WHO HAS RECEIVED A NOTICE PURSUANT TO THIS SUBSECTION (2) MAY REQUEST, WITHIN THIRTY DAYS AFTER THE DATE THE NOTICE WAS MAILED, AN ADMINISTRATIVE REVIEW OR EVIDENTIARY CONFERENCE, AS PROVIDED IN THIS SUBSECTION (2).

(3) UPON NOTIFICATION BY THE DEPARTMENT OF REVENUE OF AMOUNTS DEPOSITED TO THE STATE TREASURER PURSUANT TO SECTION 39-21-108, THE STATE DEPARTMENT SHALL DETERMINE WHETHER THE AMOUNT DEPOSITED IS RELATED TO THE CENTRALIZED MEMBER INTEGRITY SERVICE, ESTABLISHED IN SECTION 25.5-1-210. IF THE AMOUNT IS NOT RELATED TO THE CENTRALIZED MEMBER INTEGRITY SERVICE, THE STATE DEPARTMENT SHALL DISBURSE THE AMOUNTS TO THE APPROPRIATE COUNTY FOR PROCESSING FOR DISTRIBUTION TO THE FEDERAL, STATE, OR LOCAL AGENCY TO WHICH THE PERSON IS OBLIGATED. IF THE AMOUNT IS RELATED TO THE CENTRALIZED MEMBER INTEGRITY SERVICE, THE COUNTY CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE, AS DESCRIBED IN SECTION 25.5-1-210, SHALL DETERMINE THE FEDERAL, STATE, OR LOCAL AGENCY TO WHICH THE PERSON IS OBLIGATED, AND THE STATE DEPARTMENT SHALL DISTRIBUTE THE MONEY TO THE FEDERAL, STATE, OR LOCAL AGENCY TO WHICH THE PERSON IS OBLIGATED.

(4) THE STATE DEPARTMENT SHALL ADOPT RULES PURSUANT TO ARTICLE 4 OF TITLE 24 ESTABLISHING PROCEDURES TO IMPLEMENT THIS SECTION.

(5) FOR A PROGRAM THAT IS NOT SUBJECT TO THE CENTRALIZED MEMBER INTEGRITY SERVICE DESCRIBED IN SECTION 25.5-1-210, THE HOME ADDRESSES AND SOCIAL SECURITY NUMBERS OF PERSONS SUBJECT TO THE INCOME TAX REFUND OFFSET, PROVIDED TO THE STATE DEPARTMENT BY THE DEPARTMENT OF REVENUE, MUST BE SENT TO THE RESPECTIVE COUNTY DEPARTMENT OF HUMAN OR SOCIAL SERVICES. FOR A PROGRAM THAT IS SUBJECT TO THE CENTRALIZED MEMBER INTEGRITY SERVICE DESCRIBED IN SECTION 25.5-1-210, THE HOME ADDRESSES AND SOCIAL SECURITY NUMBERS OF PERSONS SUBJECT TO THE INCOME TAX REFUND OFFSET, PROVIDED TO THE STATE DEPARTMENT BY THE DEPARTMENT OF REVENUE, MUST BE SENT TO THE COUNTY CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER

INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210.

SECTION 12. In Colorado Revised Statutes, 25.5-4-204, **add** (4) as follows:

25.5-4-204. Automated medical assistance administration.

(4) COUNTY-LEVEL FRAUD FUNCTIONS MUST BE ADMINISTERED USING THE CENTRALIZED MEMBER INTEGRITY SERVICE, ESTABLISHED IN SECTION 25.5-1-210, OR SHARED SERVICES, AS DEFINED IN SECTION 26-1-802.

SECTION 13. In Colorado Revised Statutes, 26-1-112, **amend** (2)(b)(II); and **add** (2)(b)(III) as follows:

26-1-112. Locating violators - recoveries - repeal.

(2) (b) (II) (A) Whenever a county department, a county board, A COUNTY DEPARTMENT CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210, a district attorney, or a state department on behalf of a county department recovers any amount of fraudulently obtained public assistance funds in the form of assistance payments, it shall be deposited in the county general fund ~~and the~~ UNTIL THE COUNTY HAS FULLY TRANSITIONED TO UTILIZING THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210. WHEN THE COUNTY HAS FULLY TRANSITIONED TO UTILIZING THE CENTRALIZED MEMBER INTEGRITY SERVICE, THE COUNTY SHALL NOTIFY THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING OF THE FULL TRANSITION AND THE COUNTY SHALL TRANSFER THE MONEY IN THE COUNTY SOCIAL SERVICES FUND TO THE STATE TREASURER, WHO SHALL CREDIT THE MONEY TO THE CENTRALIZED MEMBER INTEGRITY SERVICE CASH FUND CREATED IN SECTION 25.5-1-210. AFTER THE COUNTY HAS FULLY TRANSITIONED TO UTILIZING THE CENTRALIZED MEMBER INTEGRITY SERVICE, AN ENTITY THAT RECOVERS, ON BEHALF OF A COUNTY, AN AMOUNT OF FRAUDULENTLY OBTAINED PUBLIC ASSISTANCE FUNDS SHALL TRANSFER THE RECOVERED FUNDS TO THE STATE TREASURER, WHO SHALL CREDIT THE MONEY TO THE CENTRALIZED MEMBER INTEGRITY SERVICE CASH FUND. THE federal government ~~shall be~~ IS entitled to a share proportionate to the amount of federal funds paid unless a different amount is provided for by federal law, the state ~~shall be~~ IS entitled to a share proportionate to one-half

the amount of state funds paid, and the county ~~shall be~~ CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210 IS entitled to a share proportionate to the amount of county funds paid and, in addition, a share proportionate to one-half the amount of state funds paid. In the case of funds recovered from fraudulently obtained food stamp coupons by ~~the~~ A county department, A COUNTY CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210, the county board, the district attorney, ~~or the state department, or behalf of a county department,~~ OR the county ~~shall be~~ IS entitled to the share of the recovered funds provided by the federal "Food Stamp Act" UNTIL THE COUNTY HAS FULLY TRANSITIONED TO UTILIZING THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210. WHEN THE COUNTY HAS FULLY TRANSITIONED TO UTILIZING THE CENTRALIZED MEMBER INTEGRITY SERVICE, THE COUNTY MUST NOTIFY THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING OF THE FULL TRANSITION AND THE COUNTY SHALL TRANSFER THE FUNDS TO THE STATE TREASURER, WHO SHALL CREDIT THE MONEY TO THE CENTRALIZED MEMBER INTEGRITY SERVICE CASH FUND CREATED IN SECTION 25.5-1-210.

(B) THIS SUBSECTION (1)(b)(II) IS REPEALED, EFFECTIVE JULY 1, 2028.

(III) BEGINNING JULY 1, 2028, WHENEVER A COUNTY DEPARTMENT, A COUNTY BOARD, A COUNTY DEPARTMENT CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210, A DISTRICT ATTORNEY, OR A STATE DEPARTMENT ON BEHALF OF A COUNTY DEPARTMENT RECOVERS ANY AMOUNT OF FRAUDULENTLY OBTAINED PUBLIC ASSISTANCE FUNDS IN THE FORM OF ASSISTANCE PAYMENTS, THE FUNDS SHALL BE TRANSFERRED TO THE STATE TREASURER, WHO SHALL CREDIT THE MONEY TO THE CENTRALIZED MEMBER INTEGRITY SERVICE CASH FUND CREATED IN SECTION 25.5-1-210. THE FEDERAL GOVERNMENT IS ENTITLED TO A SHARE PROPORTIONATE TO THE AMOUNT OF FEDERAL FUNDS PAID UNLESS A DIFFERENT AMOUNT IS PROVIDED FOR BY FEDERAL LAW, THE STATE IS ENTITLED TO A SHARE PROPORTIONATE TO ONE-HALF THE AMOUNT OF STATE FUNDS PAID, AND THE COUNTY CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210 IS ENTITLED TO A SHARE PROPORTIONATE TO THE AMOUNT OF COUNTY FUNDS PAID AND, IN ADDITION, A SHARE PROPORTIONATE TO ONE-HALF THE AMOUNT OF STATE FUNDS PAID. IN THE CASE OF FUNDS RECOVERED FROM FRAUDULENTLY OBTAINED FOOD

STAMP COUPONS BY THE COUNTY DEPARTMENT OR A COUNTY CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210, THE ENTITY THAT RECOVERED THE FUNDS SHALL TRANSFER THE FUNDS TO THE STATE TREASURER, WHO SHALL CREDIT THE MONEY TO THE CENTRALIZED MEMBER INTEGRITY SERVICE CASH FUND CREATED IN SECTION 25.5-1-210.

SECTION 14. In Colorado Revised Statutes, 26-1-118, amend (1)(a), (6) introductory portion, and (7) as follows:

26-1-118. Duties of county departments, county directors, and district attorneys.

(1) (a) The county departments or other state designated agencies, where applicable, shall serve as agents of the state department and are charged with the administration of public assistance, and welfare and related activities in the respective counties in accordance with the rules of the state department. ON OR BEFORE JULY 1, 2028, THE COUNTY DEPARTMENTS SHALL PARTICIPATE IN THE CENTRALIZED MEMBER INTEGRITY SERVICE, ESTABLISHED IN SECTION 25.5-1-210, AND SHARED SERVICES, AS DEFINED IN SECTION 26-1-802, TO ENSURE EFFICIENT AND CONSISTENT ADMINISTRATION OF PUBLIC ASSISTANCE PROGRAMS AND RELATED ACTIVITIES THROUGHOUT THE STATE.

(6) The county department, OR A COUNTY CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210, shall report, to the district attorney monthly, data relating to fraudulent activities covering, as a minimum, the activities specified in paragraphs (a), (b), and (d) of this subsection (6); SUBSECTIONS (6)(a), (6)(b), AND (6)(d) OF THIS SECTION, and the district attorney shall likewise report, monthly, to the county department, OR TO A COUNTY CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210, the data specified in paragraph (c) of this subsection (6) SUBSECTION (6)(c) OF THIS SECTION, as follows when applicable:

(7) The counties may prepare and issue to all payees, excluding heads of households in nonpublic assistance food stamp cases, at the time of delivery of any public assistance, a hermetically sealed photo identification card which THAT is manufactured in such a secure manner as

to resist duplication or intrusion and containing the full name, a card identification number, and any other data ~~which~~ THAT would ensure proper identification. A county department, OR A COUNTY CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210, shall refer to the appropriate law enforcement agency for investigation, within ten working days after discovery, any information it may have concerning the improper use of a photo identification card by a person not eligible to possess ~~such~~ THE card.

SECTION 15. In Colorado Revised Statutes, 26-1-122, amend (3)(c), (4)(i), and (6)(c) as follows:

26-1-122. County appropriations and expenditures - advancements - procedures.

(3) (c) For purposes of this ~~article~~ ARTICLE 1, and except as otherwise provided in subsection (6) of this section, under rules of the state department, administrative costs ~~shall~~ include: Salaries of the county director and employees of the county department staff engaged in the performance of assistance payments, food stamps, and social services activities; the county's payments on behalf of ~~such~~ employees for old age and survivors' insurance or pursuant to a county officers' and employees' retirement plan and for any health insurance plan, if approved by the state department; the necessary travel expenses of the county board and the administrative staff of the county department in the performance of their duties; necessary telephone and telegraph COSTS; necessary equipment and supplies; necessary payments for postage and printing, including the printing and preparation of county warrants required for the administration of the county department; and ~~such~~ other administrative costs ~~as may be~~ approved by the state department; but advancements for office space, utilities, and fixtures may be made from state funds only if federal matching funds are available. ADMINISTRATIVE COSTS DO NOT INCLUDE EXPENDITURES THAT ARE DUPLICATIVE OF COSTS COVERED BY THE CENTRALIZED MEMBER INTEGRITY SERVICE, ESTABLISHED IN SECTION 25.5-1-210, AND SHARED SERVICES, AS DEFINED IN SECTION 26-1-802.

(4) (i) Notwithstanding any other provision of this ~~article~~ ARTICLE 1, the county department may receive and spend federal funds to which it is entitled by reason of the county's expenditures in excess of the twenty percent required by subsection (1) of this section for ~~any~~ A social services

activity that has been approved by the STATE department as an activity that is eligible for reimbursement under any federal program. Acceptance and expenditure of ~~such~~ federal funds shall in no way ~~affect~~ AFFECTS the state's share of and contribution to ~~such~~ THE payments, and the county ~~shall be~~ IS solely responsible for the provision of the nonfederal share that is in excess of the twenty percent. EXPENDITURES THAT ARE DUPLICATIVE OF COSTS COVERED BY THE CENTRALIZED MEMBER INTEGRITY SERVICE, ESTABLISHED IN SECTION 25.5-1-210, AND SHARED SERVICES, AS DEFINED IN SECTION 26-1-802, ARE NOT ELIGIBLE FOR FEDERAL OR STATE REIMBURSEMENT.

(6) (c) The state department shall establish rules concerning what constitutes administrative costs and program costs for the Colorado works program. The executive director of the department of early childhood, in coordination with county departments, shall establish rules concerning what constitutes administrative costs and program costs for the Colorado child care assistance program. The state treasurer shall make advancements to county departments for the costs of administering the Colorado works program and the Colorado child care assistance program from funds appropriated or made available for ~~such~~ THAT purpose, upon authorization of the department of early childhood or the state department, as applicable; except that ~~in no event shall~~ the department of early childhood or the state department SHALL NOT authorize expenditures greater than the annual appropriation by the general assembly for ~~such~~ THE administrative costs of the county departments. As funds are advanced, adjustment ~~shall~~ MUST be made from subsequent monthly payments for those purposes. ADMINISTRATIVE COSTS DO NOT INCLUDE EXPENDITURES THAT ARE DUPLICATIVE OF COSTS COVERED BY THE CENTRALIZED MEMBER INTEGRITY SERVICE, ESTABLISHED IN SECTION 25.5-1-210, AND SHARED SERVICES, AS DEFINED IN SECTION 26-1-802, AND ARE NOT ELIGIBLE FOR FEDERAL OR STATE REIMBURSEMENT.

SECTION 16. In Colorado Revised Statutes, 26-2-107, **amend** (1)(c) and (2) as follows:

26-2-107. Verification - record.

(1) (c) Within ten working days after a discrepancy relating to a fraudulent or suspected fraudulent act affecting eligibility is discovered, ~~it~~ THE DISCREPANCY shall be referred to the appropriate investigatory agency for investigation. The investigatory agency shall take action within thirty

days following AFTER receipt of the information from the county department OR A COUNTY CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210.

(2) The county department, A COUNTY CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210, the state department, and the officers and authorized employees of each ENTITY may conduct visits to the home of the applicant at reasonable times, make investigations and require the attendance and testimony of witnesses and the production of books, records, and papers by subpoena, and make application to the district court to compel and enforce such attendance and testimony of witnesses and the production of such books, records, and papers. Officers and employees designated by the county department, A COUNTY CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210, or the state department may administer oaths and affirmations.

SECTION 17. In Colorado Revised Statutes, 26-2-133, amend (3) and (5) as follows:

26-2-133. State income tax refund offset - rules.

(3) Upon notification by the department of revenue of amounts deposited with the state treasurer pursuant to section 39-21-108, ~~C.R.S.~~, THE STATE DEPARTMENT SHALL DETERMINE WHETHER THE AMOUNT DEPOSITED IS RELATED TO THE CENTRALIZED MEMBER INTEGRITY SERVICE, ESTABLISHED IN SECTION 25.5-1-210. IF THE AMOUNT IS NOT RELATED TO THE CENTRALIZED MEMBER INTEGRITY SERVICE, the state department shall disburse ~~such amounts~~ THE AMOUNT to the appropriate county for processing for distribution to the federal, state, or local agency to whom WHICH the person is obligated. IF THE AMOUNT IS RELATED TO THE CENTRALIZED MEMBER INTEGRITY SERVICE, A COUNTY CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210 SHALL DETERMINE THE FEDERAL, STATE, OR LOCAL AGENCY TO WHICH THE PERSON IS OBLIGATED AND INFORM THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING OF THE AGENCY, AND THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING SHALL DISTRIBUTE THE MONEY TO THE FEDERAL, STATE, OR LOCAL AGENCY TO WHICH THE PERSON IS OBLIGATED.

(5) FOR A PROGRAM THAT IS NOT THE CENTRALIZED MEMBER INTEGRITY SERVICE, ESTABLISHED IN SECTION 25.5-1-210, the home addresses and social security numbers of persons subject to the income tax refund offset, provided to the state department by the department of revenue, must be sent to the respective county department. ~~of human or social services.~~ FOR A PROGRAM THAT IS THE CENTRALIZED MEMBER INTEGRITY SERVICE, ESTABLISHED IN SECTION 25.5-1-210, THE HOME ADDRESSES AND SOCIAL SECURITY NUMBERS OF PERSONS SUBJECT TO THE INCOME TAX REFUND OFFSET, PROVIDED TO THE STATE DEPARTMENT BY THE DEPARTMENT OF REVENUE, MUST BE SENT TO THE COUNTY CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210.

SECTION 18. In Colorado Revised Statutes, 26.5-4-103, **amend** (3) as follows:

26.5-4-103. Definitions.

As used in this part 1, unless the context otherwise requires:

(3) "County department" means the county or district department of human or social services, OR, FOR FUNCTIONS AND RESPONSIBILITIES ADMINISTERED PURSUANT TO THE CENTRALIZED MEMBER INTEGRITY SERVICE, ESTABLISHED IN SECTION 25.5-1-210, A COUNTY CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210.

SECTION 19. In Colorado Revised Statutes, 26.5-4-106, **amend** (2)(d) and (2)(e) as follows:

26.5-4-106. Applications for child care assistance - applications for child care employees - verification - award - not assignable - limitation - rules.

(2) (d) Within ten working days after the county department discovers a discrepancy relating to a fraudulent or suspected fraudulent act affecting eligibility, the county department shall refer the matter to the appropriate investigatory agency, INCLUDING A COUNTY OR A COUNTY CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210 for investigation. The

investigatory agency, WHICH MAY BE A COUNTY CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210, shall take action within thirty days following AFTER receipt of the information from the county department.

(e) The county department, the department, A COUNTY CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210, and the officers and authorized employees of each ENTITY may conduct visits to the home of the applicant at reasonable times, make investigations and require the attendance and testimony of witnesses and the production of books, records, and papers by subpoena, and make application to the district court to compel and enforce such attendance and testimony of witnesses and the production of such books, records, and papers. Officers and employees designated by the ~~county department~~ or the department OR A COUNTY CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210 may administer oaths and affirmations.

SECTION 20. In Colorado Revised Statutes, **amend** 26.5-4-116 as follows:

26.5-4-116. Recovery from recipient - estate.

(1)(a) If, at any time during the continuance of child care assistance, the recipient becomes possessed of property having a value in excess of that amount set pursuant to ~~the provisions of~~ section 26.5-4-106 (4) and department rules or receives ~~any~~ AN increase in income, the recipient shall notify the county department of the possession of the property or receipt of the income, and the county department may either terminate the child care assistance or alter the amount of child care assistance in accordance with the circumstances and department rules.

(b) To the extent not otherwise prohibited by state or federal law, if the recipient is found to have committed an intentional program violation, the recipient is disqualified from participation in CCCAP for twelve months for the first incident, twenty-four months for a second incident, and permanently for a third or subsequent incident. This disqualification is mandatory and is in addition to any other penalty imposed by law.

(c) Except as provided in subsections (3) and (4) of this section, any

previously provided excess child care assistance to which the recipient was not entitled is recoverable by the county, ~~as a debt due~~ OR BY A COUNTY CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210, AS A DEBT OWED. IF THE DEBT OWED IS DUE TO FRAUDULENTLY OBTAINED CHILD CARE ASSISTANCE OR FRAUDULENTLY OBTAINED OVERPAYMENTS OF CHILD CARE ASSISTANCE, THE RECOVERY OF THE DEBT MUST BE DISTRIBUTED TO THE CENTRALIZED MEMBER INTEGRITY SERVICE CASH FUND CREATED IN SECTION 25.5-1-210 AND THE COUNTY IN A PROPORTION DETERMINED BY DEPARTMENT RULE. IF THE DEBT OWED IS DUE TO EXCESS CHILD CARE ASSISTANCE PAID FOR WHICH THE RECIPIENT WAS INELIGIBLE BUT THAT WAS NOT FRAUDULENTLY OBTAINED, THE RECOVERY OF THAT DEBT MUST BE DISTRIBUTED to the state and the county in proportion to the amount of child care assistance paid by each respectively. ~~except that~~ ON AN AMOUNT OF CHILD CARE ASSISTANCE FRAUDULENTLY OBTAINED, interest ~~is~~ MUST BE charged and paid to the county department, ~~on any sum fraudulently obtained~~, OR A COUNTY CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210, calculated at the legal rate and calculated from the date the sum was paid to a provider on behalf of the recipient to the date the sum is recovered.

(d) If the debt for fraudulently obtained child care assistance, fraudulently obtained overpayments of child care assistance, or excess child care assistance paid for which the recipient was ineligible has been reduced to a judgment in a court of record in this state, the county department, OR A COUNTY CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210, may seek a continuing garnishment to collect the debt ~~under~~ PURSUANT TO article 54.5 of title 13.

(2) If, upon the death or mental incompetency of ~~any~~ A recipient, the inventory of the recipient's estate shows assets in excess of the amount that the recipient was allowed to have in order to receive child care assistance, or if it ~~be~~ IS shown that the recipient was otherwise ineligible for child care assistance, then the claim of the county, OR OF A COUNTY CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210, and state for the excess child care assistance paid for which the recipient was ineligible, if filed as required by section 15-12-804, has priority as a debt given preference ~~under~~ PURSUANT TO section 15-12-805 (1)(f.7).

(3) When a recipient was ineligible for child care assistance solely because of property in excess of that permitted by department rules pursuant to section 26.5-4-106 (4), the amount for which the recipient is liable is the amount by which the property exceeded the amount allowable under ~~said~~ THE rules or the total amount of child care assistance received, whichever is the lesser amount. Except as provided in subsection (4) of this section, actions for the recovery of these sums must be prosecuted by the county department, A COUNTY CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210, or the department in a court of record that has jurisdiction.

(4) The department and a county department, OR A COUNTY CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210, may elect not to attempt recovery of an overpayment of child care assistance from an individual who is no longer receiving public assistance or child care assistance if the overpayment amount is less than thirty-five dollars. If the overpayment amount owed by an individual who is no longer receiving public assistance or child care assistance is thirty-five dollars or more, the department and the county department, OR A COUNTY CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210, may determine, consistent with the six-year time limitation for the execution on judgments involving state debt, that it is no longer cost-effective to continue to pursue recovery of the overpayment.

SECTION 21. In Colorado Revised Statutes, **amend** 26.5-4-117 as follows:

26.5-4-117. Locating violators - recoveries.

(1) The executive director or district attorneys may request and receive from departments, boards, bureaus, or other agencies of the state or any of its political subdivisions, and ~~the same~~ THE DEPARTMENTS, BOARDS, BUREAUS, OR OTHER AGENCIES OF THE STATE OR ANY OF ITS POLITICAL SUBDIVISIONS are required to provide ~~such~~ assistance and data as will enable the department and county departments, ~~properly to~~ OR A COUNTY CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210, TO PROPERLY carry out their powers and duties to locate and prosecute ~~any~~ A person who fraudulently obtains child care assistance pursuant to this part 1. ~~Any~~ Records

established pursuant to ~~the provisions of~~ this section are available only to the department, the county departments OR A COUNTY CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210, the attorney general, and the district attorneys, county attorneys, and courts having jurisdiction in fraud or recovery proceedings or actions.

(2) All departments and agencies of the state and local governments shall cooperate in the location and prosecution of a person who fraudulently obtains child care assistance pursuant to this part 1, and, on request of the county or district board of human or social services, the county director, the department, or the district attorney of ~~any~~ A judicial district in this state shall supply all information on hand relative to the location, employment, income, and property of ~~said persons~~ THE PERSON, notwithstanding any other provision of law making the information confidential, except the laws pertaining to confidentiality of tax returns filed pursuant to law with the department of revenue. The department of revenue shall furnish at no cost to inquiring departments and agencies ~~such information as may be~~ necessary to effectuate the purposes of this part 1. The executive director shall, by rule, establish the procedures whereby this information is requested and provided. The department or county departments, OR A COUNTY CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210, shall use ~~such~~ THE information only for the purposes of administering the Colorado child care assistance program pursuant to this part 1, and a district attorney shall use it only for the prosecution of persons who fraudulently obtain child care assistance pursuant to this part 1, and shall not use the information, or disclose it, for any other purpose.

(3) A district attorney shall bill the actual costs and expenses incurred by the district attorney's office in carrying out ~~the provisions of~~ subsection (2) of this section to counties or a county within the judicial district, OR A COUNTY CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210, in the proportions specified in section 20-1-302. Each county, OR A COUNTY CONTRACTED TO ADMINISTER THE CENTRALIZED MEMBER INTEGRITY SERVICE PURSUANT TO SECTION 25.5-1-210, shall make an annual accounting to the department on all amounts recovered.

SECTION 22. In Colorado Revised Statutes, 39-21-108, **amend**

(3)(a)(VII) as follows:

39-21-108. Refunds.

(3) (a) (VII) (A) ~~Any moneys~~ MONEY withheld for payment of obligations owed the department of human services for overpayment of public assistance benefits pursuant to this subsection (3) ~~shall~~ MUST be deposited with the state treasurer for disbursement by the department of human services. For all names and associated amounts certified by the department of human services pursuant to section 26-2-133, ~~C.R.S.~~, the executive director of the department of revenue shall provide to the department of human services the names of taxpayers and the associated amounts deposited with the state treasurer and any other identifying information as required by the department of human services.

(B) MONEY WITHHELD FOR PAYMENT OF OBLIGATIONS OWED THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING FOR OVERPAYMENT OF PUBLIC ASSISTANCE BENEFITS PAID PURSUANT TO THIS SUBSECTION (3) MUST BE DEPOSITED WITH THE STATE TREASURER FOR DISBURSEMENT BY THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING. FOR ALL NAMES AND ASSOCIATED AMOUNTS CERTIFIED BY THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING PURSUANT TO SECTION 25.5-1-139, THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF REVENUE SHALL PROVIDE TO THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING THE NAMES OF TAXPAYERS AND THE ASSOCIATED AMOUNTS DEPOSITED WITH THE STATE TREASURER AND ANY OTHER IDENTIFYING INFORMATION REQUIRED BY THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING.

SECTION 23. Appropriation. (1) For the 2026-27 state fiscal year, \$2,438,656 is appropriated to the department of health care policy and financing for use by the executive director's office. This appropriation consists of \$1,628,568 from the general fund and \$810,088 from the healthcare affordability and sustainability hospital provider fee cash fund created in section 25.5-4-402.4 (5)(a), C.R.S. To implement this act, the office may use this appropriation as follows:

(a) \$447,737, which consists of \$297,166 from general fund and \$150,571 from the healthcare affordability and sustainability hospital provider fee cash fund, for personal services, which amount is based on an assumption that the office will require an additional 8.5 FTE;

(b) \$35,173, which consists of \$23,527 from general fund and \$11,646 from the healthcare affordability and sustainability hospital provider fee cash fund, for operating expenses;

(c) \$907,419, which consists of \$606,718 from general fund and \$300,701 from the healthcare affordability and sustainability hospital provider fee cash fund, for general professional services and special projects;

(d) \$868,590, which consists of \$580,997 from general fund and \$287,593 from the healthcare affordability and sustainability hospital provider fee cash fund, for member case integrity centralized service related to eligibility determinations and client services;

(e) \$60,649, which consists of \$40,502 from general fund and \$20,147 from the healthcare affordability and sustainability hospital provider fee cash fund, for the purchase of information technology services; and

(f) \$119,088, which consists of \$79,658 from general fund and \$39,430 from the healthcare affordability and sustainability hospital provider fee cash fund, for the purchase of legal services.

(2) For the 2026-27 state fiscal year, the general assembly anticipates that the department of health care policy and financing will receive \$3,051,099 in federal funds for use by the executive director's office to implement this act, which amount is subject to the "(I)" notation as defined in the annual general appropriation act for the same fiscal year. The appropriation in subsection (1) of this section is based on the assumption that the office will receive this amount of federal funds to be used as follows:

(a) \$460,423 for personal services;

(b) \$35,613 for operating expenses;

(c) \$1,375,231 for general professional services and special projects;

(d) \$879,420 for member case integrity centralized service related to eligibility determinations and client services;

(e) \$179,840 for the purchase of information technology services;
and

(f) \$120,572 for the purchase of legal services.

(3) For the 2026-27 state fiscal year, \$212,593 is appropriated to the department of health care policy and financing. This appropriation consists of \$141,280 from the general fund, which is subject to the "(M)" notation as defined in the annual general appropriation act for the same fiscal year, and \$71,313 from the healthcare affordability and sustainability hospital provider fee cash fund created in section 25.5-4-402.4 (5)(a), C.R.S. To implement this act, the department may use this appropriation for Colorado benefits management systems, operating and contract expenses.

(4) For the 2026-27 state fiscal year, the general assembly anticipates that the department of health care policy and financing will receive \$1,805,948 in federal funds for Colorado benefits management systems, operating and contract expenses to implement this act. The appropriation in subsection (3) of this section is based on the assumption that the department will receive this amount of federal funds.

(5) For the 2026-27 state fiscal year, \$240,489 is appropriated to the office of the governor for use by the office of information technology. This appropriation is from reappropriated funds received from the department of health care policy and financing under subsections (1)(e) and (2)(e) of this section. To implement this act, the office may use this appropriation to provide information technology services for the department of health care policy and financing.

(6) For the 2026-27 state fiscal year, \$239,660 is appropriated to the department of law. This appropriation is from reappropriated funds received from the department of health care policy and financing under subsection (1)(f) and 2(f) of this section and is based on an assumption that the department of law will require an additional 1.3 FTE. To implement this act, the department of law may use this appropriation to provide legal services for the department of health care policy and financing.

SECTION 24. Appropriation. (1) For the 2026-27 state fiscal year, \$968,791 is appropriated to the department of human services for use by the office of economic security. This appropriation is from the general

fund. To implement this act, the office may use this appropriation as follows:

Administration

Administration \$401,997

Colorado benefits management system; ongoing expenses

Operating and contract expenses \$146,694

Food and energy assistance

Electronic benefits transfer services \$59,850

County administration

Member case integrity centralized service \$360,250

(2) For the 2026-27 state fiscal year, \$320,291 is appropriated to the department of human services for use by the office of economic security. This appropriation is from the healthy school meals for all program fund created in section 22-82.9-211 (2)(a), C.R.S. To implement this act, the office may use this appropriation as follows:

Administration

Administration \$143,287

Colorado benefits management system; ongoing expenses

Operating and contract expenses \$36,092

Food and energy assistance

Electronic benefits transfer services \$18,450

County administration

Member case integrity centralized service \$122,462

(3) For the 2026-27 state fiscal year, the general assembly anticipates that the department of human services will receive \$139,003 for use by the office of economic security. This appropriation is from the old age pension fund created in section 1 of article XXIV of the state constitution, which is subject to the "(I)" notation as defined in the annual general appropriation act for the same fiscal year. To implement this act, the office may use this appropriation as follows:

Administration

Administration \$36,833

Colorado benefits management system; ongoing expenses

Operating and contract expenses \$9,278

Food and energy assistance

Electronic benefits transfer services \$23,250

County administration

Member case integrity centralized service \$69,642

(4) For the 2026-27 state fiscal year, \$189,149 is appropriated to the department of human services for the office of economic security. This appropriation is from federal temporary assistance for needy families block grant funds. To implement this act, the office may use this appropriation as follows:

Administration

Administration \$37,680

Colorado benefits management system; ongoing expenses

Operating and contract expenses \$75,531

Food and energy assistance

Electronic benefits transfer services	\$17,550
---------------------------------------	----------

County administration

Member case integrity centralized service	\$58,388
---	----------

(5) For the 2026-27 state fiscal year, the general assembly anticipates that the department of human services will receive \$554,880 in federal funds for use by the office of economic security to implement this act, which amount is subject to the "(I)" notation as defined in the annual general appropriation act for the same fiscal year. The appropriations in subsections (1) and (2) of this section are based on the assumption that the department will receive this amount of federal funds to be used as follows:

Administration

Administration	\$238,810
----------------	-----------

Colorado benefits management system; ongoing expenses

Operating and contract expenses	\$80,758
---------------------------------	----------

Food and energy assistance

Electronic benefits transfer services	\$30,900
---------------------------------------	----------

County administration

Member case integrity centralized service	\$204,412
---	-----------

(6) For the 2026-27 state fiscal year, \$2,022,114 is appropriated to the department of health care policy and financing for use by the executive director's office. This appropriation is from reappropriated funds received from the department of human services under subsections (1), (2), (3), (4), and (5) of this section. To implement this act, the office may use this appropriation as follows:

General administration

Personal services	\$198,952
-------------------	-----------

Operating expenses	\$18,008
Legal services	\$60,966
Payments to OIT	\$61,180
General professional services and special projects	\$580,681
Information technology contracts and projects	
Colorado benefits management systems, operating and contract expenses	\$348,353
Eligibility determinations and client services	
Member case integrity centralized service	\$753,974

(7) For the 2026-27 state fiscal year, \$61,180 is appropriated to the office of the governor for use by the office of information technology. This appropriation is from reappropriated funds received from the department of health care policy and financing under subsection (6) of this section for payments to OIT. To implement this act, the office may use this appropriation to provide information technology services for the department of health care policy and financing.

(8) For the 2026-27 state fiscal year, \$60,966 is appropriated to the department of law. This appropriation is from reappropriated funds received from the department of health care policy and financing under subsection (6) of this section for legal services. To implement this act, the department of law may use this appropriation to provide legal services for the department of health care policy and financing.

SECTION 25. Appropriation. (1) For the 2026-27 state fiscal year, \$445,196 is appropriated to the department of early childhood. This appropriation consists of \$222,598 from the general fund and \$222,598 from federal child care development funds. To implement this act, the department may use this appropriation as follows:

(a) \$59,283, which consists of \$29,641 from general fund and \$29,642 from federal child care development funds, for information technology systems managed by other departments; and

(b) \$385,913, which consists of \$192,957 from general fund and \$192,956 from federal child care development funds, for use by early learning access and quality for county shared services.

(2) For the 2026-27 state fiscal year, \$432,913 is appropriated to the department of health care policy and financing for use by the executive director's office. This appropriation is from reappropriated funds received from the department of early childhood under subsection (1) of this section. To implement this act, the office may use this appropriation as follows:

General administration

Personal services \$61,273

Operating expenses \$4,936

Legal services \$16,712

Payments to OIT \$16,770

General professional services
and special projects \$159,174

Information technology contracts and projects

Colorado benefits management systems,
operating and contract expenses \$59,283

Eligibility determinations and client services

Member case integrity centralized service \$121,892

(3) For the 2026-27 state fiscal year, \$16,770 is appropriated to the office of the governor for use by the office of information technology. This

appropriation is from reappropriated funds received from the department of health care policy and financing under subsection (2) of this section for payments to OIT. To implement this act, the office may use this appropriation to provide information technology services for the department of health care policy and financing.

(4) For the 2026-27 state fiscal year, \$16,712 is appropriated to the department of law. This appropriation is from reappropriated funds received from the department of health care policy and financing under subsection (6) of this section for legal services. To implement this act, the department of law may use this appropriation to provide legal services for the department of health care policy and financing.

SECTION 26. Appropriation - adjustments to 2026 long bill.

(1) Except as provided in subsection (2) of this section, to implement this act, the appropriation from federal child care development funds made in the annual general appropriation act for the 2026-27 state fiscal year to the department of early childhood for intrastate child care assistance program redistribution is decreased by \$222,598.

(2) Subsection (1) of this section does not require a reduction of an appropriation in the annual general appropriation act for the 2026-27 state fiscal year if:

(a) The amount of the federal child care development funds appropriation made in the annual general appropriation act for the 2026-27 state fiscal year to the department of early childhood for intrastate child care assistance program redistribution is less than the amount of the adjustment required in subsection (1) of this section; or

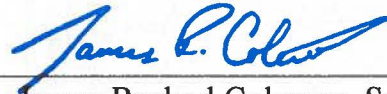
(b) The annual general appropriation act for the 2026-27 state fiscal year does not include an appropriation to the department of early childhood for intrastate child care assistance program redistribution.

SECTION 27. Effective date. This act takes effect upon passage; except that section 26 of this act takes effect only if the annual general appropriation act for the 2026-27 state fiscal year becomes law, in which case section 26 takes effect upon the effective date of this act or of the annual general appropriation act for state fiscal year 2026-27, whichever is later.

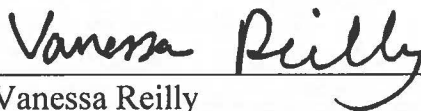
SECTION 28. Safety clause. The general assembly finds, determines, and declares that this act is necessary for the immediate preservation of the public peace, health, or safety or for appropriations for the support and maintenance of the departments of the state and state institutions.



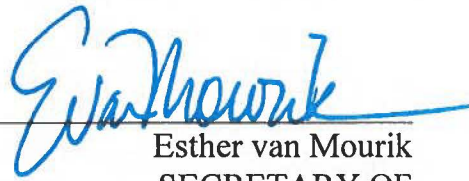
Julie McCluskie
SPEAKER OF THE HOUSE
OF REPRESENTATIVES



James Rashad Coleman, Sr.
PRESIDENT OF
THE SENATE

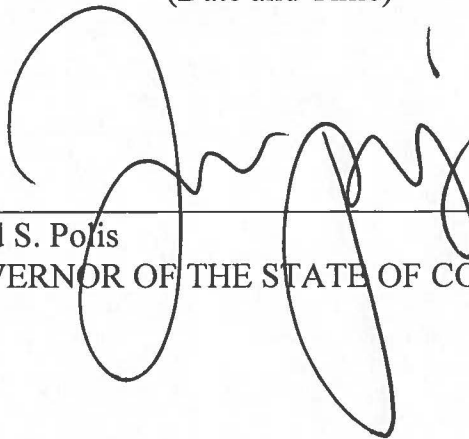


Vanessa Reilly
CHIEF CLERK OF THE HOUSE
OF REPRESENTATIVES



Esther van Mourik
SECRETARY OF
THE SENATE

APPROVED on Thursday June 4th 2026 at 12:15pm
(Date and Time)



Jared S. Polis
GOVERNOR OF THE STATE OF COLORADO