



Legislative
Council Staff

Nonpartisan Services for Colorado's Legislature

HB 19-1095

**REVISED
FISCAL NOTE**

(replaces fiscal note dated February 15, 2019)

Drafting Number: LLS 19-0649
Prime Sponsors: Rep. Cutter; Landgraf
 Sen. Fields
Date: March 5, 2019
Bill Status: House Appropriations
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Bill Topic: PHYSICIAN ASSISTANTS SUPERVISION & LIABILITY

Summary of Fiscal Impact:

<input checked="" type="checkbox"/> State Revenue	<input checked="" type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill modifies supervisory requirements and liability for physician assistants and increases the number of physician assistants on the Colorado Medical Board. The bill increases state expenditures on an ongoing basis.

Appropriation Summary: The bill requires an appropriation of \$4,650 in FY 2019-20 to the Department of Regulatory Agencies.

Fiscal Note Status: This fiscal note is revised to reflect the bill, as amended by the House Health and Insurance Committee.

**Table 1
State Fiscal Impacts Under HB 19-1095**

		FY 2019-20	FY 2020-21	FY 2021-22
Revenue	Cash Funds	\$4,650	\$2,400	\$2,400
Expenditure	Cash Funds	\$4,650	\$2,400	\$2,400
Transfer		-	-	-
TABOR Refund	General Fund	\$4,650	-	not estimated

Summary of Legislation

The bill modifies supervision requirements for physician assistants. It also modifies physician assistant representation on the Colorado Medical Board and its licensing panel, as described below.

Supervision requirements — less than three years. Under current law, physician assistants are continually supervised by a supervising physician. For physician assistants who have practiced less than 3 years, the bill requires at least 160 hours of supervision by a supervising physician, of which 40 hours must be completed by the primary supervising physician. After 160 supervised hours, the supervising physician must complete an initial performance assessment, complete a supervisory plan, and remain available to the physician assistant at all times while the physician assistant is working.

Supervision requirements — changing practice. For a physician assistant who has practiced for at least 12 months and is making a substantive change in his or her practice area, the first 80 working hours must be supervised by a supervising physician who works at the same location, with 20 hours of supervision from the primary supervising physician. The supervising physician must then remain available to the physician assistant during all working hours and complete a performance assessment after 6 and 12 months of work.

Supervision requirements — after three years. For a physician assistant who has practiced in the state for more than 3 years, the scope of supervision is determined by a practice agreement between the primary supervising physician and the physician assistant. In addition, after 3 years, a physician assistant may be liable for damages resulting from negligence, unless the damages occur as a result of a direct order from a supervising physician. A physician assistant who may be liable for damages must maintain at least \$1.0 million per claim in liability insurance.

Supervision limit removed. Under current law, a physician can supervise up to four physician assistants at any one time. The bill increases this limit to eight, if the physician agrees to assume the responsibility of more than four physician assistants.

Increased representation on the Colorado Medical Board. The bill increases the number of physician assistants on the Colorado Medical Board, from one to two. The bill also adds one physician assistant to the licensing panel of the Colorado Medical Board.

Background

The Colorado Medical Board is divided up into three panels: panel A, panel B, and the licensing panel. The Colorado Medical Board meets as a full board every quarter and each panel meets once a month for a total of 16 meetings for each individual member. Members of the board receive both a per diem and travel reimbursement for their attendance.

State Revenue

This bill will increase state revenue to the Division of Professions and Occupations Cash Fund in the Department of Regulatory Agencies by approximately \$4,650 in FY 2019-20, and by \$2,400 in FY 2020-21 and thereafter, to cover the expenditures created under the bill. In addition, state revenue may minimally increase to the Judicial Department as described below.

Fee impact on physician assistants. Colorado law requires legislative service agency review of measures which create or increase any fee collected by a state agency. These fee amounts are estimates only, actual fees will be set administratively by the Department of Regulatory Agencies based on cash fund balance, program costs, and the number of licenses subject to the fee. Physician assistants renew their license every two years, and the next renewal period will take place in January 2020. There are approximately 3,500 physician assistants expected to renew in FY 2019-20, and new licensees average about 365 per year. The table below identifies the fee impact of this bill.

**Table 2
 Fee Impact on Physician Assistants**

FY	Type of Fee	Current Fee	Proposed Fee	Number Affected	Total Fee Impact*
FY 19-20	PA License, New and Renewal	\$262	\$263.20	3,865	\$4,650
FY 20-21	PA License, New	\$262	\$268.57	365	\$2,400
FY 21-22	PA License, New and Renewal	\$262	\$262.52	4,595	\$2,400

* Totals have been rounded.

Court fees. To the extent the bill increases the number of civil cases filed with the courts, the bill will increase state revenue from court fees by a minimal amount beginning in FY 2019-20, credited to the Fines Collection Cash Fund, various other cash funds in the Judicial Department, and the General Fund. Court fees may be imposed on a case-by-case basis for a variety of court-related costs. Court fee revenue is subject to TABOR.

State Expenditures

The bill increases cash fund expenditures in the Department of Regulatory Agencies by \$4,650 in FY 2019-20 and \$2,400 in FY 2020-21 and each year thereafter. The bill may also increase workload in the Judicial Department.

**Table 3
 Expenditures Under HB 19-1095**

	FY 2019-20	FY 2020-21	FY 2021-22
Department of Regulatory Agencies			
Rulemaking Per Diem	\$800	-	-
Rulemaking Travel	\$1,600	-	-
New Member Per Diem	\$750	\$800	\$800
New Member Travel	\$1,500	\$1,600	\$1,600
Total Cost	\$4,650	\$2,400	\$2,400

Department of Regulatory Agencies. Expenditures in the Department of Regulatory Agencies will increase by \$4,650 in FY 2019-20 and by \$2,400 in FY 2020-21. These costs are for per diem and travel reimbursement for the new member on the Colorado Medical Board. For FY 2019-20, there is a one time per diem and travel reimbursement cost for current board members to meet and promulgate emergency rules as a result of the bill. The fiscal note assumes that the new member will begin meeting in August, 2019 and will attend 15 meetings in FY 2019-20.

Legal services. Under the bill, the Department of Regulatory Agencies will require 50 hours of legal services, provided by the Department of Law. This minimal increase in legal services costs will be accounted for through the annual budget process, with the Department of Law billing client agencies based on their historical utilization of legal services. Therefore, no change in appropriations is required in this bill.

Judicial Department. To the extent the bill increases the number of civil cases filed with the trial courts, workload to the courts will increase. However, the fiscal note assumes that the increase in case filings will be minimal and does not require a change in appropriations.

TABOR refunds. The bill is expected to increase state General Fund obligations by \$4,650 for TABOR refunds in FY 2019-20. Under current law and the December 2018 Legislative Council Staff forecast, the bill will correspondingly increase the amount refunded to taxpayers via sales tax refunds on income tax returns for tax year 2020. The state is not expected to collect a TABOR surplus in FY 2020-21.

Effective Date

The bill takes effect August 2, 2019, if the General Assembly adjourns on May 3, 2019, as scheduled, and no referendum petition is filed.

State Appropriations

In FY 2019-20, the bill requires an appropriation of \$4,650 from the Division of Professions and Occupations Cash Fund to the Department of Regulatory Agencies.

State and Local Government Contacts

Corrections
Information Technology
Human Services
Secretary Of State

Governor
Law
Public Health and Environment
Regulatory Agencies

Higher Education
Judicial
Personnel