



Legislative
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FINAL FISCAL NOTE

Drafting Number: LLS 19-0414
Prime Sponsors: Sen. Garcia
Rep. Exum

Date: August 7, 2019
Bill Status: Signed into Law
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Bill Topic: PEER ASSISTANCE EMERGENCY MEDICAL SERVICE PROVIDER

Summary of Fiscal Impact:

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

The bill creates a peer health assistance program for emergency medical service providers, funded through fees collected from applicants for EMS certification. It increases state revenue and expenditures on an ongoing basis.

Appropriation Summary: For FY 2019-20, the bill requires and includes an appropriation of \$57,242 to the Department of Public Health and Environment.

Fiscal Note Status: The fiscal note reflects the enacted bill.

Table 1
State Fiscal Impacts Under SB 19-065

| | | FY 2019-20 | FY 2020-21 | FY 2021-22 |
|---------------------|------------------------|-----------------|-----------------|----------------------|
| Revenue | Cash Funds | \$13,439 | \$14,660 | \$14,660 |
| Expenditures | Cash Funds | \$57,242 | \$43,316 | \$14,922 |
| | Centrally Appropriated | \$26,695 | \$21,389 | \$7,907 |
| | Total | \$83,937 | \$64,705 | \$22,829 |
| | Total FTE | 0.8 FTE | 0.7 FTE | 0.3 FTE |
| Transfers | | - | - | - |
| TABOR Refund | General Fund | - | - | <i>not estimated</i> |

Summary of Legislation

The bill directs the Board of Health (board) in the Colorado Department of Public Health and Environment (CDPHE) to designate one or more peer health assistance programs to provide assistance to emergency medical service (EMS) providers dealing with physical, emotional, or psychological conditions that are affecting their ability to work. The peer health assistance program(s) must:

- be available to all certified EMS providers;
- take referrals from the CDPHE;
- provide counseling and support to EMS providers;
- provide education and assistance relating to physical, emotional, and psychological conditions; and
- evaluate the extent of these conditions and, as needed, refer the EMS provider for treatment and monitor the status of that treatment.

The program will be financed by a fee collected upon initial certification and certification renewal of EMS providers beginning August 2, 2019. The initial fee of \$2.55 is set in statute and can be adjusted annually by the board beginning January 1, 2021, to reflect utilization of the program and inflation. The payments collected are deposited into the newly created Emergency Medical Services Peer Assistance Fund. The funds are not subject to appropriation by the General Assembly and may be used only to support designated providers selected by the CDPHE and the nonprofit administering entity. The CDPHE may accept gifts, grants, and donations to fund the program.

Administering entity. The department may select a nonprofit administering entity to distribute the money collected from the CDPHE to the designated provider(s) of peer health assistance, provide accounting for the program, and post a surety or performance bond. The administering entity may recover actual costs incurred up to 10 percent of the total amount collected.

Participation in a peer health assistance program. Any certified EMS provider who does not have access to an employee assistance program may apply to the CDPHE for participation in a designated peer health assistance program. In these instances, an EMS provider must acknowledge the existence or potential existence of a qualifying condition and agree in writing to voluntarily participate in the program. Additionally, any EMS provider may self-refer to the program, but if the person already has access to an employee assistance program, they must cover the cost of their participation. The CDPHE may suspend the certification of a person who is referred by the department and fails to complete the program. The person may request a formal hearing on the suspension, in which case the board will schedule a hearing with an administrative law judge in the Department of Personnel and Administration.

Background

Individual emergency medical service providers are certified by the board. Under current law, there is not a fee to apply for certification as an EMS provider; the program is financed primarily by a \$1.4 million Long Bill appropriation from the EMS account in the Highway Users Tax Fund.

Assumptions

The fiscal note makes the following assumptions:

- the fee will not be adjusted by the board on or before January 1, 2022;
- the peer health assistance program will not result in an increase in disciplinary actions taken by the CDPHE; and
- CDPHE will begin collecting fees when the bill becomes law in FY 2019-20, though the peer health assistance program won't begin operating until rulemaking concludes in FY 2020-21.

State Revenue

The bill increases state cash fund revenue by \$13,349 in FY 2019-20 and at least \$14,660 in FY 2020-21 and future years. The revenue collected from fees is not subject to appropriation by the General Assembly; may be used only to support designated providers selected by the CDPHE and by the nonprofit administering entity; and is subject to TABOR. The bill may also increase state revenue from gifts, grants, and donations.

Fee impact on EMS providers. Colorado law requires legislative service agency review of measures which create or increase any fee collected by a state agency. The initial fee is set in statute by the bill; the fee may be adjusted on January 1, 2021, and annually thereafter by the board to reflect utilization of the program and inflation.

A fee of \$2.55 will be charged for every initial certification and certification renewal. Colorado currently has 18,515 certified EMS providers. There are an average of 2,020 first-time certifications and 3,729 renewals per year (certification renewal is required every three years), for a total of 5,749 certifications per year. The bill takes effect August 2, 2019, so the first year is prorated to reflect eleven months of implementation. Table 2 below identifies the fee impact of this bill.

Table 2
Fee Impact on EMS Providers at Certification

| Fiscal Year | Fee | Number of Certifications | Total Fee Impact |
|--------------------|------------|---------------------------------|-------------------------|
| FY 2019-20 | \$2.55 | 5,270 | \$13,439 |
| FY 2020-21 | \$2.55 | 5,749 | \$14,660 |
| FY 2020-22 | \$2.55 | 5,749 | \$14,660 |

Gifts, grants, and donations. The bill may increase state revenue from gifts, grants, and donations. No source of gifts, grants, or donations has been identified as of this writing. Gifts, grants, and donations are exempt from state revenue limits under TABOR.

State Expenditures

The bill will increase state cash fund expenditures by \$83,937 and 0.8 FTE in FY 2019-20, \$64,705 and 0.7 FTE in FY 2020-21, and \$22,829 and 0.3 FTE in FY 2021-22 and ongoing for CDPHE. The bill specifies that fee revenue will support the designated provider of the peer health assistance program, but does not identify a fund source to finance department work to establish and support the program; it is assumed that the Emergency Medical Services Account in the Highway Users Tax Fund will be used. These costs are shown in Table 3 and described below.

**Table 3
Expenditures Under SB 19-065**

| | FY 2019-20 | FY 2020-21 | FY 2021-22 |
|-------------------------------|-------------------|-------------------|-------------------|
| Personal Services | \$51,779 | \$42,651 | \$14,637 |
| Operating Expenses | \$5,463 | \$665 | \$285 |
| Centrally Appropriated Costs* | \$26,695 | \$21,389 | \$7,907 |
| Total Cost | \$83,937 | \$64,705 | \$22,829 |
| Total FTE | 0.8 FTE | 0.7 FTE | 0.3 FTE |

* Centrally appropriated costs are not included in the bill's appropriation.

Department of Public Health and Environment. CDPHE will incur one-time costs to conduct a stakeholder process and rulemaking to establish the program, and ongoing costs to process fee payments and coordinate referrals to the peer assistance program.

Stakeholder process and rulemaking. CDPHE will conduct a stakeholder process to develop rules for the program. This process will address various components of implementation including referral protocols (including both self-referral and employer referral), determining consequences for failure to complete the program, and future fee adjustments based on program utilization. It is expected that the stakeholder process can be completed and draft rules written in FY 2019-20 with 0.6 FTE. Board rulemaking requires a recommendation from the State Emergency Medical and Trauma Advisory Council (SEMTAC). The SEMTAC and board processes will take approximately six months to complete in FY 2020-21 with 0.4 FTE.

Ongoing administrative costs. CDPHE will require 0.2 FTE in FY 2019-20 and 0.3 FTE in FY 2020-21 and continuing indefinitely to process payments and coordinate referrals. Applicants for EMS certification do not currently pay a fee; therefore, CDPHE will be required to institute a new process to collect fees from applicants. Processing 5,749 payments at five minutes each will require about 479 hours per year beginning in FY 2019-20. Coordinating referrals to peer health assistance will require an additional 120 hours per year beginning in FY 2020-21.

Department of Personnel and Administration. The bill may increase the number of cases the Office of Administrative Courts will hear concerning disciplinary actions for individuals failing to complete the peer health assistance program. The increase is expected to be minimal.

Centrally appropriated costs. Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which include employee insurance and supplemental employee retirement payments, are estimated to be \$26,695 in FY 2019-20, \$21,389 in FY 2020-21, and \$7,907 in FY 2021-22..

Local Governments

To the extent that municipalities pay certification fees for EMS providers that they employ, expenditures will increase to pay the new fee.

Effective Date

The bill was signed into law by the Governor on May 14, 2019, and took effect on August 2, 2019.

State Appropriations

For FY 2019-20, the bill requires and includes a cash fund appropriation of \$57,242 to the Colorado Department of Public Health and Environment from the Emergency Medical Services account of the Highway Users Tax Fund, and an allocation of 0.8 FTE.

State and Local Government Contacts

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|-------------------------------|------------------------|
| Counties | Information Technology |
| Law | Municipalities |
| Public Health and Environment | Treasury |