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**REVISED
FISCAL NOTE**

(replaces fiscal note dated February 4, 2019)

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

Date: March 6, 2019
Bill Status: Senate Appropriations
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Bill Topic: PEER ASSISTANCE EMERGENCY MEDICAL SERVICE PROVIDER

Summary of Fiscal Impact:

<input checked="" type="checkbox"/> State Revenue	<input checked="" 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 expenditures and revenue on an ongoing basis.

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

Fiscal Note Status: The fiscal note reflects the introduced bill as amended by the Health and Human Services and Finance Committees.

**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	\$13,439	-	not estimated

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 program 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 that do not have access to an employee assistance program;
- 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. To qualify for participation, an EMS provider must acknowledge the existence or potential existence of a qualifying condition and agree in writing to voluntarily participate in the program. 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; and
- 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 \$14,660 in FY 2020-21 and future years. The revenue collected from fees is not subject to appropriation by the General Assembly and may be used only to support designated providers selected by the CDPHE and by the nonprofit administering entity.

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

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. State Board of Health rulemaking requires a recommendation from the State Emergency Medical and Trauma Advisory Council (SEMTAC). The SEMTAC and Board of Health 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..

TABOR refunds. The bill is expected to increase state General Fund obligations for TABOR refunds by \$13,439 in FY 2019-20. Under current law and the December 2018 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.

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

State Appropriations

For FY 2019-20, the bill requires 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

Counties	Information Technology
Law	Municipalities
Public Health and Environment	Treasury