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Final Fiscal Note

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| Drafting Number: | LLS 22-0738 | Date: | June 24, 2022 |
| Prime Sponsors: | Sen. Smallwood | Bill Status: | Postponed Indefinitely |
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Bill Topic: **INFECTION PREVENTION GRANTS TO NURSING FACILITIES**

Summary of Fiscal Impact:

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|---|--|
| <input type="checkbox"/> State Revenue | <input 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 would have required that the Nursing Home Innovations Grant Program be expanded to include infection prevention and control projects. The bill would have increased state workload on an ongoing basis.

Appropriation Summary: No appropriation would have been required.

Fiscal Note Status: The fiscal note reflects the introduced bill. This bill was not enacted into law; therefore, the impacts identified in this analysis do not take effect.

Summary of Legislation

The bill expands eligibility for the Nursing Home Innovation Grant Program (program) to include projects focused on infection prevention and control, including educational support; workforce support; and physical enhancements. The bill also requires the creation of an abbreviated application process, approval timeline, and reporting mechanism for these projects.

Background

House Bill 09-1196 allowed for the use of moneys in the Nursing Home Penalty Cash Fund to improve the quality of life for nursing home residents through the grant program. Revenue to the fund is generated through civil monetary penalties on nursing facilities imposed by the federal Centers for Medicaid and Medicare Services (federal CMS) when a facility is out-of-compliance with Medicaid or Medicare program requirements. The grant program is administered by the Colorado Department of Public Health and Environment (CDPHE) in collaboration with the Department of Health Care Policy and Financing (HCPF) and the federal CMS.

State Expenditures

The bill increases workload in the CDPHE and HCPF to update procedures and tracking systems related to the program expansion and new application process requirements. It is assumed that this can be accomplished within existing resources and that no change in appropriations is required. However, the CDPHE and HCPF may not be able to implement some aspects of the bill, as described in the Technical Note below.

Technical Note

Because the grant program is funded through civil monetary penalties imposed by the federal CMS for noncompliance with federal regulations, the federal CMS controls many aspects of the grant program, including the allowable use of funds and the application review process. CDPHE may not be able to shorten portions of the application process where the federal CMS is involved. In addition, the federal CMS prohibits the use of civil monetary penalties for certain items, including capital expenses, which may include “physical enhancements” under the bill.

Effective Date

The bill was postponed indefinitely by the Senate State, Veterans, and Military Affairs Committee on February 17, 2022.

State and Local Government Contacts

Health Care Policy and Financing
Public Health and Environment

Information Technology