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Final Fiscal Note

Drafting Number: LLS 23-0842 Date: June 22, 2023
Prime Sponsors: Rep. Brown; Titone Sen. Jaquez Lewis Bill Status: Signed into Law
Fiscal Analyst: Kristine McLaughlin | 303-866-4776 kristine.mclaughlin@coleg.gov

Bill Topic: HEALTH FACILITY PATIENT INFORMATION DENIED SERVICE

- Summary of Fiscal Impact: [X] State Revenue [X] State Expenditure [ ] State Transfer [ ] TABOR Refund [ ] Local Government [ ] Statutory Public Entity

The bill requires health care facilities to report on service availability at the individual service and covered entity level. The bill increases state revenue on an ongoing basis and increases state expenditures in FY 2023-24 only

Appropriation Summary: For FY 2023-24, the bill requires and includes an appropriation of \$64,627 to the Colorado Department of Public Health and Environment.

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

Table 1
State Fiscal Impacts Under HB 23-1218

Table with 4 columns: Category, Sub-category, Budget Year FY 2023-24, and Out Year FY 2024-25. Rows include Revenue, Expenditures (General Fund, Centrally Appropriated, Total Expenditures, Total FTE), Transfers, and Other Budget Impacts (General Fund Reserve).

## Summary of Legislation

The bill requires certain health care facilities to submit data on service availability, including how frequently specific services are denied for non-medical reasons, to the Colorado Department of Public Health and Environment (CDPHE). The CDPHE must then develop forms to relay this information to the public by August 1, 2024, and every two years thereafter.

By October 1, 2024, the CDPHE must publish the forms on its website. Providers must present their form to patients as part of the informed consent process.

CDPHE is required to investigate any complaints of noncompliance and may issue fines.

## State Revenue

To the extent that CDPHE fines health care facilities for noncompliance, the bill will increase state revenue. The fiscal note assumes that facilities will comply with the bill's requirements and that fine revenue will be minimal. Fine revenue is subject to TABOR.

## State Expenditures

The bill increases state expenditures in CDPHE by \$78,000 in FY 2023-24 and minimally in subsequent years, paid from the General Fund. Expenditures are shown in Table 2 and detailed below.

**Table 2**  
**Expenditures Under HB 23-1218**

	FY 2023-24	FY 2024-25
<b>Department of Public Health and Environment</b>		
Personal Services	\$57,012	-
Operating Expenses	\$945	-
Capital Outlay Costs	\$6,670	-
Centrally Appropriated Costs <sup>1</sup>	\$13,052	-
<b>Total Cost</b>	<b>\$77,679</b>	<b>-</b>
<b>Total FTE</b>	<b>0.7 FTE</b>	<b>-</b>

<sup>1</sup> Centrally appropriated costs are not included in the bill's appropriation.

**Department of Public Health and Environment.** In FY 2023-24 only, CDPHE requires 0.7 FTE to promulgate rules, including rules that determine how the definition of "non-medical reason" applies to individual services and providers, and develop the form with input from stakeholders. This work must be completed on a condensed timeline to develop the form by August 1, 2024—see Technical Note. These costs have been prorated to account for the bill's effective date. In subsequent years, workload will increase to investigate complaints of noncompliance, which can be accomplished within existing appropriations.

**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 shown in Table 2.

## Effective Date

The bill was signed into law by the Governor on May 10, 2023, and takes effect on August 7, 2023, assuming no referendum petition is filed.

## State Appropriations

For FY 2023-24, the bill requires and includes a General Fund appropriation of \$64,627 to the Colorado Department of Public Health and Environment, and 0.7 FTE.

## State and Local Government Contacts

Behavioral Health Administration  
Information Technology  
Public Health and Environment

Health Care Policy and Financing  
Law