



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Fiscal Note

Drafting Number:	LLS 24-1158	Date:	April 18, 2024
Prime Sponsors:	Rep. Marvin Sen. Michaelson Jenet	Bill Status:	House Health & Human Services
		Fiscal Analyst:	Kristine McLaughlin 303-866-4776 kristine.mclaughlin@coleg.gov

Bill Topic: INCREASE SYPHILIS TESTING DURING PREGNANCY

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

The bill requires additional syphilis testing during pregnancy. The bill increases state revenue and expenditure on an ongoing basis.

Appropriation Summary: For FY 2024-25, the bill requires an appropriation of \$846,308 to the Department of Health Care Policy and Financing.

Fiscal Note Status: The fiscal note reflects the introduced bill. Due to time constraints, this analysis is preliminary and will be updated following further review and any additional information received.

Table 1
State Fiscal Impacts Under HB 24-1456

		Budget Year FY 2024-25	Out Year FY 2025-26
Revenue		-	-
Expenditures	General Fund	\$338,988	\$338,988
	Cash Funds	\$58,151	\$58,151
	Federal Funds	\$449,169	\$449,169
	Total Expenditures	\$846,308	\$846,308
Transfers		-	-
Other Budget Impacts	General Fund Reserve	\$50,848	\$50,848

Summary of Legislation

Current law requires health care providers to test pregnant patients for syphilis at the first prenatal care visit, unless the patient refuses. The bill requires a second test during a third trimester prenatal care visit and a third test during delivery.

Background and Assumptions

The CDC recommends testing all pregnant patients for syphilis at their first prenatal care visit and testing high-risk patients at 28 weeks and at delivery. [Several states](#) have passed laws mandating this recommendation or mandating two or three tests for all patients. Nationally, there is an ongoing discussion about testing rates and why they are lower than 100 percent.^{1 2} Some studies have suggested that the discrepancy may be due in part to inadequacies in claim data.³ Lacking better information, the fiscal note assumes Medicaid claims data reflects the Medicaid testing rate. As a result, the note assumes that few Medicaid members are currently being tested after the first prenatal visit. The note further assumes that, under the bill, third trimester prenatal care and delivery testing rates will rise to first trimester prenatal care rates.

State Revenue

The State Laboratory operated by the Department of Public Health and Environment (CDPHE) currently processes about 150 syphilis tests annually for a fee of \$21. Under the bill, tests and corresponding fee revenue to the Laboratory Cash Fund may increase by about \$5,000, which the fiscal note considers a minimal fee impact. This revenue is subject to TABOR.

State Expenditures

The bill increases state expenditures in the Department of Health Care Policy and Financing (HCPF) by \$846,000 annually, paid from the General Fund, the Healthcare Affordability and Sustainability Cash Fund, and federal funds. Workload may increase in CDPHE. Expenditures are shown in Table 2 and detailed below.

¹ Ojo, O. C., Arno, J. N., Tao, G., Patel, C. G., & Dixon, B. E. (2021, October 30). Syphilis testing adherence among women with Livebirth Deliveries: Indianapolis 2014-2016 - BMC pregnancy and childbirth. BioMed Central.
<https://bmcpregnancychildbirth.biomedcentral.com/articles/10.1186/s12884-021-04211-8>

² Kennedy, S., Otter, C., Talbert, J., & Hammerslag, L. (n.d.). Analyzing rates of congenital syphilis screening among pregnant Medicaid enrollees in three southern states. AcademyHealth. <https://academyhealth.org/about/programs/analyzing-rates-congenital-syphilis-screening-among-pregnant-medicaid-enrollees-three-southern-states>

³ Indiana University School of Medicine, D. of P. (2007, October 12). Prenatal syphilis screening rates measured using Medicaid...: Sexually transmitted diseases.
https://journals.lww.com/stdjournal/fulltext/2008/04000/prenatal_syphilis_screening_rates_measured_using.15.aspx

Table 2
Expenditures Under HB 24-1456

	FY 2024-25	FY 2025-26
Department of Health Care Policy and Financing		
Third Trimester Prenatal Visit Test	\$422,273	\$422,273
Delivery Test	\$424,035	\$424,035
Total Cost	\$846,308	\$846,308

Department of Health Care policy and Financing. Costs will increase in HCPF as Medicaid and Children’s Health Plan Plus (CHP+) members receive more syphilis tests. Based on the current testing rate, it is estimated that the bill will increase testing claims by 33,000 tests annually at a cost of \$25 per test. This roughly represents about 17,000 members out of 27,000 receiving one additional test during a third trimester prenatal visit and one additional test during delivery.

Department of Public Health and Environment. Costs will increase in CDPHE to process any additional syphilis tests. To the extent that increase in testing results in an increase in syphilis diagnoses, workload will increase for the STI/HIV and Viral Hepatitis program under CDPHE to follow-up with newly diagnosed people to ensure adequate treatment. Because it cannot be determined how many of the new tests will result in positive diagnoses, this impact will be accounted for through the normal budget process.

Other Budget Impacts

General Fund reserve. Under current law, an amount equal to 15 percent of General Fund appropriations must be set aside in the General Fund statutory reserve. Based on this fiscal note, the bill is expected to increase the amount of General Fund held in reserve by the amounts shown in Table 1, decreasing the amount of General Fund available for other purposes.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

For FY 2024-25, the bill requires an appropriation of \$846,308 to the Department of Health Care policy and Financing. Of that amount:

- \$338,988 is from the General Fund;
- \$58,151 is from the Healthcare Affordability and Sustainability Cash Fund; and
- \$449,169 is from federal funds.

State and Local Government Contacts

Health Care Policy and Financing

Public Health and Environment

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).