

## CHAPTER 311

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**HEALTH CARE POLICY AND FINANCING**

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**SENATE BILL 14-144**

BY SENATOR(S) Aguilar and Nicholson, Crowder, Kefalas, Newell, Schwartz, Tochtrop, Todd, Guzman, Heath, Herpin, Hodge, Jahn, Johnston, Kerr, King, Rivera, Roberts, Steadman, Ulibarri, Zenzinger, Carroll;  
also REPRESENTATIVE(S) Ginal, Buckner, Fields, Hamner, Hullinghorst, Kraft-Tharp, Lebsock, Mitsch Bush, Moreno, Pettersen, Primavera, Rankin, Rosenthal, Ryden, Salazar, Schafer, Singer, Sonnenberg, Tyler, Vigil, Young.

**AN ACT**

**CONCERNING EXTENDING THE COMMISSION ON FAMILY MEDICINE'S SUPPORT FOR THE DEVELOPMENT OF FAMILY MEDICINE RESIDENCY PROGRAMS IN UNDERSERVED AREAS OF THE STATE, AND, IN CONNECTION THEREWITH, MAKING AND REDUCING APPROPRIATIONS.**

*Be it enacted by the General Assembly of the State of Colorado:*

**SECTION 1. Legislative declaration.** (1) The general assembly hereby finds and declares that:

(a) According to research by the Graham Center and the Colorado Health Institute, by 2030, there will be an estimated shortage of 1,773 primary care physicians in Colorado, and an additional 71 to 117 primary care physicians are needed by 2016 to serve the newly insured;

(b) Due to the federal "Balanced Budget Act of 1997", medicare funding for graduate medical education, or "GME", has essentially been frozen based on national workforce projections developed almost two decades ago;

(c) At the same time, between 2003 and 2013, Colorado expanded its medical school enrollment by 142%, faster than any other state except Nevada, without a concurrent plan to expand GME;

(d) The university of Colorado school of medicine will open a satellite campus in Colorado Springs in fall 2014 that will further expand the supply of medical graduates in Colorado;

(e) Nationwide, in 2013, 528 student graduates from allopathic medical schools

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*Capital letters indicate new material added to existing statutes; dashes through words indicate deletions from existing statutes and such material not part of act.*

and 621 student graduates from osteopathic medical schools were unable to locate a place to attend residency;

(f) Because GME is necessary to fulfill licensure and practice requirements, expanding the supply of medical graduates without concurrently expanding GME will result in no net growth of the state's physician workforce;

(g) Nationally, rural physician production from GME is now less than 5% and is insufficient to sustain the 11% of rural physicians and the nearly 17% of Coloradans who live in rural areas;

(h) In addition, rural training tracks increase physicians who practice in rural areas, as up to 76% of graduates of rural training tracks stay in rural areas; and

(i) Colorado is committed to increasing the number of physicians in its rural areas.

(2) Therefore, the general assembly declares that family medicine GME programs are crucial to Colorado's health needs, and it is appropriate for the commission on family medicine to report, or contract for a report, to the general assembly regarding existing programs and how the state can increase participation in family medicine GME programs in rural and other underserved areas of the state in order to build Colorado's primary care workforce.

**SECTION 2.** In Colorado Revised Statutes, 25-1-903, **amend** (1) (f); and **add** (3) as follows:

**25-1-903. Duties of commission - reporting - repeal.** (1) The commission shall:

(f) (I) Support the development AND MAINTENANCE of family medicine residency programs in rural AND OTHER UNDERSERVED areas OF THE STATE for purposes of cultivating family medicine practitioners who are likely to continue practicing in rural AND UNDERSERVED areas OF THE STATE at the conclusion of ~~the~~ THEIR residency programs.

(II) ~~This paragraph (f) is repealed, effective July 1, 2016.~~

(III) ON OR BEFORE NOVEMBER 1, 2014, AND ON OR BEFORE EACH NOVEMBER 1 THEREAFTER, THE COMMISSION SHALL REPORT TO THE OFFICE OF STATE PLANNING AND BUDGETING AND TO THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING CONCERNING RURAL FAMILY MEDICINE RESIDENCY PROGRAMS IN THE STATE AND THE ROLE OF THE COMMISSION WITH RESPECT TO SUPPORTING THE DEVELOPMENT AND MAINTENANCE OF THOSE PROGRAMS. IN ADDITION, THE COMMISSION SHALL PRESENT THE REPORT TO THE JOINT BUDGET COMMITTEE AS PART OF ITS ANNUAL PRESENTATION TO THAT COMMITTEE.

(3) (a) SUBJECT TO AVAILABLE APPROPRIATIONS, THE COMMISSION SHALL COMPLETE A STUDY, OR CONTRACT FOR THE COMPLETION OF A STUDY, CONCERNING FAMILY MEDICINE RESIDENCY PROGRAMS AND HOW THESE PROGRAMS WILL MEET THE PRIMARY CARE WORKFORCE NEEDS OF RURAL COLORADO AND OTHER

UNDERSERVED AREAS OF THE STATE. SPECIFICALLY, THE STUDY MUST INCLUDE AN EVALUATION OF AND RECOMMENDATIONS CONCERNING:

(I) FAMILY MEDICINE WORKFORCE DATA COLLECTION SYSTEMS IN THE STATE AND HOW THESE SYSTEMS COULD BE MORE EFFECTIVE IN PROVIDING DATA ON PRIMARY CARE WORKFORCE NEEDS AND PROVIDER RETENTION, PARTICULARLY IN RURAL AND OTHER UNDERSERVED AREAS OF THE STATE;

(II) THE UTILITY OF CREATING A GRADUATE MEDICAL EDUCATION ADVISORY COUNCIL TO DEVELOP A METHOD FOR ASSESSING COLORADO'S GRADUATE EDUCATION NEEDS MORE GENERALLY, INCLUDING PRIMARY CARE AS WELL AS SPECIALTY CARE IN RURAL AND OTHER UNDERSERVED AREAS OF THE STATE;

(III) METHODS TO ENGAGE THIRD-PARTY PAYERS IN SUPPORTING GRADUATE MEDICAL EDUCATION PROGRAMS TO MEET PHYSICIAN SHORTAGES;

(IV) EFFECTIVE STRATEGIES TO ENHANCE FEDERAL FUNDING TO FAMILY MEDICINE TRAINING PROGRAMS, INCLUDING RURAL TRAINING TRACKS;

(V) EFFECTIVE STRATEGIES FOR TARGETING STATE FUNDING TO RURAL AND OTHER UNDERSERVED AREAS IN THE STATE WHERE FAMILY RESIDENCY PROGRAMS ARE NEEDED;

(VI) METHODS FOR MONITORING THE EFFECT OF RURAL RESIDENCY PROGRAMS ON PHYSICIAN RETENTION IN RURAL AND OTHER UNDERSERVED AREAS OF THE STATE;

(VII) METHODS FOR MONITORING THE EFFECT OF LOAN REPAYMENT PROGRAMS ON PHYSICIAN RETENTION IN RURAL AND OTHER UNDERSERVED AREAS OF THE STATE; AND

(VIII) COSTS REQUIRED TO SUSTAIN FAMILY MEDICINE RESIDENCY PROGRAMS THAT ARE NOT RECOUPED OVER TIME THROUGH OTHER SOURCES OF REVENUE SUCH AS MEDICAID AND MEDICARE BILLING.

(b) ON OR BEFORE MARCH 1, 2015, THE COMMISSION SHALL SUBMIT THE STUDY TO THE HEALTH AND HUMAN SERVICES COMMITTEE OF THE SENATE AND THE PUBLIC HEALTH CARE AND HUMAN SERVICES COMMITTEE OF THE HOUSE OF REPRESENTATIVES, OR ANY SUCCESSOR COMMITTEES, AND MAKE RECOMMENDATIONS CONCERNING SUBSEQUENT ACTION NEEDED TO ENSURE THE DEVELOPMENT OF AN ADEQUATE PRIMARY CARE WORKFORCE.

(c) THIS SUBSECTION (3) IS REPEALED, EFFECTIVE JULY 1, 2016.

**SECTION 3. Appropriation - adjustments to 2014 long bill.** (1) For the implementation of this act, the general fund appropriation made in the annual general appropriation act to the department of health care policy and financing for the commission on family medicine residency training programs, for the fiscal year beginning July 1, 2014, is decreased by \$75,000.

(2) In addition to any other appropriation, there is hereby appropriated, to the department of health care policy and financing, for the fiscal year beginning July 1,

2014, the sum of \$150,000, or so much thereof as may be necessary, for allocation to other medical services for commission on family medicine residency training programs related to the implementation of this act. Of said sum, \$75,000 is from the general fund and \$75,000 is from federal funds.

**SECTION 4. Act subject to petition - effective date.** This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 6, 2014, if adjournment sine die is on May 7, 2014); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2014 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

Approved: May 31, 2014