

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING THE ALLOCATION OF CASH FUND REVENUES TO HEALTH-RELATED PROGRAMS, AND, IN CONNECTION THEREWITH, MODIFYING AND STREAMLINING THE ALLOCATION OF TOBACCO LITIGATION SETTLEMENT MONEYS BY REPLACING THE CURRENT TWO-TIER ALLOCATION SYSTEM THAT INCLUDES BOTH PERCENTAGE-BASED AND FIXED AMOUNT ALLOCATIONS OF SETTLEMENT MONEYS WITH A SINGLE SET OF EXCLUSIVELY PERCENTAGE-BASED ALLOCATIONS AND REPLACING SETTLEMENT MONEYS FUNDING FOR SPECIFIED PROGRAMS WITH MARIJUANA TAX CASH FUND FUNDING; ALLOCATING ADDITIONAL SETTLEMENT MONEYS TO THE UNIVERSITY OF COLORADO HEALTH SCIENCES CENTER FOR CANCER RESEARCH ONLY; TRANSFERRING A SPECIFIED AMOUNT FROM THE CHILDREN’S BASIC HEALTH PLAN TRUST TO A NEWLY CREATED ACCOUNTABLE CARE COLLABORATIVE FUND ON JULY 1, 2016; AND MAKING AND REDUCING APPROPRIATIONS.

Prime Sponsors: Representative Rankin
Senator Steadman

JBC Analyst: Megan Davisson
Phone: 303-866-2061
Date Prepared: March 28, 2016

Fiscal Impact of Bill as Amended to Date

The most recent Legislative Council Staff Fiscal Note (attached) reflects the fiscal impact of the bill as of 03/28/16.

XXX	No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
	Update: Fiscal impact has changed due to <i>new information or technical issues</i>
	Update: Fiscal impact has changed due to <i>amendment adopted</i> after LCS Fiscal Note was prepared
	Non-Concurrence: JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
J.001	Staff-prepared appropriation amendment

Current Appropriations Clause in Bill

The bill includes an appropriation clause that ranges from Section 27 to 40 of the bill. The following two tables summarize each section.

The bill includes an appropriation clause that makes the following appropriations adjustments related to Tobacco Master Settlement Agreement (MSA) revenues and, where applicable, Marijuana Tax Cash Fund appropriations:

HB16-1408

JBC Staff Analysis

Section	Program	General Fund	MSA Cash Funds	Marijuana Tax Cash Fund
27	Early Literacy		(\$4,378,678)	\$4,378,678
28	Mental Health Services for Juvenile and Adult Offenders		(3,025,192)	3,025,192
28	Mental Health Services for Youth (H.B. 99-1116)		(300,000)	300,000
28	Community Prevention Treatment - Alcohol and Drug Abuse		(756,298)	756,298
29	Local Public Health Agencies		(1,767,584)	1,767,584
30	Tony Gramscas Youth Services		2,626,328	(2,626,328)
31	Autism Treatment Fund	(5,700,000)	6,451,471	
32a	Higher Education - Cancer Program		1,751,471	
32b	Higher Education - Health Sciences Center Programs		1,221,033	
33	Nurse Home Visitor Program		6,743,164	
34	Supplemental State Contribution Fund		879,745	
35	Drug Assistance Program Fund		1,313,603	
36	AIDS and HIV Prevention Grants		1,313,604	
37	Immunization Program		1,180,942	
38	Oral Health Programs		675,736	
39	Health Service Corps within the Primary Care Office		625,736	
Total		(\$5,700,000)	\$23,312,437	\$7,601,424

The appropriation clause includes the following appropriation for efficiency and health outcome-based rate incentives:

Section	Program	Accountable Care Collaborative Fund	Hospital Provider Fee Cash Fund	Federal Funds
38	Medical Services Premiums	\$20,000,000	\$642,163	\$44,563,019

The appropriation adjustments in Section 31 of the bill should have included a General Fund reduction of \$6,451,471, rather than the \$5,700,000, based on the expanded use of the Autism Treatment Fund. The current appropriation clause increases the appropriation for the Medical

HB16-1408

JBC Staff Analysis

Services Premiums by \$751,471 cash funds rather than refinancing General Fund currently appropriated for autism services.

Description of Amendments in This Packet

J.001 Staff has prepared amendment **J.001** (attached) to change the existing clause in Section 31 of the bill to reduce the appropriation to the Department of Health Care Policy and Financing for Medical Services Premiums by a total of \$6,451,471 General Fund. The amendment also makes two technical corrections.

Points to Consider

General Fund Impact

The Joint Budget Committee (JBC) has proposed a budget package for FY 2016-17 based on the March 2016 Legislative Council Staff revenue forecast. The JBC has included as part of its FY 2016-17 budget package a \$5,700,000 General Fund reduction for implementation of this bill. Amendment J.001 reduces the General Fund appropriation to the Department of Health Care Policy and Financing by an additional \$751,471 for FY 2016-17.