



**Colorado
Legislative
Council
Staff**

SB17-300

**FINAL
FISCAL NOTE**

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 17-0871
Prime Sponsor(s): Sen. Lambert
Rep. Kennedy

Date: July 31, 2017
Bill Status: Signed into Law
Fiscal Analyst: Clare Pramuk (303-866-2677)

BILL TOPIC: HIGH-RISK HEALTH CARE COVERAGE PROGRAM

Fiscal Impact Summary	FY 2017-2018	FY 2018-2019
State Revenue Cash Funds	Potential gifts, grants, and donations. See State Revenue section.	
State Expenditures Cash Funds Federal Funds	Increased workload and potential expenditure increase. See State Expenditures section.	
Appropriation Required: None.		
Future Year Impacts: None.		

Summary of Legislation

The bill requires the Commissioner of Insurance in the Department of Regulatory Agencies to study methods of providing health care coverage to high-risk individuals and reducing health insurance premiums in the individual market. Specifically, the commissioner is required to explore the feasibility of maintaining health care coverage for high-risk individuals and reducing premiums through a reinsurance program or other high-risk programs. The commissioner will take into consideration:

- requirements to comply with federal laws and regulations in order to qualify for federal financial support;
- potential financial impacts to consumers and the business community;
- potential funding mechanisms; and
- procedural requirements for seeking a federal waiver.

Upon completion of the study, the commissioner must report to the Joint Budget Committee and the health committees of the General Assembly by October 1, 2017, and present the report as part of the Department of Regulatory Agencies SMART Government Act hearing. The commissioner may seek, accept, and expend gifts, grants, or donations from private or public sources to implement the bill. The study requirements are repealed June 30, 2018.

State Revenue

The bill may increase TABOR-exempt state revenue from gifts, grants, and donations to the Division of Insurance Cash Fund, but no source of such funding has been identified.

State Expenditures

This bill will increase workload for the Division of Insurance in the Department of Regulatory Agencies in FY 2017-18. The division will hold stakeholder meetings, conduct research, and prepare a report. The division may utilize legal services hours for general counsel from the Department of Law. This workload can be accomplished within existing appropriations. To the extent gifts, grants, and donations are received, expenditures may also increase.

Effective Date

The bill was signed into law by the Governor on June 2, 2017, and takes effect August 9, 2017, assuming no referendum petition is filed.

State and Local Government Contacts

Health Care Policy and Financing
Personnel

Information Technology
Regulatory Agencies

Law