



Legislative
Council Staff

Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number: LLS 20-0873
Prime Sponsors: Rep. Larson; Duran

Date: March 9, 2020
Bill Status: House Public Health
Fiscal Analyst: Max Nardo | 303-866-4776
Max.Nardo@state.co.us

Bill Topic: **TRANSPORTATION SERVICES FOR MEDICAID WAIVER RECIPIENTS**

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

The bill requires the creation of an expedited process to evaluate and enroll providers of nonmedical transportation to Medicaid clients participating in home and community based services waivers. It increases state expenditures on an ongoing basis.

Appropriation Summary: For FY 2020-21, the bill requires an appropriation of \$121,094 to the Department of Health Care Policy and Financing.

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

Table 1
State Fiscal Impacts Under HB 20-1331

		FY 2020-21	FY 2021-22
Revenue		-	-
Expenditures	General Fund	\$60,547	\$36,551
	Federal Funds	\$60,547	\$36,551
	Centrally Appropriated	\$12,660	\$16,230
	Total	\$133,754	\$89,332
	Total FTE	0.8 FTE	1.0 FTE
Transfers		-	-
TABOR Refund		-	-

Summary of Legislation

The bill directs the Department of Health Care Policy and Financing (HCPF) to create and implement an expedited enrollment process for providers of nonmedical transportation services for Medicaid clients participating in certain home and community based services (HCBS) waivers. The expedited process must be in effect by July 1, 2021. The requirement applies to the following seven HCBS waiver programs:

- Elderly, Blind, and Disabled;
- Individuals with Intellectual and Developmental Disabilities;
- Community Mental Health Supports;
- Brain Injury;
- Children with Autism;
- Children's Home and Community Based Services; and
- Spinal Cord Injury.

In addition, HCPF is required to work with stakeholders to develop a report identifying barriers and potential solutions to accessing transportation services within the long-term support and services system. The report must be submitted to the General Assembly by January 15, 2021.

Background

Non-medical transportation is defined in HCPF rule to mean transportation services enabling clients to reach non-medical community services, as required by the care plan to prevent institutionalization. The benefits vary by waiver, but generally include services like rides for shopping, therapeutic swimming, employment, and other activities that encourage community integration. Providers must meet state and federal requirements and be certified by HCPF. About 36,000 individuals receive services through the waivers affected by this bill.

State Expenditures

The bill increases state expenditures in HCPF by \$133,754 and 0.8 FTE in FY 2020-21, and \$89,332 and 1.0 FTE in FY 2021-22 and future years, split evenly between General Fund and federal funds. These costs are shown in Table 2 and described below.

Table 2
Expenditures Under HB 20-1331

	FY 2020-21	FY 2021-22
Department of Health Care Policy and Financing		
Personal Services	\$53,814	\$71,752
Operating Expenses	\$1,080	\$1,350
Capital Outlay Costs	\$6,200	-
Report Contractor	\$60,000	-
Centrally Appropriated Costs*	\$12,660	\$16,230
Total Cost	\$133,754	\$89,332
Total FTE	0.8 FTE	1.0 FTE

* Centrally appropriated costs are not included in the bill's appropriation.

Implementing an expedited enrollment and approval process is estimated to require one additional staff member in HCPF, prorated for a start date of September 1, 2020, and the General Fund paydate shift. Job duties include researching and developing an expedited provider enrollment process, reviewing applications, contacting applicants to obtain missing information in applications, and hiring a contractor to facilitate the study. A contractor will develop a report on barriers and potential solutions to accessing transportation services within these Medicaid programs, which will require an estimated 300 hours at a rate of \$200 per hour in FY 2020-21.

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 estimated to be \$12,660 in FY 2020-21 and \$16,230 in FY 2021-22.

Effective Date

The bill takes effect August 5, 2020, if the General Assembly adjourns on May 6, 2020, as scheduled, and no referendum petition is filed.

State Appropriations

For FY 2020-21, the bill requires an appropriation of \$121,094 to the Department of Health Care Policy and Financing, and 0.8 FTE. Of this total, \$60,547 is General Fund and \$60,547 is federal funds.

State and Local Government Contacts

Health Care Policy and Financing

Human Services

Information Technology