



## Legislative Council Staff

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# Fiscal Note

**Drafting Number:**  
**Prime Sponsors:**

LLS 23-0842  
Rep. Brown; Titone  
Sen. Jaquez Lewis

**Date:** March 10, 2023

**Bill Status:** House Health & Insurance  
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**Bill Topic:**

**HEALTH FACILITY PATIENT INFORMATION DENIED SERVICE**

**Summary of Fiscal Impact:**

- State Revenue
- State Expenditure
- State Transfer
- TABOR Refund
- Local Government
- Statutory Public Entity

The bill requires health care facilities to report on service availability at the individual service and covered entity level. The bill increases state revenue and expenditures on an ongoing basis.

**Appropriation Summary:**

For FY 2023-24, the bill requires an appropriation of \$519,130 to the Colorado Department of Public Health and Environment.

**Fiscal Note Status:**

The fiscal note reflects the introduced bill.

**Table 1**  
**State Fiscal Impacts Under HB 23-1218**

		Budget Year FY 2023-24	Out Year FY 2024-25
<b>Revenue</b>		-	-
<b>Expenditures</b>	General Fund	\$519,130	\$151,425
	Centrally Appropriated	\$16,752	\$7,673
	<b>Total Expenditures</b>	<b>\$535,882</b>	<b>\$159,098</b>
	<b>Total FTE</b>	<b>0.9 FTE</b>	<b>0.4 FTE</b>
<b>Transfers</b>		-	-
<b>Other Budget Impacts</b>	General Fund Reserve	\$77,870	\$22,714

## Summary of Legislation

The bill requires certain health care facilities to submit data on service availability, including how frequently specific services are denied for non-medical reasons, to the Colorado Department of Public Health and Environment (CDPHE). The CDPHE must then develop forms to relay this information to the public by December 1, 2023, and every two years thereafter.

By February 1, 2024, the CDPHE must publish the forms on its website in such a way that consumers can easily compare availability of particular services across providers, and develop a public education program that speaks to broad effects of denial of care. Additionally, providers must present their form to patients as part of the informed consent process.

CDPHE is required to investigate any complaints of noncompliance and may issue fines.

## State Revenue

To the extent that CDPHE fines health care facilities for noncompliance, the bill will increase state revenue. The fiscal note assumes that facilities will comply with the bill's requirements and that fine revenue will be minimal. Fine revenue is subject to TABOR.

## State Expenditures

The bill increases state expenditures in CDPHE by \$535,000 in FY 2023-24 and \$160,000 in FY 2024-25 and subsequent years, paid from the General Fund. Expenditures are shown in Table 2 and detailed below.

**Table 2**  
**Expenditures Under HB 23-1218**

	<b>FY 2023-24</b>	<b>FY 2024-25</b>
<b>Department of Public Health and Environment</b>		
Personal Services	\$72,995	\$34,871
Operating Expenses	\$1,215	\$0
Capital Outlay Costs	\$6,670	\$0
System Costs	\$363,250	\$51,554
Public Outreach	\$75,000	\$65,000
Centrally Appropriated Costs <sup>1</sup>	\$16,752	\$7,673
<b>Total Cost</b>	<b>\$535,882</b>	<b>\$159,098</b>
<b>Total FTE</b>	<b>0.9 FTE</b>	<b>0.4 FTE</b>

<sup>1</sup> Centrally appropriated costs are not included in the bill's appropriation.

**Department of Public Health and Environment.** CDPHE requires staff, contract support, and systems programming to implement the bill, as outlined below.

- **Staff.** In FY 2023-24, CDPHE requires 0.9 FTE to promulgate rules, including rules that determine how the definition of “non-medical reason” applies to individual services and providers, and develop the form with input from stakeholders. This work must be completed on a condensed timeline to develop the form by December 1, 2023. In future years 0.4 FTE is required to investigate complaints, update the form every two years, and develop and maintain the public outreach program.
- **Public outreach.** CDPHE must develop and administer a public education and awareness program that speaks to denial of care in more general terms than the information provided by providers, and include information on the overall health effects of denial of care and demographic information. Outreach costs are based on projects of similar scope and include \$15,000 in FY 2023-24 and \$5,000 in future years for a data visualization tool
- **System costs.** CDPHE requires about 3,000 hours of system changes services in FY 2023-24 and about 430 hours per year thereafter, at a cost of about \$360,000 in FY 2023-24 and \$50,000 per year thereafter. Computer programming services are provided by the Office of Information Technology. The system will allow for consumers to easily compare individual service availability across providers.
- **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 shown in Table 2.

## Effective Date

The bill takes effect July 1, 2023.

## State Appropriations

For FY 2023-24, the bill requires a General Fund appropriation of \$519,130 to the Colorado Department of Public Health and Environment, and 0.9 FTE.

## State and Local Government Contacts

Behavioral Health Administration  
Information Technology  
Public Health and Environment

Health Care Policy and Financing  
Law