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Fiscal Note

Drafting Number: LLS 23-0411 Date: March 23, 2023
Prime Sponsors: Rep. deGruy Kennedy; Velasco Bill Status: House Public & Behavioral Health
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Bill Topic: REGIONAL HEALTH CONNECTOR PROGRAM

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

The bill recreates the Regional Health Connector Program under the Colorado Department of Public Health and Environment. The bill increases state expenditures through FY 2024-25, and potentially future fiscal years.

Appropriation Summary: For FY 2023-24, the bill requires an appropriation of \$2,000,000 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 23-1244

Table with 4 columns: Category, Sub-category, Budget Year FY 2023-24, and Out Year FY 2024-25. Rows include Revenue, Expenditures (General Fund, Centrally Appropriated, Total Expenditures, Total FTE), Transfers, and Other Budget Impacts (General Fund Reserve).

Summary of Legislation

The bill recreates the Regional Health Connector Program under the Colorado Department of Public Health and Environment (CDPHE) and requires that \$2 million be appropriated for the program. Under the program, regional health connectors receive funding to help coordinate health care across organizations, including community organizations. The CDPHE is required to contract with a third-party entity to distribute funding to regional health connectors' host organizations. The contractor may retain a percentage of the appropriation.

The bill repeals the Regional Health Connector Program under the University of Colorado School of Medicine that was established in Senate Bill 21-137 and funded for FY 2021-22 only.

State Expenditures

The bill increases state expenditures in CDPHE by \$2,000,000 in FY 2023-24 and \$29,000 in FY 2024-25, paid from the General Fund. Expenditures are shown in Table 2 and detailed below.

Table 2
Expenditures Under HB 23-1224

	FY 2023-24	FY 2024-25
Department of Public Health and Environment		
Personal Services	\$17,318	\$23,090
Contractor	\$1,982,683	-
Centrally Appropriated Costs ¹	\$3,826	\$5,468
Total Cost	\$2,003,826	\$28,558
Total FTE	0.2 FTE	0.3 FTE

¹ Centrally appropriated costs are not included in the bill's appropriation.

Staffing. CDPHE requires 0.3 FTE to procure and oversee the contractor. This will increase costs by \$17,000 in FY 2023-24 and \$29,000 in FY 2024-25. Assuming that the contractor disperses most funding in FY 2023-24, it is assumed that this staff will not be necessary beyond FY 2024-25, unless additional health connector funding is provided in future years. It is assumed that continuation of this staff will be addressed through the annual budget process if funding for the program is continued.

Contractor and health connector funding. The remainder of the required \$2,000,000 appropriation for FY 2023-24 is assumed to go to the contractor to disperse to eligible organizations and conduct outreach and stakeholder work as outlined in the bill. It is assumed that additional health connector funding in FY 2024-25 and future years may be provided at the discretion of the General Assembly, and the amount of any future funding has not been estimated.

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 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State Appropriations

For FY 2023-24, the bill requires a General Fund appropriation of \$2,000,000 to the Colorado Department of Public Health and Environment, and 0.3 FTE.

State and Local Government Contacts

Behavioral Health Administration
Higher Education
Information Technology

Health Care Policy and Financing
Human Services
Public Health and Environment