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Final Fiscal Note

Drafting Number: LLS 24-0285 Date: July 23, 2024
Prime Sponsors: Rep. Garcia; Jodeh Bill Status: Signed into Law
Sen. Buckner; Michaelson Jenet Fiscal Analyst: Shukria Maktabi | 303-866-4720
shukria.maktabi@coleg.gov

Bill Topic: MATERNAL HEALTH MIDWIVES

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

The bill modifies and creates new measures for maternal health care. It increases state revenue and expenditures beginning in FY 2024-25.

Appropriation Summary: For FY 2024-25, the bill requires and includes an appropriation of \$440,018 to multiple state agencies.

Fiscal Note Status: The final fiscal note reflects the enacted bill.

Table 1
State Fiscal Impacts Under HB 24-1262

Table with 5 columns: Category, Sub-category, Budget Year FY 2024-25, Out Year FY 2025-26, Out Year FY 2026-27. 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 requires the Colorado Maternal Mortality Review Committee in the Department of Public Health and Environment (CDPHE) to contract a third-party evaluator to study closures and availability of perinatal health care, impacts on affected populations, and provide recommendations to the General Assembly by July 1, 2026.

The bill also requires the Colorado Civil Rights Division within DORA to collect reports of mistreatments in the context of maternity care in ways that allow data to be accessible (confidential information can be de-identified and reports can be generated for the public) and expands the information that can be provided by individuals. It also requires the commission to submit de-identified reports of mistreatments to certain commissions and the General Assembly.

Finally, the bill requires health care facilities that discontinue maternal health care services to provide notice to the CDPHE, the Governor, the public, and any affected patients and providers. It also requires the membership of certain committees, boards, and programs to include midwifery expertise, including the Environmental Justice Advisory Board, the Health Equity Commission, and the Governor’s Expert Emergency Epidemic Response Committee.

State Expenditures

The bill increases state expenditures in the CDPHE by \$345,000 in FY 2024-25, \$85,000 in FY 2025-26, and \$32,417 in FY 2025-26, paid from the General Fund. It also increases state expenditures in the Civil Rights Division in DORA by \$128,000 in FY 2024-25 and \$114,000 in FY 2025-26 and ongoing, paid from the General Fund. Expenditures are shown in Table 2 and detailed below.

**Table 2
 Expenditures Under HB 24-1262**

| | FY 2024-25 | FY 2025-26 | FY 2026-27 |
|--|-------------------|-------------------|-------------------|
| Department of Public Health and Environment | | | |
| Personal Services | \$68,548 | \$68,548 | \$26,125 |
| Operating Expenses | \$1,024 | \$1,024 | \$384 |
| Capital Outlay Costs | \$7,337 | - | - |
| Third-Party Evaluator | \$225,000 | - | - |
| Heat Map – System Update/Outreach | \$27,037 | - | - |
| Centrally Appropriated Costs ¹ | \$15,651 | \$15,651 | \$5,908 |
| FTE – Personal Services | 0.8 FTE | 0.8 FTE | 0.3 FTE |
| CDPHE Subtotal | \$344,597 | \$85,223 | \$32,417 |

**Table 2
Expenditures Under HB 24-1262 (Cont.)**

| | FY 2024-25 | FY 2025-26 | FY 2026-27 |
|---|-------------------|-------------------|-------------------|
| Civil Rights Division, DORA | | | |
| Personal Services | \$54,717 | \$54,717 | \$54,717 |
| Operating Expenses | \$1,280 | \$1,280 | \$1,280 |
| Capital Outlay Costs | \$6,670 | - | - |
| Legal Services | \$32,005 | \$32,005 | \$32,005 |
| IT System Programming and Maintenance | \$16,400 | \$8,525 | \$8,525 |
| Centrally Appropriated Costs ¹ | \$17,116 | \$17,116 | \$17,116 |
| FTE – Personal Services | 1.0 FTE | 1.0 FTE | 1.0 FTE |
| FTE – Legal Services | 0.1 FTE | 0.1 FTE | 0.1 FTE |
| CCRD–DORA Subtotal | \$128,188 | \$113,643 | \$113,643 |
| Total | \$472,785 | \$198,866 | \$146,060 |
| Total FTE | 1.9 FTE | 1.9 FTE | 1.4 FTE |

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

Department of Public Health and Environment. The CDPHE requires staff and costs to study maternal health care services closures. This will include hiring the third-party evaluator and updating data systems to provide them with the necessary information through a health professional shortage area and perinatal health services assets and deficits map.

- **Staff.** The CDPHE requires 0.8 FTE in FY 2024-25 and FY 2025-26, and 0.3 FTE in FY 2026-27, to manage the contract with the third-party evaluator and develop the asset and deficit map.

Beginning in FY 2024-25, 0.5 FTE will provide programmatic oversight of the evaluation and map, as well as develop eligibility criteria, build the application process, write the Request for Proposals, and contract with an entity performing the perinatal health care evaluation. An additional 0.3 FTE will develop the asset and deficit map. The fiscal note assumes developing the map internally instead of through the contracted evaluator will be more cost-effective, as the CDPHE has the infrastructure for data collection and analysis to build the map. Staff activities include data collection, processing, and analysis to develop the map, as well as providing relevant data from the map to the evaluator as needed. Staff costs are required through September 1, 2026, once final deliverables are completed.

- **Third-party evaluator.** From FY 2024-25 to FY 2026-27, the CDPHE requires a total of \$225,000 to contract an evaluator to conduct the study for the Maternal Mortality Review Committee on closures related to perinatal health care. This includes working with the department, collecting and analyzing data, and developing the final report.

- **System changes.** In FY 2024-25 only, the CDPHE requires \$20,000 to contract a developer to modify existing data systems for the heat map development by CDPHE staff, including adding data integration and reporting functions.
- **Outreach costs.** The CDPHE requires one-time costs of \$7,037 to print, send, and collect data from digital and paper surveys for the map analysis and development.

Civil Rights Division, DORA. The Civil Rights Division requires staff, legal services, and system updates to meet the maternity care reporting requirements of the bill.

- **Staff.** Beginning in FY 2024-25, the Division requires 1.0 FTE to manage the reporting requirements for maternal care mistreatment, including managing the additional data reported by individuals, developing the database to have the ability to extract data and run reports, submitting report to committees, and managing inquiries and following up with individuals if requested in their report.
- **IT system updates.** The division requires approximately \$16,400 in FY 2024-25, and \$8,525 for maintenance in ongoing years, to update online forms used by individuals to report maternal care mistreatment and create and maintain a database that can produce reports of de-identified data as required. This assumes 100 hours of work initially at an average of \$164 per hour, and 50 hours for ongoing maintenance support. These costs are reappropriated to the Office of Information Technology.
- **Legal services.** The division is assumed to require 250 hours of legal support annually, which requires 0.1 FTE from the Department of Law, for counsel around reporting on confidential health care.

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 3.

Effective Date

This bill was signed into law by the Governor and took effect on June 4, 2024.

State Appropriations

For FY 2024-25, the bill requires and includes a General Fund appropriation of \$440,018, of which:

- \$328,946 is appropriated to the Department of Public Health and Environment, and 0.8 FTE; and
- \$111,072 is appropriated to the Civil Rights Division in the Department of Regulatory Agencies, and 1.0 FTE, of which \$32,005 and 0.1 FTE reappropriated to the Department of Law, and \$16,400 is reappropriated to the Office of Information Technology.

State and Local Government Contacts

Judicial
Regulatory Agencies

Law

Public Health and Environment

The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).