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FISCAL NOTE

Drafting Number: LLS 18-0608 Date: February 23, 2018
Prime Sponsors: Rep. Kennedy; Rankin Bill Status: House Health, Insurance, and Environment
Sen. Moreno; Smallwood Fiscal Analyst: Ryan Long | 303-866-2066 RyanC.Long@state.co.us

Bill Topic: HOSPITAL FINANCIAL TRANSPARENCY MEASURES

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

This bill directs the Department of Health Care Policy and Financing to create an annual report on uncompensated costs and expenditures made by general hospitals. Beginning in FY 2019-20, it will minimally increase state workload on an ongoing basis.

Appropriation Summary: No appropriation is required.

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

Summary of Legislation

This bill directs the Department of Health Care Policy and Financing (HCPF) to work in consultation with Colorado Healthcare Affordability and Sustainability Board (board) to create an annual report on uncompensated costs and expenditures made by general hospitals.

The hospital expenditure report prepared by HCPF and the board must include a description of the methods of analysis; uncompensated care costs by payer group; and a breakout of different categories of hospital expenses.

Background

The Colorado Healthcare Affordability and Sustainability Enterprise Board administers the Healthcare Affordability and Sustainability Fee. The Healthcare Affordability and Sustainability Fee allows the state to draw down federal matching funds under Medicaid to pay for uncompensated care at hospitals, as well as the costs of providing care to Medicaid expansion populations.

State Expenditures

Beginning in FY 2019-20, this bill will minimally increase workload in HCPF to collect information and write the report on uncompensated costs and expenditures made by general hospitals. It is assumed that this workload increase can be accomplished within existing appropriations.

Effective Date

The bill takes effect August 8, 2018, if the General Assembly adjourns on May 9, 2018, as scheduled, and no referendum petition is filed.

State and Local Government Contacts

Health Care Policy and Financing

Information Technology