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Final Fiscal Note

Drafting Number: LLS 21-0212
Prime Sponsors: Sen. Buckner

Date: July 27, 2021
Bill Status: Postponed Indefinitely
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Bill Topic: **CANCER SCREENING SERVICES THROUGH CDPHE**

Summary of Fiscal Impact:

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill would have modified the cervical cancer screening program to allow the use of funds to screen for other types of cancer.

Appropriation Summary: No appropriation was required.

Fiscal Note Status: The fiscal note reflects the introduced bill. The bill was not enacted into law; therefore, the impacts identified in this analysis do not take effect.

Table 1
State Fiscal Impacts Under 21-089

		Budget Year FY 2021-22	Out Year FY 2022-23
Revenue		-	-
Expenditures	Various Funds – Staffing	\$189,835	\$231,642
	Various Funds – Grants	(\$189,835)	(\$231,642)
	Total Expenditures	\$0	\$0
	Total FTE	1.6 FTE	2.0 FTE
Transfers		-	-
TABOR Refund		-	-

Summary of Legislation

The Colorado Department of Public Health and Environment (CDPHE) administers a breast and cervical cancer screening program, known as the Women’s Wellness Connection. The bill expands the program to include screening for other cancers. It establishes that at the program must allocate at least \$2.5 million annually for breast and cervical cancer screenings (to be allocated first from federal money), at least \$1.0 million for colorectal cancer screening, then to additional screenable cancers if money remains.

In addition, the bill modifies the composition of the program’s advisory board, changes the name of its cash fund, and modifies eligibility criteria for the program’s services to follow evidence-based clinical guidelines for each screenable cancer.

Background

For FY 2020-21, the program was appropriated \$6.7 million and 7.2 FTE. Of this total, \$4.1 million is cash funds from state tobacco taxes and \$2.7 million is federal funds. Most funds are granted to local contractors to provide the cancer screening services.

Assumptions

The fiscal note makes the following assumptions:

- the program will expand to include screening for cancers with United States Preventive Services Task Force (USPSTF) A or B recommendations for screening, which requires adding colorectal cancer and lung cancer screening in addition to breast and cervical cancers;
- there is no deadline by which the program must expand to include lung cancer screening;
- total funding for the program will not change—increased administrative costs will decrease funding available for grants by an equivalent amount;
- as with the current screening program, no fees will be charged for new screenings.

State Expenditures

The bill increase staffing expenditures in CDPHE by about \$200,000 per year and 2.0 FTE, as shown in Table 2 and discussed below. The fiscal note assumes the program is operating within a fixed budget; as such, the money available for grants will decrease by an equivalent amount to new staff costs, resulting in no net increase in expenditures.

**Table 2
Expenditures Under SB 21-089**

	FY 2021-22	FY 2022-23
Department of Public Health and Environment		
Personal Services	\$120,643	\$160,858
Operating Expenses	\$2,160	\$2,700
Capital Outlay Costs	\$12,400	-
Centrally Appropriated Costs ¹	\$54,632	\$68,084
Grants	(\$189,835)	(\$231,642)
	Total Cost	\$0
	Total FTE	2.0 FTE

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

In order to expand the program, CDPHE requires program management staff and modifications to data and billing systems. A program manager will work to expand the program to include colorectal and lung cancers, which includes the following: planning, research to target screenings, procuring and contracting with new provider partners, and grant administration. The fiscal note assumes the program will strive to minimize costs by working within existing partnerships and infrastructure to the greatest extent practicable, even if that means limiting the number of providers or a slower expansion into other cancer screenings. A data management staff person is required to incorporate colorectal and lung cancer screening into data and reimbursement systems that are compliant with the federal Health Insurance Portability and Accountability Act (HIPAA). Costs for FY 2021-22 are prorated to reflect an October 2021 start date.

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 \$54,632 in FY 2021-22 and \$68,084 in FY 2022-23.

Technical Note

Should a funding shortfall occur due to reduced tobacco tax revenue or federal funding, CDPHE may be unable to meet the bill's requirement to allocate \$3.5 million for breast, cervical, and colorectal cancer screenings in addition to administrative costs.

Effective Date

The bill was postponed indefinitely by the Senate Health and Human Services Committee on March 17, 2021.

Departmental Difference

CDPHE estimates the bill requires staffing costs of \$728,349 and 5.8 FTE in FY 2021-22 and \$620,728 and 5.3 FTE in FY 2022-23. This is based on assumptions of significant stakeholder and provider engagement, an increase in meeting frequency for the program's advisory board, and an estimate of 6,600 hours of work in FY 2021-22 to ensure a HIPAA-compliant data and billing system.

State and Local Government Contacts

Public Health and Environment