



Legislative
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FISCAL NOTE

Drafting Number: LLS 19-0414
Prime Sponsors: Sen. Garcia

Date: February 4, 2019
Bill Status: Senate HHS
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Bill Topic: PEER ASSISTANCE EMERGENCY MEDICAL SERVICE PROVIDER

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

The bill creates a peer health assistance program for emergency medical service providers, funded through fees collected from applicants for EMS certification. It increases state expenditures in FY 2019-20 and FY 2020-21 only, and increases revenue in the form of custodial funds on an ongoing basis.

Appropriation Summary: For FY 2019-20, the bill requires an appropriation of \$47,295 to the Department of Public Health and Environment.

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

**Table 1
State Fiscal Impacts Under SB 19-065**

		FY 2019-20	FY 2020-21	FY 2021-22
Revenue	Cash Funds	-	\$177,359*	\$354,656*
Expenditures	Cash Funds	\$47,295	\$30,605	-
	Centrally Appropriated	\$21,424	\$14,047	-
	Total	\$68,719	\$44,652	-
	Total FTE	0.6 FTE	0.4 FTE	-
Transfers		-	-	-
TABOR Refund		-	-	-

* The bill specifies that the revenue is designated as custodial funds that are not subject to TABOR.

Summary of Legislation

The bill directs the Board of Health (board) in the Colorado Department of Public Health and Environment (CDPHE) to designate one or more peer health assistance program to provide assistance to emergency medical service (EMS) providers dealing with physical, emotional, or psychological conditions that are affecting their ability to work. The peer health assistance program(s) must:

- be available to all certified EMS providers, and take referrals from the board;
- provide counseling and support to EMS providers;
- provide education and assistance relating to physical, emotional, and psychological conditions; and
- evaluate the extent of these conditions and, as needed, refer the EMS provider for treatment and monitor the status of that treatment.

The program will be financed by a fee collected upon initial certification and certification renewal of EMS providers beginning January 1, 2021. The fee will be set by the board and may be adjusted annually to reflect utilization of the program and inflation. The payments collected are custodial funds that are not subject to appropriation by the General Assembly; the funds may be used only by the nonprofit administering entity and provider(s) designated by the board. The use of the money does not constitute state fiscal year spending under TABOR.

Administering entity. The board may select a nonprofit administering entity to collect and track annual payments, received either directly or through the board, and distribute the money to the designated provider(s) of peer health assistance. The administering entity will be responsible for accounting and posting a surety or performance bond. The administering entity may recover actual costs incurred up to 10 percent of the total amount collected.

Participation in a peer health assistance program. Any certified EMS provider may apply to the board for participation in a designated peer health assistance program. To qualify for participation, an EMS provider must acknowledge the existence or potential existence of a qualifying condition and agree in writing to voluntarily participate in the program. The board may suspend the certification of a person who is referred by the board and fails to complete the program, in which case the board will schedule a hearing with an administrative law judge in the Department of Personnel and Administration.

Background

Individual emergency medical service providers are certified by the board. Under current law, there is not a fee to apply for certification as an EMS provider; the program is financed primarily by a \$1.4 million Long Bill appropriation from the EMS account in the Highway Users Tax Fund.

Assumptions

The fiscal note makes the following assumptions:

- the fee will be collected by the administering entity, not the board;
- utilization of the EMS peer health assistance program will be similar to that of peer assistance programs in other health professions;

- the process will not result in an increase in disciplinary actions taken by the board; and
- a process will be created for individuals to enter into peer health assistance that will not appreciably increase workload for CDPHE staff or the board.

State Revenue

Fee impact on EMS providers. Colorado law requires legislative service agency review of measures which create or increase any fee collected by a state agency. These fee amounts are estimates only; actual fees will be set administratively by the board based estimated program costs, the estimated number of EMS providers subject to the fee, and overall utilization of the program.

The fee will be set at an amount sufficient to support the one or more designated providers selected by the board to administer the program. Based on similar peer health assistance programs for medical providers, including dentists, pharmacists, nurses, and social workers, the program is estimated to require \$319,199 to cover Colorado's 18,515 EMS providers. The fee must account for an administering entity receiving 10 percent of the total collected; therefore the total amount that must be generated by the fee is estimated to be \$354,666 for a full year. There are an average of 2,020 first-time certifications and 3,729 renewals per year (certification renewal is required every three years), for a total of 5,749 certifications per year. The program begins January 1, 2021, and the first year is prorated to reflect a half year of implementation. Table 2 below identifies the fee impact of this bill.

Table 2
Fee Impact on EMS Providers at Certification

Fiscal Year	Type of Fee	Proposed Fee	Number of Certifications	Total Fee Impact
FY 2019-20	Peer Health Assistance	-	-	-
FY 2020-21	Peer Health Assistance	\$61.69	2,875	\$177,359
FY 2020-22	Peer Health Assistance	\$61.69	5,749	\$354,656

State Expenditures

The bill will increase state cash fund expenditures by \$68,719 and 0.6 FTE in FY 2019-20 and \$44,652 and 0.4 FTE in FY 2020-21 for CDPHE. The bill does not identify a fund source to finance this work; it is assumed that the Emergency Medical Services Account in the Highway Users Tax Fund will be used. These costs are shown in Table 3 and described below.

**Table 3
Expenditures Under SB 19-065**

	FY 2019-20	FY 2020-21	FY 2019-20
Personal Services	\$42,022	\$28,014	-
Operating Expenses	\$5,273	-	-
Legal Services	-	\$2,591	-
Centrally Appropriated Costs*	\$21,424	\$14,047	-
Total Cost	\$68,719	\$44,652	-
Total FTE	0.6 FTE	0.4 FTE	-

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

Department of Public Health and Environment. CDPHE will conduct a stakeholder process to develop rules for the program. This process will address various components of implementation including the establishment of a fee, referral protocols (including both self-referral and employer referral), and determining consequences for failure to complete the program. It is expected that the stakeholder process can be completed and draft rules can be written in FY 2019-20 with 0.6 FTE. State Board of Health rulemaking requires a recommendation from the State Emergency Medical and Trauma Advisory Council (SEMTAC). The SEMTAC and Board of Health processes will take approximately six months to complete in FY 2020-21 with 0.4 FTE. The Department of Law will provide legal services to review rules in FY 2020-21 at a cost of \$2,591.

Department of Personnel and Administration. The bill may increase the number of cases the Office of Administrative Courts would hear concerning disciplinary actions for individuals failing to complete the peer health assistance program. The increase is expected to be minimal.

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 \$21,424 in FY 2019-20 and \$14,047 in FY 2020-21.

Local Governments

To the extent that municipalities pay certification fees for EMS providers that they employ, expenditures will increase to pay the new fee.

Effective Date

The bill takes effect August 2, 2019, if the General Assembly adjourns on May 3, 2019, as scheduled, and no referendum petition is filed.

State Appropriations

For FY 2019-20, the bill requires a cash fund appropriation of \$47,295 to the Colorado Department of Public Health and Environment from the Emergency Medical Services account of the Highway Users Tax Fund, and an allocation of 0.6 FTE.

Departmental Difference

Beginning in FY 2021-22, the CDPHE estimates that the bill will require ongoing costs of \$265,979 0.9 FTE. The CDPHE estimate includes 0.3 FTE to process and track EMS provider payments and coordinate referrals. The fiscal note assumes the peer assistance program will perform these functions. The CDPHE estimate includes 0.6 FTE for disciplinary actions. The fiscal note assumes that the peer assistance program will not increase disciplinary actions. The CDPHE estimate includes \$32,000 for two additional monthly board meetings to review referrals. The fiscal note assumes printed materials and intake forms will make this unnecessary. In addition, the CDPHE estimate assumes General Fund will be required, while the fiscal note assumes that the Emergency Medical Services account of the Highway Users Tax Fund will be used.

State and Local Government Contacts

Counties	Information Technology	Law
Municipalities	Public Health and Environment	Treasury