

**JBC STAFF FISCAL ANALYSIS
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING THE ESTABLISHMENT OF A STANDARDIZED HEALTH BENEFIT PLAN TO BE OFFERED IN COLORADO, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Prime Sponsors: Reps. Roberts and Jodeh
Senator Donovan

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Appropriation Items of Note

Appropriation Already Added to Bill, No Amendment in Packet

General Fund Impact

Fiscal Impact of Bill as Amended to Date

The most recent Legislative Council Staff Revised Fiscal Note (attached) reflects the fiscal impact of the bill as of 05/14/2021.

	No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
XXX	Update: Fiscal impact has changed due to <i>new information or technical issues</i>
	Update: Fiscal impact has changed due to <i>amendment adopted</i> after LCS Fiscal Note was prepared
	Non-Concurrence: JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill

The House adopted floor amendments, including modifying required reports to add analysis of the provider workload and any impact on the size of provider panels, which added consulting costs in FY 2022-23 that were not captured in the Legislative Council Staff Revised Fiscal Note (05/14/2021). The Senate Health & Human Services Committee Report (05/19/2021) made amendments to the bill, including a provision making the analysis of the provider workload and the size of provider panels a separate report, rather than a component of the three required reports.

To prepare the new report on provider workload and the size of provider panels the Division of Insurance in the Department of Regulatory Agencies will need an additional \$105,000 cash funds from the Division of Insurance Cash Fund in FY 2022-23. This will reduce General Fund revenues, because taxes on insurance premiums that are credited to the Division of Insurance Cash Fund that are not appropriated by the General Assembly are deposited in the General Fund, pursuant to Section 10-3-209 (4), C.R.S. There is no change to the FY 2021-22 fiscal impact. Legislative Council Staff agrees with this estimate of the fiscal impact.

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
None.	

Current Appropriations Clause in Bill

The bill includes a provision appropriating a total of \$1,491,310 for FY 2021-22, including \$1,199,637 cash funds from the Division of Insurance Cash Fund to the Department of Regulatory Agencies, \$212,680 reappropriated funds from the Department of Regulatory Agencies for the Department of Law, and \$78,993 General Fund to the Department of Healthcare Policy and Financing. This provision also states that the appropriations are based on the assumption that the Department of Regulatory Agencies will require an additional 5.4 FTE, the Department of Law will require an additional 1.1 FTE, and the Department of Healthcare Policy and Financing will require an additional 0.8 FTE.

Points to Consider

General Fund Impact

The Joint Budget Committee has proposed a budget package for FY 2021-22 based on the March 2021 Legislative Council Staff revenue forecast. The budget package includes a set aside of \$48.0 million General Fund for bills that require General Fund appropriations for FY 2021-22. This bill requires \$1,278,630 General Fund for FY 2021-22, reducing the \$48.0 million set aside by the same amount. The bill reduces General Fund revenue by \$1,199,637 and requires a General Fund appropriation of \$78,993.

Pursuant to Section 10-3-209 (4), C.R.S., taxes on insurance premiums are credited to the Division of Insurance Cash Fund (with a maximum transfer of five percent of premium tax collections) to cover appropriations made by the General Assembly. Any increase in appropriations reduces the amount of tax revenue deposited in the General Fund, thereby reducing the amount of General Fund available for other purposes.