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Nonpartisan Services for Colorado's Legislature

Revised Fiscal Note

(replaces fiscal note dated April 11, 2023)

Drafting Number: LLS 23-0411 **Date:** April 18, 2023
Prime Sponsors: Rep. deGruy Kennedy; **Bill Status:** Senate Health & Human Services
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Bill Topic: REGIONAL HEALTH CONNECTOR PROGRAM

Summary of Fiscal Impact:

- State Revenue
- State Expenditure
- State Transfer
- TABOR Refund
- Local Government
- Statutory Public Entity

The bill continues the Regional Health Connector Program under the Colorado Department of Higher Education and relocates it to the Colorado Department of Public Health and Environment starting in FY 2024-25. The bill increases state expenditures on an ongoing basis.

Appropriation Summary: For FY 2023-24, the bill requires and includes an appropriation of \$1.6 million to multiple state agencies.

Fiscal Note Status: This revised fiscal note reflects the reengrossed bill.

Table 1
State Fiscal Impacts Under HB 23-1244

		Budget Year FY 2023-24	Out Year FY 2024-25
Revenue		-	-
Expenditures	General Fund	\$1,571,903	\$1,578,316
	Centrally Appropriated	\$29,642	\$18,225
	Total Expenditures	\$1,601,545	\$1,596,541
	Total FTE	1.6 FTE	1.0 FTE
Transfers		-	-
Other Budget Impacts	General Fund Reserve	\$235,785	\$236,747

Summary of Legislation

The bill continues the Regional Health Connector Program in the Colorado Department of Higher Education (DHE) and relocates it to the Colorado Department of Public Health and Environment (CDPHE) starting in FY 2024-25. The bill requires that \$1.5 million be appropriated for the program in FY 2023-24. Under the program, regional health connectors receive funding to help coordinate health care across organizations, including community organizations. The responsible department is required to contract with a third-party entity to distribute funding to regional health connectors' host organizations. The contractor may retain a percentage of the appropriation.

The bill repeals the Regional Health Connector Workforce Program in the University of Colorado School of Medicine that was established in Senate Bill 21-137 and funded for FY 2021-22 only.

State Expenditures

The bill increase state expenditures in CDHE by about \$1.5 million in FY 2023-24 only. Expenditures in CDPHE will increase by about \$80,000 in FY 2023-24 and \$1.6 million in FY 2024-25 and ongoing. All costs are paid from the General Fund. Expenditures are shown in Table 2 and detailed below.

**Table 2
 Expenditures Under HB 23-1244**

	FY 2023-24	FY 2024-25
Department of Higher Education		
Personal Services	\$64,139	-
Operating Expenses	\$1,094	-
Capital Outlay Costs	\$6,670	-
Legal Services	\$1,428,097	-
Centrally Appropriated Costs ¹	\$14,821	-
FTE – Personal Services	0.8 FTE	-
CDHE Subtotal	\$1,514,821	-
Department of Public Health and Environment		
Personal Services	\$64,139	\$76,966
Operating Expenses	\$1,094	\$1,350
Capital Outlay Costs	\$6,670	-
Grant Program	-	\$1,500,000
Centrally Appropriated Costs ¹	\$14,821	\$18,225
FTE – Personal Services	0.8 FTE	1.0 FTE
CDPHE Subtotal	\$86,724	\$1,596,541
Total Costs	\$1,601,545	\$1,596,541
Total FTE	1.6 FTE	1.0 FTE

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

Colorado Department of Higher Education

Contractor and health connector funding. For FY 2023-24 only, the bill appropriates \$1.5 million in funding to disperse to eligible organizations and conduct outreach and stakeholder work as outlined in the bill.

Colorado Department of Public Health and Environment

Staffing. The bill appropriates 1.0 FTE to CDPHE beginning in FY 2023-24 to prepare for the transition of the program to the CDPHE. In FY 2024-25 and future years, this staff will oversee the program. This will increase staff-related costs by \$80,000 in FY 2023-24 and \$97,000 in FY 2024-25 and ongoing. Standard operating and capital outlay costs are included, and first-year costs are prorated for the General Fund pay date shift and the bill's effective date.

Contractor and health connector funding. Starting in FY 2024-25, the bill requires that \$1.5 million per year be appropriated to the CDPHE for the program to disperse as grants to eligible organization.

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 2.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State Appropriations

For FY 2023-24, the bill requires and includes the following General Fund appropriations:

- \$1,500,000 and 0.8 FTE to the Colorado Department of Higher Education; and
- \$71,903 and 0.8 FTE to the Colorado Department of Public Health and Environment

State and Local Government Contacts

Behavioral Health Administration
Higher Education
Information Technology

Health Care Policy and Financing
Human Services
Public Health and Environment