

**Second Regular Session
Seventy-fourth General Assembly
STATE OF COLORADO**

REVISED

*This Version Includes All Amendments Adopted
on Second Reading in the Second House*

LLS NO. 24-1178.01 Shelby Ross x4510

SENATE BILL 24-221

SENATE SPONSORSHIP

Roberts and Kirkmeyer, Pelton R., Rich, Bridges, Buckner, Cutter, Exum, Fenberg, Fields, Ginal, Hinrichsen, Jaquez Lewis, Liston, Michaelson Jenet, Mullica, Pelton B., Priola, Simpson, Will, Zenzinger

HOUSE SPONSORSHIP

Catlin and Lukens, Lynch, McLachlan

Senate Committees

Health & Human Services
Appropriations

House Committees

Appropriations

A BILL FOR AN ACT

101 **CONCERNING FUNDING FOR RURAL HEALTH CARE, AND, IN**
102 **CONNECTION THEREWITH, MAKING AN APPROPRIATION.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://leg.colorado.gov>.)

For the Colorado rural health-care workforce initiative (workforce initiative), the bill authorizes the department of higher education to enter into a limited purpose fee-for-service contract with the board of regents of the university of Colorado for allocation to programs or institutions of higher education to expand an existing rural track program. If an allocation is made to a program or institution to expand an existing rural

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters or bold & italic numbers indicate new material to be added to existing law.
Dashes through the words or numbers indicate deletions from existing law.

HOUSE
2nd Reading Unamended
May 7, 2024

SENATE
3rd Reading Unamended
May 3, 2024

SENATE
Amended 2nd Reading
May 2, 2024

track program, the department of higher education shall utilize a formula developed and revised annually by the rural program office that is based on data that documents the program's or institution's fulfillment of certain requirements. The bill requires the rural program office to submit a report to the general assembly each year that includes the allocation formula developed by the rural program office.

The bill authorizes any money not expended or encumbered from any appropriation at the end of any fiscal year to remain available for expenditure for the workforce initiative in the next fiscal year without further appropriation.

The bill requires the department of health care policy and financing to distribute money appropriated for payments to rural hospitals.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** In Colorado Revised Statutes, 23-76.5-104, **amend**
3 (1) as follows:

4 **23-76.5-104. Initiative reporting.** (1) On or before November
5 1, 2023, and on or before November 1 each year thereafter, the rural
6 program office shall submit a report to the house of representatives
7 education committee and the senate education committee, or their
8 successor committees, concerning the initiative. The report must include:

9 (a) Information about each institution's health-care professionals
10 rural tracks, the number of students enrolled in each rural track, the
11 number of students who have completed each rural track and are
12 practicing in a rural or frontier county, and any other relevant data and
13 information about the initiative; ~~and~~

14 (b) The rural program office's analysis of the effectiveness of the
15 initiative and rural tracks; AND

16 (c) THE ALLOCATION FORMULA DEVELOPED PURSUANT TO SECTION
17 23-76.5-105 (2)(c).

18 **SECTION 2.** In Colorado Revised Statutes, 23-76.5-105, **amend**

1 (1), (2)(a) introductory portion, and (2)(a)(VI)(A); and **add** (2)(c) and (3)
2 as follows:

3 **23-76.5-105. Initiative funding - fee-for-service contracts.**

4 (1) Subject to available appropriations, the department of higher
5 education shall enter into a limited purpose fee-for-service contract with
6 the university of Colorado health sciences center pursuant to section
7 23-18-308 to provide funding for the rural program office IN THE
8 DEPARTMENT OF FAMILY MEDICINE to carry out ~~its~~ THE OFFICE'S duties
9 described in section 23-76.5-103. The funding for the rural program
10 office may be included in a single fee-for-service contract with the
11 university of Colorado health sciences center ~~described in~~ PURSUANT TO
12 subsection (2) of this section.

13 (2) (a) Subject to available appropriations, the department of
14 higher education shall enter into a limited purpose fee-for-service contract
15 with the governing boards of each of the following institutions, except for
16 Colorado mountain college, for allocation to each program or ~~school~~
17 INSTITUTION listed in this subsection (2) to establish or expand an existing
18 rural track pursuant to this article 76.5:

19 (VI) The university of Colorado, in the following programs or
20 schools:

21 (A) At the health sciences center campus, in its school of dental
22 medicine and in THE RURAL PROGRAM OF its doctor of medicine program
23 in the school of medicine;

24 (c) SUBJECT TO AVAILABLE APPROPRIATIONS, THE DEPARTMENT OF
25 HIGHER EDUCATION MAY ENTER INTO A LIMITED PURPOSE
26 FEE-FOR-SERVICE CONTRACT WITH THE BOARD OF REGENTS OF THE
27 UNIVERSITY OF COLORADO FOR ALLOCATION TO EACH PROGRAM OR

1 INSTITUTION LISTED IN SUBSECTION (2)(a) OF THIS SECTION TO EXPAND AN
2 EXISTING RURAL TRACK PROGRAM PURSUANT TO THIS ARTICLE 76.5. THE
3 RURAL PROGRAM OFFICE, IN COLLABORATION WITH THE INSTITUTIONS,
4 SHALL DEVELOP A FORMULA BASED ON DATA THAT DOCUMENTS THE
5 PROGRAM'S OR INSTITUTION'S FULFILLMENT OF THE REQUIREMENTS
6 SPECIFIED IN SECTION 23-76.5-102 FOR THE DEPARTMENT OF HIGHER
7 EDUCATION TO USE TO MAKE ALLOCATIONS TO A PROGRAM OR
8 INSTITUTION PURSUANT TO THIS SUBSECTION (2)(c). WHEN DEVELOPING
9 THE ALLOCATION FORMULA, THE RURAL PROGRAM OFFICE SHALL
10 CONSIDER:

11 (I) THE PERCENTAGE OF MONEY DEDICATED TO DIRECT STUDENT
12 SUPPORT IN THE FORM OF SCHOLARSHIPS AND RURAL HOUSING ASSISTANCE
13 DURING RURAL PRACTICAL EXPERIENCE;

14 (II) THE NUMBER OF STUDENTS ENROLLED IN EACH RURAL TRACK
15 PROGRAM;

16 (III) THE LENGTH OF STUDY FOR THE RURAL TRACK PROGRAM;

17 (IV) THE TUITION EXPENSES FOR THE RURAL TRACK PROGRAM;

18 (V) THE AMOUNT OF RURAL CURRICULUM PROVIDED TO STUDENTS;

19 (VI) THE RURAL PRACTICAL EXPERIENCE PROVIDED TO STUDENTS;

20 (VII) THE TEACHING DEVELOPMENT PROVIDED TO VOLUNTEER
21 RURAL PRECEPTORS; AND

22 (VIII) THE NUMBER OF GRADUATES WHO ENTER RURAL PRACTICE.

23 (3) ANY MONEY NOT EXPENDED OR ENCUMBERED FROM ANY
24 APPROPRIATION AT THE END OF ANY FISCAL YEAR REMAINS AVAILABLE
25 FOR EXPENDITURE FOR THE PURPOSE OF THIS SECTION IN THE NEXT FISCAL
26 YEAR WITHOUT FURTHER APPROPRIATION.

27 **SECTION 3.** In Colorado Revised Statutes, **add** 25.5-4-431 as

1 follows:

2 **25.5-4-431. Rural hospital cash fund - creation - definition.**

3 (1) THE RURAL HOSPITAL CASH FUND IS CREATED IN THE STATE TREASURY
4 AND IS REFERRED TO IN THIS SECTION AS THE "FUND". THE FUND CONSISTS
5 OF MONEY CREDITED TO THE FUND AND ANY OTHER MONEY THAT THE
6 GENERAL ASSEMBLY MAY APPROPRIATE OR TRANSFER TO THE FUND.

7 (2) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND
8 INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE
9 FUND TO THE FUND.

10 (3) MONEY IN THE FUND IS CONTINUOUSLY APPROPRIATED TO THE
11 DEPARTMENT OF HEALTH CARE POLICY AND FINANCING FOR THE PURPOSE
12 OF DISTRIBUTING MONEY IN EQUAL AMOUNTS TO RURAL HOSPITALS.

13 (4) ON JULY 1, 2024, THE STATE TREASURER SHALL TRANSFER ONE
14 MILLION SEVEN HUNDRED FORTY-TWO THOUSAND TWENTY-NINE DOLLARS
15 FROM THE GENERAL FUND TO THE FUND.

16 (5) AS USED IN THIS SECTION, "RURAL HOSPITAL" MEANS A
17 HOSPITAL LICENSED OR CERTIFIED PURSUANT TO SECTION 25-1.5-103
18 (1)(a) OR AN AFFILIATE OWNED OR CONTROLLED, AS DEFINED IN SECTION
19 25.5-4-402.8 (1)(c), BY A HOSPITAL, AND THAT IS LOCATED IN A COUNTY
20 WITH A POPULATION OF FEWER THAN FIFTY THOUSAND RESIDENTS OR IN A
21 MUNICIPALITY WITH A POPULATION OF FEWER THAN TWENTY-FIVE
22 THOUSAND RESIDENTS IF THE MUNICIPALITY IS NOT CONTIGUOUS TO A
23 MUNICIPALITY WITH A POPULATION OF TWENTY-FIVE THOUSAND OR MORE
24 RESIDENTS.

25 **SECTION 4. Appropriation.** (1) For the 2024-25 state fiscal
26 year, \$866,667 is appropriated to the department of higher education. This
27 appropriation is from the general fund. To implement this act, the

1 department may use this appropriation for the college opportunity fund
2 program to be used for limited purpose fee-for-service contracts with
3 state institutions.

4 (2) For the 2024-25 state fiscal year, \$866,667 is appropriated to
5 the department of higher education. This appropriation is from
6 reappropriated funds received from the limited purpose fee-for-service
7 contracts with state institutions under subsection (1) of this section. To
8 implement this act, the department may use this appropriation for the
9 regents of the university of Colorado for allocation to institutions of
10 higher education pursuant to section 23-76.5-105 (2)(c), C.R.S.

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12 **SECTION 5. Safety clause.** The general assembly finds,
13 determines, and declares that this act is necessary for the immediate
14 preservation of the public peace, health, or safety or for appropriations for
15 the support and maintenance of the departments of the state and state
16 institutions.