

**FINAL
FISCAL NOTE**

Drafting Number: LLS 13-0510	Date: July 11, 2013
Prime Sponsor(s): Rep. Kraft-Tharp Sen. Roberts	Bill Status: Signed into law
	Fiscal Analyst: Kirk Mlinek (303-866-2756)

TITLE: CONCERNING THE REALLOCATION OF THE PRIMARY CARE OFFICE FROM THE PREVENTION SERVICES DIVISION TO THE DEPARTMENT OF PUBLIC HEALTH AND ENVIRONMENT, AND, IN CONNECTION THEREWITH, CHANGING THE MEMBERSHIP OF THE COLORADO HEALTH SERVICES CORPS ADVISORY COUNCIL AND CLARIFYING THE MONEYS INCLUDED IN THE COLORADO HEALTH SERVICES CORPS FUND.

Fiscal Impact Summary	FY 2013-2014	FY 2014-2015
State Revenue	See State Revenue section.	
State Expenditures	See State Expenditures section.	
FTE Position Change		
Effective Date: The bill was signed into law by the Governor on April 26, 2013, and takes effect August 7, 2013, assuming no referendum petition is filed.		
Appropriation Summary for FY 2013-2014: None required.		
Local Government Impact: None.		

Summary of Legislation

The bill makes an organizational change within the Department of Public Health and Environment (DPHE) by relocating the Primary Care Office (PCO) from the Prevention Services Division to DPHE. The bill also updates the law to make it consistent with federal requirements for programs operated by the PCO, reduces the number and revises the qualifications of members of the Colorado Health Service Advisory Council, and clarifies moneys included in the Colorado Health Service Corps Fund. The bill directs the State Treasurer to retain in the Colorado Health Service Corps Fund any damages or other penalties collected as a result of a breach of a loan repayment contract.

State Revenue

As amended, the bill has the potential to decrease revenue to the General Fund and increase revenue to the Colorado Health Services Corps Fund. Under current law, the PCO is responsible for enforcing loan repayment contracts entered into between the Colorado Health Services Corps and eligible health care providers. Monetary damages or other penalties collected as the result of a

breach of such contracts are deposited in the Colorado Health Services Corps Fund. To date, only one breach of contract has occurred. This fiscal note does not estimate the impact of this change as the future number of contracts that will be breached has not been estimated.

State Expenditures

The relocation of the PCO from a division within DPHE does not affect state expenditures. Further, the change in the Colorado Health Service Advisory Council from 15 to 13 members has no fiscal impact as members receive no compensation or expense reimbursement. Clarification of the moneys included in the Colorado Health Service Corps Fund codifies current practice and does not change anticipated revenue to the fund.

For FY 2012-13, the PCO was appropriated approximately \$1.1 million (\$807,791 Federal Funds and \$302,842 Cash Funds) and 3.2 FTE. This Long Bill entry will be moved to DPHE's Administration and Support section.

Departments Contacted

Public Health and Environment
Corrections
Higher Education
Regulatory Agencies

Health Care Policy and Financing
Human Services
Local Affairs
Municipalities