



Colorado Legislative Council Staff Fiscal Note
STATE
FISCAL IMPACT

Drafting Number: LLS 11-1075
Prime Sponsor(s): Rep. Massey
 Sen. Boyd

Date: May 6, 2011
Bill Status: House Health and Environment
Fiscal Analyst: Clare Pramuk (303-866-2677)

TITLE: CONCERNING AN EXEMPTION FROM STATE LICENSURE REQUIREMENTS FOR A COMMUNITY CLINIC THAT IS A RURAL HEALTH CLINIC.

Fiscal Impact Summary	FY 2011-2012	FY 2012-2013
State Revenue		
Cash Funds		
Health Facilities General Licensure Fund	(\$720)	(\$720)
State Expenditures		
Cash Funds		
Health Facilities General Licensure Fund	(\$529)	(\$529)
FTE Position Change		
Effective Date: Upon signature of the Governor, or upon becoming law without his signature.		
Appropriation Summary for FY 2011-2012: See State Appropriations section.		
Local Government Impact: None.		

This bill exempts rural health clinics from state licensure, on-site inspections and construction plan reviews by the Colorado Department of Public Health and Environment (CDPHE). It clarifies that rural health care clinics can continue to serve as general providers under the Colorado Indigent Care Program administered by the Department of Health Care Policy and Financing after they are no longer licensed by the CDPHE.

Background

HB11-1101 which was signed by the Governor on April 8, 2011, exempts federally qualified health centers (FQHC) from state licensure, on-site inspections and construction plan reviews by CDPHE.

State Revenue

The bill will result in a decrease of \$720 cash funds in both FY 2011-12 and FY 2012-13 from fees that will no longer be paid by rural health care clinics to the Health Facilities General

Licensure Fund. Currently, two rural health care clinics pay an annual licensing fee of \$360 per clinic to the CDPHE. By exempting these from licensing, state revenue is reduced by \$720.

State Expenditures

This bill is expected to reduce personal services expenditures for the CDPHE by \$529 in FY 2011-12 and FY 2012-13 from the Health Facilities General Licensure Fund. By exempting the rural health care centers from state licensure, on-site inspections, and plan review requirements, the CDPHE's workload will be reduced. Due to the small number of rural health care clinics, only the reduction in costs for licensing are reflected in the fiscal note.

State Appropriations

For FY 2011-12, appropriations to the Department of Public Health and Environment from the Health Facilities General Licensure Fund should be reduced by \$529.

Departments Contacted

Public Health and Environment