

  
*Colorado Legislative Council Staff Fiscal Note*  
**FINAL**  
**FISCAL NOTE**

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

**Date:** June 8, 2011  
**Bill Status:** Signed into Law  
**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, AND MAKING AN APPROPRIATION THEREFORE.

Fiscal Impact Summary	FY 2011-2012	FY 2012-2013
<b>State Revenue</b>		
Cash Funds		
Health Facilities General Licensure Fund	(\$720)	(\$720)
<b>State Expenditures</b>		
Cash Funds		
Health Facilities General Licensure Fund	(\$529)	(\$529)
<b>FTE Position Change</b>		
<b>Effective Date:</b> The bill was signed into law by the Governor and took effect on June 2, 2011.		
<b>Appropriation Summary for FY 2011-2012:</b> See State Appropriations section.		
<b>Local Government Impact:</b> None.		

**Summary of Legislation**

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