

REVISED CONDITIONAL FISCAL IMPACT

(replaces fiscal note dated February 10, 2011)

Drafting Number: LLS 11-0691

Date: March 1, 2011

Prime Sponsor(s): Rep. Ferrandino

Bill Status: House Appropriations

Fiscal Analyst: Kerry White (303-866-3469)

TITLE: CONCERNING THE PROVISION OF INTEGRATED HEALTH CARE SERVICES PURSUANT TO THE COLORADO MEDICAL ASSISTANCE PROGRAM.

Fiscal Impact Summary	FY 2011-2012	FY 2012-2013
State Revenue		
State Expenditures	<u>\$38,500</u>	
General Fund	19,250	
Federal Funds	19,250	
FTE Position Change		
Effective Date: August 10, 2011, if the General Assembly adjourns on May 11, 2011, as scheduled, and no referendum petition is filed.		
Appropriation Summary for FY 2011-2012: See State Appropriations section.		
Local Government Impact: None.		

Summary of Legislation

As amended in the House Health and Environment Committee, this bill requires the Department of Health Care Policy and Financing (DHCPF) to study issues concerning the integrated delivery of health care. Integrated services address the mental and physical health needs of a patient at the same time. The DHCPF, with input from behavior health organizations, community mental health centers, and other health care providers, is required to review existing regulations, reimbursement policies, barriers, and incentives that affect the integrated delivery of health care. The DHCPF is required to report its findings to the Joint Budget Committee and legislative committees.

State Expenditures

This bill has a conditional fiscal impact of \$38,500 in one-time state expenditures under the DHCPF for FY 2011-12. The DHCPF will require a consultant at a cost of \$25,000 to review policies as directed under the bill. An actuary will also be required to research and review reimbursement methodologies at a cost of \$13,500. These costs will be split equally between General Fund and federal funds. The department has applied for federal funding, which if approved, would enable the department to meet the requirements of HB11-1242 at no additional expense. The department expects to receive a decision about their application in April 2011.

State Appropriations

If the Department of Health Care Policy and Financing's application to the Centers for Medicare and Medicaid Services is approved, no appropriation is required. If this application is not approved, the department requires an appropriation of \$38,500 for FY 2011-12, including \$19,250 General Fund and \$19,250 federal funds.

Departments Contacted

Health Care Policy and Financing