

**REVISED FISCAL IMPACT**

(replaces fiscal note dated February 21, 2011)

**Drafting Number:** LLS 11-0109

**Date:** March 30, 2011

**Prime Sponsor(s):** Sen. Carroll; Lundberg  
Rep. Acree

**Bill Status:** House Health and Environment

**Fiscal Analyst:** Clare Pramuk (303-866-2677)

**TITLE:** CONCERNING THE REGULATION OF DIRECT-ENTRY MIDWIVES, AND, IN CONNECTION THEREWITH, IMPLEMENTING THE SUNSET REVIEW RECOMMENDATIONS OF THE DEPARTMENT OF REGULATORY AGENCIES, AND MAKING AN APPROPRIATION.

<b>Fiscal Impact Summary</b>	<b>FY 2011-2012</b>	<b>FY 2012-2013</b>
<b>State Revenue</b>		
Cash Funds		
Division of Registrations Cash Fund	\$6,913	\$45,054
<b>State Expenditures</b>		
Cash Funds		
Division of Registrations Cash Fund	\$6,842	\$45,054
<b>FTE Position Change</b>		0.3 FTE
<b>Effective Date:</b> July 1, 2011.		
<b>Appropriation Summary for FY 2011-2012:</b> See State Appropriations section.		
<b>Local Government Impact:</b> None.		

**Summary of Legislation**

*The reengrossed* bill implements the recommendations of the 2010 sunset review and continues the regulation of direct-entry midwives in the Division of Registrations in the Department of Regulatory Agencies (DORA) until September 1, 2016. The bill broadens the scope of practice for direct-entry midwives to include limited prescriptive authority to obtain and administer vitamin K, immune globulin and antihemorrhagic drugs. It also authorizes limited use of sutures and administration of intravenous fluids. The bill expands the mandatory disclosures for direct-entry midwives to address the new authorities, informed consent, and emergency procedures. Finally, the bill clarifies the distinction between serious and less serious violations, and requires the director of the division to establish a fine schedule and the circumstances under which fines may be imposed.

*Fiscal impact of programs set to expire.* This bill continues a program in the Division of Registrations in the DORA that is set to repeal, effective July 1, 2011. Under current law, state agencies may be appropriated funds to wind up the affairs of an expiring program for 12 months following the repeal date. To account for the wind-up period, the impact of extending the program beyond the current repeal date is shown as beginning in FY 2012-13, one year after the repeal date.

There is no need for an appropriation of the division's base funding in FY 2011-12, since the program's authorization has not yet expired, and ongoing funding for the program is included in the department's base budget request for FY 2011-12.

The state revenue and state expenditures impact for FY 2012-13 reflect the program's anticipated fee revenue and base budget request. The DORA's request for the regulation of direct-entry midwives in FY 2012-13 is \$45,054 and 0.3 FTE. The anticipated revenue is \$45,054.

### **Background**

A direct-entry midwife is a health care provider who cares for pregnant women and their babies. The direct-entry midwife does not necessarily have training in nursing. To be registered in Colorado under current law, an applicant must have graduated from an accredited direct-entry midwifery program or have equivalent education and must pass a national examination. In Colorado, direct-entry midwives attend only home births.

### **State Revenue**

*This bill increases revenue by \$6,851 in FY 2011-12 from fees to the Division of Registrations Cash Fund.*

*Fee impact on direct-entry midwives.* Section 2-2-322, C.R.S., requires legislative service agency review of measures that create or increase any fee collected by a state agency. The fiscal note assumes that 10 new direct-entry midwives will apply for all three new authorities resulting in an increase of \$1,050. For renewals, the fiscal note assumes that 75 percent of the current direct-entry midwives will apply for all three authorities, resulting in an increase of \$5,863. Table 1 identifies the fee impact of this bill.

<b>Table 1. Fee Impact on Direct-Entry Nurse Midwives</b>					
<b>Type of Fee</b>	<b>Current Fee</b>	<b>Proposed Fee</b>	<b>Fee Change per authority</b>	<b>Number Affected</b>	<b>Total Fee Impact</b>
Original Registration	\$200	\$235	\$35	10	\$1,050
Renewal	479	514	35	67	5,863
<b>TOTAL</b>					<b>\$6,913</b>

**State Expenditures**

*This bill increases expenditures by \$6,842 in FY 2011-12 from the Division of Registrations Cash Fund for the Division of Registrations in the DORA.* To implement the new authorities and establish a fine schedule, the division requires legal services of \$4,842 for new rules and procedures. Temporary paralegal services of \$2,000 are required to assist in researching and developing rules for the education requirements for the new authorities.

<b>Cost Components</b>	<b>FY 2011-12</b>
Temporary Paralegal Services	\$2,000
Legal Services	4,842
<b>TOTAL</b>	<b>\$6,842</b>

**State Appropriations**

For FY 2011-12, the Division of Registrations requires an appropriation of \$6,842 from the Division of Registrations Cash Fund. Of this, \$4,842 is reappropriated to the Department of Law.

**Departments Contacted**

Regulatory Agencies