



*Colorado Legislative Council Staff Fiscal Note*  
**NO FISCAL IMPACT**

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| <b>Drafting Number:</b> LLS 11-0457              | <b>Date:</b> January 17, 2011   |
| <b>Prime Sponsor(s):</b> Rep. Kagan<br>Sen. Boyd | <b>Bill Status:</b> House Economic & Business Development<br><b>Fiscal Analyst:</b> Jonathan Senft (303-866-3523) |

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**TITLE:** CONCERNING THE WAIVER OF COPAYMENTS AND DEDUCTIBLES BY SCHOOL-BASED HEALTH CENTERS.

### **Summary of Legislation**

This bill exempts school-based health centers from the law that makes it illegal to waive co-payments and deductibles for patients and forward these charges to a third party for payment.

This bill becomes effective upon signature of the Governor, or upon becoming law without his signature.

### **Background**

School-based health centers are funded by a state grant program, federal funds, patient fees, public and private insurance, and other grants and donations. A center is compelled by law to collect co-payments and deductibles when care is provided. It can waive these charges, but such a waiver assumes that costs are to be borne by the center and not by a third party. Misrepresentation can result in the criminal charge of health insurance abuse.

### **Assessment**

This bill does not affect whether a co-payment or deductible will be paid, the amount of such payment, or who will ultimately pay it, but it does change the procedure in which such payments are sought. There is no indication that fines or fees from criminal charges will be impacted by this new exemption, since historically cases of abuse of health care involving the school-based centers are minimal.

Under the bill, centers may continue billing third parties for these costs, but will no longer be affected by whether they have waived these charges to the patients. Since this bill is limited to a narrow procedural change, it is deemed as having no fiscal impact.

### **Departments Contacted**

Public Health & Environment      Education      Judicial      District Attorneys