

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING EXPEDITED PROCESSES FOR REENROLLMENT IN PUBLICLY FUNDED MEDICAL PROGRAMS.

Prime Sponsors: Representative Acree
Senator Spence

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Summary of Amendments Made to the Bill After the 01/22/09 Legislative Council Staff Fiscal Note Was Prepared

None.

JBC Staff Concurrence with Legislative Council Staff Fiscal Note

Concurs **Does Not Concur** **Updated Analysis**

Reason for the Update

The Legislative Council Staff Fiscal Note assumes that funding is not currently appropriated to design and implement a web based portal for medical assistance applications. However, in S.B. 09-187 (the Department of Health Care Policy and Financing FY 2008-09 supplemental bill) \$796,000 total funds were appropriated to begin to design a web based application system. This bill redirected some of the funding previously appropriated for the Colorado Benefit Management System realignment project to this purpose. In addition, on March 18, 2009, the Joint Budget Committee approved an additional \$995,089 total funds to be included in the FY 2009-10 Long Bill to continue Phase II of the web based application system.

The Legislative Council Staff Fiscal Note assumes that \$3.5 million total funds will be needed for the computer system development costs. Current budget actions have thus far appropriated \$1.8 million total funds. Due to the budget situation, the Joint Budget Committee has approved spreading this project over a three-year time frame. Nothing in the bill would prevent or require a change to the time frame approved by the Joint Budget Committee for this project.

The Legislative Council Staff Fiscal Note also assumes the need for 0.9 FTE and \$64,280 total funds for administrative costs associated with developing a request for proposals for a client call center and managing the web based application project. Currently, the Department is managing the web based application project within current resources. In addition, staff assumes that because the project will not be completed before FY 2011-12, the need for an additional administrative costs, including the 0.9 FTE to manage the call center contract, will not be necessary until FY 2010-11.

Due to the reasons listed above, the bill does not require any additional appropriations in FY 2009-10.

Amendments/Appropriation Status

The bill neither requires nor contains an appropriation clause for FY 2009-10.

Bill Sponsor Amendments

Sponsor amendment **L.002** (attached) allows the Department to implement the telephone or internet reenrollment process as a pilot program before implementing it statewide. In addition, the amendment also allows the Department to accept gifts, grants, and donations for the development of the telephone or internet reenrollment project.

This amendment does not change the updated fiscal analysis explained above. Legislative Council Staff agrees with this assessment.

Points to Consider

This bill would create a statutory requirement that this project be implemented. Currently, the project is being funded within the Department's existing statutory authority to administer the Medicaid and Children's Basic Health Plan programs. This bill may limit the General Assembly's ability to respond to the current budget situation by providing less flexibility to delay or stop non-mandatory projects or funding.