

Colorado Legislative Council Staff Fiscal Note

**FINAL
FISCAL NOTE**

Drafting Number: LLS 14-0632	Date: July 30, 2014
Prime Sponsor(s): Sen. Aguilar; Roberts Rep. Stephens; Schafer	Bill Status: Signed into Law
	Fiscal Analyst: Lauren Schreier (303-866-3523)

SHORT TITLE: COLORADO COMMISSION AFFORDABLE HEALTH CARE

Fiscal Impact Summary*	FY 2014-2015	FY 2015-2016
State Revenue		
State Expenditures	<u>\$400,000</u>	<u>\$400,000</u>
General Fund	400,000	400,000
FTE Position Change		
Appropriation Required: \$400,000 - Department of Public Health and Environment (FY 2014-15)		

** This summary shows changes from current law under the bill for each fiscal year.*

Summary of Legislation

The bill establishes the Colorado Commission on Affordable Health Care. The commission will study the drivers of health care costs and evidence-based cost containment strategies, and make recommendations for action. The commission will use state data to conduct empirical analysis of health care utilization in the state. The commission will have 12 voting members, representing various public and private sector health care experts and 5 nonvoting members from state government. Under this bill, the commission will review previous reports and studies, including the report from the former Blue Ribbon Commission for Health Care Reform. The commission will also create small advisory committees to study specific areas, and coordinate with other Colorado entities studying health care costs as appropriate.

The commission must provide two annual reports to the General Assembly in FY 2014-15 and FY 2015-16 and a final report by June 30, 2016. Legislative committees and the Governor will consider the commission's recommendations for future legislation and regulatory action. The bill creates the Colorado Commission on Affordable Health Care Cash Fund within the Department of Public Health and Environment (DPHE) and appropriates \$400,000 to the fund in FY 2014-15. The commission is repealed on July 1, 2017.

Background

Senate Bill 06-208 created the Blue Ribbon Commission for Health Care Reform. The commission studied health care reform models to expand health care coverage and decrease health care costs. This commission brought together health experts from the public and private sectors and submitted a final report to the General Assembly on November 30, 2007.

State Expenditures

The bill increases General Fund expenditures by \$400,000 to the commission's cash fund in FY 2014-15. The cash fund is continuously appropriated to the commission. This appropriation is assumed to be from the General Fund. To fulfill its duties, the commission may use these funds to hire administrative staff or purchase access to databases in order to perform empirical analyses. The commission may also purchase contract services from health care experts or organizations. Voting members may require reimbursement for travel expenses related to fulfilling their duties on the commission.

Effective Date

The bill was signed into law by the Governor and took effect on May 29, 2014.

State Appropriations

The bill appropriates \$400,000 from the General Fund to the Colorado Commission on Affordable Health Care Cash Fund. Moneys in the cash fund are continuously appropriated to the commission.

State and Local Government Contacts

Regulatory Agencies
Human Services
Legislative Legal Services

Public Health and Environment
Healthcare Policy and Financing