


Colorado Legislative Council Staff Fiscal Note
STATE
FISCAL IMPACT

Drafting Number: LLS 10-0625
Prime Sponsor(s): Rep. Gagliardi
 Sen. Morse

Date: January 25, 2010
Bill Status: House Health and Human Services
Fiscal Analyst: Bill Zepernick (303-866-4777)

TITLE: CONCERNING THE PROGRAM TO REPAY EDUCATIONAL LOANS OF HEALTH CARE PROFESSIONALS.

Fiscal Impact Summary	FY 2010-2011	FY 2011-2012
State Revenue		
State Expenditures Cash Funds Colorado Health Services Corps Fund	See State Expenditures section.	
FTE Position Change		
Effective Date: July 1, 2010.		
Appropriation Summary for FY 2010-2011: None required.		
Local Government Impact: None.		

Summary of Legislation

The bill changes the name of the State Health Care Professional Loan Repayment Program to the Colorado Health Services Corps. The names of the advisory council that oversees the program and the program cash fund are also changed. The program, managed by the Department of Public Health and Environment, provides loan repayment assistance to primary care doctors who serve in federally designated health professional shortage areas. In addition, the bill makes the following changes to the loan repayment program:

- removes the \$35,000 annual limit on loan repayment for an eligible health care professional;
- allows the program to make regular payments on a person's loan or provide an advance lump sum payment;
- exempts the selection of health care professionals for the program from the competitive bidding requirements of state procurement law; and
- changes the information that the program must report to the General Assembly in its annual report.

State Expenditures

While the bill is not expected to impact the total costs to the Department of Public Health and Environment for operating the loan repayment program, it could change how loans are repaid under the program. Assuming available funding for the program remains constant, removing the annual cap and allowing advanced lump sum payments could result in larger payments being made for a smaller number of health care professionals. Decisions on the number and amount of loan repayment awards are made by the department based on the input of the advisory council.

State Appropriations

No appropriation is required. Funds in the Colorado Health Services Corps Fund are continuously appropriated to the department for the purpose of loan repayment.

Departments Contacted

Health Care Policy and Financing
Public Health and Environment

Higher Education
Personnel