



Colorado Legislative Council Staff Fiscal Note
STATE
FISCAL IMPACT

Drafting Number: LLS 10-1033
Prime Sponsor(s): Sen. Boyd
 Rep. Riesberg

Date: April 13, 2010
Bill Status: Senate Health and Human Services
Fiscal Analyst: Josh Abram (303-866-3561)

TITLE: CONCERNING THE REQUIREMENT THAT ENTITIES OPERATING PURSUANT TO CERTAIN FEDERAL WAIVERS THAT PROVIDE CERTAIN SERVICES TO PERSONS WITH DEVELOPMENTAL DISABILITIES OBTAIN LICENSURE AS HOME CARE AGENCIES.

Fiscal Impact Summary	FY 2010-2011	FY 2011-2012
State Revenue		
Cash Funds		
Fines Collection Cash Fund	< \$2,500	< \$2,500
Home Care Agency Cash Fund	< \$13,000	< \$13,000
State Expenditures		
FTE Position Change		
Effective Date: Upon signature of the Governor, or upon becoming law without his signature.		
Appropriation Summary for FY 2010-2011: None required.		
Local Government Impact: None.		

Summary of Legislation

Under current law, home care agencies must be licensed by the Colorado Department of Public Health and Environment (CDPHE). A home care agency provides skilled home health services or personal care services in a person's residence.

This bill requires that Community Centered Boards (CCB) be licensed as home care agencies by March 1, 2011. Further, agencies providing developmental disabilities services and approved by both the Department of Human Services (DHS) and the Department of Health Care Policy and Financing under certain medicaid waivers must also be licensed. Qualified early intervention services providers as defined by the DHS are exempt from the license requirements.

Beginning September 1, 2011, a community centered board or an approved service agency providing home care without a license commits an unclassified misdemeanor punishable by a fine of at least \$50 but not more than \$500. Unlicensed home care agencies may also be subject to a civil penalty of up to \$10,000. Fine revenue is deposited in the Fines Collection Cash Fund; civil penalties are deposited in the Home Care Agency Cash Fund.

Background

CCBs are private non profit organizations designated in statute as the single entry point into the long-term service and support system for persons with developmental disabilities. The state contracts with 20 boards to deliver community-based services. Each CCB has a geographic service region of 1 to 10 counties serving from 70 to 1,600 individuals each.

State Revenue

Total state revenue is anticipated to increase by \$13,000 in both FY 2010-11 and FY 2011-12. Revenue is from fees, fines, and civil penalties. Revenue from fees and civil penalties is deposited in the Home Care Agency Cash Fund. Revenue from fines is deposited in the Fines Collection Cash Fund.

Fee Impact on Home Care Agencies. 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 CDPHE currently licenses 550 home care agencies. As a result of this bill, it is estimated that 20 Community Centered Boards will be required to be licensed by the department. The cost for a license is \$525 annually. Table 1 displays the fee impact.

Type of Fee	Fee	Number Affected	Total Fee Impact
Annual License	\$525	20	\$10,500

Fines and Civil Penalties. Although compliance with the bill's provisions is expected to be high, CCB home care agencies that practice without a license may be punished by fines or civil penalties. Less than \$5,000 in new fines and penalties is anticipated each year (\$2,500 in fines and \$2,500 in civil penalties).

State Expenditures

As a result of this bill, it is estimated that 20 additional organizations will be required to be licensed by the department. This increase in licenses is not significant and can be met within existing appropriations. No additional workload or new expenditures are anticipated.

Departments Contacted

- Education
- Human Services
- Health Care Policy Financing
- Public Health and Environment