

**Second Regular Session
Sixty-seventh General Assembly
STATE OF COLORADO**

PREAMENDED

*This Unofficial Version Includes Committee
Amendments Not Yet Adopted on Second Reading*

LLS NO. 10-1001.01 Jerry Barry

HOUSE BILL 10-1378

HOUSE SPONSORSHIP

Ferrandino, Pommer, Lambert

SENATE SPONSORSHIP

Keller, Tapia, White

House Committees
Appropriations

Senate Committees
Appropriations

A BILL FOR AN ACT

101 **CONCERNING MONEYS APPROPRIATED IN THE 2010-11 FISCAL YEAR**
102 **FOR HEALTH CLINICS, AND MAKING APPROPRIATIONS**
103 **THEREFOR.**

Bill Summary

(Note: This summary applies to this bill as introduced and does not reflect any amendments that may be subsequently adopted. If this bill passes third reading in the house of introduction, a bill summary that applies to the reengrossed version of this bill will be available at <http://www.leg.state.co.us/billsummaries>.)

Budget Package Bill. For the 2010-11 fiscal year, the bill authorizes appropriation of the following amounts from the tobacco tax revenues credited to the primary care fund:

! \$11,940,000 to the Colorado health care services fund; and

Shading denotes HOUSE amendment. Double underlining denotes SENATE amendment.
Capital letters indicate new material to be added to existing statute.
Dashes through the words indicate deletions from existing statute.

HOUSE
3rd Reading Unamended
April 1, 2010

HOUSE
Amended 2nd Reading
March 31, 2010

! \$12,800,000 for health-related purposes.

The bill also transfers \$3,560,000 from the primary care fund to the primary care special distribution fund.

The bill directs the department of health care policy and financing to develop a distribution formula to allocate the moneys in the Colorado health care services fund to Denver health and hospitals and to community health clinics.

The bill specifies how moneys in the primary care special distribution fund are to be allocated between providers that participate in the Colorado indigent care program and providers that do not participate.

1 *Be it enacted by the General Assembly of the State of Colorado:*

2 **SECTION 1.** 24-22-117 (2) (b), Colorado Revised Statutes, is
3 amended BY THE ADDITION OF A NEW SUBPARAGRAPH to read:

4 **24-22-117. Tobacco tax cash fund - accounts - creation -**
5 **legislative declaration - repeal.** (2) There are hereby created in the state
6 treasury the following funds:

7 (b) (IV) (A) NOTWITHSTANDING THE PROVISIONS OF
8 SUBPARAGRAPH (II) OF THIS PARAGRAPH (b), AND PURSUANT TO THE
9 DECLARATION OF A STATE FISCAL EMERGENCY AS DESCRIBED IN
10 PARAGRAPH (c) OF SUBSECTION (6) OF THIS SECTION, FOR THE 2010-11
11 FISCAL YEAR, ELEVEN MILLION NINE HUNDRED FORTY THOUSAND DOLLARS
12 OF THE MONEYS IN THE PRIMARY CARE FUND MAY BE APPROPRIATED TO
13 THE COLORADO HEALTH CARE SERVICES FUND CREATED PURSUANT TO
14 SECTION 25.5-3-112 (1) (a), C.R.S., AND UP TO TWELVE MILLION EIGHT
15 HUNDRED THOUSAND DOLLARS MAY BE APPROPRIATED FOR ANY
16 HEALTH-RELATED PURPOSE AND TO SERVE POPULATIONS ENROLLED IN THE
17 CHILDREN'S BASIC HEALTH PLAN AND THE COLORADO MEDICAL
18 ASSISTANCE PROGRAM AT THE PROGRAMS' RESPECTIVE LEVELS OF
19 ENROLLMENT AS OF JANUARY 1, 2005. ADDITIONALLY, FOR THE 2010-11
20 FISCAL YEAR, THREE MILLION FIVE HUNDRED SIXTY THOUSAND DOLLARS

1 SHALL BE TRANSFERRED FROM THE PRIMARY CARE FUND TO THE PRIMARY
2 CARE SPECIAL DISTRIBUTION FUND, CREATED IN SECTION 25.5-3-112 (4)
3 (a), C.R.S.

4 (B) THIS SUBPARAGRAPH (IV) IS REPEALED, EFFECTIVE JULY 1,
5 2012.

6 **SECTION 2.** 24-22-117 (6), Colorado Revised Statutes, is
7 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

8 **24-22-117. Tobacco tax cash fund - accounts - creation -**
9 **legislative declaration - repeal.** (6) (c) (I) THE GENERAL ASSEMBLY,
10 PURSUANT TO SECTION 21 (7) OF ARTICLE X OF THE STATE CONSTITUTION
11 AND SENATE JOINT RESOLUTION 10-010, WHICH WAS APPROVED BY A
12 TWO-THIRDS MAJORITY VOTE OF THE MEMBERS OF THE GENERAL
13 ASSEMBLY AND SIGNED BY THE GOVERNOR, DECLARES A STATE FISCAL
14 EMERGENCY FOR THE 2010-11 FISCAL YEAR.

15 (II) THIS PARAGRAPH (c) IS REPEALED, EFFECTIVE JULY 1, 2012.

16 **SECTION 3.** 25.5-3-112 (4), Colorado Revised Statutes, as
17 enacted by House Bill 10-1321, is amended, and the said 25.5-3-112 is
18 further amended BY THE ADDITION OF A NEW SUBSECTION, to
19 read:

20 **25.5-3-112. Health care services fund - creation - state plan**
21 **amendment - primary care special distribution fund - repeal.**

22 (2.7) IN THE 2010-11 FISCAL YEAR, NOTWITHSTANDING THE
23 REQUIREMENTS OF SECTION 25.5-3-108 (8) (b), THE MONEYS DEPOSITED
24 INTO THE FUND SHALL BE APPROPRIATED TO THE STATE DEPARTMENT FOR
25 DISTRIBUTION TO DENVER HEALTH AND HOSPITALS, AS THE COMMUNITY
26 HEALTH CLINIC FOR THE CITY AND COUNTY OF DENVER, AND TO
27 COMMUNITY HEALTH CLINICS. THE STATE DEPARTMENT SHALL DEVELOP

1 A DISTRIBUTION FORMULA SPECIFYING THE DISTRIBUTIONS BASED UPON
2 PRIOR UTILIZATIONS AND, TO THE EXTENT POSSIBLE, MITIGATION OF THE
3 REDUCTIONS IN FUNDING THAT THE CLINICS EXPERIENCE DUE TO
4 REDUCTIONS IN MONEYS AVAILABLE FROM THE PRIMARY CARE FUND
5 ESTABLISHED PURSUANT TO SECTION 24-22-117 (2) (b), C.R.S.

6 (4) (a) Due to reductions in moneys available from the primary
7 care fund established pursuant to section 24-22-117 (2) (b), C.R.S.,
8 certain clinics will experience greater reductions in funding than other
9 clinics. In an effort to minimize the adverse effects on these clinics, the
10 primary care special distribution fund is hereby created in the state
11 treasury and referred to in this subsection (4) as the "special distribution
12 fund". The special distribution fund shall consist of moneys appropriated
13 to the special distribution fund pursuant to section 24-22-117 (2) (b) (III)
14 (A) AND (2) (b) (IV) (A), C.R.S. Moneys in the special distribution fund
15 are subject to annual appropriation by the general assembly to the state
16 department for distribution pursuant to paragraphs (b) and (c) of this
17 subsection (4). Any moneys in the special distribution fund not expended
18 for the purpose of this subsection (4) may be invested by the state
19 treasurer as provided by law. All interest and income derived from the
20 investment and deposit of moneys in the special distribution fund shall be
21 credited to the special distribution fund. Any unexpended and
22 unencumbered moneys remaining in the special distribution fund at the
23 end of a fiscal year shall be credited to the general fund.

24 (b) (I) Of the moneys appropriated to the special distribution fund,
25 the state department shall distribute ~~one million six hundred thousand~~
26 ~~dollars~~ THE FOLLOWING AMOUNTS to health clinics that qualify for
27 payments from the primary care fund but do not participate in the

1 Colorado indigent care program established pursuant to this part 1:

2 (A) FOR THE 2009-10 FISCAL YEAR, ONE MILLION SIX HUNDRED
3 THOUSAND DOLLARS; AND

4 (B) FOR THE 2010-11 FISCAL YEAR, THREE MILLION DOLLARS.

5 (II) The state department shall develop a distribution formula that
6 equalizes, to the extent possible, the reductions experienced by the clinics
7 that meet the requirements of this paragraph (b).

8 (c) (I) Of the moneys appropriated to the special distribution fund,
9 the state department shall distribute ~~four hundred five thousand dollars~~
10 THE FOLLOWING AMOUNTS to health clinics that participate in the
11 Colorado indigent care program established pursuant to this part 1 and
12 that experience reductions in funding due to transfers from the primary
13 care fund pursuant to House Bill 10-1321, enacted in 2010, AND HOUSE
14 BILL 10-1378, ENACTED IN 2010, which reductions are not offset by
15 increased appropriations pursuant to paragraph (b) of subsection (2.5) of
16 this section:

17 (A) FOR THE 2009-10 FISCAL YEAR, FOUR HUNDRED FIVE
18 THOUSAND DOLLARS; AND

19 (B) FOR THE 2010-11 FISCAL YEAR, FIVE HUNDRED SIXTY
20 THOUSAND DOLLARS.

21 (II) The state department shall develop a distribution formula that
22 equalizes, to the extent possible, the reductions experienced by the clinics
23 that meet the requirements of this paragraph (c).

24 (d) This subsection (4) is repealed, effective July 1, 2011 2012.

25 **SECTION 4. Appropriations - adjustment to the 2010 long**
26 **bill.** (1) For the implementation of this act, appropriations made in the
27 annual general appropriation act, to the department of health care policy

1 and financing, for the fiscal year beginning July 1, 2010, shall be adjusted
2 as follows:

3 (a) The cash funds appropriation for medical services premiums
4 is increased by twelve million eight hundred thousand dollars
5 (\$12,800,000). Said sum shall be from the primary care fund created in
6 section 24-22-117 (2) (b) (I), Colorado Revised Statutes.

7 (b) The general fund appropriation for medical services premiums
8 is decreased by twelve million eight hundred thousand dollars
9 (\$12,800,000).

10 (c) The appropriation to the indigent care program for allocation
11 to community health clinics pursuant to section 25.5-3-112 (2.7),
12 Colorado Revised Statutes, is increased by thirty-one million eighty-five
13 thousand six hundred fifty-five dollars (\$31,085,655). Of said sum,
14 eleven million nine hundred forty thousand dollars (\$11,940,000) shall be
15 cash funds from the primary care fund created in section 24-22-117 (2)
16 (b) (I), Colorado Revised Statutes, and nineteen million one hundred
17 forty-five thousand six hundred fifty-five dollars (\$19,145,655) shall be
18 from federal funds.

19 (d) The cash funds appropriation to the indigent care program for
20 allocation to the primary care special distribution fund created in section
21 25.5-3-112 (4) (a), Colorado Revised Statutes, is increased by three
22 million five hundred sixty thousand dollars (\$3,560,000). Said sum shall
23 be from the primary care fund created in section 24-22-117 (2) (b) (I),
24 Colorado Revised Statutes.

25 (e) The cash funds appropriation to the primary care fund program
26 is decreased by twenty-eight million three hundred thousand dollars
27 (\$28,300,000). Said sum shall be from the primary care fund created in

1 section 24-22-117 (2) (b) (I), Colorado Revised Statutes.

2 **SECTION 5. Effective date.** This act shall take effect only if
3 Senate Joint Resolution 10-010 is approved by a two-thirds majority vote
4 of the members of both houses of the general assembly and is signed by
5 the governor. This act shall take effect either upon passage or upon the
6 date Senate Joint Resolution 10-010 is signed by the governor, whichever
7 is later.

8 **SECTION 6. Safety clause.** The general assembly hereby finds,
9 determines, and declares that this act is necessary for the immediate
10 preservation of the public peace, health, and safety.