

**STATE
FISCAL IMPACT**

Drafting Number: LLS 13-0605

Date: April 1, 2013

Prime Sponsor(s): Sen. Aguilar
Rep. Pabon

Bill Status: Senate Health and Human Services

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TITLE: CONCERNING IMPROVING ACCESS TO CHILDHOOD IMMUNIZATIONS.

Fiscal Impact Summary	FY 2013-2014	FY 2014-2015
State Revenue		
State Transfers	See State Transfers section.	
State Expenditures General Fund*	\$68,054	
FTE Position Change	1.0 FTE	
Effective Date: Upon signature of the Governor, or upon becoming law without his signature.		
Appropriation Summary for FY 2013-2014: See State Appropriations section.		
Local Government Impact: None.		

* The fiscal note assumes that a General Fund appropriation is required to fund the bill as the FY 2011-12 year-end balance in the Immunization Fund was \$3,807, and annual revenue to the fund is approximately \$1,500.

Summary of Legislation

The bill allows the Department of Public Health and Environment (DPHE) to create a system for purchasing vaccines. The bill also:

- authorizes DPHE to use the Immunization Fund to pay the direct and indirect costs of administering the vaccine purchasing system, once the system is developed;
- allows DPHE to assess the ability of the Department of Health Care Policy and Financing (HCPF) to purchase vaccines recommended by the Federal Advisory Committee on Immunization Practices (ACIP) for children enrolled in the Children's Basic Health Plan (CHP+);
- requires DPHE to convene a task force to consider related issues and to make recommendations on the financing, ordering, and delivery of childhood immunizations;
- allows the State Board of Health to promulgate rules to implement task force recommendations; and
- authorizes HCPF to purchase vaccines recommended by the ACIP through a vaccine purchase system for children enrolled in CHP+.

State Transfers

HCPF will transfer funds to the DPHE Immunization Fund to cover the cost of any vaccines purchased according to task force-recommended use of a purchasing system. Purchases for the Medicaid population are funded by the Medical Services Premiums Division of HCPF's budget, and purchases for the CHP+ population are funded by the CHP+ line under the Indigent Care Program Division of HCPF's budget. These purchases are conditional upon a recommendation of the task force and are assumed to commence no sooner than FY 2014-15.

State Expenditures

To staff the task force, state expenditures will increase by \$68,054 and 1.0 FTE for FY 2013-14 only, as discussed below. Depending on task force recommendations, costs and workload will conditionally increase in FY 2014-15 and future fiscal years.

DPHE costs. The fiscal note assumes that 0.75 FTE at the Health Professional III level is needed to provide technical assistance to the task force, and that 0.25 FTE at the Administrative Assistant III level is required to staff the task force. It is assumed that the task force will meet monthly for one year. An external facilitator will be used for task force meetings at a cost of \$9,000 for the year (12 meetings * 6 hours/meeting * \$125/hour). Expenditures in FY 2013-14 are summarized in Table 1 below.

Table 1. DPHE Expenditures Under SB13-222	
Cost Components	FY 2013-14
Personal Services	\$53,401
FTE	1.0
Operating Expenses and Capital Outlay	5,653
Professional Facilitator (\$125/hour)	9,000
TOTAL	\$68,054

The fiscal note assumes that the task force will complete its work by June 30, 2014. Universal vaccine purchase and other vaccine purchase systems will require administrative resources (staff and operating costs) if recommended by the task force; these costs cannot be estimated prior to a specific recommendation. DPHE will utilize the annual budget process, if necessary, for any costs associated with implementing the task force's recommendations.

DPHE program funding. The bill amends the Immunization Fund created in Section 25-4-1708, C.R.S., to permit vaccines to be purchased through a vaccine purchasing system, if such system is developed. The Immunization Fund receives about \$1,500 annually from the sale of heirloom birth certificates. The fund's FY 2011-12 year-end balance was \$3,807. The fiscal note assumes that neither the yearly cash flow nor the FY 2012-13 year-end fund balance will be sufficient to fund the expenditures in this bill, and that DPHE requires a one-time General Fund appropriation to implement the bill.

HCPF. The bill authorizes HCPF to purchase vaccines recommended by the ACIP through a vaccine purchase system for children enrolled in CHP+, as well as vaccine purchases authorized for Medicaid-eligible children under current law and also subject to task force recommendations. If necessary, HCPF will seek associated funding through the annual budget process.

Expenditures Not Included

Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. The centrally appropriated costs subject to this policy are summarized in Table 2.

Table 2. Expenditures Not Included Under SB13-222*	
Cost Components	FY 2013-14
Employee Insurance (Health, Life, Dental, and Short-term Disability)	\$6,715
Supplemental Employee Retirement Payments	3,278
Indirect Costs	13,667
TOTAL	\$23,660

**More information is available at: <http://colorado.gov/fiscalnotes>*

State Appropriations

For FY 2013-14, the Department of Public Health and Environment requires a General Fund appropriation of \$68,045 and 1.0 FTE.

Departments Contacted

Public Health and Environment
Regulatory Agencies
Municipalities

Health Care Policy and Financing
Counties