

**STATE
FISCAL IMPACT**

Drafting Number: LLS 14-0631 **Date:** February 25, 2014
Prime Sponsor(s): Sen. Aguilar; Nicholson **Bill Status:** Senate Health & Human Services
 Rep. Ginal **Fiscal Analyst:** Bill Zepernick (303-866-4777)

SHORT TITLE: FAMILY MEDICINE RESIDENCY PROGRAMS IN RURAL AREAS

Fiscal Impact Summary*	FY 2014-2015	FY 2015-2016
State Revenue		
State Expenditures	\$150,000	
General Fund	75,000	Workload increase.
Federal Funds	75,000	
FTE Position Change		
Appropriation Required: \$150,000 - Dept. of Health Care Policy and Financing (FY 2014-15)		

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

Summary of Legislation

The bill makes the following changes to the Commission on Family Medicine (commission):

- extends the scope of the commission to include the support and maintenance of family medicine residency programs in rural and other underserved areas of the state;
- removes the 2016 repeal date for the commission's duties relating to support and maintenance of residency programs in rural and underserved areas;
- requires the commission to conduct a study of family medicine residency programs and how these programs will meet the primary care workforce needs of rural and underserved areas of the state;
- specifies that the required report must be submitted to relevant committees of the General Assembly by March 1, 2015; and
- requires the commission to report to the Joint Budget committee (JBC), the Governor's Office of State Planning and Budgeting (OSPB), the Department of Health Care Policy and Financing (HCPF) in November 2014, and each November thereafter, on its work to support and develop rural family medicine residency programs.

Background

The commission administers the Colorado Family Medicine Residency Training Program, which places family medicine residents in hospitals throughout the state. The commission is housed in the Department of Higher Education and funding for the Colorado Family Medicine Residency Training Program is provided through appropriations to HCPF. Currently, nine hospitals are provided funding from HCPF to offset the costs of operating family medicine residency programs. In FY 2013-14, the appropriation for these payments to hospitals was \$3.4 million, including \$1.0 million appropriated in Senate Bill 13-264 for the development of family medicine residency programs in rural areas.

State Expenditures

The bill results in a one-time cost of \$150,000 in FY2014-15 in HCPF. This cost, paid with General Fund and federal funds, is for a contractor to conduct the required study on family medicine residency programs and the primary care workforce. It is assumed the study will be completed in FY 2014-15 prior to the due date of March 1, 2015. Beginning in FY 2014-15, the commission will also have a small increase in workload to report annually to the JBC, OSPB, and HCPF on its work concerning rural residency programs.

Effective Date

The bill takes effect August 6, 2014, if the General Assembly adjourns on May 7, 2014, as scheduled, and no referendum petition is filed.

State Appropriations

The bill requires an appropriation of \$150,000 to HCPF in FY 2014-15, of which \$75,000 is General Fund and \$75,000 is federal funds.

State and Local Government Contacts

Health Care Policy and Financing