

Colorado Legislative Council Staff Fiscal Note

**STATE
FISCAL IMPACT**

Drafting Number: LLS 15-0754	Date: February 17, 2015
Prime Sponsor(s): Rep. Pettersen Sen. Grantham	Bill Status: House Health, Insurance, and Environment
	Fiscal Analyst: Erin Reynolds (303-866-4146)

BILL TOPIC: ADD DENTISTS TO PHYSICIAN DESIGNATION ACT

Fiscal Impact Summary*	FY 2015-2016	FY 2016-2017
State Revenue		
State Expenditures	Minimal workload increase.	
FTE Position Change		
Appropriation Required: None.		

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

Summary of Legislation

This bill adds dentists to the Physician Designation Disclosure Act that was created by Senate Bill 08-138, and changes the name of the act to the "Health Care Provider Designation Disclosure Act." Under this bill, the standards and requirements for health care entities that assign designations to physicians based on performance assessments also apply to dentists.

Designations are based on claims data, practice criteria, or guidelines, and may be used in advertising by the health care provider to inform patients. Upon request of the designated dentist or the Division of Insurance (DOI) within the Department of Regulatory Agencies (DORA), a health care entity is required to disclose the process and data used in creating a designation, and dentists may appeal a designation, during which time it cannot be used. The bill also allows a dentist to take civil action against a health care entity. A health care entity violating the act, commits an unfair or deceptive practice in the business of insurance.

Background

The Physician Designation Disclosure Act, created by SB 08-138, established minimum requirements a health care entity must meet when developing a designation for a physician.

State Expenditures

Starting in FY 2015-16, the bill is anticipated to increase workloads in the DORA and the Judicial Department by a minimal amount.

Department of Regulatory Agencies. The DOI is required to carry out enforcement actions against any health care entity that violates the act. The fiscal note assumes a high level of compliance, therefore the workload impact to the DOI from the addition of dentists to the act is expected to be minimal and can be accomplished within existing appropriations. The Colorado Dental Board in the Divisions of Professions and Occupations (DPO) in DORA will conduct education and outreach to its licensees; however, this cost is anticipated to be minimal and requires no additional appropriations.

Judicial Department. The bill may increase workload in the trial courts in the Judicial Department to hear civil cases involving dentists alleging violations by health care entities. The number of cases filed is expected to be minimal and can be absorbed within existing appropriations.

Effective Date

The bill takes effect August 5, 2015, if the General Assembly adjourns on May 6, 2015, as scheduled, and no referendum petition is filed.

State and Local Government Contacts

Corrections
Law
Personnel

Health Care Policy and Financing
Public Health and Environment

Human Services
Regulatory Agencies