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FISCAL NOTE

Drafting Number: LLS 19-0372 Date: March 4, 2019
Prime Sponsors: Sen. Pettersen, Rep. Kennedy Bill Status: Senate HHS
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Bill Topic: SUNSET HOME CARE AGENCIES

- Summary of Fiscal Impact: State Revenue, State Expenditure, State Transfer, TABOR Refund, Local Government, Statutory Public Entity

Sunset bill. This bill continues the regulation of entities that provide home care services in the Department of Public Health and Environment, which is scheduled to repeal on September 1, 2019. State fiscal impacts include both a new diversion from changes to the program under the bill, as well as the continuation of the program's current revenue and expenditures. The program is continued through September 1, 2028.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The fiscal note reflects the introduced bill.

Table 1 State Fiscal Impacts Under SB 19-146*

Table with 3 columns: Category, FY 2019-20, FY 2020-21. Rows include New Impacts (Revenue, Expenditures, TABOR Refund) and Continuing Program Impacts (Revenue, Expenditures, FTE) under TABOR.

* Table 1 shows the new impacts resulting from changes to the program under the bill and the continuing impacts from extending the program beyond its current repeal date. Because the bill continues a program without making substantial changes, there are no new impacts. The continuing program impacts will end if the bill is not passed and the program is allowed to repeal.

Summary of Legislation

This bill continues the regulation of home care agencies and home care placement agencies in the Department of Public Health and Environment (CDPHE), from September 1, 2019, until September 1, 2028, and implements recommendations of the Department of Regulatory Agencies sunset review. The recommendations include:

- repealing the \$10,000 limit on the amount of civil fines that may be assessed against a home care agency or home care placement agency in a calendar year;
- requiring that civil fines be credited to the General Fund rather than the Home Care Agency Fund; and
- requiring that the Home Care Advisory Committee include representatives of placement agencies.

Background

Home care agencies provide healthcare services and personal care services to people in their homes. Home care placement agencies refer independent contractors to provide in-home healthcare services. Home care agencies are licensed and placement agencies are registered by the CDPHE.

Continuing Program Impacts

Based on the department's FY 2019-20 budget request, the CDPHE is expected to have revenue and expenditures of \$1.2 million per year to administer the licensing of home care agencies and registering of home care placement agencies. If this bill is enacted, current revenue and expenditures will continue for the program starting in FY 2020-21. This continuing revenue is subject to the state TABOR limits. If this bill is not enacted, the program will end on September 1, 2020, following a wind-down period, and state revenue and expenditures will decrease starting in FY 2020-21 by the amounts shown in Table 1. The changes to the program that drive revenue changes are discussed in the State Revenue and Diversion section below.

State Revenue and Diversion

Because this bill changes where civil fine revenue is deposited and repeals the \$10,000 fine limit, it will increase revenue to General Fund revenue. Fines have only been levied in three out of the past seven years, so any increase in revenue is expected to be intermittent.

Effective Date

The bill takes effect August 2, 2019, if the General Assembly adjourns on May 3, 2019, as scheduled, and no referendum petition is filed.

State and Local Government Contacts

Information Technology

Law

Public Health and Environment