

Hello and Happy Friday -

Update: This week the House of Representatives debated and made decisions on HB1405, the annual appropriations bill, dubbed the “Long Bill” for its sheer length. In the end, the House passed the Long Bill with 5 Republicans joining all of the Democrats to vote YES. The Republicans in support were Reps. Rankin (JBC member), Brown, Coram, Roupe, and Thurlow. There were a total of 37 amendments offered and debated on the Long Bill, along with debate and action on the 14 “orbital” bills that were part of the Joint Budget Committee (JBC) budget balancing package. While HB1420 to change the Hospital Provider Fee to an enterprise and HB1420 to allocate additional funds available if HB1420 passes were debated alongside the Long Bill and orbital bills in House Appropriations, they were not considered on the House floor this week. They are currently on the House calendar for April 4.

Amendments Passed: Only a few amendments to HB1405 passed, none with with a notable impact on the overall budget. They included amendments to increase private prison rent and dedicate the new funding to K-12 education, to provide spending authority for the Brain Injury Treatment Fund with existing cash funds, to keep reimbursement steady for the Program for All-Inclusive Care for the Elderly (PACE) and to add \$50,000 to Governor’s Pay for Success social investment project.

Failed Amendments: The amendments of interest listed below were proposed but did NOT pass. Frontline Public Affairs supported or led efforts to oppose several of these proposed amendments.

- Strip the \$2.5M in family planning funding for CDPHE to continue the success of the Family Planning Initiative. On a recorded vote, Reps. Coram, Roupe, Rankin, and Thurlow from the Republicans joined all Democrats to oppose the amendment.
- Strip or greatly reduce CDPHE Air Quality Division Funding. Note that HB1405 was not introduced with ANY funding for this Division, but the House Appropriations Committee added full funding by amendment before the bill came to the floor. Thus, the amendments were to strip the Appropriations amendment or replace it with other, much smaller amounts. While these amendments did not pass, the Senate is expected to strip out the Air Quality funding and this issue is expected to be resolved by the JBC when they sit as the Conference Committee.
- Provide \$2.5M for Homeless Prevention Programs with reductions to private prisons and community corrections.
- Cut all funding for the Healthy Colorado Kids Survey
- Cut all funding for state department legislative liaisons and use the savings to increase Medicaid provider reimbursement
- Prohibit higher education institutions from selling “tissue from unborn children”

- Reduce security staff at Division of Youth Corrections facilities and replace those staff with mental health professionals. At total of \$1M currently used for security staff was proposed to be used for mental health professionals instead.
- Increase funding for the Ft Lyon transitional housing project for chronically homeless with substance use disorders by \$2M
- Reduce funding for Local Public Health Agency (LPHA) electronic health records by \$1.7M
- Reduce CDPHE immunization operating expenses by \$937,000
- Reduce funding for Commission on Affordable Health Care by \$100,000 (of a total budget of \$177,000)
- Provide direction to the Department of Transportation that they cannot use transportation funding for a new administration building OR for bike path projects, but rather direct those funds to roads and bridges instead.

Orbital Bills: All of the 14 orbital bills passed, with the exception of one bill (HB1412) the JBC themselves asked to have killed, as they determined it was not needed. The following bills in the JBC budget balancing package of interest to our clients were passed by the House:

HB1407: Extend Medicaid Payment Reform and Innovation Pilot Program to continue the Rocky Mountain PRIME, Kaiser/CO Access pilots and to allow other pilots to be approved by HCPF.

HB1408: Tobacco Monies for CHP+ Program addresses a pending 20% reduction in tobacco master settlement agreement (MSA) funds to the state, by amending the allocations of MSA funds to various programs, assigning each a specific percentage. The bill effectively avoids cuts for several MSA programs and provides others with an increase, including the following programs of interest:

- CO Health Service Corps (increase from \$250,000 to \$875,000)
- Dental Loan Repayment (increase from \$200,000 to \$875,000)
- AIDS Drug Assistance (increase from \$3M to \$4.3M)
- HIV Prevention (increase from \$1.7M to \$3M)
- Local Public Health Agencies (remains at \$1.7M annually)
- Immunizations (increase from \$1M to \$2.2M)
- Nurse Home Visitor Program (increase from \$16.6M to \$23.4M)
- Juvenile and adult offender mental health services (remains at \$3.0M)
- Alcohol and drug abuse programs (remains at \$750,000)
- Children's mental health treatment (remains at \$300,000)
- Tony Grampas Youth Services (increase from \$3.5M to \$6.5M)

In addition, HB1408 addresses the **Primary Care Provider Medicaid Reimbursement Bump** by allocating \$20M from the CHP+ Trust Fund and federal matching funds of \$44M (\$64M total) to significantly lower the reduction that would

otherwise occur for certain reimbursement codes, focused on primary care office visits, immunization administration, health screening services, and newborn care, including neonatal critical care.

HB1409: Expedite Transfers from the Unclaimed Property Trust Fund addresses the incorrect calculation of these funds to the Medicaid adult dental benefit as TABOR exempt when they should have been counted under the TABOR revenue cap. This bill has no impact on the Medicaid Adult Dental Benefit.

HB14020: Competency Evaluations allows for more efficient and timely competency evaluations, in part by allowing such evaluations to occur in outpatient settings in certain circumstances.

HB1411: Longitudinal External Evaluation of Ft. Lyon Supportive Residential Community provides funding and outlines requirements for the evaluation

HB1413: Clean Water Sectors modifies and increases fees for a variety of water quality permits

Next Steps: The Senate will take up the budget next week, following a similar schedule and process. We will provide a similar update about the Senate's actions at the end of next week. Once the Senate has passed the Long Bill, the JBC will meet during the week of April 11 as the Conference Committee on HB1405 to reach agreement about how to resolve any differences between the two Houses. The final bill will have to be approved in identical form in both Houses before it can be sent to the Governor for action.

If you have any questions about the budget or other issues, please don't hesitate to reach out to your Frontline Public Affairs contact.

We hope you have a wonderful weekend,

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