



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Revised Fiscal Note

(replaces fiscal note dated February 16, 2024)

Table with 2 columns: Field (Drafting Number, Prime Sponsors, Date, Bill Status, Fiscal Analyst) and Value (LLS 24-0702, Rep. Froelich, February 29, 2024, House Appropriations, Kristine McLaughlin | 303-866-4776, kristine.mclaughlin@coleg.gov)

Bill Topic: IMPLEMENT FERTILITY COVERAGE FOR HEALTH PLANS

Table with 2 columns: Summary of Fiscal Impact and Selections (State Revenue, State Expenditure, State Diversion, TABOR Refund, Local Government, Statutory Public Entity)

The bill requires the Department of Regulatory Agencies to conduct an actuarial review of fertility coverage for individual and small group health benefit plans. The bill increases state expenditures in FY 2024-25.

Appropriation Summary: For FY 2024-25 the bill requires an appropriation of \$42,000 to the Department of Regulatory Agencies.

Fiscal Note Status: This revised fiscal note reflects the bill as amended by the House Health and Human Services Committee

Table 1
State Fiscal Impacts Under HB 24-1025

Table with 4 columns: Category, Sub-category, Budget Year FY 2024-25, Out Year FY 2025-26. Rows include Revenue, Expenditures (Cash Funds, Total Expenditures), Diversion (General Fund, Cash Funds, Net Transfer), and Other Budget Impacts.

## Summary of Legislation

The bill requires the Department of Regulatory Agencies (DORA) to conduct an actuarial review of fertility coverage for individual and small group health benefit plans.

## State Diversions

This bill diverts \$42,000 from the General Fund in FY 2024-25. This revenue diversion occurs because the bill increases costs in the Division of Insurance, which is funded with premium tax revenue that would otherwise be credited to the General Fund.

## State Expenditures

The bill increases costs in DORA by \$42,000 in FY 2024-25 only, paid from the Division of Insurance Cash Fund. Expenditures are shown in Table 2 and detailed below

**Table 2**  
**Expenditures Under HB 24-1025**

	FY 2024-25	FY 2025-26
<b>Department of Regulatory Agencies</b>		
Contractor Costs	\$25,000	-
Data-related fees	\$17,000	-
<b>Total Cost</b>	<b>\$42,000</b>	<b>-</b>

**Department of Regulatory Agencies.** DORA will have costs to produce the actuarial report, including contractor costs and data related fees totaling \$42,000, as discussed below. Estimates are based on the costs for [Senate Bill 22-040](#), for which DORA received appropriations to conduct six actuarial reviews annually. It is assumed that existing SB 22-040 funding will be used for analyses requested through that process and that additional funding is required for the new analysis required by this bill.

- **Contractor costs.** Actuarial contractor costs are estimated at 40 hours per bill at the rate of \$400 per hour to provide rate and utilization estimates. In addition, consultant costs are estimated at 30 hours per bill at the rate of \$300 per hour to provide qualitative analysis.
- **Data-related fees.** Data from the Center of Improving Value in Health Care is estimated to cost approximately \$10,000 per bill. The fiscal note also includes \$7,000 per bill since the qualitative analysis is likely to require additional charges or fees.

## Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

## **State Appropriation**

For FY 2024-25, the bill requires an appropriation of \$42,000 from the Division of Insurance Cash Fund to the Department of Regulatory Agencies

## **State and Local Government Contacts**

Health Care Policy and Financing

Regulatory Agencies

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The revenue and expenditure impacts in this fiscal note represent changes from current law under the bill for each fiscal year. For additional information about fiscal notes, please visit the [General Assembly website](#).