

SB 25-193: SUNSET PRIMARY CARE PAYMENT REFORM COLLABORATIVE

Prime Sponsors:

Sen. Ball; Mullica

Rep. Garcia Sander; McCormick

Bill Outcome: Signed into Law **Drafting number:** LLS 25-0406

Fiscal note status: The final fiscal note reflects the enacted bill.

Summary Information

Overview. The bill continues the regulation of Primary Care Payment Reform Collaborative, which is scheduled to repeal on September 1, 2025. The program is continued through September 1, 2032.

Types of impacts. The bill only has impacts from continuing an existing program scheduled to repeal, which will extend existing fiscal impacts through FY 2032-33 in the following areas:

• State Expenditures

State Diversions

Fiscal Analyst:

Kristine McLaughlin, 303-866-4776

kristine.mclaughlin@coleg.gov

Version: Final Fiscal Note

Date: August 7, 2025

Appropriations. No appropriation is required.

Table 1 Continuation of Current State Fiscal Impacts

	Budget Year	Out Year
Type of Impact ¹	FY 2025-26	FY 2026-27
State Revenue	\$0	\$0
State Expenditures	\$0	\$50,000
Diverted Funds	\$0	\$50,000
Change in TABOR Refunds	\$0	\$0
Change in State FTE	\$0	0.3 FTE

¹ These impacts result from continuing a program scheduled to repeal and reflect the extension of current spending levels, as well as current diversion of funds from the General Fund. Fund sources for these impacts are shown in the tables below.

Table 1A Continuing State Expenditures

	Budget Year	Out Year
Fund Source	FY 2025-26	FY 2026-27
General Fund	\$0	\$0
Cash Funds	\$0	\$50,000
Federal Funds	\$0	\$0
Centrally Appropriated	\$0	\$0
Total Expenditures	\$0	\$50,000
Total FTE	0.0 FTE	0.3 FTE

Table 1B Continuing State Diversions

	Budget Year	Out Year
Fund Source	FY 2025-26	FY 2026-27
General Fund	\$0	-\$50,000
Cash Funds	\$0	\$50,000
Net Transfer	\$0	\$0

Summary of Legislation

The bill continues the Primary Care Payment Reform Collaborative (the collaborative) by the Department of Regulatory agencies (DORA) for seven years, extending the program's repeal date from September 1, 2025, to September 1, 2032.

Continuing Program Impacts

Based on the <u>Sunset Review</u> of the collaborative, DORA is expected to have expenditures of \$50,000 and 0.3 FTE to operate the collaborative, paid from the Division of Insurance Cash Fund. If this bill is enacted, current expenditures will continue for the program starting in FY 2026-27.

In addition, by extending the collaborative, the bill continues a diversion of \$50,000 per year from the General Fund to the Division of Insurance Cash Fund. This revenue diversion occurs because the bill increases costs in the Division of Insurance in DORA, which is funded with premium tax revenue that would otherwise be credited to the General Fund.

If this bill is not enacted, the program will end one year after its repeal date on September 1, 2026, following a wind-down period. If allowed to repeal, state expenditures and diversions will decrease starting in FY 2026-27 by the amounts shown in Table 1.

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Effective Date

The bill was signed into law by the Governor on June 3, 2025, and took effect on August 6, 2025.

State and Local Government Contacts

Regulatory Agencies