

JBC Staff Fiscal Analysis
Senate Appropriations Committee

Concerning changes to the recovery audit contractor program, and, in connection therewith, making and reducing an appropriation.

Prime Sponsors:

Senators Kirkmeyer; Bridges
Representatives Bird; Sirota

Date Prepared:

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Fiscal Impacts

Appropriation Already Added to Bill, No Amendment in Packet

Fiscal Note Status

The most recent Legislative Council Staff Fiscal Note (attached) reflects the fiscal impact of the bill as of 04/28/25.

No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill.

Amendments in This Packet

L.001 Bill Sponsor amendment - does not change fiscal impact.

Current Appropriations Clause in Bill

The bill includes an appropriation clause that replaces \$20,900,588 in appropriations to the Department of Health Care Policy and Financing for FY 2025-26 from recoveries and recoupments with appropriations from the Recovery Audit Contractor Recoveries Cash Fund.

Description of Amendments in This Packet

L.001

Bill Sponsor amendment **L.001** (attached) clarifies that: 1) the purpose of the Recovery Audit Contractor Recoveries Cash Fund is to offset appropriations for medical services and to pay the contractor; and 2) the fund is subject to annual appropriation. These clarifications are consistent with the assumptions in the Legislative Council Staff Fiscal Note and the amendment does not change the projected fiscal impact.

Points to Consider

General Fund Impact

The Joint Budget Committee (JBC) proposed a budget package for FY 2025-26 based on the March 2025 Office of State Planning and Budgeting revenue forecast. The JBC included as part of its FY 2025-26 budget package \$500,000 General Fund to be appropriated for implementation of this bill. This version of the bill does not include any increase in General Fund appropriations.