



## MEMO

**To: Public Policy Committee, Colorado Children's Immunization Coalition**

**From: Aponte & Busam Public Affairs**

**Date: June 14, 2012**

**Re: 2012 End of Session Report**

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### Highlights of the 2012 Legislative Session

- Defeated legislation with implications for immunization access
  - Held immunization funding harmless from budget cuts
- Supported and testified at CDPHE rulemaking hearing regarding flu vaccine for health care workers
  - Submitted letter to CDHS advocating for enhanced immunizations in child care centers
    - Relationship building with key legislators
    - Denver Post editorial support for key policy initiatives
  - Created key policy position statements and long term planning activities

On Wednesday, May 9<sup>th</sup>, the 68<sup>th</sup> General Assembly came to a close as the House and Senate wrapped up their respective business. The close of session, while usually celebratory, was overshadowed by actions of the House of Representatives and Governor Hickenlooper's call for a special session. The actions in the House on the second to last day of session were unprecedented, and failure to act on pending legislation caused over 30 bills to be deemed lost due to time constraints. While some bills were able to be amended onto legislation still pending in the Senate, there were many important bills which were lost. Fortunately, none of the bills impacted by the late night maneuvering were CCIC policy priorities.

Prior to the unraveling of the legislative process in the last days of session, the 2012 session was productive with over 630 bills, resolutions and memorials introduced and debated. While many failed to move out of the opposite chamber due to political divides, many pieces of solid bi-partisan legislation did pass and will become law. As with previous years, the state budget commanded much attention throughout the session. However, economic forecasts proved to be more optimistic than originally expected and the FY 12/13 budget fared better than previous years.

### 2012 Legislation of Interest for CCIC

CCIC tracked and monitored eight bills during the 2012 legislative session. A majority of bills the Coalition monitored pertained to the Master Tobacco Settlement funding formula, which funds certain immunization



programs, and were technical in nature. However, the Coalition did offer formal opposition to one bill (SB 12-85) which would have rolled back immunization gains made in previous years. An outline of key CCIC bills is below, and the final legislative matrix can be located on CCIC's State Bill Colorado [webpage](#).

**HB 12-1247: Reduce Tobacco Settlement Accelerated Payments**

Sponsors: Representative Gerou/Senator Steadman

Position: Monitor

Status: Signed by Governor Hickenlooper, 3/22

Summary of Legislation: Recommended by the Joint Budget Committee (JBC), this bill eliminates tobacco cash fund allocations to the Short-term Innovative Health Programs Grant Fund in order to reduce the accelerated payments from the Tobacco Litigation Settlement Cash Fund. It also requires the Treasurer to report to JBC on tobacco Master Settlement Agreement (MSA) accelerated payments each October 1. ***CCIC monitored this bill to ensure proposed amendments did not alter the current formula for Tier Two immunization funding.***

**HB 1249: State Auditor's Office Tobacco Settlement Funding**

Sponsors: Representative Gerou/ Senator Steadman

Position: Monitor

Status: Signed by Governor Hickenlooper, 3/24

Summary of Legislation: The bill, recommended by the Joint Budget Committee, changes the funding mechanism for allocating Tobacco Master Settlement Agreement (MSA) funding provided to the State Auditor's Office (SAO). Instead of receiving 0.1 percent of Tier 1 MSA funding from the Tobacco Litigation Settlement Cash Fund, the SAO will receive a set amount of funding (\$89,000 per year) as part of Tier 2 MSA funding. Tobacco MSA funding is received each year from tobacco companies based upon the terms of the Tobacco MSA. The funding is distributed to a variety of programs and funds according to a prioritized tier system established in law. For example, Tier 1 programs must be fully funded before money is made available to Tier 2 programs. ***CCIC monitored this bill to ensure proposed amendments did not alter the current formula for Tier Two immunization funding.***

**SB 12-85: Reducing General Fund Expenditures**

Sponsors: Senator Mitchell/None

Position: Oppose

Status: Lost in Senate Health and Human Services, 2/9/12

Summary of Legislation: This bill repeals funding and eligibility levels for Medicaid and the Children's Health Plan (CHP+) programs to 2006 levels. Among other things, the bill reduces the income eligibility limit for CHP+ from 250 percent to 205 percent of the federal poverty level (FPL). Additionally, CCIC was concerned with the provision which eliminates Medicaid coverage for a number of services including cervical cancer immunizations for females under the age of 20. ***CCIC joined a large coalition of child health advocates in opposition to this bill. Although it was expected to fail in the Democratic controlled Senate committee, the child health community***



***felt there had to be an organized response to the continued attacks on the state's Medicaid program. The efforts were successful and the bill was defeated in committee.***

**SB 12-114: Disputed Tobacco Settlement Payments to General Fund**

Sponsors: Senator Lambert/Representative Levy

Position: Monitor

Status: Signed by Governor Hickenlooper, 3/19

Summary of Legislation: Recommended by the Joint Budget Committee, this bill extends a provision allowing any disputed tobacco litigation settlement payments received by the state to continue to be credited to the General Fund. Under current law, this diversion is set to expire on June 30, 2011. ***CCIC monitored this bill to ensure proposed amendments did not alter the current formula for Tier Two immunization funding.***

**SB 138: Child Care Center Regulations by Dept of Human Services**

Sponsors: Senator Lundberg/None

Position: Monitor

Status: Lost in Senate Health and Human Services, 2/16/12

Summary of Legislation: The bill eliminates references to "quality care" in the statutes governing child care licensing by the Department of Human Services (DHS). In addition, the bill ends the current periodic review of child care rules that takes place every five years. In place of the periodic review, the General Assembly, acting by resolution, or the Governor, through executive order, may initiate a review of child care rules and regulations by creating a committee consisting of representatives of the DHS, parents, child care providers, and representatives of the Department of Public Health and Environment (DPHE). ***CCIC was concerned about the precedence this legislation would set by eliminating the Department's authority to review and update child care center rules. The bill was born out of controversy in 2011 regarding the Department's proposed rules for child care centers. The issue garnered heavy media coverage, and Senator Lundberg promised a bill to remediate the situation. As expected, the bill died on a party line vote in the Senate Health Committee. However, the effects of the controversy and negative media coverage, has far reaching implications for the rulemaking process.***

**Other Advocacy and Public Policy Activities**

In addition to monitoring legislation at the State Capitol, CCIC advocated with our partners at the State Health Department for passage of a rule requiring health care workers to receive the flu vaccine. This was a lengthy process with significant stakeholder engagement, and the final rule was a product of the many months of discussion and collaboration. CCIC public policy members testified in support of the proposed rule at the Board of Health rulemaking hearing, as submitted formal comments to the Board for consideration. After the passage of the new rule, CCIC has remained engaged in the stakeholder process for implementation of the rule in coming months.



Another key regulatory policy priority for CCIC in 2012 was advocating for enhanced immunizations for child care center workers. The Coalition submitted a letter to the Colorado Department of Human Services (CDHS) in response to draft child care center rules, and urged CDHS to adopt a strong immunization policy. Unfortunately, the rulemaking process was postponed during the legislative session, due to the political climate surrounding child care centers and early childhood activities in general. However, we do expect the rulemaking process to begin again in earnest in the coming months.

### **Overview of Colorado's FY 12/13 Budget**

As is consistent with previous years, the state budget was the main event at the Legislature. The session began with yet another large budget deficit to fill, however as the months progressed the deficit lessened due to higher than expected revenue projections. The March 2012 revenue forecast provided much welcomed news for legislators and members of the Joint Budget Committee. Economists indicated that the FY 11/12 budget was in balance, and had a surplus of roughly \$150 million which legislators recommended transferring to the State Education Fund to backfill previous years' cuts. Additionally, in FY 12/13 revenues are anticipated to be roughly \$160 million higher than previous years and additional budget balancing measures are not needed.

While this news was met with relief, members of the Joint Budget Committee worked tirelessly to produce a fair budget that worked to restore some of the cuts enacted in previous years, and maintain a statutorily required four percent reserve. One key theme in the budget negotiations was to hold Medicaid providers harmless and not propose any additional cuts, whether direct or indirect. Additionally, lawmakers focused much of their effort trying to restore cuts to Colorado's K-12 education and higher education systems, while providing support for the state's economic development activities.

Despite the opposition to cutting Medicaid provider rates, there was a strong undercurrent of displeasure with the state's Medicaid program. In recent years, the program has grown to serve new clients in record numbers, due to the state's ailing economy and high unemployment rate. Unfortunately as the safety net health care program, the growth in clients has lead to increased demand on the state's general fund budget. Opponents of Medicaid used this session to attempt to pit Medicaid against other important budget priorities, such as K-12 and higher education. Ultimately, these arguments were diffused by the better than expected economic projections. However, we do expect these sentiments to continue as we enter the 2012 elections as they have far reaching consequences both at the state and Federal levels.

Key budget measures in FY 12/13 include:

- *Health Care & Human Services*
  - \$22 million for CBMS enhancements
  - \$4.9 million for developmental disability waiver programs
  - No additional provider rate cuts
  - Reinstatement of Amendment 35 funds for intended purposes



## **Looking Forward**

The remainder of 2012 is shaping up to be a busy year politically in Colorado. In June, the Joint Budget Committee will convene to receive the quarterly economic forecast, which will likely close out the FY 11/12 budget with a transfer of excess revenue to the State Education Fund. Additionally, several interim committees will be meeting during the coming months. Ongoing committees include the Health Benefit Exchange Implementation Review Committee, Transportation Legislation Review Committee and the Water Resources Review Committee, a non funded study that will review the need for mandatory elder abuse statutes, amongst others. In addition, this year a committee was authorized to study Colorado's Enterprise Zone Designations and make legislative recommendations for the 2013 session.

Colorado voters will have many choices ahead of them as we enter the June primaries and November general election. Legislators will begin campaigning in earnest after the special session has concluded, as they race to raise money and campaign in their districts. The 2012 election will feature new district boundaries, and in some cases new districts as set forth in December 2011 by the formal redistricting and reapportionment process. Tempers are still high amongst some legislators who were pushed out of their districts or forced into primaries with their colleagues, and this election cycle will prove to be hyper partisan. Primaries are held this year on June 23<sup>rd</sup> across the state. Many of these races actually determine the winner in the general election because of the voter registration composition in the districts.

In November, all 65 House districts are up for election, as well as roughly half of the Senate districts. As Colorado is a swing state in the Presidential election, we expect some down ticket repercussions of the national campaigns. Additionally, voters will have several ballot initiatives to weigh in on. To date, only one issue has been certified for the ballot, legalization of marijuana, however many others have titles and are gathering signatures for approval. As the deadline for the 2012 election gets closer, we will prepare a comprehensive report of the pending ballot initiatives and resources for interested voters.

**As always, thank you for the honor of representing your issues at the State Capitol, and we look forward to a continued partnership. We wish you a pleasant and enjoyable summer!**