# ASSOCIATED STUDENTS OF COLORADO STATE UNIVERSITY FORTY-FIFTH SENATE THIRTEENTH SESSION November 18, 2015

## Resolution #4506

# Support to Changing the Hospital Provider Fee to an Enterprise Fund

SPONSORED BY: Jessica Teal, Senator College of Health and Human Sciences; Landan Wright, Associate Senator College of Liberal Arts; Taylor Bryan, Senator College of Liberal Arts; Filipp Dedogryuk, Senator College of Natural Sciences; Alexis Harrison, Senator Graduate College; Zachary Vaishampayan, Associate Senator CVMBS.

WRITTEN BY: Jason Sydoriak, President ASCSU; Clayton King, ASCSU Governmental Affairs

**COLLABORATED WITH:** 

ENDORSED BY: External Affairs Committee

ABSTRACT: A resolution to encourage the Colorado General Assembly to consider the Hospital

Provider Fee as an Enterprise Fund.

# **WHEREAS**

In 2009 the Colorado General Assembly passed House Bill 1293, the "Health Care Affordability Act of 2009", to authorize the Department of Health Care Policy and Financing to charge and collect a hospital provider fee; and,

# **WHEREAS**

The sole purpose of the hospital provider fee is to leverage matching funds, provided by the federal government, in order to expand Medicaid coverage. These funds were originally meant to supplement general fund appropriations to support hospital reimbursements. These monies, generated by the fee, are used solely for health care and are not part of the state's General Fund; and,

## WHEREAS

The increasing revenues generated by the fee are a significant factor in both the Legislative Council Staff's and the Office of State Planning and Budgeting's forecasted TABOR rebates for fiscal years 2015-16 and 2016-17 which are paid from the General Fund; and,

## **WHEREAS**

Under the current structure, revenues collected by the state for the Hospital Provider Fee count towards the constitutional revenue cap created by the Taxpayer's Bill of Rights (TABOR); and,

#### WHEREAS

TABOR rebates, triggered as a result of the hospital provider fee revenue, have significant impacts on General Fund crowding out funds available for higher education, transportation, K-12 education and other state services. Without a change, TABOR-mandated rebates will be paid at the expense of critical programs receiving General Funds; and,

## **WHEREAS**

The Governor's Proposed FY2016-17 Budget estimates a cut of \$20 million to Higher Education to be offset by removing tuition increase caps. Tuition increases create higher financial burdens on students; and,

# WHEREAS

An Enterprise status under TABOR is an option within the Colorado Constitution that is designed to allow government agencies to operate as if they are a business. This status is usually reserved for agencies that have significant non-taxpayer revenue. For, instance the majority of universities in Colorado have this status, which allows tuition to not be considered towards the TABOR cap; and,

#### WHEREAS

The Hospital Provider Fee shares similar characteristics to other revenues under enterprise status and would be better suited for this status. By granting it this status it would cease crowding out funds to be considered for refund and allow other crucial areas within the state budget, such as higher education, to be funded; and,

## WHEREAS

A budget is more than the appropriation of numbers, but also a complicated set of ideals and values that fluctuate each year. All efforts should be made to provide appropriate funds to honor the distinct values of Colorado citizens, so;

# THEREFORE BE IT HEREBY FURTHER RESOLVED

That the 45<sup>th</sup> Senate of the Associated Students of Colorado State University support and endorse changing the Hospital Provider Fee to an Enterprise Fund as a means of increasing general fund availability in future years for state programs, including higher education, and other priorities of regional importance; and,

# THEREFORE BE IT HEREBY FURTHER RESOLVED

That a copy of this legislation be forwarded to Dr. Tony Frank, President of Colorado State University and CSU System Chancellor; Dr. Rick Miranda, Provost of Colorado State University; Richard Schweigert, CSU System Chief Financial Officer; Jenn Penn, ASCSU Lobbyist; Colorado General Assembly; Joe Garcia, Colorado Lt. Governor; Kachina Weaver, Chief Policy Officer for the Colorado Department of Higher Education; Jason Sydoriak, President of the Associated Students of Colorado State University; Aly Schmidt, Colorado Hospital Association Legislative Lobbyist;

26-0-1	<u>12-2-2015</u>
PASSAGE	DATE
	12-7-2015
PRESIDENT JASON SYDORIAK	DATE
VICE PRESIDENT PHOENIX DUGGER	DATE

TAGS: Higher Education Funding, Colorado General Assembly, TABOR, Hospital Provider Fee