CHAPTER 190

## **HUMAN SERVICES - BEHAVIORAL HEALTH**

SENATE BILL 19-195

BY SENATOR(S) Fields and Gardner, Court, Crowder, Lee, Moreno, Pettersen, Priola, Tate, Todd, Williams A., Zenzinger, Garcia:

also REPRESENTATIVE(S) Froelich and Landgraf, Arndt, Bird, Buentello, Caraveo, Cutter, Duran, Exum, Galindo, Gonzales-Gutierrez, Herod, Hooton, Jackson, Jaquez Lewis, Kennedy, Lontine, McCluskie, Melton, Michaelson Jenet, Mullica, Sandridge, Snyder, Sullivan, Titone, Valdez A., Valdez D., Becker.

## AN ACT

CONCERNING ENHANCEMENTS TO BEHAVIORAL HEALTH SERVICES AND POLICY COORDINATION FOR CHILDREN AND YOUTH, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Be it enacted by the General Assembly of the State of Colorado:

**SECTION 1.** Legislative declaration. The general assembly finds and declares that, in 2017, suicide was the leading cause of death for children and youth 10 to 24 years of age in the state of Colorado. Childhood and adolescence are critical periods of risk for the onset of a behavioral health disorder. Nationally, half of all lifetime cases of mental illness begin by 14 years of age, and three-quarters begin by 24 years of age. Children and youth may be exposed to trauma, maltreatment, and other adverse childhood experiences that may be risk factors for behavioral health diagnoses in adolescence and adulthood, and there is a need to strengthen the protective factors for child and youth health and safety because children and youth have unique physical and behavioral health needs. Additionally, many children and youth are left undiagnosed and untreated because they have not been exposed to adverse childhood experiences or do not show outward signs that would identify the child or youth as at risk.

**SECTION 2.** In Colorado Revised Statutes, **add** part 8 to article 5 of title 25.5 as follows:

PART 8 CHILDREN AND YOUTH BEHAVIORAL HEALTH SYSTEM IMPROVEMENTS

Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.

**25.5-5-801.** Legislative declaration. (1) The General assembly finds and declares that:

- (a) IN ORDER TO PROVIDE QUALITY BEHAVIORAL HEALTH SERVICES TO FAMILIES OF CHILDREN AND YOUTH WITH BEHAVIORAL HEALTH CHALLENGES, BEHAVIORAL HEALTH SERVICES SHOULD BE COORDINATED AMONG STATE DEPARTMENTS AND POLITICAL SUBDIVISIONS OF THE STATE AND SHOULD BE CULTURALLY COMPETENT, COST-EFFECTIVE, AND PROVIDED IN THE LEAST RESTRICTIVE SETTINGS;
- (b) THE BEHAVIORAL HEALTH SYSTEM AND CHILD- AND YOUTH-SERVING AGENCIES ARE OFTEN CONSTRAINED BY RESOURCE CAPACITY AND SYSTEMIC BARRIERS THAT CAN CREATE DIFFICULTIES IN PROVIDING APPROPRIATE AND COST-EFFECTIVE INTERVENTIONS AND SERVICES FOR CHILDREN AND YOUTH;
- (c) Children and youth with behavioral health challenges may require a multi-system level of care that can lead to duplication and fragmentation of services. To avoid these problems, keep families together, and support caregivers during a child's or youth's behavioral health challenge, departments and political subdivisions of the state must collaborate with one another.
- (d) The Colorado State Innovation Model, an initiative housed in the office of the Governor, has worked to integrate behavioral health and physical health, has made significant progress advancing the use of alternative payment models, and has created infrastructure for screening and innovative payment reforms. However, future work is needed to further expand and improve integrated services for children and families, with a focus on early and upstream interventions.
- (2) The general assembly further finds and declares that, building upon work completed by Colorado's trauma-informed system of care, Colorado must implement a model of comprehensive system of care for families of children and youth with behavioral health challenges.
- **25.5-5-802. Definitions.** As used in this part 8, unless the context otherwise requires:
- (1) "At risk of out-of-home placement" means a child or youth who is eligible for medical assistance pursuant to articles 4, 5, and 6 of this title 25.5 and the child or youth:
- (a) Has been diagnosed as having a mental health disorder, as defined in section 27-65-102 (11.5), or a behavioral health disorder; and
- (b) May require a level of care that is provided in a residential child care facility, inpatient psychiatric hospital, or other intensive care setting outside of the child's or youth's home. "At risk of out-of-home placement" includes a child or youth who:
  - (I) IS ENTERING THE DIVISION OF YOUTH SERVICES; OR

- (II) IS AT RISK OF CHILD WELFARE INVOLVEMENT.
- (2) "Behavioral health disorder" means a substance use disorder, mental health disorder, or one or more substantial disorders of the cognitive, volitional, or emotional processes that grossly impair judgment or capacity to recognize reality or to control behavior, including serious emotional disturbances. "Behavioral health disorder" also includes those mental health disorders listed in the most recent versions of the diagnostic statistical manual of mental health disorders, the diagnostic classification of mental health and developmental disorders of infancy and early childhood, and the international statistical classification of diseases and related health problems.
- (3) "Behavioral Health Services" or "behavioral Health System" means the child and youth service system that encompasses prevention and promotion of emotional health, prevention and treatment services for mental health and substance use conditions, and recovery support.
- (4) "Child and youth" means a person who is twenty-six years of age or younger.
- (5) "Managed care entity" means an entity that enters into a contract to provide services in the statewide managed care system pursuant to articles 4, 5, and 6 of this title 25.5.
- (6) "Mental health professional" means an individual licensed as a mental health professional pursuant to article 43 of title 12 or a professional person as defined in section 27-65-102 (17).
- (7) "Out-of-home placement" means a child or youth who is eligible for medical assistance pursuant to articles 4, 5, and 6 of this title 25.5 and the child or youth:
- (a) Has been diagnosed as having a mental health disorder, as defined in section 27-65-102 (11.5), or a behavioral health disorder; and
- (b) May require a level of care that is provided in a residential child care facility, inpatient psychiatric hospital, or other intensive care setting outside of the child's or youth's home. "Out-of-home placement" includes a child or youth who:
  - (I) HAS ENTERED THE DIVISION OF YOUTH SERVICES; OR
  - (II) IS AT RISK OF CHILD WELFARE INVOLVEMENT.
- (8) "Wraparound" means a high-fidelity, individualized, family-centered, strengths-based, and intensive care planning and management process used in the delivery of behavioral health services for a child or youth with a behavioral health disorder, commonly utilized as part of the system of care framework.

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- 25.5-5-803. High-fidelity wraparound services for children and youth federal approval - reporting. (1) No later than July 1, 2020, the state DEPARTMENT SHALL SEEK FEDERAL AUTHORIZATION FROM THE FEDERAL CENTERS FOR MEDICARE AND MEDICAID SERVICES TO PROVIDE WRAPAROUND SERVICES FOR ELIGIBLE CHILDREN AND YOUTH WHO ARE AT RISK OF OUT-OF-HOME PLACEMENT OR IN AN OUT-OF-HOME PLACEMENT. PRIOR TO SEEKING FEDERAL AUTHORIZATION, THE STATE DEPARTMENT SHALL SEEK INPUT FROM RELEVANT STAKEHOLDERS INCLUDING COUNTIES, MANAGED CARE ENTITIES PARTICIPATING IN THE STATEWIDE MANAGED CARE SYSTEM, FAMILIES OF CHILDREN AND YOUTH WITH BEHAVIORAL HEALTH DISORDERS, COMMUNITIES THAT HAVE PREVIOUSLY IMPLEMENTED WRAPAROUND SERVICES, MENTAL HEALTH PROFESSIONALS, AND OTHER RELEVANT DEPARTMENTS. The state department shall consider tiered care coordination as an APPROACH WHEN DEVELOPING THE WRAPAROUND MODEL.
- (2) Upon federal authorization, the state department shall require MANAGED CARE ENTITIES TO IMPLEMENT WRAPAROUND SERVICES, WHICH MAY BE CONTRACTED OUT TO A THIRD PARTY. THE STATE DEPARTMENT SHALL CONTRACT WITH THE DEPARTMENT OF HUMAN SERVICES AND OFFICE OF BEHAVIORAL HEALTH TO ENSURE CARE COORDINATORS AND THOSE RESPONSIBLE FOR IMPLEMENTING WRAPAROUND SERVICES HAVE ADEQUATE TRAINING AND RESOURCES TO SUPPORT CHILDREN AND YOUTH WHO MAY HAVE CO-OCCURRING DIAGNOSES, INCLUDING BEHAVIORAL HEALTH DISORDERS AND PHYSICAL OR INTELLECTUAL OR DEVELOPMENTAL DISABILITIES. ATTENTION MUST ALSO BE GIVEN TO THE GEOGRAPHIC DIVERSITY OF THE STATE IN DESIGNING THIS PROGRAM IN RURAL COMMUNITIES.
- UPON IMPLEMENTATION OF THE WRAPAROUND SERVICES, THE STATE DEPARTMENT AND THE DEPARTMENT OF HUMAN SERVICES SHALL MONITOR AND REPORT THE ANNUAL COST SAVINGS ASSOCIATED WITH ELIGIBLE CHILDREN AND YOUTH RECEIVING WRAPAROUND SERVICES TO THE PUBLIC THROUGH THE ANNUAL HEARING, PURSUANT TO THE "STATE MEASUREMENT FOR ACCOUNTABLE, RESPONSIVE, AND TRANSPARENT (SMART) GOVERNMENT ACT", PART 2 OF ARTICLE 7 OF TITLE 2. THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING SHALL REQUIRE MANAGED CARE ENTITIES TO REPORT DATA ON THE UTILIZATION AND EFFECTIVENESS OF WRAPAROUND SERVICES.
- THE STATE DEPARTMENT SHALL WORK COLLABORATIVELY WITH THE DEPARTMENT OF HUMAN SERVICES, COUNTIES, AND OTHER DEPARTMENTS, AS APPROPRIATE, TO DEVELOP AND IMPLEMENT WRAPAROUND SERVICES FOR CHILDREN AND YOUTH AT RISK OF OUT-OF-HOME PLACEMENT OR IN AN OUT-OF-HOME PLACEMENT. THE DEPARTMENT OF HUMAN SERVICES SHALL OVERSEE THAT THE WRAPAROUND SERVICES ARE DELIVERED WITH FIDELITY TO THE MODEL. AS PART OF ROUTINE COLLABORATION, THE STATE DEPARTMENT SHALL DEVELOP A MODEL OF SUSTAINABLE FUNDING FOR WRAPAROUND SERVICES IN CONSULTATION WITH THE DEPARTMENT OF HUMAN SERVICES. WRAPAROUND SERVICES PROVIDED TO ELIGIBLE CHILDREN AND YOUTH PURSUANT TO THIS SECTION MUST BE COVERED UNDER THE "Colorado Medical Assistance Act", articles 4, 5, and 6 of this title 25.5. THE STATE DEPARTMENT MAY USE TARGETING CRITERIA TO RAMP UP WRAPAROUND SERVICES AS SERVICE CAPACITY INCREASES, OR TEMPORARILY, AS NECESSARY, TO MEET CERTAIN FEDERAL FINANCIAL PARTICIPATION REQUIREMENTS.

25.5-5-804. Integrated funding pilot. No later than July 1,2020, the state department, in conjunction with the department of human services, counties, and other relevant departments, shall design and recommend a child and youth behavioral health delivery system pilot program that addresses the challenges of fragmentation and duplication of behavioral health services. The pilot program shall integrate funding for behavioral health intervention and treatment services across the state to serve children and youth with behavioral health disorders. To implement the provisions of this section, the state department shall collaborate with the department of human services and other relevant stakeholders, including counties, managed care entities, and families.

**SECTION 3.** In Colorado Revised Statutes, **add** article 55 to title 25 as follows:

## ARTICLE 55 Standardized Screening and Assessment Tool Training

25-55-101. Training on standardized screening tools and standardized assessment tool. Following the selection of the standardized screening tools, as described in Section 27-62-103, the department of public health and environment shall ensure adequate statewide training on the standardized screening tools for primary care providers and other interested health care professionals who care for children, ensuring that training is offered at no cost to the professional. Training services may be contracted out to a third party.

**SECTION 4.** In Colorado Revised Statutes, **add** article 62 to title 27 as follows:

## ARTICLE 62 High-fidelity Wraparound Services for Children and Youth

- **27-62-101. Definitions.** As used in this article 62, unless the context otherwise requires:
- (1) "At risk of out-of-home placement" means a child or youth who is eligible for medical assistance pursuant to articles 4, 5, and 6 of title 25.5 and the child or youth:
- (a) Has been diagnosed as having a mental health disorder, as defined in section 27-65-102 (11.5), or a behavioral health disorder; and
- (b) May require a level of care that is provided in a residential child care facility, inpatient psychiatric hospital, or other intensive care setting outside of the child's or youth's home. "At risk of out-of-home placement" includes a child or youth who:
  - (I) IS ENTERING THE DIVISION OF YOUTH SERVICES; OR
  - (II) IS AT RISK OF CHILD WELFARE INVOLVEMENT.

- (2) "Behavioral Health Disorder" means a substance use disorder, mental Health Disorder, or one or more substantial disorders of the cognitive, volitional, or emotional processes that grossly impair judgment or capacity to recognize reality or to control behavior, including serious emotional disturbances. "Behavioral Health Disorder" also includes those mental health disorders listed in the most recent versions of the diagnostic statistical manual of mental health disorders, the diagnostic classification of mental health and developmental disorders of infancy and early childhood, and the international statistical classification of diseases and related health problems.
- (3) "CHILD AND YOUTH" MEANS A PERSON WHO IS TWENTY-SIX YEARS OF AGE OR YOUNGER.
- (4) "Managed care entity" means an entity that enters into a contract to provide services in the statewide managed care system pursuant to articles 4, 5, and 6 of title 25.5.
- (5) "Mental Health Professional" means an individual licensed as a mental health professional pursuant to article 43 of title 12 or a professional person as defined in section 27-65-102 (17).
- (6) "Out-of-home placement" means a child or youth who is eligible for medical assistance pursuant to articles 4, 5, and 6 of title 25.5 and the child or youth:
- (a) Has been diagnosed as having a mental health disorder, as defined in section 27-65-102 (11.5), or a behavioral health disorder; and
- (b) May require a level of care that is provided in a residential child care facility, inpatient psychiatric hospital, or other intensive care setting outside of the child's or youth's home. "Out-of-home placement" includes a child or youth who:
  - (I) HAS ENTERED THE DIVISION OF YOUTH SERVICES; OR
  - (II) IS AT RISK OF CHILD WELFARE INVOLVEMENT.
- (7) "STANDARDIZED ASSESSMENT TOOL" MEANS A MULTI-PURPOSE INSTRUMENT THAT FACILITATES THE LINK BETWEEN ASSESSMENT AND LEVEL OF CARE AND INDIVIDUALIZED SERVICE PLANNING; FACILITATES QUALITY IMPROVEMENT ACTIVITIES; AND ALLOWS FOR MONITORING OF OUTCOMES OF SERVICES.
- (8) "State department" means the department of human services created pursuant to section 26-1-105.
- (9) "Wraparound" means a high-fidelity, individualized, family-centered, strengths-based, and intensive care planning and management process used in the delivery of behavioral health services for a child or youth with a behavioral health disorder, commonly

UTILIZED AS PART OF THE SYSTEM OF CARE FRAMEWORK.

- 27-62-102. High-fidelity wraparound services for children and youth interagency coordination - reporting. (1) Pursuant to Section 25.5-5-803 (4), THE DEPARTMENT OF HUMAN SERVICES SHALL WORK COLLABORATIVELY WITH THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING, COUNTIES, AND OTHER RELEVANT DEPARTMENTS, AS APPROPRIATE, TO DEVELOP AND OVERSEE WRAPAROUND SERVICES FOR CHILDREN AND YOUTH AT RISK OF OUT-OF-HOME PLACEMENT OR IN AN OUT-OF-HOME PLACEMENT. AS PART OF ROUTINE COLLABORATION, THE DEPARTMENT OF HUMAN SERVICES SHALL ASSIST THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING IN DEVELOPING A MODEL OF SUSTAINABLE FUNDING FOR WRAPAROUND SERVICES. THE DEPARTMENT OF HUMAN SERVICES AND THE DEPARTMENT OF HEALTH CARE POLICY AND FINANCING SHALL MONITOR AND REPORT THE ANNUAL COST SAVINGS ASSOCIATED WITH ELIGIBLE CHILDREN AND YOUTH RECEIVING WRAPAROUND SERVICES TO THE PUBLIC THROUGH THE ANNUAL HEARING, PURSUANT TO THE "STATE MEASUREMENT FOR ACCOUNTABLE, RESPONSIVE, AND TRANSPARENT (SMART) GOVERNMENT ACT", PART 2 OF ARTICLE 7 OF TITLE 2.
- (2) Two full-time staff persons shall be appointed by the executive director of the department of human services to support and facilitate interagency coordination pursuant to this article 62, part 8 of article 5 of title 25.5, and any other related interagency behavioral health efforts as determined by the executive director of the department of human services.
- 27-62-103. Standardized screening tools standardized assessment tool interagency coordination single referral and entry point. (1) Standardized assessment tool. No later than July 1, 2020, the state department shall select a single standardized assessment tool to facilitate identification of behavioral health issues and other related needs in children and youth and to develop a plan to implement the tool for programmatic utilization. The state department shall consult with the department of health care policy and financing, managed care entities, counties, stakeholders, and other relevant departments, as appropriate, prior to selecting the tool.
- (2) Standardized screening tools. No later than July 1, 2020, the state department shall select developmentally appropriate and culturally competent statewide behavioral health standardized screening tools for primary care providers serving children, youth, and caregivers in the perinatal period, including postpartum women. The state department and the department of human services may make the tools available electronically for health care professionals and the public. Prior to the adoption of the standardized assessment tool described in subsection (1) of this section, and the standardized screening tools described in this subsection (2), the state department shall lead a public consultation process involving relevant stakeholders, including health care professionals and managed care entities, with input from the department of health care policy and financing, the department of public health and environment, and the division of insurance.

- (3) Statewide referral and entry point. No later than July 1, 2020, the state department, in conjunction with the department of health care policy and financing, the department of public health and environment, and other relevant departments and counties, as necessary, shall develop a plan for establishing a single statewide referral and entry point for children and youth who have a positive behavioral health screening or whose needs are identified through a standardized assessment. In developing the single statewide referral and entry point plan, the state department shall seek input from relevant stakeholders, including counties, managed care entities participating in the statewide managed care system, families of children and youth with behavioral health disorders, communities that have previously implemented wraparound services, mental health professionals, and other relevant departments.
- **SECTION 5. Appropriation.** (1) For the 2019-20 state fiscal year, \$619,484 is appropriated to the department of health care policy and financing. This appropriation is from the general fund. To implement this act, the department may use this appropriation as follows:
- (a) \$172,652 for use by the executive director's office for personal services, which amount is based on an assumption that the department will require an additional 3.9 FTE;
  - (b) \$21,171 for use by the executive director's office for operating expenses;
- (c) \$120,871 for use by the executive director's office for general professional services and special projects;
- (d) \$154,790 for use by the executive director's office for medicaid management information system maintenance and projects; and
- (e) \$150,000 for community behavioral health administration related to department of human services medicaid-funded programs.
- (2) For the 2019-20 state fiscal year, the general assembly anticipates that the department of health care policy and financing will receive \$771,903 in federal funds to implement this act, which amount is included for informational purposes only. The appropriation in subsection (1) of this section is based on the assumption that the department will receive this amount of federal funds to be used as follows:
  - (a) \$116,357 for use by the executive director's office for personal services;
  - (b) \$6,239 for use by the executive director's office for operating expenses;
- (c) \$34,938 for use by the executive director's office for general professional services and special projects;
- (d) \$464,369 for use by the executive director's office for medicaid management information system maintenance and projects; and

- (e) \$150,000 for community behavioral health administration related to department of human services medicaid-funded programs.
- (3) For the 2019-20 state fiscal year, \$300,000 is appropriated to the department of human services for use by the office of behavioral health. This appropriation is from reappropriated funds received from the department of health care policy and financing under subsections (1)(e) and (2)(e) of this section. To implement this act, the office may use this appropriation for personal services related to community behavioral health administration for training and resources for implementing wraparound services.
- (4) For the 2019-20 state fiscal year, \$142,449 is appropriated to the department of human services for use by the office of behavioral health. This appropriation is from the general fund. To implement this act, the office may use this appropriation as follows:
- (a) \$131,428 for personal services related to community behavioral health administration, which amount is based on an assumption that the office will require an additional 1.5 FTE; and
- (b) \$11,021 for operating expenses related to community behavioral health administration.
- SECTION 6. Act subject to petition effective date. This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly (August 2, 2019, if adjournment sine die is on May 3, 2019); except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2020 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

Approved: May 16, 2019