



**Colorado
Legislative
Council
Staff**

HB17-1351

**REVISED
FISCAL NOTE**

(replaces fiscal note dated May 1, 2017)

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 17-1124	Date: May 4, 2017
Prime Sponsor(s): Rep. Pettersen	Bill Status: Senate Finance
Sen. Crowder; Jahn	Fiscal Analyst: Ryan Long (303-866-2066)

BILL TOPIC: STUDY INPATIENT SUBSTANCE USE DISORDER TREATMENT

Fiscal Impact Summary	FY 2017-2018	FY 2018-2019
State Revenue		
State Expenditures	\$75,000	
Cash Funds	\$37,500	
Federal Funds	\$37,500	
Appropriation Required: \$75,000 - Department of Health Care Policy and Financing (FY 2017-18).		
Future Year Impacts: None.		

Summary of Legislation

The **reengrossed** bill requires the Department of Health Care Policy and Financing (HCPF), in collaboration with the Department of Human Services (DHS), to prepare a written report for various committees in the General Assembly concerning the feasibility of providing residential and inpatient substance use disorder treatment as a part of the Medicaid program. This report will include information related to the treatment of substance abuse disorders and the costs associated with providing treatment through Medicaid. Additionally, the report will issue recommendations concerning a time frame for implementing substance use disorder treatment as a benefit under Medicaid, effective use of state and federal funding, and changes to state law necessary to implement this treatment as a part of Medicaid. The report is due no later than November 1, 2017.

Further, the bill authorizes HCPF to access the prescription drug monitoring program to help identify clients at risk of opioid overdose or in need of increased care coordination. Access to this program must be consistent with federal privacy regulations.

State Expenditures

In FY 2017-18 only, this bill will increase state cash fund expenditures by \$75,000 in HCPF to hire a contractor to conduct an analysis of federal policy and compile the data required in the report. The cost of the contractor was estimated based on the cost of similar studies. There will also be a workload increase in DHS to assist with the study. It is assumed that this workload can be completed within existing appropriations. There may be an additional workload increase for any other state agency that is solicited for information in the course of this study. It is assumed that this workload can be accomplished within current appropriations, and any additional appropriations needed to assist with this study will be requested in the budget process, if needed.

To the extent that more clients at risk of opioid overdose are identified as needing increased care coordination, expenditures for HCPF may increase. It is assumed that this increase in expenditures can be accommodated within current appropriations, and any additional resources will be pursued during the annual budget process.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

In FY 2017-18, this bill requires and includes an appropriation of \$75,000 to the Department of Health Care Policy and Financing, of which \$37,500 is from the Marijuana Tax Cash Fund and \$37,500 is federal funds.

Departmental Difference

The fiscal note was written to reflect the current appropriation clause, which appropriates \$37,500 from the Marijuana Tax Cash Fund (MTCF) to draw down matching federal funds. Due to uncertainty around using MTCF funding to draw down federal funds, HCPF assumes that this bill should use General Fund moneys. In the past, funds from the MTCF have been used to backfill the General Fund instead of using MTCF funds directly for Medicaid expenditures.

State and Local Government Contacts

Health Care Policy and Financing
Information Technology

Human Services