



Legislative
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FISCAL NOTE

Drafting Number: LLS 19-0717 **Date:** March 21, 2019
Prime Sponsors: Sen. Fields; Gardner **Bill Status:** Senate HHS
 Rep. Kraft-Tharp; Landgraf **Fiscal Analyst:** Ariel Hammerquist | 303-866-3469
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Bill Topic: CHILD AND YOUTH BEHAVIORAL HEALTH SYSTEM ENHANCEMENTS

Summary of Fiscal Impact:

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure	<input checked="" type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

This bill creates the Office of Children and Youth Behavioral Health Policy Coordination in the Governor's Office, and directs various state agencies to coordinate the implementation and provision of various services for children and youths. The bill will increase state expenditures on an ongoing basis.

Appropriation Summary: For FY 2019-20, this bill requires an appropriation of at least \$1,296,778 to multiple state agencies.

Fiscal Note Status: The fiscal note is preliminary and reflects the introduced bill. While all agencies were canvassed for this fiscal note, not all agencies were able to respond with complete information within the time frames provided. The fiscal note will be updated before the Senate Appropriations Committee.

**Table 1
State Fiscal Impacts Under SB 19-195**

		FY 2019-20	FY 2020-21	FY 2021-22
Revenue		-	-	-
Expenditures	General Fund	\$396,778	\$398,478	\$323,894
	Federal Funds	\$900,000	-	-
	Centrally Appropriated	\$32,454	\$35,724	\$35,724
	Total	\$1,329,232	\$434,202	\$359,618
	Total FTE	1.8 FTE	2.0 FTE	2.0 FTE
Transfers		-	-	-
TABOR Refund		-	-	-

Summary of Legislation

This bill creates the Office of Children and Youth Behavioral Health Policy Coordination (office) in the Office of the Governor to support the work of the newly created Children and Youth Behavioral Health Policy Coordination Commission (commission) and the Children and Youth Behavioral Health Advisory Council (council) to enhance collaboration between agencies and to coordinate the implementation and provision of various behavioral health services for children and youths.

Children and Youth Behavioral Health Policy Coordination Commission. The commission consists of 15 members to be appointed by September 1, 2019. The membership includes the directors or commissioners of the departments of Education (CDE), Health Care Policy and Financing (HCPF), Human Services (DHS), Law (DOL), Public Health and Environment (CDPHE), Public Safety (DPS), and the Division of Insurance (DOI), as well as the Ombudsman for Behavioral Health Access to Care, the Child Protection Ombudsman, the director of the Office of Children and Youth Behavioral Health Policy Coordination, a representative of counties appointed by the Governor, and four legislators appointed by legislative leadership. The commission is charged with a wide scope of responsibilities under the bill focused on interagency cooperation, policy coordination, and use of best practices. Commission members are entitled to reimbursement for actual and necessary expenses. The commission must meet at least six times per year.

Performance measures. Beginning January 1, 2020, the commission must recommend performance measures for each agency represented on the commission to quantify and demonstrate the effectiveness of the state's behavioral health system. The adoption of these performance measures is optional for the agency.

Assessment and screening tools — delivery system pilot program. No later than July 1, 2020, the commission must recommend:

- a single standardized assessment tool to facilitate identification of behavioral health issues;
- a statewide behavioral health standardized screening tool for primary care providers;
- a process for establishing a single statewide referral and entry point for children and youth; and
- a child and youth behavioral health delivery system pilot program of its design.

Medicaid-covered wraparound services for children and youth at risk of out-of-home placement. By October 1, 2019, the commission must create a working group on Medicaid-covered wraparound services for children and youth at risk of out-of-home placement. HCPF is required to seek a federal waiver to implement the wraparound services no later than March 1, 2020.

Children and Youth Behavioral Health Advisory Council. The council consists of 25 Governor-appointed members to be appointed by September 1, 2019. The council is created to assist the commission in fulfilling its duties, review its work, and provide policy and budgetary recommendations on emerging relevant issues. The council is required to meet at least six times per year and its members receive a per diem, as well as actual and necessary travel expenses.

Annual evaluation and commission report. Beginning in 2020, an independent evaluation of the commission and council must be conducted by July 1 of each year. Following that timeline, the commission must submit an annual report to the Governor and the health committees of the General Assembly.

Repeal. The commission and council are scheduled for repeal on September 1, 2024, following a sunset review.

State Expenditures

The bill increases state expenditures by at least \$1.3 million and 1.8 FTE in FY 2019-20, at least \$398,750 and 2.0 FTE in FY 2020-21, and at least \$324,166 and 2.0 FTE in FY 2021-22. These costs, which are split between General Fund and federal funds, are shown in Table 2 and discussed below.

**Table 2
 Preliminary Expenditure Estimate for SB 19-195**

	FY 2019-20	FY 2020-21	FY 2021-22
Governor's Office			
Personal Services	\$166,158	\$181,264	\$181,264
Operating and Capital Outlay Costs	\$11,306	\$1,900	\$1,900
Independent Evaluation Contractor	\$70,000	\$70,000	\$70,000
Member Reimbursement	\$43,800	\$43,800	\$43,800
Centrally Appropriated Costs*	\$32,182	\$35,452	\$35,452
FTE — Personal Services	1.8 FTE	2.0 FTE	2.0 FTE
Governor's Office (Subtotal)	\$323,446	\$332,416	\$332,416
Health Care Policy and Financing**			
Federal Authorization	TBD	TBD	TBD
IT System Costs	\$1,000,000	-	-
Wrap-Around Services	-	TBD	TBD
HCPF (Subtotal)	at least \$1,000,000	TBD	-
Department of Public Health			
Training Modules	-	\$96,000	\$21,416
CDPHE (Subtotal)	-	\$96,000	\$21,416
Legislative Department			
Legislator Per Diem and Travel	\$5,514	\$5,514	\$5,514
Centrally Appropriated Costs*	\$272	\$272	\$272
Leg. Dept. (Subtotal)	\$5,786	\$5,786	\$5,786
Total Cost	\$1,329,232	\$434,202	\$359,618
Total FTE	1.8 FTE	2.0 FTE	2.0 FTE

* Centrally appropriated costs are not included in the bill's appropriation.

** Costs for the Department of Health Care Policy and Financing have not yet been fully estimated and will be updated in a future revised fiscal note.

Governor's Office. Beginning in FY 2019-20, a director and program assistant will staff the newly created Office of Children and Youth Behavioral Health Policy Coordination. A contractor will be hired to conduct the independent evaluation of the commission and council. Assuming both the commission and the council meet six times annually, travel reimbursements and, for the council, per diems are estimated to cost \$43,800 per year.

Health Care Policy and Financing. The Department of Health Care Policy and Financing is required to seek federal authorization to provide wraparound services for eligible children and youth, which the fiscal note assumes will be granted. HCPF will have staff and contractor costs to seek federal authorization, design services and provider reimbursement methodologies, and other administrative tasks for implementing wraparound services. It will also have costs of approximately \$1.0 million in FY 2019-20 for computer programming to make modifications to the Medicaid Management Information System (MMIS), for which 90 percent federal reimbursement is available. Staff and contractor costs, which have not yet been estimated, are eligible for a 50 percent federal match. Out-year service costs have not been estimated at this time.

Department of Public Health and Environment. In order to provide the developmentally appropriate and culturally responsive training required by the bill, CDPHE requires \$96,000 to create eight online training modules to train various health care professionals on a standardized assessment tool, screening tool, and referral entry point. Annual module updates will begin in FY 2021-22 and are anticipated to cost \$16,000, plus material costs of \$6,416.

Legislative Department. Four members of the General Assembly will serve on the commission. Assuming six meetings per year, this will increase costs in the Legislative Department for per diem (\$110.73 per day, per member) and travel costs (\$119 per day, per member) beginning in FY 2019-20.

Department of Human Services. The DHS will have an increase in workload to collaborate with the commission and adopt any recommendations; this workload increase is expected to be accomplished within the normal course of business. To the extent that DHS is involved in the new Medicaid service model, additional administrative costs may be incurred, and will be addressed through the annual budget process.

Centrally appropriated costs. Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which include employee insurance and supplemental employee retirement payments, are estimated to be \$32,454 in FY 2019-20, \$35,724 in FY 2020-21, and \$35,724 in FY 2021-22.

Local Government

Local government representatives will have a workload increase to participate on the council and committee. Similar to DHS, to the extent that county departments of human services are involved in the new Medicaid service model, additional administrative costs may be incurred. To the extent that youth in the child welfare system receive wraparound services that prevent the need for placement in facilities with higher levels of services, counties may have decreased child welfare spending.

Effective Date

The bill takes effect August 2, 2019, if the General Assembly adjourns on May 3, 2019, as scheduled, and no referendum petition is filed.

State Appropriations

Preliminarily, the bill requires the following appropriations in FY 2019-20:

- a General Fund appropriation of \$291,264 to the Governor's Office and an allocation of 1.8 FTE;
- a General Fund appropriation of \$100,000 and a federal funds appropriation of \$900,000 to the Department of Health Care Policy and Financing; and
- a General Fund appropriation of \$5,514 to the Legislative Department.

State and Local Government Contacts

Child Protection Ombudsman	Counties	Governor
Health Care Policy and Financing	Human Services	Law
Legislative Council	Local Affairs	Municipalities
Public Health and Environment	Public Safety	Regulatory Agencies