

**JBC STAFF FISCAL ANALYSIS
HOUSE APPROPRIATIONS COMMITTEE**

CONCERNING HEALTH-CARE PRACTICE TRANSFORMATION TO SUPPORT WHOLE-PERSON HEALTH THROUGH INTEGRATED CARE MODELS, AND, IN CONNECTION THEREWITH, MAKING AN APPROPRIATION.

Prime Sponsors: Reps. Kennedy and Will	JBC Analyst: Eric Kurtz
Sens. Jaquez Lewis and Priola	Phone: 303-866-4952
	Date Prepared: April 7, 2022

Appropriation Items of Note

Appropriation Required, Amendment in Packet

Fiscal Impact of Bill as Amended to Date

The most recent Legislative Council Staff Revised Fiscal Note (attached) reflects the fiscal impact of the bill as of 03/23/22.

	No Change: Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
XXX	Update: Fiscal impact has changed due to <i>new information or technical issues</i>
	Update: Fiscal impact has changed due to <i>amendment adopted</i> after LCS Fiscal Note was prepared
	Non-Concurrence: JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill

The House Public & Behavioral Health & Human Services Committee Report (03/29/22) made changes to the grant program, including the matching requirements and the prioritization of grants, and added an appropriation of \$250,000 from the Behavioral and Mental Health Cash Fund to the University of Colorado for the regional health connector workforce program.

The LCS Fiscal Note dated 03/23/22 assumes the Department of Health Care Policy and Financing needs spending authority through FY 2026-27 for the \$32.0 million for the grant program. However, pursuant to statute¹, any money in the Behavioral and Mental Health Cash Fund not obligated by December 30, 2024, reverts to the “American Rescue Plan Act of 2021” Cash Fund and then gets transferred to the Unemployment Insurance Trust Fund, before it would otherwise revert to the federal government pursuant to federal law. At this time it is unknown whether any of these federal funds can or will be obligated, and, therefore, this JBC Staff Analysis assumes grants would need to be disbursed by December 30, 2024. Even if there are obligations for the grants, it is unclear

¹ Section 24-75-226 (4)(d), C.R.S.

whether administrative costs for the program could be made after December 31, 2024, and, therefore, staff assumes these expenses would need to be paid from the General Fund. If further information or federal guidance becomes available that the grants and/or administrative costs qualify as an obligation, the General Assembly could extend the spending authority from the Behavioral and Mental Health Cash Fund in a future year. Legislative Council Staff agrees with this update to the assumptions about out-year fiscal impacts.

Amendments in This Packet for Consideration by Appropriations Committee

Amendment	Description
J.001	Staff-prepared appropriation amendment

Current Appropriations Clause in Bill

The bill includes an appropriation clause that provides \$32.0 million from the behavioral and mental health cash fund to the Department of Health Care Policy and Financing for the primary care and behavioral health statewide integration grant program, plus the Public & Behavioral Health & Human Services committee added \$250,000 from the behavioral and mental health cash fund to the University of Colorado for the regional health connector workforce program. It does not currently include an appropriation required in Section 3 of the bill of \$3.0 million from the behavioral and mental health cash fund to the Department of Health Care Policy and Financing for the development, implementation, and administration of the universal contract. Also, the \$32.0 million appropriation for the grant program is for FY 2022-23 only, while the Legislative Council Staff Fiscal Note assumes expenditures through FY 2026-27.

Description of Amendments in This Packet

J.001 Staff has prepared amendment **J.001** (attached) to change the existing clause to appropriate in FY 2022-23:

- \$32.0 million from the Behavioral and Mental Health Cash Fund to the Department of Health Care Policy and Financing for the primary care and behavioral health statewide integration grant program and make the appropriation available through December 30, 2024
- \$3.0 million from the Behavioral and Mental Health Cash Fund to the Department of Health Care Policy and Financing and make the appropriation available through December 30, 2024
- \$250,000 from the Behavioral and Mental Health Cash Fund to the University of Colorado for the regional health connector workforce program

Points to Consider

Technical Issues

There is a conflict between this bill (H.B. 22-1302) and H.B. 22-1278 (Behavioral Health Administration). This bill (H.B. 22-1302) requires the Department of Health Care Policy and

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Financing to develop a universal contract and the General Assembly to appropriate \$3.0 million from the Behavioral and Mental Health Cash Fund to the Department of Health Care Policy and Financing for the development, implementation, and administration of the universal contract. These requirements are contingent on the passage of H.B. 22-1278 (Behavioral Health Administration) that actually describes and authorizes the universal contract. The conflict is that H.B. 22-1278 also requires a universal contract but requires the Behavioral Health Administration to develop it.

Regardless of which agency the General Assembly decides should develop the universal contract, the appropriations to develop the universal contract would be best placed in H.B. 22-1278 that describes and authorizes the universal contract, rather than in this bill. However, this bill currently includes a statutory requirement for a \$3.0 million appropriation to the Department of Health Care Policy and Financing for the universal contract.