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Fiscal Note

Drafting Number: LLS 22-0884 Date: April 8, 2022
Prime Sponsors: Rep. Lindsay; Michaelson Jenet Bill Status: House HHS
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Bill Topic: PROTECTING INJURED WORKERS' MENTAL HEALTH RECORDS

- Summary of Fiscal Impact:
- State Revenue
- State Expenditure
- State Transfer
- TABOR Refund
- Local Government
- Statutory Public Entity

The bill amends the Workers' Compensation Act of Colorado to limit the disclosure of records related to a claimant's mental health and to require training of Workers' Compensation Division employees on maintaining the privacy of mental health records.

Appropriation Summary: For FY 2022-23, the bill requires an appropriation of \$30,000 to the Department of Labor and Employment.

Fiscal Note Status: The fiscal note reflects the introduced bill.

Table 1
State Fiscal Impacts Under HB 22-1354

Table with 3 columns: Category, Budget Year FY 2022-23, and Out Year FY 2023-24. Rows include Revenue, Expenditures (Cash Funds), Transfers, and Other Budget Impacts.

Summary of Legislation

The bill amends the Workers' Compensation Act of Colorado to limit the disclosure of records related to a claimant's mental health and require the Director of the Division of Workers' Compensation in the Department of Labor and Employment to train division employees on maintaining the privacy of mental health records. The director may promulgate rules to implement the bill. Finally, the bill requires a person providing mental health services to a Workers' Compensation claimant to be a licensed mental health provider.

State Expenditures

This bill increases expenditures in FY 2022-23 by \$30,000 in the Department of Labor and Employment from the Workers' Compensation Cash Fund. It may also increase expenditures in the Department of Personnel and Administration as described below.

Division of Workers' Compensation. The division requires \$30,000 to contract for a training program that meets the requirements of the bill for division employees responsible for medical policy and claims management and processing. The division will also have an increase in workload to develop rules and update claims handling processes.

Department of Personnel and Administration. The bill may increase the cost of treatment for state employees that are Workers' Compensation claimants to see a licensed mental health provider for treatment rather than the authorized treating physician. Any increase will be incorporated into the annual actuarial process for assessing costs to agencies. The State Office of Risk Management may be required to change its records handling process as relates to mental health treatment; however, this workload can be addressed within existing appropriations.

Local Government

Like the state government, the bill may increase the cost of treatment for local government employees that are Workers' Compensation claimants to see a licensed mental health provider for treatment rather than the authorized treating physician.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature, and applies to claims filed on or after the effective date of this bill.

State Appropriations

For FY 2022-23, the bill requires an appropriation of \$30,000 from the Division of Workers' Compensation Cash Fund to the Department of Labor and Employment.

State and Local Government Contacts

Information Technology

Labor

Personnel