



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Revised Fiscal Note

(replaces fiscal note dated February 24, 2023)

Drafting Number: LLS 23-0023 **Date:** April 4, 2023
Prime Sponsors: Rep. Ricks; Bockenfeld **Bill Status:** House Appropriations
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Bill Topic: **IMPROVED OUTCOMES PERSONS BEHAVIORAL HEALTH**

Summary of Fiscal Impact:

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

The bill requires the Behavioral Health Administration to develop a family input process for behavioral health entities and Medicaid providers. The bill increases state expenditures through FY 2026-27.

Appropriation Summary: For FY 2023-24, the bill requires an appropriation of \$117,497 to the Department of Human Services

Fiscal Note Status: This revised fiscal note reflects the introduced bill, as amended by the House Public and Behavioral Health and Human Services Committee

Table 1
State Fiscal Impacts Under HB 23-1200

		Budget Year FY 2023-24	Out Year FY 2024-25
Revenue		-	-
Expenditures	General Fund	\$117,497	-
	Centrally Appropriated	\$13,052	-
	Total Expenditures	\$130,549	-
	Total FTE	1.0 FTE	-
Transfers		-	-
Other Budget Impacts	General Fund Reserve	\$17,625	-

Summary of Legislation

The bill requires the Behavioral Health Administration (BHA) to create, with stakeholder input, a family input process to allow a mental or behavioral health patient’s family and friends to supply any relevant information and provide guidance on how to use this information.

State Expenditures

The bill increases state expenditures in the BHA in the Department of Human Services by about \$131,000 in FY 2023-24 only, paid from the General Fund. Expenditures are shown in Table 2 and detailed below.

Table 2
Expenditures Under HB 23-1200

	FY 2023-24	FY 2024-25
Department of Human Services		
Personal Services	\$57,012	-
Operating Expenses	\$945	-
Capital Outlay Costs	\$6,670	-
Legal Services	\$52,870	-
Centrally Appropriated Costs ¹	\$13,052	-
FTE – Personal Services	0.7 FTE	
FTE – Legal Services	0.3 FTE	
Total Cost	\$130,549	-
Total FTE	1.0 FTE	-

¹ Centrally appropriated costs are not included in the bill's appropriation.

Staffing costs. In FY 2023-24 only, the BHA requires 0.7 FTE to conduct the stakeholder engagement process so that they may provide guidance to providers on how to collect and use family input. Staff support for this process is necessary given that it is a new area of concern involving a large number of stakeholders. Standard operating and capital outlay costs are included for these new staff. It is assumed that workload to oversee the family input process, once established, will be managed within existing appropriations and oversight processes over behavioral health providers.

Legal services. BHA will require 500 hours of legal services at a cost of about \$53,000 in FY 2023-24 to ensure that the family input process aligns with federal regulation concerning health information. Legal services are provided by the Department of Law at a rate of \$105.74 per hour, which will require 0.3 FTE for this work.

Other Budget Impacts

Under current law, an amount equal to 15 percent of General Fund appropriations must be set aside in the General Fund statutory reserve. Based on this fiscal note, the bill is expected to increase the amount of General Fund held in reserve by the amounts shown in Table 1, decreasing the amount of General Fund available for other purposes.

Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

State Appropriations

For FY 2023-24, the bill requires an appropriation of \$117,497 from the General Fund to the Department of Human Services, and 0.7 FTE. Of this amount, \$52,870 is reappropriated to the Department of Law for Legal Services along with an additional 0.3 FTE.

Departmental Difference

The BHA estimates that implementing the bill will cost \$250,000 in FY 2023-24 and \$159,000 in FY 2024-25 and ongoing, based on the assumption that the process will be significantly more intensive than conducting stakeholder engagement meetings and presenting guidance to providers. The BHA also assumes that they will be responsible for ensuring that family input is properly used by providers on an ongoing basis. The fiscal note assumes that the bill's costs are for the one-time stakeholder engagement, and that ongoing costs to regulate behavioral health providers will not be significantly impacted by the bill.

State and Local Government Contacts

Behavioral Health Administration	Health Care Policy and Financing	Human Services
Information Technology	Public Health and Environment	Law