



## Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

# Final Fiscal Note

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<b>Drafting Number:</b>	LLS 23-0878	<b>Date:</b>	July 26, 2023
<b>Prime Sponsors:</b>	Sen. Kolker; Gardner Rep. Lukens; Winter T.	<b>Bill Status:</b>	Signed into Law
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**Bill Topic:** ACCESS TO CERTAIN BEHAVIORAL HEALTH SERVICES

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**Summary of Fiscal Impact:**

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

The bill requires select mental health services to be covered for Medicaid members under 21. The Department of Health Care Policy and Financing must engage stakeholders and notify impacted entities. The bill minimally increases state workload on a term-limited basis and may increase school district costs.

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**Appropriation Summary:** No appropriation is required.

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**Fiscal Note Status:** The fiscal note reflects the enacted bill.

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## Summary of Legislation

The bill requires select mental health services to be covered for Medicaid members under 21 through the managed care system and the School Health Services Program. The Department of Health Care Policy and Financing (HCPF) must engage stakeholders and notify impacted entities. Each November 1 from 2025 through 2030, HCPF must report to the General Assembly on service utilization.

## Background

Every Medicaid member, excluding those partially covered by Medicare, is assigned to a regional organization responsible for providing or arranging medically necessary behavioral health services including the services required under the bill. HCPF pays each regional organization a preset monthly capitation payment for each eligible Medicaid member.

Through the School Health Services Program, Colorado school districts can claim for Medicaid covered services that are provided in schools.

## **State Expenditures**

In FY 2023-24 only, HCPF will hold at least one stakeholder meeting regarding mental health services to be covered under the bill and post a bulletin for impacted entities, which can be accomplished within existing resources. Workload will increase in HCPF to produce the service utilization report.

Because the bill will not increase eligibility nor expand available services, as discussed in the Background section, no service cost increase is anticipated. HCPF provides this level of mental health services to its membership under the behavioral health capitation program.

## **School Districts**

Through the School Health Services Program, Colorado school districts already provide the services listed in the bill. If HCPF uses its authority to expand the list of services and claims increase, school districts will have additional costs. Claims submitted by school districts to HCPF will be eligible to receive federal funding for a portion of the costs.

## **Effective Date**

The bill was signed into law by the Governor on May 20, 2023, and takes effect on August 7, 2023, assuming no referendum petition is filed.

## **State and Local Government Contacts**

Behavioral Health Administration  
Human Services

Health Care Policy and Financing  
Information Technology