



# JOINT BUDGET COMMITTEE STAFF FY 2020-21 BUDGET BRIEFING SUMMARY

Colorado General Assembly  
Joint Budget Committee

*Department of Human Services*  
*Office of Behavioral Health and Office of Operations*

The Department of Human Services is responsible for the administration and supervision of all non-medical public assistance and welfare programs in the state. This briefing document concerns behavioral health services (services for people with mental health and substance use disorders), which are overseen by the Office of Behavioral Health, and the Office of Operations, which provides Department-wide facility maintenance and management, accounting, payroll, contracting, purchasing, and field audits. Appropriations to these offices comprise 18.5 percent of total Department appropriations, and consist of 66.7 percent General Fund, 12.6 percent cash funds, 11.0 percent reappropriated funds, and 9.7 percent federal funds.

## FY 2019-20 APPROPRIATION AND FY 2020-21 REQUEST

DEPARTMENT OF HUMAN SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2019-20 APPROPRIATION:</b>						
SB 19-207 (Long Bill)	416,586,013	279,379,605	47,836,419	47,420,727	41,949,262	1,822.6
Other legislation	16,447,280	9,405,068	6,521,505	300,000	220,707	27.6
<b>TOTAL</b>	<b>\$433,033,293</b>	<b>\$288,784,673</b>	<b>\$54,357,924</b>	<b>\$47,720,727</b>	<b>\$42,169,969</b>	<b>1,850.2</b>
<b>FY 2020-21 REQUESTED APPROPRIATION:</b>						
FY 2019-20 Appropriation	\$433,033,293	288,784,673	\$54,357,924	\$47,720,727	\$42,169,969	1,850.2
R4 I2 operating and staffing	4,124,388	4,124,388	0	0	0	42.3
R15 Human resource staffing	57,568	0	25,080	22,472	10,016	0.0
R18 Electronic health record staffing	274,576	274,576	0	0	0	0.0
R19 Phones	689,371	689,371	0	0	0	0.0
R23 Leased space adjustment	(48,558)	0	0	(48,558)	0	0.0
R25 Substance use treatment	(2,800,000)	(1,300,000)	0	(1,500,000)	0	0.0
R28 Post Affordable Care Act	(1,284,000)	(647,000)	0	(637,000)	0	0.0
R29 Reduce duplicative activities	(380,000)	0	(380,000)	0	0	0.0
R30 Gambling evaluation funding	(50,000)	0	(50,000)	0	0	0.0
R34 Mental health technical correction	0	0	0	0	0	0.0
R35 Common policy provider rate adjustment	820,965	601,240	175,370	44,355	0	0.0
Annualize prior year budget actions	5,171,836	4,635,237	84,655	294,176	157,768	0.0
Annualize prior year legislation	2,961,981	3,371,227	(524,683)	103,545	11,892	1.0
Centrally appropriated line item	(12,499)	29,231	(39,923)	14,138	(15,945)	0.0
Non-prioritized request items	(112,248)	(44,017)	5,888	(76,470)	2,351	0.0
Indirect cost assessment	1,121,372	0	62,768	1,033,537	25,067	0.0
<b>TOTAL</b>	<b>\$443,568,045</b>	<b>\$300,518,926</b>	<b>\$53,717,079</b>	<b>\$46,970,922</b>	<b>\$42,361,118</b>	<b>1,893.5</b>
<b>INCREASE/(DECREASE)</b>	<b>\$10,534,752</b>	<b>\$11,734,253</b>	<b>(\$640,845)</b>	<b>(\$749,805)</b>	<b>\$191,149</b>	<b>43.3</b>
Percentage Change	2.4%	4.1%	(1.2%)	(1.6%)	0.5%	2.3%

**R4 L2 OPERATING AND STAFFING:** The Department's request includes a total of \$4.1 million General Fund and 42.3 FTE in FY 2020-21 to operate and staff the new L2 High Security Forensic Unit at the Colorado Mental Health Institute at Pueblo (CMHIP). The 24-bed L2 expansion was funded through an FY 2017-18 capital request and is expected to be open for patient occupancy on October 1, 2020. The FY 2020-21 operating request includes partial year funding, and the Department anticipates full-year costs of \$6.1 million and 61.8 FTE in FY 2021-22.

**R15 HUMAN RESOURCES STAFFING:** The Department's request includes a total increase of \$1.1 million, including \$57,568 total funds for the Offices of Behavioral Health and Operations, to increase the number of human resources professionals in the Department. *This decision item was discussed by Robin Smart during the briefing for the Executive Director's Office on December 4, 2019.*

**R18 ELECTRONIC HEALTH RECORD STAFFING:** The Department's request includes \$274,576 General Fund in FY 2020-21 to contract for 2.0 FTE Governor's Office of Information Technology (OIT) programmers to support the Office of Behavioral Health's electronic records systems.

**R19 PHONES:** The Department's request includes \$689,371 General Fund for the Office of Behavioral Health (OBH) to upgrade the phone system at CMHIP. *This decision item will be discussed by Tom Dermody during the briefing for the Information Technology Services Division on December 12, 2019.*

**R23 LEASED SPACE ADJUSTMENT:** The Department's request includes a reduction of \$48,558 reappropriated funds for leased space for the Grand Junction Regional Center Administrative Office. The Department obtained a lease at a lower cost than expected.

**R25 SUBSTANCE USE TREATMENT:** The Department's request includes a reduction of \$2.8 million total funds (including \$1.3 million General Fund) for substance use treatment services. The Office of Behavioral Health (OBH) provides funding to Managed Service Organizations (MSOs) to provide substance use treatment to individual who are indigent. With the addition of inpatient and residential substance use treatment as a Medicaid benefit beginning in FY 2020-21 (pursuant to H.B. 18-1136), the Department anticipates a reduced demand for services provided by OBH.

**R28 POST AFFORDABLE CARE ACT:** The Department's request includes a reduction of \$1.3 million total funds (including \$647,000 General Fund) for OBH programs that are underutilized as a result of expanded Medicaid coverage and benefits provided under the Affordable Care Act. The reductions include:

- \$637,000 reappropriated funds for the High Risk Pregnant Women program;
- \$247,000 General Fund for the Short-Term Intensive Remedial Treatment (STIRT) program; and
- \$400,000 General Fund for the Community Transition Services program.

**R29 REDUCE DUPLICATIVE ACTIVITIES:** The Department's request includes a reduction of \$380,000 cash funds from the Persistent Drunk Driver Cash Fund. Of this amount, \$115,000 is for contracted marketing expenses, which are duplicative of the Colorado Department of Transportation's impaired driving campaigns, and \$265,000 is for withdrawal management funding provided to MSOs, which the Department believes can be replaced by federal grant dollars.

**R30 GAMBLING EVALUATION FUNDING:** The Department's request includes a reduction of \$50,000 cash funds to eliminate funding for the evaluation of the gambling addiction program. Senate Bill 18-191 (Local Government Limited Gaming Impact Fund) appropriated \$50,000 to the Department in FYs 2018-19 and 2019-20 to develop a plan for a gambling addiction program. This plan is due by March 1, 2020, so the funding is no longer needed in FY 2020-21.

**R34 MENTAL HEALTH TECHNICAL CORRECTION:** The Department’s request includes net neutral transfers of General Fund between line items related to the Forensic Services appropriations and the electronic health record appropriations.

**R35 COMMON POLICY PROVIDER RATE ADJUSTMENT:** The Department’s request includes \$4.6 million total funds for an across-the-board increase of 0.5 percent for community providers. The request for the Office of Behavioral Health includes \$820,965 total funds (including \$601,240 General Fund) for this purpose.

**ANNUALIZE PRIOR YEAR BUDGET ACTIONS:** The request includes \$5.2 million total funds, including \$4.6 million General Fund, to reflect the second-year impact of several FY 2019-20 budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 19-20 Salary survey	\$4,138,066	\$3,602,353	\$84,184	\$293,889	\$157,640	0.0
FY 19-20 R1 Mental Health Institute at Pueblo	1,032,884	1,032,884	0	0	0	0.0
FY 19-20 R21 Salesforce Shield	886	0	471	287	128	0.0
<b>TOTAL</b>	<b>\$5,171,836</b>	<b>\$4,635,237</b>	<b>\$84,655</b>	<b>\$294,176</b>	<b>\$157,768</b>	<b>0.0</b>

**ANNUALIZE PRIOR YEAR LEGISLATION:** The request includes \$3.0 million total funds, including \$3.4 million General Fund, for the out-year impact of prior year legislation.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 19-223 Actions related to competency to proceed	\$1,447,686	\$1,447,686	\$0	\$0	\$0	0.0
SB 19-008 Substance use disorder treatment in criminal justice system	1,146,861	1,146,861	0	0	0	0.0
SB18-200 PERA	818,613	723,749	4,724	73,545	16,595	0.0
SB 19-195 Behavioral health services for children and youth	52,931	52,931	0	0	0	1.0
HB18-1136 Expand Medicaid benefit for substance use disorder	30,000	0	0	30,000	0	0.0
SB 19-228 Substance use disorders prevention	(529,407)	0	(529,407)	0	0	0.0
SB 19-222 Behavioral health care for individuals at risk	(4,703)	0	0	0	(4,703)	0.0
<b>TOTAL</b>	<b>\$2,961,981</b>	<b>\$3,371,227</b>	<b>(\$524,683)</b>	<b>\$103,545</b>	<b>\$11,892</b>	<b>1.0</b>

**CENTRALLY APPROPRIATED LINE ITEMS:** The request includes a reduction of \$12,499 total funds, including an increase of \$29,231 General Fund, for centrally appropriated items in the Office of Operations and the Office of Behavioral Health.

CENTRALLY APPROPRIATED LINE ITEM						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Capitol Complex leased space	\$86,501	\$29,231	\$3,206	\$52,784	\$1,280	0.0
Legal services	70,580	0	30,748	27,552	12,280	0.0
CORE	19,123	0	8,331	7,465	3,327	0.0
Payments to OIT	(103,934)	0	(45,279)	(40,572)	(18,083)	0.0
Workers’ compensation	(49,308)	0	(21,481)	(19,248)	(8,579)	0.0
Payment to risk management / property funds	(24,069)	0	(10,485)	(9,396)	(4,188)	0.0
ALJ	(11,392)	0	(4,963)	(4,447)	(1,982)	0.0
<b>TOTAL</b>	<b>(\$12,499)</b>	<b>\$29,231</b>	<b>(\$39,923)</b>	<b>\$14,138</b>	<b>(\$15,945)</b>	<b>0.0</b>

**NON-PRIORITIZED REQUEST ITEMS:** The request includes a reduction of \$112,248 total funds, including \$44,017 General Fund, for prioritized requests in other departments.

NON-PRIORITIZED REQUEST ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
OIT Budget request package	\$25,566	\$0	\$11,138	\$9,980	\$4,448	0.0
DPA Annual fleet vehicle request	(137,814)	(44,017)	(5,250)	(86,450)	(2,097)	0.0
<b>TOTAL</b>	<b>(\$112,248)</b>	<b>(\$44,017)</b>	<b>\$5,888</b>	<b>(\$76,470)</b>	<b>\$2,351</b>	<b>0.0</b>

**INDIRECT COST ASSESSMENT:** The Department’s request includes a total of \$1.9 million total funds for adjustments to indirect cost assessments. The request for the Office of Behavioral Health and the Office of Operations includes \$1,121,372 total funds for this purpose.

## SUMMARY OF ISSUES PRESENTED TO THE JOINT BUDGET COMMITTEE

**COURT ORDERS CONCERNING COMPETENCY:** For over a decade, the Department of Human Services and the General Assembly have been working to address issues related to competency evaluation and restoration services. This issue brief provides an overview of these services, trends, capacity, and related legal proceedings.

## FOR MORE INFORMATION

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**TO READ THE ENTIRE BRIEFING:** [http://leg.colorado.gov/sites/default/files/fy2020-21\\_humbrf3.pdf](http://leg.colorado.gov/sites/default/files/fy2020-21_humbrf3.pdf)