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FINAL FISCAL NOTE

Drafting Number: LLS 18-1245 Date: September 5, 2018
Prime Sponsors: Sen. Jahn; Neville T. Bill Status: Signed into Law
Rep. Pettersen; Wist Fiscal Analyst: Bill Zepernick | 303-866-4777
Bill.Zepernick@state.co.us

Bill Topic: BEHAVIORAL HEALTH CRISIS TRANSITION REFERRAL PROGRAM

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

This bill requires the Department of Human Services to establish a statewide program to refer high-risk individuals to behavioral health transition services. It will increase state expenditures on an ongoing basis.

Appropriation Summary: For FY 2018-19, the bill requires an appropriation of \$1,588,250 to the Department of Human Services.

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

Table 1
State Fiscal Impacts Under SB 18-270

Table with 4 columns: Category, FY 2018-19, FY 2019-20. Rows include Revenue, Expenditures (General Fund), Transfers, and TABOR Refund.

Summary of Legislation

This bill requires the Department of Human Services (DHS) to establish a statewide program to refer high-risk individuals to community transition services after receiving treatment in a withdrawal management facility or emergency room. The bill defines a "high-risk individual" as a person who:

- has a significant mental health or substance use disorder;
- is not currently engaged in consistent behavioral health treatment; and
- is under an emergency 72-hour hold, short- or long-term court-certified mental health treatment, an emergency commitment, or an involuntary commitment.

The DHS must implement the program by January 1, 2019. The bill specifies details about the program and outlines the role of transition specialists, which include assisting high-risk individuals with:

- access to housing or residential program placement;
- access to behavioral health treatment and benefits;
- advocacy to insurance companies and providers about the appropriate type and intensity of behavioral health services;
- planning for follow-up services;
- assistance with preparing advanced directives;
- obtaining a representative payee or guardian;
- family support services; and
- compliance with court appearances or probation.

The bill requires the DHS to collect various information and data about behavioral health services for this population and to report to the General Assembly on the program at its SMART Government Act hearing by January 1, 2020, and each January 1 thereafter.

State Expenditures

The bill increases costs in the DHS by \$1.6 million in FY 2018-19 and \$3.2 million in FY 2019-20 and future years. The fiscal note assumes that the DHS will use a contracted entity and contract personnel to provide transition services statewide. It is estimated that 325 high-risk individuals will be served under the community transition program and the contractor will require 17 FTE statewide. Contractor costs for personnel, travel expenses, administration, office equipment and supplies, and other costs are shown in Table 2 below. Contractor costs in the first year are prorated by six months to reflect an implementation date of January 1, 2019.

Table 2
Community Transition Contractor Expenses Under SB 18-270

	FY 2018-19	FY 2019-20
Department of Human Services		
Contract Personnel	\$560,750	\$1,121,500
Client Services	\$630,500	\$1,261,000
Operating Expenses and Capital Outlay Costs	\$58,750	\$117,500
Travel Expenses	\$83,250	\$166,500
Administration	\$105,000	\$210,000
Incentive Payments	\$150,000	\$300,000
Total Cost	\$1,588,250	\$3,176,500

Contract personnel. The fiscal note estimates that 17 contract staff are required to provide transition services statewide, including 12 licensed behavioral health providers, 4 peer specialists, and 1 program supervisor. Contract personnel would be distributed around the state based on population, geographic coverage, and service needs.

Client services. Based on similar transition services provided under current law, the fiscal note estimates that each client served will result in costs of \$3,880 for wrap-around and transition services. As listed in the bill, these services may include assistance obtaining housing, preparing advanced directives, vocation support, and other services to ensure successful transition to the community.

Other expenses. As shown in Table 2, the contractor will have travel costs, operating and capital outlay expenses, and administration. Travel costs include mileage for traveling to and from hospitals and detoxification facilities, client residences and other locations. Travel to rural areas of the state is also required to serve clients. The fiscal note also includes costs for administration and incentive payments to the contractor, contingent upon successful transition of clients served through the program.

Contract management and reporting requirements. The DHS will have an increase in workload to procure and manage the transition services contractor, to collect data on client served, and to report annually to the General Assembly at its SMART Act hearing. It is assumed this workload can be accomplished within existing appropriations.

Effective Date

The bill was signed into law by the Governor and took effect on May 21, 2018.

State Appropriations

For FY 2018-19, the bill requires and includes a General Fund appropriation of \$1,588,250 to the DHS.

State and Local Government Contacts

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