



Legislative
Council Staff

Nonpartisan Services for Colorado's Legislature

FISCAL NOTE

Drafting Number:	LLS 18-0282	Date:	January 30, 2018
Prime Sponsors:	Rep. Benavidez Sen. Fields	Bill Status:	House Judiciary
		Fiscal Analyst:	Bill Zepernick 303-866-4777 Bill.Zepernick@state.co.us

Bill Topic: INMATE TREATMENT INCENTIVE PLANS

Summary of Fiscal Impact:

<input type="checkbox"/> State Revenue	<input type="checkbox"/> TABOR Refund
<input checked="" type="checkbox"/> State Expenditure (<i>minimal, potential</i>)	<input type="checkbox"/> Local Government
<input type="checkbox"/> State Transfer	<input type="checkbox"/> Statutory Public Entity

The bill requires the Department of Corrections (DOC) to track inmates' unmet mental health service needs and to develop incentive plans for behavioral health providers to serve these inmates. This bill will increase DOC workload and costs by a minimal amount on an ongoing basis, and may result in cost savings in future years.

Appropriation Summary: No appropriation is required.

Fiscal Note Status: The fiscal note reflects the introduced bill, which was recommended by the Legislative Oversight Committee Concerning the Treatment of Persons with Mental Health Disorders in the Criminal and Juvenile Justice Systems.

Summary of Legislation

This bill requires the Department of Corrections (DOC) to track data on inmates who are not receiving the mental health treatment specified in their rehabilitation report and to develop incentive plans to attract additional mental health providers to the geographic areas where inmates are not receiving treatment and services. Incentives may include additional fees, travel reimbursement, bonuses, and other financial incentives. The DOC must report annually to the Joint Budget Committee each December 1, starting in 2019, on the number of inmates requiring treatment and services provided by a mental health professional and the number of inmates unable to receive these services. The report must outline both statewide data and data for any area for which an incentive plans is developed. The DOC must also report specific details about incentive plans developed under the bill, including measures of their effectiveness.

State Expenditures

This bill increases workload and General Fund costs in the DOC starting in FY 2018-19. In addition, the bill may result in future savings to the extent that offenders with mental health needs are able to be released from prison to parole sooner. These impacts are discussed below.

Data collection, reporting, and plan development. The DOC must track and report data on inmates receipt of mental health services, and develop incentive plans in geographic areas where the inmates are not receiving recommended services from mental health professionals. This work can be accomplished within existing appropriations to the DOC.

Incentive payments. Currently, it is unknown how many inmates are not receiving recommended services, which geographic areas would require incentive plans, and what incentives would be offered to mental health providers. Therefore, the cost of incentive payments cannot be estimated at this time. The fiscal note assumes that the DOC will request additional funding through the annual budget process for incentive payments once it has developed incentive plans based on documented need.

Mental health treatment costs. In the current FY 2017-18, the DOC is appropriated \$14.8 million for mental health services, including \$10.7 million and 152.9 FTE for services provided by DOC staff and \$4.1 million for medical contract services. To the extent the use of incentive payments increases overall utilization of mental health services provided to inmates, these costs will increase. It is assumed that the DOC will account for any increase in overall mental health service costs when developing their incentive plans and request an increase in appropriations through the annual budget process.

Prison cost savings. To the extent that additional mental health services allow inmates to be released on parole earlier, the DOC may have costs savings. Costs to house an inmate in DOC are approximately \$22,000 per year in a private prison or \$38,000 in a state-run prison versus \$4,800 for persons on parole. However, an estimate of the potential savings has not been estimated at this time as savings depend on future decisions by the State Parole Board. Any savings realized from improved mental health services will be addressed through the annual budget process.

Effective Date

The bill takes effect August 8, 2018, if the General Assembly adjourns on May 9, 2018, as scheduled, and no referendum petition is filed.

State and Local Government Contacts

Corrections
Information Technology

Human Services
JBC Staff