



**Legislative
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FISCAL NOTE

Drafting Number: LLS 18-0513	Date: February 8, 2018
Prime Sponsors: Rep. Herod; Wist	Bill Status: House Public Health Care and Human Services
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Bill Topic: CHILDREN AND YOUTH MENTAL HEALTH TREATMENT ACT

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

This bill indefinitely extends the Child Mental Health Treatment Act that is set to repeal July 1, 2019, renames the act, and makes a number of changes. It increases state expenditures on an ongoing basis.

Appropriation Summary: For FY 2018-19, the bill requires an appropriation of \$1,286,611 to the Department of Human Services.

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

**Table 1
State Fiscal Impacts Under HB 18-1094**

		FY 2018-19	FY 2019-20
Revenue		-	-
Expenditures	General Fund	\$1,286,611	\$2,865,953
	Cash Funds	\$0	\$304,205
	Centrally Appropriated	\$6,312	\$28,967
	Total	\$1,292,923	\$3,199,125
	Total FTE	0.5 FTE	2.0 FTE
Transfers		-	-

Summary of Legislation

This bill indefinitely extends the *Child Mental Health Treatment Act* that is set to repeal July 1, 2019, renames it the *Children and Youth Mental Health Treatment Act* and makes a number of changes. Among the changes to the act, the bill:

- expands eligibility for services from age 18 to age 21 and expands service availability statewide;
- requires the Department of Human Services (DHS) to develop a standardized risk stratification tool for use by mental health agencies in determining eligibility;
- requires the DHS to maintain a list of available providers on its website, updated quarterly;
- allows a family advocate, family systems navigator, or county department to assist a family in requesting services, choosing services, and appealing a denial for services; and
- modifies the membership of the advisory board and changes the appointing authority from the Governor to the DHS.

Background

The Child Mental Health Treatment Act, enacted through House Bill 99-1116, allows families to access community, residential, and transitional mental health treatment services for their child without requiring a dependency and neglect action, in cases where there is no child abuse or neglect. To be eligible, a child must be under the age of 18 and not otherwise eligible for Medicaid, be diagnosed as having a mental health disorder, and be at risk of out-of-home placement.

The program currently has an appropriation of \$1.1 million and provides services to 99 children located in 20 out of 64 counties in FY 2016-17. For FY 2017-18, the Joint Budget Committee has recommended a supplemental General Fund appropriation of \$650,651, to serve an additional 10 children eligible under current law. As of this writing, the supplemental appropriation bill (HB18-1162) is pending in the Senate.

State Expenditures

The bill increases expenditures for the DHS by \$1,292,923 and 0.5 FTE in FY 2018-19 and \$3,199,125 and 2.0 FTE in FY 2019-20. Costs for FY 2018-19 are paid from the General Fund and costs for FY 2019-20, are funded with both General Fund and cash funds as shown in Table 1. The costs for the bill are detailed in Table 2.

The bill requires 0.5 FTE to administer additional provider contracts required to address the expanded caseload. The contract administrator will also provide training for family advocates, develop and administer a standardized risk stratification tool, and collect and report data. Expenditures increase by \$1.9 million in FY 2019-20 to reflect the impact of extending the program past its repeal date. Table 3 provides a further breakdown of the behavioral health services expenditures expected under the bill.

**Table 2
Expenditures Under HB 18-1094**

	FY 2018-19	FY 2019-20
Department of Human Services		
Personal Services	\$27,567	\$169,772
Operating Expenses and Capital Outlay Costs	\$5,178	\$1,900
Behavioral Health Services	\$1,253,866	2,998,486
Centrally Appropriated Costs*	\$6,312	\$28,967
FTE – Personal Services	0.5 FTE	2.0 FTE
Total Cost	\$1,292,923	\$3,199,125

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

**Table 3
Behavioral Health Services Expenditures Under HB 18-1094**

Cost Components	FY 2018-19	FY 2019-20
Community Based Services for Age Expansion	\$450,737	\$450,737
Community Based Services for Statewide Expansion	\$615,689	\$615,689
Residential Services for Age Expansion	\$87,400	\$87,400
Residential Services for Statewide Expansion	\$52,440	\$52,440
Training for Communities	\$8,000	\$8,000
Family Advocacy for Children	\$39,600	\$39,600
Services for Current Caseload	-	\$1,744,620
Total	\$1,253,866	\$2,998,486

Centrally appropriated costs. Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. These costs, which include employee insurance and supplemental employee retirement payments, are estimated to be \$6,312 in FY 2018-19 and \$28,967 for FY 2019-20.

Effective Date

The bill takes effect June 30, 2018.

State Appropriations

For FY 2018-19, the bill requires a General Fund appropriation of \$1,286,611 to the Department of Human Services and an allocation of 0.5 FTE.

State and Local Government Contacts

Child Protection Ombudsman
Governor
Human Services
Judicial
Office of The Child's Representative

Counties
Health Care Policy and Financing
Information Technology
Law
Public Health and Environment