

**JBC STAFF FISCAL ANALYSIS  
SENATE APPROPRIATIONS COMMITTEE**

CONCERNING TREATMENT FOR INDIVIDUALS WITH SUBSTANCE USE DISORDERS, AND, IN CONNECTION THEREWITH, ADDING RESIDENTIAL AND INPATIENT TREATMENT TO THE COLORADO MEDICAL ASSISTANCE PROGRAM AND MAKING AN APPROPRIATION.

Prime Sponsors: Representative Pettersen  
Sens. Priola and Jahn

JBC Analyst: Carolyn Kampman  
Phone: 303-866-4959  
Date Prepared: April 26, 2018

**Fiscal Impact of Bill as Amended to Date**

The most recent Legislative Council Staff Fiscal Note (attached) reflects the fiscal impact of the bill as of 01/24/18.

<b>XXX</b>	<b>No Change:</b> Attached LCS Fiscal Note accurately reflects the fiscal impact of the bill
	<b>Update:</b> Fiscal impact has changed due to <i>new information or technical issues</i>
	<b>Update:</b> Fiscal impact has changed due to <i>amendment adopted</i> after LCS Fiscal Note was prepared
	<b>Non-Concurrence:</b> JBC Staff and Legislative Council Staff disagree about the fiscal impact of the bill

The House adopted several amendments to the bill, and the Senate State, Veterans, and Military Affairs Committee report includes an amendment to the bill. However, Legislative Council Staff and JBC Staff agree that these amendments do not change the fiscal impact of the bill.

**Amendments in This Packet for Consideration by Appropriations Committee**

Amendment	Description
None.	

**Current Appropriations Clause in Bill**

The bill currently includes a provision appropriating a total of \$236,827 to the Department of Health Care Policy and Financing for FY 2018-19, including \$155,193 General Fund and \$81,634 cash funds from the Healthcare Affordability and Sustainability Fee Cash Fund. This provision also states that the appropriation is based on the assumption that the Department will require an additional 1.5 FTE and the Department will receive \$236,828 federal funds to implement the act.

**Points to Consider**

*General Fund Impact*

1. The Joint Budget Committee has proposed a budget package for FY 2018-19 based on the March 2018 Office of State Planning and Budgeting revenue forecast. The budget package

leaves approximately \$40.8 million General Fund unallocated. Thus, the General Assembly could appropriate up to \$38.3 million General Fund to fund 2018 legislation and maintain a 6.5 percent General Fund reserve. This bill requires a General Fund appropriation of \$155,193 General Fund for FY 2018-19, reducing the excess General Fund reserve by \$165,281.

2. As described on page four of the Fiscal Note, the expanded benefit (if approved by the federal government) is anticipated to increase annual expenditures by approximately \$173.9 million total funds. However, actual costs may vary depending on the exact terms of the benefit (e.g., the allowable number of days in treatment, provider rates, prior authorization process, etc.).

*Technical Issues*

3. As noted on page four of the Fiscal Note, the bill requires the Department to seek federal approval by October 1, 2018. However, this time frame is likely to be too short given the work required. The Fiscal Note assumes that the Department will apply for the federal waiver by February 1, 2019.