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Revised Fiscal Note

(replaces fiscal note dated April 8, 2022)

Drafting Number:	LLS 22-0817	Date:	April 20, 2022
Prime Sponsors:	Sen. Bridges; Simpson Rep. Cutter; Van Beber	Bill Status:	Senate Appropriations
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Bill Topic: **BEHAVIORAL HEALTH-CARE WORKFORCE**

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

The bill requires the Behavioral Health Administration to collaborate with multiple state agencies to create and implement a plan to improve the behavioral health care workforce, and appropriates funding for the Health Services Corps for student loan repayment. It will increase state expenditures through FY 2025-26.

Appropriation Summary: For FY 2022-23, the bill requires an appropriation of \$72.1 million to multiple state agencies.

Fiscal Note Status: The revised fiscal note reflects the introduced bill, as amended by the Senate Health and Human Services Committee. It has also been updated to reflect new information.

**Table 1
State Fiscal Impacts Under SB 22-181**

		Budget Year FY 2022-23	Out Year FY 2023-24	Out Year FY 2024-25	Out Year FY 2025-26
Revenue		-	-	-	-
Expenditures¹	General Fund	-	-	\$466,582	\$466,582
	Cash Funds	\$72,099,609	\$93,409	-	-
	Centrally Appropriated	\$102,312	\$101,233	\$90,886	\$90,886
	Total Expenditures	\$72,201,921	\$194,642	\$557,468	\$557,468
	Total FTE	5.0 FTE	5.0 FTE	4.6 FTE	4.6 FTE
Transfers		-	-	-	-
Other Budget		-	-	\$69,987	\$69,987

¹ It is assumed that \$72 million appropriated in the bill will be spent over two fiscal years, as detailed in Table 2 in the State Expenditures section. Money in the Behavioral and Mental Health Cash Fund comes from federal ARPA funds.

Summary of Legislation

The bill requires the Behavioral Health Administration (BHA) to create and begin implementing a Behavioral Health Care Provider Workforce Plan by September 1, 2022. The workforce plan must be made in collaboration with the Department of Higher Education (CDHE), institutions of higher education, and community colleges to provide job shadowing, internship, incentives, loan repayment, scholarships, marketing, and other programs to increase the behavioral health workforce. The plan also must include expanding the peer support professional workforce; aligning workforce standards; raising awareness among providers of opportunities to invest and strengthen their behavioral health care staff; and proposals to work with local law enforcement, the Peace Officer Standards and Training Board, and a peace officer organization to provide behavioral health-related training.

The BHA is also required to collaborate with state agencies to improve behavioral health care provider workforce numbers, opportunities, reduce administrative burdens, and develop criminal justice-related trainings. The Department of Human Services (CDHS) is required to report on their progress addressing the behavioral health care workforce shortage in its annual SMART Act hearing in 2023 and 2024, and the Colorado Community College System must submit a report to the BHA summarizing the behavioral health career pathway implementation in that timeframe.

The Division of Professions and Occupations (DPO) in the Department of Regulatory Agencies (DORA) must recommend ways to expand the portability of existing credentialing requirements and behavioral health care practice through telehealth.

Finally, the bill requires the following appropriations from the Behavioral and Mental Health Cash Fund:

- \$52.0 million to the BHA for the purposes outlined in the bill; and
- \$20.0 million to the Colorado Health Services Corps fund to provide student loan repayment for behavioral health-care providers and candidates for licensure and to award scholarships to addiction counselors.

Background

The Behavioral Health Transformational Task Force recommended that the General Assembly invest in expanding and supporting Colorado's behavioral health workforce using federal American Rescue Plan Act (ARPA) funds (Recommendation G). The task force report is available online at: https://leg.colorado.gov/sites/default/files/images/committees/2017/bhttf_final_report.pdf.

The Colorado Health Services Corps was created in 2009 to provide education loan reimbursement for eligible health care providers who agree to serve in a federally-designated health professional shortage area for either two or three years, depending on the type of provider. More information is available at: <https://cdphe.colorado.gov/colorado-health-service-corps>.

State Expenditures

The bill increases state expenditures in the CDHS, the CDPHE, and the CDHE by \$72.1 million in FY 2022-23 and FY 2023-24 from the Behavioral and Mental Health Cash Fund and the General Fund.

In FY 2024-25 and FY 2025-26, personal services costs will continue to wrap-up the programs, paid from the General Fund. Expenditures are shown in Table 2 and detailed below.

Table 2
Expenditures Under SB 22-181

Cost Components	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26
Department of Human Services				
Personal Services	\$273,303	\$273,303	\$273,303	\$273,303
Operating Expenses	\$4,050	\$4,050	\$4,050	\$4,050
Capital Outlay Costs	\$18,600	-	-	-
Workforce Plan	\$4,950,675	\$4,953,775	-	-
Strategy Development	\$2,950,674	\$2,953,774	-	-
College Advancement	\$9,950,674	\$9,953,774	-	-
Peer Support Professionals	\$2,950,674	\$2,953,774	-	-
Licensing	\$2,450,675	\$2,453,775	-	-
Online Training	\$2,450,675	\$2,453,775	-	-
Centrally Appropriated Costs ¹	\$54,584	\$54,584	\$54,584	\$54,584
FTE – Personal Services	3.0 FTE	3.0 FTE	3.0 FTE	3.0 FTE
CDHS Subtotal	\$26,054,584	\$26,054,584	\$331,937	\$331,937
Department of Public Health and Environment				
Personal Services	\$68,702	\$68,702	\$45,010	\$45,010
Operating Expenses	\$1,350	\$1,350	\$810	\$810
Capital Outlay Costs	\$6,200	-	-	-
Provider Database	\$50,000	\$50,000	\$50,000	\$50,000
Loan Reimbursements	\$9,833,748	\$9,839,948	-	-
Scholarship Program	\$40,000	\$40,000	-	-
Centrally Appropriated Costs ¹	\$29,448	\$28,369	\$18,022	\$18,022
FTE – Personal Services	1.0 FTE	1.0 FTE	0.6 FTE	0.6 FTE
CDPHE Subtotal	\$10,029,448	\$10,028,369	\$113,842	\$113,842
Department of Higher Education				
Personal Services	\$92,059	\$92,059	\$92,059	\$92,059
Operating Expenses	\$1,350	\$1,350	\$1,350	\$1,350
Capital Outlay Costs	\$6,200	-	-	-
Centrally Appropriated Costs ¹	\$18,280	\$18,280	\$18,280	\$18,280
FTE – Personal Services	1.0 FTE	1.0 FTE	1.0 FTE	1.0 FTE
DHE Subtotal	\$117,889	\$111,689	\$111,689	\$111,689
Total	\$36,201,921	\$36,194,642	\$557,468	\$557,468
Total FTE	5.0 FTE	5.0 FTE	4.6 FTE	4.6 FTE

¹ Centrally appropriated costs are not included in the bill's appropriation.²

Department of Human Services. CDHE will implement the workforce development plan and other requirements of the bill with additional staff and resources, as discussed below.

- **Staff.** The CDHS requires 2.0 FTE for a program manager to research, identify, connect with partners, and work with new organizations to recruit candidates, as well as managing the recruitment campaign, collaborating with partner agencies, leading and executing programs, and ensuring programs support and align with BHA and partner agencies missions. In addition, the CDHS requires 1.0 FTE Data Analyst to track and store training and continuing education requirements and report. Standard operating and capital outlays costs are included.
- **Programs.** The bill specifies each program's funding levels. The fiscal note assumes that funding for each program will be spent over two fiscal years with staffing costs (including for DHE staff) divided equally and subtracted from each program, as shown in Table 2. The funding amounts specified in the bill are as follows:
 - \$10,000,000 for behavioral health care provider workforce plan;
 - \$6,000,000 for strategy development;
 - \$20,000,000 for educational program in collaboration with DHE and community colleges;
 - \$6,000,000 for peer support professionals;
 - \$5,000,000 to collaborate with DORA on licensing; and
 - \$5,000,000 for online training.

Department of Public Health and Environment. The CDPHE requires 1.0 FTE, including 0.2 FTE each program management, program assistant, community outreach support, contract administrator and statistical analyst to manage additional funding to its Colorado Health Services Corps program. The additional funding will be used for loan reimbursements, scholarships, and updates to the provider database.

Department of Higher Education. The DHE requires 1.0 FTE program manager to coordinate outreach between the BHA and CDHS to create a new behavioral health care education program and work-related behavioral health experiences; market behavioral health programs with institutions of higher education to recruit students and complete degrees; direct employers with work-based learning opportunities to institutions, and track and maintain employer information.

Department of Regulatory Agencies. The Department of Regulatory Agencies will incur a workload increase to collaborate with the BHA.

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 shown in Table 2.

Other Budget Impacts

General Fund reserve. Under current law, an amount equal to 15 percent of General Fund appropriations must be set aside in the General Fund statutory reserve. Based on this fiscal note, the bill is expected to increase the amount of General Fund held in reserve by the amounts shown in Table 1 starting in FY 2024-25.

Effective Date

The bill takes effect July 1, 2022.

State Appropriations

For FY 2022-23, the bill includes the following appropriations from the Behavioral and Mental Health Cash Fund, which are assumed to require roll forward spending authority through FY 2023-24:

- \$52,000,000 to the Department of Human Services.
- \$20,000,000 to the Department of Public Health and Environment for use by the Primary Care Office.

In addition, the bill requires an appropriation of \$99,609 from the Behavioral and Mental Health Cash Fund to the Department of Higher Education with 1.0 FTE.

Finally, the bill requires 3.0 FTE to the CDHS and 1.0 FTE to the CDPHE in FY 2022-23.

State and Local Government Contacts

Health Care Policy and Financing
Information Technology
Public Health and Environment

Human Services
Law
Regulatory Agencies