



# JOINT BUDGET COMMITTEE STAFF FY 2018-19 BUDGET BRIEFING SUMMARY

Colorado General Assembly  
Joint Budget Committee

*Department of Human Services*  
*Office of Behavioral Health*

The Department of Human Services is responsible for the administration and supervision of all non-medical public assistance and welfare programs in the state. The Department's FY 2017-18 appropriation represents approximately 7.1 percent of statewide operating appropriations and 8.2 percent of statewide General Fund appropriations.

## FY 2017-18 APPROPRIATION AND FY 2018-19 REQUEST

DEPARTMENT OF HUMAN SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2017-18 APPROPRIATION:</b>						
SB 17-254 (Long Bill)	\$290,604,846	\$190,586,813	\$37,563,647	\$21,483,631	\$40,970,755	1,315.8
Other legislation	7,130,280	26,000	7,104,280	0	0	0.9
<b>TOTAL</b>	<b>\$297,735,126</b>	<b>\$190,612,813</b>	<b>\$44,667,927</b>	<b>\$21,483,631</b>	<b>\$40,970,755</b>	<b>1,316.7</b>
<b>FY 2018-19 REQUESTED APPROPRIATION:</b>						
FY 2017-18 Appropriation	\$297,735,126	\$190,612,813	\$44,667,927	\$21,483,631	\$40,970,755	1,316.7
R1a Compensation adjustments for direct care positions	3,959,392	3,959,392	0	0	0	0.0
R1b Compensation adjustments for nurses at CMHIP	7,613,386	7,613,386	0	0	0	0.0
R5a Jail-based bed space	7,354,127	7,354,127	0	0	0	3.3
R5b Community-based intensive residential treatment program	0	0	0	0	0	0.0
R5c Court-ordered reports FTE caseload	915,855	915,855	0	0	0	11.0
R5d Purchased bed capacity	3,373,740	3,373,740	0	0	0	3.0
R5e Outpatient competency restoration (SB17-012)	1,135,942	1,135,942	0	0	0	3.0
R10 Child Mental Health Treatment Act	650,651	650,651	0	0	0	0.0
R13 Medication consistency and health information exchange (SB 17-019)	575,835	0	575,835	0	0	0.9
R23 HIPAA security remediation	(5,917)	0	(2,945)	(2,370)	(602)	0.0
R24 Provider rate increase	1,538,337	1,133,764	251,801	152,772	0	0.0
Annualize prior year budget actions	1,794,672	1,725,694	(9,043)	17,214	60,807	6.0
Annualize prior year legislation	279,592	0	279,592	0	0	0.1
Non-prioritized request items	218,670	0	22,973	190,999	4,698	0.0
<b>TOTAL</b>	<b>\$327,139,408</b>	<b>\$218,475,364</b>	<b>\$45,786,140</b>	<b>\$21,842,246</b>	<b>\$41,035,658</b>	<b>1,344.0</b>
<b>INCREASE/(DECREASE)</b>	<b>\$29,404,282</b>	<b>\$27,862,551</b>	<b>\$1,118,213</b>	<b>\$358,615</b>	<b>\$64,903</b>	<b>27.3</b>
Percentage Change	9.9%	14.6%	2.5%	1.7%	0.2%	2.1%

**R1a COMPENSATION ADJUSTMENTS FOR DIRECT CARE POSITIONS:** The Department's request includes a total of \$13.1 million total funds to increase salaries for direct care staff at the Department's 24-hour care facilities. With respect to the Office of Behavioral Health, this request includes \$3,959,392 General Fund to increase nursing staff salaries at the Colorado Mental Health Institute at Fort Logan (CMHIFL) and to increase salaries at both mental

health institutes for health care technicians, client care aides, mental health clinicians, mid-level providers, social workers, and therapy assistants.

**R1b COMPENSATION ADJUSTMENTS FOR NURSES AT CMHIP:** The Department's FY 2018-19 request includes a total of \$8,901,740 General Fund, including \$7,613,386 General Fund for the Office of Behavioral Health, to increase the starting salaries for newly hired nurses at the Colorado Mental Health Institute at Pueblo (CMHIP) and the salaries of existing CMHIP nursing staff to ensure staffing levels are sufficient to provide safe and appropriate patient care. In September 2017 the Joint Budget Committee approved an increase of \$2,978,791 General Fund for FY 2017-18 to begin implementing these pay increases in the current fiscal year.

**R5a JAIL-BASED BED SPACE:** The Department's request includes a total of \$7,398,658 General Fund, including \$7,354,127 General Fund and 3.3 FTE for the Office of Behavioral Health, to address continued increases in the number of court orders for competency evaluations and for treatment to restore competency. The requested funding would expand the capacity of the existing jail-based competency restoration program by 62 beds (from 52 beds to 114 beds). In September 2017 the Joint Budget Committee approved an increase of \$1,944,324 General Fund and 2.0 FTE for FY 2017-18 to begin expansion of this program by 28 beds in the current fiscal year. *See the first issue brief for more information about this, and other, requests related to court orders concerning competency.*

**R5b COMMUNITY-BASED INTENSIVE RESIDENTIAL TREATMENT PROGRAM:** The request reflects internal transfers of \$2,218,688 total funds (including \$1,993,511 cash funds from the Marijuana Tax Cash Fund, \$207,856 cash funds from patient revenues, and \$17,321 Medicaid funds transferred from the Department of Health Care Policy and Financing). For FY 2017-18, these amounts are appropriated for the Circle Program, a state-operated program at CMHIP that provides a structured, intensive 90-day treatment program in an unlocked setting for adults with co-occurring mental health and substance use disorders. Due to staffing shortages at CMHIP, the Department took action in June 2017 to temporarily close the Circle Program in order to reassign direct care staff to other CMHIP units. The Department worked with managed service organizations to find other treatment options for existing patients and for those on the waiting list. The Department proposes restructuring this appropriation so that it can continue to provide this level of treatment by contracting with community-based service providers. *See the third issue brief for more information about this request.*

**R5c COURT-ORDERED REPORTS FTE CASELOAD:** The Department's request includes a total of \$1,085,726 General Fund, including \$915,855 General Fund and 11.0 FTE for the Office of Behavioral Health, to address continued increases in the number of court orders for competency evaluations and for treatment to restore competency. The requested funding would support additional psychologists and administrative support staff at CMHIP's court services unit.

**R5d PURCHASED BED CAPACITY:** The Department's request includes a total of \$3,412,101 General Fund, including \$3,373,740 General Fund and 3.0 FTE for the Office of Behavioral Health, to address continued increases in the number of court orders for competency evaluations and for treatment to restore competency. The requested funding would allow the Department to expand inpatient bed capacity for individuals who are ordered by the court to receive competency evaluations or competency restoration treatment by contracting with private for profit or not for profit hospitals in the Denver metropolitan area.

**R5e OUTPATIENT COMPETENCY RESTORATION (SB17-012):** The Department's request includes a total of \$1,177,618 General Fund, including \$1,135,942 General Fund and 3.0 FTE for the Office of Behavioral Health, to provide community-based competency restoration education services pursuant to S.B. 17-012. In September 2017 the Joint Budget Committee approved an increase of \$461,702 General Fund and 1.8 FTE for FY 2017-18 to begin providing these community-based services in the current fiscal year.

**R10 CHILD MENTAL HEALTH TREATMENT ACT:** The request includes \$650,651 General Fund to address increases in the number of children who are eligible for behavioral health care under the Child Mental Health Treatment Act. This existing program provides funding for mental health treatment services for children for whom a dependency and neglect action is neither appropriate nor warranted, but who are at risk of out-of-home placement due to behavioral health needs.

**R13 MEDICATION CONSISTENCY AND HEALTH INFORMATION EXCHANGE (SB 17-019):** The Department’s request includes a total of \$590,936 cash funds from the Marijuana Tax Cash Fund, including \$575,835 and 0.9 FTE for the Office of Behavioral Health, to promote continuity of care between jails, state agencies, and community treatment providers as required by S.B. 17-019, including:

- Developing and maintaining a standard medication formulary that is shared across criminal justice service agencies;
- Developing purchasing and pricing options that jails and other service providers may utilize; and
- Overseeing pilot projects to develop a plan for electronic healthcare information exchange.

The Department anticipates the need for ongoing funding of \$483,113 and 1.0 FTE in FY 2019-20.

**R23 HIPAA SECURITY REMEDIATION:** The Department’s request includes a total reduction of \$153,300 total funds, including a reduction of \$5,917 total funds for the Office of Behavioral Health, for activities related to the protection of health-related information as required by federal law.

**R24 PROVIDER RATE INCREASE:** The Department’s request includes a total of \$8.2 million total funds, for an across-the-board increase of 1.0 percent for community providers. The request for the Office of Behavioral Health includes \$1,538,337 total funds (\$1,133,764 General Fund) for this purpose.

**ANNUALIZE PRIOR YEAR BUDGET ACTIONS:** The request for the Office of Behavioral Health includes \$1,794,672 total funds, including \$1,725,694 General Fund, to reflect the second-year impact of several FY 2017-18 budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Annualize prior year salary survey	\$1,363,253	\$1,273,912	\$32,476	\$15,592	\$41,273	0.0
Annualize prior year merit pay	610,674	564,601	16,929	7,991	21,153	0.0
FY 17-18 Mental health institute program relocation	432,013	432,013	0	0	0	5.9
FY 17-18 BA7 Diversion from criminal justice system	43,886	0	43,886	0	0	0.0
FY 17-18 Legal services allocation adjustment	3,373	0	1,679	1,351	343	0.0
FY 17-18 HCPF R7 Oversight of state resources	887	887	0	0	0	0.1
FY 17-18 R10 Mental health institutes security enhancements	(545,719)	(545,719)	0	0	0	0.0
FY 17-18 R14 Substance use disorder treatment at the mental health institutes	(94,419)	0	(94,419)	0	0	0.0
FY 17-18 Statewide common policy adjustment	(19,276)	0	(9,594)	(7,720)	(1,962)	0.0
<b>TOTAL</b>	<b>\$1,794,672</b>	<b>1,725,694</b>	<b>(\$9,043)</b>	<b>\$17,214</b>	<b>\$60,807</b>	<b>6.0</b>

**ANNUALIZE PRIOR YEAR LEGISLATION:** The request for the Office of Behavioral Health includes \$279,592 cash funds from the Marijuana Tax Cash Fund to reflect the second-year impact of S.B. 17-207 (Strengthen behavioral health crisis response system).

**NON-PRIORITIZED REQUEST ITEMS:** The request for the Office of Behavioral Health includes \$218,670 total funds for budget requests that are initiated by the Governor’s Office of Information Technology (OIT), the Department of Corrections (DOC), and the Department of Personnel (PER).

NON-PRIORITIZED REQUEST ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
NP2 OIT - Operating system suite	\$34,047	\$0	\$16,946	\$13,635	\$3,466	0.0
NP3 DOC - Food service for La Vista Correctional Facility population	172,514	0	0	172,514	0	0.0
NP4 PER - Cybersecurity liability insurance policy	2,097	0	1,044	840	213	0.0
NP6 PER - Annual fleet vehicle request	10,012	0	4,983	4,010	1,019	0.0
<b>TOTAL</b>	<b>\$218,670</b>	<b>0</b>	<b>\$22,973</b>	<b>\$190,999</b>	<b>\$4,698</b>	<b>0.0</b>

## SUMMARY OF ISSUES PRESENTED TO THE JOINT BUDGET COMMITTEE

**COURT ORDERS CONCERNING COMPETENCY:** The Department has submitted multiple budget requests totaling \$13.7 million for FY 2018-19 that relate to the increasing number of court orders for competency services. The majority of the requests would continue to expand the State’s inpatient psychiatric bed capacity.

**IMPLEMENTATION OF S.B. 16-202:** Senate Bill 16-202 provided \$5.8 million for FY 2016-17 for managed service organizations to increase access to effective substance use disorder services. Initial expenditures have expanded access to residential treatment, withdrawal management program, and medication assisted treatment.

**CHANGES TO THE CIRCLE PROGRAM:** The Department proposes changes to the appropriation for the Circle Program, an intensive treatment program, to allow services to be provided through community providers rather than through the Colorado Mental Health Institute at Pueblo.

## FOR MORE INFORMATION

**JBC STAFF ANALYST:** Carolyn Kampman  
 (303) 866-4959  
 Carolyn.Kampman@state.co.us

**TO READ THE ENTIRE BRIEFING:** [http://leg.colorado.gov/sites/default/files/fy2018-19\\_humbrf4.pdf](http://leg.colorado.gov/sites/default/files/fy2018-19_humbrf4.pdf)