



Colorado General Assembly
Joint Budget Committee

JOINT BUDGET COMMITTEE STAFF FY 2019-20 BUDGET BRIEFING SUMMARY

*Department of Health Care Policy and Financing
Medicaid Behavioral Health Community Programs*

The Department of Health Care Policy and Financing helps pay health and long-term care expenses for low-income and vulnerable populations. To assist with these costs the Department receives significant federal matching funds, but must adhere to federal rules regarding program eligibility, benefits, and other features, as a condition of accepting the federal money. This briefing document concerns behavioral health services (services for people with mental health and substance use disorders), and most appropriations for Medicaid clients' behavioral health services are included in the "Behavioral Health Community Programs" section of the Department's budget. This section of the budget comprises 6.3 percent of total Department appropriations, and funding consists of 67.3 percent federal Medicaid funds, 28.1 percent General Fund, and 4.6 percent cash funds.

FY 2018-19 APPROPRIATION AND FY 2019-20 REQUEST

DEPARTMENT OF HEALTH CARE POLICY AND FINANCING						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 APPROPRIATION:						
HB 18-1322 (Long Bill)	\$656,838,829	\$184,413,282	\$30,054,951	\$0	\$442,370,596	0.0
Other legislation	48,601	24,301	0	0	24,300	0.0
TOTAL	\$656,887,430	\$184,437,583	\$30,054,951	\$0	\$442,394,896	0.0
FY 2019-20 REQUESTED APPROPRIATION:						
FY 2018-19 Appropriation	\$656,887,430	\$184,437,583	\$30,054,951	\$0	\$442,394,896	0.0
R2 Behavioral health forecast	26,909,077	12,743,445	6,764,296	0	7,401,336	0.0
R13 Provider rates	66,946	14,006	3,817	0	49,123	0.0
Annualize prior year budget actions	1,074,897	212,440	(47,475)	0	909,932	0.0
TOTAL	\$684,938,350	\$197,407,474	\$36,775,589	\$0	\$450,755,287	0.0
INCREASE/(DECREASE)	\$28,050,920	\$12,969,891	\$6,720,638	\$0	\$8,360,391	0.0
Percentage Change	4.3%	7.0%	22.4%	0.0%	1.9%	0.0%

R2 BEHAVIORAL HEALTH FORECAST: The request includes an increase of \$26.9 million total funds, including \$12.7 million General Fund, for projected caseload and expenditure changes in both the capitation and fee-for-service Medicaid behavioral health programs. *[For more information, see the first issue brief.]*

R13 PROVIDER RATES: The request includes an increase of \$66,946 total funds for an across-the-board increase of 0.75 percent for most community providers. This proposed rate increase applies to fee-for-service payments made for behavioral health services, but it does not apply to payments made through the statewide capitation program.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The request includes an increase of \$1.0 million total funds, including \$212,440 General Fund, to reflect the second-year impact of 2018 legislation and two FY 2018-19 budget actions.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Annualize HB 17-1353 Medicaid delivery and payment initiatives	\$1,414,051	\$287,685	\$215,351	\$0	\$911,015	0.0
Annualize HB 18-1407 Access to disability services	58,383	29,191	0	0	29,192	0.0
Annualize FY 18-19 R9 Provider rate adjustments	7,806	1,885	331	0	5,590	0.0
Annualize FY 17-18 R6 Delivery system and payment reform	(405,343)	(106,321)	(263,157)	0	(35,865)	0.0
TOTAL	\$1,074,897	212,440	(\$47,475)	\$0	\$909,932	0.0

SUMMARY OF ISSUES PRESENTED TO THE JOINT BUDGET COMMITTEE

OVERVIEW OF DEPARTMENT’S FY 2019-20 REQUEST FOR BEHAVIORAL HEALTH COMMUNITY PROGRAMS (R2): The Department's most recent caseload and expenditure projections for Medicaid behavioral health community programs indicate that the General Assembly will need to increase General Fund appropriations by \$13.0 million for FY 2019-20.

LEVERAGING MEDICAID FUNDING TO IMPROVE BEHAVIORAL HEALTHCARE: This issue brief explores how the State may better leverage Medicaid funds to provide cost-effective, clinically appropriate behavioral health services for vulnerable populations, including individuals involved in the criminal and juvenile justice systems.

FOR MORE INFORMATION

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TO READ THE ENTIRE BRIEFING: http://leg.colorado.gov/sites/default/files/fy2019-20_hcpbrf2.pdf