

# JOINT BUDGET COMMITTEE



## STAFF BUDGET BRIEFING FY 2021-22

### DEPARTMENT OF HUMAN SERVICES

(Office of Behavioral Health and Office of Operations)

JBC WORKING DOCUMENT - SUBJECT TO CHANGE  
STAFF RECOMMENDATION DOES NOT REPRESENT COMMITTEE DECISION

PREPARED BY:  
CHRISTINA BEISEL, JBC STAFF  
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JOINT BUDGET COMMITTEE STAFF  
200 E. 14TH AVENUE, 3RD FLOOR • DENVER • COLORADO • 80203  
TELEPHONE: (303) 866-2061 • TDD: (303) 866-3472  
<https://leg.colorado.gov/agencies/joint-budget-committee>

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## ADDITIONAL RESOURCES

Brief summaries of all bills that passed during the 2019 and 2020 legislative sessions that had a fiscal impact on this department are available in Appendix A of the annual Appropriations Report:

<https://leg.colorado.gov/publications/appropriations-report-fiscal-year-2020-21>

The online version of the briefing document, which includes the Numbers Pages, may be found by searching the budget documents on the General Assembly's website by visiting [leg.colorado.gov/content/budget/budget-documents](https://leg.colorado.gov/content/budget/budget-documents). Once on the budget documents page, select the name of this department's *Department/Topic*, "Briefing" under *Type*, and ensure that *Start date* and *End date* encompass the date a document was presented to the JBC.

# DEPARTMENT OF HUMAN SERVICES

## DEPARTMENT OVERVIEW

The Department of Human Services is responsible for the administration and supervision of most non-medical public assistance and welfare activities of the State, including financial and nutritional assistance programs, child protection services, behavioral health services, and programs for older Coloradans. The Department is also responsible for inspecting and licensing childcare facilities, and for the care and treatment of individuals with mental health disorders, individuals with intellectual or developmental disabilities, and youth and young adults who are involved in the juvenile justice system. These services are provided in collaboration with county governments, not-for-profit community-based providers, and other agencies. The Department provides direct services through the operation of mental health institutes, regional centers for persons with intellectual and developmental disabilities, and institutions for juvenile and young adult offenders. This staff budget briefing document concerns the Department's Office of Behavioral Health, as well as the Office of Operations.

### OFFICE OF OPERATIONS

The Office of Operations provides Department-wide facility maintenance and management, accounting, payroll, contracting, purchasing, and field audits. The office is organized into the following units:

- The *Division of Accounting* includes approximately 25 percent of the staff in the Office of Operations. The Division manages all departmental financial operations and resources, including payments to counties and service providers throughout the state for human services programs, Medicaid, Medicare and private party billing for the Department's various community and institutional programs, and overall accounts and controls over expenditures and revenues from multiple state and federal sources.
- The *Division of Facilities Management* accounts for nearly 70 percent of the staff in the Office of Operations. The Division is responsible for operating, cleaning, and maintaining all Department office buildings and facilities, including youth correctional facilities, the campuses of the two state mental health institutes, and three regional centers for the developmentally disabled. It is also responsible for acquisition, operation and management of utility services, planning, design and construction of capital construction and controlled maintenance projects, and the Department's commercial and vehicle leases.
- The *Procurement Division* includes approximately five percent of the Office of Operations appropriated staff. The Purchasing Unit is responsible for purchasing goods and services for departmental programs in excess of \$35.0 million per year. The Materials Management Unit is responsible for warehousing and distribution of all goods associated with Department programs delivered to direct care clients. This includes ordering and inventory control of food and non-food items through three primary warehouse and office facilities throughout the state.
- The *Contract Management Unit* consists of less than one percent of Office of Operations staff. It is responsible for managing the contracting process in the Department including development, approval, and oversight of performance of all Department contracts.

## OFFICE OF BEHAVIORAL HEALTH

The Office of Behavioral Health is responsible for policy development, service provision and coordination, program monitoring and evaluation, and administrative oversight of the state's public behavioral health system. Funding in this section supports community-based prevention, treatment, and recovery support services for people with mental health and substance use disorders. This includes services for people with low incomes who are not eligible for Medicaid, as well as services for Medicaid-eligible clients that are not covered by the Medicaid program<sup>1</sup>.

The Office contracts with 17 community mental health centers (Centers) across the state to provide mental health services that are not otherwise available. Each Center is responsible for providing a set of core services, ranging from public education to inpatient services. The Office also contracts with four managed service organizations (MSOs) for the provision of substance use disorder treatment services that are not otherwise available. MSOs subcontract with local treatment providers across the state to deliver these services. In addition, the Department administers funding for programs that integrate mental health and substance use-related services. While the majority of community-based behavioral health funding is allocated to Centers and MSOs, the Department also contracts with other organizations to provide specific types of services or services targeting specific populations.

The Office also administers and operates two Mental Health Institutes that provide inpatient hospitalization for individuals with serious mental health disorders. One Institute is located in Pueblo and the other is located on the Fort Logan campus in southwest Denver. The Institutes serve three populations:

- individuals with pending criminal charges who require evaluations of competency to stand trial and services to restore competency;
- individuals who have been found not guilty by reason of insanity; and
- adults and adolescents who are referred for admission by Centers, the Department's Division of Youth Services, and other health providers.

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<sup>1</sup> Most mental health disorder and substance use disorder services for Medicaid-eligible clients are funded through the Department of Health Care Policy and Financing.

## DEPARTMENT BUDGET: RECENT APPROPRIATIONS

FUNDING SOURCE	FY 2018-19	FY 2019-20 <sup>2</sup>	FY 2020-21	FY 2021-22 <sup>1</sup>
General Fund	\$267,863,672	\$285,064,871	\$270,893,389	\$286,100,350
Cash Funds	49,208,191	56,821,436	49,769,921	60,785,321
Reappropriated Funds	43,118,289	45,477,232	45,892,934	45,262,421
Federal Funds	41,711,451	42,169,969	42,361,118	42,440,087
<b>TOTAL FUNDS</b>	<b>\$401,901,603</b>	<b>\$429,533,508</b>	<b>\$408,917,362</b>	<b>\$434,588,179</b>
Full Time Equiv. Staff	1,774.0	1,850.2	1,895.7	1,913.6

<sup>1</sup> Requested appropriation.

<sup>2</sup> Includes appropriations from the CARE subfund in the General Fund for FY 2019-20.

### RECENT APPROPRIATIONS BY DIVISION

OFFICE OF OPERATIONS				
FUNDING SOURCE	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22 <sup>1</sup>
General Fund	\$29,904,596	\$28,443,435	\$26,389,907	\$26,201,527
Cash Funds	1,251,442	1,402,202	1,428,371	1,440,484
Reappropriated Funds	18,970,942	19,134,436	20,170,832	19,193,541
Federal Funds	0	0	0	0
<b>TOTAL FUNDS</b>	<b>\$50,126,980</b>	<b>\$48,980,073</b>	<b>\$47,989,110</b>	<b>\$46,835,552</b>
Full Time Equiv. Staff	421.0	423.8	424.9	418.4

<sup>1</sup> Requested appropriation.

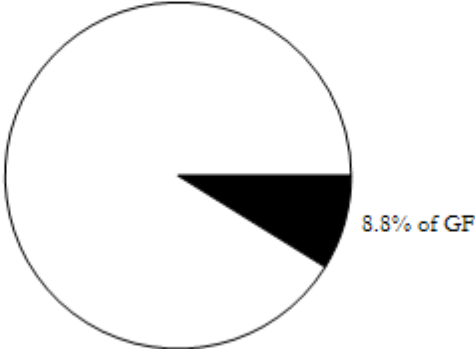
OFFICE OF BEHAVIORAL HEALTH				
FUNDING SOURCE	FY 2018-19	FY 2019-20 <sup>2</sup>	FY 2020-21	FY 2021-22 <sup>1</sup>
General Fund	\$237,959,076	\$256,621,436	\$244,503,482	\$259,898,823
Cash Funds	47,956,749	55,419,234	48,341,550	59,344,837
Reappropriated Funds	24,147,347	26,342,796	25,722,102	26,068,880
Federal Funds	41,711,451	42,169,969	42,361,118	42,440,087
<b>TOTAL FUNDS</b>	<b>\$351,774,623</b>	<b>\$380,553,435</b>	<b>\$360,928,252</b>	<b>\$387,752,627</b>
Full Time Equiv. Staff	1,353.0	1,426.4	1,470.8	1,495.2

<sup>1</sup> Requested appropriation.

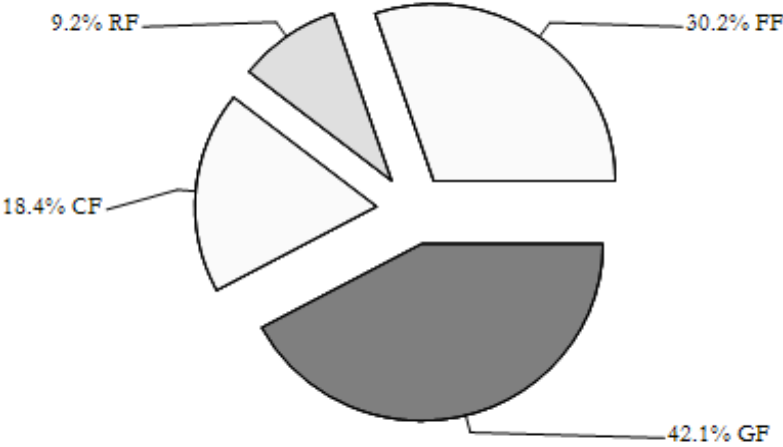
<sup>2</sup> Includes appropriations from the CARE subfund in the General Fund for FY 2019-20.

# DEPARTMENT BUDGET: GRAPHIC OVERVIEW

**Department's Share of Statewide General Fund**

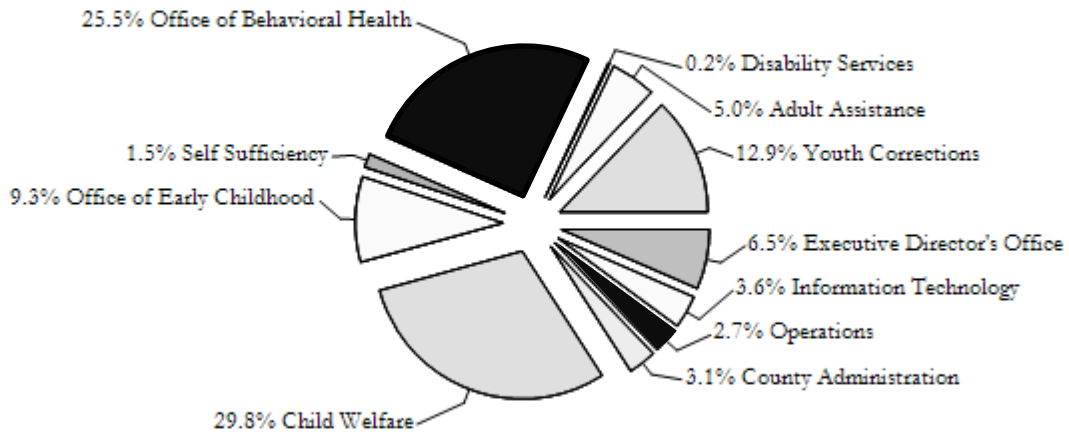


**Department Funding Sources**

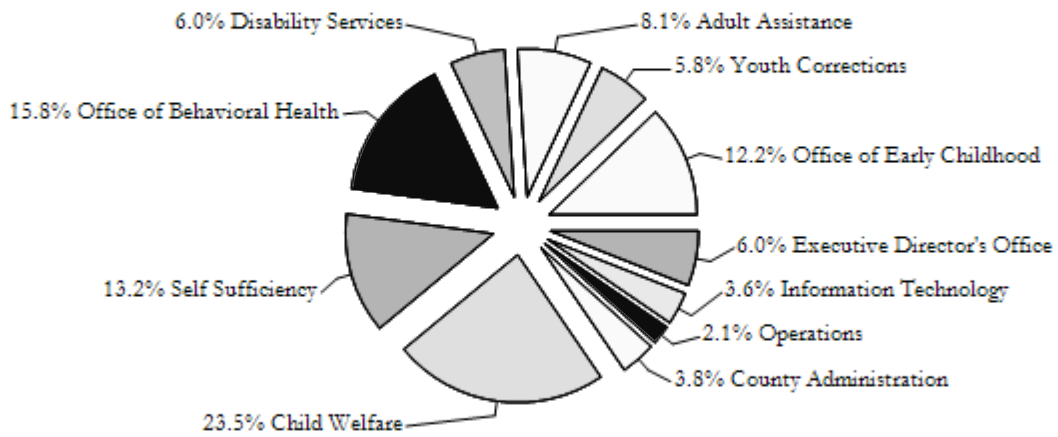


All charts are based on the FY 2020-21 appropriation.

### Distribution of General Fund by Division



### Distribution of Total Funds by Division



All charts are based on the FY 2020-21 appropriation.

## GENERAL FACTORS DRIVING THE BUDGET

### OFFICE OF OPERATIONS

The Office of Operations provides department-wide facility maintenance and management, accounting, payroll, contracting, purchasing and field audits. Its budget is primarily driven by legislative decisions impacting the Personal Services line item, the majority of which funds the Division of Facilities Management. The division is responsible for operating, cleaning, and maintaining all department buildings and facilities, including youth correctional facilities, the two state mental health institute campuses, three regional centers for the developmentally disabled, and department office buildings. Overall, the division operates 330 buildings and over 3.7 million gross square feet of space. It is also responsible for acquisition, operation and management of utility services, planning, design and construction of capital construction and controlled maintenance projects, and the department's commercial and vehicle leases. The office is affected by trends in utilities costs, department efficiency initiatives, and by statewide common policy decisions related to vehicle lease payments and leased space costs for buildings in the Capitol Complex.

### OFFICE OF BEHAVIORAL HEALTH

The Office of Behavioral Health administers funding for community-based prevention, crisis response, treatment, and recovery support services for people with mental health and substance use disorders (referred to as “behavioral health” services). The Department also operates the state's Mental Health Institutes, which provide inpatient psychiatric hospitalization for individuals with mental health disorders.

### MENTAL HEALTH INSTITUTES

The Department administers and operates two mental health institutes that provide inpatient hospitalization for individuals with serious mental health disorders. The institutes are located in Pueblo and on the Fort Logan campus in southwest Denver and serve three populations within two categories of resources:

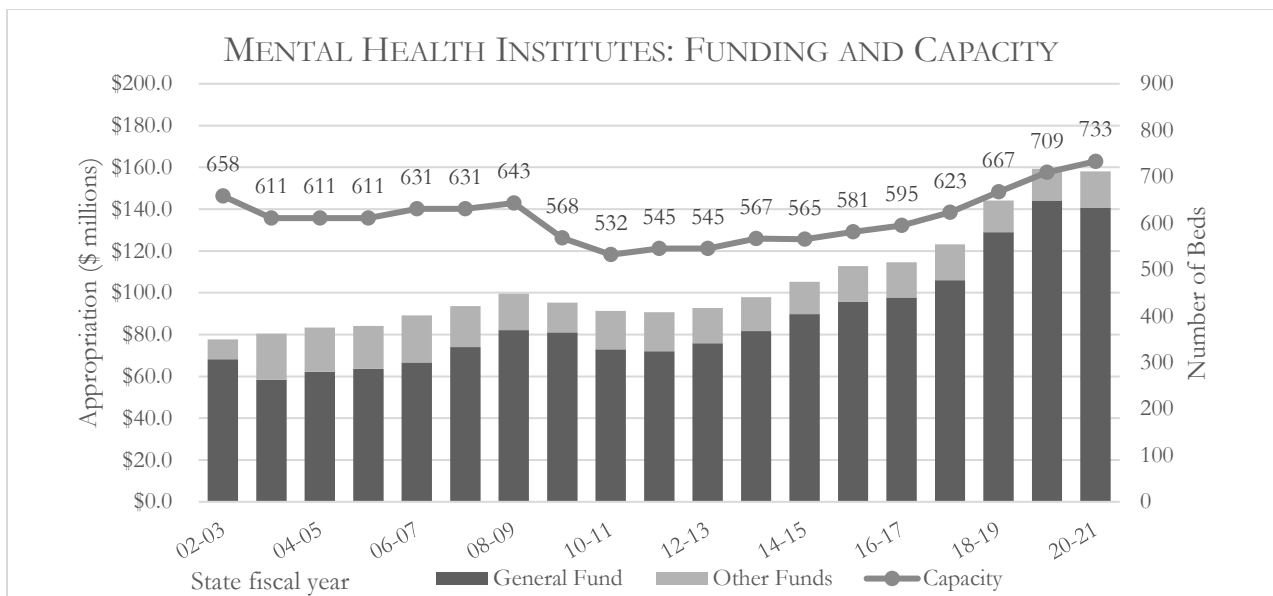
- “Forensic” beds include services for
  - Individuals with pending criminal charges who require evaluations of competency to stand trial and services to restore competency; and
  - Individuals who have been found not guilty by reason of insanity;
- “Civil” beds include services for
  - Adults and adolescents who are referred for admission by community mental health centers, local hospitals, or the Department's Division of Youth Services.

The Department also contracts with a vendor to operate a *jail-based* program for individuals requiring competency evaluations or restoration services. This program, called the Restoring Individuals Safely and Effectively (RISE) Program, is currently operated by Correct Care, LLC, within the Arapahoe County Detention Facility in Centennial. The RISE Program was originally funded in FY 2013-14 for 22 beds and has been regularly expanded; the FY 2020-21 appropriation supports 114 beds. In addition, the General Assembly approved a request in March 2018 to allow the Office to expand inpatient psychiatric bed capacity by contracting with one or more private hospitals. The FY 2020-21 appropriation supports 10 contracted beds.



The Institutes are primarily supported by General Fund appropriations. Other sources of revenue include: patient revenues (including federal Medicaid funds transferred from the Department of Health Care Policy and Financing and federal Medicare funds), funds transferred from the Department of Corrections (DOC) for food services provided to DOC facilities on the Pueblo campus, and marijuana tax revenues that support certified addiction counselors at both Institutes. Funding for the institutes is affected by capacity, personnel costs, and operational costs (including medication expenses and the cost of purchasing medical services from local hospitals and medical providers). In FY 2018-19, the General Assembly provided \$13.0 million to increase salaries for all direct care job classifications at both institutes as part of an effort to improve employee recruitment and retention.

Total capacity of the institutes declined during each of the last two economic downturns as a result of the closure of certain units. However the General Assembly subsequently reversed this decline in capacity by providing funding for the Department to: 1) add contract bed capacity through the RISE Program and private hospitals; 2) expand by 20 the number of beds at the Pueblo Institute designed to serve long-term patients who are preparing to re-enter the community, thereby freeing up 20 existing adult beds in various units; and 3) relocate some existing programs and utilize vacant units at the Pueblo Institute to add 42 adult civil beds. The following chart depicts recent changes in the Institutes' funding and bed capacity. Capacity figures reflect both civil and forensic beds, including the RISE Program and the recently funded private psychiatric beds.



In addition to appropriations reflected in the chart above, the General Assembly has appropriated funding for capital construction projects that will increase capacity in future years. This includes a \$5.4 million appropriation in FY 2017-18 for the construction of a new 24-bed high security forensic unit that is anticipated to be operational in February 2021 (this is a delay from the prior expected date of December 2020), and a \$17.8 million appropriation in FY 2019-20 to renovate two buildings at Fort Logan and add 44 beds that are anticipated to be operational in FY 2022-23.

## COMMUNITY-BASED PROGRAMS AND SERVICES

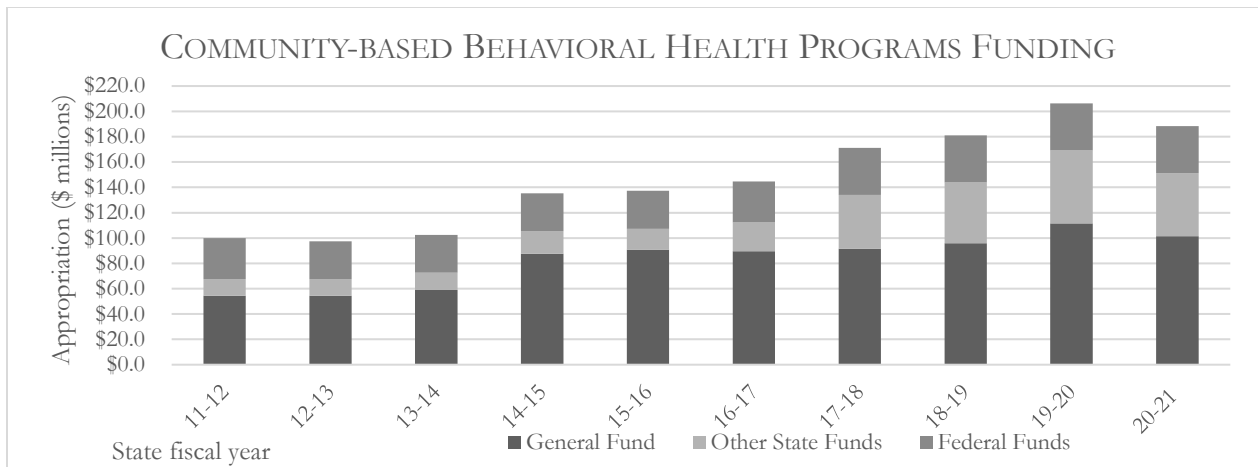
The Office of Behavioral Health contracts with 17 community mental health centers (centers) across the state to provide mental health services that are not otherwise available. Each center is responsible for providing a set of core services, ranging from public education to inpatient services. The Office also contracts with four managed service organizations (MSOs) for the provision of substance use disorder treatment and detoxification services that are not otherwise available. MSOs subcontract with local treatment providers across the state to deliver these services. Finally, the Office also contracts with other organizations to provide certain types of treatment services or services targeting specific populations.

Most mental health and substance use disorder services for Medicaid-eligible clients are funded through the Department of Health Care Policy and Financing. Unlike the Medicaid program, behavioral health services provided through this department are not an entitlement. Thus, the number of individuals receiving services and the level of service provided is largely driven by the level of state and federal funds available each year. The General Assembly periodically adjusts funding for the centers, MSOs, and other community providers to account for inflationary changes and to ensure that programs are viable over the long-term. The rate changes are generally consistent with the common policy adopted by the Joint Budget Committee for a variety of community providers.

The General Assembly also appropriates additional funds for the provision of specific services or services targeting specific populations (e.g., alternative placements for people who would otherwise require hospitalization at a mental health institute, school-based behavioral health services for children, and services for juvenile and adult offenders).

For FY 2020-21, General Fund appropriations provide more than half of available funds. Other significant sources of state funds include: the Marijuana Tax Cash Fund (MTCF), transfers from the Judicial Department from the Correctional Treatment Cash Fund, the Persistent Drunk Driver Cash Fund, and Medicaid funds transferred from the Department of Health Care Policy and Financing. Federal funds are primarily from the Mental Health Services Block Grant and the Substance Abuse Prevention and Treatment Block Grant.

The following chart depicts funding available for community-based behavioral health services since FY 2011-12.



## SUMMARY: FY 2020-21 APPROPRIATION & FY 2021-22 REQUEST

DEPARTMENT OF HUMAN SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2020-21 APPROPRIATION:</b>						
HB 20-1360 (Long Bill)	413,019,540	274,192,165	50,273,323	46,192,934	42,361,118	1,900.7
Other legislation	(4,102,178)	(3,298,776)	(503,402)	(300,000)	0	(5.0)
<b>TOTAL</b>	<b>\$408,917,362</b>	<b>\$270,893,389</b>	<b>\$49,769,921</b>	<b>\$45,892,934</b>	<b>\$42,361,118</b>	<b>1,895.7</b>
<b>FY 2021-22 REQUESTED APPROPRIATION:</b>						
FY 2020-21 Appropriation	\$408,917,362	270,893,389	\$49,769,921	\$45,892,934	\$42,361,118	1,895.7
Annualize prior year balancing actions	37,407,033	25,747,546	11,552,863	106,624	0	0.5
Annualize prior year legislation	2,065,369	1,561,967	503,402	0	0	3.0
R1 Behavioral health services for children in crisis	910,000	910,000	0	0	0	0.0
R2 Family First Prevention Services Act	735,117	735,117	0	0	0	0.9
Indirect cost assessment	411,674	0	192,469	140,236	78,969	0.0
Centrally appropriated line items	147,843	53,371	0	94,472	0	0.0
R26 Meal interagency agreement true-up	140,827	0	0	140,827	0	0.0
Annualize prior year budget actions	77,235	954,530	100,000	(977,295)	0	20.5
R7 Substance use treatment	(11,419,598)	(11,419,598)	0	0	0	0.0
R15 Community behavioral health services	(2,833,334)	(1,500,000)	(1,333,334)	0	0	0.0
Non-prioritized budget requests	(1,433,200)	(1,496,940)	0	63,740	0	0.0
R30 Reduction of central administrative staff	(538,149)	(339,032)	0	(199,117)	0	(7.0)
<b>TOTAL</b>	<b>\$434,588,179</b>	<b>\$286,100,350</b>	<b>\$60,785,321</b>	<b>\$45,262,421</b>	<b>\$42,440,087</b>	<b>1,913.6</b>
<b>INCREASE/(DECREASE)</b>	<b>\$25,670,817</b>	<b>\$15,206,961</b>	<b>\$11,015,400</b>	<b>(\$630,513)</b>	<b>\$78,969</b>	<b>17.9</b>
Percentage Change	6.3%	5.6%	22.1%	(1.4%)	0.2%	0.9%

**ANNUALIZE PRIOR YEAR BALANCING ACTIONS:** The request includes an increase of \$37.4 million total funds for prior year balancing actions, summarized in the following table.

ANNUALIZE PRIOR YEAR BALANCING ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 20-21 Ft. Logan personal services reduction	\$14,482,717	\$14,482,717	\$0	\$0	\$0	0.0
FY 20-21 Delay HB 19-1287	5,000,000	0	5,000,000	0	0	0.0
FY 20-21 Circle program treatment reduction	3,081,081	581,081	2,500,000	0	0	0.0
FY 20-21 R25 Substance use treatment	2,800,000	1,300,000	1,500,000	0	0	0.0
FY 20-21 Provider rate reduction	1,746,333	1,285,861	353,848	106,624	0	0.0
FY 20-21 Delay SB 19-008	1,146,861	1,146,861	0	0	0	0.5
Prior year R12 Contract physician salary adjustment	1,127,667	1,127,667	0	0	0	0.0
FY 20-21 Jail-based behavioral health reduction	1,100,000	1,100,000	0	0	0	0.0
FY 20-21 Services for Juvenile and Adult Offenders reduction	1,000,000	0	1,000,000	0	0	0.0
FY 20-21 Assertive Community Treatment reduction	1,000,000	1,000,000	0	0	0	0.0
FY 20-21 Forensic services reduction	807,479	807,479	0	0	0	0.0
FY 20-21 Contract Medical Services reduction	750,000	750,000	0	0	0	0.0
FY 20-21 STIRRT program reduction	750,000	750,000	0	0	0	0.0
FY 20-21 Delay SB 19-228	652,376	0	652,376	0	0	0.0
FY 20-21 Community Transition Services reduction	600,000	600,000	0	0	0	0.0
FY 20-21 Crisis system public information campaign	600,000	600,000	0	0	0	0.0

ANNUALIZE PRIOR YEAR BALANCING ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 20-21 Secure transportation pilot program	546,639	0	546,639	0	0	0.0
FY 19-20 Budget balancing adjustment	126,689	126,689	0	0	0	0.0
FY 20-21 Forensic community-based services reduction	89,191	89,191	0	0	0	0.0
<b>TOTAL</b>	<b>\$37,407,033</b>	<b>\$25,747,546</b>	<b>\$11,552,863</b>	<b>\$106,624</b>	<b>\$0</b>	<b>0.5</b>

**ANNUALIZE PRIOR YEAR LEGISLATION:** The request includes an increase of \$2.1 million total funds to reflect the FY 2021-22 impact of bills passed in previous sessions, summarized in the following table.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
HB 20-1398 Funding Capital Construction	\$1,561,967	\$1,561,967	\$0	\$0	\$0	0.0
HB 20-1391 Behavioral Health programs	503,402	0	503,402	0	0	3.0
<b>TOTAL</b>	<b>\$2,065,369</b>	<b>\$1,561,967</b>	<b>\$503,402</b>	<b>\$0</b>	<b>\$0</b>	<b>3.0</b>

**R1 BEHAVIORAL HEALTH SERVICES FOR CHILDREN IN CRISIS:** The request includes an increase of \$910,000 General Fund in FY 2021-22 for improved hotline, walk-in, and mobile crisis services for children and youth. The request includes three components.

- \$250,000 for the development and first-year implementation of child, youth, and family-specific training for crisis system staff.
- \$200,000 for the development and first-year implementation of training in specific interventions for children and youth with disabilities.
- \$160,000 for hotline staff and clinical providers to attend the trainings. This would be administered via regional payments to the seven regional Administrative Services Organizations (ASOs) and reimbursements to hotline staff.
- \$300,000 for 3.0 FTE for the hotline vendor for additional follow-up services.

The request would annualize to \$530,000 General Fund in FY 2022-23.

**R2 FAMILY FIRST PREVENTION SERVICES ACT:** The request includes an increase of \$735,117 General Fund and 0.9 FTE for the implementation of the federal Family First Prevention Services Act of 2018. This request was discussed by Ms. Robin Smart on November 18, 2020 during the briefing for the Division of Child Welfare.

**INDIRECT COST ASSESSMENT:** The request includes net adjustments to indirect costs across these Divisions.

**CENTRALLY APPROPRIATED LINE ITEMS:** The request includes an adjustment of \$147,843 total funds, including \$53,371 General Fund, for Capitol Complex Leased Space.

**R26 MEAL INTERAGENCY AGREEMENT TRUE-UP:** The request includes an increase of \$140,827 reappropriated funds to address rising costs of staffing, food, and operations related to the Departments interagency agreement with the Colorado Department of Corrections to provide meals for offenders at San Carolos Correctional Facility, La Vista Correctional Facility, and the Youth Offender System.

**ANNUALIZE PRIOR YEAR BUDGET ACTIONS:** The request includes a net increase of \$77,235 total funds for prior year budget actions, summarized in the following table.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 20-21 R4 L2 Operating and staffing	\$976,683	\$976,683	\$0	\$0	\$0	20.5
FY 20-21 R1 CMHIP reduction	113,639	113,639	0	0	0	0.0
FY 20-21 Plan Successful Gambling Addiction Program	50,000	0	50,000	0	0	0.0
FY 20-21 R30 Revert evaluation funding	50,000	0	50,000	0	0	0.0
FY 20-21 Statewide indirect cost recoveries	(977,295)	0	0	(977,295)	0	0.0
FY 20-21 R19 Replace phone systems	(105,792)	(105,792)	0	0	0	0.0
FY 20-21 R34 MH technical correction	(30,000)	(30,000)	0	0	0	0.0
<b>TOTAL</b>	<b>\$77,235</b>	<b>\$954,530</b>	<b>\$100,000</b>	<b>(\$977,295)</b>	<b>\$0</b>	<b>20.5</b>

**R7 SUBSTANCE USE TREATMENT:** The request includes a one-time decrease of \$11.4 million General Fund and a reallocation of \$5.4 million of cash funds from the Marijuana Tax Cash Fund for substance use disorder (SUD) treatment services. The request is based on expected impacts of the residential SUD benefit that will be included as a Medicaid benefit beginning in January 2021. This request is discussed in the second briefing issue.

**R15 COMMUNITY BEHAVIORAL HEALTH SERVICES:** The request includes a decrease of \$2.8 million total funds for a one-time balancing request that impacts two line items.

- Mental Health Services for Juvenile and Adult Offenders (a decrease of \$1.3 million cash funds from the Marijuana Tax Cash Fund): this line item funds community based behavioral health services for justice-involved individuals, which can sometimes overlap with services paid by parole and/or probation. Base funding for this line item is \$5.7 million cash funds.
- Jail-Based Behavioral Health (a decrease of \$1.5 million General Fund): this line item provides funding to county sheriffs for screening, assessment, and treatment for substance use disorders and co-occurring substance use and mental health disorders to people who need such services while they are in jails. This line item has experienced reversions in prior years. Base funding for this line item is \$14.5 million total funds, including \$7.3 million General Fund.

**NON-PRIORITIZED BUDGET REQUESTS:** The request includes a reduction of \$1.4 million total funds for prioritized requests in other departments.

NONPRIORITIZED BUDGET REQUESTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
NP2 Annual fleet vehicle request	\$128,767	\$65,027	\$0	\$63,740	\$0	0.0
NP3 Extend pause annual depreciation lease payment	(1,561,967)	(1,561,967)	0	0	0	0.0
<b>TOTAL</b>	<b>(\$1,433,200)</b>	<b>(\$1,496,940)</b>	<b>\$0</b>	<b>\$63,740</b>	<b>\$0</b>	<b>0.0</b>

**R30 REDUCTION OF CENTRAL ADMINISTRATIVE STAFF:** The request includes a decrease of \$538,149 total funds, including a decrease of \$339,032 General Fund and \$199,117 reappropriated funds, as the result of personal services cost savings strategies implemented in FY 2020-21. This request eliminates 7.0 vacant positions in the Financial Services and Administrative Solutions offices.

## INFORMATIONAL ISSUE: 2020 SESSION BUDGET BALANCING ACTIONS

In response to the budget challenges in the 2020 Session, the Joint Budget Committee and the General Assembly took actions that reduced the FY 2019-20 General Fund appropriations to the Department of Human Services by \$27.1 million. Fiscal year 2020-21 appropriations to the Department were further reduced by \$88.5 million. The General Assembly's actions made an additional \$17.2 million available for balancing purposes by refinancing General Fund appropriations with cash funds and federal funds. These adjustments contributed to the net decrease in the Department's General Fund and total funds budget for FY 2020-21.

### SUMMARY

#### *FY 2019-20 Budget*

- During the 2020 Session, the General Assembly reduced FY 2019-20 General Fund appropriations to the Department of Human Services by \$27.1 million through a combination of programmatic reductions and refinancing with other fund sources.
- The FY 2019-20 balancing actions also included \$9.8 million in cash fund balance transfers to the General Fund to make those revenues available for budget balancing purposes.

#### *FY 2020-21 Budget*

- For FY 2020-21, the General Assembly's actions included \$95.8 million in General Fund reductions in the Department of Human Services, through a combination of programmatic reductions and refinancing with other fund sources. In total, \$18.2 million of the General Fund reduction was a result of cash fund and federal fund refinancing.
- The FY 2020-21 balancing actions also included \$19.2 million in cash fund balance transfers to the General Fund to make those revenues available for budget balancing purposes.

### DISCUSSION

Confronting the budget challenges of the 2020 legislative session, the Committee and the General Assembly took a variety of budget balancing actions in the Department of Human Services for both FY 2019-20 and FY 2020-21.

*FY 2018-19 to FY 2019-20:* Appropriations to the Department increased by \$164.2 million total funds from FY 2018-19 to FY 2019-20, including an increase of \$50.2 million General Fund.

House Bill 20-1197 modifies FY 2019-20 appropriations to provide an increase of \$500,000 from the CARE subfund in the General Fund for a grant to the Colorado 2-1-1 Collaborative to provide human services referral services related to the COVID-19 public health emergency.

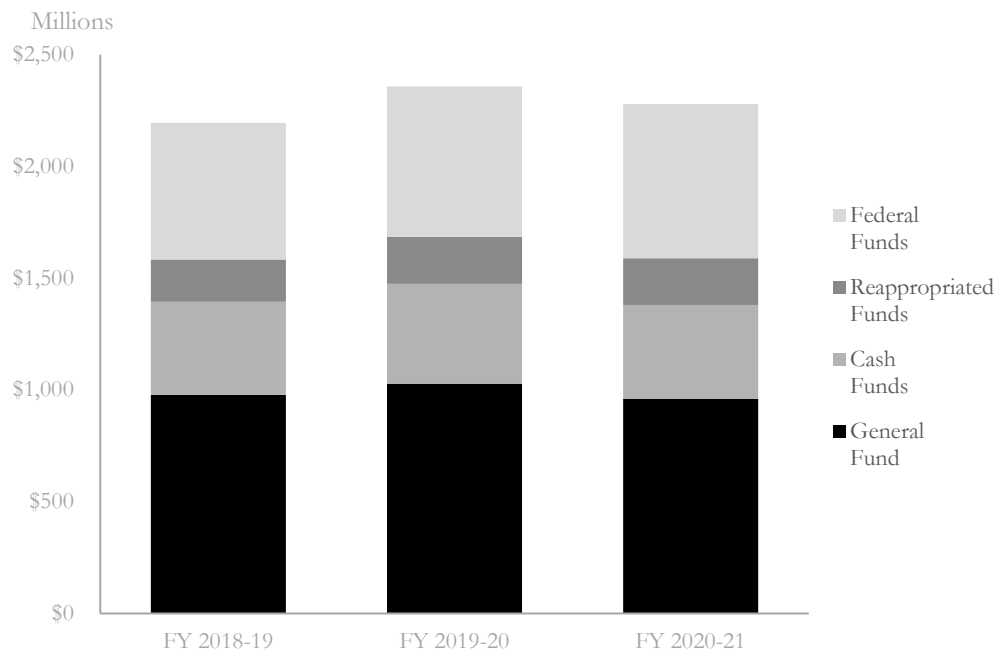
House Bill 20-1248 modifies FY 2019-20 appropriations to provide a net increase of \$4,762,115 total funds, including a reduction of \$2,259,880 General Fund, and an increase of 11.8 FTE.

House Bill 20-1360 modifies FY 2019-20 appropriations to provide a net reduction of \$4,662,948 total funds, including a reduction of \$27,069,899 General Fund, and a decrease of 8.5 FTE.

*FY 2019-20 to FY 2020-21:* Facing revenue challenges for FY 2020-21, the General Assembly took a variety of actions to both reduce the Department’s General Fund appropriations and to make other revenues available for balancing purposes. While the Department’s *total* budget decreased by \$80.1 million from FY 2019-20 to FY 2020-21, the General Fund appropriation was decreased by \$67.6 million (representing a decrease of \$17.4 million below FY 2018-19 levels).

The following graph shows the Department’s annual appropriations for FY 2018-19 through FY 2020-21. A table with appropriations detail by major fund source follows the graph. Please note that the FY 2019-20 appropriations include the adjustments and reductions made during the 2020 Session.

Recent Department of Human Services Appropriations



Department of Human Services Appropriations FY 2019-20 through FY 2020-21						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2018-19 Final	\$2,194,566,053	\$977,848,825	\$416,811,839	\$188,322,020	\$611,583,369	5,053.8
FY 2019-20 Adjusted	2,358,741,148	1,028,050,155	445,987,547	211,209,030	673,494,416	5,134.2
FY 2020-21	2,278,676,218	960,429,029	420,236,935	208,978,816	689,031,438	5,178.6
Change from FY 2019-20 to FY 2020-21	(\$80,064,930)	(\$67,621,126)	(\$25,750,612)	(\$2,230,214)	\$15,537,022	6.5
Percent change FY 2019-20 to FY 2020-21	(3.4%)	(6.6%)	-5.8%	(1.1%)	2.3%	0.1%

## SUMMARY OF 2020 SESSION BUDGET BALANCING APPROPRIATION CHANGES

The following table summarizes the budget balancing actions that impacted appropriations to the Department of Human Services for both FY 2019-20 and FY 2020-21, including actions taken through the Long Bill and other legislation. Please note:

- Unless otherwise indicated, the Department’s budget request proposes to restore the funding.
  - Two programs are not fully restored: the High Risk Pregnant Women Program and the General Fund reductions for the Circle Program. Staff believes this was an oversight, rather than an intentional omission.
  - Two decision items propose reductions after the restoration of funding: R7 Substance use treatment and R15 Community behavioral health services.
- The table only reflects balancing actions that specifically changed appropriations. The cash fund and reappropriated funds reductions in the table below that do not have an associated GF reduction were part of actions to make additional resources available for budget balancing purposes outside of the Department of Human Services.
- Actions to increase available revenues (such as transfers from cash funds to the General Fund) are not included in this table and are discussed in a separate section.
- Items in bold indicate those actions that impact the Office of Behavioral Health or the Office of Operations.

2020 Session Budget Balancing Appropriation Changes - Department of Human Services <sup>1</sup>						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
<b>FY 2019-20 APPROPRIATION BALANCING ITEMS:</b>						
<b>Appropriation Reductions</b>						
<b>Budget balancing reductions</b>	<b>(\$19,974,194)</b>	<b>(\$19,974,194)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.0</b>
DYS contract placement	(1,800,000)	(1,800,000)	0	0	0	0.0
<b>Community Transition Services</b>	<b>(1,500,000)</b>	<b>(1,500,000)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>
DYS medical services	(887,911)	(887,911)	0	0	0	0.0
Family First Act implementation delay	(689,161)	(633,510)	0	0	(55,651)	(5.6)
Regional Center Electronic Health Record	(650,000)	0	0	(650,000)	0	0.0
DYS drug detection devices	(337,346)	(337,346)	0	0	0	(1.7)
DYS Lookout Mountain Youth Services Center	(180,410)	(180,410)	0	0	0	(1.2)
Child support pass-through	(118,120)	(118,120)	0	0	0	0.0
<b>Subtotal - Appropriation Reductions</b>	<b>(\$26,137,142)</b>	<b>(\$25,431,491)</b>	<b>\$0</b>	<b>(\$650,000)</b>	<b>(\$55,651)</b>	<b>(8.5)</b>
<b>Fund Source Adjustments</b>						
Child Welfare Services refinance	0	(1,638,408)	0	0	1,638,408	0.0
<b>Subtotal - Fund Source Adjustments</b>	<b>\$0</b>	<b>(\$1,638,408)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,638,408</b>	<b>0.0</b>
<b>TOTAL</b>	<b>(\$26,137,142)</b>	<b>(\$27,069,899)</b>	<b>\$0</b>	<b>(\$650,000)</b>	<b>\$1,582,757</b>	<b>(8.5)</b>
<b>FY 2020-21 APPROPRIATION BALANCING ITEMS:</b>						
<b>Appropriation Reductions</b>						
<b>Budget balancing adjustments</b>	<b>(\$26,252,834)</b>	<b>(\$26,252,834)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(1.0)</b>
<b>HLD decrease/personal services base reduction</b>	<b>(10,956,710)</b>	<b>(10,956,710)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>
<b>Provider rates reduction</b>	<b>(8,701,887)</b>	<b>(5,353,890)</b>	<b>(1,322,998)</b>	<b>(113,596)</b>	<b>(1,911,403)</b>	<b>0.0</b>
<b>Substance use programs</b>	<b>(7,482,960)</b>	<b>(4,982,960)</b>	<b>(2,500,000)</b>	<b>0</b>	<b>0</b>	<b>0.0</b>
Annualize prior year budget actions	(6,273,826)	(6,273,826)	0	0	0	0.0
<b>Other behavioral health programs</b>	<b>(2,846,639)</b>	<b>(2,300,000)</b>	<b>(546,639)</b>	<b>0</b>	<b>0</b>	<b>0.0</b>



**2020 Session Budget Balancing Appropriation Changes - Department of Human Services<sup>1</sup>**

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Aid to the Needy Disabled reduction	(2,700,000)	(2,700,000)	0	0	0	0.0
<b>Community mental health programs</b>	<b>(2,000,000)</b>	<b>(1,000,000)</b>	<b>(1,000,000)</b>	<b>0</b>	<b>0</b>	<b>0.0</b>
Early childhood intervention and prevention services	(1,379,082)	(1,379,082)	0	0	0	0.0
Division of Youth Services reductions	(1,252,137)	(2,200,000)	1,000,000	(52,137)	0	0.0
<b>Mental health institutes reductions</b>	<b>(750,000)</b>	<b>(750,000)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>
Tony Gramscas Youth Services Program	(750,000)	0	(250,000)	(500,000)	0	0.0
<b>Leased space reduction</b>	<b>(250,000)</b>	<b>(250,000)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>
Child welfare programs	(105,115)	(71,375)	0	0	(33,740)	(1.0)
Child care and early development	(100,000)	(100,000)	0	0	0	0.0
<b>Subtotal - Appropriation Reductions</b>	<b>(\$71,801,190)</b>	<b>(\$64,570,677)</b>	<b>(\$4,619,637)</b>	<b>(\$665,733)</b>	<b>(\$1,945,143)</b>	<b>(2.0)</b>
<b>Fund Source Adjustments</b>						
Child welfare programs	\$0	(\$11,338,408)	\$0	\$0	\$11,338,408	0.0
Child care and early development	0	(3,045,323)	0	0	3,045,323	0.0
Veterans Community Living Centers	0	(2,669,922)	2,669,922	0	0	0.0
Early childhood intervention and prevention services	0	(171,937)	171,937	0	0	0.0
<b>Subtotal - Fund Source Adjustments</b>	<b>\$0</b>	<b>(\$17,225,590)</b>	<b>\$2,841,859</b>	<b>\$0</b>	<b>\$14,383,731</b>	<b>0.0</b>
<b>Other Legislation</b>						
HB 20-1379 Suspend PERA direct distribution <sup>2</sup>	(\$7,450,138)	(\$5,576,328)	(\$74,354)	(\$1,799,456)	\$0	0.0
<b>HB 20-1384 Wraparound services for eligible at-risk children</b>	<b>(495,380)</b>	<b>(195,380)</b>	<b>0</b>	<b>(300,000)</b>	<b>0</b>	<b>(2.5)</b>
HB 20-1388 Statutory provisions divert General Fund reversions	(4,254,999)	(4,254,999)	0	0	0	(0.7)
HB 20-1390 Discontinue DYS Trauma Pilot Program	(610,854)	(610,854)	0	0	0	(4.0)
<b>HB 20-1391 Behavioral health programs</b>	<b>(546,013)</b>	<b>0</b>	<b>(546,013)</b>	<b>0</b>	<b>0</b>	<b>(2.5)</b>
HB 20-1392 Council and Disabled Parking Education Program	(238,497)	(238,497)	0	0	0	(1.0)
HB 20-1398 Annual depreciation-lease equivalent payments	(3,103,396)	(3,103,396)	0	0	0	0.0
<b>Subtotal - Other Legislation</b>	<b>(\$16,699,277)</b>	<b>(\$13,979,454)</b>	<b>(\$620,367)</b>	<b>(\$2,099,456)</b>	<b>\$0</b>	<b>(10.7)</b>
<b>TOTAL</b>	<b>(\$88,500,467)</b>	<b>(\$95,775,721)</b>	<b>(\$2,398,145)</b>	<b>(\$2,765,189)</b>	<b>\$12,438,588</b>	<b>(12.7)</b>
<b>BALANCING ITEMS AS PERCENTAGE OF TOTAL APPROPRIATION:</b>						
FY 2019-20 Appropriation	\$2,358,741,148	\$1,028,050,155	\$445,987,547	\$211,209,030	\$673,494,416	5,134.2
FY 2020-21 Appropriation	\$2,278,676,218	\$960,429,029	\$420,236,935	\$208,978,816	\$689,031,438	5,178.6
FY 2020-21 Actions as Percentage of FY 2019-20 Appropriation	(3.8%)	(9.3%)	(0.5%)	(1.3%)	1.8%	(0.2%)

<sup>1</sup> Unless otherwise indicated, actions were reflected in the Long Bill (H.B. 20-1360)

<sup>2</sup> House Bill 20-1379 eliminated PERA Direct Distribution appropriations for all departments.

**FY 2019-20 APPROPRIATION – MID-YEAR ADJUSTMENTS – APPROPRIATIONS REDUCTIONS**

**BUDGET BALANCING REDUCTIONS:** Reduced appropriations by \$19,974,194 General Fund in various Department line items in which it was determined that costs associated with the COVID-19 disaster emergency should be covered by Coronavirus Relief Funds as opposed to General Fund.

**DYS CONTRACT PLACEMENT:** Reduced appropriations by \$1.8 million General Fund for contract placements in the Division of Youth Services (DYS).

**COMMUNITY TRANSITION SERVICES:** Reduced appropriations by \$1.5 million General Fund for Community Transition Services.

**DYS MEDICAL SERVICES:** Reduced appropriations by \$887,911 General Fund for medical services in the Division of Youth Services.

**FAMILY FIRST ACT IMPLEMENTATION DELAY:** Reduced appropriations by \$689,161 total funds, including \$633,510 General Fund, and 5.6 FTE associated with the Department's decision to delay implementation of the federal Family First Prevention Services Act of 2018.

**REGIONAL CENTER ELECTRONIC HEALTH RECORD:** Reduced appropriations by \$650,000 Medicaid reappropriated funds transferred from the Department of Health Care Policy and Financing for the implementation of regional center electronic health records

**DYS DRUG DETECTION DEVICES:** Reduced appropriations by \$337,346 General Fund and 1.7 FTE for drug detection devices in the Division of Youth Services.

**DYS LOOKOUT MOUNTAIN YOUTH SERVICES CENTER:** Reduced appropriations by \$180,410 General Fund and 1.2 FTE at the Division of Youth Services' Lookout Mountain Youth Services Center.

**CHILD SUPPORT PASS-THROUGH:** Reduced appropriations by \$118,120 General Fund for child support pass-through.

#### FY 2019-20 APPROPRIATION – MID-YEAR ADJUSTMENTS – FUND SOURCE ADJUSTMENTS

**CHILD WELFARE SERVICES REFINANCE:** Refinanced \$1,638,408 General Fund with a corresponding increase in federal TANF block grant funds for Child Welfare Services.

#### FY 2020-21 APPROPRIATION – APPROPRIATION REDUCTIONS

**BUDGET BALANCING ADJUSTMENTS:** Reduced appropriations by \$26,252,834 General Fund and 1.0 FTE in various Department line items in which it was determined that costs associated with the COVID-19 disaster emergency should be covered by Coronavirus Relief Funds as opposed to General Fund.

**HLD DECREASE/PERSONAL SERVICES BASE REDUCTION:** Reduced appropriations for health, life, and dental insurance by \$714,506 General Fund in lieu of a 5.0 percent personal services base reduction. The Department's FY 2021-22 request proposes to restore this funding and requests an additional \$1.7 million General Fund.

**PROVIDER RATE REDUCTION:** Reduced appropriations in several line items by \$8,701,887 total funds, including \$5,353,890 General Fund, for a 1.0 percent across-the-board reduction for

community providers. This reduction was accompanied by an increase of \$1,896,341 Medicaid reappropriated funds for a targeted rate increase for providers serving dually-diagnosed children with intellectual and developmental disabilities and severe behavioral health needs.

**SUBSTANCE USE PROGRAMS:** Reduced appropriations by \$7,482,960 total funds, including \$4,982,960 General Fund, for substance use programs in Office of Behavioral Health, including the following reductions:

- \$5.0 million cash funds from the Marijuana Tax Cash Fund to eliminate funding for the Building Substance Use Disorder Treatment Capacity in Underserved Communities Grant Program;
- \$1.2 million General Fund to eliminate the FY 2020-21 increase related to S.B 19-008 (Substance Use Disorder Treatment in the Criminal Justice System);
- \$750,000 General Fund for the Short-Term Intensive Residential Remediation and Treatment Program;
- \$637,000 reappropriated funds for the High Risk Pregnant Women program; and
- \$600,000 total funds for the Circle Program, including a decrease of \$3.1 million General Fund and an increase of \$2.5 million cash funds from the Marijuana Tax Cash Fund.

**COMPENSATION FOR DYS DIRECT CARE EMPLOYEES REDUCTION:** Reduced appropriations by \$6,273,826 General Fund to control the second-year costs related to the FY 2019-20 Compensation for Division of Youth Services direct care employees (R2) budget action.

**OTHER BEHAVIOR HEALTH PROGRAMS:** Reduced appropriations by \$2,846,639 total funds, including \$2.3 million General Fund, for behavioral health programs, including the following reductions:

- \$1.1 million General Fund for jail-based behavioral health programs;
- \$600,000 General Fund for the Community Transition Services program;
- \$600,000 General Fund to eliminate funding for the Crisis Services public information campaign; and
- \$546,639 cash funds from the Marijuana Tax Cash Fund to eliminate funding for the Crisis Services secure transportation pilot program.

**AID TO THE NEEDY DISABLED REDUCTION:** Reduced appropriations by \$2.7 million General Fund from the Aid to the Needy Disabled program. This program has reverted on average \$2.7 million in cash funds in the last two fiscal years, allowing the program to absorb this reduction while maintaining services within existing resources.

**COMMUNITY MENTAL HEALTH PROGRAMS:** Reduced appropriations by \$2,000,000 total funds, including \$1.0 million General Fund, for contracts with community mental health centers for the following programs:

- \$1.0 million General Fund for Assertive Community Treatment programs; and
- \$1.0 million cash funds from the Marijuana Tax Cash Fund for services for juvenile and adult offenders.

**EARLY CHILDHOOD INTERVENTION AND PREVENTION SERVICES:** Reduced appropriations by \$1,379,082 General Fund for early childhood intervention and prevention service, including the following reductions:

- \$527,951 for Family Support Services;
- \$350,000 for the Safecare Program;
- \$253,425 for the Colorado Children’s Trust Fund; and
- \$247,706 for Early Intervention evaluations.

**DIVISION OF YOUTH SERVICES REDUCTIONS:** Reduced appropriations by \$1,252,137 total funds, including \$1.2 million General Fund, for Division of Youth Services contracted services.

**MENTAL HEALTH INSTITUTES REDUCTIONS:** Reduced appropriations by \$750,000 General Fund for contract medical expenses at the Colorado Mental Health Institute at Pueblo.

**TONY GRAMPAS YOUTH SERVICES PROGRAM:** Reduced appropriations by \$750,000 total funds, including \$250,000 cash funds from the Marijuana Tax Cash Fund and \$500,000 reappropriated funds, for the Tony Grampas Youth Services Program.

**LEASED SPACE REDUCTION:** Reduced appropriations by \$250,000 General Fund for leased space payments.

**CHILD WELFARE PROGRAMS:** Reduced appropriations by \$105,115 total funds, including \$71,375 General Fund, and 1.0 FTE for Division of Child Welfare foster and adoptive parent training and recruitment.

**CHILD CARE AND EARLY DEVELOPMENT:** Reduced appropriations by \$100,000 General Fund for the Early Literacy Book Distribution program.

#### FY 2020-21 APPROPRIATION – FUND SOURCE ADJUSTMENTS

**CHILD WELFARE PROGRAMS:** Refinanced \$11,338,408 General Fund with a corresponding increase in federal TANF block grant funds for Child Welfare Services.

**CHILD CARE AND EARLY DEVELOPMENT:** Refinanced \$3,045,323 General Fund with a corresponding increase in federal Child Care Development Fund block grant funds for child care and early development services.

**VETERANS COMMUNITY LIVING CENTERS:** Refinanced \$2,669,922 General Fund with a corresponding increase in cash funds from the Central Fund for Veterans Community Living Centers.

#### EARLY CHILDHOOD INTERVENTION AND PREVENTION SERVICES

#### FY 2020-21 APPROPRIATION – OTHER LEGISLATION

**H.B. 20-1379 SUSPEND PERA DIRECT DISTRIBUTION:** Suspends the direct distribution payment from the State Treasurer to PERA, pursuant to Section 24-51-414, C.R.S., for FY 2020-21, eliminating the payment, specified as General Fund or other funds.

**H.B. 20-1384 WRAPAROUND SERVICES FOR ELIGIBLE AT-RISK CHILDREN:** Makes implementation of programs providing wraparound services for children and youth in or at risk of

out-of-home placement created in S.B. 19-195 (Child and Youth Behavioral Health System Enhancements) subject to available appropriations. Beginning in FY 2020-21, reduces state expenditures for the Department of Health Care Policy and Financing by \$1.5 million total funds, including \$677,492 General Fund, and 3.9 FTE; the Department of Human Services by \$495,380 total funds, including \$195,380 General Fund and 2.5 FTE; and the Department of Public Health and Environment by \$108,640 General Fund and 0.2 FTE.

**H.B. 20-1388 STATUTORY PROVISIONS DIVERT GENERAL FUND REVERSIONS:** Requires that unexpended money for certain programs in the Department of Human Services revert to the General Fund, and repeals requirements that the General Assembly appropriate money to certain programs. Eliminates the Child Support Collection Fund and increases potential reversions to the General Fund on an ongoing basis. Reduces FY 2020-21 appropriations to the Department of Human Services by \$4,254,999 General Fund and 0.7 FTE.

**H.B. 20-1390 DISCONTINUE DIVISION OF YOUTH SERVICES TRAUMA PILOT PROGRAM:** Discontinues two therapeutic and rehabilitative culture pilot programs within the Division of Youth Services in the Department of Human Services and repeals the Youth Services Pilot Program Cash Fund. Reduces FY 2020-21 appropriations to the Department of Human Services by \$610,854 General Fund and reduces the corresponding FTE by 4.0 FTE.

**H.B. 20-1391 BEHAVIORAL HEALTH PROGRAMS APPROPRIATIONS:** Makes implementation of certain behavioral health programs created in H.B. 19-1287 (Treatment for Substance Use Disorders) subject to available appropriations and removes the FY 2020-21 appropriation for those programs. Specifically, the bill:

- Removes the date by which the Department of Human Services must implement and make publicly available a centralized, web-based behavioral health tracking system and a care navigation program;
- Specifies that implementation of the programs is subject to available appropriations;
- Eliminates the September 2020 care navigation program reporting requirement and instead specifies that the reporting must occur during the first year in which the program is implemented; and
- Reduces appropriations to the Department of Human Services by \$546,013 cash funds from the Marijuana Tax Cash Fund and 2.5 FTE.

**H.B. 20-1392 COUNCIL AND PARKING EDUCATION PROGRAM FOR PERSONS WITH DISABILITY:** Repeals the Colorado Advisory Council for Persons with Disabilities and the Disabled Parking Education Program. Reduces FY 2020-21 appropriations to the Department of Human Services by \$238,497 General Fund and reduces the corresponding FTE by 1.0 FTE.

**H.B. 20-1398 MODIFY AUTOMATIC FUNDING MECHANISM FOR CAPITAL CONSTRUCTION:** Suspends the annual depreciation-lease equivalent payment mechanism, defined in Section 24-30-1310 (1)(a), C.R.S., for FY 2020-21.

#### ACTIONS TO INCREASE AVAILABLE REVENUES

The General Assembly made a number of transfers (totaling \$29.0 million) from Department of Human Services' cash funds to the General Fund to increase available General Fund. All of these items are assumed to be one-time (unless indicated otherwise).

STATUTORY TRANSFERS TO THE GENERAL FUND			
SOURCE FUND	NET GF REVENUE IMPACT	OTHER FUNDS REVENUE IMPACT	TOTAL FUNDS
<b>FY 2019-20 Revenue Impact</b>			
<b>Fort Logan Land Sale Account (H.B. 20-1381)</b>	<b>\$7,900,000</b>	<b>(\$7,900,000)</b>	<b>\$0</b>
State Supplemental Security Income Stabilization Fund (H.B. 20-1381)	1,887,116	(1,887,116)	0
<b>Subtotal - FY 2019-20 Revenue Impact</b>	<b>\$9,787,116</b>	<b>(\$9,787,116)</b>	<b>\$0</b>
<b>FY 2020-21 Revenue Impact</b>			
Older Coloradans Cash Fund (H.B. 20-1387)	\$13,000,000	(\$13,000,000)	\$0
Older Coloradans Cash Fund (H.B. 20-1367)	2,000,000	(2,000,000)	0
Nurse Home Visitor Program Fund (H.B. 20-1380)	4,237,375	(4,237,375)	0
<b>Subtotal - FY 2020-21 Revenue Impact</b>	<b>\$19,237,375</b>	<b>(\$19,237,375)</b>	<b>\$0</b>
<b>TOTAL</b>	<b>\$29,024,491</b>	<b>(\$29,024,491)</b>	<b>\$0</b>

### POINTS TO CONSIDER

Looking toward the FY 2021-22 budget, staff offers the following points to consider regarding the Department of Human Services.

- The Office of Behavioral Health submitted a budget request that restores nearly all prior year reductions, including the 1.0 percent provider rate reduction. The Committee may wish to consider a statewide, consistent approach to this issue.
- Reductions implemented via legislation (H.B. 20-1384 and H.B. 20-139) made implementation of programs subject to available appropriations. If the Committee chooses to continue these reductions, no additional legislation is needed.

## ISSUE: R7 SUBSTANCE USE TREATMENT

The Department requests a one-time reduction of \$11.4 million General Fund in FY 2021-22 for the administration of substance use disorder treatment services in the Office of Behavioral Health. This request is based on the expectation that current clients receiving services will be eligible for the new Medicaid benefit, beginning January 1, 2021.

### SUMMARY

- House Bill 18-1136 adds residential and inpatient substance use disorder (SUD) treatment and medical detoxification services as a benefit under the Colorado Medicaid Program beginning January 1, 2021. For FY 2021-22, the total cost of the benefit is expected to be \$102.9 million total funds, including \$16.6 million General Fund.
- The Office of Behavioral Health (OBH) funds statewide substance use treatment residential services for uninsured and underinsured Coloradans with incomes under 300 percent of the Federal Poverty Level (FPL).
- The Department is likely to see a reduction in treatment costs with the implementation of the Medicaid benefit. However, determining what the appropriate reduction should be is based on a variety of unknown factors, paired with a difficult budget situation.

### DISCUSSION

House Bill 18-1136, which was recommended by the Opioid and Other Substance Use Disorders Interim Study Committee, adds residential and inpatient substance use disorder (SUD) treatment and medical detoxification services as a benefit under the Colorado Medicaid Program. The act limits these new services to persons who meet nationally recognized, evidence-based, level of care criteria for residential and inpatient SUD treatment and medical detoxification services.

In order to receive a federal Medicaid match for the expanded benefit, the state was required to submit an application for a waiver (called a Section 1115 waiver) which allows the State to administer an experimental, pilot, or demonstration project that is likely to assist in promoting the objectives of Medicaid. This application was submitted in October 2019 and was approved by the Centers for Medicare and Medicaid (CMS) on November 13, 2020. The Department of Health Care Policy and Financing (HCPF) expects to begin offering the benefit on January 1, 2021. No later than January 15, 2022, HCPF is required to prepare and submit a performance review report to the Joint Budget Committee and the relevant committees of reference concerning the expanded SUD benefits.

The Medicaid benefit covers treatment at a residential facility, but does not cover associated room and board costs. These costs are expected to be covered with existing funds in the Office of Behavioral Health (OBH). Effective January 1, 2020, the contracted rate for room and board is \$100 per day.

Treatment providers must be licensed by the Office of Behavioral Health. Additionally, in order to bill for services, providers will need to be enrolled and/or contracted with HCPF, Regional Accountable Entities (RAEs), and Managed Service Organizations (MSOs). In many cases, providers

may be contracting with multiple RAEs. Patients may access services at any geographic location. However, the payer is determined based on the patient’s home location. Therefore, a patient that lives in Region 1 may receive treatment in an area covered by Region 2. That provider would need to be contracted with the RAE in Region 1 in order to receive payment. In anticipation of the expanded SUD benefit, MSOs have shifted to a payment structure so that the MSO region where the facility/provider is located will be responsible for covering services.

**HCPF FUNDING**

The table below shows the funding changes for HCPF associated with the new Medicaid residential and inpatient substance use disorder treatment benefit. The final fiscal note for HB 18-1136 identified a cost of \$174.2 million total funds, including \$34.2 million General Fund, for FY 2020-21, the first expected full year of the SUD benefit. For the FY 2020-21 budget, the appropriation was ultimately reduced to \$44.7 million total funds, including \$8.9 million General Fund, to reflect a delay of the benefit to January 1, 2021, as well as anticipated capacity constraints.

The November 2, 2020 budget request includes a slight adjustment to the FY 2020-21 appropriation, largely related to changes in fund type based on the updated forecast. The request includes a reduction for FY 2021-22, the first full year of the benefit. This is primarily attributable to two factors: continued capacity limitations and updated actuarial analysis. The Department’s actuarial models have evolved to account for capacity (beds available), treatment levels, and the percentage of beds expected to be utilized by Medicaid clients, rather than the number of enrollees with a SUD diagnosis. Based on these models, the Department has estimated the reduction to the benefit as 50.0 percent of the originally projected costs for July – December 2021 and 63.0 percent for January – June 2022.

EXPECTED HPCF COSTS FOR RESIDENTIAL SUD BENEFIT*				
	FY 2020-21 FISCAL NOTE	FY 2020-21 APPROPRIATION	FY 2020-21 REQUEST	FY 2021-22 REQUEST
General Fund	\$34,243,205	\$8,944,319	\$6,887,964	\$16,636,692
Cash Funds	11,554,286	3,085,403	3,526,014	7,684,988
Federal Funds	128,359,478	32,670,220	34,739,939	78,579,999
<b>Total</b>	<b>\$174,156,969</b>	<b>\$44,699,942</b>	<b>\$45,153,917</b>	<b>\$102,901,679</b>

\*Includes administrative costs.

For FY 2022-23, the Department is currently projecting a reduction to the benefit to 80.0 percent of originally projected costs. However, staff would expect this number to change over the course of the next year as the benefit comes online, and actual utilization and capacity expansion is factored into the forecast.

**CURRENT OBH FUNDING AND SERVICES**

The Office of Behavioral Health (OBH) funds statewide residential substance use treatment services for uninsured and underinsured Coloradans with incomes under 300 percent of the Federal Poverty Level (FPL). Unlike Medicaid, service capacity is based on available appropriations (rather than entitlement). This funding is provided through three line items in the Division’s budget: Treatment and Detoxification Programs, Increasing Access to Effective Substance Use Disorders Services (SB 16-202), and Circle Program and Other Rural Treatment Programs for People with Co-occurring Disorders.



### Treatment and Detoxification Programs

Through the Treatment and Detoxification Programs line item, the Office of Behavioral Health contracts with four managed service organizations (MSOs) for the provision of substance use disorder treatment and detoxification services in seven catchment areas. The MSOs subcontract with local treatment providers with locations around the state to deliver these services. The Department arranges for detoxification and treatment services with one contract for each catchment area. However, treatment and detoxification are two different levels of care that have separate and distinct contract admissions requirements.

- *Non-hospital detoxification services.* Individuals who are intoxicated by alcohol or drugs are evaluated and provided services necessary to protect client and public health and safety until the blood level of the intoxicating substance(s) is zero. Detoxification and shelter services serve a dual purpose by protecting individual and public health and safety, and serving as an entry point for treatment. Detoxification services are critical for law enforcement and community protection, but do not constitute treatment for substance abuse.
- *Treatment.* Basic treatment services include: outpatient opioid replacement treatment; individual, group, and family outpatient therapy; intensive outpatient therapy; transitional residential treatment; therapeutic community, and intensive residential treatment.

For FY 2019-20, this line item's appropriation was \$32.3 million total funds. Of this amount, the Department allocated \$30.6 million for to MSO contracts for residential treatment and withdrawal management.

### Increasing Access to Effective Substance Disorder Services (SB 16-202)

Senate Bill 16-202 requires each of the State's designated regional managed service organizations (MSOs) to assess the sufficiency of substance use disorder services in its geographic region, and prepare a community action plan to address the most critical service gaps. Each MSO is authorized to use its annual allocation over a two-year period to implement its community action plan and increase access to substance use disorder services for populations in need of such services within its region (including start-up costs and other expenses necessary to expand capacity). These funds are highly flexible.

For FY 2019-20, this line item's appropriation was \$15.6 million. Of this amount, the Department identified 30 percent, or \$4.7 million, was used by MSOs for residential and withdrawal management.

### **COVID IMPACTS ON CAPACITY**

Social distancing requirements have further strained existing capacity in some locations across the state. According to the Department, based on reporting from facilities receiving funds from Treatment and Detoxification funds, current capacity is reduced by around 25 percent across the majority of facilities. For some smaller facilities, such as the men's Circle program in Pueblo, the normally 16-bed program is operating with 10 beds, or a 38 percent capacity reduction. For facilities with single occupancy or adequate space, no capacity reductions have been implemented.

### **REQUEST**

The Department requests a one-time reduction of \$11.4 million General Fund in FY 2021-22 for the administration of substance use disorder treatment services in the Office of Behavioral Health. This request is based on the expectation that current clients receiving services will be eligible for the new

Medicaid benefit. The request includes a net neutral reallocation of cash funds from the Marijuana Tax Cash Fund. As shown in the table below, the total reduction impacts two line items.

R7 SUBSTANCE USE TREATMENT			
	GENERAL FUND	MTCF	TOTAL
Treatment and Detoxification Programs	(\$11,419,598)	\$5,419,598	(\$6,000,000)
Increasing Access to Effective Substance Use Disorders Services (SB 16-202)	0	(5,419,598)	(5,419,598)
<b>Total</b>	<b>(\$11,419,598)</b>	<b>\$0</b>	

Based on FY 2019-20, the Department has identified a total cost of \$38.3 million total funds as a base amount for SUD treatment services. Of that amount, it estimates approximately 75 percent of costs (\$28.7 million) were allocated for treatment only, and 25 percent for room and board. The Department assumes that 75.0 percent of clients currently receiving services will be eligible for the Medicaid benefit. For these clients, treatment services will be covered by Medicaid, while room and board will continue to be covered with existing OBH funds, as Medicaid covers treatment only. The remaining 25 percent of existing clients (those that aren't eligible for Medicaid but are below 300% FPL) will continue to be covered by OBH for treatment services, room and board.

Based on those assumptions, the Department could expect to see a savings of \$21.5 million in treatment costs shifting to Medicaid. This number is somewhat complicated by withdrawal services, for which the Department expects to see less impact from the expanded benefit. The Department has identified a reduction of \$11.4 million General Fund, which represents about 53 percent of that estimated savings. Staff was unable to pinpoint an exact calculation to arrive at the \$11.4 million reduction. This amount was likely arrived at based on reduction requirements and trying to identify a reasonable reduction based on expected Medicaid impacts.

In order to ensure adequate funding for room and board, to maintain services for non-Medicaid eligible clients, and reduce total General Fund appropriations, the Department proposes to split that total reduction between two line items providing SUD treatments services. This includes a reallocations of \$5.4 million cash funds from the Marijuana Tax Cash Fund, reducing the appropriation to the Increasing Access to Effective Substance Use Disorders Services (SB 16-202) line item and shifting that amount to the Treatment and Detoxification Programs line item. The Department believes that there will not be a decrease to treatment services provided based on this reduction.

As previously noted, funding for the Increasing Access to Effective Substance Use Disorders Services (SB 16-202) line item is highly flexible and intended to address capacity issues across the state. While the Department estimates that approximately 30 percent of those funds are used to provide treatment services, a reduction to this line item would limit capacity building for a system that already lacks capacity to meet estimated need. The Department agrees that this request could hinder capacity expansion. However, in developing the budget request, the Department prioritized preserving existing services over expanding capacity.

The tables below show the reduction in comparison to prior year appropriations. Additionally, the tables factor in the restoration of FY 2020-21 balancing actions to show the total impact of the reductions.

TREATMENT AND DETOXIFICATION PROGRAMS				
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	FEDERAL FUNDS
FY 2019-20 Appropriation	\$39,325,163	\$13,633,079	\$6,498,617	\$19,193,467
FY 2020-21 Appropriation	\$32,243,507	\$12,204,598	\$845,442	\$19,193,467
Restoration of Balancing Reductions	7,815,857	2,163,481	5,652,376	0
R7 Substance use treatment	(6,000,000)	(11,419,598)	5,419,598	0
<b>Total FY 2021-22 Request</b>	<b>\$34,059,364</b>	<b>\$2,948,481</b>	<b>\$11,917,416</b>	<b>\$19,193,467</b>

INCREASING ACCESS TO EFFECTIVE SUBSTANCE USE DISORDERS SERVICES (SB 16-202)	
	MTCF
FY 2019-20 Appropriation	\$15,576,864
FY 2020-21 Appropriation	\$13,921,095
Restoration of Balancing Reductions	1,655,769
R7 Substance use treatment	(5,419,598)
<b>Total FY 2021-22 Request</b>	<b>\$10,157,266</b>

#### POINTS TO CONSIDER

- The Department’s budget request restores nearly all reductions from FY 2020-21, including the delay of H.B. 19-1287, which created the Building Substance Use Disorder Treatment Capacity in Underserved Communities Grant Program. The cost to restore this funding is \$5.0 million Marijuana Tax Cash Fund in FY 2021-22. Continuing to delay the implementation of this new grant program could be an alternative to further reducing the Increasing Access to Effective Substance Use Disorders Services line item, which is a more established program for building capacity.
- Capacity issues continue to be a concern for the expansion of the Medicaid benefit. This request is likely to further constrain capacity building.
- The Department is likely to see a reduction in treatment costs with the implementation of the Medicaid benefit. However, determining what the appropriate reduction should be is based on a variety of unknown factors, paired with a difficult budget situation. The \$11.4 million reduction amount seems like a somewhat arbitrary and flexible reduction, based on the assumptions included in the Department’s calculation. Ultimately, staff believes this recommendation may rest on balancing decisions that the Committee needs to consider. Under better circumstances, staff would recommend maintaining the funding at existing levels in order to ensure a smooth rollout of the Medicaid benefit and a continued investment in building treatment capacity. However, faced with reductions, reducing this appropriation at some level seems appropriate.

## INFORMATIONAL ISSUE: BEHAVIORAL HEALTH TASK FORCE

In September 2020, the Governor’s Behavioral Health Task Force released a behavioral health “blueprint” and full report, which include the task force’s set of recommendations and findings. This briefing issue previews Phase One items expected to have a budgetary impact.

### SUMMARY

- The Behavioral Health Task Force (BHTF) identified nearly 150 recommendations for behavioral health reform which fit into six categories, or pillars, and identified three phases of implementation to address these recommendations.
- Two budget requests have been submitted related to BHTF recommendations for FYs 2020-21 and 2021-22: one for Capital Construction IT and one in the Department of Health Care Policy and Financing.
- The Committee should expect to see legislation in the coming session to create a Behavioral Health Administration, one of the main recommendations of the BHTF.

### DISCUSSION

In April 2019, the Governor created the Behavioral Health Task Force (BHTF), led by the Department of Human Services. The mission of the task force is to evaluate and set the roadmap to improve the current behavioral health system in the state. In September 2020, the BHTF released a behavioral health “blueprint” and full report, which include the task force’s set of recommendations and findings. For reference, the Blueprint, Full Report, and Sub-committee reports can be found here: <https://www.colorado.gov/pacific/cdhs/behavioral-health-reform>.

This briefing issue is intended to provide a brief preview of items the Committee should expect to see during the next legislative session, as well as in future budget cycles. For additional detail or discussion about the BHTF recommendations, staff recommends the Committee ask the Department to provide an overview during their hearing.

### TASK FORCE RECOMMENDATIONS

The BHTF identified nearly 150 recommendations which fit into six categories, or pillars, and identified three phases of implementation to address these recommendations.

#### Pillars

- **Access:** Access to a continuum of behavioral health services is needed in Colorado, regardless of severity of need, ability to pay, age, disability, linguistics, geographic location, or racial or gender identify.
- **Affordability:** Financially accessible care for all Coloradans made possible by administrative efficiencies across Colorado’s behavioral health industry and payment models that incentivize and drive improved outcomes.

- **Workforce & Support:** A culturally responsive and diverse behavioral health workforce that delivers high-quality healthcare access to all Coloradans.
- **Accountability:** Collaboration across stakeholders to ensure that Coloradans are receiving the quality care that they need.
- **Local & Consumer Guidance:** Engaged community stakeholders who can provide feedback and guidance on how best to meet local behavioral health needs.
- **Whole Person Care:** Coloradans are best served, and have the best chances for improved health, when their physical and behavioral health care is integrated, and when their social determinants of health are adequately addressed.

### Implementation Phases

#### **Phase One**

- Create a Behavioral Health Administration (BHA)
- Expand Tele-Behavioral Health Services
- Identify Legislative Opportunities and New Funding Sources

#### **Phase Two**

- Implement Care Coordination
- Implement 19 Recommended Actions for a Strong Behavioral Health System

#### **Phase Three**

- Assess and Implement Remaining Recommendations

### **NEAR-TERM BUDGET IMPACTS**

These phases are expected to be addressed over multiple years, including Phase One. However, a few items from Phase One are of immediate interest for the Committee.

First, the Department of Human Services submitted a FY 2020-21 IT Capital request for behavioral health infrastructure investments recommended by the BHTF. This request includes \$10.5 million and 0.9 temporary FTE to address the following:

- Tele-behavioral health capabilities for crisis services.
- Consolidation of data collection and reporting systems and integration with HCPF systems, including MMIS (the claims payment systems), CBMS (the eligibility determination system), BIDM (HCPF's business data warehouse), and the state's health information exchanges (HIEs).
- Expansion of bed tracking capabilities.
- Creation of a virtual training systems for providers.
- Capacity building grants for providers.

The Department of Health Care Policy and Financing's FY 2021-21 R23 Behavioral Health Claims and Eligibility Process request includes a net increase of \$7.5 million, including \$7.5 million General Fund, to integrate eligibility determinations, claims processing, and data reporting for various behavioral health programs statewide. The proposal attempts to leverage existing systems used by the Department in order to serve programs operated by other departments, and so the Department of Health Care Policy and Financing is taking the lead on the request.

Finally, a major component of Phase One is the creation of a Behavioral Health Administration (BHA). The BHA would be established as a central organization – either as its own state agency or housed within an existing department – that threads together behavioral health services spread across multiple departments. This would include the centralizing of non-Medicaid funding streams. This is intended to reduce fragmentation within the system and create a single point of entry for the consumer, as well as reduce administrative burden for providers. Staff would anticipate legislation in the 2021 session to lay the groundwork for the creation of the BHA. However, funding requests or consolidations are not anticipated in the near future, as planning will require thorough analysis of existing appropriations and funding streams. The Department of Human Services will be contracting with a consultant to develop a plan for merging these functions, aligning with Medicaid, and creating a more detailed plan moving forward. This will be paid for with existing federal funds dedicated to strategic planning. The Department anticipates hiring the contractor by January 1, 2021 and expects an implementation plan to be complete by June 30, 2021.

APPENDIX A  
NUMBERS PAGES  
(DIGITAL ONLY)

Appendix A details actual expenditures for the last two fiscal years, the appropriation for the current fiscal year, and the requested appropriation for next fiscal year. This information is listed by line item and fund source. *Appendix A is only available in the online version of this document.*

## Appendix A: Numbers Pages

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Appropriation	FY 2021-22 Request	Request vs. Appropriation
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### DEPARTMENT OF HUMAN SERVICES Michelle Barnes, Executive Director

#### (3) OFFICE OF OPERATIONS

##### (A) Administration

Personal Services	<u>31,411,732</u>	<u>27,133,686</u>	<u>26,014,326</u>	<u>25,503,091</u> *
FTE	411.9	414.7	415.8	409.3
General Fund	17,828,957	16,780,394	15,030,419	14,718,301
Cash Funds	0	0	3,291	3,291
Reappropriated Funds	13,582,775	10,353,292	10,980,616	10,781,499
Federal Funds	0	0	0	0
Operating Expenses	<u>4,332,212</u>	<u>4,399,659</u>	<u>5,397,183</u>	<u>4,417,294</u>
General Fund	2,935,423	2,996,686	3,015,461	3,012,867
Cash Funds	0	0	0	0
Reappropriated Funds	1,396,789	1,402,973	2,381,722	1,404,427
Federal Funds	0	0	0	0
Vehicle Lease Payments	<u>986,224</u>	<u>1,023,324</u>	<u>1,045,216</u>	<u>1,173,983</u> *
General Fund	448,646	654,613	527,799	592,826
Cash Funds	0	0	0	0
Reappropriated Funds	537,578	368,711	517,417	581,157
Federal Funds	0	0	0	0

\*This line item contains a decision item.



## Appendix A: Numbers Pages

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Appropriation	FY 2021-22 Request	Request vs. Appropriation
Leased Space	<u>1,658,087</u>	<u>1,310,404</u>	<u>1,688,328</u>	<u>1,688,328</u>	
General Fund	381,500	445,093	445,093	445,093	
Cash Funds	0	0	0	0	
Reappropriated Funds	1,276,587	865,311	1,243,235	1,243,235	
Federal Funds	0	0	0	0	
Capitol Complex Leased Space	<u>1,645,455</u>	<u>1,474,684</u>	<u>1,588,568</u>	<u>1,736,411</u>	
General Fund	602,704	544,673	573,904	627,275	
Cash Funds	0	0	0	0	
Reappropriated Funds	1,042,751	930,011	1,014,664	1,109,136	
Federal Funds	0	0	0	0	
Annual Depreciation-Lease Equivalent Payments	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	*
General Fund	0	0	0	0	
Utilities	<u>9,633,094</u>	<u>9,264,354</u>	<u>10,039,212</u>	<u>10,047,146</u>	
General Fund	6,737,829	6,772,748	6,797,231	6,805,165	
Cash Funds	0	0	0	0	
Reappropriated Funds	2,895,265	2,491,606	3,241,981	3,241,981	
Federal Funds	0	0	0	0	
<b>SUBTOTAL - (A) Administration</b>	49,666,804	44,606,111	45,772,833	44,566,253	(2.6%)
<i>FTE</i>	<u>411.9</u>	<u>414.7</u>	<u>415.8</u>	<u>409.3</u>	(1.6%)
General Fund	28,935,059	28,194,207	26,389,907	26,201,527	(0.7%)
Cash Funds	0	0	3,291	3,291	0.0%
Reappropriated Funds	20,731,745	16,411,904	19,379,635	18,361,435	(5.3%)
Federal Funds	0	0	0	0	0.0%

## Appendix A: Numbers Pages

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Appropriation	FY 2021-22 Request	Request vs. Appropriation
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### (B) Special Purpose

Buildings and Grounds Rental	<u>616,336</u>	<u>738,440</u>	<u>1,193,530</u>	<u>1,193,530</u>	
FTE	6.5	6.5	6.5	6.5	
General Fund	0	0	0	0	
Cash Funds	616,336	738,440	1,193,530	1,193,530	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
 State Garage Fund	<u>0</u>	<u>345,108</u>	<u>763,233</u>	<u>763,233</u>	
FTE	2.6	2.6	2.6	2.6	
General Fund	0	0	0	0	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	345,108	763,233	763,233	
Federal Funds	0	0	0	0	

<b>SUBTOTAL - (B) Special Purpose</b>	616,336	1,083,548	1,956,763	1,956,763	0.0%
<i>FTE</i>	<u>9.1</u>	<u>9.1</u>	<u>9.1</u>	<u>9.1</u>	(0.0%)
General Fund	0	0	0	0	0.0%
Cash Funds	616,336	738,440	1,193,530	1,193,530	0.0%
Reappropriated Funds	0	345,108	763,233	763,233	0.0%
Federal Funds	0	0	0	0	0.0%

### (C) Indirect Cost Assessment

Indirect Cost Assessment	<u>350,725</u>	<u>350,073</u>	<u>259,514</u>	<u>312,536</u> *	
General Fund	0	0	0	0	
Cash Funds	339,186	334,347	231,550	243,663	
Reappropriated Funds	11,539	15,726	27,964	68,873	
Federal Funds	0	0	0	0	

## Appendix A: Numbers Pages

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Appropriation	FY 2021-22 Request	Request vs. Appropriation
<b>SUBTOTAL - (C) Indirect Cost Assessment</b>	350,725	350,073	259,514	312,536	20.4%
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0%</u>
General Fund	0	0	0	0	0.0%
Cash Funds	339,186	334,347	231,550	243,663	5.2%
Reappropriated Funds	11,539	15,726	27,964	68,873	146.3%
Federal Funds	0	0	0	0	0.0%
<b>TOTAL - (3) Office of Operations</b>	50,633,865	46,039,732	47,989,110	46,835,552	(2.4%)
<i>FTE</i>	<u>421.0</u>	<u>423.8</u>	<u>424.9</u>	<u>418.4</u>	<u>(1.5%)</u>
General Fund	28,935,059	28,194,207	26,389,907	26,201,527	(0.7%)
Cash Funds	955,522	1,072,787	1,428,371	1,440,484	0.8%
Reappropriated Funds	20,743,284	16,772,738	20,170,832	19,193,541	(4.8%)
Federal Funds	0	0	0	0	0.0%

## Appendix A: Numbers Pages

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Appropriation	FY 2021-22 Request	Request vs. Appropriation
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### (8) OFFICE OF BEHAVIORAL HEALTH

#### (A) Community Behavioral Health Administration

Personal Services	<u>6,886,543</u>	<u>9,393,587</u>	<u>7,764,345</u>	<u>8,170,714</u> *	
FTE	76.6	85.9	79.8	84.0	
General Fund	2,403,476	2,307,978	2,247,890	2,501,941	
Cash Funds	349,880	455,824	730,253	882,571	
Reappropriated Funds	813,310	783,378	1,287,268	1,287,268	
Federal Funds	3,319,877	5,846,407	3,498,934	3,498,934	
Operating Expenses	<u>333,537</u>	<u>408,113</u>	<u>325,525</u>	<u>343,434</u> *	
General Fund	37,562	47,143	31,704	32,939	
Cash Funds	61,998	66,453	58,894	75,568	
Reappropriated Funds	16,266	11,418	16,266	16,266	
Federal Funds	217,711	283,099	218,661	218,661	
Federal Programs and Grants	<u>0</u>	<u>0</u>	<u>21,000</u>	<u>21,000</u>	
FTE	0.0	0.0	0.0	0.0	
General Fund	0	0	0	0	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	21,000	21,000	

#### **SUBTOTAL - (A) Community Behavioral Health**

<b>Administration</b>	7,220,080	9,801,700	8,110,870	8,535,148	5.2%
FTE	<u>76.6</u>	<u>85.9</u>	<u>79.8</u>	<u>84.0</u>	<u>5.3%</u>
General Fund	2,441,038	2,355,121	2,279,594	2,534,880	11.2%
Cash Funds	411,878	522,277	789,147	958,139	21.4%
Reappropriated Funds	829,576	794,796	1,303,534	1,303,534	0.0%
Federal Funds	3,537,588	6,129,506	3,738,595	3,738,595	0.0%

## Appendix A: Numbers Pages

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Appropriation	FY 2021-22 Request	Request vs. Appropriation
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### (B) Community-based Mental Health Services

Mental Health Community Programs	<u>34,661,641</u>	<u>42,917,418</u>	<u>35,610,235</u>	<u>35,886,706</u> *
General Fund	26,987,027	27,584,997	27,370,658	27,647,129
Cash Funds	0	0	0	0
Reappropriated Funds	0	0	0	0
Federal Funds	7,674,614	15,332,421	8,239,577	8,239,577
ACT Programs and Other Alternatives to the MHIs	<u>0</u>	<u>16,889,426</u>	<u>15,721,007</u>	<u>16,889,906</u>
General Fund	0	16,889,426	15,721,007	16,889,906
Cash Funds	0	0	0	0
Reappropriated Funds	0	0	0	0
Federal Funds	0	0	0	0
Mental Health Services for Juvenile and Adult Offenders	<u>5,530,355</u>	<u>5,604,786</u>	<u>4,653,735</u>	<u>4,377,509</u> *
General Fund	0	0	0	0
Cash Funds	5,530,355	5,604,786	4,653,735	4,377,509
Reappropriated Funds	0	0	0	0
Federal Funds	0	0	0	0
Children and Youth Mental Health Treatment Act	<u>2,878,307</u>	<u>2,962,390</u>	<u>3,054,427</u>	<u>3,085,317</u>
General Fund	2,471,060	2,544,663	2,516,052	2,541,499
Cash Funds	407,247	417,727	413,031	417,208
Reappropriated Funds	0	0	125,344	126,610
Federal Funds	0	0	0	0

## Appendix A: Numbers Pages

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Appropriation	FY 2021-22 Request	Request vs. Appropriation
Assertive Community Treatment Programs	16,486,643	0	0	0	
General Fund	16,486,643	0	0	0	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
<b>SUBTOTAL - (B) Community-based Mental Health</b>					
<b>Services</b>	59,556,946	68,374,020	59,039,404	60,239,438	2.0%
<i>FTE</i>	0.0	0.0	0.0	0.0	0.0%
General Fund	45,944,730	47,019,086	45,607,717	47,078,534	3.2%
Cash Funds	5,937,602	6,022,513	5,066,766	4,794,717	(5.4%)
Reappropriated Funds	0	0	125,344	126,610	1.0%
Federal Funds	7,674,614	15,332,421	8,239,577	8,239,577	0.0%

## Appendix A: Numbers Pages

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Appropriation	FY 2021-22 Request	Request vs. Appropriation
<b>(C) Substance Use Treatment and Prevention Services</b>					
Treatment and Detoxification Programs	<u>31,657,871</u>	<u>59,878,485</u>	<u>32,243,507</u>	<u>34,060,172</u>	*
FTE	0.0	0.0	2.1	2.1	
General Fund	12,541,319	12,928,000	12,204,598	2,948,481	
Cash Funds	277,860	2,089,448	845,442	11,918,224	
Reappropriated Funds	0	0	0	0	
Federal Funds	18,838,692	44,861,037	19,193,467	19,193,467	
Increasing Access to Effective Substance Use Disorder Services	<u>14,874,201</u>	<u>16,175,557</u>	<u>13,921,095</u>	<u>10,157,266</u>	*
General Fund	0	0	0	0	
Cash Funds	14,874,201	16,175,557	13,921,095	10,157,266	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Prevention Contracts	<u>5,545,439</u>	<u>6,259,140</u>	<u>6,418,095</u>	<u>6,418,559</u>	
General Fund	35,427	27,695	35,930	36,293	
Cash Funds	39,057	484,234	51,149	51,250	
Reappropriated Funds	0	0	0	0	
Federal Funds	5,470,955	5,747,211	6,331,016	6,331,016	
Community Prevention and Treatment Programs	<u>2,626,310</u>	<u>2,379,633</u>	<u>5,848,935</u>	<u>5,856,752</u>	
FTE	0.0	0.0	0.0	0.0	
General Fund	9,946	9,800	10,087	10,189	
Cash Funds	2,616,364	2,369,833	2,451,030	2,458,745	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	3,387,818	3,387,818	

## Appendix A: Numbers Pages

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Appropriation	FY 2021-22 Request	Request vs. Appropriation
Offender Services	<u>3,932,583</u>	<u>4,514,851</u>	<u>3,776,485</u>	<u>4,574,702</u>	
FTE	0.0	0.0	0.0	0.0	
General Fund	2,952,828	3,061,082	2,271,312	3,054,325	
Cash Funds	0	0	0	0	
Reappropriated Funds	979,755	1,453,769	1,505,173	1,520,377	
Federal Funds	0	0	0	0	
High Risk Pregnant Women Program	<u>138,241</u>	<u>0</u>	<u>1,183,268</u>	<u>1,201,654</u>	
General Fund	0	0	0	0	
Cash Funds	0	0	0	0	
Reappropriated Funds	138,241	0	1,183,268	1,201,654	
Federal Funds	0	0	0	0	
Gambling Addiction Counseling Services	<u>32,604</u>	<u>49,997</u>	<u>0</u>	<u>100,000</u>	
General Fund	0	0	0	0	
Cash Funds	32,604	49,997	0	100,000	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
<b>SUBTOTAL -</b>	58,807,249	89,257,663	63,391,385	62,369,105	(1.6%)
FTE	<u>0.0</u>	<u>0.0</u>	<u>2.1</u>	<u>2.1</u>	0.0%
General Fund	15,539,520	16,026,577	14,521,927	6,049,288	(58.3%)
Cash Funds	17,840,086	21,169,069	17,268,716	24,685,485	42.9%
Reappropriated Funds	1,117,996	1,453,769	2,688,441	2,722,031	1.2%
Federal Funds	24,309,647	50,608,248	28,912,301	28,912,301	0.0%



## Appendix A: Numbers Pages

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Appropriation	FY 2021-22 Request	Request vs. Appropriation
<b>SUBTOTAL - (C) Substance Use Treatment and Prevention Services</b>	58,807,249	89,257,663	63,391,385	62,369,105	(1.6%)
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>2.1</u>	<u>2.1</u>	0.0%
General Fund	15,539,520	16,026,577	14,521,927	6,049,288	(58.3%)
Cash Funds	17,840,086	21,169,069	17,268,716	24,685,485	42.9%
Reappropriated Funds	1,117,996	1,453,769	2,688,441	2,722,031	1.2%
Federal Funds	24,309,647	50,608,248	28,912,301	28,912,301	0.0%

### (D) Integrated Behavioral Health Services

Crisis Response System - Walk-in, Stabilization, Mobile, Residential, and Respite Services	<u>28,071,729</u>	<u>28,079,269</u>	<u>27,798,476</u>	<u>28,989,269</u> *
General Fund	23,506,902	24,081,881	23,841,062	24,991,881
Cash Funds	4,564,827	3,997,388	3,957,414	3,997,388
Reappropriated Funds	0	0	0	0
Federal Funds	0	0	0	0

## Appendix A: Numbers Pages

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Appropriation	FY 2021-22 Request	Request vs. Appropriation
Behavioral Health Crisis Response System Secure					
Transportation Pilot Programs	<u>0</u>	<u>546,639</u>	<u>0</u>	<u>546,639</u>	
General Fund	0	0	0	0	
Cash Funds	0	546,639	0	546,639	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Crisis Response System - Telephone Hotline	<u>3,068,291</u>	<u>3,698,556</u>	<u>3,503,226</u>	<u>3,872,820</u>	
General Fund	3,068,291	3,538,410	3,503,226	3,538,410	
Cash Funds	0	160,146	0	334,410	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Crisis Response System - Marketing	<u>600,000</u>	<u>588,377</u>	<u>0</u>	<u>600,000</u>	
General Fund	600,000	588,377	0	600,000	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Community Transition Services	<u>2,128,738</u>	<u>6,211,134</u>	<u>6,634,023</u>	<u>7,311,134</u>	
General Fund	2,128,738	6,211,134	6,634,023	7,311,134	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	

## Appendix A: Numbers Pages

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Appropriation	FY 2021-22 Request	Request vs. Appropriation
Criminal Justice Diversion Programs	<u>3,924,204</u>	<u>5,253,026</u>	<u>6,797,182</u>	<u>7,241,144</u>	
FTE	1.3	2.1	2.1	2.3	
General Fund	0	659,074	1,165,052	1,552,124	
Cash Funds	3,924,204	4,593,952	5,632,130	5,689,020	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Jail-based Behavioral Health Services	<u>5,686,085</u>	<u>9,112,250</u>	<u>13,232,195</u>	<u>13,585,542</u> *	
General Fund	506,705	3,491,651	6,127,117	6,408,696	
Cash Funds	0	0	0	0	
Reappropriated Funds	5,179,380	5,620,599	7,105,078	7,176,846	
Federal Funds	0	0	0	0	
Circle Program and Other Rural Treatment Programs for People with Co-occurring Disorders	<u>0</u>	<u>8,220,050</u>	<u>7,590,842</u>	<u>10,703,229</u>	
General Fund	0	3,090,019	0	581,081	
Cash Funds	0	3,130,031	5,590,842	8,122,148	
Reappropriated Funds	0	2,000,000	2,000,000	2,000,000	
Federal Funds	0	0	0	0	
Medication Consistency and Health Information Exchange	<u>220,247</u>	<u>480,700</u>	<u>380,700</u>	<u>380,700</u>	
General Fund	0	0	0	0	
Cash Funds	220,247	480,700	380,700	380,700	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	

## Appendix A: Numbers Pages

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Appropriation	FY 2021-22 Request	Request vs. Appropriation
Rural Co-occurring Disorder Services	<u>2,641,865</u>	<u>0</u>	<u>0</u>	<u>0</u>	
General Fund	1,625,000	0	0	0	
Cash Funds	1,016,865	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Community-based Circle Program	<u>1,993,511</u>	<u>0</u>	<u>0</u>	<u>0</u>	
General Fund	0	0	0	0	
Cash Funds	1,993,511	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
<b>SUBTOTAL - (D) Integrated Behavioral Health</b>					
<b>Services</b>	48,334,670	62,190,001	65,936,644	73,230,477	11.1%
<i>FTE</i>	<u>1.3</u>	<u>2.1</u>	<u>2.1</u>	<u>2.3</u>	<u>9.5%</u>
General Fund	31,435,636	41,660,546	41,270,480	44,983,326	9.0%
Cash Funds	11,719,654	12,908,856	15,561,086	19,070,305	22.6%
Reappropriated Funds	5,179,380	7,620,599	9,105,078	9,176,846	0.8%
Federal Funds	0	0	0	0	0.0%

## Appendix A: Numbers Pages

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Appropriation	FY 2021-22 Request	Request vs. Appropriation
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### (E) Mental Health Institutes

#### (1) Mental Health Institute - Ft. Logan

Personal Services	<u>27,362,083</u>	<u>16,099,022</u>	<u>21,624,773</u>	<u>23,457,570</u>	
FTE	216.2	216.2	216.2	216.2	
General Fund	25,169,507	14,372,363	19,888,545	21,721,342	
Cash Funds	1,700,536	1,699,980	1,642,140	1,642,140	
Reappropriated Funds	492,040	26,679	94,088	94,088	
Federal Funds	0	0	0	0	
Contract Medical Services	<u>650,895</u>	<u>815,297</u>	<u>773,466</u>	<u>773,466</u>	
General Fund	650,895	815,297	773,466	773,466	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Operating Expenses	<u>1,026,704</u>	<u>1,327,663</u>	<u>1,066,793</u>	<u>1,066,793</u>	
General Fund	1,002,801	1,190,278	925,278	925,278	
Cash Funds	0	114,762	117,612	117,612	
Reappropriated Funds	23,903	22,623	23,903	23,903	
Federal Funds	0	0	0	0	
Capital Outlay	<u>116,771</u>	<u>112,916</u>	<u>112,916</u>	<u>112,916</u>	
General Fund	116,771	112,916	112,916	112,916	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	

## Appendix A: Numbers Pages

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Appropriation	FY 2021-22 Request	Request vs. Appropriation
Pharmaceuticals	<u>1,478,487</u>	<u>1,368,888</u>	<u>1,328,473</u>	<u>1,328,473</u>	
General Fund	1,364,090	1,274,852	1,211,865	1,211,865	
Cash Funds	91,825	94,036	94,036	94,036	
Reappropriated Funds	22,572	0	22,572	22,572	
Federal Funds	0	0	0	0	
<b>SUBTOTAL -</b>	30,634,940	19,723,786	24,906,421	26,739,218	7.4%
<i>FTE</i>	<u>216.2</u>	<u>216.2</u>	<u>216.2</u>	<u>216.2</u>	0.0%
General Fund	28,304,064	17,765,706	22,912,070	24,744,867	8.0%
Cash Funds	1,792,361	1,908,778	1,853,788	1,853,788	0.0%
Reappropriated Funds	538,515	49,302	140,563	140,563	0.0%
Federal Funds	0	0	0	0	0.0%

### (2) Mental Health Institute - Pueblo

Personal Services	<u>101,888,458</u>	<u>195,036,712</u>	<u>82,982,780</u>	<u>99,176,272</u>	
FTE	981.8	1,026.3	1,050.2	1,081.2	
General Fund	91,889,199	88,436,626	71,573,426	87,766,918	
Cash Funds	1,344,898	95,569,159	3,755,180	3,755,180	
Reappropriated Funds	8,654,361	3,376,753	7,654,174	7,654,174	
Federal Funds	0	7,654,174	0	0	
Contract Medical Services	<u>2,368,871</u>	<u>2,684,664</u>	<u>2,592,833</u>	<u>3,342,833</u>	
General Fund	2,368,871	2,684,664	2,592,833	3,342,833	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	

## Appendix A: Numbers Pages

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Appropriation	FY 2021-22 Request	Request vs. Appropriation
Operating Expenses	<u>6,258,168</u>	<u>7,137,397</u>	<u>8,501,837</u>	<u>8,083,725</u> *	
General Fund	3,079,750	3,708,889	5,068,579	4,509,640	
Cash Funds	182,207	395,155	399,905	399,905	
Reappropriated Funds	2,996,211	3,033,353	3,033,353	3,174,180	
Federal Funds	0	0	0	0	
Capital Outlay	<u>307,721</u>	<u>324,068</u>	<u>324,068</u>	<u>324,068</u>	
General Fund	307,721	324,068	324,068	324,068	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Pharmaceuticals	<u>4,123,848</u>	<u>4,336,782</u>	<u>4,019,355</u>	<u>4,114,182</u>	
General Fund	3,915,680	4,103,660	3,785,873	3,880,700	
Cash Funds	170,547	195,861	195,861	195,861	
Reappropriated Funds	37,621	37,261	37,621	37,621	
Federal Funds	0	0	0	0	
Educational Programs	<u>214,674</u>	<u>216,554</u>	<u>236,402</u>	<u>236,402</u>	
FTE	2.7	2.7	2.7	2.7	
General Fund	28,602	31,094	31,094	31,094	
Cash Funds	0	0	0	0	
Reappropriated Funds	145,803	136,190	205,308	205,308	
Federal Funds	40,269	49,270	0	0	

## Appendix A: Numbers Pages

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Appropriation	FY 2021-22 Request	Request vs. Appropriation
<b>SUBTOTAL -</b>	115,161,740	209,736,177	98,657,275	115,277,482	16.8%
<i>FTE</i>	984.5	1029.0	1052.9	1083.9	2.9%
General Fund	101,589,823	99,289,001	83,375,873	99,855,253	19.8%
Cash Funds	1,697,652	96,160,175	4,350,946	4,350,946	0.0%
Reappropriated Funds	11,833,996	6,583,557	10,930,456	11,071,283	1.3%
Federal Funds	40,269	7,703,444	0	0	0.0%

### (3) Forensic Services

Forensic Services Administration	<u>623,049</u>	<u>233,099</u>	<u>253,209</u>	<u>1,194,072</u>	
FTE	13.9	13.9	13.9	13.9	
General Fund	623,049	233,099	253,209	1,194,072	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	



## Appendix A: Numbers Pages

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Appropriation	FY 2021-22 Request	Request vs. Appropriation
Court Services	<u>4,644,477</u>	<u>5,507,420</u>	<u>7,663,240</u>	<u>6,717,385</u>	
FTE	34.6	52.6	77.1	66.1	
General Fund	4,644,477	5,507,420	7,663,240	6,717,385	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Forensic Community-based Services	<u>2,391,484</u>	<u>2,169,557</u>	<u>3,358,441</u>	<u>3,447,632</u>	
FTE	19.4	20.4	20.4	20.4	
General Fund	2,391,484	2,169,557	3,358,441	3,447,632	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Jail-based Competency Restoration Program	<u>10,951,126</u>	<u>13,537,982</u>	<u>13,429,826</u>	<u>13,429,826</u>	
FTE	4.3	4.3	4.3	4.3	
General Fund	10,951,126	13,537,982	13,429,826	13,429,826	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Purchased Psychiatric Bed Capacity	<u>24,359</u>	<u>2,368,304</u>	<u>3,255,333</u>	<u>3,278,988</u>	
FTE	1.0	1.0	1.0	1.0	
General Fund	24,359	2,368,304	3,255,333	3,278,988	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	

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	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Appropriation	FY 2021-22 Request	Request vs. Appropriation
Outpatient Competency Restoration Program	<u>424,017</u>	<u>1,322,304</u>	<u>3,628,772</u>	<u>3,637,772</u>	
FTE	1.0	1.0	1.0	1.0	
General Fund	424,017	1,322,304	3,628,772	3,637,772	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
<b>SUBTOTAL -</b>	19,058,512	25,138,666	31,588,821	31,705,675	0.4%
<i>FTE</i>	<u>74.2</u>	<u>93.2</u>	<u>117.7</u>	<u>106.7</u>	<u>(9.3%)</u>
General Fund	19,058,512	25,138,666	31,588,821	31,705,675	0.4%
Cash Funds	0	0	0	0	0.0%
Reappropriated Funds	0	0	0	0	0.0%
Federal Funds	0	0	0	0	0.0%

## Appendix A: Numbers Pages

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Appropriation	FY 2021-22 Request	Request vs. Appropriation
<b>(4) Consent Decree Fines and Costs</b>					
Consent Decree Fines and Costs	0	9,534,841	2,947,000	2,947,000	
General Fund	0	9,534,841	2,947,000	2,947,000	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
<b>SUBTOTAL -</b>	0	9,534,841	2,947,000	2,947,000	0.0%
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0%</u>
General Fund	0	9,534,841	2,947,000	2,947,000	0.0%
Cash Funds	0	0	0	0	0.0%
Reappropriated Funds	0	0	0	0	0.0%
Federal Funds	0	0	0	0	0.0%
<b>SUBTOTAL - (E) Mental Health Institutes</b>	164,855,192	264,133,470	158,099,517	176,669,375	11.7%
<i>FTE</i>	<u>1,274.9</u>	<u>1,338.4</u>	<u>1,386.8</u>	<u>1,406.8</u>	<u>1.4%</u>
General Fund	148,952,399	151,728,214	140,823,764	159,252,795	13.1%
Cash Funds	3,490,013	98,068,953	6,204,734	6,204,734	0.0%
Reappropriated Funds	12,372,511	6,632,859	11,071,019	11,211,846	1.3%
Federal Funds	40,269	7,703,444	0	0	0.0%

## Appendix A: Numbers Pages

	FY 2018-19 Actual	FY 2019-20 Actual	FY 2020-21 Appropriation	FY 2021-22 Request	Request vs. Appropriation
<b>(F) Indirect Cost Assessment</b>					
Indirect Cost Assessment	<u>8,534,194</u>	<u>8,179,526</u>	<u>6,350,432</u>	<u>6,709,084</u> *	
General Fund	0	0	0	0	
Cash Funds	7,417,673	5,822,972	3,451,101	3,631,457	
Reappropriated Funds	215,546	1,370,519	1,428,686	1,528,013	
Federal Funds	900,975	986,035	1,470,645	1,549,614	
<b>SUBTOTAL - (F) Indirect Cost Assessment</b>	8,534,194	8,179,526	6,350,432	6,709,084	5.6%
<i>FTE</i>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0%</u>
General Fund	0	0	0	0	0.0%
Cash Funds	7,417,673	5,822,972	3,451,101	3,631,457	5.2%
Reappropriated Funds	215,546	1,370,519	1,428,686	1,528,013	7.0%
Federal Funds	900,975	986,035	1,470,645	1,549,614	5.4%
<b>TOTAL - (8) Office of Behavioral Health</b>	347,308,331	501,936,380	360,928,252	387,752,627	7.4%
<i>FTE</i>	<u>1,352.8</u>	<u>1,426.4</u>	<u>1,470.8</u>	<u>1,495.2</u>	<u>1.7%</u>
General Fund	244,313,323	258,789,544	244,503,482	259,898,823	6.3%
Cash Funds	46,816,906	144,514,640	48,341,550	59,344,837	22.8%
Reappropriated Funds	19,715,009	17,872,542	25,722,102	26,068,880	1.3%
Federal Funds	36,463,093	80,759,654	42,361,118	42,440,087	0.2%
<b>TOTAL - Department of Human Services</b>	397,942,196	547,976,112	408,917,362	434,588,179	6.3%
<i>FTE</i>	<u>1,773.8</u>	<u>1,850.2</u>	<u>1,895.7</u>	<u>1,913.6</u>	<u>0.9%</u>
General Fund	273,248,382	286,983,751	270,893,389	286,100,350	5.6%
Cash Funds	47,772,428	145,587,427	49,769,921	60,785,321	22.1%
Reappropriated Funds	40,458,293	34,645,280	45,892,934	45,262,421	(1.4%)
Federal Funds	36,463,093	80,759,654	42,361,118	42,440,087	0.2%

## APPENDIX B FOOTNOTES AND INFORMATION REQUESTS

### UPDATE ON LONG BILL FOOTNOTES

The General Assembly includes footnotes in the annual Long Bill to: (a) set forth purposes, conditions, or limitations on an item of appropriation; (b) explain assumptions used in determining a specific amount of an appropriation; or (c) express legislative intent relating to any appropriation. Footnotes to the 2020 Long Bill (H.B. 20-1360) can be found at the end of each departmental section of the bill at <https://leg.colorado.gov/bills/HB20-1360>. The Long Bill footnotes relevant to this document are listed below.

- 52 Department of Human Services, Office of Behavioral Health, Community-based Mental Health Services, Assertive Community Treatment Programs and Other Alternatives to the Mental Health Institutes -- It is the General Assembly's intent that \$527,027 of this General Fund appropriation be allocated to a community mental health center in western Colorado for the purpose of providing behavioral health services for individuals who seek care from the emergency department of a regional medical center and who are diagnosed with physical health conditions that may be exacerbated by co-occurring mental health conditions.

**COMMENT:** This footnote was first included in the FY 2016-17 Long Bill in connection with a \$500,000 General Fund increase in the appropriation for “Services for Indigent Mentally Ill Clients” to expand access to inpatient psychiatric care for individuals who are diagnosed with physical health conditions that are exacerbated by co-occurring mental health problems. This footnote was included to specify the General Assembly's intent in making the appropriation. The Department used a request for proposal process and awarded the funds to Mind Springs Health. The General Assembly amended the footnote mid-year (through S.B. 17-163) after staff became aware that the funding was unlikely to be spent based on procurement-related delays and footnote language that did not reflect the manner in which the services are being provided. Several appropriations in the behavioral health section of the Department’s Long Bill appropriations were reorganized in FY 2017-18. As a result, this footnote now references the relevant funding in the “Assertive Community Treatment Programs and Other Alternatives to the Mental Health Institutes” line item.

The appropriation has been increased and modified as follows:

- *FY 2017-18:* The General Assembly increased this appropriation by \$7,009 General Fund consistent with the statewide policy concerning community provider rates.
- *FY 2018-19:* The General Assembly increased this appropriation by \$5,070 General Fund consistent with the statewide policy concerning community provider rates.
- *FY 2019-20:* The General Assembly increased this appropriation by \$5,121 General Fund consistent with the statewide policy concerning community provider rates.

For FY 2020-21, the Department is not in compliance with this footnote due to budget balancing reductions that impact this line item. JBC staff will work with the Department at figure setting to address this footnote and make a recommendation for the Committee.

53 Department of Human Services, Office of Behavioral Health, Integrated Behavioral Health Services, Circle Program and Other Rural Treatment Programs for People with Co-occurring Disorders -- It is the General Assembly's intent that this appropriation be used to: support the community-based Circle Program; support the provision of a full continuum of co-occurring behavioral health treatment services in southern Colorado and the Arkansas Valley; and expand access to residential treatment services in one or more rural areas of Colorado for individuals with co-occurring mental health and substance use disorders. It is also the General Assembly's intent that the appropriation may be used to provide services and to cover initial expenses necessary to establish, license, and begin operating one or more programs that provide these services, such as building renovations, furnishing, and equipment.

**COMMENT:** This footnote was modified for the FY 2019-20 Long Bill, in coordination with the consolidation of two line items that support treatment for individuals with co-occurring mental health and substance use disorders: "Community-based Circle Program" and "Rural Co-occurring Disorder Services." There were two existing footnotes that expressed legislative intent concerning the line items; this footnote consolidated those to express similar intent. Additionally, the Department indicated that it was seeking legislative clarification that it is authorized to fund services in other co-occurring treatment facilities in other regions of the State while new facilities are being established. This footnote is intended to address that issue. The Department reports that it is compliant with this footnote.

54 Department of Human Services, Office of Behavioral Health, Mental Health Institutes -- In addition to the transfer authority provided in Section 24-75-108, C.R.S., the Department is authorized to transfer up to 5.0 percent of the total appropriations in this subsection among line items in this subsection.

**COMMENT:** This footnote was first included in the FY 2014-15 Long Bill. The FY 2014-15 Long Bill included two format changes to maintain a transparent delineation of expenditures at the mental health institutes while allowing the Department more flexibility to manage these appropriations and minimize the number mid-year appropriation adjustments. First, funding for outside medical expenses was removed from the Personal Services line items for each Institute and placed in a two new line item appropriations for "Contract Medical Services" – one for each Institute. Second, the above footnote was added to allow the Department to transfer up to 10 percent of the total appropriations in the Mental Health Institutes subsection of the Long Bill, starting in FY 2014-15. The footnote was modified in FY 2019-20 to reduce the allowable transfer authority from 10.0 percent to 5.0 percent.

The Department is in compliance with this footnote.

55 Department of Human Services, Office of Behavioral Health, Mental Health Institutes, Mental Health Institute at Ft. Logan, Personal Services; and Mental Health Institute at Pueblo, Personal Services -- It is the General Assembly's intent that \$1,148,010 of these appropriations be used to increase salaries for contract medical personnel in a manner that appropriately considers relevant factors such as certifications and experience.

**COMMENT:** This footnote was first included in the FY 2019-20 Long Bill. Staff recommended the inclusion of this footnote as part of the Department's request to increase funding for contract medical personnel.

When the Department cannot fill a vacancy quickly, it solicits outside staffing agencies to provide interim coverage. The Institutes contract with the University of Colorado at Denver (UCD) School of Medicine for medical providers, including psychiatrists, internal medicine physicians, nurse practitioners, and physician assistants. The Department requested \$1,127,667 General Fund for FY 2019-20 to increase salaries for medical staff at the Institutes over the next two years. The appropriation that supports the contracts is adjusted annually whenever the JBC approves a community provider rate increase. However, these community provider rate increases have not been sufficient for the Department to recruit and retain medical staff, mainly because current contract physician salaries are below market. Thus, the Department periodically requests additional funding to increase the base salaries.

The Department made a similar funding request in 2014, when five of the 19 full-time psychiatrist positions at the Institutes were vacant (two of seven at CMHIFL and three of 12 at CMHIP). The Department requested an increase of \$448,580 General Fund to increase psychiatrist salaries to an average of \$175,000. At that time, psychiatrist salaries ranged from \$154,000 to \$170,000, while the starting salary at the Department of Corrections (DOC) was \$174,000. The Department indicated that psychiatrists with comparable certifications and experience generally earned between \$175,000 and \$210,000. The Department's request was intended to address salary compression and make salaries more competitive with those paid by DOC and the broader market in Colorado. The Institutes planned to increase starting salaries of new hires and the salaries of existing psychiatrists to amounts comparable with other state agencies and community providers, based on certification and experience. This request was approved.

This footnote was recommended in order to encourage the Department to continue the practice of establishing individual salaries based on certification and experience.

**This footnote was mistakenly recommended for continuation and inclusion in the FY 2020-21 Long Bill. A second year of increases was expected as a component of the original request. However, the second year was not funded as the result of both an oversight in the request and the budget balancing actions for FY 2020-21. Staff will recommend a correction during the supplemental process, and will provide an updated recommendation for FY 2021-22 during figure setting.**

## UPDATE ON LONG BILL REQUESTS FOR INFORMATION

The Joint Budget Committee annually submits requests for information to executive departments and the judicial branch via letters to the Governor, the Chief Justice, and other elected officials. Each request is associated with one or more specific Long Bill line item(s), and the requests have been prioritized by the Joint Budget Committee as required by Section 2-3-203 (3), C.R.S. Copies of these letters are included as Appendix L of the annual Appropriations Report. The requests for information relevant to this document are listed below.

1 Department of Corrections, Management; and Institutions; Department of Higher Education, Governing Boards, Regents of the University of Colorado; and Department of Human Services, Office of Behavioral Health, Mental Health Institutes -- The Departments are requested to work together to explore strategies to increase the ability of the Department of Human Services and the Department of Corrections to recruit and retain the most competent and desirable candidates to provide psychiatric care at the Mental Health Institutes and state prison facilities. These strategies may include, but not be limited to:

- Expanding the academic affiliation with the University of Colorado School of Medicine to include an option for academic promotion, teaching, and research opportunities for psychiatrists recruited to the Mental Health Institutes and the Department of Corrections in an effort to benefit all, and to evaluate additional opportunities for medical student and resident clinical experiences in state psychiatric and correctional facilities;
- Increasing the utilization of tele psychiatry; and
- Improving collaboration between the University of Colorado School of Medicine Department of Psychiatry, the Mental Health Institutes, and the Department of Corrections in recruiting, hiring, and retaining qualified psychiatrists with forensic and correctional expertise.

The Department of Human Services is requested to submit a report by October 1, 2020, describing the status of these discussions, any plans to implement new recruitment and retention strategies, the estimated fiscal impact of implementing such strategies, and any potential actions the General Assembly should consider taking to support successful implementation of such strategies.

**COMMENT:** The Department submitted its response as requested. Nine strategies for recruitment were identified (some of which are dependent on funding), including establishing competitive compensation (including loan forgiveness), developing specific marketing strategies, identifying spousal/partner employment opportunities, creating part-time positions, and expanding opportunities to nurse practitioners and physician assistants. Four retentions strategies were identified: flex schedule availability; ensuring coverage to manage workload and on-call burdens; use of on-call psychiatrists; and the creation of a CME training program. Finally, the response identified two strategies to address telepsychiatry: the implementation of telepsychiatry pilot programs at the Mental Health Institutes and developing a “Team Based Approach.” The Department highlighted the increase in hiring of mid-level practitioners to address gaps in coverage, but notes that this is not a complete substitute for psychiatrists.



## APPENDIX C

# DEPARTMENT ANNUAL PERFORMANCE REPORT

Pursuant to Section 2-7-205 (1)(a)(I), C.R.S., by November 1 of each year, the Office of State Planning and Budgeting is required to publish an **Annual Performance Report** for the *previous fiscal year* for the Department of Human Services. This report is to include a summary of the department's performance plan and most recent performance evaluation for the designated fiscal year. In addition, pursuant to Section 2-7-204 (3)(a)(I), C.R.S., the department is required to develop a **Performance Plan** and submit the plan for the *current fiscal year* to the Joint Budget Committee and appropriate Joint Committee of Reference by July 1 of each year.

For consideration by the Joint Budget Committee in prioritizing the department's FY 2021-22 budget request, the FY 2019-20 Annual Performance Report and the FY 2020-21 Performance Plan can be found at the following link:

<https://operations.colorado.gov/performance-management/departments-performance-plans>