MEMORANDUM



TO Members of the Joint Budget Committee FROM Craig Harper, JBC Staff (303-866-3481)

DATE April 11, 2023

SUBJECT Potential Long Bill Conference Committee Amendment for BHA Footnote

Senator Kirkmeyer requested a potential Conference Committee amendment to the Long Bill to add a footnote indicating that it is the General Assembly's intent that funding appropriated to the Behavioral Health Administration (BHA) for FY 2023-24 will be allocated based on the existing geographic regions for each type of service (rather than based on potential new maps under consideration by the BHA in response to H.B. 22-1278 (Behavioral Health Administration)). Staff has drafted the following footnote in response to that request:

<u>53a</u> Department of Human Services, Behavioral Health Administration -- It is the General Assembly's intent that the Behavioral Health Administration continue to contract for behavioral health services based on the preexisting service areas relevant to each contracted service through the end of the 2023-24 state fiscal year.

BACKGROUND

The BHA currently allocates funding for behavioral health services based on several different maps, depending on the type of service in question. The BHA:

- Contracts directly with 17 community mental health centers (CMHCs) for many mental health services, based on the "catchment area" for each CMHC.
- Contracts with four different administrative service organizations (ASOs) for crisis services and
 for the Children and Youth Mental Health Treatment Act, with each ASO responsible for specific
 geographic areas (there are currently seven regions for these services but two ASOs serve more
 than one region). The ASOs then contract with providers for those services.
- Contracts with three managed service organizations (MSOs) for substance use services (for a total
 of four regions, which are different from the areas for either of the other service categories).
 Similar to the ASOs, the MSOs then contract with providers for the actual services.

House Bill 22-1278 requires the BHA to consolidate these separate "systems" into a single structure of behavioral health administrative service organizations (BHASOs) by July 1, 2024, and to "designate regions of the state for behavioral health administrative service organizations to operate." Then, the BHA will contract with the BHASOs as intermediaries and the BHASOs will be responsible for ensuring network adequacy and contracting with providers for services.

The footnote above would state the General Assembly's intent that the current/existing maps apply through FY 2023-24 – indicating that the new map/structure should not take effect before the July 1, 2024, deadline in H.B. 22-1278.