



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Revised Fiscal Note

(Replaces fiscal note dated April 27, 2021)

Drafting Number: LLS 21-0586 Date: June 3, 2021
Prime Sponsors: Sen. Pettersen; Winter Bill Status: House Appropriations
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Bill Topic: BEHAVIORAL HEALTH RECOVERY ACT

- Summary of Fiscal Impact:
State Revenue
State Expenditure
State Transfer
TABOR Refund
Local Government
Statutory Public Entity

The bill extends, modifies, and funds behavioral health programs throughout state government. It transfers funds in FY 2020-21 and increases state expenditures on an ongoing basis.

Appropriation Summary: For FY 2021-22, the bill includes appropriations of \$108.9 million and requires additional appropriations of \$5.2 million to multiple state agencies.

Fiscal Note Status: The revised fiscal note reflects the reengrossed bill, as amended by the House Public and Behavioral Health and Human Services Committee.

Table 1
State Fiscal Impacts Under SB 21-137^1

Table with 4 columns: Category, Sub-category, Budget Year FY 2021-22, and Out Year FY 2022-23. Rows include Revenue, Expenditures (General Fund, Marijuana Tax Cash Fund, Behavioral and Mental Health Fund, Other Federal Funds, Total Expenditures, Total FTE), Transfers (ARPA Fund, Behavioral and Mental Health Fund, Net Transfer), and TABOR Refund.

^1 Totals may not sum due to rounding. Transfer may occur in the current FY 2020-21 depending on when the bill becomes law.

Summary of Legislation

The bill extends, modifies, and finances behavioral health programs throughout state government. The affected programs are listed in Table 2 in the State Expenditures section. It creates a new cash fund for federal funds related to behavioral health. In addition, the bill makes several other changes in law, including:

- continuing the requirement for opioid prescribing limitations;
- making the Harm Reduction Grant Program Fund continuously appropriated to the Colorado Department of Public Health and Environment (CDPHE);
- continuing the Building Substance Use Disorder Treatment Capacity in Underserved Communities Grant Program indefinitely and repealing its July 1, 2024, repeal date;
- requiring the Perinatal Substance Use Data Linkage Project to use additional data sources from state-administered programs when examining issues related to pregnant and postpartum women with substance use disorders and their infants;
- continuing the public awareness campaign about safe storage of opioid medication beyond the program's September 1, 2024, repeal date;
- requiring state and private prisons to provide at least two doses of an opioid reversal medication upon release to individuals that were treated for opioid use disorder while in custody, as funding and supplies allow;
- removing fire stations from the list of safe stations at which an individual can turn in controlled substances without legal liability for possession; and
- creating a task force to meet during the 2021 interim to develop recommendations for spending funds received from the American Rescue Plan Act (ARPA) on behavioral health; and
- repealing the authority of the Opioid and Other Substance Use Disorders Interim Study Committee to meet during the 2021 interim.

Behavioral and Mental Health Cash Fund. The bill creates the Behavioral and Mental Health Cash Fund (BMH Fund) to be used for mental health treatment, substance misuse treatment, and other behavioral health services allowable under ARPA. The bill transfers \$550 million to the fund from the ARPA of 2021 Cash Fund.

State Transfers

The bill makes a one-time transfer of \$550 million from the ARPA Cash Fund to the BMH Fund. This transfer may occur in either FY 2020-21 or FY 2021-22 depending on when the bill becomes law.

State Expenditures

The bill increases state expenditures by \$114.1 million and 5.8 FTE in FY 2021-22, and \$14.3 million and 6.0 FTE in FY 2022-23. Cost are paid from the General Fund, Marijuana Tax Cash Fund (MTCF), BMH Fund, and federal funds, as detailed below. In subsequent years, costs for each program continue at FY 2022-23 levels on an ongoing basis unless otherwise noted. All BMH funds appropriated for FY 2021-22 may also be spent in the following fiscal year. For the legislative impact, the fiscal note assumes that the new task force and repeal of the Opioid and Other Substance Use

Disorders Interim Study Committee during the 2021 will have offsetting costs and savings, except that an additional \$50,000 is require to hire a meeting facilitator.

**Table 2
Expenditures Under SB 21-137**

Department of Human Services

Program	FY 2021-22	FY 2022-23
Early Childhood Mental Health Consultation Program. The DHS is required to hire contractors for evaluation, gap analysis, and development of a financing strategy for the program. Costs are from the General Fund and annualize to \$280,000 in FY 2023-24 and \$326,000 in FY 2024-25.	\$190,000	\$376,000
Rural Behavioral Health Vouchers. The DHS must hire a nonprofit contractor offering behavioral health services. The bill requires a specified appropriation from the General Fund.	\$50,000	\$50,000
Recovery Residence Certification. The DHS must hire a contractor for certification and training on industry best practices for recovery residences. The bill requires a specified appropriation from the General Fund.	\$200,000	\$200,000
Treatment and Detoxification Programs. The bill appropriates General Fund for these programs in the OBH.	\$200,000	-
Housing Assistance Program. The DHS must establish a program providing temporary housing assistance to certain individuals with a SUD. Costs are paid from the General Fund.	\$4,000,000 1.0 FTE	\$4,000,000 1.0 FTE
Recovery Support Services Grant Program. The DHS must provide recovery-oriented services to individuals with a substance use and co-occurring mental health disorder. The bill requires a specified appropriation from the General Fund.	\$1,600,000 1.0 FTE	\$1,600,000 1.0 FTE
Maternal and Child Health Pilot Program. The bill continues this pilot program and requires that funding from the MTCF be appropriated annually. Estimated costs are based on current expenditures.	-	\$652,376
Managed Service Organizations. The bill appropriates BMH Fund for substance use disorder treatment and recovery providers.	\$10,000,000	-
Community Mental Health Centers. The bill appropriates General Fund for unanticipated expenses related to COVID-19.	\$3,250,000	-
Colorado Crisis System. The bill appropriates BMH Fund in response to COVID-19 on the behavioral health of residents, including for youth crisis system access.	\$5,000,000	-
Community Mental Health Centers. The bill appropriates BMH Fund for services provided to children and parents by school-based providers.	\$2,000,000	-
High-Risk Families. The bill appropriates BMH Fund for the High-Risk Families Cash Fund.	\$3,000,000	-
Mental Health Awareness Campaign. The bill appropriates BMH Fund for a mental health awareness campaign.	\$1,000,000	-

Workforce Development Program. The bill appropriates BMH Fund for a workforce development program in OBH to recruit, retain, and train the behavioral health workforce.	\$18,000,000	
Statewide Care Coordination Infrastructure. The bill appropriates BMH Fund for OBH to develop coordination infrastructure for uninsured and publicly funded clients.	\$30,000,000	
Co-responder Programs. The bill appropriates General Fund for Colorado Crisis System services, housing assistance, and treatment for rural communities.	\$10,000,000	-
Treatment Funding. The bill appropriates BMH Fund to the OBH for behavioral health and substance use disorder treatment for children and their families.	\$2,000,000	-
Community Transition Services. The bill appropriates BMH Fund for guardianship services for individuals transitioning out of mental health institutes.	\$500,000	-
Jail Based Behavioral Health Services. The bill appropriates BMH Fund for jail-based behavioral health services.	\$5,000,000	-
Childhood Mental Health. The bill appropriates BMH Fund for the Early Childhood Mental Health Consultation Program.	\$500,000	-
Ombudsman. The bill appropriates BMH Fund to help solve behavioral health access and coverage concerns or complaints from consumers and providers.	\$300,000	-
DHS Subtotal:	\$96,790,000	\$6,878,376
DHS FTE	2.0 FTE	2.0 FTE

Department of Higher Education

Program	FY 2021-22	FY 2022-23
Medication-Assisted Treatment Expansion Pilot Program. The bill continues the program for three years through FY 2023-24 and appropriates funds requires a specified appropriation from the MTCF. It also increases the current year FY 2020-21 appropriation for the program by \$500,000.	\$3,000,000	\$3,000,000
CSU AgrAbility Project. The bill expands this program to provide rural mental health support to farmers and their families and requires a specified appropriation from the MTCF.	\$900,000	\$900,000
Public Awareness Campaign. The bill continues the statewide public awareness campaigns related to safe medication practices administered by the Center and requires a specified appropriation from the MTCF.	\$750,000	\$750,000
Center for Research into SUD. The bill extends other funding for the Center beyond the current expiration in statute, and specifies that an annual appropriation of \$250,000 from the MCTF is required starting in FY 2024-25	-	-
Perinatal Substance Use Data Linkage Project. For an institute of higher education to connect state and non-state data sources to improve population-level estimates of perinatal substance exposure.	\$75,000	-

Center for Research into SUD. The bill appropriates BMH Fund for training health care professionals to promote use of evidence-based models, grant-writing assistance, and recovery programs.	\$1,000,000	-
Regional Health Connector Workforce Program. The bill appropriates BMH Fund to finance this newly created program	\$1,000,000	-
Training on Opioid Use Disorder Medication. The bill requires a specified appropriation from the BMH Fund for training and support for health care providers concerning medication for opioid use disorder.	\$630,000	-
DHE Subtotal:	\$7,355,000	\$4,650,000

Department of Public Health and Environment

Program	FY 2021-22	FY 2022-23
STI, HIV, and AIDS program. The bill appropriates General Fund for operating expenses in the department's STI, HIV, and AIDS program.	\$500,000	-
Mental Health First-aid. The bill appropriates General Fund for in-person and virtual trainings by the Colorado Behavioral Health Care Council.	\$250,000	-
Colorado Health Service Corps. The bill requires specified appropriations to this loan repayment program consisting of a \$1.0 million increase to the annual MTCF appropriation and an additional \$1.7 million from the BMH Fund for one-time use.	\$2,700,000 1.0 FTE	\$1,000,000
Opiate Antagonist Bulk Purchase Fund. The bill appropriates BMH Fund for bulk purchase of opiate antagonist medication.	\$1,000,000	-
Colorado HIV and AIDS Prevention Grant Program. The bill appropriates BMH Fund for this grant program.	\$2,000,000	-
School-based Health Centers. The bill appropriates BMH Fund for school-based health centers	\$1,200,000	-
CDPHE Subtotal:	\$7,650,000	\$1,000,000
CDPHE FTE	1.0 FTE	-

Department of Health Care Policy and Financing

Program	FY 2021-22	FY 2022-23
MCO Service Modifications. The bill sets various requirements on managed care organizations, which will increase HCPF costs for outreach in FY 2021-22 and FY 2022-23 only, split evenly between General Fund and federal funds.	\$67,920	\$67,920
Screening for Perinatal Mood and Anxiety Disorder. The bill increases the number of covered screenings under Medicaid from 3 to 4. Costs are split evenly between General Fund and federal funds.	\$156,438	\$132,079
Utilization Management for Inpatient Substance Use Disorder Treatment. HCPF is required to develop standardized processes to determine medical necessity for residential or inpatient substance use disorder treatment.	\$1,253,501 1.4 FTE	\$979,142 1.5 FTE

Audits for Denials for Inpatient Substance Use Disorder Treatment. HCPF will hire a contractor to audit one-third of denials for authorization.	\$463,123 0.5 FTE	\$464,113 0.5 FTE
Care Coordination. HCPF will work with DHS to develop statewide care coordination infrastructure.	\$94,245 0.9 FTE	\$96,228 1.0 FTE
Training. The bill appropriates BMH Fund for training health care professionals in substance use screening, brief intervention, and referral to treatment.	\$250,000	-
HCPF Subtotal:	\$2,285,227	\$1,739,482
HCPF FTE	2.8 FTE	3.0 FTE

Legislative Department

Program	FY 2021-22	FY 2022-23
Task Force Facilitator	\$50,000	
Legislative Dept. Subtotal	\$50,000	
Total Cost	\$114,130,227	\$14,267,858
Total FTE	5.8 FTE	5.0 FTE

Local Government

Local governments and school districts may receive grants or allocations of funding from some of the state programs affected by the bill, some of which will require matching funding.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

For FY 2021-22, the bill includes appropriations of \$108,864,358 as follows:

- \$96,790,000 to the Department of Human Services and 2.0 FTE, of which:
 - \$90,550,000 is BMH Fund; and
 - \$6,240,000 is General Fund, and 2.0 FTE.
- \$6,650,000 to the Department of Higher Education, of which:
 - \$4,650,000 is MTCF; and
 - \$2,000,000 is BMH Fund.
- \$4,950,000 to the Department of Public Health and Environment, of which:
 - \$750,000 is General Fund; and
 - \$4,200,000 is BMH Fund.

- \$474,358 to the Department of Health Care Policy and Financing, of which
 - \$112,179 is General Fund;
 - \$112,179 is federal funds; and
 - \$250,000 is BMH Fund.

In addition, for FY 2021-22, the bill requires appropriations totaling \$5,265,869 and 3.8 FTE as follows:

- \$705,000 to the Department of Higher Education, of which:
 - \$630,000 is BMH Fund; and
 - \$75,000 is MTCF.
- \$2,700,000 to the Colorado Department of Public Health and Environment and 1.0 FTE, of which:
 - \$1,700,000 is BMH Fund; and
 - \$1,000,000 is MTCF.
- \$1,810,869 to the Department of Health Care Policy and Financing and 2.8 FTE, of which:
 - \$905,435 is General Fund; and
 - \$905,434 is federal funds.
- \$50,000 General Fund to the Legislative Department.

State and Local Government Contacts

Agriculture

Education

Human Services

Municipalities

Corrections

Health Care Policy and Financing

Information Technology

Public Health and Environment

Counties

Higher Education

Law

Regulatory Agencies