

Legislative Council Staff

Nonpartisan Services for Colorado's Legislature M

Fiscal Note Memorandum

May 3, 2023

Room 029 State Capitol, Denver, CO 80203-1784 Phone: (303) 866-3521 • Fax: (303) 866-3855 lcs.ga@state.co.us • leg.colorado.gov/lcs

TO:House Appropriations CommitteeFROM:Kristine McLaughlin, Fiscal Analyst
kristine.mclaughlin@coleg.gov | 303-866-4776

SUBJECT: Fiscal Assessment of Proposed Amendment HB1200_L.012

This memorandum is an assessment of the fiscal impact of the attached proposed amendment L.012 to House Bill 23-1200. This fiscal assessment is for the impact of the bill with inclusion of this amendment <u>only</u>. Any other added amendment could influence the fiscal impact.

Summary of Proposed Amendment

Amendment HB1200_L.012 strikes everything below the enacting clause and requires managed care entities (known under Medicaid as Regional Accountable Entities, or RAEs) to enter into single-case agreements with out-of-network providers when the RAEs cannot provide a specific member with behavioral health services required to be provided under the RAE's contract with the Department of Health Care Policy and Financing (HCPF).

Fiscal Impact of Amendment

Strike-below Amendment L.012 removes provisions in the bill related to the family input process, which eliminates the estimated \$130,000 impact indicted in the most recent fiscal note published April 4, 2023. Instead, the bill as amended requires RAEs to enter into single-case agreements to provide behavioral health services in certain situations, which will have a minimal impact on HCPF, as described below.

Bill's Revised Fiscal Impact with Amendment

Workload may increase in HCPF to modify RAE contracts to ensure they meet the bill requirements. This workload is expected to minimal as the contracts already allow for single-case agreements for behavioral health providers. In addition, any increase in the use of single-case agreements is expected to be minimal; thus, the bill is not expected to impact rates paid by HCPF to RAEs for behavioral health services.