



JOINT BUDGET COMMITTEE STAFF FY 2022-23 BUDGET BRIEFING SUMMARY

Colorado General Assembly
Joint Budget Committee

Department of Human Services
Office of Behavioral Health

The Department of Human Services is responsible for the administration and supervision of all non-medical public assistance and welfare programs in the state. This briefing document concerns behavioral health services (services for people with mental health and substance use disorders), which are overseen by the Office of Behavioral Health. The Department's FY 2021-22 appropriation consists of 37.5 percent General Fund, 18.5 percent cash funds, 7.7 percent reappropriated funds, and 36.3 percent federal funds.

FY 2021-22 APPROPRIATION AND FY 2022-23 REQUEST

DEPARTMENT OF HUMAN SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2021-22 APPROPRIATION:						
S.B. 21-205 (Long Bill)	405,740,502	276,932,485	60,039,750	26,334,705	42,433,562	1,481.2
Other legislation	103,559,254	7,736,254	95,823,000	0	0	5.0
TOTAL	\$509,299,756	\$284,668,739	\$155,862,750	\$26,334,705	\$42,433,562	1,486.2
FY 2022-23 REQUESTED APPROPRIATION:						
FY 2021-22 Appropriation	\$509,299,756	284,668,739	\$155,862,750	\$26,334,705	\$42,433,562	1,486.2
R1 Food service and housekeeping coordinated compensation	562,762	500,320	23,799	38,643	0	0.0
R2 CMHIFL 44 bed operating budget	10,318,585	10,318,585	0	0	0	78.3
R5 Community provider rate increase	2,011,838	1,396,318	510,195	105,325	0	0.0
R6 Facilities management operating	42,486	0	23,089	9,558	9,839	0.0
R9 Improving involuntary mental health treatment	181,433	181,433	0	0	0	1.0
R11 CBH criminal justice Long Bill line consolidation	0	0	0	0	0	(0.0)
R12 Community behavioral health technical corrections	0	0	0	0	0	0.0
R13 MHI forensic technical Long Bill corrections	125,000	125,000	0	0	0	0.0
Annualize prior year budget actions	3,028,508	2,721,853	81,923	27,089	197,643	0.1
Indirect cost assessments	249,810	0	134,410	59,716	55,684	0.0
Non-prioritized requests	53,381	0	0	53,381	0	0.0
Annualize prior year legislation	(81,908,075)	1,074,529	(82,982,604)	0	0	0.5
TOTAL	\$443,965,484	\$300,986,777	\$73,653,562	\$26,628,417	\$42,696,728	1,566.1
INCREASE/(DECREASE)	(\$65,334,272)	\$16,318,038	(\$82,209,188)	\$293,712	\$263,166	79.9
Percentage Change	(12.8%)	5.7%	(52.7%)	1.1%	0.6%	5.4%

R1 FOOD SERVICES AND HOUSEKEEPING COORDINATED COMPENSATION: The request includes an increase of \$562,762 total funds, including \$500,320 General Fund, in the Office of Behavioral Health for salary increases for all food services and housekeeping classified positions. Department-wide, the request proposes an increase of \$2.0 million total funds, including \$1.0 million General Fund. For the Office of Behavioral Health, the request includes

\$491,531 total funds (\$65,966 General Fund) for the Mental Health Institute at Pueblo and \$71,231 total funds (\$65,966 General Fund) for the Mental Health Institute at Fort Logan. The requested amounts for this division are all ongoing in FY 2023-24 and subsequent years. *For additional information on request R1, see the 12/1/2021 JBC Staff briefing for the Department of Human Services, Executive Director's Office.*

R2 CMHIFL 44 BED OPERATING BUDGET: The request includes an increase of \$10.3 million General Fund and 78.3 FTE for costs to operate 44 new forensic psychiatric beds at the Colorado Mental Health Institute at Fort Logan (CHMIFL). As the request for FY 2022-23 does not cover the entire fiscal year, the Department reports that costs would increase to \$12.4 million General Fund and 104.3 FTE in FY 2023-24 and subsequent years. The General Assembly approved an appropriation of \$17.8 million in capital construction funding in FY 2019-20 to renovate two existing units at Fort Logan to provide the additional beds for inpatient competency services and address the waitlist for competency services. According to the Department, that capital construction request, as approved by the General Assembly, assumed that operating the units would require approximately \$13.0 million per year. The Department indicates that the request would increase funding for an evidence-informed program as defined in S.B. 21-284 (Evidence-based evaluation for budget).

Modeled on the forensic services staffing ratios at the Mental Health Institute at Pueblo, the request includes the FTE and associated costs reflected in the following table.

R2 - CMHIFL 44 BED OPERATING BUDGET				
	FY 2022-23 REQUEST		FY 2023-24 IMPACT	
	GENERAL FUND	FTE	GENERAL FUND	FTE
OBH, CMHIFL Personal Services				
Nursing	\$2,747,184	36.5	\$3,621,290	48.0
Contract medical (psychiatry, medical, nurse practitioner)	822,107	3.3	\$986,528	4.0
Psychology	727,500	6.8	962,999	9.0
Security	536,772	8.6	700,217	11.2
Administrative/Other	444,452	5.9	624,868	8.2
Social Work	297,315	3.8	391,662	5.0
Therapy	288,111	3.8	380,007	5.0
Medical	227,096	2.8	311,331	3.9
Dietary	108,004	2.1	154,293	3.0
Pharmacy	104,937	0.7	149,911	1.0
Dental	39,358	0.5	73,793	0.9
Patient Armed Transport	67,500		90,000	
Subtotal, CMHIFL Personal Services	\$6,410,337	74.8	\$8,446,899	99.2
OBH, CMHIFL Operating Expenses				
Ongoing programmatic operating expenses	\$490,247		\$641,794	
Operating expenses for FTE	373,378		82,840	
One-time start-up operating expenses	300,403		0	
Electronic health records licenses	147,500		81,000	
Subtotal, CMHIFL Operating Expenses	\$1,311,528		\$805,634	
OBH, CMHIFL Pharmaceuticals	\$283,123		\$378,534	
Office of Operations				
Personal Services	\$240,428	3.5	\$349,316	5.1
Operating expenses	\$119,381		\$40,925	
Utilities	\$67,913		\$81,496	
Subtotal, Office of Operations	\$427,722	3.5	\$471,737	5.1
Executive Director's Office				
Centrally appropriated line items	\$1,885,875	0.0	\$2,304,974	0.0
Total, Request R2 General Fund	\$10,318,585	78.3	\$12,407,778	104.3

R5 COMMUNITY PROVIDER RATE INCREASE: The request includes a common policy 1.0 percent increase in community provider rates. For this division, the request equates to \$2.0 million total funds, including \$1.4 million General Fund. *Community provider rates will be addressed in more detail during the common policy presentation in January.*

R6 FACILITIES MANAGEMENT OPERATING: The request includes an adjustment to indirect cost assessments for the Office of Behavioral Health in conjunction with an inflationary increase for the Office of Operations. *For more information see the 12/1/2021 briefing for the Office of Operations.*

R9 IMPROVING INVOLUNTARY MENTAL HEALTH TREATMENT: The request includes an increase of \$181,433 General Fund and 1.0 FTE for FY 2022-23 to provide statewide technical assistance and training to mental health professionals related to involuntary mental health holds and treatment. After eliminating one-time costs proposed for the first year, the request anticipates an ongoing need for \$133,883 General Fund and 1.0 FTE in FY 2023-24 and subsequent years. The Department intends to standardize and clarify the appropriate use of involuntary mental health holds, including involuntary transportation holds, through both rulemaking and statewide training efforts for “intervening professionals” such as law enforcement officers, first responders, nurses, psychologists, physicians, social workers, therapists, and counselors. The Department expects most training to be delivered through online platforms, with trainings created for specific audiences/intervening professionals. While request R9 indicates that the request requires legislation, the Department reports that it has now determined that legislation is not necessary and that the Department has authority to implement the training under current law.

R11 CBH CRIMINAL JUSTICE LONG BILL LINE CONSOLIDATION: The request proposes to consolidate two existing Long Bill line items (Criminal Justice Diversion Programs and Jail Based Behavioral Health Services) into a single line item.

- The current Criminal Justice Diversion Programs line item supports two different types of programs intended to divert individuals away from the criminal justice system: (1) the co-responders program supports partnerships between law enforcement and behavioral health agencies where behavioral health professionals often respond to behavioral health-related calls with law enforcement to address behavioral health issues; and (2) the Law Enforcement Assisted Diversion (LEAD) program that supports partnerships between law enforcement, district attorneys’ offices, sheriffs, treatment providers, and other stakeholders to divert individuals with substance abuse issues (often after arrest but before booking). For FY 2021-22, the line item has a total appropriation of \$7.4 million total funds, including \$1.6 million General Fund and \$5.8 million cash funds from the Marijuana Tax Cash Fund, and 2.3 FTE.
- The Jail Based Behavioral Health Services line item supports contracts with county sheriffs’ departments to support behavioral health services in jails. Services include screening and treatment of substance use, mental health, and co-occurring disorders. The Department contracts with sheriffs to administer the funds, and the sheriffs’ departments work with local community providers to provide services within the jail and free or low cost services in the community upon release. For FY 2021-22, the line item has an appropriation of \$19.7 million total funds, including \$7.4 million General Fund, \$5.0 million in one-time funding from the Behavioral and Mental Health cash fund (originating as federal COVID-relief funds), and \$7.3 million reappropriated funds transferred from the Judicial Branch from the Correctional Treatment Cash Fund.

The Department is proposing to consolidate the line items to increase the flexibility of the use of funds in response to changes in local demand for specific types of programs. Both line items have experienced reversions in recent years and the Department anticipates that the increased flexibility will reduce reversions.

R12 COMMUNITY BEHAVIORAL HEALTH TECHNICAL CORRECTIONS: The request includes three changes in Community Behavioral Health (with no changes in total funding) that the Department has framed as technical corrections, including:

- Move \$1,470,000 General Fund currently appropriated to the Treatment and Detoxification Programs line item to the Jail Based Behavioral Health Services line item. Originally appropriated in S.B. 19-008 (Substance Use Disorder Treatment in the Criminal Justice System), the funds support medication-assisted treatment (MAT) in jail settings. The Department is proposing to consolidate that funding with all of the other jail based services.
- Move \$264,596 cash funds from the Persistent Drunk Driver Cash Fund from the Treatment and Detoxification Programs line item to the Community Prevention and Treatment line item. According to the Department, this originated as a technical error during the drafting of the FY 2020-21 Long Bill, and the Department is asking to correct that error for FY 2022-23.
- Strike “Pilot” from the Behavioral Health Crisis Response System Secure Transportation Pilot Programs line item in order to align with the program name in statute. The Department is also proposing to expand those services beyond the regions originally considered in the pilot program, with no increase in funding.

R13 MHI FORENSIC TECHNICAL LONG BILL CORRECTIONS: The request proposes five changes to appropriations related to forensic behavioral health services (again with no changes in total funding) that the Department has framed as technical corrections, including:

- Move \$164,804 General Fund and 2.0 FTE out of the Community Behavioral Health Administration Personal Services line item to two different line items: \$166,704 and 2.0 FTE to the Forensic Services Outpatient Competency Restoration Program; and \$1,900 to the Community Behavioral Health Administration Operating Expenses line item. According to the Department, the changes would correct technical errors in the existing appropriations and align funding and FTE with actual usage.
- Move \$125,000 General Fund from the Office of Information Technology Services, Electronic health Record and Pharmacy System line item to the Colorado Mental Health Institute at Pueblo, Personal Services line item to reflect the actual use of the funds.
- Move \$600,000 General Fund from the Mental Health Institutes, Contract Medical Services line item to the Mental health Institutes, Pharmaceuticals line item based on necessary costs for pharmaceuticals and to reduce the need for transfers that the Department has made in recent years (moving surplus funds from Contract Medical Services to cover shortfalls in the Pharmaceuticals line item).
- Create a new Forensic Support Team line item within Forensic Services (in the Mental Health Institutes) and move \$1,495,996 General Fund and 19.0 FTE from the existing Forensic Services Court Services line item to the newly created line item. The Department argues that the change will improve transparency and budgetary management associated with Court Services.
- Move a total of \$1,156,300 General Fund from the Mental Health Institute at Pueblo Personal Services line item to be split between the Forensic Services Court Services (\$595,300) and the Forensic Services Forensic Community Based Services line item (\$561,000). The Department indicates that the proposal would reflect costs for contract physicians in the correct line items.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The request includes a net increase of \$3.0 million total funds, including \$2.7 million General Fund, and 0.1 FTE to reflect the FY 2022-23 impact of prior year budget actions, as summarized in the following table.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Annualize prior year salary survey	\$3,312,681	\$3,006,931	\$81,451	\$26,790	\$197,509	0.0
FY 21-22 R2 Family first prevention and services act	94,922	94,922	0	0	0	0.1
FY 19-20 R21 Salesforce	905	0	472	299	134	0.0
FY 21-22 Medicaid match public health emergency	0	0	0	0	0	0.0

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 21-22 R1 Expanded behavioral health crisis services for children and youth	(380,000)	(380,000)	0	0	0	0.0
TOTAL	\$3,028,508	\$2,721,853	\$81,923	\$27,089	\$197,643	0.1

INDIRECT COST ASSESSMENTS: The request includes an increase in the Office of Behavioral Health’s indirect cost assessments.

NON-PRIORITIZED REQUESTS: The request includes an increase \$53,381 reappropriated funds (originating from the Department of Corrections) for the Mental Health Institute at Pueblo associated with a Department of Corrections request for food service cost adjustments. *For more information see the 12/2/2021 briefing for the Department of Corrections.*

ANNUALIZE PRIOR YEAR LEGISLATION: The request includes a net decrease of \$81.9 million total funds to reflect the FY 2022-23 impact of bills passed in previous sessions, as summarized in the following table. The reduction is driven by the elimination of one-time funding provided in S.B. 21-137 (Behavioral health recovery act).

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
SB 21-154 988 Suicide prevention lifeline network	\$6,103,581	\$0	\$6,103,581	\$0	\$0	0.1
SB 21-129 Veteran suicide prevention pilot	1,260,000	1,260,000	0	0	0	0.0
HB 21-1021 Peer support specialists BH	16,929	14,529	2,400	0	0	0.2
HB 21-1276 Prevention of substance use disorders	9,039	0	9,039	0	0	0.2
SB 21-137 Behavioral health recovery act	(89,297,624)	(200,000)	(89,097,624)	0	0	0.0
TOTAL	(\$81,908,075)	\$1,074,529	(\$82,982,604)	\$0	\$0	0.5

SUMMARY OF ISSUES PRESENTED TO THE JOINT BUDGET COMMITTEE

UPDATE ON FORENSIC SERVICES AND COMPETENCY: For over a decade, the Department of Human Services and the General Assembly have been working to address issues related to competency evaluation and restoration services. A 2019 consent decree sets requirements for the timing of evaluation and restoration services. In spite of the State’s significant investments, the waitlist for competency services is at an all-time high, forcing additional time in jail for individuals awaiting services and additional costs to the State in fines and fees under the consent decree. This issue brief provides an update on the status of competency services and potential costs for FY 2022-23 associated with the consent decree.

BEHAVIORAL HEALTH WORKFORCE CHALLENGES: Behavioral health service providers, including both state facilities such as the Mental Health Institute at Pueblo (CMHIP) and other safety net providers such as the community mental health centers, are facing significant workforce challenges. With approximately 324 vacant positions as of November 30, 2021 (representing a 26.1 percent vacancy rate), CMHIP is not operating at capacity because it is currently unable to staff several of the facility’s units, leaving 95 beds vacant and unavailable. According to the Colorado Behavioral Health Council, as of November 2, 2021, the State’s community mental health centers (CMHCs)

had a total of 1,092 vacant positions (including 859 clinical), representing 16.3 percent of the total CMHC workforce (and 16.2 percent of clinical positions).

BEHAVIORAL HEALTH ADMINISTRATION: House Bill 21-1097 (Establish Behavioral Health Administration) charges the Department of Human Services, in collaboration with the Department of Health Care Policy and Financing (HCPF), the Division of Insurance (DOI, within the Department of Regulatory Agencies), and the Department of Public Health and Environment (CDPHE) to create a new Behavioral Health Administration (BHA) to improve behavioral healthcare. The bill requires the Department to develop a plan for the creation of the BHA by November 1, 2021, and requires the establishment of the BHA with specified duties by July 1, 2022. This issue brief discusses the Departments' November 1, 2021, plan for the creation of the BHA.

FOR MORE INFORMATION

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