

COLORADO GENERAL ASSEMBLY

JOINT BUDGET COMMITTEE



FY 2008-2009 FIGURE SETTING DEPARTMENT OF HUMAN SERVICES

Mental Health and Alcohol and Drug Abuse Services ONLY

JBC Working Document - Subject to Change

Staff Recommendation Does Not Represent Committee Decision

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DEPARTMENT OF HUMAN SERVICES
Mental Health and Alcohol and Drug Abuse Division
FY 2008-09 Figure Setting
JBC WORKING DOCUMENT - DECISIONS SUBJECT TO CHANGE
STAFF RECOMMENDATION DOES NOT REPRESENT COMMITTEE DECISION

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	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09			Change
	Actual	Actual	Appropriation	Request	Staff Rec. Old Format	Staff Rec. New Format	Requests
DEPARTMENT OF HUMAN SERVICES							
Executive Director: Karen Bye							
(4) MENTAL HEALTH AND ALCOHOL AND DRUG ABUSE SERVICES							
(A) Administration							
Personal Services	1,310,149	1,504,221	1,883,346	2,076,010	2,247,604	2,247,604	Sup/BA#1, S#12
FTE	<u>16.3</u>	<u>16.0</u>	<u>22.7</u>	<u>23.8</u>	<u>25.8</u>	<u>25.8</u>	
General Fund	259,325	571,168	790,532	890,336	960,082	960,082	
Cash Funds Exempt / Reappropriated Funds	371,845	389,285	494,587	560,837	555,528	555,528	
Federal Funds	678,979	543,768	598,227	624,837	731,994	731,994	
<i>For Information Only</i>							
Medicaid Cash Funds Exempt	299,003	307,351	305,781	317,310	313,925	313,925	
Medicaid - General Fund therein	149,501	153,675	152,891	158,656	156,964	156,964	
Net General Fund	408,826	724,843	943,423	1,048,992	969,077	969,077	
Operating Expenses	<u>80,465</u>	<u>81,614</u>	<u>59,362</u>	<u>45,157</u>	<u>95,512</u>	<u>95,512</u>	Sup/BA#1, S#12
General Fund	20,431	20,931	35,028	26,121	27,071	27,071	
Cash Funds Exempt / Reappropriated Funds	11,274	11,274	22,349	17,051	17,051	17,051	
Federal Funds	48,760	49,409	1,985	1,985	51,390	51,390	
<i>For Information Only</i>							
Medicaid Cash Funds Exempt	0	0	11,274	11,274	11,274	11,274	
Medicaid - General Fund therein	0	0	5,637	5,637	5,637	5,637	
Net General Fund	20,431	20,931	40,665	31,758	33,381	33,381	
Federal Indirect Cost -FF [NEW LINE]				27,138	27,138	27,138	S#12
Federal Programs and Grants	2,785,294	3,437,553	2,479,404	2,513,156	2,511,447	2,511,447	
FTE	<u>7.4</u>	<u>8.4</u>	<u>11.0</u>	<u>11.0</u>	<u>11.0</u>	<u>11.0</u>	
General Fund	0	0	0	0	0	0	
Federal Funds	2,785,294	3,437,553	2,479,404	2,513,156	2,511,447	2,511,147	

	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09			Change
	Actual	Actual	Appropriation	Request	Staff Rec. Old Format	Staff Rec. New Format	Requests
Supportive Housing and Homelessness	16,785,235	16,813,334	19,991,858	20,040,544	20,037,922	20,037,922	
FTE	<u>15.4</u>	<u>16.6</u>	<u>19.0</u>	<u>19.0</u>	<u>19.0</u>	<u>19.0</u>	
Cash Funds	500	0	0	0	0	0	
Cash Funds Exempt / Reappropriated Funds	132,105	183,772	0	0	0	0	
Federal Funds	16,652,630	16,629,562	19,991,858	20,040,544	20,037,922	20,037,922	
Traumatic Brain Injury Trust Fund	1,357,421	1,285,058	2,414,179	2,411,498	2,411,498	2,411,498	
FTE	<u>1.0</u>	<u>0.9</u>	<u>1.5</u>	<u>1.5</u>	<u>1.5</u>	<u>1.5</u>	
Cash Funds (TBI Trust Fund)	1,357,421	1,285,058	1,932,622	1,932,881	1,932,881	2,411,498	
Cash Funds Exempt (Reserves)	0	0	481,557	478,617	478,617	0	
TOTAL - (A) Administration	22,318,564	23,121,780	26,828,149	27,086,365	27,331,121	27,331,121	
FTE	<u>40.1</u>	<u>41.9</u>	<u>54.2</u>	<u>55.3</u>	<u>57.3</u>	<u>57.3</u>	
General Fund	279,756	592,099	825,560	916,457	987,153	987,153	
Cash Funds	1,357,921	1,285,058	1,932,622	1,932,881	1,932,881	2,411,498	
Cash Funds Exempt / Reappropriated Funds	515,224	400,559	998,493	1,056,505	1,051,196	572,579	
Federal Funds	20,165,663	20,844,064	23,071,474	23,180,522	23,359,891	23,359,891	
<i>For Information Only*</i>							
<i>Medicaid Cash Funds Exempt</i>	299,003	307,351	317,055	328,584	325,199	325,199	
<i>Medicaid - General Fund therein</i>	149,501	153,675	158,528	164,293	162,601	162,601	
<i>Net General Fund</i>	429,257	745,774	984,088	1,080,750	1,002,458	1,002,458	

(B) Mental Health Community Programs

Primary functions: Funding and oversight of non-Medicaid community-based mental health programs, including the state's network of community mental health centers and clinics. Pursuant to H.B. 04-1265, most Medicaid mental health programs were transferred to Healthcare Policy and Financing

(1) Mental Health Services for the Medically Indigent

Services for Indigent Mentally Ill Clients	<u>22,590,843</u>	<u>36,023,738</u>	<u>37,534,243</u>	<u>40,956,460</u>	<u>41,256,334</u>	<u>41,256,334</u>	DI #10, Sup/BA#1,
General Fund	16,821,195	30,065,061	31,389,126	34,811,343	34,858,427	34,858,427	S#12, DI NP #1
Cash Funds Exempt (Voc Rehab) / Reappropriated	0	0	161,909	161,909	164,338	164,338	
Federal Funds	5,769,648	5,958,677	5,983,208	5,983,208	6,233,569	6,233,569	
Early Childhood Mental Health Services - GF	214,778	1,135,740	1,152,786	1,168,349	1,170,078	1,170,078	DI NP#1

	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09		Change	
	Actual	Actual	Appropriation	Request	Staff Rec. Old Format	Staff Rec. New Format	Requests
Assertive Community Treatment Programs	<u>1,237,872</u>	<u>1,278,102</u>	<u>1,297,274</u>	<u>1,314,788</u>	<u>1,316,734</u>	<u>1,316,734</u>	DI NP#1
General Fund	618,936	639,051	648,637	657,394	658,367	658,367	
Cash Funds						658,367	
Cash Funds Exempt (Local Funds) / Reappropriated Funds	618,936	639,051	648,637	657,394	658,367	0	
Alternatives to Inpatient Hospitalization at the Mental Health Institute at Pueblo - GF	912,768	942,433	0	0	0		
Alternatives to Inpatient Hospitalization at the Mental Health Institute at Ft. Logan - GF	750,413	1,543,743	0	0	0		
Alternatives to the Fort Logan Aftercare Program - GF	182,341	188,267	0	0	0		
Alternatives to Inpatient Hospitalization at a Health Institute [NEW LINE]							
General Fund			2,977,822	3,018,023 a/	3,022,489	3,022,489	DI NP#1
Enhanced Mental Health Pilot Services for Detained Youth- GF	426,227	480,576	500,414	507,170	507,920	507,920	DI NP#1
Family Advocacy Demonstration Sites [NEW LINE ITEM] - CFE			<u>130,769</u>	<u>158,688</u> b/	<u>158,885</u>	<u>158,885</u>	
Cash Funds			0	0	0	158,885	
Cash Funds Exempt / Reappropriated Funds			130,769	158,688	158,885	0	
Mental Health Services for Juvenile and Adult Offenders [NEW LINE ITEM]			<u>1,995,828</u>	<u>4,003,002</u> b/	<u>4,036,430</u>	<u>4,036,430</u>	DI NP#1
Cash Funds			0	0	0	4,036,430	
Cash Funds Exempt / Reappropriated Funds			1,995,828	4,003,002	4,036,430	0	
					0		
Veteran Mental Health- [NEW LINE ITEM]			<u>285,529</u>	<u>289,384</u> c/	<u>289,812</u>	<u>289,812</u>	DI NP#1
Cash Funds			0			289,812	
Cash Funds Exempt / Reappropriated Funds			285,529	289,384	289,812		

	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09			Change
	Actual	Actual	Appropriation	Request	Staff Rec. Old Format	Staff Rec. New Format	Requests
Juvenile Mental Health Pilot (H.B. 00-1034)	357,408	369,024	0	0			
General Fund	178,704	184,512	0	0			
Cash Funds Exempt (Local Funding)	178,704	184,512	0	0			
Alternatives to Inpatient Hospitalization for Youth							
General Fund	251,208	259,372	0	0			
Subtotal - Mental Health Services for the							
Medically Indigent	<u>26,923,858</u>	<u>42,220,995</u>	<u>43,462,539</u>	<u>46,964,790</u>	<u>51,758,682</u>	<u>51,758,682</u>	DI#8
General Fund	20,356,570	35,438,755	36,668,785	40,162,279	40,217,281	40,217,281	
Cash Funds						5,143,494	
Cash Funds Exempt / Reappropriated Funds	797,640	823,563	810,546	819,303	5,307,832	164,338	
Federal Funds	5,769,648	5,958,677	5,983,208	5,983,208	6,233,569	6,233,569	
a/ Created in FY 2007-08, consolidates four separate "Alternatives to Inpatient Hospitalization" lines							
b/ Created by S.B. 07-097 / H.B. 07-1057							
c/ Created by S.B. 07-146							
(3) Other							
Residential Treatment for Youth							
(H.B. 99-1116)	<u>650,530</u>	<u>1,051,930</u>	<u>1,112,460</u>	<u>1,127,478</u>	<u>1,129,147</u>	<u>1,129,147</u>	DI NP#1
General Fund	49,342	564,009	718,753	728,456	729,534	729,534	
Cash Funds Exempt / Reappropriated Funds	510,799	266,929	117,464	122,779	399,613	399,613	
CFE (Direct Tobacco)	90,389	220,992	276,243	276,243	0	0	
<i>For Information Only</i>					0	0	
Medicaid Cash Funds	510,799	266,929	117,464	119,050	119,226	119,226	
Medicaid - General Fund therein	46,371	24,232	34,974	35,446	0	0	
Net General Fund	95,713	588,241	753,727	763,902	718,753	718,753	
TOTAL - (B) Mental Health Community Programs	27,574,388	43,272,925	44,574,999	48,092,268	52,887,829	52,887,829	
FTE	0.0	0.0	0.0	0.0	0.0	0.0	
General Fund	20,405,912	36,002,764	37,387,538	40,890,735	40,946,815	40,946,815	
Cash Funds					0	5,143,494	
Cash Funds Exempt / Reappropriated Funds	1,398,828	1,311,484	1,204,253	1,218,325	5,707,445	563,951	
Federal Funds	5,769,648	5,958,677	5,983,208	5,983,208	6,233,569	6,233,569	
<i>For Information Only</i>							
Medicaid Cash Funds	510,799	266,929	117,464	119,050	119,226	119,226	
Medicaid - General Fund therein	46,371	24,232	34,974	35,446 a/	0	0	
Net General Fund	20,452,283	36,026,996	37,422,512	40,926,181	40,936,034	40,936,034	

	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09			Change
	Actual	Actual	Appropriation	Request	Staff Rec. Old Format	Staff Rec. New Format	Requests
(C) Mental Health Institutes							
Primary function: The Mental Health Institutes provide inpatient hospital care for seriously mentally ill citizens of Colorado. There are two state mental health institutes: one in Pueblo and the other at Ft. Logan (Denver). Cash and cash funds exempt sources are from client revenues sources, including Medicaid.							
Personal Services	72,276,844	74,252,209	79,571,170	84,569,927	82,868,320	82,868,320	DI#1, DI#8, DI#9,
FTE	<u>1147.2</u>	<u>1169.9</u>	<u>1252.9</u>	<u>1258.0</u>	<u>1,260.6</u>	<u>1,260.6</u>	Sup/BA#1, SBA#1
General Fund	51,809,074	53,113,500	59,735,824	64,724,069	63,220,921	63,220,921	
Cash Fund	3,270,365	3,272,535	4,580,363	4,580,363	4,534,559	11,109,007	
Cash Funds Exempt / Reappropriated Funds	17,197,405	17,866,174	15,254,983	15,265,495	15,112,840	8,538,392	
<i>For Information Only</i>							
Medicaid Cash Funds	3,911,062	4,708,030	3,344,403	3,344,403	3,310,959	3,310,959	
Medicaid General Fund	1,955,531	2,354,015	1,672,202	1,672,202	1,655,480	1,655,480	
Net General Fund	53,764,605	55,467,515	61,408,026	66,396,271	63,950,520	63,220,921	
Operating Expenses	<u>8,105,832</u>	<u>9,991,775</u>	<u>9,408,267</u>	<u>10,163,599</u>	<u>10,176,944</u>	<u>10,176,944</u>	DI#1, S/BA#1, S#20
General Fund	8,105,832	9,991,775	9,733,098	9,811,169	10,134,819	10,134,819	
Cash Funds			(677,261)		(677,261)	(677,261)	
Cash Funds Exempt / Reappropriated Funds			352,430	352,430	719,386	719,386	
<i>For Information Only</i>							
Medicaid Cash Funds					863,137	863,137	
Medicaid General Fund					180,168	180,168	
Net General Fund					490,473	490,473	
Sol Vista DYC Facility Services - CFE		355,813	0 c/	0	0		
La Vista Facility Services - CFE		277,685	0 c/	0	0		
General Hospital Personal Services	2,590,795	3,016,787	2,942,964	3,047,740	3,009,979	3,009,979	
FTE	<u>31.4</u>	<u>34.3</u>	<u>36.0</u>	<u>36.0</u>	<u>36.0</u>	<u>36.0</u>	
General Fund	2,590,795	3,016,787	2,918,964	3,023,740	2,986,219	2,986,219	
Cash Fund					0	0	
Cash Funds Exempt / Reappropriated Funds			24,000	24,000	23,760	23,760	
General Hospital Operating Expenses	<u>495,507</u>	<u>209,289</u>	<u>436,883</u>	<u>436,883</u>	<u>436,883</u>	<u>436,883</u>	
General Fund	495,507	209,289	285,563	285,563	285,563	285,563	
Cash Funds Exempt / Reappropriated Funds			151,320	151,320	151,320	151,320	

	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09			Change
	Actual	Actual	Appropriation	Request	Staff Rec. Old Format	Staff Rec. New Format	Requests
Educational Programs	868,068	912,050	690,245	715,889	714,207	714,207	
FTE	<u>12.3</u>	<u>12.8</u>	<u>15.0</u>	<u>15.0</u>	<u>15.0</u>	<u>15.0</u>	
General Fund	120,593	96,337	100,964	126,608	124,926	124,926	
Cash Fund	149,701	172,525	264,040	264,040	264,040	264,040	
Cash Funds Exempt / Reappropriated Funds	273,900	300,521	325,241	325,241	325,241	325,241	
Federal Funds	323,874	342,667	0	0	0	0	
TOTAL - Mental Health Institutes	84,337,046	89,015,608	93,049,529	98,934,038	97,206,333	97,206,333	
FTE	<u>1190.9</u>	<u>1217.0</u>	<u>1303.9</u>	<u>1309.0</u>	<u>1311.6</u>	<u>1311.6</u>	
General Fund	63,121,801	66,427,688	72,774,413	77,971,149	76,752,448	76,752,448	
Cash Funds	3,420,066	3,445,060	4,167,142	4,844,403	4,121,338	10,695,786	
Cash Funds Exempt / Reappropriated Funds	17,471,305	18,800,193	16,107,974	16,118,486	16,332,547	9,758,099	
Federal Funds	323,874	342,667	0	0	0	0	
<i>For Information Only</i>							
<i>Medicaid Cash Funds</i>	<i>3,911,062</i>	<i>4,708,030</i>	<i>3,344,403</i>	<i>3,344,403</i>	<i>2,950,624</i>	<i>2,950,624</i>	
<i>Medicaid - General Fund therein</i>	<i>1,955,531</i>	<i>2,354,015</i>	<i>1,672,202</i>	<i>1,672,202</i>	<i>1,475,312</i>	<i>1,475,312</i>	
<i>Net General Fund</i>	<i>65,077,332</i>	<i>68,781,703</i>	<i>74,446,615</i>	<i>79,643,351</i>	<i>79,207,429</i>	<i>79,207,429</i>	

c/ JBC Action to consolidate in Mental Health Institutes

(D) Alcohol and Drug Abuse Division

Primary function: The Alcohol and Drug Abuse Division develops, supports, and advocates for comprehensive services to reduce alcohol, tobacco, and other drug abuse, and to promote healthy individuals, families, and communities. Cash fund sources include the Persistent Drunk Driver Cash Fund and the Drug Offender Surcharge Fund. The cash funds exempt is from Medicaid funds.

(1) Administration

Personal Services	1,910,021	1,992,175	2,058,702	2,146,112	2,124,621	2,124,621	
FTE	<u>24.9</u>	<u>25.3</u>	<u>30.0</u>	<u>30.0</u>	<u>31.0</u>	<u>31.0</u>	
General Fund	0	43,805	91,746	179,156	176,345	176,345	
Cash Funds	37,140	35,986	38,505	38,505	39,110	48,118	
Cash Funds Exempt (Medicaid) / Reappropriated	14,213	53,136	53,136	53,136	52,605	52,605	
Cash Funds Exempt (Other Funds) / Reappropriated	420,129	449,125	472,915	472,915	468,185	459,177	
Federal Funds	1,438,539	1,410,123	1,402,400	1,402,400	1,388,376	1,388,376	
<i>For Information Only</i>							
<i>Medicaid Cash Funds Exempt</i>	<i>14,213</i>	<i>53,136</i>	<i>53,136</i>	<i>53,136</i>	<i>52,605</i>	<i>52,605</i>	
<i>Medicaid - General Fund therein</i>	<i>7,107</i>	<i>26,568</i>	<i>26,568</i>	<i>26,568</i>	<i>26,302</i>	<i>26,302</i>	
<i>Net General Fund</i>	<i>7,107</i>	<i>70,373</i>	<i>118,314</i>	<i>205,724</i>	<i>202,647</i>	<i>202,647</i>	

	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09			Change
	Actual	Actual	Appropriation	Request	Staff Rec. Old Format	Staff Rec. New Format	Requests
Operating Expenses	140,453	115,337	191,902	191,902	191,902	191,902	
Cash Funds	37,810	17,322	11,788	11,788	11,788	11,788	
Cash Funds Exempt / Reappropriated Funds	30,436	2,613	14,000	14,000	14,000	14,000	
Federal Funds	72,207	95,402	166,114	166,114	166,114	166,114	
<i>For Information Only</i>							
<i>Medicaid Cash Funds Exempt</i>	0	952	952	952	952	952	
<i>Medicaid - General Fund therein</i>	0	476	476	476	476	476	
<i>Net General Fund</i>	0	476	476	476	476	476	
Other Federal Grants - FF	225,706	110,725	457,383	457,383	457,383	457,383	
FTE	0.0	1.2	0.0	0.0	0.0	0.0	
Indirect Cost Assessment	206,112	198,293	243,723	243,723	243,723	243,723	
Cash Funds	1,687	2,134	3,280	3,280	3,280	3,280	
Federal Funds	204,425	196,159	240,443	240,443	240,443	240,443	
Subtotal - (1) Administration	2,482,292	2,416,530	2,951,710	3,039,120	3,017,629	3,017,629	
FTE	24.9	26.5	30.0	30.0	31.0	31.0	
General Fund	0	43,805	91,746	179,156	176,345	176,345	
Cash Funds	76,637	55,442	53,573	53,573	54,178	63,186	
Cash Funds Exempt / Reappropriated Funds	464,778	504,874	540,051	540,051	534,790	525,782	
Federal Funds	1,940,877	1,812,409	2,266,340	2,266,340	2,252,316	2,252,316	
<i>For Information Only</i>							
<i>Medicaid Cash Funds**</i>	14,213	54,088	54,088	54,088	521,742	521,742	
<i>Medicaid - General Fund therein</i>	7,107	27,044	27,044	27,044	26,778	26,778	
<i>Net General Fund**</i>	7,107	70,849	118,790	206,200	203,123	203,123	
(2) Community Programs							
(a) Treatment Services							
Treatment and Detoxification Contracts	21,423,973	22,828,920	22,811,190	22,966,245	23,115,912	23,115,912	S#14, DI NP#1
General Fund	9,647,704	11,187,651	11,485,523	11,640,578	11,350,282	11,350,282	
Cash Funds	1,002,616	1,002,616	990,518	990,518	967,821	967,821	
Cash Funds Exempt / Reappropriated Funds	425,706	290,706	290,706	290,706	295,175	295,175	
Federal Funds	10,347,947	10,347,947	10,044,443	10,044,443	10,502,634	10,502,634	
Short-term Intensive Residential Remediation Treatment (STIRRT)			3,004,103	3,035,886	3,086,720	3,086,720	S#14, DI NP#1
General Fund			1,754,283	2,386,066	2,088,121	2,088,121	
Cash Funds			346,316	346,316	389,066	389,066	
Cash Funds Exempt / Reappropriated Funds			600,000	0	609,000	609,000	
Federal Funds			303,504	303,504	533	533	

	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09			Change
	Actual	Actual	Appropriation	Request	Staff Rec. Old Format	Staff Rec. New Format	Requests
Case Management - Chronic Detox Clients	369,212	369,288	369,324	369,357	369,361	369,361	DI NP#1
General Fund	2,329	2,405	2,441	2,474	2,478	2,478	
Federal Funds	366,883	366,883	366,883	366,883	366,883	366,883	
High Risk Pregnant Women - CFE	943,703	1,109,447	998,717	1,012,200	1,013,698	1,013,698	
<i>For Information Only</i>							
<i>Medicaid Cash Funds</i>	943,703	1,109,447	998,717	1,012,200	1,013,698	1,013,698	
<i>Medicaid General Fund</i>	471,852	554,724	499,359	506,100	506,849	506,849	
Subtotal - (a) Treatment Services	22,736,888	24,307,655	27,183,334	27,383,688	27,585,691	27,585,691	
General Fund	9,650,033	11,190,056	13,242,247	14,029,118	13,440,881	13,440,881	
Cash Funds	1,002,616	1,002,616	1,336,834	1,336,834	1,356,887	1,356,887	
Cash Funds Exempt / Reappropriated Funds	1,369,409	1,400,153	1,889,423	1,302,906	1,917,873	1,917,873	
Federal Funds	10,714,830	10,714,830	10,714,830	10,714,830	10,870,050	10,870,050	
<i>For Information Only</i>							
<i>Medicaid Cash Funds</i>	943,703	1,109,447	998,717	1,012,200	1,013,698	1,013,698	
<i>Medicaid - General Fund therein</i>	471,852	554,724	499,359	506,100	506,849	506,849	
<i>Net General Fund</i>	10,121,885	11,744,780	13,741,606	14,535,218	13,947,730	13,947,730	
Prevention and Intervention							
Prevention Contracts	3,641,382	3,925,393	3,887,131	3,887,588	3,888,044	3,888,044	DI NP#1
General Fund	0	33,329	33,829	34,286	34,336	34,336	
Cash Funds	0	0	27,072	27,072	27,478	27,478	
Cash Funds Exempt / Reappropriated Funds	0	0	0	0	0	0	
Federal Funds	3,641,382	3,892,064	3,826,230	3,826,230	3,826,230	3,826,230	DI NP#1
Persistent Drunk Driver Programs	475,057	480,654	733,675	733,675	1,057,413	1,057,413	SBA-8
Cash Funds	475,057	474,866	590,460	590,460	912,050	912,050	
Cash Funds Exempt / Reappropriated Funds	0	5,788	143,215	143,215	145,363	145,363	
Law Enforcement Assistance Contracts	244,905	250,000	255,000	255,000	255,000	255,000	
Cash Funds (Law Enforcement CF)	244,905	245,333	250,000	250,000	250,000	250,000	
Cash Funds Exempt / Reappropriated Funds	0	4,667	5,000	5,000	5,000	5,000	

	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09			Change
	Actual	Actual	Appropriation	Request	Staff Rec. Old Format	Staff Rec. New Format	Requests
Subtotal - (b) Prevention and Intervention	<u>4,361,344</u>	<u>4,656,047</u>	<u>4,875,806</u>	<u>4,876,263</u>	<u>5,200,457</u>	<u>5,200,457</u>	
General Fund	0	33,329	33,829	34,286	34,336	34,336	
Cash Funds	719,962	720,199	867,532	867,532	1,189,528	1,189,528	
Cash Funds Exempt / Reappropriated Funds	0	10,455	148,215	148,215	150,363	150,363	
Federal Funds	3,641,382	3,892,064	3,826,230	3,826,230	3,826,230	3,826,230	
<i>For Information Only</i>							
<i>Medicaid Cash Funds</i>	<i>943,703</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	
<i>Medicaid - General Fund therein</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	
<i>Net General Fund</i>	<i>0</i>	<i>33,329</i>	<i>33,829</i>	<i>34,286</i>	<i>34336</i>	<i>34336</i>	
(c) Other Programs							
Federal Grants	<u>1,291,556</u>	<u>2,520,885</u>	<u>5,063,429</u>	<u>5,063,429</u>	<u>6,091,694</u>	<u>6,091,694</u>	
Cash Funds Exempt / Reappropriated Funds	0	0	195,500	195,500	1,223,765	1,223,765	
Federal Funds	1,291,556	2,520,885	4,867,929	4,867,929	4,867,929	4,867,929	
Balance of Substance Abuse Block Grant Programs	<u>6,917,987</u>	<u>6,742,646</u>	<u>6,672,351</u>	<u>6,674,875</u>	<u>6,675,155</u>	<u>6,675,155</u>	
General Fund	178,398	184,196	186,959	189,483	189,763	189,763	
Federal Funds	6,739,589	6,558,450	6,485,392	6,485,392	6,485,392	6,485,392	
Community Treatment & Prevention- CFE	0	0	513,866	1,035,202	1,035,202	1,035,202	
Subtotal (c) Other Programs	<u>8,209,543</u>	<u>9,263,531</u>	<u>12,249,646</u>	<u>12,773,506</u>	<u>13,802,051</u>	<u>13,802,051</u>	
General Fund	178,398	184,196	186,959	189,483	189,763	189,763	
Cash Funds Exempt / Reappropriated Funds	0	0	709,366	1,230,702	2,258,967	2,258,967	
Federal Funds	8,031,145	9,079,335	11,353,321	11,353,321	11,353,321	11,353,321	
Subtotal - (2) Community Programs	<u>35,307,775</u>	<u>38,227,233</u>	<u>44,308,786</u>	<u>45,033,457</u>	<u>46,588,199</u>	<u>46,588,199</u>	
General Fund	9,828,431	11,407,581	13,463,035	14,252,887	13,664,980	13,664,980	
Cash Funds	1,722,578	1,722,815	2,204,366	2,204,366	2,546,415	2,546,415	
Cash Funds Exempt / Reappropriated Funds	1,369,409	1,410,608	2,747,004	2,681,823	4,327,203	4,327,203	
Federal Funds	22,387,357	23,686,229	25,894,381	25,894,381	26,049,601	26,049,601	
<i>For Information Only</i>							
<i>Medicaid Cash Funds</i>	<i>1,887,406</i>	<i>1,109,447</i>	<i>998,717</i>	<i>1,012,200</i>	<i>1,013,698</i>	<i>1,013,698</i>	
<i>Medicaid - General Fund therein</i>	<i>471,852</i>	<i>554,724</i>	<i>499,359</i>	<i>506,100</i>	<i>506,849</i>	<i>506,849</i>	
<i>Net General Fund</i>	<i>10,121,885</i>	<i>11,778,109</i>	<i>13,775,435</i>	<i>14,569,504</i>	<i>13,982,066</i>	<i>13,982,066</i>	

	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09		Change
	Actual	Actual	Appropriation	Request	Staff Rec. Old Format	Staff Rec. New Format
TOTAL - (D) Alcohol and Drug Abuse Division	37,790,067	40,643,763	47,260,496	48,072,577	49,605,828	49,605,828
FTE	<u>24.9</u>	<u>26.5</u>	<u>30.0</u>	<u>30.0</u>	<u>31.0</u>	<u>31.0</u>
General Fund	9,828,431	11,451,386	13,554,781	14,432,043	13,841,325	13,841,325
Cash Funds	1,799,215	1,778,257	2,257,939	2,257,939	2,600,593	2,609,601
Cash Funds Exempt / Reappropriated Funds	1,834,187	1,915,482	3,287,055	3,221,874	4,861,993	4,852,985
Federal Funds	24,328,234	25,498,638	28,160,721	28,160,721	28,301,917	28,301,917
<i>For Information Only</i>						
<i>Medicaid Cash Funds</i>	943,703	1,163,535	1,052,805	1,066,288	1,535,440	1,535,440
<i>Medicaid - General Fund therein</i>	471,852	581,768	526,403	533,144	533,627	533,627
<i>Net General Fund</i>	10,300,283	12,033,154	14,081,184	14,965,187	14,374,952	14,374,952
TOTAL - (4) Mental Health and Alcohol and Drug Abuse Services	172,020,065	196,054,076	211,713,173	222,185,248	227,031,111	227,031,111
FTE	<u>1255.9</u>	<u>1285.4</u>	<u>1388.1</u>	<u>1394.3</u>	<u>1399.9</u>	<u>1399.9</u>
General Fund	93,635,900	114,473,937	124,542,292	134,210,384	132,527,741	132,527,741
Cash Funds	6,577,202	6,508,375	8,357,703	9,035,223	8,654,812	20,860,379
Cash Funds Exempt / Reappropriated Funds	21,219,544	22,427,718	21,597,775	21,615,190	27,953,181	15,747,614
Federal Funds	50,587,419	52,644,046	57,215,403	57,324,451	57,895,377	57,895,377
<i>For Information Only</i>						
<i>Medicaid Cash Funds</i>	5,664,567	6,445,845	4,831,727	4,858,325	4,930,489	4,930,489
<i>Medicaid - General Fund therein</i>	2,623,255	3,113,690	2,392,107	2,405,085	2,171,540	2,171,540
<i>Net General Funds</i>	96,259,155	117,587,627	126,934,399	136,615,469	135,591,159	135,520,873

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(8) Mental Health and Alcohol and Drug Abuse Services

Human Services Division Responsibilities

The State's mental health funding is delivered through the Department of Human Services (the Office of Behavioral Health and Housing) and the Department of Health Care Policy and Financing (HCPF).¹ *This document references only those funds and services delivered through the Department of Human Services.*

The Department's Office of Behavioral Health and Housing (identified in the Long Bill as Mental Health and Alcohol and Drug Abuse Services) has responsibility and funding for the following:

- Central administration of the Division
- Supportive Housing and Homelessness programs
- Traumatic Brain Injury Trust Fund
- Mental health community programs
- Mental health institutes
- The Alcohol and Drug Abuse Division

ADMINISTRATION

The Administration section contains an appropriation for the central administration of mental health and alcohol and drug abuse services for children and adults. It also includes funding for federal housing programs for low income and indigent persons who require specialized care. The primary source of the reappropriated funds in this section is Medicaid cash funds transferred from the Department of Health Care Policy and Financing. A grant from the U.S. Department of Housing and Urban Development is the primary source of federal funds.

¹ Much of the funding for community mental health services was transferred to HCPF in 2004, pursuant to Section 25.5-5-411, C.R.S.

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Personal Services

Staff recommends a total appropriation of \$2,166,227. The calculations are detailed on the following table.

Administration: Personal Services					
	Total	GF	CFE	FF	FTE
FY 2007-08 Long Bill	1,718,386	718,202	401,957	598,227	20.1
Annualization of 07-08 DI's	9,700	9,700			
Special Bills					
S.B. 07-146	14,471		14,471		0.3
S.B. 07-230	72,330	72,330			1.0
S.B. 07-97 / H.B. 07-1359	51,161		51,161		0.8
H.B. 07-1057	26,998		26,998		0.5
Supplementals					
Sup. #12 - MH Block Grant	119,000			119,000	
Total FY 07-08 Appropriation	\$1,942,577	\$800,232	\$494,587	\$717,227	22.9
Salary Survey / Performance-based Pay ²	71,396	29,911	14,875	26,610	
1% Base Reduction (FTE>20)	(20,140)	(8,330)	(5,095)	(7,438)	
Special Bills 2008-09 Impact					
S.B. 07-97 / H.B. 07-1359	51,161		51,161		0.7
H.B. 07-1022	59,505	59,505			0.4
Supplemental /BA#1	78,694	78,694			1.0
Annualization S/BA #12 - MH Block Grant	(4,405)			(4,405)	1.0
Total Recommendation	\$2,178,788	\$960,012	\$555,528	\$731,994	26

² Pursuant to JBC Common Policy, staff incorporated 80 percent of the total performance-based pay.

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Operating Expenses

Staff recommends a total of \$95,512. The details of the calculation are below.

Operating Expenses				
	Total	GF	CFE	FF
FY 2007-08 Long Bill	42,950	29,691	11,274	1,985
Special Bills				
S.B. 07-230	5,337	5,337		
S.B. 07-97 / H.B. 07-1359	8,476		8,476	
H.B. 07-1057	2,599		2,599	
S#1 - NGRI Monitoring	3,693	3,693		
S#12 - MH Block Grant	45,000			45,000
Total FY 2007-08 Approp.	\$108,055	\$38,721	\$22,349	\$46,985
Special Bills 2008-09 Impact				
S.B. 07-230	(2,897)	(2,897)		
S.B. 07-97 / H.B. 07-1359	(3,795)		(3,795)	
H.B. 07-1057	(1,503)		(1,503)	
	(6,010)	(6,010)		
Annualization of NGRI supplemental	(3,693)	(3,693)		
S/BA#1 - NGRI Monitoring	950	950		
S/BA#12 - MH Block Grant	4,405			4,405
Total Staff Recommendation	\$95,512	\$27,071	\$17,051	\$51,390

Federal Indirect Costs [NEW LINE]

Federal Indirect Costs is a new line in FY 2008-09. The Department requested it as part of its FY 2007-08 supplemental request based on the receipt of an additional \$441,499 from the federal government for the Mental Health Block Grant. These funds were previously included as part of the "Services for the Indigent Mentally Ill" line item, and the Department requested that they be

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reflected in their own line to increase the transparency how the funds are allocated. **The Department requests, and staff recommends, \$27,138 federal funds for this line.**

Federal Programs and Grants

This line item reflects funding received from federal authorities for special programs and grants. This includes funding for special purpose demonstration projects and research program grants funded at the Division level by the federal government. Significant current grants include: the Bloom grant, which serves children in the birth to five age range with severe emotional disturbance in four counties, and a data infrastructure grant, which provides grant funds to continue the development of a comprehensive system of performance indicators for the mental health system.

The Department requests \$2,513,156 and 11.0 FTE for this line. **Staff recommends \$2,511,447 and 11.0 FTE.** The Department's request incorporated SAED, which will be included in the Executive Director's office. Staff did not apply a personal services base reduction to this line item because it contains fewer than 20.0 FTE.

Supportive Housing and Homelessness Programs

This line item reflects funding received from federal authorities to develop and provide resources and housing services for Colorado's homeless and persons with special needs. The program administers 2,800 section 8 federal rental subsidies and 226 "shelter plus care" service-enriched rental subsidies for persons with mental illness through local service providers. During FY 2007-08, this program will serve over 3,500 low-income families and other individuals with special needs. This is a 57 percent increase since 1997. **The Department requests, and staff recommends, a continuation level of funding at \$20,037,922 federal funds and 19.0 FTE.**

Traumatic Brain Injury Trust Fund

The Traumatic Brain Injury Trust Fund is supported by fines levied on people convicted of driving under the influence (\$15.00), driving while impaired (\$15.00), and speeding (\$10.00). Pursuant to Section 26-1-301, C.R.S., the Colorado Traumatic Brain Injury Board was created to administer the program. Of the annual revenues for the program:

- 65.0 percent will be used for services for people with traumatic brain injuries;
- 30.0 percent will be used to support research related to the treatment and understanding of traumatic brain injury; and
- 5.0 percent will be for education for individuals with traumatic brain injury and to assist educators, parents, and non-medical professionals in the identification of traumatic brain injuries.

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At the end of 2006, there were 227 adults on a waiting list for services and the anticipated wait time was 14 months. Due to the waiting lists and demand for the program, in January, 2007, the State Board of Human Services adopted changes to the rules for this program that limit each person to one year of services in his or her lifetime. During FY 2006-07 the program served 115 children and 343 adults, and increase of 53 percent and 90 percent, respectively, from FY 2005-06. **The Department requests, and staff recommends, a continuation level of funding at \$2,411,498.**

Additional Staff Recommendation

The Vocational Rehabilitation Division now administers the Traumatic Brain Injury program. **Staff recommends that the appropriation for the program be reflected in the Vocational Rehabilitation section of the Long Bill.** Staff spoke with the Department and it supports this recommendation.

MENTAL HEALTH COMMUNITY PROGRAMS

This section of the Long Bill includes those mental health services that are purchased from mental health centers and clinics. Funding other than General Fund amounts include Medicaid funds transferred from the Department of Health Care Policy and Financing (that generally originate as 50 percent General Fund and 50 percent federal funds), Tobacco Litigation Settlement Cash Fund appropriations, and local match. The federal funds are primarily from the Mental Health Services Block Grant.

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Decision Item #8 - Mental Health Services for the Indigent

Department Request

The Department requests \$2,998,464 to provide public community mental health services for 966 additional children and adults.³ The indigent population is defined as those who live under 300 percent of the federal poverty level and who do not currently receive care in any other system (i.e. no private insurance and not eligible for Medicaid). According to the Department, due to limited funding the community mental health centers have been unable to meet the demand for need.

Staff recommends the Department's request of \$2,998,464 General Fund for mental health services for the medically indigent.

- While there is statutory authority to appropriate funds for indigent mental health services, there is not an individual entitlement. **Funding directly determines the number of people who receive appropriate services.**
- Due to limited funding, community mental health centers are unable to meet the full demand for mental health services. Between FY 1999-00 and FY 2004-05, the unduplicated number of non-Medicaid eligible children served declined from 11,094 to 8,592 (22.5 percent) and the number of non-Medicaid eligible adults declined by 15.3 percent, from 29,943 to 25,371 persons.
- The most recent Population in Need study estimated that 66,453 Coloradoans have a serious emotional disturbance or mental illness, are living under 300 percent of the poverty level, and are not receiving mental health care. Of this population, the Department estimates that 51,800 do not have private insurance and are not eligible for Medicaid. The study identified that of this population, **approximately 17,300 would**

³ The rate used to calculate the increase in number of clients served is an average of \$3,104 per client. The actual amount spent per client will vary based upon his or her treatment needs.

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actively seek treatment if it were available. Significant unmet needs exist across the state.

- ❑ Untreated mental health disorders place great stresses on multiple systems such as hospitals, justice, employment, and education. **Funding this proposal will save the state money as a long-term form of potential cost avoidance.**

- ❑ One reason these clients aren't eligible for Medicaid is because they are gainfully employed for at least a portion of the year. Serving adults in the community mental health system results in 91.3 percent maintaining their employment. **Mental health services are an important factor in a person's ability to remain employed and thus reduce further strain on state resources.**

Services for 10,296 Indigent Mentally Ill Clients

Funding in this line item is used for medically indigent, non-Medicaid eligible adult and elderly individuals with chronic and major mental illnesses, and children and adolescents with severe emotional disturbances. Pursuant to Section 21-1-204, C.R.S., the Department of Human Services contracts annually with the State's 17 Community Mental Health Centers to provide these services. Services include partial care, outpatient care, case management, long-term care, inpatient care, residential care, sheltered workshop/vocational placements, and children's crisis services.

The Department requests a total of \$40,956,460 for this line (\$34,811,343 General Fund, \$161,909 cash funds exempt, and \$5,983,208 federal funds). **Staff recommends a total of \$41,256,838 for indigent mental health care** (\$34,858,427 General Fund, \$164,338 cash funds exempt, and \$6,233,569 federal funds). Staff's recommendation is summarized in the following table.

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Services for 10,296 Indigent Mentally Ill Clients				
	Total	GF	CFE	FF
FY 2007-08 Long Bill	37,534,243	31,389,126	161,909	5,983,208
Supp. #12 - MH Block Grant	250,361			250,361
Total FY 2007-08 Appropriation	37,784,604	31,389,126	161,909	6,233,569
1.5% COLA	473,266	470,837	2,429	
DI#8 - MH for Medically Indigent	2,998,464	2,998,464		
Staff FY 2008-09 Recommendation	\$41,256,334	\$34,858,427	\$164,338	\$6,233,569

Early Childhood Mental Health Services

This line supports early childhood mental health specialists in each of the 17 community mental health centers and psychiatric services for children with serious emotional disturbance. **Staff recommends \$1,170,078 General Fund**, which is comprised of continuation funding plus a 1.5 percent community provider cost of living increase, pursuant to Committee common policy.

Assertive Community Treatment Programs

This line item supports assertive community treatment programs – intensive outpatient and case management services – for severely mentally ill adults. During FY 2006-07 it provided new or enhanced services to approximately 160 severely and persistently mentally ill clients through competitive grants to community mental health centers. **The Department requests, and staff recommends, a continuation level of funding at \$1,316,734.** This amount is a continuation level of funding plus a 1.5 percent community provider cost of living increase.

Alternatives to Inpatient Hospitalization at the Mental Health Institutes [NEW LINE]

During FY 2007-08 the JBC created this new line when it combined the following lines, all of which pertain to alternatives to hospitalization at the Mental Health Institutes: “Alternatives to Inpatient Hospitalization at the Mental Health Institute at Fort Logan,” “Alternatives to Inpatient Hospitalization at the Mental Health Institute at Pueblo,” “Alternatives to the Fort Logan Aftercare Program,” and “Alternatives to Inpatient Hospitalization for Youth.” Examples of the services include:

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- Provide alternative placements for people who would otherwise require hospitalization at the Institutes;
- Utilize physical therapy, behavioral programs, medication administration education and practice, occupational therapy, and other services to improve the patient's level of functioning to enhance his or her success in the community; and
- Refer clients to therapeutic home placements.

The Department requests, and staff recommends, \$3,022,489 General Fund. This amount is a continuation level of funding plus the Committee-approved common policy of a 1.5 percent community provider cost of living adjustment.

Enhanced Mental Health Pilot Services for Detained Youth

This program is funded through both the Division of Youth Corrections and the Division of Mental Health. It provides mental health services to youth who are placed in detention, then continues those services once the youth returns to the community. This line item supports the follow-up mental health services and during FY 2006-07 it served 200 individuals. **The Department requests, and staff recommends, \$507,920 General Fund.** This amount is comprised of a continuation level of funding plus a community provider cost of living increase.

Family Advocacy Demonstration Sites [NEW LINE ITEM]

This new line was created by H.B. 07-1057, which funded three demonstration programs (one each in urban, suburban, and rural locations) to provide family advocate services to youth with mental health issues who are involved in the criminal justice system, or who are at risk of such involvement, and their families. The aim is to integrate family advocacy into community-based systems of care. The funds are appropriated from the Short-Term Innovative Health Programs Grant Fund. According to a report submitted December 27, 2007, as of that date a rural program hadn't been selected because none of the submissions met requirements. The Department will work with these applicants to assess whether, with proposal modifications, one of them could meet the legislative intent of the program. The suburban and urban programs are underway. **Staff recommends \$158,885 cash funds,** which represents a continuation level of funding, an annualization of the enacting legislation, and the 1.5 percent community provider cost of living adjustment. The fund source was reclassified under the new Long Bill format because although the funds have been transferred between cash funds, this is the first time they have been formally appropriated.

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Mental Health Services for Juvenile and Adult Offenders [NEW LINE ITEM]

This line was created by S.B. 07-097, which allocated tobacco litigation settlement funds for the purchase of mental health services for juvenile and adult offenders who are involved in the criminal justice system. **Staff recommends \$4,036,430 cash funds**, which is comprised of the base appropriation (\$1,995,828), increased funding during the second year pursuant to the enacting legislation (\$2,010,230), and the community provider cost of living adjustment (\$30,372). In the new Long Bill format these funds are re-classified from cash funds exempt to cash funds because this is the first time the funds are actually appropriated.

Veteran Mental Health [NEW LINE ITEM]

This new line was created by S.B. 07-146 and it funds a three-year pilot program to provide mental health services for the families of recently discharged veterans. The legislation transferred tobacco settlement funds from the Short-Term Innovative Health Programs Grant Fund to be distributed to community mental health centers in the Colorado Springs area. **Staff recommends a continuation level of funding at \$289,812.** This amount includes the JBC-approved community provider cost of living adjustment. Under the new Long Bill format these funds are re-classified as cash funds because although they have been moved to different Cash Funds, this represents the first time the money has been appropriated by the General Assembly.

Residential Treatment for Youth

Pursuant to 27-10.3-101 through 107, C.R.S., this program provides parents the option of residential services for their child's mental health treatment without going through the local county Departments of Social Services. The program provides funding to assist families in placing their children in therapeutic residential child care facilities (TRCCFs) when their children are not eligible for Medicaid nor suitable for a placement based on "dependency and neglect" criteria. Funding helps to cover initial costs of treatment and room and board costs for children who are subsequently expected to obtain Medicaid eligibility based on a disability and their temporary placement in the residential treatment center. The Department covers costs that are not covered by private insurance, sliding-scale parent fees, Medicaid, and Supplemental Security Income (SSI) benefits for children in the program.

Staff recommends an appropriation of \$1,129,147 (\$729,534 General Fund and \$399,613 cash funds exempt / reappropriated funds). This amount is a continuation level of funding with the community provider increase and the annualization of H.B. 06-1310 (which subtracts \$77,667 General Fund).

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MENTAL HEALTH INSTITUTES

The Department of Human Services operates two hospitals for the severely mentally ill: the Fort Logan Mental Health Institute, located in Denver, and the Mental Health Institute in Pueblo. The tables below reflect the recent census (occupancy) figures and occupancy rates. The Mental Health Institutes line also includes funds for Sol Vista DYC Facility Services and La Vista DOC Facility Services, both of which opened at the Pueblo campus during FY 2006-07. During the FY 2007-08 figure setting staff recommended, and the Committee approved, combining these two lines into the main Mental Health Institutes line item. The Mental Health Institutes budget includes funding for support services to a substantial number of correctional facilities on the Pueblo campus. Staff believed it was appropriate to consolidate this funding in order to be consistent with the way support services for these other facilities are reflected.

Colorado Mental Health Institute at Pueblo Occupancy		
	Census	Occupancy Rate (percent)
FY 2000-01	208.8	88.5
FY 2001-02	199.7	84.6
FY 2002-03	169.1	79.4
FY 2003-04	138.9	83.2
FY 2004-05	134.4	84.0
FY 2005-06	135.0	84.4
FY 2006-07	135.7	84.8
FY 2007-08 Est.	135.7	84.8

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Colorado Mental Health Institute at Ft. Logan Occupancy		
	Census	Occupancy Rate (percent)
FY 2000-01	195.8	89.0
FY 2001-02	187.9	85.4
FY 2002-03	171.1	87.3
FY 2003-04	137.8	79.7
FY 2004-05	149.3	86.3
FY 2005-06	149.9	86.8
FY 2006-07	148.5	86.6
FY 2007-08 Est.	148.5	86.6

Decision Item #1 - Operating and Staff for new Forensics Facility

Department Request

The Department requests a total of \$638,190 General Fund and 5.1 FTE in FY 2008-09, which annualizes to \$1,737,615 General Fund and 22.7 FTE in FY 2009-10, to provide the remaining staff and operating funds necessary to transition to and operate the new High Security Forensics Institute (HSFI) in Pueblo. The state's new High Security Forensics Institute is scheduled to open in June, 2009. It will be a 200,000 square foot facility and will replace the medium and maximum security forensic units in the Institute for Forensic Psychiatry (IFP) at CMHIP. The following table reflects a breakdown of the Department's request.

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Decision Item #1 - Staff and Operating for New Forensics Institute					
Item	FY 2008-09			FY 2009-10 Annualization	
	Request	FTE	Recomm.	Request	FTE
AED, SAED, Shift Differential (in EDO)	29,806		0	175,759	
Personal Services, 5.1 FTE	530,313	5.1	530,313	1,333,319	22.7
One-time and Ongoing Furnishings	26,650		26,650	6,500	
One-time Moving costs	10,000		10,000	0	
One-time FTE Operating Costs	27,060		27,060	0	
On-Going Staff Operating	0		0	65,930	
Pharmaceuticals	0		0	40,949	
On-Going Patient Operating	0		0	62,021	
Nursing Unit Capital Outlay / Operating	14,361		14,361	798	
General Hospital	0		0	(29,501)	
Total	\$638,190	5.1	\$608,384	\$1,655,775	22.7

Staff recommends \$608,384 General Fund and 5.1 FTE for FY 2008-09. In accordance with JBC common policy, staff did not appropriate POTS funds for an FTE's first year. **The FY 2009-10 amount is displayed so the Committee can see the Department's annualization figures.** Given the ever-changing variables affecting the Institutes, JBC staff may re-assess these figures during FY 2009-10 figure setting.

Staff Analysis

- Pursuant to Sections 16-8-105 and 16-8-112, C.R.S., persons who are found in criminal proceedings to be Not Guilty by Reason of Insanity (NGRI) or Incompetent to Proceed (ITP) are committed to the Department of Human Services and treated at the Institute for Forensic Psychiatry (IFP), the state's forensic hospital at the Colorado Mental Health Institute at Pueblo (CMHIP).

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- ❑ In 1999, NGRI patients filed a lawsuit against the Department which claimed that the IFP physical plant was unsafe, that the staffing levels were insufficient, and that treatment and basic living conditions were constitutionally inadequate (*Neiberger v. Schoenmakers*). Part of the 2002 settlement required, in part, mandatory staffing levels of 1.35 to 1 staff to patient ratio and that a new forensic facility "remain the number one capital construction priority of the Department until the new facility is built."
- ❑ The analyst met with DHS staff who are overseeing the completion of the forensics institute and managing the transition and reviewed the floor plans of the facility. **The new Institute maximizes ways in which technology can improve patient management and safety, but the offset is that it requires additional training up front.**
- ❑ Operation of the new forensics Institute will require substantial training for staff as well as careful and incremental transition of patients into the new facility. Staff must learn how they will move through the building, how they will transition patients through the building, and what types of staffing levels and monitoring are required for each part of the facility. All staff will require at least 40 hours of training (certain positions will require more). **The temporary staff are required to "backfill" these positions while the permanent staff rotate through training.**
- ❑ **During the transition the patients will be split between the two facilities and it will be necessary to operate and staff both units simultaneously.** Some of the operating expenditures and temporary staff are to fulfill this purpose.
- ❑ *State of the art security systems:* Staff at the HSFI must become proficient in multiple state-of-the art security electronic systems. For example, they must become knowledgeable about proximity card readers, personal duress alarms, electronic key retainer box systems/ key control/ key tag alarms, fire alarm protocols, entrance/exit check points, and perimeter security.
- ❑ *Furnishings:* Pursuant to common policy, equipment and minor furnishings (lamps, etc.) were not included in the capital construction request associated with the new building. They are considered capital outlay and therefore must be requested as a part of the Department's operating request. **Staff believes that this request is reasonable.**
- ❑ *Moving:* The \$10,000 is associated with using Department of Corrections inmates to move and set-up furniture and equipment in the new facility.

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- ❑ *Capital outlay for medical unit:* One of primary objectives of the new facility is to reduce the need to transport patients outside the secure setting. Transporting patients, even on CMHIP grounds, is a staff-intensive process (requiring two to three staff at a time), leaving their ward temporarily short-staffed. The amount of staff time saved by not having to transport the patient, and the overall improved safety level by not leaving a unit short-staffed, more than justify this expense.

- ❑ NGRI and ITP patients are susceptible to begin decompensating during the transition because of the stress of the move and their new environment, causing increased risks for both staff and the patients. The State has a responsibility for the safety of its employees, and **the transition to the new HSFI is not an appropriate scenario for testing how efficiently the Department can operate. This is a scenario where the Committee should encourage the Department to operate as safely and effectively as possible. Providing these resources during FY 2008-09 fulfills this message.**

Supplemental / B.A. #1 - Improve the Monitoring of NGRI Outpatients

Department Request

In January, 2008, the Department submitted a supplemental and budget amendment for staff and operating funding to improve the outpatient monitoring of people whom the courts identified as not guilty by reason of insanity (NGRI). The request was for \$114,862 General Fund and 1.0 FTE in FY 2007-08 and \$522,394 General Fund and 5.5 FTE in FY 2008-09 in order to improve the Department's ability to monitor 152 NGRI outpatients who currently reside in the community. The impetus behind the request occurred in August, 2007, when an NGRI outpatient attacked a student on the campus of the University of Colorado at Boulder. The Department's request is summarized in the following table.

Background

Pursuant to 16-8-115 (3) (b), C.R.S., Colorado's community mental health centers (CMHCs) are responsible for the treatment and monitoring of conditionally released forensics patients from CMHIP. The CMHCs provide treatment and case management, monitor the conditions of each patient's release, and file quarterly reports with CMHIP on the status of each patient they follow. Although the CMHCs are responsible for the patient's treatment in the community, CMHIP remains responsible for supervising the patient until he or she is

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unconditionally released [Section 16-8-115 (3) (c), C.R.S.]. The main intent of this request is to provide resources (both funds and FTE) to work with CMHC clinicians to improve the monitoring and treatment of the NGRI outpatient population.

- During the supplemental presentation staff recommended against the request because it did not meet supplemental criteria. Staff was also concerned that the request's components didn't directly assist CMHC clinicians to better monitor and treat the NGRI outpatient population on a day to day basis. Treatment and monitoring occur at the community level, so the greatest impact will occur by investing resources directly with the CMHCs.
- Staff and the Committee concluded that instead of denying the request altogether, that staff would work with the Department and community mental health centers (CMHCs) to modify the request.**

Follow-Up

The Department maintains that the supplemental, as submitted, provides systemic support to the CMHCs through training, routine risk assessments, and technical assistance on specific patients, including searches, individual consultation, and return to an inpatient setting if necessary. However, the Department collaborated with the Colorado Behavior Health Council, which represents the CMHCs' collective interests, to identify mutually supported alternatives and submitted them for staff to consider. Both parties recognized that improved training of CMHC providers on how to best treat and monitor NGRI patients, as well as increased funding to achieve that purpose, was a viable option. **Staff supports this new component of the request, the "NGRI Outpatient Fund," as described below.**

NGRI Outpatient Fund

- A total of \$100,000 will be appropriated to the Division of Mental Health for distribution on a 'first come, first serve' basis as requested by the CMHCs. The funds will pay for expenses in a specific NGRI patient's treatment plan that are not reimbursed by any other source.
- The CMHCs will submit a request for funding to the Division of Mental Health for review to ensure that it fits within the purposes of the Fund. The Division will distribute the funds as an amendment to the CMHC contracts.
- The Department estimates that it would distribute an average of \$1,000 per NGRI patient, but this would vary depending upon each patient's needs and treatment plan.

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- All parties recognize that it is impossible to verify whether \$100,000 is an adequate amount. While many of these patients are Medicaid or Medicare eligible, some are not. A separate pot of money to support the needs of these high-maintenance patients, particularly when no other reimbursement is available, could assist the CMHCs to improve the care and monitoring of this population.

Additional Components of Request

*Replace use of state fleet vehicles with four leased vehicles and fleet variable mileage: **Staff recommends this part of the request.***

- Currently, eight case managers share two vehicles from the State Fleet Management. The Department cites instances they have had to coordinate their schedules based on the availability of a vehicle instead of a patient's needs. This request would add 3.5 additional staff whose primary goal will be to travel and work with the CMHCs and NGRI patients *in the community*. The purpose of the request - to improve the monitoring of NGRI patients in the community - is defeated if the case managers don't have access to reliable transportation.

*GPS system to track patient movement and drug use: **Staff recommends against this part.***

- The Department's request does not mention any difficulties in tracking or locating the NGRI patients. Staff was not made aware of any problem with them not showing up for appointments or being where they are supposed to be. Rather, the issue is being able to identify warning signs that an NGRI patient is de-compensating and to provide better supports for the patient in the community.

*Improve databases to track patients: **Staff recommends against this part.***

- There are approximately 100 NGRI patients across the state. This size of a population does not warrant extensive databases nor an FTE in order to keep track of them.

*Improve program quality and oversight and additional staff for safety and outpatient monitoring: **Staff recommends this part of the request and the associated FTE.***

- This portion of the request will oversee the CMHCs treatment, assessment, and compliance with court-ordered conditions for the NGRI outpatients in the community. It also funds FTE to train the CMHC providers on how to better monitor and care for the NGRI population. Most importantly, when the CMHCs are concerned about an NGRI patient, a psychiatrist from the Forensics Institute will travel to the communities to assess the patient and bring them back to the Institute, if necessary.

*Drug-detecting canine: **Staff recommends against this part of the request.***

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- Staff does not agree that a drug-detecting dog, will promote the main goal of the request. Furthermore, this resource is already funded, and available, at the county level. Funding it at the State level is a duplication of services.
- AED & SAED*: Committee common policy does not cover these expenses for the first year of a FTE so **staff recommends against it.**

Total Recommendation: Staff recommends a supplemental amount of \$84,185 and 0.8 FTE in FY 2007-08 and an appropriation of \$522,524 and 4.5 FTE in FY 2008-09. The details of staff's calculations are on the following page.

Supplemental Request and Budget Amendment to Improve the Monitoring of NGRI Outpatients						
	FY 2007-08 Supplemental			FY 2008-09 Budget Amendment		
Item	Request	FTE	Recom.	Request	FTE	Recom.
Replace use of state fleet vehicles with four leased vehicles	2,796	0.0	2,796	11,185	0.0	11,185
Fleet variable mileage	3,040	0.0	3,040	12,160	0.0	12,160
Global Positioning System (GPS) to track patient movement and alcohol use	8,851	0.0	0	35,405	0.0	0
Improve databases to track patients	12,474	0.2	0	56,191	1.0	0
Improve program quality oversight	16,254	0.2	16,254	79,644	1.0	79,644
Additional staff for safety and FCBS outpatient monitoring	62,095	0.6	62,095	319,535	3.5	319,535
Drug-detecting canine	8,435	0.0	0	1,040	0.0	0
AED & SAED	917	0.0	0	7,234	0.0	0
NGRI Fund for CMHCs	0	0.0	0	0	0.0	100,000
Total	\$114,862	1.0	\$84,185	\$522,394	5.5	\$522,524
Total Staff Recommendation		0.8	\$84,185		4.5	\$522,524

Decision Item # 7 - Compression Pay for Nurse I Positions at the Mental Health Institutes

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Department Request

The Department requests \$1,006,095 General Fund to provide compression pay for Nurse I staff at the Colorado Mental Health Institutes at Pueblo (CMHIP) and Fort Logan (CMHIFL). According to the Department, the competitive nursing market requires the Mental Health Institutes (MHI's) to hire nurses at salaries that are almost 20 percent above the entry-level Nurse I salary. This causes the new hire salaries to be closer to the salaries of nurses with several years of experience at the Institutes. The request is intended to boost the salaries of mid-range nursing staff and to distance the mid-range salaries from entry-level nursing staff salaries.⁴

Specifically, the request is to increase the salaries of 102 current Nurse I staff on the Forensics, Civil, and Medical Surgical Services units at the Colorado Mental Health Institute at Pueblo (CMHIP), and 64 current Nurse I staff in the Civil and Residential Treatment Units at the Colorado Mental Health Institute at Fort Logan (CMHIFL). The Department's calculations concluded that overall, Nurse I's would receive an average salary increase of 11 percent at Ft. Logan and 12 percent at CMHIP. According to the Department, Institute nurses have an annual median salary of \$54,765 for CMHIP and \$57,504 at Fort Logan, while other Nurse I's with comparable certifications and experience have a median salary of \$54,711 and \$61,646, respectively.

Staff does not recommend this request.

Staff Analysis

- Staff is concerned that granting this request would set a negative precedent and could start the Committee down a slippery slope.** The Department has already expressed an intent to request compression pay for the Nurse II through Nurse VI job classes in subsequent fiscal years. If the Committee approves this request, it could also encourage other Departments with difficult-to-staff positions such as Corrections, Education, etc. to follow the same strategy.

- Nurse recruitment and retention is a national problem and impacts numerous Departments within the State. Staff believes that **if compensation rates are truly a problem then the Department should inquire as to why this isn't addressed through the State's annual salary survey.**

⁴ Mid-range staff are those nurses who have been with the MHI's for more than five years. This request would impact 102 Nurse I's at CMHIP and 64 Nurse I's at CMHIFL.

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- ❑ The Department's request states that Institute Nurse I's have a median salary of \$54,765 for CMHIP and \$57,504 for Ft Logan, while other nurses in the front range with comparable certifications and experience have \$54,711 and \$61,646, respectively. The Department reports that the median salary at CMHIP is actually greater than that in its surrounding community, over half of the compression pay would be allocated to nurses at CMHIP for an approximately eleven percent salary increase. **One of the reasons behind the request is to make salaries competitive, yet according to the Department's own data the median Nurse I salaries at CMHIP are already greater than those in the surrounding area.**

- ❑ In FY 2007-08 the Department received \$500,000 for compression pay at the Institutes in an effort to offset of some of the base reduction cuts in personal services. The Department recently submitted a footnote report on the impact of the compression pay, which it cites in support of the request. There were more inquiries into working at Ft. Logan and it was able to recruit several nurses with more than five years of experience. **However, Department 's request says that the compression pay is to improve nurse retention and to increase the distance between salaries in experienced vs. new nurses, not to recruit staff. The Department's footnote did not reference information that the FY 2007-08 compression pay impacted nurse retention, which is the stated purpose.**

- ❑ **Hiring nurses at above entry-level salary is an administrative decision,** facilitated by the Committee allowing the Department increasing flexibility over this line. Instead of hiring nurses at 20 percent above entry-level, the Department could have lowered it to 15 percent and then given the experienced Nurse I's a five percent salary increase, thus reducing the compression. The Department chose this managerial approach, and should be responsible for addressing the issue without additional appropriations.

- ❑ In the 2001 Long Bill, funding for the Institutes were divided amongst six individual lines (Personal Services, Operating Expenses, General Hospital Personal Services, General Hospital Operating Expenses, Educational Programs, and Indirect Cost Assessment). Within the past six years the General Assembly has increased the Department's discretion over the Institutes' appropriations by condensing these lines. The Department exercised this managerial and administrative flexibility when it chose to hire new nurses at these salaries. This amount represents approximately one percent of the total Institute line. If the Department chose to, it could identify much of this

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funding within existing appropriations. Staff recommends that Department exercise that same flexibility to address the issue without an additional appropriation.

- ❑ The Department is concerned that Nurse I's leave the Institutes for higher salaries that are offered by other state Departments (such as Corrections). The following table compares the average nursing salaries amongst various departments. Staff took the total funds appropriated to that line item and divided it by the number of FTE to attain an average. *It's important to note that the fewer the FTE, the more that the results can be skewed by outliers. Therefore, staff included the number of FTE in the table so that the Committee could take this factor into account.*

- ❑ A chart reflecting nursing salaries at different Departments is on the following page.

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The Institutes' nursing salaries are competitive with other State departments.

Average Annual Salary for State Nursing Positions, by Department										
		Nurse I			Nurse II			Nurse III		
		FY 06	FY 07	FY 09 Request	FY 06	FY 07	FY 09 Request	FY 06	FY 07	FY 09 Request
Human Services Developmental Disabilities Regional Centers	Avg. Salary	\$51,107	\$53,032	\$55,243	\$57,214	\$58,676	\$59,735	\$68,291	\$63,066	\$66,366
	FTE	19.4	17.4	18.0	17.1	19.3	23.6	3.9	4.0	4.0
Human Services State Veteran's Nursing Homes	Avg. Salary	\$50,868	\$52,315	\$53,023	\$56,173	\$59,800	\$59,300	\$67,098	\$64,900	\$70,214
	FTE	7.7	11.7	9.0	46.0	45.9	48.0	16.0	17.5	25.0
Human Services Mental Health Institutes*	Avg. Salary	\$51,594	\$52,436	\$54,279	\$60,265	\$59,226	\$65,694	\$63,600	\$65,748	\$68,279
	FTE	202.2	197.5	223.0	29.9	29.4	32.0	40.3	37.7	42.6
Corrections Medical Subprogram	Avg. Salary	\$48,955	\$52,563	\$55,158	\$55,688	\$69,441	\$64,774	\$58,481	\$62,093	\$64,733
	FTE	91.1	90.0	139.5	5.5	4.5	11.0	21.1	14.2	25.6
Corrections San Carlos Subprogram**	Avg. Salary	\$54,140	\$56,038	\$57,570				\$63,606	\$67,520	\$68,064
	FTE	17.2	20.2	21.0				3.8	4.0	4.0

* The Department of Human Services lists the Institutes at Ft. Logan and Pueblo together.

** The Corrections San Carlos Subprogram did not employ any Nurse II's.

Note: If the JBC chooses to approve this decision item, the appropriate amount would be \$986,386, because the Department's request includes \$19,709 for STD, AED, and SAED, which are not included in JBC common policy.

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Supplemental / Budget Amendment #20 - Mental Health Institutes Revenue Adjustment

Department Request

The Department submitted this FY 2007-08 supplemental and FY 2008-09 budget amendment as part of its February submission. Revenue adjustments are submitted every year to adjust the estimated revenue that will be available to the Mental Health Institutes (Institutes) based on the current patient mix and any changes to Medicaid and Medicare reimbursement for services received by Institute patients. The Institutes receive revenue from various sources to pay for the cost of care to patients, including patient benefits (typically cash from disability benefits), Medicare, Medicaid, third-party insurers (i.e. Kaiser), counties, school districts, and other state Departments (e.g. Departments of Corrections and Education). The current estimates for Institute revenue are based on estimates prepared in February, 2007. These estimates are no longer current because the Department has new data based upon actual year-to-date revenue through December, 2007. **The request meets supplemental criteria based upon “new data resulting in substantial changes in funding needs.”**

Supplemental / Budget Amendment #20 - Mental Health Institutes Revenue Adjustment						
	Net GF	GF	CF	CFE	<i>Medicaid Cash Funds*</i>	<i>Medicaid General Fund*</i>
FY 2007-08	933,275	813,107	(677,261)	(135,846)	360,335	180,168
FY 2008-09	490,473	310,305	(677,261)	366,956	360,335	180,168

* For informational purposes only. Medicaid revenue adjustments are addressed in the Health Care Policy and Financing (HCPF) figure setting presentation.

Staff recommends this request because the primary driver of the difference in estimates is due to unforeseen circumstances. The Institutes could not have foreseen Medicare's billing error. Additionally, it is staff's understanding that it is a normal part of the budget process for the Department submits revenue adjustments every year.

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Cash Funds - Pursuant to Sections 27-12-101 through 104, C.R.S., when a person is admitted to any public state institution supervised by the Department of Human Services, the person, his or her spouse, and his or her parents (in the case of a minor) shall be liable for the costs of his or her care. The liability amount is determined by the extent that they are respectively able to pay according to several factors. The state may also access all insurance and other benefits payable for the care, support, maintenance, and treatment of a patient. The new revenue estimates are:

- An estimated decrease (\$820,813) in patient fees, revenue from commercial insurance, and payments from courts;
- An estimated decrease (\$26,404) in education revenue from school districts due to fewer billable school days for students treated in the Therapeutic Residential Child Care Facility (TRCCF); and
- An estimated increase of \$169,956 in revenue from County Departments of Social Services for room and board charges for children in county custody who are receiving treatment in the TRCCF.

Cash Funds Exempt / Reappropriated Funds - This portion of the revenue estimate is primarily comprised of revenue from providing services to other departments and Medicaid and Medicare reimbursements.

- For FY 2007-08, an estimated \$435,332 increase in General Hospital revenue from the Department of Corrections (DOC) based upon a DOC supplemental submitted in January, 2008. However, based upon this same request the Institutes anticipate an increase of only \$161,574 for FY 2008-09.

Medicaid

- An estimated \$360,335 increase in Medicaid Fee for Service revenue from HCPF for NYC and Forensic clients treated in the psychiatric hospitals;
- An estimated decrease of (\$25,312) in Medicaid capitation revenue received from the Behavioral Health Organizations (BHO's);
- An estimated \$99,984 increase in Medicaid revenue for clients over age 65 receiving medical treatment in the General Hospital; and
- An estimated \$30,970 increase in TRCCF Medicaid revenue from HCPF for ancillary medical services.

Medicare

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In FY 2005-06, the reimbursement methodology for Medicare changed from reimbursing the Institutes a daily rate to payment based on the patient's diagnosis. The reimbursement rate is affected by variables such as the patient's diagnosis, co-morbidities, age, gender, etc. According to the Department, it was difficult to project Medicare revenue because the reimbursement methodologies are new and there is no relevant historical data.

- An estimated \$331,644 increase in revenue received based on payments for specific diagnoses;
- An estimated decrease (\$1,574,888) in revenue received as part of the Medicare Cost Report Settlements; and
- The Centers for Medicare and Medicaid (CMS) recently notified the Department that it provided an incorrect rate and the revised rate is substantially lower than anticipated, resulting in a \$725,438 shortfall in the estimated reimbursement.
- Under the new reimbursement methodology Medicare revenue will be received on a timelier basis as claims are paid throughout the year. The revenue uncertainty associated with the prior method (year-end cost report settlements) will be greatly reduced.

Mental Health Institutes

In the FY 2005-06 Long Bill the JBC consolidated the personal services and operating expenses for the Mental Health Institutes in order to allow them greater flexibility and to minimize opportunities for overexpenditure problems. This line item thus includes the personal services and operating expenses for both the Pueblo Mental Health Institute and the Mental Health Institute at Fort Logan. **Staff recommends a total appropriation of \$82,868,320.** The table on the following page reflects the components of the request and the recommendation.

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Mental Health Institutes - Personal Services Recommendation					
	Total	GF	CF	CFE	FTE
FY 2007-08 Long Bill	79,571,170	59,735,824	4,580,363	15,254,983	1252.9
Sup/BA. #1 - Improve Monitoring of NGRI Patients	78,349	78,349	0	0	0.8
Salary Survey	2,488,402	2,480,212	0	8,190	0.0
80% Performance Based Pay	710,570	708,248	0	2,322	0.0
1% Base Reduction (FTE>20)	(828,485)	(630,026)	(45,804)	(152,655)	0.0
SBA#1 - MHI Menus	(98,794)	(98,794)	0	0	(1.9)
FY 2008-09 Annualize S/BA#1 Improve Monitoring of NGRI Patients	302,830	302,830	0	0	3.7
DI#1 - Operating and Staff for New Forensics Institute	560,119	560,119	0	0	5.1
Linen Contract Transfer	84,159	84,159	0	0	0.0
DI #8 - Nurse Compression Pay	0	0	0	0	0.0
FY 2008-09 Recommendation	\$82,868,320	\$63,220,921	\$4,534,559	\$15,112,840	1260.6

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Mental Health Institutes - Operating				
	Total	GF	CF	CFE
FY 2007-08 Long Bill	10,085,528	9,733,098		352,430
FY 2007-08 and FY 2008-09 MHI Revenue Estimates adjustment		813,107	(677,261)	(135,846)
Supp. #1 NGRI operating	5,836	5,836		
Incremental 2008-09 MHI Revenue Estimates		(502,802)		502,802
Annualization Sup. #1	7,509	7,509		
DI#1 - Staff and Operating at HSFI	78,071	78,071		
Total Staff Recommendation	\$10,176,944	\$10,134,819	(\$677,261)	\$719,386

General Hospital

This line item funds the General Hospital in Pueblo's personal services and operating expenses. These amounts are divided in staff numbers pages to facilitate a better understanding of the fund split.

Personal Services - The Department requests \$3,047,740 (comprised of \$3,023,740 General Fund and \$24,000 cash funds exempt) and 36.0 FTE for the General Hospital's personal services. **Staff recommends a total personal services appropriation of \$3,030,870 and 36.0 FTE.** Staff's calculation includes the FY 2007-08 salary survey and 80 percent of the FY 2007-08 performance-based pay, then factored a one percent base reduction pursuant to JBC common policy.

Operating Expenses - **The Department requests, and staff recommends, a continuation level of funding for operating expenses of \$436,883.**

Educational Programs

Local school districts and the Department of Education provide funding for educational services at the institutes. The source of funding for this line item is primarily from per pupil operating revenue and special education funds transferred from the school districts. **Staff recommends a continuation level of funding of \$714,207 and 15.0 FTE.**

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(8) MENTAL HEALTH AND ALCOHOL AND DRUG ABUSE SERVICES
(D) Alcohol and Drug Abuse Division

This section contains appropriations for alcohol and drug abuse prevention, intervention, and treatment services.

- Treatment, prevention, and detoxification services are provided primarily through four managed service organizations, each of which is responsible for managing the provision of services to residents of a specified geographic area of the state.
- In 2006, the Alcohol and Drug Abuse Division provided funding for 23,329 shelter/detoxification admissions and 16,693 substance abuse treatment admissions.
- The division also funds and oversees involuntary commitments into detoxification facilities and substance abuse treatment programs and is responsible for licensing alcohol and drug treatment providers.
- The bulk of the total division funding is federal funds, with the substance abuse prevention and treatment block grant being the primary source.
- Cash funds sources include the Drug Offender Surcharge Fund, the Law Enforcement Assistance Fund, and the Persistent Drunk Driver Cash Fund.
- Cash funds exempt sources include the Judicial Department's Alcohol and Drug Driving Safety program and the Department of Public Safety.

Federal Funds

The majority of federal funding is from the federal Substance Abuse Prevention and Treatment Block Grant. These funds are not subject to appropriation by the General Assembly but, given their importance in the state's overall funding for substance abuse treatment and prevention, are shown in the Long Bill for informational purposes.

(D) ALCOHOL AND DRUG ABUSE DIVISION
(1) Administration

Personal Services

The ADAD staff manage the federal block grants and contract with the four managed service organizations that subcontract with treatment providers at sites throughout Colorado. They also:

- Oversee and provide technical assistance to 98 prevention program contracts;
- Monitor the providers and collect data on the program for state and federal reporting requirements;

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- Are responsible for licensing and monitoring treatment providers; and
- Manage the involuntary commitment process for persons incapacitated due to the abuse of drugs or alcohol.

Staff recommends a total appropriation of \$2,124,620 and 31.0 FTE. The details of the calculations are the following table.

Alcohol and Drug Abuse Division, Administration: Personal Services						
	Total	GF	CF	CFE	FF	FTE
FY 2007-08 Long Bill	2,059,002	91,746	38,805	526,051	1,402,400	30.0
S.B. 07-213	700		700			
FY 2007-08 Salary Survey	64,994		64,994			
FY 2007-08 Performance-Based Pay	21,386		21,386			
1% Base Reduction	(21,461)	(1,781)	(385)	(5,260)	(14,024)	
Supplemental #12 - MH Block Grant - Population in Need Study	0	0	0	0	0	1.0
FY 2008-09 Staff Recommendation	\$2,124,621	\$89,965	\$125,500	\$520,791	\$1,388,376	31.0

Operating Expenses

The Department requests, and staff recommends, a continuation level of funding that totals \$191,902.

Other Federal Grants

This line item includes the portion of various federal grants that may be used for personal services and administrative expenses. **The Department requests, and staff recommends, a continuation level of funding of \$457,383 federal funds.**

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Indirect Cost Assessment

The Department requests, and staff recommends, a continuation level of funding of \$243,723 (\$3,280 cash funds and \$240,443 federal funds). The cash funds indirect recoveries are from the Law Enforcement Assistance Fund program and the federal indirect cost recoveries are from the federal Substance Abuse Block Grant. These amounts are used to offset General Fund expenditures in the Department of Human Services Executive Director's Office

(2) COMMUNITY PROGRAMS

(a) Treatment and Detoxification Contracts

Treatment and Detoxification Contracts

This line item incorporates funding for residential and outpatient treatment services and detoxification services provided through the Department's four managed service organization contractors. Treatment and Detoxification are two separate programs funded in the same line item. Detoxification is a public safety function and does not constitute treatment for substance abuse.

The Department submitted a technical request to move funds from the Treatment and Detoxification line to the Short-term Intensive Residential Remediation and Treatment (STIRRT) program. STIRRT was historically included as part of the Treatment and Detoxification line, and this request is to correctly reflect all of STIRRT's funding within its line item.

Department Technical Request		
	Treatment and Detoxification	STIRRT
GF	(\$268,004)	\$268,004
CF	(\$37,000)	\$37,000
FF	\$268,004	(\$268,004)
Total	(\$37,000)	\$37,000

The Department requests, and staff recommends, a continuation level of funding of \$23,115,912. This amount is comprised of \$11,350,282 General Fund, \$967,821 cash funds, \$295,175 cash funds exempt, and \$10,502,634 federal funds. This amount also includes a 1.5 percent community provider cost of living adjustment and supplemental of \$7,237 in additional tobacco settlement funds. Cash fund sources include the Drug Offender Surcharge Fund and the

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Persistent Drunk Driver Cash Fund. Reappropriated funds include transfers from the Department of Public Safety and reserves in the Persistent Drunk Driver Cash Fund.

Short-Term Intensive Residential Remediation Treatment (STIRRT)

This is a new line that was created in the FY 2007-08 long bill. Funding for this program was previously incorporated as part of the Treatment and Detoxification Contracts line item. The STIRRT program is designed specifically for adult male offenders who are substance abusers, have not achieved success through community treatment, and have been recommended to intensive outpatient treatment. The program includes two weeks of intensive inpatient treatment that may then be followed by an outpatient component. **Staff recommends a continuation level of funding at \$3,086,720**, comprised of \$2,088,121 General Fund, \$389,066 cash funds, \$609,000 cash funds exempt, and \$533 federal funds. This amount includes a 1.5 percent community provider cost of living adjustment and the annualization of the technical request mentioned previously in this document.

Case Management - Chronic Detox Clients

This line item funds intensive outpatient case management services for people who don't respond to conventional residential and outpatient treatment methods. The goal of the program, also referred to as "Project Proud" (Project to Reduce Over-Utilization of Detoxification) is intensive case management to reduce the chronic use of detox facilities by providing assistance in obtaining multiple services needed such as housing, health care, mental health services, and employment or vocational support. **Staff recommends a continuation level of funding**, plus a 1.5 percent community provider cost of living adjustment, for a total of \$369,361 (\$2,478 General Fund and \$366,883 federal funds).

High Risk Pregnant Women

Pursuant to Section 25.5-5-202 (1) (r), C.R.S., and Sections 25-1-212 through 213, C.R.S, treatment program for High-Risk Pregnant Women supports specialized outpatient services for Medicaid-eligible pregnant women who are at risk of a poor birth outcome due to substance abuse. The goal of the program is to reduce or stop maternal substance abuse during and after the pregnancy, to promote a safe environment, and to maintain the family unit. Services include assessment, individual and group counseling, case management, health education, and urinalysis monitoring. These services are provided through 13 designated treatment providers.

The program is financed with Medicaid funds which are first appropriated as General Fund and federal funds to the Department of Health Care Policy and Financing, then transferred to the Department of Human Services as cash funds exempt Medicaid dollars. The funds have been categorized in the Department of Human Services as cash funds exempt, and will be re-classified

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as reappropriated funds in the FY 2008-09 long bill. **Staff recommends a continuation level of funding plus the 1.5 percent community provider cost of living adjustment for a total of \$1,013,698.**

(2) COMMUNITY PROGRAMS

(b) Prevention and Intervention

Prevention Contracts

These programs are designed to provide individuals with the skills to avoid substance abuse and to decrease risk factors associated with substance abuse. The Division contracts with local and statewide prevention programs to that support services to prevent the use of alcohol, tobacco, and other drugs. The Division's prevention strategies include distributing information on the nature and extent of drug use, providing substance abuse education, and identifying and referring clients to appropriate services. The federal Substance Abuse Prevention and Treatment block grant requires that at least 20 percent of the block funds be used for preventative services. **Staff recommends a continuation level of funding and the annual cost of living adjustment for a total of \$3,888,044 (\$34,336 General Fund, \$27,478 cash funds, and \$3,826,230 federal funds).**

Persistent Drunk Driver Programs

Pursuant to Section 42-3-130.5, C.R.S., the Persistent Drunk Driver Cash Fund consists of funds from penalty surcharges on drunk drivers. The surcharge amount ranges from \$25 to \$500, and generates approximately \$75,000 a month. The Fund is used to support the Department of Transportation's efforts to curb persistent drunk drivers. It also supports programs that deter persistent drunk driving or provide public education, with particular emphasis on reaching young drivers. The Alcohol and Drug Abuse Division is the lead agency that coordinates these efforts amongst the Departments of Transportation, Revenue, and Human Services coordinate the programs.

Budget Amendment #8 (technical) - Additional Funds for Persistent Drunk Driver Programs

The Department requests an additional \$312,733 cash funds in FY 2008-09 for the Persistent Drunk Driver Programs line item. The Department received additional funds and is requesting appropriation authority. **Staff recommends the requested budget amendment.**

The Department requested, and staff recommends, a continuation level of funding for this line, with the addition of the above budget amendment and the community provider annual cost of living adjustment. The total amount is \$1,057,413, comprised of \$912,050 cash funds and \$145,363 cash funds exempt.

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Law Enforcement Assistance Fund (LEAF) Contracts

The LEAF supports local efforts to prevent people from driving when using alcohol or other drugs. These activities are supported by a \$60 fee levied on those persons convicted of a DUI offense.⁵ Pursuant to Section 43-4-401, C.R.S., the funds are distributed to the Department of Public Health and Environment for the Implied Consent program, to the Alcohol and Drug Abuse Division (ADAD) for community prevention projects, and to the Department of Transportation for grants to local law enforcement agencies. Statute requires ADAD apply these funds towards a statewide public education program on driving under the influence, including teacher training and the dissemination of educational curricula. **The Department requests, and staff recommends, a continuation level of funding of \$255,000 cash funds.**

(2) COMMUNITY PROGRAMS

(c) Other Programs

Other Federal Grants

ADAD receives a variety of federal alcohol and drug abuse categorical grants. The largest grants currently being administered are the \$2.4 million Colorado Prevention: Partners for Sustainable Change (for prevention services and related community infrastructure development), the \$2.1 million Screening Brief Intervention Referral for Treatment grant, and the \$500,000 per year Expanded School-based Services grant (a treatment grant). The portion of federal grants anticipated to be used for administrative activities is shown in the Alcohol and Drug Abuse Administration section.

Alcohol and Drug Abuse Division: Other Federal Grants			
	Total	CFE	FF
FY 2007-08 Appropriation	5,063,429	195,500	4,867,929
S.B. 07-097 / H.B. 07-1359	513,866	513,866	
FY 2008-09 Impact of S.B. 07-097 / H.B. 07-1359	514,399	514,399	
Staff Recommendation FY 2008-09	\$6,091,694	\$1,223,765	\$4,867,929

⁵ Section 24-4-402 (2), C.R.S., created the cash fund that receives the surcharges.

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Staff recommends a total appropriation of \$6,091,694. Staff's calculations are displayed in the preceding table. Staff did not apply the 1.5 percent community provider cost of living adjustment because the Department did not request it.

Balance of Substance Abuse Grant, Block Grant Programs

This line item includes federal Substance Abuse Prevention and Treatment Block Grant funds not allocated elsewhere in the Long Bill. The Division has the flexibility to allocate funds from this line to any of the Community Programs Treatment Contracts. The block grant requires that 35 percent of the dollars be used alcohol abuse programs, 35 percent for drug abuse, 20 percent for prevention, and the remaining 10 percent can be applied to any of these three areas. **The Department requests, and staff recommends, a continuation level of funding at \$6,675,155** (\$189,763 General Fund and \$6,485,393 federal funds). Staff applied the community provider increase to the General Fund portion of the request, but the Department did not request it for the federal funds.

Community Treatment and Prevention

During the 2007 session the Legislature passed S.B.07-097 / H.B. 07-1359, which reallocated Tobacco Settlement funds to the Division of Alcohol and Drug Abuse to purchase or provide additional community prevention and treatment services. The legislation appropriated \$521,163 during FY 2007-08 and \$1,028,265 during FY 2008-08. **The Department requests, and staff recommends, a continuation level of funding at \$1,035,202.** This amount includes the community provider cost of living increase.

Summary of Footnote Recommendations

Staff recommends that the following footnote be **discontinued**:

- 6 Department of Corrections, Management, Executive Director's Office Subprogram; Department of Human Services, Mental Health and Alcohol and Drug Abuse Services, Alcohol and Drug Abuse Division; and Division of Youth Corrections; Judicial Department, Probation and Related Services; and Department of Public Safety, Division of Criminal Justice -- State agencies involved in multi-agency programs requiring separate appropriations to each agency are requested to designate one lead agency to be responsible for submitting a comprehensive annual budget request for such programs to the Joint Budget Committee, including prior year, request year, and three year forecasts for revenues into the fund and expenditures from the fund by agency. The requests should be sustainable for the length of the

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forecast based on anticipated revenues. Each agency is still requested to submit its portion of such request with its own budget document. This applies to requests for appropriation from the Drug Offender Surcharge Fund, the Sex Offender Surcharge Fund, the Persistent Drunk Driver Cash Fund, and the Alcohol and Drug Driving Safety Fund, among other programs.

Comment: Staff recommends that this footnote be discontinued because it does not apply to actual information gathering or clarify the General Assembly's intent regarding the appropriation. It directs the Departments to submit their budget requests in a certain format and how the requests should be coordinated across departments. Staff believes that it is OSPB's prerogative on how the budgets are submitted, and if necessary the JBC analysts can ask the Department for more information. If it becomes difficult for the JBC to track multi-agency program appropriations then staff will reconsider the request.

Staff recommends that the following footnote be **discontinued and replaced with a written request for information:**

- 11 Department of Corrections, Totals; Department of Human Services, Mental Health and Alcohol and Drug Abuse Services, Alcohol and Drug Abuse Division; and Division of Youth Corrections; Department of Public Safety, Division of Criminal Justice-- It is the intent of the General Assembly that the impacts of the Governor's Recidivism Reduction and Offender Diversion Package funded by the General Assembly in 2007, be analyzed using contract funding appropriated for this purpose to the Department of Public Safety, Division of Criminal Justice. The evaluation should specifically address: the Short-term Intensive Residential Remediation Treatment Program (STIRRT) in the Department of Human Services, Diversion Community Corrections Beds in the Department of Public Safety, Mental Health Beds in the Department of Public Safety, and any new programs or services created or implemented through additional budgetary flexibility provided to the Division of Youth Corrections in the Department of Human Services. It is the intent of the General Assembly that the contractor compare the outcomes for offenders who participate in these programs with outcomes for offenders in predetermined control groups. The Department of Public Safety, Division of Criminal Justice, in conjunction with other state departments, is requested to submit an annual progress report to the Joint Budget Committee by November 1 of each year. This report is requested to include a summary of the number of offenders served by each program

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and a summary of the program evaluation techniques that will be used to examine the effectiveness of each program. The Department of Public Safety, Division of Criminal Justice, is requested to submit a final report to the Joint Budget Committee on or before November 1, 2012. The final report should specifically address whether any of the interventions funded were cost-effective and, based on this, recommendations for continuation, modification or elimination of each program.

Comment: This request for information applies to a multi-year study to evaluate the effectiveness of the recidivism package and yields useful information that assists JBC analysts in forming recommendations. The Governor's recidivism package devoted significant resources to these programs and it is important to identify their effectiveness. The Corrections population continues to grow at an alarming rate and it is important to proactively identify the most effective approaches possible to curb the increase.

Staff recommends that the **following six footnotes be discontinued:**

- 66 Department of Human Services, Mental Health and Alcohol and Drug Abuse Services, Administration, Personal Services -- It is the intent of the General Assembly that the Department utilize this appropriation for personal services for its salaries and other related personal services costs and that the Department not bill these expenses to any program line items.

Comment: This footnote was implemented when the JBC discovered that the Department had used pass-through program funding to pay for administrative salaries. Staff believes that now the Department understands that this is contrary to the General Assembly's intent for this appropriation. JBC staff routinely assess appropriate expenditures in all Departments and this line will be included in those future assessments.

- 67 Department of Human Services, Mental Health and Alcohol and Drug Abuse Services, Administration, Traumatic Brain Injury Trust Fund - It is the intent of the General Assembly that no more than 7.5 percent of total expenditures in this line item be for administrative expenses. The Department is requested to include information in its budget request demonstrating compliance with this requirement.

Comment: Staff believes that this footnote could be interpreted as administering the appropriation. Staff recommends to the Department that the November 1 budget

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requests clearly identify administrative expenditures, although they aren't limited to 7.5 percent.

- 68 Department of Human Services, Mental Health and Alcohol and Drug Abuse Services, Mental Health Community Programs, Mental Health Services for the Medically Indigent, Services for 10,296 Indigent Mentally Ill Clients; Early Childhood Mental Health Services; Assertive Community Treatment Programs, Alternatives to Inpatient Hospitalization at a Mental Health Institute; Enhanced Mental Health Pilot Services for Detained Youth; Residential Treatment for Youth (H.B. 99-1116); and Alcohol and Drug Abuse Division, Community Programs, Treatment Services, Treatment and Detoxification Contracts; Case Management for Chronic Detoxification Clients; High Risk Pregnant Women Program; and Other Programs, Balance of Substance Abuse Block Grant Programs -- Funding for these line items is calculated including a 1.5 percent rate increase for community providers.

Comment: This footnote outlined the methodology by which the program line item was calculated. Staff does not believe this footnote is necessary to ensure the proper appropriation of funds or to explain the fund sources.

- 69 Department of Human Services, Mental Health and Alcohol and Drug Abuse Services, Mental Health Community Programs, Mental Health Services for the Medically Indigent, Services for 10,296 Indigent Mentally Ill Clients -- It is the intent of the General Assembly that this money be used solely as a direct services pass-through to community mental health centers.

Comment: This footnote expressed legislative intent that the Department pay administrative salaries out of its personal services line item and that the Department not pay administrative salaries out of the program pass-through line for indigent mental health costs. It does not meet the new footnote criteria.

- 70 Department of Human Services, Mental Health and Alcohol and Drug Abuse Services, Mental Health Institutes-- It is the intent of the General Assembly that civil allocated beds be distributed in a manner such that clients may be served in a mental health institute in closer geographic proximity to the clients' respective homes. Best practices dictate that the provision of care should occur in the closest proximity to family and support in order to facilitate recovery. The Department's 20-year-old bed allocation plan does not follow this best practice. The Department is requested to

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provide a report by November 1, 2007, on the options and recommendations for addressing this problem, taking into consideration the limits on available state funding.

Comment: This footnote has been included with the Long Bill several times and the Department has sufficiently explored the problem and submitted the information necessary for JBC staff to thoroughly analyze the bed allocation issue. **Staff anticipates that the variables affecting the current bed allocation will remain constant and thus additional research and analysis by the Department will not yield different information.** The bed allocation issue is receiving an appropriate amount of attention within the larger context of the Department. Staff will continue to work with the Department and community providers to explore ways to address the bed allocation issue or to ameliorate its impact on patients' families.

71 Department of Human Services, Mental Health and Alcohol and Drug Abuse Services, Mental Health Institutes-- It is the intent of the General Assembly that a \$500,000 increase to the mental health institute appropriation provided for in FY 2007-08 be used for nurse retention. The Department is requested to provide a report by November 1, 2007, on its plans for use of these funds.

Comment: The \$500,000 compression pay was one-time funding and therefore this footnote does now apply to the FY 2008-09 Long Bill.