



Legislative Council Staff

Nonpartisan Services for Colorado's Legislature

Fiscal Note

Drafting Number: LLS 23-0926 Date: April 10, 2023
Prime Sponsors: Rep. Michaelson Jenet Bill Status: House Health & Human Services
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Bill Topic: EXTENDED STAY & BOARDING PATIENTS

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

The bill enacts measures to better understand the behavioral health needs of children and youth. The bill increases state and local expenditures in FY 2023-24, and may continue to increase local workload until FY 2024-25.

Appropriation Summary: For FY 2023-24, the bill requires an appropriation of \$100,000 to the Behavioral Health Administration.

Fiscal Note Status: The fiscal note reflects the introduced bill.

Table 1
State Fiscal Impacts Under HB 23-1269

Table with 4 columns: Category, Sub-category, Budget Year FY 2023-24, Out Year FY 2024-25. Rows include Revenue, Expenditures (General Fund), Transfers, and Other Budget Impacts (General Fund Reserve).

## **Summary of Legislation**

The bill enacts measures to better understand the behavioral health needs of children and youth, including:

- requiring the Department of Health Care Policy and Financing (HCPF) to analyze the use of directed payment authority and fee schedules to ensure adequate services are available for children and youth with behavioral health needs, and to report findings by October 1, 2023;
- requiring the Department of Human Services (CDHS) to convene a working group to develop an incentive funding pool pilot program to encourage residential providers to treat children and youth with behavioral health needs, and to report findings by October 1, 2023;
- requiring the Behavioral Health Administration (BHA) to develop a framework that measures the effectiveness of the behavioral health system for children and youth, using a third-party facilitator as necessary, and to report findings by February 1, 2024;
- requiring hospitals and county departments to report certain de-identified data on children and youth quarterly to the BHA beginning in September 1, 2023, including the number of children and youth who were boarding or had extended stays in the previous quarter. The BHA is to aggregate and report submitted data to advisory boards and councils until October 1, 2024; and
- requiring CDHS to develop a plan for when residential treatment facilities for children and youth close or change their operations, and to report on the plan during their SMART Act hearing.

## **State Expenditures**

The bill increases expenditures in the BHA by \$100,000 in FY 2023-24 only, paid from the General Fund. It also increases workload in HCPF and CDHS in FY 2023-24.

**Behavioral Health Administration.** The BHA will have a one-time cost of \$100,000 to contract a facilitator to develop the behavioral health system assessment framework. The facilitator will coordinate and lead stakeholder meetings, perform data analysis, and compile reports for the department. This estimate is based on the costs for similar projects within the BHA.

**Department of Health Care Policy and Financing.** Workload will increase to analyze directed payment authority and fee schedule rates for certain clinical stabilization services. This workload can be absorbed within existing resources.

**Department of Human Services.** Workload will increase to develop the incentive funding pool program and the plan for residential treatment facilities. This workload can be absorbed within existing resources.

## **Local Government**

Beginning in FY 2023-24, workload for county departments of human services will increase to submit quarterly data on children and youth to the BHA. Workload may also increase for some county departments to collaborate with the BHA as stakeholders for their framework development. This workload is expected to be minimal.

## Effective Date

The bill takes effect 90 days following adjournment of the General Assembly sine die, assuming no referendum petition is filed.

## State Appropriations

For FY 2023-24, the bill requires a General Fund appropriation of \$100,000 to the Behavioral Health Administration.

## State and Local Government Contacts

Behavioral Health Administration  
Health Care Policy and Financing  
Human Services  
Public Health and Environment

Counties  
Higher Education  
Information Technology