Joint Budget Committee

# Supplemental Budget Requests
# FY 2025-26

## Department of Human Services
## Office of Civil and Forensic Mental Health

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# Contents

# Overview of Civil and Forensic Mental Health

The Department of Human Services is responsible for the administration and supervision of all non-medical public assistance and welfare programs in the state. This document is limited to discussion of the Office of Civil and Forensic Mental Health (OCFMH). OCFMH operates two state mental health hospitals and other services for civil and forensic patients.

- **Civil patients** are voluntarily or involuntarily committed to the department's care at the state hospitals by a civil court.
- **Forensic patients** include individuals with mental health conditions or developmental disabilities that may prevent them from assisting in their own defense during criminal proceedings, referred to as "competency." The Department conducts court-ordered competency evaluations and restoration services that may occur in the community, jails, or inpatient hospitals. Forensic patients also include individuals found not guilty by reason of insanity (NGRI).

# Summary of Staff Recommendations

## FY 2025-26 Summary

**Office of Civil and Forensic Mental Health: Recommended Changes for FY 2025-26**

| Item | Total Funds | General Fund | Cash Funds | Reapprop. Funds | Federal Funds | FTE |
|---|---|---|---|---|---|---|
| FY 2025-26 Appropriation | | | | | | |
| SB 25-206 (Long Bill) | $320,158,567 | $291,319,253 | $8,895,330 | $19,943,984 | $0 | 1,651.7 |
| Current FY 2025-26 Appropriation | $320,158,567 | $291,319,253 | $8,895,330 | $19,943,984 | $0 | 1,651.7 |
| | | | | | | |
| Recommended Changes | | | | | | |
| Current FY 2025-26 Appropriation | $320,158,567 | 291,319,253 | $8,895,330 | $19,943,984 | $0 | 1,651.7 |
| S2 PITP services | 0 | 0 | 0 | 0 | 0 | 0.0 |
| S3 Fort Logan G-wing delay | -5,111,626 | -5,111,626 | 0 | 0 | 0 | -32.8 |
| S4 Patient revenue cash funds | 0 | 0 | 0 | 0 | 0 | 0.0 |
| Impacts driven by other agencies | 58,809 | 0 | 32,733 | 26,076 | 0 | 0.0 |
| Recommended FY 2025-26 Appropriation | $315,105,750 | $286,207,627 | $8,928,063 | $19,970,060 | $0 | 1,618.9 |
| | | | | | | |
| Recommended Increase/-Decrease from 2025-26 | -$5,052,817 | -$5,111,626 | $32,733 | $26,076 | $0 | -32.8 |
| Percentage Change | -1.6% | -1.8% | 0.4% | 0.1% | 0.0% | -2.0% |
| | | | | | | |
| FY 2025-26 Executive Request | $320,936,511 | $287,705,834 | $17,144,467 | $16,086,210 | $0 | 1,655.7 |
| Staff Rec. Above/-Below Request | -$5,830,761 | -$1,498,207 | -$8,216,404 | $3,883,850 | $0 | -36.8 |

Changes are assumed to be one-time unless otherwise noted.

**S2 PITP services [legislation]:** The operating request is an increase for services for people who are unlikely to be restored to competency, also referred to as Permanently Incompetent to Proceed (PITP). The ongoing impact of the request will be considered during figure setting. The request indicates that it requires legislation, but does not specify why legislation is required or what is expected to be included in legislation.

Current year: $4.8 million General Fund and 8.2 FTE, as well as a $5.3 million capital construction request.
Year 1: $13.2 million General Fund and 35.3 FTE.
Year 2: An estimated $17.6 million General Fund and 108.3 FTE.
Year 3 and ongoing: An estimated $19.4 million General Fund and 136.4 FTE.

The Capital Development Committee approved two projects related to the operating request on January 15, 2026. Staff recommends denial of the supplemental request with the expectation that conversations about options for people who are unlikely to be restored will continue throughout the budget and legislative process.

**S3 Fort Logan G-wing delay:** The request is a decrease of $5.1 million General Fund to account for the delayed opening of the G-wing from September 2025 to March 2026. Staff recommends approval of the request along with a decrease of 32.8 FTE.

**S4 Patient revenue cash funds [legislation]:** The request is an increase to create cash funds that collect patient revenues and contract for an additional five private hospital inpatient competency restoration beds. The ongoing impact of the request will be considered during figure setting.

Current year: $2.1 million total funds, including a decrease of $2.3 million General Fund, an increase of $8.2 million cash funds, and a decrease of $3.9 million reappropriated Medicaid funds.

Year 1 and ongoing: $2.1 million total funds, including a decrease of $1.8 million General Fund, an increase of $7.8 million cash funds, and a decrease of $3.9 million reappropriated Medicaid funds.

General Fund savings from the request are assumed in the Governor's October Executive Order. Staff recommends denial of the request because staff finds that the net impact of the request will be a reduction of General Fund revenue.

# Department Supplemental Requests

## → S3 Fort Logan G-wing delay

| Item | Total Funds | General Fund | Cash Funds | Reapprop. Funds | Federal Funds | FTE |
|---|---|---|---|---|---|---|
| Request | -$5,111,626 | -$5,111,626 | $0 | $0 | $0 | 0.0 |
| Recommendation | -5,111,626 | -5,111,626 | 0 | 0 | 0 | -32.8 |
| | | | | | | |
| Staff Recommendation Higher/-Lower than Request | $0 | $0 | $0 | $0 | $0 | -32.8 |

**Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? YES**
An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.
**Explanation:** JBC Staff and the Department agree that the request is the result of information that was not available when the original appropriation was made.

### Request

The Department requests a decrease of $5.1 million General Fund to reflect the delayed opening of the G-wing unit on the Fort Logan campus.

### Recommendation

Staff recommends a decrease of $5.1 million General Fund and 32.8 FTE.

### Analysis

The G-wing is a 16-bed unit on the Fort Logan campus. The unit was renovated for forensic patients with funds that originated in the American Rescue Plan Act of 2021 (ARPA) from H.B. 22-1303 (Increase Residential Behavioral Health Beds). The bill was not referred to the Capital Development Committee and included $10.7 million to renovate an existing hospital unit.

The fiscal note for the bill assumed that the unit would open in FY 2023-24 with an annual ongoing cost of $6.2 million General Fund and 59.2 FTE. The JBC approved staff recommendations and requests to reduce funding due to construction delays in 2024 and 2025. At the same time, the ongoing General Fund cost is higher than originally anticipated because the Department did not assume the correct staffing ratios or operating costs for the fiscal note.

- In 2022, the unit was expected to be operational in FY 2023-24.
- In March 2024, the unit was expected to open June 2025.
- In March 2025, the unit was expected to open September 2025.

- Currently, the unit is expected to open March 2026.

The current appropriation for FY 2025-26 assumes a full year of staffing costs, including $9.2 million General Fund and 71.5 FTE. A total of $1,366,089 General Fund and 8.2 FTE were also appropriated in FY 2024-25 so that the Department could begin hiring staff. The FY 2024-25 appropriation was reduced twice to account for construction delays.

The request indicates that OCFMH began hiring staff for the unit in the last quarter of FY 2024-25, assuming that the unit would open in November. Funding was appropriated in FY 2024-25 with the expectation that the unit would not open until the fall of 2025, but funding was necessary to begin hiring and training staff. OCFMH hired 41.0 percent of positions by October 2025. The request states that hired staff are working on other units until the G-wing opens. The response to RFI 20 indicates that hiring has allowed to hospital to reduce reliance on contract staff for other units.[1]

The G-wing is currently expected to open in March 2026. The most recent delay is the result of three factors:

- Fire inspections were delayed from November to December.
- Two months are required to set-up the unit and train staff after construction and permitting are complete.
- Patients from another unit will be moved into the G-wing for one month in February while improvements are made to another unit.

The request includes full year funding for some FTE, and partial funding for others beginning February 2026. The request does not include all of the staff positions assumed in the current FY 2025-26 appropriation. The most significant differences include additional security officers and mental health clinicians, and fewer laboratory technicians. An accounting of changes to FTE calculations since the original fiscal note is provided in Appendix B.

[1] FY 2025-26 CDHS RFI 22.

# → S4 Patient revenue cash funds [legislation]

| Item | Total Funds | General Fund | Cash Funds | Reapprop. Funds | Federal Funds | FTE |
|---|---|---|---|---|---|---|
| Request | $2,080,500 | -$2,252,054 | $8,216,404 | -$3,883,850 | $0 | 0.0 |
| Recommendation | 0 | 0 | 0 | 0 | 0 | 0.0 |
| | | | | | | |
| Staff Recommendation Higher/-Lower than Request | -$2,080,500 | $2,252,054 | -$8,216,404 | $3,883,850 | $0 | 0.0 |

**Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? YES**
An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.
**Explanation:** JBC Staff and the Department agree that the request is the result of information that was not available when the original appropriation was made.

## Request

The Department requests legislation to create two cash funds for patient revenues. The request also includes an increase of $2.1 million General Fund to contract for five private hospital inpatient competency restoration contracted beds. The request decreases General Fund appropriations by $2.3 million in FY 2025-26.

## Recommendation

Staff recommends denial of the request because the General Fund savings assumed do not account for other revenue and TABOR impacts.

## Analysis

The state hospitals and mental health transitional living homes are primarily funded by the General Fund. However, both also receive revenue from patients with Medicaid, Medicare, or private insurance. These revenues are currently appropriated in the Long Bill as reappropriated funds and cash funds. Medicaid revenues are reappropriated from the Department of Health Care Policy and Financing (HCPF), while Medicare and private insurance are appropriated as cash funds called “patient revenues.” Medicaid funds in HCPF are 50.0 percent General Fund and 50.0 percent federal funds.

State hospital and mental health transitional living home fund sources (amounts in millions).


Even though revenues are appropriated as cash funds, there is no cash fund created in statute that receives the revenues. If actual revenues exceed the Long Bill spending authority, patient revenues revert to the General Fund. Other agencies also receive patient revenues, including the Institutes of Higher Education and the Veteran's Community Living Centers (VCLCs). The Institutes of Higher Education and VCLCs are enterprises. The patient revenues they receive are therefore TABOR exempt, while the patient revenues received by the hospitals are not.

## HCPF Long Bill Structure

The HCPF Long Bill section includes a division for transfers to other departments. The division includes line items for the state hospitals and transitional living homes. HCPF initially included funding for transitional living homes in the Medical Services Premiums and Behavioral Health Capitation line items. Staff recommended and the Committee approved creating a new line item in the transfers to other departments section for the new placement type beginning in FY 2024-25. The change was intended to allow staff to align funding between the two agencies and improve transparency into the funding required to support the program, rather than funding the program through RAE contracts.

## Controller's guidance

Transitional living homes were a new placement type in FY 2024-25. Previously, the Department received Medicaid funds for the hospitals from HCPF through an interdepartmental transfer. Transitional living homes receive Medicaid funds indirectly through Regional Accountability Entities (RAEs) rather than directly from HCPF.

The Department sought consultation from the Office of the State Controller for how Medicaid funds for transitional living homes should be appropriated and accounted for. The Controller directed the Department to account for Medicaid funds as cash funds rather than reappropriated funds since they were being received from a non-State agency.

The Department contacted JBC Staff in April 2025 asking to change reappropriated Medicaid funds in the Long Bill to cash funds to align with the direction from the Controller. Staff did not agree to recommend the change as part of the Long Bill conference committee process because the direction was counter to prior practice.

## Request

The request asks to create two cash funds to receive Medicaid revenues. Creating cash funds would allow the Department to retain revenue across fiscal years rather than excess revenue reverting to the General Fund. Patient revenues have increased in recent years as the number of patients served by the Department and Medicaid rates have increased.

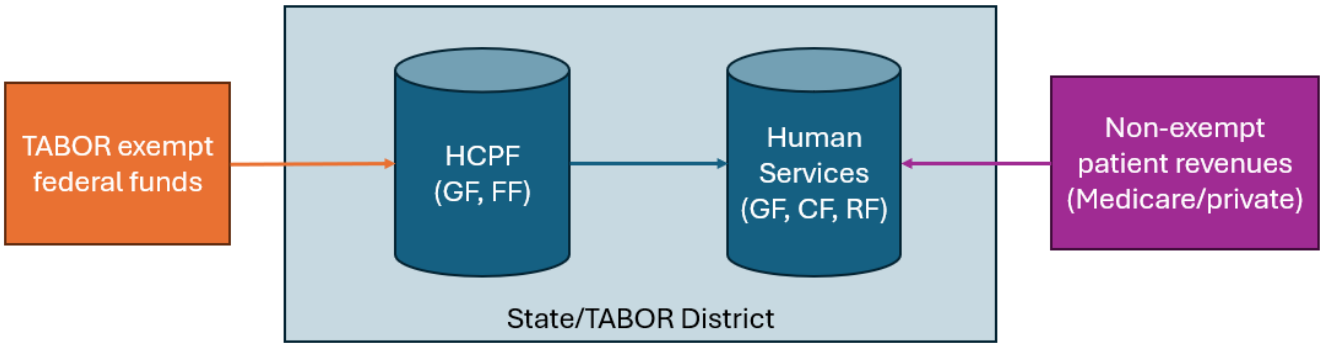
The Department therefore assumes that increasing cash fund spending authority will allow for a decrease in General Fund appropriations. However, the request does not account for the revenue impact of counting revenue that originates as General Fund and federal funds in HCPF as cash funds in CDHS.

The request assumes that General Fund appropriations to the state hospitals can be decreased by $4,332,554. The request proposes using $2,080,500 of that amount to contract for an additional 5 inpatient competency restoration contract beds with private hospitals. The remaining $2.3 million General Fund is made available for General Fund balancing. The Governor's October Executive Order assumes a $1.7 million General Fund decrease from this request.

## Revenue impact

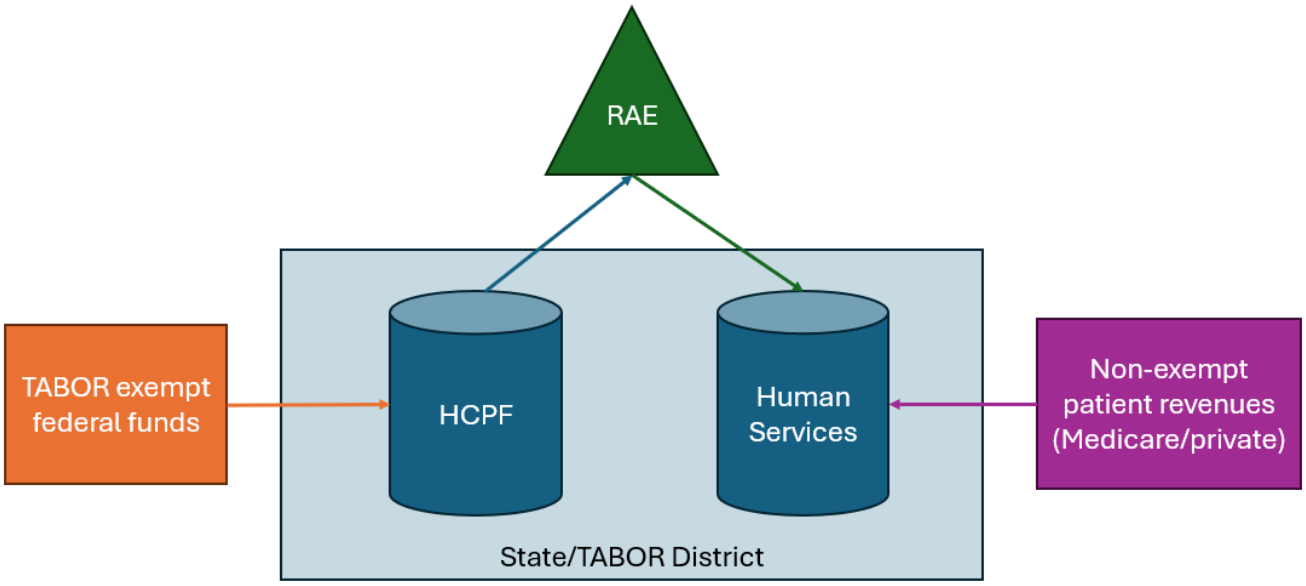
The current Long Bill structure assumes that CDHS receives Medicaid funds for the hospitals and transitional living homes through an interdepartmental transfer from HCPF. Interdepartmental transfers do not count against the TABOR revenue cap. Medicaid funds consist of General Fund counted against the TABOR cap, and TABOR exempt federal funds. CDHS also receives patient revenues from Medicare and private insurance that do count against the TABOR cap and are counted in revenue forecasts as miscellaneous cash funds.

**Current Long Bill Structure**




According to conversations with the Office of the State Controller, Medicaid funding is leaving the State and the TABOR district when payments are made from HCPF to RAEs. The funding is entering the state and TABOR district when RAEs pay CDHS. Therefore, Medicaid funding received by CDHS from RAEs cannot be counted as reappropriated funds, and are instead counted as cash funds against the TABOR cap.

**Current Practice**




Counting Medicaid funding as cash funds has multiple revenue impacts.

1. Counting Medicaid revenues as cash funds in CDHS pushes General Fund revenue out when revenues are above the TABOR cap.
2. Counting Medicaid revenues as cash funds in CDHS double counts the TABOR impact of General Fund in HCPF, and counts federal funds that were TABOR exempt as non-exempt cash funds.
3. Currently, patient revenues received above spending authority go to the General Fund. Increasing the patient revenue spending authority therefore decreases General Fund revenue by the same amount. Even if General Fund appropriations are decreased, the total General Fund impact is net-zero.

It is staff's understanding that Medicaid funding from RAEs is currently being accounted for as cash funds, causing the General Fund impacts described above. Staff does not recommend approval of the Department's request but intends to continue working with the Executive Branch to identify alternative options for figure setting.

Thus far, alternative options include changing the billing mechanism with RAEs or reclassifying patient revenues as TABOR exempt. Revenue may be TABOR exempt when it is received by or for another government, it is received by an enterprise, or it is an interdepartmental transfer. Staff therefore does not agree that patient revenues can be classified as TABOR exempt if the foundational argument against classifying appropriation as reappropriated funds is that the revenues are received from a non-state agency.

HCPF indicates that paying CDHS directly would require a fee for service structure, and the Department only has federal authority to manage transitional living homes through a managed care model. Changing to a fee for service model would require time for federal approval, and is expected to come at a higher cost to the State.

# → S2 PITP services [legislation]

| Item | Total Funds | General Fund | Cash Funds | Reapprop. Funds | Federal Funds | FTE |
|---|---|---|---|---|---|---|
| Request | $4,786,081 | $4,786,081 | $0 | $0 | $0 | 7.5 |
| Recommendation | 0 | 0 | 0 | 0 | 0 | 0.0 |
| | | | | | | |
| Staff Recommendation Higher/-Lower than Request | -$4,786,081 | -$4,786,081 | $0 | $0 | $0 | -7.5 |

**Does JBC staff believe the request meets the Joint Budget Committee's supplemental criteria? NO**
An emergency or act of God; a technical error in calculating the original appropriation; data that was not available when the original appropriation was made; or an unforeseen contingency.
**Explanation:** JBC Staff does not agree that the request is the result of an unforeseen contingency because the request creates new services for a population that has long been underserved. However, there is increased attention on this issue as a result of news stories from the fall of 2025.

## Request

The Department requests $4.8 million General Fund in the current fiscal year to increase services for people who are unlikely to be restored to competency, also referred to as Permanently Incompetent to Proceed (PITP). The cost of the request increases each fiscal year until FY 2028-29, when the estimated ongoing cost is $25.0 million total funds without accounting for all Medicaid impacts.

The request also states that it requires legislation, but does not discuss what needs to be included in that legislation. It is currently unclear what would be included in legislation, whether the JBC is expected to sponsor legislation, and whether legislation is requested to run as part of the Supplemental or Long Bill package.

The Department has also submitted a $5.0 million capital construction request for two projects related to this operating request.

## Recommendation

Staff recommends that the Committee deny the supplemental request, but continue to evaluate the current year, budget year, and ongoing aspects of the request during the figure setting process.

## Analysis

The annual fiscal impact of the request for appropriations to the Department of Human Services (CDHS) as presented by the Department in the request narrative is provided in the table below.

**CDHS Operating Request Impact by Fiscal Year**

| Component | FY 2025-26 General Fund | FY 2026-27 General Fund | FY 2027-28 General Fund | FY 2028-29 General Fund |
|---|---|---|---|---|
| Wheat Ridge security upgrades | $937,320 | $914,078 | $0 | $0 |

| Component | FY 2025-26 General Fund | FY 2026-27 General Fund | FY 2027-28 General Fund | FY 2028-29 General Fund |
|---|---|---|---|---|
| Skilled nursing contracts | 50,000 | 1,355,236 | 1,355,236 | 1,355,236 |
| Outpatient clinic | 95,082 | 832,970 | 1,580,120 | 1,949,544 |
| Pueblo facility | 0 | 946,522 | 519,227 | 515,103 |
| Care coordination | 374,879 | 1,694,068 | 1,694,068 | 1,694,068 |
| Contracted private beds | 3,328,800 | 6,657,600 | 6,657,600 | 6,657,600 |
| Total | $4,786,081 | $12,400,474 | $11,806,251 | $12,171,551 |

Requested funding related to services for people who are unlikely to be restored spans CDHS, the Department of Health Care Policy and Financing (HCPF), and Capital Construction. The General Fund impact by request component and fiscal year as assessed by Staff is provided in the table below.

**CDHS, HCPF, and Capital General Fund Cost by Fiscal Year**

| Component | FY 2025-26 General Fund | FY 2026-27 General Fund | FY 2027-28 General Fund | FY 2028-29 General Fund |
|---|---|---|---|---|
| A. Wheat Ridge security upgrades (4 beds) | $937,320 | $914,078 | $457,039 | $457,039 |
| B1. Skilled nursing contract beds (10 beds) | 50,000 | 2,065,526 | 2,065,526 | 2,065,526 |
| B2. Skilled nursing care coordination (8.0 FTE) | 218,490 | 1,058,821 | 1,058,821 | 1,058,821 |
| C1. Pueblo renovation capital project | 3,577,898 | 0 | 0 | 0 |
| C2. Move Pueblo patients to contracts (16 beds) | 3,328,800 | 6,657,600 | 6,657,600 | 6,657,600 |
| C3. Pueblo renovation operating (18 beds) | 0 | 946,522 | 3,996,176 | 5,151,034 |
| D1. Outpatient clinic capital project | 1,722,906 | 0 | 0 | 0 |
| D2. Outpatient clinic operating | 95,082 | 832,970 | 2,577,540 | 3,279,438 |
| E. Electronic health records staff (6.0 FTE) | 156,390 | 635,248 | 635,248 | 635,248 |
| F. HCPF Policy advisors (2.0 FTE) | 43,263 | 112,103 | 113,358 | 113,358 |
| G. Legislative placeholder | 0 | 10,000,000 | 10,000,000 | 10,000,000 |
| Total | $10,130,149 | $23,222,868 | $27,561,308 | $29,418,064 |

Calculating the request by total funds double counts some of the General Fund and federal funds appropriations in HCPF as reappropriated funds in CDHS. The total funds impact by request component and fiscal year as assessed by Staff is provided in the table below.

**CDHS, HCPF, and Capital Total Funds Cost by Fiscal Year**

| Component | FY 2025-26 Total Funds | FY 2026-27 Total Funds | FY 2027-28 Total Funds | FY 2028-29 Total Funds |
|---|---|---|---|---|
| A. Wheat Ridge security upgrades (4 beds) | $937,320 | $914,078 | $1,828,156 | $1,828,156 |
| B1. Skilled nursing contract beds (10 beds) | $50,000 | $2,775,816 | $2,775,816 | $2,775,816 |
| B2. Skilled nursing care coordination (8.0 FTE) | $218,490 | $1,058,821 | $1,058,821 | $1,058,821 |
| C1. Pueblo renovation capital project | $3,577,898 | $0 | $0 | $0 |
| C2. Move Pueblo patients to contracts (16 beds) | $3,328,800 | $6,657,600 | $6,657,600 | $6,657,600 |
| C3. Pueblo renovation operating (18 beds) | $0 | $946,522 | $14,427,020 | $19,058,827 |
| D1. Outpatient clinic capital | $1,722,906 | $0 | $0 | $0 |
| D2. Outpatient clinic operating | $95,082 | $832,970 | $5,569,802 | $7,269,120 |
| E. Electronic health records staff (6.0 FTE) | $156,390 | $635,248 | $635,248 | $635,248 |
| F. HCPF Policy advisors (2.0 FTE) | $86,525 | $224,205 | $226,715 | $226,715 |
| G. Legislative placeholder | $0 | $10,000,000 | $10,000,000 | $10,000,000 |
| Total | $10,173,411 | $24,045,260 | $43,179,178 | $49,510,303 |

The request includes FTE for CDHS and HCPF. The FTE impact of the legislative placeholder is unknown. The FTE impact by request component and fiscal year is provided in the table below.

**CDHS and HCPF FTE by Fiscal Year**

| Component | FY 2025-26 FTE | FY 2026-27 FTE | FY 2027-28 FTE | FY 2028-29 FTE |
|---|---|---|---|---|
| A. Wheat Ridge security upgrades (4 beds) | 3.5 | 7.0 | 7.0 | 7.0 |
| B. Skilled nursing contract beds (10 beds) | 0.0 | 0.0 | 0.0 | 0.0 |
| B2. Skilled nursing care coordination | 2.0 | 8.0 | 8.0 | 8.0 |
| C1. Pueblo renovation capital project | 0.0 | 0.0 | 0.0 | 0.0 |
| C2. Move Pueblo patients to contracts (16 beds) | 0.0 | 0.0 | 0.0 | 0.0 |
| C3. Pueblo Renovation operating (18 beds) | 0.0 | 9.0 | 67.4 | 89.9 |
| D1. Outpatient clinic capital | 0.0 | 0.0 | 0.0 | 0.0 |
| D2. Outpatient clinic operating | 0.5 | 3.3 | 17.9 | 23.5 |
| E. Electronic health records staff | 1.5 | 6.0 | 6.0 | 6.0 |
| F. HCPF Policy advisors | 0.7 | 2.0 | 2.0 | 2.0 |
| Total | 8.2 | 35.3 | 108.3 | 136.4 |

Capital projects associated with the request include renovations to the Wheat Ridge Regional Center, renovating a private contract skilled nursing facility, renovating a facility on the Pueblo hospital campus, and renovating private leased space for an outpatient clinic. Wheat Ridge and skilled nursing renovations are in the operating request and were not referred to the Capital Development Committee (CDC). The CDC reviewed and approved the Pueblo and outpatient capital requests on January 15, 2026.

The following sections describe the competency process, recent procedural changes, each request component, and the staff recommendation.

## Competency definitions

Legal **competency** refers to an individual's ability to aid and assist in their own trial. A court may order a competency evaluation if competency is called into question during legal proceedings. Competency evaluations are conducted by the Office of Civil and Forensic Mental Health (OCFMH) in CDHS.

Evaluations consist of a review of case discovery, client history, and a competency specific mental exam. The exam is specific to the individual's factual understanding of legal proceedings and ability to assist in their own defense, rather than a comprehensive mental health exam. Competency is based on current ability and is not related to mental state at the time of the accused crime. Evaluations can be court ordered to occur in an inpatient hospital, jail, or community-based setting.

A defendant is determined to be **incompetent to proceed** if they do not have present ability to aid and assist in their own defense as a result of mental disability or developmental disability. The statutory definition is provided below.

> "'Incompetent to proceed' means that, as a result of a mental disability or developmental disability, the defendant does not have sufficient present ability to consult with the defendant's lawyer with a reasonable degree of rational understanding in order to assist in the defense, or that, as a result of mental disability or developmental disability, the defendant does not have a rational and factual understanding of the criminal proceedings."[2]

Court proceedings continue as usual if the court finds that the defendant is competent to proceed based the evaluation report. If the defendant is found incompetent to proceed, the court may order competency **restoration services** before proceeding with the trial. Restoration services may be ordered to occur in an inpatient hospital, jail, or outpatient community-based setting. Outpatient services are provided by Comprehensive Safety Net Providers (CSNPs, formerly CMHCs) as a condition of approval for comprehensive provider designation by the Behavioral Health Administration (BHA).

Restoration treatment focuses on barriers to competency that were identified in the evaluation. Outpatient services include education about basic court room procedures, and may or may not include mental health treatment. Inpatient services include education as well as hospital level mental and physical care.

Restoration services do not include comprehensive, long-term mental health care. Treatment is provided until an evaluation finds the patient competent to proceed. An individual cannot be confined for competency restoration treatment in excess of the time they would have served had they been charged with the accused crime. A patient may therefore be discharged without completing, or even receiving, restoration services.

## People who are unlikely to be restored

Individuals who have mental illness can be restored to competency following mental health treatment. However, people with neurocognitive or neurodevelopmental disorders may never be able to be restored to competency. Example disorders may include intellectual and developmental disabilities (IDD), dementia, and traumatic brain injury (TBI). The U.S. Supreme Court ruled in 1972 that defendants who are unlikely to be restored cannot be held in jail and must be released or civilly committed (Jackson v. Indiana).

Approximately 80 patients, or 4.3 percent of the total competency caseload, are people who are unlikely to ever be restored to competency according to the Department's hearing documents. The state hospitals are primarily positioned to treat people with severe mental illness. There are currently limited state-operated treatment options for people with neurocognitive and neurodevelopmental disorders who are involved in the criminal justice system.

## Current continuum of care

There are multiple treatment options for people in the competency system. OCFMH operates the following services:

- Two state mental health hospitals.
- Private hospital contracts.
- Jail-based restoration services.
- Mental Health Transitional Living Homes to step down from hospitalization.

[2] Section 16-8.5-101 (12), C.R.S.

OCFMH does not currently provide outpatient services. However, outpatient services are available statewide through CSNPs funded by the BHA and Medicaid. The continuum of care based on mental health and criminal charges is described in the table below.

**Competency Continuum of Care**

| Location | Mental Health | Charges | Division |
|---|---|---|---|
| State hospitals | All | Pueblo (all) Fort Logan (low to moderate) | OCFMH |
| Private hospitals | All | Low to moderate | OCFMH |
| Jail-based | Low to moderate | All | OCFMH |
| Outpatient | Low to moderate | Low | BHA |

Resources at the state hospitals are primarily intended for people with severe mental illness (SMI). However, the Department of Human Services also operates Regional Centers for people with intellectual and developmental disabilities (IDD). Regional Centers typically do not serve people transitioning from the criminal justice system, or people with neurocognitive disorders. Regional Centers are paid at cost by Medicaid by HCPF.

## Recent changes – House Bill 24-1034

House Bill 24-1034 (Adult Competency to Stand Trial) was introduced from the Treatment of Persons with Behavioral Health Disorders in the Criminal and Juvenile Justice Systems Interim Committee. The bill made several changes to competency proceedings.

The bill changed procedures for people who are unlikely to be restored to competency. Under the bill, courts are required to dismiss criminal proceedings and may order civil certification for short term treatment when a defendant is evaluated as unlikely to be restored depending on the accused crime. The Department is required to ensure that case management services are available to people released from commitment. The bill enacted the following language:[3]

> "…if the court at any point determines that there is not a substantial probability that the defendant will be restored to competency within the reasonably foreseeable future, the court shall, upon motion of the district attorney, the defendant, or on its own motion, dismiss the criminal proceedings."

The bill changed the maximum amount of time a defendant can remain confined after being found unlikely to be restored in the foreseeable future. The changes compared to prior law are provided below.

**Confinement for Competency Time Limits**

| Crime | Prior Law | HB 24-1034 |
|---|---|---|
| Petty or traffic offense | 6 months | 7 days |
| Class 2 misdemeanor or drug misdemeanors | 6 months | 90 days |
| Class 1 misdemeanor | 6 months | 6 months |
| Level 4 drug felony | 1 year | 6 months |
| Class 5 and 6 felony, Level 3 drug felony | 1 year | |
| Class 4 felony | 2 years | |
| Class 1, 2, and 3 felonies, sex offenses, and Level 1 and 2 drug felonies | Not applicable | |

[3] Section 16-8.5-111 (5), C.R.S.

Prior to dismissal of charges, the court may stay the dismissal for 35 days when the defendant's diagnosis includes a neurocognitive or neurodevelopmental impairment.[4] The court may stay the dismissal for 35 days up to four times if the defendant is accused of a crime of violence.[5] The court may also order the Bridges liaison to assist with case planning and coordinating state-operated or community-based services. The bill did not include an appropriation and therefore did not increase staffing for Bridges or any other state agencies to implement these changes.

The Department indicates that the bill has reduced the number of evaluations necessary to determine if an individual is unlikely to be restored. Prior to the legislation, multiple evaluations were required and charges were not dropped. Currently, a court may drop charges and release a defendant after a single evaluation finds the defendant unlikely to be restored. The bill included dropping criminal charges because private providers may not accept patients with criminal histories.

The bill gained national attention in the fall of 2025. The Weld County Sherriff first published a press release on September 16th, 2025, stating that a defendant accused of attempted second degree murder (felony), first degree assault (felony), and engaging in a riot (misdemeanor) was being released with charges dismissed as a result of the 2024 legislation.[6] The person was arrested again on September 25th after being seen with a firearm on a college campus.[7]

A Denver Post article investigated whether the event was the result of the 2024 bill.[8] The article indicates that the person is a 21 year-old with intellectual disabilities who has had law enforcement involvement since age 13. According to the article, the District Attorney did not pursue all options prior to release, including requesting a second evaluation or connecting with a Bridges liaison.

The article highlights that the case is an example of long-standing gaps in the criminal justice and mental health systems and is not necessarily the result of legislative changes. Historic gaps have persisted due to gaps in the service continuum. People with neurocognitive and neurodevelopmental disorders do not meet the statutory definitions for civil commitment because civil commitment is specific to mental health treatment. This population may not seek treatment voluntarily, and private providers may not accept people with criminal histories.

## Request Components

The request includes multiple components to create new resources for people who are unlikely to be restored, and increase capacity for inpatient and outpatient treatment through state-operated and contracted programs. The various components are discussed in the following sections.

### A. Wheat Ridge security upgrades

**Beds:** 4
**Clients:** IDD PITP released from jail
**Current year cost:** $937,320 General Fund and 3.5 FTE to Human Services.

[4] Section 16-8.5-116.5 (8), C.R.S.
[5] Section 16-8.5-116.5 (7)(b)(II)(A), C.R.S.
[6] Weld County Sheriff warning; inmate due to be released is a potential danger (September, 2025).
[7] Weld District Attorney, Previous offender charged with new case for bringing gun to UNC campus (September 2025).
[8] Denver Post, What role did a 2024 Colorado law play in the release of Ephraim Debisa (September 2025).

**Ongoing cost:** $914,078 reappropriated funds and 7.0 FTE to Human Services that originates as General Fund and federal funds in HCPF. The HCPF costs are assumed to be 50.0 percent General Fund, or $457,039.
**Ongoing cost per bed:** $803,000 including costs for existing staff.
**Alternative names:** Kipling Village

This portion of the request increases security at the Wheat Ridge Regional Center to make four beds available for people with IDD discharged from jail. The request indicates that there are not currently any fully secure facilities in the Regional Center system. However, the highest security beds are at the Wheat Ridge Regional Center. Security upgrades include one-time capital costs and ongoing security staff.

**Table 1: Wheat Ridge Security General Fund Impact by Fiscal Year**

| Item | FY 2025-26 | FY 2026-27 | FY 2027-28 and ongoing |
|---|---|---|---|
| Capital Improvements | $485,934 | $0 | $0 |
| State FTE (7.0 full year) | 326,386 | 664,078 | 332,039 |
| Contract Security | 125,000 | 250,000 | 125,000 |
| Total | $937,320 | $914,078 | $457,039 |

**One-time capital improvements:** The request includes one-time costs for physical security enhancements including cameras, fences, and gates. There are currently no security cameras, secure fences, or cabinet locks at the facility. The Department indicates that security upgrades are not necessary to meet any specific licensing requirements, but are necessary for the safety of staff and new residents.

The Department anticipates that capital improvements can be made immediately. These elements are included in the operating request rather than the capital construction request. Capital improvements below $500,000 are not required to be submitted to the CDC. Costs are provided in the table below.

**Table 2: One-time Capital Construction Costs**

| Item | Units | FY 2025-26 |
|---|---|---|
| Replace glass windows with plexiglass | Unknown | $150,000 |
| Backup generator | Unknown | 150,000 |
| Fence | 1 | 75,000 |
| Emergency hallway lighting | Unknown | 60,000 |
| Door locks | 9 | 20,246 |
| Security cameras | 7 | 13,688 |
| Secure gates | 2 | 10,000 |
| Bolt down furniture | Unknown | 5,000 |
| Cabinet locks | Unknown | 2,000 |
| Total | | $485,934 |

**State FTE:** The request includes funding for 3.5 FTE in the current fiscal year, and 7.0 FTE on an ongoing basis. The request indicates that a higher staff to patient ratio is necessary for the population intended to be served by the request compared to current staffing levels. The requested job classes are security officers. The Department indicates that Regional Centers do not hire security officers, and all security staff will be contracted. Requested FTE are expected to support an interdisciplinary treatment plan and have additional employment skills specific to this population. The request assumes 6 months of funding for staff in the current fiscal year, and includes costs for centrally appropriated line items.

**Contract security:** The request also includes additional funding for contract security. The Department indicates that contract security is primarily needed for evening and night shifts, and are expected to cover 16 hours per day, 7 days a week. Depending on the contract, 2-4 security staff are expected to be present at the facility during these times. The request assumes 6 months of funding for contract security in the current fiscal year.

**Table 3: Wheat Ridge State and contract FTE costs**

| Item | FY 2025-26 | FY 2026-27 | FY 2027-28 |
|---|---|---|---|
| Personal services (7.0 FTE full year) | $240,689 | $481,380 | $240,690 |
| Operating expenses | 6,773 | 13,545 | 6,773 |
| Centrally appropriated costs | 78,924 | 169,153 | 84,577 |
| Contract security | 125,000 | 250,000 | 125,000 |
| Total | $451,386 | $914,078 | $457,040 |

The section of the Wheat Ridge Regional Center that would be renovated is called "Kipling Village." The Department indicates that current residents will transition to other facilities on the Wheat Ridge campus, but that the caseload can be absorbed without displacing current patients from the campus.

The Department anticipates that residents will stay at the facility for an average of 2-3 years. The estimate is based on the current average length of stay for intensive treatment patients at Wheat Ridge. Residents may step down after intensive treatment, including to other state-operated but lower security placements.

The Department anticipates that costs will be fully paid by Medicaid by FY 2027-28. Medicaid pays for the Regional Centers at cost. However, cost is based on retro-active utilization. Therefore, Medicaid reimbursement is not expected to occur until the homes have been operational for two fiscal years.

### B1. Skilled nursing contract beds

**Beds:** 10
**Clients:** Dementia and brain injury
**Current year cost:** $50,000 General Fund to Human Services.
**Ongoing cost:** $1,355,236 General Fund to Human Services and $1,420,580 total funds to HCPF. The HCPF costs are assumed to be 50.0 percent General Fund, or $710,290.
**Ongoing cost per bed:** $312,434 General Fund including CDHS staffing costs in part B2.

This portion of the request is a contract with one facility for ten skilled nursing beds. Beds are expected to serve people with neurocognitive disorders, such as dementia and traumatic brain injury. The request indicates that skilled nursing is the most appropriate placement for people with neurocognitive disorders, but private providers may not accept patients with a history of criminal charges or aggressive behavior.

There are multiple costs to facilitate the contracts. Costs include one-time capital improvements for a private provider, incentive payments from CDHS to providers to accept patients, the Medicaid daily rate for beds, payments from CDHS for patients who are uninsured, and staff at CDHS to manage contracts and connect patients to care.

**Table 4: Skilled Nursing Contract Annual General Fund Cost**

| Item | FY 2025-26 | FY 2026-27 and ongoing |
|---|---|---|
| Provider capital improvements | $50,000 | $0 |
| Medicaid reimbursement | 0 | 710,290 |
| CDHS provider incentive [1] | 0 | 1,011,050 |

| Item | FY 2025-26 | FY 2026-27 and ongoing |
|---|---|---|
| CDHS uninsured payments [1] | 0 | 344,186 |
| Total | $50,000 | $2,065,526 |

[1] Staff estimate based on information provided in the request.

**Provider capital improvements:** The request includes $50,000 General Fund for one-time capital improvements for the private provider. The request does not indicate whether a private provider has been identified and what required improvements are expected to be necessary.

**Medicaid reimbursement:** The assumed Medicaid daily rate for this placement is $277.33. Medicaid rates will be paid from HCPF to providers directly, and are not reappropriated to CDHS. The cost of this component is therefore not reflected in the CDHS request. Calculation detail provided by HCPF assumes that the Medicaid rate will be the current daily rate ($278) plus the CDHS incentive rate ($277) for a total daily rate of $556. Calculations also assume 70.0 percent eligibility, 100.0 percent occupancy, and a 50.0 percent federal match rate.

**Table 5: Medicaid Calculations**

| Item | Amount |
|---|---|
| Beds | 10 |
| Occupancy | 100% |
| Eligibility | 70% |
| Daily rate | 556 |
| Total | $1,420,580 |
| General Fund | $710,290 |

**CDHS Provider incentive:** The request includes a total of $1,355,236 General Fund for a provider incentive payment. The payment is expected to double the Medicaid daily rate paid to providers, and cover patients who are uninsured. The request does not specify what amount is required to cover the incentive payment, and what amount is expected to cover patients who are uninsured. Staff estimates that the incentive payment is $1,011,050 annually based on calculations provided by HCPF.

The daily rate is already doubled to account for a CDHS incentive in the Medicaid costs provided by HCPF. Staff is unsure if the Medicaid costs double count the CDHS incentive, or if the daily rate is expected to be $843 after HCPF and CDHS payments.

**CDHS uninsured payments:** Payments for people who are uninsured are expected to be covered by CDHS. Calculations provided by HCPF assume that 30.0 percent of patients will not be Medicaid eligible. This amount is included in the request, but an amount is not specified separate from the incentive payment. Staff estimates that the cost to cover patients who are not Medicaid eligible is $344,186 annually. The request indicates that Medicaid eligibility and incentive payments are based on a current skilled nursing facility contract through the mental health transitional living homes program.

### B2. Skilled nursing care coordination team

**Current year cost:** $218,490 General Fund and 2.0 FTE
**Ongoing cost:** $1,058,821 General Fund and 8.0 FTE

The request includes a new Long Bill line item for care coordination and contracted services. The line item includes funding for 14.0 FTE on an ongoing basis to coordinate skilled nursing contracts, access to care, and

electronic health records (EHR) for the new service types. Of that amount, 8.0 FTE are related to the skilled nursing contracts. EHR FTE are discussed later in this document.

State FTE include one manager, three skilled nursing contract coordinators, two care coordinators, one skilled nursing specialist, and one skilled nursing benefits compliance specialist. Calculations also include two contract positions for a skilled nursing psychiatrist and a skilled nursing physician assistant. Staff appreciates that this is a new and complex population for the Department to manage. However, it remains unclear why 8.0 FTE would be required to coordinate care and manage a contract with one facility for 10 beds.

**Table 6: Skilled Nursing Staff General Fund Cost by Fiscal Year**

| Item | FY 2025-26 General Fund | FY 2025-26 FTE | FY 2026-27 General Fund | FY 2026-27 FTE |
|---|---|---|---|---|
| Personal services | $166,799 | 2.0 | $667,192 | 8.0 |
| Operating | 3,870 | 0.0 | 15,480 | 0.0 |
| Centrally appropriated costs | 47,822 | 0.0 | 204,206 | 0.0 |
| Contract psychiatry | 0 | 0.0 | 171,943 | 0.0 |
| Total | $218,490 | 2.0 | $1,058,821 | 8.0 |

In conversations with the Executive Branch, departments indicated that additional staff are necessary to coordinate between State agencies. Staff is concerned that this function cannot be accomplished within existing resources, especially because care coordination resources already exist within CDHS, HCPF, the BHA, and the Judicial Department.

### C1. Pueblo renovation capital project

**Beds:** +18 neurocognitive and neurodevelopmental, -16 competency restoration
**Current year cost:** $3,577,898 General Fund transferred to the Capital Development Cash Fund.
**Ongoing cost:** $0
**Alternative names:** Pueblo Cottage, Building 137

The capital construction request includes $3.6 million General Fund to renovate an existing building on the Pueblo hospital campus. The building is expected to be a secure placement for patients with neurocognitive and neurodevelopmental disorders previously charged with high-level felonies. The request indicates that the state does not currently have a facility that serves the desired population because Regional Centers only serve people with neurodevelopmental disorders.

The building currently has 16 beds serving patients found Not Guilty by Reason of Insanity (NGRI) who are preparing for community reintegration. The building offers a more home-like setting than the hospital units, and is referred to in request documents as the “Pueblo Cottage” or “Building 137.”

The renovation project is expected to convert the building to serve people with neurocognitive and neurodevelopmental disorders who are a risk to the community, including patients with IDD, TBI, and dementia. The renovation will increase the current number of beds in the building from 16 to 18. The project is expected to begin in the spring of 2026 and be complete in 18 months.

Current patients will be moved to a different facility within the Pueblo campus, but the Department indicates that decisions have not yet been made about what specific unit current patients will be moved to. Other ongoing capital projects have decreased capacity at the hospital, and it is unclear if the hospital has other available space to provide homelike settings and the appropriate level of care for the NGRI population. Staff is

concerned about proceeding with the capital construction project before the Department has a clear plan for serving current patients. The Department stated:

The request assumes that patients will be moved throughout the Pueblo campus as necessary, and the 16 lowest security competency restoration patients will be moved to private hospital contracts on an ongoing basis. The associated contract costs are described in the next section.

The project was approved by the Capital Development Committee on January 15, 2025. The project has ongoing operating costs described in the following sections. The unit will be operated by the Division of Regional Centers separately from the rest of the Pueblo hospital managed by OCFMH.

There are several other ongoing capital projects at the hospitals. Projects funded in 2022 were expected to open in FY 2023-24 and are still not complete. The youth psychiatric residential facility funded by H.B. 22-1283 broke ground in September of 2025. The Fort Logan G-wing funded by H.B. 22-1303 is expected to open in March 2026 after multiple construction delays. There is also an ongoing maintenance project at the Pueblo hospital that has reduced capacity by 26 beds. Therefore, staff assumes that the renovation could take four or more years to be operational.

### C2. Move Pueblo patients to contracts

**Beds:** 16
**Clients:** Competency restoration
**Current year cost:** $3,328,800 General Fund
**Ongoing cost:** $6,657,600 General Fund
**Annual cost per bed:** $416,100 General Fund

The request includes $3.3 million General Fund in the current fiscal year to move 16 competency restoration patients from the Pueblo hospital to private hospital contracts. The Department contracts with private hospitals for inpatient competency restoration beds at a rate of $1,200 per day. The average length of stay is 3 months.

The Department indicates that the patients expected to move into private contracts are easier to place with private providers than the patients that will move into Building 137. Additionally, competency patients have a lower average length of stay.

The current appropriation for private hospital competency contracts is $29.9 million General Fund and 1.0 FTE. According to the response to RFI 22,[9] the number of private hospital contracts decreased from 97 to 84 in FY 2024-25. The response states that the reduction was the result of one private hospital contract ending due to changing priorities for that hospital. The Department anticipates that contract beds are available at the current daily rate despite the recent decrease in capacity.

The request calculations assume that contract beds will be funded for six months in the current fiscal year. Staff assumes that the calculation should assume one-quarter of the fiscal year at most based on the legislative timeline for supplemental bills. When asked about the contracting timeline, the Department stated that patients would move to contracts three to four months after capital funding was approved. Staff therefore assumes current year funding for contracts is not necessary to accommodate the capital construction process.

[9] FY 2026-27 CDHS RFI 22 Response.

**Table 7: Contract Beds General Fund Impact by Fiscal Year**

| Item | FY 2025-26 | FY 2026-27 and ongoing |
|---|---|---|
| Beds | 16 | 16 |
| Vacancy | 95% | 95% |
| Days | 183 | 365 |
| Rate | $1,200 | $1,200 |
| Total | $3,328,800 | $6,657,600 |

### C3. Pueblo renovation ongoing operating

**Beds:** 18
**Clients:** Neurocognitive and neurodevelopmental disorders
**Current year cost:** $0
**Ongoing cost:** $19,058,827 total funds, including $515,103 General Fund and 89.9 FTE to Human Services and $4,635,931 General Fund to HCPF.
**Annual cost per bed:** $913,587 General Fund and Federal Funds

The operating request assumes that the unit will be 10.0 percent operational in FY 2026-27, 75.0 percent operational in FY 2027-28, and fully operational by FY 2028-29. Hiring will begin in FY 2026-27, and include 89.9 FTE on an ongoing basis. The estimated average length of stay for the unit is 2-3 years. The Department assumes that patients will be able to step-down to other, lower security placement options, including other state operated facilities.

**Table 8: Pueblo Operating General Fund Impact by Fiscal Year**

| Item | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 |
|---|---|---|---|---|
| State FTE (89.9) | $0 | $846,522 | $6,457,835 | $8,465,247 |
| Contract psychiatrists | 0 | 0 | 323,788 | 431,718 |
| Equipment | 0 | 0 | 24,000 | 0 |
| Laundry | 0 | 0 | 540,000 | 720,000 |
| Food | 0 | 0 | 105,000 | 140,000 |
| Electronic health records | 0 | 100,000 | 22,500 | 30,000 |
| Medicaid federal funds offset | 0 | 0 | -3,476,949 | -4,635,931 |
| Total | $0 | $946,522 | $3,996,175 | $5,151,034 |

**Staffing costs:** The operating costs for the Pueblo unit are primarily for 89.9 FTE. Staff asked the Department why it was necessary to hire 89.9 FTE if the unit is already operational. The Department indicates that Building 137 does not currently have a permanently assigned staff. The staff currently at Building 137 typically staff another unit that is under construction. Current staff will move with patients when a new location for those patients is identified, and eventually return to their previous unit.

**Medicaid costs:** Medicaid calculations assume that 90.0 percent of patients will be Medicaid eligible, and the monthly rate will be $47,695. The estimated monthly rate is based on the staffing and operating costs calculated by CDHS.

**Table 9: Pueblo Operating Medicaid Costs by Fiscal Year**

| Item | FY 2027-28 | FY 2028-29 |
|---|---|---|
| Beds | 18 | 18 |
| Eligibility | 90.0% | 90.0% |
| Occupancy | 71.3% | 95.0% |

| Item | FY 2027-28 | FY 2028-29 |
|---|---|---|
| Rate | 47,695 | 47,695 |
| Total Funds | $6,953,896 | $9,271,908 |
| General Fund | $3,476,948 | $4,635,954 |

The hospitals are not reimbursed by Medicaid because of the federal IMD rule. The IMD rule stipulates that facilities with more than 16 beds serving people with mental illness as the primary diagnosis for more than 16 days are not eligible for reimbursement. CDHS and HCPF expect that Building 137 will be Medicaid eligible because mental illness will not be the primary diagnosis for patients, and the facility will be operated separately from the rest of the hospital. HCPF was not aware of another facility with 18 beds that is currently receiving Medicaid reimbursement.

### D1. Outpatient clinic capital project

**Clients:** Hospital and jail step-down
**Current year cost:** $1,722,906 General Fund.
**Ongoing cost:** $0

The request proposes an ongoing lease for CDHS to establish the first state-operated outpatient mental health clinic. The capital construction request includes $1.7 million General Fund to renovate private leased space to establish the clinic. The Department expects to enter into a lease in the Denver metro area in the current fiscal year. The Department expects that the first year of leasing costs will be $100,000 and can be covered within existing appropriations. Ongoing lease costs are included in the operating request, described in the next section.

The Department has not yet identified or sought a space to lease. Cost estimates are based on a tool from the Office of the State Architect rather than the needs of an actual identified space. Staff therefore assumes that actual renovation needs could be higher or lower than the estimates provided in the request.

The request indicates that the Department is requesting to lease private space because it will be faster to establish the clinic than renovating or building on existing state property. The Department estimates that a lease will take 12-18 months to establish a clinic, compared to 24-36 months for new construction on state land, or 36-60 months to purchase and renovate a building.

**Table 10: Lease and Construction Options**

| Option | Cost | Timeline |
|---|---|---|
| Annual Lease first year | $1,822,906 | 12-18 months |
| Annual lease ongoing | 394,220 | |
| State land new construction | 5,913,000 | 24-36 months |
| Purchase and renovate | 3,322,906 | 36-60 months |

Based on the amounts presented, staff assumes that the cumulative annual cost of the lease would exceed the cost to purchase and renovate in 4 years, and exceed the cost to construct on state land in 10 years. Staff calculations do not account for other ongoing operating and maintenance costs.

The Capital Development Committee (CDC) approved the project on January 15, 2026. The motion to approve the request included the condition that the lease term be at least as long as the expected useful life of the renovations made using state dollars.

### D2. Outpatient clinic operating

**Current year cost:** $95,082 General Fund and 0.5 FTE.
**Ongoing cost:** $13,881,194 total funds, including $3,279,438 General Fund and 23.5 FTE to CDHS and HCPF.

The outpatient clinic is expected to fill a gap in the current continuum of care for competency restoration services managed by OCFMH. Outpatient services are currently offered by Comprehensive Safety Net Providers (CSNPs) that receive funding from HCPF and the Behavioral Health Administration (BHA).

The clinic is expected to provide partial hospitalization and intensive outpatient treatment Monday-Thursday. Other services will be provided on evenings and weekends. The type and number of clients described by the request is provided in the table below.

**Table 11: Anticipated Weekly Outpatient Clients**

| Service | Clients | Description |
|---|---|---|
| Partial hospitalization | 10 | Typically 20+ hours per week |
| Intensive outpatient | 24 | Typically less than 16 hours per week |
| Community-based services | 5 | Medication management, case management, individual therapy |
| Other services | 10 | Not described |
| Total | 49 | |

These services are currently available through CSNPs and other private providers. Staff questioned why the Department is proposing a state-operated clinic rather than investing in the established statewide behavioral health safety net. CDHS, HCPF, and the BHA indicate that CSNPs are not equipped to handle the populations stepping down from the state hospitals, and it is therefore necessary for the state to step up to provide a safety net. The exact barriers for the current safety net system are currently unclear to staff.

Staff is concerned that the solution proposed by the Executive Branch establishes a new state obligation rather than improving investments that are already in place. The Department expects that establishing a state-operated clinic for people who are criminally justice involved will improve capacity at the state hospitals by allowing for additional step-down resources. Staff is concerned that continuing to invest in new programs in OCFMH rather than the established safety net may exasperate disparities that already exist, including geographic access and requiring criminal justice involvement to access care.

Anticipated expenses include two contracted crisis stabilization beds, patient transportation, a catering contract for patient box lunches and snacks, interpreter services, and general office supplies. Crisis stabilization beds are expected to cost $1,200 per day and be occupied 100.0 percent of the time. The request includes the milage and lease costs for four vans to transport patients to and from the clinic.

**Table 12: Outpatient Clinic General Fund Cost by Fiscal Year**

| Item | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 |
|---|---|---|---|---|
| State FTE (23.5) | $95,082 | $438,750 | $2,006,642 | $2,649,647 |
| Contract psychiatry | 0 | 0 | 355,794 | 474,393 |
| 2 Crisis beds | 0 | 0 | 657,000 | 876,000 |
| Food | 0 | 0 | 105,000 | 140,000 |
| Patient transport | 0 | 0 | 29,106 | 38,808 |
| Interpreter services | 0 | 0 | 15,000 | 20,000 |
| Office supplies | 0 | 0 | 12,199 | 16,265 |
| Annual lease payment | 0 | 394,220 | 394,220 | 394,220 |

| Item | FY 2025-26 | FY 2026-27 | FY 2027-28 | FY 2028-29 |
|---|---|---|---|---|
| Medicaid federal funds offset | 0 | 0 | -997,421 | -1,329,894 |
| Total | $95,082 | $832,970 | $2,577,540 | $3,279,439 |

Staffing costs include a range of clinical and non-clinical positions. Clinical positions include nurses, social workers, physician assistants, and a medical director. Non-clinical positions include a program director, transportation coordinators, a housing coordinator, two court specialists, a compliance specialist, and a billing specialist.

The request assumes that the Program Director will be hired for six months of the current fiscal year. Other positions begin hiring in FY 2026-27, but full staffing is not expected to be complete until FY 2028-29. The request assumes that the clinic will be 10.0 percent operational in FY 2026-27, 75.0 percent operational in FY 2027-28, and 100.0 percent operational in FY 2028-29.

Services provided at the clinic are expected to be Medicaid eligible. Calculations provided by HCPF assume that 90.0 percent of clients will be eligible for a 50.0 percent General Fund match. HCPF indicated that a new provider type will be created with the BHA to facilitate a payment rate for the state-operated facility that is different from the current prospective payment rate offered to CSNPs.

### E. Electronic health records staff

**Current year cost:** $156,390 General Fund and 1.5 FTE.
**Ongoing cost:** $635,248 General Fund and 6.0 FTE.

The request includes an additional 6.0 FTE for electronic health records (EHR) staff in CDHS. Positions include one manager, two positions to construct and maintain EHR for the outpatient clinic, two positions to construct and maintain EHR for the hospitals and Regional Centers, and one position to track, maintain, and analyze the legal and treatment history for people who are permanently incompetent to proceed.

**Table 13: EHR Staff Impact by Fiscal Year**

| Item | FY 2025-26 General Fund | FY 2025-26 FTE | FY 2026-27 General Fund | FY 2026-27 FTE |
|---|---|---|---|---|
| Personal services | $118,258 | 1.5 | 473,029 | 6.0 |
| Operating | 2,903 | 0.0 | 11,610 | 0.0 |
| Centrally appropriated costs | 35,230 | 0.0 | 150,609 | 0.0 |
| Total | $156,390 | 1.5 | $635,248 | 6.0 |

### F. HCPF Policy advisors

**Current year cost:** $86,525 total funds and 0.7 FTE to HCPF, including $43,263 General Fund.
**Ongoing cost:** $226,715 total funds and 2.0 FTE to HCPF, including $113,358 General Fund.

The request does not provide information on the staffing needs for HCPF. Additional information from HCPF and CDHS indicates that positions include one policy advisor for the HCPF Behavioral Health Initiatives and Coverage Office and one policy advisor for the Office of Community Living.

The Departments indicate that the positions are expected to coordinate across CMAs, RAEs, CDHS, CDPHE, BHA, DORA, counties, courts, probation, correctional facilities, law enforcement, and HCPF to ensure safe and secure placements. Costs are expected to be 50.0 percent federal funds.

**Table 14: HCPF Staff Impact by Fiscal Year**

| Item | FY 2025-26 General Fund | FY 2025-26 FTE | FY 2026-27 General Fund | FY 2026-27 FTE |
|---|---|---|---|---|
| Personal services | $27,040 | 0.7 | 82,528 | 2.0 |
| Operating | 7,246 | 0.0 | 735 | 0.0 |
| Centrally appropriated costs | 7,423 | 0.0 | 24,190 | 0.0 |
| Leased space | 1,554 | 0.0 | 4,650 | 0.0 |
| Total | $43,263 | 0.7 | $112,103 | 2.0 |

### G. Legislation

It remains unclear to Staff what is required legislatively to implement the request. The request indicates that legislation is required, but does not describe what legislation is expected to include or whether legislation is expected for the supplemental or Long Bill package.

Staff assumes that legislation is required to provide CDHS with the authority to operate the new facilities and determine how people may be referred to the facilities. The General Assembly may also be interested in reevaluating the requirements for releasing people with neurocognitive and neurodevelopmental disorders from jail.

The Governor's January 2 letter includes a $10.0 million General Fund legislative placeholder for competency in addition to this request. Staff is not aware of what is expected to be included in separate legislation, and how it may or may not relate to this request.

The letter mentions that the ongoing investment in competency from the January 2 submission is $43.2 million. Staff requested the breakdown of the items included in that amount. The Executive Branch indicated that the total should have been $47.0 million total funds, and includes the following components. The costs for HCPF do not align with documents submitted to Staff, and therefore do not align with calculations provided throughout this document. Staff's current assessment is that the Pueblo capital upgrades project is independent of the S2 request.

**Table 15: Total Competency Request Package in January 2 Letter**

| Item | FY 2025-26 Total Funds | FY 2026-27 Total Funds | FY 2027-28 Total Funds |
|---|---|---|---|
| Legislative Placeholder | $0 | $10,000,000 | $10,000,000 |
| CDHS S2 | 4,786,081 | 12,400,474 | 21,669,066 |
| CDHS S2 HCPF Impact | 86,525 | 1,644,786 | 4,547,306 |
| Supplemental capital request | 5,300,804 | 0 | 0 |
| Pueblo capital upgrades ph. 2 of 3 | 0 | 4,144,206 | 10,792,478 |
| Total | $10,173,410 | $28,189,466 | $47,008,850 |

## Staff Recommendation

Staff recommends denial of the request for several reasons.

1. The request does not meet supplemental criteria. The request creates new services for a longstanding historic gap in the continuum of care, rather than addressing an unforeseen issue.
2. The request meets many of the same criteria as historic decisions that have established a structural budget deficit. Examples include large capital construction projects that create new ongoing services, a large state FTE increase, increasing Medicaid long-term care services, and costs that are not fully realized for several

fiscal years. Staff is concerned that actual FTE and Medicaid costs will exceed the amounts provided in the request given annual increases for compensation, maintenance, and Medicaid rates.

3. Some components of the request choose to create new ongoing state obligations rather than improving on existing resources.
4. The request requires people to be criminally justice involved to receive access to necessary care.
5. Operating investments are not necessary in the current year even if the General Assembly chooses to fund capital projects as requested.

Staff agrees that it is necessary to address systemic gaps in services for people with neurocognitive and neurodevelopmental disabilities. However, service increases do not meet supplemental criteria and are more appropriately addressed during the figure setting process or separate legislation. Figure Setting decisions could include decisions for costs in the current year, but allow additional time to answer questions and plan investments.

The Department indicates that any delay in decision making will delay potential access to care. The following sections further describe the concerns with each component of the request, and outline funding options for the Committee if there is interest in approving portions of the request. The Committee may choose to make each decision individually. Tables at the end of the narrative aim to describe the collective General Fund impact of different levels of investment.

### Wheat Ridge Security Upgrades

Wheat Ridge investments are the only operating component that staff would recommend if the Committee is interested in beginning investments in the current fiscal year. Wheat Ridge has bed vacancies that allow for new patients without removing current patients from the facility. Staff also assumes that the capital improvements included in the request are possible to implement quickly.

The primary drawbacks of this component of the request is that it only establishes four beds with an expected length of stay of 2-3 years. Beds are expected to be fully Medicaid funded on an ongoing basis, which allows for a federal funds match but still increases the ongoing obligation for Medicaid long-term care costs. The cost per bed is expected to be $803,000 total funds. The proposal will also create a placement opportunity for people who are criminally justice involved by reducing the capacity to serve patients who are not.

If the Committee is interested in supporting this portion of the request, Staff only recommends approval of the capital improvement components in the current fiscal year. Staff assumes that capital improvements will not be complete within a time frame that would require additional appropriations to begin hiring security staff.

**Table 16: Wheat Ridge Capital Only Current Year General Fund Impact**

| Item | Request General Fund | Recommendation | Option 1: No Staff General Fund |
|---|---|---|---|
| Capital Improvements | $485,934 | $0 | $485,934 |
| State FTE | 326,386 | 0 | 0 |
| Contract Security | 125,000 | 0 | 0 |
| Total | $937,320 | $0 | $485,934 |

If the Committee is supportive of including FTE in the first year, Staff recommends a lower appropriation than the requested amounts. The staffing calculations are adjusted for Committee common policies, including no centrally appropriated costs, salaries at the range minimum, and an assumed April start date.

**Table 17: Wheat Ridge Capital and Staffing Current Year General Fund and FTE Impact**

| Item | Request General Fund | Request FTE | Option 2: Staff General Fund | Option 2: FTE |
|---|---|---|---|---|
| Capital Improvements | $485,934 | 0.0 | 485,934 | 0.0 |
| State FTE | 326,386 | 4.0 | 175,366 | 1.8 |
| Contract Security | 125,000 | 0.0 | 62,500 | 0.0 |
| Total | $937,320 | 4.0 | $723,800 | 0.0 |

### Pueblo Renovation

Staff assumes that this portion of the request will take multiple years to complete, displace current patients from the Pueblo hospital, increase Medicaid obligations, significantly increase state FTE, and cost more than is currently estimated. However, this portion of the request is the most significant inpatient capacity increase in the request. Staff does not recommend approval of this portion of the request in the current fiscal year because the Department has not demonstrated a clear plan for moving current patients given simultaneous capital projects.

The current year request for this component only includes the capital request and the cost of moving 16 competency patients to private hospital contracts for six months. The Department has since indicated that patients are not expected to move out of the hospital until three to four months after capital construction funding is approved. Staff therefore assumes that contract costs are not necessary in the current fiscal year even if capital funding is approved. Operating costs are not expected to begin until FY 2026-27 or FY 2027-28 even if capital funding is approved for the current fiscal year.

**Table 18: Pueblo Capital Only Current Year General Fund Impact Options**

| Item | Request | Recommendation | Option 1: Capital Only |
|---|---|---|---|
| Pueblo renovation capital | $3,577,898 | $0 | $3,577,898 |
| Move current Pueblo patients to contracts | 3,328,800 | 0 | 0 |
| Pueblo renovation operating | 0 | 0 | 0 |
| Total | $6,906,698 | $0 | $3,577,898 |

### Skilled Nursing Contracts

Staff assumes that skilled nursing contracts could be established and expand capacity quickly. Beds are expected to be Medicaid funded on an ongoing basis, but also require a General Fund incentive payment from CDHS. Staff is concerned that this portion of the request increases the obligation for Medicaid long-term care costs and CDHS provider incentive payments.

Staff does not recommend including any costs for this portion of the request in the current fiscal year even if the Committee supports the request on an ongoing basis. Current year costs in the request include $50,000 for renovations for the private contractor, and $218,490 for 2.0 FTE.

The cost of actual necessary provider renovations is unknown because a provider has not been identified. State employees increase to 8.0 FTE to manage contracts and placements on an ongoing basis. Staff understands that this is a new population with difficult needs for the Department to coordinate. However, Staff is not convinced that 8.0 FTE is necessary to manage 10 contract beds. By comparison, funding for competency contracts includes 1.0 FTE to manage contracts for 84 beds at multiple facilities.

If the Committee is supportive of including FTE in the first year, Staff recommends a lower appropriation than the requested amounts. The staffing calculations reflect the requested amounts without centrally appropriated line items.

**Table 19: Skilled Nursing Current Year General Fund Impact Options**

| Item | Request | Recommendation | Option 2: Staff only | Option 3: Staff and renovation |
|---|---|---|---|---|
| Provider capital improvements | $50,000 | $0 | 0 | 50,000 |
| DHS provider contract | 0 | 0 | 0 | 0 |
| DHS payments for uninsured | 0 | 0 | 0 | 0 |
| Medicaid reimbursement | 0 | 0 | 0 | 0 |
| Skilled nursing care coordination | 218,490 | 0 | 170,669 | 170,669 |
| Total | $268,490 | $0 | $170,669 | $220,669 |

### Outpatient Clinic

Staff assumes that this portion of the request will create new state obligations instead of improving the existing safety net, increase Medicaid obligations, increase state FTE, cost more than is currently estimated, and only improve access to services for people with stable housing options in the Denver metro area. Staff does not recommend funding in the current year, even at alternative levels from the request.

### Electronic health records and HCPF staff

CDHS and HCPF have requested additional staff in the current year to coordinate care across state agencies. Staff does not recommend any additional staff in the current fiscal year. Additional staff may be reconsidered during figure setting depending on the portions of the request approved by the Committee or General Assembly.

Staff agrees that it should be a priority for the Department to collect data about people who are unlikely to be restored. However, Staff does not agree that additional appropriations in the current year are necessary to fulfill one additional staff position.

### Cumulative impact of recommendation options

Staff has created tables to provide the cumulative General Fund impact of some of the options presented in the prior sections in case it is helpful for the Committee. The table below compares the request to four different levels of investment in the current fiscal year.

The Committee and General Assembly will be committing to ongoing operating costs if any capital projects are approved as part of the supplemental process. Ongoing operating costs are expected to align with the request unless projects are delayed, or Staff or the Department identify errors in the request.

**Option 1:** Capital investments for Wheat Ridge and Pueblo only.
**Option 2:** Capital and FTE investments for Wheat Ridge and capital projects approved by the CDC.
**Option 3:** All costs except staff for the outpatient clinic, electronic health records, and HCPF.
**Option 4:** All components of the request with FTE calculation adjustments.

**Table 20: Current Year General Fund Impact of Recommendation Options**

| Component | Request | Option 1 | Option 2 | Option 3 | Option 4 |
|---|---|---|---|---|---|
| A. Wheat Ridge security (4 beds) | $937,320 | $485,934 | $723,800 | $723,800 | $723,800 |
| B1. Skilled nursing contracts (10 beds) | 50,000 | 0 | 0 | 50,000 | 50,000 |
| B2. Skilled nursing care coordination (8.0 FTE) | 218,490 | 0 | 0 | 170,669 | 170,669 |
| C1. Pueblo Renovation operating (18 beds) | 0 | 0 | 0 | 0 | 0 |
| C2. Pueblo renovation capital | 3,577,898 | 3,577,898 | 3,577,898 | 3,577,898 | 3,577,898 |
| C3. Move Pueblo patients to contracts (16 beds) | 3,328,800 | 0 | 0 | 3,328,800 | 3,328,800 |
| D1. Outpatient clinic capital | 1,722,906 | 0 | 1,722,906 | 1,722,906 | 1,722,906 |
| D2. Outpatient clinic operating | 95,082 | 0 | 0 | 0 | 43,255 |
| E. Electronic health records staff (6.0 FTE) | 156,390 | 0 | 0 | 0 | 121,160 |
| F. HCPF Policy advisors (2.0 FTE) | 43,263 | 0 | 0 | 0 | 27,549 |
| Total | $10,130,149 | $4,063,832 | $6,024,604 | $9,574,073 | $9,766,037 |

## Evidence Based Decision Making

The Department indicates that the request is evidence-informed. Research provided in the request discusses the likelihood of competency restoration for people with neurocognitive and neurodevelopmental disorders, as well as patient outcomes for mental health services provided outside of an inpatient hospital.

Staff finds it difficult to evaluate an evidence designation for the request based on the number of components. However, staff agrees that the evidence provided demonstrates that people with IDD, dementia, and TBI are unlikely to be restored and that mental illness can be effectively treated outside of inpatient care.

# Appendix A: Numbers Pages

Appendix A details the supplemental changes recommended by staff, including the actual expenditures for the previous state fiscal year, the appropriation for the current fiscal year, and the requested and recommended appropriation changes for the current fiscal year. Appendix A organizes this information by line item and fund source.

## Appendix A: Numbers Pages

| | FY 2024-25 Actual | FY 2025-26 Appropriation | FY 2025-26 Requested Change | FY 2025-26 Rec'd Change | FY 2025-26 Total w/Rec'd Change |
|---|---|---|---|---|---|
| **Department of Human Services**<br>**Michelle Barnes, Executive Director** | | | | | |
| **S2 Competency services** | | | | | |
| **(1) Executive Director's Office** | | | | | |
| **(A) General Administration** | | | | | |
| Health, Life, and Dental | 49,834,814 | 68,655,347 | 121,140 | 0 | 68,655,347 |
| General Fund | 37,631,312 | 41,051,960 | 121,140 | 0 | 41,051,960 |
| Cash Funds | 3,549,403 | 3,863,066 | 0 | 0 | 3,863,066 |
| Reappropriated Funds | 8,102,193 | 10,935,103 | 0 | 0 | 10,935,103 |
| Federal Funds | 551,906 | 12,805,218 | 0 | 0 | 12,805,218 |
| Short-term Disability | 447,833 | 269,900 | 374 | 0 | 269,900 |
| General Fund | 350,914 | 173,282 | 374 | 0 | 173,282 |
| Cash Funds | 27,666 | 13,229 | 0 | 0 | 13,229 |
| Reappropriated Funds | 65,133 | 34,885 | 0 | 0 | 34,885 |
| Federal Funds | 4,120 | 48,504 | 0 | 0 | 48,504 |
| Paid Family Medical Leave Insurance | 1,306,608 | 1,735,074 | 2,407 | 0 | 1,735,074 |
| General Fund | 1,052,687 | 1,113,957 | 2,407 | 0 | 1,113,957 |
| Cash Funds | 63,621 | 85,042 | 0 | 0 | 85,042 |
| Reappropriated Funds | 190,300 | 224,261 | 0 | 0 | 224,261 |
| Federal Funds | 0 | 311,814 | 0 | 0 | 311,814 |

| | FY 2024-25 Actual | FY 2025-26 Appropriation | FY 2025-26 Requested Change | FY 2025-26 Rec'd Change | FY 2025-26 Total w/Rec'd Change |
|---|---|---|---|---|---|
| Unfunded Liability Amortization Equalization Disbursement Payments | 29,991,970 | 38,557,168 | 53,503 | 0 | 38,557,168 |
| General Fund | 23,393,044 | 24,754,577 | 53,503 | 0 | 24,754,577 |
| Cash Funds | 1,844,426 | 1,889,831 | 0 | 0 | 1,889,831 |
| Reappropriated Funds | 4,487,110 | 4,983,570 | 0 | 0 | 4,983,570 |
| Federal Funds | 267,390 | 6,929,190 | 0 | 0 | 6,929,190 |
| **(6) Office of Behavioral Health** | | | | | |
| **(D) Forensic Services** | | | | | |
| Purchased Psychiatric Bed Capacity | 33,357,324 | 29,860,801 | 3,328,800 | 0 | 29,860,801 |
| FTE | 0.0 | 1.0 | 0.0 | 0.0 | 1.0 |
| General Fund | 33,357,324 | 29,860,801 | 3,328,800 | 0 | 29,860,801 |
| Cash Funds | 0 | 0 | 0 | 0 | 0 |
| Reappropriated Funds | 0 | 0 | 0 | 0 | 0 |
| Federal Funds | 0 | 0 | 0 | 0 | 0 |
| **Total for S2 Competency services** | 114,938,549 | 139,078,290 | 3,506,224 | 0 | 139,078,290 |
| *FTE* | 0 .0 | 1 .0 | 0 .0 | 0 .0 | 1 .0 |
| General Fund | 95,785,281 | 96,954,577 | 3,506,224 | 0 | 96,954,577 |
| Cash Funds | 5,485,116 | 5,851,168 | 0 | 0 | 5,851,168 |
| Reappropriated Funds | 12,844,736 | 16,177,819 | 0 | 0 | 16,177,819 |
| Federal Funds | 823,416 | 20,094,726 | 0 | 0 | 20,094,726 |

| | FY 2024-25 Actual | FY 2025-26 Appropriation | FY 2025-26 Requested Change | FY 2025-26 Rec'd Change | FY 2025-26 Total w/Rec'd Change |
|---|---|---|---|---|---|
| **S3 Delay G-wing opening** | | | | | |
| **(6) Office of Behavioral Health** | | | | | |
| **(B) Mental Health Institute - Ft. Logan** | | | | | |
| Personal Services | 47,002,807 | 55,176,947 | -5,111,626 | -5,111,626 | 50,065,321 |
| FTE | 0.0 | 385.6 | 0.0 | -32.8 | 352.8 |
| General Fund | 45,842,521 | 53,157,345 | (5,636,837) | (5,111,626) | 48,045,719 |
| Cash Funds | 1,065,860 | 1,861,650 | 436,875 | 0 | 1,861,650 |
| Reappropriated Funds | 94,426 | 157,952 | 88,336 | 0 | 157,952 |
| Federal Funds | 0 | 0 | 0 | 0 | 0 |
| **(6) Office of Behavioral Health** | | | | | |
| **(C) Mental Health Institute - Pueblo** | | | | | |
| Personal Services | 150,947,149 | 138,237,300 | 0 | 0 | 138,237,300 |
| FTE | 717.3 | 1,059.0 | 0.0 | 0.0 | 1,059.0 |
| General Fund | 142,283,750 | 125,414,736 | (3,807,343) | 0 | 125,414,736 |
| Cash Funds | 883,868 | 4,287,703 | 2,614,499 | 0 | 4,287,703 |
| Reappropriated Funds | 7,779,531 | 8,534,861 | 1,192,844 | 0 | 8,534,861 |
| Federal Funds | 0 | 0 | 0 | 0 | 0 |
| **(6) Office of Behavioral Health** | | | | | |

| | FY 2024-25 Actual | FY 2025-26 Appropriation | FY 2025-26 Requested Change | FY 2025-26 Rec'd Change | FY 2025-26 Total w/Rec'd Change |
|---|---|---|---|---|---|
| **(D) Forensic Services** | | | | | |
| Purchased Psychiatric Bed Capacity | 33,357,324 | 29,860,801 | 2,080,500 | 0 | 29,860,801 |
| FTE | 0.0 | 1.0 | 0.0 | 0.0 | 1.0 |
| General Fund | 33,357,324 | 29,860,801 | 2,080,500 | 0 | 29,860,801 |
| Cash Funds | 0 | 0 | 0 | 0 | 0 |
| Reappropriated Funds | 0 | 0 | 0 | 0 | 0 |
| Federal Funds | 0 | 0 | 0 | 0 | 0 |
| **(6) Office of Behavioral Health** | | | | | |
| **(F) Residential Behavioral Health Beds** | | | | | |
| Residential Bed Program | 8,609,377 | 17,145,935 | 0 | 0 | 17,145,935 |
| FTE | 8.1 | 53.2 | 0.0 | 0.0 | 53.2 |
| General Fund | 8,609,377 | 11,980,905 | 0 | 0 | 11,980,905 |
| Cash Funds | 0 | 0 | 5,165,030 | 0 | 0 |
| Reappropriated Funds | 0 | 5,165,030 | (5,165,030) | 0 | 5,165,030 |
| Federal Funds | 0 | 0 | 0 | 0 | 0 |
| **Total for S3 Delay G-wing opening** | 239,916,657 | 240,420,983 | (3,031,126) | (5,111,626) | 235,309,357 |
| *FTE* | 725.4 | 1,498.8 | 0 .0 | (32.8) | 1,466 .0 |
| General Fund | 230,092,972 | 220,413,787 | (7,363,680) | (5,111,626) | 215,302,161 |
| Cash Funds | 1,949,728 | 6,149,353 | 8,216,404 | 0 | 6,149,353 |
| Reappropriated Funds | 7,873,957 | 13,857,843 | (3,883,850) | 0 | 13,857,843 |
| Federal Funds | 0 | 0 | 0 | 0 | 0 |

| | FY 2024-25 Actual | FY 2025-26 Appropriation | FY 2025-26 Requested Change | FY 2025-26 Rec'd Change | FY 2025-26 Total w/Rec'd Change |
|---|---|---|---|---|---|
| **Totals Excluding Pending Items** | | | | | |
| **HUMAN SERVICES** | | | | | |
| **TOTALS for ALL Departmental line items** | 2,497,643,957 | 2,672,891,460 | 475,098 | -5,111,626 | 2,667,779,834 |
| *FTE* | 4,281.2 | 5,567.5 | 0 .0 | (32.8) | 5,534.7 |
| General Fund | 1,336,428,816 | 1,322,641,611 | (3,857,456) | (5,111,626) | 1,317,529,985 |
| Cash Funds | 301,917,951 | 462,972,989 | 8,216,404 | 0 | 462,972,989 |
| Reappropriated Funds | 190,655,544 | 231,164,954 | (3,883,850) | 0 | 231,164,954 |
| Federal Funds | 668,641,646 | 656,111,906 | 0 | 0 | 656,111,906 |

# Appendix B: G-wing Staffing

FTE calculations for the G-wing have changed since the original fiscal note for H.B. 22-1303. Calculations for the original fiscal note requested staffing levels based on a civil, rather than a forensic hospital unit. The requested job classes continue to change as the Department begins to identify actual staffing needs. The table below compares FTE by job class in the Department's S3 to original fiscal note.

**S3 FTE Request Compared to Original Fiscal Note**

| Position Title | Fiscal Note | S3 2025-26 Impact | S3 2026-27 impact |
|---|---|---|---|
| ADMIN ASSISTANT III | 3.0 | 1.0 | 1.0 |
| ADMINISTRATOR II | 1.0 | 0.4 | 1.0 |
| CLINICAL THERAPIST III | 1.0 | 0.0 | 0.0 |
| CONTRACT ADMINISTRATOR II | 0.0 | 0.0 | 0.0 |
| CORR/YTH/CLIN SEC OFF I | 12.0 | 10.9 | 15.0 |
| CORR/YTH/CLN SEC SPEC III | 0.0 | 1.0 | 1.0 |
| CUSTODIAN I | 0.0 | 0.4 | 1.0 |
| DENTAL CARE II | 0.2 | 0.1 | 0.0 |
| DENTAL CARE V | 0.0 | 0.0 | 0.2 |
| DENTIST II | 0.2 | 0.1 | 0.2 |
| DIAG PROCED TECHNOL II | 0.5 | 0.4 | 1.0 |
| DINING SERVICES III | 0.0 | 3.0 | 3.0 |
| DINING SERVICES IV | 1.0 | 0.0 | 0.0 |
| HEALTH PROFESSIONAL III | 3.0 | 1.4 | 2.0 |
| HEALTH PROFESSIONAL VII | 0.0 | 0.0 | 0.0 |
| LABORATORY TECHNOLOGY I | 0.5 | 0.0 | 0.0 |
| LABORATORY TECHNOLOGY II | 1.0 | 0.0 | 0.0 |
| LABORATORY TECHNOLOGY IV | 1.0 | 0.0 | 0.0 |
| MENTAL HLTH CLINICIAN I | 9.0 | 7.1 | 17.0 |
| MENTAL HLTH CLINICIAN II | 2.0 | 1.7 | 4.0 |
| MENTAL HLTH CLINICIAN III | 1.0 | 0.4 | 1.0 |
| MID-LEVEL PROVIDER | 1.0 | 0.4 | 1.0 |
| NURSE I | 10.0 | 3.8 | 9.2 |
| NURSE II | 2.0 | 1.7 | 4.0 |
| NURSE III | 2.0 | 0.8 | 2.0 |
| NURSE V | 0.0 | 0.4 | 1.0 |
| PHARMACIST II | 0.3 | 0.0 | 0.1 |
| PHARMACY TECHNICIAN II | 0.5 | 0.4 | 1.0 |
| PIPE/MECH TRADES II | 0.0 | 0.2 | 0.5 |
| PROGRAM ASSISTANT I | 0.0 | 0.4 | 1.0 |
| PSYCHOLOGIST I | 3.0 | 0.8 | 2.0 |
| SAFETY SPECIALIST III | 1.0 | 0.0 | 0.0 |
| SOCIAL WORK/COUNSELOR I | 0.0 | 0.4 | 1.0 |
| SOCIAL WORK/COUNSELOR III | 2.0 | 0.0 | 0.0 |
| STRUCTURAL TRADES II | 0.0 | 0.1 | 0.2 |
| THERAPIST II | 0.0 | 0.4 | 1.0 |
| THERAPIST III | 0.5 | 0.4 | 1.0 |
| THERAPIST IV | 0.0 | 0.4 | 0.4 |
| THERAPY ASSISTANT II | 0.5 | 0.0 | 0.0 |

| Position Title | Fiscal Note | S3 2025-26 Impact | S3 2026-27 impact |
|---|---|---|---|
| Total | 59.2 | 38.7 | 72.8 |