

# FY 2026-27 Budget Briefing Summary

## Human Services

The Department of Human Services is charged with the administration and supervision of most non-medical public assistance and welfare programs in the state. The Department's FY 2025-26 appropriation represents approximately 7.8 percent of statewide General Fund appropriations.

This document only discusses the Office of Civil and Forensic Mental Health. Other divisions will be addressed in separate staff briefings.

## Summary of Request

### Department of Human Services

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
<b>FY 2025-26 Appropriation</b>						
SB 25-206 (Long Bill)	\$2,668,676,927	\$1,323,288,949	\$454,233,575	\$235,269,773	\$655,884,630	5,511.1
Other legislation	4,214,533	-647,338	8,739,414	-4,104,819	227,276	56.4
<b>Total</b>	<b>\$2,672,891,460</b>	<b>\$1,322,641,611</b>	<b>\$462,972,989</b>	<b>\$231,164,954</b>	<b>\$656,111,906</b>	<b>5,567.5</b>
<b>FY 2026-27 Requested Appropriation</b>						
FY 2025-26 Appropriation	\$2,672,891,460	\$1,322,641,611	\$462,972,989	\$231,164,954	\$656,111,906	5,567.5
R1 Youth services radios	327,600	327,600	0	0	0	0.0
R2 Autism treatment	561,540	477,309	0	0	84,231	4.6
R3 SNAP federal changes	12,453,035	36,846,852	0	0	-24,393,817	0.0
R4 Hospital revenues [1]	2,080,500	-1,800,672	7,765,022	-3,883,850	0	0.0
R5 Reduce TANF	-19,180,663	0	-19,180,663	0	0	0.0
R6 County block grant support fund	0	0	0	0	0	0.0
R7 Reduce home care allowance	-531,629	-531,629	0	0	0	0.0
R8 Reduce county admin	-400,000	-100,000	0	-160,000	-140,000	0.0
R9 Reduce department admin	-3,455,758	-2,961,750	-43,916	-22,700	-427,392	0.0
R10 Reduce reg center records	-290,000	0	0	-290,000	0	0.0
R11 Reduce peer support [1]	-649,260	-649,260	0	0	0	0.0
R12 Reduce Tony Grampsas	-200,000	-400,000	200,000	0	0	0.0
R13 Reduce collab management	0	-700,000	700,000	0	0	0.0
R14 Reduce foster training	-150,000	-150,000	0	0	0	0.0
R15 Reduce NGRI transition serv [1]	-300,000	-300,000	0	0	0	0.0
R16 Reduce child abuse hotline	-629,000	-629,000	0	0	0	0.0
R17 Reduce summer EBT	-360,066	-180,033	0	0	-180,033	0.0
R18 Reduce SNAP outreach	-1,250,000	-500,000	0	0	-750,000	0.0
BHA R1 Reduce admin	-551,200	-551,200	0	0	0	-4.0
BHA R2 Repeal safety net assist	-500,000	-500,000	0	0	0	0.0
BHA R3 Reduce substance treatment	-3,000,000	-3,000,000	0	0	0	0.0
BHA R4 Reduce care coordination	-250,000	-250,000	0	0	0	0.0
Statewide R6 Prior reduction ops	-1,695,771	-1,679,490	0	0	-16,281	0.0
Employee compensation common policies	21,224,398	13,004,403	996,120	5,618,758	1,605,117	0.0

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
Operating common policies	-20,222,425	-2,408,502	-1,174,673	-10,588,100	-6,051,150	0.0
Impacts driven by other agencies	1,544,765	1,511,638	105,337	-1,272,691	1,200,481	0.9
Prior year actions [1]	131,939	2,179,888	-1,214,090	46,871	-880,730	11.9
Technical adjustments	865,378	865,378	0	0	0	0.0
Total	\$2,658,464,843	\$1,360,563,143	\$451,126,126	\$220,613,242	\$626,162,332	5,580.9
Increase/-Decrease	-\$14,426,617	\$37,921,532	-\$11,846,863	-\$10,551,712	-\$29,949,574	13.4
Percentage Change	-0.5%	2.9%	-2.6%	-4.6%	-4.6%	0.0%

[1] Items addressed in this document. Other requests will be addressed in separate staff briefings.

Changes are ongoing unless otherwise noted.

**R4 Hospital revenues and contracts [legislation]:** The Department asks for legislation to create cash funds for patient revenues received by the state hospitals.

Current year: The total cost is \$2.1 million total funds. Amounts include a decrease of \$2.3 million General Fund, an increase of \$8.2 million cash funds, and a decrease of \$3.9 million Medicaid reappropriated funds.

Year 1: The total cost is \$2.1 million total funds. Amounts include a decrease of \$1.8 million General Fund, an increase of \$7.8 million cash funds, and a decrease of \$3.9 million Medicaid reappropriated funds.

The state hospitals currently receive revenues from private insurance, Medicaid, and Medicare for eligible patients and services. These funds are appropriated as cash funds and reappropriated funds from the Department of Health Care Policy and Financing (HCPF) in the Long Bill.

However, there is no cash fund in statute that collects patient revenues. The request indicates that patient revenues revert to the General Fund if the actual revenues collected exceed spending authority in the Long Bill. Revenues have increased in recent years due to increasing patient census and reimbursement rates.

Additionally, the Controller's Office has directed that funds received from Regional Accountability Entities (RAEs) can only be spent as cash funds rather than reappropriated funds. The Department therefore does not have the spending authority to use Medicaid funds appropriated in the Long Bill in the current fiscal year.

The request includes legislation to create two cash funds to receive revenues for the state hospitals and mental health transitional living homes. Cash funds will allow the Department to retain revenues, offset General Fund, and align Long Bill spending authority with Controller guidelines.

**R11 Reduce peer support:** The Department asks to eliminate a contract for peer support services at the state hospitals.

Year 1: The total decrease is \$649,260 General Fund.

Peer support specialists assist patients transitioning from the state hospitals to the community. The request indicates that utilization of the existing contract is limited due to workforce shortages and patient acuity. Peer support specialists had 260 unique patient contacts at Pueblo and 42 at Fort Logan from 2020 to 2025.

The request is a budget balancing reduction that will impact services. However, the reduction targets an under-utilized program to prioritize maintaining funding for direct treatment.

**R15 Reduce Not Guilty by Reason of Insanity (NGRI) transition services:** The Department asks to reduce funding that supports NGRI individuals due to recent under-expenditures.

Year 1: The total decrease is \$300,000 General Fund.

The Forensic Community Based Services program provides treatment, supervision, and case management support for NGRI individuals in the community. This can include individuals transitioning from hospitalization to the community, and people in the community on temporary removal status or conditional release.

The request indicates that the current appropriation exceeds caseload demands for the program. Under-expenditures can and have been transferred to offset over-expenditures at the state hospitals. A reduction is not expected to impact services for NGRI individuals, but does reduce overall funding available to the hospitals.

The Department’s response to [request for information \(RFI\) 23](#) indicates that \$1.4 million of \$4.4 million General Fund appropriated was transferred to the personal services line item for the Pueblo hospital in FY 2024-25. The Department has indicated that this is a promising request.

**Prior year actions:** The request includes a net increase of \$8.6 million for the impact of prior year budget decisions and legislation.

**Prior year actions**

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	FTE
HB 22-1238 Youth mental health	\$5,410,793	\$5,410,793	\$0	\$0	6.3
FY 25-26 Salary survey	2,318,821	2,269,225	46,806	2,790	0.0
FY 25-26 Step Plan	590,495	558,233	32,262	0	0.0
FY 25-26 Fort Logan G-wing	252,629	252,629	0	0	1.0
Total	\$8,572,738	\$8,490,880	\$79,068	\$2,790	7.3

**Issues Presented**

This is a summary of the briefing issues presented to the Joint Budget Committee by their dedicated non-partisan staff.

**ARPA Spending Update:** Multiple bills appropriated a total of \$296.0 million that originated from federal stimulus funds from the American Rescue Plan Act of 2021 (ARPA) to the Behavioral Health Administration (BHA). This issue brief provides the most recent expenditure data.

**Budget Reduction Options:** The Executive Budget Request includes reductions of \$5.9 million General Fund for the Behavioral Health Administration, representing 3.9 percent of the current General Fund appropriations in this section of the budget.<sup>1</sup> This issue brief reviews these proposals and additional options identified by staff.

**Statewide Behavioral Health Funding:** The General Assembly appropriates General Fund to multiple departments for behavioral health programs. This issue brief summarizes the coordination role of the BHA, estimates behavioral health funding statewide, and discusses a proposal to restructure the BHA Long Bill section.

<sup>1</sup> Current FY 2025-26 appropriations do not include mid-year reductions in executive orders.

## For More Information

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To read the entire briefing: Go to [content.leg.colorado.gov/content/budget#budget-documents-section](https://content.leg.colorado.gov/content/budget#budget-documents-section) to use the budget document search tool. Select this department's name under Department/Topic, "Briefing" under Type, and select a Start date and End date to show documents released in November and December of 2025.