



JBC Staff Comeback Human Services

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BA2 Permanently Incompetent to Proceed Placeholder

The Committee decided to designate a placeholder for the Department's BA2 request for services for people deemed permanently incompetent to proceed during the staff figure setting presentation. However, the summary table included in the document did not provide the correct totals.

If the Committee intends to designate a placeholder for all components of the CDHS and HCPF operating requests for the budget year, the correct amount is \$13,222,868 General Fund. This amount assumes an increase of \$12.4 million General Fund and 33.3 FTE in CDHS, as well as \$0.8 million General Fund and 2.0 FTE in HCPF.

Request General Fund amounts without Governor's Legislative Placeholder

Component	FY 2025-26 General Fund	FY 2026-27 General Fund	FY 2027-28 General Fund	FY 2028-29 General Fund
A1. Wheat Ridge building upgrades (4 beds)	\$485,934	\$0	\$0	\$0
A2. Wheat Ridge state FTE (7.0 FTE)	326,386	664,078	498,059	498,059
A3. Wheat Ridge contract security	125,000	250,000	187,500	187,500
B1. Skilled nursing contracts (10 beds)	0	2,065,526	2,065,526	2,065,526
B2. Skilled nursing private renovation	50,000	0	0	0
B3. Skilled nursing care coordination (8.0 FTE)	218,490	1,058,821	1,058,821	1,058,821
C1. Pueblo renovation capital (18 beds)	3,577,898	0	0	0
C2. Pueblo renovation operating (89.9 FTE)	0	946,522	3,996,176	5,151,034
C3. Move Pueblo patients to contracts (16 beds)	3,328,800	6,657,600	6,657,600	6,657,600
C4. Pueblo Regional Center EHR (2.0 FTE)	48,008	195,264	195,264	195,264
D1. Outpatient clinic capital	1,722,906	0	0	0
D2. Outpatient clinic operating (23.5 FTE)	95,082	832,970	3,574,961	4,609,333
D3. Outpatient EHR (2.0 FTE)	51,078	207,540	207,540	207,540
E. Electronic health records supervisor (1.0 FTE)	33,300	134,813	134,813	134,813
F. Data analyst (1.0 FTE)	24,004	97,632	97,632	97,632
G. HCPF Policy advisors (2.0 FTE)	43,263	112,103	113,358	113,358
Total	\$10,130,149	\$13,222,868	\$18,787,249	\$20,976,479

If the Committee intends to designate a placeholder for the operating requests and the Governor’s legislative placeholder, the correct amount is \$23,222,868 General Fund.

Request Amounts with Governor’s Legislative Placeholder

Component	FY 2025-26 General Fund	FY 2026-27 General Fund	FY 2027-28 General Fund	FY 2028-29 General Fund
A1. Wheat Ridge building upgrades (4 beds)	\$485,934	\$0	\$0	\$0
A2. Wheat Ridge state FTE (7.0 FTE)	326,386	664,078	498,059	498,059
A3. Wheat Ridge contract security	125,000	250,000	187,500	187,500
B1. Skilled nursing contracts (10 beds)	0	2,065,526	2,065,526	2,065,526
B2. Skilled nursing private renovation	50,000	0	0	0
B3. Skilled nursing care coordination (8.0 FTE)	218,490	1,058,821	1,058,821	1,058,821
C1. Pueblo renovation capital (18 beds)	3,577,898	0	0	0
C2. Pueblo renovation operating (89.9 FTE)	0	946,522	3,996,176	5,151,034
C3. Move Pueblo patients to contracts (16 beds)	3,328,800	6,657,600	6,657,600	6,657,600
C4. Pueblo Regional Center EHR (2.0 FTE)	48,008	195,264	195,264	195,264
D1. Outpatient clinic capital	1,722,906	0	0	0
D2. Outpatient clinic operating (23.5 FTE)	95,082	832,970	3,574,961	4,609,333
D3. Outpatient EHR (2.0 FTE)	51,078	207,540	207,540	207,540
E. Electronic health records supervisor (1.0 FTE)	33,300	134,813	134,813	134,813
F. Data analyst (1.0 FTE)	24,004	97,632	97,632	97,632
G. HCPF Policy advisors (2.0 FTE)	43,263	112,103	113,358	113,358
H. Legislative placeholder	0	10,000,000	10,000,000	10,000,000
Total	\$10,130,149	\$23,222,868	\$28,787,249	\$30,976,479

Staff assumes the ongoing General Fund cost of the entire package is \$31.0 million General Fund. This amount will increase by compensation common policies and Medicaid rates. Capital expenses for the outpatient clinic are currently unknown but expected to change as the Department intends to utilize space on the Fort Logan campus rather than renovate leased space as originally assumed in the request.

The Committee already approved a placeholder of \$9,646,612 General Fund for the current fiscal year. This amount includes all components of the capital and operating request, with fewer care coordinating staff.

Excess Title IV-E Cash Fund

Staff identified a beginning year fund balance of \$3.7 million in the Excess Title IV-E cash fund. The cash fund consists of federal funds based on a percentage of expenditures from Title IV-E of the Social Security Act.

The Committee questioned whether the cash fund balance could be transferred to the General Fund. JBC Staff and Office of Legislative Legal Services (OLLS) Staff agree that the cash funds should not be transferred to the General Fund because the use of funds is determined by federal law.

However, staff also identified that the statute for the cash fund is outdated and does not correctly identify the source or allowable use of the funds. Staff therefore recommends that the Committee sponsor legislation to update statute to align with federal law.

Current statute reflects funds that were received and used for the Title IV-E demonstration project, which is completed. The current use of funds is limited to permanency services that do not supplant adoption assistance, which is not referenced in statute.

Staff assumes that updating statute will not change the actual use of funds since use it is already governed by federal law rather than state statute.

Reduction Options – Additional Information

The Committee accepted staff initiated reductions for the Health Information Management System and 211 based on recent reversions. However, the Committee also requested additional information on the use of these systems, and the impact of eliminating the General Fund appropriations.

Health Information Management System (HIMS)

The Committee asked if the Health Information Management System (HIMS) is related to the Office of eHealth Innovation (OeHI). OeHI was created by Executive Order B 2015-008 is not related to HIMS. OeHI is appropriated in HCPF so that the program can receive federal matching funds. However, it is staff's understanding that the program is managed by staff in the Lieutenant Governor's Office. The OeHI appropriation is \$8.7 million total funds, including \$2.4 million General Fund in FY 2025-26.

The Committee approved an appropriation of \$35,000 General Fund for HIMS in FY 2026-27, which reflects a reduction of \$90,000 General Fund and \$21,611 reappropriated funds from the prior year's appropriation. The reduction was based on recent reversions.

The Department indicates that the line has existed since 1995 and was implemented in response to a federal Medicare requirement. The line was first used for patient accounting in the two state mental health hospitals. The system now also supports the Regional Centers and Youth Services facilities, and is expected to begin supporting the Mental Health Transitional Living Homes in FY 2026-27.

The Department indicates that elimination of the appropriation can be absorbed within other resources. Staff therefore recommends elimination of the line item for an additional \$35,000 of General Fund savings.

211

The Committee approved an appropriation of \$1.5 million General Fund for 211 grants in FY 2026-27, which reflects a reduction of \$60,000 General Fund from the prior year's appropriation. The reduction was based on recent reversions. The Committee initiated an increase of \$500,000 General Fund for the line in FY 2024-25.

The Committee asked for additional information on whether 211 receives funding outside of the State General Fund appropriation, the number of people served by 211, and the impact of further reductions. 211 indicates that they received the following contacts in 2025:

- 167,266 calls
- 9,849 texts
- 7,508 chats
- 1,808 in-person visits

211 receives 20.0 percent of it's annual funding from the State. 211 indicates that additional funding is from private donations that are declining. 211 can connect callers with 2,625 different federal, state, local, and non-

profit and commercial entities. The top referred services are housing, utility assistance, food, income assistance, and clothing or other personal/household needs.

211 operates four contact centers located at Mile High United Way in Denver, Pikes Peak United Way in Colorado Springs, Senior Resource Development Agency in Pueblo, and Hilltop Community Resources in Grand Junction. The centers also connect individuals to local resources in emergencies, including floods, fires, and extreme cold.

211 estimates that elimination of the General Fund appropriation could force the closure of two call centers. The Department indicates that eliminating funding would significantly impact statewide contact centers and operations, which provide essential, expert resource referrals.

The program and appropriation originate from [H.B. 22-1315 \(Colorado 211 Collaborative Funding\)](#). The bill included statutory language stating “For the 2021-22 fiscal year and each fiscal year thereafter, the General Assembly shall annually appropriate one million dollars from the General Fund to the Department for the issuance of annual grants to the Colorado 2-1-1 collaborative...”.¹

Similar statutory language has been included for several Department programs. Staff has interpreted this language in other divisions to be a minimum and maximum allowable appropriation. Meaning that legislation would be required to appropriate more than the amount specified in statute. However, this interpretation may not be historically consistent across staff, and requires staff to be aware of the statutory limitation.

Bill sponsors should be aware that this language may have the effect of limiting the amount that can be appropriated for programs on an ongoing basis. Staff generally recommends against statutory requirements for appropriations. However, if the intent of a bill sponsor is to create a statutory minimum and not a maximum, the statutory language should more clearly indicate that the General Assembly shall appropriate “at least” the identified amount.

Staff recommends reducing the appropriation to the statutorily required minimum of \$1.0 million to align with the statutorily required appropriation for the program. JBC Staff and OLLS Staff agree that legislation may be recommended to appropriate more than this amount, and legislation would be required to reduce the appropriation below \$1.0 million.

Informational Update: Proposition KK Revenue

There are two programs in the Behavioral Health Administration (BHA) that receive revenue from firearm excise taxes that originate from Proposition KK. If Proposition KK revenue is sufficient, \$30.0 million is first distributed to the Victim Services Fund in the Division of Criminal Justice, then \$5.0 million is distributed to the BHA for the Veterans Mental Health Services Program managed by the Department of Military and Veterans Affairs, then \$3.0 million is distributed to the BHA for crisis services, and finally \$1.0 million is distributed to Public Safety for the School Security Disbursement Program.

After the figure setting presentation, staff learned that the most recent forecast for Proposition KK revenue is \$15.4 million for FY 2025-26 and \$23.4 million for FY 2026-27. Therefore, staff assumes that no revenue will be distributed to behavioral health programs. Staff does not recommend any changes related to this informational

¹ Section 29-11-203 (4)(a), C.R.S.

update. However, the Committee, General Assembly, and Departments should not expect any spending for these programs in the current or budget year.

The amount distributed to DCJ increases by inflation each year. Therefore, revenues would have to increase at a rate greater than inflation for any revenue to be distributed to behavioral health programs.