



Joint Budget Committee

Staff Budget Briefing FY 2026-27

**Department of Human Services
Behavioral Health Administration**

Prepared by:
Emily Pope, JBC Staff
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Joint Budget Committee Staff

200 E. 14th Avenue, 3rd Floor

Denver, Colorado 80203

Telephone: (303) 866-2061

leg.colorado.gov/agencies/joint-budget-committee

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Additional Resources

To find the online version of the briefing document search the General Assembly’s website for [budget documents](https://leg.colorado.gov/content/budget/budget-documents) (leg.colorado.gov/content/budget/budget-documents).

Overview of the Behavioral Health Administration

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 Behavioral Health Administration (BHA). The BHA is a division within the Department of Human Services, but is led by a commissioner who is independent from the Department's Executive Director.

The Behavioral Health Administration (BHA) is responsible for the oversight of the state's public behavioral health system.¹ Funding primarily supports community-based prevention, treatment, and recovery services for people with mental health and substance use disorders. This includes services for people who are not eligible for Medicaid, as well as services for Medicaid clients that are not covered by Medicaid.

Prior to 2022, all behavioral health programs in the Department were under the Office of Behavioral Health (OBH). [House Bill 22-1278 \(Behavioral Health Administration\)](#) created the BHA and transferred community-based programs from OBH to the BHA. OBH was renamed to the Office of Civil and Forensic Mental Health, and operates two state mental health hospitals.

Recent Appropriations

Behavioral Health Administration

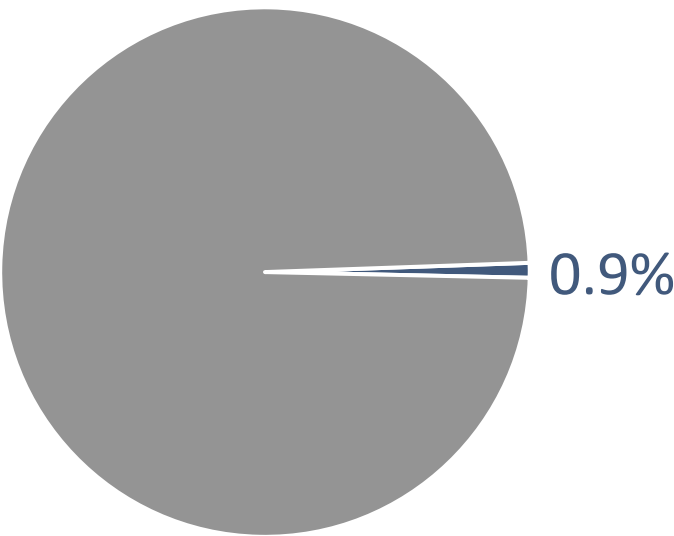
Funding Source	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27 [1]
General Fund	\$148,549,237	\$155,694,672	\$149,444,489	\$143,218,199
Cash Funds	67,665,643	72,130,716	80,145,624	79,147,429
Reappropriated Funds	10,586,008	12,419,098	10,122,721	10,141,248
Federal Funds	43,090,835	48,205,336	69,163,654	69,197,228
Total Funds	\$269,891,723	\$288,449,822	\$308,876,488	\$301,704,104
Full Time Equivalent Staff	156.1	177.5	167.5	163.5

[1] Requested appropriation.

¹ Section 27-50-102 (3), C.R.S.

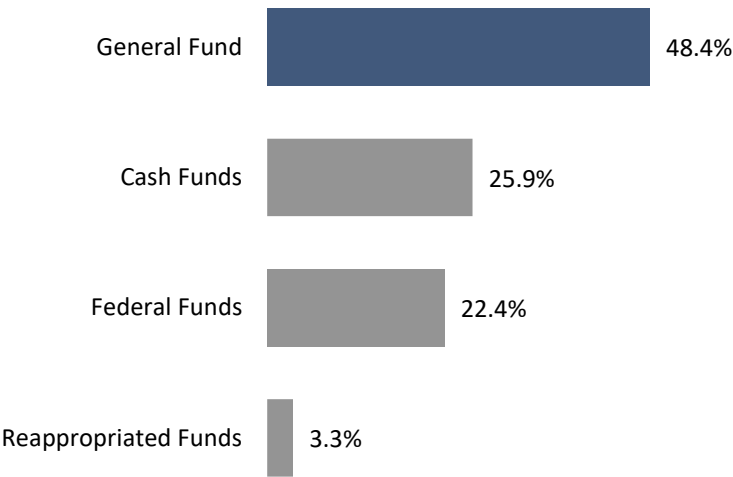
Graphic Overview

BHA's Share of Statewide General Fund



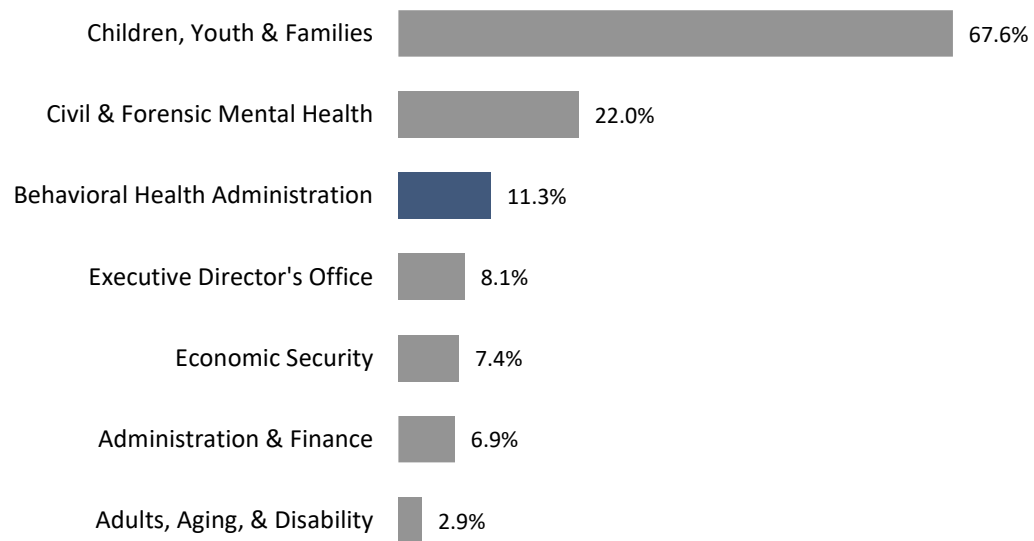
Based on the FY 2025-26 appropriation.

BHA Funding Sources



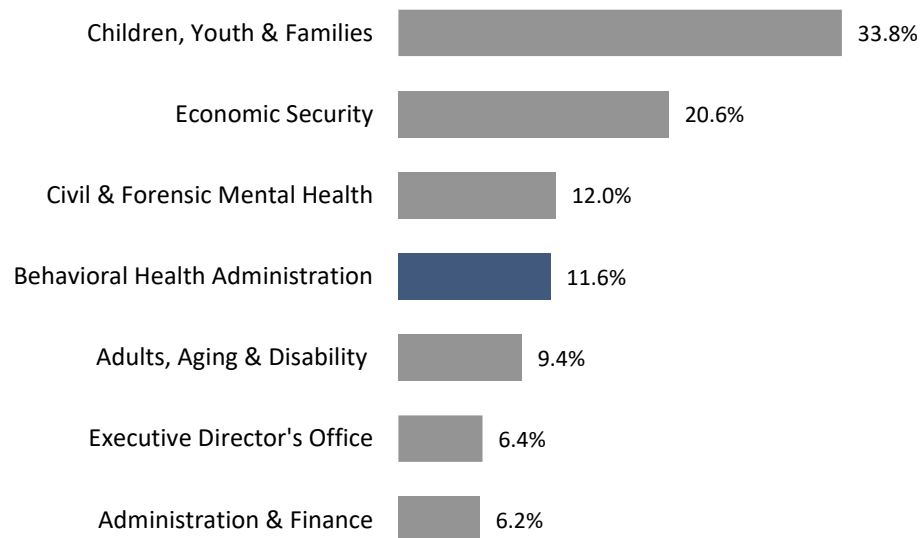
Based on the FY 2025-26 appropriation.

Distribution of General Fund by DHS Division



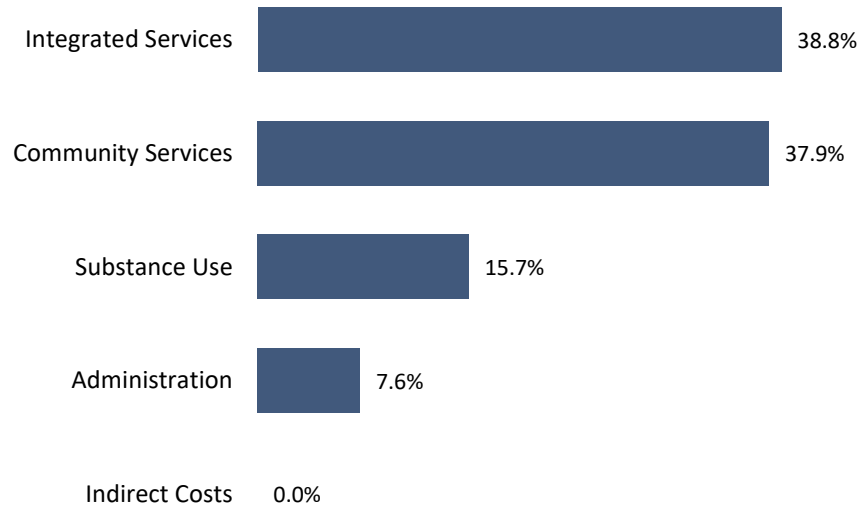
Based on the FY 2025-26 Appropriation

Distribution of Total Funds by DHS Division



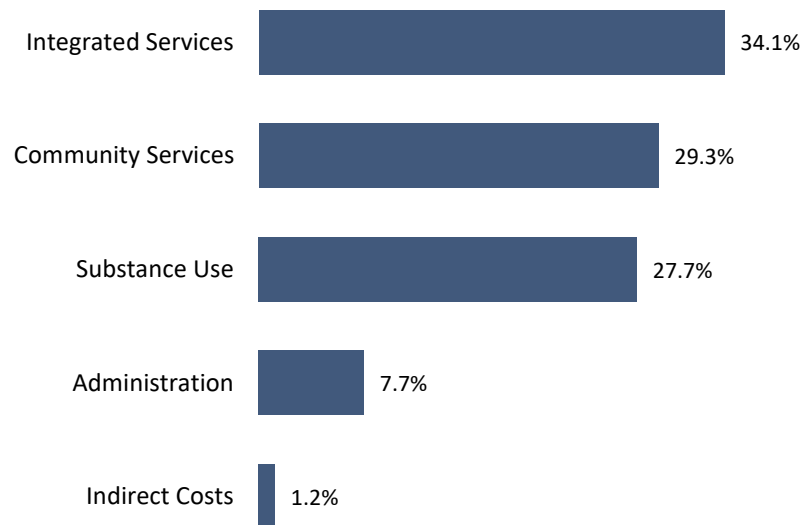
Based on the FY 2025-26 Appropriation

Distribution of General Fund by BHA Subdivision



Based on the FY 2025-26 Appropriation

Distribution of Total Funds by BHA Subdivision



Based on the FY 2025-26 Appropriation

Cash Funds Detail

Behavioral Health Administration

Fund Name	FY 2025-26 Approp.	Note	Primary Revenue Sources	Primary Uses in Dept.
Marijuana Tax Cash Fund	\$50,247,916		See Marijuana Tax Policy	MTCF supports a majority of BHA line items including administration, substance use, crisis, youth, and criminal justice services
988 Enterprise Cash Fund	16,448,202	[1][2]	Surcharge on all wireless and pre-paid phone lines	Supports the 988 crisis hotline, including consolidation with the Colorado Crisis Hotline
Behavioral and Mental Health Excise Tax CF	8,000,000		Firearm excise tax from Proposition KK	\$5.0 million for veteran's mental health and \$3.0 million for youth crisis services
Persistent Drunk Driver; Alcohol and Drug Driving Safety; Law Enforcement Assistance; Adolescent Substance Abuse Prevention; and Rural Alcohol and Substance Abuse Cash Funds	4,300,053		Fees and surcharges on drug and alcohol related convictions and court evaluations.	Administration and substance use prevention and treatment
Behavioral Health Licensing CF	420,977		Licensing fees for Behavioral Health Entities	Licensing administrative costs
Various cash funds	404,514		Unspecified cash funds	Administration and indirect costs
Cigarette, Tobacco Products, and Nicotine Product Use by Minors Prevention Fund	210,000		Fines on retailers for the illegal sale of tobacco products to minors	Administration and grants to prevent the use and purchase of tobacco products by minors
Correctional Treatment CF	77,963		Court surcharges on drug offenses, and GF appropriations	Fentanyl education and study from H.B. 22-1326 (Fentanyl Accountability)
Addiction Counselor Training Fund	16,488		Addiction counselor training fees	Addiction counselor training administration
Controlled Substances Program Fund	14,711		Licensing fees for substance use treatment programs	Licensing administration for substance use treatment programs
Peer Support Professional Workforce Cash Fund	4,800		Fees for Recovery Support Services Organizations	Administration of recovery support certification.
Total	\$80,145,624			

[1] Not appropriated by the General Assembly. Amounts shown in Long Bill are for informational purposes only.

[2] TABOR exempt.

General Factors Driving the Budget

The Behavioral Health Administration (BHA) is responsible for the oversight of the state’s public behavioral health system. Behavioral health refers to services for mental health and substance use treatment. Funding for the BHA primarily supports community-based treatment and recovery services for people who are uninsured, or underinsured. This includes services for people who are not eligible for Medicaid, as well as services for Medicaid clients that are not covered by Medicaid.

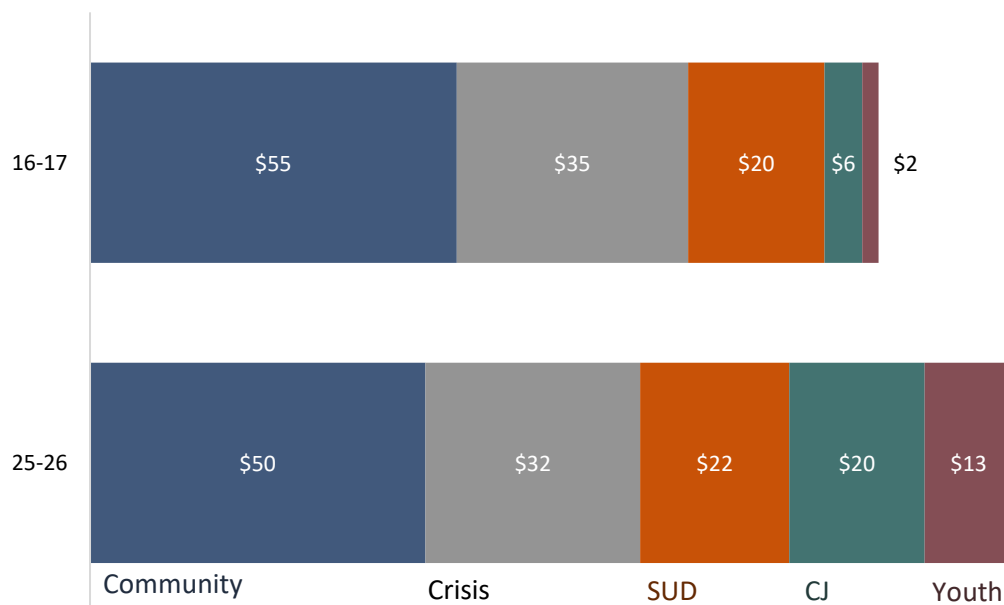
Unlike the Medicaid program, funding for behavioral health services provided through the Department of Human Services are not an entitlement. Therefore, the number of individuals served and level of services provided is largely driven by the amount of General Fund appropriated.

The BHA contracts with Behavioral Health Administrative Service Organizations (BHASOs) to coordinate regional access to care. There are four BHASO regions to align with Medicaid Regional Accountability Entities (RAEs). Three regions are currently managed by Signal, while the Western Slope region is managed by Rocky Mountain Health Plans. BHASOs subcontract with community providers for direct services.

The current Long Bill structure of the BHA does not describe what funding streams and services are managed by BHASOs. The budget structure more closely aligns with the historic structure of the Office of Behavioral Health, which grouped funding by contracts with Community Mental Health Centers for community-based services, contracts with Managed Service Organizations for substance use services, and contracts with Administrative Service Organizations for crisis services.

Inflation adjusted General Fund appropriations for community and crisis services have decreased over the last ten fiscal years. Funding for substance-use, criminal justice, and youth programs have increased in the same time frame. Community services primarily consist of historic funding for Community Mental Health Centers.

Inflation adjusted General Fund appropriations for community and crisis services have decreased over the last ten fiscal years, while substance use, criminal justice, and youth programs have increased (amounts in millions).



Summary of Request

Behavioral Health Administration

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 2025-26 Appropriation						
SB 25-206 (Long Bill)	\$311,874,172	\$155,938,795	\$76,649,002	\$10,122,721	\$69,163,654	170.5
Other legislation	-2,997,684	-6,494,306	3,496,622	0	0	-3.0
Total	\$308,876,488	\$149,444,489	\$80,145,624	\$10,122,721	\$69,163,654	167.5
FY 2026-27 Requested Appropriation						
FY 2025-26 Appropriation	\$308,876,488	\$149,444,489	\$80,145,624	\$10,122,721	\$69,163,654	167.5
R1 Reduce admin	-551,200	-551,200	0	0	0	-4.0
R2 Repeal safety net assist	-500,000	-500,000	0	0	0	0.0
R3 Reduce substance treatment	-3,000,000	-3,000,000	0	0	0	0.0
R4 Reduce care coordination	-250,000	-250,000	0	0	0	0.0
Statewide R6 Prior reduction options	-1,600,000	-1,600,000	0	0	0	0.0
Operating common policies	-446,119	0	-238,124	-7,098	-200,897	0.0
Prior year actions	-825,065	-325,090	-760,071	25,625	234,471	0.0
Total	\$301,704,104	\$143,218,199	\$79,147,429	\$10,141,248	\$69,197,228	163.5
Increase/-Decrease	-\$7,172,384	-\$6,226,290	-\$998,195	\$18,527	\$33,574	-4.0
Percentage Change	-2.3%	-4.2%	-1.2%	0.2%	0.0%	-2.4%

Changes are assumed to be ongoing unless otherwise noted.

R1 Reduce administration: The BHA asks to decrease funding for administrative costs that are duplicative of administrative requirements for BHASOs.

Year 1: The reduction is \$551,200 General Fund and 4.0 FTE.

The request eliminates four positions in the BHA to address duplication with BHASO requirements. The positions include one contract administrator, two care coordinators, and one engagement specialist. The reduction also includes an operating decrease of \$124,886 related to IT start-up costs for setting up the BHASO system that are no longer needed.

The request indicates that the BHASOs have low admin rates expected to absorb some functions previously located within the BHA. Workload for the BHA is expected to decrease with BHASO implementation because contracts and care coordination are streamlined under the BHASO structure. No service impacts are anticipated from the reduction.

R2 Repeal safety net assistance [legislation]: The BHA asks for legislation to eliminate a statutorily required contract to provide technical assistance for safety net applications.

Year 1: The reduction is \$500,000 General Fund.

[House Bill 24-1045 \(SUD Treatment\)](#) required the BHA to contract with a third-party to provide technical assistance for safety net provider applications. The BHA worked with the Department of Health Care Policy and Financing to identify potential application barriers. The BHA contracted to support withdrawal management providers as an area of specialized need.

The request requires legislation to eliminate the contract requirement. The BHA is still required to provide technical assistance, and materials produced under the contract will remain available to applicants.

R3 Reduce substance treatment [legislation]: The BHA asks to eliminate the Building SUD Treatment Capacity Grant Program.

Year 1: The reduction is \$3.0 million General Fund.

[House Bill 19-1287 \(Opioid and SUD Treatment\)](#) created the grant. The bill included \$5.0 million Marijuana Tax Cash Fund (MTCF) annually for the grant for five years. [Senate Bill 21-137 \(Behavioral Health Recovery Act\)](#) made the grant ongoing. Funding for the grant was reduced by \$2.0 million MTCF for budget balancing last year. The BHA has indicated that this is a promising request.

The request notes a few concerns with the existing grant program, including:

- Funds are distributed at the time of the award rather than on a reimbursement basis, creating risk to the state.
- BHASOs are required to return unspent funds to the state at the end of two years, creating risk and difficult accounting for the BHASOs.
- Awards are one-time capacity building grants that must be spent in two years. Awardees struggle to spend the full amount in the time provided due to workforce shortages or construction delays, particularly in rural areas.
- Awards are made by a board that the BHA struggles to fill because eligible members prefer to work on similar grants with larger awards.

The request uses the \$3.0 million MTCF to refinance \$3.0 million General Fund for general substance use disorder (SUD) treatment. The BHA indicates that the purpose of the request is to maintain the most effective and flexible funding streams for direct treatment by identifying and reducing less effective programs. The request components are detailed in the table below.

R3 Detail

Item	Total Funds	General Fund	Marijuana Tax Cash Fund
Repeal 19-1287 SUD grant	-\$3,000,000	\$0	-\$3,000,000
Refinance general SUD treatment	0	-3,000,000	3,000,000
Total	-\$3,000,000	-\$3,000,000	\$0

R4 Reduce care coordination: The BHA asks to reduce funding for the Care Coordination for Certified Individuals program.

Year 1: The reduction is \$250,000 General Fund.

[House Bill 22-1256 \(Modifications to Civil Involuntary Commitment\)](#) required the BHA to provide or contract for care coordination services to certified individuals. Certification is a civil court order for involuntary mental health treatment. The BHA has contracted with Rocky Mountain Human Services, but the caseload is lower than the fiscal note estimated. The program was expected to serve 220 individuals annually, but only served 188 in FY 2024-25.

The request is a budget balancing reduction based on a reversion in the first full year of the program. The reduction is expected to align the appropriation with actual caseload and is not expected to impact access to services.

Statewide R6 Prior reduction options [legislation]: The Executive Branch asks for additional decreases as part of a statewide request.

Year 1: The reduction is \$1.6 million General Fund.

For the BHA, Statewide R6 includes legislation to repeal the Recovery Support Grant. The grant was created by S.B. 21-137 (Behavioral Health Recovery Act). Repeal of the grant was proposed during the staff briefing last year, but was not recommended during figure setting.

The grant supports programs that provide community for people in substance use recovery. This may include grants to non-profits that host sober events or sober community spaces. The BHA indicates that while community is essential to recovery when it is done in partnership with clinical treatment, preserving funding for clinical treatment is a higher priority for budget balancing. The reduction will impact access to recovery services.

Operating common policies: The request includes a net decrease of \$446,119 total funds for departmental indirect cost adjustments.

Prior year actions: The request includes a net decrease of \$825,065 total funds for the impact of prior year budget decisions and legislation.

Prior year actions

Item	Total Funds	General Fund	Cash Funds	Reapprop. Funds	Federal Funds	FTE
FY 25-26 Salary survey	\$552,939	\$196,876	\$155,043	\$17,304	\$183,716	0.0
FY 25-26 Step plan	167,848	20,153	88,619	8,321	50,755	0.0
SB 25-238 Repeal school BH screens	22,011	22,011	0	0	0	0.0
FY 25-26 BHA admin reduction	0	1,000,000	-1,000,000	0	0	0.0
HB 22-1238 Youth mental health	-1,250,000	-1,250,000	0	0	0	0.0
SB 24-117 Eating disorder treatment	-314,130	-314,130	0	0	0	0.0
FY 25-26 Behav health licensing	-3,733	0	-3,733	0	0	0.0
Total	-\$825,065	-\$325,090	-\$760,071	\$25,625	\$234,471	0.0

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.

Summary

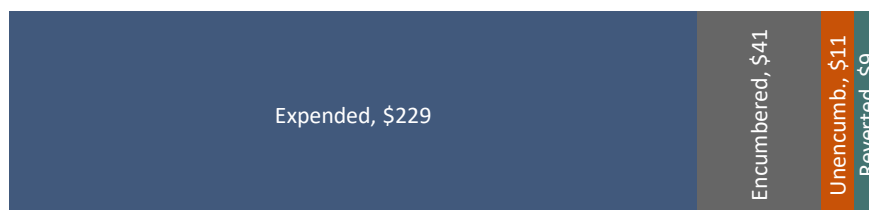
- Executive Branch reports indicate that 96.1 percent of BHA ARPA funds are expended or encumbered as of September 2025.
- A total of \$10.9 million remains unencumbered.
- Any funds that are not expended by December 2026 revert to the General Fund.

Discussion

A total of \$298.3 million ARPA funds were appropriated to the BHA from 10 bills enacted from the 2021 and 2022 legislative sessions. Of that amount, \$8.6 million has reverted because the spending authority ended or the original appropriation was reduced through separate legislation.

The most recent expenditure reports from the Executive Branch reflect expenditures through September 2025. The reports show total expenditures of \$229.0 million, which reflects 81.5 percent of current ARPA appropriations to the BHA. This is an increase from 59.3 percent last presented to the Committee in March.

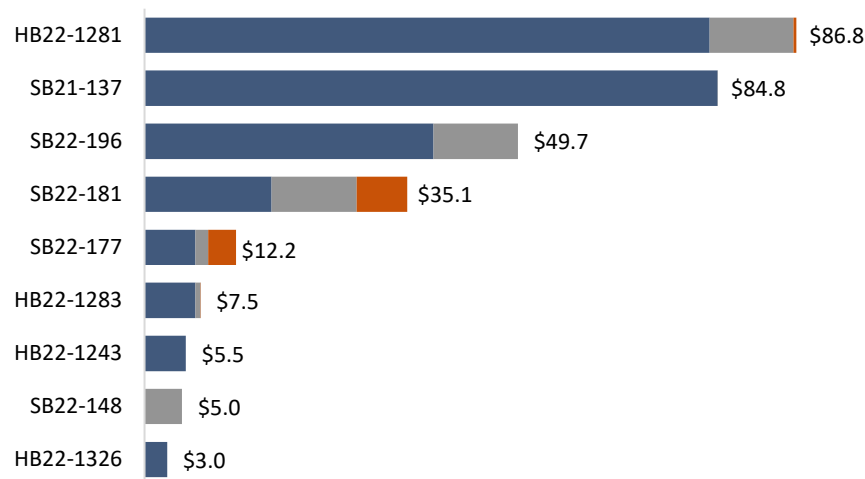
91.6 percent of current BHA ARPA appropriations were expended or encumbered by September 2025 (amounts in millions).



The BHA indicates that unencumbered amounts align with the planned spending timelines for the programs. Primarily, these include capital IT projects and grants that are paid in increments. Staff expects to continue partnering with the BHA to determine if any under-expenditures can be transferred to the General Fund. At this time, any reductions are expected to prevent projects from being completed after millions of dollars of expenditures and multiple years of investment.

Additional information is provided by bill in the following sections. Staff does not intend to discuss each bill during the briefing unless there are Committee questions.

BHA expenditures, encumbrances, and unencumbrances by bill.



BHA ARPA Appropriations and Expenditures by Bill

Bill	Current Allocation	Orig. Appropriation	Reverted	Expended	Encumbered	Unencumbered
HB22-1281	\$86,854,946	\$90,000,000	\$57,024	\$75,229,651	\$11,166,447	\$401,824
SB21-137	84,750,000	84,750,000	8,421,541	76,319,352	9,108	0
SB22-196	49,700,000	50,700,000	0	38,458,189	11,241,811	0
SB22-181	35,087,650	36,806,984	102,750	16,901,319	11,331,618	6,751,963
SB22-177	12,200,000	12,200,000	20,689	6,764,972	1,699,855	3,714,485
HB22-1283	7,500,000	7,500,000	0	6,776,996	671,710	51,294
HB22-1243	5,545,370	6,000,000	37,716	5,507,654	0	0
SB22-148	5,000,000	5,000,000	0	0	5,000,000	0
HB22-1326	3,000,000	3,000,000	0	3,000,000	0	0
Total	\$289,637,966	\$295,956,984	\$8,639,719	\$228,958,132	\$41,120,548	\$10,919,566

House Bill 22-1281 (Behavioral Health Continuum Gap Grant): The bill originally appropriated \$90.0 million to the BHA for three grant programs. Programs included community investment grants, children and youth grants, and substance use workforce grants. House Bill 24-1176 appropriated an additional \$4.0 million and added capital projects to the allowable uses.

H.B. 22-1281 Expenditures by Project

Project	Allocation	Reverted	Expended	Encumbered	Unencumb.
Children Youth and Family Grants	\$39,757,485	\$0	\$32,621,665	\$6,749,980	\$385,839
Community Investment Grants	34,049,300	0	31,368,599	2,680,701	0
Substance Use Workforce Stability Grant	13,048,161	57,024	11,239,387	1,735,765	15,984
Total	\$86,854,946	\$57,024	\$75,229,651	\$11,166,447	\$401,824

Senate Bill 21-137 (Behavioral Health Recovery Act): The bill appropriated ongoing General Fund and one-time ARPA funds to multiple departments. BHA ARPA amounts included \$84.8 million for multiple programs detailed in the table below.

S.B. 21-137 Expenditures by BHA ARPA Project

Project	Allocation	Reverted	Expended	Encumbered	Unencumb.
Statewide Care Coordination Infrastructure	\$26,000,000	\$1,021,509	\$24,978,491	\$0	\$0
Behavioral Health Workforce Development Program	15,369,720	62,493	15,307,227	0	0
Managed Service Organization: Substance Abuse	10,000,000	0	10,000,000	0	0
County-Based Behavioral Grant Program	8,002,155	1,741,511	6,260,644	0	0
Jail Based Behavioral Health Services	5,000,000	299,986	4,700,014	0	0
Crisis System for Colorado Residents	5,000,000	2,591,674	2,408,326	0	0
CMHC- COVID 19 Mental Health and PPE	3,250,000	1,176,995	2,073,005	0	0
High-Risk Families Cash Fund	3,000,000	13,152	2,977,740	9,108	0
Workforce Development Program: Capacity Grants	2,630,280	152,361	2,477,919	0	0
CMHC- School Aged Children	2,000,000	131,843	1,868,157	0	0
Youth Substance Use Treatment	1,000,000	710,548	289,452	0	0
Youth Mental Health Treatment	1,000,000	362,170	637,830	0	0
Mental Health Awareness Campaign	1,000,000	0	1,000,000	0	0
San Miguel County-Based Behavioral Grant Program	997,845	151,408	846,437	0	0
Community Transition Services for Guardianship	500,000	5,891	494,109	0	0
Total	\$84,750,000	\$8,421,541	\$76,319,352	\$9,108	\$0

Senate Bill 22-196 (Health Needs of Persons in Criminal Justice): The bill appropriated \$61.4 million to six departments, including \$50.7 million to the BHA. BHA funding created the Early Intervention, Deflection, and Redirection from the Criminal Justice System Grant Program. The program can support pre-arrest diversion, post-arrest treatment, and capital projects.

S.B. 22-196 Expenditures by Program and Agency

Agency	Project	Allocation	Reverted	Expended	Encumbered	Unencumb.
BHA	Criminal Justice Intervention Detection & Redirection Grant Program	\$49,700,000	\$0	\$38,458,189	\$11,241,811	\$0
JUD	Pretrial Adult Diversion Program	4,000,000	0	3,778,937	0	221,063
CDPS	Criminal Justice Information System (CICJIS) Linking Project	3,500,000	0	871,369	2,526,128	102,504
DOC	Medication Assisted Treatment in Prisons	3,000,000	554,927	2,445,073	0	0
Total		\$60,200,000	\$554,927	\$45,553,568	\$13,767,939	\$323,566

Senate Bill 22-181 (Behavioral Healthcare Workforce): The bill appropriated \$72.0 million to multiple departments to develop the behavioral health workforce. Of that amount, \$36.8 million was appropriated to the BHA.

S.B. 22-181 Expenditures by Program and Agency

Agency	Project	Allocation	Reverted	Expended	Encumbered	Unencumb.
CDPHE	Mental Health Service Corps and Scholarships for Addiction Counselors	\$20,000,000	\$0	\$19,986,150	\$0	\$13,851
BHA	Workforce Expansion	17,526,654	4,133	7,764,505	5,226,746	4,531,270
CDHE	Behavioral Health Workforce Credential Pathways	15,193,018	0	6,161,031	897	9,031,089
BHA	Peer Support Professionals	5,928,337	0	3,770,522	2,110,288	47,527
BHA	Learning Academy	4,856,674	0	1,444,747	2,635,290	776,637
BHA	Innovative Recruitment & Retention Grants	4,760,000	98,617	3,099,064	1,359,294	203,026
BHA	Behavioral Health Aide Program	2,015,985	0	822,481	0	1,193,504
Total		\$70,280,668	\$102,750	\$43,048,500	\$11,332,515	\$15,796,903

[Senate Bill 22-177 \(Investments in Care Coordination Infrastructure\)](#): The bill appropriated \$12.2 million for the BHA to work with the Department of Health Care Policy and Financing to develop a cloud-based care coordination system. Spending has lagged because the BHA prioritized spending down funding from S.B. 21-137, which was appropriated first and had earlier spending timeline requirements.

Senate Bill 22-177 Expenditures by Program

Project	Allocation	Reverted	Expended	Encumbered	Unencumb.
Care coordination infrastructure	\$12,200,000	\$20,689	\$6,764,972	\$1,699,855	\$3,714,485
Total	\$12,200,000	\$20,689	\$6,764,972	\$1,699,855	\$3,714,485

[House Bill 22-1243 \(School Security and Behavioral Health Services Funding\)](#): The bill appropriated \$6.0 million for the IMatter program. The program provides six free therapy sessions to school-aged youth. The program was continued with ongoing General Fund by [S.B. 24-001 \(Continue Youth Mental Health Services Program\)](#). The allocation is fully expended.

[Senate Bill 22-148 \(Colorado Land Based Tribe Behavioral Health Services Grant Program\)](#): The bill appropriated \$5.0 million to support capital expenditures for the renovation or building of a behavioral health facility. A grant awards have been made to the Southern Ute and Mountain Ute tribes.

Executive Branch reports indicate that there are no expenditures, but the \$5.0 million appropriation is fully encumbered. The BHA indicates that spending has lagged due to construction delays and leadership transitions at the tribes, but expects that the appropriation will be fully expended within required timelines.

[House Bill 22-1326 \(Fentanyl Accountability and Prevention\)](#): The bill included ongoing General Fund appropriations and one-time ARPA appropriations to multiple departments. BHA ARPA amounts included \$3.0 million for jail-based health services. The \$3.0 million appropriation is fully expended.

[House Bill 22-1283 \(Youth and Family Behavioral Health Care\)](#): The bill appropriated \$54.7 million to the Department of Human Services, including \$7.5 million to the BHA. The BHA amounts included \$5.0 million for residential youth substance use treatment, and \$2.5 million was for youth crisis treatment.

House Bill 22-1283 Expenditures by Program and Agency

Agency	Project	Allocation	Reverted	Expended	Encumbered	Unencumb.
CDHS	Neuro-psych Facility at Fort Logan	\$30,668,119	\$0	\$1,253,639	\$28,982,847	\$431,633
BHA	Youth Residential Substance Use Treatment	5,000,000	0	4,276,996	671,710	51,294
CDHS	Neuro-psych Facility at Fort Logan	4,871,807	0	3,799,591	1,072,216	0
CDHS	In-Home and Residential Respite Care Services for Foster Care Children and Youth	3,828,023	0	3,828,023	0	0
BHA	Crisis System for Colorado Residents	2,500,000	0	2,500,000	0	0
Total		\$46,867,949	\$0	\$15,658,249	\$30,726,773	\$482,927

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.² This issue brief reviews these proposals and additional options identified by staff.

Summary

The Behavioral Health Administration represents 0.9 percent of total state General Fund appropriations in FY 2025-26. The Executive budget request includes proposed reductions of \$5.9 million, representing 3.9 percent of the General Fund appropriations in this section of the budget. Operating common policies and prior year actions add additional reductions, so that the BHA's total General Fund is requested to decrease by 4.2 percent.

Discussion

Funding History FY 2018-19 to FY 2025-26

The Behavioral Health Administration represents 0.9 percent of total state General Fund appropriations in FY 2025-26. As reflected in the table below, General Fund in this section of the budget has increased by 21.3 percent since FY 2018-19 after adjusting for inflation. This is more than the statewide increase of 13.6 percent over the same period.³

FY 2018-19 to FY 2025-26 Appropriations Comparison - Adjusted for Inflation

Fund	FY 2018-19 Nominal	FY 2018-19 Adjusted	FY 2025-26	\$ Change from FY 2018-19 Adjusted	% Change from FY 2018-19 Adjusted
General Fund	\$94,649,199	\$123,173,492	\$149,444,489	\$26,270,997	21.3%
Total Funds	\$165,364,784	\$215,200,531	\$308,876,488	\$93,675,957	43.5%

The BHA was created in 2022 and did not exist in FY 2018-19. The FY 2018-19 appropriation consists of funding from the Office of Behavioral Health in the Department of Human Services that was transferred to the BHA when it was created. A summary of General Fund appropriations by DHS division is provided in the table below.

General Fund Appropriations Comparison by Division – Adjusted for Inflation

Fund	FY 2018-19 Nominal	FY 2018-19 Adjusted	FY 2025-26	\$ Change from FY 2018-19 Adjusted	% Change from FY 2018-19 Adjusted
Executive Directors Office	\$74,569,122	\$97,041,911	\$107,016,899	\$9,974,988	10.3%
Administration & Finance	48,337,977	62,905,523	91,402,658	28,497,135	45.3%
Children, Youth & Families	415,785,304	541,089,922	546,293,133	5,203,211	1.0%
Economic Security	73,276,890	95,360,241	98,196,190	2,835,949	3.0%

² Current FY 2025-26 appropriations do not include mid-year reductions in executive orders.

³ Fiscal year 2018-19 appropriations are adjusted for inflation, calculated based on the Legislative Council Staff September 2025 forecast, which reflects an increase in the Denver-Aurora-Lakewood consumer price index of 30.1 percent between FY 2018-19 and FY 2025-26.

Fund	FY 2018-19 Nominal	FY 2018-19 Adjusted	FY 2025-26	\$ Change from FY 2018-19 Adjusted	% Change from FY 2018-19 Adjusted
Behavioral Health Administration	94,649,199	123,173,492	149,444,489	26,270,997	21.3%
Civil & Forensic Mental Health	142,570,803	185,537,160	291,319,253	105,782,093	57.0%
Adults, Aging, and Disability	33,161,954	43,155,924	38,968,989	-4,186,935	-9.7%
Total	\$882,351,249	\$1,148,264,173	\$1,322,641,611	\$174,377,438	15.2%

[1] The Division of Early Childhood is removed from FY 2018-19 appropriations for a more direct comparison to FY 2025-26 appropriations.

The following table provides the FY 2026-27 requested General Fund impact of recent significant legislation for the BHA.

FY 2026-27 General Fund Impact of Recent Significant Legislation

Bill	FY 2026-27 [1]	Description
HB 24-1038 High acuity youth	\$5,901,200	Room & board for Medicaid eligible youth.
SB 24-001 IMatter	5,002,872	Intended to provide 6 free therapy sessions to school-aged youth.
SB 21-137 SUD housing	4,002,512	Supports housing assistance for individuals with SUD.
HB 22-1278 BHA Admin	2,072,045	Administration increase associated with the creation of the BHA.
SB 21-137 Care coordination	1,751,331	Originates from several bills and a budget request that tasked the BHA with developing comprehensive care coordination infrastructure.
HB 22-1256 Civil care coord	1,150,000	Supports a contract for civil commitment care coordination. Request to reduce.
HB 24-1045 SUD Treatment	820,686	Includes contingency management grant, facility data management, and provider technical support. Request to reduce.
SB 21-137 Workforce learning	773,935	Ongoing maintenance of IT system created with ARPA funds.
SB 21-137 Recovery certification	200,000	Supports a contract for certification of recovery residences.
SB 21-137 BH vouchers	50,000	Supports a contract for rural behavioral health services.
Total	\$21,724,581	

[1] Reflects requested amounts.

Prior Year Reductions

The Committee and General Assembly approved \$2.8 million in General Fund reductions for the BHA in the FY 2025-26 Long Bill, including:

- \$1.0 million for a 7.0 percent administrative reduction.
- \$1.0 million one-time General Fund administration refinance with cash funds with excess reserves.
- \$600,000 for a caseload reduction for the Child and Youth Mental Health Treatment Act.
- \$200,000 for substance use treatment and detoxification programs.

The Committee also sponsored separate legislation for \$6.4 million in General Fund savings as part of the budget package, including:

- S.B. 25-236 (988 Enterprise): \$3.6 million General Fund reduction, enacted.
- S.B. 25-237 (Repeal Behavioral Health Vouchers): \$50,000 General Fund reduction, lost in the House.
- S.B. 25-238 (Repeal School Mental Health Screenings): \$2.8 million General Fund reduction, enacted.

Budget Requests for General Fund Relief

For this section of the budget, the budget request includes proposals for General Fund relief totaling \$5.9 million, representing 3.9 percent of the General Fund appropriations. Operating common policies and prior year

actions add additional reductions, so that the BHA's total General Fund is requested to decrease by 4.2 percent. The proposals for General Fund relief are summarized in the table below. Some of the proposals require statutory change.

Budget Requests for General Fund Relief

Option	General Fund	Other Funds	Bill? Y/N	Description
Revenue Enhancements				
None.	\$0	\$0	NA	NA
Subtotal - Revenue	\$0	\$0		
Expenditure Reductions				
R1 Reduce admin	-\$551,200	\$0	N	Eliminates 4.0 FTE in the BHA expected to duplicate BHASO services. No service impact.
R2 Repeal safety net assist	-500,000	0	Y	Repeals requirement to contract with a third party for provide technical support for safety net applications. No direct service impact.
R3 Reduce substance treatment	-3,000,000	0	Y	Repeals the Building SUD Treatment Capacity Grant from 19-1287. Service impact.
R4 Reduce care coordination	-250,000	0	N	Caseload reduction for care coordination for certified individuals. No service impact.
SR6 Repeal Recovery Support Grant	-1,600,000	0	Y	Repeal Recovery Support Services Grant from SB 21-137 that supports community support for SUD recovery. Service impact.
Subtotal - Expenditures	-\$5,901,200	\$0		
Net General Fund Relief	\$5,901,200			

Additional Options for JBC Consideration

The table below summarizes options identified by the JBC staff that the Committee could consider in addition to or instead of the options presented in the budget request.

A General Fund reduction of 5.0 percent to the sections of the budget covered in this briefing would require a reduction of \$7.5 million.

Additional Options for General Fund Relief

Option	General Fund	Other Funds	Bill? Y/N	Description
Revenue Enhancements				
ARPA Reversions	\$0	\$0	Y	\$10.9 million that originated as ARPA remains unencumbered. Funds are obligated, and any reduction is expected to prevent reimbursement to grant awardees at this time.
Subtotal - Revenue	\$0	\$0		
Expenditure Reductions				

Option	General Fund	Other Funds	Bill? Y/N	Description
One-time admin cash refinance	-\$500,000	\$500,000	N	Continue one-time refinance of GF for admin costs from various cash funds.
Repeal rural vouchers	-50,000	0	Y	Repeal rural BH vouchers from SB 21-137.
1% Jail-based reduction	-72,415	0	N	Base reduction for jail-based BH services.
1% community reduction	-300,640	0	N	Base reduction for community mental health safety net providers.
1% SUD reduction	-158,715	0	N	Base reduction for substance use treatment.
1% Community transition reduction	-79,459	0	N	Base reduction for support services to transition from hospitalization.
1% crisis reduction	-313,277	0	N	Base reduction for crisis services.
Reduce care coordination	-750,000	0	Y	50% reduction for BHA care coordination. Legislation may be preferred to reduce statutory responsibilities.
5% IMatter reduction	-250,000	0	N	IMatter provides 6 free therapy sessions to school-aged youth.
Repeal recovery certification	-200,000	0	Y	Repeal contracted recovery certification from SB 21-137.
6% Housing support reduction	-250,000	0	N	Reduce SUD housing grant from SB 21-137.
Repeal High acuity youth room & board	-5,929,104	0	Y	Eliminate room and board for high acuity youth from HB 23-1038.
Subtotal - Expenditures	-\$8,853,610	\$500,000		
Net General Fund Relief	\$8,853,610			

Revenue Enhancements

ARPA Reversions

Executive Branch reports indicate that \$10.9 million that originated as ARPA appropriations to the BHA were unencumbered by September 2025. These amounts are fully obligated and any reductions are anticipated to interrupt reimbursements to grant awardees.

However, staff anticipates that reversions may occur as grant programs end in 2026. Reversions will transfer to the General Fund in December 2026. Any reversions identified in the 2026 legislative session can be transferred to the General Fund through legislation for FY 2025-26.

Expenditure Reductions

One-time administrative refinance

Description: One-time refinance of \$500,000 General Fund with uncommitted cash fund reserves for administrative costs.

Health/Life/Safety Impact: None

Additional Background: The Committee and General Assembly approved a one-time \$1.0 million General Fund refinance with cash funds for BHA administrative costs in FY 2025-26. There were sufficient cash fund reserves

to support a one-time refinance, but revenues were not expected to be sufficient to support an ongoing refinance.

Cash fund reports project that the Persistent Drunk Driver Cash Fund will have an excess uncommitted reserve of \$1.0 million in FY 2026-27. Staff will partner with the BHA to determine if any amount of refinance can be supported by this or other cash funds.

Repeal Rural Vouchers

Description: Legislation to repeal the behavioral health voucher program created by S.B. 21-137 for \$50,000 General Fund savings.

Health/Life/Safety Impact: Moderate

Additional background: Senate Bill 21-137 required the BHA to contract with a non-profit to offer behavioral health services in rural communities. The non-profit develops training materials for providers for rural and agriculture cultural competencies and subcontracts with providers for services. At least sixty percent of the appropriation (\$30,000) must be used for direct services.

The JBC sponsored legislation to repeal the program during the 2025 legislative session, [S.B. 25-237 \(Repeal Behavioral Health Vouchers\)](#). The bill was lost on second reading in the House.

1% Reduction for Jail-based behavioral health services

Description: Reduces funding for jail-based behavioral health services by \$72,415 General Fund for a 1.0 percent reduction.

Health/Life/Safety Impact: Moderate

Additional background: [Senate Bill 18-250](#) established jail-based services in statute. Funding supports mental health screening and care for adult jail inmates who have substance use and co-occurring mental health disorders. Funding also supports transition services after release. The BHA contracts with sheriffs' departments who work with local providers to provide services within jails.

General Fund appropriations for the program have increased from \$1.4 million in FY 2018-19 to \$7.2 million in FY 2025-26. The program also receives \$9.0 million reappropriated funds from the Correctional Treatment Cash Fund subject to awards from the Correctional Treatment Board.

1% Mental health community programs reduction

Description: Reduces funding for mental health community programs by \$300,640 General Fund for a 1.0 percent reduction.

Health/Life/Safety Impact: Moderate

Additional Background: This line item historically supported contracts with Community Mental Health Centers (CMHCs), and is the second largest General Fund line item in the BHA. Funding supports general mental health services for safety net providers. General Fund appropriations have increased from \$27.0 million in FY 2018-19 to \$32.4 million in FY 2025-26. The line item also receives an estimated \$22.0 million federal funds.

1% Substance use treatment and detoxification reduction

Description: Reduces funding for substance use treatment by \$158,715 General Fund for a 1.0 percent reduction.

Health/Life/Safety Impact: Moderate

Additional Background: This line item historically supported contracts with Managed Service Organizations (MSOs) for substance use treatment. General Fund appropriations have increased from \$12.5 million in FY 2018-19 to \$15.9 million in FY 2025-26.

The program also receives \$5.5 million from the Marijuana Tax Cash Fund and an estimated \$30.0 million federal funds. The Marijuana Tax Cash Fund appropriation was reduced by \$2.0 million for budget balancing in FY 2025-26.

1% Community transition services reduction

Description: Reduces funding for support services for individuals transitioning from hospitalization to community by \$79,459 General Fund for a 1.0 percent reduction.

Health/Life/Safety Impact: High

Additional Background: [Senate Bill 18-270](#) established the statewide Community Transition Specialist Program. The program coordinates referrals of high-risk individuals from hospitals and withdrawal management to transition specialists. General Fund appropriations have increased from \$3.8 million in FY 2018-19 to \$7.9 million in FY 2025-26. General Fund is the only fund source for the program.

1% Crisis services reduction

Description: Reduces funding for mental health crisis programs by \$313,277 General Fund for a 1.0 percent reduction.

Health/Life/Safety Impact: High

Additional Background: This is the largest General Fund line item in the BHA, and supported historic contracts with Administrative Service Organizations (ASOs). Funding supports walk-in, mobile, residential, and respite services for individuals experiencing a mental health crisis. General Fund appropriations have increased from \$23.5 million in FY 2018-19 to \$31.3 million in FY 2025-26. The line item also receives \$4.3 million from the Marijuana Tax Cash Fund, \$3.0 million from Proposition KK firearm excise taxes, and an estimated \$1.1 million federal funds in FY 2025-26.

Reduce care coordination

Description: Reduces funding for BHA care coordination by \$750,000 General Fund for a 65.2 percent reduction from the request.

Health/Life/Safety Impact: High

Additional Background: Safety net providers, BHASOs, and the BHA have separate statutory care coordination responsibilities. The current appropriation for BHA care coordination is \$1.8 million General Fund. Of that amount, \$1.4 million originates from care coordination responsibilities for civil commitment from H.B. 22-1256.

The remaining \$351,331 is from a budget request that addressed care coordination requirements from S.B. 21-137, S.B. 22-177, and H.B. 22-1278.

The BHA has already submitted a request to reduce care coordination by \$250,000 as a caseload adjustment from H.B. 22-1256. The Committee could consider legislation to reduce care coordination responsibilities and/or consolidate care coordination responsibilities with the BHASOs rather than the BHA.

5% IMatter reduction

Description: Reduces funding for the IMatter program by \$250,000 General Fund for a 5.0 percent reduction.

Health/Life/Safety Impact: High

Additional Information: The IMatter program is intended to provide 6 free therapy sessions to school aged youth. The current appropriation is \$5.0 million General Fund. Funding for the program has decreased to align with caseload. The current appropriation is more at risk of over-expenditure than under-expenditure. Any reduction is expected to decrease access to services by limiting therapy sessions or creating waitlists.

The General Assembly could consider legislation to change the requirements of the program, including billing Medicaid or private insurance when applicable. Billing for services is expected to decrease utilization by increasing administrative burden and introducing parental consent.

Repeal Recovery Residence Certification

Description: Legislation to repeal the Recovery Certification Grant created by S.B. 21-137 for \$200,000 General Fund savings.

Health/Life/Safety Impact: High

Additional Information: Senate Bill 21-137 requires the BHA to contract with a third-party to certify recovery residences. There is no funding for the licensing or inspection of recovery residences in absence of this program. Eliminating funding is expected to reduce health and safety for people living in recovery residences.

6% Housing Support Grant reduction

Description: Reduces funding for the Housing Support Grant Program by \$250,000 General Fund for a 6.3 percent reduction.

Health/Life/Safety Impact: High

Additional Information: The Housing Support Grant Program was created by S.B. 21-137. Appropriations for the program include \$4.0 million General Fund in FY 2025-26. Funding supports temporary housing assistance for people with substance use disorders who are transitioning from incarceration or hospitalization. A reduction is expected to increase rates of homelessness.

Repeal high acuity youth room and board

Description: Legislation to repeal a requirement that the BHA pay for room and board for high acuity youth in residential placements for General Fund savings of \$5.9 million.

Health/Life/Safety Impact: High

Additional Information: House Bill 24-1038 (High Acuity Youth) required the BHA to pay for room and board for Medicaid youth in residential treatment. Medicaid does not pay for room and board. However, a county department of human services covers the cost of room and board for youth in their custody. Therefore, families would be faced with absolving custody of their children to afford the cost of care prior to H.B. 24-1038.

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.

Summary

- The BHA was created in 2022 as the result of a task force recommendation to create a single state agency to coordinate statewide behavioral health programs.
- Staff estimates that funding for behavioral health programs statewide is over \$2.2 billion total funds across 13 departments.
- The current BHA Long Bill structure does not align with legislative changes to streamline contracts and integrate mental health and substance use services.

Discussion

The General Assembly appropriates General Fund to multiple departments for behavioral health programs. Behavioral health refers to mental health and substance use services. The General Assembly has enacted many changes to the behavioral health system in recent years, but the Long Bill structure for the BHA still largely reflects historic funding structures.

Statewide Behavioral Health Prior to 2022

Funding for behavioral health programs existed in multiple departments with no coordinated approach to identify duplication or other inefficiencies across departments prior to 2022. Behavioral health programs in the Department of Human Services (DHS) were managed by the Office of Behavioral Health (OBH). OBH included funding for community-based services and the state hospitals.

OBH managed community-based services through separate contracts with Community Mental Health Centers (CMHCs), Managed Service Organizations (MSOs) for substance use treatment, and Administrative Service Organizations (ASOs) for crisis services. CMHCs contracted directly with OBH, sub-contracted with MSOs and ASOs, and received Medicaid reimbursements for eligible patients from the Department of Health Care Policy and Financing (HCPF) through Regional Accountability Entities (RAEs).

CMHCs and other mental health providers could be licensed by multiple state agencies including OBH, the Department of Public Health and Environment (CDPHE), and the Division of Fire Prevention and Control in the Department of Public Safety.

2019 Behavioral Health Task Force

The Governor convened a Behavioral Health Task Force in 2019.⁴ The task force consisted of 33 members and three subcommittees. The purpose of the task force was to develop a statewide blueprint to reform the state's behavioral health system.⁵

The task force published a blueprint for reform in September 2020. Primary recommendations included:

1. Create a behavioral health administration (BHA).
2. Implement care coordination.
3. Instigate reform through 19 recommendations across six pillars: access, affordability, workforce, accountability, consumer guidance, and whole person care. The BHA would lead the implementation of recommended reforms.

The outlined purpose of the BHA was to ensure a standard of high-quality, integrated, people-first care accessible to all Coloradans. The BHA would lead and promote the state's behavioral health priorities, provide the infrastructure needed to deliver on the reform recommendations, and be responsible for responding to the changing needs of Colorado communities.⁶

Creation of the Behavioral Health Administration

The BHA was created by several bills, listed below.

- [H.B. 21-1097 \(Establish Behavioral Health Administration\)](#) required DHS to develop a plan for the creation of the BHA by July 2022.
- [H.B. 22-1278 \(Behavioral Health Administration\)](#) created the BHA in DHS. This included creating a new cabinet position, transferring existing programs to the BHA, changing requirements for safety net funding, and requiring any agency with a behavioral health program to coordinate with the BHA.
- [H.B. 23-1236 \(Implementation Updates to Behavioral Health Administration\)](#) repealed the office of behavioral health from statute, transferred administrative responsibilities within DHS, and delayed the implementation timeline for the BHA.

In whole, the three bills had the following effects:

- Created a new cabinet position dedicated to leading behavioral health programs across all state agencies.
- Divided the Office of Behavioral Health in DHS into the BHA and Office of Civil and Forensic Mental Health (OCFMH). Existing funding for community-based services moved to the BHA, and funding for the state hospitals and related programs moved to OCFMH.
- Streamlined contracts for community services from CMHCs, MSOs, and ASOs, to single contracts through regional entities called Behavioral Health Administration Service Organizations (BHASOs) aligned with Medicaid RAE regions starting in FY 2025-26.
- Created comprehensive and essential provider types to allow for the creation of new safety net providers starting in FY 2024-25. No new funding was added for new safety net providers.
- Moved behavioral health entity licensing from CDPHE to the BHA starting in FY 2025-26.

⁴ [Behavioral Health Taskforce.](#)

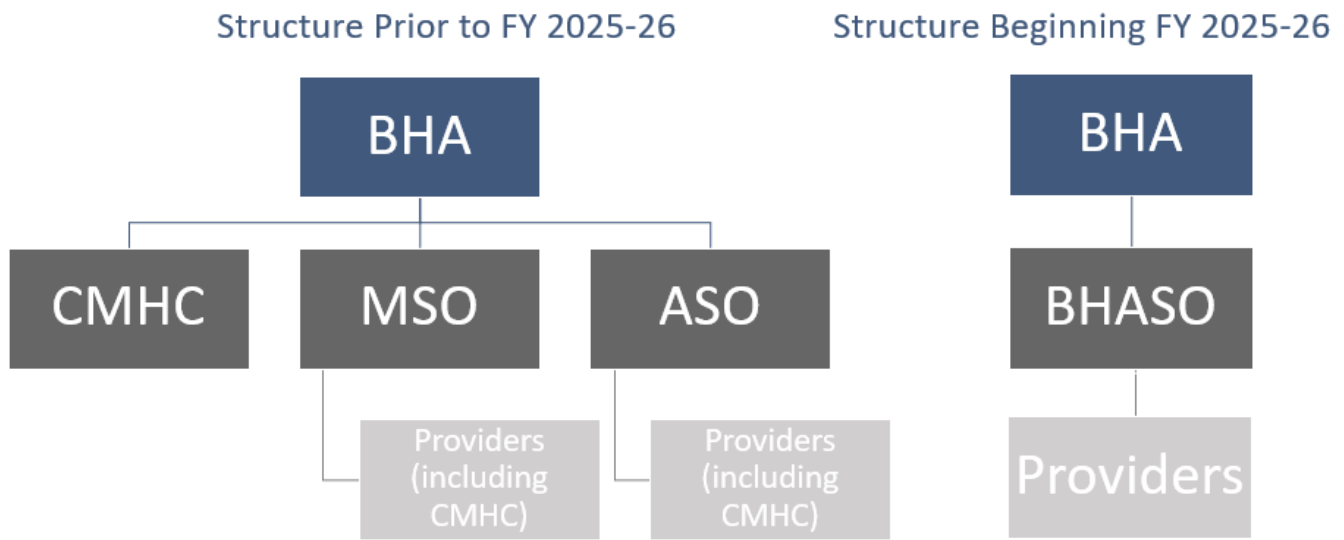
⁵ [Behavioral Health Taskforce Subcommittee Proceedings and Recommendations.](#)

⁶ [Behavioral Health Taskforce Blueprint for Reform.](#)

The bills did not consolidate all behavioral health funding and licensing into one state agency.

Streamlined contracting

Beginning in FY 2025-26, the BHA contracts with BHASOs for the regional provision of services. BHASOs subcontract with providers as necessary to ensure regional access to care. The BHASO system replaces prior contracts with CMHCs, MSOs, and ASOs to streamline contracts and reduce administrative burden for the BHA and providers.



Provider types

The BHA was required to establish a comprehensive safety net system throughout the state by July 1, 2024. Safety net providers cannot turn away patients based on insurance, acuity level, involvement in the justice system, disability, or other demographic factors. House Bill 22-1278 established criteria for new comprehensive and essential provider designations, listed below.

Comprehensive	Essential
<ul style="list-style-type: none">•Must provide <u>all of the following</u>:<ul style="list-style-type: none">•Care coordination•Crisis•Mental health and substance use outpatient•Care management•Outreach, education, and engagement services•Substance use recovery•Outpatient competency restoration•Screening, risk assessment, and diagnosis.	<ul style="list-style-type: none">•Must provide care coordination and <u>one of the following</u>:<ul style="list-style-type: none">•Crisis•Behavioral health outpatient•High-intensity outpatient•Behavioral health residential•Withdrawal management•Behavioral health inpatient•Integrated care services•Hospital alternatives•Additional services deemed necessary by the BHA.

The comprehensive provider designation replaces the prior CMHC designation. Essential providers are expected to provide specific services to fill gaps in the care continuum. Comprehensive providers are eligible for the Prospective Payment System (PPS) from the Department of Health Care Policy and Financing (HCPF). Essential providers may receive an enhanced reimbursement rate depending on RAE contracts.

Providers could first apply for comprehensive or essential designations with the BHA for FY 2024-25. BHA contracts are awarded on an annual fiscal year basis. The BHA reports that there are 19 comprehensive providers and 209 essential providers approved for FY 2025-26 through [request for information \(RFI\) 14](#). This is an increase from 17 comprehensive and 93 essential approved for FY 2024-25.

Current Statewide Behavioral Health Funding

Determining the amount of funding appropriated for behavioral health statewide varies depending on individual interpretation of what programs qualify as behavioral health. The Behavioral Health Task Force found that approximately \$1.4 billion in federal and state funds was dedicated to behavioral health across 10 state agencies and 75 programs.

Behavioral health funding has increased in recent years through increases to existing programs and the creation of new programs. JBC Staff identified programs across 13 departments. Appropriations for FY 2025-26 by program are provided in the table below and total \$853.3 million General Fund, or 5.0 percent of statewide General Fund appropriations.

Statewide Behavioral Health Funding FY 2025-26

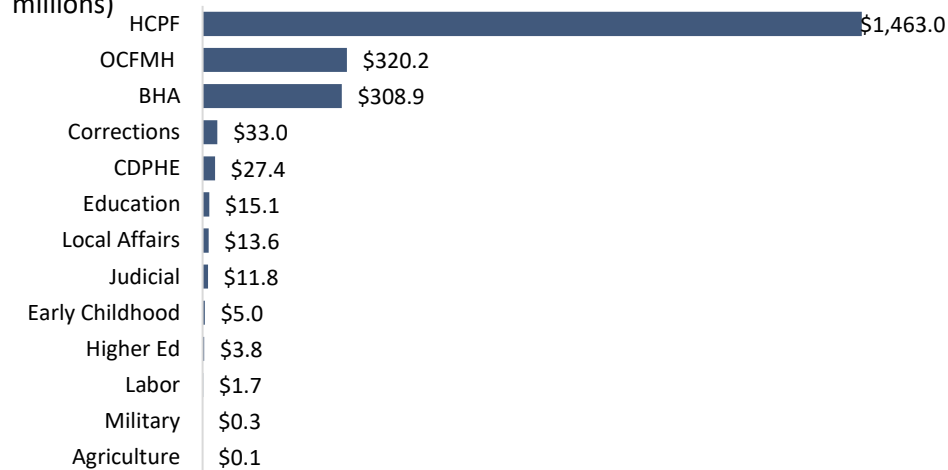
Department	Program	Total Funds	GF	MTCF	FTE
Agriculture	S.B. 24-055 Ag Behavioral Health	\$78,901	\$78,901	\$0	0.5
Corrections	Mental Health Subprogram	21,678,579	21,678,579	0	168.0
Corrections	Drug and Alcohol Subprogram	9,428,728	9,302,046	0	87.4
Corrections	Parole Wrap-around Services	1,822,869	1,822,869	0	0.0
Corrections	Psychotropic Medication	31,400	31,400	0	0.0
Early Childhood	Early Childhood Mental Health Services	3,689,262	1,627,813	0	0.0
Early Childhood	Child Care Services and SUD Pilot	500,000	500,000	0	0.0
Early Childhood	Social-Emotional Learning Program Grants	817,289	0	817,289	0.0
Education	Behavioral Health Care Prof Matching Grant	14,984,818	0	14,984,818	5.0
Education	Mental Health Education Resource Band and Technical Assistance	51,321	51,321	0	0.6
Education	Substance Use Disorder Recovery Grant Pilot	25,011	25,011	0	0.2
HCPF	Behavioral Health Capitation Payments	1,451,675,162	349,844,933	0	0.0
HCPF	Fee-for-service Behavioral Health	11,346,614	2,726,359	0	0.0
Higher Ed	Center for Substance Use Disorder at CU	1,250,000	0	1,250,000	0.0
Higher Ed	Institute of Cannabis Research	0	0	3,075,000	0.0
Higher Ed	CU – Marijuana public awareness	2,000,000	0	2,000,000	0.0
Higher Ed	CSU – AgrAbility rural mental health	596,248	0	487,423	0.0
Human Services	Behavioral Health Ombudsman	555,192	555,192	0	5.0
Human Services	Office of Civil and Forensic Mental Health	320,158,567	291,319,253	946,133	1,651.7
BHA	BHA	308,876,488	149,444,489	50,615,232	167.5
Judicial	Bridges Program	11,769,934	11,769,934	0	116.0
Labor	Vocational Rehabilitation Mental Health Services	1,748,180	0	0	0.0
Local Affairs	Fort Lyon Supportive Housing	5,762,544	5,762,544	0	1.0
Local Affairs	Sky Ridge Supportive Housing	5,306,832	0	0	3.7
Local Affairs	Peace Officers Behavioral Health Support and Community Partnership Fund	2,000,000	2,000,000	0	0.0

Department	Program	Total Funds	GF	MTCF	FTE
Local Affairs	Public Defender and Prosecutor Behavioral Health Support Fund	500,000	500,000	0	0.0
Military	Veterans Mental Health Services	260,143	260,143	0	2.0
CDPHE	Mental Health Promotion Subdivision	27,441,943	3,989,882	8,519,277	38.4
Total		\$2,204,356,025	\$853,290,669	\$82,695,172	2,247.0

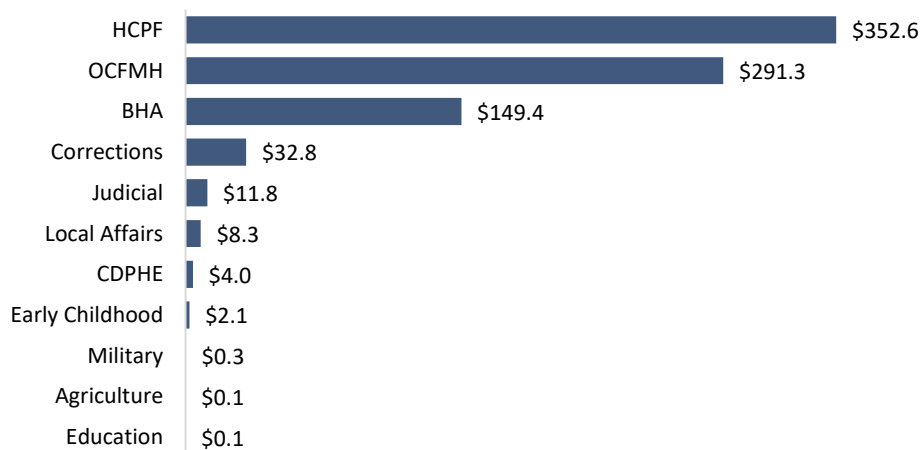
The staff list does not include programs that may overlap with behavioral health, but where behavioral health is not the primary funding concern. Examples of excluded programs are child welfare, services for people with intellectual and developmental disabilities, early childhood home visits, special education funding, and the state court administrator.

The majority of appropriations for behavioral health are made to the Department of Health Care Policy and Financing (HCPF) based on the identified programs. Amounts for HCPF only reflect behavioral health capitation and fee-for-service payments, and do not include other line items in the department that may support behavioral health expenses. Appropriations to HCPF made up 66.4 percent of total funds and 41.3 percent of General Fund appropriations for the staff behavioral health list in FY 2025-26.

Distribution of Total Funds for behavioral health by agency (amounts in millions)



Distribution of General Fund for behavioral health by agency (amounts in millions).



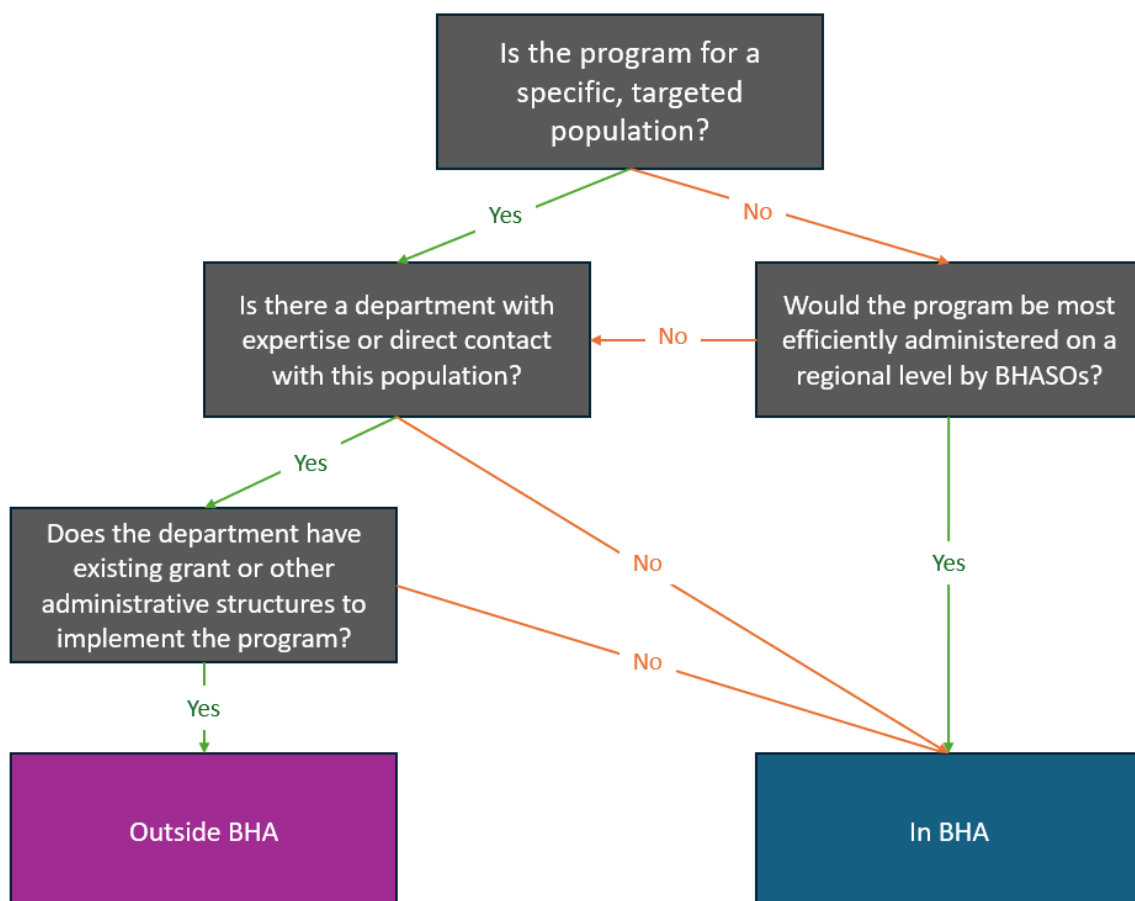
Where “should” behavioral health programs be funded?

The BHA is charged with creating a coordinated, cohesive, and effective behavioral health system in Colorado. Funding for behavioral health programs continues to be spread across multiple state agencies. However, all state agencies with behavioral health programs are statutorily required to collaborate with the BHA.⁷

The BHA Commissioner described the statewide coordination role of the BHA during the 2024 BHA Hearing. Under the current structure, the BHA can serve as a statewide coordinating entity and subject matter expert to advise other state agencies with different areas of expertise. The BHA has memorandums of understanding and regular meetings with other state agencies to coordinate behavioral health programs that operate outside of the BHA.

The General Assembly has created behavioral health programs outside of the BHA since the BHA was created. Legislators often question whether programs should be created in the BHA or a different state agency, and the value of the BHA if behavioral health programs are not consolidated within a single agency.

The BHA is structured to administer funding for regional safety net services through BHASOs. The BHA may not be any better positioned to administer boutique programs for specific populations than another state agency. Staff proposes the following framework for considering whether a program “should” be placed with the BHA based on the current structure. Whether the current structure is appropriate and where a program “should” be placed is at the discretion of legislators.



⁷ Section 27-50-102 (2), C.R.S.

Benefits of placing programs outside of the BHA

Funding for behavioral health programs outside of the BHA typically target specific populations. For example:

- HCPF provides funding for services for Medicaid clients.
- Corrections provides mental health and substance use treatment for people in state prisons and on parole.
- Higher Education provides substance use treatment and public awareness campaigns for students.

Other agencies may be better positioned to target specific populations to increase access to care. For example, a rancher may be more likely to be aware of and access behavioral health resources from the Department of Agriculture than their local safety net provider.

Additionally, the BHA does not provide services directly. If a state agency currently provides services directly, such as the Department of Corrections, there are likely not administrative efficiencies to be gained by requiring the BHA to contract for services instead. There is also likely not administrative efficiencies to be gained by transferring grant programs for specific populations unless the grants are intended to increase regional access to care for the general population and could be administered by BHASOs.

Drawbacks of placing programs outside of a single agency

Funding programs in multiple departments creates a risk of duplication. For example, staff is aware of behavioral health programs for agricultural communities in three state agencies. Each program is funded in small amounts, which appears less efficient than a larger amount of funding administered by a single agency.

Funding programs in multiple departments can also counterintuitive to recent legislative efforts to improve the integration and coordination of care. For example, the BHA emphasized during their 2024 Hearing that BHASOs administer behavioral health while RAEs administer physical health. However, RAEs also administer Medicaid behavioral health funding and the separation of physical and behavioral health is against recent efforts of HCPF and the BHA to integrate care.

Current BHA Funding Structure

The FY 2025-26 Long Bill structure for the BHA is more closely aligned to the historic Long Bill structure of OBH than the legislative intent of the BHA. The following table compares the OBH Long Bill subdivisions to the current BHA Long Bill subdivisions.

OBH and BHA Long Bill Structure Comparison

OBH Subdivisions	BHA Subdivisions
Community Behavioral Health Administration (Admin)	Community Behavioral Health Administration
Community-based Mental Health Services (CMHCs)	Community-based Mental Health Services
Substance Use Treatment and Prevention Services (MSOs)	Substance Use Treatment and Prevention Services
Integrated Behavioral Health Services (ASOs + new programs)	Integrated Behavioral Health Services
Mental Health Institutes	

The only difference between the BHA Long Bill structure and the historic OBH structure is the removal of the Mental Health Institutes, which was moved to the OCFMH section of the Long Bill. The structure still reflects silos for community services, substance use treatment, and crisis that were intentionally streamlined when the BHA was created. The amount of funding distributed to BHASOs is not reflected in the current structure.

Staff began discussing the current Long Bill structure with the BHA, BHASOs, and the Office of State Planning and Budgeting in the fall of 2024. Through initial conversations, staff learned that the current structure results in many administrative inefficiencies. Each line item may require separate contracts with BHASOs that are then subcontracted to multiple providers. Each provider must keep expenditures under their individual allocation, leading to increased administrative work and reversions for each subcontract.

As a result, staff recommended and the Committee approved an RFI for the BHA to provide a Long Bill structure that more closely aligns with the current operating goals of the agency ([RFI 15](#)). In the RFI response, the BHA provided additional concerns with the current structure.

Primarily, the current structure creates silos between basic safety net services, substance use, and crisis services. Each fund source is individually allocated to providers. Whether there is funding to support treatment for an individual depends on a patient’s primary diagnosis. For example, a provider may be able to provide crisis services, but may not be able to provide ongoing substance use treatment after the individual stabilizes because the services are funded separately.

The current siloed funding model also does not align with federal or practitioner guidelines. The federal government recently integrated funding for community and substance use by combining two separate block grants into a single Behavioral Health Innovation Block Grant. The most recent guidelines from the American Society for Addiction Medicine (ASAM) also recommend integrated service delivery for mental health, substance use, and crisis services. The RFI response indicates that BHA licensing practices align with ASAM guidelines, but funding does not.

Additionally, the BHA currently has a single administrative line that includes multiple programs. Funding for the line item was \$23.0 million total funds, including \$10.6 million General Fund in FY 2025-26. Staff has no transparency into how much of the appropriated funding supports IT systems, quality assurance, or other administrative costs.

BHA Long Bill structure proposal

The BHA proposed a Long Bill line item structure in response to the RFI. The proposed structure separates administrative funding for the BHA into three line items, and consolidates funding for service providers to align with federal and practitioner standards. The structure has the following divisions:

- 1. Administration
- 2. Behavioral Health Services
- 3. 988 Crisis Hotline
- 4. Indirect costs

The current structure by line item is provided in the table below.

Table 1. Current BHA Long Bill Structure by Line Item

Subdivision	Line Item	Total Funds	General Fund
Community Behavioral Health Administration	Program Administration	\$22,978,333	\$10,577,701
	Behavioral Health Capacity Tracking System	42,611	0
	Behavioral Health Workforce Learning Management System	773,935	773,935
Subtotal		\$23,794,879	\$11,351,636
	Mental Health Community Programs	\$52,063,993	\$30,063,993

Subdivision	Line Item	Total Funds	General Fund
Community-based Mental Health Services	ACT Programs and Other Alternatives to the MHIs	18,366,392	18,366,392
	Mental Health Services for Juvenile and Adult Offenders	6,210,075	0
	Children and Youth Mental Health Treatment Act	8,110,513	7,519,135
	Family First Prevention Services Act	663,253	663,253
	Behavioral Health Vouchers	50,000	50,000
	Veterans Mental Health Services	5,000,000	0
Subtotal		\$90,464,226	\$56,662,773
Substance Use Treatment and Prevention Services	Treatment and Detoxification Programs	\$51,392,307	\$15,871,526
	Increasing Access to Effective Substance Use Disorder Services	16,938,566	0
	Prevention Contracts	7,051,149	0
	Community Prevention and Treatment Programs	2,583,275	0
	Housing Assistance for Individuals with a Substance Use Disorder	4,000,000	4,000,000
	Offender Services	3,318,616	3,318,616
	Recovery Residence Certification Program	200,000	200,000
	Fentanyl Education Program	25,000	0
	Study on the Health Effects of Criminal Penalties	52,963	0
Subtotal		\$85,561,876	\$23,390,142
Integrated Behavioral Health Services	Crisis Response Services	\$39,837,978	\$31,327,708
	Behavioral Health Crisis Response System Secure Transportation Program	594,572	0
	Crisis Response System Telephone Hotline	3,863,938	0
	Crisis Response System Marketing	792,075	792,075
	Community Transition Services	7,945,867	7,945,867
	Criminal Justice Diversion Programs	7,954,471	1,740,348
	Jail-based Behavioral Health Services	16,241,451	7,241,451
	Circle Program and Other Rural Treatment Programs for People with Co-occurring Disorders	6,467,949	638,286
	Recovery Support Services Grant program	1,600,000	1,600,000
	Temporary Youth Mental Health Services Program	5,002,872	5,002,872
	Care Coordination	1,751,331	1,751,331
	988 Crisis Hotline	12,584,264	0
	Medication Consistency and Health Information Exchange	760,700	0
Subtotal		\$105,397,468	\$58,039,938
Indirect Cost Assessment	Indirect Cost Assessment	\$3,658,039	\$0
Total		\$308,876,488	\$149,444,489

The proposed restructure by line item is provided in the table below.

Table 2. Proposed BHA Long Bill Structure by Line Item

Subdivision	Line Item	Total Funds
Administration	Program Administration	\$10,921,995
	Quality & Standards	3,070,073
	Behavioral Health System Technology and Monitoring	4,897,861
Subtotal		\$18,889,929
Behavioral Health Services	Behavioral Health Safety Net Continuum	\$201,075,200
	Recovery Supports	6,010,000
	Rural and Frontier Communities Voucher Program	50,000

Subdivision	Line Item	Total Funds
	Diversion and Justice Involved Behavioral Health Services	17,813,162
	Jail Based Services	18,023,800
	Children and Youth Mental Health Treatment Act	9,285,513
	Youth Mental Health Services Program	5,560,793
	Prevention Programs	7,051,149
	Community Prevention and Treatment Programs	3,128,812
	Veterans Mental Health Services	5,000,000
Subtotal		\$272,998,429
988 Crisis Hotline	988 Crisis Hotline	\$16,327,775
Indirect costs	Indirect costs	\$3,658,039
Total		\$311,874,172

A comparison between the proposed line item structure and the consolidated line items from the existing structure is provided in the table below.

Table 3. Existing and Proposed Long Bill Structure Comparison

Proposed Line Item	Existing Line Item
Program Administration	Program Administration
	Fentanyl Education Program
	Study on the Health Effects of Criminal Penalties
	Crisis Response System Marketing
Quality and Standards	Program Administration
	Recovery Residence Certification Program
Behavioral Health System Technology and Monitoring	Program Administration
	Behavioral Health Capacity Tracking System
	Behavioral Health Workforce Learning Management System
Behavioral Health Safety Net Continuum	Mental Health Community Programs
	ACT Programs and Other Alternatives to the MHIs
	Family First Prevention Services Act
	Treatment and Detoxification Programs
	Increasing Access to Effective Substance Use Disorder Services
	Crisis Response Services
	Behavioral Health Crisis Response System Secure Transportation Program
	Community Transition Services
	Circle Program and Other Rural Treatment Programs for People with Co-occurring Disorders
Recovery Supports	Care Coordination
	Housing Assistance for Individuals with a Substance Use Disorder
Diversion and Justice Involved Behavioral Health Services	Recovery Support Services Grant program
	Mental Health Services for Juvenile and Adult Offenders
	Offender Services
Jail Based Services	Criminal Justice Diversion Programs
	Jail-based Behavioral Health Services
	Medication Consistency and Health Information Exchange
Children and Youth Mental Health Treatment Act	Children and Youth Mental Health Treatment Act
Community Prevention and Treatment Programs	Community Prevention and Treatment Programs
Prevention Programs	Prevention Contracts
Rural and Frontier Communities Voucher Program	Behavioral Health Vouchers
Veterans Mental Health Services	Veterans Mental Health Services
Youth Mental Health Services Program	Temporary Youth Mental Health Services Program
988 Crisis Hotline	Crisis Response System Telephone Hotline

Proposed Line Item	Existing Line Item
	988 Crisis Hotline
Indirect Cost Assessment	Indirect Cost Assessment

Benefits of a consolidated line item structure

- Providers would have increased flexibility to meet patient need regardless of primary diagnosis during a time of budget reductions.
- Funding would align with federal, practitioner, and BHA guidelines to integrate mental health, substance use, and crisis programs.
- The Long Bill would more accurately reflect the amount of funding allocated to BHASOs for safety net services.

Concerns with a consolidated line item structure

- The General Assembly would have less control over the amount of funding contracted for specific services, such as substance use or crisis.
- The General Assembly would have less transparency about the various programs funded within consolidated line items.
- It will be more difficult for JBC staff to compare the change in appropriations over time before and after consolidation.

Funding prioritization and expenditure reporting

The current structure appropriates funding for mental health, substance use, and crisis services separately. One concern with consolidated funding for safety net services is that providers could choose to prioritize more cost-effective treatments. For example, a provider could choose to prioritize outpatient substance use recovery to treatment for severe and persistent mental illness.

The BHA indicates that funding priorities will continue to be directed by statute. Statute requires that comprehensive providers cannot deny services based on diagnosis or payer, and must provide safety net services to priority populations.⁸

Priority populations are statutorily defined as people who are uninsured, underinsured, Medicaid-eligible, publicly insured, or whose income is below thresholds established by the BHA and present with acute or chronic behavioral health needs. Needs include, but are not limited to, individuals who are incompetent to stand trial, adults with severe and persistent mental illness, and youth with serious emotional disturbance.⁹ Income thresholds established by the BHA are 300% of the federal poverty level.

The RFI response also includes a reporting proposal to increase expenditure transparency to the General Assembly. Providers are already required to track expenditures to BHASOs, who are required to track expenditures to the BHA. The BHA is prepared to provide quarterly expenditure reports that include:

1. Expenditures at the service level (crisis, outpatient, residential, etc.).
2. Expenditure summaries by region.

⁸ Section 27-50-302 (1), C.R.S.

⁹ Section 27-50-101 (17)(a), C.R.S.

3. Performance metrics and outcome indicators to demonstrate how funding supports individuals with serious mental illness and other priority populations.

Implementation timeline

The Committee may consider different options for addressing the current BHA Long Bill structure at Figure Setting:

1. Maintain the current Long Bill structure.
2. Implement a consolidated structure for the FY 2026-27 Long Bill.
3. Implement a consolidated structure for the FY 2027-28 Long Bill.

Implementing a consolidated structure can be a different from the BHA proposal. Implementing a consolidated structure for FY 2026-27 will require staff to reorganize the figure setting document and budget database in the span of a couple weeks with other competing priorities. Implementing a consolidated structure for FY 2027-28 would allow staff to do the background administrative work associated with the restructure over the interim.

Staff expects to recommend consolidation for the FY 2026-27 Long Bill during Figure Setting assuming that there are immediate administrative efficiencies and potential benefits to people receiving services. Staff would recommend a delayed consolidation or no consolidation if the Committee or stakeholders have significant concerns about a potential lack of transparency or loss of services.

FY 2025-26 Executive Order Budget Adjustments

Other Balancing Holds

For the State as a whole, the Governor's Office anticipates \$3.0 million General Fund savings from a FY 2025-26 hiring freeze. The Governor's Office has not provided estimates at the department level.

Footnotes and Requests for Information

Update on Long Bill Footnotes

The General Assembly includes footnotes in the Long Bill to:

1. set forth purposes, conditions, or limitations;
2. explain assumptions; or
3. express legislative intent.

This section discusses a subset of the footnotes relevant to the divisions covered in the briefing. For a full list of footnotes, see the end of each departmental section of the [2026 Long Bill](https://leg.colorado.gov/bills/sb25-206) (<https://leg.colorado.gov/bills/sb25-206>)

- 45 Department of Human Services, Behavioral Health Administration, Community-based Mental Health Services, Assertive Community Treatment Programs and Other Alternatives to the Mental Health Institutes – It is the General Assembly’s intent that \$576,050 of this General Fund appropriation be allocated to a community mental health center in western Colorado for the purpose of providing behavioral health services for individuals who seek care from the emergency department of a regional medical center and who are diagnosed with physical health conditions that may be exacerbated by co-occurring mental health conditions.

Comment: This footnote was first included in the FY 2016-17 Long Bill as part of a \$500,000 General Fund increase. The increase was intended to expand access to inpatient psychiatric care for individuals who are diagnosed with physical health conditions exacerbated by co-occurring mental health problems. The Department reports that they are in compliance with this footnote.

- 46 Department of Human Services, Behavioral Health Administration, Substance Use Treatment and Prevention Services, Treatment and Detoxification Programs – It is the General Assembly’s intent that this appropriation be used to provide services and to expand access to residential treatment services for individuals with substance use disorders, including initial expenses necessary to establish, license, and begin operating one or more programs that provide these services, such as building renovations, furnishings, and equipment.

Comment: This footnote added to the FY 2021-22 Long Bill to indicate the intent of the General Assembly with respect to this appropriation. The Department reports that they are in compliance with this footnote.

- 47 Department of Human Services, Behavioral Health Administration, Integrated Behavioral Health Services, Circle Program and Other Rural Treatment Programs for People with Co-occurring Disorders – It is the General Assembly’s intent that this appropriation be used to: support the community-based Circle Program; support the provision of a full continuum of co-occurring behavioral health treatment services in southern Colorado and the Arkansas Valley; and expand access to residential treatment services in one or more rural areas of Colorado for individuals with co-occurring mental health and substance use disorders. It is also the General Assembly’s intent that the appropriation may be used to provide services and to cover initial expenses necessary to establish, license, and begin operating one or more programs that provide these services, such as building renovations, furnishing, and equipment.

Comment: The Department reports that they are in compliance with this footnote.

Update on Requests for Information

The Joint Budget Committee may submit requests for information (RFIs) to departments. The Joint Budget Committee must prioritize the requests per Section 2-3-203 (3), C.R.S.

This section discusses a subset of the RFIs relevant to the divisions covered in the briefing. For a full list of RFIs, see the [letters requesting information](https://leg.colorado.gov/sites/default/files/rfi_fy_2025-26.pdf) (https://leg.colorado.gov/sites/default/files/rfi_fy_2025-26.pdf).

Requests Affecting Multiple Departments

None.

Department of Human Services - BHA Requests

14 Department of Human Services, Behavioral Health Administration – The Department is requested to provide the following information no later than November 1:

- The number of comprehensive and essential providers.
- The amount of funding distributed to each comprehensive safety net provider under each programmatic contract for the last three fiscal years, as well as the estimated amounts for the budget year.
- A summary of the methodology for the allocation of such funds among the comprehensive safety net providers, and how any such allocations have changed over that period, including with the addition of new comprehensive safety net providers.
- A description of how the Department expects any such allocations to change with the implementation of the Behavioral Health Administrative Services Organizations.

Comment: The response includes the following information for comprehensive provider funding.

Comprehensive Provider Funding Distributions by Fiscal Year

Provider	22-23	23-24	24-25	25-26 [1]
AllHealth	\$6,052,751	\$6,094,316	\$7,078,781	\$8,927,642
Aurora Mental Health	6,010,615	6,102,172	6,784,343	6,761,492
Axis Health	5,700,216	8,111,218	8,474,510	5,414,208
Centennial Mental Health	2,926,140	3,210,743	3,434,857	4,750,567
Clinia Campesina	5,528,916	4,815,136	5,884,449	5,710,179
Community Reach Center	3,496,697	3,646,761	3,699,240	2,065,756
Diversus Health	7,129,973	8,644,602	8,914,113	8,584,274
Eagle Valley	761,230	1,930,730	1,547,037	1,526,071
Health Solutions	5,448,470	6,415,034	6,592,124	4,486,044
Health Solutions West	5,923,776	6,318,086	6,262,349	6,203,314
Jefferson Center	9,057,652	10,919,200	12,216,675	9,505,473
Mile High Behavioral Health	0	0	0	3,120,311
North Range Behavioral Health	6,247,196	5,981,473	7,660,107	8,250,402
Paragon	0	0	0	1,944,030
San Luis Valley	2,639,708	2,359,300	2,479,010	2,110,719
Solvista Health	2,214,006	2,691,308	2,393,082	2,307,626
SummitStone	9,321,135	10,168,597	10,242,688	9,008,060

Provider	22-23	23-24	24-25	25-26 [1]
Valley Wide Health Systems	1,650,306	2,280,740	1,752,894	1,516,579
WellPower	17,651,818	18,685,782	17,703,450	12,428,863
Total	\$97,760,605	\$108,375,198	\$113,119,709	\$104,621,610

[1] Projected distribution.

- 15 Department of Human Services, Behavioral Health Administration – The BHA is requested to provide by November 1, 2025, a line item structure aligned to current programming. The BHA is requested to work with BHASOs, comprehensive providers, and essential providers, to determine a budget structure that optimizes existing resources and provides public transparency. In developing the proposed structure, the BHA should also consider the historical intent of state community mental health funding to prioritize services for individuals with serious and persistent mental illness and reflect how these priorities are addressed within the integrated behavioral health system. The report should include information to tie existing appropriations to the newly proposed structure.

Comment: The BHA submitted the report. The proposal is discussed in the final issue brief of this document, pages 29 through 34.

- 16 Department of Human Services, Behavioral Health Administration – The BHA is requested to provide, by November 1, the following information related to the 988 Enterprise.

- The amount of revenue received for the last three fiscal years.
- The expenses for the 988 hotline and the Colorado Crisis Hotline for the last three fiscal years.
- The number of calls and chats received for the last three fiscal years by the 988 hotline and the Colorado Crisis Hotline.
- A description of the current status of consolidating the Colorado Crisis Hotline into the 988 enterprise pursuant to S.B. 25-236.
- A description of public awareness campaigns related to the consolidation of the 988 hotline and the Colorado Crisis Hotline.

Comment: The response included the following revenue and expenditure information.

Crisis Hotline Data

Item	22-23	23-24	24-25
988 revenue	\$18,148,898	\$20,628,517	\$12,275,195
988 expenses	\$9,986,034	\$16,387,612	\$14,922,081
988 calls	58,400	227,819	103,228
988 chat	10,051	8,673	10,045
988 text	10,049	20,637	17,905
CCL expenses	\$6,546,293	\$6,546,653	\$10,879,492
CCL calls	184,760	35,179	179,256
CCL peer support calls	110,761	125,951	120,444
CCL text	19,259	14,472	12,819

The report also indicates that both lines remain operational. Calls and texts to the Colorado Crisis Hotline direct individuals to use 988 in the future, and automatically connect to 988.

Department Annual Performance Report

Departments must publish an **Annual Performance Report**¹⁰ for the *previous state fiscal year* by November 1 of each year. This report summarizes the Department's performance plan and most recent performance evaluation. In addition, departments develop and submit a **Performance Plan**¹¹ for the *current fiscal year* to the Joint Budget Committee and the relevant Joint Committee of Reference by July 1 of each year.

Per statute¹², the Joint Budget Committee must consider performance plans submitted by departments and may prioritize budget requests intended to enhance productivity, improve efficiency, reduce costs, and eliminate waste. To find the performance plans, search the Office of State Planning and Budgeting website and select the [performance plan](http://www.colorado.gov/pacific/performancemanagement/department-performance-plans) (www.colorado.gov/pacific/performancemanagement/department-performance-plans).

¹⁰ Section 2-7-205, C.R.S.

¹¹ Section 2-7-204 (3)(a), C.R.S.

¹² Section 2-7-204 (6), C.R.S.

Appendix A: Numbers Pages

Appendix A details the actual expenditures for the last two state fiscal years, the appropriation for the current fiscal year, and the requested appropriation for next fiscal year. Appendix A organizes this information by line item and fund source.

Appendix A: Numbers Pages

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	Request vs. Appropriation
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(5) Behavioral Health Administration

(A) Community Behavioral Health Administration

ijuana Tax Cash Fund.

Program Administration	<u>11,208,806</u>	<u>18,594,649</u>	<u>22,978,333</u>	<u>23,072,683</u>
FTE	115.1	127.7	157.1	153.1
General Fund	2,926,300	12,217,069	10,577,701	11,254,245
Cash Funds	1,332,878	(405,475)	4,120,877	3,278,587
Reappropriated Funds	501,260	503,688	926,843	952,468
Federal Funds	6,448,368	6,279,367	7,352,912	7,587,383
Behavioral Health Workforce Learning Management System	<u>705,906</u>	<u>808,935</u>	<u>773,935</u>	<u>775,244</u>
FTE	0.0	0.4	1.0	1.0
General Fund	705,906	808,935	773,935	775,244
Cash Funds	0	0	0	0
Reappropriated Funds	0	0	0	0
Federal Funds	0	0	0	0

NOTE: An asterisk (*) indicates that the FY 2026-27 request for a line item is affected by one or more decision items.

Appendix A: Numbers Pages

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	Request vs. Appropriation
Behavioral Health Capacity Tracking System	<u>31,809</u>	<u>29,217</u>	<u>42,611</u>	<u>42,611</u>	
FTE	1.0	0.9	0.0	0.0	
General Fund	0	0	0	0	
Cash Funds	31,809	29,217	42,611	42,611	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
SUBTOTAL - (A) Community Behavioral Health					
Administration	11,946,521	19,432,801	23,794,879	23,890,538	0.4%
FTE	<u>116.1</u>	<u>129.0</u>	<u>158.1</u>	<u>154.1</u>	(2.5%)
General Fund	3,632,206	13,026,004	11,351,636	12,029,489	6.0%
Cash Funds	1,364,687	(376,258)	4,163,488	3,321,198	(20.2%)
Reappropriated Funds	501,260	503,688	926,843	952,468	2.8%
Federal Funds	6,448,368	6,279,367	7,352,912	7,587,383	3.2%

(B) Community-based Mental Health Services

General Fund, the federal Mental Health Services Block Grant, and the Marijuana Tax Cash Fund.

Mental Health Community Programs	<u>53,902,847</u>	<u>60,226,798</u>	<u>52,063,993</u>	<u>51,756,533</u>	
FTE	2.2	0.6	0.0	0.0	
General Fund	29,474,503	30,063,993	30,063,993	29,756,533	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	24,428,344	30,162,805	22,000,000	22,000,000	

Appendix A: Numbers Pages

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	Request vs. Appropriation
ACT Programs and Other Alternatives to the MHIs	<u>18,006,267</u>	<u>18,366,392</u>	<u>18,366,392</u>	<u>18,366,392</u>	
FTE	0.0	0.0	0.0	0.0	
General Fund	18,006,267	18,366,392	18,366,392	18,366,392	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Mental Health Services for Juvenile and Adult Offenders	<u>5,899,047</u>	<u>6,094,357</u>	<u>6,210,075</u>	<u>6,210,075</u>	
FTE	0.0	0.0	0.0	0.0	
General Fund	0	0	0	0	
Cash Funds	5,899,047	6,094,357	6,210,075	6,210,075	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Children and Youth Mental Health Treatment Act	<u>6,765,224</u>	<u>7,817,479</u>	<u>8,110,513</u>	<u>8,110,513</u>	
FTE	0.0	0.0	0.0	0.0	
General Fund	6,368,097	7,363,781	7,519,135	7,519,135	
Cash Funds	397,127	453,698	453,698	453,698	
Reappropriated Funds	0	0	137,680	137,680	
Federal Funds	0	0	0	0	
Family First Prevention Services Act	<u>650,248</u>	<u>663,253</u>	<u>663,253</u>	<u>663,253</u>	
FTE	0.0	0.0	0.0	0.0	
General Fund	650,248	663,253	663,253	663,253	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	

Appendix A: Numbers Pages

	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	Request vs. Appropriation
Behavioral Health Vouchers	<u>50,000</u>	<u>48,147</u>	<u>50,000</u>	<u>50,000</u>	
FTE	0.0	0.0	0.0	0.0	
General Fund	50,000	48,147	50,000	50,000	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
 Veterans Mental Health Services	<u>0</u>	<u>0</u>	<u>5,000,000</u>	<u>5,000,000</u>	
FTE	0.0	0.0	0.0	0.0	
Cash Funds	0	0	5,000,000	5,000,000	
 Veteran Suicide Prevention Pilot Program	<u>3,022,813</u>	<u>0</u>	<u>0</u>	<u>0</u>	
FTE	0.0	0.0	0.0	0.0	
General Fund	3,022,813	0	0	0	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
 SUBTOTAL - (B) Community-based Mental Health Services	88,296,446	96,305,802	90,464,226	90,156,766	(0.3%)
FTE	<u>2.2</u>	<u>0.6</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0%</u>
General Fund	57,571,928	59,594,942	56,662,773	56,355,313	(0.5%)
Cash Funds	6,296,174	6,548,055	11,663,773	11,663,773	0.0%
Reappropriated Funds	0	0	137,680	137,680	0.0%
Federal Funds	24,428,344	30,162,805	22,000,000	22,000,000	0.0%

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	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	Request vs. Appropriation
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(C) Substance Use Treatment and Prevention Services

er Cash Fund, transfers from the Department of Health Care Policy and Financing (which originate as General Fund and federal Medicaid funds), and transfers from the Judicial Branch (which originate as General Fund and drug offender surcharge revenue).

FY 2017-18 Long Bill Structure

Housing Assistance for Individuals with a Substance use

Disorder	<u>3,913,513</u>	<u>3,978,095</u>	<u>4,000,000</u>	<u>4,002,512</u>
FTE	0.4	0.0	1.0	1.0
General Fund	3,913,513	0	4,000,000	4,002,512
Cash Funds	0	3,978,095	0	0
Reappropriated Funds	0	0	0	0
Federal Funds	0	0	0	0

Offender Services	<u>4,012,532</u>	<u>4,423,789</u>	<u>3,318,616</u>	<u>3,318,616</u>
FTE	0.0	0.0	0.0	0.0
General Fund	3,087,591	3,318,616	3,318,616	3,318,616
Cash Funds	0	0	0	0
Reappropriated Funds	924,941	1,105,173	0	0
Federal Funds	0	0	0	0

Recovery Residence Certification Program	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>	<u>200,000</u>
FTE	0.0	0.0	0.0	0.0
General Fund	200,000	200,000	200,000	200,000
Cash Funds	0	0	0	0
Reappropriated Funds	0	0	0	0
Federal Funds	0	0	0	0

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	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	Request vs. Appropriation
Treatment and Detoxification Programs	<u>69,319,959</u>	<u>65,622,284</u>	<u>51,392,307</u>	<u>47,892,307</u>	
FTE	0.7	0.3	2.1	2.1	
General Fund	19,900,258	16,924,503	15,871,526	12,371,526	
Cash Funds	9,494,636	6,653,570	5,520,781	5,520,781	
Reappropriated Funds	0	0	0	0	
Federal Funds	39,925,065	42,044,211	30,000,000	30,000,000	
Increasing Access to Effective Substance Use Disorder Services	<u>25,092,008</u>	<u>15,666,787</u>	<u>16,938,566</u>	<u>16,938,566</u>	
FTE	0.0	0.0	0.0	0.0	
General Fund	0	0	0	0	
Cash Funds	25,092,008	15,666,787	16,938,566	16,938,566	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	

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	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	Request vs. Appropriation
Prevention Contracts	<u>8,133,881</u>	<u>4,803,807</u>	<u>7,051,149</u>	<u>7,051,149</u>	
FTE	0.0	0.0	0.0	0.0	
General Fund	0	0	0	0	
Cash Funds	22,388	9,557	51,149	51,149	
Reappropriated Funds	0	0	0	0	
Federal Funds	8,111,493	4,794,250	7,000,000	7,000,000	
Community Prevention and Treatment Programs	<u>2,334,631</u>	<u>1,971,217</u>	<u>2,583,275</u>	<u>2,583,275</u>	
FTE	0.0	0.0	0.0	0.0	
General Fund	0	0	0	0	
Cash Funds	2,334,631	1,971,217	2,583,275	2,583,275	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Fentanyl Education Program	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	<u>25,000</u>	
FTE	0.0	0.0	0.0	0.0	
General Fund	0	0	0	0	
Cash Funds	25,000	25,000	25,000	25,000	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	

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	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	Request vs. Appropriation
Study on the Health Effects of Criminal Penalties	<u>200,000</u>	<u>85,089</u>	<u>52,963</u>	<u>52,963</u>	
FTE	0.0	0.0	0.0	0.0	
General Fund	0	0	0	0	
Cash Funds	200,000	85,089	52,963	52,963	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
SUBTOTAL -	113,231,524	96,776,068	85,561,876	82,064,388	(4.1%)
FTE	<u>1.1</u>	<u>0.3</u>	<u>3.1</u>	<u>3.1</u>	0.0%
General Fund	27,101,362	20,443,119	23,390,142	19,892,654	(15.0%)
Cash Funds	37,168,663	28,389,315	25,171,734	25,171,734	0.0%
Reappropriated Funds	924,941	1,105,173	0	0	0.0%
Federal Funds	48,036,558	46,838,461	37,000,000	37,000,000	0.0%
SUBTOTAL - (C) Substance Use Treatment and Prevention Services	113,231,524	96,776,068	85,561,876	82,064,388	(4.1%)
FTE	<u>1.1</u>	<u>0.3</u>	<u>3.1</u>	<u>3.1</u>	0.0%
General Fund	27,101,362	20,443,119	23,390,142	19,892,654	(15.0%)
Cash Funds	37,168,663	28,389,315	25,171,734	25,171,734	0.0%
Reappropriated Funds	924,941	1,105,173	0	0	0.0%
Federal Funds	48,036,558	46,838,461	37,000,000	37,000,000	0.0%

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	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	Request vs. Appropriation
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(D) Integrated Behavioral Health Services

al Fund, the Marijuana Tax Cash Fund, and transfers from the Judicial Branch (which originate as General Fund and drug offender surcharge revenue).

Crisis Response System - Telephone Hotline	<u>3,746,083</u>	<u>3,863,758</u>	<u>3,863,938</u>	<u>3,863,938</u>	
FTE	0.0	0.0	0.0	0.0	
General Fund	3,428,061	3,496,442	0	0	
Cash Funds	318,022	367,316	3,863,938	3,863,938	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
 Crisis Response System - Marketing	 <u>733,356</u>	 <u>792,075</u>	 <u>792,075</u>	 <u>792,075</u>	
FTE	0.0	0.0	0.0	0.0	
General Fund	733,356	792,075	792,075	792,075	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
 Community Transition Services	 <u>7,790,066</u>	 <u>7,913,155</u>	 <u>7,945,867</u>	 <u>7,945,867</u>	
FTE	0.0	0.0	0.0	0.0	
General Fund	7,790,066	7,913,155	7,945,867	7,945,867	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	

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	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	Request vs. Appropriation
Criminal Justice Diversion Programs	<u>8,353,703</u>	<u>7,903,918</u>	<u>7,954,471</u>	<u>7,968,723</u>	
FTE	1.1	2.2	2.3	2.3	
General Fund	2,393,262	1,987,498	1,740,348	1,740,348	
Cash Funds	5,960,441	5,916,420	6,214,123	6,228,375	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Jail-based Behavioral Health Services	<u>14,104,530</u>	<u>16,748,929</u>	<u>16,241,451</u>	<u>16,241,451</u>	
FTE	0.0	0.0	0.0	0.0	
General Fund	7,099,462	7,241,451	7,241,451	7,241,451	
Cash Funds	0	0	0	0	
Reappropriated Funds	7,005,068	9,507,478	9,000,000	9,000,000	
Federal Funds	0	0	0	0	
Circle Program and Other Rural Treatment Programs for People with Co-occurring Disorders	<u>7,236,329</u>	<u>6,315,799</u>	<u>6,467,949</u>	<u>6,467,949</u>	
FTE	0.0	0.0	0.0	0.0	
General Fund	626,462	338,286	638,286	638,286	
Cash Funds	5,705,585	5,273,231	5,829,663	5,829,663	
Reappropriated Funds	904,282	704,282	0	0	
Federal Funds	0	0	0	0	
Recovery Support Services Grant program	<u>1,416,537</u>	<u>1,570,145</u>	<u>1,600,000</u>	<u>805</u>	
FTE	1.9	0.4	1.0	1.0	
General Fund	1,416,537	1,570,145	1,600,000	805	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	

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	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	Request vs. Appropriation
Temporary Youth Mental Health Services Program	<u>5,021,630</u>	<u>5,000,000</u>	<u>5,002,872</u>	<u>5,002,872</u>	
FTE	0.6	1.1	1.0	1.0	
General Fund	5,021,630	5,000,000	5,002,872	5,002,872	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Care Coordination	<u>231,570</u>	<u>1,459,860</u>	<u>1,751,331</u>	<u>1,501,331</u>	
FTE	0.0	0.0	0.0	0.0	
General Fund	231,570	1,459,860	1,751,331	1,501,331	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
School Mental Health Screening Program	<u>0</u>	<u>1,138,797</u>	<u>0</u>	<u>0</u>	
FTE	0.0	0.0	0.0	0.0	
General Fund	0	1,138,797	0	0	
Cash Funds	0	0	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	

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	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	Request vs. Appropriation
Crisis Response System - Walk-in, Stabilization, Mobile, Residential, and Respite Services	<u>29,902,111</u>	<u>30,927,272</u>	<u>39,837,978</u>	<u>38,587,978</u>	
FTE	0.0	0.0	0.0	0.0	
General Fund	25,640,511	26,787,396	31,327,708	30,077,708	
Cash Funds	4,261,600	4,139,876	7,346,832	7,346,832	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	1,163,438	1,163,438	
Behavioral Health Crisis Response System Secure Transportation Program	<u>570,189</u>	<u>594,572</u>	<u>594,572</u>	<u>594,572</u>	
FTE	0.0	0.0	0.0	0.0	
General Fund	0	0	0	0	
Cash Funds	570,189	594,572	594,572	594,572	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
Behavioral Health-care Continuum Gap Program	<u>0</u>	<u>4,000,000</u>	<u>0</u>	<u>0</u>	
FTE	0.0	0.0	0.0	0.0	
General Fund	0	0	0	0	
Cash Funds	0	4,000,000	0	0	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	

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	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	Request vs. Appropriation
Medication Consistency and Health Information					
Exchange	<u>677,748</u>	<u>739,578</u>	<u>760,700</u>	<u>760,700</u>	
FTE	0.0	0.0	0.0	0.0	
General Fund	0	0	0	0	
Cash Funds	677,748	739,578	760,700	760,700	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
988 Crisis Hotline	<u>14,742,251</u>	<u>10,509,224</u>	<u>12,584,264</u>	<u>12,652,231</u>	
FTE	3.7	4.0	2.0	2.0	
General Fund	0	0	0	0	
Cash Funds	14,742,251	10,509,224	12,584,264	12,652,231	
Reappropriated Funds	0	0	0	0	
Federal Funds	0	0	0	0	
SUBTOTAL - (D) Integrated Behavioral Health Services	94,526,103	99,477,082	105,397,468	102,380,492	(2.9%)
FTE	<u>7.3</u>	<u>7.7</u>	<u>6.3</u>	<u>6.3</u>	0.0%
General Fund	54,380,917	57,725,105	58,039,938	54,940,743	(5.3%)
Cash Funds	32,235,836	31,540,217	37,194,092	37,276,311	0.2%
Reappropriated Funds	7,909,350	10,211,760	9,000,000	9,000,000	0.0%
Federal Funds	0	0	1,163,438	1,163,438	0.0%

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	FY 2023-24 Actual	FY 2024-25 Actual	FY 2025-26 Appropriation	FY 2026-27 Request	Request vs. Appropriation
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(E) Indirect Cost Assessment

Indirect Cost Assessment	2,992,538	2,864,932	3,658,039	3,211,920	
FTE	0.0	0.0	0.0	0.0	
General Fund	0	0	0	0	
Cash Funds	2,066,982	1,853,759	1,952,537	1,714,413	
Reappropriated Funds	374	8,821	58,198	51,100	
Federal Funds	925,182	1,002,352	1,647,304	1,446,407	
SUBTOTAL - (E) Indirect Cost Assessment	2,992,538	2,864,932	3,658,039	3,211,920	(12.2%)
FTE	0.0	0.0	0.0	0.0	0.0%
General Fund	0	0	0	0	0.0%
Cash Funds	2,066,982	1,853,759	1,952,537	1,714,413	(12.2%)
Reappropriated Funds	374	8,821	58,198	51,100	(12.2%)
Federal Funds	925,182	1,002,352	1,647,304	1,446,407	(12.2%)
TOTAL - (5) Behavioral Health Administration	310,993,132	314,856,685	308,876,488	301,704,104	(2.3%)
FTE	126.7	137.6	167.5	163.5	(2.4%)
General Fund	142,686,413	150,789,170	149,444,489	143,218,199	(4.2%)
Cash Funds	79,132,342	67,955,088	80,145,624	79,147,429	(1.2%)
Reappropriated Funds	9,335,925	11,829,442	10,122,721	10,141,248	0.2%
Federal Funds	79,838,452	84,282,985	69,163,654	69,197,228	0.0%