

*Colorado Legislative Council Staff Fiscal Note*  
**STATE and LOCAL  
 FISCAL IMPACT**

**Drafting Number:** LLS 08-0097  
**Prime Sponsor(s):** Rep. Stafford  
 Sen. Windels

**Date:** January 14, 2008  
**Bill Status:** House Judiciary  
**Fiscal Analyst:** Jessika Shipley (303-866-3528)

**TITLE:** CONCERNING PROCEDURES TO FACILITATE THE PROVISION OF PUBLIC BENEFITS TO OFFENDERS TRANSITIONING FROM THE CRIMINAL JUSTICE SYSTEM.

Fiscal Impact Summary	FY 2008-2009	FY 2009-2010
<b>State Revenue</b>	\$0	\$0
<b>State Expenditures</b>		
General Fund	\$25,312	\$1,000
Cash Funds		
Old Age Pension Cash Fund	\$6,243	
Children's Basic Health Plan	\$1,443	
Federal Funds	\$45,083	\$1,000
<b>FTE Position Change</b>	0.0 FTE	0.0 FTE
<b>Effective Date:</b> Upon the signature of the Governor, or upon the bill becoming law without his signature.		
<b>Appropriation Summary for FY 2008-2009:</b> See the State Appropriations section.		
<b>Local Government Impact:</b> See the Local Government section.		

**Summary of Legislation**

This bill was recommended by the Legislative Oversight Committee for the Continuing Examination of the Treatment of Persons with Mental Illness who are Involved in the Criminal and Juvenile Justice Systems during the 2007 interim. For juveniles in a juvenile commitment facility and certain individuals committed to a Department of Human Services (DHS) facility, the bill requires appropriate personnel in each facility to provide assistance in applying for Medicaid, Children's Basic Health Plan benefits, Supplemental Security Income (SSI), or Social Security Disability Insurance (SSDI) at least 120 days prior to release from commitment.

The bill requires DHS and the Department of Health Care Policy and Financing (DHCPF) to provide information and training to appropriate personnel in the commitment facilities regarding the process of applying for the specified benefits. The bill mandates that both departments simplify the processing of applications for the specified benefits.

## **State Expenditures**

The bill's total expenditure impact is estimated at \$78,081 in FY 2008-09, of which \$25,312 is General Fund. Expenses will be incurred in both DHCPF and DHS to modify the Colorado Benefits Management System (CBMS). The expenditure impact of the bill is based on the following assumptions.

- The CBMS is currently unable to process applications for disability more than 90 days prior to the date of eligibility and non-disability applications more than 45 days prior to the date of eligibility. Therefore, while application assistance could be provided at least 120 days prior to release, the commitment facilities would retain applications until 45 or 90 days prior to release (depending on whether they are non-disability or disability applications respectively). The applications would then be sent to the appropriate county department of social services or human services.
- If the bill requires the departments to process applications more than 45 or 90 days prior to release, further CBMS changes will be necessary. These additional costs are not included in this fiscal note.
- Additional Medicaid, Children's Basic Health Plan, SSI, and SSDI applications will be processed as a result of this bill.
- The Disability Determination Services Section of DHS cannot determine the possible increase in caseload generated by this bill and will pursue necessary future budgetary changes based on the actual additional cases.
- The manual system DHCPF currently uses to process applications for inmates in correctional facilities will need to be converted to an automated system in order to comply with the requirements of the bill. Systems changes to CBMS will be necessary to enable eligibility to automatically become effective upon a future release date. The changes are estimated to take five months to complete.
- There is a cost-sharing agreement between DHCPF and DHS for any systems changes to CBMS.
- To meet the additional training requirements of the bill, DHCPF will need to provide an additional centralized training session each year that includes teleconferencing and webcasting.

***Colorado Benefits Management System.*** Systems changes to CBMS are estimated to cost \$76,081. This is based on the need to program the system to:

- monitor client discharge dates;
- create notification triggers;
- add fields to validate discharge date information;
- make database and reference table updates; and
- modify eligibility decision tables.

The necessary changes require 240 programming hours at a rate of \$167 per hour and 240 programing hours at a rate of \$150 per hour. When any systems changes are made to CBMS, the costs sharing agreement between DHCPF and DHS mandates that costs be shared across various programs, including Medicaid, the Old Age Pension Fund, and the Children's Basic Health Plan. The cost to DHCPF is \$26,408 and the cost to DHS is \$49,673. See the State Appropriations section for a detailed explanation of the source of funding for each department.

**Training.** The DHCPF needs an additional \$2,000 annually to provide an additional centralized training session to commitment facility personnel that includes teleconferencing and webcasting. The cost includes additional meeting space, travel expenses, audio-visual equipment, webcast functionality, training materials, and related supplies. The \$2,000 would be split evenly between General Fund and federal funds.

**Local Government Impact**

This bill will likely create some new administrative costs for county jails and social services departments, but those costs are expected to be negligible.

**State Appropriations**

The following appropriations are necessary for FY 2008-09 under HB 08-1046:

<b>Department of Human Services</b>	<b>Amount</b>
General Fund	\$11,941
Cash Funds - Old Age Pension Fund	\$6,106
Reappropriated Funds - Transfer from DHCPF (includes \$12,371 in General Fund, \$1,580 in cash funds, and \$12,457 in federal funds)	\$26,408
Federal Funds	\$31,626
Total	\$76,081

  

<b>Department Health Care Policy and Financing (includes transfers to DHS as shown above)</b>	<b>Amount</b>
General Fund	\$13,371
Cash Funds - Old Age Pension Fund	\$137
Cash Funds - Children's Basic Health Plan	\$1,443
Federal Funds	\$13,457
Total	\$28,408

**Departments Contacted**

Counties	Health Care Policy and Financing
Human Services	Sheriffs