

**FINAL  
FISCAL NOTE**

**Drafting Number:** LLS 09-0674

**Date:** May 28, 2009

**Prime Sponsor(s):** Rep. Gardner B.  
Sen. Boyd

**Bill Status:** Postponed Indefinitely

**Fiscal Analyst:** Bill Zepernick (303-866-4777)

**TITLE:** CONCERNING THE ESTABLISHMENT OF A PROCESS FOR THE DEPARTMENT OF HUMAN SERVICES TO AUTHORIZE EXEMPTIONS FROM REQUIREMENTS ON CERTAIN COMMUNITY CENTERED BOARDS THAT ARE INTENDED TO IMPROVE EFFICIENCY WHILE MAINTAINING QUALITY SERVICES TO PERSONS WITH DEVELOPMENTAL DISABILITIES.

Fiscal Impact Summary	FY 2009-2010	FY 2010-2011
<b>State Revenue</b>		
<b>State Expenditures</b>		
<b>TOTAL</b>	<b>\$135,400</b>	<b>\$136,130</b>
General Fund	67,700	68,065
Federal Funds	67,700	68,065
<b>FTE Position Change</b>	1.9 FTE	2.0 FTE
<b>Effective Date:</b> The bill was postponed indefinitely by the House Health and Human Services Committee on February 16, 2009.		
<b>Appropriation Summary for FY 2009-2010:</b> See State Appropriations section.		
<b>Local Government Impact:</b> None.		

**Summary of Legislation**

The bill allows Community Centered Boards (CCBs) that serve persons with developmental disabilities to be exempted from certain state laws governing their operations with approval from the State Board of Human Services. Applications for exemptions may be filed by a CCB or by the Division of Developmental Disabilities (the division) within the Department of Human Services (DHS) on behalf of a CCB or group of boards.

The division and the executive director of the DHS are to review each application for an exemption and make a recommendation to the State Board of Human Services. The State Board of Human Services has the authority to grant an exemption, and may revoke an exemption upon giving notice to a CCB.

**Background**

CCBs are private nonprofit organizations designated in statute as the entry point for the long-term service and support system for persons with developmental disabilities. The state contracts with twenty CCBs to deliver community-based services for persons with developmental disabilities. CCBs are responsible for intake, eligibility determination, service plan development, arrangement for services, delivery of services, monitoring, and other functions.

**State Expenditures**

The DHS is expected to incur costs of \$135,400 and 1.9 FTE in FY 2009-10 and \$136,130 and 2.0 FTE in FY 2010-11. Costs are split equally between General Fund and federal funds, \$67,700 from each source. Table 1 provides an overview of costs under the bill.

<b>Table 1. Expenditures Under HB09-1211</b>		
<b>Cost Components</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>
Personal Services	\$123,043	\$134,230
FTE	1.9	2.0
Operating Expenses and Capital Outlay	12,357	1,900
<b>TOTAL</b>	<b>\$135,400</b>	<b>\$136,130</b>

**Personal Services.** The DHS is required to work with the CCBs to determine from which state laws, if any, a CCB may need an exemption. The bill does not limit the ability of the CCBs to file for exemptions and the DHS is required to review each application. The DHS requires staff to review exemption applications, determine any budget or policy implications of exemptions, and monitor CCBs that have received exemptions from state law.

**Potential Costs.** Exempting the CCBs from requirements in state law could restrict the state's ability to access federal Medicaid funds and result in increased costs for the DHS and the Department of Health Care Policy and Financing (DHCPF). These costs are conditional upon the State Board of Human Services providing exemptions that conflict with federal Medicaid requirements. Such an exemption could require DHS staff to perform certain functions if the CCBs are exempted from duties required under Medicaid. The DHCPF could also incur costs for amending and monitoring service contracts with CCBs.

**Expenditures Not Included**

Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. The centrally appropriated costs subject to this policy are summarized in Table 2.

<b>Table 2. Expenditures Not Included Under HB09-1211*</b>		
<b>Cost Components</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>
Employee Insurance (Health, Life, Dental, and Short-term Disability)	\$13,007	\$13,692
Supplemental Employee Retirement Payments	3,583	4,991
<b>TOTAL</b>	<b>\$16,590</b>	<b>\$18,683</b>

*\*More information is available at: [http://www.state.co.us/gov\\_dir/leg\\_dir/lcsstaff/2009/comsched/CommonPolicies2009.pdf](http://www.state.co.us/gov_dir/leg_dir/lcsstaff/2009/comsched/CommonPolicies2009.pdf)*

### **State Appropriations**

For FY 2009-10, the fiscal note indicates that the Department of Health Care Policy and Financing, as the designated federal agency for Medicaid funding, requires an appropriation of \$135,400, split evenly between the General Fund and federal funds - \$67,700 from each source. Of this amount, the Department of Human Services requires \$135,400 in reappropriated funds and 1.9 FTE.

### **Departments Contacted**

Health Care Policy and Financing      Human Services