

SENATE COMMITTEE OF REFERENCE REPORT

Chairman of Committee

February 18, 2010
Date

Committee on Health and Human Services.

After consideration on the merits, the Committee recommends the following:

SB10-153 be amended as follows, and as so amended, be referred to the Committee on Appropriations with favorable recommendation:

1 Amend printed bill, strike everything below the enacting clause and
2 substitute:

3 "SECTION 1. Title 27, Colorado Revised Statutes, is amended
4 BY THE ADDITION OF A NEW ARTICLE to read:

5 **ARTICLE 64**
6 **Behavioral Health**

7 **27-64-101. Legislative declaration.** (1) THE GENERAL
8 ASSEMBLY HEREBY FINDS, DETERMINES, AND DECLARES THAT:

9 (a) THERE IS AN URGENT NEED TO ADDRESS THE ECONOMIC,
10 SOCIAL, AND PERSONAL COSTS TO THE STATE OF COLORADO AND ITS
11 CITIZENS OF UNTREATED MENTAL HEALTH AND SUBSTANCE USE
12 DISORDERS;

13 (b) BEHAVIORAL HEALTH DISORDERS, INCLUDING MENTAL HEALTH
14 AND SUBSTANCE USE DISORDERS, ARE TREATABLE CONDITIONS NOT
15 UNLIKE OTHER CHRONIC HEALTH ISSUES THAT REQUIRE A COMBINATION
16 OF BEHAVIORAL CHANGE AND MEDICATION OR OTHER TREATMENT. WHEN
17 INDIVIDUALS RECEIVE APPROPRIATE PREVENTION, EARLY INTERVENTION,
18 TREATMENT, AND RECOVERY SERVICES, THEY CAN LIVE FULL, PRODUCTIVE
19 LIVES.

1 (c) UNTREATED BEHAVIORAL HEALTH DISORDERS PLACE
2 INDIVIDUALS AT HIGH RISK FOR POOR HEALTH OUTCOMES AND
3 SIGNIFICANTLY IMPACT VIRTUALLY ALL ASPECTS OF LOCAL AND STATE
4 GOVERNMENT BY REDUCING FAMILY STABILITY, STUDENT ACHIEVEMENT,
5 WORKFORCE PRODUCTIVITY, AND PUBLIC SAFETY;

6
7 (d) CURRENTLY, THERE IS NO SINGLE BEHAVIORAL HEALTH CARE
8 SYSTEM IN COLORADO. INSTEAD, CONSUMERS OF ALL AGES WITH
9 BEHAVIORAL HEALTH DISORDERS RECEIVE SERVICES FROM A NUMBER OF
10 DIFFERENT SYSTEMS, INCLUDING THE HEALTH CARE, BEHAVIORAL HEALTH
11 CARE, CHILD WELFARE, JUVENILE AND CRIMINAL JUSTICE, EDUCATION, AND
12 HIGHER EDUCATION SYSTEMS.

13 (e) ADULT AND YOUTH CONSUMERS AND THEIR FAMILIES NEED
14 QUALITY BEHAVIORAL HEALTH CARE THAT IS INDIVIDUALIZED AND
15 COORDINATED TO MEET THEIR CHANGING NEEDS THROUGH A
16 COMPREHENSIVE AND INTEGRATED SYSTEM;

17 (f) TIMELY ACCESS THROUGH MULTIPLE POINTS OF ENTRY TO A
18 FULL CONTINUUM OF CULTURALLY RESPONSIVE SERVICES, INCLUDING
19 PREVENTION, EARLY INTERVENTION, CRISIS RESPONSE, TREATMENT, AND
20 RECOVERY, IS NECESSARY FOR AN EFFECTIVE INTEGRATED SYSTEM;

21 (g) EVIDENCE-BASED AND PROMISING PRACTICES RESULT IN
22 FAVORABLE OUTCOMES FOR COLORADO'S ADULT AND YOUTH CONSUMERS,
23 THEIR FAMILIES, AND THE COMMUNITIES IN WHICH THEY LIVE;

24 (h) LACK OF PUBLIC AWARENESS REGARDING BEHAVIORAL HEALTH
25 ISSUES CREATES A NEED FOR PUBLIC EDUCATION THAT EMPHASIZES THE
26 IMPORTANCE OF BEHAVIORAL HEALTH AS PART OF OVERALL HEALTH AND
27 WELLNESS AND CREATES THE DESIRE TO INVEST IN AND SUPPORT AN
28 INTEGRATED BEHAVIORAL HEALTH SYSTEM IN COLORADO;

29 (i) TO REDUCE THE ECONOMIC AND SOCIAL COSTS OF UNTREATED
30 BEHAVIORAL HEALTH DISORDERS, COLORADO NEEDS A SYSTEMIC
31 TRANSFORMATION OF THE BEHAVIORAL HEALTH SYSTEM THROUGH WHICH
32 TRANSFORMATION THE STATE STRIVES TO ACHIEVE CRITICAL GOALS TO
33 ADDRESS MENTAL HEALTH AND SUBSTANCE USE DISORDERS; AND

34 (j) THE OVERARCHING GOAL OF THIS BEHAVIORAL HEALTH

1 SYSTEM TRANSFORMATION SHALL BE TO MAKE THE BEHAVIORAL HEALTH
2 SYSTEM'S ADMINISTRATIVE PROCESSES, SERVICE DELIVERY, AND FUNDING
3 MORE EFFECTIVE AND EFFICIENT TO IMPROVE OUTCOMES FOR COLORADO
4 CITIZENS.

5 (2) THE GENERAL ASSEMBLY FURTHER FINDS AND DECLARES THAT,
6 TO IMPROVE THE QUALITY OF LIFE FOR THE CITIZENS OF COLORADO,
7 STRENGTHEN THE ECONOMY, AND CONTINUE THE RESPONSIBLE
8 MANAGEMENT OF THE STATE'S RESOURCES, THE LEADERSHIP OF THE THREE
9 BRANCHES OF COLORADO'S STATE GOVERNMENT AND THE STAKEHOLDERS
10 MOST AFFECTED BY MENTAL HEALTH AND SUBSTANCE USE DISORDERS
11 MUST COLLABORATE TO BUILD ON THE PROGRESS OF PAST EFFORTS AND TO
12 SUSTAIN A FOCUS ON THE IMPROVEMENT OF BEHAVIORAL HEALTH
13 SERVICES.

14 **27-64-102. Behavioral health transformation council - creation**
15 **- duties - sunset review - repeal.** (1) THE GOVERNOR SHALL DESIGNATE
16 A GROUP OF HIS OR HER CABINET MEMBERS INCLUDING, BUT NOT LIMITED
17 TO, THE COMMISSIONER OF EDUCATION AND THE EXECUTIVE DIRECTORS OF
18 THE DEPARTMENTS OF CORRECTIONS, HEALTH CARE POLICY AND
19 FINANCING, HUMAN SERVICES, LABOR AND EMPLOYMENT, LOCAL AFFAIRS,
20 PUBLIC HEALTH AND ENVIRONMENT, AND PUBLIC SAFETY TO OVERSEE THE
21 SYSTEMIC TRANSFORMATION OF THE BEHAVIORAL HEALTH SYSTEM.

22 (2) (a) ON OR BEFORE AUGUST 1, 2010, THE GOVERNOR SHALL
23 CREATE A BEHAVIORAL HEALTH TRANSFORMATION COUNCIL, REFERRED TO
24 IN THIS SECTION AS THE "COUNCIL", TO ADVISE HIS OR HER CABINET ON
25 TRANSFORMING THE BEHAVIORAL HEALTH SYSTEM IN COLORADO. ON OR
26 BEFORE AUGUST 1, 2010, THE GOVERNOR SHALL DESIGNATE AN
27 EXECUTIVE BRANCH DEPARTMENT TO SERVE AS THE LEAD DEPARTMENT TO
28 FACILITATE THE COUNCIL'S WORK. IN CONSULTATION WITH THE
29 GOVERNOR, THE LEAD AGENCY SHALL DETERMINE THE APPROPRIATE
30 MEMBERSHIP, TENURE, AND OPERATING PROTOCOLS OF THE COUNCIL.

31 (b) THE COUNCIL MEMBERSHIP SHALL INCLUDE STAFF FROM
32 EXECUTIVE BRANCH AGENCIES THAT FUND OR SERVE CLIENTS WHO USE
33 THE BEHAVIORAL HEALTH SYSTEM INCLUDING, BUT NOT LIMITED TO, THE
34 DEPARTMENTS OF CORRECTIONS, EDUCATION, HEALTH CARE POLICY AND
35 FINANCING, HUMAN SERVICES, LABOR AND EMPLOYMENT, LOCAL AFFAIRS,
36 PUBLIC HEALTH AND ENVIRONMENT, AND PUBLIC SAFETY; AT LEAST TWO
37 REPRESENTATIVES FROM THE JUDICIAL BRANCH; A MEMBER FROM THE

1 MENTAL HEALTH PLANNING AND ADVISORY COMMITTEE IN THE
2 DEPARTMENT OF HUMAN SERVICES; AND AT LEAST FOUR CONSUMERS AND
3 OTHER STAKEHOLDERS IN THE BEHAVIORAL HEALTH SYSTEM.
4 STAKEHOLDERS MAY INCLUDE, BUT NEED NOT BE LIMITED TO,
5 CONSUMERS, PERSONS IN RECOVERY, FAMILY MEMBERS, ADVOCACY
6 GROUPS, AND BEHAVIORAL HEALTH SERVICE PROVIDERS FROM THE PUBLIC
7 AND PRIVATE SECTORS.

8 (c) ON OR BEFORE JANUARY 30, 2011, AND ON OR BEFORE
9 JANUARY 30 EACH YEAR THEREAFTER, THE LEAD AGENCY SHALL BRIEF
10 THE HEALTH AND HUMAN SERVICES COMMITTEES OF THE HOUSE OF
11 REPRESENTATIVES AND THE SENATE, OR ANY SUCCESSOR COMMITTEES, ON
12 THE ACTIVITIES AND PROGRESS OF THE COUNCIL TOWARD ACHIEVING THE
13 GOALS OF A TRANSFORMATION OF COLORADO'S BEHAVIORAL HEALTH
14 SYSTEM.

15 (3) THE COUNCIL SHALL HAVE THE FOLLOWING DUTIES AND
16 FUNCTIONS:

17 (a) TO DEVELOP A STRATEGIC PRIORITIZATION, PLANNING, AND
18 IMPLEMENTATION PROCESS TO ADVISE THE GOVERNOR'S CABINET ON
19 TRANSFORMING COLORADO'S BEHAVIORAL HEALTH SYSTEM. THE
20 COUNCIL SHALL WORK TOWARD THE FOLLOWING GOALS ASSOCIATED WITH
21 A COMPREHENSIVE, EFFICIENT, EFFECTIVE, AND INTEGRATED BEHAVIORAL
22 HEALTH SYSTEM:

23 (I) DEVELOPING SHARED OUTCOMES ACROSS KEY SYSTEMS TO
24 ENABLE JOINT ACCOUNTABILITY AND TO IMPROVE SERVICES;

25 (II) ALIGNING SERVICE AREAS ACROSS SYSTEMS TO PROMOTE
26 EQUITABLE AND TIMELY ACCESS TO A FULL CONTINUUM OF SERVICES
27 THROUGHOUT COLORADO, TO THE EXTENT FEASIBLE;

28 (III) ESTABLISHING JOINT MONITORING ACROSS SYSTEMS TO
29 ENSURE ACCOUNTABILITY FOR COMMON OUTCOMES AND TO REDUCE THE
30 ADMINISTRATIVE BURDEN ASSOCIATED WITH SERVICE PROVISION;

31 (IV) CREATING INTEGRATED BEHAVIORAL HEALTH POLICIES AND
32 RULES TO ALIGN WITH INTEGRATED SERVICE DELIVERY;

33 (V) FINANCING REFORM TO MAXIMIZE AND EFFICIENTLY UTILIZE

1 FUNDS;

2 (VI) UTILIZING ELECTRONIC HEALTH RECORDS OR OTHER
3 TECHNOLOGY, SHARED SCREENING TOOLS, ASSESSMENTS, AND
4 EVALUATIONS IN COMPLIANCE WITH FEDERAL AND STATE
5 CONFIDENTIALITY AND PRIVACY LAWS;

6 (VII) ADOPTING CONSISTENT CROSS-SYSTEM STANDARDS FOR
7 CULTURAL CONGRUENCE AND FOR YOUTH, ADULT, AND FAMILY
8 INVOLVEMENT;

9 (VIII) PROMOTING AND UTILIZING EVIDENCE-BASED AND
10 PROMISING PRACTICES TO THE EXTENT POSSIBLE; AND

11 (IX) CREATING WORKFORCE-DEVELOPMENT STRATEGIES
12 REQUIRED FOR AN INTEGRATED BEHAVIORAL HEALTH SYSTEM;

13 (b) TO MAKE RECOMMENDATIONS TO THE CABINET THAT
14 ENCOURAGE AND PROMOTE COLLABORATION, PARTNERSHIPS, AND
15 INNOVATION ACROSS GOVERNMENTAL AGENCIES AND OTHER AGENCIES IN
16 THE BUDGETING, PLANNING, ADMINISTRATION, AND PROVISION OF
17 BEHAVIORAL HEALTH SERVICES ASSOCIATED WITH THE GOALS ABOVE; AND

18 (c) TO COORDINATE AND CONSOLIDATE THE COUNCIL'S EFFORTS
19 WITH THE EFFORTS OF OTHER GROUPS THAT ARE WORKING ON BEHAVIORAL
20 HEALTH ISSUES TO INCREASE THE EFFECTIVENESS AND EFFICIENCY OF
21 THESE EFFORTS.

22 (4) THIS SECTION IS REPEALED, EFFECTIVE JULY 1, 2020. PRIOR TO
23 SUCH REPEAL, THE COMMISSION SHALL BE REVIEWED AS PROVIDED FOR IN
24 SECTION 2-3-1203, C.R.S.

25 **SECTION 2.** 2-3-1203 (3), Colorado Revised Statutes, is
26 amended BY THE ADDITION OF A NEW PARAGRAPH to read:

27 **2-3-1203. Sunset review of advisory committees.** (3) The
28 following dates are the dates for which the statutory authorization for the
29 designated advisory committees is scheduled for repeal:

30 (gg) July 1, 2020:

1 (I) THE BEHAVIORAL HEALTH TRANSFORMATION COUNCIL,
2 CREATED IN SECTION 27-64-102, C.R.S.

3 **SECTION 3.** 25.5-5-411, Colorado Revised Statutes, is amended
4 to read:

5 **25.5-5-411. Medicaid community mental health services -**
6 **legislative declaration - administration - rules.** (1) THE GENERAL
7 ASSEMBLY HEREBY FINDS, DETERMINES, AND DECLARES THAT:

8 (a) THERE IS AN URGENT NEED TO ADDRESS THE ECONOMIC,
9 SOCIAL, AND PERSONAL COSTS TO THE STATE OF COLORADO AND ITS
10 CITIZENS OF UNTREATED MENTAL HEALTH AND SUBSTANCE USE
11 DISORDERS;

12 (b) BEHAVIORAL HEALTH DISORDERS, INCLUDING MENTAL HEALTH
13 AND SUBSTANCE USE DISORDERS, ARE TREATABLE CONDITIONS NOT
14 UNLIKE OTHER CHRONIC HEALTH ISSUES THAT REQUIRE A COMBINATION
15 OF BEHAVIORAL CHANGE AND MEDICATION OR OTHER TREATMENT. WHEN
16 INDIVIDUALS RECEIVE APPROPRIATE PREVENTION, EARLY INTERVENTION,
17 TREATMENT, AND RECOVERY SERVICES, THEY CAN LIVE FULL, PRODUCTIVE
18 LIVES.

19 (c) UNTREATED BEHAVIORAL HEALTH DISORDERS PLACE
20 INDIVIDUALS AT HIGH RISK FOR POOR HEALTH OUTCOMES AND
21 SIGNIFICANTLY AFFECT VIRTUALLY ALL ASPECTS OF LOCAL AND STATE
22 GOVERNMENT BY REDUCING FAMILY STABILITY, STUDENT ACHIEVEMENT,
23 WORKFORCE PRODUCTIVITY, AND PUBLIC SAFETY;

24 (d) CURRENTLY, THERE IS NO SINGLE BEHAVIORAL HEALTH CARE
25 SYSTEM IN COLORADO. INSTEAD, CONSUMERS OF ALL AGES WITH
26 BEHAVIORAL HEALTH DISORDERS RECEIVE SERVICES FROM A NUMBER OF
27 DIFFERENT SYSTEMS, INCLUDING THE HEALTH CARE, BEHAVIORAL HEALTH
28 CARE, CHILD WELFARE, JUVENILE AND CRIMINAL JUSTICE, EDUCATION, AND
29 HIGHER EDUCATION SYSTEMS.

30 (e) ADULT AND YOUTH CONSUMERS AND THEIR FAMILIES NEED
31 QUALITY BEHAVIORAL HEALTH CARE THAT IS INDIVIDUALIZED AND
32 COORDINATED TO MEET THEIR CHANGING NEEDS THROUGH A
33 COMPREHENSIVE AND INTEGRATED SYSTEM;

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1 (f) TIMELY ACCESS THROUGH MULTIPLE POINTS OF ENTRY TO A
2 FULL CONTINUUM OF CULTURALLY RESPONSIVE SERVICES, INCLUDING
3 PREVENTION, EARLY INTERVENTION, CRISIS RESPONSE, TREATMENT, AND
4 RECOVERY, IS NECESSARY FOR AN EFFECTIVE INTEGRATED SYSTEM;

5 (g) EVIDENCE-BASED AND PROMISING PRACTICES RESULT IN
6 FAVORABLE OUTCOMES FOR COLORADO'S ADULT AND YOUTH CONSUMERS,
7 THEIR FAMILIES, AND THE COMMUNITIES IN WHICH THEY LIVE;

8 (h) LACK OF PUBLIC AWARENESS REGARDING BEHAVIORAL HEALTH
9 ISSUES CREATES A NEED FOR PUBLIC EDUCATION THAT EMPHASIZES THE
10 IMPORTANCE OF BEHAVIORAL HEALTH AS PART OF OVERALL HEALTH AND
11 WELLNESS AND CREATES THE DESIRE TO INVEST IN AND SUPPORT AN
12 INTEGRATED BEHAVIORAL HEALTH SYSTEM IN COLORADO;

13 (i) TO REDUCE THE ECONOMIC AND SOCIAL COSTS OF UNTREATED
14 BEHAVIORAL HEALTH DISORDERS, COLORADO NEEDS A SYSTEMIC
15 TRANSFORMATION OF THE BEHAVIORAL HEALTH SYSTEM THROUGH WHICH
16 TRANSFORMATION THE STATE STRIVES TO ACHIEVE CRITICAL GOALS TO
17 ADDRESS MENTAL HEALTH AND SUBSTANCE USE DISORDERS; AND

18 (j) THE OVERARCHING GOAL OF THIS BEHAVIORAL HEALTH
19 SYSTEM TRANSFORMATION SHALL BE TO MAKE THE BEHAVIORAL HEALTH
20 SYSTEM'S ADMINISTRATIVE PROCESSES, SERVICE DELIVERY, AND FUNDING
21 MORE EFFECTIVE AND EFFICIENT TO IMPROVE OUTCOMES FOR COLORADO
22 CITIZENS.

23 (2) THE GENERAL ASSEMBLY FURTHER FINDS AND DECLARES THAT,
24 TO IMPROVE THE QUALITY OF LIFE FOR THE CITIZENS OF COLORADO,
25 STRENGTHEN THE ECONOMY, AND CONTINUE THE RESPONSIBLE
26 MANAGEMENT OF THE STATE'S RESOURCES, THE LEADERSHIP OF THE THREE
27 BRANCHES OF COLORADO'S STATE GOVERNMENT AND THE STAKEHOLDERS
28 MOST AFFECTED BY MENTAL HEALTH AND SUBSTANCE USE DISORDERS
29 MUST COLLABORATE TO BUILD ON THE PROGRESS OF PAST EFFORTS AND TO
30 SUSTAIN A FOCUS ON THE IMPROVEMENT OF BEHAVIORAL HEALTH
31 SERVICES.

32 ~~(1)~~ (3) Except as provided for in ~~subsection (3)~~ SUBSECTION (6)
33 of this section, the state department shall administer all medicaid
34 community mental health services for medical assistance recipients
35 including but not limited to the prepaid capitated single entry point

1 system for mental health services, the fee-for-service mental health
2 services, and alternatives to institutionalization. The administration of
3 medicaid community mental health services shall include but shall not be
4 limited to program approval, program monitoring, and data collection.

5 ~~(1.5)(a)~~ (4) (a) The requirements of section 25.5-5-408 shall not
6 apply to the capitated rate calculation process for medicaid community
7 mental health services; except that each medicaid community mental
8 health services MCO shall be subject to the requirements of section
9 25.5-5-404 (1) (k) and (1) (l).

10 (b) The state department shall establish cost-effective, capitated
11 rates for community mental health services in a manner that includes cost
12 containment mechanisms. These cost containment mechanisms may
13 include, but are not limited to, restricting average per member per month
14 utilization growth, restricting unit cost growth, limiting allowable
15 administrative cost, establishing minimum medical loss ratios, or
16 establishing other cost containment mechanisms that the state department
17 determines appropriate.

18 (c) Effective June 1, 2010, the state department shall make a
19 capitation payment to a medicaid community mental health services MCO
20 for each medical assistance recipient no sooner than the first day of the
21 month following the month the recipient is enrolled with that MCO.

22 ~~(2)~~ (5) The state department is authorized to seek federal approval
23 for any necessary changes to the state's waiver that authorizes the
24 statewide system of community mental health care to reflect the
25 provisions of this section. The state department is authorized to limit a
26 recipient's freedom of choice with respect to a provider of mental health
27 services and to restrict reimbursements for mental health services to
28 designated and contracted agencies in such waiver.

29 ~~(3)~~ (6) The administration of the mental health institutes shall
30 remain the responsibility of the department of human services.

31 ~~(4)~~ (7) On and after April 6, 2004, all positions of employment in
32 the department of human services concerning the powers, duties, and
33 functions of administering all medicaid community mental health services
34 for medical assistance recipients transferred to the state department
35 pursuant to this section and determined to be necessary to carry out the

1 purposes of this section by the executive director of the state department
2 shall be transferred to the state department and shall become employment
3 positions therein.

4 ~~(5)~~ (8) On and after April 6, 2004, all items of property, real and
5 personal, including office furniture and fixtures, computers and software,
6 books, documents, and records of the department of human services
7 pertaining to the duties and functions of administering all medicaid
8 community mental health services for medical assistance recipients are
9 transferred to the state department and shall become the property thereof.

10 ~~(6)~~ (9) On and after April 6, 2004, for state fiscal year 2003-04,
11 the state department may bill the department of human services
12 medicaid-funded programs division appropriation within the state
13 department's appropriation for the provision of medicaid community
14 mental health services as authorized in this section.

15 ~~(7)~~ (10) On or before July 1, 2004, the state department and the
16 department of human services shall jointly produce a document to assist
17 mental health consumers and advocates and providers that participate in
18 Colorado's publicly funded mental health system to understand the
19 respective roles of each department in the provision of mental health
20 services and each department's ability to provide high quality and
21 accessible mental health services. The state department and the
22 department of human services shall make the document available to the
23 public and shall send at least one copy to each community mental health
24 center, statewide mental health advocacy organization, and mental health
25 assessment and services agency. The information contained in the
26 document shall be made available on each department's internet web site.
27 The state department and the department of human services are
28 encouraged to consult with representatives of mental health consumer and
29 provider organizations in the development of the document to ensure that
30 it benefits consumers seeking mental health services and consumers who
31 need to express concerns or complaints regarding the quality, availability,
32 or accessibility of mental health services.

33 ~~(8)~~ (11) When the state auditor conducts an audit of the statewide
34 mental health system, the state auditor shall evaluate the coordination of
35 services between the state department and the department of human
36 services and the impact of the administration of the mental health system
37 on the quality of care within the statewide mental health system.

1 ~~(9)~~ (12) The state board shall adopt any rules necessary for the
2 implementation of this section. In adopting rules concerning medicaid
3 community mental health services, the state board shall consider the
4 effect the rules may have on the statewide mental health system.

5 **SECTION 4. Safety clause.** The general assembly hereby finds,
6 determines, and declares that this act is necessary for the immediate
7 preservation of the public peace, health, and safety."

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