



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

**Drafting Number:** LLS 10-0712  
**Prime Sponsor(s):** Rep. Primavera  
 Sen. Spence

**Date:** January 27, 2010  
**Bill Status:** House Health and Human Services  
**Fiscal Analyst:** Bill Zepernick (303-866-4777)

**TITLE:** CONCERNING THE HOME- AND COMMUNITY-BASED SERVICES PROGRAM FOR PERSONS WITH A BRAIN INJURY.

<b>Fiscal Impact Summary</b>	<b>FY 2010-2011</b>	<b>FY 2011-2012</b>
<b>State Revenue</b>		
<b>State Expenditures</b>		
General Fund	\$48,750	\$16,250
Federal Funds	<u>48,750</u>	<u>16,250</u>
<b>Total</b>	<b>\$97,500</b>	<b>\$32,500</b>
<b>FTE Position Change</b>		
<b>Effective Date:</b> Upon signature of the Governor, or upon becoming law without his signature.		
<b>Appropriation Summary for FY 2010-2011:</b> See State Appropriations section.		
<b>Local Government Impact:</b> None.		

**Summary of Legislation**

The bill removes the requirement that transitional living services for Medicaid recipients served under the Home- and Community-Based Services (HCBS) Waiver for Persons with Brain Injury be provided in a nonmedical setting. This would allow persons in the transitional living program to receive medical treatment while participating in the 6- to 12-month program to prepare for independent living after having required hospital-level care.

**State Expenditures**

**The bill increases costs in the Department of Health Care Policy and Financing by \$97,500 in FY 2010-11 and by \$32,500 in FY 2011-12, split evenly between General Fund and federal funds.** These costs are for contract services to conduct an analysis of provider rates and program costs from adding medical services to the transitional living program for persons with brain injury. Specifically, the contractor would be required to:

- develop a client assessment tool to estimate program participation and types of medical services that would likely be required along with the current transitional living services;

- develop a new rate structure to reimburse providers for transitional and medical services; and
- assess the budget neutrality for these program changes to ensure ongoing compliance with federal rules.

If the contractor's study demonstrates budget neutrality to offer or provide medical services in transitional living programs, the department would submit a waiver amendment to obtain the necessary federal approval. This analysis assumes that staffing costs for amending the federal waiver would be absorbed by the department within existing appropriations.

The department would issue a request for proposals in September 2010, and have a contractor in place by December 2010. The contractor would complete recommendations for the program's rate structure by August 2011, at which time a waiver amendment would be submitted for federal approval. If approved, clients could begin enrolling in the transitional living program in July 2012.

### **State Appropriations**

The fiscal note indicates an appropriation to the Department of Health Care Policy and Financing in FY 2010-11 of \$97,500, split evenly between General Fund and federal funds.

### **Departments Contacted**

Health Care Policy and Financing