

Colorado Legislative Council Staff Fiscal Note

**STATE and LOCAL
FISCAL IMPACT**

Drafting Number: LLS 14-0934	Date: April 14, 2014
Prime Sponsor(s): Rep. May; Gerou Sen. Hodge	Bill Status: House Public Health Care and Human Services
	Fiscal Analyst: Bill Zepernick (303-866-4777)

SHORT TITLE: TRANSITION YOUTH DEV DISAB TO ADULT SERVICES

Fiscal Impact Summary*	FY 2014-2015	FY 2015-2016
State Revenue	\$0	
<i>State transfers</i>		
General Fund	(\$2,829,586)	
Cash Fund	2,829,586	
State Expenditures	\$2,916,641	
General Fund	(2,829,586)	
Cash Funds	2,829,586	
Federal Funds	2,916,641	
FTE Position Change		
Appropriation Required: \$2,916,641 - Multiple agencies (FY 2014-15)		

* This summary shows changes from current law under the bill for each fiscal year. Transfers and diversions result in no net change to state revenue. Parentheses indicate a decrease in funds.

Summary of Legislation

Currently, youths who are 18 to 20 years of age and who have intellectual and developmental disabilities (IDD) receive services through county child welfare services, which are funded through the Department of Human Services (DHS). The bill, **recommended by the Joint Budget Committee (JBC)**, establishes a plan and appropriates funds to transfer these youth into adult services for persons with IDD under Medicaid Home- and Community-Based Services (HCBS) in the Department of Health Care Policy and Financing (HCPF). The bill sets forth criteria for transition planning and instructs the State Board of Human Services and the Medical Services Board to promulgate any rules necessary to guide the transition.

State Revenue

State transfers. On July 1, 2014, the bill transfers \$2,829,586 from the General Fund to the newly created Child Welfare Transition Cash Fund. This cash fund is used to fund the costs of transferring youths with IDD from child welfare services to adult services. The cash fund is repealed on July 1, 2016, at which time any remaining fund balance will be transferred to the General Fund.

State Expenditures

The bill increases and decreases appropriations to the DHS and the HCPF to fund the transition of youth with IDD to adult services, resulting in a one-time increase of \$2.9 million in FY 2014-15. Appropriations for this purpose are dually appropriated to both agencies, with authority in the DHS ending once a youth has transitioned to adult services in HCPF. The ongoing costs of serving youths with IDD through Medicaid HCBS will be addressed through the annual budget process, rather than in this bill, which addresses only the transition process.

Changes in appropriations. The bill decreases General Fund appropriations for child welfare services in the DHS by \$2.8 million and increases appropriations from the Child Welfare Transition Cash Fund by the same amount. By shifting youth with IDD to adult services under Medicaid HCBS, up to \$2.9 million in federal funds will be available to pay for services.

Other workload. The HCPF and DHS may have additional workload for rulemaking surrounding the transition process established in this bill. Additional workload may also occur in the DHS and HCPF to provide assistance to counties and community centered boards (CCBs), respectively. No additional appropriations for this work are required.

Local Government Impact

In the short-term, county child welfare caseworkers will have additional workload to prepare transition plans for youths moving to adult services under the bill. After youths age 18 to 20 are transitioned to adult services, counties will have a reduction in workload and costs associated with serving this population.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

The bill requires and includes the following appropriations in FY 2014-15:

- a decrease of \$2,829,586 General Fund from child welfare services in the DHS;
- an increase of \$2,829,586 from the Child Welfare Transition Cash Fund to the DHS and HCPF; and
- an increase of \$2,916,641 federal funds to HCPF.

State and Local Government Contacts

Health Care Policy and Financing

Human Services

Counties