

*Colorado Legislative Council Staff Fiscal Note*

**STATE and LOCAL  
FISCAL IMPACT**

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<b>Drafting Number:</b> LLS 15-0732	<b>Date:</b> February 11, 2015
<b>Prime Sponsor(s):</b> Sen. Grantham Rep. Young	<b>Bill Status:</b> Senate Health & Human Services <b>Fiscal Analyst:</b> Bill Zepernick (303-866-4777)

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**BILL TOPIC:** MANDATORY ABUSE REPORT FOR ADULT WITH A DISABILITY

<b>Fiscal Impact Summary*</b>	<b>FY 2015-2016</b>	<b>FY 2016-2017</b>
<b>State Revenue</b>	<b>&lt;\$5,000</b>	<b>&lt;\$5,000</b>
Cash Funds	<5,000	<5,000
<b>State Expenditures</b>	<b>\$1,056,789</b>	<b>\$1,055,542</b>
General Fund	848,025	845,979
Cash Funds	202,806	202,806
Centrally Appropriated Costs**	5,957	6,757
<b>TABOR Set Aside</b>	<b>&lt;\$5,000</b>	<b>&lt;\$5,000</b>
<b>FTE Position Change</b>	<b>0.5 FTE</b>	<b>0.5 FTE</b>
<b>Appropriation Required: \$1.1 million - Department of Human Services (FY 2015-16)</b>		

\* This summary shows changes from current law under the bill for each fiscal year.  
 \*\* These costs are not included in the bill's appropriation. See the State Expenditures section for more information.

***This fiscal note is preliminary and may change as new information becomes available or assumptions are adjusted.***

**Summary of Legislation**

Colorado's Adult Protective Services (APS) system, enacted in 1991, is designed to protect vulnerable or at-risk adults who, because of age or mental or physical ability, are unable to obtain services or otherwise protect their own health, safety, and welfare. Under current law, an "at-risk adult" is any person over the age of 18 who meets this criteria and mandatory reporting of abuse is currently required for at-risk elders over the age of 70.

This bill expands the mandatory reporting requirement to cover known or suspected abuse of any at-risk adult with a disability over the age of 18. Mandatory reporters of elder abuse for who the bill applies includes professions such as:

- doctors, nurses, chiropractors, dentists, pharmacists, and emergency medical service providers;
- medical examiners and coroners;
- hospital and long-term care facility personnel engaged in admission, care, or treatment of patients;
- mental health professionals and social workers;
- clergy members;
- law enforcement and fire protection personnel;

- staff at community-centered boards (CCBs);
- personnel at banks and financial institutions; and
- home health providers and home care placement agency staff.

**Background**

Senate Bill 13-111 required that the mandatory reporters listed above report elder abuse. Failure to make a mandatory report is a class 3 misdemeanor. A person who files a report in good faith is immune from civil action or criminal prosecution. Since mandatory reporting for elder abuse took effect on July 1, 2014, counties have experience approximately a 40-percent increase in APS reports compared with the prior year (based on an extrapolation of data from the first six months of FY 2014-15). An increase in reports has occurred both for at-risk elders and for other at-risk adults. While mandatory reporting of elder abuse is currently required, it is also encouraged for all at-risk adults, which likely contributed to the increase for both populations. Table 1 shows data on APS reports for at-risk adults by age category.

<b>Table 1. Number of APS Reports by Age Group</b>		
<b>Cost Components</b>	<b>FY 2013-14*</b>	<b>FY 2014-15**</b>
Reports about Elders Age 70+	6,500	9,318
(Percent Change)	--	(+43%)
Reports about At-Risk Adults Age 18 to 69	5,318	7,238
(Percent Change)	--	(+36%)
<b>TOTAL</b>	<b>11,818</b>	<b>16,556</b>
	--	<b>(+40%)</b>

\* Data on reports by age group was incomplete for FY 2013-14. Out of the 11,818 reports received, data on the age of the subject of the report was only available for 5,977 reports. The figures above extrapolate the total for each age group based on the available data and historical trends.

\*\* Totals for FY 2014-15 are projected based on six months of data for July - December 2014.

**State Revenue**

Beginning in FY 2015-16, this bill is anticipated to increase state revenue by less than \$5,000 per year, credited to the Fines Collection Cash Fund in the Judicial Department. The fine penalty for a class 3 misdemeanor is \$50 to \$750. Because the courts have the discretion of incarceration, imposing a fine, or both, the impact to state revenue cannot be determined. However, based on the low number of fines imposed in 2014, the fiscal note assumes that any revenue generated is likely to be less than \$5,000.

**State Expenditures**

The bill increases costs in the Department of Human Services (DHS) for additional payments to counties for APS operations, as well as additional state staff to conduct training and oversee county APS reporting. These costs are shown in Table 2 and discussed below.

<b>Table 2. Expenditures Under SB 15-109</b>		
<b>Cost Components</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>
Personal Services	\$29,242	\$31,899
FTE	0.5 FTE	0.5 FTE
Operating Expenses and Capital Outlay Costs	5,178	475
County APS Administration	1,014,033	1,014,033
Software Licensing	2,378	2,378
Centrally Appropriated Costs*	5,957	6,757
<b><u>TOTAL</u></b>	<b><u>\$1,056,788</u></b>	<b><u>\$1,055,542</u></b>
<b>General Fund</b>	<b>848,025</b>	<b>845,979</b>
<b>Cash funds (local funds)</b>	<b>202,806</b>	<b>202,806</b>
<b>Centrally appropriated costs</b>	<b>5,957</b>	<b>6,757</b>

\* Centrally appropriated costs are not included in the bill's appropriation.

**Assumptions.** The fiscal note assumes that reports of abuse and exploitation for at-risk adults age 18 to 69 will increase by 10 percent from current levels and that the expansion of mandatory reporting under the bill will not significantly affect the number of reports for at-risk elders who are currently covered by mandatory reporting. While this 10 percent estimate is a simple approximation of the potential increase, it was selected because it results in the same net percentage increase in reports for FY 2015-16 for both elder adults and adults age 18 to 69 since FY 2013-14, the last year prior to the start of mandatory reporting for any APS population in Colorado (i.e., a 46 percent increase for elders and a 50 percent increase for adults between FY 2013-14 and FY 2015-16). This methodology is an attempt to account for the increased reporting that has already occurred under current law following implementation of SB 13-111 as well as the additional increase spurred by the expanded mandatory reporting requirement of this bill. Other assumptions used in the fiscal note are as follows:

- a 10 percent increase in reports involving persons with disabilities age 18 to 69 will result in 724 additional APS reports per year;
- a county caseworker can receive and investigate 25 reports per year;
- for every six additional county caseworkers, one additional supervisor is required;
- for every ten additional county case workers, one additional county attorney is required.

**County administration costs.** Based on the assumptions above, it is projected that counties will require an additional 10.9 FTE, including 8.6 FTE for caseworkers, 1.4 FTE for supervisors, and 0.9 FTE for county attorney staff. These staff will increase costs to counties by \$1,014,033 per year. This cost is assumed to be paid through the Adult Protect Services line item using 80 percent General Fund and 20 cash funds (local funds).

**DHS staffing and operational expenses.** As shown in Table 2, the DHS will have costs for 0.5 FTE for additional staff to oversee county APS reporting, conduct training, and perform other tasks. Standard operating and capital expenses are included for this staff. In addition, the DHS will have software licensing costs for new county and DHS staff to access the APS case management and data system.

**Judicial Department.** An increase in the number of reported cases of abuse or exploitation of at-risk adults may lead to increased criminal cases. To the extent the bill results in criminal cases stemming from such reports of abuse and exploitation, or from the failure of a mandatory reporters to make a report, the trial courts may experience an increase in workload. Similarly, the Office of the State Public Defender and Office of the Alternate Defense Counsel may experience an increase in workload due to any new case filings. Overall, workload in the Judicial Department is assumed to be minimal and not require changes to appropriations.

**Centrally appropriated costs.** 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 estimated in the fiscal note for informational purposes and summarized in Table 3.

<b>Cost Components</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>
Employee Insurance (Health, Life, Dental, and Short-term Disability)	\$3,691	\$4,027
Supplemental Employee Retirement Payments	2,266	2,730
<b>TOTAL</b>	<b>\$5,957</b>	<b>\$6,757</b>

\*More information is available at: <http://colorado.gov/fiscalnotes>

### **Comparable Crime**

Pursuant to Section 2-2-322 (2.5), C.R.S., Legislative Council Staff is required to include certain information in the fiscal note for any bill that creates a new crime, changes the classification of an existing crime, or changes an element of the existing crime that creates a new factual basis for the offense. Senate Bill 15-109 adds a new basis for which a person may be charged with failure to file a mandatory report. For the existing offense creating by SB 13-111, it is assumed that there have not been any filings or convictions for failure to report elder abuse over the last six months.

### **Local Government Impact**

The bill increases costs to counties in several ways, as discussed below.

**APS screening and investigation costs.** Counties will require staff to receive and investigate the additional reports of abuse and exploitation that will result from the expansion of mandatory reporting to all at-risk adults with disabilities. As discussed above, the statewide impact is estimated at 10.9 FTE and about \$1.0 million per year beginning in FY 2015-16. Some of these costs will be offset by funding from the DHS, but counties are required to contribute a 20-percent match to receive this state funding.

**Law enforcement and social service costs.** Some of the additional APS reports received by counties will require the involvement of local law enforcement to investigate alleged abuse and exploitation. Other cases will require follow-up services for at-risk adults and their families, such as case management.

**Misdemeanor offenses in county courts.** First, the bill may increase workload for district attorneys to prosecute any new offenses under the bill. Second, to the extent that this bill increases misdemeanor convictions and offenders are sentenced to jail, costs will increase. Because the courts have the discretion of incarceration or imposing a fine, the precise impact at the local level cannot be determined. The cost to house an offender in county jails varies from about \$53 to \$114 per day. For the current fiscal year, the state reimburses county jails at a daily rate of \$52.74 to house state inmates. It is assumed that the impact of this bill will be minimal.

**Denver County Court.** The bill results in an increase in workload for the Denver County Court, managed and funded by the City and County of Denver. The court will try misdemeanor cases under the bill if there are any persons charged with failure to file a mandatory report. Probation services in the Denver County Courts may also experience a minimal increase in workload and revenue to supervise persons convicted under the bill.

### **Effective Date**

The bill takes effect July 1, 2015, and applies to offenses committee on or after this date.

### **State Appropriations**

For FY 2015-16, the bill requires the following appropriations to the Department of Human Services for Adult Protective Services:

- \$1,014,033, including \$811,227 General Fund and \$202,806 local funds; and
- \$36,798 General Fund and an allocation of 0.5 FTE for state administration.

### **Departmental Difference**

The DHS estimates the costs to implement mandatory reporting for adults with disabilities at **\$3.0 million and 1.0 FTE in FY 2015-16** based on an additional 2,063 APS reports being filed. The fiscal note does not include this full amount because the department analysis used a methodology that seemed to inflate the potential number of new reports and did not adequately account for the impact of the prior establishment of mandatory reporting for APS in Colorado under current law. In addition, the DHS response did not align with feedback received from other state and local agencies. Because of this, the fiscal note uses a different method to estimate a similar net percentage increase for FY 2015-16 for all age groups since FY 2013-14.

### **State and Local Government Contacts**

Human Services	Corrections	Health Care Policy and Financing
Judicial	Law	Local Affairs
Counties	District Attorneys	Public Health and Environment
Municipalities	Sheriffs	