



# OFFICE OF STATE PLANNING AND BUDGETING

## *A Fact Sheet*

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### *Statewide Behavioral Health Increases in Governor Ritter's FY 2008-09 Budget*

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This Fact Sheet summarizes Governor Ritter's FY 2008-09 budget proposals for behavioral health (mental health and substance abuse) services across the state. Overall, the Governor's November 1 FY 2008-09 budget adds \$19.9 million total funds (\$16.7 million General Fund) across four departments for behavioral health services. This increase includes \$6.4 million in the Department of Human Services, \$8.7 million total funds (\$5.5 million General Fund) in the Department of Health Care Policy and Financing, \$4.0 million in the Department of Corrections, and \$0.8 million General Fund in the Department of Public Safety.

#### *Department of Human Services*

The Governor's FY 2008-09 budget adds **\$6.4 million General Fund** for the following areas in mental health in the Department of Human Services:

- **\$3.0 million General Fund for community mental health services** for indigent people with mental illness. This sum, more than double the General Fund increase provided in FY 2007-08, will serve around 960 people across the state. (Based on information recently derived from the 2002 Population-in-Need study, it is estimated that around 17,000 low-income people with mental illness in Colorado would seek services but do not have access to them. Based on this analysis, it would cost over \$50 million General Fund to serve all of the people who would qualify for and seek mental health services. )
- **\$1.4 million General Fund to open the new Forensics Institute in Pueblo.** This request follows the General Assembly's \$59.7 million capital construction expenditure on this state-of-the art facility (not including the construction master plan). The old facility was designed to house, rather than treat, patients and the operating costs included in the Governor's budget reflect those priorities. Construction on the new forensics institute began in April 2007 with a November 2008 anticipated finish date. The new forensics institute will open for all clients in June 2009. The new Forensics Institute will be able to serve 200 patients, an increase of 12 beds over current appropriations.
- **\$1.0 million General Fund for nurse compression pay at the mental health institutes to help with nurse retention.** This sum includes \$686,000 General Fund at the Mental Health Institute at Pueblo and \$319,000 General Fund for the Mental Health Institute at Fort Logan. It is intended to increase nurse salaries so that they are more competitive with the private sector. Starting salaries for nurses are being offered at 20 percent above entry-level; this request increases salaries for the existing experienced nurses at the mental health institutes.
- **\$0.4 million General Fund for Functional Family Therapy** in the Division of Youth Corrections (part of the Governor's Crime Prevention and Recidivism Reduction Package). The Functional Family Parole model provides parole officers with a structured, skill-based and goal-oriented approach to

working with youth and their families. Washington State's research on this program shows that Functional Family Therapy for parolees reduces recidivism and parole revocations.

- **\$0.6 million General Fund was added for Division of Youth Corrections S.B. 91-94 programs** where funding will be specifically targeted for evidence-based programs such as multi-systemic therapy (part of the Governor's Crime Prevention and Recidivism Reduction Package). Multi-systemic therapy is an intensive home-based intervention for chronic, violent or substance abusing juvenile offenders, ages 12-17. This therapy addresses the cause of delinquency and is delivered in the community.

#### *Department of Health Care Policy and Financing*

The Governor's FY 2008-09 budget adds the following funding for Medicaid mental health:

- **\$8.7 million total funds (\$5.5 million General Fund)** for Medicaid Mental Health Community Services. This increase is based on an estimated caseload of 361,782 Medicaid clients who are also eligible for the associated Medicaid mental health services. The request also includes a rate increase of 3.70 percent for capitation payments based on actuarial certification of costs.

#### *Department of Corrections*

The Governor's FY 2008-09 budget adds **\$4.0 million General Fund** for the following behavioral health priorities in the Department of Corrections:

- **\$1.8 million General Fund for mental health services** within the Department to provide more mental health services and to improve recidivism outcome (part of the Governor's Crime Prevention and Recidivism Reduction Package). This funding will help serve 1,900 offenders with severe mental illness.
- **\$1.8 million General Fund for a new parole wrap-around program** so that transitioning offenders with substance abuse problems can receive needed services as they leave prison and successfully transition into society (part of the Governor's Crime Prevention and Recidivism Reduction Package). These transition services will be provided with community-based services, a program inspired by the Boulder PACE program. This funding will serve 200 transitioning offenders with substance abuse problems.
- **\$0.4 million General Fund for the Therapeutic Communities program** within the Department of Corrections so that offenders can receive substance abuse services in a special DOC setting prior to leaving prison (part of the Governor's Crime Prevention and Recidivism Reduction Package). This funding will serve 90 offenders with severe substance abuse problems.

#### *Department of Public Safety*

The Governor's FY 2008-09 budget adds the following funding for the Department of Public Safety:

- **\$0.8 million General Fund** for outpatient substance abuse services for offenders who have completed the existing Therapeutic Communities program outside of prison. This funding will serve 160 people in Denver and in Pueblo (at Crossroads' Turning Points).