

Colorado Legislative Council Staff Fiscal Note

**STATE
FISCAL IMPACT**

Drafting Number: LLS 15-0098	Date: February 12, 2015
Prime Sponsor(s): Rep. Ryden; Primavera Sen. Neville T.	Bill Status: House Public Health Care and Human Services
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BILL TOPIC: VOCATIONAL REHABILITATION PROGRAMS AND SERVICES

Fiscal Impact Summary*	FY 2015-2016	FY 2016-2017
State Revenue		
State Expenditures	Potential change.	
FTE Position Change		
Appropriation Required: None.		

* This summary shows changes from current law under the bill for each fiscal year.

Summary of Legislation

The bill, **recommended by the Legislative Audit Committee**, enacts numerous changes to the state vocational rehabilitation program for persons with disabilities within the Department of Human Services (DHS). The bill repeals and reenacts the definition of "person with a disability" to conform with updated state and federal standards. The bill also removes provisions in conflict with current federal regulations.

Among other things, the bill requires the DHS to:

- complete a comprehensive assessment and work with each program participant to develop an individualized employment outcome or goal;
- authorize only services that are reasonable and necessary to most appropriately address the rehabilitation needs of the program participant;
- give preference to services provided within the state of Colorado and prohibit payments for any international services;
- establish a reasonable fee schedule for goods and services provided;
- limit payment for services to the in-state tuition rate or the equivalent, unless other accommodations outside of the state are deemed more appropriate;
- establish reasonable time frames for employment plans;
- close the record of services within a timely manner; and
- establish a review process for exceptions and individual cases.

The bill also specifies that all vocational rehabilitation services provided must be at the public cost only to the extent that the program participant requires financial assistance in accordance with DHS rules and regulations. The DHS must determine the need for financial assistance based on the person's need and income prior to providing vocational rehabilitation services except for any diagnostic, guidance, job placement, and other related services. The DHS may determine that a person with a disability is able to contribute to the cost of their vocational

rehabilitation services, unless the person with a disability has been determined as eligible for social security benefits under the federal Social Security Act. If the DHS determines that a program participant was provided any goods or services as a result of misrepresentation, fraud, collusion, or criminal conduct, such payments may be recovered by the DHS from the program participant.

Background

A 2013 performance audit of the DHS conducted by the Office of the State Auditor (OSA) identified 20 recommendations for the DHS to improve oversight, program efficacy, participant outcomes and management. As of December 2014, the DHS reports that it has implemented all 20 of the recommended changes from the audit.

State Expenditures

The bill may increase workload in the DHS by a minimal amount in order to conduct rulemaking and assess current practice to ensure that the implementation of the audit recommendations conforms with the bill. It is assumed that any workload increase to the DHS can be accomplished within existing appropriations. To the extent that the bill results in program efficiencies or cost savings from improved management and oversight, it is assumed that future appropriations and the allocation of program resources will be addressed through the annual budget process.

Effective Date

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

State and Local Government Contacts

Human Services
Public Health and Environment
Health Care Policy and Financing
Counties
Law

Labor and Employment
Personnel
Higher Education
Judicial Department