Schedule 13 Change Request for FY 2009-10 Budget Request Cycle

Base Reduction Item FY 2009-10 Request Title: Regional Centers Staffing High Need Clients

Supplemental FY 2008-09

V

Budget Amendment FY 2009-10

V

Department:

Priority Number:

Decision Item FY 2009-10

Human Services

S-1, BA-1

Dept. Approval by: (USE) MCOSPB Approval:

Date: /2-/7-08

Date: /2-/7-08

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	Fund	Prior-Year Actual FY 2007-08	Appropriation FY 2008-09	Supplemental Request FY 2008-09	Total Revised Request FY 2008-09	Base Request FY 2009-10	Decision/ Base Reduction FY 2009-10	November 1 Request FY 2009-10	Budget Amendment FY 2009-10	Total Revised Request FY 2009-10	Change from Base (Column 5) FY 2010-11
Total of All Line Items	Total	76,975,623	74,715,492	862,594	75,578,086	81,073,152	1,503,502	82,576,654	1,895,525	84,472,179	3,399,027
h	FTE	935.6	955.3	37.6	992.9	986.1	39.4	1025.5	35.8	1061.3	75.2
	GF	14,068,982	15,858,605	0	15,858,605	17,484,386	0	17,484,386	0	17,484,386	· ol
	GFE	0	0	0	0	0	0	0	0	0	o
	CF	2,848,527	3,264,476	0	3 264,476	3,334,799	0	3,334,799	0	3,334,799	0
	CFE/RF	57,355,906	52,918,969	862,594	53.781,563	57,253,622	1,503,502	58,757,124	1,895,525	60,652,649	3,399,027
	FF	2,702,208	2,673,442	0	2 673,442	3,000,345	0	3,000,345	0	3,000,345	0
	MCF	56,261,361	51,968,861	862,594	52,831,455	56,187,478	1,503,502	57,690,980	1,895,525	59,586,505	3,399,027
ļ.	MGF	27,310,520	25,004,930	431,297	25,436,227	27,074,112	751,751	27,825,863	947,763	28,773,626	1,699,514
	NGF	41,379,502	40,863,535	431,297	41,294,832	44,558,498	751,751	45,310,249	947,763	46,258,012	1,699,514
(9) Services for People with Disabilities (B)	Total	51,810,219	45,597,117	758,883	46,356,000	48,975,340	1,342,368	50,317,708	1,219,314	51,537,022	2,561,682
Regional Centers for	FTE	935.6	955.3	37.6	992.9	986.1	39.4	1,025.5	35.8	1,061.3	75.2
People with	GF	77,302	0	0]	0	0	0	0	0	0	0
Developmental	CF	2,654,879	2,691,276	0	2,691,276	2,691,276	0	2,691,276	0	2,691,276	0
Disabilities (1) Medicaid-	CFE/RF	49,078,038	42,905,841	758,883	43,664,724	46,284,064	1,342,368	47,626,432	1,219,314	48,845,746	2,561,682
funded Services -	FF	10.000.011	0	0	. 0	0	0	0	0	0	0
Personal Services	MCF	48,238,244	42,905,841	758,883	43,664,724	46,284,064	1,342,368	47,626,432	1,219,314	48,845,746	2,561,682
	MGF	23,297,454	20,473,419	379,441	20,852,860	22,122,404	671,184	22,793,588	609,657	23,403,245	1,280,841
(9) Services for People	NGF	23,374,756	20,473,419	379,441	20,852,860	22,122,404	671,184	22,793,588	609,657	23,403,245	1,280,841
with Disabilities (B)	Total	2,326,997	2,550,164	35,711	2,585,875	2,753,953	40,850	2,794,803	34,014	2,828,817	74,864
Regional Centers for	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
People with	GF	0	0	0	0	0	0	0	0	0	0
Developmental	CF	0	0	0	0	0	0	0	0	0	0
Disabilities (1) Medicaid-	CFE/RF	2,326,997	2,550,164	35,711	2,585,875	2,753,953	40,850	2,794,803	34,014	2,828,817	74,864
funded Services -	FF	0	0 550 404	0	0	0	0	0	0	0	0
Operating Expenses	MCF	2,326,997	2,550,164	35,711	2,585,875	2,753,953	40,850	2,794,803	34,014	2,828,817	74,864
	MGF NGF	1,163,498	1,275,082	17,856	1,292,938	1,376,976	20,425	1,397,401	17,007	1,414,408	37,432
	NGF	1,163,498	1,275,082	17,856	1,292,938	1,376,976	20,425	1,397,401	17,007	1,414,408	37,432

Schedule 13 Change Request for FY 2009-10 Budget Request Cycle

Supplemental FY 2008-09

Decision Item FY 2009-10 Base Reduction Item FY 2009-10 **Request Title:** Regional Centers Staffing High Need Clients

V

Budget Amendment FY 2009-10

V

Department:

Human Services

Dept. Approval by:

Date:

Priority Number:

S-1, BA-1

OSPB Approval:

Date:

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	Fund	Prior-Year Actual FY 2007-08	Appropriation FY 2008-09	Supplemental Request FY 2008-09	Total Revised Request FY 2008-09	Base Request FY 2009-10	Decision/ Base Reduction FY 2009-10	November 1 Request FY 2009-10	Budget Amendment FY 2009-10	Total Revised Request FY 2009-10	Change from Base (Column 5) FY 2010-11
(1) Executive Director's			· ·								
Office (A) General	Total		3,958,334	68,000	4,026,334	3,958,334	120,284	4,078,618	109,258	4,187,876	229,542
Administration - Shift	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Differential	GF)	2,837,484	2,615,314	0 '	2,615,314	2,615,314	0'	2,615,314	0	2,615,314	0
f I	CF	2,005	366	0 !	366	366	1 0'	366	01	366	
l I	CFE/RF			68,000	1,400,101	1,332,101	120,284	1,452,385	109,258	1,561,643	229,542
	FF	7,342	10,553		10,553	10,553	0	10,553		10,553	
4 1	MCF			68,000	1,395,198	1,327,198	120,284	1,447,482	109,258	1,556,740	229,542
<i>i</i> l ,	MGF		663,600	34,000	697,600		60,142	723,742	54,629	778,371	114,771
	NGF	3,613,504	3,278,914	34,000	3,312,914	3,278,914	60,142	3,339,056	54,629	3,393,685	
(1) Executive Director's	<i>i</i> [, ,	<i></i>				[· '			
Office (A) General	Total	18,417,860	22,609,877	0	22,609,877	25,385,525	0	25,385,525	532,939	25,918,464	532,939
Administration - Health,	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Life, and Dental	GF	11,154,196	13,243,291	0	13,243,291	14,869,072	0	14,869,072	0	14,869,072	0
1 1	CF	191,643	572,834	0	572,834	643,157	0	643,157	0	643,157	0
(l	CFE/RF	4,377,155	6,130,863	0	6,130,863	6,883,504	0	6,883,504	532,939	7,416,443	532,939
4	FF	2,694,866	2,662,889	0	2,662,889	2,989,792	0	2,989,792	0	2,989,792	
1 1	MCF	4,144,081	5,185,658	0	5,185,658	5,822,263	0	5,822,263	532,939	6,355,202	532,939
4	MGF		2,592,829	0	2,592,829	2,911,132	0	2,911,132	266,470	3,177,602	266,470
	NGF	13,227,744	15,836,120	0	15,836,120	17,780,204] 0	17,780,204	266,470	18,046,674	266,470

Non-Line Item Request:

None

Letternote Revised Text:

None

Cash or Federal Fund Name and COFRS Fund Number: None

Reappropriated Funds Source, by Department and Line Item Name:

DHCPF - (6) DEPARTMENT OF HUMAN SERVICES MEDICAID-FUNDED PROGRAMS (F) Services for

People with Disabilities - Medicaid Funding Community Services for

People with Developmental Disabilities, Regional Centers

(6) DEPARTMENT OF HUMAN SERVICES MEDICAID-FUNDED PROGRAMS (A) Executive

Director's Office - Medicaid Funding

Approval by OIT?

Yes: ☐ No: ☐

Schedule 13s from Affected Departments:

Health Care Policy and Financing

CHANGE REQUEST for FY 2009-10 BUDGET REQUEST CYCLE

Department:	Human Services
Priority Number:	S-1, BA-1
Change Request Title:	Regional Centers Staffing High Need Clients

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Change Request Title:	Regional Centers Staffing High Need Clients
SELECT ONE (click on box): Decision Item FY 2009-10 Base Reduction Item FY 2009-10 Supplemental Request FY 2008-09 Budget Request Amendment FY 2009-10	SELECT ONE (click on box): Supplemental or Budget Request Amendment Criterion: Not a Supplemental or Budget Request Amendment An emergency A technical error which has a substantial effect on the operation of the program New data resulting in substantial changes in funding needs Unforeseen contingency such as a significant workload change
	This supplemental request is for 37.6 FTE and \$862,594 MCF for direct care staff. These direct care staff support high needs individuals currently being served in Regional Centers for Persons with Developmental Disabilities who require dedicated, ongoing, one-to-one or greater staff supervision. The Division was authorized to add additional direct care staff to address this critical need per OSPB in a letter to the JBC dated 6/19/2008 (attached). The budget amendment request amends Decision Item # 1 to request 75.2 FTE and \$3,399,027 MCF in FY 2009-10.
	The Regional Centers (RCs) provide direct care and support for adults with developmental disabilities who have very significant care and treatment needs and for whom adequate services and supports are not available to safely serve them through the community system. Over the past five years, the Regional Centers have been admitting individuals with the most severe clinical and behavioral needs. However, in the spring of 2007, the RCs experienced a marked increase in the number of persons requiring dedicated, one-to-one or greater supervision requirements.

Staffing Needs

Inadequate staffing has previously been identified as a problem for the Regional Centers and, as a result, in 2006 the Department undertook a comprehensive study of the staffing ratios of the Regional Centers to determine the appropriate level necessary to provide services to the individuals with severe medical, behavioral and psychiatric needs residing therein. The Department recently updated the 2006 staffing study to reflect current resident needs and trends. The total Regional Center staffing shortfall is estimated at 248.5 FTE for the current licensed bed capacity of 403 beds.

Federal Waiver Changes

The State is required to implement federally mandated changes to the Home and Community Based Services for Persons with Developmental Disabilities (HCBS-DD) waiver which are further constraining revenues for the Regional Centers and hindering the provision of services to this population with severe needs. These federal changes include

- (1) The removal of certain services from the waiver and their transition to the Medicaid State Plan, and
- (2) Improved financial oversight and accountability of the program, including steps to "unbundle" services and costs in the Comprehensive Services (HCBS-DD) waiver program.

As part of the first change, Regional Centers are no longer allowed to provide medical, psychiatric and therapy services to waiver participants. These services are critical in meeting the needs of this population. Instead, these services must be accessed through Medicaid State Plan providers. The lack of providers available, or willing to operate, under the Medicaid State Plan means that Regional Center residents either do not receive these services, or Regional Centers must provide these services without Medicaid reimbursement through General Fund appropriations if available. For example, some physician services are currently provided through a separate General Fund appropriation.

The second change, improved financial oversight and accountability, has resulted in a new fee-for-service Medicaid rate structure. An analysis of interim rates under the new structure indicates that the new rates may not fully address the level of services necessary for individuals with severe, extensive treatment needs who reside at the Regional Centers.

Regional Center staff continues to work to negotiate an appropriate rate structure that reflects the full costs of serving this population.

Currently, 301 of the 403 Regional Centers beds are certified under HCBS-DD waiver, with the balance of 102 beds licensed under Intermediate Care Facilities for Persons with Mental Retardation (ICF/MR) regulations. Regional Centers received funding in FY 2008-09 to convert an additional 131 beds at the Wheat Ridge Regional Center (WRRC) from HCBS-DD waiver to ICF/MR licensure. The goal is to operate all beds under ICF/MR licensure, however, ICF/MR regulations require closer supervision of residents, and therefore, additional staff.

Role of the Regional Center Work Group

The Department convened a work group comprised of state staff, community partner agencies, and advocates to provide the Regional Centers with direction on how to proceed to meet both funding and resident requirements for FY 2008-09 beginning July 1, 2008. The recommendations of the work group are further outlined in later sections of this document and the Regional Center Work Group Report, including the updated Regional Center Staffing Study which have been provided to both OSPB and JBC staff.

Appropriation History for the Regional Centers

	Total	FTE	GF	CF	CFE/RF	MCF	MGF	NGF
Personal Services								
Total FY 2006-07 Long Bill	\$40,117,878	887.4	\$0	\$2,608,448	\$37,509,430	\$37,509,430	\$18,011,718	\$18,011,718
07 S-1 Physician Services SB								
07-165	\$237,870	0.0	\$237,870	\$0	\$0	\$0	\$0	\$237,870
FY 2006-07 Appropriation	\$40,355,748	887.4	\$237,870	\$2,608,448	\$37,509,430	\$37,509,430	\$18,011,718	\$18,249,588
FY 2006-07 Salary Survey	\$1,343,798	0.0	\$0	\$0	\$1,343,798	\$1,343,798	\$671,900	\$671,900
SB 06-219 HCPF								
Reorganization	(\$29,024)	0.0	\$0	\$0	(\$29,024)	(\$29,024)	(\$14,512)	(\$14,512)
Physician Services to GF								
Line	(\$237,870)	0.0	(\$237,870)	\$0	\$0	\$0	\$0	(\$237,870)

	Total	FTE	GF	CF	CFE/RF	MCF	MGF	NGF
08 D-1 Regional Centers for								
Persons with Developmental								
Disabilities Staffing Shortfall								
(Phase I) SB 07-239	\$342,541	14.5	\$0	\$0	\$342,541	\$342,541	\$171,271	\$171,271
Medical Inflation JBC	φ.c. 21 0	0.0	Φ.Ο	Φ.Ο.	Φ. 6. 2.1.0	0.6.21 0	Φ2 100	Φ2 100
addition	\$6,218		\$0	\$0	\$6,218	\$6,218	· · · · · · · · · · · · · · · · · · ·	•
Medicaid GF adjust JBC	\$0	0.0	\$0	·	\$0	\$0	(, , ,	(\$78,761)
Reconcile to Long Bill HCPF	\$0	0.0	\$0	\$0	\$0	\$0	\$89	\$89
JBC adjustment to client cash	\$0	0.0	\$0	\$27,558	(\$27,558)	(\$27,558)	(\$13,779)	(\$13,779)
Total FY 2007-08 Long Bill								
SB 07-239	\$41,781,411	901.9	\$0	\$2,636,006	\$39,145,405	\$39,145,405	\$18,751,035	\$18,751,035
FY 2007-08 S-4A High Needs								
Clients	\$1,296,443	39.4	\$0	\$0	\$1,296,443	\$1,296,443	\$648,222	\$648,222
FY 2007-08 S-4C Increase								
Spending Authority (WRRC								
and GJRC)	\$135,695	0.0	\$0	\$135,695	\$0	\$0	\$0	\$0
Total FY 2007-08 Long Bill								
Add on HB 08-1375	\$43,213,549	941.3	\$0	\$2,771,701	\$40,441,848	\$40,441,848	\$19,399,257	\$19,399,257
FY 2007-08 Salary Survey	\$1,564,223	0.0	\$0	\$0	\$1,564,223	\$1,564,223	\$782,112	\$782,112
FY 2007-08 Performance Pay								
(80%)	\$424,644	0.0	\$0	\$0	\$424,644	\$424,644	\$212,322	\$212,322
Annualization of 08 D-1	\$479,556	14.5	\$0	\$0	\$479,556	\$479,556	\$239,778	\$239,778
One Time FY 2007-08 S-4A								
High Needs Clients	(\$1,296,443)	(39.4)	\$0	\$0	(\$1,296,443)	(\$1,296,443)	(\$648,222)	(\$648,222)
One Time FY 2007-08 S-4C								
Increase Spending Authority								
(WRRC and GJRC)	(\$135,695)	0.0	\$0	(\$135,695)	\$0	\$0	\$0	\$0

	Total	FTE	GF	CF	CFE/RF	MCF	MGF	NGF
2008-09 D-6 Regional Center								
Staffing and ICF/MR								
Conversion Staff	\$1,267,811	38.9	\$0	\$0	\$1,267,811	\$1,267,811	\$633,906	\$633,906
2008-09 D-6 Regional Center								
Staffing and ICF/MR								
Conversion- Provider fee	ф 70. 47 0	0.0	¢ο	ΦO	ф 70. 470	ф 7 0. 4 7 0	ф20. 7 2.6	¢20.72 <i>c</i>
adjustment	\$79,472	0.0	\$0		\$79,472	\$79,472	\$39,736	\$39,736
Fund Mix adjustment	\$0	0.0	\$0		(\$55,270)	(\$55,270)	\$0	\$0
Reconcile to Long Bill HCPF	\$0	0.0	\$0	\$0	\$0	\$0	(\$185,470)	(\$185,470)
Total FY 2008-09 Long Bill								
HB 08-1375	\$45,597,117	955.3	\$0	\$2,691,276	\$42,905,841	\$42,905,841	\$20,473,419	\$20,473,419
Operating Expenses								
Total FY 2006-07 Long Bill	\$2,198,203	0.0	\$0	\$0	\$2,198,203	\$2,198,203	\$1,099,101	\$1,099,101
1331 A Physician Services SB								
07-165	\$6,590	0.0	\$6,590	\$0	\$0	\$0	\$0	\$6,590
FY 2006-07 Appropriation	\$2,204,793	0.0	\$6,590	\$0	\$2,198,203	\$2,198,203	\$1,099,101	\$1,105,691
Physician Services to separate								
Line	(\$6,590)	0.0	(\$6,590)	\$0	\$0	\$0	\$0	(\$6,590)
Medical Inflation	\$15,828	0.0	\$0	\$0	\$15,828	\$15,828	\$7,914	\$7,914
08 D-1 Regional Centers for								
Persons with Developmental								
Disabilities Staffing Shortfall								
(Phase I) SB 07-239	\$16,670	0.0	\$0	\$0	\$16,670	\$16,670	\$8,335	\$8,335
Total FY 2007-08 Long Bill								
SB 07-239	\$2,230,701	0.0	\$0	\$0	\$2,230,701	\$2,230,701	\$1,115,350	\$1,115,350
FY 2007-08 S-4A High Needs								
Clients	\$40,850	0.0	\$0	\$0	\$40,850	\$40,850	\$20,425	\$20,425
Total FY 2007-08 Long Bill								
Add on HB 08-1375	\$2,271,551	0.0	\$0	\$0	\$2,271,551	\$2,271,551	\$1,135,775	\$1,135,775

	Total	FTE	GF	CF	CFE/RF	MCF	MGF	NGF
One Time FY 2007-08 S-4A								
High Needs Clients	(\$40,850)	0.0	\$0	\$0	(\$40,850)	(\$40,850)	(\$20,425)	(\$20,425)
One Time 08 D-1 Regional								
Centers for Persons with								
Developmental Disabilities								
Staffing Shortfall (Phase I) SB								
07-239	(\$2,170)	0.0	\$0	\$0	(\$2,170)	(\$2,170)	(\$1,085)	(\$1,085)
2008-09 D-6 Regional Center								
Staffing and ICF/MR								
Conversion Staff	\$321,633	0.0	\$0	\$0	\$321,633	\$321,633	\$160,817	\$160,817
Total FY 2008-09 Long Bill						_		
HB 08-1375	\$2,550,164	0.0	\$0	\$0	\$2,550,164	\$2,550,164	\$1,275,082	\$1,275,082

General Description of Request:

The role of the Regional Centers in the Colorado developmental disability system is to serve the individuals with the greatest needs who cannot be safely served in the community system. Over time as the Regional Centers have continued to admit people meeting these criteria that cannot be served in other systems, the concentration of individuals in the Regional Centers that demonstrate extremely high needs and require one-to-one or greater supervision has grown and currently exceeds the Regional Centers ability to provide appropriate supervision and service levels within current personal services and operating funding.

The Regional Centers received funding in FY 2007-08 for additional staff to begin to fund the needs identified in the 2006 staffing study and in FY 2008-09 to transition WRRC to licensure under ICF/MR regulations. However, there are still significant staffing needs identified by the staffing study and to convert the remaining HCBS-DD waiver beds at the Grand Junction and Pueblo Regional Centers to ICF/MR licensure. Recognizing the limitations on state funding, the Regional Center Work Group discussed various alternatives to meet the needs of the Regional Center population. After research and discussions, the work group agreed the first priority of the Regional Centers must be to adequately care for the persons already in their care, and recommended the following

plan to reduce Regional Center capacity and internally improve services to residents through increased staffing ratios while minimizing requests for additional resources. The plan contains two key components: 1) Capacity Reduction and 2) Appropriate staffing levels to serve the Regional Center clients.

<u>Capacity Reduction</u> will be achieved by the following strategies:

- Increase Community Placement:
 - o The Regional Centers had previously identified a list of individuals that could potentially be served through community providers. Movement of these individuals to community providers has been difficult, however, because there is not dedicated funding for community-based services to facilitate the transition or serve these individuals. As part of the work group efforts, staff re-evaluated the list, looking at each individual situation, and confirmed that 71 people could be appropriately served by existing community providers.
 - o The Division for Developmental Disabilities worked with the CCBs and an agreement was reached to use Comprehensive Services funding appropriated for FY 2008-09 to transition 20 of the 71 persons into the community.
 - o If funding to serve an additional 20 people is made available in both FY 2009-10 and FY 2010-11, the Regional Centers could transition 60 of the 71 people to the community over the next three fiscal years. It is anticipated that the remaining 11 people will leave the Regional Centers through normal attrition.
- Hold Vacancies:
 - o The Regional Centers currently have 25 vacant beds resulting from the freeze on admissions during FY 2007-08. If those vacancies are maintained, the Regional Centers can reduce capacity by up to 96 beds (71 people transitioned and 25 vacancies) across three fiscal years.

The Regional Centers capacity reduction will be limited to the number of beds necessary to adequately staff homes to meet the needs of the current population as identified in the staffing study and provide the direct care component of conversion to ICF/MR licensure

at GJRC and PRC. The staffing model included in the update to the staffing study will be regularly revised to reflect current population trends and ensure staff is sufficient for resident needs.

Appropriate Staffing:

- The staff associated with the reduced bed capacity will be retained to meet the needs of the existing Regional Center population. It is also anticipated these levels will be sufficient to provide the direct care staffing component of ICF/MR conversion for the Grand Junction and Pueblo Regional Centers, assuming approval of this budget amendment and success in transitioning residents to CCB placement.
- The Department should pursue a supplemental to provide staff for 14 persons requiring one-to-one supervision, 11 of which resided in the Regional Centers and three who were waiting for such services. These individuals have since been admitted, based on direction outlined in the letter from the OSPB to the JBC of 6/19/08.

The freeze on admissions and the aggressive reduction in the population served will be maintained until the existing residents at the Regional Centers can safely be cared for without 1) further endangering the health and safety of residents and staff, 2) incurring additional CDPHE survey deficiencies, and 3) jeopardizing certification per compliance standards with Medicaid regulations. Future expansion of the Regional Center capacity and/or services to meet the needs of additional high needs individuals will require additional FTE and funds in future years.

Full implementation of the work group recommended action plan would allow the Regional Centers to appropriately care for the current residents. However, it is anticipated that the reduction in service capacity will create stress on the overall service delivery system. Partner agencies, such as the Mental Health Institutes, Department of Corrections, courts, and Community Centered Boards (CCBs), expect the Regional Centers to serve the most difficult, behaviorally challenged individuals as well as persons with a history of sex offense. The Department also believes this is the appropriate mission of the Regional Centers. Work group members also expressed concern over a long-term capacity reduction without broader discussions involving partner agencies.

However, without considerable additional FTE and funding the Department is unable to entertain such options until the needs of current residents are addressed.

It is also important to note that this request and the above plan will provide resources to serve existing Regional Center residents but does not provide for additional placement into the Regional Centers for individuals on the waiting list. The Regional Centers have a waiting list of 79 persons, of which 42 are waiting for secure settings and 37 would be appropriate for group home settings. Many of these individuals are in precarious situations, including pending prison release and failed multiple community placements.

Consequences if Not Funded:

The Department has committed to hire additional full time and temporary staff to care for these complex individuals per the previously mentioned 6/19/08 letter from OSPB to the JBC. Failure to incorporate this requested funding into the FYs 2008-09 and 2009-10 budgets could require the Department to reduce staffing through lay-offs or other means to meet appropriated levels, putting additional strains on community resources. Additional consequences include: 1) a reduced level of safety for both staff and residents at the Regional Centers, 2) the need to reduce census further to ensure residents receive the specialized care they require, 3) over-expenditure of appropriated FTE and funds, and 4) the Regional Centers will be unable to provide the direct care component for ICF/MR licensure for the Pueblo Regional Center.

If approved, this request will provide FTE and funding for individuals facing crisis right now. It addresses an urgent, life-safety issue. It will not fully address the 27 people in the Regional Centers who need one-to-one staffing, nor the other staffing requirements outlined in the staffing study, which is why the Regional Centers are reducing census at the same time. The calculations in the staffing study have assumed approval of the 39.4 FTE included in the FY 2009-10 decision item. With these additions, the Regional Centers would continue to transition the 71 residents to community providers, but instead of closing all 71 beds would be able to admit 13 persons from the waiting list for a final capacity of 320 beds.

Calculations for Request:

Summary of Request FY 2008-09	Total Funds	Reappropriated Funds	Medicaid Cash Funds	Medicaid General Fund	Net General Fund	FTE
Total Request	\$862,594	\$862,594	\$862,594	\$431,297	\$431,297	37.6
Personal Services	\$758,883	\$758,883	\$758,883	\$379,441	\$379,441	37.6
Operating Expenses	\$35,711	\$35,711	\$35,711	\$17,856	\$17,856	0.0
Shift Differential	\$68,000	\$68,000	\$68,000	\$34,000	\$34,000	0.0

Summary of Request FY 2009-10	Total Funds	Reappropriated Funds	Medicaid Cash Funds	Medicaid General Fund*	Net General Fund	FTE
Total Request*	\$1,895,525	\$1,895,525	\$1,895,525	\$947,763	\$947,763	35.8
Personal Services	\$1,219,314	\$1,219,314	\$1,219,314	\$609,657	\$609,657	35.8
Operating Expenses	\$34,014	\$34,014	\$34,014	\$17,007	\$17,007	0.0
Health, Life, and Dental	\$532,939	\$532,939	\$532,939	\$266,470	\$266,470	0.0
Shift Differential	\$109,258	\$109,258	\$109,258	\$54,629	\$54,629	0.0

^{*}This request is in addition to the \$1,503,502 and 39.4 FTE requested in DI #1, submitted for FY 2009-10. (November 1, 2008 Request)

Summary of Request FY 2010-11	Total Funds	Reappropriated Funds	Medicaid Cash Funds	Medicaid General Fund	Net General Fund	FTE
Total Request	\$1,226,212	\$1,226,212	\$1,226,212	\$613,105	\$613,107	32.2
Personal Services	\$1,097,280	\$1,097,280	\$1,097,280	\$548,640	\$548,640	32.2
Operating Expenses	\$30,609	\$30,609	\$30,609	\$15,304	\$15,305	0.0
Shift Differential	\$98,323	\$98,323	\$98,323	\$49,161	\$49,162	0.0

		Persona	Expenses Ca	lculations			
					G	RAND TOTA	L
Fiscal Year(s) of Request	FY 2008-09	FY 2009-10	FY 2010-11	FY 2009-10	FY 2008-09	FY 2009-10	FY 2010-11
PERSONAL SERVICES	HCST I	HCT I	HCT I				
Number of Individuals Requiring 1:1	14	6	6	One Month			
Staff per Individual for all three shifts	3	3	3	Pay Date Shift 43 FTE			
Number of Posts	42	18	18	Requested			
Post Coverage Ratio	1.79	1.79	1.79	DI-1			
Number of PERSONS / class title	75.2	32.2	32.2				!
Months working	6	12	12	1			
Months <u>paid</u>	5	12	12	1			
Calculated FTE per classification	37.6	32.2	32.2	3.6	37.6	35.8	32.2
Annual base salary	\$21,708	\$30,516	\$30,516	\$30,516			
Salary	\$680,003	\$983,226	\$983,226	\$109,349	\$680,003	\$1,092,575	\$983,226
PERA 10.15%	\$69,020	\$99,797	\$99,797	\$11,099	\$69,020	\$110,896	\$99,797
Medicare 1.45%	\$9,860	\$14,257	\$14,257	\$1,586	\$9,860	\$15,843	\$14,257
Subtotal Personal Services	\$758,883	\$1,097,280	\$1,097,280	\$122,034	\$758,883	\$1,219,314	\$1,097,280
Health, Life, Dental 75.2 FTE-\$7,08	6.96					\$532,939	
Shift Differential at 10% of Salary	\$68,000	\$98,323	\$98,323	\$10,935	\$68,000	\$109,258	\$98,323
OPERATING EXPENSES		·					·
Supplies @ \$500/\$500	\$18,795	\$16,110	\$16,110	\$1,792	\$18,795	\$17,902	\$16,110
Computer @ \$900/\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Telephone Base @ \$450/\$450	\$16,916	\$14,499	\$14,499	\$1,613	\$16,916	\$16,112	\$14,499
Subtotal Operating Expenses	\$35,711	\$30,609	\$30,609	\$3,405	\$35,711	\$34,014	\$30,609
GRAND TOTAL ALL COSTS	\$862,594	\$1,226,212	\$1,226,212	\$136,374	\$862,594	\$1,895,525	\$1,226,212

Assumptions for Calculations:

Under direction from the Office of State Planning and Budgeting, the Regional Centers began hiring 75.2 FTE in FY 2008-09 to meet the needs of residents requiring long-term, one-to-one supervision and to allow for the admission of three individuals awaiting Regional Center admission and facing crisis in their current settings. This was communicated to the Joint Budget Committee in a letter dated June 19, 2008. The Regional Centers were directed to submit a supplemental for FY 2008-09 as necessary to provide funding for up to 75.2 FTE.

The Regional Centers have experienced great difficulty filling positions since the beginning of the fiscal year and are currently operating with approximately 65 vacancies from the base FTE authorization and 140 vacancies, including the 75 FTE necessary to serve this population. The large number of vacancies is in part due to the dire measures taken in FY 2007-08 to minimize the over expenditure associated with the influx of persons requiring dedicated one-to-one supervision. The Regional Centers operated with a hiring freeze through the end of the fiscal year and began FY 2008-09 with 51 vacancies. The process to hire staff has also taken longer due in part to strengthened internal controls and in part to delays caused by the state wide hiring freeze, as well as the need to appropriately train and transition new staff in to service. This process requires staggering the addition of new staff into direct care positions.

While these significant vacancies have reduced the supplemental need for FY 2008-09, they have had staggering effects for Regional Center operations. The Regional Centers have had to resort to overtime to provide basic staff coverage and have made numerous programmatic adjustments to deal with the staffing shortage. For September 2008, overtime hours across the RCs were calculated to be the equivalent of an additional 42 FTE. Programmatic impacts have included suspending day program when necessary and providing modified programming in the houses, using professional and administrative staff to cover direct care shifts, restricting community outings, and cancelling training.

The following table shows the Regional Centers hiring plan for filling positions associated with this request:

Regional Center Hiring Plan					
Date of Hire	Date of Hire Number of FTE				
12/1/2008	23	161			
1/1/2008	43	258			
2/1/2008	2/1/2008 9				
Total	75	464			
Average Number of Months (rounded)		6.0			

This request is for 37.6 FTE direct care staff for FY 2008-09, annualizing to 75.2 FTE for FY 2009-10. Of the 75.2 FTE, 39.4 are included in the November 1 submission, DI#1 – Regional Center High Needs Clients. The full FTE request included in the decision item is 43.0 FTE and the calculation of pay date shift reduced that amount to 39.4 FTE. If this supplemental / budget amendment is approved, the pay date shift occurs in FY 2008-09 and the FY 2009-10 amount needs to be adjusted accordingly, as outlined in the FTE table above. This adjusts the pay date shift from FY 2009-10 to FY 2008-09.

Personal Services: The number of FTE and costs are based on OSPB budget instructions. The salary for FY 2008-09 is the July 1, 2008 minimum salary for the Health Care Services Trainee I classification. The salary for FY 2009-10 is the July 1, 2008 minimum salary for the Health Care Technician I classification. Pay date shift of one month is included in FY 2008-09. Since FTE do not shift, the FTE calculation is based on six months. Health, Life, and Dental is based on 75.2 FTE with an annual average cost of \$7,086.96 based on current common policy rate structure.

Operating Expenses: Requested at OSPB common policy rates, excluding computers, Office Suite software, and office equipment as the requested positions are direct care staff and do not require these items.

The Health Care Policy and Financing and Human Services Departments are investigating whether or not a provider fee increase is needed. If a budget amendment is appropriate, it will be submitted in 2009.

Impact on Other Government Agencies:

As the single state agency for Medicaid, the Department of Health Care Policy and Financing will be affected by this increase in Medicaid expenditures.

The table below provides a summary of the impact to the Department of Health Care Policy and Financing (6) Department of Human Services – Medicaid Funded Programs.

Summary of Request FY 2008-09	Total Funds	General Fund	Federal Funds
Total Request	\$862,594	\$431,297	\$431,297
Regional Centers (Includes PS and Operating)	\$794,594	\$397,297	\$397,297
Executive Directors' Office	\$68,000	\$34,000	\$34,000

Summary of Request FY 2009-10	Total Funds	General Fund	Federal Funds
Total Request	\$1,895,525	\$947,763	\$947,763
Regional Centers (Includes			
PS and Operating)	\$1,253,328	\$626,664	\$626,664
Executive Directors' Office	\$642,197	\$321,099	\$321,098

Summary of Request FY 2010-11	Total Funds	General Fund	Federal Funds
F 1 2010-11	Total Fullus	General Fund	rederal rullus
Total Request	\$1,226,212	\$613,105	\$613,107
Regional Centers (Includes			
PS and Operating)	\$1,127,889	\$563,944	\$563,945
Executive Directors' Office	\$98,323	\$49,161	\$49,162

Cost Benefit Analysis:

The primary benefit to the State of this change request is the immediate delivery of necessary treatment and support to some of the most vulnerable individuals in the state

and preventing the need for further capacity reduction in the Regional Centers. It is a challenge to quantify the benefits of adequate staff to promptly change resident's undergarments, turn them as required, intervene in behavioral escalations, and prevent suicides. The appropriate handling of these situations reduces the likelihood of future CDPHE deficiencies and potential loss of federal financial participation in the Medicaid program. Consequently, this cost benefit analysis is based on potential loss of such federal funding.

Cost Benefit Analysis	FY 2008-09	FY 2009-10	Calculation / Source
Costs Net General Fund Costs	\$431,297	\$947,763	Schedule 13 Net General Fund
Benefits : Avoid Loss of Medicaid Federal Financial Participation	\$23,068,965	\$23,068,965	RC FY 2008-09 Medicaid General Fund appropriation, assuming failure to meet conditions of participation would result in loss of the benefit of the 50% federal match that is part of the Medicaid rate.
Net Benefit (Cost)	\$22,637,667	\$22,387,672	Benefits less costs
Benefit/Cost Ratio	53.49	33.86	Total benefits divided by total costs

Implementation Schedule:

Implementation Schedule	Month/Year Completed
Regional Centers move less intense individuals to the community and close beds.	Immediate and ongoing over three years
Regional Centers retain staff to attain necessary staffing ratios for remaining residents.	Immediate and ongoing

Statutory and Federal Authority:

27-10.5-301, C.R.S. (2008) Regional centers for persons with developmental disabilities. There are hereby established state regional centers in Wheat Ridge, Pueblo, and Grand Junction. The essential object of such regional centers shall be to provide state operated services and supports to persons with developmental disabilities.

27-10.5-302, C.R.S. (2008) **Directors.** The executive director shall appoint, pursuant to section 13 of article XII of the state constitution, a director for each regional center. Persons appointed must be skilled and trained administrators with experience related to the needs of persons with developmental disabilities. The director of each regional center

shall appoint such other employees in accordance with section 13 of article XII of the state constitution as are necessary to carry out the functions of the regional center. **27-10.5-304, C.R.S.** (2008) Admissions. There may be admitted to any regional center persons with developmental disabilities who have been ordered placed in a regional center pursuant to section 27-10.5-110, if the applicant or legal guardian is a bona fide resident of Colorado.

Performance Measures:

Division for Developmental Disabilities / Regional Centers

Program	Performance Measure	Outcome	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10
			Actual	Actual	Actual	Estimate	Request
Developmental	Increase community safety and the safety	Program	22	32	35	35	35
Disabilities/	of the treatment environment. Decrease the	Benchmark					
Regional	number of incidents where a Regional	Actual	40	36	42		
Centers	Center resident is unaccounted for, after an	Metual	_	(attributed to			
	immediate search of the facility, residence,		30	28	32		
	program site, and grounds.		individuals)	individuals)	individuals)		
Developmental	Provide a safe and secure residential	Program	N/A	N/A	10.56%	10.24%	9.93%
Disabilities/	environment for Regional Center residents.	Benchmark					
Regional	Decrease the rate of critical incidents*, as a						
Centers	Centers percentage of the average daily census, at the Regional Centers.						
		Actual	N/A	10.96%	10.13%		
	*Critical incidents involve exploitation,						
	mental or psychological abuse,						
	mistreatment, neglect, physical abuse,						
	deaths, medical crisis, missing persons,						
	serious criminal offense by a resident,						
	serious injury to a resident, and victims of						
	a crime.						

The benchmarks assume a 3% reduction in the total number of critical incidents and no change to the average daily census.