

**Schedule 10**  
**Summary of FY 2012-13 Funding Requests**

Department Name: Human Services  
Submission Date: November 1, 2011  
Number of Funding Requests: 10

Priority	Office	IT Request	Title	FTE	Total	GF	CF	RF	FF	MCF	MGF	NGF
<b>FY 2012-13 Funding Requests</b>												
<b>R-1</b>	<b>OLTC</b>	<b>No</b>	<b>New Funding - Developmental Disabilities Services</b>	<b>0.0</b>	<b>\$4,877,540</b>	<b>\$0</b>	<b>\$0</b>	<b>\$4,877,540</b>	<b>\$0</b>	<b>\$4,877,540</b>	<b>\$2,438,770</b>	<b>\$2,438,770</b>
			(9) Services for People with Disabilities, (A) Community Services for People with Developmental Disabilities, (2) Program Costs, Adult Comprehensive Services for 4,333.0 Medicaid Resources	0.0	\$3,914,972	\$0	\$0	\$3,914,972	\$0	\$3,914,972	\$1,957,486	\$1,957,486
			(9) Services for People with Disabilities, (A) Community Services for People with Developmental Disabilities, (2) Program Costs, Adult Supported Living Services for 692 General Fund and 3,297.5 Medicaid Resources	0.0	\$758,940	\$0	\$0	\$758,940	\$0	\$758,940	\$379,470	\$379,470
			(9) Services for People with Disabilities, (A) Community Services for People with Developmental Disabilities, (2) Program Costs, Case Management for 3,647 General Fund and 8,441.5 Medicaid Resources	0.0	\$203,628	\$0	\$0	\$203,628	\$0	\$203,628	\$101,814	\$101,814
<b>R-2</b>	<b>OBH</b>	<b>Yes</b>	<b>Electronic Health Record and Pharmacy System Feasibility Study at the Mental Health Institutes</b>	<b>0.0</b>	<b>\$75,000</b>	<b>\$75,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$75,000</b>
			(8) Mental Health and Alcohol and Drug Abuse Services, (C) Mental Health Institutes, Mental Health Institute-Ft. Logan	0.0	\$16,224	\$16,224	\$0	\$0	\$0	\$0	\$0	\$16,224
			(8) Mental Health and Alcohol and Drug Abuse Services, (C) Mental Health Institutes, Mental Health Institute-Pueblo	0.0	\$58,776	\$58,776	\$0	\$0	\$0	\$0	\$0	\$58,776
<b>R-3</b>	<b>OES</b>	<b>No</b>	<b>TANF Long-Term Reserve Solvency</b>	<b>(1.0)</b>	<b>(\$6,282,522)</b>	<b>\$0</b>	<b>(\$889,547)</b>	<b>\$0</b>	<b>(\$5,392,975)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
			(7) Office of Self Sufficiency, (B) Colorado Works Program, Administration	(1.0)	(\$60,208)	\$0	\$0	\$0	(\$60,208)	\$0	\$0	\$0
			(7) Office of Self Sufficiency, (B) Colorado Works Program, County Block Grants	0.0	(\$6,058,314)	\$0	(\$889,547)	\$0	(\$5,168,767)	\$0	\$0	\$0
			(7) Office of Self Sufficiency, (B) Colorado Works Program, County Training	0.0	(\$114,000)	\$0	\$0	\$0	(\$114,000)	\$0	\$0	\$0

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			(7) Office of Self Sufficiency, (C) Special Purpose Welfare Programs, (7) Refugee Assistance	0.0	(\$50,000)	\$0	\$0	\$0	(\$50,000)	\$0	\$0	\$0
<b>R-4</b>	<b>OLTC</b>	<b>No</b>	<b>Title III Older American Act Matching Requirement and General Fund Savings</b>	<b>0.0</b>	<b>\$0</b>	<b>(\$10,080)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$10,080</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$10,080)</b>
			(10) Adult Assistance Programs, (D) Community Services for the Elderly,	0.0	\$0	(\$9,600)	\$0	\$0	\$9,600	\$0	\$0	(\$9,600)
			(10) Adult Assistance Programs, (D) Community Services for the Elderly, Colorado Commission on Aging	0.0	\$0	(\$480)	\$0	\$0	\$480	\$0	\$0	(\$480)
<b>R-5</b>	<b>EP</b>	<b>No</b>	<b>Legal Auxiliary Services</b>	<b>0.2</b>	<b>\$96,798</b>	<b>\$0</b>	<b>\$0</b>	<b>\$96,798</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
			(1) Executive Director's Office; (B) Special Purpose, Colorado Commission for the Deaf and Hard of Hearing	0.2	\$96,798	\$0	\$0	\$96,798	\$0	\$0	\$0	\$0
<b>R-6</b>	<b>OES</b>	<b>No</b>	<b>Division of Vocational Rehabilitation Leased Vehicles</b>	<b>0.0</b>	<b>(\$16,993)</b>	<b>(\$3,619)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$13,374)</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$3,619)</b>
			(3) Office of Operations, (A) Administration, Vehicle Lease Payments	0.0	\$16,416	\$3,497	\$0	\$0	\$12,919	\$0	\$0	\$3,497
			(9) Services for People with Disabilities, (D) Division of Vocational Rehabilitation, Rehabilitation Programs - General Fund	0.0	(\$33,409)	(\$7,116)	\$0	\$0	(\$26,293)	\$0	\$0	(\$7,116)
<b>R-7</b>	<b>OES</b>	<b>Yes</b>	<b>Low-Income Telephone Assistance Program Integrity</b>	<b>0.0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$39,566</b>	<b>\$0</b>	<b>(\$39,566)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
			(7) Office of Self Sufficiency (C) Special Purpose Welfare Programs, (4) Low-Income Energy Assistance Program	(0.4)	(\$39,566)	\$0	\$0	\$0	(\$39,566)	\$0	\$0	\$0
			(7) Office of Self Sufficiency (C) Special Purpose Welfare Programs, (4) Low-Income Telephone Assistance Program	0.4	\$39,566	\$0	\$39,566	\$0	\$0	\$0	\$0	\$0
<b>R-8</b>	<b>OAS</b>	<b>No</b>	<b>Buildings and Grounds Cash Fund Adjustment</b>	<b>0.0</b>	<b>\$554,596</b>	<b>\$0</b>	<b>\$554,596</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
			(3) Office of Operations, (B) Special Purpose, Buildings and Grounds Rental	0.0	\$554,596	\$0	\$554,596	\$0	\$0	\$0	\$0	\$0
<b>R-9</b>	<b>CA/OES</b>	<b>No</b>	<b>Refinance Child Support Enforcement Programs General Fund Appropriations with Cash Funds</b>	<b>0.0</b>	<b>(\$365,260)</b>	<b>(\$365,260)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$365,260)</b>
			(4) County Administration, County Incentive Payments	0.0	(\$365,260)	\$0	(\$365,260)	\$0	\$0	\$0	\$0	\$0

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			(7) Office of Self Sufficiency, (D) Child Support Enforcement, Automated Child Support Enforcement System	0.0	\$0	(\$293,460)	\$293,460	\$0	\$0	\$0	\$0	(\$293,460)
			(7) Office of Self Sufficiency, (D) Child Support Enforcement, Child Support	0.0	\$0	(\$71,800)	\$71,800	\$0	\$0	\$0	\$0	(\$71,800)
<b>R-10</b>	<b>OCYF</b>	<b>No</b>	<b>Child Care Assistance Program General Fund Refinance</b>	<b>0.0</b>	<b>\$0</b>	<b>(\$817,511)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$817,511</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$817,511)</b>
			(6) Division of Child Care, Child Care Assistance Program	0.0	\$0	(\$817,511)	\$0	\$0	\$817,511	\$0	\$0	(\$817,511)
<b>NP-1</b>	<b>OPS</b>	<b>No</b>	<b>Statewide Vehicle Replacement</b>	<b>0.0</b>	<b>\$56,010</b>	<b>\$31,316</b>	<b>\$1,158</b>	<b>\$16,158</b>	<b>\$7,378</b>	<b>\$15,149</b>	<b>\$7,574</b>	<b>\$38,890</b>
			(3) Office of Operations, (A) Administration, Vehicle Lease Payments	0.0	\$56,010	\$31,316	\$1,158	\$16,158	\$7,378	\$15,149	\$7,574	\$38,890
<b>NP-2</b>	<b>OIT</b>	<b>Yes</b>	<b>CBMS Electronic Document Management</b>	<b>0.0</b>	<b>\$1,257,600</b>	<b>\$303,065</b>	<b>\$43,576</b>	<b>\$464,126</b>	<b>\$446,833</b>	<b>\$464,126</b>	<b>\$230,707</b>	<b>\$533,772</b>
			(2) Office of Information Technology Services, Colorado Benefits Management System (CBMS), Operating Expenses	0.0	\$1,257,600	\$303,065	\$43,576	\$464,126	\$446,833	\$464,126	\$230,707	\$533,772
<b>NP-3</b>	<b>OIT</b>	<b>Yes</b>	<b>Hospital Provider Fee Administrative</b>	<b>0.0</b>	<b>\$14,040</b>	<b>\$0</b>	<b>\$0</b>	<b>\$14,040</b>	<b>\$0</b>	<b>\$14,040</b>	<b>\$0</b>	<b>\$0</b>
			(2) Office of Information Technology Services, Colorado Benefits Management System (CBMS), Operating Expenses	0.0	\$14,040	\$0	\$0	\$14,040	\$0	\$14,040	\$0	\$0
<b>FY 2012-13 Funding Requests</b>				<b>(0.8)</b>	<b>\$266,809</b>	<b>(\$787,089)</b>	<b>(\$250,651)</b>	<b>\$5,468,662</b>	<b>(\$4,164,113)</b>	<b>\$5,370,855</b>	<b>\$2,677,051</b>	<b>\$1,889,962</b>

**Schedule 13**  
**Funding Request for the 2012-13 Budget Cycle**

Department: Human Services  
 Request Title: New Funding - Developmental Disabilities Services  
 Priority Number: R-1

Dept. Approval by: Will KO 10-12-11  
 Date

- Decision Item FY 2012-13  
 Base Reduction Item FY 2012-13  
 Supplemental FY 2011-12  
 Budget Amendment FY 2012-13

OSPB Approval by: Grant K. ... 10/15/11  
 Date

Line Item Information		FY 2011-12		FY 2012-13		FY 2013-14
		1	2	3	4	5
Fund		Appropriation FY 2011-12	Supplemental Request FY 2011-12	Base Request FY 2012-13	Funding Change Request FY 2012-13	Continuation Amount FY 2013-14
<b>Total of All Line Items</b>	<b>Total</b>	363,503,338	0	366,044,009	4,877,540	8,955,998
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	12,384,279	0	12,384,279	0	0
	CF	30,798,715	0	30,798,715	0	0
	RF	320,320,344	0	322,861,015	4,877,540	8,955,998
	FF	0	0	0	0	0
	MCF	320,320,344	0	322,861,015	4,877,540	8,955,998
	MGF	160,160,172	0	161,430,509	2,438,770	4,477,999
	NGF	172,544,451	0	173,814,788	2,438,770	4,477,999
<b>(9) Services for People with Disabilities, (A) Community Services for People with Developmental Disabilities, (2) Program Costs, Adult Comprehensive Services for 4,333.0 Medicaid Resources</b>	<b>Total</b>	294,416,214	0	296,641,724	3,914,972	7,178,949
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	0	0	0	0	0
	CF	30,798,715	0	30,798,715	0	0
	RF	263,617,499	0	265,843,009	3,914,972	7,178,949
	FF	0	0	0	0	0
	MCF	263,617,499	0	265,843,009	3,914,972	7,178,949
	MGF	131,808,749	0	132,921,505	1,957,486	3,589,475
	NGF	131,808,749	0	132,921,505	1,957,486	3,589,475
<b>(9) Services for People with Disabilities, (A) Community Services for People with Developmental Disabilities, (2) Program Costs, Adult Supported Living Services for 692 General Fund and 3,297.5 Medicaid Resources</b>	<b>Total</b>	41,530,106	0	41,711,050	758,940	1,401,120
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	7,616,069	0	7,616,069	0	0
	CF	0	0	0	0	0
	RF	33,914,037	0	34,094,981	758,940	1,401,120
	FF	0	0	0	0	0
	MCF	33,914,037	0	34,094,981	758,940	1,401,120
	MGF	16,957,019	0	17,047,491	379,470	700,560
	NGF	24,573,088	0	24,663,560	379,470	700,560

Line Item Information		FY 2011-12		FY 2012-13		FY 2013-14
		1	2	3	4	5
	Fund	Appropriation FY 2011-12	Supplemental Request FY 2011-12	Base Request FY 2012-13	Funding Change Request FY 2012-13	Continuation Amount FY 2013-14
(9) Services for People with Disabilities, (A) Community Services for People with Developmental Disabilities, (2) Program Costs, Case Management for 3,647 General Fund and 8,441.5 Medicaid Resources	<b>Total</b>	27,557,018	0	27,691,235	203,628	375,929
	<b>FTE</b>	0.0	0.0	0.0	0.0	0.0
	<b>GF</b>	4,768,210	0	4,768,210	0	0
	<b>CF</b>	0	0	0	0	0
	<b>RF</b>	22,788,808	0	22,923,025	203,628	375,929
	<b>FF</b>	0	0	0	0	0
	<b>MCF</b>	22,788,808	0	22,923,025	203,628	375,929
	<b>MGF</b>	11,394,404	0	11,461,513	101,814	187,964
	<b>NGF</b>	16,162,614	0	16,229,723	101,814	187,964

**Letternote Text Revision Required?** Yes:  No:  **If yes, describe the Letternote Text Revision:**  
 (9)(A)(2)<sup>b</sup> Of this amount ~~\$328,231,550~~ \$333,109,090 shall be from Medicaid funds transferred from the Department of Health Care Policy and Financing, and \$481,488 shall be transferred from the Division of Vocational Rehabilitation. These amounts reflect the assumption that \$2,432,000 shall be received by community providers from consumers associated with post eligibility treatment of income assessments.

**Cash or Federal Fund Name and COFRS Fund Number:** N/A

**Reappropriated Funds Source, by Department and Line Item Name:** Medicaid transferred from the Department of Health Care Policy and Financing

**Approval by OIT?** Yes:  No:  **Not Required:**

**Schedule 13s from Affected Departments:** Department of Health Care Policy and Financing

**Other Information:** N/A

**Schedule 13**  
**Funding Request for the 2012-13 Budget Cycle**

Department: Health Care Policy and Financing

Request Title: DHS - New Funding - Developmental Disabilities Services

Priority Number: NP R-1

Dept. Approval by: John Bartholomew *JB* 10/12/11 Date

OSPB Approval by: Graig H. Roberts 10/15/11 Date

<input checked="" type="checkbox"/>	Decision Item FY 2012-13
<input type="checkbox"/>	Base Reduction Item FY 2012-13
<input type="checkbox"/>	Supplemental FY 2011-12
<input type="checkbox"/>	Budget Amendment FY 2012-13

Line Item Information		FY 2011-12		FY 2012-13		FY 2013-14
		1	2	3	4	5
	Fund	Appropriation FY 2011-12	Supplemental Request FY 2011-12	Base Request FY 2012-13	Funding Change Request FY 2012-13	Continuation Amount FY 2013-14
<b>Total of All Line Items</b>	<b>Total</b>	\$328,231,550	\$0	\$330,772,221	\$4,877,540	\$8,955,998
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$164,115,774	\$0	\$165,386,111	\$2,438,770	\$4,477,999
	GFE	\$0	\$0	\$0	\$0	\$0
	CF	\$1	\$0	\$1	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$164,115,775	\$0	\$165,386,109	\$2,438,770	\$4,477,999
<b>(6) Department of Human Services Medicaid-Funded Programs; (G) Services for People with Disabilities - Medicaid Funding, Community Services for People with Developmental Disabilities, Program Costs</b>	<b>Total</b>	\$328,231,550	\$0	\$330,772,221	\$4,877,540	\$8,955,998
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$164,115,774	\$0	\$165,386,111	\$2,438,770	\$4,477,999
	GFE	\$0	\$0	\$0	\$0	\$0
	CF	\$1	\$0	\$1	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$164,115,775	\$0	\$165,386,109	\$2,438,770	\$4,477,999

Letternote Text Revision Required? Yes:  No:  If yes, describe the Letternote Text Revision:

Cash or Federal Fund Name and COFRS Fund Number:

Reappropriated Funds Source, by Department and Line Item Name:

Approval by OIT? Yes:  No:  Not Required:

Schedule 13s from Affected Departments: Department of Human Services

Other Information:

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# DEPARTMENT OF HUMAN SERVICES

John W. Hickenlooper  
Governor

*FY 2012-13 Funding Request  
November 1, 2011*

Reggie Bicha  
Executive Director

## **Department Priority: R-1 New Funding – Developmental Disabilities Services**

Summary of Incremental Funding Change for FY 2012-13	Total Funds	General Fund	Re-appropriate Funds	Medicaid Cash Fund	Medicaid General Fund	Net General Fund
New Funding – Developmental Disabilities Services	\$4,877,540	\$0	\$4,877,540	\$4,877,540	\$2,438,770	\$2,438,770

### **Request Summary:**

The Department requests \$4,877,540 in FY 2012-13 and \$8,955,998 in FY 2013-14 for program costs to provide services for 173 people with developmental disabilities to address high demand and access to services in the following areas, which are listed in priority order:

- 173 new Home and Community Based Services (HCBS) Medicaid waiver enrollments and associated Targeted Case Management (TCM). This includes:
  - 46 Persons with Developmental Disabilities (HCBS-DD) Medicaid waiver enrollments for youth transitioning out of the foster care system;
  - 50 Supported Living Services (HCBS-SLS) Medicaid waiver enrollments for youth aging out of the Children's Extensive Support (HCBS-CES) Medicaid waiver;
  - 47 HCBS-DD Medicaid waiver emergency enrollments for people who need immediate residential services; and
  - 30 HCBS-SLS Medicaid waiver enrollments to address the needs of individuals in high-risk emergency situations on the Supported Living Services (SLS) waiting list.

This request will serve one of the most vulnerable populations in Colorado by providing a continuity

of care for disabled youth transitioning out of services and by serving emergency and at risk disabled adults. In addition, it provides Early Intervention services to prevent the development of future disabilities.

### HCBS-DD for Adults (46 Foster Care Transition and 47 Emergency Enrollments):

HCBS-DD services for adults need to be funded for individuals with developmental disabilities who require extensive supports to live safely in the community and who do not have the resources available to meet their needs. HCBS-DD services include group and individualized residential services in a variety of community-based settings, employment or other day services, and transportation.

The Department currently serves 46 youth in the Child Welfare foster care system who will turn 21 years of age in FY 2012-13 and require continuity of residential services through the HCBS-DD waiver program. These youth will no longer qualify for foster care once they turn age 21 and have no appropriate family or other alternative for assistance.

It is anticipated that 47 people will face an emergency or crisis in their current living setting



and will need residential services immediately through the HCBS-DD waiver. Availability of community-based residential services will avoid use of more costly and inappropriate services, such as hospitalization or institutional care.

HCBS-SLS for Adults (50 for HCBS-CES Transition to HCBS-SLS and 30 Emergency SLS Enrollments):

HCBS-SLS services are for adults who can either live independently with limited to moderate supports or who need more extensive support provided by other persons such as their family. HCBS-SLS offers a variety of individualized and flexible supports to enable individuals to live on their own or in the family home and avoid or delay more costly HCBS-DD services.

The Department currently serves 50 children in the HCBS-CES program who will turn 18 years of age, the maximum age for the HCBS-CES program, in FY 2012-13 and require continuity of care through the HCBS-SLS waiver program for adults. By targeting service to young adults transitioning from the HCBS-CES program, the Department ensures that families with the highest level of need and children with the highest level of demand for services are served. Medicaid premiums or mental health capitation adjustments are not associated with this request since youth transitioning from the HCBS-CES program are already enrolled in the Medicaid State Plan.

Waiting List - Colorado has long had a waiting list for HCBS-DD and HCBS-SLS services. Persons on the waiting list are adults who primarily live in the home of parents, siblings or other relatives and have been waiting for services for an extended period of time. Many of these adults are considered a high risk for out-of-home placement because they are in precarious situations due to aging and/or ailing caregivers or other factors. Emergency/crisis situations arise due to loss of their home, death or infirmity of caregivers, abuse and neglect, or there is need for continuity of services due to youth transitioning from the foster care system. The June 30, 2011 waiting lists for people who need services within

two years shows 1,800 individuals waiting for HCBS-DD services, 462 of whom receive services in HCBS-SLS. Additionally, 1,648 individuals are waiting for HCBS-SLS.

**Anticipated Outcomes:**

The Developmental Disabilities system provides long term care services in the community to children and adults with developmental disabilities who would otherwise receive services in more restrictive and expensive institutional settings. An additional 173 people will receive appropriate community services and supports by June 30, 2013 thereby improving their physical, mental, and social functioning as well as their general well-being.

**Assumptions for Calculations:**

Attachment B: FY 2012-13 and FY 2013-14 Assumptions and Calculations details the assumptions and the calculation for this request.

**Consequences if not Funded:**

Without additional waiver services, developmentally disabled persons will transition to other less appropriate and more costly settings and services, such as institutional care, or become vulnerable to abuse, neglect or homelessness (See Attachment C: Cost Comparison). Specifically:

- 46 youth currently served in the Child Welfare foster care system will risk losing community services upon turning 21 years of age and thus, result in more costly placements, such as hospitals, correctional facilities and other institutions. They may also require expensive episodic services at greater frequency, such as hospital emergency room services for medical and behavioral interventions.
- 50 children in the HCBS-CES program who will turn 18 years of age will be at a much greater risk for placement in other less appropriate and more costly settings and services, such as HCBS-DD services, mental health services, hospital emergency rooms, institutional care or jail. If their families are not adequately supported to provide care in

the family home, there is a strong likelihood that they will eventually meet the criteria for emergency placement.

- 47 persons will be at risk of institutional placements due to the lack of emergency placements; and
- 30 people on the wait list for HCBS-SLS services would be at-risk of inappropriate and costly intervention from other service systems, such as hospital emergency rooms or jail.

**Impact to Other State Government Agency:**

The Department of Health Care Policy and Financing, as the single State Medicaid agency, would be impacted by this request.

**Relation to Performance Measures:**

Attachment A: Performance Measurement includes performance measures relevant to the request.

**Current Statutory Authority or Needed Statutory Change:**

27-10.5-104, C.R.S. (2011) authorizes the Department to provide or purchase authorized services and supports from community centered boards or service agencies for persons who have been determined to be eligible for such services and supports.

The request does not require a statutory change.

**Attachment A: Performance Measurement**

Of the adults with developmental disabilities in the community enrolled in day services, increase the percentage that have supported employment.

	<b>FY 2008-2009</b>	<b>FY 2009-2010</b>	<b>FY 2010-2011</b>	<b>FY 2011-2012</b>	<b>FY 2012-2013</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Approp</b>	<b>Request</b>
<b>Benchmark:</b>				23.2%	25.2%
<b>Actual:</b>	23.75%	21.5%	24.3%		

Evaluation Methodology:

CDHS evaluates progress toward meeting this goal by determining the number of individuals who are employed in the community compared to the total number of individuals receiving Day Habilitation Services. Increases and decreases are evaluated to determine if additional training or technical assistance is needed for supported employment providers to increase the likelihood of successful placements.

**Attachment B: FY 2012-13 and FY 2013-14 Assumptions and Calculations**

<b>FY 2012-13 Funding Calculations</b>								
	Number of Enrollments (a)	Months Enrolled (b)	Average Annual Enrollment Cost (c)	Total Annual Cost All New Enrollments (d)	GF (e)	RF/MCF (f)	MGF (g)	NGF (h)
Foster Care to HCBS-DD	46	7.1	\$77,193	\$2,100,936	\$0	\$2,100,936	\$1,050,468	\$1,050,468
Emergency HCBS-DD	47	6.0	\$77,193	\$1,814,036	\$0	\$1,814,036	\$907,018	\$907,018
HCBS-CES to HCBS-SLS	50	6.8	\$17,514	\$496,230	\$0	\$496,230	\$248,115	\$248,115
Emergency HCBS-SLS	30	6.0	\$17,514	\$262,710	\$0	\$262,710	\$131,355	\$131,355
TCM Waiver Programs	173	6.5	\$2,173	\$203,628	\$0	\$203,628	\$101,814	\$101,814
Total				\$4,877,540	\$0	\$4,877,540	\$2,438,770	\$2,438,770
<i>Calculation</i>				$(a)*(b)*(c)/12$			$(f) * 50\%$ <i>rounded</i>	$(e) + (g)$

<b>FY 2013-14 Funding Calculation</b>								
	Number of Enrollments (a)	Months Enrolled (b)	Average Annual Enrollment Cost (c)	Total Annual Cost All New Enrollments (d)	GF (e)	RF/MCF (f)	MGF (g)	NGF (h)
Foster Care to HCBS-DD	46	12.0	\$77,193	\$3,550,878	\$0	\$3,550,878	\$1,775,439	\$1,775,439
Emergency HCBS-DD	47	12.0	\$77,193	\$3,628,071	\$0	\$3,628,071	\$1,814,036	\$1,814,036
HCBS-CES to HCBS-SLS	50	12.0	\$17,514	\$875,700	\$0	\$875,700	\$437,850	\$437,850
Emergency HCBS-SLS	30	12.0	\$17,514	\$525,420	\$0	\$525,420	\$262,710	\$262,710
TCM Waiver Programs	173	12.0	\$2,173	\$375,929	\$0	\$375,929	\$187,964	\$187,964
Total				\$8,955,998	\$0	\$8,955,998	\$4,477,999	\$4,477,999
<i>Calculation</i>				$(a)*(b)*(c)/12$			$(f) * 50\%$ <i>rounded</i>	$(e) + [(f)*50\%]$

## **Attachment B continued:**

### **Assumptions for the Amount Requested:**

- **Foster Care Transition to HCBS-DD:** The number of youth who are expected to transition out of foster care from the Child Welfare system to HCBS-DD residential services is based on the number of youth expected to turn age 21 in FY 2012-13. The months of service needed is actual number of months the youth will be in residential services counting the month in which each youth turn 21 plus the remaining months in the fiscal year. It was determined based on current occupancy of 46 youth will turn 21 in FY 2012-13 needing a total of 327 months of care or 7.1 average months per person ( $46 \times 7.1 = 327$ ). The annual cost per person is the average community annual rate of Support Level 3 and Level 4.
- **HCBS-DD Emergency Enrollments:** 47 = Actual number of emergency enrollments on June 30, 2011.
- **Children's Extensive Support Transition to Supported Living Services:** The number of youth who are expected to transition out of the HCBS-CES program to HCBS-SLS waiver program is based on the number of youth who will turn age 18 in FY 2012-13. The months of service needed is actual number of months the youth will receive services counting the month in which each youth turns 18 plus the remaining months in the fiscal year. It was determined that based on current occupancy 50 youth will turn 18 in FY 2012-13 and need a total of 340 months of care or 6.8 average months per person. ( $50 \times 6.8 = 340$ )
- **HCBS-SLS Emergency Enrollments:** There were 1,546 identified as high risk on the SLS wait list as of March 31, 2011. The Department is requesting funding for 30 enrollments (the same as FY 2011-12) to partially address this need.
- **TCM Waiver Programs:** The new resources requested for Foster Care Transition, CES Transitions, and Emergency enrollments for HCBS-DD and HCBS-SLS will require case management services. The number of new resources 173 is multiplied by the annual TCM rate of \$2,173 pro-rated by the number of months of use expected [ $173 \times 6.5 \times (2,173 / 12) = \$203,628$ ].

## Attachment C: Cost Comparison

Compares the cost of serving the requested enrollments in the Home and Community Based Services Medicaid Waivers versus the Community Intermediate Care Facility for People with Intellectual Disabilities (ICF/ID) based on FY 2013-14 for a comparison of annual costs.

Cost Comparison Analysis Medicaid Waiver Programs vs. Community ICF/ID						
Medicaid Waiver Program	Number of Enrollments Requested (a)	Average Annual Enrollment Cost (b)	Total Annual Cost All New Enrollments (c)	ICF/ID Annual Rate (d)	Total Annual ICF/ID Cost All New Enrollments* (e)	Total Savings Medicaid Waiver vs. ICF/ID
Foster Care to HCBS-DD	46	\$77,193	\$3,550,878	\$123,724	\$5,691,304	\$2,140,426
Emergency HCBS-DD	47	\$77,193	\$3,628,071	\$123,724	\$5,815,028	\$2,186,957
HCBS-CES to HCBS-SLS	50	\$17,514	\$875,700	\$123,724	\$6,186,200	\$5,310,500
Emergency HCBS-SLS	<u>30</u>	\$17,514	<u>\$525,420</u>	\$123,724	<u>\$3,711,720</u>	<u>\$3,186,300</u>
Total	173		\$8,580,069		\$21,404,252	\$12,824,183
<i>Calculation</i>			<i>(a) * (b)</i>		<i>(a) * (d)</i>	<i>(e) - (c)</i>

\*The institutional cost of care is based on the FY 2010-11 cost per person to serve an individual in the Community Intermediate Care Facility for People with Intellectual Disabilities.

FY 2013-14 Funding Calculation				
	Number of Enrollments (a)	Months Enrolled (b)	Average Annual Enrollment Cost (c)	Total Annual Cost All New Enrollments (d)
Foster Care to HCBS-DD	46	12	\$77,193	\$3,550,878
Emergency HCBS-DD	47	12	\$77,193	\$3,628,071
HCBS-CES to HCBS-SLS	50	12	\$17,514	\$875,700
Emergency HCBS-SLS	<u>30</u>	12	\$17,514	<u>\$525,420</u>
Total FY 2013-14	173			\$8,580,069
<i>Calculation</i>				<i>(a) * (b) * (c)/12</i>

**Schedule 13**  
**Funding Request for the 2012-13 Budget Cycle**

Department: Human Services  
 Request Title: Electronic Health Record and Pharmacy System Feasibility Study at the Mental Health Institutes  
 Priority Number: R-2  
 Dept. Approval by: *Will R. [Signature]* 10-12-11 Date  
 OSPB Approval by: *Erin M. [Signature]* 10/19/11 Date

- Decision Item FY 2012-13  
 Base Reduction Item FY 2012-13  
 Supplemental FY 2011-12  
 Budget Amendment FY 2012-13

Line Item Information		FY 2011-12		FY 2012-13		FY 2013-14
		1	2	3	4	5
	Fund	Appropriation FY 2011-12	Supplemental Request FY 2011-12	Base Request FY 2012-13	Funding Change Request FY 2012-13	Continuation Amount FY 2013-14
<b>Total of All Line Items</b>	<b>Total</b>	87,622,442	0	89,096,876	75,000	0
	FTE	1,147	0	1,147	0	0
	GF	73,736,309	0	74,979,682	75,000	0
	CF	7,572,834	0	7,682,061	0	0
	RF	6,313,299	0	6,435,133	0	0
	FF	0	0	0	0	0
	MCF	4,129,919	0	4,196,912	0	0
	MGF	2,064,716	0	2,098,456	0	0
	NGF	75,801,025	0	77,078,138	75,000	0
<b>(8) Mental Health and Alcohol and Drug Abuse Services, (C) Mental Health Institutes, Mental Health Institute-Ft. Logan</b>	<b>Total</b>	18,973,703	0	19,273,397	16,224	0
	FTE	206.3	0.0	206.3	0.0	0.0
	GF	16,789,133	0	17,056,411	16,224	0
	CF	1,829,651	0	1,849,154	0	0
	RF	354,919	0	367,832	0	0
	FF	0	0	0	0	0
	MCF	0	0	0	0	0
	MGF	0	0	0	0	0
	NGF	16,789,133	0	17,056,411	16,224	0
<b>(8) Mental Health and Alcohol and Drug Abuse Services, (C) Mental Health Institutes, Mental Health Institute-Pueblo</b>	<b>Total</b>	68,648,739	0	69,823,479	58,776	0
	FTE	940.2	0.0	940.2	0.0	0.0
	GF	56,947,176	0	57,923,271	58,776	0
	CF	5,743,183	0	5,832,907	0	0
	RF	5,958,380	0	6,067,301	0	0
	FF	0	0	0	0	0
	MCF	4,129,919	0	4,196,912	0	0
	MGF	2,064,716	0	2,098,456	0	0
	NGF	59,011,892	0	60,021,727	58,776	0

Letternote Text Revision Required? Yes:  No:  If yes, describe the Letternote Text Revision:  
 Cash or Federal Fund Name and COFRS Fund Number: N/A  
 Reappropriated Funds Source, by Department and Line Item Name: N/A  
 Approval by OIT? Yes:  No:  Not Required:   
 Schedule 13s from Affected Departments: N/A  
 Other Information: N/A

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## DEPARTMENT OF HUMAN SERVICES

John W. Hickenlooper  
Governor

*FY 2012-13 Funding Request, November 1, 2011*

Reggie Bicha  
Executive Director

### **Department Priority: R-2**

### **Electronic Health Record and Pharmacy System Feasibility Study at the Mental Health Institutes**

Summary of Incremental Funding Change for FY 2012-13	Total Funds	General Fund
Electronic Health Record and Pharmacy System Feasibility Study at the Mental Health Institutes	\$75,000	\$75,000

#### **Request Summary:**

This request is for additional funding to conduct a feasibility study of an electronic health record and new pharmacy system for the Colorado Mental Health Institutes (CMHIs) at Pueblo and Fort Logan. The request totals \$75,000 General Fund in FY 2012-13.

A May 2011 performance audit of Institute medication practices, conducted by the Office of the State Auditor, recommended that the Institutes implement an electronic health record and replace a legacy pharmacy system to address problems identified in prescribing and monitoring medications, as well as to improve clinical decision-making, reduce medical errors, and increase efficiencies. An electronic health record system, for example, could prompt physicians to enter progress notes when medication orders are changed, provide alerts as to potential drug interactions, remind physicians to order lab work for certain medications, and automatically recognize and flag abnormal lab results for follow-up.

Currently, Institute staff use paper documents to record and reference virtually all patient information and to address questions regarding individual patient psychiatric and medical treatment needs. Patient history and progress reports are only accessible by using paper charts or medical records. Doctor's orders, clinician's progress notes, and medication administration

records are hand written; important medical documents are photocopied, hand-routed and finally queued for filing into the chart before they can be used; patient charts are often difficult to locate as clinicians borrow them to write their updates; and analyses of the effectiveness of medications and therapies are done only as ad-hoc, labor-intensive, special projects.

The Institutes currently use a computerized health information system called Avatar to manage census, record patient diagnoses and services for billing purposes, and track some patient legal information. The Institutes also operate legacy pharmacy and lab systems. These systems enable the Institutes to bill medical insurers (including Medicare and Medicaid) and provide basic lab and pharmacy information, but provide no clinical support.

The average medication error rates at the Mental Health Institutes were higher than a peer group of approximately 116 psychiatric hospitals in calendar year 2010. Specifically, Fort Logan averaged 4.50 medication errors for every 100 episodes of care and Pueblo averaged 4.93 medication errors for every 100 episodes of care. By comparison, the peer group averaged 2.71 medication errors for every 100 episodes of care.

Electronic health records are generally believed to increase efficiencies by reducing the time

clinicians spend documenting patient care and solve the problem of illegible handwritten physician orders and notes. Similarly, a new automated pharmacy system that includes patient profiles, the automated generation of reports and the ability to interface with medication administration records would improve the tracking and reporting of patient medications and free up pharmacy staff time to provide additional clinical and consultative services.

The Institutes will continue to struggle in monitoring the quality, quantity and effectiveness of their medication and treatment practices without an organized, automated collection of clinical data. While an electronic health record and pharmacy system alone are not enough to fully solve the compliance problems stated above, there can be no permanent, reliable solution without systems to monitor and manage the clinical operations of the Institutes.

An electronic system would enable the Institutes to improve the safe and effective delivery of quality health care to patients. With these systems, patient data is maintained in one place, continuously updated, and immediately accessible to the patient's treatment team, offering an integrated view of patient care that is very difficult to obtain via paper-based records. While improved systems can never take the place of clinical judgment and experience, they can actively provide options and explanations that improve the clinician's efficiency and compliance with accepted practice guidelines.

As outlined in the May 2011 Office of the State Auditor CMHI Medication Practices Performance Audit, the Department needs to engage in planning efforts to "better position the State to prepare for the day when the Institutes' use of electronic health records will be a minimum expectation to meet hospital accreditation, Medicare and Medicaid certification, and other quality of care standards." Clearly, the current trend spurred in part by passage of the federal American Recovery and Reinvestment Act of 2009 and the federal Affordable Care Act of

2010, is toward adopting electronic health record systems. Failure to move in this direction is inconsistent with federal guidelines targeted at improving the safe and effective delivery of quality health care.

A feasibility study is needed to determine the best products, platform and approach to consider in a future request.

The Department estimates that the initial one-time cost to design and implement an electronic health record and pharmacy system would total \$3.0 million General Fund based on a projection by the current vendor. An additional \$1.2 million General Fund would be required for ongoing annual costs and maintenance.

#### **Anticipated Outcomes:**

A feasibility study would address the benefits of a new electronic health record and pharmacy system by using quantitative and qualitative data to determine the efficacy of modules that would significantly enhance patient care; estimate the costs of full versus partial (phased-in) implementation; explore options for vendor-hosted versus OIT-maintained platforms; and survey other state psychiatric hospitals regarding electronic health record and pharmacy systems. The feasibility study would enable the Department to move forward with a comprehensive request based on professional and independent analyses and recommendations.

#### **Assumptions for Calculations:**

The \$75,000 request is based on the costs for recent similar feasibility studies conducted for large-scale automated systems provided by the Office of Information Technology. The \$75,000 amount requested equals 500 hours of work at an assumed billing rate of \$150 per hour.

Legislation is currently pending in Congress to include psychiatric hospitals as being eligible for Medicare and Medicaid incentive funds related to implementing the "meaningful use" of an electronic health record. Hospitals meeting the meaningful use requirements could receive

financial assistance in purchasing and operating an electronic health record through higher reimbursement rates for Medicare and Medicaid clients. This request will enable the Department to take a proactive position to qualify for federal money in the future should Congress enact this legislation.

**Consequences if not Funded:**

The Department will not be in a position to move forward with the purchase and implementation of a new electronic health record and pharmacy system if this request is not funded. It is possible that medication errors could continue as a function of the Institutes’ reliance on paper-based records in spite of improved oversight processes. In addition, the Institutes would not be able to leverage the benefits derived from a new electronic health record and pharmacy system to increase access to and integration of patient information, improve pharmacy practices and clinical interface in order to reduce medication errors. The Department would also not be able to fully address the audit recommendations in the performance audit completed by the Office of the State Auditor.

**Relation to Performance Measures:**

The implementation of a new electronic health record and pharmacy system at the Institutes will help to improve the safe and effective delivery of quality health care to patients even though the initial investment and ongoing operating costs are significant. In addition, an electronic health record would enable the Institutes to exchange patient mental and physical health data with community mental health centers and other

community providers of medical and mental health services to individuals that are admitted to the Institutes. An electronic health record will aid in providing clinical care coordination between mental health providers, primary care physicians and specialty medical personnel; thereby, helping prevent adverse drug-to-drug interactions and averting emergency room visits and hospital admissions. The anticipated end result of a coordinated service delivery is reduced lengths of stay and lower readmittance rates for Institute consumers.

Performance Measure	Request Effect
Reduce the number of consumers readmitted to Institute inpatient psychiatric units within 180 days by one percent (based on admission to the campus) from the prior year.	The number of consumers readmitted is expected to decrease if a new electronic health record and pharmacy system is funded and implemented.

**Current Statutory Authority or Needed Statutory Change:**

26-1-201, C.R.S. (2011) authorizes the operation and administration of the Mental Health Institutes. The request will not require a statutory change.

**Schedule 13**  
**Funding Request for the 2012 Budget Cycle**

Department: Department of Human Services  
 Request Title: TANF Long-Term Reserve Solvency  
 Priority Number: R-3

Dept. Approval by: Will Ky D 10-13-11  
 Date

OSP Approval by: Grant N. S. L. 10/19/11  
 Date

- Decision Item FY 2012-13
- Base Reduction Item FY 2012-13
- Supplemental FY 2011-12
- Budget Amendment FY 2012-13

Line Item Information		FY 2011-12		FY 2012-13		FY 2013-14
		1	2	3	4	5
	Fund	Appropriation FY 2011-12	Supplemental Request FY 2011-12	Base Request FY 2012-13	Funding Change Request FY 2012-13	Continuation Amount FY 2013-14
<b>Total of All Line Items</b>	<b>Total</b>	170,456,005	0	170,490,287	(6,282,522)	(12,118,708)
	FTE	31.0	0.0	31.0	(1.0)	(1.0)
	GF	0	0	0	0	0
	CF	22,823,033	0	22,823,033	(889,547)	(1,756,855)
	RF	0	0	0	0	0
	FF	147,632,972	0	147,667,254	(5,392,975)	(10,361,853)
(7) Office of Self Sufficiency (B) Colorado Works Program, Administration	<b>Total</b>	1,549,410	0	1,577,454	(60,208)	(60,208)
	FTE	19.0	0.0	19.0	(1.0)	(1.0)
	GF	0	0	0	0	0
	CF	0	0	0	0	0
	RF	0	0	0	0	0
	FF	1,549,410	0	1,577,454	(60,208)	(60,208)
(7) Office of Self Sufficiency (B) Colorado Works Program, County Block Grants	<b>Total</b>	151,536,168	0	151,536,168	(6,058,314)	(11,894,500)
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	0	0	0	0	0
	CF	22,823,033	0	22,823,033	(889,547)	(1,756,855)
	RF	0	0	0	0	0
	FF	128,713,135	0	128,713,135	(5,168,767)	(10,137,645)
(7) Office of Self Sufficiency (B) Colorado Works Program, County Training	<b>Total</b>	586,297	0	589,744	(114,000)	(114,000)
	FTE	2.0	0.0	2.0	0.0	0.0
	GF	0	0	0	0	0
	CF	0	0	0	0	0
	RF	0	0	0	0	0
	FF	586,297	0	589,744	(114,000)	(114,000)

Line Item Information		FY 2011-12		FY 2012-13		FY 2013-14
		1	2	3	4	5
	Fund	Appropriation FY 2011-12	Supplemental Request FY 2011-12	Base Request FY 2012-13	Funding Change Request FY 2012-13	Continuation Amount FY 2013-14
(7) Office of Self Sufficiency (C) Special Purpose Welfare Programs (7) Refugee Assistance	<b>Total</b>	16,784,130	0	16,786,921	(50,000)	(50,000)
	FTE	10.0	0.0	10.0	0.0	0.0
	GF	0	0	0	0	0
	CF	0	0	0	0	0
	RF	0	0	0	0	0
	FF	16,784,130	0	16,786,921	(50,000)	(50,000)
<p>Letternote Text Revision Required?    Yes: <input checked="" type="checkbox"/>    No: <input type="checkbox"/>    If yes, describe the Letternote Text Revision:</p> <p>(7)(B) County Block Grants                      b Of this amount, <del>\$22,238,672</del> \$21,349,125(L) shall be from local funds and \$584,361 is estimated to be from the State's share of cash funds revenues, including retained child support collections, retained fraud refunds, state revenue intercepts and other refunds.</p> <p>(7)(C)(7) Refugee Assistance                      i Of these amounts, \$13,981,587 is estimated to be from the federal Department of Health and Human Services, Office of Refugee Resettlement, and <del>\$2,805,334</del> \$2,755,334 shall be from the Temporary Assistance for Needy Families Block Grant.</p> <p>Cash or Federal Fund Name and COFRS Fund Number:    Cash Funds are local funds and Federal Funds are from the Temporary Assistance for Needy Families Block Grant</p> <p>Reappropriated Funds Source, by Department and Line Item Name:    N/A</p> <p>Approval by OIT?    Yes: <input type="checkbox"/>    No: <input type="checkbox"/>    Not Required: <input checked="" type="checkbox"/></p> <p>Schedule 13s from Affected Departments:    N/A</p> <p>Other Information:    N/A</p>						



# DEPARTMENT OF HUMAN SERVICES

*FY 2012-13 Funding Request  
November 1, 2011*

*John W. Hickenlooper  
Governor*

*Reggie Bicha  
Executive Director*

## **Department Priority: R-3 TANF Long-Term Reserve Solvency**

<b>Summary of Incremental Funding Change for FY 2012-13</b>	<b>Total Funds</b>	<b>Cash Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
TANF Long-Term Reserve Solvency	(\$6,282,522)	(\$889,547)	(\$5,392,975)	(1.0)

### **Request Summary:**

The Department is requesting a total reduction in Temporary Assistance for Needy Families (TANF) expenditures in the amount of \$6,282,522 for FY 2012-13, which includes \$5,392,975 in Federal Funds and \$889,547 in Cash (local) Funds and a reduction of 1.0 FTE. In FY 2013-14, a total reduction of \$12,118,708 is requested, comprised of \$10,361,853 in Federal Funds and \$1,756,855 in Cash (local) Funds and a reduction of 1.0 FTE. Maintaining levels of current appropriations funded by the annual Federal TANF grant and supplemental grant awards that the state receives is no longer sustainable. The Department determined that a decrease to the Colorado Works County Block Grants and three state-level program lines would be the most appropriate way to reduce total TANF appropriations.

The Federal TANF block grant funds are appropriated annually to support the four purposes of TANF related to assisting needy Colorado families. The four purposes of TANF are as follows: 1) Providing assistance so that children can be cared for in their own homes or in the homes of relatives; 2) Ending the dependence on government benefits by promoting job preparation, work, and marriage; 3) Preventing and reducing the incidence of out-of-wedlock pregnancies; and 4) Encouraging the formation and maintenance of two-parent families.

State appropriations of TANF dollars in recent years have exceeded the TANF annual grant and supplemental grant awards amounts. TANF dollars have been appropriated from the Long-Term Reserve, which consists of the cumulative carry-over of any unappropriated/unspent TANF block grant funds. The funds in the Long-Term Reserve have been used for several purposes in recent years, including the funding of the county block grants, program administration and strategic projects, such as the Statewide Strategic Use Fund.

The Department is proposing that the state pursue a minimum balance in the Long-Term Reserve of an amount no less than two percent of the annual Federal TANF award that Colorado receives, which would amount to \$2,721,132. The two percent reserve is much less than the 16.5 percent allowable cash fund reserves and half of the General Fund reserve amount.

This minimum amount would enable the Long-Term Reserve to continue to respond to emergencies, legislative or federal changes, and other potential initiatives. The Long-Term Reserve has served all of these purposes in the past. In FY 2005-06, the state used over \$275,000 in available TANF funds to support families relocated as a result of Hurricane Katrina. In FY 2008-09, \$2.8 million was needed to implement Colorado Benefits Management System changes

in response to federal TANF reauthorization. In FY 2009-10, the Long-Term Reserve was able to respond to the opportunity presented by American Recovery and Reinvestment Act and the challenge of deteriorating economic conditions. The Department utilized almost \$29 million in available funding for subsidized employment, homeless prevention and housing programs, and short-term benefits for needy families. Having the funds on-hand enabled Colorado to spend without delay and draw down the entire amount of available federal matching funds. These examples illustrate the range of dollar amounts and range of needs the Division has had in the past. The requested 2% is much less than the \$29 million utilized in FY 2009-10, and should be enough to cover most unforeseen situations.

The Long-Term Reserve is projected to be insolvent in FY 2012-13, so cuts to appropriations need to be made to balance the reserve. The Department requests decreases in TANF funding in both county-level and state-level Colorado Works lines in order to return solvency to the TANF Long-Term Reserve while minimizing negative impacts to counties and program participants.

Summary:	\$ Reduction	% Reduction
County Block Grants (Federal Funds)	\$5,168,767	4.0%
County Block Grants (Local Funds)	\$895,547	4.0%
Colorado Works Administration	\$60,208	3.8%
County Training	\$114,000	19.3%
Colorado Refugee Services Program	\$50,000*	1.8%

\*Reduction made only to TANF funds for this program.

The following are the proposed reductions to three state-level programs. The proposed reduction to the Colorado Works County Block Grants appropriation is discussed below in the Impact to Other State Government Agency Section.

*Colorado Works Administration:* The Department is proposing an ongoing \$60,208 federal funds reduction from the Colorado Works Administration line which includes the elimination of 1.0 FTE, a program assistant position. The Division believes the reduction will reduce productivity and responsiveness, but will not impact the Division's core work otherwise. The state Colorado Works administrative budget accounts for just over 1% of the Federal TANF Block Grant.

*County Training:* The Department is also proposing an ongoing reduction of \$114,000 to reduce training services. These training services are provided to all Colorado Works employees, including county department staff, faith and community-based agencies, and state level Colorado Works staff. Colorado Works will continue to meet critical training needs, while reducing lower priority non-mandatory training. The Department will also consider ways to streamline the annual Professional Development Academy which is an optional annual training event.

*Refugee Assistance:* An ongoing \$50,000 reduction is being proposed in the Colorado Refugee Services Program. This reduction can be absorbed with little impact to the program's services or capacity because of increased efficiencies around training activities and anticipated improved/quicker outcomes due to program innovations. In addition, for FY 2012-13, the Colorado Refugee Services Program anticipates that new refugee arrival numbers nationally and for the state will be slightly depressed given security concerns and the general economy.

**Anticipated Outcomes:**

The major outcome of this request is to reduce the total TANF appropriation to ensure that funds are not appropriated in excess of the federal funds available. The other desired outcome from this request is the Department's ability to maintain a balance in the TANF Long-Term Reserve equal to two percent of the federal TANF award (not

including any supplemental awards) to address potential needs in the coming years.

**Assumptions for Calculations:**

Please see Attachment A for a summary of the calculations contained in this request and Attachment B which provides an analysis of the Long-Term Reserve.

**Consequences if not Funded:**

If no action is taken to reduce the total of the TANF funded appropriations in the Department, the TANF Long-Term Reserve balance will become insolvent, which is not an allowable situation. The Department would not have enough federal funds to meet the amounts appropriated in the annual appropriations bill.

**Impact to Other State Government Agency:**

This request will have an impact on the sixty-four county departments of human services that receive an allocation from the Colorado Works County Block Grants.

*Colorado Works County Block Grant:* The requested \$5,168,767 reduction in TANF funding will reduce the County Grant by approximately 4.0% in FY 2012-13. Included in this proposal for FY 2012-13 is a reduction in the amount of \$889,547 to local (county) funds. As previously mentioned, it is appropriate to reduce the county maintenance of effort (MOE) requirement as federal TANF dollars are reduced to counties. The total reduction being requested for this line for FY 2012-13 is \$6,058,314. A total reduction of \$11,894,500 is being requested for FY 2013-14. The Block Grant is distributed annually using the allocation formula, based on economic and demographic data, and developed by the Department with input from the Works Allocation Committee. The Department will continue to work with the Works Allocation Committee to determine the most appropriate method for allocating the Block Grant.

Since the all-time low Colorado Works caseload in July 2008, the state’s basic cash assistance caseload has increased 76% through June 2011.

County departments of human services have absorbed the increased benefits costs and workload costs, as there has been no correlating increase in funding. Counties’ basic cash assistance obligations represented about 46% of overall spending in FY 2010-11. These represent cash assistance provided to program participants and are designed to meet a family’s ongoing basic needs. Reductions would most likely be absorbed by reserves on hand or by the other 54% of their spending on administrative cost and the costs of supportive services provided to participants to assist them with obtaining and keeping a job (e.g. child care, job search, etc). Some counties who typically fund child care or child welfare programs with Colorado Works funds may reduce expenditures in those areas.

The counties hold approximately \$36 million in reserves collectively (24% of their annual block grant appropriation). Some counties will be able to absorb this reduction within reserves. Those counties without reserves available, however, will possibly have to look at program or staffing cuts to cover the shortfall, or pay for them with county-only dollars. For example, as a result of these reductions, County Departments may choose, as Denver, El Paso, and Elbert counties have in the past few years, to impose furlough days or staffing reductions to mitigate budget shortfalls. The counties have control of their budgets once allocated to them by the State; therefore, the possibilities are numerous as to how each county will deal with this reduction. Counties, such as Weld, Kiowa, and Pitkin counties, that currently do not have any reserves.

**Relation to Performance Measures:**

Performance Measure	Request Effect
Increase the actual work participation rates for each federal fiscal year in order to meet mandated federal rates and improve client and family independence and self-sufficiency.	Achieve the federally mandated work participation rates.



**Current Statutory Authority or Needed Statutory Change:**

26-2-701 et. seq., C.R.S. (2011) authorizes the operation of the Colorado Works Program. Per 26-2-712 (2), C.R.S. (2011), the state department shall allocate the amount of moneys that shall be provided to a county as a county block grant for

the purposes of a county's administration and implementation of the Works Program within available appropriations and pursuant to a prescribed allocation formula. No statutory change is needed for this request.

Attachment A

FY 2012-13 Funding Request-TANF Long-Term Reserve Solvency

Summary of Calculations Contained in Request

**Federal Funds:**

Target TANF Long-Term Reserve Balance

Equates to two percent of the current annual TANF Grant Award and excludes any Supplemental awards (\$136,056,590 x 2% = \$2,721,132).

Estimated Ending Balance (Deficit) in Long-Term Reserve as of June 30, 2013 (Without Reserve Included)

Equates to total estimated funds available in the amount of \$157,316,291, less total estimated spending in the amount of \$159,988,134, resulting in a shortfall of \$2,671,843.

Amount Needed in FY 2012-13 to Eliminate Deficit and Provide for the Two Percent Reserve

Equates to a total of the two amounts listed above (\$2,721,132 + \$2,671,843 = \$5,392,975). To provide the \$5,392,975, reductions were proposed as follows: \$5,168,767 to County Block Grants; \$60,208 to Colorado Works Administration; \$114,000 to County Training; and \$50,000 to Refugee Assistance.

Estimated Ending Balance (Deficit) in Long-Term Reserve as of June 30, 2014

Equates to total estimated funds available in the amount of \$152,347,413, less total estimated spending in the amount of \$159,988,134, resulting in a shortfall of \$7,640,721.

Amount Needed in FY 2013-14 to Eliminate Deficit and Provide for the Two Percent Reserve

Equates to the projected deficit in the amount of \$7,640,721 plus the target reserve amount of \$2,721,132 for a total of \$10,361,853. To provide the \$10,361,853, reductions were proposed as follows: \$10,137,645 to County Block Grants; \$60,208 to Colorado Works Administration; \$114,000 to County Training; and \$50,000 to Refugee Assistance.

**County (Local Funds):** The Department believes that it is appropriate to reduce the amount that counties are required to spend out of county funds on TANF programs by an amount proportionate to the reduction of Federal Funds being proposed to the County Block Grants line.

Reduction to County Funds for FY 2012-13

Equates to a four percent reduction (proportional to reduction in federal funds) of \$22,238,672, the local funds amount referenced in the FY 2011-12 Long Bill (\$22,238,672 x 4.0% = \$889,547).

Reduction to County Funds for FY 2013-14

Equates to a 7.9 percent reduction (proportional to reduction in federal funds) of \$22,238,672, the local funds amount referenced in the FY 2011-12 Long Bill (\$22,238,672 x 7.9% = \$1,756,855).

**Total Request:**

FY 2012-13

Equates to reductions of \$5,392,975 in federal funds and \$889,547 in County Funds for a total of \$6,282,522.

FY 2013-14

Equates to reductions of \$10,361,853 in federal funds and \$1,756,855 in County Funds for a total of \$12,118,708.

## Attachment B

## FY 2012-13 Funding Request -TANF Long-Term Reserve Solvency

<b>TANF Long-Term Reserve Analysis</b>			
	<b>FY 2011-12</b>	<b>FY 2012-13</b>	<b>FY 2013-14</b>
Estimated Funds Available:			
Beginning Balance	33,944,186	7,690,010	2,721,132
TANF Awards	136,056,690	136,056,590	136,056,590
Supplemental TANF Awards	10,177,268	13,569,691	13,569,691
<b>(A)Total Estimated Funds Available</b>	<b>180,178,144</b>	<b>157,316,291</b>	<b>152,347,413</b>
Estimated Spending:			
Colorado Works Administration	1,672,454	1,672,454	1,672,454
Energy Assistance	1,500,000	1,500,000	1,500,000
Indirects	816,339	816,339	816,339
OIT Expenses	1,384,230	1,384,230	1,384,230
Program (County Block Grants, Program Maintenance Fund, County Reimbursement, Training, Refugee, and Domestic Abuse)	139,392,616	139,392,616	139,392,616
Child Welfare Refinance	23,500,000	11,000,000	11,000,000
Colorado Works Systems	4,222,495	4,222,495	4,222,495
(B)Sub-total Estimated Spending	172,488,134	159,988,134	159,988,134
(C)Funding Request R-3 (Reduced Appropriations)	0	(5,392,975)	(10,361,853)
<b>(D)Total Estimated Spending (D=B+C)</b>	<b>172,488,134</b>	<b>154,595,159</b>	<b>149,626,281</b>
<b>(E)Ending Estimated Long-term Reserve Balance (E=A-D)</b>	<b>7,690,010</b>	<b>2,721,132</b>	<b>2,721,132</b>

<b>Target TANF Long-Term Reserve Balance</b>			
	<b>FY 2011-12</b>	<b>FY 2012-13</b>	<b>FY 2013-14</b>
Ending Reserve Balance as percent of TANF Award	5.7%	2.0%	2.0%
Ending Reserve Balance Target Percent		2.0%	2.0%
Amount needed for target reserve		2,721,132	2,721,132
<b>Appropriation reduction needed to meet target</b>		<b>0</b>	<b>0</b>

Please Note: This attachment does not include local (county) funds

**Schedule 13**  
**Funding Request for the 2012-13 Budget Cycle**

Department: Human Services  
 Request Title: Title III Older American Act Matching Requirement and General Fund Savings  
 Priority Number: R-4

Dept. Approval by: *Intell Regal* 10-11-11  
 Date

- |  |
|--|
| <input checked="" type="checkbox"/> Decision Item FY 2012-13 |
| <input type="checkbox"/> Base Reduction Item FY 2012-13      |
| <input type="checkbox"/> Supplemental FY 2011-12             |
| <input type="checkbox"/> Budget Amendment FY 2012-13         |

OSPB Approval by: *Earl W. ...* 10/15/11  
 Date

Line Item Information		FY 2011-12		FY 2012-13		FY 2013-14
		1	2	3	4	5
	Fund	Appropriation FY 2011-12	Supplemental Request FY 2011-12	Base Request FY 2012-13	Funding Change Request FY 2012-13	Continuation Amount FY 2013-14
<b>Total of All Line Items</b>	<b>Total</b>	743,533	0	755,705	0	0
	FTE	8.0	0.0	8.0	0.0	0.0
	GF	195,781	0	199,007	(10,080)	(10,080)
	CF	0	0	0	0	0
	RF	0	0	0	0	0
	FF	547,752	0	556,698	10,080	10,080
	MCF	0	0	0	0	0
	MGF	0	0	0	0	0
	NGF	195,781	0	199,007	(10,080)	(10,080)
<b>(10) Adult Assistance Programs, (D) Community Services for the Elderly, Administration</b>	<b>Total</b>	663,756	0	674,579	0	0
	FTE	7.0	0	7.0	0.0	0.0
	GF	175,366	0	178,245	(9,600)	(9,600)
	CF	0	0	0	0	0
	RF	0	0	0	0	0
	FF	488,390	0	496,334	9,600	9,600
	MCF	0	0	0	0	0
	MGF	0	0	0	0	0
	NGF	175,366	0	178,245	(9,600)	(9,600)
<b>(10) Adult Assistance Programs, (D) Community Services for the Elderly, Colorado Commission on Aging</b>	<b>Total</b>	79,777	0	81,126	0	0
	FTE	1.0	0.0	1.0	0.0	0.0
	GF	20,415	0	20,762	(480)	(480)
	CF	0	0	0	0	0
	RF	0	0	0	0	0
	FF	59,362	0	60,364	480	480
	MCF	0	0	0	0	0
	MGF	0	0	0	0	0
	NGF	20,415	0	20,762	(480)	(480)

Title III Older American Act Matching Requirement and General Fund Savings

Funding Request for the 2012 Budget Cycle

Line Item Information		FY 2011-12		FY 2012-13		FY 2013-14
		1	2	3	4	5
	Fund	Appropriation FY 2011-12	Supplemental Request FY 2011-12	Base Request FY 2012-13	Funding Change Request FY 2012-13	Continuation Amount FY 2013-14
<b>Letternote Text Revision Required?</b> Yes: <input type="checkbox"/> No: <input checked="" type="checkbox"/> <b>If yes, describe the Letternote Text Revision:</b>						
<b>Cash or Federal Fund Name and COFRS Fund Number:</b> Federal - Title III of the Older Americans Act						
<b>Reappropriated Funds Source, by Department and Line Item Name:</b> N/A						
<b>Approval by OIT?</b> Yes: <input type="checkbox"/> No: <input type="checkbox"/> <b>Not Required:</b> <input checked="" type="checkbox"/>						
<b>Schedule 13s from Affected Departments:</b> N/A						
<b>Other Information:</b> N/A						



# DEPARTMENT OF HUMAN SERVICES

*FY 2012-13 Funding Request  
November 1, 2011*

*John W. Hickenlooper  
Governor*

*Reggie Bicha  
Executive Director*

**Department Priority: R-4  
Title III Older American Act Matching Requirement and General Fund Savings**

Summary of Incremental Funding Change for FY 2012-13	Total Funds	General Fund	Federal Funds
Title III Older American Act Matching Requirement and General Fund Savings	\$0	(\$10,080)	\$10,080

### Request Summary:

The request increases Federal Funds (FF) spending authority and decreases the General Fund (GF) in the amount of \$10,080 in order to maintain the 75% Federal Funds and 25% General Fund matching requirement mandated by Title III of the Older American Act (OAA) in the following line items in the (10) (D) Community Services for the Elderly section of the Long Bill:

- Administration \$9,600 FF increase/GF decrease
- Colorado Commission on Aging \$480 FF increase/GF decrease

The request is a net zero impact in total funding for FY 2012-13 and beyond.

The Administration and the Colorado Commission on Aging provide administrative support, information and referral programs related to community services for the elderly. Services include supportive services, senior centers, nutrition services, in-home services for persons outside the eligibility threshold for Medicaid, caregiver support, and disease prevention and health promotion services.

The Colorado Commission on Aging promotes and aids in the establishment of local programs and services for the aging and aged. This line item appropriation funds a position (1.0 FTE) that provides administrative support and assists with the Commission's special projects. Similarly, the

Administration line item appropriation funds the administrative salaries and operating expenses for community programs for the elderly. The salaries and operating expenses appropriated in both of these line items are considered administrative rather than direct community services in the reporting and accounting of Older American Act funds.

The OAA provides grants for community-based programs to foster the development and implementation of systems to serve older individuals in their communities. The State receives funding for programs that include supportive services such as senior services, transportation, shopping assistance, nutrition services (congregate meals and meals on wheels), in-home services, and disease prevention under Title III of the Older Americans Act. The majority of these funds are distributed to sixteen Area Agencies on Aging (AAA) that provide services for the elderly. Each title and section in the Older Americans Act stipulates the matching requirement.

Federal participation cannot exceed 75% of the total State and area plan administration costs for the Older American Act Title III Grants for State and Community Programs on Aging. The remaining 25% represents the State and local matching share. The increase in Federal Funds

spending authority will enable the Department to accurately reflect the mandated 75% / 25% funding split for Title III funds in the Administration, and the Colorado Commission on Aging line items and results in a General Fund savings of \$10,080 in FY 2012-13 and beyond.

Below outlines the maximum cap amount usage for administrative functions from the Title III OAA grant funds:

Federal Fiscal Year	Amount
2007	\$641,579
2008	\$666,501
2009	\$733,999
2010	\$759,629
2011	\$774,239

**Anticipated Outcomes:**

The request will enable the Division of Aging and Adult Services to be more transparent in the accountability and reporting of Title III Older American Act funds and will generate an ongoing \$10,080 General Fund savings to the State.

**Assumptions for Calculations:**

Attachment A (Table 1) depicts the current Long Bill structure for the Administration and the Colorado Commission on Aging line items; Table 2 delineates the funding request and net zero impact to these line items; and Table 3 depicts the proposed Long Bill structure for FY 2012-13.

The Long Bill appropriation for FY 2011-12 (SB 11-209) totals \$674,579 and 7.0 FTE in the Administration line item and \$81,126 and 1.0 FTE in the Colorado Commission on Aging line item. The request maintains the total funding level for these line items but results in a General Fund saving of \$10,080 in FY 2012-13 and beyond.

Attachment B (Table 1) details the line items and the current matching percentage and Table 2 depicts the 25% matching requirement if the funding request is approved.

**Consequences if not Funded:**

The Department will continue to operate based on the current Long Bill appropriation if the request is not funded, also the state will not save \$10,080 General Fund.

**Current Statutory Authority or Needed Statutory Change:**

26-11-101 C.R.S. (2011) creates the Colorado commission on aging which shall consist of seventeen members appointed by the governor, with the consent of the senate.

26-11-201 C.R.S. (2011) defines the State Office on Aging. Area agency on aging means an identifiable private nonprofit or public agency designated by the state office on aging which works for the interests of older Coloradans within a planning and service area and which engages in community planning, coordination, and program development and provides a broad array of social and nutritional services.

The request will not require a statutory change.



**Attachment A-** (10) Adult Assistance Programs (D) Community Services for the Elderly, Administration and Colorado Commission on Aging line item appropriations. The following tables depict the Long Bill structure for FY 2011-12 and FY 2012-13:

<b>Table 1- Current Long Bill Structure for FY 2011-12 (SB 11-209):</b>			
	ITEM & SUBTOTAL	GENERAL FUND	FEDERAL FUNDS
	\$	\$	\$
<b>(10) ADULT ASSISTANCE PROGRAMS</b>			
<b>(D) Community Services for the Elderly</b>			
Administration	674,579 (7.0 FTE)	178,245 (M)	496,334
Colorado Commission on Aging	81,126 (1.0 FTE)	20,762 (M)	60,364
<i>Total</i>	<i>755,705</i> <i>(8.0 FTE)</i>	<i>199,007</i>	<i>556,698</i>

<b>Table 2- To Align the Title III - Older Americans Act Matching Requirement:</b>			
	ITEM & SUBTOTAL	GENERAL FUND	FEDERAL FUNDS
	\$	\$	\$
<b>(10) ADULT ASSISTANCE PROGRAMS</b>			
<b>(D) Community Services for the Elderly</b>			
Administration	0	(9,600)	9,600
Colorado Commission on Aging	0	(480)	480
<i>Total</i>	<i>0</i>	<i>(10,080)</i>	<i>10,080</i>

<b>Table 3- Proposed Long Bill Structure for FY 2012-13:</b>			
	ITEM & SUBTOTAL	GENERAL FUND	FEDERAL FUNDS
	\$	\$	\$
<b>(10) ADULT ASSISTANCE PROGRAMS</b>			
<b>(D) Community Services for the Elderly</b>			
Administration	674,579 (7.0 FTE)	168,645 (M)	505,934
Colorado Commission on Aging	81,126 (1.0 FTE)	20,282 (M)	60,844
<i>Total</i>	<i>755,705</i> <i>(8.0 FTE)</i>	<i>188,927</i>	<i>566,778</i>

**Attachment B: Table 1- (D) Community Services for the Elderly Line Items  
 FY 2011-12 Long Bill Line Item Appropriation (SB 11-209)  
 Matching percentage**

	<u>Total</u>	<u>General Fund</u>	<u>Federal Funds</u>	<u>Match %</u>
Administration	\$674,579	\$178,245	\$496,334	26.4%
Colorado Commission on Aging	<u>\$81,126</u>	<u>\$20,762</u>	<u>\$60,364</u>	<u>25.6%</u>
<b>TOTAL</b>	<b>\$755,705</b>	<b>\$199,007</b>	<b>\$556,698</b>	

**Attachment B: Table 2- (D) Community Services for the Elderly Line Items  
 Proposed FY 2012-13 Long Bill Structure  
 Matching percentage**

	<u>Total</u>	<u>General Fund</u>	<u>Federal Funds</u>	<u>Match %</u>
Administration	\$674,579	\$168,645	\$505,934	25.0%
Colorado Commission on Aging	<u>\$81,126</u>	<u>\$20,282</u>	<u>\$60,844</u>	<u>25.0%</u>
<b>TOTAL</b>	<b>\$755,705</b>	<b>\$188,927</b>	<b>\$566,778</b>	

**Schedule 13  
Funding Request for the 2012-13 Budget Cycle**

Department: Human Services  
 Request Title: Legal Auxiliary Services  
 Priority Number: R-5

Dept. Approval by: Will Kye 10-12-11  
 Date

- Decision Item FY 2012-13
- Base Reduction Item FY 2012-13
- Supplemental FY 2011-12
- Budget Amendment FY 2012-13

OSPB Approval by: Grant W. [Signature] 10/17/11  
 Date

Line Item Information		FY 2011-12		FY 2012-13		FY 2013-14
		1	2	3	4	5
	Fund	Appropriation FY 2011-12	Supplemental Request FY 2011-12	Base Request FY 2012-13	Running Change Request FY 2012-13	Continuation Amount FY 2013-14
<b>Total of All Line Items</b>	<b>Total</b>	998,466	0	1,006,055	96,798	96,798
	FTE	6.3	0.0	6.3	0.2	0.2
	GF	124,688	0	127,091	0	0
	CF	0	0	0	0	0
	RF	873,778	0	878,964	96,798	96,798
	FF	0	0	0	0	0
	MCF	0	0	0	0	0
	MGF	0	0	0	0	0
	NGF	124,688	0	127,091	0	0
<b>(1) Executive Director's Office; (B) Special Purpose, Colorado Commission for the Deaf and Hard of Hearing</b>	<b>Total</b>	998,466	0	1,006,055	96,798	96,798
	FTE	6.3	0.0	6.3	0.2	0.2
	GF	124,688	0	127,091	0	0
	CF	0	0	0	0	0
	RF	873,778	0	878,964	96,798	96,798
	FF	0	0	0	0	0
	MCF	0	0	0	0	0
	MGF	0	0	0	0	0
	NGF	124,688	0	127,091	0	0

Letternote Text Revision Required? Yes:  No:  If yes, describe the Letternote Text Revision:  
 Cash or Federal Fund Name and COFRS Fund: None  
 Reappropriated Funds Source, by Department and Line Item Name: Department of Regulatory Agencies, (7) Public Utilities Commission, Commission for the Deaf and Hard of Hearing Cash Fund, Disabled Telephone Users Fund  
 Approval by OIT? Yes:  No:  Not Required:   
 Schedule 13s from Affected Departments: Department of Regulatory Agencies  
 Other Information: None

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# DEPARTMENT OF HUMAN SERVICES

John W. Hickenlooper  
Governor

*FY 2012-13 Funding Request  
November 1, 2011*

Reggie Bicha  
Executive Director

**Department Priority: R-5**  
**Request Title: Legal Auxiliary Services**

Summary of Incremental Funding Change for FY 2012-13	Total Funds	Reappropriated Funds	FTE
Colorado Commission for the Deaf and Hard of Hearing	\$ 96,798	\$96,798	0.2

## Request Summary:

This request is for \$96,798 Reappropriated Funds and 0.2 FTE to cover the increased need for scheduling of legal auxiliary services and to pay for increased costs of auxiliary services (sign language interpreters and Communication Access Real-time Translation (CART)) provided to the State Court System for FY 2012-13 and beyond. The Legal Auxiliary Services program of the Colorado Commission for the Deaf and Hard of Hearing (CCDHH) has seen an average growth of 5% costs since FY 2007-08 and has now arrived at a crossroads.

The annual increase in the demand for legal auxiliary services has prompted the Department to request an increase in funding for independent contractors (legal sign language interpreters and CART providers) and to request an increase in the FTE level for the Auxiliary Services Coordinator position located within the Department. Both components of this request are necessary to secure the rights of persons who are deaf or hard of hearing as they participate in and benefit from proceedings of the state courts as well as court-ordered settings, (e.g., probation, mediation, and treatment).

The Legal Auxiliary Services is a state (13-90-(201-210) C.R.S.) and federally mandated program that centrally administers the provision of qualified legal sign language interpreters,

CART providers, and assistive listening systems to ensure effective communication for deaf and hard of hearing citizens in the state court system. Rates may vary depending on national legal certification. This includes but is not limited to:

- civil or criminal proceedings,
- court provided alternative dispute resolution, mediation, arbitration or other court provided treatment and services related to the disposition of a case (at a rate of \$51 or \$55 per hour),
- an administrative, commission or agency hearing (at a rate of \$51 or \$55 per hour),
- a hearing of a licensing authority of the state, a grand jury or jury proceeding (at a rate of \$51 or \$55 per hour),
- when a juvenile whose parent(s) or legal guardian(s) is deaf or hard of hearing is brought before a court for any reason (at a rate of \$51 or \$55 per hour),
- when a person who is deaf or hard of hearing is arrested and taken into custody for an alleged violation of a criminal law of the state (at a rate of \$51 or \$55 per hour),
- probation pre-sentence interviews and supervision (at a rate of \$51 or \$55 per hour),
- court-ordered mediation, treatment, and services in any community based and/or private program or service related to the

disposition of a court matter or case (at a rate of \$45 per hour), and,

- meetings at the courthouse between an attorney and a client, when the meetings are an extension of a court appearance (at a rate of \$51 or \$55 per hour), and
- All CART services are at \$70 per hour.

This request will allow the Department to meet the needs of the community, efficiently manage the program resources, and to enable CCDHH to focus on essential services that greatly impact stakeholders' life, health and safety. With the increased funding and FTE, it is anticipated that 99% of ADA requests for Legal Auxiliary Services will be filled.

Currently in the "Gridcheck" scheduling system, there are 280 deaf and hard of hearing clients that have had services scheduled for them in the past year (FY11). The number of clients served does not accurately reflect the amount of services provided as most of these clients have gone to court for more than one hearing or go to court ordered treatment or therapy for a series of treatments or classes as prescribed. A more accurate measure is the cost of services provided. Under the ADA and enabling Colorado Statute, courts must provide these services. There is no way to predict exactly how many additional deaf and hard of hearing citizens will need accommodation or what the level of need will be, over the coming year, that is the difficulty of budgeting for this program. The projection is based upon historical data and the documented 5% annual growth, services provided, since the program was created in 2006. (Note: Rates have only increased minimally since FY 2007.) The program did not have a tracking mechanism for determining contract service hours, as of January 2011, the program now has a system in place to begin tracking this data.

The Legal Auxiliary Coordinator position is currently a .8 FTE (32 hour per week) position and the scheduling is being done for 14 of the 22 Judicial Districts. It is anticipated that the remaining 8 judicial districts will be added within

the next 6 months. In addition, the courts are now requesting accommodation for Saturday morning advisements, to avoid the cost of individuals remaining in county jails over the weekend, which has added a significant additional workload to the existing FTE. The additional 8 hours per week (or more) are currently being covered by the Legal Auxiliary Services Manager, which often takes away from her ability to function effectively and efficiently in her larger role as the overall program Manager. The Legal Auxiliary Services Manager has been forced to work many Saturdays to catch up with the demand in scheduling. The result is the existing position essentially works six days a week. In addition, due to competing priorities staff is not always able to respond to scheduling requests as quickly as is needed to some cases.

#### **Anticipated Outcomes:**

As the service demands increase, the program would continue to satisfy the state and federal mandates that require the provision of effective communication for deaf and hard of hearing individuals in legally related contexts.

Deaf and hard of hearing citizens are being served as required by federal and state law. The requested funding of \$87,593 will allow program to meet the level of need that has been documented.

#### **Assumptions for Calculations:**

This request is broken into two components. The first part of the request is asking to increase the FTE level of the Legal Auxiliary Services Coordinator from 0.8 FTE to 1.0 FTE. The Department is requesting the 0.2 FTE and funding associated with a General Professional III earning \$3,366 per month. The total cost of increasing this position from 0.8 FTE to 1.0 FTE is \$9,205. (Attachment A outlines these calculations.)

The second component of the request is to increase funding for independent contractors (legal sign language interpreters and CART providers). The Department is estimating a total

need of \$473,793 in FY 2012-13 to provide these services, but only has a budget of \$386,200 for this purpose. The result is a shortfall of \$87,593 to supply language interpreters and CART services to the State Court system. The Department is requesting the amount of this projected shortfall in this request.

**Consequences if not Funded:**

As State and Federal regulations mandate courts to provide various services in the Judicial system, not funding this request will either create potential over-expenditures in the program, or program would request delays in court services to ensure costs are covered by existing resources.

**Impact to Other State Government Agency:**

The Department of Regulatory Agencies (DORA), Public Utilities Commission will be affected by this request. Funding for this request would come from Reappropriated dollars obtained from the Disabled Telephone Users Fund which is under the oversight of the Public Utilities Commission. The Disabled Telephone User Fund collects funds as a surcharge on each

residential phone line in the state of Colorado by the Public Utilities Commission. The current charge on residential phone lines is \$0.20 per month. DORA staff has indicated that any increase in the use for this fund, such as this request, would drive a small increase in the fee charged to phone lines. DORA staff indicated that there are approximately 3 million phone lines where this charge is applied. As a result, if this request is funded the \$96,798 it would equate to approximately an additional fee of 3.2 cents per year ( $\$96,798 / 3,000,000$ ) or .27 cents per month on each phone line. The Public Utilities Commission regulates this fee and fund.

**Current Statutory Authority or Needed Statutory Change:**

The Colorado Disabled Telephone Users Fund is authorized in statute to provide services for the Deaf and Hear of Hearing in 40-17-104 C.R.S. This request does not require a change to the current statute.

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<b>Calculations for the Amount Requested:</b>		
<b>(A) Independent contractor costs:</b>		
\$304,309		Actual costs for Independent Contractors - FY2007-08
\$320,727	5%	Actual costs for Independent Contractors - FY2008-09
\$408,203	27%	Actual costs for Independent Contractors - FY2009-10
\$429,745	5%	Actual costs for Independent Contractors - FY2010-11
\$451,232	5%	Projected costs for Independent Contractors - FY2011-12
\$473,793	5%	FY 2012-13 forecasted cost
<b>\$386,200</b>		Annual budgeted allowance for Independent Contractors
(\$87,593)		Additional funds needed for Independent contractors
<b>(B) 0.2 FTE costs:</b>		
\$8,078		General Professional II [(\$3,366 x 12 months) x 0.2 FTE]
\$820		PERA @ 10.15%
\$117		Medicaid @ 1.45%
<b>\$9,015</b>		<b>Personal Service Costs</b>
\$100		Supplies (\$500/year x 0.2 FTE)
\$90		Telephone Base (\$450/year x 0.2 FTE)
<b>\$190</b>		<b>Operating Expenses</b>
<b>\$9,205</b>		<b>Total Personal and Operating Costs for 0.2 FTE</b>
87,593		(A) Independent contractors
9,205		(B) 0.2 FTE as a Coordinator
<b>\$96,798</b>		<b>TOTAL</b>

**Schedule 13**  
**Funding Request for the 2012 Budget Cycle**

**Department:** Department of Human Services  
**Request Title:** Division of Vocational Rehabilitation Leased Vehicles  
**Priority Number:** R-6

**Dept. Approval by:** *Will Bl* 10-12-11  
 Date

**OSPB Approval by:** *Ernst* 10/17/11  
 Date

- |  |
|--|
| <input type="checkbox"/> Decision Item FY 2012-13                  |
| <input checked="" type="checkbox"/> Base Reduction Item FY 2012-13 |
| <input type="checkbox"/> Supplemental FY 2011-12                   |
| <input type="checkbox"/> Budget Amendment FY 2012-13               |

Line Item Information		FY 2011-12		FY 2012-13		FY 2013-14
		1	2	3	4	5
	Fund	Appropriation FY 2011-12	Supplemental Request FY 2011-12	Base Request FY 2012-13	Funding Change Request FY 2012-13	Continuation Amount FY 2013-14
<b>Total of All Line Items</b>	<b>Total</b>	20,136,172	0	20,516,794	(16,993)	(16,993)
	<b>FTE</b>	212.7	0.0	212.7	0.0	0.0
	<b>GF</b>	4,620,510	0	4,698,049	(3,619)	(3,619)
	<b>CF</b>	81,692	0	81,692	0	0
	<b>RF</b>	268,518	0	268,518	0	0
	<b>FF</b>	15,165,452	0	15,468,535	(13,374)	(13,374)
	<b>MCF</b>	234,480	0	234,480	0	0
	<b>MGF</b>	117,240	0	117,240	0	0
	<b>NGF</b>	4,737,750	0	4,815,289	(3,619)	(3,619)
<b>(3) Office of Operations, Vehicle Lease Payments</b>	<b>Total</b>	1,075,007	0	1,075,007	16,416	16,416
	<b>FTE</b>	0.0	0.0	0.0	0.0	0.0
	<b>GF</b>	563,315	0	563,315	3,497	3,497
	<b>CF</b>	81,692	0	81,692	0	0
	<b>RF</b>	268,518	0	268,518	0	0
	<b>FF</b>	161,482	0	161,482	12,919	12,919
	<b>MCF</b>	234,480	0	234,480	0	0
	<b>MGF</b>	117,240	0	117,240	0	0
	<b>NGF</b>	680,555	0	680,555	3,497	3,497
<b>(9) Services for People With Disabilities, (D) Division of Vocational Rehabilitation, Rehabilitation Programs - General Fund Match</b>	<b>Total</b>	19,061,165	0	19,441,787	(33,409)	(33,409)
	<b>FTE</b>	212.7	0.0	212.7	0.0	0.0
	<b>GF</b>	4,057,195	0	4,134,734	(7,116)	(7,116)
	<b>CF</b>	0	0	0	0	0
	<b>RF</b>	0	0	0	0	0
	<b>FF</b>	15,003,970	0	15,307,053	(26,293)	(26,293)
	<b>MCF</b>	0	0	0	0	0
	<b>MGF</b>	0	0	0	0	0
	<b>NGF</b>	4,057,195	0	4,134,734	(7,116)	(7,116)

Line Item Information		FY 2011-12		FY 2012-13		FY 2013-14
		1	2	3	4	5
	Fund	Appropriation FY 2011-12	Supplemental Request FY 2011-12	Base Request FY 2012-13	Funding Change Request FY 2012-13	Continuation Amount FY 2013-14
<p>Letternote Text Revision Required?    Yes: <input type="checkbox"/>    No: <input checked="" type="checkbox"/>    If yes, describe the Letternote Text Revision:</p> <p>Cash or Federal Fund Name and COFRS Fund Number:    Federal Funds are from Section 110 and Section 203 Vocational Rehabilitation Funds</p> <p>Reappropriated Funds Source, by Department and Line Item Name:    N/A</p> <p>Approval by OIT?    Yes: <input type="checkbox"/>    No: <input type="checkbox"/>    Not Required: <input checked="" type="checkbox"/></p> <p>Schedule 13s from Affected Departments:    N/A</p> <p>Other Information:    N/A</p>						



# DEPARTMENT OF HUMAN SERVICES

*FY 2012-13 Funding Request  
November 1, 2011*

*John W. Hickenlooper  
Governor*

*Reggie Bicha  
Executive Director*

***Department Priority: R-6  
Division of Vocational Rehabilitation Leased Vehicles***

<b>Summary of Incremental Funding Change for FY 2012-13</b>	<b>Total Funds</b>	<b>General Fund</b>	<b>Federal Funds</b>
Division of Vocational Rehabilitation Leased Vehicles	(\$16,993)	(\$3,619)	(\$13,374)

## **Request Summary:**

This request is to lease four additional State vehicles to be used by the Division of Vocational Rehabilitation (DVR) instead of reimbursing DVR staff for personal vehicle mileage. The request results in an annual cost savings of \$16,993 (\$3,619 General Fund and \$13,374 Federal Funds) to the Department in FY 2012-13 and beyond. The vehicles would be located in DVR field offices in Northglenn, Glenwood Springs, Colorado Springs and Montrose.

The Division of Vocational Rehabilitation assists eligible people whose disabilities result in barriers to employment or independent living by providing employment training and vocational related services including job placement. Vocational counselors, teachers, and business outreach specialists travel to consumer's homes, community organizations and other meeting places in order to conduct evaluations, perform training sessions, and provide mandatory ongoing vocational counseling to people with disabilities throughout the State of Colorado.

The DVR enters into an Individual Employment Plan (IEP) with eligible clients, which requires that ongoing vocational counseling is provided. DVR staff also travel within their assigned regional communities to work with potential and current employers providing disability awareness training and sharing

information about DVR clients who are ready for job placement in an effort to promote the overall relationship between Colorado employers and DVR.

DVR staff use personal vehicles in order to provide mandated services in 24 field offices and 9 satellite locations throughout the State of Colorado. As a result of the extensive travel, DVR incurs substantial operating expenses to reimburse DVR staff for personal vehicle mileage. The cost to leasing state vehicles through the State Fleet Management would generate ongoing savings to the State when compared to the average annual personal vehicle reimbursement expense (FY 2008-09 – FY 2010-11).

The vocational rehabilitative counselors are required to have direct interaction with clients who apply for and receive services from the DVR. Federal law requires that the DVR staff is available and accessible in the communities where the client lives, attends school/training, or works. Extensive travel is often required by the DVR staff to provide services to the clients, especially in rural areas of the state. The vocational rehabilitative counselors routinely use personal vehicles since State vehicles are not readily available. Leasing State vehicles is a more cost effective use of program

resources than paying for personal vehicle mileage reimbursement.

**Anticipated Outcomes:**

In addition to the annual savings, it is anticipated that the personal vehicle mileage reimbursement expense will decline significantly if the DVR leases State vehicles. The availability of reliable and cost effective transportation is critical to the performance of duties for the DVR staff who work in the field.

**Assumptions for Calculations:**

Based on the information provided by State Fleet Management, the fixed cost to lease a vehicle in FY 2012-13 is \$342 per month/\$4,104 per year. The total annual fixed costs for four vehicles would be \$16,416 ( $\$4,104 \times 4$ ).

The annual projected variable cost for FY 2012-13 per vehicle is \$283 per month (\$3,396 per year.) The total projected annual variable vehicle costs for four vehicles would be \$13,584 ( $\$3,396 \times 4$ ).

\$46,993 is estimated for personal vehicle mileage reimbursement expense in FY 2012-13 based on the average actual mileage in FY 2008-09 through FY 2010-11 in the four DVR offices where the new vehicles would be located.

The \$33,409 net savings is the difference between the estimated personal vehicle mileage

reimbursement expense and the projected variable cost to lease four additional vehicles (\$46,993 minus \$13,584) in FY 2012-13.

The State would save \$16,993 annually (\$46,993 minus \$30,000) by leasing State vehicles versus the expenditure for personal vehicle mileage reimbursement. Attachment A details the assumptions and calculations.

**Consequences if not Funded:**

The State would not capitalize on an opportunity to reduce costs and save General Fund revenue if the DVR continues to pay for personal vehicle mileage reimbursement as opposed to leasing State fleet vehicles.

**Impact to Other State Government Agency:**

The Department of Personnel and Administration, Central Services – Fleet Management Program would be responsible for the acquisition of the four new vehicles.

**Current Statutory Authority or Needed Statutory Change:**

26-8-101 through 106, C.R.S. (2011) authorizes the operation and administration of the Division of Vocational Rehabilitation. The request will not require a statutory change.

Attachment A  
 FY 2012-13 Funding Request - Division of Vocational Rehabilitation Leased Vehicles

Projected Costs Associated With Leased Vehicles From State Fleet Management:					
State Leased Vehicles	Monthly	Annual		Monthly	Annual
<b>Fixed Costs:</b>			<b>Variable Vehicle Costs:</b>		
Estimated Lease Payment + Management Fees (Current rate for 2011 leased vehicles)	\$342	\$4,104	Average number of miles driven per DVR Leased Vehicle (FY 2008 - 2011)	1,185	14,214
			Estimated Variable Cost ( from State Fleet) includes Variable + Insurance + Management Fees	\$0.239	
Annual Fixed Cost per Vehicle (\$342 x 12)		\$4,104	Average Annual Variable Cost per Vehicle (1,185 x \$0.239)	\$283	\$3,396
Number of Vehicles Requested		4			4
Total Fixed Costs (B)		\$16,416	Total Variable Costs (C)		\$13,584
Total Vehicle Costs (Fixed Costs Plus Variable Costs) (B) + (C)					\$30,000
Total Annual Cost per Vehicle (Fixed Costs Plus Average Variable Costs)					\$7,500

New Vehicles will be located in the following DVR Field Offices	Average Annual Personal Vehicle Reimbursement (FY 2009-2011)
Northglenn	\$10,740
Glenwood Springs	\$12,216
Colorado Springs	\$16,480
Montrose	\$7,557
<b>Total (A)</b>	\$46,993

Cost/Benefit Summary of Leasing State Vehicles Compared to Continuing to Pay Personal Vehicle Mileage Reimbursement		
Total Annual Personal Vehicle Mileage Reimbursement Expense	(\$46,993)	(A)
Total Annual Fixed Vehicle Cost (Office of Operations)	\$16,416	(B)
Total Annual Variable Vehicle Cost (DVR)	\$13,584	(C)
Net Savings to State Utilizing Leased Vehicles = Sum of (A)(B)(C)	(\$16,993)	

**Schedule 13**  
**Funding Request for the 2012 Budget Cycle**

Department: Department of Human Services  
 Request Title: Low-Income Telephone Assistance Program Integrity  
 Priority Number: R-7

Dept. Approval by: Will Kyj 10-13-11  
 Date

OSPB Approval by: Growth Report 10/15/11  
 Date

- Decision Item FY 2012-13
- Base Reduction Item FY 2012-13
- Supplemental FY 2011-12
- Budget Amendment FY 2012-13

Line Item Information		FY 2011-12		FY 2012-13		FY 2013-14
		1	2	3	4	5
	Fund	Appropriation FY 2011-12	Supplemental Request FY 2011-12	Base Request FY 2012-13	Funding Change Request FY 2012-13	Continuation Amount FY 2013-14
<b>Total of All Line Items</b>	<b>Total</b>	59,769,059	0	63,029,088	0	0
	FTE	6.7	0.0	6.7	0.0	0.0
	GF	0	0	0	0	0
	CF	1,078,706	0	4,328,706	39,566	39,566
	RF	0	0	0	0	0
	FF	58,690,353	0	58,700,382	(39,566)	(39,566)
	MCF	0	0	0	0	0
	MGF	0	0	0	0	0
	NGF	0	0	0	0	0
(7) Office of Self Sufficiency, (C) Special Purpose Welfare Programs, (4) Low-Income Energy Assistance Program	<b>Total</b>	59,690,353	0	62,950,382	(39,566)	(39,566)
	FTE	5.6	0.0	5.6	(0.4)	(0.4)
	GF	0	0	0	0	0
	CF	1,000,000	0	4,250,000	0	0
	RF	0	0	0	0	0
	FF	58,690,353	0	58,700,382	(39,566)	(39,566)
	MCF	0	0	0	0	0
	MGF	0	0	0	0	0
	NGF	0	0	0	0	0
(7) Office of Self Sufficiency, (C) Special Purpose Welfare Programs, (4) Low-Income Telephone Assistance Program	<b>Total</b>	78,706	0	78,706	39,566	39,566
	FTE	1.1	0.0	1.1	0.4	0.4
	GF	0	0	0	0	0
	CF	78,706	0	78,706	39,566	39,566
	RF	0	0	0	0	0
	FF	0	0	0	0	0
	MCF	0	0	0	0	0
	MGF	0	0	0	0	0
	NGF	0	0	0	0	0

Line Item Information		FY 2011-12		FY 2012-13		FY 2013-14
		1	2	3	4	5
	Fund	Appropriation FY 2011-12	Supplemental Request FY 2011-12	Base Request FY 2012-13	Funding Change Request FY 2012-13	Continuation Amount FY 2013-14
<p><b>Letternote Text Revision Required?</b>    Yes: <input checked="" type="checkbox"/>    No: <input type="checkbox"/>    <b>If yes, describe the Letternote Text Revision:</b>            (7) Office of Self Sufficiency (C) Special Purpose Welfare Programs (1) Low-Income Energy Assistance Program            b Of this amount, <del>\$57,200,382</del> \$57,160,816 is estimated to be received from the federal Department of Health and Human Services,            Office of Energy Assistance and \$1,500,000 shall be from the Temporary Assistance for Needy Families Block Grant.  <b>Cash or Federal Fund Name and COFRS Fund Number:</b>    Cash Funds are from the Low-Income Telephone Assistance Fund (Fund            251); Federal Funds are from the Department of Health and Human            Services, Office of Energy Assistance  <b>Reappropriated Funds Source, by Department and Line Item Name:</b>    N/A  <b>Approval by OIT?</b>    Yes: <input type="checkbox"/>    No: <input type="checkbox"/>    <b>Not Required:</b> <input checked="" type="checkbox"/>  <b>Schedule 13s from Affected Departments:</b>    N/A  <b>Other Information:</b>    N/A</p>						





# DEPARTMENT OF HUMAN SERVICES

*FY 2012-13 Funding Request  
November 1, 2011*

*John W. Hickenlooper  
Governor*

*Reggie Bicha  
Executive Director*

## **Department Priority: R-7 Low-Income Telephone Assistance Program Integrity**

<b>Summary of Incremental Funding Change for FY 2012-13</b>	<b>Total Funds</b>	<b>Cash Funds</b>	<b>Federal Funds</b>
Low-Income Telephone Assistance Program Integrity	\$0	\$39,566	(\$39,566)

### **Request Summary:**

The Department is requesting a \$39,566 Cash Funds increase in the Low-Income Telephone Assistance Fund and a decrease of \$39,566 Federal Funds in the Low Income Energy Assistance Program (LEAP) in order to reallocate 0.4 FTE dedicated to the Low-Income Telephone Assistance Program. The request is a net zero impact in total funding and FTE in FY 2012-13 and beyond. The request will enable the Department to address two of the State Auditor's performance audit recommendations for the LITAP in a transparent matter and ensure that all of the resources dedicated to the LITAP are managed effectively and efficiently. It will also eliminate the use of Low Income Energy Assistance Program funds being used for the Low Income Telephone Assistance Program.

The LITAP is a state-administered program established by the General Assembly in 1986 to help low-income individuals obtain access to basic local telephone services. The General Assembly designated two state agencies with specific responsibilities for administering the LITAP.

The Public Utilities Commission (PUC) is responsible for overall program monitoring and oversight and the Department is responsible for determining and certifying that an individual is eligible to participate in the LITAP and

periodically recertifying a participant's eligibility [Section 40-3.4-105, C.R.S.].

The State Auditor's Office released a report regarding a performance audit of the LITAP in May 2010. The purpose of the audit was to review the effectiveness of the Colorado Low-Income Telephone Assistance Program in meeting its legislative intent, as well as the oversight and management of the program by the Public Utilities Commission and Department of Human Services.

This request would enable the Department to take the necessary steps to address the following State Auditor's recommendations:

- #1b. "Developing the mechanisms necessary to collect sufficient and reliable data to monitor program effectiveness. This should include working with the Department of Human Services and telephone carriers to establish roles for collecting and reporting data through a Memorandum of Agreement and program rules."
- #3b. "Working with the Department of Human Services and telephone carriers to clearly define each entity's role with respect to outreach through a Memorandum of Agreement and program rules."

Currently, 15% of a director position and 25% of a fiscal analyst position are dedicated to providing programmatic oversight for the LITAP as a result of the State audit. These positions meet regularly with the PUC to coordinate data reporting and outreach; monitor vendor contracts; and provide information to the PUC, clients and current as well as potential telephone providers regarding LITAP policies and procedures. The positions also provide administrative support for a task force on LITAP eligibility issues and program integrity that includes stakeholders from the PUC, Office of Consumer Counsel, Office of Information Technology, Department of Human Services and telephone providers.

These positions are currently funded by Federal Funds in the Low Income Energy Assistance Program (LEAP) line item appropriation rather than the Low Income Telephone Assistance Program. This request will change the funding source for the employees and enable the Department to effectively and efficiently manage and account for all of the resources appropriated for the LITAP by reallocating personal services and operating expenses currently dedicated to the program.

**Anticipated Outcomes:**

The request will enable the Department to be more transparent in the accountability and reporting of the Low-Income Telephone Assistance Program and respond to specific recommendations included in the performance audit.

**Assumptions for Calculations:**

Attachment B details the personal services and operating expenses for the two positions that provide ongoing LITAP programmatic oversight that are currently funded by the LEAP. The total annual cost of \$39,566 and 0.4 FTE represents 25 percent of the annual salary (including PERA and

Medicare) for a General Professional IV and 15 percent of the annual salary, PERA, and Medicare for a Management position based on the actual time allocated to LITAP in a fiscal year. The Federal Funds in the LEAP line item appropriation will be decreased and the LITAP Cash Fund increased by \$39,566 as a result of the reallocation of these positions. Please note that no increase is being requested and the FTE chart is included for informational purposes.

**Consequences if not Funded:**

The Department would be using employees funded through the LEAP appropriation rather than the LITAP appropriation to implement recommendations (#1b. and #3b.) included in the performance audit.

**Impact to Other State Government Agency:**

The Public Utilities Commission in the Department of Regulatory Agencies administers the Low-Income Telephone Assistance Fund.

**Cash Fund Projections:**

The LITAP subsidy is funded through a monthly access line fee (currently \$0.03) that is primarily charged on all residential and business landlines in the State of Colorado.

Attachment A includes the most current information for the Low-Income Telephone Assistance Cash Fund established in Section 40-3.4-108(2) (a), C.R.S. (2011).

**Current Statutory Authority or Needed Statutory Change:**

40-3.4-105 C.R.S. (2011) authorizes the Department of Human Services to certify individuals as being eligible to receive low-income telephone assistance benefits and periodically recertify an individual's eligibility. The request will not require a statutory change.

Attachment A- Low-Income Telephone Assistance Cash Fund

Available Liquid Cash Fund Balance	FY 2009-10 Actual	FY 2010-11 Actual	FY 2011-12 Estimate	FY 2012-13 Request	FY 2013-14 Projected
Beginning Fund Balance	\$100,713	\$233,894	\$525,318	\$200,000	\$200,000
Fee Collections	\$1,311,515	\$626,058	\$271,864	\$597,182	\$597,182
Cash Expenditures	\$1,178,334	\$334,634	\$597,182	\$597,182	\$597,182
Ending Fund Balance	\$233,894	\$525,318	\$200,000	\$200,000	\$200,000

Attachment B  
 FY 2012-13 Funding Request - Low-Income Telephone Assistance Program Integrity

Program Oversight Costs:

<b>OSPB Common Policy for FTE Requests</b>							
<b>FTE and Operating Costs</b>						<b>GRAND TOTAL</b>	
Fiscal Year(s) of Request		FY 12-13	FY 13-14	FY 12-13	FY 13-14	FY 12-13	FY 13-14
<b>PERSONAL SERVICES</b>		<b>Title:</b>		<b>General Prof. IV</b>		<b>Management</b>	
Number of PERSONS / class title		1	1	1	1		
Number of months working in FY 12-13 & 13-14		12	12	12	12		
Number months paid in FY 12-13 & 13-14		12	12	12	12		
Calculated FTE per classification		<b>0.25</b>	<b>0.25</b>	<b>0.15</b>	<b>0.15</b>	0.4	0.4
Annual base salary		\$73,152	\$73,152	\$113,016	\$113,016		
Salary		\$18,288	\$18,288	\$16,952	\$16,952	\$35,240	\$35,240
PERA	<b>10.15%</b>	\$1,856	\$1,856	\$1,721	\$1,721	\$3,577	\$3,577
Medicare	<b>1.45%</b>	\$265	\$265	\$246	\$246	\$511	\$511
<b>Subtotal Personal Services at Division Level</b>		<b>\$20,409</b>	<b>\$20,409</b>	<b>\$18,919</b>	<b>\$18,919</b>	<b>\$39,328</b>	<b>\$39,328</b>
<b>OPERATING EXPENSES</b>							
Supplies @ \$500/\$500 <sup>2</sup>	<b>\$500</b>	\$63	\$63	\$62	\$62	\$125	\$125
Computer @ \$900/\$0	<b>\$900</b>	\$0	\$0	\$0	\$0	\$0	\$0
Office Suite Software @ \$330/\$0	<b>\$330</b>	\$0	\$0	\$0	\$0	\$0	\$0
Office Equipment @ \$3,473/\$0 (includes cubicle and chair)	<b>\$3,473</b>	\$0	\$0	\$0	\$0	\$0	\$0
Telephone Base @ \$450/\$450 <sup>2</sup>	<b>\$450</b>	\$57	\$57	\$56	\$56	\$113	\$113
<b>Subtotal Operating Expenses</b>		<b>\$120</b>	<b>\$120</b>	<b>\$118</b>	<b>\$118</b>	<b>\$238</b>	<b>\$238</b>
<b>GRAND TOTAL ALL COSTS</b>		<b>\$20,529</b>	<b>\$20,529</b>	<b>\$19,037</b>	<b>\$19,037</b>	<b>\$39,566</b>	<b>\$39,566</b>

The salary and FTE calculations are based on the actual salary for the two positions that the Department is requesting to reallocate based on the percentage of time that has been allocated to the LITAP. Currently, 100% of the salaries for these positions are funded by the Low-income Eney Assistance Program (LEAP), which is 100% Federal Funds. The operating expenses requested are based on a 25% (General Professional IV) and 15% (Management) prorata share of common policy for ongoing expenses for supplies and telephone.

**Schedule 13**  
**Funding Request for the 2012-13 Budget Cycle**

Department: Human Services  
 Request Title: Buildings and Grounds Cash Fund Adjustment  
 Priority Number: R-8

Dept. Approval by: Will H. O. 10-12-11  
 Date

- Decision Item FY 2012-13
- Base Reduction Item FY 2012-13
- Supplemental FY 2011-12
- Budget Amendment FY 2012-13

OSPB Approval by: Erin N. ... 10/17/11  
 Date

Line Item Information		FY 2011-12		FY 2012-13		FY 2013-14
		1	2	3	4	6
	Fund	Appropriation FY 2011-12	Supplemental Request FY 2011-12	Base Request FY 2012-13	Funding Change Request FY 2012-13	Continuation Amount FY 2013-14
<b>Total of All Line Items</b>	<b>Total</b>	464,222	0	464,222	554,596	554,596
	FTE	6.5	0.0	6.5	0.0	0.0
	GF	0	0	0	0	0
	CF	464,222	0	464,222	554,596	554,596
	RF	0	0	0	0	0
	FF	0	0	0	0	0
	MCF	0	0	0	0	0
	MGF	0	0	0	0	0
	NGF	0	0	0	0	0
<b>(3) Office of Operations, (B) Special Purpose, Buildings and Grounds Rental</b>	<b>Total</b>	464,222	0	464,222	554,596	554,596
	FTE	6.5	0.0	6.5	0.0	0.0
	GF	0	0	0	0	0
	CF	464,222	0	464,222	554,596	554,596
	RF	0	0	0	0	0
	FF	0	0	0	0	0
	MCF	0	0	0	0	0
	MGF	0	0	0	0	0
	NGF	0	0	0	0	0

Letternote Text Revision Required? Yes:  No:  If yes, describe the Letternote Text Revision:

Cash or Federal Fund Name and COFRS Fund Number: Buildings and Grounds Cash Fund (Fund #530)

Reappropriated Funds Source, by Department and Line Item Name: N/A

Approval by OIT? Yes:  No:  Not Required:

Schedule 13s from Affected Departments: N/A

Other Information: N/A

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# DEPARTMENT OF HUMAN SERVICES

John W. Hickenlooper  
Governor

*FY 2012-13 Funding Request  
November 1, 2011*

Reggie Eicha  
Executive Director

**Department Priority: R-8**  
**Request Title: Buildings and Grounds Cash Fund Adjustment**

Summary of Incremental Funding Change for FY 2012-13	Total Funds	Cash Fund	FTE
Buildings and Grounds Rental	\$554,596	\$554,596	0.0

### Request Summary:

This request is for additional spending authority to reflect projected revenues and related expenditures of the Building and Grounds Cash Fund. The Department leases vacant space to other state agencies and non-profit entities with programs complimentary to the mission of the Department. These lease revenues are deposited into the Building and Grounds Cash Fund and support the upkeep and maintenance of the building and grounds currently being leased. The Department is requesting \$554,596 in additional spending authority to cover projects, staff and expenses for current leases.

Over time as the Department has increased the number of buildings being leased to outside entities and changed the rates of the space being leased, as market condition allowed. The current spending authority of \$464,222 is far below the expected revenue of the fund and below the spending amount needed to properly repair and maintain the properties being leased. If additional spending authority is approved the Department will use the funding to provide the appropriate level of upkeep and maintenance on the leased buildings.

The Buildings and Grounds fund was created by HB 08-1268 (Section 26-1-133.5 (2) C.R.S.) This bill expanded the Departments authority to lease vacant building/spaces throughout the entire Department rather than being limited to the Fort

Logan campus. Leasing vacant space in Pueblo and Grand Junction in addition to the Fort Logan campus has increased the revenue flowing into the buildings and grounds fund, but also increased the need to provide maintenance and repair costs paid for by the Building and Grounds Fund. Attachment "A" has a complete list of the properties being leased by the Department and the anticipated lease revenue in FY 2012-13. The fund is specifically designed to make use of underutilized building assets of the Department and reduce the reliance of State general fund monies for building repair and maintenance of vacant buildings. With the recent consolidation and closures of program space, these assets are leased to other State entities and nonprofit organizations. The rent collected on these buildings provides maintenance and improvements to prevent them from falling into a state of disrepair.

The Department is requesting additional spending authority to better align the available cash fund revenues and expenditures of the Buildings and Grounds Cash Fund. By increasing the spending authority the Department will be able to better maintain and provide support to the building and grounds being leased to non-CDHS entities.

### Anticipated Outcomes:

The desired outcome is to continue to maintain State assets without using General Fund.

**Assumptions for Calculations:**

The Department has provided the total anticipated revenues and costs for the Building and Grounds Cash Fund for FY 2012-13 in attachment A. For FY 2012-13 the Department is projecting need for spending of \$1,018,818 in both personal services and operating costs to provide the upkeep and maintenance of the leased buildings. The current spending authority of the Buildings and Grounds Fund is \$464,222, resulting in a difference of \$554,596 and the amount of this request.

It should be noted that the total requested spending authority of \$1,018,818 is greater than the anticipated revenues for FY 2012-13. The Buildings and Grounds Cash Fund has a fund balance which will allow the spending to exceed fund revenues for a number of years. At the end of FY 2009-10 this fund balance of \$692,020 and was expected to grow in FY 2010-11. *(FY 2010-11 data is not available of August 8, 2011.)*

**Consequences if not Funded:**

Several consequences exist if the spending authority is not provided. Current lease obligations will be unfulfilled, non-maintenance leads to further deterioration of buildings and cash revenues will continue to increase without benefiting state assets.

**Current Statutory Authority or Needed Statutory Change:**

The Department has the authority to rent surplus facilities on campuses of various DHS institutions as defined in 26-1-133.5 (C.R.S.). The funds collected as lease/rent payments are deposited into the building and grounds cash fund for the purpose of operating, repairing, remodeling or demolishing the facilities being leased to non-DHS entities. No statutory change is needed as a result of this request.



## Attachment A

	Projected
<b>Estimated Rental Revenue</b>	FY 12-13
KC - ARTS	\$64,632
KE - Community Services	\$6,000
Bldg. # 1 - ARTS	\$36,960
Bldg. # 2 - ARTS	\$36,180
Bldg. # 3	\$43,956
Bldg. # 5 - ARTS	\$36,180
Bldg. # 6 - ARTS	\$36,180
Bldg. # 7 - ARTS	\$36,180
Bldg. # 8 - ARTS	\$36,180
Bldg. # 9 - ARTS	\$36,180
Bldg. # 11 - ARTS	\$36,180
Bldg. # 13 - ARTS	\$36,180
Bldg. # 14 - ARTS	\$36,180
Bldg. # 16 - ARTS	\$36,180
Bldg. # 17 - ARTS	\$36,180
Bldg. # 18 - Senior Housing	\$21,648
G - 3 - Sheridan Health Services	\$79,236
Father Judy	\$12,096
Friend of Ft Logan	\$3,900
Mental Health West - GJRC	\$92,400
Pueblo Sheriff -	\$98,616
Garages - Ft. Logan	\$12,960
Total Est. Revenue	\$870,384
<b>Estimated Fund Exepnses</b>	
<b>Personal Services</b>	
LTC I	\$64,500
Custodian I	\$27,864
Custodian I 50%	\$13,704
Strct Trades II	\$40,920
Custodian I 40%	\$12,550
Struct Trades II	\$69,192
Pipe Mech II (2.34 current	\$100,667
PS Sub Total	\$329,396
PERA/Benefits	\$28,493
PS Total	\$357,889

## Attachment A

<b>Operating</b>	
Materials \$1.08 per footX 253,744 sq.ft.	\$147,990
Utilites \$1.75 x 128,744 sq ft	\$62,787
Contract Services	\$18,924
Indirect Costs FY 11 \$140,000 / 12 months	\$98,016
Special Projects \$114,000 Sheridan Health T.I.	\$114,000
Special Projects \$11,000 bld 5 design fire suppressio	\$11,000
Spcial Project Deferred Maint / T.I. Allowance	\$126,000
Depreciation	\$82,212
Contingency	\$0
Total Est. Operating	\$660,929
Total Estimated Personal Services & Operating	\$1,018,818
Current Spending Authority	\$464,222
Spending Authority Shortfall	\$ (554,596)

## Attachment A

### **Assumptions for Operating Costs:**

**Materials \$1.08 per foot X 137,028 square feet:** Historically through the benchmark studies conducted by the Division of Facilities Management the materials cost should be \$1.08. This cost was then applied to all the rentable square footage that is vacant to total \$147,990.

Materials include items listed below.

**Kitchen equipment** repairs, thermostats, timers, relays, burners gas valves, strainers, freon, steam valves, for dishwashers, fryers stoves, mixers, overs reach in units, fans blowers hood systems.

**Landscaping:** fertilizer, snow melt, irrigation pipe, heads timers, small hand equipment, saws, blades, pesticides, fuel mowers, snow plow repair parts, bedding materials, pot hole patching.

**Locksmith:** Keys, locks door handles, door repairs, and electronic lock replacement.

**Heat Plant:** Boiler and generator repair, parts and maintenance items such as valves, fluids, belts, mechanical maintenance repairs.

**Plumbing:** Plumbing fixtures such as sinks, tubs, toilets, piping, pumps, drains, water lines, sewer lines fire suppression systems. All of these take great abuse give the clients we serve.

**Electrical:** Lighting, security systems, fire alarms (Fort Logan alone has over 3000 fire alarm devises), motors switchgear, transformers, panels, switches, distributions systems,

**Paint:** Paint, rollers, sprayers, drywall repair, FRP sheeting,

**Electronics:** Energy management systems, cameras, VCR's digital recording devises, electronic locks, panic alarms

**General Maint:** Windows, glazing, flooring, fencing, sidewalks, signage, wall repairs, roofing

**HAVC:** Air conditions, heating systems, fans, blowers, control systems,

**Janitorial:** Paper products, toilet papers, hand towels, floor finishes, wax strip and seal, carpet care, sanitation, infection control, chemicals,

**Utilities \$1.75 x 35,878 square feet:** This cost is an estimated amount for the square footage served through central heat plants or electrical distribution systems, and is not sub-metered.

Typically the utilities are placed in the lease as a tenant responsibility. However, without sub-metering this is not possible.

**Contract Services:** This cost for contract services such as trash removal and pest control related to leased square footage.

**Indirect Cost:** This value was based on the 2011 actual then expanded based on additional vacant square feet.

**Special Projects \$114,000 Sheridan Health Services:** This is the amount of tenant improvements agreed to in the lease. The University of Colorado agreed to provide an upfront payment of \$73,489, while the remaining \$40,511 was incorporated in the to the monthly lease payment amortized over the term of the lease. This allows for improvement to the space such as painting, handicap restrooms, parking areas, ADA accessibility improvements and secure entry doors.

**Special Projects \$11,000 Building 5 design of fire suppression system:** The leases for the ART's buildings recognize the desires to improve the life safety condition, "The parties agree that certain life safety improvements are required for the building comprising the premises. DHS shall prepare plans, specifications and budget for the life safety improvements (the" Life Safety Improvements"), a copy of which shall be provided to the lessee for review." The \$11,000 is the cost to hire an engineer to design the fire suppression system, provide bid documents, conduct construction monitoring and commission the new fire suppression system.

**Special projects deferred maintenance / T.I. allowance:** The roof of the KC building need needs to be replaced. Using the revenue from the rent the Department will be able to install a new roof. The roof is expected to cost \$64,000. The fire life safety program is continuing in the ART's buildings with at least three more fire suppression systems to be installed at an approximate cost of \$62,000 per building (three buildings remain). Additionally buildings that were not in the ART's inventory will require the same types of improvements (2 more buildings).

**Depreciation:** This is the estimated cost for depreciation in FY 2012-13 based on the anticipated FY 2012-13 depreciation schedule.

**Schedule 13**  
**Funding Request for the 2012 Budget Cycle**

Department: Department of Human Services  
 Request Title: Refinance Child Support Enforcement Programs General Fund Appropriations with Cash Funds  
 Priority Number: R-9

Dept. Approval by: *Will Kjl* 10-14-11  
 Date  
 OSPB Approval by: *Erin N. Schuy* 10/18/11  
 Date

- Decision Item FY 2012-13
- Base Reduction Item FY 2012-13
- Supplemental FY 2011-12
- Budget Amendment FY 2012-13

Line Item Information		FY 2011-12		FY 2012-13		FY 2013-14
		1	2	3	4	5
	Fund	Appropriation FY 2011-12	Supplemental Request FY 2011-12	Base Request FY 2012-13	Funding Change Request FY 2012-13	Continuation Amount FY 2013-14
<b>Total of All Line Items</b>	<b>Total</b>	17,620,955	0	16,806,242	(365,260)	(365,260)
	FTE	41.4	0.0	41.4	0.0	0.0
	GF	3,652,599	0	3,670,907	(365,260)	(365,260)
	CF	6,010,860	0	6,010,860	0	0
	RF	0	0	0	0	0
	FF	7,957,496	0	7,124,475	0	0
	MCF	0	0	0	0	0
	MGF	0	0	0	0	0
	NGF	3,652,599	0	3,670,907	(365,260)	(365,260)
<b>(4) County Administration, County Incentive Payments</b>	<b>Total</b>	5,136,921	0	5,584,361	(365,260)	(365,260)
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	0	0	0	0	0
	CF	5,136,921	0	5,584,361	(365,260)	(365,260)
	RF	0	0	0	0	0
	FF	0	0	0	0	0
	MCF	0	0	0	0	0
	MGF	0	0	0	0	0
	NGF	0	0	0	0	0
<b>(7)(D) Child Support Enforcement, Automated Child Support System</b>	<b>Total</b>	9,056,276	0	9,095,641	0	0
	FTE	16.9	0.0	16.9	0.0	0.0
	GF	2,934,603	0	2,947,987	(293,460)	(293,460)
	CF	426,499	0	426,499	293,460	293,460
	RF	0	0	0	0	0
	FF	5,695,174	0	5,721,155	0	0
	MCF	0	0	0	0	0
	MGF	0	0	0	0	0
	NGF	2,934,603	0	2,947,987	(293,460)	(293,460)

Line Item Information		FY 2011-12		FY 2012-13		FY 2013-14
		1	2	3	4	5
	Fund	Appropriation FY 2011-12	Supplemental Request FY 2011-12	Base Request FY 2012-13	Funding Change Request FY 2012-13	Continuation Amount FY 2013-14
<b>(7)(D) Child Support Enforcement, Child Support Enforcement</b>	<b>Total</b>	3,427,758	0	2,126,240	0	0
	<b>FTE</b>	24.5	0.0	24.5	0.0	0.0
	<b>GF</b>	717,996	0	722,920	(71,800)	(71,800)
	<b>CF</b>	447,440	0	0	71,800	71,800
	<b>RF</b>	0	0	0	0	0
	<b>FF</b>	2,262,322	0	1,403,320	0	0
	<b>MCF</b>	0	0	0	0	0
	<b>MGF</b>	0	0	0	0	0
	<b>NGF</b>	717,996	0	722,920	(71,800)	(71,800)

Letternote Text Revision Required? Yes:  No:  If yes, describe the Letternote Text Revision:

(7)(D) Automated Child Support Enforcement

a Of this amount, \$280,380 shall be from the federal government's share of revenues earned on funds in the Family Support Registry Fund created in Section 26-13-115.5(1), C.R.S., \$146,119 shall be from the State's share of revenues earned on funds in the Family Support Registry Fund, and \$293,460 shall be from the state's share of retained child support collections and fraud refunds.

(7)(D) Child Support Enforcement

c This amount (\$71,800) shall be from the state's share of retained child support collectios and fraud refunds.

Cash or Federal Fund Name and COFRS Fund Number: Cash funds are from the state's share of retained child support collections and fraud refunds.

Reappropriated Funds Source, by Department and Line Item Name: N/A

Approval by OIT? Yes:  No:  Not Required:

Schedule 13s from Affected Departments: N/A

Other Information: N/A



# DEPARTMENT OF HUMAN SERVICES

John W. Hickenlooper  
Governor

*FY 2012-13 Funding Request  
November 1, 2011*

Reggie Bicha  
Executive Director

**Department Priority: R-9**  
**Refinance Child Support Enforcement Programs General Fund Appropriations with Cash Funds**

Summary of Incremental Funding Change for FY 2012-13	Total Funds	General Fund	Cash Funds
Refinance Child Support Enforcement Programs General Fund Appropriations with Cash Funds	(\$365,260)	(\$365,260)	\$0

### Request Summary:

The Department is proposing to reduce \$365,260 General Fund in the Child Support Enforcement Program in FY 2012-13 and beyond. The proposed request refinances \$293,460 General Fund in the Automated Child Support Enforcement System (ACSES) line item and \$71,800 General Fund in the Child Support Enforcement (CSE) line item with Cash Funds reallocated from the County Incentive Payments line item appropriation.

The funding for the Child Support Enforcement Program includes the line item appropriations for the ACSES and Child Support Enforcement. The ACSES appropriation funds the automated system and management of the CSE Program in 64 counties statewide including the Family Support Registry (FSR) and the State Directory of New Hires (SDNH). The CSE Program is mandated by Title IV-D of the Social Security Act of 1975 that provides federal funding through grants for State run child support enforcement programs.

The FSR is responsible for the receipt and disbursement of child support payments in the State of Colorado. All employers in the State are required to report new hires to the SDNH. The SDNH transmits this data to the National Directory of New Hires. The data is used by the

CSE Program to initiate withholding of employee wages for child support obligations.

Section 26-13-108, C.R.S., provides that when government authorities recover any amounts of support for public assistance recipients, such amounts may be used to reimburse public assistance paid in accordance with Federal law. Approximately 5% of the \$315 million (\$15.75 million) in annual child support collections and fraud refunds are used to reimburse the State, counties, and the Federal government for benefits provided to families from the Colorado Works, Colorado's Temporary Assistance for Needy Families Program annually. The Federal government receives 50%, the State 30% and the counties 20% of the reimbursement amount.

The State may redirect the State's share to the counties pursuant to section 26-13-112.5, C.R.S. The State currently reallocates 15% (one-half of its 30% share) to the counties. The source of the funds for the Child Support Enforcement refinancing proposal is the State's 15% share of retained child support collections and fraud refunds.

The Department set aside the 15% State share (historically over \$2 million annually) to fund approved operating and capital construction projects in FY 2010-11 pursuant to Footnote 21

in the FY 2011-12 Long Bill (SB11-209). The project relating to operating expenses will end as of June 30, 2012, and the capital construction project will end June 30, 2013. It is estimated that the Cash Funds necessary to fund both projects will be collected by March 2012. In FY 2012-13 and beyond, there will be sufficient funding from the 15% State share to fund this refinancing proposal.

The Cash Funds appropriation in the County Incentive line item includes revenues earned by the State for retained child support collections, fraud refunds, state revenue intercepts and other refunds. Section 26-13-108, C.R.S. stipulates that child support enforcement payments collected on behalf of custodial parents who receive public assistance may be used to reimburse the State. This funding request reallocates \$365,260 Cash Funds from the County Incentive line item in order to refinance the General Fund in the ACSES and CSE line item appropriations.

The proposed refinancing would generate a total General Fund savings of \$365,260 in the CSE Program and utilize existing Cash Fund revenue to continue to provide full services to the approximately 147,000 Colorado families that are served by the CSE Program. Attachment A depicts the CSE funding including the requested refinance.

**Anticipated Outcomes:**

The major outcome of the refinancing General Fund with Cash Funds would be the opportunity to generate continuing General Fund savings. The CSE Program would not be at risk of losing the 66% FFP rate since the General Fund savings would be offset by Cash Funds.

**Assumptions for Calculations:**

The proposed General Fund refinance would increase the Cash Funds spending authority by \$293,460 in the Automated Child Support Enforcement System line item appropriation and \$71,800 in the Child Support Enforcement line

item appropriation and will be funded using the State’s share of retained child support collections and fraud refunds.

The refinance amounts represent ten percent of the General Fund appropriations for the Child Support Enforcement Program in the FY 2011-12 Long Bill (SB 11-209).

S.B. 11-209 Line Item Appropriation	General Fund
(7)(D) Automated Child Support Enforcement System	\$2,934,603
10% of General Fund	\$293,460
(7)(D) Child Support Enforcement	\$717,996
10% of General Fund	\$71,800

**Consequences if not Funded:**

The opportunity to generate General Fund savings will not be realized if this funding request is not approved. The Department will continue to manage the CSE Program within the resources currently appropriated.

**Cash Fund Projections:**

The Cash Funds derived from half of the State’s share of retained collections that are not distributed to the counties has historically been in excess of \$2,000,000 per year. The following table includes the most current information.

FY 2009-10 Actual	\$2,274,897
FY 2010-11 Actual	\$2,225,456
FY 2011-12 Estimate	\$2,180,946
FY 2012-13 Request	\$2,137,327
FY 2013-14 Projection	\$2,094,580

**Current Statutory Authority or Needed Statutory Change:**

Section 26-13-108, C.R.S., provides statutory authority to recover child support paid on behalf of recipients of public assistance.



Attachment A  
Proposed Child Support Enforcement General Fund Refinance Request

Child Support Enforcement Funding	Total	General Fund	Cash Funds	Federal Funds
FY 2011-12 ACSES Appropriation (SB 11-209)	\$9,056,276	\$2,934,603	\$426,499	\$5,695,174
Requested Refinance	<u>\$0</u>	<u>(293,460)</u>	<u>293,460</u>	<u>\$0</u>
Estimated FY 2012-13 ACSES Appropriation	\$9,056,276	\$2,641,143	\$719,959	\$5,695,174
FY 2011-12 CSE Appropriation (SB 11-209)	\$3,427,758	\$717,996	\$447,440	\$2,262,322
Requested Refinance	<u>\$0</u>	<u>(71,800)</u>	<u>71,800</u>	<u>\$0</u>
Estimated FY 2012-13 CSE Appropriation	\$3,427,758	\$646,196	\$519,240	\$2,262,322

**Schedule 13**  
**Funding Request for the 2012-13 Budget Cycle**

Department: Human Services  
 Request Title: Child Care Assistance Program General Fund Refinance  
 Priority Number: R-10

Dept. Approval by: *Will [Signature]* 10-14-11  
 Date

- Decision Item FY 2012-13
- Base Reduction Item FY 2012-13
- Supplemental FY 2011-12
- Budget Amendment FY 2012-13

OSPB Approval by: *Grant [Signature]* 10/17/11  
 Date

Line Item Information		FY 2011-12		FY 2012-13		FY 2013-14
		1	2	3	4	5
	Fund	Appropriation FY 2011-12	Supplemental Request FY 2011-12	Base Request FY 2012-13	Funding Change Request FY 2012-13	Continuation Amount FY 2013-14
<b>Total of All Line Items</b>	<b>Total</b>	73,976,592	0	73,976,592	0	0
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	14,104,221	0	14,104,221	(817,511)	(817,511)
	CF	9,182,622	0	9,182,622	0	0
	RF	0	0	0	0	0
	FF	50,689,749	0	50,689,749	817,511	817,511
	MCF	0	0	0	0	0
	MGF	0	0	0	0	0
	NGF	14,104,221	0	14,104,221	(817,511)	(817,511)
<b>(6) Division of Child Care, Child Care Assistance Program</b>	<b>Total</b>	73,976,592	0	73,976,592	0	0
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	14,104,221	0	14,104,221	(817,511)	(817,511)
	CF	9,182,622	0	9,182,622	0	0
	RF	0	0	0	0	0
	FF	50,689,749	0	50,689,749	817,511	817,511
	MCF	0	0	0	0	0
	MGF	0	0	0	0	0
	NGF	14,104,221	0	14,104,221	(817,511)	(817,511)

Letternote Text Revision Required? Yes:  No:  If yes, describe the Letternote Text Revision:  
 (6) \* Of this amount, ~~\$50,589,749~~ \$51,407,260 shall be from Child Care Development Funds and \$100,000 shall be from the Title XX Social Services Block Grant.  
 Cash or Federal Fund Name and COFRS Fund Number: Child Care Development Funds  
 Reappropriated Funds Source, by Department and Line Item Name: N/A  
 Approval by OIT? Yes:  No:  Not Required:   
 Schedule 13s from Affected Departments: N/A  
 Other Information: N/A

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## DEPARTMENT OF HUMAN SERVICES

*FY 2012-13 Funding Request  
November 1, 2011*

*John W. Hickenlooper  
Governor*

*Reggie Bicha  
Executive Director*

**Department Priority: R-10**

**Request Title: Child Care Assistance Program General Fund Refinance**

Summary of Incremental Funding Change for FY 2012-13	Total Funds	General Fund	Federal Funds
<b>Child Care Assistance Program General Fund Refinance</b>	\$0	(\$817,511)	\$817,511

### **Request Summary:**

The Department is proposing an ongoing refinance of \$817,511 General Fund using federal Child Care Development Fund (CCDF) monies in FY 2012-13 and beyond. The Child Care Assistance Program (CCAP) provides direct services for child care assistance to approximately 15,600 families. The refinance will enable the Department to provide the same level of services and reduce the CCAP General Fund appropriation.

The Child Care Assistance Program supports low-income families by subsidizing child care in order to assist families in re-entering or retaining workforce participation. The program was created in statute in 1997 (Section 26-2-801, C.R.S.) in response to the federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA, Pub.L. 104-193, 110 Stat. 2105, enacted August 22, 1996). Program funding is a mix of federal CCDF, State General Fund, and local county share. The program is administered by the county and supervised by State. The CCAP appropriation is allocated to counties to provide services for eligible families.

The federal CCDF is the primary federal source of monies for the program. The funding is provided through an annual grant award and subject to federal appropriation acts. Increases in

both the total Federal Fiscal Year (FFY) 2011 grant award and the initial FFY 2012 allotment are anticipated to extend into the future, providing the Department the opportunity to refinance the General Fund without decreasing the CCAP appropriation.

The Department is proposing to use \$817,511 in federal CCDF monies to refinance State General Fund while holding the CCAP harmless.

### **Anticipated Outcomes:**

This proposal will enable the Department to continue serving the same number of families currently accessing benefits. It is also an opportunity to generate \$817,511 in General Fund savings.

### **Assumptions for Calculations:**

The requested amount of \$817,511 represents a 5% reduction in the Division of Child Care's General Fund appropriation based on the FY 2011-12 Long Bill (S.B. 11-209).

Table 1. General Fund Appropriations for the Division of Child Care

S.B. 11-209 Line Item Appropriation	General Fund
Child Care Licensing and Administration	\$2,246,008
<u>Child Care Assistance Program</u>	<u>\$14,104,221</u>
Division Total	\$16,350,229
5% of Division Total	\$817,511

The request assumes that federal funding will either remain constant or increase subsequent to FFY 2012. The proposal also assumes that General Fund appropriations to CCDF-funded programs will not be reduced.

The refinanced amount is sustainable well into the future as long as grant amounts remain stable or increase (See Attachment A). The State will still be able to meet federal match requirements with the reduction in General Fund CCDF spending.

**Consequences if not Funded:**

The Department will forego an opportunity to generate General Fund savings. In addition, the Department will forego the opportunity to serve 172 additional families or pay for other Child Care Assistance Program costs.

**Current Statutory Authority or Needed Statutory Change:**

The statutory authority for CCAP includes Section 26-6-110, C.R.S. – Acceptance of Federal Grants; Section 26-2-805, C.R.S. – Services – Assistance Provided – Rules; and the Social Security Act, Part A of Title IV - Sec. 418-Funding for Child Care.

This request will not require a statutory change.

**Attachment A**

FY 2012-13 Funding Request – Child Care Assistance Program General Fund Refinance

Table 2. Current Spending and Impact of Refinancing.

Fiscal Year	Annual Federal Cash Flow Projections				Impact of Refinancing	
	Grant Amount <sup>1</sup>	Expenditures <sup>2</sup>	Difference	Roll forward Balance <sup>3</sup>	Federal Need <sup>4</sup>	Shortfall
FY 2009-10 (Actual)	\$ 64,285,021	\$ 85,944,600	\$ (21,659,579)	\$31,318,378	N/A	N/A
FY 2010-11 (Actual)	\$ 65,867,883	\$ 69,304,063	\$ (3,436,180)	\$9,658,799	N/A	N/A
FY 2011-12 (Estimate)	\$ 66,054,775	\$ 65,235,190	\$ 819,585	\$6,222,619	N/A	N/A
FY 2012-13 (Request)	\$ 65,968,470	\$ 65,235,190	\$ 733,280	\$7,042,204	\$ 817,511	\$ 84,231
FY 2013-14 (Projection)	\$ 65,968,470	\$ 65,235,190	\$ 733,280	\$7,775,484	\$ 817,511	\$ 84,231

Notes:

- 1 - The grant amount includes 75% of the current year grant award and 25% of the prior year grant award since the federal fiscal year involves two state fiscal years. Reallotted funds are included in the actual grant amounts.
- 2 - Expenditures in FY 2009-10 were higher than subsequent fiscal years due to CHATS programming costs and additional ARRA funds available through the CCAP grant.
- 3 - The roll forward balance will decrease if used to cover the shortfall.
- 4 - Federal need is the amount of expenditures paid with General Fund that will be refinanced with federal funds.

**Schedule 13**  
**Funding Request for the 2012-13 Budget Cycle**

Department: Department of Human Services  
Request Title: Statewide Vehicle Replacement  
Priority Number: NP-1

Dept. Approval by: Will Kye 10-18-11  
Date

OSPB Approval by: David M. Schenck 10/19/11  
Date

- Decision Item FY 2012-13
- Base Reduction Item FY 2012-13
- Supplemental FY 2011-12
- Budget Amendment FY 2012-13

Line Item Information		FY 2011-12		FY 2012-13		FY 2013-14
		1	2	3	4	5
	Fund	Appropriation FY 2011-12	Supplemental Request FY 2011-12	Base Request FY 2012-13	Funding Change Request FY 2012-13	Continuation Amount FY 2013-14
<b>Total of All Line Items</b>	<b>Total</b>	1,075,007	0	1,075,007	56,010	56,010
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	563,315	0	563,315	31,316	31,316
	CF	81,692	0	81,692	1,158	1,158
	RF	268,518	0	268,518	16,158	16,158
	FF	161,482	0	161,482	7,378	7,378
	MCF	234,480	0	234,480	15,149	15,149
	MGF	117,240	0	117,240	7,574	7,574
	NGF	680,555	0	680,555	38,890	38,890
<b>(3) Office of Operations, (A) Administration, Vehicle Lease Payments</b>	<b>Total</b>	1,075,007	0	1,075,007	56,010	56,010
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	563,315	0	563,315	31,316	31,316
	CF	81,692	0	81,692	1,158	1,158
	RF	268,518	0	268,518	16,158	16,158
	FF	161,482	0	161,482	7,378	7,378
	MCF	234,480	0	234,480	15,149	15,149
	MGF	117,240	0	117,240	7,574	7,574
	NGF	680,555	0	680,555	38,890	38,890

Department of Human Services  
Request Title: Statewide Vehicle Replacement

Schedule 13  
Funding Request for the 2012 Budget Cycle

Line Item Information		FY 2011-12		FY 2012-13		FY 2013-14
		1	2	3	4	5
	Fund	Appropriation FY 2011-12	Supplemental Request FY 2011-12	Base Request FY 2012-13	Funding Change Request FY 2012-13	Continuation Amount FY 2013-14
<b>Letternote Text Revision Required?</b> Yes: <input checked="" type="checkbox"/> No: <input type="checkbox"/> If yes, describe the Letternote Text Revision:						
<b>Cash or Federal Fund Name and COFRS Fund Number:</b>						
<b>Reappropriated Funds Source, by Department and Line Item Name:</b>						
<sup>a</sup> Of this amount, it is estimated that \$1,463,024 shall be from patient cash collected by the Mental Health Institutes, \$49,415 shall be from the Early Intervention Services Trust Fund created in Section 27-10.5-709 (2) (a), C.R.S., \$12,511 shall be from the Business Enterprise Program Cash Fund created in Section 26-8.5-107, C.R.S., and <del>\$678,743</del> \$679,901 shall be from various sources of cash funds, including from the Old Age Pension Fund created in Section 1 of Article XXIV of the State Constitution.						
<sup>b</sup> Of this amount, it is estimated that <del>\$5,159,398</del> \$5,174,547 shall be from Medicaid funds transferred from the Department of Health Care Policy and Financing, \$1,236,747 shall be transferred from the Department of Corrections, \$894,807 shall be from patient fees collected by the Mental Health Institutes that represent Medicaid revenue earned from the behavioral health organizations through Mental Health Community Capitation, \$800,000 shall be from nursing home indirect cost subsidies appropriated to Homelake Domiciliary and the State and Veterans Nursing Homes, \$340,000 shall be from federal Medicaid indirect costs transferred from the Department of Health Care Policy and Financing, and <del>\$519,844</del> \$520,853 shall be from various sources of reappropriated funds, including indirect cost recoveries.						
<sup>c</sup> Of this amount, it is estimated that \$994,120 shall be from Section 110 vocational rehabilitation funds, \$720,802 shall be from the Social Security Administration for disability determination services, \$400,000 shall be from Child Care Development Funds, \$233,214 shall be from the Substance Abuse Prevention and Treatment Block Grant, \$65,900 shall be from the U.S. Department of Health and Human Services, Office of Refugee Resettlement, \$4,000 shall be from the Temporary Assistance for Needy Families Block Grant, and <del>\$2,193,684</del> \$2,201,062 shall be from various sources of federal funds, including indirect cost recoveries.						
<b>Approval by OIT?</b> Yes: <input type="checkbox"/> No: <input checked="" type="checkbox"/> Not Required: <input type="checkbox"/>						
<b>Schedule 13s from Affected Departments:</b>		Department of Health Care Policy and Financing				
<b>Other Information:</b>						



**Schedule 13  
Funding Request for the 2012-13 Budget Cycle**

Department: Health Care Policy and Financing  
 Request Title: DHS - Statewide Vehicle Replacement  
 Priority Number: NP R-2  
 Dept. Approval by: John Bartholomew *PW for JB* 10/18/11 Date  
 OSPB Approval by: *Erin H. Sub X* 10/19/11 Date

- Decision Item FY 2012-13
- Base Reduction Item FY 2012-13
- Supplemental FY 2011-12
- Budget Amendment FY 2012-13

Line Item Information		FY 2011-12		FY 2012-13		FY 2013-14
		1	2	3	4	5
	Fund	Appropriation FY 2011-12	Supplemental Request FY 2011-12	Base Request FY 2012-13	Funding Change Request FY 2012-13	Continuation Amount FY 2013-14
<b>Total of All Line Items</b>	<b>Total</b>	\$5,093,354	\$0	\$5,184,971	\$15,149	\$15,149
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$2,546,677	\$0	\$2,592,486	\$7,574	\$7,574
	GFE	\$0	\$0	\$0	\$0	\$0
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$2,546,677	\$0	\$2,592,485	\$7,575	\$7,575
<b>(6) Department of Human Services Medicaid-Funded Programs; (C) Office of Operations - Medicaid Funding</b>	<b>Total</b>	\$5,093,354	\$0	\$5,184,971	\$15,149	\$15,149
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$2,546,677	\$0	\$2,592,486	\$7,574	\$7,574
	GFE	\$0	\$0	\$0	\$0	\$0
	CF	\$0	\$0	\$0	\$0	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$2,546,677	\$0	\$2,592,485	\$7,575	\$7,575

Letternote Text Revision Required? Yes:  No:  If yes, describe the Letternote Text Revision:

Cash or Federal Fund Name and COFRS Fund Number: FF: Title XIX

Reappropriated Funds Source, by Department and Line Item Name:  
 Approval by OIT? Yes:  No:  Not Required:

Schedule 13s from Affected Departments: Department of Human Services  
 Other Information:

**Schedule 13  
Funding Request for the 2012-13 Budget Cycle**

Department: Human Services  
 Request Title: CBMS Electronic Document Management System  
 Priority Number: NP-2

Dept. Approval by: *Will Kye* 10-20-11  
 Date

- Decision Item FY 2012-13
- Base Reduction Item FY 2012-13
- Supplemental FY 2011-12
- Budget Amendment FY 2012-13

OSPB Approval by: *Grant N. Eubank* 10/24/11  
 Date

Line Item Information		FY 2011-12		FY 2012-13		FY 2013-14
		1	2	3	4	5
	Fund	Appropriation FY 2011-12	Supplemental Request FY 2011-12	Base Request FY 2012-13	Funding Change Request FY 2012-13	Continuation Amount FY 2013-14
<b>Total of All Line Items</b>	<b>Total</b>	\$18,858,730	\$0	\$18,978,289	\$1,257,600	\$88,100
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$4,585,647	\$0	\$4,668,267	\$303,065	\$21,231
	CF	\$1,034,792	\$0	\$1,050,388	\$43,576	\$3,053
	RF	\$6,924,731	\$0	\$6,836,174	\$464,126	\$32,515
	FF	\$6,313,560	\$0	\$6,423,460	\$446,833	\$31,301
	MCF	\$6,924,731	\$0	\$6,836,174	\$464,126	\$32,515
	MGF	\$3,439,002	\$0	\$3,394,179	\$230,707	\$16,162
	NGF	\$8,024,649	\$0	\$8,062,446	\$533,772	\$37,393

<b>(2) Office of Information Technology Services, Colorado Benefits Management System (CBMS), Operating Expenses</b>	<b>Total</b>	\$18,858,730	\$0	\$18,978,289	\$1,257,600	\$88,100
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$4,585,647	\$0	\$4,668,267	\$303,065	\$21,231
	CF	\$1,034,792	\$0	\$1,050,388	\$43,576	\$3,053
	RF	\$6,924,731	\$0	\$6,836,174	\$464,126	\$32,515
	FF	\$6,313,560	\$0	\$6,423,460	\$446,833	\$31,301
	MCF	\$6,924,731	\$0	\$6,836,174	\$464,126	\$32,515
	MGF	\$3,439,002	\$0	\$3,394,179	\$230,707	\$16,162
	NGF	\$8,024,649	\$0	\$8,062,446	\$533,772	\$37,393

Letternote Text Revision Required? Yes:  No:  If yes, describe the Letternote Text Revision:

<sup>h</sup> Of these amounts, \$1,130,795 \$1,174,371 shall be from the Old Age Pension Fund created in Section 1 of Article XXIV of the State Constitution and \$168,499 shall be from the Hospital Provider Fee Cash Fund created in Section 25.5-4-402.3 (4) (a), C.R.S.

<sup>j</sup> Of these amounts, it is estimated that \$4,879,375 \$5,151,653 shall be from the U.S. Department of Agriculture for the Supplemental Nutrition Assistance Program and \$3,361,890 \$3,536,445 shall be from the Temporary Assistance for Needy Families Block Grant.

Cash or Federal Fund Name and COFRS Fund Number:

Reappropriated Funds Source, by Department and Line Item Name:

Approval by OIT? Yes:  No:  Not Required:

Schedule 13s from Affected Departments: Health Care Policy and Financing, Governor's Office of Information Technology

Other Information:

## Schedule 13 Funding Request for the 2012-13 Budget Cycle

Department: Human Services  
 Request Title: Hospital Provider Fee Administrative True-up  
 Priority Number: NP-3

Dept. Approval by: Will Kyle 10-20-11  
 Date

- Decision Item FY 2012-13
- Base Reduction Item FY 2012-13
- Supplemental FY 2011-12
- Budget Amendment FY 2012-13

OSPB Approval by: Erin R. Schatz 10/24/11  
 Date

Line Item Information		FY 2011-12		FY 2012-13		FY 2013-14
		1	2	3	4	5
	Fund	Appropriation FY 2011-12	Supplemental Request FY 2011-12	Base Request FY 2012-13	Funding Change Request FY 2012-13	Continuation Amount FY 2013-14
<b>Total of All Line Items</b>	<b>Total</b>	\$18,858,730	\$0	\$18,978,289	\$14,040	\$14,040
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$4,585,647	\$0	\$4,668,267	\$0	\$0
	CF	\$1,034,792	\$0	\$1,050,388	\$0	\$0
	RF	\$6,924,731	\$0	\$6,836,174	\$14,040	\$14,040
	FF	\$6,313,560	\$0	\$6,423,460	\$0	\$0
	MCF	\$6,924,731	\$0	\$6,836,174	\$14,040	\$14,040
	MGF	\$3,439,002	\$0	\$3,394,179	\$0	\$0
	NGF	\$8,024,649	\$0	\$8,062,446	\$0	\$0
<b>(2) Office of Information Technology Services, Colorado Benefits Management System (CBMS), Operating Expenses</b>	<b>Total</b>	\$18,858,730	\$0	\$18,978,289	\$14,040	\$14,040
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$4,585,647	\$0	\$4,668,267	\$0	\$0
	CF	\$1,034,792	\$0	\$1,050,388	\$0	\$0
	RF	\$6,924,731	\$0	\$6,836,174	\$14,040	\$14,040
	FF	\$6,313,560	\$0	\$6,423,460	\$0	\$0
	MCF	\$6,924,731	\$0	\$6,836,174	\$14,040	\$14,040
	MGF	\$3,439,002	\$0	\$3,394,179	\$0	\$0
	NGF	\$8,024,649	\$0	\$8,062,446	\$0	\$0

Letternote Text Revision Required? Yes:  No:  If yes, describe the Letternote Text Revision:

Cash or Federal Fund Name and COFRS Fund Number:  
 Reappropriated Funds Source, by Department and Line Item Name:  
 Approval by OIT? Yes:  No:  Not Required:   
 Schedule 13s from Affected Departments: Health Care Policy and Financing, Governor's Office of Information Technology  
 Other Information: