Schedule 13

Funding Request for the FY 2016-17 Budget Cycle

Department of Human Services

Request Title

R-01 County Child Welfare Staff - Phase 2

Dept. Approval By: Melissa Wavrdt

OSPB Approval By: 10/28/15

___	Supplemental FY 2015-16
X	Change Request FY 2016-17
___	Base Reduction FY 2016-17
___	Budget Amendment FY 2016-17

Summary Information	Fund	FY 2015-16 Initial Appropriatio	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
Total of All Line Items Impacted by Change Request	Total	$60,840,993	$0	$59,079,482	$6,753,852	$6,760,069
	FTE	1.0	0.0	1.0	2.7	3.0
	GF	$40,560,515	$0	$41,141,003	$5,978,651	$5,983,811
	CF	$1,702,867	$0	$1,537,282	$614,959	$614,959
	RF	$11,425,039	$0	$10,921,311	$0	$0
	FF	$7,152,572	$0	$5,479,886	$160,242	$161,299

Line Item Information	Fund	FY 2015-16 Initial Appropriatio	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
01. Executive Director's Office - Health, Life, And Dental	Total	$33,990,114	$0	$32,271,771	$23,781	$23,781
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$21,590,760	$0	$21,762,826	$19,738	$19,738
	CF	$647,045	$0	$543,180	$0	$0
	RF	$7,515,685	$0	$6,909,927	$0	$0
	FF	$4,236,624	$0	$3,055,838	$4,043	$4,043
01. Executive Director's Office - Short-Term Disability	Total	$492,114	$0	$398,978	$282	$314
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$318,746	$0	$269,773	$234	$261
	CF	$11,054	$0	$8,271	$0	$0
	RF	$92,824	$0	$74,665	$0	$0
	FF	$69,490	$0	$46,269	$48	$53
01. Executive Director's Office - Amortization Equalization Disbursement	Total	$10,152,863	$0	$10,397,949	$7,135	$7,928
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$6,585,233	$0	$7,032,923	$5,922	$6,580
	CF	$222,977	$0	$210,806	$0	$0
	RF	$1,941,356	$0	$1,978,665	$0	$0

	FF	$1,403,297	$0	$1,175,555	$1,213	$1,348
	Total	**$9,797,755**	**$0**	**$10,289,637**	**$7,061**	**$7,845**
01. Executive Director's Office - S.B. 06-235 Supplemental Equalization Disbursement	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$6,351,748	$0	$6,959,663	$5,861	$6,511
	CF	$215,376	$0	$208,610	$0	$0
	RF	$1,875,174	$0	$1,958,054	$0	$0
	FF	$1,355,457	$0	$1,163,310	$1,200	$1,334
	Total	**$6,408,147**	**$0**	**$5,721,147**	**$6,715,593**	**$6,720,201**
05. Division of Child Welfare - Child Welfare Staff Funding Allocation	FTE	1.0	0.0	1.0	2.7	3.0
	GF	$5,714,028	$0	$5,115,818	$5,946,896	$5,950,721
	CF	$606,415	$0	$566,415	$614,959	$614,959
	RF	$0	$0	$0	$0	$0
	FF	$87,704	$0	$38,914	$153,738	$154,521

Letternote Text Revision Required? Yes ___ No X ___ **If Yes, describe the Letternote Text Revision:**

Cash or Federal Fund Name and CORE Fund Number:

Cash funds are local funds. Federal funds are Title IV-E of the Social Security Act.

Reappropriated Funds Source, by Department and Line Item Nam

Approval by OIT? Yes ___ No ___ **Not Require X**

Schedule 13s from Affected Departments: **N/A**

Other Information: **N/A**

Cost and FTE

- The Department of Human Services requests $6,753,852 total funds ($5,978,651 General Fund, $614,959 cash funds, and $160,242 federal funds) and 2.7 FTE for FY 2016-17 to increase county staffing in response to a workload study performed by the Colorado Office of the State Auditor. This is a 100% increase in funding for additional county staff and oversight. This funding annualizes to $6,760,069 total funds ($5,983,811 General Fund, $614,959 cash funds, and $161,299 federal funds) and 3.0 FTE in FY 2017-18.

Current Program

- The Department's Division of Child Welfare provides services to protect children from harm and assists families in caring for and protecting their children. The Division's programs comprise Colorado's effort to meet the needs of children who must be placed or are at risk of placement outside of homes for reasons of protection or community safety.

Problem or Opportunity

- The OSA workload study conducted in 2014 determined that counties need additional staff to meet program goals and achieve outcomes. The Department is attempting to attract more qualified child welfare professionals in the field to minimize workload and improve practices.
- While 100 county positions were funded in FY 2015-16, the current staffing level does not meet the Office of the State Auditor recommended staffing level.
- This request is for Phase Two of a multi-phased approach to getting counties staffed appropriately.
- Increased staffing allows county workers more time to work with children, youth and families to provide quality services.

Consequences of Problem

- High staff turnover, or lack of sufficient staff, would impact the ability to deliver quality services, or could lead to a degradation of services affecting safety measures, continuity, and quality.

Proposed Solution

- The Department requests $6,753,852 total funds to support counties in hiring additional staff to better manage a more appropriate number of cases and to provide educational stipends to expand the reach of recruitment of qualified child welfare candidates.

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Department Priority: R-01
Request Detail: County Child Welfare Staff – Phase 2

Summary of Incremental Funding Change for FY 2016-17	Total Funds	General Fund	Cash Funds	Federal Funds	FTE
County Child Welfare Staff – Phase 2	$6,753,852	$5,978,651	$614,959	$160,242	2.7

Problem or Opportunity:

The Department of Human Services requests $6,753,852 total funds (including $5,978,651 General Fund) and 2.7 FTE for FY 2016-17 to increase county staffing in response to a workload study performed by the Colorado Office of the State Auditor (OSA) in August 2014 and to fund stipends to increase pools of qualified candidates in Child Welfare. The request annualizes to $6,760,069 total funds ($5,983,811 General Fund, $614,959 cash funds, and $161,299 federal funds) and 3.0 FTE in FY 2017-18.

Additional County Child Welfare Staff

This is Phase Two of a multi-phase approach. The 2014 OSA workload study recommended that counties hire 650 additional child welfare staff in order to give counties the staffing level required to manage the proper number of cases in accordance with Child Welfare League of America (CWLA) standards. In FY 2015-16, S.B. 15-242 was passed and $6,408,147 total funds ($5,714,028 General Fund) was appropriated to the Department, of which $6,064,149 total funds ($5,428,510 General Fund) was allocated to counties to hire 100 FTE. In accordance to this statute, FTE were allocated by the Child Welfare Allocation Committee. This funding request is to supplement funding provided in FY 2015-16 for an additional 100 county staff and an additional 3.0 FTE for state oversight and training.

While 100 county positions were made available in the first phase of increasing county staffing levels, the current staffing level and amount of educational stipends still do not meet the current workload for Colorado child welfare staff. The OSA workload study focused on the amount of time staff spent on each case. The workload study was designed to establish a comprehensive picture of the State's child welfare operations, to understand how these operations impact various county needs, and to account for differences in cases and services, such as case complexities and the varying lengths of time needed to provide different services. The work performed at the counties for the provision of child welfare services ranges from many functions including, but not limited to, referrals, ongoing case management, out-of-home (OOH) services, administration, documentation, adoptions, and licensing. It has been at least 30 years since this type of study has been completed.

The OSA workload study revealed that county caseworkers are working on average 44.6 hours per week, while supervisors/managers/executives are working on average 48 hours per week. County child welfare employees spent most of their time on ongoing and OOH services, averaging 7.2 hours per child receiving ongoing or OOH services. Time spent on screening is the second highest amount of hours worked by county staff on child welfare services. The high volume of screenings contributes to a county caseworker spending 38% of their time documenting referrals and case-related work into Trails, Colorado's Child Welfare case management system.

The amount of time spent working on case related services are in line with other State child welfare studies; however, the workload study shows that Colorado caseworkers and supervisors manage more cases than compared to the national average and there were few differences between urban and rural counties. Overall, workers reported that the volume of work can have a significant impact on staff because of inadequate time to engage with client families, inadequate time to perform all necessary tasks or quality work, and a consistent feeling of being behind on work and never caught up. Approximately two-thirds of workers describe their volume of assigned work as heavy and often unmanageable. An increased workload can significantly affect employee morale and job satisfaction, as well as staff retention and turnover. Increased volumes of work can also impact the quality of work and services provided to children and their families. These issues are magnified if a supervisor has to dedicate time to casework, and is unable to provide support, mentoring and guidance to staff.

S.B. 15-242 also provided $195,050 to contract for an external study concerning the child welfare caseload by county, as opposed to the OSA's workload study which provided estimated hours per case by services for county child welfare caseworkers. This study will specifically address the right caseload ratio per worker to provide the right services at the right time. Consequently, the Department is releasing a solicitation to conduct a caseload study to build upon the workload study results, and to monitor the impact of the additional child welfare staff prior to requesting additional resources.

Stipends

While the workload study determined that counties need additional staff to meet program goals and outcomes, there is also a need to attract more qualified child welfare professionals in the field to impact workload and effective practice. Educational stipends support public child welfare recruitment and retention and are utilized across the United States. Since the stipend program began in 1996, it has been successful and can be used to promote recruitment and retention for rural counties. Both the University of Denver (DU) and Metropolitan State University of Denver (MSU) offer stipends to students pursuing a career in public child welfare. Stipends provided through MSU can support students at the Denver school or students utilizing distance learning. Stipends are offered for Bachelors of Social Work or Masters of Social Work students, with stipends ranging from $8,000 to $18,000 with an average stipend being $14,000. Stipends are also offered to support coursework that enables an individual to obtain a case aide certification. These stipends are provided through MSU and the stipends are for $2,000. Individuals that are awarded a stipend may receive the stipend until graduation. Stipend recipients enter into a contract to work in Colorado public child welfare for one year for each year the individual received the stipend. The contract was developed by the Attorney General's Office and university counsel for both institutions. The universities are asked to track each stipend recipient's pay back. If an individual leaves Colorado or leaves the field prior to fulfilling the stipend agreement, the individual is obligated to repay the stipend. In rare cases, if an individual did not participate in the pay-back or refused to repay the funds received, collections will be pursued.

The Department received feedback that rural county departments were struggling with recruiting and retaining an educated workforce. Based on this feedback, the Department began reviewing the possibility of augmenting the MSU distance learning program to provide more educational stipends to students of rural higher education institutions. For a higher education institution to participate, the institution must offer the degrees or courses that are applicable to a public child welfare work and must administer the stipend program by publicizing its availability and reviewing applications in conjunction with the Department and its child welfare partners. The number of students varies slightly every year; however, in FY 2014-15, DU awarded eight Masters of Social Work (MSW) stipends at a cost of $259,870 and MSU awarded 11 MSW stipends and seven Bachelor of Social Work (BSW) stipends at a cost of $269,164. In FY 2015-16, DU will have $315,870 available for 12 MSW stipends, and MSU will have $370,513 available for 14 MSW and seven BSW stipends. The Department requests funding for the expansion of the educational stipend program to include accredited educational institutions and/or private universities that will expand the program beyond the Denver Metro area of the State. They will be offered at DU and MSU. It will be opened up to other universities through a Request for Proposal process.

The current stipends offered are State funds with federal Title IV-E drawn down. The funding split is 68% General Fund and 32% federal funds.

Proposed Solution:

The Department requests $6,753,852 total funds ($5,978,651 General Fund, $614,959 cash funds, and $160,242 federal funds) and 2.7 FTE for FY 2016-17; and $6,760,069 total funds ($5,983,811 General Fund, $614,959 cash funds, and $161,299 federal funds) and 3.0 FTE in FY 2017-18 and beyond. The number of county FTEs funded through this request is 100. The request seeks $310,500 for the expansion of stipends. Stipends will range from $8,200 to $12,500 per person.

If this Phase 2 funding request is not approved, the Department will continue to see high caseworker turnover, low employee morale, high costs for training, a limited pool of qualified applicants for child welfare positions, and unmet needs for the vulnerable children of Colorado.

Funding for Additional Staff

Under the current Child Welfare infrastructure, the Department estimates that it would take five years for counties to increase capacity to the additional 650 staff recommended in the workload study. Based on this estimation, the Department recommends only increasing the work force by 100 additional child welfare staff in FY 2016-17 which would address the high staff turnover. This request is for new county FTE only and not to supplement overtime costs at the county level. The hiring of additional staff will result in better management of a more appropriate number of cases in accordance with caseload, and workload, study recommendations. The Department proposes to expand the reach of professions by giving counties the option to hire nurses, educational liaisons, and other positions related to the well-being of children and youth in the care of counties. Funding for counties to hire additional staff will allow for better management and a more appropriate number of cases in accordance with workload study recommendations. By adding more staff, the counties would be able to continue implementing best practices and putting what is best for children first.

Funding for Stipends

The expansion of the educational stipends program would increase the reach of recruitment of child welfare candidates. As a result, by expanding the educational stipends, the Department would be able to continue implementing best practices and putting what is best for children first, and ensures that counties are hiring qualified staff to handle the current workload. Funding to expand the educational stipend program will increase the reach of recruitment of child welfare and help recruiting efforts, especially beyond the Metro Denver area of the State.

Funding for State FTE
Last, the Department requests three FTE positions for the Division of Child Welfare, two Child Protection Services Specialists and one Training Certification Specialist. As the staffing level in the counties increases, the Department needs additional staff to provide technical assistance and oversight.

A detailed list of duties to be performed by the three FTE positions follows.

<u>Child Protective Services Specialists (GP IV)</u>

- Monitor, supervise and provide oversight of county department practice regarding:
    - Referral, screening, and assessment;
    - Non-court involved in-home services;
    - Utilization of out-of-home placement;
    - Family engagement;
    - Family services planning; and
    - Compliance with Children's Code and Volume 7 regulations.
- Ensure the successful roll out of the revised Colorado Family Safety and Risk Assessment Tools;
- Ensure the successful expansion of Differential Response;
- Provide training, coaching, and technical assistance to 64 county departments;
- Provide training to community partners in all aspects of child protection;
- Serve as subject matter expert in child protective practice; and
- Represent the Division in local, state, and national arenas.

<u>Training Certification Specialist (GP III)</u>

- Facilitate courses as assigned by Training Center Coordinator;
- Review and familiarize self with all course curricula;
- Set up classroom environment and systems in a manner that ensures smooth course delivery commensurate with the needs of adult learners;
- Ensure learning experiences are culturally inclusive for all learners;
- Respond effectively to the needs of learners;
- Execute training logistics before, during, and after training, including but not limited to: managing registration and wait-lists; coordinating lodging needs; preparing training materials and participant binders; closing out courses in Learning Management System; ensuring effective completion of course evaluation processes including trainer evaluations and pre- and post- tests;
- Observe and/or engage in child welfare practices throughout the State to ensure course delivery is cutting edge, and aligned with current practices;
- Attend State practice initiative meetings and committees to ensure course delivery is connected with current practice initiatives;
- Participate in continuous quality improvement assessment, feedback, and coaching processes to guarantee best training facilitation practices;
- Attend and actively engaging in annual Trainer Skills Institute; and
- Operate classroom performance systems in an effort to maximize technology within the classroom.

Anticipated Outcomes:

With the increase of staff for the counties, the Department can better serve children in need of care in Colorado. Counties would have the resources to hire additional caseworkers, supervisors, and case aides, but could also choose to hire nurses, practice coaches, or educational specialists. In an effort to increase retention, job satisfaction, caseworker performance, and supervisor performance, practice coaches could be hired for the purpose of helping individuals to learn new skills faster, more efficiently and effectively, and support county departments in implementing new practices and strategies. As caseworkers are experiencing more complex cases, many with medical aspects, nurses could be hired as a resource for referral screening, medical consultation, assessments, medical report interpretations, referral to ongoing medical care, and medical records reviews. Children ages 0-5 are at the highest risk of near fatalities, and having a nurse consult on high risk cases could prove to be valuable.

The Department will increase staff in order to meet the current workload and expand the educational stipends to support case aides and students of social work who are pursuing a career in public child welfare through higher learning institutions outside the Denver Metro area. Stipends would allow current county department staff working in entry level positions an opportunity to advance.

The Department will partner with higher education institutions to determine if the institution's course offerings meet the personnel requirements for individuals working public child welfare. If the institution is eligible, the Department and institution will review current course participation and other data to determine the number of stipends that can be made available. The higher education institutions will continue to monitor stipend recipient's pay back and effectiveness in supporting rural county recruitment and retention.

Assumptions and Calculations:

Table 1 provides a line item summary of the request.

Table 1: Long Bill Line Item Summary

Table 1: Long Bill Appropriation and Requested Funding for FY 2016-17 Through FY 2018-19									
Line Item: (1) Executive Director's Office, Health, Life, and Dental	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**	**Medicaid Total Funds**	**Medicaid General Fund**	**Medicaid Federal Funds**	**Notes**
FY 2015-16 Appropriation (SB 15-242)	$33,990,114	$21,590,760	$647,045	$7,515,685	$4,236,624	$0	$0	$0	
Requested Funding (or Spending Authority)	$23,781	$19,738	$0	$0	$4,043	$0	$0	$0	Shown on Sechedule 13
FY 2016-17 Total Requested Appropriation	**$34,013,895**	**$21,610,498**	**$647,045**	**$7,515,685**	**$4,240,667**	**$0**	**$0**	**$0**	
FY 2017-18 Annualization of Prior Year Funding	$0	$0	$0	$0	$0	$0	$0	$0	Funds needed in FY 2017-18 - $23,781
FY 2017-18 Total Requested Appropriation	**$34,013,895**	**$21,610,498**	**$647,045**	**$7,515,685**	**$4,240,667**	**$0**	**$0**	**$0**	Decision item request is on-going/ annualization
FY 2018-19 Total Requested Appropriation	**$34,013,895**	**$21,610,498**	**$647,045**	**$7,515,685**	**$4,240,667**	**$0**	**$0**	**$0**	Decision item request is on-going/ annualization
Line Item: (1) Executive Director's Office, Short-term Disability	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**	**Medicaid Total Funds**	**Medicaid General Fund**	**Medicaid Federal Funds**	**Notes**
FY 2015-16 Appropriation (SB 15-242)	$492,114	$318,746	$11,054	$92,824	$69,490	$0	$0	$0	
Requested Funding (or Spending Authority)	$282	$234	$0	$0	$48	$0	$0	$0	Shown on Sechedule 13
FY 2016-17 Total Requested Appropriation	**$492,396**	**$318,980**	**$11,054**	**$92,824**	**$69,538**	**$0**	**$0**	**$0**	
FY 2017-18 Annualization of Prior Year Funding	$32	$27	$0	$0	$5	$0	$0	$0	Funds needed in FY 2017-18 - $314
FY 2017-18 Total Requested Appropriation	**$492,428**	**$319,007**	**$11,054**	**$92,824**	**$69,543**	**$0**	**$0**	**$0**	Decision item request is on-going/ annualization
FY 2018-19 Total Requested Appropriation	**$492,428**	**$319,007**	**$11,054**	**$92,824**	**$69,543**	**$0**	**$0**	**$0**	Decision item request is on-going/ annualization

Table 1: Long Bill Line Item Summary (continued)

Line Item: (1) Executive Director's Office, Amoritization Equalization Disbursement	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	Medicaid Total Funds	Medicaid General Fund	Medicaid Federal Funds	Notes
FY 2015-16 Appropriation (SB 15-242)	$10,152,863	$6,585,233	$222,977	$1,941,356	$1,403,297	$0	$0	$0	
Requested Funding (or Spending Authority)	$7,135	$5,922	$0	$0	$1,213	$0	$0	$0	Shown on Sechedule 13
FY 2016-17 Total Requested Appropriation	**$10,159,998**	**$6,591,155**	**$222,977**	**$1,941,356**	**$1,404,510**	**$0**	**$0**	**$0**	
FY 2017-18 Annualization of Prior Year Funding	$793	$658	$0	$0	$135	$0	$0	$0	Funds needed in FY 2017-18 - $7,928
FY 2017-18 Total Requested Appropriation	**$10,160,791**	**$6,591,813**	**$222,977**	**$1,941,356**	**$1,404,645**	**$0**	**$0**	**$0**	Decision item request is on-going/ annualization
FY 2018-19 Total Requested Appropriation	**$10,160,791**	**$6,591,813**	**$222,977**	**$1,941,356**	**$1,404,645**	**$0**	**$0**	**$0**	Decision item request is on-going/ annualization

Line Item: (1) Executive Director's Office, Supplemental Amoritization Equalization Disbursement	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	Medicaid Total Funds	Medicaid General Fund	Medicaid Federal Funds	Notes
FY 2015-16 Appropriation (SB 15-242)	$9,797,755	$6,351,748	$215,376	$1,875,174	$1,355,457	$0	$0	$0	
Requested Funding (or Spending Authority)	$7,061	$5,861	$0	$0	$1,200	$0	$0	$0	Shown on Sechedule 13
FY 2016-17 Total Requested Appropriation	**$9,804,816**	**$6,357,609**	**$215,376**	**$1,875,174**	**$1,356,657**	**$0**	**$0**	**$0**	
FY 2017-18 Annualization of Prior Year Funding	$784	$651	$0	$0	$133	$0	$0	$0	Funds needed in FY 2017-18 - $7,845
FY 2017-18 Total Requested Appropriation	**$9,805,600**	**$6,358,260**	**$215,376**	**$1,875,174**	**$1,356,790**	**$0**	**$0**	**$0**	Decision item request is on-going/ annualization
FY 2018-19 Total Requested Appropriation	**$9,805,600**	**$6,358,260**	**$215,376**	**$1,875,174**	**$1,356,790**	**$0**	**$0**	**$0**	Decision item request is on-going/ annualization

Line Item: (5) Division of Child Welfare, Child Welfare Staff Funding (New Line)	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	Medicaid Total Funds	Medicaid General Fund	Medicaid Federal Funds	Notes
FY 2015-16 Appropriation (SB 15-242)	$6,408,147	$5,714,028	$606,415	$0	$87,704	$0	$0	$0	
Requested Funding (or Spending Authority)	$6,715,593	$5,946,896	$614,959	$0	$153,738	$0	$0	$0	Shown on Sechedule 13
FY 2016-17 Total Requested Appropriation	**$13,123,740**	**$11,660,924**	**$1,221,374**	**$0**	**$241,442**	**$0**	**$0**	**$0**	
FY 2017-18 Annualization of Prior Year Funding	$4,608	$3,824	$0	$0	$784	$0	$0	$0	Funds needed in FY 2017-18 - $6,760,069
FY 2017-18 Total Requested Appropriation	**$13,128,348**	**$11,664,748**	**$1,221,374**	**$0**	**$242,226**	**$0**	**$0**	**$0**	Decision item request is on-going/ annualization
FY 2018-19 Total Requested Appropriation	**$13,128,348**	**$11,664,748**	**$1,221,374**	**$0**	**$242,226**	**$0**	**$0**	**$0**	Decision item request is on-going/ annualization

Tables 2 and 3 summarize the costs of the county staff, State FTE, and training stipends for FY 2016-17, FY 2017-18 and ongoing.

In Colorado, counties are responsible for approximately twenty percent of the cost of child welfare services, with state and federal share making up the remaining eighty percent. A county that qualifies as Tier 1 or Tier 2 for purposes of the County Tax Base Relief Fund, as defined in Section 26-1-126 C.R.S. (2015), is funded at one hundred percent of state and federal funds. The Joint Budget Committee (JBC) approved a 90/10 split (between General Fund and cash funds) in FY 2015-16 for Phase One of the funding. This request reflects the same calculation.

Table 2: FY 2016-17 Costs for County Staff, State FTE, and Educational Stipends

FY 2016-17	Table 2: Summary of Total Costs									
Child Welfare Staff	**Number of Staff**	**Salaries**	**Benefits**	**POTS**	**Operating**	**Training**	**Total Cost**	**General Fund**	**Cash Funds**	**Federal Funds**
Case Aides	3	$ 87,228	$ 26,169	$ -	$ 15,000	$ -	$ 128,397	$ 115,557	$ 12,840	$ -
Caseworkers	68	$ 2,795,616	$ 838,712	$ -	$ 340,000	$ 68,000	$ 4,042,328	$ 3,623,135	$ 397,433	$ 21,760
Supervisors	9	$ 480,168	$ 144,054	$ -	$ 45,000	$ 4,950	$ 674,172	$ 605,666	$ 66,922	$ 1,584
Total	**80**	**$ 3,363,012**	**$ 1,008,935**	**$ -**	**$ 400,000**	**$ 72,950**	**$ 4,844,897**	**$ 4,344,358**	**$ 477,195**	**$ 23,344**
Ancillary Staff	**Number of Staff**	**Salaries**	**Benefits**	**POTS**	**Operating**	**Training**	**Total Cost**	**General Fund**	**Cash Funds**	**Federal Funds**
Nurses	10	$ 571,680	$ 171,504	$ -	$ 50,000	$ -	$ 793,184	$ 713,866	$ 79,318	$ -
Educational Specialists	5	$ 205,560	$ 61,668	$ -	$ 25,000	$ -	$ 292,228	$ 263,005	$ 29,223	$ -
Housing Coordinators	5	$ 205,560	$ 61,668	$ -	$ 25,000	$ -	$ 292,228	$ 263,005	$ 29,223	$ -
Total	**20**	**$ 982,800**	**$ 294,840**	**$ -**	**$ 100,000**	**$ -**	**$ 1,377,640**	**$ 1,239,876**	**$ 137,764**	**$ -**
State Staff	**Number of Staff**	**Salaries**	**Benefits**	**POTS**	**Operating**	**Training**	**Total Cost**	**General Fund**	**Cash Funds**	**Federal Funds**
CPS Specialist	1.8	$ 105,991	$ 12,295	$ 26,178	$ 11,116		$ 155,580	$ 129,132	$ -	$ 26,448
Training Specialist	0.9	$ 42,649	$ 4,947	$ 12,081	$ 5,558		$ 65,235	$ 54,145	$ -	$ 11,090
Total	**2.7**	**$ 148,640**	**$ 17,242**	**$ 38,259**	**$ 16,674**	**$ -**	**$ 220,815**	**$ 183,277**	**$ -**	**$ 37,538**
Educational Stipends	**Number of Stipends**	**Cost per Stipend**					**Total Cost**	**General Fund**	**Cash Funds**	**Federal Funds**
BS Stipends	12	$ 8,200					$ 98,400	$ 66,912		$ 31,488
MSW Stipends	12	$ 12,500		$ -			$ 150,000	$ 102,000		$ 48,000
Administrative Cost (25% of actual costs)							$ 62,100	$ 42,228		$ 19,872
Total	**24**	**$ 20,700**		**$ -**			**$ 310,500**	**$ 211,140**		**$ 99,360**
							Total Cost	**General Fund**	**Cash Funds**	**Federal Funds**
Total Funding							**$ 6,753,852**	**$ 5,978,651**	**$ 614,959**	**$ 160,242**

Table 3: FY 2017-18 and Ongoing Costs for County Staff, State FTE, and Educational Stipends

FY 2017-18	Table 3: Summary of Total Costs									
Child Welfare Staff	**Number of Staff**	**Salaries**	**Benefits**	**POTS**	**Operating**	**Training**	**Total Cost**	**General Fund**	**Cash Funds**	**Federal Funds**
Case Aides	3	$ 87,228	$ 26,169	$ -	$ 15,000	$ -	$ 128,397	$ 115,557	$ 12,840	$ -
Caseworkers	68	$ 2,795,616	$ 838,712	$ -	$ 340,000	$ 68,000	$ 4,042,328	$ 3,623,135	$ 397,433	$ 21,760
Supervisors	9	$ 480,168	$ 144,054	$ -	$ 45,000	$ 4,950	$ 674,172	$ 605,666	$ 66,922	$ 1,584
Total	**80**	**$ 3,363,012**	**$ 1,008,935**	**$ -**	**$ 400,000**	**$ 72,950**	**$ 4,844,897**	**$ 4,344,358**	**$ 477,195**	**$ 23,344**
Ancillary Staff	**Number of Staff**	**Salaries**	**Benefits**	**POTS**	**Operating**	**Training**	**Total Cost**	**General Fund**	**Cash Funds**	**Federal Funds**
Nurses	10	$ 571,680	$ 171,504	$ -	$ 50,000	$ -	$ 793,184	$ 713,866	$ 79,318	$ -
Educational Specialists	5	$ 205,560	$ 61,668	$ -	$ 25,000	$ -	$ 292,228	$ 263,005	$ 29,223	$ -
Housing Coordinators	5	$ 205,560	$ 61,668	$ -	$ 25,000	$ -	$ 292,228	$ 263,005	$ 29,223	$ -
Total	**20**	**$ 982,800**	**$ 294,840**	**$ -**	**$ 100,000**	**$ -**	**$ 1,377,640**	**$ 1,239,876**	**$ 137,764**	**$ -**
State Staff	**Number of Staff**	**Salaries**	**Benefits**	**POTS**	**Operating**	**Training**	**Total Cost**	**General Fund**	**Cash Funds**	**Federal Funds**
CPS Specialist	2	$ 117,768	$ 13,661	$ 27,325	$ 1,900		$ 160,654	$ 133,343	$ -	$ 27,311
Training Specialist	1	$ 47,388	$ 5,497	$ 12,543	$ 950		$ 66,378	$ 55,094	$ -	$ 11,284
Total	**3**	**$ 165,156**	**$ 19,158**	**$ 39,868**	**$ 2,850**	**$ -**	**$ 227,032**	**$ 188,437**	**$ -**	**$ 38,595**
Educational Stipends	**Number of Stipends**	**Cost per Stipend**					**Total Cost**	**General Fund**	**Cash Funds**	**Federal Funds**
BS Stipends	12	$ 8,200					$ 98,400	$ 66,912		$ 31,488
MSW Stipends	12	$ 12,500					$ 150,000	$ 102,000		$ 48,000
Administrative Cost (25% of actual costs)							$ 62,100	$ 42,228		$ 19,872
Total	**24**	**$ 20,700**					**$ 310,500**	**$ 211,140**		**$ 99,360**
							Total Cost	**General Fund**	**Cash Funds**	**Federal Funds**
Total Funding							**$ 6,760,069**	**$ 5,983,811**	**$ 614,959**	**$ 161,299**

Table 4 below shows the calculation of salary, benefits, and other costs associated with the State FTE.

Table 4: FTE Costs

FTE Calculation Assumptions:

Operating Expenses -- Base operating expenses are included per FTE for $500 per year. In addition, for regular FTE, annual telephone costs assume base charges of $450 per year.

Standard Capital Purchases -- Each additional employee necessitates the purchase of a Personal Computer ($900), Office Suite Software ($330), and office furniture ($3,473).

General Fund FTE -- New full-time General Fund positions are reflected in Year 1 as 0.9166 FTE to account for the pay-date shift. This applies to personal services costs only; operating costs are not subject to the pay-date shift.

Expenditure Detail		Year 1 (Request Year)		Year 2 (Out-year)	
Personal Services:					
Classification Title	Monthly	FTE		FTE	
GENERAL PROFESSIONAL IV	$4,907	1.8	$105,991	2.0	$117,768
PERA			$10,758		$11,953
AED			$5,088		$5,653
SAED			$5,035		$5,594
Medicare			$1,537		$1,708
STD			$201		$224
Health-Life-Dental			$15,854		$15,854
Subtotal Position 1, #.# FTE		**1.8**	**$144,464**	**2.0**	**$158,754**
Classification Title	Monthly	FTE		FTE	
GENERAL PROFESSIONAL III	$3,949	0.9	$42,649	1.0	$47,388
PERA			$4,329		$4,810
AED			$2,047		$2,275
SAED			$2,026		$2,251
Medicare			$618		$687
STD			$81		$90
Health-Life-Dental			$7,927		$7,927
Subtotal Position 2, #.# FTE		**0.9**	**$59,677**	**1.0**	**$65,428**
Subtotal Personal Services		2.7	**$204,141**	3.0	**$224,182**
Operating Expenses:					
		FTE		FTE	
Regular FTE Operating	$500	2.7	$1,350	3.0	$1,500
Telephone Expenses	$450	2.7	$1,215	3.0	$1,350
PC, One-Time	$1,230	3.0	$3,690	-	$0
Office Furniture, One-Time	$3,473	3.0	$10,419	-	$0
Other:	$5,000	0.0	$0	-	$0
Other:	$25.05	0.0	$0	-	$0
Other					
Subtotal Operating Expenses			**$16,674**		**$2,850**
TOTAL REQUEST		2.7	**$220,815**	3.0	**$227,032**
	General Fund:		*$183,277*		*$188,437*
	Cash funds:				
	Reappropriated Funds:				
	Federal Funds:		*$37,538*		*$38,595*

Schedule 13

Funding Request for the FY 2016-17 Budget Cycle

Department of Human Services

Request Title

R-02 DYC Security Staffing in Facilities - Phase 2

Dept. Approval By: Melissa Wavelet

OSPB Approval By: Eric M Seal 10/28/15

	Supplemental FY 2015-16
X	**Change Request FY 2016-17**
	Base Reduction FY 2016-17
	Budget Amendment FY 2016-17

Summary Information	Fund	FY 2015-16 Initial Appropriatio	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
Total of All Line Items Impacted by Change Request	**Total**	**$104,394,622**	**$0**	**$104,057,634**	**$4,687,425**	**$7,268,262**
	FTE	809.0	0.0	809.0	78.8	125.0
	GF	$83,467,847	$0	$85,384,068	$4,687,425	$7,268,262
	CF	$1,096,452	$0	$970,867	$0	$0
	RF	$12,765,239	$0	$12,261,511	$0	$0
	FF	$7,065,084	$0	$5,441,188	$0	$0

Line Item Information	Fund	FY 2015-16 Initial Appropriatio	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
01. Executive Director's Office - Health, Life, And Dental	**Total**	**$33,990,114**	**$0**	**$32,271,771**	**$634,175**	**$990,899**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$21,590,760	$0	$21,762,826	$634,175	$990,899
	CF	$647,045	$0	$543,180	$0	$0
	RF	$7,515,685	$0	$6,909,927	$0	$0
	FF	$4,236,624	$0	$3,055,838	$0	$0
01. Executive Director's Office - Short-Term Disability	**Total**	**$492,114**	**$0**	**$398,978**	**$6,093**	**$9,627**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$318,746	$0	$269,773	$6,093	$9,627
	CF	$11,054	$0	$8,271	$0	$0
	RF	$92,824	$0	$74,665	$0	$0
	FF	$69,490	$0	$46,269	$0	$0
01. Executive Director's Office - Amortization Equalization Disbursement	**Total**	**$10,152,863**	**$0**	**$10,397,949**	**$153,933**	**$243,204**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$6,585,233	$0	$7,032,923	$153,933	$243,204
	CF	$222,977	$0	$210,806	$0	$0
	RF	$1,941,356	$0	$1,978,665	$0	$0

	FF	$1,403,297	$0	$1,175,555	$0	$0
01. Executive Director's Office - S.B. 06-235 Supplemental Equalization Disbursement	**Total**	**$9,797,755**	**$0**	**$10,289,637**	**$152,330**	**$240,671**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$6,351,748	$0	$6,959,663	$152,330	$240,671
	CF	$215,376	$0	$208,610	$0	$0
	RF	$1,875,174	$0	$1,958,054	$0	$0
	FF	$1,355,457	$0	$1,163,310	$0	$0
11. Division of Youth Corrections - Personal Services	**Total**	**$46,332,829**	**$0**	**$47,069,068**	**$3,578,957**	**$5,654,491**
	FTE	809.3	0.0	809.3	78.8	125.0
	GF	$46,332,829	$0	$47,069,068	$3,578,957	$5,654,491
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0
11. Division of Youth Corrections - Operating Expenses	**Total**	**$3,628,947**	**$0**	**$3,630,231**	**$161,937**	**$129,370**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$2,288,531	$0	$2,289,815	$161,937	$129,370
	CF	$0	$0	$0	$0	$0
	RF	$1,340,200	$0	$1,340,200	$0	$0
	FF	$216	$0	$216	$0	$0

Letternote Text Revision Required? Yes ___ No X **If Yes, describe the Letternote Text Revision:**

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

Reappropriated Funds Source, by Department and Line Item Nam **N/A**

Approval by OIT? Yes ___ No ___ **Not Require** X

Schedule 13s from Affected Departments: **N/A**

Other Information: **N/A**

Cost and FTE

- The Department requests $4,687,425 General Fund and 78.8 FTE to appropriately fund staffing for state secure facilities and to contract for a special education needs assessment in FY 2016-17. The request annualizes to $7,268,262 General Fund and 125.0 FTE in FY 2017-18.

Current Program

- The Division of Youth Corrections (DYC) provides a continuum of residential services that encompass juvenile detention, commitment and parole, and operates 10 State-owned secure facilities which include diagnostic, education, and program services for juveniles.
- The Division of Youth Corrections currently has 503 direct care staff and serves an average daily population of 1,025 youth in commitment and detention.
- The recent infusion of staff has yielded lower fights and assaults but a further decrease is needed in these behaviors to yield safe and secure environments.
- The special education programming in DYC provides direct and consultative services to youth in its facilities with individualized education plans (IEPs) in the six state commitment facilities.

Problem or Opportunity

- The Division has not historically used direct-care staffing levels based on staff to youth ratios.
- The Division continues to serve more complex youth which tend to elevate the number of fights and assaults experienced in facilities. The last six months of calendar year 2014 averaged 104.1 assaults/fights per month compared to the first six months of calendar year 2015 which has averaged 86.6 assaults per month. While this represents a 16.8% decrease, the level of assaults/fights is still considerably above the historical average.
- The current ratio of youth to special education teachers in DYC is 29:1. DYC is not able to adequately maintain federally required processes with such high ratios of youth to teachers.

Consequences of Problem

- Failure to adequately staff secure facilities may ultimately lead to a degradation of services that could manifest in an increased number of violent and self-harming acts, youth and staff injuries, and an overall unsafe environment. Recent staff increases correlate to a decreased rate of fights and assaults which were previously increasing. The Department expects this to continue, but only to a point without additional staffing.
- Colorado will not be in adherence to the federal Prison Rape Elimination Act standards, which in part outlines appropriate staff to youth ratios that Colorado does not currently meet.

Proposed Solution

- The Department requests additional funding to support safe environments in State-operated secure facilities and represents Phase 2 of the original funding request which was requested for and funded in FY 2015-16.

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Department Priority: R-02
Request Detail: DYC Security Staffing in Facilities – Phase 2

Summary of Incremental Funding Change for FY 2016-17	Total Funds	General Fund	FTE
DYC Security Staffing in Facilities - Phase 2	$4,687,425	$4,687,425	78.8

Problem or Opportunity:

The Department requests $4,687,425 General Fund and 78.8 FTE in FY 2016-17 to continue to appropriately address staff to youth ratios in order to mitigate safety and security issues for youth and staff within the state operated youth corrections facilities and to fund a special education needs assessment. The request annualizes to $7,268,262 General Fund, 125.0 FTE in FY 2017-18. This funding request is the second phase of additional staffing for the Department's Division of Youth Corrections' (DYC) ten State-operated facilities.

The Department requested, and the Joint Budget Committee approved, funding for $729,233 General Fund and 23.8 FTE in FY 2014-15 for the first phase of increasing staffing at the youth correction facilities. The JBC also approved $2,971,849 General Fund and 75.0 (23.8 annualized to 53.0, plus 22.0) FTE in FY 2015-16.

This request is intended to address on-going safety and security issues within DYC State-operated facilities to effectively reduce fights, assaults, and youth and staff injuries. As will be discussed in further detail later in this request, the historical staffing framework for the Division's State-operated facilities has resulted in inadequate resources to successfully supervise youth in a manner that maintains a safe and secure environment for all youth and staff. The Department also has a capital request in for the third phase of facility refurbishments that are necessary for increased security and safety. Both requests highlight the Department's emphasis on safety for youth and staff.

For the purposes of this request direct staff supervision is defined as security staffs that are physically located in the same room, and within reasonable hearing distance of the youth.

Supporting Research/Authority

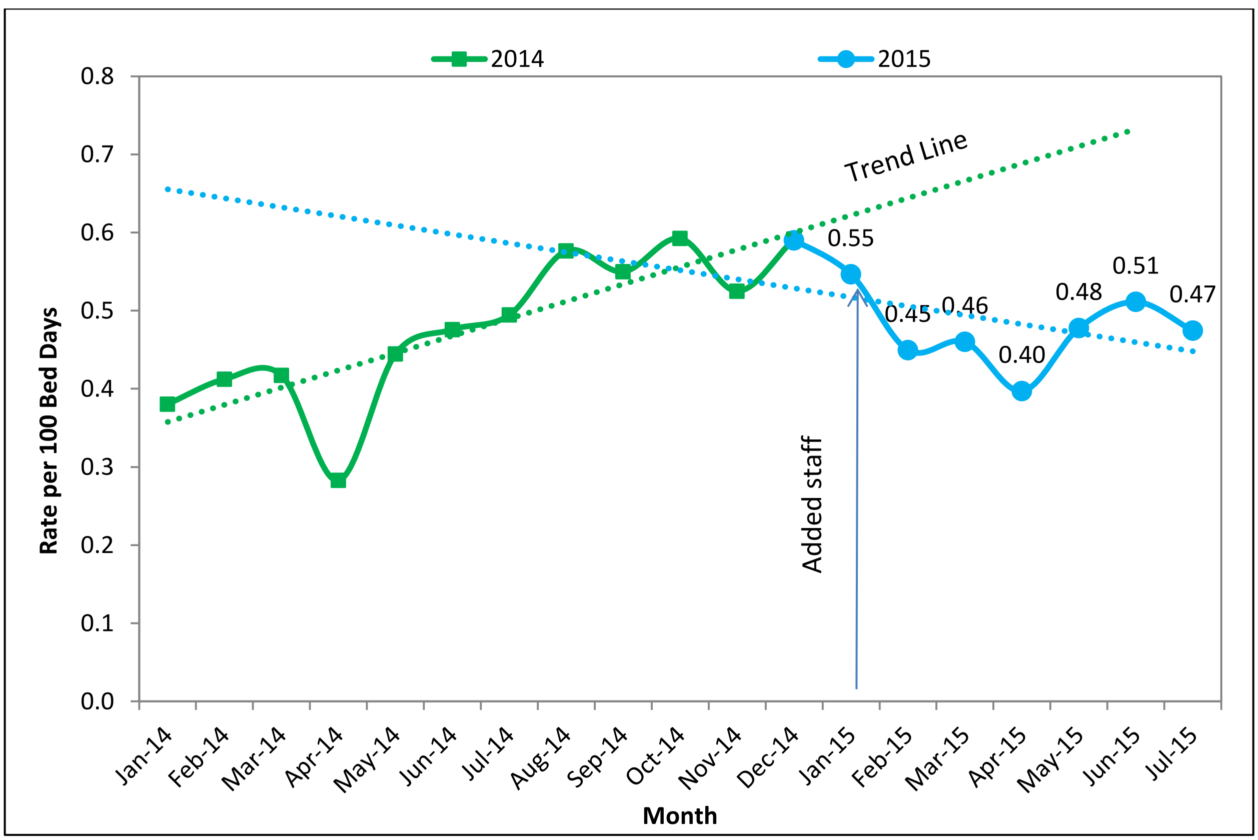
Research conducted in the mid 1960's to early 1970's in California looked directly at group size as it related to staff's abilities to interact with youth and the behaviors of youth in those groups. According to *The Relationship Between Group Size and Outcomes in Juvenile Corrections: A Partial Review of the Literature*, an article published in the Juvenile Justice and Detention services, Volume 17, Number 1, Spring 2002, prior resaearch found that staff with fewer residents had the, "opportunity to develop supportive individual relationships with residents". In contrast, staff with larger resident populations were found to use military-style regimentation, frequent use of punishment, and reliance on more peer-directed groups to control other residents.

This same research found that youth exposed to smaller group sizes were able to spend more time focusing on post-release issues, and had a 26% improved recidivism rate over the control group within 15 months of release. Youth with a mental health diagnosis show a parole violation rate of 30% as compared with the 61% mental health classified youth assigned to a larger unit. This is relevant given that May 2015 shows that 52% of DYC youth in secure placement have been found to have a mental health component.

Increased staffing allows for the DYC to provide a well-functioning milieu, a strong learning environment, professional relationships with youth, and appropriate levels of programming that enhance skill development in the youth served. All of these factors combined support a safe and secure environment.

Chart 1 indicates that Facility Fight/Assault trends may be leveling off. The trend line from January 2014 through July 2015 begins with an increase, flattens out, and is beginning to show a slight declining trend. From the Department's standpoint, the additional 53.0 FTE had a positive result in reduced fights and assaults in state-operated facilities. The Division received additional FTE who were hired in December/January and were working the floor in January/February. Drawing from this data, the Department anticipates that the declining trend will continue. In fact, the Department had to allocate a number of the new staff received to the midnight shifts to fill gaps, and anticipates that with this current request, more staff can be hired for waking hours and will have an even greater impact.

Chart 1: Fights and Assault Trends in the Division of Youth Corrections



In addition to improving the safety and security of facilities, increased staffing also meets the mandate from the Prison Rape Elimination Act (PREA) of 2003 (PL 108-79) as well as the Department of Justice (DOJ) PREA Standards (28 CRF Part 115) that require that by October 2017 the Department has a staffing pattern that is determined by staff to youth ratios. Specifically, the standard states “Each secure juvenile facility shall maintain staff ratios of a minimum of 1:8 during resident waking hours and 1:16 during resident sleeping hours” (PREA standard §115.313).

In consideration of safety and security issues, and continuing with the phased approach to ensure adequate staff is available to supervise youth on all shifts, the Department is proposing to further increase DYC staff. In the funding request submitted for FY 2015-16, the Department proposed the total FTE needed was 319. Ultimately the Division has identified a total need of 280 positions as detailed below, which will be required to comply with PREA ratios and to provide the appropriate level of safety and security within State facilities. This has been determined by reviewing the capacity of each living unit within each facility to calculate staff required. In addition, operational duties which are performed by direct care staff have been incorporated into the calculation, as these duties remove direct care staff from direct supervision of youth. With the 53 positions appropriated for FY 2014-15 and 22 new positions for FY 2015-16, DYC still needs 205 positions as shown below in Table 1 to meet the federally required staffing ratios. The Department is requesting 125 positions in FY 2016-17 and the remaining 80 positions in a future request.

Table 1: Summary of Positions Needed

	FY 2015-16 R-04 DYC Staffing Enhancements	FY 2016-17 Revised Need	Change
Need By Category:			
Direct care staff	169.0	169.0	0.0
Direct care staff in classrooms	25.0	0.0	(25.0)
Operational staff	88.0	88.0	0.0
Supervisors	21.0	21.0	0.0
Support	4.0	2.0	(2.0)
Family engagement	12.0		(12.0)
Total FTE	**319.0**	**280.0**	**(39.0)**
Less FTE already received:			
Less positions funded in FY 2014-15		(53.0)	
Less positions funded in FY 2015-16		(22.0)	
Net FTE still needed		**205.0**	
FY 2016-17 Request		(125.0)	
Future Request		80.0	

Detention and Commitment: Current and Future Need for Secure Capacity

The following provides context for DYC's State-operated facilities structure as well as background for future capacity needs.

Detention Capacity

DYC operates ten secure residential facilities. These facilities serve two distinct populations of youth: detained and committed. Detained youth are held in detention for short term stays, under the jurisdiction of the juvenile court. Juvenile detention facilities are situated in geographically accessible locations to ensure access by all judicial districts. Detention beds are statutorily capped at 382.

Commitment Capacity

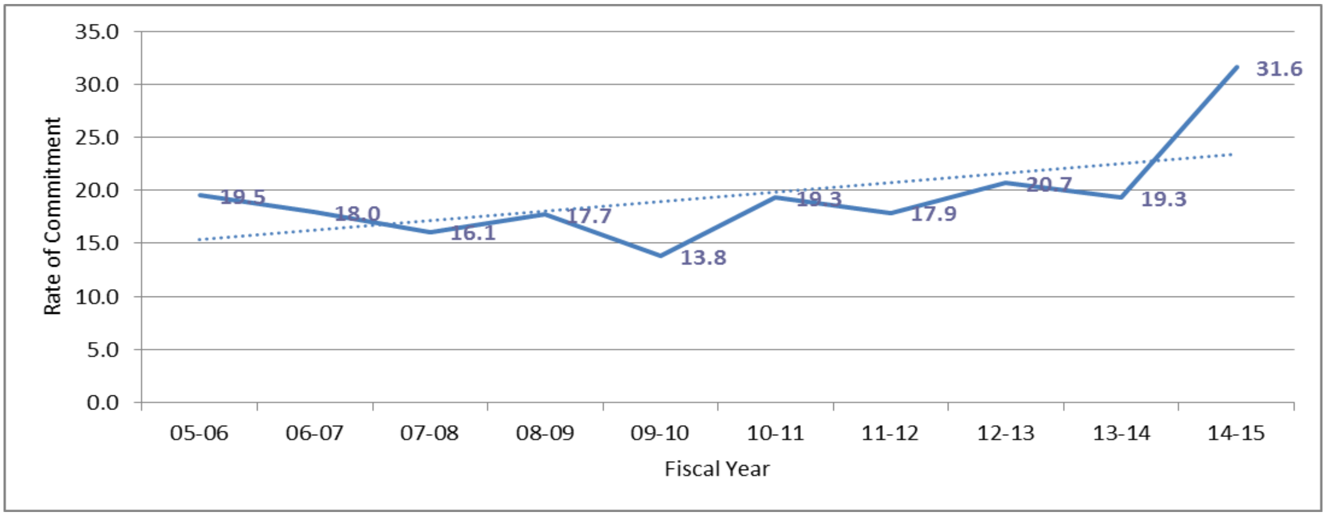
DYC also serves youth committed to the custody of the Department, for an average of 18-24 months in length.

The Department analyzed the characteristics of youth entering the commitment system to project the percent of the total population who will require secure residential treatment based primarily upon security classification (offense, treatment needs, run history, and other factors). The proportion of the population requiring secure residential treatment has risen from 36% at the close of FY 2010-11 to a current level of 46% for FY 2014-15. While DYC has been seeing a reduction in the total number of commitment beds needed over the past several years, DYC has experienced a shift in the mixture of those youth who need secure bed placement.

Possible Reason(s) for Increasing Secure Need

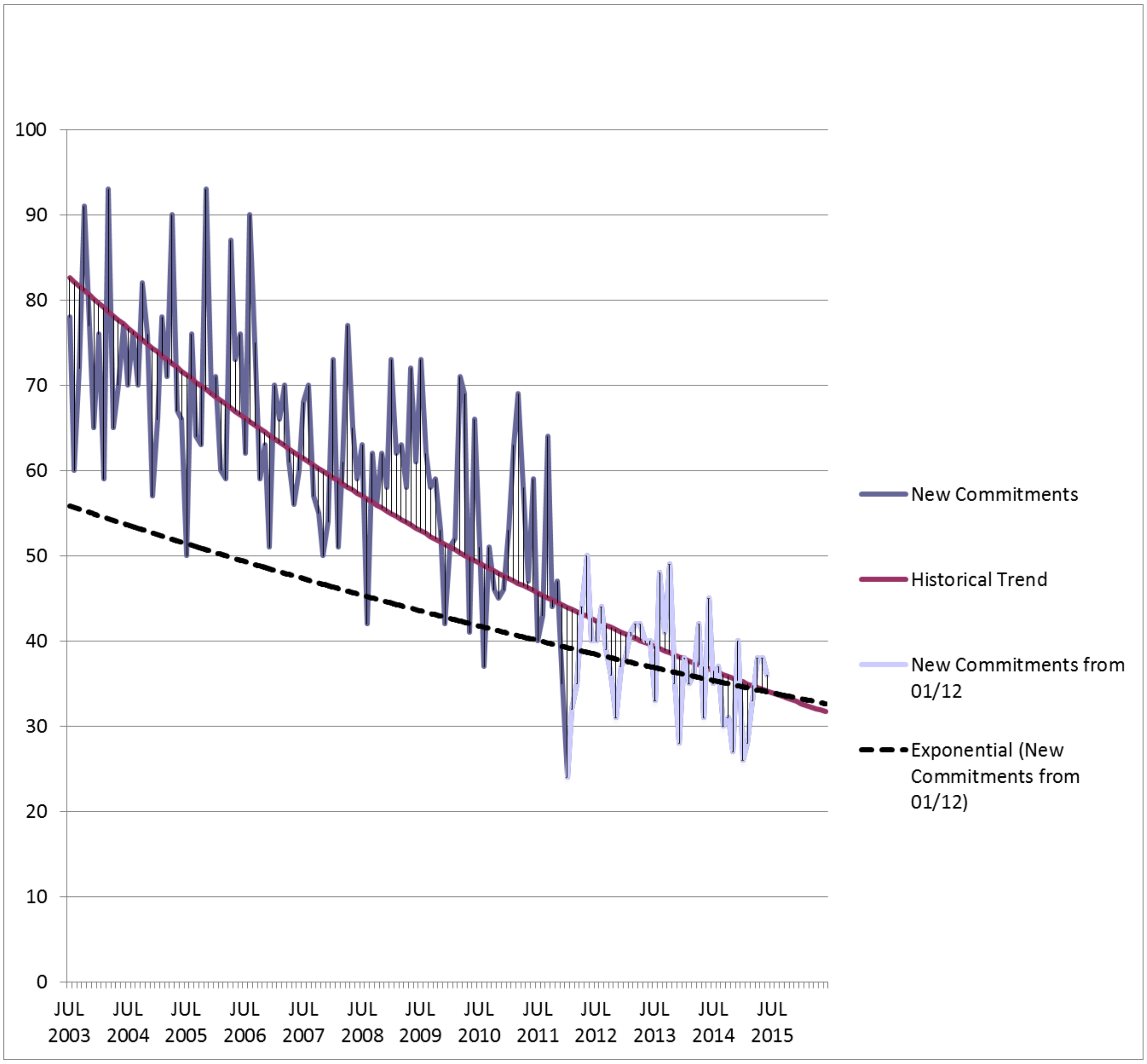
(1) **Sharp Increase in Recommitments**: The 46% of committed youth requiring secure placement is a percentage of total commitment average daily population (ADP), not just new commitments. Therefore, recommitments can affect this percentage to a large extent. In FY 2014-15 recommitments reached an 8-year high with 234. The last time recommitments were at a comparable level was FY 2006-07. The rate of recommitment has generally remained between 18.0 and 20.0 per 100 ADP; however, in FY 2014-15 the rate increased drastically to 31.6. Recommitted youth often need to remain in secure placement until they are deemed ready and safe to step down to a lower security level because they frequently come as a result of a youth failing in a less secure placement - escaping/walking away from those placements, or picking up charges for new criminal behavior. Chart 2 shows the recommitment rates over several fiscal years.

Chart 2: Recommitment Rates (per 100 ADP) in the Division of Youth Corrections



(2) **New Commitments to the Division are no longer declining and seem to be leveling off**. Internally, DYC has investigated whether there were any significant shifts in new commitments and the extent that these shifts have occurred in recent months compared to a longer time frame. Results indicate that while new commitments are still declining, since January 2012, the decline is markedly more flat than in the period from FY 2003-04 through FY 2014-15. Chart 3 shows new commitments over several fiscal years. This could suggest that populations may again start increasing after a prolonged period of decline. Commitment ADP is a significant lag measure affected by new crimes, filings, adjudications, probation failures, and lastly new commitments. This potential "flattening" of new commitment trends seems to echo other justice system trends that are beginning to surface. After 6 years of declines in juvenile arrests, FY 2013-14 experienced an increase.

Chart 3: Commitment Trends in the Division of Youth Corrections (July 2003-July 2015)

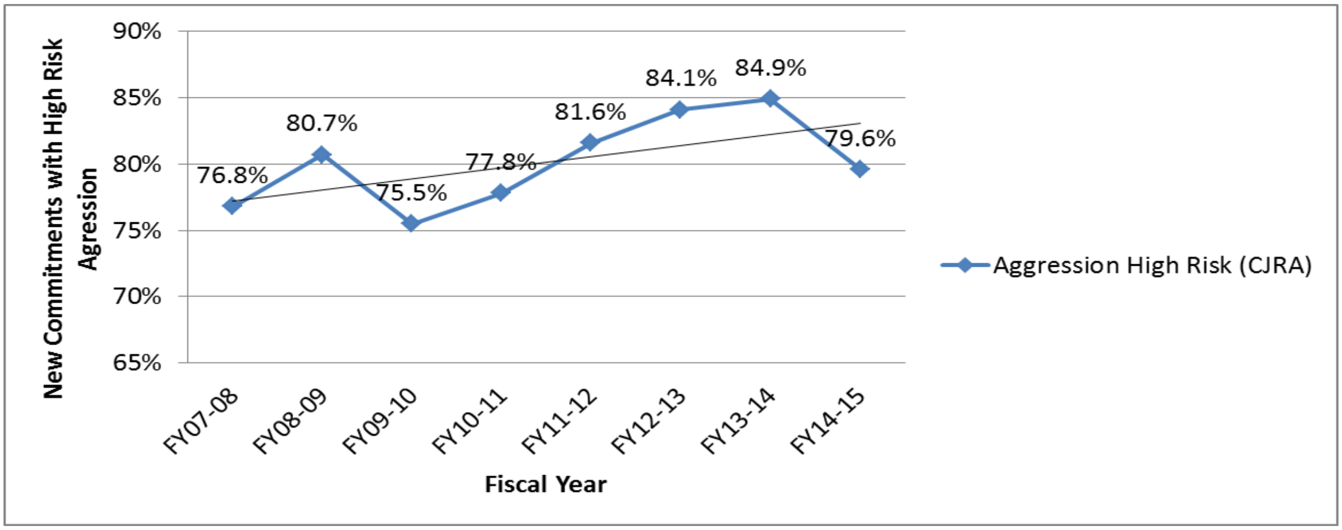


(3) **Increase in Youth with Complex Behavioral Health Issues and Highly Aggressive Behavior.** Behavioral health complexities, including emotional disturbance and brain injury, result in higher recidivism rates. The greater the behavioral health treatment needs, the greater likelihood of recidivism and the higher the proportion of youth needing a secure setting for their care and treatment.

The intensity of behavioral health needs in the DYC population is evident in the fact that the Division has experienced double the number of serious suicide attempts over the course of the last year, increasing from 41 such incidents in FY 2013-14 to 83 serious attempts in FY 2014-15.

Although in FY 2014-15 new commitments presented somewhat of an anomaly, there has been a steady increase over the past several years in the percentage of newly committed youth who enter the DYC system with high risk scores in the domain of aggression. Chart 4 illustrates this. These youth are difficult to treat in less secure settings and their levels of aggression and violence are often unmanageable within the community.

Chart 4: Behavioral Health Complexities in New Commitments



Direct Care Staffing Structure in Division of Youth Corrections' Secure Facilities

The mechanism for determining the appropriate direct-care staffing level in DYC's ten State-operated facilities has been traditionally based upon "critical posts." This method for identifying the staffing need is centered on analyzing the number of locations or "posts" in a particular facility that requires staff coverage. A shift relief factor is then applied to the total number of critical posts to ascertain the facility's direct-care staffing need. By contrast, licensed facilities in the State of Colorado are governed by staffing ratios (the ratio of staff to the number of youth in a given unit or programming area) that are included in the rules governing 24-hour residential facilities.

The critical post approach does not take into account the operational needs of a facility, for example, posts do not include the number of staff required to move youth from one location to another, to supervise youth in visits, activities or on telephone calls with family members. Critical post staffing models do not support a dynamic population and there is a growing need to transition into a ratio based model, coupled with close attention paid to the total number of youth in each center.

As result of the aforementioned, last year DYC began the transition of moving away from critical post to youth to staff ratio with operational post.

Current Secure Facility Staffing Levels

The critical post staffing method results in a variety of staffing ratios dependent upon the size and configuration of units in a particular facility. Some facilities have units with 20 beds; while others have units with 12 or 14 beds. Twenty-bed units have two staff assigned while 12-bed units have one staff. The characteristics of the population, including gender, age, and offense type affects the configuration of youth in units, sometimes resulting in one unit running at a level above the stated capacity, for example, a 20 bed unit may have 22 youth or a 12 bed unit may have 14 youth.

This results in ratios that range from 1:10 to 1:14 during waking hours. During sleeping hours, a living unit may have one staff assigned, resulting in a ratio of 1:20. A sufficient number of staff does not currently exist to develop those supportive individual relationships, identified in research stated previously; nor do the staffing levels meet the minimum staffing ratio of 1:8 during waking hours set by the U.S. Department of Justice. These waking ratios do not vary based on activity. This request for additional positions will allow the Division to achieve a 1:10 ratio during waking hours and a 1:20 ratio during sleeping hours. The PREA staffing level of 1:8 waking and 1:16 sleeping would be achieved in a future request for an additional 80 staff.

Staffing Levels and Adequate Supervision to Maintain Safety and Security
The shift from critical post staffing models to a ratio based model for the purposes of enhancing safety, security, and programming also presents an opportunity for the Department to assure safety, reduce assaults and fights, reduce the use of seclusion and restraint as well as ensure school safety. The critical post structure does not reflect the level of resources needed to effectively and safely supervise and care for the youth entering the detention and commitment system.

The incorporation of last year's staffing allocation helped to support the mission of the Department and affected safety and security. While all facilities saw an infusion of new staff, many were allocated where the need for relief was greatest; for example, in a number of facilities staff was designated to go to the night shift where increased supervision was needed. In facilities where the greatest need was on day and evening shifts, there was a notable positive impact on the level of violence. For example, from October 2014 through June 2015, Zebulon Pike saw a 20% reduction in the average number of assaults and fights per month since the increase of staff.

Limited Resources for Special Education
In addition to the steady increase of newly committed youth who enter the DYC system with high risk scores in the domain of aggression, the number of youth/students who have been identified with a Social Emotional Disability has risen. This is significant as it describes students, who among other issues, have difficulties with interpersonal relationships (conflict, fighting, etc.) and/or lack significant social skills. These students struggle behaviorally in the classroom and require higher levels of support and attention from teachers and other adjunct professionals.

Context
The Division of Youth Corrections' education program serves approximately 335 students with special education needs over the course of a fiscal year. At any given time, approximately 50% of the student population in DYC is comprised of students with disabilities and of these, 60% are identified as having emotional disabilities. The national average for the percentage of special education students served during a year in public schools is 12.9% (U.S. Department of Education, National Center for Education Statistics, 2015). This extraordinarily high ratio of special education students in the DYC population requires a much higher staffing level of special education teachers than are provided in the average public school.

Currently, the DYC has limited resources to provide special education students with the services necessary to ensure compliance with Individuals with Disabilities Education Act (IDEA) during a time when DYC has experienced a significant increase in the number of special education students who fall into the category of Social/Emotional Disability. The number of students who have been identified with a Social Emotional Disability has risen from 38% in FY 2009-10 to 65% in FY 2013-14. This is significant as it describes students, who among other issues, have difficulties with interpersonal relationships (conflict, fighting, etc.) and/or lack significant social skills. These students struggle behaviorally in the classroom and require higher levels of support and attention from teachers and other adjunct professionals.

The Division of Youth Corrections currently provides special education services to youth committed to the custody of the Department through State FTE and through contract providers. Through both structures, DYC is only able to provide a bare minimum of the necessary services. In addition, the DYC does not have school social workers who are essential in providing certain behavioral intervention support and services. Such positions require a firm understanding of special education laws, specialty education and licensing. The lack of available resources to address special education needs puts the Department at risk of violating the IDEA. The issues surrounding the provision of special education services are compounded by the fact these services are being provided in a secure youth correction's institution. Behavioral intervention must be coordinated between education staff and milieu staff requiring additional time, effort and expertise. These school social worker positions would be able to travel to provide services to facilities including the conducting a Manifestation Determination Review (MDR). This review is required by law to ensure that the behavior which necessitated classroom removals was not a result of the student's disability.

Resource Deficiencies

Special Education Student Needs

Each student with identified special education needs is required to have an Individualized Education Plan (IEP) developed specific to their learning and behavioral needs. This plan must be created and monitored by licensed and trained special education teachers and be in compliance with all IDEA and Colorado Exceptional Children's Education Act (ECEA) rules and regulations. Current understaffing prevents students with emotional disabilities and behavioral issues from receiving the level and quality of services needed to be successful in the general education classroom and impedes DYC from implementing all IDEA/ECEA requirements with consistency and fidelity, leaving the Department open to legal due process complaints and other litigation.

Support from Licensed School Social Work / Counselor

School districts hire professionals (school psychologists, counselors and school social workers) who are specially trained and licensed through the Colorado Department of Education in providing services in the education setting. An IEP team often determines that a student with emotional disabilities be provided some form of behavioral support from educationally licensed school psychologists, social workers, or counselors to improve classroom success. Such individuals provide services that are directly supporting teachers in each of the six areas noted below. These services may take the form of direct student intervention, consultation in planning, or facilitating various types of meetings.

Impact of Resource Deficiencies to the Ability to Meet IDEA Elements

Current special education teacher staffing levels and the lack of school social worker/counselor/psychologist positions impact DYC's ability to meet IDEA requirements that students with behavioral issues be provided every opportunity to access appropriate education services.

Such requirements means schools must:

1. Teach appropriate replacement behaviors;
2. Employ a multiplicity of interventions to ensure access to education services;
3. Monitor and evaluate the success of interventions on a daily/weekly basis;
4. Develop functional behavioral assessments (FBA) on students with ongoing behavioral needs to determine root cause and probable interventions;

5. Develop specific and individualized behavior intervention plans (BIP) to support the student in successfully accessing the general education curriculum; and,
6. Hold Manifestation Determination Review (MDR) meetings each time a student is out of school for 10 schools days in a school year, whether those days are consecutive or cumulative.

Given the high percentage of students in DYC with emotional disabilities and related behavioral issues, these processes need to be utilized consistently and with fidelity to ensure special education students the greatest opportunity to be successful in the educational setting.

All of these processes must be directed and monitored by licensed and trained special education staff. The current number of special education teachers limit the DYC's ability to fulfill the requirements of providing students the needed supports for academic success and does not mitigate legal challenges of the DYC special education practices. Special education teachers are unable to both tend to the class as a whole and manage the individual requirements of youth to ensure that behaviors in the class are not manifestations of their disabilities.

Liability

The DYC is the Administrative Unit (AU) of record for special education services provided to students in the six DYC State-operated commitment facilities. The Colorado Department of Education (CDE) holds DYC legally accountable for the provision of services to students with disabilities and when the Division fails in this duty, the potential for legal action against the Department greatly increases. The Department was recently served a Special Education Due Process Complaint from a private attorney. Through work of the Department and the Office of the Attorney General, the matter was successfully resolved and produced insight of DYC special education needs.

Current Efforts

The Division has increased training for special education teachers in the areas of Functional Behavioral Assessment (FBA), Behavior Intervention Plans (BIP), and Manifestation Determination Review (MDR) meetings in order to make clear to facility schools the requirements and needs for performing these functions consistently and with fidelity. DYC has worked to include general education teachers in special education processes to support the staffing needs; however, general education teachers lack the training and certification required by law to provide compliant special education services. Additionally, pulling general education teachers into special education service delivery weakens the provision of general education requirements needed for students to graduate high school. These efforts although necessary and beneficial overall, do not solve fundamental resource deficiency issues.

It is unknown if there is a direct link to special education needs and safety issues, however since these needs are prevalent for committed youth, the Department wants to ensure it has appropriate programs to meet the appropriate needs of the youth. As part of this request, the Department is asking for funding to conduct a special education needs assessment.

Proposed Solution:

The Department requests $4,687,425 General Fund and 78.8 FTE in FY 2016-17 and $7,268,262 General Fund and 125.0 FTE in FY 2017-18 and ongoing to continue to appropriately address staff to youth ratios in order to mitigate safety and security issues for youth and staff within state operated facilities.

The request includes a cost for a needs assessment for special education resources in all DYC facilities. Based on an estimate by a national organization, the cost to perform this work is $125,000. It includes preparation and planning, site reviews, travel, administrative expenses, report development and presentation.

With 125.0 additional FTE, the Department will achieve a 1:10 ratio during waking hours and a 1:20 ratio during sleeping hours. An additional 80.0 FTE in a future year will allow the Department to reach the PREA standards of staffing ratios to effectively and safely supervise youth in DYC detention and commitment systems. The Department is proposing the following solution:

Elements of the Proposal

- In designing a solution the Department recognizes that the demands of operating a secure facility often require staff who are supervising youth to be pulled off coverage. These demands include but are not limited to such activities as: transporting one or more youth to a medical appointment, moving youth to and from visits with family and external service providers (transition), or to provide transition activities such as working to secure employment or enroll in educational services. While these demands are operationally critical, they decrease the number of staff supervising the majority of the youth and thus affects safety. Therefore, this request includes positions intended to cover operational “posts”.
- The Department would deploy new staff based upon a ramp up schedule as well as a review of current data and youth populations. A hiring plan can be found in Table 3.
- Possible cost savings in Purchase of Contracts Placements may be realized due to a lower overall commitment population in the future, but has not been included in this request as this caseload is usually adjusted through the supplemental process and is not certain at this time.

Outcomes of Increased Staffing

- Provide the necessary sight and sound supervision of youth to reduce/eliminate physical and sexual incidents.
- Provide a safe environment for youth, staff and school personnel.
- Provide the necessary resources for full implementation of the Division’s behavior management program, Facility-Wide Positive Behavioral Interventions and Supports.
- Increase opportunities to utilize motivational interviewing techniques with youth in the moment.
- Decrease the response time for incidents and crises.
- Provide the resources necessary for full engagement of families of youth in the detention and commitment systems. This includes but is not limited to increased visits, increased phone contact, increased facility activities, and orientation processes for families in each facility.

The Department believes that setting staff ratios at the levels prescribed by the Department of Justice and supported in research will improve the safety of youth and staff as indicated by:

- Decreasing the number of assaults and fights in State-operated facilities.
- Reducing the use of restraint and seclusion.
- Reducing the number of injuries to youth from fights, assaults and restraints.
- Reducing the number of injuries to staff from assaults or restraints thereby reducing the number of and amount of Workers Compensation claims.

Proposed Additional Staffing Request

- An additional 100 direct care supervision (CYSO I) and 24 senior level direct care supervision (CYSO II) positions to move towards compliance with nationally recognized ratios. This level of staffing would achieve a 1:10 waking and a 1:20 sleeping ratio for staff to youth.
- Human Resource Specialist (GP III) to support additional population.

Equation of Operational Posts to FTE

FTE equivalents for FY 2016-17 are due to a staggered hiring schedule throughout the entire year. Table 2 illustrates this coverage.

Table 2: Equation of Posts to FTE

Type of Staff	Positions	FTE for FY 2016-17
CYSO I	100	60.1
CYSO II	24	17.8
Human Resources and Training	1	0.9
Total Positions / FTE	**125**	**78.8**

The hiring plan for these positions is show in Table 3. Also included are FTE equivalents.

Table 3: Hiring Plan and Staff Equivalents

Hiring Plan for Facility Staff

	Number of Hires			
Hiring Plan	CYSO 1	CYSO II	GP III	Total
Beginning July 2016				
July	12	4	1	17
August	13	5		18
September	13	5		18
October	13	5		18
November	13	5		18
December	12			12
January	12			12
February	12			12
Hired at the End of FY 2016-17	**100**	**24**	**1**	**125**

	FTE Equivalents (months x number of hires)				
	Months	CYSO 1	CYSO II	GP III	Total
Beginning July 2016					
July	12	132	44	11	187
August	12	120	50		170
September	12	108	45		153
October	12	96	40		136
November	11	77	35		112
December	11	66			66
January	11	55			55
February	11	44			44
March	7	21			21
April	1	2			2
Total		**721**	**214**	**11**	**946**
FTE Equivalent		**60.1**	**17.8**	**0.9**	**78.8**

Alternatives Considered

The Department reviewed a variety of possible configurations for different capacity levels by living unit and the resulting staff requirements. These are summarized below with non-financial impacts and consequences. (These options are to be looked at separately and are not a comparison from one to the other.)

Option 1: Increase staffing levels in a phased approach. (This option is the Department's preferred option, this funding request.) It will increase:

- safety of the facility by reducing fights and assaults, and reducing injuries to staff and youth;
- staff based upon Department of Justice standards ratios = 1:8, and achieve a 1:10 waking and 1:20 sleeping staff ratio;
- staff to address operational capacity needs; and

- supervisory staff to meet needs of new direct care staff.

Pros of Option 1 are:
- Direct staff coverage to move toward meeting appropriate staffing levels.
- Increased coverage to improve supervision of youth and decrease the likelihood of assaults and fights.
- Moves toward staffing operational coverage to ensure youth/staff ratios are maintained. (Staff are not pulled from supervision to move youth to and from visits, transport to medical appointments, conduct transition activities, and other duties).

Cons of Option 1 are:
- Cost of additional FTE.

Option 2: Decrease the need for additional staff through maintaining the same number of youth in fewer living units. This option relies upon double-bunking a portion of youth in State-operated facilities. For example, a pod designed for 12 youth would require 2.0 staff during waking hours. To maximize the efficiency of the 2.0 staff- the pod would be utilized at 16 youth. This would require 4 rooms to be double bunked, affecting 8 youth.

Pros of Option 2 are:
- Results in cost savings through artificially increasing pod sizes to ensure efficient staff to youth ratios.

Cons of Option 2 are:
- This practice would conflict with the foundational principles of providing safe and secure environments. Proper room assignment is critical, ensuring youth who have met certain criteria are not double bunked. The vast majority of youth in the Division are classified as not being eligible for a roommate.
- Compromise safety and security through overcrowding living units designed for a particular size population. This is compounded by the need to separate youth of differing gangs, different ages and gender, potential victims from victimizers, as well as court orders to separate co-defendants.

Option 3: Do not increase staff levels.

Pros of Option 3 are:
- The State does not incur additional costs to support increased FTE to staff Division of Youth Corrections' State-operated facilities.

Cons of Option 3 are:
- The Division will not have the ability to effectively reduce assaults, fights, and the use of restraint and seclusion.
- The Division will not have the ability to provide the supervision necessary to reduce/eliminate incidents of sexual misconduct in State-operated facilities.
- Increased youth capacity results in additional facility strain.

Anticipated Outcomes:

The outcome of increased staffing in DYC State-operated facilities directly links to the Department's performance improvement efforts. The Division's facilities will achieve safer environments, less occurrences of physical and sexual abuse, decreased response time during crisis situations and increased youth access to staff and services. The Department expects that increased staffing resources will result in a reduction in fights/assaults, youth injuries, and staff injuries as well as a decrease in physical restraint and seclusion. School safety would also be improved. Along with the expected reductions, the Department projects increased positive outcomes for youth. Through the infusion of staff, youth will have greater access to programs and services tailored to their individual treatment needs. The Division also expects that State facilities will experience a greater retention rate of security staff. Through increased staffing patterns, staff will have support "on-the-floor" that will translate to feeling safe, being better equipped to hold youth accountable and a stronger sense of helping youth to achieve positive outcomes, thus equating to a higher degree of job satisfaction.

The Department will phase in new staff at each of its ten DYC State-operated facilities over the fiscal year. This process will allow the facilities to manage recruitment and training of new employees without over burdening the Department's current human resources system.

Assumptions and Calculations:

The affected Long Bill line items are as follows in Tables 4 through 9. FTE costs are calculated and shown in Table 10.

Tables 4 through 9: Long Bill Line Item Summary

Table 4: Long Bill Appropriation and Requested Funding for Instituitional Programs, Personal Services for FY 2016-17 Through FY 2018-19									
Line Item: (1) (A), Exective Director's Office, Health, Life, and Dental	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**	**Medicaid General Fund**	**Medicaid Federal Funds**	**FTE**	**Notes**
FY 2015-16 Appropriation (SB 15-234)	$33,990,114	$21,590,760	$647,045	$7,515,685	$4,236,624	$0	$0	0.0	
Requested Funding (or Spending Authority)	$634,175	$634,175	$0	$0	$0	$0	$0	0.0	Shown on Schedule 13
FY 2016-17 Total Requested Appropriation	**$34,624,289**	**$22,224,935**	**$647,045**	**$7,515,685**	**$4,236,624**	**$0**	**$0**	**0.0**	
FY 2017-18 Annualization of Prior Year Funding	$356,724	$356,724	$0	$0	$0	$0	$0	0.0	Funds needed in FY 2017-18 - $990,899
FY 2017-18 Total Requested Appropriation	**$34,981,013**	**$22,581,659**	**$647,045**	**$7,515,685**	**$4,236,624**	**$0**	**$0**	**0.0**	Decision item request in on-going/ annualization
FY 2018-19 Total Requested Appropriation	**$34,981,013**	**$22,581,659**	**$647,045**	**$7,515,685**	**$4,236,624**	**$0**	**$0**	**0.0**	Decision item request in on-going/ annualization

Tables 4 through 9: Long Bill Line Item Summary (continued)

Table 5: Long Bill Appropriation and Requested Funding for Instituitional Programs, Personal Services for FY 2016-17 Through FY 2018-19

Line Item: (1) (A), Exective Director's Office, Short-term Disability	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	Medicaid General Fund	Medicaid Federal Funds	FTE	Notes
FY 2015-16 Appropriation (SB 15-234)	$492,114	$318,746	$11,054	$92,824	$69,490	$0	$0	0.0	
Requested Funding (or Spending Authority)	$6,093	$6,093	$0	$0	$0	$0	$0	0.0	Shown on Schedule 13
FY 2016-17 Total Requested Appropriation	**$498,207**	**$324,839**	**$11,054**	**$92,824**	**$69,490**	**$0**	**$0**	**0.0**	
FY 2017-18 Annualization of Prior Year Funding	$3,534	$3,534	$0	$0	$0	$0	$0	0.0	Funds needed in FY 2017-18 - $9,627
FY 2017-18 Total Requested Appropriation	**$501,741**	**$328,373**	**$11,054**	**$92,824**	**$69,490**	**$0**	**$0**	**0.0**	Decision item request in on-going/ annualization
FY 2018-19 Total Requested Appropriation	**$501,741**	**$328,373**	**$11,054**	**$92,824**	**$69,490**	**$0**	**$0**	**0.0**	Decision item request in on-going/ annualization

Table 6: Long Bill Appropriation and Requested Funding for Instituitional Programs, Personal Services for FY 2016-17 Through FY 2018-19

Line Item: (1) (A), Exective Director's Office, Amoritization Equalization Disbursement	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	Medicaid General Fund	Medicaid Federal Funds	FTE	Notes
FY 2015-16 Appropriation (SB 15-234)	$10,152,863	$6,585,233	$222,977	$1,941,356	$1,403,297	$0	$0	0.0	
Requested Funding (or Spending Authority)	$153,933	$153,933	$0	$0	$0	$0	$0	0.0	Shown on Schedule 13
FY 2016-17 Total Requested Appropriation	**$10,306,796**	**$6,739,166**	**$222,977**	**$1,941,356**	**$1,403,297**	**$0**	**$0**	**0.0**	
FY 2017-18 Annualization of Prior Year Funding	$89,271	$89,271	$0	$0	$0	$0	$0	0.0	Funds needed in FY 2017-18 - $243,204
FY 2017-18 Total Requested Appropriation	**$10,396,067**	**$6,828,437**	**$222,977**	**$1,941,356**	**$1,403,297**	**$0**	**$0**	**0.0**	Decision item request in on-going/ annualization
FY 2018-19 Total Requested Appropriation	**$10,396,067**	**$6,828,437**	**$222,977**	**$1,941,356**	**$1,403,297**	**$0**	**$0**	**0.0**	Decision item request in on-going/ annualization

Table 7: Long Bill Appropriation and Requested Funding for Instituitional Programs, Personal Services for FY 2016-17 Through FY 2018-19

Line Item: (1) (A), Exective Director's Office, Supplemental Amoritization Equalization Disbursement	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	Medicaid General Fund	Medicaid Federal Funds	FTE	Notes
FY 2015-16 Appropriation (SB 15-234)	$9,797,755	$6,351,748	$215,376	$1,875,174	$1,355,457	$0	$0	0.0	
Requested Funding (or Spending Authority)	$152,330	$152,330	$0	$0	$0	$0	$0	0.0	Shown on Schedule 13
FY 2016-17 Total Requested Appropriation	**$9,950,085**	**$6,504,078**	**$215,376**	**$1,875,174**	**$1,355,457**	**$0**	**$0**	**0.0**	
FY 2017-18 Annualization of Prior Year Funding	$88,341	$88,341	$0	$0	$0	$0	$0	0.0	Funds needed in FY 2017-18 - $240,671
FY 2017-18 Total Requested Appropriation	**$10,038,426**	**$6,592,419**	**$215,376**	**$1,875,174**	**$1,355,457**	**$0**	**$0**	**0.0**	Decision item request in on-going/ annualization
FY 2018-19 Total Requested Appropriation	**$10,038,426**	**$6,592,419**	**$215,376**	**$1,875,174**	**$1,355,457**	**$0**	**$0**	**0.0**	Decision item request in on-going/ annualization

Table 8: Long Bill Appropriation and Requested Funding for Instituitional Programs, Personal Services for FY 2016-17 Through FY 2018-19

Line Item: (11) (B), Institutional Programs, Personal Services	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	Medicaid General Fund	Medicaid Federal Funds	FTE	Notes
FY 2015-16 Appropriation (SB 15-234)	$46,318,710	$46,318,710	$0	$0	$0	$0	$0	809.0	
Requested Funding (or Spending Authority)	$3,578,957	$3,578,957	$0	$0	$0	$0	$0	78.8	Shown on Schedule 13
FY 2016-17 Total Requested Appropriation	**$49,897,667**	**$49,897,667**	**$0**	**$0**	**$0**	**$0**	**$0**	**887.8**	
FY 2017-18 Annualization of Prior Year Funding	$2,075,534	$2,075,534	$0	$0	$0	$0	$0	46.2	Funds needed in FY 2017-18 - $5,654,491
FY 2017-18 Total Requested Appropriation	**$51,973,201**	**$51,973,201**	**$0**	**$0**	**$0**	**$0**	**$0**	**934.0**	Decision item request in on-going/ annualization
FY 2018-19 Total Requested Appropriation	**$51,973,201**	**$51,973,201**	**$0**	**$0**	**$0**	**$0**	**$0**	**934.0**	Decision item request in on-going/ annualization

Tables 4 through 9: Long Bill Line Item Summary (continued)

Table 9: Long Bill Appropriation and Requested Funding for Institutional Programs, Operating Expenses for FY 2016-17 Through FY 2018-19									
Line Item: (11) (B), Institutional Programs, Operating Expenses	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**	**Medicaid General Fund**	**Medicaid Federal Funds**	**FTE**	**Notes**
FY 2015-16 Appropriation (SB 15-234)	$3,628,662	$2,288,246	$0	$1,340,200	$216	$0	$0	0.0	Reappropriated funds are transferred from the Department of Education
Requested Funding (or Spending Authority)	$161,937	$161,937	$0	$0	$0	$0	$0	0.0	Shown on Schedule 13
FY 2016-17 Total Requested Appropriation	**$3,790,599**	**$2,450,183**	**$0**	**$1,340,200**	**$216**	**$0**	**$0**	**0.0**	
FY 2017-18 Annualization of Prior Year Funding	($32,567)	($32,567)	$0	$0	$0	$0	$0	0.0	Funds needed in FY 2017-18 - $129,370
FY 2017-18 Total Requested Appropriation	**$3,758,032**	**$2,417,616**	**$0**	**$1,340,200**	**$216**	**$0**	**$0**	**0.0**	Decision item request in on-going/ annualization
FY 2018-19 Total Requested Appropriation	**$3,758,032**	**$2,417,616**	**$0**	**$1,340,200**	**$216**	**$0**	**$0**	**0.0**	Decision item request in on-going/ annualization

The Department used the following assumptions to calculate the costs.

1. The numbers of individual units are identified in relation to the number of rooms per unit to determine the ratio needed per each unit for both waking and sleeping hours.
2. The total number of classrooms in operation per facility is viewed in aggregate for staffing requirements as opposed to each classroom individually.
3. Assessment of operational duties performed by security staff absent the presence of youth: Examined all operational duties that require security staff to perform which takes them away from direct supervision of youth.
4. Calculated overall need: Utilized all assumptions above to determine need. Final number includes need plus personnel needed to support training and supervision structure.
5. Assumed 80 CYSO I positions and 24 CYSO II positions for safety and security working in the milieu.
6. 1 Full time FTE in Human Resources is included to support hiring and ongoing personnel requirements.
7. Cost of radios for new personnel has been included at a ratio of 1 digital trunk radio for every 5 new facility staff.
8. Shift relief factor of 5.2 is applied for each post which is required to be staffed 24 hours a day, 7 days a week.
9. Possible Cost savings in Purchase of Contracts Placements may be realized due to lower overall commitment population in the future but has not been included in this request as this caseload is usually adjusted through the supplemental process and is not certain at this time.

Staff would be allocated to various DYC facilities based on an assessment of the greatest need at the time, as well as consideration for the population served and any changes in capacity if applicable.

Table 10: FTE Costs

FTE Calculation Assumptions:

Operating Expenses -- Base operating expenses are included per FTE for $500 per year. In addition, for regular FTE, annual telephone costs assume base charges of $450 per year.

Standard Capital Purchases -- Each additional employee necessitates the purchase of a Personal Computer ($900), Office Suite Software ($330), and office furniture ($3,473).

General Fund FTE -- New full-time General Fund positions are reflected in Year 1 as 0.9166 FTE to account for the pay-date shift. This applies to personal services costs only; operating costs are not subject to the pay-date shift.

Expenditure Detail		Year 1 (Request Year)		Year 2 (Out-year)	
Personal Services:					
Classification Title	Monthly	FTE		FTE	
CORR/YTH/CLIN SEC OFF I	$3,308	60.1	$2,385,730	100.0	$3,969,600
PERA			$242,152		$402,914
AED			$114,515		$190,541
SAED			$113,322		$188,556
Medicare			$34,593		$57,559
STD			$4,533		$7,542
Health-Life-Dental			$483,559		$792,719
Subtotal Position 1, #.# FTE		**60.1**	**$3,378,404**	**100.0**	**$5,609,431**
Classification Title	Monthly	FTE		FTE	
CORR/YTH/CLIN SEC OFF II	$3,645	17.8	$778,572	24.0	$1,049,760
PERA			$79,025		$106,551
AED			$37,371		$50,388
SAED			$36,982		$49,864
Medicare			$11,289		$15,222
STD			$1,479		$1,995
Health-Life-Dental			$142,689		$190,253
Subtotal Position 2, #.# FTE		**17.8**	**$1,087,407**	**24.0**	**$1,464,033**
Classification Title	Monthly	FTE		FTE	
GENERAL PROFESSIONAL III	$3,949	0.9	$42,649	1.0	$47,388
PERA			$4,329		$4,810
AED			$2,047		$2,275
SAED			$2,026		$2,251
Medicare			$618		$687
STD			$81		$90
Health-Life-Dental			$7,927		$7,927
Subtotal Position 2, #.# FTE		**0.9**	**$59,677**	**1.0**	**$65,428**
Subtotal Personal Services		78.8	**$4,525,488**	125.0	**$7,138,892**

Table 10: FTE Costs (continued)

Operating Expenses:					
		FTE		FTE	
Regular FTE Operating	$500	78.8	$39,400	125.0	$62,500
Telephone Expenses	$450	78.8	$35,460	125.0	$56,250
PC, One-Time	$1,230	24.8	$30,504	-	$0
Office Furniture, One-Time	$3,473	1.0	$3,473	-	$0
Other: Digital Trunk Radios at	$2,124	25.0	$53,100	5.0	$10,620
Other:	$5,000	0.0	$0	-	$0
Other:	$25.05	0.0	$0	-	$0
Other					
Subtotal Operating Expenses			**$161,937**		**$129,370**
TOTAL REQUEST		78.8	**$4,687,425**	125.0	**$7,268,262**
General Fund:			*$4,687,425*		*$7,268,262*
Cash funds:					
Reappropriated Funds:					
Federal Funds:					

A summary of duties for each requested position is outlined below:

Correctional, Youth, Security Officer I (CYSO I):

- Direct youth supervision
- Enforce program rules and behavioral expectations
- Manage adherence to daily structured programming activities
- Document observations and major incidents
- Conduct individual and group counseling
- Intervene in potentially volatile situations
- Manage youth movement (medical, visits, court appointments, other facilities)
- Youth intake
- Control center operations

Correctional, Youth, Security Officer II (CYSO II):

- Lead worker for unit team
- Ensure CYSO I accountability for quality and quantity of work
- Direct youth supervision
- Coaching, mentoring and training of CYSO I positions
- Provide information and instruction in crisis management intervention
- Conduct and document safety, fire, and health inspections
- Manage adherence to daily structured programming and leisure activities
- May function as Training Coordinator, Volunteer Coordinator, Youth and Staff Safety Trainer or Recreation Coordinator for the facility.

- Monitor use of mechanical restraints, per policy
- Resolve youth grievances
- Conduct shift briefings

GP III- General Professional III- Human Resources

- Continued recruitment, and hiring for additional DYC staff (75 additional caseload from FY2015-16 and 125 positions to be supported for this request)
- Perform numerous HR functions in addition to hiring in regard to personnel matters such as:
    - Performance Evaluations
    - Grievance process
    - Transfer, promotion processing
    - Disciplinary actions

Schedule 13

Funding Request for the FY 2016-17 Budget Cycle

Department of Human Services

Request Title

R-03 Court Ordered Evaluation and Jail-based Bed Space

Dept. Approval By: Melissa Wavelet

OSPB Approval By: [signature] 10/28/15

	Supplemental FY 2015-16
X	Change Request FY 2016-17
	Base Reduction FY 2016-17
	Budget Amendment FY 2016-17

Summary Information	Fund	FY 2015-16 Initial Appropriation	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
Total of All Line Items Impacted by Change Request	Total	$130,607,659	$0	$130,605,961	$4,111,685	$4,117,235
	FTE	978.5	0.0	978.7	7.5	7.6
	GF	$98,344,038	$0	$100,595,549	$4,111,685	$4,117,235
	CF	$5,449,919	$0	$5,324,334	$0	$0
	RF	$19,748,834	$0	$19,245,106	$0	$0
	FF	$7,064,868	$0	$5,440,972	$0	$0

Line Item Information	Fund	FY 2015-16 Initial Appropriation	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
01. Executive Director's Office - Health, Life, And Dental	Total	$33,990,114	$0	$32,271,771	$63,417	$63,417
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$21,590,760	$0	$21,762,826	$63,417	$63,417
	CF	$647,045	$0	$543,180	$0	$0
	RF	$7,515,685	$0	$6,909,927	$0	$0
	FF	$4,236,624	$0	$3,055,838	$0	$0
01. Executive Director's Office - Short-Term Disability	Total	$492,114	$0	$398,978	$1,048	$1,064
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$318,746	$0	$269,773	$1,048	$1,064
	CF	$11,054	$0	$8,271	$0	$0
	RF	$92,824	$0	$74,665	$0	$0
	FF	$69,490	$0	$46,269	$0	$0
01. Executive Director's Office - Amortization Equalization Disbursement	Total	$10,152,863	$0	$10,397,949	$26,473	$26,879
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$6,585,233	$0	$7,032,923	$26,473	$26,879
	CF	$222,977	$0	$210,806	$0	$0
	RF	$1,941,356	$0	$1,978,665	$0	$0
	FF	$1,403,297	$0	$1,175,555	$0	$0
01. Executive Director's Office - S.B. 06-235 Supplemental Equalization Disbursement	Total	$9,797,755	$0	$10,289,637	$26,197	$26,599
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$6,351,748	$0	$6,959,663	$26,197	$26,599
	CF	$215,376	$0	$208,610	$0	$0
	RF	$1,875,174	$0	$1,958,054	$0	$0
	FF	$1,355,457	$0	$1,163,310	$0	$0

08. Behavioral Health Services - Personal Services	**Total**	**$68,148,302**	**$0**	**$69,187,244**	**$468,753**	**$478,182**
	FTE	977.5	0.0	977.7	5.5	5.6
	GF	$58,172,152	$0	$59,211,094	$468,753	$478,182
	CF	$3,954,220	$0	$3,954,220	$0	$0
	RF	$6,021,930	$0	$6,021,930	$0	$0
	FF	$0	$0	$0	$0	$0
08. Behavioral Health Services - Operating Expenses	**Total**	**$5,479,546**	**$0**	**$5,512,214**	**$10,023**	**$5,320**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$2,778,434	$0	$2,811,102	$10,023	$5,320
	CF	$399,247	$0	$399,247	$0	$0
	RF	$2,301,865	$0	$2,301,865	$0	$0
	FF	$0	$0	$0	$0	$0
08. Behavioral Health Services - Jail-based Competency Restoration Program	**Total**	**$2,546,965**	**$0**	**$2,548,168**	**$3,515,774**	**$3,515,774**
	FTE	1.0	0.0	1.0	2.0	2.0
	GF	$2,546,965	$0	$2,548,168	$3,515,774	$3,515,774
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Letternote Text Revision Required? Yes ___ No X___ **If Yes, describe the Letternote Text Revision:**

Cash or Federal Fund Name and CORE Fund Number: N/A

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

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

Schedule 13s from Affected Departments: N/A

Other Information: N/A

Cost and FTE

- The Department requests $4,111,685 General Fund and 7.5 FTE in FY 2016-17 and $4,117,235 General Fund / 7.6 FTE in FY 2017-18 and ongoing to hire additional psychologists and administrative staff and to create bed space to manage the projected increase in court ordered competency evaluations and restorations to competency.

Current Program

- Competency evaluations and restorations are ordered by the courts and conducted by Department psychologists at the Colorado Mental Health Institute at Pueblo (CMHIP) or in a jail-based setting.
- Inpatient competency services are provided by the Department as a core function of the Institute. In FY 2014-15, one full-time clinician on average preformed 133.5 evaluations and restorations.
- The Jail-based Restoration program provides restoration to competency services to pretrial detainees in a jail-based setting instead of in a State Mental Health Institute to help reduce the wait time for inpatient restoration and evaluation services.

Problem or Opportunity

- Competency evaluations increased 14.9% (from 1,466 to 1,684) and restoration orders increased 46.0% (from 389 to 568) in FY 2014-15 as compared to FY 2013-14. Further, competency evaluations are projected to increase by 5.7% and restorations by 4.8% in FY 2015-16.
- The Department is under a settlement agreement of an existing federal district court lawsuit. The settlement requires the Department to "admit pretrial detainees to the hospital for restorative treatment or competency evaluations no later than 28 days after the pretrial detainee is ready for admission, and shall maintain a monthly average of 24 days or less for admission."
- The Department does not have sufficient psychologist staff or bed space capacity to meet the demand for the competency services.

Consequences of Problem

- If the problem is not fixed, the Department is at risk of violating the terms of the lawsuit and could be at risk for further legal action regarding wait times for all admissions.
- Any other alternative to meeting the settlement agreement would require the Department to reduce service levels and the Institutes, potentially compromising staff and patient safety.

Proposed Solution

- The Department submitted and was granted an emergency supplemental funding request in September 2015 in order to increase the FTE that conduct the competency evaluations and to expand the jail-based program. Through this request, the Department is requesting to continue the funding.

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Department Priority: R-03
Request Detail: Court Ordered Evaluation Caseload and Jail-based Bed Space

Summary of Incremental Funding Change for FY 2016-17	Total Funds	General Fund	FTE
Court Ordered Evaluation Caseload and Jail-based Bed Space	$4,111,685	$4,111,685	7.5

Problem or Opportunity:

The Department of Human Services requests $4,111,685 General Fund / 7.5 FTE for FY 2016-17 and $4,117,235 General Fund / 7.6 FTE for FY 2017-18 and ongoing. The Department submitted Interim Supplemental: ES-01 Court Ordered Evaluation Caseload and Jail-based Bed Space to the Joint Budget Committee (JBC) on September 4, 2015. The JBC approved the requested funding for FY 2015-16. This request is to continue the funding for FY 2016-17.

The Department provides the following services for pretrial detainees referred by the courts[1]:

- Competency evaluations and evaluations to determine if a defendant has been restored to competency for both inpatient and outpatient referrals

- Access to inpatient beds for competency evaluations and restorations to competency treatment for inpatient referrals

In 2012, the Department entered into a settlement agreement related to a legal challenge concerning the length of time it takes for pretrial detainees to receive competency evaluations or restorative treatment. The settlement agreement states that the Department shall admit pretrial detainees to the Colorado Mental Health Institute at Pueblo (CMHIP) for restorative treatment or competency evaluations no later than 28 days after the pretrial detainee is ready for admission, and shall maintain a monthly average of 24 days or less for admission.

As the number of referrals from the courts increases, the Department is challenged in the following areas:

- To have sufficient psychologist and administrative FTE to provide competency evaluations for both inpatient and outpatient referrals

- To have sufficient bed space to provide competency evaluations and restoration to competency treatment for inpatient referrals

[1] The Department is statutorily required to provide the services for pretrial detainees. Please see exhibit K for detailed listing of the statutory citations.

<u>Growth in Court Ordered Services</u>

Table 1 shows the actual number of referrals for competency exams and evaluations for both inpatient and outpatient populations from FY 2001-02 to FY 2014-15 and the Department's projections through FY 2017-18. The number of referrals has increased by 1,255 from FY 2001-02 to FY 2014-15, an increase of 292%.

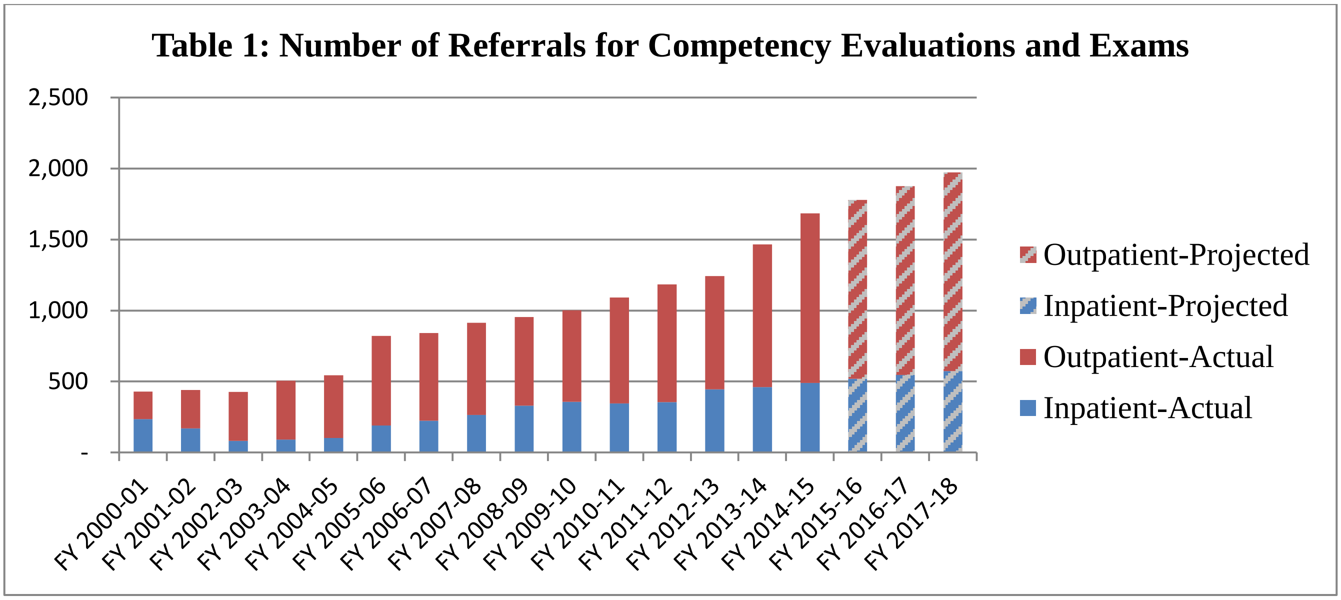

Table 2 below provides the detailed number of referrals for competency exams and evaluations for the past three years of actuals and the Department's projections through FY 2017-18. The number of referrals has grown annually, with the fastest rates of growth occurring in FY 2013-14 and FY 2014-15. The Department projects that the referrals for competency evaluations and exams will continue to grow at approximately 5% per year.

Table 2: Number of Referrals for Competency Evaluations and Exams

	Actuals			**Projected**		
Setting	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Inpatient	445	461	490	518	546	574
<u>Outpatient</u>	<u>797</u>	<u>1,005</u>	<u>1,194</u>	<u>1,262</u>	<u>1,330</u>	<u>1,398</u>
Total	**1,242**	**1,466**	**1,684**	**1,780**	**1,876**	**1,972**
Annual Growth (%)		18.0%	14.9%	5.7%	5.4%	5.1%

Table 3 below shows the number of referrals for restorations to competency for both inpatient and outpatient populations from FY 2001-02 to FY 2014-15 and the Department's projections through FY 2017-18. The number of referrals has increased by 481 from FY 2001-02 to FY 2014-15, an increase of 553%.

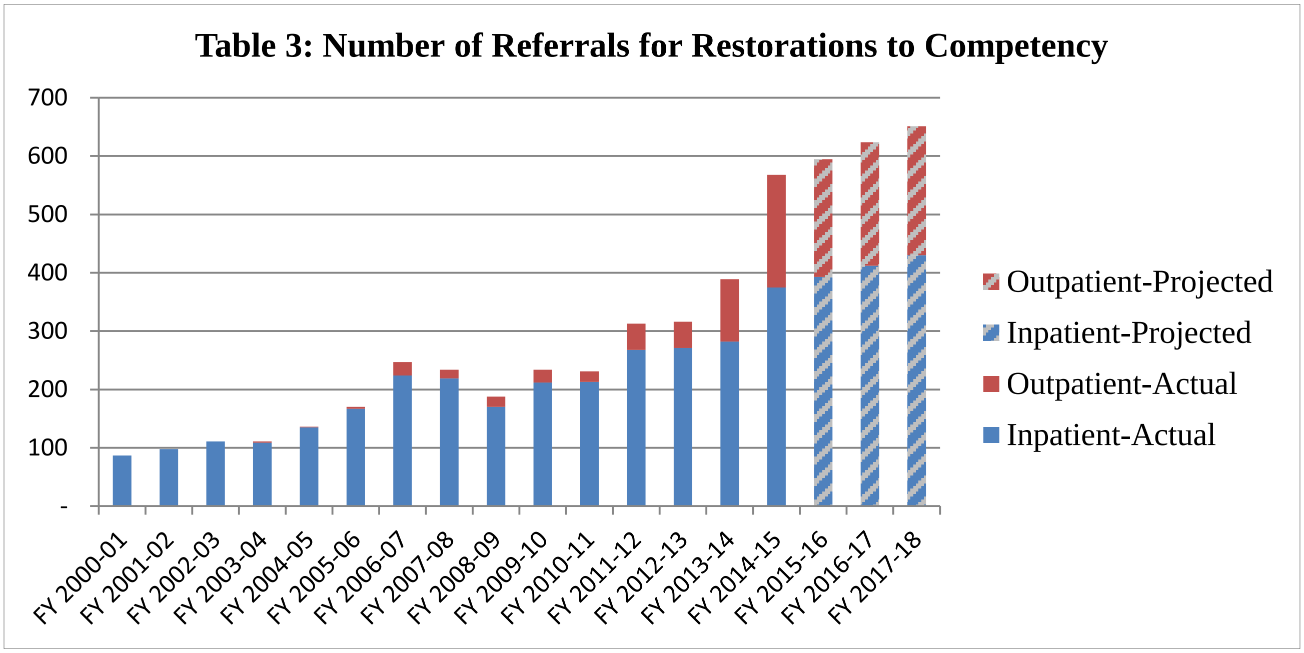

Table 4 below provides the detailed number of referrals for restorations to competency for the past three years of actuals and the Department's projections through FY 2017-18. The number of referrals has grown annually, with the fastest rates of growth occurring in FY 2013-14 and FY 2014-15. The Department projects that the referrals for restorations to competency will continue to grow at approximately 4.5% per year.

Table 4: Number of Referrals for Restoration to Competency

	Actuals			Projected		
Setting	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Inpatient	271	282	375	393	412	430
Outpatient	45	107	193	202	212	221
Total	**316**	**389**	**568**	**595**	**624**	**651**
Annual Growth (%)		23.1%	46.0%	4.8%	4.9%	4.3%

Challenges due to the growth of Court Ordered Referrals

Staffing to provide competency evaluations for both inpatient and outpatient referrals

The increase in court ordered competency evaluations and restorations to competency – both outpatient and inpatient – has challenged the Department's ability to keep up with increased volume of competency evaluations. The Department conducts the evaluations for both inpatient and outpatient referrals. Department analysis determined that in FY 2014-15, one full-time staff on average completed 133.5 competency evaluations annually (Exhibit G provides the detailed calculation). Without an increase in psychologist staff, the number of evaluations the Department can complete will remain constant even as the court referrals increase. This will result in increasingly longer wait times for defendants to receive services, and jeopardizes the Department's ability to comply with the terms of the settlement agreement.

Access to inpatient restorative treatment or competency evaluations

The Department provides bed space capacity for inpatient competency evaluations and restorations to competency. The bed space capacity is provided at CMHIP and through a jail-based competency restoration program, also known as RISE (Restoring Individuals Safely and Effectively). The RISE program provides 22 beds in the Denver metro area, operated at the Arapahoe County Detention Facility through a contracted vendor. The contracted daily rate for FY 2015-16 is $307.50 per day. The current FY 2015-16 inpatient daily rate at CMHIP for Forensic Psychiatry is $676.00 per day.

The increase in inpatient court ordered competency evaluations and restorations to competency has challenged the Department's ability to provide access to inpatient restorative treatment or competency evaluations. Without an increase in bed space capacity, the number of inpatient referrals the Department can serve will remain constant even as the court referrals increase. This will result in increasingly longer wait times for defendants to receive services, and jeopardizes the Department's ability to comply with the terms of the settlement agreement.

Proposed Solution:

The Department requests $4,111,685 General Fund and 7.5 FTE for FY 2016-17 and $4,117,235 General Fund and 7.6 FTE for FY 2017-18 and on-going. The Department's request has two components:

1. Funding to increase the FTE for staff that conduct the court ordered competency evaluations
2. Funding to increase the available bed space to house individuals requiring inpatient competency evaluations and individuals requiring inpatient restoration to competency services.

Increase the FTE that conduct the court ordered competency evaluations

The Department requests $567,249 General Fund / 5.5 FTE in FY 2016-17 and $572,799 General Fund / 5.6 FTE in FY 2017-18 to meet the projected increase in competency evaluations that need to be conducted due to the increase in referrals for competency evaluations and restorations to competency. Please note that a portion of the request is to continue funding for FTE that were originally funded through the FY 2015-16 Interim Supplemental as well as to add 1.0 FTE to meet the increased volume for FY 2016-17. Table 5 provides a summary of the request for the jail-based restoration and evaluation program.

Table 5: Summary of Increase for FTE that conduct the court ordered competency evaluations

Description	**FY 2015-16**	**FY 2016-17**	**FY 2017-18**
Psychologist FTE	$268,070 / 2.4 FTE	$500,987 / 4.5 FTE	$511,240 / 4.6 FTE
Administrative TFE	$41,503 / 0.7 FTE	$56,239 / 1.0 FTE	$56,239 / 1.0 FTE
Operating Expenses	$24,344	$10,023	$5,320
Total	**$333,917 / 3.1 FTE**	**$567,249 / 5.5 FTE**	**$572,799 / 5.6 FTE**

1 / The FTE costs include personal services and centrally appropriated costs.

Psychologist FTE

The request includes funding for 4.5 psychologist FTE in FY 2016-17 and 4.6 psychologist FTE in FY 2017-18 to meet the projected increase in competency evaluations in FY 2016-17. 3.6 Psychologist FTE were originally funded on FY 2015-16 Interim Supplemental. Additionally, this request includes an additional 0.9 FTE for FY 2016-17 in order to keep pace with the projected increase in volume.

In order to determine the FTE required due to the estimated increase in competency evaluations, the Department analyzed the number of evaluations completed by staff during FY 2014-15. For FY 2014-15, one average one full-time staff completed 133.5 evaluations and restorations, and the part-time staff completed 56.1 evaluations and restorations.

Table 6 details the Department's calculation. Exhibit G provides additional detail.

Table 6: Calculation to Determine Incremental Psychologist FTE needed due to referrals			
Description	**FY 2014-15 Actual**	**FY 2015-16 Estimated**	**FY 2016-17 Estimated**
Total Reports	2,436	2,590	2,725
FTE capacity	2,214	2,115	2,115
Total Reports less FTE Capacity	222	475	610
FTE required 1 FTE = 133.5 reports	**1.7**	**3.6**	**4.6**

The FTE capacity decreased from FY 2014-15 to FY 2015-16. This is due to a decrease in the utilization of temporary and variable capacity employees. The temporary staff can only work for a nine month period, with their terms expiring in September and November of 2015. The Department will continue to monitor the volume of referrals from the court and will submit future budget requests as necessary to ensure the proper staffing level of psychologist FTE is maintained.

Administrative Assistant FTE

This request also includes 1.0 FTE Administrative Assistant that was originally funded on FY 2015-16 Interim Supplemental. The administrative support is required to handle the high volume of paperwork and filing that accompanies each court ordered evaluation and restoration. The projected caseload increase comes with a corresponding increase in the quantity of files, discovery documents, court documents, medical records and other paperwork that must be copied, scanned, emailed, mailed, researched, filed and managed. Additionally, the Administrative Assistant will proofread, format the report, seek clarification from the evaluator as needed, prepare a cover letter, and obtain necessary signatures.

Please see Exhibits E and F for further detail on the expansion of the jail-based program.

Jail-Based Restoration and Evaluation Program

The Department requests $3,544,436 General Fund / 2.0 FTE in FY 2016-17 and ongoing to continue funding the additional 30 jail-based beds that were originally funded through the FY 2015-16 Interim Supplemental. The funding will allow the Department to meet the projected increase in bed space due to the increase in inpatient referrals for competency evaluations and restorations to competency treatment. Table 6 provides a summary of the request for the jail-based restoration and evaluation program.

Table 7: Summary of Jail-based Restoration and Evaluation Program			
Description	**FY 2015-16**	**FY 2016-17**	**FY 2017-18**
FTE / Personnel Costs / 1	$137,480 / 1.4 FTE	$177,311 / 2.0 FTE	$177,311 / 2.0 FTE
Jail-based Restoration and Evaluation Program	$2,255,700	$3,367,125	$3,367,125
Total	**$2,393,180 / 1.4 FTE**	**$3,544,436 / 2.0 FTE**	**$3,544,436 / 2.0 FTE**

1 / The personnel costs include Personal Services, centrally appropriated costs and common policy operating expenses.

FTE / Personnel Costs

The request includes continued funding for 2.0 FTE, a Program Manager and an Administrative Assistant. The Program Manager (Psychologist) is required as a liaison between the Mental Health Institutes and the contract vendor. The Program Manager reviews patient files to determine eligibility of the patient for the jail-based restoration and evaluation program. The Administrative Assistant is required to manage the paperwork between the jails, the Institutes, and the contract vendor.

The existing jail-based restoration program (RISE) has 1.0 FTE appropriated. When the program was originally developed, the Department projected that only a program manager FTE was required. However, after the program began operations, it became apparent that additional staff was required to meet workload demands. The Department has assigned transportation staff and administration staff to the program on an on-going basis. The transportation and administrative staff are currently funded through the CMHIP Personal Services line item. If funded, the Department plans to evaluate the need for transportation staff at the new jail-based restoration site and will submit a future budget requests as appropriate.

Jail-based Restoration and Evaluation Program

This request includes continued funding for 30 beds. The Department estimated the additional bed space needed due to the projected increase in referrals for inpatient competency evaluations and restoration to competency treatment. Based on the calculation, the total incremental bed need above the FY 2014-15 base level is expected to grow to 35.6 total beds in FY 2016-17. Exhibits H-J provide additional detail.

Table 8: Total Incremental Bed Need by Setting and Fiscal Year - from FY 2014-15 Level

Setting	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
Jail Based	N/A	14.4	25.2	27.6
CMHIP	N/A	3.3	10.4	26.6
TOTAL		**17.7**	**35.6**	**54.2**

This request assumes that the jail-based program will be operational for the full twelve months of FY 2016-17. The FY 2015-16 Interim Supplemental estimated that the jail-based program was based on a start date of December 1, 2015. The Department estimated the cost using the contracted daily rate for the FY 2015-16 RISE program of $307.50 per day.

Please see Exhibits B, C, and D for further detail on the expansion of the jail-based program.

Anticipated Outcomes:

This request will provide the Department with the additional resources needed to meet the increased caseload for projected court ordered evaluations and restorations. The current jail-based restoration program treats defendants from county jails in Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, El Paso, Jefferson, Larimer, and Weld counties. Expanding the jail-based restoration and evaluation program will also allow additional counties to have access to this program.

Improving treatment of the affected individuals directly addresses the second half of Goal Five in the Department's Performance Plan "…expanding community supports in mental health and substance abuse services." It is consistent with the Governor's goal of Strengthening Colorado's Mental Health System.

Results First Research

The Jail-Based Restoration and Evaluation program is not included in the Results First model as an evidence-based practice. The Colorado Results First team, however, reviewed research on the Jail-Based Restoration and Evaluation program for the purpose of this request.

When a defendant is thought to be incompetent to stand trial, usually because of mental illness and/or intellectual disability, the court orders the defendant to undergo a competency evaluation, and when necessary, a competency restoration. Competency evaluations are used to determine if a defendant needs treatment to restore mental faculties. Competency restoration is the mental health treatment process that is used to restore a defendant's mental faculties before the continuation of the legal process. To be considered restored and competent to stand trial, a defendant must be able to consult with their defense lawyer and have a rational and factual understanding of their impending legal proceedings.

According to The National Judicial College, it is best practice for competency evaluations to be performed by licensed psychologists or psychiatrists with forensic training and certification in implementing competency evaluations[1]. Currently, the Department requires all approved psychiatric evaluators to have completed specialized training in this practice. These same requirements would apply to the requested additional FTE.

There are four settings in which competency restoration typically takes place: 1) state-run psychiatric hospitals; 2) community and privately-owned psychiatric hospitals; 3) jails; and 4) outpatient mental health facilities. Each setting provides advantages to the State and the defendant depending on the severity of the defendant's mental illness and/or intellectual disability and the seriousness of the crime the defendant is being charged with. When a defendant is thought to have a severe competency impairment and/or is thought to be a threat to public safety, hospitals, though more expensive and restrictive, are thought to be the best setting for restoration treatment. When a defendant's competency impairment is less severe and/or when a defendant is not thought to be a significant threat to public safety, jail or outpatient restoration treatment is suitable and is less expensive. It is considered best practice for a defendant to receive competency restoration in the least restrictive treatment setting consistent with public safety and the treatment needs of the defendant[1].

Some states and localities use outpatient mental health facilities to reduce the costs associated with competency evaluations[6], however, outpatient mental health facilities are only for defendants not in need of secure detainment[7]. Jail-Based Competency Restoration programs are capable of providing treatment to both defendants in need of detainment and those that are not, increasing states' restoration/treatment capacity, while providing a treatment setting that is less restrictive than hospitalization. Additionally, Jail-Based Competency Restoration programs use less time to restore competency and reduce states' costs. Virginia's Jail-Based Competency Restoration program has restored defendants to competency in an average of 69 days[2], which is substantially less time than most hospital-based settings[3], and has reduced competency restoration costs by nearly $700 per day compared to hospital-based treatment[2]. Virginia has also reported other program benefits, including benefits to local stakeholders, such as attorneys, courts, and families, stating that the jail-based program simplified local legal proceedings and provided defendants a greater opportunity to be visited by family and friends[2]. California's Jail-Based Competency Restoration program has restored competency in 58 percent of defendants in an average of 55 days for under $300 per day[4]. Colorado's Jail-Based Competency Restoration program, Restoring Individuals Safely and Effectively (RISE), has restored competency to 84 percent of defendants in less than 60 days, and 96 percent of defendants have been restored in less than 90 days, all at the average cost per day of $300, which is approximately $360 less than hospital-based restoration in the State.

Since Jail-base Competency Restoration programs are still relatively new programs, justice and mental health professionals advise that their use be closely monitored and continuously evaluated[5]. As such, the Department will continue to conduct a quarterly audit of the requested additional Jail-Based Competency Restoration contract as it currently does for the RISE program. Additional evaluation of the outcomes of this program should be considered on a long-term basis.

Bibliography

[1] The National Judicial College. (2012). *VI. COMPETENCY RESTORATION*. Retrieved August 2015, from Mental Competency – Best Practices Model: http://www.mentalcompetency.org/model/model-sec-VI.html#VIA

[2] Jennings, Jerry L. & Bell, James D. (2012). The "ROC" Model: Psychiatric Evaluation, Stabilization and Restoration of Competency in a Jail Setting, Mental Illnesses - Evaluation, Treatments and Implications, Prof. Luciano LAbate (Ed.), ISBN: 978-953-307-645-4, InTech, DOI: 10.5772/30040. Available from: http://www.intechopen.com/books/mental-illnesses-evaluation-treatments-and-implications/the-roc-model-psychiatric-evaluation-stabilization-and-restoration-of-competency-in-a-jail-setting
[3] Zapf, P. (2013). Standardizing Protocols for Treatment to Restore Competency to Stand Trial: Interventions and Clinically Appropriate Time Periods (Document No. 13-01-1901). Olympia: Washington State Institute for Public Policy.
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[5] Kapoor, Reena. (2011) *Commentary: Jail-Based Competency Restoration.* J Am Acad Psychiatry Law 39: 311 - 15.
[6] Johnson, N. R., & Candilis, P. J. (2015). Outpatient competence restoration: A model and outcomes. World Journal of Psychiatry, 5(2), 228–233. doi:10.5498/wjp.v5.i2.228
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Assumptions and Calculations:

Detailed calculations are included in the following tables:

Exhibits A-F provide calculations for the request costs
Exhibit A – Summary Line Item Projections and Requested Financing
Exhibit B – Jail-Based Summary Line Item Projections and Requested Financing
Exhibit C – Jail-Based FTE Requested Financing
Exhibit D – Jail-Based Contract Services Line Requested Financing
Exhibit E – CMHI Court Services Summary Line Item Projections and Requested Financing
Exhibit F – CMHI Court Services Personal Services (FTE) Line Item Requested Financing

Exhibit G provides a detail for the Court Services Caseload Calculations
Exhibit G – CMHI Court Services Caseload Calculations

Exhibit H-J provides a detail for the Bed Need Calculations
Exhibit H – Bed Space Need Calculation for Competency Exams
Exhibit I – Bed Space Need Calculation for Restoration to Competency
Exhibit J – Totals for Bed Space Need Calculations

Exhibit K provides background information on the court ordered services

Assumptions for Caseload Calculation:

A full-time psychologist has a target capacity rate of twelve (12) court ordered evaluations and/or restorations per month. However, this number can vary due to the volume of discovery, court time, travel time, and complexity of the case. For FY 2014-15, on average one full-time staff completed 133.5 evaluations and restorations, and the part-time staff completed 56.1 evaluations and restorations. **See Exhibit G-Table 1.**

A court order does not always equal a 1:1 relationship to the number of reports generated. For example, a restoration order may generate zero or multiple reports depending on the case. The Department may receive a court order, but the case is subsequently dismissed, resulting in no report. A report may be for several counties, thus multiple reports are generated. The Department calculated the average percentage difference between completed reports and court ordered services from FY 2009-10 to FY 2014-15 as 9%. **See Exhibit G-Table 2.**

The Department projected the number of reports to be competed for FY 2015-16 to FY 2017-18 by taking the projected number of referrals and increasing by 9% as determined in step. **See Exhibit G-Table 3.**

Finally, the Department calculated the incremental FTE required due to the projected increase in court ordered reports. The Department took the base estimated capacity of 2,115 and subtracted the projected number of reports to be completed. This produced the number of court orders over the current capacity. This product was divided by 133.5 as determined in table 1 to determine the incremental FTE required due to the projected increase in court ordered reports. **See Exhibit G-Table 4.**

Table 4 reflects a decrease in the utilization of temporary and variable capacity employees. In order to meet projected caseload increases, two (2) additional part-time temporary staff have been acquired through existing Personal Services funding, affecting the limited resources of the Institute. The temporary staff can only work for a nine month period, with their terms expiring in September and November of 2015. As stated above, the remaining variable capacity staff are current CMHIP staff and contracted psychiatrists who take on additional evaluations and restorations to assist in managing the workload.

CMHIP also utilizes staff on a rotation basis, whereby other unit staff psychologists, psychiatrists and fellows who are not a part of the Court Services Unit, are assigned evaluations and restorations. This is done in order to meet the demand for court ordered evaluations and restorations. (See Table 2). Additionally, CMHIP has negotiated with part-time staff to temporarily increase their hours if possible.

The Department assumed the new psychologist FTE would be hired at the mid-range. Psychologists, especially those with forensic experience are in high demand and the Department assumes that the mid-range will be necessary to attract applicants.

Please refer to Exhibit G for further detail Court Ordered Evaluations and Restorations Staffing

Assumptions for Bed Need Calculation:
The table 9 below provides an example of how this methodology is used to project the change in bed capacity required to meet the projected level of court ordered competency exams and restorations to capacity.

Table 9: Calculation to Determine Bed Need - Example				
Calculation	Description	Year 1	Year 2	Unit
	Total Annual Referrals	**50**	**60**	**Referrals**
X	Percent for Setting	50%	50%	% of Total
=	**Total Referrals to Setting**	**25**	**30**	**Referrals**
X	Average Length of Stay	100	100	Days
=	**Total Days**	**2,500**	**3,000**	**Days**
/	Days per Years	365	365	Days
=	**Beds / Year**	**6.85**	**8.22**	**Beds**

1) The “Total Annual Referrals” is data from internal CMHIP data from the report titled “CMHIP Exams and ITP Referrals per Fiscal Year”. This represents the total annual patients referred to CMHIP for the court ordered services by service type.

   Additionally, the CMHIP data does not include individuals referred to the RISE program. In order to include the referrals to the RISE program, data was taken from the July 21, 2015 RISE Program Outcome Study. The data shows that during the first 18 months of the program, 141 individuals were admitted to RISE. The Department divided the 141 total by 12 to get an annualized amount. The amount was projected to increase at the same rate as the CMHIP inpatient restoration referrals for future years.

2) The Percent for setting was determined using internal Department analysis.

3) The average length of stay was determined by the Behavioral Health Needs Analysis and the July 21, 2015 RISE Program Outcome report. Please see Exhibits I-K for the specific reference.

4) Table 2.3 in Exhibit J uses the Behavioral Health Needs Analysis methodology to project the bed needs for restoration to competency patients that require more than one year. The methodology determined that in FY 2013-14, there were 62 patients and that this number would increase at a rate of 10.7 percent annually.

5) For Table 2.4 in Exhibit J, the current RISE program for restoration services has experienced 18 percent of the clients as requiring transfer to CMHIP.

Exhibit A

Jail Based Restoration Expansion and Court Ordered Evaluations and Restorations

TOTAL REQUEST

Office of Behavioral Health (OBH)	**FY 2016-17**	**FTE**	**FY 2017-18**	**FTE**
CMHIP Personal Services: Wages	$420,030	5.5	$428,479	5.6
CMHIP Personal Services: Benefits	$48,723		$49,703	
CMHIP Operating Expenses	$10,023		$5,320	
Jail Based Restoration Personal Services	$131,496	2.0	$131,496	2.0
Jail Based Restoration Benefits	$15,253		$15,253	
Jail Based Restoration Operating Expenses	$1,900		$1,900	
Jail Based Restoration Program Contract Services*	$3,367,125		$3,367,125	
Office of Behavioral Health Subtotal	**$3,994,550**	**7.5**	**$3,999,276**	**7.6**
Executive Director's Office (EDO)				
AED	$26,473		$26,879	
SAED	$26,197		$26,599	
STD	$1,048		$1,064	
Health-Life-Dental	$63,417		$63,417	
Executive Director's Office Subtotal	**$117,135**		**$117,959**	
GRAND TOTAL	**$4,111,685**	**7.5**	**$4,117,235**	**7.6**

Exhibit B

Jail Based Restoration and Evaluation Program

	FY 2016-17		FY 2017-18	
Office of Behavioral Health (OBH)	**General Fund**	**FTE**	**General Fund**	**FTE**
Personal Services: Wages	$131,496	2.0	$131,496	2.0
Personal Services: Benefits	$15,253		$15,253	
Personal Services: Contract Services	$3,367,125		$3,367,125	
Operating Expenses	$1,900		$1,900	
Office of Behavioral Health Subtotal	$3,515,774	2.0	$3,515,774	2.0
Executive Director's Office (EDO)				
AED	$6,312		$6,312	
SAED	$6,246		$6,246	
STD	$250		$250	
Health-Life-Dental	$15,854		$15,854	
Executive Director's Office Subtotal	$28,662		$28,662	
GRAND TOTAL	**$3,544,436**	**2.0**	**$3,544,436**	**2.0**

Exhibit C: Jail-based FTE

FTE Calculation Assumptions:

Operating Expenses -- Base operating expenses are included per FTE for $500 per year. In addition, for regular FTE, annual telephone costs assume base charges of $450 per year.

Standard Capital Purchases -- Each additional employee necessitates the purchase of a Personal Computer ($900), Office Suite Software ($330), and office furniture ($3,473).

General Fund FTE -- New full-time General Fund positions are reflected in Year 1 as 0.9166 FTE to account for the pay-date shift. This applies to personal services costs only; operating costs are not subject to the pay-date shift.

Expenditure Detail		Year 1 (Request Year)		Year 2 (Out-year)	
Personal Services:					
Classification Title	Monthly	FTE		FTE	
Pyschologist II (mid-range)	$7,640	1.0	$91,680	1.0	$91,680
PERA			$9,306		$9,306
AED			$4,401		$4,401
SAED			$4,355		$4,355
Medicare			$1,329		$1,329
STD			$174		$174
Health-Life-Dental			$7,927		$7,927
Subtotal Position 1, #.# FTE		**1.0**	**$119,172**	**1.0**	**$119,172**
Classification Title	Monthly	FTE		FTE	
Administrative Assistant III	$3,318	1.0	$39,816	1.0	$39,816
PERA			$4,041		$4,041
AED			$1,911		$1,911
SAED			$1,891		$1,891
Medicare			$577		$577
STD			$76		$76
Health-Life-Dental			$7,927		$7,927
Subtotal Position 2, #.# FTE		**1.0**	**$56,239**	**1.0**	**$56,239**
Subtotal Personal Services		2.0	**$175,411**	2.0	**$175,411**
Base FTE Operating	$500	2.0	$1,000	2.0	$1,000
Telephone Expenses	$450	2.0	$900	2.0	$900
Subtotal Operating Expenses			**$1,900**		**$1,900**
TOTAL REQUEST		2.0	**$177,311**	2.0	**$177,311**
	General Fund:		*$177,311*		*$177,311*
	Cash funds:				
	Reappropriated Funds:				
	Federal Funds:				

Exhibit D		
Description	**FY 2016-17**	**FY 2017-18**
Contracted Daily Rate: Jail Based Restoration	$307.50	$307.50
Daily Rate for 30 beds	$9,225.00	$9,225
Total Days of Operation	365	365
Total Cost	**$3,367,125**	**$3,367,125**

Exhibit E

Court Ordered Evaluations and Restorations

Office of Behavioral Health (OBH)	FY 2016-17 General Fund	FY 2016-17 FTE	FY 2017-18 General Fund	FY 2017-18 FTE
Personal Services: Wages	$420,030	5.5	$428,479	5.6
Personal Services: Benefits	$48,723		$49,703	
Operating Expenses	$10,023		$5,320	
Office of Behavioral Health Subtotal	$478,776	5.5	$483,502	5.6
Executive Director's Office (EDO)				
AED	$20,161		$20,567	
SAED	$19,951		$20,353	
STD	$798		$814	
Health-Life-Dental	$47,563		$47,563	
Executive Director's Office Subtotal	$88,473		$89,297	
GRAND TOTAL	**$567,249**	**5.5**	**$572,799**	**5.6**

EXHIBIT F - COURT EVALUATION FTE

FTE Calculation Assumptions:

Operating Expenses -- Base operating expenses are included per FTE for $500 per year. In addition, for regular FTE, annual telephone costs assume base charges of $450 per year.

Standard Capital Purchases -- Each additional employee necessitates the purchase of a Personal Computer ($900), Office Suite Software ($330), and office furniture ($3,473).

General Fund FTE -- New full-time General Fund positions are reflected in Year 1 as 0.9166 FTE to account for the pay-date shift. This applies to personal services costs only; operating costs are not subject to the pay-date shift.

Expenditure Detail				Year 1 (Request Year)		Year 2 (Out-year)
Personal Services:						
Classification Title		Monthly	FTE		FTE	
Pyschologist I (mid-range)		$7,041	4.5	$380,214	4.6	$388,663
PERA				$38,592		$39,449
AED				$18,250		$18,656
SAED				$18,060		$18,462
Medicare				$5,513		$5,636
STD				$722		$738
Health-Life-Dental				$39,636		$39,636
Subtotal Position 1, #.# FTE			**4.5**	**$500,987**	**4.6**	**$511,240**
Classification Title		Monthly	FTE		FTE	
Administrative Assistant III		$3,318	1.0	$39,816	1.0	$39,816
PERA				$4,041		$4,041
AED				$1,911		$1,911
SAED				$1,891		$1,891
Medicare				$577		$577
STD				$76		$76
Health-Life-Dental				$7,927		$7,927
Subtotal Position 2, #.# FTE			**1.0**	**$56,239**	**1.0**	**$56,239**
Subtotal Personal Services			5.5	**$557,226**	5.6	**$567,479**
Base FTE Operating	$	500	5.6	$2,800	5.6	$2,800
Telephone Expenses	$	450	5.6	$2,520	5.6	$2,520
PC, One-Time	$	1,230	1.0	$1,230	-	$0
Office Furniture, One-Time	$	3,473	1.0	$3,473	-	$0
Subtotal Operating Expenses				**$10,023**		**$5,320**
TOTAL REQUEST			5.5	**$567,249**	5.6	**$572,799**
		General Fund:		*$567,502*		*$572,799*
		Cash funds:				
		Reappropriated Funds:				
		Federal Funds:				

Exhibit G

Table 1: Determine employee capacity

	FY2014-15 Actual FTE Utilization	FY2014-15 Actual Capacity (COMP/ITP)	FY2014-15 Completed	FY2015-16 FTE	FY2015-16 Estimated Capacity
Employee 1	1.000000	144	141	1.0000	123
Employee 2	0.291667	42	46	0.2917	52
Employee 3	1.000000	138	127	1.0000	123
Employee 4	1.000000	102	112	1.0000	123
Employee 5	1.000000	114	156	1.0000	123
Employee 6	0.333333	36	41	0.0000	0
Employee 7	0.166667	6	15	1.0000	123
Employee 8	1.000000	123	128	1.0000	123
Employee 9	1.000000	125	159	1.0000	123
Employee 10	1.000000	126	122	1.0000	52
Employee 11	0.250000	32	37	1.0000	123
Employee 12	1.000000	118	126	1.0000	123
Employee 13	0.500000	96	97	0.5000	52
Employee 14	1.000000	116	131	1.0000	123
Employee 15	0.500000	70	73	0.5000	52
Employee 16	0.500000	96	95	0.5000	52
Employee 17	0.666667	44	56	1.0000	123
Employee 18	0.000400	105	110	0.0004	105
Employee 19	0.000400	53	56	0.0004	52
Employee 20	0.208333	30	34	0.1042	15
Employee 21	0.097222	14	14	0.1215	18
Rotation Assignments	Various	476	552	Various	314
Contractor	1.000000	8	8	0.0000	0
	13.514689	2,214	2,436	14.0182	2,115

	FTE	**CAPACITY**	**COMPLETED**	**FTE**	**CAPACITY**
Full Time	9.000000	1106	1202	9.000000	1035
Part Time	3.209133	580	626	4.792467	734
Temp	0.305556	44	48	0.225694	33
Contractor	1.000000	8	8	0.000000	0
Rotation	Various	476	552	Various	314
					2,115

Average Full Time Capacity	122.89
Average Full Time Received	**133.56**
Average Part Time Capacity	52.00
Average Part Time Received	**56.17**

Table 2: Determine Percentage of Reports completed to referred

	FY2009-10 Actual	**FY2010-11 Actual**	**FY2011-12 Actual**	**FY2012-13 Actual**	**FY2013-14 Actual**	**FY2014-15 Actual**
Court Ordered Evaluations and Restorations	1,236	1,323	1,496	1,558	1,855	2,252
Reports Completed due to Court Orders	1,338	1,396	1,689	1,746	1,936	2,436
Difference (over)/under Court Orders	**(102)**	**(73)**	**(193)**	**(188)**	**(81)**	**(184)**
Percentage of Reports over Projected Orders	8%	6%	13%	12%	4%	8%
Average FY 2009-10 through FY 2014-15	**9%**					

Table 3: Project Reports to be completed	**FY2015-16 Estimated**	**FY2016-17 Estimated**	**FY2017-18 Estimated**
Court Ordered Evaluations and Restorations	2,376	2,500	2,624
Average deterimned in step 2	9%	9%	9%
Projected Reports Completed due to Court Orders	**2,590**	**2,725**	**2,860**

Step 4: Detemine FTE need due to projected increase

Court Services Evaluator Staffing	**FY2014-15 Capacity (Actual)**	**FY2015-16 Estimated**	**FY2016-17 Estimated**	**FY2017-18 Estimated**
Full Time Employees	1,140	1,035	1,035	1,035
Part Time Employees	388	734	734	734
Temporary/Variable Capacity Employees	678	347	347	347
Contractor	8	0	0	0
Total Estimated Capacity	**2,214**	**2,115**	**2,115**	**2,115**
Projected Reports Completed due to Court Orders	2,436	2,590	2,725	2,860
Court Ordered Evaluations and Restorations (over)/under capacity	**(222)**	**(475)**	**(610)**	**(745)**
Average Full Time Capacity ((Step 1)	133.5	133.5	133.5	133.5
FTE shortfall based on 133.5 reports completed per year full time FTE	**(1.7)**	**(3.6)**	**(4.6)**	**(5.6)**

Exhibit H: Bed Need Calculation for Restoration to Competency Exams

Table 1.1: Competency Evaluations by location
Total Beds Needed-Competency Evaluations - Jail Based

Description	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Notes/Data Source
Total Annual Referrals	356	394	420	445	471	502	534	CMHIP Sheet totaling
Percent Eligible for Jail-Based	0%	0%	29%	50%	50%	50%	50%	Estimated Percent Eligible from CMHIP staff
Total Referrals to Jail Based	**0.0**	**0.0**	**122.5**	**222.5**	**235.5**	**250.8**	**267.1**	Calculated Field
Avg LOS	35.0	35.0	35.0	35.0	35.0	35.0	35.0	Behavioral Health Needs Analysis - Page 221
Total days	**0.0**	**0.0**	**4,287.5**	**7,787.5**	**8,242.5**	**8,778.3**	**9,348.8**	Calculated Field
Days per Years	365.0	365.0	365.0	365.0	365.0	365.0	365.0	Calendar Days in Year
Beds	**0.0**	**0.0**	**11.7**	**21.3**	**22.6**	**24.1**	**25.6**	Calculated Field

Table 1.2: Total Beds Needed-Competency Evaluations - CMHIP

Description	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Notes/Data Source
Total Annual Referrals	356	394	420	445	471	502	534	CMHIP Sheet totaling
Percent Eligible for CMHIP	100%	100%	71%	50%	50%	50%	50%	Estimated Percent Eligible from CMHIP staff
Total Referrals to Jail Based	**356.0**	**394.0**	**297.5**	**222.5**	**235.5**	**250.8**	**267.1**	Calculated Field
Avg LOS	35.0	35.0	35.0	35.0	35.0	35.0	35.0	Behavioral Health Needs Analysis - Page 221
Total days	**12,460.0**	**13,790.0**	**10,412.5**	**7,787.5**	**8,242.5**	**8,778.3**	**9,348.8**	Calculated Field
Days per Years	365.0	365.0	365.0	365.0	365.0	365.0	365.0	Calendar Days in Year
Beds	**34.1**	**37.8**	**28.5**	**21.3**	**22.6**	**24.1**	**25.6**	Calculated Field

Table 1.3: Total Beds Needed by Setting - Competency Evaluations

Description	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Notes/Data Source
Jail-based	0.0	0.0	11.7	21.3	22.6	24.1	25.6	=Total Beds from Table 1.1
CMHIP	34.1	37.8	28.5	21.3	22.6	24.1	25.6	=Total Beds from Table 1.2

Exhibit I: Bed Need Calculation for Restoration to Competency Exams

Table 2.1: Restorations to Competency
Total Beds Needed-Restorations to Competency - Jail-based

Description	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Notes/Data Source
Total Annual Referrals	323	444	477	504	530	565	601	CMHIP Sheet totaling
Percent Eligible for Jail-based	30%	33%	35%	35%	35%	35%	35%	Estimated Percent Eligible from CMHIP staff
Total Referrals to Jail Based	**96.9**	**146.5**	**167.0**	**176.4**	**185.5**	**197.6**	**210.4**	Calculated Field
Avg LOS	47.0	47.0	47.0	47.0	47.0	47.0	47.0	Behavioral Health Needs Analysis - Page 221
Total days	**4,552.0**	**6,886.4**	**7,847.5**	**8,291.6**	**8,719.3**	**9,286.1**	**9,889.7**	Calculated Field
Days per Years	365.0	365.0	365.0	365.0	365.0	365.0	365.0	Calendar Days in Year
Beds	**12.5**	**18.9**	**21.5**	**22.7**	**23.9**	**25.4**	**27.1**	Calculated Field

Table 2.2: Total Beds Needed-Restorations to Competency - CMHIP

Description	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Notes/Data Source
Total Annual Referrals	323	444	477	504	530	565	601	CMHIP Sheet totaling
Percent Eligible for CMHIP	70%	67%	65%	65%	65%	65%	65%	Estimated Percent Eligible from CMHIP staff
Total Referrals to CMHIP	**226.0**	**297.5**	**310.1**	**327.6**	**344.5**	**366.9**	**390.8**	Calculated Field
Avg LOS	117.0	117.0	117.0	117.0	117.0	117.0	117.0	Behavioral Health Needs Analysis - Page 221
Total days	**26,440.1**	**34,805.2**	**36,279.7**	**38,333.0**	**40,310.3**	**42,930.5**	**45,721.0**	Calculated Field
Days per Years	365.0	365.0	365.0	365.0	365.0	365.0	365.0	Calendar Days in Year
Beds	**72.4**	**95.4**	**99.4**	**105.0**	**110.4**	**117.6**	**125.3**	Calculated Field

Table 2.3: Total Beds Needed-Restorations to Competency - CMHIP Stay Longer than One Year

Description	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Notes/Data Source
Beds	62	69	76	84	93	103	114	Projection Methodology used for Behavioral Health Needs Analysis - Page 224

Table 2.4 Total Beds Needed-Restorations to Competency - Transfers to CMHIP

Description	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	
Total Annual Referrals to Jail-Based	97	147	167	176	186	198	210	=Total from Row C
Transfers to CMHIP	18%	18%	18%	18%	18%	18%	18%	July 21, 2015 RISE Outcome Data Measures
Total Referrals to Jail Based	**17.4**	**26.4**	**30.1**	**31.8**	**33.4**	**35.6**	**37.9**	Calculated Field
Avg LOS	117.0	117.0	117.0	117.0	117.0	117.0	117.0	Behavioral Health Needs Analysis - Page 221
Total days	**2,039.7**	**3,085.7**	**3,516.3**	**3,715.4**	**3,907.0**	**4,161.0**	**4,431.4**	Calculated Field
Days per Years	365.0	365.0	365.0	365.0	365.0	365.0	365.0	Calendar Days in Year
Beds	**5.6**	**8.5**	**9.6**	**10.2**	**10.7**	**11.4**	**12.1**	Calculated Field

Table 2.5: Total Beds Needed by Setting - Restorations to Competency

Description	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	Notes/Data Source
Jail-based	12.5	18.9	21.5	22.7	23.9	25.4	27.1	=Total Beds from Table 2.1
CMHIP	140.0	172.4	185.0	199.3	214.3	232.1	251.5	=Total from Tables 2.2, 2.3, and 2.4

Exhibit J: Total for Bed Need Calculation

Table 3.1 Total Bed Need by Setting and FY - Competency Evaluations and Restoration to Competency						
Setting	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Jail Based	18.9	33.2	44.1	46.5	49.5	52.7
CMHIP	210.2	213.5	220.6	236.8	256.1	277.1
TOTAL	**229.1**	**246.8**	**264.7**	**283.3**	**305.6**	**329.8**

Table 3.2 Total Incremental Bed Need by Setting and Fiscal Year - by year						
Setting	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Jail Based	N/A	14.4	10.8	2.4	3.0	3.2
CMHIP	N/A	3.3	7.1	16.2	19.3	21.0
TOTAL		**17.7**	**17.9**	**18.6**	**22.3**	**24.2**

Table 3.2 Total Incremental Bed Need by Setting and Fiscal Year - Increase over FY 2014-15 Level						
Setting	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20
Jail Based	N/A	14.4	25.2	27.6	30.6	33.8
CMHIP	N/A	3.3	10.4	26.6	45.9	66.9
TOTAL		**17.7**	**35.6**	**54.2**	**76.5**	**100.7**

Exhibit K: Background on Court Ordered Services

Competency Evaluation

Under Section 16-8.5-103 (1) C.R.S. (2014), the courts may order a psychiatric evaluation to determine whether an individual with pending criminal charges (defendant) is competent to stand trial. Once a court makes a preliminary finding on competency, the statute allows either party to object to the court's preliminary finding. At that point, the court must order the defendant to be evaluated for competency by the Department, and the Department must prepare a court-ordered report.

Judges issue competence to stand trial evaluation orders to the Colorado Mental Health Institute – Pueblo (CMHIP). Evaluations may be completed by CMHIP evaluators in the jails where the defendants are incarcerated. The judge may also order that the defendant is admitted to CMHIP, where the evaluation is completed; if appropriate, defendants can also remain on bond in the community, and are seen on an outpatient basis.

Restoration to Competency

If a defendant is determined to be incompetent to proceed, the court may require the defendant to obtain any treatment or habilitation services that are available to the defendant, such as inpatient or outpatient treatment at a Community Mental Health Center or in any other appropriate treatment setting, as determined by the court. Under Section 16-8.5-111 C.R.S (2014), if the court finds that the defendant is not eligible for release from custody, the court may commit the defendant to the custody of the Department so that the defendant can receive restoration to competency services on an inpatient basis.

Schedule 13

Funding Request for the FY 2016-17 Budget Cycle

Department of Human Services

Request Title

R-04 Annual Child Care Licensing Visits

Dept. Approval By: Melissa Wavelet

OSPB Approval By: [signature] 10/28/15

___	**Supplemental FY 2015-16**
X	**Change Request FY 2016-17**
___	**Base Reduction FY 2016-17**
___	**Budget Amendment FY 2016-17**

Summary Information	**Fund**	**FY 2015-16** Initial Appropriation	Supplemental Request	**FY 2016-17** Base Request	Change Request	**FY 2017-18** Continuation
Total of All Line Items Impacted by Change Request	**Total**	**$7,218,907**	**$0**	**$ 7,286,205**	**$673,524**	**$735,527**
	FTE	52.0	0.0	$ 52.0	0.8	1.0
	GF	$2,450,786	$0	$ 2,474,340	$0	$0
	CF	$849,004	$0	$ 857,080	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$3,919,117	$0	$ 3,954,785	$673,524	$735,527

Line Item Information	**Fund**	**FY 2015-16** Initial Appropriation	Supplemental Request	**FY 2016-17** Base Request	Change Request	**FY 2017-18** Continuation
06. Division of Early Childhood - Child Care Licensing and Administration	**Total**	**$7,218,907**	**$0**	**$7,286,205**	**$673,524**	**$735,527**
	FTE	52.0	0.0	52.0	0.8	1.0
	GF	$2,450,786	$0	$2,474,340	$0	$0
	CF	$849,004	$0	$857,080	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$3,919,117	$0	$3,954,785	$673,524	$735,527

Letternote Text Revision Required? Yes X No ___ **If Yes, describe the Letternote Text Revision:**

If Yes, describe the Letternote Text Revision: The Department requests that the amount of funding from the Child Care Development Funds in letternote (d) reflect an increase of $673,524 in FY 2016-17 and $735,527 in FY 2017-18

Cash or Federal Fund Name and CORE Fund Number:

Reappropriated Funds Source, by Department and Line Item Name

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

Schedule 13s from Affected Departments:

Other Information: N/A

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Cost and FTE

- The Department is requesting $673,524 in federal Child Care Development Fund (CCDF) for 9.2 contract Licensing Specialists, and a 0.8 State FTE Licensing Supervisor in FY 2016-17; this annualizes to $735,527 and 10.0 Contract FTE and 1.0 State FTE Licensing Supervisor in FY 2017-18 beyond to increase the frequency of licensing inspections to meet new federal regulations.

Current Program

- In FY 2014-15, the Department received funding to increase the frequency of licensing inspections to once every 18 months which is less than the recommended practice of one unannounced inspection annually.
- Currently the Office of Early Childhood's Division of Early Care and Learning employs 15 State Licensing Specialists and 41 contract Licensing Specialists.
- Licensing Specialists inspect a wide variety of health, safety, technical coaching, and other programmatic requirements to ensure quality in licensed child care facilities.

Problem or Opportunity

- The 2014 reauthorization of the federal Child Care Development and Block Grant Act Section 658E requires "not less than annually, an inspection (which shall be unannounced) of each such child care provider and facility in the State for compliance with all child care licensing standards, which shall include an inspection for compliance with health, safety, and fire standards as a condition of receiving funds" effective November 2016.
- Annual, unannounced visits are more likely to detect serious violations and hazards to children.

Consequences of Problem

- If the Department does not meet the new federal requirement for annual inspections, it risks losing its entire CCDF allocation of approximately $80 million annually.
- Without additional staff to conduct annual visits, the Department will have difficulty detecting safety issues at various child care facilities.

Proposed Solution

- The Department is requesting funding for 9.2 contract Licensing Specialists, and a 0.8 State FTE Licensing Supervisor in FY 2016-17 to improve the caseload ratio to 1:86, allowing for one unannounced inspection annually.
- Improved caseload ratios will ensure compliance with the federal annual inspection requirement and will also enhance safety and quality in licensed child care facilities.

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Department Priority: R-04
Request Detail: Annual Child Care Licensing Visits

Summary of Incremental Funding Change for FY 2016-17	Total Funds	Federal Funds	FTE
Annual Child Care Licensing Visits	$673,524	$673,524	0.8

Problem or Opportunity:

The Department is requesting $673,524 in federal Child Care Development Fund (CCDF) for 9.2 contract Licensing Specialists, and a 0.8 State FTE Licensing Supervisor in FY 2016-17; this annualizes to $735,527 and 10.0 contract licensing specialists and 1.0 State FTE Licensing Supervisor in FY 2017-18 and beyond to increase the frequency of licensing inspections to meet new federal regulations effective November 2016. The Office of Early Childhood's Division of Early Care and Learning (DECL) is responsible for inspecting, licensing, and monitoring child care facilities throughout the State, including child care homes and centers, preschool and school-age child care programs, day camps, residential summer camps, and day treatment centers. Currently, over 5,700 licensed facilities are inspected by 56 licensing specialists.

The Child Care and Development Block Grant (CCDBG) Act was reauthorized in November 2014. This was the first child care assistance program reauthorization since 1996, and it represents an historic re-envisioning of the Child Care and Development Fund (CCDF). Of the many provisions in the Act, Section 658E identifies new and expanded requirements related to child care licensing. Specifically, it requires that, "*not less than annually, an inspection (which shall be unannounced) of each such child care provider and facility in the State for compliance with all child care licensing standards, which shall include an inspection for compliance with health, safety, and fire standards (inspectors may inspect for compliance with all 3 standards at the same time).*"[1] The Department must be compliant with the annual inspection requirement by November 2016, in order to continue to receive federal CCDF funding.

The Department currently receives approximately $80 million annually in CCDF funding. The funding supports the Child Care Automated Tracking System (CHATS), Child Care Licensing and Administration, Child Care Assistance Program, grants to Improve the Quality and Availability of Child Care, and to comply with federal targeted funds requirements, Early Childhood Councils, and School-Readiness Quality Improvement Programs. CCDF funding will be in jeopardy if the Department is unable to comply with the new licensing inspection requirements.

[1] Data Source: The Office of the Administration for Children and Families, "The CCDF 2014 Reauthorization Law", http://www.acf.hhs.gov/programs/occ/ccdf-reauthorization http://www.acf.hhs.gov/programs/occ/ccdf-reauthorization

To accomplish this objective, the Department will need to reduce the inspector-to-caseload ratio to approximately 1:86 to meet the annual inspection requirement. The Department will need to begin the procurement process for the 10.0 contract licensing specialists in July 2016 to ensure they can be effectively deployed by October 2016.

Regular inspections are a means of ensuring that children are cared for in settings that meet minimum health and safety requirements. Programs that are inspected more frequently are more likely to adhere to critical health and safety requirements and child care inspections are associated with lower rates of accidents requiring medical attention. On-site guidance during inspections helps providers improve the level of care they offer. Furthermore, there is increased accountability for how federal and state funds are spent as licensing inspectors review sign-in sheets and authorization data which helps identify anomalies in attendance data.

As part of the Race to the Top Early Learning Challenge quality initiative, the Department embedded a quality rating system into the licensing function. As such, licensing inspectors also serve as ambassadors for the quality rating improvement system. Licensing inspectors are responsible for assessment of Level 1 and Level 2 facilites. In this role the inspector also provides coaching and technical assistance to help facilities maintain or improve their quality rating.

Further evidence exists to support the link between inspections and safety. A 2005 study of media, legal, and state reports of fatalities from 1985-2003 conducted at the City University of New York Graduate Center compared different causes and frequencies of fatalities by age and facility type. The largest discrepancy occurred in the instance of violent acts with infant-aged victims. The study found that while instances of violence still occurred in the presence of others, no incidents of violence were reported in the presence of a qualified peer. Both staffing and the qualifications of staff are included in licensing visits in Colorado. In addition, multiple caregivers who had one fatality were also the cause of serious injury in another instance. The study went on to recommend additional licensing, as a corollary link between greater quality and licensing inspections.

Licensing staff in the State of Colorado inspect a wide variety of health, safety, and programmatic requirements. A typical inspection will include the following:

- reviewing staffing ratios;
- reviewing children’s files;
- reviewing staff files;
- reviewing medical authorizations;
- inspecting fire safety, including smoke detectors and proper egress;
- reviewing the overall cleanliness and condition of the facility;
- inspecting for internal hazards such as stairways and electrical outlets;
- inspecting for external hazards such as playground safety and play equipment;
- evaluating Level 1 and Level 2 quality rated facilities;
- proving technical assistance and coaching to support the quality rating system;
- inspecting for lead paint; and
- auditing attendance logs for Colorado Child Care Assistance Program clients to detect any irregularities in billings or utilization.

Proposed Solution:

The Department is requesting $673,524 in federal Child Care Development Fund (CCDF) for 9.2 contract Licensing Specialists, and 0.8 State FTE Licensing Supervisor in FY 2016-17 to improve the caseload ratio to 1:86, allowing for one unannounced inspection annually. Currently, DECL employs 15 State Licensing Specialists and 41 contract Licensing Specialists. Table 1 illustrates the effect on inspection frequency due to the FY 2014-15 Decision Item R-01 Increased Staffing for Child Care Licensing for 17 contract FTE and 3 State FTE, and projects the total number of inspectors needed to meet the federal requirement for annual visits.

Table 1: Licensing Inspector Caseload							
	Inspectors	Supervisors	Total	Inspectors per Supervisor	Facilities	Caseload Per Inspector	Frequency
Prior to FY 2014-15	39	4	43	9.75	5,700	146.2	Every Other Year
Current Funded Level (Increased by FY 2014-15 Decision Item for 17 contract FTE)	56	6	62	9.33	5,700	101.8	Once every 18 months
Proposed Staffing	66	7	73	9.42	5,700	86.4	Annually

The annual survey of all states shows caseloads ranging from 1:33 to 1:22. The Department's current staffing caseload ratio is 1:100. The Department researched industry standards and best practices for staffing ratios, and evaluated the effect of different staffing ratios in Colorado, including 1:125, 1:100, 1:75, and 1:50. Best practice recommends a ratio of 1:50, allowing for one scheduled and one unannounced visit annually.

In addition to supervisory inspections, it is important to note that licensing staff are responsible for a wide variety of other functions related to the health and safety of children, including investigation, coaching and counseling, and adverse licensing. The following table summarizes the types and frequency of these activities.

Table 2: Number of Visits	
Non-Supervisory Visit Type	Annual Count
Pre-Adverse	480
Injury/Incident	763
Complaints	376
Prelicensing/Consultation	486
Originals	322
Renewals	51
Change of Address	105
Change of Service	209
Stage II	210
Failed Attempt	697
Surveillance/Monitoring	220
Total	**3,919**

The 1:86 staff caseload ratio will provide a significant improvement, moving the Department to a one year average inspection cycle. While the caseload of each licensing inspector would decrease, the workload would remain unchanged as the frequency of visits would increase. This solution will be coupled with efforts to leverage technology to improve workflow for licensing inspectors. Specifically, the automation of data collection currently under development will allow inspectors to increase efficiency in drafting the final report and other administrative tasks. Together, these efforts will move the Department to the one visit per year best practice, and allow the Department to continually improve its performance goal of timely visits.

In addition to the stated benefits, the Department expects new contract staff will provide greater opportunities and resources to invest in low performing facilities and provide all facilities with more consultation and coaching rather than basic health and safety compliance. Licensing staff will have the ability to investigate complaints without disrupting scheduled licensing visits. Finally, staff may begin to perform additional unannounced visits as warranted. The Department believes this is the optimal solution for children and families using licensed child care facilities. Nationwide surveys found that two-thirds of parents with young children logically assume that their licensed child care facility is regularly inspected, and 90% of parents support frequent inspections. Additionally, evidence is conclusive that increasing the frequency of licensing inspections reduces critical incidents, such as access to chemicals and cleaning products, unsafe cribs, tripping or falling risks, and choking hazards.

The proposed solution has several important benefits. Children benefit from thriving in a safe and stimulating care environment. Parents benefit from having their children in secure licensed facilities. And providers benefit from the coaching and technical assistance that helps them improve the quality of their child care business. These additional resources also support the Department's performance plan around timely inspections and timely complaint investigation.

Anticipated Outcomes:

The request will provide several outcomes to improve the safety and integrity of the child care licensing functions including improved compliance, timely routine and emergency inspections, additional coaching and consultation for providers, and fraud deterrence. The ultimate outcome will be safer facilities for children.

The National Association of Child Care Resource and Referral Agencies (NACCRRA) research indicates that significant hazards are frequently identified during licensing inspections, including playground hazards, improper administration of medicine, and hazardous materials. Furthermore, frequent licensing inspections improve compliance with health and safety standards. More frequent licensing inspections will detect and remediate these hazards more quickly, resulting in safer facilities for children, and may result in less need for subsequent follow up visits.

The Department has recently engaged licensing staff in verifying attendance in subsidized child care. The additional staff will provide another layer of enforcement to ensure accuracy and accountability for the use of federal funds. This will help detect and reduce the incidence of Colorado Child Care Assistance Program (CCCAP) fraud.

The Department is improving quality through Race to the Top and similar initiatives. The additional licensing staff will complement those initiatives by allowing licensing staff the time to provide coaching and consultation in addition to the health and safety components.

Safer facilities for children, as measured by a reduction in the number of critical incidents and serious violations are the ultimate goal of this initiative. The Department's Injury Reporting System requires providers to input injury and accident information in an automated database, although this is the first year the system is collecting this data. The Department is also implementing a workflow model that will track the nature and frequency of violations observed by licensing inspectors. This information will be used to identify the most serious concerns across providers and facilities. The Department will use these data to assess risk, and deploy resources accordingly. This will allow better targeting and resource utilization.

The Department's performance will be measured by the related C-Stat metrics, specifically timely supervisory visits and timely investigation of licensing complaints. These measures are reviewed monthly and management addresses any unfavorable variances with immediate action plans.

Assumptions and Calculations:

The Department is requesting $673,524 in federal Child Care Development Fund (CCDF) for 9.2 contract Licensing Specialists, and 0.8 State FTE Licensing Supervisor in FY 2016-17 which annualizes to $735,527 and 10.0 contract FTE and 1.0 State FTE Licensing Supervisor in FY 2017-18 beyond. Calculations for the FTE costs and contractors are shown in Tables 3, 4, and 5. Table 6 illustrates sustainability of CCDF federal funds.

Table 3 - State FTE Expense		
	Year 1	Year 2
State Staff (1.0 FTE)	$47,107	$58,884
Benefits	$17,980	$20,493
Operating	$5,653	$950
Total	$70,740	$80,327

Calculations for the contract Licensing Specialist costs are shown in Table 4.

Table 4 - Contract Staff Expense		
	Year 1	Year 2
Contract Staff (10 positions)	$430,560	$468,000
Benefits @ 30%	$129,168	$140,400
Overhead & Indirect @10%	$43,056	$46,800
Total	$602,784	$655,200

Table 5: FTE Calculation

FTE Calculation Assumptions:

Operating Expenses -- Base operating expenses are included per FTE for $500 per year. In addition, for regular FTE, annual telephone costs assume base charges of $450 per year.

Standard Capital Purchases -- Each additional employee necessitates the purchase of a Personal Computer ($900), Office Suite Software ($330), and office furniture ($3,473).

General Fund FTE -- New full-time General Fund positions are reflected in Year 1 as 0.9166 FTE to account for the pay-date shift. This applies to personal services costs only; operating costs are not subject to the pay-date shift.

Expenditure Detail		Year 1 (Request Year)		Year 2 (Out-year)	
Personal Services:					
Classification Title	Monthly	FTE		FTE	
GENERAL PROFESSIONAL IV	$4,907	0.8	$47,107	1.0	$58,884
PERA			$4,781		$5,977
AED			$2,261		$2,826
SAED			$2,238		$2,797
Medicare			$683		$854
STD			$90		$112
Health-Life-Dental			$7,927		$7,927
Subtotal Position 1, 1.0 FTE		**0.8**	**$65,087**	**1.0**	**$79,377**
Subtotal Personal Services		0.8	**$65,087**	1.0	**$79,377**
Operating Expenses for State FTE:					
		FTE		FTE	
Regular FTE Operating Expenses	$500	1.0	$500	1.0	$500
Telephone Expenses	$450	1.0	$450	1.0	$450
PC, One-Time	$1,230	1.0	$1,230		
Office Furniture, One-Time	$3,473	1.0	$3,473		
Other					
Other					
Other					
Other					
Subtotal Operating Expenses			**$5,653**		**$950**
TOTAL REQUEST		0.8	**$70,740**	1.0	**$80,327**
	Federal Funds:		*$70,740*		*$80,327*

Table 6: CCDF Sustainability

Table 6 - CCDF Federal Funds Including Roll Forward

Federal CCDF Funds	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Estimate	FY 2016-17 Request	FY 2017-18 Request	FY 2018-19 Request	FY 2019-20 Request
CCDF Carryforward (Unspent Balance)	$ 18,113,665	$ 22,393,937	$ 32,065,141	$ 29,742,785	$ 26,596,905	$ 23,730,086	$ 19,820,801
New Annual CCDF Award	$ 68,300,025	$ 69,043,659	$ 69,244,477	$ 69,244,477	$ 69,244,477	$ 69,244,477	$ 69,244,477
Total Funds Available	$ 86,413,690	$ 91,437,596	$ 101,309,618	$ 98,987,262	$ 95,841,382	$ 92,974,563	$ 89,065,278
Base Expenditures	$ 64,019,753	$ 59,372,455	$ 68,545,708	$ 68,470,708	$ 69,497,769	$ 70,540,235	$ 71,598,339
MicroGrants			$ 250,000	$ 250,000	$ 250,000	$ 250,000	$ 250,000
MicroLoans			$ 338,000	$ 338,000	$ 338,000	$ 338,000	$ 338,000
CHATS O&M			$ 900,000	$ 1,200,000	$ 1,200,000	$ 1,200,000	$ 1,200,000
CHATS Modernization			$ 1,533,125	$ 1,458,125	$ 90,000	$ 90,000	$ 90,000
Annual Child Care Licensing Visits *				$ 673,524	$ 735,527	$ 735,527	$ 735,527
Expenditures	**$ 64,019,753**	**$ 59,372,455**	**$ 71,566,833**	**$ 72,390,357**	**$ 72,111,296**	**$ 73,153,762**	**$ 74,211,866**
Balance to roll forward	$ 22,393,937	$ 32,065,141	$ 29,742,785	$ 26,596,905	$ 23,730,086	$ 19,820,801	$ 14,853,412

* All expenditures are currently funded items except Annual Child Care Licensing Visits, which is an FY 2016-17 decision item.

Schedule 13

Funding Request for the FY 2016-17 Budget Cycle

Department of Human Services

Request Title

R-05 Early Intervention Caseload Growth

Dept. Approval By: Melissa Wavelet

OSPB Approval By: 10/26/15

___	Supplemental FY 2015-16
X	Change Request FY 2016-17
___	Base Reduction FY 2016-17
___	Budget Amendment FY 2016-17

Summary Information	Fund	FY 2015-16 Initial Appropriation	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
Total of All Line Items Impacted by Change Request	Total	$51,146,675	$0	$51,162,416	$3,803,626	$7,102,305
	FTE	6.5	0.0	6.5	0.0	0.0
	GF	$25,517,903	$0	$25,517,903	$2,207,911	$4,187,217
	CF	$11,557,457	$0	$11,557,457	$961,045	$1,884,814
	RF	$5,928,683	$0	$5,928,683	$634,670	$1,030,274
	FF	$8,142,632	$0	$8,153,373	$0	$0

Line Item Information	Fund	FY 2015-16 Initial Appropriation	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
06. Division of Early Childhood - Early Intervention Services	Total	$41,219,454	$0	$41,235,195	$2,745,842	$5,385,182
	FTE	6.5	0.0	6.5	0.0	0.0
	GF	$21,519,365	$0	$21,519,365	$1,784,797	$3,500,368
	CF	$11,557,457	$0	$11,557,457	$961,045	$1,884,814
	RF	$0	$0	$0	$0	$0
	FF	$8,142,632	$0	$8,158,373	$0	$0
06. Division of Early Childhood - Early Intervention Services Case Management	Total	$9,927,221	$0	$9,927,221	$1,057,784	$1,717,123
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$3,998,538	$0	$3,998,538	$423,114	$686,849
	CF	$0	$0	$0	$0	$0
	RF	$5,928,683	$0	$5,928,683	$634,670	$1,030,274
	FF	$0	$0	$0	$0	$0

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

b Of this amount, an estimated ~~$6,316,064~~ **$6,755,399** (L) shall be from local funds and ~~$5,241,393~~ **$5,763,103** shall be from the Early Intervention Services Trust Fund created in Section 27-10.5-709 (2) (a), C.R.S. The ~~$5,241,393~~ **$5,763,103** is exempt from the restrictions on state spending imposed by Section 20 of Article X of the State Constitution pursuant to Section 27-10.5-709 (2) (a), C.R.S.

Cash or Federal Fund Name and CORE Fund Number:

Cash funds are local funds and federal funds are from the Child Care Development Fund.

Reappropriated Funds Source, by Department and Line Item Name:

Reappropriated Funds are from the Department of Health Care Policy and Finance.

Approval by OIT? Yes No **Not Required: N/A**

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

Other Information: **N/A**

Cost and FTE

- The Department is requesting an increase of $3,803,626 total funds including $2,207,911 General Fund, $961,045 cash funds, and $634,670 reappropriated funds for early intervention (EI) direct services and service coordination in FY 2016-17 and $7,102,305 total funds including $4,187,217 General Fund, $1,884,814 cash funds, and $1,030,274 reappropriated funds in FY 2017-18.
- The funding is needed to serve an additional 467 eligible infants and toddlers in the EI program, or 6.0% caseload growth.

Current Program

- The Department is designated as the lead agency in Colorado under Part C of the federal Individuals with Disabilities Education Act (IDEA).
- The Early Intervention (EI) program provides developmental services to over 13,000 infants and toddlers, birth through age two, who have developmental delays and disabilities in order to enhance development in several areas.
- Federal regulations require the State to adopt a policy to make appropriate EI services available to all eligible infants and toddlers and their families.

Problem or Opportunity

- The projected number of children needing EI services exceeds the estimated number used during the FY 2014-15 supplemental request and the FY 2015-16 decision item. These requests assumed a 5.3% caseload growth, while more recent data suggests a caseload growth of 6.0%. Federal regulations under Part C of IDEA do not allow the State EI program to have a wait list.
- Without sufficient funding, the EI services needed to support the development of infants and toddlers cannot be provided.

Consequences of Problem

- If the EI program is not fully funded and services are not available to eligible children and families as required under 34 CFR, Section 303.101(a)(1), the State will not meet the Part C requirement to provide services in a timely manner and will be at risk of forfeiting eligibility for the federal grant funds, a loss of $7 million.
- EI programs at the local level will have high caseloads without adequate funding, which result in poorer quality of support for children and families.

Proposed Solution

- The Department requests an increase of $3,803,626 total funds including $2,207,911 General Fund, $961,045 cash funds, and $634,670 reappropriated funds for the purpose of funding the additional caseload growth beyond original projections. Funding will support the provision of direct services and service coordination to 467 infants and toddlers from birth through the age of two years who have developmental delays or disabilities, and their families.

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COLORADO
Department of Human Services

FY 2016-17 Funding Request | November 2, 2015

John W. Hickenlooper
Governor

Reggie Bicha

Department Priority: R-05
Request Detail: Early Intervention Caseload Growth

Summary of Incremental Funding Change for FY 2016-17	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds
Early Intervention Caseload Growth	**$3,803,626**	**$2,207,911**	**$961,045**	**$634,670**	**$0**

Problem or Opportunity:

The Department is requesting an increase of $3,803,626 total funds including $2,207,911 General Fund, $961,045 cash funds, and $634,670 reappropriated funds for early intervention (EI) direct services and service coordination in FY 2016-17 to provide services to an additional 467 infants and toddlers. For FY 2017-18, the Department is requesting an increase of $7,091,641 total funds including $4,187,217 General Fund, $1,884,814 cash funds, and $1,030,274 reappropriated funds.

The Early Intervention (EI) program, in the Office of Early Childhood (OEC), Division of Community and Family Support, provides infants and toddlers from birth through two years of age and their families with services and support to enhance child development in the areas of cognition, speech, communication, physical development, vision, hearing, social and emotional development and self-help skills. The Department is designated as the lead agency in Colorado under Part C of the Federal Individuals with Disabilities Education Act (IDEA). EI services for infants and toddlers include service coordination (case management) and direct services through contracts with 20 local providers known as Community Centered Boards (CCBs). The program also works collaboratively with the Colorado Department of Education, which oversees the local Child Find teams that provide the multidisciplinary evaluations for infants and toddlers to allow the CCBs to determine eligibility for EI services.

In FY 2013-14, Colorado identified 3.06% of the State's infants and toddlers as eligible for EI services. This represents a point-in-time count on October 1, 2013 of 6,077 infants and toddlers from the birth through two-year-old population of 198,852. Colorado's eligibility rate of 3.06% exceeded the average of 2.82% for the 50 states, the District of Columbia and Puerto Rico.[1] In the past five years, the State average increased from 2.35% to 3.06%, while the national average increased from 2.67% to 2.88%. However, it should be noted that states set their own eligibility criteria. The range of eligibility criteria can be described as narrow, moderate, or broad in terms of the level of delay required for eligibility. Among the twelve states that have a broad eligibility definition, Colorado ranks second in the rate of growth for children

[1] Data Source: "Table C1-9 Number and Percent of Infants and Toddlers Receiving Early Intervention Services Under IDEA, Part C, by Age and State: 2013". FY 2014-15 data from the federal reports are not yet available.

enrolled in EI services. The broad classification of eligibility is based on the number of children served in each state under the Federal IDEA but there is no limit on the number of children an individual state can serve, making growth comparisons difficult. Even with a decrease in the overall birth through two-year-old population in Colorado, the EI program is identifying more children. See Table 1 for a state growth comparison.

Table 1: State Growth Comparison
(*FFY 2011 and 2013 child count data for states that have eligibility criteria that is similar to Colorado's.)*

State	Percent Change in Number of Birth Through Two Year Olds from 2011 to 2013	Total Population of Birth Through Two Year Olds from 2011-2013	FY 2011 Enrolled Count	FY 2013 Enrolled Count	Total Number Enrolled (% Change)	Percent of Birth Through 2 Year Olds Enrolled (% Change)
Pennsylvania	-0.95%	429,553	17,351	19,030	9.70%	0.43%
Colorado	**-1.92%**	**198,852**	**5,394**	**5,989**	**11.00%**	**0.35%**
Virginia	0.10%	308,984	7,378	8,267	12.00%	0.29%
Washington	0.19%	266,433	5,592	5,814	4.00%	0.08%
Delaware	2.12%	34,119	889	918	3.30%	0.03%
Iowa	-3.55%	115,192	3,607	3,502	-2.90%	0.02%
Vermont	-4.33%	18,305	790	754	-4.60%	-0.01%
Alabama	0.15%	176,863	3,098	2,993	-3.40%	-0.06%
Maryland	0.27%	221,196	7,697	7,478	-2.80%	-0.11%
Michigan	-3.02%	340,863	10,384	9,458	-8.90%	-0.18%
Hawaii	1.45%	55,637	1,926	1,846	-4.20%	-0.20%
Texas	0.35%	1,156,887	28,895	22,642	-21.60%	-0.55%

**Data source: IDEA Infant and Toddler Coordinators Association*

The growth in the number of Colorado infants and toddlers who are eligible for EI services is due to multiple factors. These include better public awareness of the benefits of accessing supports during early development, increased developmental screening by primary care practices, the activities of the Assuring Better Child Health and Development (ABCD) initiative that is improving community collaboration in the identification and referral process, and emphasis on the children who are referred and have experienced a substantiated case of child abuse and neglect. These factors have been identified through several sources: ongoing conversations with CCBs, enhanced data tracking for caseload growth, C-Stat data analysis, and statewide developmental screening activities.

Infants and toddlers are enrolled in EI services for an average of 13 months before they complete services at age three, the family moves out of state or declines services, or the child no longer needs services due to the progress he or she has made. Despite the limited time in EI services, the number of eligible children entering exceeds the number of children exiting services as noted in Table 2.

Table 2: Number of Children Entering Services vs. Number Exiting Services*

Total Referrals (7/1/14-5/31/15)	Referrals Completing Evaluation and Found Eligible for Services	Number of Children Exiting EI Services	Difference between Number of New Eligible Children and Number Exiting	Percent Increase in Number of Children
12,836	6,620	5,658	962	17%

**Data source: DDDWeb July 1, 2014-May 31, 2015*

The rate of growth in the EI caseload is projected to result in a fiscal shortfall for direct services and service coordination funds in FY 2016-17. Federal funds are expected to remain flat or be slightly reduced in FY 2016-17. State allocations from Part C of the Federal IDEA Act are based on the number of children in the general population aged birth through two years in each state. This formula does not include an adjustment to account for the number of children identified for EI services. Colorado's population of children aged birth through two has decreased, but the number of children identified as eligible has increased since the Department has become the lead agency providing EI services. As a result, the State has experienced a decrease in Part C funding.

The EI program has been working closely with interagency partners and the CCBs over the past few years to maximize all available funding sources. Attributable to the Affordable Care Act, the utilization of private insurance through the Early Intervention Services Trust Fund has increased 43% in the past year in line with the current pace of caseload growth. This data does not capture the Medicaid funds paid to Home Health agencies that are providing EI services. The Targeted Case Management payments for service coordination decreased slightly from 79% to 74% in the same time period.

Proposed Solution:

The Department is requesting an increase of $3,803,626 total funds including $2,207,911 General Fund, $961,045 cash funds, and $634,670 reappropriated funds for EI direct services and service coordination in FY 2016-17. These funds will cover the projected EI services caseload growth that will not be covered by the other funding sources. Average caseload growth from FY 2012-13 to FY 2014-15 was 6.2%. This request assumes that, at a minimum, growth of 6% can be expected in FY 2015-16 and again in FY 2016-17. The growth for FY 2014-15 was 6% over the prior year and was addressed in the FY 2014-15 supplemental request "S-01: Early Intervention Caseload Adjustment," in which a 5.3% growth rate was projected for out years. The Department now has new enrollment data showing that average monthly enrollment (AME) continues to grow at a rate closer to 6%. As such, there is not sufficient funding for FY 2015-16 and additional funding is needed for FY 2016-17 to cover this higher projected AME. Preliminary projections suggest an FY 2015-16 supplemental is needed; however, the Department will continue to review its available funding and projected expenditures to determine if a FY 2015-16 supplemental is needed. Table 3 (below) illustrates the projected deficit due to accelerated caseload growth.

Table 3: Average Monthly Enrollment

	FY 2014-15*	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19
AME at 5.3% Growth	7,250	7,634	8,039	8,465	8,914
AME at 6.0% Growth	7,340	7,780	8,247	8,742	9,267
Difference	(90)**	(146)	(208)	(277)	(353)

* Enrollment data for FY 2014-15 is from DDDWeb, the EI Colorado program data system.
**The FY 2014-15 deficit was addressed in "S-01 Early Intervention Caseload Adjustment".

Further, the Department is engaged in ongoing work to track Medicaid and private insurance utilization as funding sources for EI services and to provide technical assistance to those CCBs who are underutilizing these sources.

Alternatives that the Department is not recommending at this time are:

- Foregoing participation in the Federal Part C program – This would result in declining approximately $7 million in Part C funds but would relieve the State of the requirement to ensure that services are provided to all eligible children (i.e. there could be a limit on the number or frequency of services provided or a waiting list could be used). This would result in children going without needed EI services or receiving late services. Reducing or eliminating the beneficial early interventions would reduce the short-term costs, but the State would likely experience future increased costs as a result of unresolved developmental delays in children who require services later in special education;
- Tightening the eligibility criteria for developmental delay – Changing eligibility criteria in children birth through two years of age, from a 25% delay or 1.5 standard deviations in one or more areas of development to either a 33% delay or 2 standard deviations in one area of development, or a 25% delay or 1.5 standard deviations or greater in two or more areas of development has the potential for a cost savings due to fewer children being determined eligible. Colorado exceeds the national average of eligible children receiving services, and delivers services at a rate higher than eight other states in the same categorical classification. Again, this alternative is not recommended because it ultimately will result in increased costs to the State in later years for special education services; and
- Implementation of family sliding fee scale – Implementing a sliding fee scale for families who are financially able to contribute toward the cost of services for their child would increase revenues but would add significant administrative costs, require statutory and regulatory rule changes, and may negatively impact families' access to EI services.

Children are at risk of longer term or increased levels of delay if interventions are not provided in a timely manner during the developmental years of birth through two years. Delaying the identification of developmental delays in young children and the delivery of needed EI services would likely result in higher health care and other costs to the State during the public education years, although the Department does not have the ability in our current data systems to track longitudinal data. Additionally, if EI services are not fully funded and services are not available to all eligible children and families as required under 34 CFR, Section 303.101(a)(1), the State will not meet the Part C requirements and will be at risk of forfeiting eligibility for the federal grant funds. By accepting federal Part C dollars, the State has the requirement to provide service coordination to every child referred through their enrollment in EI services, complete the multidisciplinary evaluation to determine eligibility within 45 calendar days, and provide services in a timely manner, defined in Colorado as 28 calendar days.

Anticipated Outcomes:

Early intervention services and the provision of service coordination will continue to meet the needs of infants, toddlers and their families. Ninety-nine percent (99%) of children with significant delays in development who received EI services in FY 2013-14 showed improvement or maintained functioning at a level comparable to same-aged peers in their acquisition and use of knowledge and skills (motor, cognition, speech, language, etc.). The child outcomes are part of the EI performance measures captured and reported monthly through C-Stat and are reported in the Annual Performance Report (APR) that is shared publicly and with the Federal Office of Special Education Programs (OSEP). Ninety-six percent (96%) of parents participating in EI services reported that the services assisted their family in helping their children develop and learn. The family outcomes are gathered annually through a statewide family survey and are reported in the APR.

This funding request relates to the timely evaluations for infants and toddlers referred to the EI program. The federal requirements under 34 C.F.R., Sections 303.310 and 303.345 are for all infants and toddlers to have their evaluation, eligibility determination and initial planning meeting completed within 45 calendar days of the date of referral. The target of 100% is set by the OSEP. Colorado's performance on this measure in FY 2013-14 was 97.84%; for the period of July 1, 2014 through June 30, 2015 that performance was 97.1%, a year-over-year decrease.

This funding request also relates to the C-Stat Performance Measure "Infants and Toddlers who Receive Timely Service". Timely initiation of EI services is a federal requirement and the target of 100% is set by the OSEP. The measurement is based on the number of infants and toddlers enrolled in EI services who receive new services documented on their Individualized Family Service Plan (IFSP) in a timely manner – within 28 days. The goal of this measure is to increase the percentage of children for whom services are initiated within 28 days of parent consent to 100%. The actual performance results have ranged from 96.75% in FY 2013-14 and 96.12% for the period of July 1, 2014 through April 30, 2015, showing a decline despite increased funding from the FY 2014-15 "S-01 Early Intervention Caseload Adjustment". However, caseload growth (6.0%) exceeded the amount of growth tied to the supplemental (5.3%), which affected local capacity. Without adequate funding it will be difficult to manage service coordinator caseloads, start services timely, and recruit and retain qualified EI service providers.

Assumptions and Calculations:

Tables 4 through 7 illustrate the total funds needed for EI direct services and service coordination for FY 2016-17 through FY 2018-19 to serve the additional infants and toddlers. Data is derived from DDDWeb, the EI Colorado program data system, and the Long Bill, S.B. 15-234.

The direct service and service coordination rates are historical rates plus provider rate increases. In FY 2014-15, through the Supplemental, the service coordination rates were raised by $131 per child to better align with the Medicaid Targeted Case Management (TCM) rates. The Alliance/OEC EI Task Force was involved in the analysis of and supportive of the increase in the service coordination rate. The service coordination rate for FY 2015-16 includes the 1.7% COLA increase from the JBC.

Table 4: Summary of Costs for Direct Services and Service Coordination at 6.0% Caseload Growth

	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19
Total Funds	**$699,245**	**$3,803,626**	**$7,102,305**	**$10,600,905**
General Fund	$345,575	$2,207,911	$4,187,217	$6,286,482
Cash Funds	$92,227	$961,045	$1,884,814	$2,864,569
Reappropriated Funds	$261,443	$634,670	$1,030,274	$1,449,854

Table 5: Costs for Direct Services

	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	Comments
A. Direct Service Rate	$5,332	$5,332	$5,332	$5,332	Rates in Row A are reflected in Table 4.
B. Average Monthly Enrollment	7,780	8,247	8,742	9,267	Enrollment in Row B is shown in Budget Request Narrative, Table 3.
C. Projected Cost	$41,482,960	$43,973,004	$46,612,344	$49,411,644	Row A multiplied by Row B.
D. Long Bill Allocation	$41,219,454	$41,227,162	$41,227,162	$41,227,162	FY 2015-16 funding is reflected in the Long Bill, S.B. 15-234. FY 2016-17 is the base request (FY 2015-16 appropriation plus a Salary Survey base adjustment) and carried to ensuring fiscal years.
E. Amount of Total Funding Needed	$263,506	$2,745,842	$5,385,182	$8,184,482	Subtract Row D from Row C. This amount is the total funds needed for Direct Services.
1. General Fund (65%)	$171,279	$1,784,797	$3,500,368	$5,319,913	The General Fund is based on a percentage of the General Fund and cash funds appropriated in S.B. 15-234. The General Fund share is 65%.
2. EIST (19%)	$50,066	$521,710	$1,023,185	$1,555,052	The EIST funding is based on a percentage of the General Fund and cash funds appropriated in S.B. 15-234. The EIST share is 19%.
3. Local Funds (16%)	$42,161	$439,335	$861,629	$1,309,517	The local funds are based on a percentage of the General Fund and cash funds appropriated in S.B. 15-234. The Local Funds share is 16%.
4. Federal Funds (0%)	$0	$0	$0	$0	The Federal Funding from the Part C grant is being entirely utilized to serve children and continues to be flat. The amount of the grant is anticipated to decrease in FY 2016-17 due to sequestration.

Table 6: Costs for Service Coordination

	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19	Comments
A. Service Coordination Rate	$1,332	$1,332	$1,332	$1,332	Rates in Row A are reflected in Table 4.
B. Average Monthly Enrollment	7,780	8,247	8,742	9,267	Enrollment in Row B is shown in the Budget Request Narrative, Table 3.
C. Projected Cost	$10,362,960	$10,985,004	$11,644,344	$12,343,644	Calculated by multiplying Row A by Row B.
D. Long Bill Allocation	$9,927,221	$9,927,221	$9,927,221	$9,927,221	FY 2015-16 funding is reflected in the Long Bill, S.B. 15-234. FY 2016-17 is the base request and carried to ensuring fiscal years.
E. Amount of Total Funding Needed	$435,739	$1,057,784	$1,717,123	$2,416,423	Subtract Row D from Row C. This amount is the total funds needed for Services Coordination.
1. General Fund (40%)	$174,296	$423,114	$686,849	$966,569	The General Fund percentage is based on the S.B. 15-234 allocation. The General Fund amount is calculated by multiplying Row E by the 40%.
2. Reappropriated Funds (60%)	$261,443	$634,670	$1,030,274	$1,449,854	The Reappropriated Funds percentages are based on the S.B. 15-234 allocation. The amount is calculated by multiplying Row E by the 60%.
F. Medicaid Total Funds	$261,443	$634,670	$1,030,274	$1,449,854	Medicaid Total Funds = Reappropriated Funds.
G. Medicaid General Fund	$128,839	$314,669	$512,664	$721,447	The FMAP blended rate (federal share of Medicaid) is 50.42% for FY 2016-17. The FMAP blended rate is 50.24% for FY 2017-18. This rate is also used for FY 2018-19. The General Fund share of Medicaid is 49.58% in FY 2016-17 and 49.76 in FY 2017-18 and beyond.
H. Medicaid Federal Fund	$132,604	$320,001	$517,610	$728,407	The FMAP blended rate (federal share of Medicaid) is 50.42% for FY 2016-17. The FMAP blended rate is 50.24% for FY 2017-18. This rate is also used for FY 2018-19. The General Fund share of Medicaid is 49.58% in FY 2016-17 and 49.76 in FY 2017-18 and beyond.
I. Net General Fund	$303,135	$737,783	$1,199,513	$1,688,016	Add Row G and Row E.1.

Table 7: Community Provider Rate Increase

Table 4: Community Provider Rate Increase Calculations			
	Direct Service	Service Coordination	Comments
A. FY 2014-15 Rate	$5,243	$1,310	The FY 2014-15 rate for Direct Service and Service Coordination
B. 1.7% Rate Increase	$89	$22	Row A multiplied by 1.7%
C. FY 2015-16 Rate	$5,332	$1,332	Row A added to Row B

Schedule 13

Funding Request for the FY 2016-17 Budget Cycle

Department of Human Services

Request Title

R-06 Children's Savings Accounts

Dept. Approval By: Melissa Wavelet

OSPB Approval By: 10/28/15

_ Supplemental FY 2015-16
X Change Request FY 2016-17
_ Base Reduction FY 2016-17
_ Budget Amendment FY 2016-17

Summary Information	Fund	FY 2015-16 Initial Appropriation	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
Total of All Line Items Impacted by Change Request	Total	$9,166,494	$0	$9,184,664	$0	$0
	FTE	16.90	0.0	16.90	0.0	0.0
	GF	$2,675,783	$0	$2,681,234	$0	$0
	CF	$722,793	$0	$724,065	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$5,767,918	$0	$5,779,365	$0	$0

Line Item Information	Fund	FY 2015-16 Initial Appropriation	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
01. Executive Director's Office - Children's Savings Accounts	Total	$0	$0	$0	$100,000	$100,000
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$100,000	$100,000
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0
07. Office of Self Sufficiency - Automated Child Support Enforcement System	Total	$9,166,494	$0	$9,184,664	($100,000)	($100,000)
	FTE	16.9	0.0	16.9	0.0	0.0
	GF	$2,675,783	$0	$2,681,234	($100,000)	($100,000)
	CF	$722,793	$0	$724,065	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$5,767,918	$0	$5,779,365	$0	$0

Letternote Text Revision Required Yes ___ No X — If Yes, describe the Letternote Text Revision:

Cash or Federal Fund Name and CORE Fund Number: N

Reappropriated Funds Source, by Department and Line Item Name

Approval by OIT? Yes ___ No ___ Not Required: X

Schedule 13s from Affected Departments:

Other Information: N/A

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Cost and FTE

- The Department of Human Services is requests a reduction of $100,000 total funds/General Fund from the Child Support Enforcement, Automated Child Support Enforcement system in FY 2016-17and FY 2017-18, and a commensurate increase in the Colorado Children's Savings Accounts (new line item) for the purpose of providing initial deposits to college savings accounts for children.

Current Program

- The Department is proposing to create a Children's Savings Account (CSA) Pilot Program for low-income, preschool-age children, and their families served in Head Start settings across the State for the purpose of increasing low-income children's college aspirations and enrollment, while simultaneously building economic opportunities for low-income families and creating a more educated, competitive workforce for the State.

Problem or Opportunity

- Less than 10 percent of students from low-income families graduate from college by their mid-20's. Increasing education costs, gaps in financial aid, and a lack of user-friendly saving options and incentives for low income families often result in a belief that higher education is unattainable.
- In Colorado, 37.8 percent of residents 25 and older have a bachelor's degree or higher; however, only 16.8 percent of Coloradans in poverty have a bachelor's degree.

Consequences of Problem

- 45 percent of students from low-income families have lower college expectations.
- There are few user-friendly savings options for low-income families to save for college, as the current range of college savings incentives and products don't work for low-income families.
- Low-income households face a particular burden paying for college as dependent students from families with incomes below $40,000 experience unmet need between $5,000 and $7,000 annually.
- Students from low- to-middle income families will continue to rely more heavily on borrowing as 7 out of 10 who earned a degree from a 4-year public institution graduated with loans compared with 4 out of 10 from households with incomes above $120,000.

Proposed Solution

- The Department of Human Services is requesting $100,000 total funds/General Fund in FY 2016-17 and FY 2017-18 for the purpose of providing initial $50 deposits to college savings accounts for up to 2,000 children per year in the Colorado CSA Pilot Program. This pilot program is being designed as a public/private partnership such that additional funds for program administration and implementation (i.e., matched funds, incentives) are being privately raised by the Department.

John W. Hickenlooper
Governor

Reggie Bicha
Executive Director

FY 2016-17 Funding Request | November 2, 2015

Department Priority: R-06
Request Detail: Children's Savings Accounts Initial Deposits

Summary of Incremental Funding Change for FY 2016-17	Total Funds	General Fund
Net Request	$0	$0

The Department of Human Services (Department) is requesting $100,000 total funds/General Fund in FY 2016-17 and FY 2017-18for the purpose of providing initial deposits to college savings accounts for children in the Colorado Children's Savings Account (CSA) Pilot Program. The proposed funding for this line will be provided by reducing the Automated Child Support Enforcement System appropriation by $100,000, resulting in a net zero request.

Problem or Opportunity:

The Colorado Children's Savings Account (CSA) Pilot Program aims to increase low-income children's college aspirations and enrollment, while simultaneously building economic opportunities for low-income families and creating a more educated, competitive workforce for the State. Less than 10 percent of students from low-income families graduate from college by their mid-20s, holding true even among high-achieving students.[1] The causes of this problem include: skyrocketing education costs; gaps in financial aid; a belief that, with such high tuition costs, higher education is unattainable; and a lack of user-friendly savings options and incentives for low-income families. The result of these conditions is that 45 percent of low-income families have a drop-off from college expectation to actual enrollment.[2] In Colorado, 16.9 percent of children under 18 live in poverty. Of all Colorado residents 25 and older, 37.8 percent have a bachelor's degree or higher; however, only 16.9 percent of Coloradans in poverty have a bachelor's degree.[3] The Colorado CSA Pilot Program will be another key component, along with academic readiness, financial aid, and other strategies, to making college accessible for low-income children.

It is the Department's goal that starting with a savings solution, such as the Colorado CSA Pilot Program, will help to bridge the financial gap for low-income families. In turn, this makes higher education more affordable, while providing children with the belief that they can attend college. Thus, the program will

[1] The Pell Institute for the Study of Opportunity in Higher Education (Mortenson, December 2008), www.postsecondary.org. Based on original data from Census Bureau and National Center for Education Statistics.
[2] Elliot, W. and Beverly, S. *The Role of Savings and Wealth in Reducing "Wilt" between Expectations and College Attendance.* (2010). Center for Social Development. Available at http://csd.wustl.edu/Publications/Documents/RB10-04.pdf.
[3] U.S. Census Bureau, 2013 American Community Survey.

simultaneously reduce the drop off from college expectation to actual enrollment and, ultimately, increase college completion. The financial value of a CSA is that it is an accessible savings product for low-income families, provides incentives to save, and seeks to cover gaps in financial aid. CSAs also have what is termed an "asset effect" in which simply owning such an account builds parents' expectations for their children, grows children's aspirations and fosters the belief that higher education is affordable and attainable.

The Department is proposing to use General Fund from the Automated Child Support Enforcement System in FY 2016-17 and FY 2017-18 based on the rationale that the line item has been underspent in each of the last three years. Specifically, the line was underspent in FY 2012-13 by $522,000 and by $227,000 in FY 2014-15. The temporary reduction in funding for the system will not result in a change in service delivery.

Proposed Solution:

The Department of Human Services is requesting $100,000 total funds/General Fund in FY 2016-17, FY 2017-18, and FY 2018-19 for the purpose of providing initial deposits to college savings accounts for children in the Colorado Children's Savings Account (CSA) Pilot Program. The proposed funding for this line will be provided by reducing the Automated Child Support Enforcement System appropriation by $100,000, resulting in a net zero request.

The Colorado CSA Pilot Program is intended to be a public/private partnership, with the State of Colorado covering the costs of initial deposits, while private philanthropy provides funding to match the savings contributions by children and their families, and to provide additional incentives. Key program features include:

1) CSAs for approximately 6,000 low-income, preschool-age children, being served in Head Start settings, over a 3-year pilot,
2) a partnership with Colorado's 529 college savings program, CollegeInvest, as the provider of the savings account product,
3) $50 initial deposits in each account,
4) $100/year in savings matches for up to five years, plus a bonus to encourage regular saving,
5) financial education for children and parents, and
6) evaluation of the program's impact on children and families.

Of the above program features, funding for matching savings, incentives for regular savings, and program evaluations funds will come from private donations. Financial education providers will be recruited at a local level as well as on a "pro bono" basis.

The role of Head Start providers across the State, by agreeing to participate in the pilot, will include assistance facilitating enrollment of children and families into the program and provision of an age-appropriate financial literacy curriculum for the children enrolled. Colorado already has many of the key elements in place for a successful CSA pilot program such as no state asset limits for benefits, eliminating disincentives for low-income families to save for their children's education, political and state agency leaders that recognize the importance of investing in young children and have expressed support for the idea, and local philanthropic organizations whose missions align well with the CSA pilot program. In order to examine the success of the Colorado CSA Pilot Program, DHS intends to partner with a third-party to evaluate outcomes related to the program's goals, which include increasing the financial knowledge of children and parents, creating consistent savings behavior among children and parents, increasing the number of low-income children who attain postsecondary education and training, and improving the financial well-being of children and parents. This evaluation will be paid for by a private funder.

If the problem of college inaccessibility for students from low-income families is not addressed, these students will continue to experience "college wilt", or a drop off from college expectation to actual enrollment. The wilt factor often leads to low college attendance and completion rates for this population. In addition, there will continue to be few user-friendly savings options for low-income families to save for college resulting in such families experiencing a disproportionate burden paying for college. Students from low-income families will continue to rely more heavily on borrowing than their peers from wealthier families.

This request does not impact other Departments and does not require a statutory change.

Anticipated Outcomes:

In recent years, evidence has emerged that suggests that a two-generation approach focused on education, economic supports and social capital has the potential to generate significant financial stability outcomes for low-income families.[4] Similarly, a growing body of research illustrates that even modest asset ownership – as simple as a savings account – can both increase financial security and, perhaps even more importantly, raise the hopes and aspirations of both children and adults. The development of a CSA Pilot Program at DHS aims to bring these two concepts – asset building and a two-generation approach – together to offer a two-generation asset-building approach to families. In particular, this effort focuses on CSAs as a vehicle to engage low-income parents and their children across Colorado in financial education and savings activities.

Traditionally, CSAs are long-term accounts, established for children as early as birth and allowed to grow until children reach adulthood. Accounts are seeded with an initial deposit and built by contributions from family, friends, and the children themselves. Often, savers' deposits are augmented by savings matches and/or other incentives. Researchers have found that such asset-building accounts may have significant impacts on children and youth, particularly in the realm of educational attainment. One notable study documents that among middle- and high-school youth who expect to go to college, those who own an education savings account in their own name are six times as likely to go to college than those without an account – even with balances as low as $500.[5] In addition, a low- to middle-income student with an account dedicated to saving for college is more likely to get better grades and to graduate from high school, three times more likely to attend college, and four times more likely to graduate from college, also with less than $500 in the account.[6] Such research demonstrates that the catalyst for success in CSA programs is not that

[4] Mosle, A., Patel, N., and Haight, S. (2012). Two Generations, One Future: Moving Parents and Children Beyond Poverty Together. Available at www.aspeninstitute.org/sites/default/files/content/docs/pubs/Ascend-Report-022012.pdf.

[5] Elliott, W. and Beverly, S. (2010). The Role of Savings and Wealth in Reducing "Wilt" between Expectations and College Attendance. Available at http://csd.wustl.edu/Publications/Documents/RB10-04.pdf.

[6] Zhan, M., & Sherraden, M. (2003). Assets, expectations, and children's educational achievement in female-headed households. *Social Service Review, 77* (2), 191-211; *Building Expectations, Delivering Results: Asset-Based Financial Aid and the Future of Higher Education* (2013). The University of Kansas School of Social Welfare, Assets & Education Initiative.

children end up with significant enough savings to pay for college, but that merely having the CSA, an asset set aside specifically for postsecondary education, builds parents' expectations for their children, grows children's aspirations, and fosters a new belief system around the affordability and attainability of college.

Early research findings from the SEED for Oklahoma Kids (Saving for Education Entrepreneurship and Downpayment OK) experiment illustrate the value of CSAs. SEED OK is a large-scale policy test of CSAs and results suggest that children who grow up knowing they have some assets for postsecondary education may be more future-oriented and may fare better in the long run than children without these assets. More specifically, the SEED OK CSA increased the likelihood that mothers had taken steps to save for their children's college education and improved their expectations for their children's education. In addition, the SEED OK CSA boosted mothers' mental health as well as improved disadvantaged children's early social-emotional development. Additional outcomes, specifically related to cognitive and educational outcomes, will be examined as children age and time passes. [7] Research from the SEED OK experiment has directly informed adoption of CSA policies in four states – Maine, Nevada, Connecticut, and Rhode Island – and has informed the design of the CSA Pilot Program here in Colorado as well.

CSA programs can serve as a two-generation "gateway" that simultaneously builds children's savings while encouraging and supporting parents (especially those of lower income) to access a range of additional financial services, such as money management and credit repair, mainstream banking services, free tax preparation, and more. Thus, research in the field of CSAs supports DHS's approach to addressing the problem outlined in this request.

[7] Beverly, S. G., Clancy, M. M. & Sherraden, M. (2015). The early positive impacts of child development accounts. Center for Social Development Research Brief 15-08.

Assumptions and Calculations:

The table below illustrates the reduction of funding from the Automated Child Support Enforcement System line item and the increase to the Colorado Children's Savings Account new line item.

Table 1: Line Item Adjustments

Line Item	Total Funds	General Fund	Cash Funds	Reappropraited Funds	Federal Funds	FTE	Comments
(7) Office of Self Sufficiency, (D) Child Support Enforcement, Automated Child Support Enforcement System	$ 9,166,494	$ 2,675,783	$ 722,793	$ -	$ 5,767,918	16.9	FY 2015-16 Appropriation per SB 15-234
(1) Executive Director's Office, (B) Special Purpose, Colorado Children's Savings Accounts (New Line Item)	$ 100,000	$ 100,000	$ -	$ -	$ -	0.0	Budget Request
(7) Office of Self Sufficiency, (D) Child Support Enforcement, Automated Child Support Enforcement System	$ 9,066,494	$ 2,575,783	$ 722,793	$ -	$ 5,767,918	16.9	Revised FY 2016-17 Appropriation

Table 2: Funding Request Details

	FY 2015-16	FY 2016-17	FY 2017-18	3-Year Totals
New Accounts for Preschool Children	Up to 2,000	Up to 2,000	Up to 2,000	Up to 6,000
Seed Deposit by State of Colorado*	$100,000	$100,000	$100,000	$300,000
***Each child receives an initial deposit of $50**				

Schedule 13

Funding Request for the FY 2016-17 Budget Cycle

Department of Human Services

Request Title

R-07 Continuation of Child Care Quality Initiatives

Dept. Approval By:	Melissa Wavelet		Supplemental FY 2015-16
		X	Change Request FY 2016-17
			Base Reduction FY 2016-17
OSPB Approval By:	[illegible] 10/26/15		dget Amendment FY 2016-17

Summary Information	Fund	FY 2015-16 Initial Appropriatio	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
Total of All Line Items Impacted by Change Request	Total	$54,432,846	$0	$53,358,335	$1,552,936	$3,066,241
	FTE	0.0	0.0	0.0	7.3	14.6
	GF	$34,846,487	$0	$36,025,185	$0	$0
	CF	$1,096,452	$0	$970,867	$0	$0
	RF	$11,425,039	$0	10,921,311	$0	$0
	FF	$7,064,868	$0	$5,440,972	$1,552,936	$3,066,241

Line Item Information	Fund	FY 2015-16 Initial Appropriatio	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
01. Executive Director's Office - Health, Life, And Dental	Total	$33,990,114	$0	$32,271,771	$79,270	$118,906
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$21,590,760	$0	$21,762,826	$0	$0
	CF	$647,045	$0	$543,180	$0	$0
	RF	$7,515,685	$0	$6,909,927	$0	$0
	FF	$4,236,624	$0	$3,055,838	$79,270	$118,906
01. Executive Director's Office - Short-Term Disability	Total	$492,114	$0	$398,978	$828	$1,656
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$318,746	$0	$269,773	$0	$0
	CF	$11,054	$0	$8,271	$0	$0
	RF	$92,824	$0	$74,665	$0	$0
	FF	$69,490	$0	$46,269	$828	$1,656
01. Executive Director's Office - Amortization Equalization Disbursement	Total	$10,152,863	$0	$10,397,949	$20,901	$41,800
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$6,585,233	$0	$7,032,923	$0	$0
	CF	$222,977	$0	$210,806	$0	$0
	RF	$1,941,356	$0	$1,978,665	$0	$0

	FF	$1,403,297	$0	$1,175,555	$20,901	$41,800
01. Executive Director's Office - S.B. 06-235 Supplemental Equalization Disbursement	**Total**	**$9,797,755**	**$0**	**$10,289,637**	**$20,682**	**$41,367**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$6,351,748	$0	$6,959,663	$0	$0
	CF	$215,376	$0	$208,610	$0	$0
	RF	$1,875,174	$0	$1,958,054	$0	$0
	FF	$1,355,457	$0	$1,163,310	$20,682	$41,367
06. Division of Early Childhood - Continuation of Child Care Quality Initiatives	**Total**	**$0**	**$0**	**$0**	**$1,431,255**	**$2,862,512**
	FTE	0.0	0.0	0.0	7.3	14.6
	GF	$0	$0	$0	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$1,431,255	$2,862,512

Letternote Text Revision Required? Yes ___ No X ___ **If Yes, describe the Letternote Text Revision:**

Cash or Federal Fund Name and CORE Fund Number:

Federal funds are from the Child Care Development Fund.

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

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

Schedule 13s from Affected Departments: **N/A**

Other Information: **N/A**

Cost and FTE

- The Department of Human Services (Department) is requesting $1,552,936 in federal Child Care Development Fund spending authority and 7.3 FTE in FY 2016-17 to continue child care quality initiatives, including the Colorado Shines Quality Rating and Improvement System (QRIS). This request annualizes to $3,066,241 and 14.6 FTE in FY 2017-18 and beyond.
- The FTE requested are not new staff. Instead, they are a continuation of federal Race to the Top Early Learning Challenge (RTT-ELC) grant-funded positions at the Department and the Department of Education.

Current Program

- The Department launched the Colorado Shines QRIS in November 2014. This program ensures that quality program standards are applied to approximately 4,600 licensed early learning programs in the State.
- The Professional Development and Information System (PDIS) is the statewide web-based system supporting professional development for Colorado's early childhood workforce. The PDIS includes required coursework for early care and learning programs wanting to achieve a Colorado Shines QRIS level 2 or higher quality rating.

Problem or Opportunity

- The Department has laid a foundation for improving both equitable access and quality in early care and learning programs through RTT-ELC and existing child care quality initiatives. RTT-ELC funding will expire in December 2016.
- The requested funding supports the Colorado Shines framework, including coaching, rating administration, inter-rater reliability for assessor staff, ongoing training and professional development opportunities for early childhood teachers, and hosting, operating and maintenance costs for the technology systems (Colorado Shines Technology System and the PDIS).

Consequences of Problem

- Without Colorado Shines, the State would lack a measure of program quality, making it impossible to measure the impact of quality improvement efforts (on child care programs as reflected in the Department's Wildly Important Goals & C-Stat Measure).

Proposed Solution

- The Department is requesting $1,552,936 in federal funds spending authority to utilize the Child Care Development Fund to support the ongoing sustainability of the Colorado Shines QRIS and its associated technology systems to improve the quality of child care services.
- Colorado Shines incorporates the effective use of data to guide program improvement as outcomes are measured using the Colorado Shines technology system. This system is integrated with other state data systems to support the evaluation of program outcomes. The enhanced system will benchmark quality for consumers and broaden awareness of the components of quality.

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Department Priority: R-07
Request Detail: Continuation of Child Care Quality Initiatives

Summary of Incremental Funding Change for FY 2016-17	Total Funds	Federal Funds	FTE
Continuation of Child Care Quality Initiatives	$1,552,936	$1,552,936	7.3

Problem or Opportunity:

The Department of Human Services (Department) requests $1,552,936 in federal Child Care Development Fund (CCDF) spending authority in FY 2016-17 and 7.3 FTE to continue child care quality initiatives which include the Colorado Shines Quality Rating and Improvement System (QRIS). This request annualizes to $3,066,241 CCDF spending authority and 14.6 FTE in FY 2017-18. The FTE requested are not new staff; they are a continuation of federal Race to the Top Early Learning Challenge (RTT-ELC) grant-funded positions.

The Office of Early Childhood strives to improve equitable access and quality in early care and learning programs to ensure children are ready for school when entering kindergarten. Ensuring that Colorado parents have access to quality affordable early learning programs for their children is a critical part of improving our public schools, increasing economic opportunity, and reducing burdens on our public safety and criminal justice systems.

Research[1] shows that high quality early childhood education is a critical first step in preparing children for success in kindergarten and beyond. In November 2014, the Department launched a new Quality Rating and Improvement System (QRIS), Colorado Shines, which is embedded in the state child care licensing regulatory system. The system requires the assignment of a quality rating level for all licensed child care programs. This approach ensures that quality program standards are applied to all licensed early learning programs in the State. Colorado Shines incorporates evidence-based standards of quality: high performing, competent staff; engaged families; safe, enriched learning environments; and high performing administration focused on children's growth, development, and overall health. This new rating system is designed to inform parents about the quality of early learning programs and drive improvements to the quality of those programs.

As part of Colorado Shines, the Colorado Shines Technology Solution is the repository of licensing, quality rating, child care resource and referral, and quality grants data for the Department. This system supports 4,800 licensed programs and dissemination of quality improvement grants to programs pursuing higher

[1] James Heckman, *The Economics of Inequality, The Value of Early Childhood Education* (American Educator, 2011) 31-47 http://www.aft.org/sites/default/files/periodicals/Heckman.pdf

quality ratings, and manages both self-service and on-phone referrals for parents seeking quality licensed care for their children. This system is operated and maintained by a mixture of state staff and contractors, with an internal team responsible for setting policy, system configuration, and data analysis, and contracted users (licensing specialists, rating specialists, referral specialists, and quality improvement navigators) leading efforts around local engagement and data collection in the system.

Finally, a third component of Colorado Shines, the Professional Development and Information System (PDIS), is the statewide web-based system supporting professional development for Colorado's early childhood workforce managed by the Department of Education. The PDIS provides training and professional development opportunities for early childhood professionals, and includes required coursework for early care and learning programs choosing to achieve a Colorado Shines QRIS level 2 or higher quality rating. The system was developed with Colorado's Competencies for Early Childhood Educators and Administrators as the foundation, and all professional development offerings within the system align with these competencies. The PDIS also issues Early Childhood Professional Credentials at a level reflecting demonstrated competency achievement. This system is designed to support early childhood professionals at all levels of experience and education.

The cost for the Colorado Shines QRIS and its associated technology systems, including the PDIS, are currently funded through the federal Race to the Top Early Learning Challenge Grant, which concludes December 31, 2016.

Proposed Solution:

The Department is requesting $1,552,936 in federal Child Care Development Fund spending authority and 7.3 FTE in FY 2016-17 to support the sustainability of the Colorado Shines QRIS. The request for FY 2016-17 is for a six-month period only, as the Race to the Top Early Learning Challenge Grant concludes December 31, 2016 and will cover expenditures up to this time. The full amount of $3,066,241 and 14.6 FTE will be needed for FY 2017-18 and beyond. The staff is not new, but is a continuation of the current federal Race to the Top Early Learning Challenge grant-funded positions located in the Department and at the Department of Education[2]. Analysis shows that this funding request is sustainable (see attached).

The requested funds will support the oversight and development of the Colorado Shines framework, including coaching, rating administration, inter-rater reliability for assessor staff, ongoing training and professional development opportunities for early childhood teachers, and hosting, operating and maintenance costs for the technology systems (Colorado Shines Technology System and the PDIS).

Through the Federal Race to the Top Early Learning Challenge Grant and the existing child care quality initiatives offered through the Department, a foundation has been laid to improve both equitable access and quality in early care and learning programs to ensure children are ready for school when entering kindergarten. In total, nearly $18 million will be invested through the grant to build Colorado Shines QRIS and PDIS, a public communications campaign on why quality matters, training and change management for stakeholders, quality improvement investments for businesses, and much more. This request focuses on the costs needed to operate the ongoing major infrastructure investments that took place under Race to the Top. The Department expects the sustainability of Colorado Shines QRIS and associated technology systems

[2] The Department is in negotiations with the Colorado Department of Education regarding the sustainability of the Professional Development Information System (PDIS). PDIS is impacted by the volume of professionals using the platform and the number of applications for professional credentials; as adoption continues to grow CDHS projects an increased cost to sustain PDIS in FY 2016-17 and beyond. It is likely the number of State FTE will also increase to support PDIS. The Child Care Development Fund (CCDF) will have available funds to support the increased cost and FTE.

will allow for continued and increased access to high quality child care programs for the highest needs children, thus providing support to close the achievement gap.

The Colorado Shines Technology System supports efficiencies for child care licensing specialists by making the first level of quality control focused on health and safety issues, allowing assessor staff to determine the higher levels of quality (level 3, level 4, and level 5) through an onsite assessment. This system allows programs to market their business, develop a quality improvement plan, and pursue grants to fund quality investments. The PDIS supports training and professional development opportunities for child care providers in the field of early childhood and, for the first time, produce a more complete view of the status of competencies across the field. This presents a major opportunity in directing resources to enhance the quality of professionals, and support the role of professionals in raising the quality of available early care and learning for Colorado's youngest citizens.

Without Colorado Shines, the Department would lack a measure of program quality, making it impossible to determine the impact of the quality improvement efforts through the Department Performance Plans (C-Stat Measures and Wildly Important Goals). The Department will work with the Department of Education to ensure reporting metrics that demonstrate how high quality programs support children's future success.

Anticipated Outcomes:

Research indicates that high quality early childhood education and sustained participation in sound child care and early education has favorable short- and long-term effects on children and their families, including high school completion, higher earning rates for parents and for the children once grown, and reduced public spending on remedial education and services. These findings have been widely cited by research organizations, economists, and public officials. For example:

- "Research on the developing brain shows us that early childhood experiences build the foundation for a skilled workforce, a responsible community, and a thriving economy." (Center on the Developing Child, Harvard University)
- "Well-designed early learning and education programs produce long-term improvements in school success, including higher achievement test scores, lower rates of grade repetition and special education, and higher educational attainment." (W. Steven Barnett, Director, National Institute for Early Education Research)
- "The logic is quite clear from an economic standpoint. We can invest early to close disparities and prevent achievement gaps, or we can pay to remediate disparities when they are harder and more expensive to close. Either way we are going to pay." (James J. Heckman, Economist, Nobel Laureate & Professor of Economics at the University of Chicago)
- "Economically speaking, early childhood programs are a good investment, with inflation-adjusted annual rates of return on the funds dedicated to these programs estimated to reach 10 percent or higher. Very few alternative investments can promise that kind of return." (Ben S. Bernanke, Former United States Federal Reserve Chairman)

The Colorado Shines QRIS incorporates evidence based standards of quality early learning programs: high performing, competent staff; engaged families; safe, enriched learning environments; and high performing administrations focused on children's growth, development, and overall health. The training and professional development offered through the PDIS relate to the use of scientifically-based, developmentally-appropriate and age-appropriate strategies to promote the social, emotional, physical, and cognitive development of children.

Colorado Shines incorporates the effective use of data to guide program improvement. Outcomes are measured using the Colorado Shines technology system. This system is integrated with other state data systems to support the evaluation of program outcomes. The enhanced system will help benchmark quality for consumers and broaden awareness of the components of quality. These data will inform a measure of program quality to determine the impact of the quality improvement efforts through the Department Performance Plans (C-Stat Measures and Wildly Important Goals). Since its launch in November 2014, Colorado Shines has doubled provider participation in quality ratings, and increased the number of Colorado Child Care Assistance Program (CCCAP) children participating in high quality settings from 21% to 35%.

Assumptions and Calculations:

QRIS Costs

Exhibit A: State FTE cost for QRIS staff
FY 2016-17 = $578,446 / 5.0 FTE
FY 2017-18 and ongoing = $1,125,185 / 10.0 FTE

The State FTE are existing employees. The Department has calculated the State FTE cost using the actual salaries as opposed to the minimum pay range.

Table 1 shows the total costs for QRIS contractual expenses. The costs are based on existing annual contracts and known licensing expenses.

Table 1: QRIS Contractual Expenses

Item	FY 2016-17	FY 2017-18	FY 2018-19
Salesforce licenses	$51,809	$103,618	$103,618
Quality Rating Vendor	$484,461	$ 968,922	$ 968,922
Rating Reliability Trainer	$110,000	$ 220,000	$ 220,000
Total QIRS Contractual Expenses	**$646,270**	**$1,292,540**	**$1,292,540**

Table 2 shows the total costs for QRIS State FTE and contract costs.

Table 2: Total QRIS Cost

Item	FY 2016-17	FY 2017-18	FY 2018-19
Personal Services	$426,696	$821,685	$821,685
Operating Expenses	$151,750	$303,500	$303,500
Subtotal FTE costs	**$578,446**	**$1,125,185**	**$1,125,185**
Contract Expenses	$646,270	$1,292,540	$1,292,540
QRIS Total	**$1,224,716**	**$2,417,725**	**$2,417,725**

PDIS Costs
Exhibit B: State FTE cost for PDIS staff
FY 2016-17 = $250,720 / 2.3 FTE
FY 2017-18 and ongoing = $493,516 / 4.6 FTE

The State FTE are existing employees. The Department has calculated the State FTE cost using the actual salaries as opposed to the minimum pay range.

PDIS contractual expenses are based on existing contracts and known licensing costs. They are listed by type in Table 3.

Table 3: PDIS Contractual Expenses			
Item	**FY 2016-17**	**FY 2017-18**	**FY 2018-19**
System Hosting Cost	$67,500	$135,000	$135,000
Tech System Support	$10,000	$20,000	$20,000
Total PDIS Contractual Expenses	**$77,500**	**$155,000**	**$155,000**

Table 4 shows the total costs for PDIS staff and contract costs.

Table 4: Total PDIS Cost			
Item	**FY 2016-17**	**FY 2017-18**	**FY 2018-19**
Personal Services	$180,915	$353,906	$353,906
Operating Expenses	$69,805	$139,610	$139,610
Subtotal FTE costs	**$250,720**	**$493,516**	**$493,516**
Contract Expenses	$77,500	$155,000	$155,000
PDIS Total	**$328,220**	**$648,516**	**$648,516**

Table 5 lists the total costs of the request by system.

Table 5: Request Total Cost			
Item	FY 2016-17	FY 2017-18	FY 2018-19
QRIS Total	$1,224,716	$2,417,725	$2,417,725
PDIS Total	$328,220	$648,516	$648,516
Request Total	**$1,552,936**	**$3,066,241**	**$3,066,241**

Table 6: CCDF Sustainability
Further, analysis shows that this funding requested through the CCDF is sustainable. The attached CCDF table (Table 6) demonstrates the ability to sustain the Colorado Shines Sustainability initiative (as well as the other requested initiatives) through CCDF through the FY 2019-20 budget year. This projection table conservatively projects 1.5% growth in base expenditures, but does not project an increase in CCDF funding at this time. The Department does anticipate that there will be an increase in CCDF funding with reauthorization in October 2015, however this table demonstrates sustainability of these initiatives without

this increase. However, this budget request does not presume additional General Fund resources to support these initiatives should federal funding become unavailable. The QRIS and PDIS contractual expenses are the existing contractual costs currently funded by RTT-ELC funding.

Table 6 - CCDF Federal Funds Including Roll Forward

Federal CCDF Funds	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Estimate	FY 2016-17 Request	FY 2017-18 Request	FY 2018-19 Request	FY 2019-20 Request
CCDF Carryforward (Unspent Balance)	$ 18,113,665	$ 22,393,937	$ 32,065,141	$ 29,742,785	$ 25,717,493	$ 20,519,960	$ 14,279,961
New Annual CCDF Award	$ 68,300,025	$ 69,043,659	$ 69,244,477	$ 69,244,477	$ 69,244,477	$ 69,244,477	$ 69,244,477
Total Funds Available	$ 86,413,690	$ 91,437,596	$ 101,309,618	$ 98,987,262	$ 94,961,970	$ 89,764,437	$ 83,524,438
Base Expenditures	$ 64,019,753	$ 59,372,455	$ 68,545,708	$ 68,470,708	$ 69,497,769	$ 70,540,235	$ 71,598,339
MicroGrants			$ 250,000	$ 250,000	$ 250,000	$ 250,000	$ 250,000
MicroLoans			$ 338,000	$ 338,000	$ 338,000	$ 338,000	$ 338,000
CHATS O&M			$ 900,000	$ 1,200,000	$ 1,200,000	$ 1,200,000	$ 1,200,000
CHATS Modernization			$ 1,533,125	$ 1,458,125	$ 90,000	$ 90,000	$ 90,000
Continuation of Child Care Quality Initiatives *				$ 1,552,936	$ 3,066,241	$ 3,066,241	$ 3,066,241
Expenditures	**$ 64,019,753**	**$ 59,372,455**	**$ 71,566,833**	**$ 73,269,769**	**$ 74,442,010**	**$ 75,484,476**	**$ 76,542,580**
Balance to roll forward	$ 22,393,937	$ 32,065,141	$ 29,742,785	$ 25,717,493	$ 20,519,960	$ 14,279,961	$ 6,981,858

* All expenditures are currently funded items except Continuation of Child Care Quality Initiatives, which is an FY 2016-17 decision item.

FY 2016-17: R-07 Countinuation of Child Care Quality Initiatives - Exhibit A - QRIS State FTE Cost

FTE Calculation Assumptions:

Operating Expenses -- Base operating expenses are included per FTE for $500 per year. In addition, for regular FTE, annual telephone costs assume base charges of $450 per year.

Standard Capital Purchases -- Each additional employee necessitates the purchase of a Personal Computer ($900), Office Suite Software ($330), and office furniture ($3,473).

General Fund FTE -- New full-time General Fund positions are reflected in Year 1 as 0.9166 FTE to account for the pay-date shift. This applies to personal services costs only; operating costs are not subject to the pay-date shift.

Expenditure Detail			Year 1 (Request Year)	Year 2 (Out-year)	
Personal Services:					
Classification Title	Monthly	FTE		FTE	
General Professional III	$3,949	2.0	$94,776	4.0	$189,552
PERA			$9,620		$19,240
AED			$4,549		$9,098
SAED			$4,502		$9,004
Medicare			$1,374		$2,749
STD			$180		$360
Health-Life-Dental			$15,854		$31,709
Subtotal Position 1, #.# FTE		**2.0**	**$130,855**	**4.0**	**$261,712**
Classification Title	Monthly	FTE		FTE	
General Professional IV	$5,250	0.5	$31,500	1.0	$63,000
PERA			$3,197		$6,395
AED			$1,512		$3,024
SAED			$1,496		$2,993
Medicare			$457		$914
STD			$60		$120
Health-Life-Dental			$7,927		$7,927
Subtotal Position 1, #.# FTE		**0.5**	**$46,149**	**1.0**	**$84,373**
Classification Title	Monthly	FTE		FTE	
General Professional V	$6,899	1.0	$82,788	2.0	$165,576
PERA			$8,403		$16,806
AED			$3,974		$7,948
SAED			$3,932		$7,865
Medicare			$1,200		$2,401
STD			$157		$315
Health-Life-Dental			$7,927		$15,854
Subtotal Position 2, #.# FTE		**1.0**	**$108,381**	**2.0**	**$216,765**
Classification Title	Monthly	FTE		FTE	
General Professional VI	$8,743	0.5	$52,458	1.0	$104,916
PERA			$5,324		$10,649
AED			$2,518		$5,036
SAED			$2,492		$4,984
Medicare			$761		$1,521
STD			$100		$199
Health-Life-Dental			$7,927		$7,927
Subtotal Position 1, #.# FTE		**0.5**	**$71,580**	**1.0**	**$135,232**

Classification Title	Monthly	FTE		FTE	
Administrative Assistant III	$3,318	0.5	$19,908	1.0	$39,816
PERA			$2,021		$4,041
AED			$956		$1,911
SAED			$946		$1,891
Medicare			$289		$577
STD			$38		$76
Health-Life-Dental			$7,927		$7,927
Subtotal Position 1, #.# FTE		**0.5**	**$32,085**	**1.0**	**$56,239**
Classification Title	Monthly	FTE		FTE	
Program Assistant II	$4,082	0.5	$24,492	1.0	$48,984
PERA			$2,486		$4,972
AED			$1,176		$2,351
SAED			$1,163		$2,327
Medicare			$355		$710
STD			$47		$93
Health-Life-Dental			$7,927		$7,927
Subtotal Position 2, #.# FTE		**0.5**	**$37,646**	**1.0**	**$67,364**
Subtotal Personal Services		5.0	**$426,696**	10.0	**$821,685**
Operating Expenses:					
		FTE		FTE	
Regular FTE Operating Expenses	$500	5.0	$2,500	10.0	$5,000
Telephone Expenses	$450	5.0	$2,250	10.0	$4,500
PC, One-Time	$1,230	0.0	$0	-	$0
Office Furniture, One-Time	$3,473	0.0	$0	-	$0
Travel	$1,400	5.0	$7,000	10.0	$14,000
Additional Office Supplies	$1,000	5.0	$5,000	10.0	$10,000
Cost Pool (OEC, CDHS, Fiscal)	$27,000	5.0	$135,000	10.0	$270,000
Other					
Subtotal Operating Expenses			**$151,750**		**$303,500**
TOTAL REQUEST		5.0	**$578,446**	10.0	**$1,125,185**
	General Fund:		*$0*		*$0*
	Cash funds:		*$0*		*$0*
	Reappropriated Funds:		*$0*		*$0*
	Federal Funds:		*$578,446*		*$1,125,185*

FY 2016-17: R-07 Countinuation of Child Care Quality Initiatives - Exhibit B - PDIS State FTE Cost

FTE Calculation Assumptions:

Operating Expenses -- Base operating expenses are included per FTE for $500 per year. In addition, for regular FTE, annual telephone costs assume base charges of $450 per year.

Standard Capital Purchases -- Each additional employee necessitates the purchase of a Personal Computer ($900), Office Suite Software ($330), and office furniture ($3,473).

General Fund FTE -- New full-time General Fund positions are reflected in Year 1 as 0.9166 FTE to account for the pay-date shift. This applies to personal services costs only; operating costs are not subject to the pay-date shift.

Expenditure Detail		Year 1 (Request Year)		Year 2 (Out-year)	
Personal Services:					
Classification Title	Monthly	FTE		FTE	
General Professional II	$3,333	1.0	$39,996	2.0	$79,992
PERA			$4,060		$8,119
AED			$1,920		$3,840
SAED			$1,900		$3,800
Medicare			$580		$1,160
STD			$76		$152
Health-Life-Dental			$7,927		$15,854
Subtotal Position 1, #.# FTE		**1.0**	**$56,459**	**2.0**	**$112,917**
Classification Title	Monthly	FTE		FTE	
General Professional IV	$5,417	0.8	$52,003	1.6	$104,006
PERA			$5,278		$10,557
AED			$2,496		$4,992
SAED			$2,470		$4,940
Medicare			$754		$1,508
STD			$99		$198
Health-Life-Dental			$7,927		$15,854
Subtotal Position 1, #.# FTE		**0.8**	**$71,027**	**1.6**	**$142,055**
Classification Title	Monthly	FTE		FTE	
General Professional V	$6,250	0.5	$37,500	1.0	$75,000
PERA			$3,806		$7,613
AED			$1,800		$3,600
SAED			$1,781		$3,563
Medicare			$544		$1,088
STD			$71		$143
Health-Life-Dental			$7,927		$7,927
Subtotal Position 2, #.# FTE		**0.5**	**$53,429**	**1.0**	**$98,934**
Subtotal Personal Services		2.3	**$180,915**	4.6	**$353,906**
Operating Expenses:					
		FTE		FTE	
Regular FTE Operating Expenses	$500	2.3	$1,150	4.6	$2,300
Telephone Expenses	$450	2.3	$1,035	4.6	$2,070
PC, One-Time	$1,230	0.0	$0	-	$0
Office Furniture, One-Time	$3,473	0.0	$0	-	$0

Travel	$1,400	2.3	$3,220	4.6	$6,440
Additional Office Supplies	$1,000	2.3	$2,300	4.6	$4,600
Cost Pool (OEC, CDHS, Fiscal)	$27,000	2.3	$62,100	4.6	$124,200
Other					
Subtotal Operating Expenses			**$69,805**		**$139,610**
TOTAL REQUEST		2.3	**$250,720**	4.6	**$493,516**
General Fund:			*$0*		*$0*
Cash funds:			*$0*		*$0*
Reappropriated Funds:			*$0*		*$0*
Federal Funds:			*$250,720*		*$493,516*

Schedule 13

Funding Request for the FY 2016-17 Budget Cycle

Department of Human Services

Request Title

R-08 Title IV-E Waiver Cash Funds

Dept. Approval By: Melissa Wavelet

OSPB Approval By: 10/28/15

___	**Supplemental FY 2015-16**
x	**Change Request FY 2016-17**
___	**Base Reduction FY 2016-17**
___	**Budget Amendment FY 2016-17**

Summary Information	Fund	FY 2015-16 Initial Appropriation	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
	Total	**$6,000,000**	**$0**	**$ 6,000,000**	**$6,000,000**	**$6,000,000**
	FTE	0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	$0	$0	$0	$0	$0
	CF	$6,000,000	$0	$ 6,000,000	$6,000,000	$6,000,000
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2015-16 Initial Appropriation	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
	Total	**$6,000,000**	**$0**	**$6,000,000**	**$6,000,000**	**$6,000,000**
	FTE	0.0	0.0	0.0	0.0	0.0
05. Division of Child Welfare - Title IV-E Waiver Demonstration	GF	$0	$0	$0	$0	$0
	CF	$6,000,000	$0	$6,000,000	$6,000,000	$6,000,000
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Letternote Text Revision Required? Yes ___ No **x** — **If Yes, describe the Letternote Text Revision:**

Cash or Federal Fund Name and CORE Fund Number:

Reappropriated Funds Source, by Department and Line Item Name

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

Schedule 13s from Affected Departments:

Other Information: N/A

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Cost and FTE

- The Department requests $6,000,000 cash funds in the Title IV-E Waiver cash fund beginning in FY 2016-17 through FY 2019-20 to increase the spending authority for a total of $12,000,000 over the course of the Waiver. There are no FTE associated with this request. This will increase the spending authority in the Title IV-E Waiver Demonstration Project line item by 100%.

Current Program

- The Division of Child Welfare provides services to protect children from harm and assist families in caring for and protecting their children.
- The Title IV-E Waiver Demonstration Project Cash Fund was created in FY 2014-15, in order to deposit funds that resulted from the Department negotiating excess federal funding for implementation of the Title IV-E Waiver Demonstration Project and shift practice from costly congregate care to prevention services.
- The Department will use the additional $6,000,000 to increase prevention and intervention services, continue expansion of IV-E Waiver interventions of family engagement, permanency roundtables, trauma-informed assessment and treatment and kinship support, establish a standard Level of Care tool, and payout earned savings to counties for any reduction in Title IV-E costs which are derived from a reduction in out-of-home placements.

Problem or Opportunity

- Increasing the spending authority for services, such as expansion to trauma services through the Resiliency Center and a Level of Care tool to provide counties with guidance towards the appropriate level of services provision through the Title IV-E Waiver Demonstration Project will increase the funding available for the IV-E Waiver interventions.
- Families who have kin placed with them and adoptive families need additional support services in order to maintain a safe and stable environment for the children and youth in their care.

Consequences of Problem

- Undrawn federal funds one year after the end of the Waiver in 2020 will revert back to the federal government causing Colorado to lose the federal funds negotiated in the Waiver.
- Without the use of these funds, counties may experience barriers to implementing effective interventions, preventive and supportive services to the most vulnerable population, children and youth.

Proposed Solution

- The Department requests $6,000,000 cash fund spending authority in FY 2016-17 to use the funds for prevention and intervention services and continued expansion of IV-E Waiver interventions. There will be no increase to the General Fund.

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Department Priority: R-08
Request Detail: Title IV-E Waiver Cash Funds

Summary of Incremental Funding Change for FY 2016-17	Total Funds	General Fund	Cash Funds	FTE
Title IV-E Waiver Cash Funds	$6,000,000	$0	$6,000,000	0.0

Problem or Opportunity:

The Department requests an increase to the Title IV-E Waiver Cash Fund spending authority of $6,000,000 for a total of $12,000,000 available in FY 2016-17 through FY 2019-20. This time period is two years after the Title IV-E Waiver Demonstration Project (IV-E Waiver) ends.

IV-E Waiver

The IV-E Waiver is designed and structured to allow Colorado to use Title IV-E federal foster care funding on direct services to children, youth and families. Colorado focuses the IV-E Waiver funding on five interventions which are: family engagement, permanency roundtables, trauma-informed assessment and treatment and kinship support. The increase in spending authority and extension of time to June 30, 2020 expands the use and flexibility of successful waiver practices, and improves the sustainability of Colorado's IV-E funds by allowing the State to have the time and funds to implement promising interventions statewide based on the results of the IV-E Waiver evaluation performed by Human Services Research Institute. There are no FTE positions associated with this request.

The federal Title IV-E program funds fifty percent of certain foster care costs for low-income and at-risk children. In FY 2013-14, Colorado was a recipient of a federal Title IV-E Waiver Demonstration Project. Through Colorado's IV-E Waiver, Colorado agreed to specific terms and conditions to receive an increased level of Title IV-E funding, and to receive increased flexibility in the use of Title IV-E funds through "waived" federal funding restrictions. Those waived restrictions mean that Colorado can use new intervention models that were previously not eligible to be funded by Title IV-E funds to reduce out-of-home placements and increase permanency for children. The shift in practice causes counties to reduce costs until the change in practice transfers the costs from out-of-home placement charges to preventive services. Less restricted services in a community setting can be as effective as services in a more restricted residential setting at a reduced cost.

Additionally, the IV-E Waiver allows the Department to free up General Fund that has been used to fund Title IV-B services. As required under the IV-E Waiver, this General Fund is deposited into the cash fund to be used to expand child welfare services. If the Department does not use the funding in the cash fund for this defined purpose, the funding reverts back to its original source.

Cash Fund

The Title IV-E Waiver Cash Fund was created in FY 2014-15 pursuant to S.B. 13-231, and 26-5-105.4, C.R.S., as a means to deposit Title IV-E Waiver funds that resulted from the Department negotiating excess federal funding for implementation of the Title IV-E Waiver Demonstration Project and reducing costs as the counties shift practice from costly congregate care to prevention services. When costs incurred are below the negotiated federal waiver amount, the State is allowed to utilize excess Title IV-B expenditures to draw down appropriated Title IV-E Waiver funds to support interventions and a shift in practice. Without the increased spending authority, the State will lose federal revenue. The increase in the Waiver cash fund will be used to expand and sustain the Title IV-E Waiver-supported interventions by building the needed infrastructure to support the shift in practice after the five year Waiver has ended. In lieu of a request for additional General Fund to help achieve permanency and well-being for children and youth, the Department will use the additional $6,000,000 from FY 2016-17 through FY 2019-20 to increase prevention and intervention services, continue expansion of IV-E Waiver interventions such as kinship support and trauma treatment, establish a standard level of care tool and payout earned savings to counties for any reduction in Title IV-E costs.

IV-E Waiver Project

In the legislative declaration in Section 1 of SB 13-231, the General Assembly further found that:

> (a) Maintaining a family structure to the greatest degree possible is one of the fundamental goals that all state agencies must observe, and the state's intervention in family dynamics should not exceed that which is necessary to rectify the cause for intervention;
> (b) Child abuse and neglect is a serious and preventable problem in society;
> (c) The protection of children from abuse and neglect or involvement in the criminal justice system by applying prevention measures and evidence-informed services must be one of Colorado's highest public policy priorities;
> (d) Out-of-home placement is often the most expensive and disruptive method of providing services to troubled families and should not be utilized unless it is necessary to preserve the child's safety or the safety of the community;
> (e) The principle of appropriate state intervention through flexible use of available federal funds is key to properly targeted and administered systemic reform of public services for children, youth, and families that are family-focused, outcome-driven, and cost-efficient;
> (f) Successfully implementing and evaluating a child welfare demonstration project with the federal Administration for Children and Families (ACF) that allows for the flexible use of targeted Title IV-E waiver moneys will result in improving services and outcomes for children and their families who are in or at risk of being involved in the child welfare system; and
> (g) The Title IV-E waiver demonstration project expands funding of child welfare activities that do not otherwise qualify for federal reimbursement. Funding may be used for family engagement services, trauma-informed child assessments, trauma-focused behavioral health treatments, permanency roundtables, kinship supports, or other child welfare services as allowed in the terms and conditions of the Title IV-E waiver demonstration project.

In this regard, according to the agreed upon Terms and Conditions with the Administration of Children and Families (ACF), Colorado’s IV-E Waiver Project funds can be used for any of the following five interventions which are described below: family engagement, permanency roundtables, kinship supports, trauma-informed assessment, and trauma-informed treatment.

- Family Engagement is a series of family meetings, beginning early and often during involvement with Child Welfare for purposes of keeping children safely at home.

- Permanency Roundtables are structured case consultations to expedite children/youth to permanency.
- Kinship Supports are services and hard goods aimed at supporting both certified and non-certified kinship caregivers to improve placement stability.
- Trauma-informed assessment is an effort to ensure all children/youth/families with open child welfare cases are assessed to determine if they experienced trauma and if the trauma has a negative impact on their functioning.
- Trauma informed treatment is available to children/youth/families based on the assessment.

Counties choosing to participate in the project must submit an application annually, outlining which of the five interventions the county will be providing. Each county's application is reviewed by a committee to ensure oversight and compliance with the intent of the project.

An independent evaluator, required by the IV-E Waiver Terms and Conditions, will determine how interventions are affecting outcomes and the amount of savings generated after the IV-E Waiver has ended.

In addition to these funds being directed to counties for the above interventions, funds are also directed towards services that align with the IV-E Waiver, like increased resources for kinship families. Specifically, before the IV-E Waiver, Colorado identified a need for additional resources for kinship supports to families who have kin placed with them.

Kinship Supports Intervention Expansion
Colorado has unmet needs related to resources for kinship caregivers. Through the expansion of kinship supports created by the IV-E Waiver project, Colorado now has a growing kinship population. Kinship care is another option to create permanency for those children and youth that may not be able to return home. However, there are often financial barriers that prevent this type of placement, such as the cost of child care. Some kinship caregivers receive Temporary Assistance for Needy Families (TANF) funds up to $128 per month per child, plus Medicaid, but not nearly the resources needed to provide care for a child. Some kinship caregivers may receive child care assistance if they meet income eligibility requirements, however, a majority of kinship caregivers are considered over income and not eligible. If kinship care is not improved upon, Colorado will continue to under support its kinship families. Many families will be reluctant to become kinship placements as they cannot afford to absorb the cost of caring for an additional child.

Through this funding request, the Department will be able to remedy the problem that families may be dissuaded from becoming kinship caregivers due to additional child care costs.

In the early stages of the IV-E Waiver, the costs of the interventions have been under what was anticipated, which has also reduced the level of available savings, thus preventing Colorado from increasing kinship supports. However, the costs of the interventions are increasing as more counties are practicing waiver interventions. The Department has also identified eligible expenditures that will increase the IV-E Waiver funds to be deposited into this cash fund. An increase to the level of available savings will support an increase in the need for those savings.

In addition to the need to provide additional services, Colorado also needs this increase to improve the stability of Title IV-E funding after the project has ended. On a national level, discussions have been ongoing regarding child welfare finance reform, which has states looking at a base amount for future federal funding. National finance reform efforts will look at the average Title IV-E use for a two-year period to use as a base for state funding. The current average use of IV-E funds in the first two years of the Waiver is about $38 million. Colorado will have a lower future Title IV-E base if national reform efforts are successful. Colorado needs to increase the average federal drawdown of Title IV-E funds from the Waiver in order to increase its future base. The other opportunity is to increase the available funding for IV-E Waiver demonstration interventions. Without the use of these funds, counties may experience barriers to implementing effective interventions that would be sustainable once the IV-E Waiver demonstration is over in FY 2017-18.

If increased spending authority is not granted, counties will not be able to expand their waiver interventions and kinship supports will not exist. In addition to the level of services offered, Colorado could have a lower base for future federal funding in the event of national child welfare finance reform.

Proposed Solution:

This request is for an increase in spending authority of $6,000,000 cash funds for a total cash fund spending authority of $12,000,000 from FY 2016-17 through FY 2019-20. The Department will use identified expenditures as state match for Title IV-E Waiver funds, and there will be no increase to the General Fund.

Funding will allow counties to expand interventions that support children remaining in their homes and prevent families from deeper involvement with the child welfare system. Services and supports will be identified by the family, child and/or youth that cannot be provided by another funding stream (i.e., Medicaid or Core Services). Many families need non-Medicaid covered therapies such as equine (a form of therapy using horses), attachment, trauma-informed, and adoption-specific. Funds will also be used to proactively engage families, children, and youth in post-permanency services to prevent future re-involvement in the child welfare system. If families are able to access the services that they need by merely making a phone call, they can feel competent in stating what they need without fearing that the child/youth will be removed. They will also be able to access services for the entire family rather than trying to “fix” the adopted child. The more experience that the county has with providing the necessary services to the families, the better able they will be to provide the most appropriate adoption assistance in general. Additionally, the Department will equip families to successfully nurture abused and neglected children to increase those children and youth’s chance of a healthy and productive lifespan.

The Department will also be able to supplement the cost of child care for kinship placements that are not covered by the Colorado Child Care Assistance Program (CCCAP), and increase availability of respite services for kinship placements. This request aligns with the Department’s Program Plan of Community Living through the Division of Child Welfare’s plan of reducing congregate care. Through increased prevention and intervention services, this funding will provide for various services to keep children/youth/families out of the Child Welfare System, to keep the child/youth at home with increased services, to facilitate the reunification of a child/youth in placement, and/or maintain the least restrictive setting. Children and youth that reside in congregate care will be afforded opportunities to thrive in lower levels of care, and achieve permanency.

In FY 2014-15, the cash fund spending authority was $6 million. The Department will have sufficient General Fund freed up through the IV-E Waiver and will begin spending it in FY 2015-16. If funding is available at the end of the Title IV-E 5-year Waiver, the Department will be able to continue utilizing the funds held in the cash fund for one year or longer if federal extension is granted. If the Title IV-E federal appropriation granted in the Waiver is left with a balance due to the State’s inability to convert Title IV-B expenses to the cash fund, the State will not be able to access those funds after the 5-year Waiver ends. (Colorado’s Title IV-B grant is capped at $4 million, but has expenditures well over that amount. The State can use these excess Title IV-B expenditures to draw down Title IV-E funding.) These funds will revert back to the federal government. In addition to the service array available to the child welfare population, Colorado will have sufficient federal financial participation for the provision of child welfare services into the future.

The Department does not anticipate the need for the cash balance to exceeding $12 million per year. As the Department enters into its third year of the Waiver, the line of credit (federal draw downs) provided in the five year waiver, is under drawn by approximately $12 million. To give the Department the needed flexibility and funding to continue the current and future IV-E interventions, the Department needs to transfer the available $12 million General Fund into the IV-E cash fund. However, the cash fund limits the Department's spending to $6 million. This request is to allow the Department access to the full $12 million to meet growing funding needs of the IV-E interventions. The Department has increased the interventions from $6.8 million to $10 million and has approved two additional interventions in FY 2015-16 for an additional $2 million.

Anticipated Outcomes:

Through expansion of the Title IV-E Waiver Demonstration Cash Fund, the Department will be in a position to improve kinship supports to families, which increases the success of placements and increases the number of placements available to children and youth. The current goal of the Department is to reduce the number of children and youth in congregate care. Colorado ranks last in the nation in the number of children and youth that reside in congregate care. This is a measure the Department has addressed through C-Stat and through close work with county departments. The ability to offer flexible services will help children and youth step-down into more community-based placements, and achieve permanency quicker. Research demonstrates that this improves permanency and well-being outcomes, while reducing the long term cost to the Child Welfare system. Improved permanency and well-being outcomes also reduce the long-term costs to other service partners, like housing, corrections, and education.

The increased use of child care placements will directly affect the social-emotional and cognitive development of the children in kinship placements and afford more families the opportunity to become kinship caregivers. Given the positive impact high quality child care has on child development, it can curtail demands on the educational, welfare, and justice systems that would be needed for many of these children later in life in absence of any early efforts to repair the cognitive and social-emotional damage related to abuse or neglect.

Additionally, right-sizing Colorado’s Title IV-E base helps the sustainability of Title IV-E funding after the Waiver, allowing Colorado to continue implementing effective practices.

As a result of the overall IV-E Waiver, and subsequently this request, the Department anticipates a reduction in congregate care and an increase in the number of children and youth avoiding out-of-home placement and remaining with their families. In the event congregate care is the right option for the child/youth, then additional services will be available. The Department can track the number of children and youth in congregate care, as well as those child welfare involvements where they remain at home.

Currently, the Department will be preparing to spend the cash funds realized in FY 2014-15 on the services listed above. The Department will determine where the funding will be distributed, based on the successful piloting of the IV-E Waiver interventions in participating Waiver counties. If this request is not approved, the Department will not have access to the additional federal funds made available through the Title IV-E Waiver.

The actual amount of IV-E savings is a hard number to calculate based on the counties and Department's reinvestment into interventions and preventive services. As congregate care paid bed days and out-of-home placements drop, savings occurs. However, savings is reinvested into preventive and in-home services. From FY 2010-11 to FY 2014-15, the State of Colorado reduced congregate bed days by 81,827. Foster care bed days dropped by 133,608 which results in an estimated savings of $8 million that the counties reinvest into preventive services each year.

Assumptions and Calculations:

The affected Long Bill line item change is as follows in Table 1.

Table 1: Long Bill Line Item Summary

Long Bill Appropriation and Requested Funding for FY 2016-17 Through FY 2018-19									
Line Item: (5) Division of Child Welfare; Title IV-E Waiver Demonstration	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**	**Medicaid Total Funds**	**Medicaid General Fund**	**Medicaid Federal Funds**	**Notes**
FY 2015-16 Appropriation (SB 15-234)	$6,000,000	$0	$6,000,000	$0	$0	$0	$0	$0	
Requested Funding (or Spending Authority)	$6,000,000	$0	$6,000,000	$0	$0	$0	$0	$0	This is an increase to the spending authority.
FY 2016-17 Total Requested Appropriation	**$12,000,000**	**$0**	**$12,000,000**	**$0**	**$0**	**$0**	**$0**	**$0**	
FY 2017-18 Total Requested Appropriation	**$12,000,000**	**$0**	**$12,000,000**	**$0**	**$0**	**$0**	**$0**	**$0**	Decision item request in on-going/ annualization
FY 2018-19 Total Requested Appropriation	**$12,000,000**	**$0**	**$12,000,000**	**$0**	**$0**	**$0**	**$0**	**$0**	Decision item request in on-going/ annualization

The Title IV-E Waiver Demonstration Cash Fund currently has a $6,000,000 spending authority threshold, and this request is a proposal to increase spending authority to $12,000,000 through FY 2019-20, which is two years after the Title IV-E Waiver ends. Half of the Title IV-E savings identified through counties reducing Title IV-E costs at year-end will be deposited into the cash fund. The other half will be paid out to counties to reinvest into waiver interventions. The Department also has an opportunity to identify additional eligible expenditures that qualify for Title IV-E Waiver reimbursement, which will also be deposited into the cash fund. With a new threshold of $12,000,000, more funds can be targeted to Title IV-E Waiver interventions and various support services for kinship placements and adoptions. Each year, if the total Title IV-E savings from counties do not meet the spending authority of the cash fund, the Department will identify eligible expenditures to bring the cash fund balance up to the spending authority. Table 2 shows the cash fund balance at the end of future fiscal years.

The Department has one year after the waiver has ended to draw down all available federal funds in the IV-E Waiver. As mentioned, the State has under drawn its federal waiver by $12 million dollars in the first two years of the Waiver. If the cash fund is not increased and the date is not extended, the Department will not be able to utilize and spend the federal dollars appropriated to it in the Waiver.

Table 2: Cash Fund Balance

Cash Fund Balance for Title IV-E Waiver Cash Fund, Fund 29N0					
	FY 2015-16	**FY 2016-17**	**FY 2017-18**	**FY 2018-19**	**FY 2019-20**
	Projected[3]	Projected[3]	Projected[3]	Projected[3]	Projected[3]
Fund Balance at Year End-Fund 29N0	**$6,000,000**	**$6,000,000**	**$12,000,000**	**$12,000,000**	**$4,000,000**
Less Committed Liabilities[1]	$6,000,000	$6,000,000	$8,000,000	$8,000,000	$4,000,000
Uncommitted Fund Balance	$6,000,000	$12,000,000	$8,000,000	$0	$0
Less Capital and Other Non-Liquid Assets[2]	$0	$0	$0	$0	$0
Cash Fund Adjusted Value at Year End	**$6,000,000**	**$12,000,000**	**$12,000,000**	**$4,000,000**	**$0**

Notes:

[1] Liabilities include warrants, vouchers payables, and accrued payroll payables.

[2] Assets include furniture and equipment, initial inventory, and prepaid insurance.

[3] Projections represent an increase from the previous fiscal year anticipating that the Title IV-E Waiver will continue to grow the fund balance because there is excess cash revenue generated to cover that fiscal year's cash match obligations and the Title IV-E Waiver will only be spending to the current spending authority in place. The increase is estimated at 100% annually from FY 2015-16 and beyond.

Schedule 13

Funding Request for the FY 2016-17 Budget Cycle

Department of Human Services

Request Title

R-09 Indirect Cost Recovery Offset for DVR Transfer to CDLE

Dept. Approval By: Melissa Wavelet

OSPB Approval By: 10/28/15

___ Supplemental FY 2015-16

x Change Request FY 2016-17

___ Base Reduction FY 2016-17

___ Budget Amendment FY 2016-17

Summary Information	Fund	FY 2015-16 Initial Appropriatio	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
Total of All Line Items Impacted by Change Request	**Total**	**$24,398,129**	**$0**	**$24,681,022**	**$1,094,283**	**$1,094,283**
	FTE	432.5	0.0	429.1	0.0	0.0
	GF	$13,646,853	$0	$13,722,827	$1,094,283	$1,094,283
	CF	$2,238,394	$0	$2,285,779	$0	$0
	RF	$6,580,066	$0	$6,704,280	$0	$0
	FF	$1,932,816	$0	$1,968,136	$0	$0

Line Item Information	Fund	FY 2015-16 Initial Appropriatio	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
03. Office of Operations - Personal Services	**Total**	**$24,398,129**	**$0**	**$24,681,022**	**$1,094,283**	**$1,094,283**
	FTE	432.5	0.0	429.1	0.0	0.0
	GF	$13,646,853	$0	$13,722,827	$1,094,283	$1,094,283
	CF	$2,238,394	$0	$2,285,779	$0	$0
	RF	$6,580,066	$0	$6,704,280	$0	$0
	FF	$1,932,816	$0	$1,968,136	$0	$0

Letternote Text Revision Required? Yes ___ No x

If Yes, describe the Letternote Text Revision:

Cash or Federal Fund Name and CORE Fund Number:

Reappropriated Funds Source, by Department and Line Item Na

Approval by OIT? Yes ___ No ___ **Not Require** x

Schedule 13s from Affected Departments:

Other Information: N/A

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Cost and FTE

- The Department requests $1,094,283 General Fund in FY 2016-17 and beyond in order to subsidize the Department's reduction of indirect cost recoveries as a result of the transfer of the Division of Vocational Rehabilitation (DVR) to the Department of Labor and Employment (CDLE).

Current Program

- DVR exists to provide work-related assistance to individuals whose disabilities result in barriers to employment or independent living.
- DVR services are provided at 27 field and satellite offices located throughout the state and include overall appropriations of $55,039,884 total funds and 231.2 FTE.
- DVR plays a significant role in the Department's federally approved Public Assistance Cost Allocation Plan, which allocates $2,092,543 or 4% of the Department's total indirect costs to DVR.
- Senate Bill 15-239 transfers many of the Department's DVR programs, including appropriations of $46,153,846 total funds and 229.7 FTE to CDLE no later than July 1, 2016.

Problem or Opportunity

- The total indirect costs for central support services and direct office overhead of the Department will remain the same after the transfer of DVR. These central service staff will continue to support the Department's remaining programs.
- The Department's remaining programs can absorb some of the indirect costs previously allocated to DVR, but will be unable to fully offset the decrease in General Fund and federal funds indirect revenue collected by DVR.
- The Department will not be able to fund all of its central support services that are typically covered through indirect revenue.

Consequences of Problem

- Without additional General Fund, the Department will not be able to fund all of its current central support services that are typically covered through indirect revenue.
- As a result, it is possible that the Department will over-expend many of its programs' personal services line items that have indirect overhead charges allocated to them.

Proposed Solution

- The Department requests General Fund to help offset the reduction of indirect revenues that will no longer be collected due to the transfer of DVR.
- This will allow the Department to continue to fund all of its indirect costs, direct overhead costs, and centralized support services.

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Department Priority: R-09
Request Detail: Transfer of the Division of Vocational Rehabilitation - Indirect Costs

Summary of Incremental Funding Change for FY 2016-17	Total Funds	General Fund
Transfer of the Division of Vocational Rehabilitation – Indirect Costs	$1,094,283	$1,094,283

Problem or Opportunity:

The Department of Human Services requests $1,094,283 General Fund in FY 2016-17 and beyond in order to subsidize the Department's reduction of indirect cost recoveries as a result of the transfer of the Division of Vocational Rehabilitation (DVR) to the Department of Labor and Employment (CDLE).

The Division of Vocational Rehabilitation provides work-related assistance to individuals whose disabilities result in barriers to employment or independent living. Services are provided at 27 field and satellite offices located throughout the state, and include overall appropriations of $55,039,884 total funds and 231.2 FTE. DVR programs include Vocational Rehabilitation Services, Mental Health Services, the School to Work Alliance Program, the Business Enterprise Program for People who are Blind, the Independent Living Centers, Older Blind Grants, and the Traumatic Brain Injury Trust Fund (TBI).

Effective July 1 2016, S.B. 15-239 transfers appropriations of $46,153,846 total funds and 229.7 FTE to CDLE. Line Items to be transferred include:

- Vocational Rehabilitation Personal Services
- Vocational Rehabilitation Operating Expenses
- Vocational Rehabilitation Services
- School to Work Alliance Program
- Vocational Rehabilitation Mental Health Services
- Business Enterprise Program for People who are Blind
- Business Enterprise Program- Program Operated Stands, Repair Costs, and Operator Benefits

Historically, DVR has played a significant role in the Department's federally approved Public Assistance Cost Allocation Plan (PACAP), which allows for the Department to collect allowable revenue from federal sources and use it to support State indirect costs that would otherwise be supported with General Fund. Indirect costs include central support services and direct office overhead costs from benefitting programs. Central support indirect costs are (a) costs that are reasonable and allowable; (b) costs that are a legitimate cost of doing business; and (c) costs that cannot be directly identified with a single program or area. For example, this would include employees in Accounting, Contracts, Procurement, and Human Resources who help support multiple offices within the Department. Direct office overhead is the cost of personal services and operating expenses associated with Office-specific FTE including the Office Director, Deputy Office Director, the assigned Budget Analyst, the assigned C-stat Performance Analyst, and other Office-specific administrative positions.

For FY 2016-17, the Department projects that it will collect a total of $55,379,717 in indirect cost recoveries from federally funded programs. This revenue will be used to offset General Fund in the various offices with central support services and direct office overhead costs. Table 1 shows the allocation of indirect cost recoveries for each benefitting program (Office) by funding source (or program source) for FY 2015-16. It also shows the percentage of the total indirect costs that are allocated to each funding source.

Table 1: FY 2015-16 Cost Allocation Percentage by Benefiting Program for Indirect Costs[1]

Office	Funding Source/ Program	% Indirect Cost Allocated
Department-wide	Medicaid (50%)	6%
Department-wide	District Pools	1%
Department-wide	State Programs	2%
Office of Behavioral Health	Alcohol and Drug Abuse Division (ADAD)	1%
Office of Behavioral Health	Mental Health Community Programs	1%
Office of Behavioral Health	Mental Health Institutes	21%
Office of Community Access and Independence	Aging	0%
Office of Community Access and Independence	Aging & Adult Services (III,V)	1%
Office of Community Access and Independence	Disability Determination Services	2%
Office of Community Access and Independence	Veterans Community Living Centers	2%
Office of Community Access and Independence	Regional Centers	12%
Office of Community Access and Independence	Vocational Rehabilitation	4%
Office of Children, Youth, and Families	Child Support Enforcement Title IV-D	4%
Office of Children, Youth, and Families	Child Welfare IV-B	1%
Office of Children, Youth, and Families	Child Welfare IV-E	6%
Office of Children, Youth, and Families	Child Welfare-Child Abuse	0%
Office of Children, Youth, and Families	Division of Youth Corrections (DYC)	10%
Office of Children, Youth, and Families, Office of Early Childhood, Office of Community Access and Independence	Title XX	7%
Office of Early Childhood	Early Child Care	3%
Office of Economic Security	Adult Financial Services & OAP	0%
Office of Economic Security	Food Assistance (SNAP)	9%
Office of Economic Security	Low Income Energy Assistance (LEAP)	1%
Office of Economic Security	Refugees	0%

Office of Economic Security	Temporary Assistance to Needy Families (TANF)	6%
	Total	**100%**
[1] These are projections based on actual data from FY 2013-14. These amounts can change based on program actual expenditures in FY 2014-15 and FY 2015-16.		

DVR uses General Fund to draw down a 78.7% federal fund match rate from Section 110 and Section 203 federal vocational rehabilitation funds. Table 2 shows the projected cost and percent allocation of indirect costs between DVR and the Department's other benefitting programs. Specifically, $2,092,543 of the Department's total indirect costs are allocated to DVR. This represents 4% of the Department's total cost allocation structure, which is a significant amount of indirect revenue.

Table 2: FY 2016-17 Projected Indirect Cost Overview of DVR and Other DHS Programs					
Funding Source/ Program	**Indirect Costs Allocation Structure Within DHS**	**General Fund**	**Cash and Reappropriated Funds**	**Federal Funds**	**% Costs Allocated**
Other DHS Programs	$53,287,174	$32,202,994	$10,966,237	$10,117,943	96%
DVR	$2,092,543	$460,360	$0	$1,632,183	4%
DHS Total	**$55,379,717**	**$32,663,354**	**$10,966,237**	**$11,750,126**	**100%**

Though the Department is transferring many of its DVR programs to CDLE, the indirect costs incurred department-wide will remain the same. Following the PACAP, the Department will continue to fund its central support services and direct office overhead positions, as salaries for these positions will remain the same. Therefore, the $2,092,543 of indirect costs previously allocated to DVR must now be absorbed by the Department's remaining programs or funded by General Fund.

The remaining Department programs will not earn enough indirect revenue to fully offset the decrease in General Fund and federal fund indirect cost recoveries that were allocated to DVR. Table 3 shows the projected indirect costs allocated to DVR and what portion can be absorbed throughout the remaining DHS programs with federal revenue for indirect costs. Ultimately, the Department projects a $1,094,283 shortfall in indirect and direct overhead costs. As a result, without additional resources, the Department may over-expend many of its programs' personal services line items that have indirect overhead charges allocated to them.

Table 3: FY 2016-17 Projected Indirect Cost Allocation Structure With the Transfer of DVR[1]				
Funding Source/ Program	**Total Indirect Overhead Costs Allocated**	**General Fund**	**Cash and Reappropriated Funds**	**Federal Funds**
DVR	($2,092,543)	($460,360)	$0	($1,632,183)
Remaining DHS Programs (reallocate)	$998,260	$460,360	$0	$537,900[2]

DHS Total (shortfall)	($1,094,283)	$0	$0	($1,094,283)

[1] The amounts are projections based on actual data from FY 2013-14. These amounts can change based on program actual expenditures in FY 2014-15 and FY 2015-16.
[2] Remaining programs within DHS can potentially collect $537,900 in additional federal indirect revenue to help offset the federal fund impact from the transfer of DVR.

Proposed Solution:

The Department requests $1,094,283 General Fund in FY 2016-17 and beyond in order to subsidize the Department's reduction of indirect cost recoveries due to the transfer of the DVR to the CDLE. Though the full overhead cost implication is a reduction of $2,092,543 total revenue dollars, the Department expects its other programs to be able to absorb some of the costs. Without the requested funding, the Department is at risk of over-expending many of its programs' personal services line items that have indirect overhead charges allocated to them.

Further, the transfer of DVR will allow Department of Labor and Employment (CDLE) to charge additional indirect costs to federal funds associated with DVR, helping to offset other General Fund expenditures elsewhere in the state.

Anticipated Outcomes:

The requested funding will allow the Department to continue to fund all of its indirect costs, direct overhead costs, and central support services. The Department will continue to be able to provide the same level of efficient, elegant, and effective services to all of its programs.

Assumptions and Calculations:

Table 4 shows the total requested funds by the Department. The cost assumptions are based on the Department's FY 2015-16 Indirect Cost Allocation Plan. Calculations are provided in the narrative above.

Table 4
Total DHS Fiscal Impact in FY 2016-17 and Beyond

Item	FTE	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds
DVR Indirect Revenue Offset	0.0	$1,094,283	$1,094,283	$0	$0	$0
Total	**0.0**	**$1,094,283**	**$1,094,283**	**$0**	**$0**	**$0**

Schedule 13

Funding Request for the FY 2016-17 Budget Cycle

Department of Human Services

Request Title

R-10 Tribal Placements Funding Waiver

Dept. Approval By: Melissa Wavelet

OSPB Approval By: [signature] 10/28/15

___	**Supplemental FY 2015-16**
X	**Change Request FY 2016-17**
___	**Base Reduction FY 2016-17**
___	**Budget Amendment FY 2016-17**

Summary Information	Fund	FY 2015-16 Initial Appropriation	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
Total of All Line Items Impacted by Change Request	**Total**	**$354,140,267**	**$0**	**$353,774,995**	**$0**	**$0**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$180,648,501	$0	$183,205,793	$0	$0
	CF	$68,068,797	$0	$65,171,137	$0	$0
	RF	$15,222,606	$0	$15,197,702	$0	$0
	FF	$90,200,363	$0	$90,200,363	$0	$0

Line Item Information	Fund	FY 2015-16 Initial Appropriation	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
(5) Division of Child Welfare, Child Welfare Services	**Total**	**$354,140,267**	**$0**	**$353,774,995**	**$0**	**$0**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$180,648,501	$0	$183,205,793	$0	$0
	CF	$68,068,797	$0	$65,171,137	$0	$0
	RF	$15,222,606	$0	$15,197,702	$0	$0
	FF	$90,200,363	$0	$90,200,363	$0	$0

Letternote Text Revision Required? Yes X No

If Yes, describe the Letternote Text Revision:

If Yes, describe the Letternote Text Revision:

Letternote: e

e For informational purposes, this amount includes $4,605,011 that is anticipated to be initially held out from state and federal funds that are allocated to county departments of social services for the administration and provision of child welfare services, including the following estimated amounts: $3,208,511 for parental fee reimbursements to counties pursuant to Section 26-5-104 (2), C.R.S., $950,000 for ~~tribal placements~~ **DEPARTMENT-APPROVED CHILD WELFARE SERVICES THAT PROMOTE THE SAFETY AND WELL-BEING** of Native American children **AND YOUTH**, $346,500 for a statewide insurance policy for county-administered foster homes, and $100,000 for contractual services related to the allocation of funds among counties. The remaining $349,535,256 includes the state and federal funds to be allocated to county departments of social services pursuant to Section 26-5-104, C.R.S.,

Cash or Federal Fund Name and CORE Fund Number: N/A

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

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

Schedule 13s from Affected Departments: N/A

Other Information: N/A

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Cost and FTE
• The Department requests to change the language in Long Bill letternote "e" in FY 2016-17 and ongoing in (5) Division of Child Welfare, Child Welfare Services which directs funding for Native American children to include Department-approved child welfare services rather than be limited to only tribal placements. The request does not include any change to the amount of funding identified in the letternote.
Current Program
• The Division of Child Welfare provides services to protect children from harm and assist families in caring for and protecting their children. • The Department has agreements with both federally recognized Tribes in Colorado, the Southern Ute Indian and the Ute Mountain Ute Tribes, for the tribal placements of Native American children. • Currently, the Department is only reimbursing the Ute Mountain Ute Tribe for more restrictive out-of-home placement services since the Southern Ute Indian Tribe does not have Title IV-E eligible children.
Problem or Opportunity
• The agreements need to be updated to reflect current child welfare practice throughout the State. • Reimbursing the Tribes under the current structure and agreements does not afford the Tribes to fully utilize the funding identified in the Long Bill for the tribal placement of, or more generally the provision of child welfare services to, Native American children. • Native American children need access to the same service supports to which all other Colorado children are afforded. • The language in the Long Bill needs to be changed to include "Department-approved child welfare services that promote the safety and well-being of Native American children and youth."
Consequences of Problem
• Tribal children will not be able to access the necessary supports that help promote safety, permanency and well-being.
Proposed Solution
• The Department requests this technical correction to the Long Bill to continue to provide funding to the Tribes for necessary services to tribal children. • The Department proposes to collaborate with the Tribes to identify various eligible types of flexible spending options, including but not limited to, kinship placements, and various wrap-around service supports. • The Department will conduct working sessions with the Tribes to produce individual agreements between the Department and the two Tribes.

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Department Priority: R-10
Request Detail: Tribal Placements Funding Waiver

Summary of Incremental Funding Change for FY 2016-17	Total Funds	General Fund
Tribal Placements Funding Waiver	$0	$0

Problem or Opportunity:

The Department requests to change the language in Long Bill letternote “e” in (5) Division of Child Welfare, Child Welfare Services which directs funding for Native American children to include “Department-approved child welfare services” rather than the existing language which limits funding to tribal placements.

This budget request is the result of the first formal Tribal Consultation the Department conducted in 2014 with both Tribes. The Tribal Consultation was developed as one outcome of the 2012 Tribal Consultation Agreement signed by the Department of Human Services, Department of Health Care Policy and Financing, and the Department of Public Health and Environment, and formalized the relationship between these state agencies and the Tribal government and set forth guidelines for ongoing communication and cooperation. There has been steady dialogue between the Tribes and the Department since this formal consultation and the relationship has strengthened significantly. The Department returned for the second annual formal Tribal Consultation in August 2015.

Each year, $950,000 is appropriated under the Long Bill, Part VII, Department of Human Services, (5) Division of Child Welfare, Child Welfare Services, letternote “e” for reimbursement of tribal placements. According to Department interpretation, no services other than out-of-home placements are reimbursable by this General Fund appropriation. The two federally recognized Tribes in Colorado, the Southern Ute Indian Tribe (SUIT) and the Ute Mountain Ute Tribe (UMUIT), currently underspend the funds allocated for out-of-home placements. The Anticipated Outcomes section of this request includes Table 1 that shows the historical spending by the Tribes for the last three fiscal years.

Currently, the Department only reimburses the UMUIT for the out-of-home placement of Title IV-E eligible Native American children. The UMUIT has informed the Department that they have had to place children in more restrictive settings to obtain services that children in counties are able to receive in less restrictive settings. The Department does not reimburse the SUIT because they do not have any Title IV-E eligible children.

In addition to out-of-home placement reimbursement for the UMUIT, the Department is requesting to reimburse the UMUIT and the SUIT for the following, but not limited to services:

- Kinship care,
- Family engagement,
- Prevention,
- Intervention,
- Core Services, and
- Post placement

The Department intends to renew agreements with both Tribes, which would include eliminating the Title IV-E requirement. The purpose of this change is due to the fact that tribal placements are not federally eligible for Title IV-E funding.

The historical underspending is due to the restrictive language in the letternote. Expanding services and affording similar opportunities that are in the Title IV-E Waiver will increase the sustainability of kin placements and allow for prevention and family preservation services.

Proposed Solution:

The Department proposes to change the language in the Long Bill letternote that will allow for flexible spending by the two Tribes. The proposed change will appear thus: "…$950,000 for ~~tribal placements of~~ DEPARTMENT-APPROVED CHILD WELFARE SERVICES THAT PROMOTE THE SAFETY AND WELL-BEING OF Native American children AND YOUTH…" This Long Bill letternote change is needed in order for the Department to provide reimbursement for approved intervention, prevention, or other child welfare services as defined by the Department. Currently, these services are non-reimbursable. The Tribes need the flexibility for services that is currently afforded to the counties through the Title IV-E Waiver Demonstration Project.

By including the "Department-approved" language in the letternote change, the Department will maintain discretion over which programs are eligible for reimbursement, ensuring that reimbursable activities remain in line with the Department's priorities and goals.

The Department will collaborate with the Tribes and identify various eligible types of flexible spending options, including but not limited to, kinship placements, and various wrap-around service supports. Additional service options for Tribes that may prevent out-of-home placement include, but are not limited to, intensive family therapy, substance abuse treatment, parenting skills, and home-based intervention services. This will be done through multiple working sessions between the three entities. The end product will be individual agreements between the Department and the two Tribes.

If the language in the Long Bill remains unchanged, the Department will be required to only reimburse the Tribes for Title IV-E eligible out-of-home placements. The Department will be left with the option of creating new agreements that define tribal placements to include lower levels of out-of-home placements without Title IV-E restrictions. Currently, the Department is working to ease the restrictions on the types of out-of-home placement within the agreements. This step alone is limited in its scope to serve children in the lowest levels of placement, which is with the family. By not providing wrap-around services and options other than out-of-home placement, tribal communities will not be able to effectively work toward better permanency and outcomes for Native American children.

Anticipated Outcomes:

The Department and the Tribes will be able to work collaboratively and identify the services that best fit the continuum of child welfare services for Native American children. These funds will allow more children to receive services in the least restrictive setting with a greater range of services. It will also improve the ability for children to remain with their families. The Tribes will report the services provided to the Department, which will allow for improved reporting and data collection of tribal child welfare services.

As mentioned above, the Tribes have historically underspent the funding for tribal placements of Native American children. Table 1 below shows data from the last three fiscal years, with the number of Native American children served and total expenditures for the same time period. This change will parallel current child welfare practice being delivered throughout the State and allow for children on the reservations to receive additional services. Table 1 also includes, as a comparison, the number of children in Colorado in the child welfare system, and the number of children in out-of-home placement and associated expenditures.

Table 1: Tribal Placements by Fiscal Year

Table 1: Tribal Placements of Native American Children			
	FY 2012-13	**FY 2013-14**	**FY 2014-15**
Number of Children	27	11	23
Total Appropriations	$950,000	$950,000	$950,000
Total Expenditures	$422,801	$118,091	$244,506
(Over)/Under	$527,199	$831,909	$705,494
Children in Child Welfare in Colorado			
	FY 2012-13	**FY 2013-14**	**FY 2014-15**
Number of Children	23,010	23,230	21,730
Total Allocation to Counties	$320,760,986	$324,358,123	$329,841,058
Total Expenditures	$325,684,154	$285,049,953	$314,763,054
(Over)/Under	($4,923,168)	$39,308,170	$15,078,004
Children in Out of Home Placements			
	FY 2012-13	**FY 2013-14**	**FY 2014-15**
Number of Children	5,491	5,414	5,420
Total Expenditures	$89,967,225	$81,736,409	$69,185,311

Assumptions and Calculations:

The affected Long Bill line item with the new letternote change is as follows in Table 2.

Table 2: Long Bill Line Item Summary

Table 2: Long Bill Appropriation and Requested Funding for FY 2016-17 Through FY 2018-19									
Line Item: (5) Division of Child Welfare; Child Welfare Services	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**	**Medicaid Total Funds**	**Medicaid General Fund**	**Medicaid Federal Funds**	**Notes**
FY 2015-16 Appropriation (SB 15-234)	$950,000	$950,000	$0	$0	$0	$0	$0	$0	This funding is containecd within the letternote.
Requested Funding (or Spending Authority)	$0	$0	$0	$0	$0	$0	$0	$0	There is no requested change in funding to this line item.
FY 2016-17 Total Requested Appropriation	**$950,000**	**$950,000**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	Edit language in letternote "e" to read: "…$950,000 for DEPARTMENT-APPROVED CHILD WELFARE SERVICES THAT PROMOTE THE SAFETY AND WELL-BEING OF Native American children AND YOUTH…"
FY 2017-18 Total Requested Appropriation	**$950,000**	**$950,000**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	Language change is on-going
FY 2018-19 Total Requested Appropriation	**$950,000**	**$950,000**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	Language change is on-going

Schedule 13

Funding Request for the FY 2016-17 Budget Cycle

Department of Human Services

Request Title

R-11 Intensive Residential Treatment for SUD

Dept. Approval By: Melissa Wavelt

OSPB Approval By: 10/28/15

	Supplemental FY 2015-16
x	**Change Request FY 2016-17**
	Base Reduction FY 2016-17
	Budget Amendment FY 2016-17

Summary Information	Fund	FY 2015-16 Initial Appropriation	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
Total of All Line Items Impacted by Change Request	Total	$83,482,395	$0	$83,001,938	$4,726,272	$6,148,606
	FTE	58.6	0.0	58.6	0.9	0.9
	GF	$48,346,659	$0	$49,580,289	$0	$0
	CF	$1,810,971	$0	$2,185,386	$4,726,272	$6,148,606
	RF	$13,368,080	$0	$12,881,119	$0	$0
	FF	$19,956,685	$0	$18,355,144	$0	$0

Line Item Information	Fund	FY 2015-16 Initial Appropriation	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
01. Executive Director's Office - Health, Life, And Dental	Total	$33,990,114	$0	$32,271,771	$15,854	$15,854
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$21,590,760	$0	$21,762,826	$0	$0
	CF	$647,045	$0	$543,180	$15,854	$15,854
	RF	$7,515,685	$0	$6,909,927	$0	$0
	FF	$4,236,624	$0	$3,055,838	$0	$0
01. Executive Director's Office - Short-Term Disability	Total	$492,114	$0	$398,978	$97	$106
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$318,746	$0	$269,773	$0	$0
	CF	$11,054	$0	$8,271	$97	$106
	RF	$92,824	$0	$74,665	$0	$0
	FF	$69,490	$0	$46,269	$0	$0
01. Executive Director's Office - Amortization Equalization Disbursement	Total	$10,152,863	$0	$10,397,949	$2,455	$2,678
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$6,585,233	$0	$7,032,923	$0	$0
	CF	$222,977	$0	$210,806	$2,455	$2,678
	RF	$1,941,356	$0	$1,978,665	$0	$0
	FF	$1,403,297	$0	$1,175,555	$0	$0
01. Executive Director's Office - S.B. 06-235 Supplemental Equalization Disbursement	Total	$9,797,755	$0	$10,289,637	$2,429	$2,650
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$6,351,748	$0	$6,959,663	$0	$0
	CF	$215,376	$0	$208,610	$2,429	$2,650
	RF	$1,875,174	$0	$1,958,054	$0	$0
	FF	$1,355,457	$0	$1,163,310	$0	$0
08. Behavioral Health Services - Personal Services	Total	$4,931,808	$0	$5,025,862	$57,073	$62,261
	FTE	58.6	0.0	58.6	0.9	0.9
	GF	$1,425,472	$0	$1,480,404	$0	$0
	CF	$318,090	$0	$318,090	$57,073	$62,261
	RF	$862,087	$0	$878,854	$0	$0
	FF	$2,326,159	$0	$2,348,514	$0	$0

08. Behavioral Health Services - Operating Expenses	**Total**	**$290,180**	**$0**	**$290,180**	**$11,011**	**$1,605**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$19,679	$0	$19,679	$0	$0
	CF	$36,524	$0	$36,524	$11,011	$1,605
	RF	$16,266	$0	$16,266	$0	$0
	FF	$217,711	$0	$217,711	$0	$0
08. Behavioral Health Services - Treatment and Detoxification Contracts	**Total**	**$23,827,561**	**$0**	**$24,327,561**	**$4,637,353**	**$6,063,452**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$12,055,021	$0	$12,055,021	$0	$0
	CF	$359,905	$0	$859,905	$4,637,353	$6,063,452
	RF	$1,064,688	$0	$1,064,688	$0	$0
	FF	$10,347,947	$0	$10,347,947	$0	$0

Letternote Text Revision Required? Yes X No

If Yes, describe the Letternote Text Revision:

Letternote Adjustment 1

(1) Executive Director's Office, (A) General Administration

Please note that all funding requested for Section 1 (EDO) have been included into the various sources of cash funds amount in this letternote adjustment. The total amount of funds from the Marijuana Tax Cash Fund added to the letternote is $20,835.

Letternote a: **Added text has been highlighted**

a Of this amount, it is estimated that $548,385 shall be from patient cash collected by the Mental Health Institutes, $411,770 shall be from statewide indirect cost recoveries or the Indirect Costs Excess Recovery Fund created in Section 24-75-1401 (2), C.R.S., $167,677 shall be from the Records and Reports Fund created in Section 19-1-307 (2.5), C.R.S., $31,870 shall be from fees and charges for workshops and conferences, and **$1,544,474** shall be from various sources of cash funds.

Letternote Adjustment 2

(8) Behavioral Health Services, (A) Community Behavioral Health Administration, Personal Services

Letternote a: **Added text has been highlighted**

Of this amount, $95,333 shall be from the Offender Mental Health Services Fund created in Section 27-66-104 (4) (a), C.R.S., $95,221 shall be from patient revenues earned by the Mental Health Institutes, $55,382 shall be from the Alcohol and Drug Abuse Community Prevention and Treatment Fund created in Section 24-75-1104.5 (1.5) (a) (VIII), C.R.S., $27,423 shall be from the Law Enforcement Assistance Fund created in Section 43-4-401, C.R.S., $22,721 shall be from the Persistent Drunk Driver Cash Fund created in Section 42-3-303 (1), C.R.S., $5,719 shall be from the Controlled Substances Program Fund created in Section 27-80-206, C.R.S., $3,407 shall be from the Addiction Counselor Training Fund pursuant to Section 27-80-111 (2), C.R.S., **$57,073 shall be from the Marijuana Tax Cash Fund created in Section 39-28.8-501 (1), C.R.S.,** and $12,884 shall be from various sources of cash funds.

Letternote Adjustment 3

(8) Behavioral Health Services, (A) Community Behavioral Health Administration, Operating Expenses

Letternote d: **Added text has been highlighted**

d Of this amount, $11,538 shall be from moneys in the Tobacco Litigation Settlement Cash Fund created in Section 24-22-115 (1) (a), C.R.S., that are transferred to the Alcohol and Drug Abuse Community Prevention and Treatment Fund pursuant to Section 24-75-1104.5 (1.5) (a) (VIII) (A), C.R.S., $10,508 shall be from the Addiction Counselor Training Fund pursuant to Section 27-80-111 (2), C.R.S., $6,496 shall be from the Law Enforcement Assistance Fund pursuant to Section 43-4-402 (2) (a), C.R.S., $4,482 shall be from the Offender Mental Health Services Fund created in Section 27-66-104 (4) (a), C.R.S., **$11,011 shall be from the Marijuana Tax Cash Fund created in Section 39-28.8-501 (1), C.R.S.**, and $3,500 shall be from the Persistent Drunk Driver Cash Fund created in Section 42-3-303 (1), C.R.S.

Letternote Adjustment 4

(8) Behavioral Health Services, (C) Substance Use Treatment and Prevention, (1) Treatment Services, Treatment and Detoxification Contracts

Letternote a: **Added text has been highlighted**

a Of this amount, **$4,637,353 shall be from the Marijuana Tax Cash Fund created in Section 39-28.8-501 (1), C.R.S.,** $265,000 shall be from the Persistent Drunk Driver Cash Fund created in Section 42-3-303 (1), C.R.S., and $94,905 shall be from the Adolescent Substance Abuse Prevention and Treatment Fund created in Section 18-13-122 (18), C.R.S.

Cash or Federal Fund Name and CORE Fund Number: Marijuana Tax Cash Fund - 15RS

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

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

Schedule 13s from Affected Departments: N/A

Other Information: N/A

Cost and FTE

- The Department is requesting $4,726,272 cash funds and 0.9 FTE from the Marijuana Tax Cash Fund in FY 2016-17 and $6,148,606 and 0.9 FTE in FY 2017-18 and beyond to increase availability of intensive residential treatment for substance use disorders to serve those with the most severe disorders that are not being addressed through the current treatment system.

Current Program

- The Department contracts with the statewide behavioral health provider system to deliver comprehensive, evidence-based substance use disorder treatment services.
- Services include detoxification, outpatient, intensive outpatient, and residential levels of care.
- Residential care is not covered by Medicaid and its availability is very limited.

Problem or Opportunity

- Those individuals who cannot stop using substances without professional help and without leaving their homes and communities are not able to maintain abstinence from substance use or enter recovery.
- The publicly-funded substance use disorder treatment system lacks sufficient capacity for the intensive residential treatment needed by individuals with the most severe substance use problems.
- This effort is linked to the Department's C-Stat measures related to increased access to treatment and engagement in services.

Consequences of Problem

- People with severe substance use issues often do not have access to the appropriate type of care to enable them to enter recovery.
- Severe substance use issues go untreated and thereby continue to cause significant disruption for individuals, families, communities, and society.

Proposed Solution

- The Department proposes to increase available intensive residential treatment services by five facilities statewide with 0.9 FTE and $4,726,272 cash funds from the Marijuana Tax Cash Fund in FY 2016-17.
- Two facilities will provide services to women who are pregnant and parenting, one facility will serve individuals aged 18-25, and two facilities will be non-specialty facilities.
- This request will create 80 more residential treatment beds, with the potential to assist up to 960 more Coloradans to enter recovery from substance use disorders.

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Department Priority: R-11
Request Detail: Intensive Residential Treatment for Substance Use Disorders

Summary of Incremental Funding Change for FY 2016-17	Total Funds	Cash Funds	FTE
Intensive Residential Treatment for Substance Use Disorders	$4,726,272	$4,726,272	0.9

Problem or Opportunity:

The Department requests $4,726,272 in cash funds and 0.9 FTE from the Marijuana Tax Cash Fund FTE for FY 2016-17 and $6,148,606 in cash funds and 0.9 FTE from the Marijuana Tax Cash Fund FTE for FY 2017-18 and beyond in order to increase the availability of intensive residential treatment for substance use disorders to serve those with the most severe addictions that are not being addressed through the current treatment system.

The Affordable Care Act (ACA) benefits clients of the Office of Behavioral Health (OBH), by expanding access to care for people who did not have health insurance previously and including mental health and substance use disorder treatment benefits in all insurance plans. However, the ACA did not provide coverage for some of the services needed by clients of OBH, including:

- Prevention/intervention
- Community support (including housing, transition support, and employment services tailored to people with behavioral health disorders)
- Care coordination
- Transition out of institutions (prisons and jails, mental health institutes, and nursing homes)
- Residential and inpatient substance use disorder treatment
- Recovery support services to assist people to maintain the gains made in treatment

This request addresses the unmet need for residential and inpatient substance use disorder treatment.

The Department contracts with the statewide publicly-funded Managed Services Organization system to deliver comprehensive, evidence-based substance use disorder treatment services for low-income Coloradans for those services that are not covered by Medicaid or any other insurance. Medicaid covers outpatient care, group therapy, individual therapy, case management and social model detoxification services. Most effective for those with severe addictions, intensive residential treatment services are not covered by Medicaid. Private insurance may cover some intensive residential services on a limited basis in some cases, but it usually does not. For example, there may be limits to the number of days that will be covered (i.e. three days as opposed to 30 days), and the Department is beginning to learn that sometimes deductibles and co-pays are a barrier for people to utilize their substance disorder treatment benefits.

This request seeks to fill an existing gap in service for intensive residential treatment for adults as well as for those with specialized treatment needs such as transition-aged young adults (those aged 18 – 25) and women with children.

The American Society of Addiction Medicine, in their Patient Placement Criteria (ASAM, 2013), defines intensive residential treatment (IRT) as medically-monitored residential treatment, appropriate for those individuals who present with a risk of severe withdrawal from substances, unaddressed psychiatric and emotional issues, and physical health issues such as poorly controlled diabetes, pregnancy, infections, and chronic medical conditions. For people experiencing these multiple health problems, abstinence from substance use enables them to effectively address their primary health issues. For those living in drug-using environments, residential treatment separates them from the external stressors that exacerbate their addiction issues. Those who enter intensive residential treatment halt their use and stabilize in that environment, after which they continue treatment on an outpatient basis.

There are currently 20 public and private programs in Colorado licensed to provide intensive residential treatment to individuals of all income levels and insurance coverages. In the past 10 years, IRT admissions have increased by 14%, indicating that the demand for this level of care is increasing. Additionally, County Departments of Human Services have stated anecdotally that they are not able to access this level of care for the parents of children in their custody.

Proposed Solution:

The Department of Human Services (Department) requests $4,726,272 in cash funds and 0.9 FTE from the Marijuana Tax Cash Fund for FY 2016-17 and $6,148,606 in cash funds and 0.9 FTE from the Marijuana Tax Cash Fund for FY 2017-18 and beyond in order to increase availability of Intensive Residential Treatment for Substance Use Disorders to serve those with the most severe problems that are not being addressed through the current treatment system.

As most insurance, including Medicaid, will not be providing this most intensive level of care for individuals with the most severe addiction treatment needs, the Department will fund and administer addiction treatment for this population.

This request fits with the Departmental goal of expanding community living options for people served by CDHS, because recovery from behavioral health disorders and addiction renders people better able to participate in society in a meaningful way.

This request will increase available intensive residential treatment substance use disorder programming through the addition of five intensive residential programs statewide. Locations and regions impacted by the proposed IRTs will develop as part of the statewide selection process. Bidders will be required to demonstrate need in their local areas. These criteria will be built into the Department's selection process. All intensive residential programming will provide care based upon a client-centered, trauma-informed course of treatment in order to maximize treatment engagement.

Funding from this request will provide:

- Two specialty residential programs for women who are pregnant and parenting;
- One residential program to serve individuals aged 18 – 25 who need residential care;
- Two non-specialty intensive residential programs for adult men;

- 0.5 FTE, General Professional V, for on-site monitoring and program oversight to ensure that programs deliver high quality treatment that meets the precise specifications demonstrated in the literature to be most effective in helping those with the most severe addictions;
- 0.4 FTE, General Professional III, to oversee compliance with all fiscal requirements, eliminate possibilities for waste or fraud and preserve the integrity of the programming delivered while assuring sound stewardship of taxpayer dollars;
- An evaluation contractor that will study the effectiveness of the treatment provided within the IRTs. The duties of the evaluation contractor will include the establishment of metrics, data collection practices, training of IRT staff, data collection and analysis, and report writing. Additionally, the evaluation contractor will be available for facility-level technical assistance, monitoring of data and fidelity oversight. Finally, the evaluation contractor will be responsible for quarterly, year-end, and year-to-date reports. The Department proposes to have the contractor start work in January 2017 to allow for staff training and system implementation.

Anticipated Outcomes:

The Department's proposal to add five IRT programs across the state will create approximately 80 additional intensive residential treatment beds across the state of Colorado. These beds will consist of 32 beds for women who are pregnant and parenting, 16 beds for transitioning youth ages 18-25, and 32 beds for adult males with general non-specialty intensive residential for substance use disorder treatment. In total, this request would assist up to 960 more clients in accessing intensive residential treatment.

While there is limited research specific to IRT programs, studies of substance abuse treatment more generally point to positive outcomes. A review of the most recent research literature includes:

- One prominent study demonstrates that in the State of Colorado, risky substance use and addiction account for at least 15.6% of the state budget [CASA Columbia (2009)]. For a state budget of $51 billion dollars, 15% constitutes $7.65 billion dollars spent annually on the consequences of addiction.
- Substance abuse treatment benefits include increases in employment income and decreases in avoided costs of criminal activities, incarceration, and hospitalization (Ettner et al., 2006).
- The economic benefits of substance abuse treatment exceed the costs of treatment, and the cost-benefit ratio shows that every dollar spent on care results in $7 dollars in benefits (Ettner et al., 2006; Gerstein et al., 1994; Roebuck et al., 2003; McCollister and French, 2003).
- A cost-benefit study of residential treatment determined that avoiding re-admission to residential care within six months of discharge can be considered a measure of the efficacy of treatment (Barnett & Swindle, 1997). The study concluded that readmission is less likely if the treatment program is smaller and if the program has a longer length of stay (residential setting versus an inpatient setting).

<u>Results First Research</u>

If funded, this initiative will provide research on Colorado's IRT for Substance Use Disorders program. The Department has identified the need to serve target populations with Intensive Residential Treatment, but it is also imperative to identify specific outcomes and outcome measures. Currently, available research on IRT for Substance Use Disorders identifies best practices for providing treatment to specific populations such as mothers with children and youth in transition, but there is limited information on effectiveness or outcomes. Intensive Residential Treatment has been researched for criminal recidivism and shows a positive minimal impact on recidivism. The impact on substance use disorders specifically though has not been extensively researched. Therefore, a portion of the request will be used to fund an evaluation study. Also, rigorous evaluation of the program could also be built into the State's Results First benefit-cost analysis model. As such, the Department has requested funding to evaluate outcomes of the additional IRT programs.

More specifically, the Department will measure the following outcomes:

1. Reduction in substance use between treatment admission and discharge, as measured through OBH's Treatment Management System. This is determined by measuring substance use within the past 30 days at treatment admission and comparing it with substance use within the past 30 days at discharge.

2. No re-entry into residential treatment within six months of discharge as measured by admission data from OBH's Treatment Management System.

Assumptions and Calculations:

Exhibit A: Detailed Proposal Budget and Implementation Schedule
Exhibit B: FTE Calculations

Exhibit A: Detailed Budget and Implementation Schedule					
				Prorated Start Date of Nov 1 FY 2016-17	FY 2017-18
Estimated Number of Intensive Residential Treatment Sites				5	5
Personnel (Contracted)					
Line Item	Calculations and Narrative	Estimated Cost Per Site	Prorated Year 1 Costs	Estimated Cost for 5 facilities	Estimated Cost for 5 facilities
Community Contractor	Program Manager(1.0 Full-Time Contractor) @ $55,000	$55,000	$36,667	$183,333	$275,000
Community Contractor	Dually Credentialied Clinicians (2.0 Full-Time Contractors) @ $45,000	$90,000	$60,000	$300,000	$450,000
Community Contractor	Addiction Counselors, level II, III or Licensed (3.0 Full-Time Contractors) @ $39,000	$117,000	$78,000	$390,000	$585,000
Community Contractor	Overnight Counselors, CAC level 1 (2.0 Full-Time Contractors) @ $37,000	$74,000	$49,333	$246,667	$370,000
Community Contractor	Nurse (Half-Time Contractor) @ $70,000 annualized	$35,000	$23,333	$116,667	$175,000
Community Contractor	Recovery Coach (Half-Time Contractor) @ $31,000	$15,500	$10,333	$51,667	$77,500
Community Contractor	Physician Time 10 hours/week @ $195/hr	$101,400	$67,600	$338,000	$507,000
Community Contractor	Administrative Support (1.0 Full-Time Contractor) @ $31,000	$31,000	$20,667	$103,333	$155,000
Community Contractor	Early Childhood Mental Health Specialist (1.0 Full-Time Contractor) @ $45,000, 1 Person each at two facilities that will serve women with their children	$45,000	$30,000	$60,000	$90,000
Contractor	Fringe @ 26%	$146,614	$97,743	$555,256	$832,884
Total Personnel		**$710,514**		**$2,344,923**	**$3,517,384**
Operating Expenses					
Line Item	Calculations and Narrative				
Contractor	Start-up Costs	$150,000		$750,000	$0
Contractor	Facility operating costs (facilities, heating, AC, water and electricity) @$2,000/month	$24,000	$14,000	$70,000	$120,000
Contractor	Office equipment and supplies, printing, copying, flyers, postage, data system needs.	$30,000	$17,500	$87,500	$150,000
Contractor	Rent/Lease or purchase of Property with 8 Double bedrooms, 2 conference rooms, 4 offices, and one large central office @ $15,000/month	$180,000	$105,000	$525,000	$900,000
Contractor	Food Services @ $12/day for 16 clients	$70,080	$29,200	$146,000	$350,400
Contractor	Pharmacy and Medical Expenses for 16 clients	$20,000	$8,333	$41,667	$100,000
Total Operating		**$324,080**		**$1,620,167**	**$1,620,400**
Subtotal of Direct Expenses		**$1,034,594**		**$3,965,089**	**$5,137,784**
Indirect Expenses					
Contractor - Not to exceed 15% of the total contract amount		**$155,189.10**		**$594,763**	**$770,668**
Subtotal Community Direct and Indirect		**$1,189,783**		**$4,559,853**	**$5,908,452**
Cost per bed-day		**$217.31**			
State Personnel	0.5 General Professional V and 0.4 General Professional III			$77,908	$83,549
State Contract	Data, Research & Technical Assistance (1,000 hours @ $150/hr) + $5,000 for travel, printing, and other operational costs			$77,500	$155,000
State Operating	Common Policy			$11,011	$1,605
Subtotal State Personnel and Operating				**$166,419**	**$240,154**
Total Request				**$4,726,272**	**$6,148,606**

Implementation Schedule

IRT Contractor

IRT Contractor personnel will begin November 2016
The Start up costs will be paid out 100% in FY 2016-17
The facility operating costs, office equipment and rent/lease or purchase expenses will begin as of December 2016 to all the Contractor to prepare for Residents
The food services costs will begin Febraury 2017 when individuals start to receive treatment
The pharmacy and Medical Expense costs will begin Febraury 2017 when individuals start to receive treatment

Evaluation Contractor

Evaluation Contractor personnel will begin January 2017 to allow for staff training and system implementation

State FTE

The State FTE will be hired as of July 2016 (Please note that pay date shift has been applied to the FY 2016-17 projected costs)

Exhibit B: FTE

FTE Calculation Assumptions:

Operating Expenses -- Base operating expenses are included per FTE for $500 per year. In addition, for regular FTE, annual telephone costs assume base charges of $450 per year.

Standard Capital Purchases -- Each additional employee necessitates the purchase of a Personal Computer ($900), Office Suite Software ($330), and office furniture ($3,473).

General Fund FTE -- New full-time General Fund positions are reflected in Year 1 as 0.9166 FTE to account for the pay-date shift. This applies to personal services costs only; operating costs are not subject to the pay-date shift.

Expenditure Detail		Year 1 (Request Year)		Year 2 (Out-year)	
Personal Services:					
Classification Title	Monthly	FTE		FTE	
General Professional V	$6,139	0.5	$33,765	0.5	$36,834
PERA			$3,427		$3,739
AED			$1,621		$1,768
SAED			$1,604		$1,750
Medicare			$490		$534
STD			$64		$70
Health-Life-Dental			$7,927		$7,927
Subtotal Position 1, 0.5 FTE		**0.5**	**$48,898**	**0.5**	**$52,622**
Classification Title	Monthly	FTE		FTE	
General Professional III	$3,949	0.4	$17,376	0.4	$18,955
PERA			$1,764		$1,924
AED			$834		$910
SAED			$825		$900
Medicare			$252		$275
STD			$33		$36
Health-Life-Dental			$7,927		$7,927
Subtotal Position 2, 0.4 FTE		**0.4**	**$29,011**	**0.4**	**$30,927**
Subtotal Personal Services		0.9	**$77,908**	0.9	**$83,549**
Operating Expenses:					
		FTE		FTE	
Regular FTE Operating	$500	0.9	$450	0.9	$450
Telephone Expenses	$450	0.9	$405	0.9	$405
PC, One-Time	$1,230	2.0	$2,460		
Office Furniture, One-Time	$3,473	2.0	$6,946		
Mileage / Misc			$750		$750
Other					
Other					
Other					
Subtotal Operating Expenses			**$11,011**		**$1,605**
TOTAL REQUEST		0.9	**$88,919**	0.9	**$85,154**
	General Fund:				
	Cash funds:		*$88,919*		*$85,154*
	Reappropriated Funds:				
	Federal Funds:				

Schedule 13

Funding Request for the FY 2016-17 Budget Cycle

Department of Human Services

Request Title

R-12 Sober Living Homes

Dept. Approval By:	Melissa Wavelet		Supplemental FY 2015-16
		X	Change Request FY 2016-17
			Base Reduction FY 2016-17
OSPB Approval By:	10/29/15		Budget Amendment FY 2016-17

Summary Information	Fund	FY 2015-16 Initial Appropriation	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
Total of All Line Items Impacted by Change Request	Total	$5,147,901	$0	$5,147,901	$300,000	$195,125
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$5,147,901	$0	$5,147,901	$0	$0
	CF	$0	$0	$0	$300,000	$195,125
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2015-16 Initial Appropriation	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
08. Behavioral Health Services - Community Transition Services	Total	$5,147,901	$0	$5,147,901	$300,000	$195,125
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$5,147,901	$0	$5,147,901	$0	$0
	CF	$0	$0	$0	$300,000	$195,125
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Letternote Text Revision Required? Yes X No

If Yes, describe the Letternote Text Revision:
This amount shall be from the Marijuana Tax Cash Fund created in Section 39-28.8-501 (1), C.R.S.

Cash or Federal Fund Name and CORE Fund Number: Marijuana Tax Cash Fund - 15RS

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

Approval by OIT? **Not Required:** X

Schedule 13s from Affected Departments: N/A

Other Information: N/A

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Cost and FTE

- The Department requests $300,000 in FY 2016-17 and $195,125 in FY 2017-18 and ongoing in cash funds from the Marijuana Tax Cash Fund to create a statewide program to contract for the expansion of consumer-run sober living facilities.

Current Program

- Often, individuals complete substance use disorder treatment but lack the opportunity for a drug free living environment to assist them in maintaining sobriety.
- Sober living programs are peer-run and self-sustaining, and also offer safe, alcohol and drug free homes and support systems for those who choose them.

Problem or Opportunity

- There is insufficient capacity in the current system to meet the demand for sober homes and support systems. People discharging from residential treatment programs, or leaving jail or prison are at great risk of a relapse in their addiction.
- The lack of aftercare recovery supports, such as those provided by sober living, has been a long standing problem. By far, the most requested service for those in early recovery is sober living. Data from a federal grant administered by the Department from 2010 – 2014 showed that 1,865 clients participated in sober living services. Funding for that program has expired and clients needing that service are no longer supported by the Department.

Consequences of Problem

- Without access to a supportive recovery environment, relapse rates will continue to be high. Studies indicate that between one half and two-thirds of clients who complete treatment relapse within one year (Bottlender & Soyka, 2005 and Miller, Walters & Bennett, 2001). This creates a significant burden on the State in costs across criminal justice and social service systems.
- The lack of sober living options for people in early recovery jeopardizes the Department's goal of healthy living in the community for people with substance use disorders.

Proposed Solution

- Contract funds will be utilized for contractor staff and operational costs.
- Once operational, the sober living homes will become self-sustaining.
- This will reduce housing barriers for many people in recovery from substance use disorders who are leaving treatment programs, incarceration, and community corrections facilities.
- The primary metric to be evaluated will be the successful opening of up to 15 new sober living facilities within the contract year and creating up to 60 new self-sustaining beds.

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Department Priority: R-12
Request Detail: Sober Living Homes

Summary of Incremental Funding Change for FY 2016-17	Total Funds	Cash Funds
Sober Living Homes	$300,000	$300,000

Problem or Opportunity:

The Department requests $300,000 in FY 2016-17, $195,125 in FY 2017-18 and ongoing in cash funds from the Marijuana Tax Cash Fund to create a statewide program of consumer-run sober living homes.

The Affordable Care Act (ACA) has helped clients of the Office of Behavioral Health (OBH), by expanding access to care for people who did not have health insurance previously and including minimal mental health and substance use disorder treatment benefits in all insurance plans. However, the ACA did not provide coverage for some of the services needed by individuals who receive state-funded behavioral health services, including:

- Prevention/intervention
- Community support (including housing, transition support and employment services tailored to people with behavioral health disorders)
- Care coordination
- Transition out of institutions (prisons and jails, mental health institutes and nursing homes)
- Residential and inpatient substance use disorder treatment
- Recovery support services to assist people to maintain the gains made in treatment

This request addresses the unmet need for recovery support services to assist people to maintain the gains made in treatment.

The Western Interstate Commission for Higher Education's (WICHE) Colorado Office of Behavioral Health Needs Analysis (2015) recommends the Department direct concentrated efforts towards ensuring that adult consumers have access to affordable, integrated, and supported housing. Approximately three in ten Coloradans need treatment for mental health or substance use disorders (SUDs) (Colorado Trust, 2011). Those Colorado residents who do receive this needed treatment often do not receive the community level support that they need in order to maximize the benefit gained.

Lack of a stable, alcohol and drug-free living environment can hinder continued abstinence after a person completes treatment. Studies show that the longer an individual remains in a recovery environment, the greater the chances for long-term recovery (NIDA, https://www.drugabuse.gov/publications/principles-drug-addiction-treatment-research-based-guide-third-edition/principles-effective-treatment, Miller, Westerberg, Harris & Tonigan, 1996, Miller, Walters & Bennett, 2001, Bottlender & Soyka, 2005) . Destructive living environments can derail recovery and lead to relapse, even for highly-motivated individuals. When there is no place else for people to go, the benefits they have gained from treatment are jeopardized and sometimes lost. With the limited resources available to pay for substance use disorder treatment, to have these gains lost due to the dangerous recovery environment is especially painful and negatively affects the public's perceptions regarding the efficacy of treatment.

Citizens living in rural and frontier areas of the state face additional challenges, because they often receive less intensive services than their urban counterparts, with critical community supports often more than 100 miles away, especially in areas outside of the Denver Metro, Colorado Springs, Pueblo, and Fort Collins. Almost no options exist for individuals leaving substance use disorder treatment who seek low-cost housing that also provides a safe and supportive environment for maintaining sobriety and recovery.

Numerous studies have proven the effect of strong social networks and supports in the recovery process of an addict. As such, halfway houses were introduced in the 60's and 70's as a way to pair positive living environments with treatment. Sober living houses offer the same sort of strong support system as halfway houses, but do so outside of the context of treatment. While treatment and participation in Alcoholics Anonymous is strongly encouraged by most sober living establishments, it is not a prerequisite for entry, and as such, sober living houses offer a far more inclusive recovery option for addicts and alcoholics.

Proposed Solution:

The Department requests $300,000 in FY 2016-17, $195,125 in FY 2017-18 and ongoing in cash funds from the Marijuana Tax Cash Fund to create a statewide program to establish up to 15 consumer-run sober living homes statewide to provide as many as 60 self-sustaining beds for individuals who are newly in recovery.

Sober living homes offer a path from treatment to independent living by providing alcohol and drug free living environments. They offer peer support for recovery outside the context of treatment. The benefits of this model are well-documented in the treatment and recovery literature. People who live in sober homes are able to maximize the benefits gained from formal treatment while they live with others who support continued abstinence from substance use. There is generally no time limit as to how long they can live in this supportive environment. At the same time, they are surrounded by other people who are also struggling to address the most difficult aspects of their lives without returning to their addictions. This reinforces their sobriety and makes it less likely that they will need formal treatment again in the future. A five-year study of sober living houses funded by the National Institutes of Health emphasizes the importance of one's living environment and the positive effects of sober living homes (Polcin, Korcha, Bond & Galloway, 2010).

Oxford House is the best-known organization that provides this service, but there are others that have shaped this model and provide support to sober living homes. This funding would support work with one of these organizations to establish 12 – 15 sober living houses. Additionally, the contracted organization would be responsible for building up the peer support for recovery treatment model within each home. Once established, residents would continue to maintain the model, creating a self-run and self-managed home.

Removing a person from the environment in which their substance use issue developed and was maintained is the core principle behind the concept of sober living homes. Clients are able to create new sober support

networks in treatment and leave their destructive environments behind. The better-known halfway house model follows this concept in that clients can reside there after they complete residential treatment or while they attend outpatient treatment. Sober living is a slightly different model than halfway houses, though the models are similar enough to expect similar improved treatment outcomes between them.
Essential characteristics of sober living are:

1) an alcohol and drug-free living environment for individuals attempting to abstain from alcohol and drugs,
2) participation in self-help and recovery support groups is either strongly encouraged or required as a component of the agreement to live in the home,
3) house rules dictate such things as maintaining abstinence, paying rent and other fees, participating in house chores, and attending house meetings,
4) residents are responsible for paying rent and other costs, and
5) residents can typically stay as long as they want as long as they follow house rules and pay their share of utility costs and expenses related to the residence.

This is a recurring funding request for $300,000 for the first year to establish up to 15 homes, and ongoing funding of $195,125 to maintain the program coordinators' salary, benefits, and other operational costs. The Department plans to contract these dollars and expects a three to six month implementation period to develop and release a request for proposal and establish a contracted organization. The contractor would have an additional three to six months to start up the recovery homes by researching and locating properties, communicating and outreaching with local service providers for referrals, and coordinating efforts with potential residents and landlords or property management agencies. Contracted dollars would fund administrative/operational costs, with a remainder reserved to pay personnel costs for program coordinators/managers. The program coordinator's role would be to locate an appropriate house by utilizing the real estate and rental market information available, and using the money available through this project to provide security deposits and rental payments until residents move in. The program coordinator would negotiate a lease between the landlord and residents, locate residents by working with local treatment programs and recovery groups, and set up an accounting system to manage each house. Once established, the house would run itself and the program coordinator would move on to establish the next house. The residents of each house must then develop helpful relationships with their neighbors, help keep those neighborhoods tidy and secure, and generally behave as good neighbors do. Once each home is established and occupied, rent and fees paid by occupants serve to replenish the funding used to start the home, subsequently freeing that money up to start another home.

While this request does not directly affect other Departments, it is expected that Coloradans with substance use disorders will be less likely to need to repeat treatment and therefore also less likely to burden other state systems such as criminal justice and child welfare. Funding sober living homes does not require a statutory change.

Sober living homes contribute to the Department's performance plan in that it reduces the need for formal treatment services for Coloradans with chronic and severe substance use disorders and allows such people the opportunity to maximize their ability to achieve their greatest aspirations.

The consequence of not funding sober living homes is the continued lack of available recovery supports to clients in a long-term recovery state. Coloradans leaving treatment will continue to experience the same limited options for post-treatment social support and will continue to return to some of the same dangerous environments they left behind prior to completing costly treatment episodes. The benefits of these treatment episodes will remain limited to the period of time that people are able to maintain sobriety under unfavorable circumstances (i.e., without appropriate housing or social support).

Options to address this issue without providing sober living opportunities are limited. Extending the length of treatment in residential settings would allow individuals more time to locate affordable housing in low-risk neighborhoods, but as such housing is scarce, this would add considerable expense to the treatment system. $200 per day in treatment renders even a hotel stay more cost effective if the clinical utility of the treatment stay has expired.

Anticipated Outcomes:

Cost savings: On average, residential treatment costs approximately $200 per day. Assuming one 30-day stay every six to 12 months, each of 56 people in a recovery home bed would cost $6,000 in repeat treatment costs or $336,000 total. If each stayed a total of one year in a recovery home and avoided the potential return to treatment necessitated by a relapse every six months, the cost savings would be as much as $379,925. One year of living within a supported home would help a client avoid two potential admissions into a residential treatment facility.

1 Client	**1 admission - 6 Months**	**2 admissions - 1 Year**
30-days in Residential Treatment	$ 6,000	$ 12,000
6 months in a Sober Living Home	$ 3,483	$ 5,216
Total potential savings	**$ 2,517**	**$ 6,784**

56 Clients - 14 Homes	**1 admission - 6 Months**	**2 admissions - 1 Year**
30-days in Residential Treatment	$ 336,000	$ 672,000
6 months in a Sober Living Home	$ 195,038	$ 292,075
Total potential savings	**$ 140,962**	**$ 379,925**

Anticipated outcome for this request is the establishment of 15 sober living houses statewide, disbursed throughout the State according to need, with a likely emphasis on rural locations. Locations and regions impacted by the proposed sober living homes will develop as part of the statewide selection process. Bidders will be required to demonstrate need in their local areas. These criteria will be built into the Department's selection process. Up to 60 people per year who self-identify as being in recovery would be housed in stable, drug-free living quarters.

Because residents of the Sober Living homes will not be treatment participants, OBH will not track demographic or outcome information regarding them. Outcomes of the program that should be measured include: the time between receipt of funding and signed lease for each house, time between signing of lease and move-in for residents, and stability of home at six months, one year, and two years post start up. These measures will be written as a performance measure into the contracts between the Department and the agency that establishes the homes.

Sober living contributes to the Department's performance plan in that it reduces the need for formal treatment services for Coloradans with chronic and severe substance use disorders and allows such people the opportunity to maximize their ability to achieve their greatest aspirations. This expands community living options for people served by CDHS.

Results First Research
The Sober Living Homes program is not included in the Results First model as an evidence-based practice. The Colorado Results First team, however, reviewed research on this program for the purpose of this request and found positive initial research on the program.

As mentioned earlier, a five-year study funded by the National Institute of Health (NIH) examined sober living houses, and emphasized both the importance of one's living environment in recovery and the positive effects of sober living homes. Another study, funded by the National Institute on Drug Abuse (NIDA) suggests that the environment at Oxford Houses serve to improve residents' "abstinence self-efficacy" and assist them in reducing the probability of a relapse. Additional evaluation of the outcomes of this program should be considered on a long-term basis.

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Assumptions and Calculations:

A request for proposal would be issued in order to pay for activities under this program, which would include the following, to be paid for out of the proposed budget of $300,000:

- Expand sober living options initially by adding between 12 and 15 new sober living homes, 8 – 10 for men, and 3 - 5 for women who may have children, by:
    - Securing rental properties,
    - Meeting zoning and other requirements,
    - Recruiting residents
    - Developing daily routines and assignments, and any other factors in order to have between 12 and 15 houses up and running within the contract year.

- Once the homes are fully operational, residents will be responsible for the following:
    - Deposits and application fees
    - Ongoing rent expenses paid directly to the contracted vendor, landlord, or rental agency as established by individual lease documents
    - Utility and day-to-day maintenance expenses

Exhibit A details the costs for the recovery homes.

Exhibit A: Detailed Budget - Recovery Homes		
	Fiscal Year	
	FY 2016-17	**FY 2017-18**
Program coordinator Salary - $41,000 / coordinator X 3.5 positions	$ 143,500	$ 143,500
Fringe - 25% of salary	$ 35,875	$ 35,875
Operational Expenses (office supplies, mileage/travel, etc) $1,050/home	$ 15,750	$ 15,750
Sub-total on-going costs	**$ 195,125**	**$ 195,125**
One-time Costs		
Start-up - deposits, application fees, common furnishings (resident furniture, utensils etc) $6,991 / home	$ 104,875	$ -
TOTAL	**$ 300,000**	**$ 195,125**

Schedule 13

Funding Request for the FY 2016-17 Budget Cycle

Department of Human Services

Request Title

R-13 Supported Employment for People with Severe SUD

Dept. Approval By:	Melissa Wavelet		**Supplemental FY 2015-16**
		x	**Change Request FY 2016-17**
			Base Reduction FY 2016-17
OSPB Approval By:	10/28/15		**Budget Amendment FY 2016-17**

Summary Information	Fund	FY 2015-16 Initial Appropriation	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
	Total	**$5,147,901**	**$0**	**$5,147,901**	**$500,000**	**$500,000**
	FTE	0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	$5,147,901	$0	$5,147,901	$0	$0
	CF	$0	$0	$0	$500,000	$500,000
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2015-16 Initial Appropriation	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
	Total	**$5,147,901**	**$0**	**$5,147,901**	**$500,000**	**$500,000**
	FTE	0.0	0.0	0.0	0.0	0.0
08. Behavioral Health Services - Community Transition Services	GF	$5,147,901	$0	$5,147,901	$0	$0
	CF	$0	$0	$0	$500,000	$500,000
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Letternote Text Revision Required? Yes X No

If Yes, describe the Letternote Text Revision:

This amount shall be from the Marijuana Tax Cash Fund created in Section 39-28.8-501 (1), C.R.S.

Cash or Federal Fund Name and CORE Fund Number: Marijuana Tax Cash Fund - 15RS

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

Approval by OIT? **Not Required:** X

Schedule 13s from Affected Departments: N/A

Other Information:

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Cost and FTE

- The Department requests $500,000 in FY 2016-17 and ongoing in cash funds from the Marijuana Tax Cash Fund to implement evidence-based supported employment programs to serve individuals with severe substance use disorders.

Current Program

- The Department has implemented the Individual Placement and Support (IPS) model of supported employment in 11 Community Mental Health Centers using existing resources and grant support.
- From April 2011 through June 2015, the program provided services to 576 clients, with rates of employment among clients rising from 19% to 35% after implementation.
- The IPS model of supported employment has been proven by over 22 randomized control trials to be one of the most effective employment programs in helping behavioral health clients find competitive employment.
- The Behavioral Health Needs Analysis commissioned by the Department recommended the continued implementation and expansion of the individual placement and support model of supported employment (IPS/SE) as an evidence-based practice.

Problem or Opportunity

- Funding does not currently exist to implement IPS at provider agencies that specialize in serving individuals with chronic substance use disorders.
- Unemployed individuals in the substance use treatment program currently do not have IPS as a recovery-based service that is available in the continuum of care.

Consequences of Problem

- Individuals who are unemployed tend to use more services, take longer in their recovery, and have higher recidivism than those who are employed during treatment.

Proposed Solution

- The Department proposes to implement the IPS model of supported employment in five provider agencies to serve individuals who are unemployed and have a severe substance use disorder.
- Each of the five sites would have two contract employment specialists to serve an estimated 30 clients per employment specialist per year, totaling an estimated 300 clients served per year.
- The program will provide needed training and technical assistance to allow provider agencies to implement the IPS model of supported employment with fidelity.
- The program will develop competitive and collaborative employment opportunities for clients and employers.

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Department Priority: R-13
Request Detail: Supported Employment for Individuals with Severe Substance Use Disorder

Summary of Incremental Funding Change for FY 2016-17	Total Funds	Cash Funds
Supported Employment for People with Severe Substance Use Disorder	$500,000	$500,000

Problem or Opportunity:

The Department requests $500,000 in FY 2016-17 and beyond, in cash funds from the Marijuana Tax Cash Fund, to implement evidence-based supported employment programs to serve individuals with severe substance use disorders.

The Affordable Care Act (ACA) has helped the clients of the Office of Behavioral Health (OBH) by expanding access to care for people who did not have health insurance previously and including minimal mental health and substance use disorder treatment benefits in all insurance plans. The ACA did not provide coverage for some of the more extensive services needed by clients of OBH, which include the following:

- Prevention/intervention
- Community support (including housing, transition support, and employment services tailored to people with behavioral health disorders)
- Care coordination
- Transition out of institutions (prisons and jails, mental health institutes, and nursing homes)
- Residential and inpatient substance use disorder treatment
- Recovery support services to assist people to maintain the gains made in treatment

This request funds the unmet service need for community support, specifically employment services tailored to those with severe substance use disorders.

Individuals with co-occurring severe mental health and substance use disorders suffer from debilitating symptoms as well as from social discrimination and lack of opportunity (Drake, Bond, Thornicroft, Knapp, & Goldman, 2012). Research has shown that about 65% of people with severe mental illness want to work, yet only about 15% of them are employed and only about 2% of them have access to effective employment services (Bond & Drake, 2014).

Work is an essential component of recovery. Research has shown that meaningful work enhances multiple life domains, such as improving self-esteem, increasing the sense of well-being, improving life satisfaction, and reducing behavioral health symptoms, and that it provides significant support in the recovery from co-occurring severe mental health and substance use disorders (Bond et al., 2001). Work benefits clients in a wide variety of ways, including providing a deterrent to recidivism, a way out of poverty, a productive role in society, and a positive contribution to the community and the economy (Burns et al., 2009).

Conversely, users of the publicly funded system who are unemployed tend to utilize more and higher level services and take longer in their recovery than those who are employed. Unmet employment support needs for clients with severe mental health and substance use disorders is a significant barrier to their recovery. Clients who want to work but cannot find work on their own are at a higher risk of recidivism, poor treatment outcomes, and the need for higher levels of care (Schneider et al., 2009).

Colorado has an evidence-based model of supported employment services called Individual Placement and Support (IPS), which has been implemented at eleven of seventeen Community Mental Health Centers. It has been funded at three sites in the past with dollars from the Substance Abuse and Mental Health Services Administration (SAMHSA), which expired on September 30, 2015. Other funding from the SAMHSA Mental Health and Substance Abuse Block Grants at eight additional sites ends in September, 2017. People identified with severe substance use disorders do not receive this service at specialized substance use disorder treatment agencies, as IPS services are not currently offered in any other SUD treatment agencies within Colorado. This request targets specialized substance use disorder agencies that are not Community Mental Health Centers.

In considering which behavioral health services to promote, CDHS commissioned the "Colorado Department of Human Services Office of Behavioral Health Needs Analysis: Current Status, Strategic Positioning, and Future Planning" report, (WICHE, 2015). The report recommends to:

> . . . continue the implementation and expansion of the individual placement and support model of supported employment (IPS/SE) as an evidence-based practice. Supported employment (IPS/SE) will continue to improve access to jobs paying a living wage. The results of the Public Behavioral Health System and Services Inventory suggest that many of the agencies are already implementing this evidence-based practice for a portion of their clients. Wider implementation would help alleviate the shortage of available jobs and the lack of employment services for people with disabilities.[1]

Proposed Solution:

The Department requests $500,000 in FY 2016-17 and beyond, in cash funds from the Marijuana Tax Cash Fund, to expand supported employment programs to serve individuals with severe substance use disorders. No other funding source, including private health insurance and Medicaid, reimburses for this service, and providers of the service need specific training and ongoing mentoring and monitoring in order to implement this evidence-based practice. While Community Mental Health Centers provide this service to clients experiencing severe mental health disorders, at this time there are no substance use disorder treatment agencies delivering supported employment services.

This request would fund five specialty substance use disorder treatment sites to deliver IPS services.

Each of the five additional sites would establish two contracted Employment Specialists to provide evidence-based IPS supported employment to approximately 30 clients per employment specialist per year, at a cost of approximately $1,700 per client served. This compares to a residential treatment cost of approximately $200 per day or $6,000 per month for people who are receiving residential care for the same diagnoses as those of the IPS participants.

1 Colorado Department of Human Services, Office of Behavioral Health, Needs Analysis: Current Status, Strategic Position, and Future Planning, Western Interstate Commission for Higher Education, April 2015, Page 329.

Researchers at Dartmouth University have conducted extensive evaluations of this service model and have contributed to the base of evidence that supports it. Successful use of the model requires frequent and extensive review of fidelity in order to be sure that the services delivered conform to the required specifications. This assures that funders get the product that they are paying for, in this case an evidence-based model.

IPS has been successfully implemented in 19 states in the US and 3 countries in Europe (Drake, Bond, and Becker, 2012). The provision of IPS services at each site would follow the principles of IPS (as outlined above) and the Dartmouth Supported Employment Fidelity Scale and would include the following services: program intake, engagement, assessment, job development and placement, job coaching, and follow-along supports.

The main principles of the IPS model include:

(a) helping clients find real jobs in the community rather than jobs reserved for individuals with disabilities, i.e., competitive employment;
(b) no exclusion based on symptom severity or type, i.e., zero exclusion policy,
(c) close coordination between IPS staff and treatment staff i.e., integration of employment services with clinical services;
(d) a focus on the type of work the individual can and wants to do i.e., attention to client preferences;
(e) work incentives planning to help the individual understand how income from work may affect their benefits i.e., personalized benefits counseling,
(f) direct contact with potential employers within 30 days, i.e., rapid job search,
(g) direct work with potential employers to find the best fit for the job, i.e., systematic job development, and
(h) the offer of continued services as long as the individual needs in order to remain stable on the job, i.e., individualized time-unlimited supports (Drake, Bond, and Becker, 2012).

The Department considered, but determined that the IPS Supported Employment model cannot be implemented to fidelity utilizing Division of Vocational Rehabilitation (DVR) federal funding. DVR cannot pay for the full array of services that are included in the IPS model and is not able to implement services with the specific types of clients who are the intended recipients of IPS services.

Examples would be:

- The IPS model requires that no limit is imposed on the length of service delivery. DVR does not have time limits on how long a service record is open, but once an individual obtains employment, the service record is kept open at least 90 days or until the individual is stable in employment and then closed.
- IPS is intended to serve individuals who may not qualify for DVR services, including individuals who may not meet the substance use requirements of DVR.
- Additionally, the IPS programs proposed will have very small geographic footprints and therefore it will be difficult to pull down DVR match which requires the program to be statewide.

The services provided by DVR are complements to the services provided through the proposed IPS model. The Department plans to refer IPS clients to DVR to receive supplemental services where appropriate.

Anticipated Outcomes:

The program would demonstrate the following outcomes as measured and tracked through OBH's current Colorado Client Assessment Record CCAR system by comparing status at the beginning of program participation with that at one year after participation began:

- Increase in employment status;
- Decrease in alcohol and drug use or continued no use of alcohol and drugs;
- Overall recovery rating would maintain or improve;
- Overall level of functioning would improve.

Results First Research

Supportive Employment is an evidence-based practice for mental health. It has not been rigorously evaluated, however, for populations with substance use disorders. These services, which have been designed, implemented, and evaluated for their effectiveness on mental health patients, aim to give participants access to competitive employment.

In one study, 55% of people receiving supportive employment services maintained competitive employment, while a control group only achieved competitive employment at a rate of 34%. The Department has already implemented Supportive Employment services in eleven Community Mental Health Centers across the State, using existing resources and grant support. These services are for mental health clients, with no measure to identify participating clients specifically as substance use disorder or co-occurring disorder clients. From April 2011 through June 2015, the program provided services to 576 clients, with rates of employment among clients rising from 19% to 35% after implementation of the IPS program within the Community Mental Health Centers. Given both the success of Colorado's implementation of this program on a small scale, and the cumulative body of national research that suggests that Supportive Employment is successful, this program may also be successful in helping substance abusers find and maintain employment. If implemented, additional evaluation of the outcomes of this program should be considered on a long-term basis.

Assumptions and Calculations:

The funding would allow each of the five additional sites to establish two contracted Employment Specialists to provide evidence-based IPS supported employment to approximately 30 clients per Employment Specialist per year, serving a total of 300 clients per year.

Table 1: IPS - Program Cost Calculation	
Description	**Calculation**
Contracted Employment Specialist	
Cost Per Position	
Salary	$ 40,000
Fringe / Benefits	$ 10,000
Cost / Position	**$ 50,000**
Number of Positions	10
Total Request	**$ 500,000**

Schedule 13

Funding Request for the FY 2016-17 Budget Cycle

Department of Human Services

Request Title

R-14 Behavioral Health Crisis Services Staffing

Dept. Approval By: Melissa Wavelet

OSPB Approval By: Erick M. Scheminske 10/28/15

	Supplemental FY 2015-16
X	**Change Request FY 2016-17**
	Base Reduction FY 2016-17
	Budget Amendment FY 2016-17

Summary Information	**Fund**	**FY 2015-16 Initial Appropriation**	**FY 2015-16 Supplemental Request**	**FY 2016-17 Base Request**	**FY 2016-17 Change Request**	**FY 2017-18 Continuation**
Total of All Line Items Impacted by Change Request	**Total**	**$82,607,244**	**$0**	**$81,626,787**	**$0**	**$0**
	FTE	58.6	0.0	58.6	2.7	3.0
	GF	$59,244,048	$0	$60,477,678	$0	$0
	CF	$1,451,066	$0	$1,325,481	$0	$0
	RF	$12,303,392	$0	$11,816,431	$0	$0
	FF	$9,608,738	$0	$8,007,197	$0	$0

Line Item Information	**Fund**	**FY 2015-16 Initial Appropriation**	**FY 2015-16 Supplemental Request**	**FY 2016-17 Base Request**	**FY 2016-17 Change Request**	**FY 2017-18 Continuation**
01. Executive Director's Office - Health, Life, And Dental	**Total**	**$33,990,114**	**$0**	**$32,271,771**	**$23,781**	**$23,781**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$21,590,760	$0	$21,762,826	$23,781	$23,781
	CF	$647,045	$0	$543,180	$0	$0
	RF	$7,515,685	$0	$6,909,927	$0	$0
	FF	$4,236,624	$0	$3,055,838	$0	$0
01. Executive Director's Office - Short-Term Disability	**Total**	**$492,114**	**$0**	**$398,978**	**$280**	**$305**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$318,746	$0	$269,773	$280	$305
	CF	$11,054	$0	$8,271	$0	$0
	RF	$92,824	$0	$74,665	$0	$0
	FF	$69,490	$0	$46,269	$0	$0
01. Executive Director's Office - Amortization Equalization Disbursement	**Total**	**$10,152,863**	**$0**	**$10,397,949**	**$7,060**	**$7,702**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$6,585,233	$0	$7,032,923	$7,060	$7,702
	CF	$222,977	$0	$210,806	$0	$0
	RF	$1,941,356	$0	$1,978,665	$0	$0
	FF	$1,403,297	$0	$1,175,555	$0	$0
01. Executive Director's Office - S.B. 06-235 Supplemental Equalization Disbursement	**Total**	**$9,797,755**	**$0**	**$10,289,637**	**$6,986**	**$7,622**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$6,351,748	$0	$6,959,663	$6,986	$7,622
	CF	$215,376	$0	$208,610	$0	$0
	RF	$1,875,174	$0	$1,958,054	$0	$0
	FF	$1,355,457	$0	$1,163,310	$0	$0

08. Behavioral Health Services - Personal Services	**Total**	**$4,931,808**	**$0**	**$5,025,862**	**$164,143**	**$179,065**
	FTE	58.6	0.0	58.6	2.7	3.0
	GF	$1,425,472	$0	$1,480,404	$164,143	$179,065
	CF	$318,090	$0	$318,090	$0	$0
	RF	$862,087	$0	$878,854	$0	$0
	FF	$2,326,159	$0	$2,348,514	$0	$0
08. Behavioral Health Services - Operating Expenses	**Total**	**$290,180**	**$0**	**$290,180**	**$16,959**	**$2,850**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$19,679	$0	$19,679	$16,959	$2,850
	CF	$36,524	$0	$36,524	$0	$0
	RF	$16,266	$0	$16,266	$0	$0
	FF	$217,711	$0	$217,711	$0	$0
08. Behavioral Health Services - Crisis Response System and Services	**Total**	**$22,952,410**	**$0**	**$22,952,410**	**($219,209)**	**($221,325)**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$22,952,410	$0	$22,952,410	($219,209)	($221,325)
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

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

Cash or Federal Fund Name and CORE Fund Number: N/A

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

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

Schedule 13s from Affected Departments: N/A

Other Information: N/A

Cost and FTE

- The Department requests $0 total funds / 2.7 FTE in FY 2016-17 and $0 total funds / 3.0 FTE in FY 2017-18 and ongoing to have the appropriate staffing level to manage the Colorado Behavioral Health Crisis Response System.
- The FTE have an incremental cost of $219,209 in FY 2016-17 and $221,325 in FY 2017-18 and ongoing. There is currently $1,384,980 in unobligated funds in the Crisis Response System line item. The Department recommends re-purposing $219,209 of the unobligated funds in the Crisis Response System line item for the FTE.

Current Program

- The statewide Behavioral Health Crisis Services System provides an array of integrated services that are available twenty-four hours a day, seven days a week, to respond to individuals who are in a behavioral health emergency.
- The services are delivered through walk-in crisis stabilization units, mobile crisis units, and residential and respite services.

Problem or Opportunity

- SB 13-266 "Coordinated Behavioral Health Crisis Response" appropriated 1.0 FTE for the crisis system. The scale, complexity of the client mix, geography, quality assurance activities, fiscal and data oversight, contract monitoring, and program evaluation exceed the effort of existing staff.

Consequences of Problem

- The Department does not have the ability to appropriately manage and monitor the contracted services purchased with the Behavioral Health Crisis Services System dollars.
- Currently, the Department lacks a consistent process or policies to carry out contract monitoring on a regular basis. This includes conducting regular site visits, implementing updates mandated by federal and state guidelines, and providing ongoing monitoring and oversight to contractors as well as providing proactive technical assistance, training, and compliance support.

Proposed Solution

- The Department requests 2.7 FTE in FY 2016-17 to ensure that the crisis services are appropriately managed through quality assurance and consistent fiscal and contract oversight.
- The FTE will improve timely and effective program delivery through technical assistance for the providers on fiscal and data issues.

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Department Priority: R-14
Request Detail: Behavioral Health Crisis Services Staffing

Summary of Incremental Funding Change for FY 2016-17	Total Funds	General Fund	FTE
Behavioral Health Crisis Services Staffing	$0	$0	2.7

Problem or Opportunity:

The Department of Human Services (CHDS) is requesting $0 and 2.7 FTE in FY 2016-17 and $0 and 3.0 FTE in FY 2017-18 and ongoing to adequately staff the Behavioral Health Crisis System. Currently, the Department does not have sufficient staff to effectively manage the statewide behavioral health crisis response system.

The Department is requesting to re-purpose existing unobligated General Fund appropriations of $219,209 in FY 2016-17 and $221,235 in FY 2017-18 and on-going from the Integrated Behavioral Health Crisis Response System, Walk In, Stabilization, Mobile, and Residential and Respite Services line item to fund the FTE. The Department requests to appropriate the FTE and associated funding in the Community Behavioral Health Administration line item. The centrally appropriated costs are to be appropriated to the Executive Director's Office section.

Unobligated Appropriation in Crisis Services Line Item

Currently, there are $1,384,980 in unobligated appropriations in the FY 2015-16 Integrated Behavioral Health Crisis Response System, Walk In, Stabilization, Mobile, and Residential and Respite Services line item. Table 1 below provides a detail for the unobligated appropriations.

Table 1: Unobligated Appropriation in Crisis Services Line Item

Ref	Description	Amount	Calculation
A	FY 2014-15 Base Appropriation	$22,018,284	
B	Contracts Awarded	$21,206,912	
C	**Contracts awarded under base Appropriation**	**$811,372**	=A-B
D	FY 2014-15 Community Provider Rate Increase (2.5%)	$550,457	=A X 2.5%
E	**Total FY 2014-15 Unobligated Appropriation**	**$1,361,829**	**=C+D**
F	FY 2015-16 Community Provider Rate Increase (1.7%)	$23,151	=E X 1.7%
G	**Total FY 2015-16 Unobligated Appropriation**	**$1,384,980**	

Explanation of Unobligated funds

In FY 2014-15, the contract bids of $21,206,912 came in lower than the RFP maximum dollar ceiling of $22,018,284 by $811,372. The Department honored the original contractor bids of $21,206,912. Additionally, in FY 2014-15, a community provider rate increase of 2.5% was approved resulting in an increase of $550,457 to the Crisis Response System line item. The FY 2014-15 community provider rate increase was approved after the Department had settled the bids from the original RFP for crisis services and the increase was not added to the FY 2014-15 contracts.

As a result of the two FY 2014-15 actions, the contracts awarded below the RFP amount and the increase in the community provider rate approval after the contracts had been settled, $1,361,829 was unobligated in FY 2014-15. In FY 2015-16, a community provider rate increase of 1.7% was approved for the full amount of the Crisis Response System line item. The 1.7% increase was applied to the $1,361,829 that was unobligated causing the unobligated balance to increase to $1,384,980.

In the FY 2014-15 contract negotiations, it was agreed between the State and Contractors to utilize in the future some of the unallocated funds for performance based contracting and other ancillary crisis system needs. The Department, in partnership with crisis contractors, has developed standards and data reporting requirements to offer performance-based incentive payments with the remaining funds going into FY 2015-16. The Department plans to use the $1,165,771 that will be remain unobligated after the transfer for the FTE for the performance based contracting and other ancillary crisis system needs. Repurposing funds for personal services and operating costs will be utilized for improving program quality, accountability, and responsiveness in the State Behavioral Health System. The Department has reached out to crisis services contractors regarding the personnel and operating requests that will be submitted by the Department. The crisis services contractors expressed their support of the personnel and operating requests. This is necessary because the scope, breadth, and depth of work and customer service demands associated with all of the new programs listed below exceed the Department's capacity to effectively and expeditiously ensure quality, accountability, technical assistance, and innovation within each of these programs.

Staffing Levels

The Department's behavioral health system has experienced significant growth since the initial appropriations approved through S.B. 13-266, other Legislative Special Bills, such as S.B. 14-215, and other increases to the Long Bill (School-Based and Mental Health First Aid). The most notable area of growth is the statewide behavioral health crisis response system, Colorado Crisis Services (CCS). Additionally, other programs have been added, including: School Based Mental Health Services, Mental Health First Aid, additional capacity for Assertive Community Treatment, Community Transition Services, Jail Based Behavioral Health Services, and Rural Co-occurring Behavioral Health Services.

Table 2 illustrates the FY 2015-16 Long Bill (Senate Bill 15-234) Behavioral Health programs that have been added to the Department's workload since FY 2013-14 without personal services and operating resources to support the operations of these programs.

Table 2: Additional Behavioral Health Programs and Staffing (FY 2015-16 Appropriations)					
Line Item	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Increase in Contractual Programs**
8 (B) Mental Health Community Programs					
School-based Mental Health Services	1,213,254	1,213,254	-	-	17
Assertive Community Treatment (net increase)	4,414,473	4,414,473	-	-	15
Mental Health First Aid	210,000	210,000	-	-	1
sub-total - Mental Health Community Programs	**5,837,727**	**5,837,727**	**-**	**-**	**33**
8(D) Integrated Behavioral Health Services					
Crisis Response System - Services	22,952,410	22,952,410	-	-	4
Crisis Response System - Hotline	2,395,915	2,395,915	-	-	1
Crisis Response System - Marketing	600,000	600,000	-	-	1
Community Transition Services	5,147,901	5,147,901	-	-	1
Jail Based Behavioral Health Services	5,128,522	-	-	5,128,522	17
Rural Co-Occurring Behavioral Health Services	1,021,213	1,021,213	-	-	1
sub-total - Integrated Behavioral Health Services	**37,245,961**	**32,117,439**	**-**	**5,128,522**	**25**
Total	**43,083,688**	**37,955,166**	**-**	**5,128,522**	**58**

The initial budget request for the statewide behavioral health crisis response system in FY 2013-14 was for a total of $10.0 million and 1.0 FTE. The 1.0 FTE was appropriated for program oversight and licensing. The request was for the provision of the following services: 24 hour hotline, walk-in crisis stabilization units (CSUs), and statewide marketing. Through a special bill, the JBC added $5.9 million for mobile crisis services and an additional $3.5 million for crisis respite and short-term residential services. No additional FTE were added by the General Assembly. Since the inception of these projects, the Department was appropriated 1.0 FTE by the State to manage the Crisis Services contracts and related programs. The funds appropriated for the administrative function of the Integrated Behavioral Health Operating budget group is 0.3% of the total funds allocated for these programs. Beyond administrative functioning, the FTE has the full responsibility of providing programmatic oversight to four regional crisis contracts which encompass 17 Community Mental Health Centers across the State, one crisis hotline contract that services the entire State, and the associated marketing campaign. The appropriations for community based contractual services have resulted in significant improvements in the Colorado Behavioral Health care system, and the Department acknowledges that monitoring contracts and providing technical and programmatic guidance to contractors and the community is essential. However, the workload related to these new contracts exceeds the level the Department's Office of Behavioral Health can absorb within existing resources.

Finance and Contracts Administration:

Currently, 6.0 FTE (fiscal and contracts line staff) each manage an average of $18 million in contracts each year, not including the increased funding identified above. The 6.0 FTE does not include the 1.0 FTE appropriated for the behavioral health crisis response system as the FTE was appropriated for program oversight and licensing. Please note: of this amount, one staff is solely dedicated to discretionary grants (non-State initiatives of $7 million). With the addition of the funded programs noted in the above table, fiscal and contract staff have extended their own limits, and have struggled to meet basic business needs such as meeting contract submission deadlines, bill payment and research responsibilities, responding to vendor inquiries, and supporting OBH program staff. This has led to a diminishing focus on such important functions as contract monitoring, fiscal analysis, accounting/account reconciliation, process optimization, training and technical support, guidance, and planning. Additionally, these contracts were formulated to maximize other sources of reimbursement and revenue, which requires detailed analysis and understanding of cost allocation, Medicaid eligibility verification, and community specific and other business related issues. Contract staff receives numerous telephone calls and email requests regarding bill payments, contract interpretation, requests for contract changes, and requests for technical assistance. Effective contract monitoring for compliance involves time intensive contract reviews, including review of supporting documentation and periodic contractual audits that require a significant amount of staff time and coordination with Department contract management, internal audits, and the Attorney General's Office.

At the current staffing level of 6.0 FTE, the fiscal and contracts team will continue to operate at levels allowing only perfunctory desk audits and actual site visits occurring on a very limited basis. Currently, the fiscal and contracts team does not have the available staff and resources to conduct any in-depth site visits to contracted providers and does not anticipate the availability of these resources anytime in the near future. Current monitoring consists of review of invoices prior to payment and periodic analysis of source level documentation as the fiscal staff members request it. In the transition from FY 2014-15 to FY 2015-16, contract staff have delayed updating FY 2015-16 contracts due to stretched resources and staff time. The contract staff are unable to provide needed technical assistance or organize and attend regular informational meetings with providers. The fiscal team will continue to meet minimum contract management requirements with limited resources to be able to develop high-level, innovative, and technical process improvements.

Quality Assurance:
The implementation of these important new services has stretched the Office's internal quality assurance capacities. The five contractors that comprise Colorado Crisis Services (CCS) provide 24/7 hotline services and 24/7 walk-in crisis services as well as crisis stabilization beds, residential and in-home crisis respite, and mobile crisis assessment, geographically spread across the entire state, with 14 new or expanded physical locations.

Due to the large geographical area this system covers, an additional internal quality assurance program and adequate FTE is imperative to ensure ongoing assessment of quality service delivery and technical assistance for vendors and their sub-contractors. Statewide training and education needs were initially underestimated and still continue to be intensive. Training and education alone occupy most of the current FTE's time, but to ensure success of CCS, contractors, subcontractors, advocates, state partners, 64 county partners including sheriff and local police departments, private hospitals, the Department of Health Care Policy and Financing, third party payers, and other stakeholders must be engaged on an ongoing basis for education and continuous program improvements. An additional FTE would allow the following duties to be performed regularly and comprehensively:

- Contract monitoring and follow-up with all contracted agencies and their subcontractors
- 27-65 C.R.S (2015) monitoring and designating. All CCS vendors have at least one 27-65 C.R.S. (2015) designated facility. This mandates specific standards of care that should be performed at these facilities. 27-65 designated facilities are facilities that are able to treat clients on an involuntary basis – short or long term. Current facility monitoring load is between 70-80 facilities per staff member, based on the licensing type. A manageable facility load would normally be between 50-60 facilities per staff member. This is based upon the assumption that onsite licensing reviews entail from 40-50 hours of work annually per agency licensed. This includes application

review, site visits, report writing, following-up on corrective action plans, and ongoing correspondence and customer service.

- Liaison between all 27-65 C.R.S. (2015) facilities (there are over 40 in the state) for CCS to ensure continuity of care, assess effectiveness in decreasing emergency department visits, and ensure "warm handoff" for services
- Monitoring follow-up on crisis/warm line calls, i.e., "are callers getting to the other services they need?"

Data and Evaluation:
The CCS system's network of providers generates and submits valuable data that requires significant oversight and quality control if it is to be used effectively for continuous quality improvement. Necessary components of this include working with providers to establish data submission protocols, researching related national best practices, detailed analysis of data, troubleshooting data submission errors, technical assistance with the regions around data submission and collection questions, contract compliance relative to data submission deadlines, training, monitoring of providers' data submission, attending related contract and program meetings on a monthly basis, and preparing numerous reports for the Department and for stakeholders. This reporting includes the provision of detailed information with short turnaround times, in-depth data analysis as necessary, and creating monthly summaries. The data and evaluation team monitors the dashboards for each of the CCS regions and the hotline to ensure proper data representation. In addition, the data and evaluation team monitors billing data to ensure proper use of the encounter client level services tracking system and ensure that the regional contractors are billing the State appropriately. As a result of the workload of this project, the Department has had to permanently reassign an existing 1.0 FTE that was previously assigned to other evaluation activities.

Beyond the CCS, the additional contracted service programs mandated by S.B. 13-266 and other appropriations (Community Transition Services, Jail-Based Behavioral Health Services, and Rural Co-Occurring Disorder Services) have been absorbed by existing program staff with no additional support. This personnel infrastructure critically affects service delivery across all of the behavioral health crisis response system, community programs, and substance use disorder service areas.

Due to the complexity and volume of the data sets throughout the Data and Evaluation Unit, reconciliation of data to actual patient medical records is not possible within existing resources. The Office will be accepting crisis level data with limited analysis of the data, aside from system edit checks. Technical assistance will be limited to monthly telephone calls and will not include any on-site visits or reviews. Verifying national best practices will be limited in scope and depth of investigation, such as journal reviews, site visits, and intra-agency collaboration. The only option outside of an additional FTE is to continue stretching staff and prioritizing Department goals.

While the Department has made attempts to address these critical shortages by stretching current staff and resources, the long term effects have lasting implications on contract monitoring capacity across all department programs and services, acuity in fiscal analysis and oversight, compromised quality in service delivery, and gaps in quality assurance and data and evaluation services.

For FY 2016-17, the Department requests an increase of $164,143 in personal services and $16,959 in operating expenses to the (8)(A) Community Behavioral Health Administration line items plus an increase of $38,107 for centrally appropriated costs in the Executive Director's Office and an offsetting decrease in the amount of $219,209 in the Integrated Behavioral Health Services – Crisis Response System budget line item. This increase would comprise less than 1% of the total budget line allocated to the Integrated Behavioral Health Serves – Crisis Response System budget line for administrative and personnel costs.

Proposed Solution:

The Department of Human Services is requesting $0 and 2.7 FTE in FY 2016-17 and $0 and 3.0 FTE in FY 2017-18 and ongoing to adequately staff the Behavioral Health Crisis System. Currently, the Department does not have sufficient staff to effectively manage the statewide behavioral health crisis response system.

The Department is requesting to re-purpose existing unobligated General Fund appropriations of $219,209 in FY 2016-17 and $221,235 in FY 2017-18 and on-going from the Integrated Behavioral Health Crisis Response System, Walk In, Stabilization, Mobile, and Residential and Respite Services line item to fund the FTE. The Department requests to appropriate the FTE and associated funding in the Community Behavioral Health Administration line item. The centrally appropriated costs are to be appropriated to the Executive Director's Office section.

The Department requests 2.7 new FTE funded by General Fund to include:

- General Professional III for fiscal monitoring and oversight
- General Professional IV for data integrity and evaluation/reporting services
- Health Professional IV for quality assurance and monitoring

The FTE will be hired in FY 2016-17 as 0.9 FTE and will annualize to 1.0 FTE in FY 2017-18.

The FTE will ensure that the programs within the Integrated Behavioral Health Services budget group are appropriately managed through quality assurance, contract monitoring, program oversight and alignment with other payers and agencies, and data and evaluation best practices. Table 3 below details cost per FTE.

Table 3: FTE	**FY 2016-17**	**FY 2017-18**
General Professional III	$60,636	$65,428
General Professional IV	$73,424	$79,377
Health Professional IV	$68,190	$73,670
Operating Expenses	$16,959	$2,850
Total	**$219,209**	**$221,325**

On a wider Office scale, existing staff would have much-needed relief with the addition of the FTEs, thus having the ability to focus on contract management, quality assurance, and data and evaluation of other existing contracts, as established by statutory requirements.

Going forward with the expectation of current staff maintaining their increased workloads would result in consequences up to an including non-compliance with statutory requirements, specifically involving contract monitoring and maintaining quality assurance and reporting standards.

Anticipated Outcomes:

With an increase in FTE, specifically related to the integrated health services contracts and programming, the Department would have the FTE resources to achieve the implantation and ongoing monitoring and improvement of these programs as was intended by the General Assembly.

If this request is approved, the anticipated outcomes include:

1. A contract monitoring team that would assess and report the results of contract performance and facilitate contract compliance.

2. Adequate resources to assist communities with innovative financing and programmatic implementation.

3. Timely and accurate data and financial business functions to support these programs.

4. Maximize the effective utilization of appropriations.

The Department will monitor these outcomes through the use and analysis of regular contract performance reports, site visits, and vendor performance against established CSTAT performance measures.

The request will support the Department's strategic goal to expand community living options for all people served by CDHS.

Assumptions and Calculations:

Exhibit A provides detail for the requested personnel and operating expense cost calculation spreadsheet.

FY 2016-17 Funding Request: R-14 Behavioral Health Crisis Services Staffing

Exhibit A: FTE Calculations

FTE Calculation Assumptions:

Operating Expenses -- Base operating expenses are included per FTE for $500 per year. In addition, for regular FTE, annual telephone costs assume base charges of $450 per year.

Standard Capital Purchases -- Each additional employee necessitates the purchase of a Personal Computer ($900), Office Suite Software ($330), and office furniture ($3,473).

General Fund FTE -- New full-time General Fund positions are reflected in Year 1 as 0.9166 FTE to account for the pay-date shift. This applies to personal services costs only; operating costs are not subject to the pay-date shift.

Expenditure Detail		Year 1 (Request Year)		Year 2 (Out-year)	
Personal Services:					
Classification Title	Monthly Salary	FTE		FTE	
General Professional III	$3,949	0.9	$43,439	1.0	$47,388
PERA			$4,409		$4,810
AED			$2,085		$2,275
SAED			$2,063		$2,251
Medicare			$630		$687
STD			$83		$90
Health-Life-Dental			$7,927		$7,927
Subtotal Position 1, #.# FTE		**0.9**	**$60,636**	**1.0**	**$65,428**
Classification Title	Monthly Salary	FTE		FTE	
General Professional IV	$4,907	0.9	$53,977	1.0	$58,884
PERA			$5,479		$5,977
AED			$2,591		$2,826
SAED			$2,564		$2,797
Medicare			$783		$854
STD			$103		$112
Health-Life-Dental			$7,927		$7,927
Subtotal Position 2, #.# FTE		**0.9**	**$73,424**	**1.0**	**$79,377**
Classification Title	Monthly Salary	FTE		FTE	
Health Professional IV	$4,515	0.9	$49,665	1.0	$54,180
PERA			$5,041		$5,499
AED			$2,384		$2,601
SAED			$2,359		$2,574
Medicare			$720		$786
STD			$94		$103
Health-Life-Dental			$7,927		$7,927
Subtotal Position 3, #.# FTE		**0.9**	**$68,190**	**1.0**	**$73,670**
Subtotal Personal Services		2.7	**$202,250**	3.0	**$218,475**
Operating Expenses:					
		FTE		FTE	
Regular FTE Operating	$500	3.0	$1,500	3.0	$1,500
Telephone Expenses	$450	3.0	$1,350	3.0	$1,350
PC, One-Time	$1,230	3.0	$3,690		
Office Furniture, One-Time	$3,473	3.0	$10,419		
Other					
Other					
Other					
Other					
Subtotal Operating Expenses			**$16,959**		**$2,850**
TOTAL REQUEST		2.7	**$219,209**	3.0	**$221,325**
	General Fund:		*$219,209*		*$221,325*
	Cash funds:				
	Reappropriated Funds:				
	Federal Funds:				

Schedule 13

Funding Request for the FY 2016-17 Budget Cycle

Department of Human Services

Request Title

R-15 Utilites Cost Increase Request

Dept. Approval By:	Melissa Wavelet		**Supplemental FY 2015-16**
		X	**Change Request FY 2016-17**
			Base Reduction FY 2016-17
OSPB Approval By:	Eric N Schmitt 10/28/15		**Budget Amendment FY 2016-17**

Summary Information	Fund	FY 2015-16 Initial Appropriatio	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
Total of All Line Items Impacted by Change Request	**Total**	**$9,418,424**	**$0**	**$9,418,424**	**$305,968**	**$305,968**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$7,820,907	$0	$7,820,907	$253,953	$253,953
	CF	$50,000	$0	$50,000	$0	$0
	RF	$1,547,517	$0	$1,547,517	$52,015	$52,015
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2015-16 Initial Appropriatio	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
03. Office of Operations - Utilities	**Total**	**$9,418,424**	**$0**	**$9,418,424**	**$305,968**	**$305,968**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$7,820,907	$0	$7,820,907	$253,953	$253,953
	CF	$50,000	$0	$50,000	$0	$0
	RF	$1,547,517	$0	$1,547,517	$52,015	$52,015
	FF	$0	$0	$0	$0	$0

Letternote Text Revision Required? Yes ___ No X

If Yes, describe the Letternote Text Revision:

Cash or Federal Fund Name and CORE Fund Number: N/A

Reappropriated Funds Source, by Department and Line Item Name

Department of Health Care Policy and Financing
Section - 7 (C) Office of Operations-Medicaid Funding = $50,032
Various sources of other reapropriated funds = $1,983
Approval by OIT? Yes ___ No ___ **Not Requirei X**
Schedule 13s from Affected Departments: Health Care Policy and Financing
Other Information: N/A

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Cost and FTE

- The Department of Human Services requests $305,968 total funds, including $253,953 General Fund and $52,015 reappropriated funds to support the increased cost of utility commodities for all DHS owned and operated buildings with approximately 80% of the space dedicated to 24 X 7 operations. This request is a 3% increase to the Utilities appropriation.

Current Program

- Electricity accounts for 36.1% of the utility cost, water 6.4%, sewer 4.3%, natural gas 18.5%, coal 5.3%, and energy performance contract/building automation/other 29.4%.
- Other utility-related expenses include: permits; certifications; water rights fees; annual fees for testing inspections of water, tap and sewer required by multiple agencies; legal issues; diesel fuel for generators; recycling fees; salt for water softeners; and other utility-related expenses.

Problem or Opportunity

- The cost of the commodities has grown substantially since the last request in FY 2013-14: electricity 12.4%, water 7.3%, sewer 32.3%, coal has been nearly flat, and natural gas had a reduction of 25.8%.
- Current funding is not sufficient to cover the projected rates charged by utility providers.
- Building temperatures are highly regulated in most 24 x 7 facilities, thus minimizing the potential of lowering and/or raising them in an attempt to conserve and/or minimize energy usage. The building automation system does control temperatures and conserve energy within facilities where applicable.

Consequences of Problem

- Increase in the commodity costs are a direct cost to the Department. If not funded, the Department will have to absorb the cost of rising utilities within program operating budgets. This would reduce funding available for other operating functions such as routine maintenance.

Proposed Solution

- The Department requests $305,968 total funds for the purpose of supporting the increased cost of utility commodities for all DHS owned and operated buildings with approximately 80% of the space dedicated to 24 X 7 operations.
- By increasing the Utility Line appropriation to accommodate these increased energy commodities' costs, the Department will continue to provide the (energy usage) funds necessary for direct care of the patients, clients, youth, and elders housed in the owned and operated buildings of the Department.

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John W. Hickenlooper
Governor

Reggie Bicha
Executive Director

FY 2016-17 Funding Request | November 2, 2015

Department Priority: R-15
Request Detail: Utilities Cost Increase

Summary of Incremental Funding Change for FY 2016-17	Total Funds	General Fund	Reappropriated Funds
Utilities	$305,968	$253,953	$52,015

Problem or Opportunity:

The Department of Human Services requests $305,968 total funds, including $253,953 General Fund and $52,015 reappropriated funds, to support the increased cost of utility commodities for all DHS owned and operated buildings with approximately 80% of the space dedicated to 24 X 7 operations.

The commodity usage has been stable since the last request in FY 2013–14, but the cost of the commodities has grown substantially in the same timeframe: electricity 12.4%, water 7.3%, sewer 32.3%, coal has been nearly flat, and natural gas had a reduction of 25.8%. Electricity accounts for 36.1% of the utility cost, water 6.4%, sewer 4.3%, natural gas 18.5%, coal 5.3%, and energy performance contract/building automation/other 29.4%. The energy performance contract and building automation have predictable increases whereas the commodity costs are determined by the Public Utility Commission and water districts, and the Department has no input in determining those rates.

The Department has actively pursued commodity use alternatives. For example, the Department uses LED lighting pilots to reduce its electricity usage, ditch water to reduce its water consumption, and natural gas in place of coal where applicable. The majority of opportunities to reduce commodity usage for DHS were taken in the four phases of the energy performance contracts that were completed in FY 2009-10.

The ability to lower and/or raise temperatures in buildings beyond regulated standards is minimal due to the high percentage of 24 X 7 programs. The building automation system does control temperatures within facilities where applicable.

Proposed Solution:

By increasing the (3) Office of Operations, (A) Administration Utilities appropriation, to accommodate the increased cost of commodities, the Department will continue to provide the funds necessary for direct care of the patients, clients, youth, and elders within the buildings of the Department.

Though the Department is currently able to manage the cost within the Utilities line, this will not be possible in FY 2016-17 and beyond given the projected rate increases and current spending authority. The only viable alternative is to charge programs for costs beyond the current appropriation; this is in direct conflict with the mission of the Department and detracts from funds used to meet the goals of the individual program.

Anticipated Outcomes:

Additional funding to the Utilities appropriation will provide the funds necessary to pay for the projected rate increases. Adequate funding will prevent overspending the utilities line item appropriations

Assumptions and Calculations:

The following table illustrates both the cost and usage projections developed in concert with the State's energy management system EnergyCap (Table 1):

Table 1: EnergyCap by Fiscal Year

Row	Year/Rate	Electric - KWH	Water-Kgal	Sewer - Kgal	Nat. Gas - DTH	Coal/Ash Tons	Utility Totals	(1) Building Automation System/ TSP	(2) Performance Contract Debt Service	(3) Other/ Misc Utility Fees	Total
A	FY2014										
B	EnergyCap Actuals	$3,461,800	$743,385	$430,000	$1,340,082	$719,626	$6,694,893	$587,400	$2,108,415	$18,400	$9,409,108
C	Usage	34,275,507	240,317	201,721	195,566	7,484					
D	Average Rate across all vendors	$0.10	$3.09	$2.13	$6.85	$96.16					
D	FY2015										
F	EnergyCap Actuals*	$3,399,934	$603,423	$401,968	$1,744,206	$496,362	$6,645,893	$478,112	$2,070,526	$223,425	$9,417,956
G	Usage*	31,011,609	188,994	161,309	265,733	4,961					
H	Average Rate across all vendors	$0.11	$3.19	$2.49	$6.56	$100.05					
I	FY15 vs FY 2014 Rate Growth %	8.50%	3.20%	16.90%	-4.20%	4.10%					
J	FY2016/ 2017										
K	EnergyCap Projected	$3,597,000	$803,250	$447,042	$1,172,396	$862,470	$6,882,158	$486,928	$2,105,306	$250,000	$9,724,392
L	Usage Projected	31,691,630	241,943	158,525	230,467	9,000					
M	Average Projected Rate across all vendors	$0.11	$3.32	$2.82	$5.09	$95.83					
N	FY16- 17 Rate Growth vs FY 14 Actual %	12.40%	7.30%	32.30%	-25.80%	-0.30%					

*10.5 months of actual data, 1.5 months of projected data

The following table includes the current year utility cost by vendor type as compared to the projected utility cost for FY 2016-17.

Table 2 – Utilities Comparison

Row	Projection by Utility Type	Electric - KWH	Water-Kgal	Sewer - Kgal	Nat. Gas - DTH	Coal/Ash Tons	Other/ Misc Utility Fees	Total	Request
A	FY 2015-16 Appropriation*	$3,400,103	$603,453	$401,988	$1,744,293	$496,387	$2,772,201	$9,418,424	-
B	FY 2016-17 Appropriation	$3,597,000	$803,250	$447,042	$1,172,396	$862,470	$2,842,234	$9,724,392	**$305,968**

*Amounts are calculated as a percentage of the total based on FY 2014-15 projected data.

The affected Long Bill line item is as follows in Table 3.

Table 3: Line Item Summary

Long Bill Appropriation and Requested Funding for FY 2016-17 and Beyond									
Line Item: (3);(A), Administration, Utilities	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	Medicaid Total Funds	Medicaid General Fund	Medicaid Federal Funds	Notes
FY 2015-16 Appropriation (SB 15-234)	$9,418,424	$7,820,907	$50,000	$1,547,517	$0	$1,188,490	$585,688	$602,802	
Requested Funding	$305,968	$253,953	$0	$52,015	$0	$50,032	$25,016	$25,016	Bottom Line Funding
FY 2016-17 Total Requested Appropriation	**$9,724,392**	**$8,074,860**	**$50,000**	**$1,599,532**	**$0**	**$1,238,522**	**$610,704**	**$627,818**	
FY 2017-18 Total Requested Appropriation	**$9,724,392**	**$8,074,860**	**$50,000**	**$1,599,532**	**$0**	**$1,238,522**	**$610,704**	**$627,818**	Decision item request in on-going/ annualization
FY 2018-19 Total Requested Appropriation	**$9,724,392**	**$8,074,860**	**$50,000**	**$1,599,532**	**$0**	**$1,238,522**	**$610,704**	**$627,818**	Decision item request in on-going/ annualization

Schedule 13

Funding Request for the FY 2016-17 Budget Cycle

Department of Human Services

Request Title

R-16 Ombudsman for Seniors Head Note Addition and Letternote

Dept. Approval By:	Melissa Wavelet		**Supplemental FY 2015-16**
		X	**Change Request FY 2016-17**
OSPB Approval By:	10/28/15		**Base Reduction FY 2016-17**
			Budget Amendment FY 2016-17

Summary Information	Fund	FY 2015-16 Initial Appropriation	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
Total of All Line Items Impacted by Change Request	**Total**	**$347,031**	**$0**	**$347,031**	**$0**	**$0**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$186,898	$0	$186,898	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$1,800	$0	$1,800	$0	$0
	FF	$158,333	$0	$158,333	$0	$0

Line Item Information	Fund	FY 2015-16 Initial Appropriation	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
10. Adult Assistance Programs -	**Total**	**$347,031**	**$0**	**$347,031**	**$0**	**$0**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$186,898	$0	$186,898	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$1,800	$0	$1,800	$0	$0
	FF	$158,333	$0	$158,333	$0	$0

Letternote Text Revision Required? Yes ____ X No ____

If Yes, describe the Letternote Text Revision: The Department proposes revising letternote "a" to state "These amounts shall be from Title III of the Older Americans Act, except for the State Ombudsman Program amounts which shall be from Title III and Title VII of the Older Americans Act. A state match is required to expend these funds, except in the Area Agencies on Aging Administration line item, where local expenditures provide the required non-federal match."

Cash or Federal Fund Name and CORE Fund Number: N/A

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

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

Schedule 13s from Affected Departments: N/A

Other Information: N/A

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Cost and FTE

- The Department requests a modification to the federal funds letternote "a" and the addition of an (I) head note to the federal funds associated with the State Ombudsman Program line item in the DHS Long Bill in order to accurately reflect the way funding and expenditures occur.
- There is no budgetary impact or FTE associated with the request.

Current Program

- The Older Americans Act Ombudsman program provides services to elderly residents of licensed nursing facilities and assisted living residences involved in complaints and/or assistance to older adult residents.
- The federal funds letternote and lack of a head note in the Long Bill have not kept pace with the federal funding changes within the Program.

Problem or Opportunity

- The Long Bill does not accurately reflect how federal Older Americans Act dollars are spent in the State Ombudsman Program line item.
- Currently, the federal funds letternote "a" reflects the funding source as Title III of the Older Americans Act, which is no longer fully accurate.
- The federal funds in the line item are for informational purposes only, but there is no (I) head note to distinguish this.

Consequences of Problem

- Since the current federal funds letternote and lack of a head note do not accurately reflect the funding sources and expenditures, there is potential for misconceptions related to the expenditures of the funds.

Proposed Solution

- To accurately reflect expenditures in the State Ombudsman Program, the Department requests an adjustment to the federal funds letternote "a" to include Title VII funds of the Older Americans Act, in addition to Title III funds.
- The Department also proposes the addition of an (I) head note for the federal funds, similar to all the other line items in this section of the Long Bill with federal fund sources, to more accurately reflect how this appropriation is spent by indicating the "informational only" nature of these federal funds.

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Department Priority: R-16
Request Detail: Ombudsman for Seniors Headnote Addition and Letternote

Summary of Incremental Funding Change for FY 2016-17	FTE	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds
State Ombudsman Program Head Note Addition and Letternote Modification	0.0	$0	$0	$0	$0	$0

Problem or Opportunity:

The Department of Human Services requests a technical change to the head note and letternote associated with the State Ombudsman Program line item of the Long Bill. The State Ombudsman Program, funded by the Older Americans Act of 1965 (C.R.S. 26-11.5-101 et seq.), provides services to elderly residents of long-term care facilities and nursing homes who have complaints or require an advocate. The Program is funded through General Fund, federal funds and reappropriated Medicaid funds in the Department of Human Services' (Department) Long Bill Adult Assistance Programs (10); Community Services for the Elderly section, State Ombudsman Program. Historically, funding for this Program has remained relatively stable however, in FY 2013-14, the Joint Budget Committee (JBC) increased the General Fund appropriation for the line item by $75,000 based upon a request by Disability Law Colorado to account for inflationary impacts due to flat funding.

Letternotes and head notes are used throughout the Long Bill to identify the type of funds within a specific funding source and certain provisions to those sources, respectively. Currently, within the State Ombudsman Program line item, the federal funds letternote "a" and lack of an (I) head note do not accurately reflect how Older Americans Act dollars are spent.

A head note (I) is used to indicate the informational only nature of anticipated federal funds to be expended. In the State Ombudsman Program line item the federal funds from the Older Americans Act consist of State administrative dollars and Title III and Title VII dollars. As with many federally funded programs, the federal funds spending authority on the Long Bill is informational only, based on what is expected to be expended.

Additionally, the federal funds letternote "a" in the State Ombudsman Program states, "These amounts shall be from Title III of the Older Americans Act. A state match is required to expend these funds, except in the Area Agencies on Aging Administration line item, where local expenditures provide the required non-federal match." However, the State Ombudsman Program is also funded through Title VII federal funds of the Older Americans Act. An adjustment to the letternote is needed in order to accurately reflect the source of funding and nature of expenditures for the Program.

Proposed Solution:

The Department requests two budget neutral adjustments in relation to the head note and letternote of the federal funds in the State Ombudsman Program line item in the DHS Long Bill.

1. The addition of an (I) head note to the line item, which indicates the informational only nature of the Title III and Title VII federal funds of the Older Americans Act. Also, by adding an (I) head note, the State Ombudsman Program line item would then be consistent with the other line items that receive funding from the Older Americans Act within the (10) Adult Assistance Programs; Community Services for the Elderly section of the Long Bill.

2. An adjustment to federal funds letternote "a", which currently states, "These amounts shall be from Title III of the Older Americans Act. A state match is required to expend these funds, except in the Area Agencies on Aging Administration line item, where local expenditures provide the required non-federal match." However, the State Ombudsman Program is also funded through Title VII federal funds of the Older Americans Act. Therefore, the Department proposes revising letternote "a" to state, "These amounts shall be from Title III of the Older Americans Act, except for the State Ombudsman Program amounts which shall be from Title III and Title VII of the Older Americans Act. A state match is required to expend these funds, except in the Area Agencies on Aging Administration line item, where local expenditures provide the required non-federal match."

Anticipated Outcomes:

Updating the letternote and head note in the State Ombudsman Program line item of the DHS Long Bill will make this line item reflect how the Department's Division of Financial Services records the expenditures charged to this appropriation. Additionally, these modifications will create greater transparency about the source of federal funds for this program, and will ensure the accuracy of the Long Bill. There are no negative outcomes anticipated from these technical corrections.

Assumptions and Calculations:

The requested adjustments have no FTE associated to them and have no budgetary impact. This is a technical adjustment to the Long Bill which requires no statutory change.

Long Bill Appropriation and Requested Funding for FY 2016-17 and Beyond								
Line Item: State Ombudsman Program	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**	**Medicaid Total Funds**	**Medicaid General Fund**	**Medicaid Federal Funds**
FY 2015-16 Appropriation (SB 15-234)	$347,031	$186,898 (M)	$0	$1,800	$158,333[a]	$1,800	$887	$913

Requested Change[1]	$0	$0	$0	$0	$0	$0	$0	$0
FY 2016-17 Total Requested Appropriation and Beyond	**$347,031**	**$186,898 (I)**	**$0**	**$1,800**	**$158,333[a]**	**$1,800**	**$887**	**$913**

Note:
[1] Add federal funds head note (I).
Change letternote "a" to state, “These amounts shall be from Title III of the Older Americans Act, except for the State Ombudsman Program amounts which shall be from Title III and Title VII of the Older Americans Act. A state match is required to expend these funds, except in the Area Agencies on Aging Administration line item, where local expenditures provide the required non-federal match.”

Schedule 13

Funding Request for the FY 2016-17 Budget Cycle

Department of Human Services

Request Title

R-17 DYC Title IV-E Technical Correction

Dept. Approval By: Melissa Wavelet

OSPB Approval By: [signature] 10/26/15

	Supplemental FY 2015-16
X	Change Request FY 2016-17
	Base Reduction FY 2016-17
	Budget Amendment FY 2016-17

Summary Information	Fund	FY 2015-16 Initial Appropriation	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
Total of All Line Items Impacted by Change Request	Total	$38,930,035	$0	$39,059,051	$0	$0
	FTE	101.7	0.0	101.7	0.0	0.0
	GF	$35,528,353	$0	$35,657,369	$0	$0
	CF	$50,833	$0	$50,833	$0	$0
	RF	$1,623,747	$0	$1,623,747	$0	$0
	FF	$1,727,102	$0	$1,727,102	$0	$0

Line Item Information	Fund	FY 2015-16 Initial Appropriation	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
11. Division of Youth Corrections - Personal Services	Total	$8,087,706	$0	$8,216,722	($400,000)	($400,000)
	FTE	101.7	0.0	101.7	0.0	0.0
	GF	$7,070,331	$0	$7,199,347	($400,000)	($400,000)
	CF	$50,833	$0	$50,833	$0	$0
	RF	$305,768	$0	$305,768	$0	$0
	FF	$660,774	$0	$660,774	$0	$0
11. Division of Youth Corrections - Purchase of Contract Placements	Total	$26,881,648	$0	$26,881,648	($527,661)	($527,661)
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$24,497,341	$0	$24,497,341	($527,661)	($527,661)
	CF	$0	$0	$0	$0	$0
	RF	$1,317,979	$0	$1,317,979	$0	$0
	FF	$1,066,328	$0	$1,066,328	$0	$0
11. Division of Youth Corrections - Parole Program Services	Total	$3,960,681	$0	$3,960,681	$927,661	$927,661
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$3,960,681	$0	$3,960,681	$927,661	$927,661
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

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

Cash or Federal Fund Name and CORE Fund Number: N/A

Reappropriated Funds Source, by Department and Line Item Name:

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

Schedule 13s from Affected Departments: N/A

Other Information: N/A

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Cost and FTE

- The Department requests a net zero technical correction to (11) Division of Youth Corrections, (C) Community Programs Long Bill funding in FY 2016-17 and ongoing.
- The technical correction consists of a $927,661 General Fund increase in Parole Program Services, and decreases of $527,661 General Fund in Purchase of Contract Placements and $400,000 General Fund in Personal Services in Community Programs.

Current Program

- The Division of Youth Corrections (DYC) operates ten state-owned secure facilities for detention and commitment which include diagnostic, education, and program services for juveniles. In addition, the State places youth at three state-owned, privately operated facilities.
- In FY 2015-16, the Title IV-E Technical Correction for DYC R-19 was approved by the JBC as submitted by the Department, which recognized the accurate line items for earning IV-E, however General Fund from Personal Services and Contract Placements was supposed to transfer to Parole Program Services to replace the Title IV-E appropriation so the General Fund was not rebalanced.

Problem or Opportunity

- This second and final step to the technical correction initiated in FY 2015-16 will allow the Department to have funding appropriated where expenditures occur.

Consequences of Problem

- Without a rebalancing of General Fund, the Parole Program Services line is underfunded and the Purchase of Contract Placements and Personal Services lines are overfunded in General Fund.
- With the removal of federal funds from Parole Program Services, and without replacing it with General Fund, this line item is now $927,661 short (nearly 20% of the historical appropriation) in total funds.
- Without this technical correction, services that provide youth with having a successful transition from commitment to parole, and for successful completion of parole is curtailed to FY 2014-15 funding levels. These services include a wide variety of treatment; assessments and evaluation; educational, family, and other professional services and support; and surveillance and monitoring.

Proposed Solution

- The Department requests this technical correction to continue to provide the appropriate level of services for parole and transition for youth in DYC facilities.
- The Department will be requesting a supplemental for this correction in FY 2015-16.

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Department Priority: R-17
Request Detail: DYC Title IV-E Technical Correction

Summary of Incremental Funding Change for FY 2016-17	Total Funds	General Fund
DYC Title IV-E Technical Correction	$0	$0

Problem or Opportunity:

In FY 2014-15, the Department's Long Bill for the Division of Youth Corrections had federal Title IV-E funding in three (C) Community Programs line items, Personal Services, Purchase of Contract Placements, and Parole Program Services. The Division did not incur any expenses which were Title IV-E eligible in the Parole Program Services line item, so the Department proposed a technical correction in FY 2015-16 to appropriately reflect the line items where the expenses were incurred.

The Joint Budget Committee approved the technical correction as requested. However, the request and subsequent action did not address rebalancing the General Fund needed for the affected appropriations. The result was that the General Fund appropriations for the Parole Program Services line item is under funded by $927,661 and the Purchase of Contract Placements and the Community Programs Personal Services line items are over funded by the same amount.

The appropriation for Parole Program Services funds activities that are designed to assist youth in a successful transition from commitment to parole and in successful completion of parole, as well as for apprehension services. With the reduction in the funding, the Department would either overspend the appropriation or have a reduction in service delivery.

There are two major contracts utilized in the appropriation for parole and transition services. One manages providers for the Front Range area of the State and one manages providers for the Western Region. Both of these contracts essentially act as the clearinghouse for all services which are provided by numerous independent contractors. This allows flexibility for DYC client managers to order services as needed for youth to get the right services at the right time.

The following is a list of services that would be affected if the total funding is not restored to the Parole Program Services line item. These services would have to be curtailed by nearly 20% compared to FY 2014-15 levels.

- Treatment
  - Day treatment
  - Experiential therapy
  - Family services and therapy
  - Multi-systemic therapy and functional family therapy
  - Group therapy
  - Independent living
  - Independent therapy
  - Offense specific treatment
  - Substance abuse treatment
- Assessment
  - Intake evaluation
  - Sex offense specific evaluation
  - Psychological evaluations
  - Substance abuse evaluations
  - Neuropsychological evaluations
- Support
  - Education and job skills
  - Family and youth support
  - Medical
  - Professional services
  - Case management, youth advocacy and transition assistance
  - Prosocial engagement
- Surveillance
  - Electronic monitoring
  - Substance use screening and monitoring
  - Tracking and day reporting

Proposed Solution:

The Department requests an increase in General Fund for $927,661 in the Parole Program Services and offsetting decreases in General Fund for ($527,661) in Purchase of Contract Placements and ($400,000) in Community Programs Personal Services. As with the request in FY 2015-16, the net effect of this technical correction is zero.

In summary, the request is:

(11) (C) Community Programs, Parole Program Services	$927,661 GF
(11) (C) Community Programs, Purchase of Contract Placements	($527,661) GF
(11) (C) Community Services, Personal Services	($400,000) GF
Total General Fund Change	$0

To illustrate, following is an excerpt from the FY 2015-16 R-19 Title IV-E Technical Correction which moved federal funds only, leaving the General Fund untouched.

Line items in FY 2014-15 (H.B.14-1336):

11) C) Community Services, Parole and Transition Services	$927,661
Adjustment to reduce to zero federal funds	($927,661)
Resulting federal funds	$0

Line items in FY 2014-15 (HB14-1336):

11) C) Community Services, Personal Services	$260,774
Adjustment to reflect total administrative revenue	$400,000
Resulting federal funds	$660,774

Line items in FY 2014-15 (HB14-1336):

11) C) Community Services, Purchase of Contract Placements	$606,987
Adjustment to lines for above	$527,661
Resulting federal funds	$1,134,648

Amount of federal funds prior to change	$1,795,422
Amount of federal funds after changes	$1,795,422

The request should have also addressed General Fund. The net result of this action was intended as leaving the total funding intact.

This is also an action that will be needed as a supplemental for FY 2015-16.

Anticipated Outcomes:

The funding level will be restored in Parole Program Services as per the original intent.

Assumptions and Calculations:

The affected Long Bill line items are as follows in Table 1.

Table 1: Line Item Summary

Long Bill Appropriation and Requested Funding for FY 2016-17 Through FY 2018-19							
Line Item: (11) (C), Community Programs, Parole Program Services	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**	**FTE**	**Notes**
FY 2015-16 Appropriation (SB 15-234)	$3,960,681	$3,960,681	$0	$0	$0	0.0	
Requested Funding (or Spending Authority)	$927,661	$927,661	$0	$0	$0	0.0	See Schedule 13
FY 2016-17 Total Requested Appropriation	**$4,888,342**	**$4,888,342**	**$0**	**$0**	**$0**	**0.0**	
FY 2017-18 Total Requested Appropriation	**$4,888,342**	**$4,888,342**	**$0**	**$0**	**$0**	**0.0**	request is on-going/ annualization
FY 2018-19 Total Requested Appropriation	**$4,888,342**	**$4,888,342**	**$0**	**$0**	**$0**	**0.0**	request is on-going/ annualization

Long Bill Appropriation and Requested Funding for FY 2016-17 Through FY 2018-19							
Line Item: (11) (C), Community Programs, Personal Services	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**	**FTE**	**Notes**
FY 2015-16 Appropriation (SB 15-234)	$8,087,706	$7,070,331	$50,833	$305,768	$660,774	101.7	
Requested Funding (or Spending Authority)	($400,000)	($400,000)	$0	$0	$0	0.0	See Schedule 13
FY 2016-17 Total Requested Appropriation	**$7,687,706**	**$6,670,331**	**$50,833**	**$305,768**	**$660,774**	**101.7**	
FY 2017-18 Total Requested Appropriation	**$7,687,706**	**$6,670,331**	**$50,833**	**$305,768**	**$660,774**	**101.7**	request is on-going/ annualization
FY 2018-19 Total Requested Appropriation	**$7,687,706**	**$6,670,331**	**$50,833**	**$305,768**	**$660,774**	**101.7**	request is on-going/ annualization

Long Bill Appropriation and Requested Funding for FY 2016-17 Through FY 2018-19							
Line Item: (11) (C), Community Programs, Purchase of Contract Placements	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**	**FTE**	**Notes**
FY 2015-16 Appropriation (SB 15-234)	$26,881,648	$24,497,341	$0	$1,317,979	$1,066,328	0.0	
Requested Funding (or Spending Authority)	($527,661)	($527,661)	$0	$0	$0	0.0	See Schedule 13
FY 2016-17 Total Requested Appropriation	**$26,353,987**	**$23,969,680**	**$0**	**$1,317,979**	**$1,066,328**	**0.0**	
FY 2017-18 Total Requested Appropriation	**$26,353,987**	**$23,969,680**	**$0**	**$1,317,979**	**$1,066,328**	**0.0**	request is on-going/ annualization
FY 2018-19 Total Requested Appropriation	**$26,353,987**	**$23,969,680**	**$0**	**$1,317,979**	**$1,066,328**	**0.0**	request is on-going/ annualization

Schedule 13

Funding Request for the FY 2016-17 Budget Cycle

Department of Human Services

Request Title

R-18 Grand Junction Physician Services

Dept. Approval By: Melissa Wavelet

OSPB Approval By: [signature] 10/28/15

___	**Supplemental FY 2015-16**
x	**Change Request FY 2016-17**
___	**Base Reduction FY 2016-17**
___	**Budget Amendment FY 2016-17**

Summary Information	**Fund**	**FY 2015-16 Initial Appropriatio**	**FY 2015-16 Supplemental Request**	**FY 2016-17 Base Request**	**FY 2016-17 Change Request**	**FY 2017-18 Continuation**
Total of All Line Items Impacted by Change Request	**Total**	**$88,946**	**$0**	**$88,946**	**($88,946)**	**($88,946)**
	FTE	0.5	0.0	0.5	(0.5)	(0.5)
	GF	$88,946	$0	$88,946	($88,946)	($88,946)
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	**Fund**	**FY 2015-16 Initial Appropriatio**	**FY 2015-16 Supplemental Request**	**FY 2016-17 Base Request**	**FY 2016-17 Change Request**	**FY 2017-18 Continuation**
09. Services for People with Disabilities - Grand Junction Regional Center Physician Services	**Total**	**$88,946**	**$0**	**$88,946**	**($88,946)**	**($88,946)**
	FTE	0.5	0.0	0.5	(0.5)	(0.5)
	GF	$88,946	$0	$88,946	($88,946)	($88,946)
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Letternote Text Revision Required? Yes ___ No **X** **If Yes, describe the Letternote Text Revision:**

Cash or Federal Fund Name and CORE Fund Number:

Reappropriated Funds Source, by Department and Line Item Na

Approval by OIT? Yes ___ No ___ **Not Require** ___

Schedule 13s from Affected Departments:

Other Information:

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Cost and FTE

- The Department requests a reduction of $88,946 General Fund and 0.5 FTE in FY 2016-17 and beyond through the elimination of the personal services cost for contracting for a physician provider for the Home and Community Based Services waiver for individuals with developmental disabilities (HCBS-DD) program at the Grand Junction Regional Center (GJRC).

Current Program

- The residents served by the HCBS-DD waiver program at GJRC receive services by the regional community provider and should receive their medical care from a community provider, similar to all other HCBS-DD waiver participants living in the Grand Junction area.
- While recently evaluating its cost methodology at the Regional Centers, the Department discovered that physician services paid for with General Fund at GJRC was duplicating services paid for through payments made by the Medicaid State Plan to the community provider.
- GJRC has worked with the community provider to transition all HCBS-DD waiver program residents at GJRC to physicians in the community during FY 2014-15.

Problem or Opportunity

- The General Fund and 0.5 FTE for physician services at GJRC are duplicative, as the Department has successfully placed all residents with a community practice (Community Physician Provider) who is paid through the Medicaid State Plan.

Consequences of Problem

- If the General Fund and FTE are not removed, the Department will revert these appropriations in FY 2016-17 and in future years.
- This reduction will not affect resident services as all individuals have been placed with a community practice.

Proposed Solution

- The Department requests a reduction of $88,946 General Fund and 0.5 FTE in FY 2016-17 and beyond based on the personal services cost for contracting for a physician provider for the HCBS-DD waiver program at GJRC already being covered through Medicaid.
- GJRC pursued health care services in the community through other waiver programs throughout the State. In collaboration with the community, the Department was successful in placing all residents with a community practice.
- The Community Physician Provider currently bills Medicaid directly for their services.

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COLORADO

Department of Human Services

John W. Hickenlooper
Governor

Reggie Bicha
Executive Director

FY 2016-17 Funding Request | November 1, 2015

Department Priority: R-18
Request Detail: Grand Junction Regional Center Physician Services

Summary of Incremental Funding Change for FY 2016-17	FTE	Total Funds	General Fund
GJRC HCBS-DD Physician Services	(0.5)	($88,946)	($88,946)

Problem or Opportunity:

The Department of Human Services requests a reduction of $88,946 General Fund and 0.5 FTE in FY 2016-17 and beyond by eliminating the Grand Junction Regional Center Physician Services line item.

The Department serves individuals with intellectual and developmental disabilities that have the most intensive service needs based on complex diagnosis. The Grand Junction Regional Center (GJRC) Home and Community Based Services waiver for individuals with developmental disabilities (HCBS-DD) program allows the Department to serve adults in group homes, providing services such as 24-hour supervision, residential services, day programming, habilitation, medical, training and behavioral interventions.

Historically, the GJRC HCBS-DD program has been appropriated $88,946 in General Fund to pay for physician services for the HCBS-DD waiver program residents; however, physician services are not a covered service under the HCBS-DD waiver, and instead are covered through the Medicaid State Plan.

While implementing audit recommendations from the 2013 Office of the State Auditor Performance Audit of the Regional Centers, the Department evaluated the cost methodology more closely and discovered that the physician services paid for with General Fund at GJRC was duplicating services paid for through the per resident per month payments made by the Medicaid State Plan to the community provider. All of the HCBS-DD waiver program residents served by GJRC have been covered members by the community provider for multiple years, and should have received their medical care through that communtiy provider, similar to all other HCBS-DD waiver participants living in the Grand Junction area. As such, during FY 2014-15, GJRC worked with the community provider to transition all HCBS-DD waiver program residents at GJRC to physicians in the community. It is important to note that this change did not affect the GJRC Intermediate Care Facility for individuals with intellectual and developmental disabilities (ICF/IID) residents, as those residents continue to receive physician services as part of the GJRC ICF/IID service package and daily rate.

Proposed Solution:

The Department requests the elimination of the Grand Junction Regional Center Physician Services line item and a reduction of $88,946 General Fund, including a reduction of 0.5 FTE in FY 2016-17 and beyond.

Since all GJRC HCBS-DD waiver program participants have successfully transitioned to community physicians, paid for by Medicaid State Plan, the $88,946 General Fund appropriation is longer needed at GJRC. The Department does not anticipate any expenditures in the GJRC Physician Services line item in FY 2015-16 and will submit a Supplemental budget request in January 2016.

Anticipated Outcomes:

The Department is dedicated to providing efficient, effective, and elegant services to those it serves as well as being a responsible steward of State resources. Since all GJRC HCBS-DD residents have successfully transitioned to community physicians, paid for by Medicaid State Plan, the Department can reduce its General Fund appropriation to help the Colorado General Assembly fund other endeavors.

Assumptions and Calculations:

Since all community physician services for HCBS-DD waiver residents are covered by Medicaid State Plan, the Department can completely eliminate the GJRC Physician Services line item and appropriations. It is important to note that this change did not impact the GJRC ICF/IID residents and those residents continue to receive physician services as part of the GJRC ICF/IID service package and daily rate.

Long Bill Appropriation and Requested Funding for FY 2016-17 and Beyond									
Line Item: GJRC General Fund Physician Services	**FTE**	**Total Funds**	**General Fund**	**Cash Funds**	**Reapprop. Funds**	**Federal Funds**	**Medicaid Total Funds**	**Medicaid General Fund**	**Medicaid Federal Funds**
FY 2015-16 Appropriation (SB 15-234)	0.5	$88,946	$88,946	$0	$0	$0	$0	$0	$0
Requested Funding	(0.5)	($88,946)	($88,946)	$0	$0	$0	$0	$0	$0
FY 2016-17 and Beyond Total Requested Appropriation	**0.0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**

Schedule 13

Funding Request for the FY 2016-17 Budget Cycle

Department of Human Services

Request Title

R-19 Community Provider Rate Adjustment

Dept. Approval By: Melissa Wavelet

OSPB Approval By: [signature] 10/28/15

__ Supplemental FY 2015-16
x Change Request FY 2016-17
__ Base Reduction FY 2016-17
__ Budget Amendment FY 2016-17

Summary Information	Fund	FY 2015-16 Initial Appropriatio	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
Total of All Line Items Impacted by Change Request	Total	$959,964,512	$0	$975,805,905	($7,934,920)	($7,934,920)
	FTE	2,265.1	0.0	2,265.4	0.0	$0
	GF	$587,094,908	$0	$597,851,195	($4,684,022)	($4,684,022)
	CF	$120,421,489	$0	$125,072,117	($1,098,677)	($1,098,677)
	RF	$33,795,879	$0	$33,878,948	($245,499)	($245,499)
	FF	$218,652,236	$0	$219,003,645	($1,906,722)	($1,906,722)

Line Item Information	Fund	FY 2015-16 Initial Appropriatio	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
01. Executive Director's Office - Colorado Commission for the Deaf and Hard of Hearing	Total	$1,177,753	$0	$1,185,732	($11,778)	($11,778)
	FTE	6.3	0.0	6.3	0.0	0.0
	GF	$136,348	$0	$136,660	($11,778)	($11,778)
	CF	$0	$0	$0	$0	$0
	RF	$1,041,405	$0	$1,049,072	$0	$0
	FF	$0	$0	$0	$0	$0
04. County Administration - County Administration	Total	$56,384,304	$0	$67,363,060	($563,844)	($563,844)
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$19,666,869	$0	$23,546,625	($196,669)	($196,669)
	CF	$10,436,967	$0	$17,535,967	($104,370)	($104,370)
	RF	$0	$0	$0	$0	$0
	FF	$26,280,468	$0	$26,280,468	($262,805)	($262,805)

05. Division of Child Welfare - Child Welfare Services	**Total**	**$354,140,267**	**$0**	**$353,774,995**	**($3,541,403)**	**($3,541,403)**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$180,648,501	$0	$183,205,793	($1,806,485)	($1,806,485)
	CF	$68,068,797	$0	$65,171,137	($680,688)	($680,688)
	RF	$15,222,606	$0	$15,197,702	($152,226)	($152,226)
	FF	$90,200,363	$0	$90,200,363	($902,004)	($902,004)
05. Division of Child Welfare - Family and Children's Programs	**Total**	**$54,003,032**	**$0**	**$54,003,032**	**($540,030)**	**($540,030)**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$45,233,989	$0	$45,233,989	($452,340)	($452,340)
	CF	$5,645,945	$0	$5,645,945	($56,459)	($56,459)
	RF	$0	$0	$0	$0	$0
	FF	$3,123,098	$0	$3,123,098	($31,231)	($31,231)
06. Division of Early Childhood - Child Care Licensing and Administration	**Total**	**$7,218,907**	**$0**	**$7,286,205**	**($39,191)**	**($39,191)**
	FTE	52.0	0.0	52.0	0.0	0.0
	GF	$2,450,786	$0	$2,474,340	$0	$0
	CF	$849,004	$0	$857,080	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$3,919,117	$0	$3,954,785	($39,191)	($39,191)
06. Division of Early Childhood - Child Care Assistance Program	**Total**	**$87,293,241**	**$0**	**$89,593,241**	**($895,933)**	**($895,933)**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$21,931,865	$0	$23,931,865	($239,319)	($239,319)
	CF	$9,762,470	$0	$9,762,470	($97,625)	($97,625)
	RF	$0	$0	$0	$0	$0
	FF	$55,598,906	$0	$55,898,906	($558,989)	($558,989)
06. Division of Early Childhood - Early Childhood Mental Health Services	**Total**	**$1,241,247**	**$0**	**$1,241,247**	**($12,412)**	**($12,412)**
	FTE	0.2	0.0	0.2	0.0	0.0
	GF	$1,241,247	$0	$1,241,247	($12,412)	($12,412)
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0
06. Division of Early Childhood - Early Intervention Services	**Total**	**$41,219,454**	**$0**	**$41,235,195**	**($433,429)**	**($433,429)**
	FTE	6.5	0.0	6.5	0.0	0.0
	GF	$21,519,365	$0	$21,519,365	($230,079)	($230,079)
	CF	$11,557,457	$0	$11,557,457	($121,924)	($121,924)
	RF	$0	$0	$0	$0	$0
	FF	$8,142,632	$0	$8,158,373	($81,426)	($81,426)

06. Division of Early Childhood - Early Intervention Services Case Management	**Total**	**$9,927,221**	**$0**	**$9,927,221**	**($108,365)**	**($108,365)**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$3,998,538	$0	$3,998,538	($45,974)	($45,974)
	CF	$0	$0	$0	$0	$0
	RF	$5,928,683	$0	$5,928,683	($62,391)	($62,391)
	FF	$0	$0	$0	$0	$0
08. Behavioral Health Services - Services for Indigent Mentally Ill Clients	**Total**	**$37,434,930**	**$0**	**$37,434,930**	**($310,395)**	**($310,395)**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$31,039,452	$0	$31,039,452	($310,395)	($310,395)
	CF	$0	$0	$0	$0	$0
	RF	$161,909	$0	$161,909	$0	$0
	FF	$6,233,569	$0	$6,233,569	$0	$0
08. Behavioral Health Services - Medications for Indigent Mentally Ill Clients	**Total**	**$1,554,437**	**$0**	**$1,554,437**	**($15,544)**	**($15,544)**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$1,554,437	$0	$1,554,437	($15,544)	($15,544)
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0
08. Behavioral Health Services - School-based Mental Health Services	**Total**	**$1,213,254**	**$0**	**$1,213,254**	**($12,133)**	**($12,133)**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$1,213,254	$0	$1,213,254	($12,133)	($12,133)
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0
08. Behavioral Health Services - Assertive Community Treatment Programs	**Total**	**$5,489,587**	**$0**	**$5,489,587**	**($54,896)**	**($54,896)**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$4,803,563	$0	$4,803,563	($48,036)	($48,036)
	CF	$686,024	$0	$686,024	($6,860)	($6,860)
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0
08. Behavioral Health Services - Alt. to Inpatient Hospitalization at Mental Health Institute	**Total**	**$3,337,487**	**$0**	**$3,337,487**	**($33,375)**	**($33,375)**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$3,337,487	$0	$3,337,487	($33,375)	($33,375)
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

08. Behavioral Health Services - Mental Health Treatment Services for Youth	**Total**	**$1,078,847**	**$0**	**$1,078,847**	**($7,788)**	**($7,788)**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$655,223	$0	$655,223	($6,552)	($6,552)
	CF	$300,000	$0	$300,000	$0	$0
	RF	$123,624	$0	$123,624	($1,236)	($1,236)
	FF	$0	$0	$0	$0	$0
08. Behavioral Health Services - Treatment and Detoxification Contracts	**Total**	**$23,827,561**	**$0**	**$24,327,561**	**($120,550)**	**($120,550)**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$12,055,021	$0	$12,055,021	($120,550)	($120,550)
	CF	$359,905	$0	$859,905	$0	$0
	RF	$1,064,688	$0	$1,064,688	$0	$0
	FF	$10,347,947	$0	$10,347,947	$0	$0
08. Behavioral Health Services - Case Management for Chronic Detoxification Clients	**Total**	**$369,464**	**$0**	**$369,464**	**($26)**	**($26)**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$2,581	$0	$2,581	($26)	($26)
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$366,883	$0	$366,883	$0	$0
08. Behavioral Health Services - Short-term Intensive Residential Remediation and Treatment	**Total**	**$3,574,435**	**$0**	**$3,669,435**	**($31,465)**	**($31,465)**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$3,146,489	$0	$3,146,489	($31,465)	($31,465)
	CF	$0	$0	$0	$0	$0
	RF	$427,946	$0	$522,946	$0	$0
	FF	$0	$0	$0	$0	$0
08. Behavioral Health Services - High Risk Pregnant Women Program	**Total**	**$1,600,000**	**$0**	**$1,605,306**	**($16,000)**	**($16,000)**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$1,600,000	$0	$1,605,306	($16,000)	($16,000)
	FF	$0	$0	$0	$0	$0
08. Behavioral Health Services - Prevention Contracts	**Total**	**$3,982,941**	**$0**	**$3,982,941**	**($351)**	**($351)**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$35,076	$0	$35,076	($351)	($351)
	CF	$121,635	$0	$121,635	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$3,826,230	$0	$3,826,230	$0	$0

08. Behavioral Health Services - Balance of Substance Abuse Block Grant Program	**Total**	**$6,683,127**	**$0**	**$6,683,127**	**($1,977)**	**($1,977)**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$197,735	$0	$197,735	($1,977)	($1,977)
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$6,485,392	$0	$6,485,392	$0	$0
08. Behavioral Health Services - Crisis Response System and Services	**Total**	**$22,952,410**	**$0**	**$22,952,410**	**($229,524)**	**($229,524)**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$22,952,410	$0	$22,952,410	($229,524)	($229,524)
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0
08. Behavioral Health Services - Crisis Response System - Telephone Hotline	**Total**	**$2,395,915**	**$0**	**$2,395,915**	**($23,959)**	**($23,959)**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$2,395,915	$0	$2,395,915	($23,959)	($23,959)
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0
08. Behavioral Health Services - Community Transition Services	**Total**	**$5,147,901**	**$0**	**$5,147,901**	**($51,479)**	**($51,479)**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$5,147,901	$0	$5,147,901	($51,479)	($51,479)
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0
08. Behavioral Health Services - Rural Co-occurring Disorder Services	**Total**	**$1,021,213**	**$0**	**$1,021,213**	**($10,212)**	**($10,212)**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$1,021,213	$0	$1,021,213	($10,212)	($10,212)
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

08. Behavioral Health Services - Personal Services	**Total**	**$18,653,854**	**$0**	**$18,942,795**	**($38,737)**	**($38,737)**
	FTE	218.5	0.0	218.6	0.0	0.0
	GF	$16,866,275	$0	$17,155,216	($38,737)	($38,737)
	CF	$1,619,709	$0	$1,619,709	$0	$0
	RF	$167,870	$0	$167,870	$0	$0
	FF	$0	$0	$0	$0	$0
08. Behavioral Health Services - Personal Services	**Total**	**$68,148,302**	**$0**	**$69,187,244**	**($86,846)**	**($86,846)**
	FTE	977.5	0.0	977.7	0.0	0.0
	GF	$58,172,152	$0	$59,211,094	($86,846)	($86,846)
	CF	$3,954,220	$0	$3,954,220	$0	$0
	RF	$6,021,930	$0	$6,021,930	$0	$0
	FF	$0	$0	$0	$0	$0
08. Behavioral Health Services - Jail-based Competency Restoration Program	**Total**	**$2,546,965**	**$0**	**$2,548,168**	**($24,692)**	**($24,692)**
	FTE	1.0	0.0	1.0	0.0	0.0
	GF	$2,546,965	$0	$2,548,168	($24,692)	($24,692)
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0
08. Behavioral Health Services - Circle Program	**Total**	**$2,136,789**	**$0**	**$2,078,001**	**($2,181)**	**($2,181)**
	FTE	21.3	0.0	21.3	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$2,119,468	$0	$2,060,680	($2,181)	($2,181)
	RF	$17,321	$0	$17,321	$0	$0
	FF	$0	$0	$0	$0	$0
09. Services for People with Disabilities - Independent Living Centers / State Independent Living Cncl	**Total**	**$5,221,066**	**$0**	**$5,221,066**	**($48,319)**	**($48,319)**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$4,831,945	$0	$4,831,945	($48,319)	($48,319)
	CF	$29,621	$0	$29,621	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$359,500	$0	$359,500	$0	$0

10. Adult Assistance Programs - Adult Protective Services	**Total**	**$14,165,717**	**$0**	**$14,165,717**	**($141,657)**	**($141,657)**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$9,267,702	$0	$9,267,702	($92,677)	($92,677)
	CF	$2,856,986	$0	$2,856,986	($28,570)	($28,570)
	RF	$0	$0	$0	$0	$0
	FF	$2,041,029	$0	$2,041,029	($20,410)	($20,410)
11. Division of Youth Corrections - Personal Services	**Total**	**$46,332,829**	**$0**	**$47,069,068**	**($8,500)**	**($8,500)**
	FTE	809.3	0.0	809.3	0.0	0.0
	GF	$46,332,829	$0	$47,069,068	($8,500)	($8,500)
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0
11. Division of Youth Corrections - Medical Services	**Total**	**$6,523,180**	**$0**	**$6,579,411**	**($30,621)**	**($30,621)**
	FTE	36.0	0.0	36.0	0.0	0.0
	GF	$6,523,180	$0	$6,579,411	($30,621)	($30,621)
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0
11. Division of Youth Corrections - Educational Programs	**Total**	**$6,245,039**	**$0**	**$6,289,840**	**($31,953)**	**($31,953)**
	FTE	34.8	0.0	34.8	0.0	0.0
	GF	$5,897,447	$0	$5,942,248	($31,953)	($31,953)
	CF	$0	$0	$0	$0	$0
	RF	$347,592	$0	$347,592	$0	$0
	FF	$0	$0	$0	$0	$0
11. Division of Youth Corrections - Personal Services	**Total**	**$8,087,706**	**$0**	**$8,216,722**	**($585)**	**($585)**
	FTE	101.7	0.0	101.7	0.0	0.0
	GF	$7,070,331	$0	$7,199,347	($585)	($585)
	CF	$50,833	$0	$50,833	$0	$0
	RF	$305,768	$0	$305,768	$0	$0
	FF	$660,774	$0	$660,774	$0	$0
11. Division of Youth Corrections - Operating Expenses	**Total**	**$544,372**	**$0**	**$544,372**	**($2,069)**	**($2,069)**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$530,618	$0	$530,618	($1,956)	($1,956)
	CF	$2,448	$0	$2,448	$0	$0
	RF	$11,306	$0	$11,306	($113)	($113)
	FF	$0	$0	$0	$0	$0

	Total	**$26,881,648**	**$0**	**$26,881,648**	**($268,819)**	**($268,819)**
	FTE	0.0	0.0	0.0	0.0	0.0
11. Division of Youth Corrections - Purchase of Contract Placements	GF	$24,497,341	$0	$24,497,341	($244,973)	($244,973)
	CF	$0	$0	$0	$0	$0
	RF	$1,317,979	$0	$1,317,979	($13,180)	($13,180)
	FF	$1,066,328	$0	$1,066,328	($10,666)	($10,666)
	Total	**$1,454,624**	**$0**	**$1,454,624**	**($14,547)**	**($14,547)**
	FTE	0.0	0.0	0.0	0.0	0.0
11. Division of Youth Corrections - Managed Care Pilot Project	GF	$1,419,372	$0	$1,419,372	($14,194)	($14,194)
	CF	$0	$0	$0	$0	$0
	RF	$35,252	$0	$35,252	($353)	($353)
	FF	$0	$0	$0	$0	$0
	Total	**$14,792,805**	**$0**	**$14,792,805**	**($129,728)**	**($129,728)**
	FTE	0.0	0.0	0.0	0.0	0.0
11. Division of Youth Corrections - S.B. 91-94 Juvenile Services	GF	$12,792,805	$0	$12,792,805	($129,728)	($129,728)
	CF	$2,000,000	$0	$2,000,000	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0
	Total	**$3,960,681**	**$0**	**$3,960,681**	**($39,607)**	**($39,607)**
	FTE	0.0	0.0	0.0	0.0	0.0
11. Division of Youth Corrections - Parole Program Services	GF	$3,960,681	$0	$3,960,681	($39,607)	($39,607)
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Letternote Text Revision Required? Yes ____ No x____ **If Yes, describe the Letternote Text Revision:**

Cash or Federal Fund Name and CORE Fund Number:

Reappropriated Funds Source, by Department and Line Item Na

Approval by OIT? Yes ____ No ____ **Not Require** x____

Schedule 13s from Affected Departments:

Other Information: N/A

Cost and FTE

- The Department requests a reduction of $7,934,920 total funds including reductions of $4,684,022 General Fund, $1,098,677 cash funds, $245,499 reappropriated funds from the Department of Health Care Policy and Financing, and $1,906,722 federal funds in FY 2016-17 and beyond for a 1.0% rate decrease for contracted community provider services.

Current Program

- Numerous agencies in the State of Colorado contract with community providers to provide services to eligible clients. The General Assembly has the authority to provide annual inflationary increases or decreases based on budget projections and constraints
- The programs in the Department of Human Services that typically receive community provider rate adjustments include County Administration, Child Welfare, Child Care, Mental Health Community Programs, Vocational Rehabilitation, and community programs in Youth Corrections.

Problem or Opportunity

- Based on the revenue projections for the State of Colorado, a 1% provider rate reduction is proposed to address a projected budget deficit in FY 2016-17.
- Since FY 2013-14 providers have experienced a 6.2% cumulative increase, including increases of 2.0% in FY 2013-14, 2.5% in FY 2014-15, and 1.7% in FY 2015-16.

Consequences of Problem

- If the request is not approved, the state will have to consider other potentially more drastic measures to close the projected funding gap for FY 2016-17.

Proposed Solution

- An across the board 1.0% decrease for contracted community provider services resulting in a reduction of $7,934,920 total funds, including reductions of $4,684,022 General Fund, $1,098,677 cash funds, $245,499 reappropriated funds from the Department of Health Care Policy and Financing, and $1,906,722 federal funds in FY 2016-17 and beyond will aid in addressing projected revenue shortfalls for the State in FY 2016-17.

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Department Priority: R-19
Request Detail: Community Provider Rate Adjustment

Summary of Incremental Funding Change for FY 16-17	Total Funds	General Fund	Cash Fund	Reappropriated Funds	Federal Funds
Community Provider Rate Increase (various line items)	$7,934,920	$4,684,022	$1,098,677	$245,499	1,906,722

Problem or Opportunity:

The Department of Human Services (Department) requests a reduction of $7,934,920 total funds, including reductions of $4,684,022 General Fund, $1,098,677 cash funds, $245,498 reappropriated funds from the Department of Health Care Policy and Financing, and $1,906,722 federal funds in FY 2016-17 and beyond for a 1.0% rate decrease for contracted community provider services.

Provider rate levels apply to community programs and services provided by contracted providers or county staff. The Department currently contracts with community providers to provide services under County Administration, Child Welfare, Child Care, Mental Health Community Programs, Vocational Rehabilitation, and community programs in Youth Corrections.

While client service providers are facing increased labor and supplies costs as a result of salary increases, cost of living adjustments and general inflation, Colorado is facing a projected budget deficit in FY 2016-17. Since FY 2013-14 providers have experienced a 6.2% cumulative increase including increases of 2.0% in FY 2013-14, 2.5% in FY 2014-15, and 1.7% in FY 2015-16.

Proposed Solution:

Based on the revenue projections for the State of Colorado, a 1.0% provider rate reduction is proposed to address a projected budget deficit in FY 2016-17. The Department requests a reduction of $7,934,920 total funds, including $4,684,022 General Fund, $1,098,677 cash funds, $245,498 reappropriated funds, and $1,906,722 federal funds in FY 2016-17 and beyond for. This change represents a 1.0% rate decrease for contracted community provider services.

Anticipated Outcomes:

This decreased funding will allow the Department to return money to the General Fund in order help close the projected statewide budget deficit for FY 2016-17.

Assumptions and Calculations:

Calculations are included in Attachment A by Long Bill Line Item. Please see the Department of Health Care Policy and Financing budget request for the related Medicaid impacts of this request.

Attachment A

FY 2016-17 Provider Rate Decrease – Department of Human Services					
Fund Type	**Sub-Division**	**Line Item Appropriation**	**Explanation of Providers impacted**	**FY 2016-17 Estimated Base**	**Provider Rate Calculation - 1.0%**
(1) Executive Director's Office					
TF	**(B) Special Purpose**	**Colorado Commission for the Deaf and Hard of Hearing**	**Legal Auxiliary Services Program**	**$1,177,753**	**($11,778)**
GF				$1,177,753	($11,778)
(4) County Administration					
TF	**N/A**	**County Administration**	**Counties**	**$56,384,304**	**($563,843)**
GF				$19,666,869	($196,669)
CF				$10,436,967	($104,370)
FF				$26,280,468	($262,805)
(5) Division of Child Welfare					
TF	**N/A**	**Child Welfare Services**	**Community Child Welfare Providers**	**$354,140,267**	**($3,541,403)**
GF				$180,648,501	($1,806,485)
CF				$68,068,797	($680,688)
RF				$15,222,606	($152,226)
FF				$90,200,363	($902,004)
MCF				*$0*	*$0*
MGF				*$7,547,368*	*($75,474)*
Net GF				*$188,195,869*	*($1,881,959)*
TF	**N/A**	**Family and Children's Programs**	**Community Programs for child and family at risk**	**$54,003,032**	**($540,030)**
GF				$45,233,989	($452,340)
CF				$5,645,945	($56,459)
FF				$3,123,098	($31,231)
(6) Office of Early Childhood					
TF	**(A) Division of Early Care and Learning**	**Child Care Licensing and Administration**	**Day Care Providers**	**$3,919,117**	**($39,191)**
FF				$3,919,117	($39,191)
TF	**(A) Division of Early Care and Learning**	**Child Care Assistance Program**	**Child Care Providers**	**$89,593,241**	**($895,932)**
GF				$23,931,865	($239,319)
CF				$9,762,470	($97,625)
FF				$55,898,906	($558,989)

TF	**(B) Division of Community and Family Support**	**Early Childhood Mental Health Services**	**Mental Health Providers**	**$1,241,247**	**($12,412)**
GF				$1,241,247	($12,412)
TF	**(B) Division of Community and Family Support**	**Early Intervention Services**	**Community Long-term Services and Support Providers**	**$43,342,869**	**($433,429)**
GF				$23,007,879	($230,079)
CF				$12,192,358	($121,924)
FF				$8,142,632	($81,426)
TF	**(B) Division of Community and Family Support**	**Early Intervention Services Case Management**	**Community Long-term Services and Support Providers**	**$10,836,491**	**($108,365)**
GF				$4,597,436	($45,974)
RF				$6,239,055	($62,391)
MGF				*$3,093,323*	*($30,933)*
Net GF				*$7,690,759*	*($76,908)*
(8) Behavioral Health Services					
TF	**(B) Mental Health Community Programs**	**Services for Indigent Mentally Ill Clients**	**Community Mental Health Providers**	**$31,039,452**	**($310,395)**
GF				$31,039,452	($310,395)
TF	**(B) Mental Health Community Programs**	**Medications for Indigent Mentally Ill Clients**	**Community Mental Health Providers**	**$1,554,437**	**($15,544)**
GF				$1,554,437	($15,544)
TF	**(B) Mental Health Community Programs**	**School-based Mental Health Services**	**Community Mental Health Providers**	**$1,213,254**	**($12,133)**
GF				$1,213,254	($12,133)
TF	**(B) Mental Health Community Programs**	**Assertive Community Treatment Programs**	**Community Mental Health Providers**	**$5,489,587**	**($54,896)**
GF				$4,803,563	($48,036)
CF				$686,024	($6,860)
TF	**(B) Mental Health Community Programs**	**Alternatives to Inpatient Hospitalization at a MH Institutes**	**Community Mental Health Providers**	**$3,337,487**	**($33,375)**
GF				$3,337,487	($33,375)

TF	**(B) Mental Health Community Programs**	**Mental Health Treatment Services for Youth (H.B. 99-1116)**	**Community Mental Health Providers**	**$778,847**	**($7,788)**
GF				$655,223	($6,552)
CF				$0	$0
RF				$123,624	($1,236)
MGF				*$61,293*	*($613)*
Net GF				*$716,516*	*($7,165)*
TF	**(C) (1) Substance Use Treatment and Prevention**	**Treatment and Detoxification Contracts**	**Community Substance Abuse Providers**	**$12,055,021**	**($120,550)**
GF				$12,055,021	($120,550)
TF	**(C) (1) Substance Use Treatment and Prevention**	**Case Management for Chronic Detox Clients**	**Community Substance Abuse Providers**	**$2,581**	**($26)**
GF				$2,581	($26)
TF	**(C) (1) Substance Use Treatment and Prevention**	**Short-term Intensive Residential Remediation and Treatment**	**Community Substance Abuse Providers**	**$3,146,489**	**($31,465)**
GF				$3,146,489	($31,465)
TF	**(C) (1) Substance Use Treatment and Prevention**	**High-Risk Pregnant Women Program**	**Community Substance Abuse Providers**	**$1,600,000**	**($16,000)**
RF				$1,600,000	($16,000)
MGF				*$793,280*	*($7,933)*
Net GF				*$793,280*	*($7,933)*
TF	**(C) (2) Substance Use Treatment and Prevention**	**Prevention Contracts**	**Community Substance Abuse Providers**	**$35,076**	**($351)**
GF				$35,076	($351)
TF	**(C) (3) Substance Use Treatment and Prevention**	**Balance of Substance Abuse Block Grant Programs**	**Community Substance Abuse Providers**	**$197,735**	**($1,977)**
GF				$197,735	($1,977)
TF	**(D) Integrated Behavioral Health Services**	**Community Transition Services**	**Community Substance Abuse and Mental Health Providers**	**$5,147,901**	**($51,479)**
GF				$5,147,901	($51,479)

TF	**(D) Integrated Behavioral Health Services**	**Crisis Response System - Walk-in, Stabilization, Mobile, Residential, and Respite Services**	**Community Substance Abuse and Mental Health Providers**	**$22,952,410**	**($229,524)**
GF				$22,952,410	($229,524)
TF	**(D) Integrated Behavioral Health Services**	**Crisis Response System - Telephone Hotline**	**Community Substance Abuse and Mental Health Providers**	**$2,395,915**	**($23,959)**
GF				$2,395,915	($23,959)
TF	**(D) Integrated Behavioral Health Services**	**Rural Co-occurring Disorder Services**	**Community Long-term Services and Support Providers**	**$1,021,213**	**($10,212)**
GF				$1,021,213	($10,212)
TF	**(E) (1) Mental Health Institutes**	**Mental Health Institute - Ft. Logan Personal Services**	**Community Mental Health Providers**	**$3,873,720**	**($38,737)**
GF				$3,873,720	($38,737)
TF	**(E) (2) Mental Health Institutes**	**Mental Health Institute - Pueblo Personal Services**	**Community Mental Health Providers**	**$8,684,587**	**($86,846)**
GF				$8,684,587	($86,846)
TF	**(E) (2) Mental Health Institutes**	**Jail-based Restoration Services**	**Community Mental Health Providers**	**$2,469,243**	**($24,692)**
GF				$2,469,243	($24,692)
TF	**(E) (2) Mental Health Institutes**	**Circle Program**	**Community Mental Health Providers**	**$218,134**	**($2,181)**
CF				$218,134	($2,181)
(9) Services For People With Disabilities					
TF	(C) Division of Vocational Rehabilitation	Independent Living Centers and State Independent Living Council	Transition Service Providers	**$4,831,945**	**($48,319)**
GF				$4,831,945	($48,319)

(10) Adult Assistance Programs					
TF	**(E) Adult Protective Services**	**Adult Protective Services**	**Counties**	**$14,165,717**	**($141,657)**
GF				$9,267,702	($92,677)
CF				$2,856,986	($28,570)
FF				$2,041,029	($20,410)
(11) Division of Youth Corrections					
TF	**(B) Institutional Programs**	**Personal Services**	**Personal Services Contracts**	**$850,000**	**($8,500)**
GF				$850,000	($8,500)
TF	**(B) Institutional Programs**	**Medical Services**	**Medical Contracts**	**$3,062,081**	**($30,621)**
GF				$3,062,081	($30,621)
TF	**(B) Institutional Programs**	**Educational Programs**	**Educational Contacts**	**$3,195,297**	**($31,953)**
GF				$3,195,297	($31,953)
TF	**(C) Community Programs**	**Personal Services**	**Personal Services Contracts**	**$58,512**	**($585)**
GF				$58,512	($585)
TF	**(C) Community Programs**	**Personal Services**	**OCYF Medical Oversight - CHP Contract**	**$206,928**	**($2,069)**
GF				$195,622	($1,956)
RF				$11,306	($113)
MGF				*$5,606*	*($56)*
Net GF				*$201,228*	*($2,012)*

TF	**(C) Community Programs**	**Purchase of Contract Placements**	**Youth Correctional Community Providers**	**$26,881,948**	**($268,819)**
GF				$24,497,341	($244,973)
RF				$1,317,979	($13,180)
FF				$1,066,628	($10,666)
MGF				*$653,454*	*($6,535)*
Net GF				*$25,150,795*	*($251,508)*
TF	**(C) Community Programs**	**Managed Care Pilot Project**	**Youth Correctional Community Providers**	**$1,454,624**	**($14,546)**
GF				$1,419,372	($14,194)
RF				$35,252	($353)
MGF				*$17,478*	*($175)*
Net GF				*$1,436,850*	*($14,368)*
TF	**(C) Community Programs**	**S.B. 91-94 Programs**	**Youth Correctional Community Providers**	**$12,972,805**	**($129,728)**
GF				$12,972,805	($129,728)
TF	**(C) Community Programs**	**Parole Program Services**	**Youth Correctional Community Providers**	**$3,960,681**	**($39,607)**
GF				$3,960,681	($39,607)
TOTAL Provider Rate Decrease for Department					
TF				**$793,491,948**	**($7,934,920)**
GF				$468,402,204	($4,684,022)
CF				$109,867,681	($1,098,677)
RF				$24,549,822	($245,499)
FF				$190,672,241	($1,906,722)

Schedule 13
Funding Request for the FY 2016-17 Budget Cycle

Department of Human Services

Request Title

R-20 Realignment of Office of Early Childhood Programs

Dept. Approval By:	Melissa Wavrek	__	Supplemental FY 2015-16
		__	Change Request FY 2016-17
		__	Base Reduction FY 2016-17
OSPB Approval By:	[illegible]	__	Budget Amendment FY 2016-17
	10/26/15	X	Change Request FY 2017-18

Summary Information	Fund	FY 2015-16 Initial Appropriation	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Base Request	FY 2017-18 Change Request	FY 2018-19 Continuation
Total of All Line Items Impacted by Change Request	Total	$14,635,602	$0	$14,635,602	$0	$14,635,602	$0	$0
	FTE	4.0	0.0	4.0	0.0	4.0	0.0	0.0
	GF	$8,494,266	$0	$8,494,266	$0	$8,494,266	$0	$0
	CF	$1,064,160	$0	1,064,160.0	$0	$1,064,160	$0	$0
	RF	$0	$0	0.0	$0	$0	$0	$0
	FF	$5,077,176	$0	5,077,176.0	$0	$5,077,176	$0	$0

Line Item Information	Fund	FY 2015-16 Initial Appropriation	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Base Request	FY 2017-18 Change Request	FY 2018-19 Continuation
05. Division of Child Welfare, Community-based Child Abuse Prevention Services	Total	$8,439,384	$0	$8,439,384	$0	$8,439,384	($8,439,384)	($8,439,384)
	FTE	2.0	0.0	2.0	0.0	2.0	(2.0)	(2.0)
	GF	$8,439,384	$0	$8,439,384	$0	$8,439,384	($8,439,384)	($8,439,384)
	CF	$0	$0	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0	$0	$0
NEW LINE 06. Office of Early Childhood, (A) Division of Early Care and Learning, Community-based Child Abuse Prevention Services	Total	$0	$0	$0	$0	$0	$8,439,384	$8,439,384
	FTE	0.0	0.0	0.0	0.0	0.0	2.0	2.0
	GF	$0	$0	$0	$0	$0	$8,439,384	$8,439,384
	CF	$0	$0	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0	$0	$0
06. Office of Early Childhood, (A) Division of Early Care and Learning, Promoting Safe and Stable Families	Total	$4,212,049	$0	$4,212,049	$0	$4,212,049	($4,212,049)	($4,212,049)
	FTE	2.0	0.0	2.0	0.0	2.0	(2.0)	(2.0)
	GF	$54,882	$0	$54,882	$0	$54,882	($54,882)	($54,882)
	CF	$1,064,160	$0	$1,064,160	$0	$1,064,160	($1,064,160)	($1,064,160)
	RF	$0	$0	$0	$0	$0	$0	$0
	FF	$3,093,007	$0	$3,093,007	$0	$3,093,007	($3,093,007)	($3,093,007)
NEW LINE 06. Office of Early Childhood, (A) Division of Community and Family Support, Promoting Safe and Stable Families	Total	$0	$0	$0	$0	$0	$4,212,049	$4,212,049
	FTE	0.0	0.0	0.0	0.0	0.0	2.0	2.0
	GF	$0	$0	$0	$0	$0	$54,882	$54,882
	CF	$0	$0	$0	$0	$0	$1,064,160	$1,064,160
	RF	$0	$0	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0	$3,093,007	$3,093,007
06. Office of Early Childhood, (B) Division of Community and Family Support, Early Childhood Councils	Total	$1,984,169	$0	$1,984,169	$0	$1,984,169	($1,984,169)	($1,984,169)
	FTE	0.0	0.0	0.0	0.0	0.0		0.0
	GF	$0	$0	$0	$0	$0	$0	$0
	CF	$0	$0	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0	$0	$0
	FF	$1,984,169	$0	$1,984,169	$0	$1,984,169	($1,984,169)	($1,984,169)

	Total	$0	$0	$0	$0	$0	$1,984,169	$1,984,169
NEW LINE 06. Office of Early Childhood, (A) Division of Early Care and Learning, Early Childhood Councils	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0	$0	$0
	CF	$0	$0	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0	$1,984,169	$1,984,169

Letternote Text Revision Required? Yes X No

If Yes, describe the Letternote Text Revision:

Please note that the Letternote Revisions will begin as of FY 2017-18

Letternote Adjustment 1
(6) Office of Early Childhood, (A) Division of Early Care and Learning, Promoting Safe and Stable Families Program

Letternote a:

a ~~This amount shall be from local funds. The (L) notation and the (I) notation apply to this amount.~~

Letternote Adjustment 2
(6) Office of Early Childhood, (B) Division of Community and Family Support, Promoting Safe and Stable Families Program

Letternote a:

a This amount shall be from local funds. The (L) notation and the (I) notation apply to this amount.

Letternote Adjustment 3
(6) Office of Early Childhood, (A) Division of Early Care and Learning, Promoting Safe and Stable Families Program

Letternote b:

b ~~This amount shall be from Title IV-B, Subpart 2, of the Social Security Act.~~

Letternote Adjustment 4
(6) Office of Early Childhood, (B) Division of Community and Family Support, Promoting Safe and Stable Families Program

Letternote b:

b This amount shall be from Title IV-B, Subpart 2, of the Social Security Act.

Letternote Adjustment 5
(6) Office of Early Childhood, (B) Division of Community and Family Support, Early Childhood Councils

Letternote a:

a ~~This amount shall be from Child Care Development Funds.~~

Letternote Adjustment 6
(6) Office of Early Childhood, (A) Division of Early Care and Learning, Early Childhood Councils

Letternote a:

a This amount shall be from Child Care Development Funds.

Cash or Federal Fund Name and CORE Fund Number:

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

Approval by OIT? **Not Required:** X

Schedule 13s from Affected Departments: N/A

Other Information: N/A

Cost and FTE

- The Department requests to realign the Long Bill to match the organizational structure of the Office of Early Childhood (OEC).
- The Department requests that this change become effective in the FY 2017-18 Long Bill.
- There is no new funding or new FTE associated with this request.

Current Program

- SafeCare Colorado and Colorado Community Response programs are contained within (5) Division of Child Welfare, Community-based Child Abuse Prevention Services Long Bill line item. The Promoting Safe and Stable Families program is listed under the (6) (A) Division of Early Care and Learning (DECL). All three of these programs operate in the (6) (B) Division of Community and Family Support (DCFS).
- Early Childhood Councils is listed under DCFS, but operates in the DECL and is currently listed under DCFS, but operates in the DECL.

Problem or Opportunity

- The OEC was established in 2012. Since that time, it has grown and evolved but the Long Bill structure has not changed. The current Long Bill structure does not match the organizational and operational structure that the OEC has developed.
- SafeCare Colorado and Colorado Community Response programs have recently come under the auspices of the Office of Early Childhood, so no previous realignment efforts have been made.

Consequences of Problem

- The incorrect structure causes difficulty tracking budgets and accounting expenditures, and complicates communications and reporting for the Department.

Proposed Solution

- The Department requests a comprehensive technical adjustment to the Long Bill to realign the programmatic budgets to reflect the current operational structure of the agency.
- This solution will result in a Long Bill that matches the organizational structure of the Department, which will reduce confusion and increase transparency with community partners and families served.

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Department Priority: R-20
Request Detail: Realignment of Office of Early Childhood Programs

Summary of Incremental Funding Change for FY 2016-17	Total Funds	General Fund
Realignment of Early Childhood Programs	$0	$0

Problem or Opportunity:

The Department requests a realignment of Early Childhood programs within the Department's portion of the Long Bill. The Department requests that this change become effective in the FY 2017-18 Long Bill.

The Department's Office of Early Childhood (OEC) was established in 2012. One major purpose of the OEC is to align early childhood prevention programs that improve family well-being. Since the inception, it has grown and evolved.

Part of that growth includes management of the Community-based Child Abuse Prevention program. The program consisted of three components when it was funded beginning in FY 2012-13 - SafeCare Colorado, Colorado Community Response, and Nurse Family Partnerships. Funding for all components is contained in one line item, Community-based Child Abuse Prevention Services, in (5) Division of Child Welfare. Funding for Nurse Family Partnerships ended in FY 2014-15.

Additionally, the OEC has two divisions, as designated in the Long Bill. One is (A), the Division of Early Care and Learning (DECL), and the other is (B), the Division of Community and Family Support (DCFS). The Promoting Safe and Stable Families program is contained in the Division of Early Care and Learning, but organizationally it operates within DCFS.

Finally, Early Childhood Councils are contained in the DCFS, but organizationally it operates within the DECL.

Proposed Solution:

The Department requests a comprehensive technical adjustment to the Long Bill to realign OEC programs to match the organizational structure. This technical adjustment has a net zero impact and does not require additional FTE.

Specifically, this adjustment will move SafeCare Colorado ($5,446,241 and 1.0 FTE) and Colorado Community Response ($2,993,143 and 1.0 FTE) from the Community-based Child Abuse Prevention Services line item in Section (5) to Section (6) (B) OEC/DCFS. Promoting Safe and Stable Families

($4,212,049 and 2.0 FTE) will move from the Section (6) (A) DECL to Section (6) (B) DCFS. Early Childhood Councils ($1,984,169 and 1.0 FTE) will move from Section (6) (B) DCFS to Section (6) (A) DECL.

The OEC has three major goals, to:

1. Promote safe, stable and nurturing environments,
2. Promote resilience in children and families, and
3. Provide school readiness.

The SafeCare and Colorado Community Response (CCR) programs both focus on families that are not in the child welfare system. Among the goals of these programs are to provide support and resources that are known to increase child and family well-being and prevent incidents and situations that would result in a family becoming involved with the child welfare system. For example, SafeCare focuses on home safety for children, including health and parent-child interactions; CCR focuses on building protective factors and increasing economic stability.

The Department's decision to align Safecare within the OEC is based on:

- Client receptivity to CCR is high; SafeCare sites report difficulty engaging families due to client fears of being connected to the child welfare system.
- Like all OEC prevention programs, both SafeCare and CCR are voluntary.
- OEC has all other (four) evidence-based early childhood home visiting programs within its domain.

Anticipated Outcomes:

With this change, the Department will be able to track budgets and accounting expenditures more easily, and simplify communications and reporting for the Department. It will also reduce confusion and increase transparency with community partners and families served.

Additionally, moving SafeCare program further aligns home visitation and allows existing OEC staff expertise and resources to support and monitor it for family engagement and fidelity.

Assumptions and Calculations:

The affected Long Bill line items are detailed in Exhibit A.

Exhibit A: Summary of Long Bill Realignment - 3 Transfers

Table 1 - Transfer Community-based Child Abuse Prevention Services line item

	FTE	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds
Transfer 1 - Part 1						
(5) Division of Child Welfare, Community-based Child Abuse Prevention Services						
FY 2015-16 Long Bill	2.0	$ 8,439,384	$ 8,439,384	$ -	$ -	$ -
Transfer	*(2.0)*	*$ (8,439,384)*	*$ (8,439,384)*	*$ -*	*$ -*	*$ -*
FY 2016-17 Proposed	-	$ -	$ -	$ -	$ -	$ -
Transfer 1 - Part 2						
(6) Office of Early Childhood, (B) Division of Community and Family Support, Community-based Child Abuse Prevention Services (NEW LINE)						
FY 2015-16 Long Bill	-	$ -	$ -	$ -	$ -	$ -
Transfer	*2.0*	*$ 8,439,384*	*$ 8,439,384*	*$ -*	*$ -*	*$ -*
FY 2016-17 Proposed	2.0	$ 8,439,384	$ 8,439,384	$ -	$ -	$ -

Table 2 - Transfer Promoting Safe and Stable Families line item

	FTE	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds
Transfer 2 - Part 1						
Section (6) Office of Early Childhood, (A) Division of Early Care and Learning, Promoting Safe and Stable Families						
FY 2015-16 Long Bill	2.0	$ 4,212,049	$ 54,882	$ 1,064,160	$ -	$ 3,093,007
Transfer	*(2.0)*	*$ (4,212,049)*	*$ (54,882)*	*$ (1,064,160)*	*$ -*	*$ (3,093,007)*
FY 2016-17 Proposed	-	$ -	$ -	$ -	$ -	$ -
Transfer 2 - Part 2						
Section (6) Office of Early Childhood, (B) Division of Community and Family Support, Promoting Safe and Stable Families (NEW LINE)						
FY 2015-16 Long Bill	-	$ -	$ -	$ -	$ -	$ -
Transfer	*2.0*	*$ 4,212,049*	*$ 54,882*	*$ 1,064,160*	*$ -*	*$ 3,093,007*
FY 2016-17 Proposed	2.0	$ 4,212,049	$ 54,882	$ 1,064,160	$ -	$ 3,093,007

Table 3 - Transfer Early Childhood Councils line item

	FTE	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds
Transfer 3 - Part 1						
Section (6) Office of Early Childhood, (B) Division of Community and Family Support, Early Childhood Councils						
FY 2015-16 Long Bill	-	$ 1,984,169	$ -	$ -	$ -	$ 1,984,169
Transfer	*-*	*$ (1,984,169)*	*$ -*	*$ -*	*$ -*	*$ (1,984,169)*
FY 2016-17 Proposed	-	$ -	$ -	$ -	$ -	$ -
Transfer 3 - Part 2						
Section (6) Office of Early Childhood, (A) Division of Early Care and Learning, Early Childhood Councils (NEW LINE)						
FY 2015-16 Long Bill	-	$ -	$ -	$ -	$ -	$ -
Transfer	*-*	*$ 1,984,169*	*$ -*	*$ -*	*$ -*	*$ 1,984,169*
FY 2016-17 Proposed	-	$ 1,984,169	$ -	$ -	$ -	$ 1,984,169

Schedule 13

Funding Request for the FY 2016-17 Budget Cycle

Department of Human Services

Request Title

NP-01 CBMS/PEAK Annual Base Adjustment

Dept. Approval By:	Melissa Wavelet		**Supplemental FY 2015-16**
		X	**Change Request FY 2016-17**
			Base Reduction FY 2016-17
OSPB Approval By:	[illegible] 10/28/15		**Budget Amendment FY 2016-17**

Summary Information	Fund	FY 2015-16 Initial Appropriatio	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
	Total	**$19,188,541**	**$0**	**$19,235,862**	**$12,294,796**	**$14,703,440**
Total of All Line Items Impacted by Change Request	FTE	11	0.0	11	0.0	0.0
	GF	$8,076,276	$0	$8,099,591	$11,572,771	$13,903,203
	CF	$300,286	$0	$301,794	$722,025	$800,237
	RF	$0	$0	$0	$0	$0
	FF	$10,811,979	$0	$10,834,447	$0	$0

Line Item Information	Fund	FY 2015-16 Initial Appropriatio	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
	Total	**$2,989,619**	**$0**	**$2,989,619**	**($179,160)**	**($179,160)**
02. Office of Information Technology Services - Personal Services	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$1,093,480	$0	$1,093,480	$58,186	$58,186
	CF	$46,819	$0	$46,819	$44,441	$44,441
	RF	$0	$0	$0	$0	$0
	FF	$1,849,320	$0	$1,849,320	($281,787)	($281,787)
	Total	**$330,441**	**$0**	**$330,441**	**($19,803)**	**($19,803)**
02. Office of Information Technology Services - Centrally Appropriated Items	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$120,862	$0	$120,862	$6,431	$6,431
	CF	$5,175	$0	$5,175	$4,912	$4,912
	RF	$0	$0	$0	$0	$0
	FF	$204,404	$0	$204,404	($31,146)	($31,146)
	Total	**$14,863,973**	**$0**	**$14,863,973**	**$12,558,594**	**$14,967,238**
02. Office of Information Technology Services - Operating and Contract Expenses	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$6,490,821	$0	$6,490,821	$11,494,209	$13,824,641
	CF	$232,775	$0	$232,775	$657,676	$735,888
	RF	$0	$0	$0	$0	$0
	FF	$8,140,377	$0	$8,140,377	$406,709	$406,709

02. Office of Information Technology Services - Administration	**Total**	**$1,004,508**	**$0**	**$1,051,829**	**($64,835)**	**($64,835)**
	FTE	11.0	0.0	11.0	0.0	0.0
	GF	$371,113	$0	$394,428	$13,945	$13,945
	CF	$15,517	$0	$17,025	$14,996	$14,996
	RF	$0	$0	$0	$0	$0
	FF	$617,878	$0	$640,376	($93,776)	($93,776)

Letternote Text Revision Required? Yes ___ No **X** **If Yes, describe the Letternote Text Revision:**

Cash or Federal Fund Name and CORE Fund Number:

Amounts shall be from the Old Age Pension Fund created in Section 1 of Article XXIV of the State Constitution.

Federal Funds shall be from the U.S. Department of Agriculture for the Supplemental Nutrition Assistance Program and from the Temporary Assistance for Needy Families Block Grant

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

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

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

Other Information: N/A

Schedule 13

Funding Request for the FY 2016-17 Budget Cycle

Department of Human Services

Request Title

NP-02 FMAP Decrease

Dept. Approval By:	Melissa Wavelet		Supplemental FY 2015-16
		X	Change Request FY 2016-17
			Base Reduction FY 2016-17
OSPB Approval By:	[illegible] 10/28/15		Budget Amendment FY 2016-17

Summary Information	Fund	FY 2015-16 Initial Appropriation	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
Total of All Line Items Impacted by Change Request	Total	$579,808,622	$0	$579,584,073	$0	$0
	FTE	2339.5	0.0	2336.3	0.0	0.0
	GF	$299,316,557	$0	$303,108,794	$0	$0
	CF	$77,995,740	$0	$75,037,419	$0	$0
	RF	$94,984,077	$0	$95,211,737	$0	$0
	FF	$107,512,248	$0	$106,226,123	$0	$0

Line Item Information	Fund	FY 2015-16 Initial Appropriation	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
01. Executive Director's Office - Health, Life, And Dental	Total	$33,990,114	$0	$32,271,771	$0	$0
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$21,590,760	$0	$21,762,826	$0	$0
	CF	$647,045	$0	$543,180	$0	$0
	RF	$7,515,685	$0	$6,909,927	$0	$0
	FF	$4,236,624	$0	$3,055,838	$0	$0
02. Office of Information Technology Services - Payments to OIT	Total	$25,122,963	$0	$24,786,571	$0	$0
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$13,534,199	$0	$13,353,146	$0	$0
	CF	$306,503	$0	$302,491	$0	$0
	RF	$800,590	$0	$789,922	$0	$0
	FF	$10,481,671	$0	$10,341,012	$0	$0
03. Office of Operations - Personal Services	Total	$24,398,129	$0	$24,681,022	$0	$0
	FTE	432.5	0.0	429.1	0.0	0.0
	GF	$13,646,853	$0	$13,722,827	$0	$0
	CF	$2,238,394	$0	$2,285,779	$0	$0
	RF	$6,580,066	$0	$6,704,280	$0	$0
	FF	$1,932,816	$0	$1,968,136	$0	$0
05. Division of Child Welfare - Child Welfare Services	Total	$354,140,267	$0	$353,774,995	$0	$0
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$180,648,501	$0	$183,205,793	$0	$0
	CF	$68,068,797	$0	$65,171,137	$0	$0
	RF	$15,222,606	$0	$15,197,702	$0	$0
	FF	$90,200,363	$0	$90,200,363	$0	$0

06. Division of Early Childhood - Early Intervention Services Case Management	Total	$9,927,221	$0	$9,927,221	$0	$0
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$3,998,538	$0	$3,998,538	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$5,928,683	$0	$5,928,683	$0	$0
	FF	$0	$0	$0	$0	$0
08. Behavioral Health Services - Mental Health Treatment Services for Youth	Total	$1,078,847	$0	$1,078,847	$0	$0
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$655,223	$0	$655,223	$0	$0
	CF	$300,000	$0	$300,000	$0	$0
	RF	$123,624	$0	$123,624	$0	$0
	FF	$0	$0	$0	$0	$0
08. Behavioral Health Services - High Risk Pregnant Women Program	Total	$1,600,000	$0	$1,605,306	$0	$0
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$1,600,000	$0	$1,605,306	$0	$0
	FF	$0	$0	$0	$0	$0
08. Behavioral Health Services - Personal Services	Total	$68,148,302	$0	$69,187,244	$0	$0
	FTE	977.5	0.0	977.7	0.0	0.0
	GF	$58,172,152	$0	$59,211,094	$0	$0
	CF	$3,954,220	$0	$3,954,220	$0	$0
	RF	$6,021,930	$0	$6,021,930	$0	$0
	FF	$0	$0	$0	$0	$0
09. Services for People with Disabilities - Wheat Ridge Regional Center Intermediate Care Facility	Total	$24,622,042	$0	$24,859,219	$0	$0
	FTE	373.0	0.0	373.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$779,734	$0	$779,589	$0	$0
	RF	$23,842,308	$0	$24,079,630	$0	$0
	FF	$0	$0	$0	$0	$0
09. Services for People with Disabilities - Wheat Ridge Regional Center Depreciation	Total	$170,168	$0	$170,168	$0	$0
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$170,168	$0	$170,168	$0	$0
	FF	$0	$0	$0	$0	$0
09. Services for People with Disabilities - Grand Junction Regional Center Intermediate Care Facility	Total	$6,743,420	$0	$6,889,562	$0	$0
	FTE	98.8	0.0	98.8	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$712,094	$0	$712,070	$0	$0
	RF	$6,031,326	$0	$6,177,492	$0	$0
	FF	$0	$0	$0	$0	$0

09. Services for People with Disabilities - Grand Junction Regional Center Waiver Services	**Total**	**$10,955,640**	**$0**	**$11,111,627**	**$0**	**$0**
	FTE	174.2	0.0	174.2	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$398,264	$0	$398,264	$0	$0
	RF	$10,557,376	$0	$10,713,363	$0	$0
	FF	$0	$0	$0	$0	$0
09. Services for People with Disabilities - Grand Junction Regional Center Depreciation	**Total**	**$515,997**	**$0**	**$515,997**	**$0**	**$0**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$515,997	$0	$515,997	$0	$0
	FF	$0	$0	$0	$0	$0
09. Services for People with Disabilities - Pueblo Regional Center Waiver Services	**Total**	**$9,949,427**	**$0**	**$10,149,422**	**$0**	**$0**
	FTE	181.8	0.0	181.8	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$539,856	$0	$539,856	$0	$0
	RF	$9,409,571	$0	$9,609,566	$0	$0
	FF	$0	$0	$0	$0	$0
09. Services for People with Disabilities - Pueblo Regional Center Depreciation	**Total**	**$358,379**	**$0**	**$358,379**	**$0**	**$0**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$358,379	$0	$358,379	$0	$0
	FF	$0	$0	$0	$0	$0
11. Division of Youth Corrections - Personal Services	**Total**	**$8,087,706**	**$0**	**$8,216,722**	**$0**	**$0**
	FTE	101.7	0.0	101.7	0.0	0.0
	GF	$7,070,331	$0	$7,199,347	$0	$0
	CF	$50,833	$0	$50,833	$0	$0
	RF	$305,768	$0	$305,768	$0	$0
	FF	$660,774	$0	$660,774	$0	$0

Letternote Text Revision Required? Yes ___ No ___ X ___ **If Yes, describe the Letternote Text Revision:**

Cash or Federal Fund Name and CORE Fund Number:

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

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

Schedule 13s from Affected Departments:
Corresponding request by Health Care Policy and Financing
Other Information: N/A

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Schedule 13

Funding Request for the FY 2016-17 Budget Cycle

Department of Human Services

Request Title

NP-03 DOC Food Service Inflation

			Supplemental FY 2015-16
Dept. Approval By:	______________	X	**Change Request FY 2016-17**
			Base Reduction FY 2016-17
OSPB Approval By:	______________		**Budget Amendment FY 2016-17**

Summary Information	Fund	FY 2015-16 Initial Appropriatio	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
Total of All Line Items Impacted by Change Request	Total	$5,479,546	$0	$5,512,214	$45,977	$45,977
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$2,778,434	$0	$2,811,102	$0	$0
	CF	0.0	$0	399,247.0	$0	$0
	RF	$2,778,434	$0	$2,301,865	$45,977	$45,977
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2015-16 Initial Appropriatio	FY 2015-16 Supplemental Request		FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
08. Behavioral Health Services - Operating Expenses	Total	$5,479,546		$0	$5,512,214	$45,977	$45,977
	FTE	0.0		0.0	0.0	0.0	0.0
	GF	$2,778,434		$0	$2,811,102	$0	$0
	CF	0.0		$0	$399,247	$0	$0
	RF	$2,778,434		$0	$2,301,865	$45,977	$45,977
	FF	$0		$0	$0	$0	$0

Letternote Text Revision Required? Yes ___ No X **If Yes, describe the Letternote Text Revision:**

Cash or Federal Fund Name and CORE Fund Number: N/A

Reappropriated Funds Source, by Department and Line Item Name:

Funds from patient revenues, shall be transferred from the Department of Corrections, and funds shall be transferred from the Department of Education.

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

Schedule 13s from Affected Departments:
Corresponds to the Department of Corrections and Department of Educaton

Other Information: N/A

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Schedule 13

Funding Request for the FY 2016-17 Budget Cycle

Department of Human Services

Request Title

NP-03 DOC Food Service Inflation

Dept. Approval By: Melissa Wavelet	X	Supplemental FY 2015-16	
	X	Change Request FY 2016-17	
OSPB Approval By: [illegible] 10/28/15		Base Reduction FY 2016-17	
		Budget Amendment FY 2016-17	

Summary Information	Fund	FY 2015-16 Initial Appropriatio	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
Total of All Line Items Impacted by Change Request	Total	$5,479,546	$0	$5,512,214	$45,977	$45,977
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$2,778,434	$0	$2,811,102	$0	$0
	CF	399,247.0	$0	399,247.0	$0	$0
	RF	$2,301,865	$0	$2,301,865	$45,977	$45,977
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2015-16 Initial Appropriatio	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
08. Behavioral Health Services - Operating Expenses	Total	$5,479,546	$0	$5,512,214	$45,977	$45,977
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$2,778,434	$0	$2,811,102	$0	$0
	CF	$399,247	$0	$399,247	$0	$0
	RF	$2,301,865	$0	$2,301,865	$45,977	$45,977
	FF	$0	$0	$0	$0	$0

Letternote Text Revision Required? Yes X No

If Yes, describe the Letternote Text Revision:

b Of this amount, $6,288,285 shall be from patient revenues, ~~$2,399,115~~ **$2,445,092** shall be transferred from the Department of Corrections, and $153,189 shall be transferred from the Department of Education. For informational purposes only, of the patient revenues, $6,000,000 is estimated to be from Medicaid funds transferred from the Department of Health Care Policy and Financing and $288,285 is estimated to be from Medicaid revenue earned from behavioral health organizations through Behavioral Health Capitation Payments.

Cash or Federal Fund Name and CORE Fund Number: N/A

Reappropriated Funds Source, by Department and Line Item Name:

Department of Corrections

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

Schedule 13s from Affected Departments:

Corresponds to the Department of Corrections FY 2016-17 Change Request

Other Information: N/A

Schedule 13

Funding Request for the FY 2016-17 Budget Cycle

Department of Human Services

Request Title

NP-04 Annual Fleet Vehicle Request

Dept. Approval By:			**Supplemental FY 2015-16**
		X	**Change Request FY 2016-17**
			Base Reduction FY 2016-17
OSPB Approval By:	10/28/15		**Budget Amendment FY 2016-17**

Summary Information	Fund	FY 2015-16 Initial Appropriatio	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
Total of All Line Items Impacted by Change Request	**Total**	**$1,079,506**	**$0**	**$1,079,506**	**$72,599**	**$0**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$547,744	$0	$547,744	$45,281	$0
	CF	$75,788	$0	$75,788	$2,410	$0
	RF	$285,796	$0	$285,796	$15,942	$0
	FF	$170,178	$0	$170,178	$8,966	$0

Line Item Information	Fund	FY 2015-16 Initial Appropriatio	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
03. Office of Operations - Vehicle Lease Payments	**Total**	**$1,079,506**	**$0**	**$1,079,506**	**$72,599**	**$0**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$547,744	$0	$547,744	$45,281	$0
	CF	$75,788	$0	$75,788	$2,410	$0
	RF	$285,796	$0	$285,796	$15,942	$0
	FF	$170,178	$0	$170,178	$8,966	$0

Letternote Text Revision Required? Yes ___ No X — **If Yes, describe the Letternote Text Revision:**

Cash or Federal Fund Name and CORE Fund Number:
Patient cash collected by the Mental Health Institutes, the Early Intervention Services Trust Fund created in Section 27-10.5-709 (2) (a), C.R.S., and from various sources of cash funds, including from the Old Age Pension Fund created in Section 1 of Article XXIV of the State Constitution.

Reappropriated Funds Source, by Department and Line Item Name:
Medicaid funds transferred from the Department of Health Care Policy and Financing, funds from the Department of Corrections, patient fees collected by the Mental Health Institutes that represent Medicaid revenue earned from the behavioral health organizations through Mental Health Community Capitation, funds from the Central Fund for Veterans Community Living Centers, funds from federal Medicaid indirect costs transferred from the Department of Health Care Policy and Financing, and from various sources of reappropriated funds.

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

Schedule 13s from Affected Departments:
Corresponding request by the Department of Personnel and Administration

Other Information: N/A

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Schedule 13

Funding Request for the FY 2016-17 Budget Cycle

Department of Human Services

Request Title

NP-05 Resources for Administrative Courts

Dept. Approval By: Melissa Wavelet

OSPB Approval By: [illegible] 10/28/15

	Supplemental FY 2015-16
X	**Change Request FY 2016-17**
	Base Reduction FY 2016-17
	Budget Amendment FY 2016-17

Summary Information	**Fund**	**FY 2015-16** Initial Appropriatio	Supplemental Request	**FY 2016-17** Base Request	Change Request	**18** Continuation
	Total	**$615,792**	**$0**	**$615,792**	**$35,572**	**$0**
Total of All Line Items Impacted by Change Request	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$380,847	$0	$380,847	$22,055	$0
	CF	$17,270	$0	$17,270	$1,067	$0
	RF	$0	$0	$0	$0	$0
	FF	$217,675	$0	$217,675	$12,450	$0

Line Item Information	**Fund**	**FY 2015-16** Initial Appropriatio	Supplemental Request	**FY 2016-17** Base Request	Change Request	**FY 2017-18** Continuation
	Total	**$615,792**	**$0**	**$565,022**	**$35,572**	**$0**
01. Executive Director's Office - Administrative Law Judge Services	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$380,847	$0	$349,447	$22,055	$0
	CF	$17,270	$0	$15,846	$1,067	$0
	RF	$0	$0	$0	$0	$0
	FF	$217,675	$0	$199,729	$12,450	$0

Letternote Text Revision Required? Yes ___ No X

If Yes, describe the Letternote Text Revision:

Cash or Federal Fund Name and CORE Fund Number: N/A

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

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

Schedule 13s from Affected Departments:
Coresponding reqeust by Department of Personnel and Administration

Other Information: N/A

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Schedule 13

Funding Request for the FY 2016-17 Budget Cycle

Department of Human Services

Request Title

NP-06 Secure Colorado

Dept. Approval By: ______________________

OSPB Approval By: ______________________

____	Supplemental FY 2015-16
X	Change Request FY 2016-17
____	Base Reduction FY 2016-17
____	Budget Amendment FY 2016-17

Summary Information	Fund	FY 2015-16 Initial Appropriatio	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
Total of All Line Items Impacted by Change Request	Total	$25,122,963	$0	$24,246,829	$163,481	$0
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$13,534,199	$0	$13,062,646	$88,070	$0
	CF	$306,503	$0	$296,054	$1,994	$0
	RF	$800,590	$0	$772,805	$5,210	$0
	FF	$10,481,671	$0	10115324	$68,207	$0

Line Item Information	Fund	FY 2015-16 Initial Appropriatio	FY 2015-16 Supplemental Request	FY 2016-17 Base Request	FY 2016-17 Change Request	FY 2017-18 Continuation
02. Office of Information Technology Services - Payments to OIT	Total	$25,122,963	$0	$24,246,829	$163,481	$0
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$13,534,199	$0	$13,062,646	$88,070	$0
	CF	$306,503	$0	$296,054	$1,994	$0
	RF	$800,590	$0	$772,805	$5,210	$0
	FF	$10,481,671	$0	$10,115,324	$68,207	$0

Letternote Text Revision Required? Yes ____ No X

If Yes, describe the Letternote Text Revision:

Cash or Federal Fund Name and CORE Fund Number:

Funds from Medicaid funds transferred from the Department of Health Care Policy and Financing, funds transferred from the Mental Health Institutes, funds transferred from the Department's Regional Centers, funds

Reappropriated Funds Source, by Department and Line Item Name:

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

Schedule 13s from Affected Departments:

Corresponds to Governors Office of Information Technology, Health Care Policy and Financing

Other Information: N/A