Schedule 13

Department of Human Services

Funding Request for The FY 2019-20 Budget Cycle

Request Title

NP-01 OIT_DI8 CBMS PEAK

Dept. Approval By: Melissa Wavrik

OSPB Approval By:

___	Supplemental FY 2018-19
___	Budget Amendment FY 2019-20
X	Change Request FY 2019-20

Summary Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
Total of All Line Items Impacted by Change Request	Total	$35,369,724	$0	$36,161,616	($17,403,127)	($17,442,539)
	FTE	11.0	0.0	11.0	0.0	0.0
	GF	$23,448,660	$0	$24,196,341	($15,417,623)	($15,437,485)
	CF	$1,088,019	$0	$1,116,660	($277,102)	($277,014)
	RF	$0	$0	$0	$0	$0
	FF	$10,833,045	$0	$10,848,615	($1,708,402)	($1,728,040)

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
02. Office of Information Technology Services, (B) Colorado Benefits Management System, (1) Ongoing Expenses - Personal Services	Total	$2,734,449	$0	$2,734,449	($1,816,021)	($1,816,021)
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$1,123,495	$0	$1,123,495	($715,086)	($715,086)
	CF	$98,642	$0	$98,642	($25,856)	($25,856)
	RF	$0	$0	$0	$0	$0
	FF	$1,512,312	$0	$1,512,312	($1,075,079)	($1,075,079)
02. Office of Information Technology Services, (B) Colorado Benefits Management System, (1) Ongoing Expenses - Centrally Appropriated Items	Total	$302,235	$0	$302,235	($195,764)	($195,764)
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$124,178	$0	$124,178	($76,832)	($76,832)
	CF	$10,903	$0	$10,903	($2,465)	($2,465)
	RF	$0	$0	$0	$0	$0
	FF	$167,154	$0	$167,154	($116,467)	($116,467)

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
	Total	$30,901,859	$0	$31,665,413	($14,498,780)	($14,507,310)
02. Office of Information Technology Services, (B) Colorado Benefits Management System, (1) Ongoing Expenses - Operating and Contract Expenses	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$21,603,372	$0	$22,339,382	($14,267,605)	($14,273,734)
	CF	$926,951	$0	$954,495	($239,943)	($237,408)
	RF	$0	$0	$0	$0	$0
	FF	$8,371,536	$0	$8,371,536	$8,768	$3,832
	Total	$1,431,181	$0	$1,459,519	($892,562)	($923,444)
02. Office of Information Technology Services, (B) Colorado Benefits Management System, (2) Special Projects - Health Care and Economic Security Staff Development Center	FTE	11.0	0.0	11.0	0.0	0.0
	GF	$597,615	$0	$609,286	($358,100)	($371,833)
	CF	$51,523	$0	$52,620	($8,838)	($11,285)
	RF	$0	$0	$0	$0	$0
	FF	$782,043	$0	$797,613	($525,624)	($540,326)

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Human Services Non-Prioritized Request	**Interagency Approval or Related Schedule 13s:**	Requires OIT Approval

Schedule 13

Department of Human Services

Funding Request for The FY 2019-20 Budget Cycle

Request Title

NP-02 DOC Food Services Inflation

Dept. Approval By: Melissa Wavreld

OSPB Approval By:

___	Supplemental FY 2018-19
___	Budget Amendment FY 2019-20
X	Change Request FY 2019-20

Summary Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
Total of All Line Items Impacted by Change Request	Total	$6,132,761	$0	$6,132,761	$37,142	$37,142
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$2,770,146	$0	$2,770,146	$0	$0
	CF	$415,669	$0	$415,669	$0	$0
	RF	$2,946,946	$0	$2,946,946	$37,142	$37,142
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
08. Behavioral Health Services, (E) Mental Health Institutes, (2) Mental Health Institutes - Pueblo - Operating Expenses	Total	$6,132,761	$0	$6,132,761	$37,142	$37,142
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$2,770,146	$0	$2,770,146	$0	$0
	CF	$415,669	$0	$415,669	$0	$0
	RF	$2,946,946	$0	$2,946,946	$37,142	$37,142
	FF	$0	$0	$0	$0	$0

Auxiliary Data

Requires Legislation?	NO		
Type of Request?	Department of Human Services Non-Prioritized Request	**Interagency Approval or Related Schedule 13s:**	Impacts Other Agency

Schedule 13

Department of Human Services

Funding Request for The FY 2019-20 Budget Cycle

Request Title

NP-03 Annual Fleet Vehicle Request

Dept. Approval By: Melissa Wavelet

OSPB Approval By:

___	Supplemental FY 2018-19
___	Budget Amendment FY 2019-20
X	Change Request FY 2019-20

Summary Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
Total of All Line Items Impacted by Change Request	Total	$51,155,202	$0	$56,259,926	($45,786)	($45,786)
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	($17,194)	($17,194)
	CF	$8,616,507	$0	$9,460,660	($2,564)	($2,564)
	RF	$13,645,199	$0	$15,477,913	($18,268)	($18,268)
	FF	$28,893,496	$0	$31,321,353	($7,760)	($7,760)

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
01. Executive Director's Office, (C) Indirect Costs, (1) Indirect Costs - Indirect Cost Assessment	Total	$310,811	$0	$380,252	($198)	($198)
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$191,908	$0	$245,316	($162)	($162)
	RF	$118,903	$0	$133,403	($31)	($31)
	FF	$0	$0	$1,533	($5)	($5)
03. Office of Operations, (A) Administration, (1) Administration - Vehicle Lease Payments	Total	$0	$0	$0	($31,490)	($31,490)
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	($17,194)	($17,194)
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	($14,296)	($14,296)
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
03. Office of Operations, (C) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessments	Total	$277,396	$0	$298,870	($63)	($63)
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$273,403	$0	$291,769	($56)	($56)
	RF	$3,993	$0	$7,101	($7)	($7)
	FF	$0	$0	$0	$0	$0
05. Division of Child Welfare, (A) Division of Child Welfare, (1) Division of Child Welfare - Indirect Cost Assessment	Total	$10,745,176	$0	$11,616,603	($2,773)	($2,773)
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$87,098	$0	$119,446	($98)	($98)
	RF	$27,755	$0	$34,287	($14)	($14)
	FF	$10,630,323	$0	$11,462,870	($2,661)	($2,661)
06. Division of Early Childhood, (C) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$3,182,251	$0	$3,449,927	($854)	($854)
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$126,353	$0	$137,557	($34)	($34)
	RF	$0	$0	$0	$0	$0
	FF	$3,055,898	$0	$3,312,370	($820)	($820)
07. Office of Self Sufficiency, (F) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$16,421,036	$0	$17,946,833	($4,564)	($4,564)
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$66,153	$0	$75,029	($27)	($27)
	RF	$2,328,738	$0	$2,631,392	($656)	($656)
	FF	$14,026,145	$0	$15,240,412	($3,881)	($3,881)
08. Behavioral Health Services, (F) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$6,966,774	$0	$7,851,004	($2,387)	($2,387)
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$5,604,540	$0	$6,014,441	($1,245)	($1,245)
	RF	$335,818	$0	$699,321	($788)	($788)
	FF	$1,026,416	$0	$1,137,242	($354)	($354)

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
09. Services for People with Disabilities, (E) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$12,940,955	$0	$14,384,513	($3,391)	($3,391)
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$2,097,881	$0	$2,398,482	($913)	($913)
	RF	$10,829,992	$0	$11,972,409	($2,476)	($2,476)
	FF	$13,082	$0	$13,622	($2)	($2)
10. Adult Assistance Programs, (F) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$291,520	$0	$303,194	($37)	($37)
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$149,888	$0	$149,890	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$141,632	$0	$153,304	($37)	($37)
11. Division of Youth Services, (D) Indirect Costs, (1) Indirect Costs - Indirect Costs	Total	$19,283	$0	$28,730	($29)	($29)
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$19,283	$0	$28,730	($29)	($29)
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Human Services Non-Prioritized Request	**Interagency Approval or Related Schedule 13s:**	Impacts DPA

Schedule 13

Department of Human Services

Funding Request for The FY 2019-20 Budget Cycle

Request Title

NP-04 Local Administration Transformation

Dept. Approval By: Melissa Wavrlet

OSPB Approval By: [signature]

___	Supplemental FY 2018-19
___	Budget Amendment FY 2019-20
X	Change Request FY 2019-20

Summary Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
Total of All Line Items Impacted by Change Request	Total	$30,901,859	$0	$31,665,413	$27,865	$112,608
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$21,603,372	$0	$22,339,382	$4,578	$18,502
	CF	$926,951	$0	$954,495	$13,401	$54,157
	RF	$0	$0	$0	$0	$0
	FF	$8,371,536	$0	$8,371,536	$9,886	$39,949

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
02. Office of Information Technology Services, (B) Colorado Benefits Management System, (1) Ongoing Expenses - Operating and Contract Expenses	Total	$30,901,859	$0	$31,665,413	$27,865	$112,608
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$21,603,372	$0	$22,339,382	$4,578	$18,502
	CF	$926,951	$0	$954,495	$13,401	$54,157
	RF	$0	$0	$0	$0	$0
	FF	$8,371,536	$0	$8,371,536	$9,886	$39,949

Auxiliary Data

Requires Legislation?	NO		
Type of Request?	Department of Human Services Non-Prioritized Request	**Interagency Approval or Related Schedule 13s:**	Impacts Other Agency

Schedule 13

Department of Human Services

Funding Request for The FY 2019-20 Budget Cycle

Request Title

NP-05 Integrated Document Solutions Increased Input Costs

Dept. Approval By: Melissa Wavelet

OSPB Approval By:

____	Supplemental FY 2018-19
____	Budget Amendment FY 2019-20
X	Change Request FY 2019-20

Summary Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
Total of All Line Items Impacted by Change Request	Total	$80,450,099	$0	$91,537,778	$22,827	$22,827
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$15,822,062	$0	$19,052,858	$7,083	$7,083
	CF	$8,616,507	$0	$9,460,660	$1,411	$1,411
	RF	$27,118,034	$0	$31,702,907	$10,060	$10,060
	FF	$28,893,496	$0	$31,321,353	$4,273	$4,273

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
01. Executive Director's Office, (C) Indirect Costs, (1) Indirect Costs - Indirect Cost Assessment	Total	$310,811	$0	$380,252	$109	$109
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$191,908	$0	$245,316	$89	$89
	RF	$118,903	$0	$133,403	$17	$17
	FF	$0	$0	$1,533	$3	$3
02. Office of Information Technology Services, (A) Information Technology, (1) Information Technology - Payments to OIT	Total	$29,294,897	$0	$35,277,852	$14,955	$14,955
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$15,822,062	$0	$19,052,858	$7,083	$7,083
	CF	$0	$0	$0	$0	$0
	RF	$13,472,835	$0	$16,224,994	$7,872	$7,872
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
03. Office of Operations, (C) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessments	Total	$277,396	$0	$298,870	$34	$34
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$273,403	$0	$291,769	$30	$30
	RF	$3,993	$0	$7,101	$4	$4
	FF	$0	$0	$0	$0	$0
05. Division of Child Welfare, (A) Division of Child Welfare, (1) Division of Child Welfare - Indirect Cost Assessment	Total	$10,745,176	$0	$11,616,603	$1,527	$1,527
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$87,098	$0	$119,446	$54	$54
	RF	$27,755	$0	$34,287	$8	$8
	FF	$10,630,323	$0	$11,462,870	$1,465	$1,465
06. Division of Early Childhood, (C) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$3,182,251	$0	$3,449,927	$470	$470
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$126,353	$0	$137,557	$19	$19
	RF	$0	$0	$0	$0	$0
	FF	$3,055,898	$0	$3,312,370	$451	$451
07. Office of Self Sufficiency, (F) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$16,421,036	$0	$17,946,833	$2,513	$2,513
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$66,153	$0	$75,029	$15	$15
	RF	$2,328,738	$0	$2,631,392	$361	$361
	FF	$14,026,145	$0	$15,240,412	$2,137	$2,137
08. Behavioral Health Services, (F) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$6,966,774	$0	$7,851,004	$1,314	$1,314
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$5,604,540	$0	$6,014,441	$685	$685
	RF	$335,818	$0	$699,321	$434	$434
	FF	$1,026,416	$0	$1,137,242	$195	$195

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
09. Services for People with Disabilities, (E) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$12,940,955	$0	$14,384,513	$1,868	$1,868
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$2,097,881	$0	$2,398,482	$503	$503
	RF	$10,829,992	$0	$11,972,409	$1,364	$1,364
	FF	$13,082	$0	$13,622	$1	$1
10. Adult Assistance Programs, (F) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$291,520	$0	$303,194	$21	$21
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$149,888	$0	$149,890	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$141,632	$0	$153,304	$21	$21
11. Division of Youth Services, (D) Indirect Costs, (1) Indirect Costs - Indirect Costs	Total	$19,283	$0	$28,730	$16	$16
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$19,283	$0	$28,730	$16	$16
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Auxiliary Data

Requires Legislation?	NO		
Type of Request?	Department of Human Services Non-Prioritized Request	**Interagency Approval or Related Schedule 13s:**	Impacts DPA

Schedule 13

Department of Human Services

Funding Request for The FY 2019-20 Budget Cycle

Request Title

NP-06 OIT_DI1 Essential Database Support

Dept. Approval By: Melissa Wavelet ______ Supplemental FY 2018-19

OSPB Approval By: ______ Budget Amendment FY 2019-20

x Change Request FY 2019-20

Summary Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
Total of All Line Items Impacted by Change Request	Total	$80,450,099	$0	$91,537,778	$52,778	$50,659
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$15,822,062	$0	$19,052,858	$19,521	$18,737
	CF	$8,616,507	$0	$9,460,660	$2,982	$2,862
	RF	$27,118,034	$0	$31,702,907	$21,250	$20,397
	FF	$28,893,496	$0	$31,321,353	$9,025	$8,663

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
01. Executive Director's Office, (C) Indirect Costs, (1) Indirect Costs - Indirect Cost Assessment	Total	$310,811	$0	$380,252	$232	$221
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$191,908	$0	$245,316	$189	$181
	RF	$118,903	$0	$133,403	$37	$35
	FF	$0	$0	$1,533	$6	$5
02. Office of Information Technology Services, (A) Information Technology, (1) Information Technology - Payments to OIT	Total	$29,294,897	$0	$35,277,852	$36,150	$34,698
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$15,822,062	$0	$19,052,858	$19,521	$18,737
	CF	$0	$0	$0	$0	$0
	RF	$13,472,835	$0	$16,224,994	$16,629	$15,961
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
03. Office of Operations, (C) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessments	Total	$277,396	$0	$298,870	$73	$70
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$273,403	$0	$291,769	$65	$62
	RF	$3,993	$0	$7,101	$8	$8
	FF	$0	$0	$0	$0	$0
05. Division of Child Welfare, (A) Division of Child Welfare, (1) Division of Child Welfare - Indirect Cost Assessment	Total	$10,745,176	$0	$11,616,603	$3,225	$3,097
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$87,098	$0	$119,446	$114	$110
	RF	$27,755	$0	$34,287	$16	$16
	FF	$10,630,323	$0	$11,462,870	$3,095	$2,971
06. Division of Early Childhood, (C) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$3,182,251	$0	$3,449,927	$993	$953
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$126,353	$0	$137,557	$40	$38
	RF	$0	$0	$0	$0	$0
	FF	$3,055,898	$0	$3,312,370	$953	$915
07. Office of Self Sufficiency, (F) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$16,421,036	$0	$17,946,833	$5,308	$5,095
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$66,153	$0	$75,029	$31	$30
	RF	$2,328,738	$0	$2,631,392	$763	$732
	FF	$14,026,145	$0	$15,240,412	$4,514	$4,333
08. Behavioral Health Services, (F) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$6,966,774	$0	$7,851,004	$2,777	$2,665
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$5,604,540	$0	$6,014,441	$1,448	$1,390
	RF	$335,818	$0	$699,321	$917	$880
	FF	$1,026,416	$0	$1,137,242	$412	$395

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
09. Services for People with Disabilities, (E) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$12,940,955	$0	$14,384,513	$3,944	$3,786
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$2,097,881	$0	$2,398,482	$1,062	$1,019
	RF	$10,829,992	$0	$11,972,409	$2,880	$2,765
	FF	$13,082	$0	$13,622	$2	$2
10. Adult Assistance Programs, (F) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$291,520	$0	$303,194	$43	$42
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$149,888	$0	$149,890	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$141,632	$0	$153,304	$43	$42
11. Division of Youth Services, (D) Indirect Costs, (1) Indirect Costs - Indirect Costs	Total	$19,283	$0	$28,730	$33	$32
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$19,283	$0	$28,730	$33	$32
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Auxiliary Data

Requires Legislation?	NO		
Type of Request?	Department of Human Services Non-Prioritized Request	**Interagency Approval or Related Schedule 13s:**	Requires OIT Approval

Schedule 13

Department of Human Services

Funding Request for The FY 2019-20 Budget Cycle

Request Title

NP-07 OIT_DI2 Securing IT Operations

Dept. Approval By: Melissa Wavelet

OSPB Approval By:

____	Supplemental FY 2018-19
____	Budget Amendment FY 2019-20
X	Change Request FY 2019-20

Summary Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
Total of All Line Items Impacted by Change Request	Total	$80,450,099	$0	$91,537,778	$2,851,305	$1,217,624
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$15,822,062	$0	$19,052,858	$1,054,592	$450,354
	CF	$8,616,507	$0	$9,460,660	$161,091	$68,792
	RF	$27,118,034	$0	$31,702,907	$1,148,000	$490,244
	FF	$28,893,496	$0	$31,321,353	$487,622	$208,234

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
01. Executive Director's Office, (C) Indirect Costs, (1) Indirect Costs - Indirect Cost Assessment	Total	$310,811	$0	$380,252	$12,475	$5,327
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$191,908	$0	$245,316	$10,192	$4,352
	RF	$118,903	$0	$133,403	$1,975	$844
	FF	$0	$0	$1,533	$308	$131
02. Office of Information Technology Services, (A) Information Technology, (1) Information Technology - Payments to OIT	Total	$29,294,897	$0	$35,277,852	$1,952,949	$833,989
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$15,822,062	$0	$19,052,858	$1,054,592	$450,354
	CF	$0	$0	$0	$0	$0
	RF	$13,472,835	$0	$16,224,994	$898,357	$383,635
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
03. Office of Operations, (C) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessments	Total	$277,396	$0	$298,870	$3,928	$1,678
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$273,403	$0	$291,769	$3,505	$1,497
	RF	$3,993	$0	$7,101	$423	$181
	FF	$0	$0	$0	$0	$0
05. Division of Child Welfare, (A) Division of Child Welfare, (1) Division of Child Welfare - Indirect Cost Assessment	Total	$10,745,176	$0	$11,616,603	$174,276	$74,423
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$87,098	$0	$119,446	$6,173	$2,636
	RF	$27,755	$0	$34,287	$890	$380
	FF	$10,630,323	$0	$11,462,870	$167,213	$71,407
06. Division of Early Childhood, (C) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$3,182,251	$0	$3,449,927	$53,649	$22,910
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$126,353	$0	$137,557	$2,138	$913
	RF	$0	$0	$0	$0	$0
	FF	$3,055,898	$0	$3,312,370	$51,511	$21,997
07. Office of Self Sufficiency, (F) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$16,421,036	$0	$17,946,833	$286,799	$122,475
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$66,153	$0	$75,029	$1,694	$723
	RF	$2,328,738	$0	$2,631,392	$41,226	$17,605
	FF	$14,026,145	$0	$15,240,412	$243,879	$104,147
08. Behavioral Health Services, (F) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$6,966,774	$0	$7,851,004	$149,999	$64,056
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$5,604,540	$0	$6,014,441	$78,221	$33,404
	RF	$335,818	$0	$699,321	$49,519	$21,147
	FF	$1,026,416	$0	$1,137,242	$22,259	$9,505

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
09. Services for People with Disabilities, (E) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$12,940,955	$0	$14,384,513	$213,083	$90,995
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$2,097,881	$0	$2,398,482	$57,365	$24,497
	RF	$10,829,992	$0	$11,972,409	$155,610	$66,452
	FF	$13,082	$0	$13,622	$108	$46
10. Adult Assistance Programs, (F) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$291,520	$0	$303,194	$2,344	$1,001
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$149,888	$0	$149,890	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$141,632	$0	$153,304	$2,344	$1,001
11. Division of Youth Services, (D) Indirect Costs, (1) Indirect Costs - Indirect Costs	Total	$19,283	$0	$28,730	$1,803	$770
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$19,283	$0	$28,730	$1,803	$770
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Auxiliary Data

Requires Legislation?	NO		
Type of Request?	Department of Human Services Non-Prioritized Request	**Interagency Approval or Related Schedule 13s:**	Requires OIT Approval

Schedule 13

Department of Human Services

Funding Request for The FY 2019-20 Budget Cycle

Request Title

NP-08 OIT_DI4 Application Refresh and Consolidation

Dept. Approval By: Melissa Wavelet

OSPB Approval By: [signature]

___	Supplemental FY 2018-19
___	Budget Amendment FY 2019-20
X	Change Request FY 2019-20

Summary Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
Total of All Line Items Impacted by Change Request	Total	$80,450,099	$0	$91,537,778	$117,759	$117,759
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$15,822,062	$0	$19,052,858	$43,555	$43,555
	CF	$8,616,507	$0	$9,460,660	$6,653	$6,653
	RF	$27,118,034	$0	$31,702,907	$47,413	$47,413
	FF	$28,893,496	$0	$31,321,353	$20,138	$20,138

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
01. Executive Director's Office, (C) Indirect Costs, (1) Indirect Costs - Indirect Cost Assessment	Total	$310,811	$0	$380,252	$516	$516
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$191,908	$0	$245,316	$421	$421
	RF	$118,903	$0	$133,403	$82	$82
	FF	$0	$0	$1,533	$13	$13
02. Office of Information Technology Services, (A) Information Technology, (1) Information Technology - Payments to OIT	Total	$29,294,897	$0	$35,277,852	$80,657	$80,657
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$15,822,062	$0	$19,052,858	$43,555	$43,555
	CF	$0	$0	$0	$0	$0
	RF	$13,472,835	$0	$16,224,994	$37,102	$37,102
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
03. Office of Operations, (C) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessments	Total	$277,396	$0	$298,870	$162	$162
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$273,403	$0	$291,769	$145	$145
	RF	$3,993	$0	$7,101	$17	$17
	FF	$0	$0	$0	$0	$0
05. Division of Child Welfare, (A) Division of Child Welfare, (1) Division of Child Welfare - Indirect Cost Assessment	Total	$10,745,176	$0	$11,616,603	$7,198	$7,198
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$87,098	$0	$119,446	$255	$255
	RF	$27,755	$0	$34,287	$37	$37
	FF	$10,630,323	$0	$11,462,870	$6,906	$6,906
06. Division of Early Childhood, (C) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$3,182,251	$0	$3,449,927	$2,215	$2,215
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$126,353	$0	$137,557	$88	$88
	RF	$0	$0	$0	$0	$0
	FF	$3,055,898	$0	$3,312,370	$2,127	$2,127
07. Office of Self Sufficiency, (F) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$16,421,036	$0	$17,946,833	$11,845	$11,845
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$66,153	$0	$75,029	$70	$70
	RF	$2,328,738	$0	$2,631,392	$1,703	$1,703
	FF	$14,026,145	$0	$15,240,412	$10,072	$10,072
08. Behavioral Health Services, (F) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$6,966,774	$0	$7,851,004	$6,195	$6,195
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$5,604,540	$0	$6,014,441	$3,231	$3,231
	RF	$335,818	$0	$699,321	$2,045	$2,045
	FF	$1,026,416	$0	$1,137,242	$919	$919

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
09. Services for People with Disabilities, (E) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$12,940,955	$0	$14,384,513	$8,800	$8,800
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$2,097,881	$0	$2,398,482	$2,369	$2,369
	RF	$10,829,992	$0	$11,972,409	$6,427	$6,427
	FF	$13,082	$0	$13,622	$4	$4
10. Adult Assistance Programs, (F) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$291,520	$0	$303,194	$97	$97
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$149,888	$0	$149,890	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$141,632	$0	$153,304	$97	$97
11. Division of Youth Services, (D) Indirect Costs, (1) Indirect Costs - Indirect Costs	Total	$19,283	$0	$28,730	$74	$74
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$19,283	$0	$28,730	$74	$74
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Human Services Non-Prioritized Request	**Interagency Approval or Related Schedule 13s:**	Requires OIT Approval

Schedule 13

Department of Human Services

Funding Request for The FY 2019-20 Budget Cycle

Request Title

NP-09 OIT_DI5 Optimize Self-Service Capabilities

Dept. Approval By: Melissa Wavelet

OSPB Approval By: [signature]

	Supplemental FY 2018-19
	Budget Amendment FY 2019-20
x	Change Request FY 2019-20

Summary Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
Total of All Line Items Impacted by Change Request	Total	$80,450,099	$0	$91,537,778	$80,177	$65,601
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$15,822,062	$0	$19,052,858	$29,655	$24,263
	CF	$8,616,507	$0	$9,460,660	$4,529	$3,706
	RF	$27,118,034	$0	$31,702,907	$32,281	$26,412
	FF	$28,893,496	$0	$31,321,353	$13,712	$11,220

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
01. Executive Director's Office, (C) Indirect Costs, (1) Indirect Costs - Indirect Cost Assessment	Total	$310,811	$0	$380,252	$351	$286
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$191,908	$0	$245,316	$286	$234
	RF	$118,903	$0	$133,403	$56	$45
	FF	$0	$0	$1,533	$9	$7
02. Office of Information Technology Services, (A) Information Technology, (1) Information Technology - Payments to OIT	Total	$29,294,897	$0	$35,277,852	$54,916	$44,932
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$15,822,062	$0	$19,052,858	$29,655	$24,263
	CF	$0	$0	$0	$0	$0
	RF	$13,472,835	$0	$16,224,994	$25,261	$20,669
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
03. Office of Operations, (C) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessments	Total	$277,396	$0	$298,870	$110	$91
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$273,403	$0	$291,769	$98	$81
	RF	$3,993	$0	$7,101	$12	$10
	FF	$0	$0	$0	$0	$0
05. Division of Child Welfare, (A) Division of Child Welfare, (1) Division of Child Welfare - Indirect Cost Assessment	Total	$10,745,176	$0	$11,616,603	$4,901	$4,010
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$87,098	$0	$119,446	$174	$142
	RF	$27,755	$0	$34,287	$25	$20
	FF	$10,630,323	$0	$11,462,870	$4,702	$3,848
06. Division of Early Childhood, (C) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$3,182,251	$0	$3,449,927	$1,508	$1,234
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$126,353	$0	$137,557	$60	$49
	RF	$0	$0	$0	$0	$0
	FF	$3,055,898	$0	$3,312,370	$1,448	$1,185
07. Office of Self Sufficiency, (F) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$16,421,036	$0	$17,946,833	$8,065	$6,599
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$66,153	$0	$75,029	$48	$39
	RF	$2,328,738	$0	$2,631,392	$1,159	$949
	FF	$14,026,145	$0	$15,240,412	$6,858	$5,611
08. Behavioral Health Services, (F) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$6,966,774	$0	$7,851,004	$4,218	$3,451
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$5,604,540	$0	$6,014,441	$2,200	$1,800
	RF	$335,818	$0	$699,321	$1,392	$1,139
	FF	$1,026,416	$0	$1,137,242	$626	$512

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
09. Services for People with Disabilities, (E) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$12,940,955	$0	$14,384,513	$5,992	$4,903
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$2,097,881	$0	$2,398,482	$1,613	$1,320
	RF	$10,829,992	$0	$11,972,409	$4,376	$3,580
	FF	$13,082	$0	$13,622	$3	$3
10. Adult Assistance Programs, (F) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$291,520	$0	$303,194	$66	$54
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$149,888	$0	$149,890	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$141,632	$0	$153,304	$66	$54
11. Division of Youth Services, (D) Indirect Costs, (1) Indirect Costs - Indirect Costs	Total	$19,283	$0	$28,730	$50	$41
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$19,283	$0	$28,730	$50	$41
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Human Services Non-Prioritized Request	Interagency Approval or Related Schedule 13s:	Requires OIT Approval

Schedule 13

Department of Human Services

Funding Request for The FY 2019-20 Budget Cycle

Request Title

NP-10 OIT_DI6 Enterprise Data Integration Services

Dept. Approval By: Melissa Wavelet

OSPB Approval By:

___	Supplemental FY 2018-19
___	Budget Amendment FY 2019-20
X	Change Request FY 2019-20

Summary Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
Total of All Line Items Impacted by Change Request	Total	$81,010,733	$0	$92,098,412	$975,213	$1,091,408
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$16,124,804	$0	$19,355,600	$360,695	$403,672
	CF	$8,616,507	$0	$9,460,660	$55,094	$61,659
	RF	$27,375,926	$0	$31,960,799	$392,644	$439,426
	FF	$28,893,496	$0	$31,321,353	$166,780	$186,651

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
01. Executive Director's Office, (C) Indirect Costs, (1) Indirect Costs - Indirect Cost Assessment	Total	$310,811	$0	$380,252	$4,268	$4,776
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$191,908	$0	$245,316	$3,486	$3,901
	RF	$118,903	$0	$133,403	$676	$757
	FF	$0	$0	$1,533	$106	$118
02. Office of Information Technology Services, (A) Information Technology, (1) Information Technology - Operating Expenses	Total	$560,634	$0	$560,634	($255,504)	($255,504)
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$302,742	$0	$302,742	($137,972)	($137,972)
	CF	$0	$0	$0	$0	$0
	RF	$257,892	$0	$257,892	($117,532)	($117,532)
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
02. Office of Information Technology Services, (A) Information Technology, (1) Information Technology - Payments to OIT	Total	$29,294,897	$0	$35,277,852	$923,458	$1,003,044
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$15,822,062	$0	$19,052,858	$498,667	$541,644
	CF	$0	$0	$0	$0	$0
	RF	$13,472,835	$0	$16,224,994	$424,791	$461,400
	FF	$0	$0	$0	$0	$0
03. Office of Operations, (C) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessments	Total	$277,396	$0	$298,870	$1,343	$1,503
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$273,403	$0	$291,769	$1,198	$1,341
	RF	$3,993	$0	$7,101	$145	$162
	FF	$0	$0	$0	$0	$0
05. Division of Child Welfare, (A) Division of Child Welfare, (1) Division of Child Welfare - Indirect Cost Assessment	Total	$10,745,176	$0	$11,616,603	$59,607	$66,708
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$87,098	$0	$119,446	$2,111	$2,362
	RF	$27,755	$0	$34,287	$305	$341
	FF	$10,630,323	$0	$11,462,870	$57,191	$64,005
06. Division of Early Childhood, (C) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$3,182,251	$0	$3,449,927	$18,349	$20,535
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$126,353	$0	$137,557	$731	$818
	RF	$0	$0	$0	$0	$0
	FF	$3,055,898	$0	$3,312,370	$17,618	$19,717
07. Office of Self Sufficiency, (F) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$16,421,036	$0	$17,946,833	$98,091	$109,779
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$66,153	$0	$75,029	$579	$648
	RF	$2,328,738	$0	$2,631,392	$14,100	$15,780
	FF	$14,026,145	$0	$15,240,412	$83,412	$93,351

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
08. Behavioral Health Services, (F) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$6,966,774	$0	$7,851,004	$51,302	$57,415
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$5,604,540	$0	$6,014,441	$26,753	$29,941
	RF	$335,818	$0	$699,321	$16,936	$18,954
	FF	$1,026,416	$0	$1,137,242	$7,613	$8,520
09. Services for People with Disabilities, (E) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$12,940,955	$0	$14,384,513	$72,880	$81,564
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$2,097,881	$0	$2,398,482	$19,620	$21,958
	RF	$10,829,992	$0	$11,972,409	$53,223	$59,564
	FF	$13,082	$0	$13,622	$37	$42
10. Adult Assistance Programs, (F) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$291,520	$0	$303,194	$803	$898
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$149,888	$0	$149,890	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$141,632	$0	$153,304	$803	$898
11. Division of Youth Services, (D) Indirect Costs, (1) Indirect Costs - Indirect Costs	Total	$19,283	$0	$28,730	$616	$690
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$19,283	$0	$28,730	$616	$690
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Auxiliary Data

Requires Legislation?	NO		
Type of Request?	Department of Human Services Non-Prioritized Request	**Interagency Approval or Related Schedule 13s:**	Requires OIT Approval

Schedule 13

Department of Human Services

Funding Request for The FY 2019-20 Budget Cycle

Request Title

R-01 Mental Health Institute Pueblo Bed Expansion

Dept. Approval By: Melissa Wavelet

OSPB Approval By:

___	Supplemental FY 2018-19
___	Budget Amendment FY 2019-20
X	Change Request FY 2019-20

Summary Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
Total of All Line Items Impacted by Change Request	Total	$218,265,833	$0	$220,102,615	$5,141,144	$6,353,065
	FTE	1,393.7	0.0	1,393.7	47.3	62.6
	GF	$158,304,772	$0	$155,966,894	$5,141,144	$6,353,065
	CF	$5,968,110	$0	$9,986,704	$0	$0
	RF	$48,829,303	$0	$43,810,640	$0	$0
	FF	$5,163,648	$0	$10,338,377	$0	$0

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
01. Executive Director's Office, (A) General Administration, (1) General Administration - Health, Life, And Dental	Total	$46,696,345	$0	$45,681,295	$443,920	$523,191
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$33,413,551	$0	$29,357,601	$443,920	$523,191
	CF	$144,915	$0	$2,930,144	$0	$0
	RF	$10,356,168	$0	$7,685,079	$0	$0
	FF	$2,781,711	$0	$5,708,471	$0	$0
01. Executive Director's Office, (A) General Administration, (1) General Administration - Short-Term Disability	Total	$472,856	$0	$469,396	$4,641	$6,135
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$330,992	$0	$312,663	$4,641	$6,135
	CF	$8,592	$0	$27,320	$0	$0
	RF	$93,723	$0	$69,252	$0	$0
	FF	$39,549	$0	$60,161	$0	$0

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
01. Executive Director's Office, (A) General Administration, (1) General Administration - Amortization Equalization Disbursement	Total	$14,268,257	$0	$14,199,753	$122,155	$161,436
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$9,956,150	$0	$9,429,823	$122,155	$161,436
	CF	$255,862	$0	$814,901	$0	$0
	RF	$2,884,962	$0	$2,136,137	$0	$0
	FF	$1,171,283	$0	$1,818,892	$0	$0
01. Executive Director's Office, (A) General Administration, (1) General Administration - S.B. 06-235 Supplemental Equalization Disbursement	Total	$14,268,257	$0	$14,199,753	$122,155	$161,436
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$9,956,807	$0	$9,429,823	$122,155	$161,436
	CF	$255,823	$0	$814,901	$0	$0
	RF	$2,884,522	$0	$2,136,137	$0	$0
	FF	$1,171,105	$0	$1,818,892	$0	$0
01. Executive Director's Office, (A) General Administration, (1) General Administration - Shift Differential	Total	$7,296,296	$0	$7,423,010	$59,174	$78,898
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$4,386,994	$0	$4,327,260	$59,174	$78,898
	CF	$0	$0	$80,380	$0	$0
	RF	$2,909,302	$0	$2,083,409	$0	$0
	FF	$0	$0	$931,961	$0	$0
03. Office of Operations, (A) Administration, (1) Administration - Personal Services	Total	$29,213,187	$0	$29,785,896	$161,417	$183,087
	FTE	411.9	0.0	411.9	2.8	3.3
	GF	$16,608,712	$0	$17,165,281	$161,417	$183,087
	CF	$0	$0	$16,140	$0	$0
	RF	$12,604,475	$0	$12,604,475	$0	$0
	FF	$0	$0	$0	$0	$0
03. Office of Operations, (A) Administration, (1) Administration - Operating Expenses	Total	$4,106,664	$0	$4,106,664	$22,456	$23,196
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$1,944,942	$0	$1,944,942	$22,456	$23,196
	CF	$0	$0	$0	$0	$0
	RF	$2,161,722	$0	$2,161,722	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
03. Office of Operations, (A) Administration, (1) Administration - Utilities	Total	$9,889,871	$0	$9,889,871	$51,818	$51,818
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$5,191,515	$0	$5,191,515	$51,818	$51,818
	CF	$0	$0	$0	$0	$0
	RF	$4,698,356	$0	$4,698,356	$0	$0
	FF	$0	$0	$0	$0	$0
08. Behavioral Health Services, (E) Mental Health Institutes, (2) Mental Health Institutes - Pueblo - Personal Services	Total	$82,419,511	$0	$84,712,388	$3,007,007	$4,009,343
	FTE	981.8	0.0	981.8	44.5	59.3
	GF	$70,556,480	$0	$72,849,357	$3,007,007	$4,009,343
	CF	$4,583,395	$0	$4,583,395	$0	$0
	RF	$7,279,636	$0	$7,279,636	$0	$0
	FF	$0	$0	$0	$0	$0
08. Behavioral Health Services, (E) Mental Health Institutes, (2) Mental Health Institutes - Pueblo - Operating Expenses	Total	$6,132,761	$0	$6,132,761	$906,836	$793,197
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$2,770,146	$0	$2,770,146	$906,836	$793,197
	CF	$415,669	$0	$415,669	$0	$0
	RF	$2,946,946	$0	$2,946,946	$0	$0
	FF	$0	$0	$0	$0	$0
08. Behavioral Health Services, (E) Mental Health Institutes, (2) Mental Health Institutes - Pueblo - Pharmaceuticals	Total	$3,501,828	$0	$3,501,828	$239,565	$361,328
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$3,188,483	$0	$3,188,483	$239,565	$361,328
	CF	$303,854	$0	$303,854	$0	$0
	RF	$9,491	$0	$9,491	$0	$0
	FF	$0	$0	$0	$0	$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Human Services Prioritized Request	Interagency Approval or Related Schedule 13s:	No Other Agency Impact

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Cost and FTE
• The Department requests $5,141,144 total funds/General Fund and 47.3 FTE in FY 2019-20 and $6,353,065 total funds/General Fund and 62.6 FTE in FY 2019-20 and beyond, in order to operate and staff an additional 42 inpatient beds at the Colorado Mental Health Institute at Pueblo (CMHIP). • This FY 2019-20 request is a net 5.3% change over the FY 2018-19 appropriation of $95,933,647.

Current Program
• The Colorado Mental Health Institute at Pueblo (CMHIP) operates 449 inpatient psychiatric beds, and the Colorado Mental Health Institute at Fort Logan (CMHIFL) operates 94 inpatient psychiatric beds for adults. Referrals to the Mental Health Institutes (MHIs) come from the State's community mental health centers, local hospitals, and the courts.

Problem or Opportunity
• The Department continues to be challenged to comply with timeframe requirements in the settlement agreement in the federal district court case *DLC v. Bicha and Marshall* (Settlement Agreement). The court referrals for competency restoration services continues to outpace available capacity for treatment.

Consequences of Problem
• The Department will continue to be challenged to meet the terms of the Settlement Agreement, which requires the Department to offer admission to pretrial detainees to CMHIP for restorative treatment or competency evaluations no later than 28 days after the pretrial detainee is ready for admission.

Proposed Solution
• The Department requests $5,141,144 total funds/General Fund and 47.3 FTE in FY 2019-20, and $6,353,065 and 62.6 FTE ongoing, in order to operate and staff an additional 42 inpatient beds at the Colorado Mental Health Institute at Pueblo (CMHIP). • The Department proposes utilizing the vacant F2 unit in High Security Forensic Institute (HSFI) which will provide the Department an additional 18 beds. • Also, the Department aims to utilize the vacant unit in Building 115 which will provide the Department an additional 24 beds

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COLORADO
Department of Human Services

John W. Hickenlooper
Governor

Reggie Bicha
Executive Director

Department Priority: ***R-01***

Request Detail: ***Mental Health Institute Pueblo Bed Expansion***

Summary of Incremental Funding Change for FY 2019-20	**Total Funds**	**FTE**	**General Fund**
CMHIP Restoration Bed Expansion	$5,141,144	47.3	$5,141,144
Summary of Incremental Funding Change for FY 2020-21	**Total Funds**	**FTE**	**General Fund**
CMHIP Restoration Bed Expansion	$6,353,065	62.6	$6,353,065

Problem or Opportunity:

The Department requests $5,141,144 total funds/General Fund and 47.3 FTE in FY 2019-20 and $6,353,065 and 62.6 FTE ongoing in order to operate and staff an additional 42 inpatient beds at the Colorado Mental Health Institute at Pueblo (CMHIP). The Department proposes the following to increase the number of inpatient beds by 42:

- Utilize the vacant F2 unit in High Security Forensic Institute (HSFI) which will provide the Department an additional 18 beds
- Utilize the vacant unit in Building 115 which will provide the Department an additional 24 beds

Additional bed capacity will assist the Department in meeting the terms of the Settlement Agreement, which requires the Department to offer admission to pretrial detainees to the hospital for restorative treatment or competency evaluations no later than 28 days after the pretrial detainee is ready for admission.

The Office of Behavioral Health is responsible for policy development, service provision and coordination, program monitoring and evaluation, and administrative oversight for the public behavioral health system. OBH funds, supports and monitors numerous mental health and substance abuse community programs and providers, and reviews and designates the State’s 27-65 providers. OBH also operates the Colorado Mental Health Institutes at Fort Logan and Pueblo. OBH executes the State’s federal responsibilities as the State Mental Health Authority and the State Substance Abuse Authority for the purposes of administering federal mental health and substance abuse block grant funds.

Need for additional inpatient bed space:

Criminal defendants must be competent to proceed before criminal prosecution against them may move forward. When either party or the court has reason to believe a defendant has a mental or developmental disability that prevents the defendant from having the ability to consult with his or her lawyer in order to assist in their defense or prevents the defendant from having a rational understanding of the criminal proceedings, the court must suspend criminal proceedings. The court then makes a determination as to whether the defendant is competent to proceed, typically with the assistance of an evaluation of competency.

Under Colorado law, the Department is the entity responsible for evaluating criminal defendants regarding competency to proceed to trial. In the event a defendant is found incompetent by the court, the Department is also the entity responsible for providing restoration to competency treatment to defendants. A criminal case may not move forward until the Department has restored a previously incompetent defendant to competency.

Since FY 1999-2000, Colorado has seen a 431% increase in demand for competency evaluations for pretrial detainees and a 930% increase in demand for competency restoration services. In 2011, Disability Law Colorado (DLC) sued the Department in federal court (*DLC v. Bicha and Marshall*); alleging that the length of time defendants were waiting in jail to receive competency evaluations and restoration services violated their constitutional rights under the 14th Amendment. Many states have experienced similar litigation.

Under the settlement agreement, the Department must offer admission to defendants who the court has ordered to receive inpatient evaluations or restoration within 28 days of when the defendant is ready for admission, and complete jail-based competency evaluations within 30 days of receiving a court order for an outpatient evaluation. Legislative changes such as HB16-1410 and SB17-012 and emergency supplemental funding, including funding an expansion of RISE (Colorado’s jail-based restoration program), demonstrates the importance of the General Assembly’s support for the Department’s efforts to meet the requirements of the settlement agreement. However, despite these measures, and the commencement of a statewide outpatient restoration program, the Department has been unable to meet the settlement agreement timelines for inpatient services. This is due to a spike in the number of court orders requiring inpatient services, and the fact that court orders did not return to their previous levels. Inpatient competency restoration, in particular, continues to be the single largest hurdle for the Department to sustain compliance, and is the one remaining area in serious need of reform.

While the Department anticipates that these efforts will assist in addressing the immediate demand for competency services, they are unlikely to keep pace with the demand for services over the long term. Adding beds to CMHIP is essential to meeting the timelines in the settlement agreement.

The Department has taken many steps since 2017 to come back into compliance, including:

- Securing approval and funding to hire eight new psychologists to complete evaluations in a timely manner;
- Transferring clinically appropriate patients from CMHIP to Fort Logan to open more restoration beds at CMHIP;
- Bolstering and overseeing community-based restoration by securing annual funding of nearly $1.2 million;
- Securing $5.4 million in capital construction to add 24 high-security forensic beds at CMHIP. The Department anticipates these beds will be operational by FY 2020-21.
- Securing $1.9 million in FY 2017-18 to expand jail-based competency evaluation and restoration services in the RISE program by an additional 28 beds. The initial four beds have been operational since late October 2017, eight (8) of the remaining 24 beds became operational in May 2018, and the remaining 16 beds were expected to be operational by September 2018; and
- Receiving the following in the FY 2018-19 budget:
    - $7.4 million and 3.3 FTE to create an additional 62-bed jail-based competency evaluation and restoration program;
    - $1.1 million and 11 FTE for additional psychologists (8) and administrative support (3) at CMHIP to conduct competency evaluations;
    - $3.4 million and 3 FTE to allow the Department to enter into contracts, which the Department believes is the first of their kind nationally, with private/non-profit hospitals within the Denver metro area. This appropriation will enable the Department to pay for 10 non-state hospital beds to further expand the State's inpatient bed capacity.

Since January 2018, the Department has increased its monitoring of the census within the Admissions and Restoration units at CMHIP, to ensure both units maintain almost 100% capacity at all times. The Department has increased its utilization of CMHIP transport staff to transfer individuals between jails, RISE, the Colorado Mental Health Institute at Fort Logan (CMHIFL) and CMHIP. This leads to greater efficiency in bed utilization, because the Department is not dependent on local jails transporting individuals, which can often include lengthy delays. The Department has been actively recruiting and hiring direct care staff and medical providers, which allows the units to operate safely and efficiently. The Department is also exploring options to expedite competency evaluations at CMHIP for those patients who do not require intensive, inpatient treatment.

Many states have been sued over the length of time defendants wait to receive inpatient competency evaluations. For example, Washington State is currently paying a court-imposed fine of $1,000 per day for pre-trial detainees who are waiting longer than 14 days to begin receiving inpatient competency services.

Should those same fines be applied to Colorado, fines of more than $1,000,000 per month could be imposed.

Supplemental request:

The Department may submit a FY 2018-19 supplemental request for Capital Construction Funds to complete renovations for the existing facilities at CMHIP to accommodate creation of an additional 42 inpatient beds. While this request is for operating funds and FTE in order to occupy two vacant units, several additional patient unit moves are required in order to ensure efficiencies and to place the right patient in the right bed.

Background--F2 (18 beds):

The F2 Unit in the High Security Forensic Institute (HSFI) is a 16 room (maximum of 18 occupancy) unit and was originally designed as a medical unit, equipped with medical gas connections (such as oxygen) in the patient rooms. In the original design, F2 was to function similarly to the General Hospital Unit on the CMHIP campus. The General Hospital was a 20-bed medical surgical unit that served CMHIP patients and Colorado Department of Corrections (CDOC) offenders, but was closed as part of the State budget reductions in 2009. The F2 Unit has remained unoccupied as a medical unit, until the Geriatric Ward 7 was relocated to F2 on September 10, 2018. The vacated Geriatric Ward 7 has not been backfilled, as resources within this request are needed to do so.

Background—Building 115, 2nd Floor (24 beds):

The second floor in Building 115 was previously designated as the emergency shelter location for CMHIP. It is a vacant, 24 bed capacity unit and not suicide mitigated. However, the Joint Commission stated in a recent visit that a lower acuity population, such as CMHIP's Advanced Cognitive Behavioral Unit (ACBU) is exempt from the Joint Commission requirements for mitigation. CMHIP was able to relocate ACBU to Building 115, 2nd floor on August 7, 2018. This move creates a vacant 24 - bed unit in Building 121, 2nd floor. The vacated ACBU unit has not been backfilled, as resources within this request are needed to do so.

CMHIP Program Locations:

This request will require several patient unit moves in order to obtain operational efficiencies, such as staffing and other programmatic resources, such as recreation, medical clinic, etc. Tables 1 and 2 illustrate the current program location and bed capacity and the expanded bed capacity as a result of opening F2 and 115.

Table 1 identifies the current bed capacity, each program location and program served.

Table 1: Current CMHIP Bed Capacity Based on Existing Budget			
Building	**Floor**	**Program**	**Bed Capacity**
106	1A	CRU	19
106	1B	CRU	20
115	2	VACANT	0
121	2	ACBU	24
121	1A	GW7	20

121	1B	GW1	20
HSFI	F2	VACANT	0
Total			**103**

Table 2 identifies the expanded bed capacity as submitted in this funding request.

Table 2: Additional Bed Capacity as Requested			
Building	**Floor**	**Program**	**Bed Capacity**
106	1A	New Restoration	19
106	1B	New Restoration	20
115	*2*	*ACBU*	*24*
121	2	CRU	24
121	1A	GW1	20
121	1B	CRU	20
HSFI	*F2*	*GW7*	*18*
Total			**145**

Proposed Solution:

The Department requests $5,141,144 total funds/General Fund and 47.3 FTE in FY 2019-20 and $6,353,065 and 62.6 FTE in FY 2020-21 and beyond in order to operate and staff an additional 42 inpatient beds at the Colorado Mental Health Institute at Pueblo (CMHIP). The Department can utilize the vacant F2 Unit in High Security Forensic Institute (HSFI) which will provide the Department an additional 18 beds, and utilize the vacant unit in Building 115 which will provide the Department an additional 24 beds, for a total of 42.

Anticipated Outcomes:

This funding request provides the Department the resources needed to fully and safely operate the relocated patient units at CMHIP while also providing the opportunity to expand bed capacity by 42. As a result, this request will assist the Department with meeting the terms of a current legal settlement.

While this request is for resources to occupy two vacant units, several additional patient unit moves are required in order to ensure efficiency and to place the right patient in the right bed. Geriatric patients will be treated in a newer F2 unit. The Advanced Cognitive Behavioral Unit (ACBU) and Community

Reintegration Units (CRU) will move to locations more conducive for the treatment of their populations, and expanded restoration treatment beds will address the ongoing need in the State. This request also supports the Governor's Dashboard Health goals to reduce impact on daily life of mental illness, and improve value in health care service delivery.

Assumptions and Calculations:

Assumptions and calculation details are provided in the accompanying excel files. The following assumptions were included in this request:

Financial Assumptions:

- Hospital FTE are estimated with a hire date of September 1, 2019, to allow for background clearances, two weeks of new employee orientation, and unit specific training.
- Nursing classifications are at mid-range salary as approved per the FY 2017-18 direct care salary emergency supplemental request *Compensation Adjustments for Nurses at CMHIP (ES-03).*
- Applicable direct care classifications are at mid-range salary as approved in the FY 2018-19 Long Bill.
- The psychologist and human resources specialist FTE were budgeted at mid-range due to their difficulty to fill.
- Includes 2.0 contract psychiatrists.
- Shift relief and unit operational budgets for the expanded restoration units were estimated using the FY 2017-18 L1 unit actual expenses, as it serves a similar restoration patient population unit.
- Electronic Health Record (E.H.R.) license package: $81,000 (sold in bulk package only, not sold per license), and ongoing monthly fees.

Staffing disciplines included in this request:

Medical Provider

Physicians provide medical care and assessment to patients at the Institutes. Physicians are the lead and authority in determining the proper course of treatment and medication. Physicians also conduct mental and physical examinations; observe behaviors; review medical history and related documents; select, administer, and interpret psychological tests; order laboratory tests and evaluate results. Physicians supervise nurse practitioners/physician assistants and complete the required administrative duties such as documentation. Physicians are also often required to testify in court.

Nursing

Nursing staff are core to any unit staffing pattern at the Institutes. Nursing staff provide direct care support, administer medications and treatment, check vital signs, monitor behaviors, maintain overall unit functionality, manage safety of the milieu, assist with unit searches, provide emergency stabilization, assist with activities of daily living (ADL), conduct groups, assist with personal sessions with patients, as well as administrative duties such as patient assessment and documentation.

Clinical

Health Care Professionals and Mental Health Clinicians oversee and administer the treatment programs, and provide individualized therapy to the patient. Group treatment plans are conducted and managed by the clinical staff team. Clinical staff are also responsible for patient assessment and documentation.

Recreational Therapy

Recreational therapists work with patients in a variety of recreational activities from arts and crafts to physical recreation. Recreational therapy assists to address the psychiatric issues through symptom reduction, development of coping skills, and psychosocial support.

Psychology

Clinical psychologists play important roles in helping patients recover. Clinical psychologists are involved in the assessment process by helping formulate diagnoses and providing psychological evaluations. Psychologists provide a combination of treatments, including: group therapy, individual psychotherapy and psychoeducation, such as instruction in stress reduction and relaxation. Psychologists also develop and monitor behavioral treatment plans and are responsible for contingency management systems on the unit.

Social Workers

Psychiatric social workers provide mental health services to individuals with high needs. Social workers have primary responsibility for putting together the discharge plan. This is not something that is filled out right before discharge; it's an ongoing process during much of the time the patient is hospitalized. Social workers also prepare psychosocial assessments and provide therapy. They are in frequent contact with the family members of patients. They meet with other members of the mental health team (psychiatrists, nurses, and clinical staff) to discuss patient care. If the patient is involved in legal procedures, the social worker may have a role in information gathering.

Security

Security staff ensure the overall safety and security of the milieu. Security staff can be utilized to assist when a unit has an overall higher acuity level, or requires additional supervision such as a one-to-one (1:1) patient supervision need. Security staff perform safety searches of the units to ensure contraband isn't present. One 24/7 security post consists of 5.1 FTE; this request includes two posts and 10.2 FTE.

Pharmacy

Psychiatric pharmacists work in conjunction with psychiatrists and other physicians to coordinate care for patients with mental illnesses or a combination of physical and mental disorders. Patients often take a battery of drugs, such as antidepressants, antipsychotics and antispasmodics, in a normal day. Psychiatric pharmacists understand the interactions of these and other medications. They can guide the physician in choosing products that won't cause potentially hazardous interactions. They're also better-trained in recognizing those adverse reactions when they occur, improving patient care. Pharmacists are also skilled in titration, the calculation of optimal dosages for a particular medication.

Dietary

Dieticians and Dining Services staff provide the proper diet and meals for the patients. Eating patterns, allergies, therapeutic adjustments (e.g., viscosity of beverages), food preferences and aversions, and any religious beliefs are some of the factors the Nutritional Services unit is required to evaluate and adjust to daily.

Unit Administrative Support

Each unit is assigned an administrative support position (Program Assistant I) to assist with staff timekeeping, ordering supplies, answering phones, scheduling of meetings and other administrative duties.

Human Resources/Data/Finance

The data and financial workload from the additional 42 beds and 61 FTE will exceed available resources for the Human Resources Office, Information Management team that administers and trains staff on the electronic health record as well as provides statistical data (Data Management III) for the hospital, and the Financial Office which provides the budgetary, billing, and financial management for the hospital (Accountant II). A ratio of 1:50 is used for this calculation.

Maintenance/Housekeeping

The expansion of 42 beds (increase in patient occupied square footage) will require resources for the Office of Administrative Solutions, Facility Management Division, to provide housekeeping and maintenance duties to the unit.

Table 3: Operating and FTE Summary Table

Table 3: CMHIP Restoration Bed Expansion Operating and FTE Summary Table				
Office of Behavioral Health (OBH)	**FY 2019-20**	**FTE**	**FY 2020-21**	**FTE**
Personal Services: Wages	$2,298,807	44.5	$3,065,076	59.3
Personal Services: Benefits	$252,008		$336,010	
Personal Services: Professional Services	$456,193		$608,257	
Operating Expenses: FTE	$136,229		$56,335	
Operating Expenses: Programmatic Start Up	$225,928		$0	
Operating Expenses: Programmatic Ongoing	$403,929		$655,862	
Operating Expenses: E.H.R. licenses	$140,750		$81,000	
Pharmaceuticals	$239,565		$361,328	
Office of Behavioral Health Subtotal	$4,153,410	44.5	$5,163,868	59.3
Executive Director's Office (EDO)				
Shift	$59,174		$78,898	
AED	$122,155		$161,436	
SAED	$122,155		$161,436	
STD	$4,641		$6,135	
Health-Life-Dental	$443,920		$523,191	
Executive Director's Office Subtotal	$752,045		$931,096	
Office of Operations				

Personal Services: Wages	$144,316	2.8	$163,691	3.3
Personal Services: Benefits	$17,101		$19,396	
Operating Expenses	$22,456		$23,196	
Utilities	$51,818		$51,818	
Office of Operations Subtotal	$235,690	2.8	$258,101	3.3
GRAND TOTAL	**$5,141,144**	**47.3**	**$6,353,065**	**62.6**

Table 4: FTE by Discipline Summary Table

Table 4: FTE by Discipline Summary Table					
Nursing	**FY 2019-20**	**FY 2020-21**	**Social Work**	**FY 2019-20**	**FY 2020-21**
Client Care Aide I	14.25	19.00	Social Worker II	1.50	2.00
Health Care Tech IV	3.00	4.00	**Total Social Work Staff**	1.50	2.00
RN I	3.75	5.00			
RN II	2.25	3.00			
RN III	1.50	2.00	**Dietary**	**FY 2019-20**	**FY 2020-21**
Mid-Level Provider	0.75	1.00	Dining Services III	1.50	2.00
Total Nursing Staff	25.50	34.00	Dietician II	0.75	1.00
			Total Dietary Staff	2.25	3.00
Clinical	**FY 2019-20**	**FY 2020-21**			
Health Care Professional III	0.75	1.00			
Health Care Professional IV	0.75	1.00	**Security**	**FY 2019-20**	**FY 2020-21**
Mental Health Clinician II	1.50	2.00	CYCSO I	7.58	10.10
Program Assist I (Unit Clerk)	0.75	1.00	**Total Security Staff**	7.58	10.10
Total Clinical Staff	3.75	5.00			
			Housekeeping/ Maintenance*	**FY 2019-20**	**FY 2020-21**
Pharmacy	**FY 2019-20**	**FY 2020-21**	Structural Trades II	0.68	0.81
Pharmacist I	0.75	1.00	Custodian I	1.03	1.23
Total Pharmacy Staff	0.75	1.00	**Total Housekeeping/ Maintenance**	1.70	2.04
Recreational Therapy (RC)	**FY 2019-20**	**FY 2020-21**	**Administrative/Other**	**FY 2019-20**	**FY 2020-21**
Therapy Assistant III	0.75	1.00	Data Management III	0.75	1.00
Total Recreational Therapy Staff	0.75	1.00	Accountant II	0.90	1.20
Psychology	**FY 2019-20**	**FY 2020-21**	Human Resource Spec IV**	1.13	1.23
Psychologist II	0.75	1.00	**Total Administrative/Other**	2.78	3.43

Total Psychology Staff	0.75	1.00			
			GRAND TOTAL	**47.30**	**62.57**

* Assumes September 1, 2019 hire date
**Assumes August 1, 2019 hire date

Schedule 13

Department of Human Services

Funding Request for The FY 2019-20 Budget Cycle

Request Title

R-02 Compensation for Direct Care Employees

Dept. Approval By: Melissa Wavelet

OSPB Approval By:

	Supplemental FY 2018-19
	Budget Amendment FY 2019-20
x	Change Request FY 2019-20

Summary Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
Total of All Line Items Impacted by Change Request	Total	$134,482,618	$0	$133,541,374	$13,942,885	$21,883,613
	FTE	592.6	0.0	593.1	0.0	0.0
	GF	$59,725,569	$0	$54,578,465	$10,339,235	$17,204,727
	CF	$28,985,583	$0	$32,988,037	$3,603,650	$4,678,886
	RF	$19,176,018	$0	$14,204,695	$0	$0
	FF	$26,595,448	$0	$31,770,177	$0	$0

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
01. Executive Director's Office, (A) General Administration, (1) General Administration - Health, Life, And Dental	Total	$46,696,345	$0	$45,681,295	$2,338,521	$2,338,525
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$33,413,551	$0	$29,357,601	$1,847,432	$1,847,436
	CF	$144,915	$0	$2,930,144	$491,089	$491,089
	RF	$10,356,168	$0	$7,685,079	$0	$0
	FF	$2,781,711	$0	$5,708,471	$0	$0
01. Executive Director's Office, (A) General Administration, (1) General Administration - Short-Term Disability	Total	$472,856	$0	$469,396	$17,493	$29,463
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$330,992	$0	$312,663	$13,819	$23,275
	CF	$8,592	$0	$27,320	$3,674	$6,188
	RF	$93,723	$0	$69,252	$0	$0
	FF	$39,549	$0	$60,161	$0	$0

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
01. Executive Director's Office, (A) General Administration, (1) General Administration - Amortization Equalization Disbursement	Total	$14,268,257	$0	$14,199,753	$460,344	$775,352
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$9,956,150	$0	$9,429,823	$363,672	$612,528
	CF	$255,862	$0	$814,901	$96,672	$162,824
	RF	$2,884,962	$0	$2,136,137	$0	$0
	FF	$1,171,283	$0	$1,818,892	$0	$0
01. Executive Director's Office, (A) General Administration, (1) General Administration - S.B. 06-235 Supplemental Equalization Disbursement	Total	$14,268,257	$0	$14,199,753	$460,344	$775,352
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$9,956,807	$0	$9,429,823	$363,672	$612,528
	CF	$255,823	$0	$814,901	$96,672	$162,824
	RF	$2,884,522	$0	$2,136,137	$0	$0
	FF	$1,171,105	$0	$1,818,892	$0	$0
01. Executive Director's Office, (A) General Administration, (1) General Administration - Shift Differential	Total	$7,296,296	$0	$7,423,010	$368,276	$620,283
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$4,386,994	$0	$4,327,260	$290,938	$490,024
	CF	$0	$0	$80,380	$77,338	$130,259
	RF	$2,909,302	$0	$2,083,409	$0	$0
	FF	$0	$0	$931,961	$0	$0
09. Services for People with Disabilities, (D) Veterans Community Living Centers, (1) Veterans Community Living Centers - Fitzsimons Veterans Community Living Center	Total	$22,092,757	$0	$22,092,757	$1,933,424	$2,413,965
	FTE	236.4	0.0	236.4	0.0	0.0
	GF	$0	$0	$0	$773,369	$965,587
	CF	$10,579,557	$0	$10,579,557	$1,160,055	$1,448,378
	RF	$0	$0	$0	$0	$0
	FF	$11,513,200	$0	$11,513,200	$0	$0
09. Services for People with Disabilities, (D) Veterans Community Living Centers, (1) Veterans Community Living Centers - Florence Veterans Community Living Center	Total	$11,275,686	$0	$11,275,686	$832,361	$1,282,732
	FTE	135.0	0.0	135.0	0.0	0.0
	GF	$0	$0	$0	$332,944	$513,091
	CF	$6,904,586	$0	$6,904,586	$499,417	$769,641
	RF	$0	$0	$0	$0	$0
	FF	$4,371,100	$0	$4,371,100	$0	$0

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
09. Services for People with Disabilities, (D) Veterans Community Living Centers, (1) Veterans Community Living Centers - Homelake Veterans Community Living Center	Total	$7,735,871	$0	$7,735,871	$660,166	$952,301
	FTE	95.3	0.0	95.3	0.0	0.0
	GF	$186,130	$0	$186,130	$264,066	$380,920
	CF	$4,609,241	$0	$4,609,241	$396,100	$571,381
	RF	$0	$0	$0	$0	$0
	FF	$2,940,500	$0	$2,940,500	$0	$0
09. Services for People with Disabilities, (D) Veterans Community Living Centers, (1) Veterans Community Living Centers - Rifle Veterans Community Living Center	Total	$8,834,007	$0	$8,834,007	$1,304,388	$1,560,504
	FTE	110.6	0.0	110.6	0.0	0.0
	GF	$0	$0	$0	$521,755	$624,202
	CF	$6,227,007	$0	$6,227,007	$782,633	$936,302
	RF	$0	$0	$0	$0	$0
	FF	$2,607,000	$0	$2,607,000	$0	$0
11. Division of Youth Services, (A) Administration, (1) Administration - Personal Services	Total	$1,542,286	$0	$1,629,846	$5,567,568	$11,135,136
	FTE	15.3	0.0	15.8	0.0	0.0
	GF	$1,494,945	$0	$1,535,165	$5,567,568	$11,135,136
	CF	$0	$0	$0	$0	$0
	RF	$47,341	$0	$94,681	$0	$0
	FF	$0	$0	$0	$0	$0

Auxiliary Data

Requires Legislation?	NO		
Type of Request?	Department of Human Services Prioritized Request	**Interagency Approval or Related Schedule 13s:**	No Other Agency Impact

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Cost and FTE

- The Department requests $13,942,885 total funds, including $10,339,235 General Fund and $3,603,650 cash funds in FY 2019-20, and $21,883,613 total funds, including $17,204,727 General Fund and $4,678,886 cash funds in FY 2020-21 and ongoing for Phase 1 of a two-phased initiative to increase salaries for all direct care staff job classifications at 14 of its 19 24-hour (24/7) care facilities.

Current Program

- The Department operates 19 24/7 care facilities: four VCLCs serving elderly veterans; ten DYS facilities serving individuals ages 10 to 21; three Regional Centers serving adults with intellectual and developmental disabilities; and two Mental Health Institutes serving persons with severe mental illness.
- Following the FYs 2016-17, 2017-18, and 2018-19 budget cycles, the Regional Centers and both Mental Health Institutes were funded to address compensation concerns with direct care job classes.
- Direct care positions include the job classifications: health care technician; client care aide; nurse; correctional/youth services officers; mental health clinicians; mid-level providers; social workers; and therapy assistants. Administrative staff and management are not included in this request.

Problem or Opportunity

- The Department continues to experience increased difficulty in recruiting and retaining highly qualified individuals to fill direct care positions at its 24/7 care facilities that have not already experienced an increase in compensation
- Direct care staff at these 14 facilities are currently paid 22 percent below the market.

Consequences of Problem

- If not addressed, DHS 24/7 care facilities will continue to experience high levels of staff turnover (22 percent compared to a national average of 16.2 percent) and vacancies (16 percent).
- Inadequate staffing results in deficiency citations from regulators, reduced quality of care, staff exhaustion, and increased spending on recruitment and training.

Proposed Solution

- This is a two-year approach to increase salaries for all direct care staff job classifications at 16 of its 19 24-hour (24/7) care facilities. The 24/7 facilities impacted include the four Veterans Community Living Centers (VCLCs) and ten Division of Youth Services (DYS) facilities. Cash funds are from VCLC funds to support increases at those facilities.

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Department Priority: ***R-02***

Request Detail: ***Compensation For Direct Care Employees***

Summary of Incremental Funding Change for FY 2018-19	**Total New Funds Requested**	**FTE**	**General Fund**	**Cash Funds**
Phase 1 - FY 2019-20 Compensation for Direct Care Employees	$13,942,885	0.0	$10,339,235	$3,603,650
Phase 2 - FY 2020-21 Compensation for Direct Care Employees	$7,940,729	0.0	$6,865,489	$1,075,240
Total Ongoing Funding Needed by FY 2020-21	**$21,883,613**	**0.0**	**$17,204,727**	**$4,678,886**

Problem or Opportunity:

The Department requests $13,942,885 total funds, including $10,339,235 General Fund and $3,603,650 cash funds in FY 2019-20 and ongoing, and an additional $7,940,729 in FY 2020-21, including $6,865,489 General Fund and $1,075,240 cash funds in FY 2020-21 and ongoing. This request takes a two-year approach to increase salaries for all direct care staff job classifications at 16 of its 19 24-hour (24/7) care facilities.

The Department has been evaluating direct care staff compensation over the past several years and identified that direct care staff working in the Department's 24/7 care facilities are, on average, making 22 percent below prevailing market wage for similar positions in the private sector. The Department continues to experience increased difficulty in recruiting and retaining highly qualified individuals to fill direct care positions in the remaining 24/7 care facilities that have not already experienced an increase in compensation, as demonstrated in Tables 1 and 2 related to vacancies and turnover.

The Department has implemented a multi-year approach to address compensation concerns for direct care staff across its 24/7 care facilities. In November 2016, direct care staff at the three Regional Centers received an increase in salary to move their salaries to the midpoint of the job classification pay range (midpoint). In November 2017, Nurse I through III classifications at Colorado Mental Health Institute at Pueblo (CMHIP) received an increase in salary to midpoint. The remaining direct care staff at CMHIP and Colorado Mental Health Institute at Fort Logan (CMHIFL) received an increase in salary effective July 1, 2018.

The Department now seeks to increase salaries for the remaining direct care staff at its 24/7 facilities in FY 2019-20 to bring the remaining direct care staff wages to prevailing market wage and allow the Department to reduce turnover, fill critical vacancies, and improve the quality of care for those served in these facilities. According to the Department of Personnel and Administration the midpoint of the annual Pay Plan for each job classification is considered equal to market rate or the prevailing market wage.

The Department proposes a two-year approach to address compensation concerns for direct care staff across 14 of its 19 24/7 care facilities. Over a two-year period beginning in FY 2019-20, this approach will increase direct care staff wages to prevailing market wage and allow the Department to reduce turnover, fill critical vacancies, and improve the quality of care for those served in these facilities.

- **Phase 1:** new funding of $13,942,885 total funds, including $10,339,235 General Fund and $3,603,650 cash funds in FY 2019-20 and on-going to compensate existing and new direct care employees at an average of 11% more than they are currently making (which is approximately half of the average amount needed to pay direct care staff at the current market rate). Market rate is considered by the Department of Personnel and Administration to be the midpoint of the pay range for each job classification.
- **Phase 2:** new funding of $7,940,729 total funds, including $6,865,489 General Fund and $1,075,240 cash funds in FY 2020-21 and ongoing, the rest of the funds needed to complete the move of direct care salaries in these 16 24/7 care facilities to market rate.

Funding detail for both phases are described in more detail in the “Proposed Solution” section later in this request.

Specifically, over the two-year period of FY 2019-20 and 2019-21, the Department requests the following in new total funding:

- Veteran Community Living Center (VCLC): New funding of $6,209,506 total funds, including $2,483,803 General Fund and $3,725,703 cash funds to compensate existing and new direct care employees at market rates.
- Division of Youth Services (DYS): New funding of $11,135,136 total funds, including $11,135,136 General Fund to compensate existing and new direct care employees at market rates.
- Executive Director’s Office, General Administrative: New funding of $4,538,971 including $3,585,788 General Fund and $953,183 cash funds to provide for the increase in costs to provide benefits after moving direct care salaries to market rates. This includes the proportionate increases to: Health, Life and Dental; Short Term Disability; AED; SAED; and Shift Differential. PERA and Medicare increases are included in the respective Program funding lines.

The Department’s 24/7 care facilities included in this requested compensation initiative follow:

- Four VCLCs that provide care to veterans and their families, as well as Gold Star families.
- Ten DYS facilities that provide a continuum of residential services that encompass juvenile detention, commitment and parole, which include diagnostic, education and program services.

The Department previously identified a similar shortfall in compensation in the Regional Centers that provide services to adults with intellectual and developmental disabilities in FY 2017-18. In November 2016, the Department completed a compensation initiative, similar to this one, for its three Regional Centers. In November 2017, the Department completed a compensation initiative for Nurse I through IIIs at CMHIP. In July 2018, the Department implemented the same compensation initiative for the remaining direct care staff at CMHIP and CMHIFL. Market rate is considered by the Department of Personnel and Administration (DPA) to be the midpoint of the pay range for each job classification. As a result of these initiatives, the Department's ability to recruit and retain qualified direct care staff has greatly improved at the Regional Centers and CMHIP.

Vacancies

Despite the Department's efforts to fill vacant direct care positions (See Description of the Department's Efforts to Correct the Problem), the Department continues to experience significant vacancy rates at the VCLCs and DYS facilities.

Tables 1 and 2 show the total number of direct care positions and total number of direct care vacancies, by facility and by job classification as of August 2017 and August 2018. As shown, the overall vacancy rates have gotten worse during this time. As a rough comparison, Nursing Solutions, Inc. published a report in 2017 that identifies the national vacancy rate for nursing positions in hospital environments is about 8.1 percent. As of August 2018, vacancy rates for direct care positions in the VCLC and DYS 24/7 care facilities are at 22 percent on average, which is significantly higher than this national benchmark.

Table 1: Direct Care Vacancy Rat, By Facility for VCLCs and DYS
As of August 2017 and 2018

Class Title	As of August 2017					As of August 2018			
	# Filled Positions	# Vacant Positions	# Total Positions	Vacancy Rate		# Filled Positions	# Vacant Positions	# Total Positions	Vacancy Rate
Veterans Community Living Centers									
Fitzsimons	160	16	176	9%		136	39	175	22%
Florence	79	16	95	17%		85	10	95	11%
Homelake	47	7	54	13%		42	11	53	21%
Rifle	68	14	82	17%		57	24	81	30%
Division of Youth Services									
Adams	22	8	30	27%		29	9	38	24%
Gilliam	65	10	75	13%		69	9	78	12%
Grand Mesa	43	2	45	4%		42	34	76	45%
Lookout Mountain	133	48	181	27%		147	32	179	18%
Marvin Foote	56	10	66	15%		52	25	77	32%
Mount View	107	11	118	9%		105	56	161	35%
Platte Valley	102	39	141	28%		116	25	141	18%
Pueblo	28	14	42	33%		36	8	44	18%
Spring Creek	65	10	75	13%		70	8	78	10%
Zeb Pike	39	10	49	20%		49	4	53	8%
GRAND TOTAL	**1,014**	**215**	**1,229**	**17%**		**1,035**	**294**	**1,329**	**22%**

Source: Department of Human Services Analysis of total active employees and vacant positions as of August 2017 and August 2018

[1] Direct Care positions include the following job classifications: Client Care Aide, Clinical/Youth/Security Officers, Health Care Services Trainees, Health Care Technicians, Mental Health Clinicians, Mid Level Providers, Nurses, Social Workers, and Therapy Assistants.

Table 2, Direct Care Vacancy Rate by Job Classification for VCLC and DYS As of August 2017 and August 2018								
	As of August 2017				As of August 2018			
Class Title	# Filled Positions	# Vacant Direct Care Positions	Total # Positions	Vacancy Rate	# Filled Positions	# Vacant Direct Care Positions	Total # Positions	Vacancy Rate
Client Care Aide I	24	12	36	33%	23	16	39	41%
Client Care Aide II	172	22	194	11%	146	42	188	22%
Corr/Yth/Clin Sec Off I	500	116	616	19%	508	146	654	22%
Corr/Yth/Clin Sec Off II	98	38	136	28%	117	34	151	23%
HCS Trainee I	0	0	0	0%	0	0	0	0%
HCS Trainee II	0	0	0	0%	0	0	0	0%
HCS Trainee III	5	0	5	0%	4	1	5	0%
Health Care Tech I	4	0	4	0%	5		5	0%
Health Care Tech II	3	2	5	40%	3	1	4	25%
Health Care Tech III	35	7	42	17%	31	9	40	23%
Health Care Tech IV	0	0	0	0%	0	0	0	0%
Mental Hlth Clinician I	0	0	0	0%	0	0	0	0%
Mental Hlth Clinician II	0	0	0	0%	0	0	0	0%
Mental Hlth Clinician III	0	0	0	0%	0	0	0	0%
Mid-Level Provider	13	1	14	7%	15	9	24	38%
Nurse I	19	5	24	21%	12	18	59	31%
Nurse II	54	6	60	10%	56	6	62	10%
Nurse III	23	1	24	4%	22	3	26	12%
Social Work/Counselor I	7	0	7	0%	7	0	7	0%
Social Work/Counselor II	9	2	11	18%	11	3	14	21%
Social Work/Counselor III	26	0	26	0%	28	4	32	13%
Social Work/Counselor IV	3	1	4	25%	3	0	3	0%
Therapy Assistant I	14	0	14	0%	12	2	14	14%
Therapy Assistant II	2	0	2	0%	2	0	2	0%
Therapy Assistant III	3	0	3	0%	3	0	3	0%
Therapy Assistant IV	0	0	0	0%	0	0	0	0%
GRAND TOTAL	**1,014**	**213**	**1,229**	**17%**	**1,008**	**294**	**1,329**	**22%**

Source: Department of Human Services Analysis of total active employees and vacant positions as of August 2017 and August 2018

Turnover
The 2017 National Health Care Retention and RN Staffing Report states the national hospital staff turnover rate is about 16.2 percent. For FY 2017-18, the Department's turnover rate of 26% (See table 3) significantly exceeded the national average. Turnover in direct care positions at the Department exceeds the national average. According to the 2017 National Health Care Retention and RN Staffing Report, the average cost of turnover for RNs ranges from $38,900 to $59,600 per person. Using the lowest end of this range, the cost of turnover for 706 direct care positions lost over FYs 2016-17 and 2017-18 (as shown in Table 3), the two-year cost of turnover would be about $27.5 million, or an average of more than $13.7 million per year.

The 2017, 2015, 2013 and 2011 Employee Engagement Survey indicated that between 26 and 55 percent of the employees in the Department are "seriously considering leaving State of Colorado employment in the next 12 months." Although this survey reflects all Department staff, not just direct care staff, it is still informative. In addition, exit interview data indicates that a lack of work-life balance, lack of developmental opportunities, high workload demands, non-competitive base pay and a lack of incentives have been the major barriers to workforce attraction and retention for the Department. Vacant positions result in exhaustion of staff to ensure all shifts are covered and staff exhaustion leads to increased turnover. High turnover rates increase training costs and result in reduced quality of care due to a constant influx of new staff who are not as proficient as experienced staff in carrying out their duties.

Table 3 demonstrates the turnover rates, by facility type for FYs 2016-17, and 2017-18:

Table 3: Turnover by Facility for Direct Care[1] Job Classifications FYs 2016-17 and FY 2017-18									
	FY 2016-17			**FY 2017-18**			**Two-Year Total**		
Facility	**Total # of Employees**	**# Separated Employees**	**FY 2016-17 Turnover Rate**	**Total # of Employees**	**# Separated Employees**	**FY 2017-8 Turnover Rate**	**Total # of Employees**	**# Separated Employees**	**2-Year Average Turnover Rate**
Fitzsimons VCLC	192	35	18%	177	37	21%	369	72	20%
Florence VCLC	113	40	35%	101	16	16%	214	56	26%
Homelake VCLC	59	13	22%	62	17	27%	121	30	25%
Rifle VCLC	94	25	28%	91	28	31%	185	54	29%
Adams	30	8	27%	41	11	27%	71	19	27%
Gilliam	88	26	30%	94	27	29%	182	53	29%
Grand Mesa	47	6	13%	55	16	29%	102	22	22%
Lookout Mountain	174	53	30%	204	56	27%	378	109	29%
Marvin Foote	71	21	30%	72	24	33%	143	45	31%
Mount View	147	42	29%	131	30	23%	278	72	26%
Platte Valley	141	49	35%	167	51	31%	308	100	32%
Pueblo	32	4	13%	47	12	26%	79	16	20%
Spring Creek	90	26	29%	85	19	22%	175	45	26%
Zebulon Pike	41	3	7%	56	10	18%	97	13	13%
Grand Total	**1,319**	**352**	**27%**	**1,383**	**354**	**26%**	**2,702**	**706**	**26%**

Source: Department of Human Services' analysis of data from CPPS for total active positions and total employee separations for direct care job classifications at each of the facilities listed for Fiscal Years 2016-17 and 2017-18.

[1] Direct Care positions include the following job classifications, Client Care Aides, Clinical/Youth/Security Officers Health Care Services Trainees, Health Care Technicians, Mental Health Clinicians, Mid-Level Providers, Nurses, Social Workers, and Therapy Assistants

Table 4 demonstrates the turnover rates, by job classification type for FYs 2016-17, and 2017-18. This includes employees at the four VCLCs, and 10 DYS facilities.

Table 4: Turnover by Job Classification for the VCLCs and DYS For FYs 2016-17 and FY 2017-18						
	FY 2016-17			FY 2017-18		
Job Classification	**Total # of Employees**	**# Separated Employees**	**FY 2016-17 Turnover Rate**	**Total # of Employees**	**# Separated Employees**	**FY 2017-18 Turnover Rate**
CLIENT CARE AIDE I	40	20	50%	45	18	40%
CLIENT CARE AIDE II	225	57	25%	204	47	23%
CORR/YTH/CLIN SEC OFF I	668	205	31%	716	215	30%
CORR/YTH/CLIN SEC OFF II	113	14	12%	135	26	19%
HCS TRAINEE I	0	0	0%	0	0	0%
HCS TRAINEE II	0	0	0%	0	0	0%
HCS TRAINEE III	6	1	17%	4	0	0%
HEALTH CARE TECH I	4	0	0%	5	1	20%
HEALTH CARE TECH II	6	3	50%	3	0	0%
HEALTH CARE TECH III	45	12	27%	42	10	24%
HEALTH CARE TECH IV	0	0	0%	0	0	0%
MENTAL HLTH CLINICIAN I	0	0	0%	0	0	0%
MENTAL HLTH CLINICIAN II	0	0	0%	0	0	0%
MENTAL HLTH CLINICIAN III	0	0	0%	0	0	0%
MID-LEVEL PROVIDER	18	5	28%	19	3	16%
NURSE I	29	8	28%	49	12	24%
NURSE II	66	13	20%	66	11	17%
NURSE III	26	3	12%	23	3	12%
SOCIAL WORK/COUNSELOR I	8	1	13%	8	2	25%
SOCIAL WORK/COUNSELOR II	12	3	25%	13	2	15%
SOCIAL WORK/COUNSELOR III	30	6	20%	29	2	7%

Table 4: Turnover by Job Classification for the VCLCs and DYS For FYs 2016-17 and FY 2017-18						
	FY 2016-17			FY 2017-18		
Job Classification	**Total # of Employees**	**# Separated Employees**	**FY 2016-17 Turnover Rate**	**Total # of Employees**	**# Separated Employees**	**FY 2017-18 Turnover Rate**
SOCIAL WORK/COUNSELOR IV	3	0	0%	4	1	25%
THERAPY ASSISTANT I	14	1	7%	12	0	0%
THERAPY ASSISTANT II	3	0	0%	3	1	33%
THERAPY ASSISTANT III	3	0	0%	3	0	0%
THERAPY ASSISTANT IV	0	0	0%	0	0	0%
Grand Total	**1,319**	**352**	**27%**	**1,383**	**354**	**26%**
Source: Department of Human Services' analysis of data from SPPS for total active positions and total employee separations for direct care job classifications at each of the facilities listed for FY 2016-17 and 2017-18.						

In evaluating the causes of high turnover and difficulty in recruiting direct care staff positions, the Department found the primary causes to be related to compensation and challenging work environments. These issues are compounded by a low unemployment rate and a national shortage in health care positions that creates fierce competition for qualified employees.

Specific concerns identified in each area are outlined as follows.

Compensation

(1) State wages are not competitive.

a) <u>Private Sector Health Care Providers Pay Substantially More than the State's Pay Plan:</u>

- State pay plan starting salaries are half as much as some Denver area healthcare employers. A comparison of starting pay for a Certified Nurse's Aide (CNAs) in the Denver Metro area indicated that CNAs start at between $15 and $22 per hour. The starting salary for the Client Care Aide I (CNA) job classification in the State's compensation plan is $1,946 per month or $11.47 per hour; just over half as much as the starting salary that a Denver-area hospital pays a CNA. For Registered Nurses (hired into the State's Nurse I job classification), the base pay offered at a private sector health care provider is approximately $20,000 above the State base pay.

- The Department has found that its direct care staff are, on average, paid well below the midpoint of the job classification pay range. According to the Department of Personnel and Administration, the midpoint of each job classification pay range is considered to be the prevailing market wage for that type of job. The Department's review of direct care staff wages at the VCLCs and DYS indicates that direct care staff are being paid as much as 31% below the midpoint of the job classification pay range, and the average is just under 22% below the midpoint of the range for their job classification. As a result, staff at the Department's 24/7 care facilities can easily look to the private sector to increase their annual salary.

- Table 5 reflects average percent below prevailing market wage all direct care staff at Mental Health Institutes (excluding nurses at CMHI at Pueblo), Division of Youth Services, and Veterans Care Living Centers.

Table 5: Average Percentage Below Prevailing Market Wage, by Job Classification

Position	# FTE	% Salary Below Prevailing Market Wage[1]
Client Care Aide (I, II)	133	17%
Correctional/Clinical Youth Security Officer (I, II)	594	24%
Health Care Services Trainee (I, II, III)	3	18%
Health Care Technician (I, II, III, IV)	17	17%
Mental Health Clinician (I, II, III)	0	0%
Mid-Level Provider	14	20%
Nurse (I, II, III)	110	20%
Social Worker/Counselor (I, II, III, IV)	41	18%
Therapy Assistant (I, II, III)	14	19%
Total / Avg.	**926**	**22%**

Source: Department of Human Services analysis of current employee salaries compared to midpoint of the job classification pay range in the Department of Personnel and Administration's FY 2018-19 Pay Plan, plus 2% inflation to account for the estimated increase in midpoint for the FY 2020-21 Pay Plan.

[1]Midpoint of the job classification pay range is considered prevailing market wage.

b) Shift differential and additional hourly wage add-ons are not competitive:
In addition to base pay, there are numerous shift and patient type (i.e. diabetes care) increases to the hourly wage that can occur at most private health care providers. One Denver-area health care provider pays Registered Nurses up to $4.40 per hour, or approximately 12 percent of their hourly wage to work the night shift on a nurse call line. If this same nurse works a night shift, on a weekend night the rate goes to $7.00 per hour or a 20 percent increase over their hourly wage. Note that this additional 20 percent is for manning a telephone call in line, not for face-to-face staffing of patients. Other incentives are offered for specialty care, bilingual nurses and for nurses willing to float between facilities. Multiple incremental add-ons can be combined to significantly increase the hourly wage for nurses with the relevant expertise. The State offers shift differential ranging from 7.5 percent to 20 percent for night and swing shifts, but the rate of shift differential is not competitive with private sector packages considering that the wages upon which shift differential are paid are significantly lower.

c) Annual pay increases and bonuses are not funded:
   A large, private sector health care provider guarantees all nursing staff a $1,900 per year bonus and a minimum pay increase of 6 percent, regardless of individual staff job performance. The State of Colorado has offered pay increases in only five of the past 10 years, and those increases ranged from 2 percent to 4.8 percent annually, and merit pay has not been funded to offer sufficient opportunity for bonuses. Colorado has not been able to keep up with the cost of living, much less an economy that has improved and a growing health care market.

(2) Benefits are not competitive or highly valued by entry-level staff.

a) Private sector benefits are sometimes offered in a menu-like format to allow individuals to select higher compensation and lower or no benefits.
b) Benefits offered by one private health care provider the Department interviewed include 100 percent employer paid benefits. This includes medical, dental, life and disability coverage for all employees and their families. Pension contributions are also 100 percent paid by the employer, and continuing education and tuition reimbursement are part of the package.
c) The Total Compensation Plan for FY 2019-20, published by the Department of Personnel and Administration, indicates the Department's total compensation package consists of 79 percent salary and 21 percent benefits, which represents a significantly lower percentage than that offered by private health care providers. Private health care providers offer total compensation plans that, on average, are more heavily weighted on salary as opposed to the full benefit package. Recent reduction in PERA benefits for new employees significantly decreased state retirement benefits as compared to private sector benefits.

(3) There is a lack of regular performance or cost of living increases.

a) While the State of Colorado removed the step pay system and replaced it with a merit system based on pay for performance, there has been little to no budget provided for cost-of-living or merit pay increases.
b) Due to the lack of regular pay increases, employees often have no means of progressing to higher pay grades as they gain experience in their positions, leading to a workforce that is paid less than prevailing market rates. To recruit new employees, the Department sometimes needs to offer equal or higher wages than those paid to current employees, creating pay compression concerns within the organization. This contributes to higher turnover, morale challenges and degradation of employee engagement.
c) Nurses employed by one private health care provider receive between 6 percent and 7 percent (cost-of-living and step) pay increases each year for the first 15 years of their employment. This private health care provider also has a 10-step pay grade system through which nurses can move from the minimum to the maximum of the paygrade over 15 years.
d) The State classification system lacks flexibility. The classification system often results in employees not being able to move to a higher classification unless they become a supervisor, which sometimes results in supervisors without the appropriate skills supervising staff. This can negatively impact morale and turnover rates.

Challenging Work Environments

The Department is unique in the State system as it employs approximately 3,000 employees in its 24/7 care facilities. These employees care for very difficult to serve populations who often have significant behavioral and physical challenges.

Department employees can often find work with other health care providers at a higher rate of pay, a better benefits package, and with a more easily cared for population, making it more difficult to hire and retain employees within the Department.

Unemployment Rates

According to the U.S. Bureau of Labor Statistics, Colorado's unemployment rate is among the lowest in the nation at 3.0 percent in March 2018 compared to a rate of 3.9 percent for the nation as a whole. This means that in Colorado, competition among employers for qualified workers is at an all-time high and the Department's current funding is not sufficient to pay wages that are competitive in the employment market for these types of positions.

Description of the Department's Efforts to Correct the Problem

In an attempt to address the staffing shortages in the 24/7 care facilities, the Department has taken the recruitment and retention actions demonstrated in Table 6.

Table 6: Recruitment and Retention Initiatives By Facility Type

Facility Type	Recruitment Efforts	Retention Efforts
Veterans Community Living Centers	• Recruit through multiple advertising venues (2013) • Flexible schedules to better meet individual needs (2007) • Attend job fairs within a reasonable driving radius of the facilities and network with community colleges on intern programs. (2014) • Allow schools of nursing to use facility as their clinical training site to increase opportunity to recruit new graduates (2004 C.N.A. and R.N. through Adams State University, Trinidad State Junior College and 2 local high schools) • Terminology in job announcements more clearly reflects job title (Licensed Practical Nurse vs. Health Care Tech) (2017) • Scheduling interviews and making offers in a more timely fashion (2016) • Providing signing and referral bonuses • Streamlining background process although fingerprint results taking up to two weeks to be received back (locally 2007, transporting to Pueblo from 2016, Del Norte 2017) • Social Media advertising for open positions (2017) • Posting open positions at local Workforce Center (2010) • Word of mouth from current staff (Inception) • Available Kiosk for applicants to apply and assistance provided as needed by staff (2016) <u>RIFLE</u> • Utilizing social media such as posting positions on Facebook 2017 • Posting positions on Local Focus Digital Media (2016) • Word-of-mouth advertising (2017) • Changed our job announcements to be more user friendly-easier to search and apply (RN-Nurse II) (2017) • Held Open House 4/19/17- 4 applicants: Structural Trades II; 2-CNA's; LPN and (1) viable candidate for	• Continually mentor and be available to staff (2006) • Provide a positive work environment that does rewarding work and allows for the individual to feel like they are really making a positive impact on our veterans' lives (Eden Certification received in 2008) • Allowing staff to participate in resident activities and build relationships with our residents, which results in high work satisfaction (Eden Certification received in 2008) • Accommodate schedule requests as much as possible (2008) • Provide more training and education (2016) • Accommodate flexible shifts (8 hour and 10 hour shifts available) (2007) • Staff recognition (each department recognized at monthly all staff meetings) (Years of service and certificates on 2016) • Department recognition (2017) • Survey Parties (2012) <u>RIFLE</u> • Created a Lead CNA position to assist in mentoring and training new CNA staff (2017) • Effective July 1, 2017 offered retention bonus for CNA staff • Reallocated our Nurse III-Shift Supervisor positions to Nurse IIs to allow current RNs opportunity for growth in their field (2015) • Work with departments on flexible shifts-Bath Aides (10 hour shifts); CNAs (8 or 12 hour shifts) • Encourage staff to participate in resident activities such as: Music and Memories, Ride and special outings/events • Staff Development Coordinator involved in training and education of staff • Staff recognized in monthly All-Staff Meetings: employee with best attendance for month, years of

Table 6: Recruitment and Retention Initiatives By Facility Type		
Facility Type	**Recruitment Efforts**	**Retention Efforts**
	Social Work Assistant position. ● Offer signing bonus for Nurse III-Shift Supervisors (2015) ● Effective July 1, 2017 started offering signing bonus for CNAs as well as referral bonus to staff (2017) ● Computer or paper application made available for applicants to apply (2017) FITZSIMONS ● Attend job fairs within a reasonable driving radius of the facilities and network with community colleges on intern programs. (2016) ● Allow schools of nursing to use facility as their clinical training site to increase opportunity to recruit new graduates. (2017) ● Terminology in job announcements more clearly reflects job title (Licensed Practical Nurse vs. Health Care Tech) (2017) ● Scheduling interviews and making offers in a more timely fashion (2016)	service and Kudos ● Work with our employees on desired schedule when enrolled in college ● Recognize staff on a daily basis-thank them and give candy bar (2017) FITZSIMONS ● Flexible schedules to better meet individual needs (2016) ● Accommodate schedule requests as much as possible. (2016) ● Provide more training and education (2016)
Division of Youth Services	● New recruitment brochure (2015) ● Job fairs at local colleges (2014) ● Creation, distribution and use of three professional recruitment/retention videos (2016)	● Pre-service Academy (New Hire Training - 3 1/2 weeks) ● Field Training Officer program (on-the- job competency based training) (2014)
	● Digital advertising/recruitment campaign (2016) ● Facility open houses for interested potential candidates (2016) ● Recruitment cards with a code that can be scanned on your smartphone, linking to DYS Careers Webpage (2016) ● Continuous hiring process (2016) ● Focus groups with successful employees to ascertain strategies (2015) ● Broadened minimum qualifications for entry- level position (2017) ● Salary compensation for FTO Trainers (2017) ● Changed working title of CYSO class to Youth Services Specialist (2017)	● Ongoing implementation of Trauma Informed Environment Model of Care (2014) ● Improved staffing ratios through addition of direct care staff (2015) ● Collaborative Safety Focused Committee with Colorado WINS (2015) ● Non-monetary rewards and incentives (2014) ● Monetary Rewards and Incentives Program (Coming Soon)
Source: Department analysis and summary of efforts.		

Despite these efforts, the Department continues to have significant vacancy and turnover rates among direct care staff. The Department has exhausted resources and tools available to address the staff shortages in these facilities without a request for funding to address the compensation shortfalls.

Proposed Solution:

The Department requests $13,942,885 total funds, including $10,339,235 General Fund and $3,603,650 cash funds in FY 2019-20 and ongoing, and an additional $7,940,729 in FY 2020-21, including $6,865,489 General

Fund and $1,075,240 cash funds in FY 2020-21 and ongoing. This request is a two-year approach to increase salaries to levels more competitive with the employment market for all direct care staff job classifications at 16 of its 19 24-hour (24/7) care facilities.

24/7 facilities include the four Veterans Community Living Centers (VCLCs) and ten Division of Youth Services (DYS) facilities. The Department seeks to compensate existing and new direct care employees at market rate (midpoint of the pay range for each job classification) and to provide a compression increase for existing direct care staff who are already at midpoint of the range. The three Regional Centers (Wheat Ridge, Pueblo and Grand Junction) and both Mental Health Institutes (CMHIP and CMHIFL) are excluded as the Department had or has been given sufficient funding to address compensation concerns for direct care staff at these facilities.

The Department is proposing to address the direct care staffing crisis in the 24/7 care facilities by: (1) filling vacancies at the prevailing market rate for that job classification, and (2) using compression pay to increase base pay for existing staff, based on a schedule that accounts for prevailing market wage and years of experience and competency of job performance. The total cost on an annual basis to bring staff in these facilities to the midpoint of the pay range is shown in Table 7.

Table 7: Direct Care Compensation Initiative
Total Cost to Increase Direct Care Job Classification Wages to Prevailing Market Wage
(Midpoint of Job Classification Pay Range)

	Personal Services	POTS - SAED, AED, PERA (20.15%)	POTS - HLD ($7,927.19 per person)	STD (0.19%)	Medicare (1.45%)	Shift Differential	Total
Veterans Community Living Centers 1 [LBLI (9)[D]]							
Fitzsimons	$2,158,219	$ 440,277	$309,160	$4,101	$31,294	$ 86,329	$3,029,380
Rifle	$1,395,175	$284,616	$190,253	$2,651	$20,230	$55,807	$1,948,731
Florence	$ 1,146,832	$233,954	$79,272	$2,179	$16,629	$45,873	$1,524,740
Homelake	$851,410	$173,688	$87,199	$1,618	$12,345	$34,056	$1,160,316
Subtotal VCLC	**$5,551,637**	**$1,132,534**	**$665,884**	**$10,548**	**$80,499**	**$222,065**	**$7,663,167**
Division of Youth Corrections [LBLI (11)[B]]							
DYS	$9,955,419	$2,030,905	$1,672,637	$18,915	$ 144,354	$398,217	$ 14,220,447
TOTAL	**$15,507,056**	**$3,163,439**	**$2,338,521**	**$29,463**	**$224,852**	**$620,282**	**$21,883,614**

Source: Department of Human Services' analysis of direct care vacancies, the cost to fill those vacancies at the midpoint of the DPA Job Classification Pay Range (or at prevailing market wage) and the cost of providing compression pay increases to existing staff to ensure that new employees are not earning more than what we pay existing, more experienced staff.

On average, the pay increase needed to fill vacancies at the midpoint of the pay range and to provide compression pay increases to existing staff is 22%.

The Department proposes funding this initiative in two phases, with approximately half of the increased wages being funded in FY 2019-20 and the second half being funded in FY 2020-21.

Phase 1: Amount requested for FY 2018-19 to filling direct care vacancies at an average of 11% above the midpoint of the pay range and provides an average of 11% Compression Pay increases to existing direct care employees. (Funding for Phase 1 is shown in Table 8)

Table 8: Phase 1 of 2 - FY 2019-20					
Summary of Annual Funding Cost and Funding Splits by Line Item for FY 2019-20					
Description	**FY 2019-20**	**GF**	**CF**	**RF**	**FF**
Executive Director's Office					
General Administration					
Health, Life, and Dental	$ 2,338,521	$ 1,847,432	$ 491,089	$ -	$ -
Short Term Disability	$ 17,493	$ 13,819	$ 3,674	$ -	$ -
SB 04-257 AED	$ 460,344	$ 363,672	$ 96,672	$ -	$ -
SB 04-235 SAED	$ 460,344	$ 363,672	$ 96,672	$ -	$ -
Shift Differential	$ 368,276	$ 290,938	$ 77,338	$ -	$ -
Subtotal	$ 3,644,978	$ 2,879,533	$ 765,445	$ -	$ -

Table 8: Phase 1 of 2 - FY 2019-20					
Summary of Annual Funding Cost and Funding Splits by Line Item for FY 2019-20					
Description	**FY 2019-20**	**GF**	**CF**	**RF**	**FF**
SERVICES FOR PEOPLE WITH DISABILITIES					
Veterans Community Living Centers					
Fitzsimons					
Personal Services					
Salary	$ 1,728,586	$ 691,434	$ 1,037,152	$ -	$ -
PERA	$ 179,773	$ 71,909	$ 107,864	$ -	$ -
Medicare	$ 25,064	$ 10,026	$ 15,038	$ -	$ -
Subtotal	$ 1,933,423	$ 773,369	$ 1,160,054	$ -	$ -
Florence					
Personal Services					
Salary	$ 744,176	$ 297,670	$ 446,506	$ -	$ -
PERA	$ 77,394	$ 30,958	$ 46,436	$ -	$ -
Medicare	$ 10,791	$ 4,316	$ 6,475	$ -	$ -
Subtotal	$ 832,361	$ 332,944	$ 499,417	$ -	$ -
Homelake					
Personal Services					
Salary	$ 590,225	$ 236,090	$ 354,135	$ -	$ -
PERA	$ 61,383	$ 24,553	$ 36,830	$ -	$ -
Medicare	$ 8,558	$ 3,423	$ 5,135	$ -	$ -
Subtotal	$ 660,167	$ 264,066	$ 396,101	$ -	$ -
Rifle					
Personal Services					
Salary	$ 1,166,194	$ 466,477	$ 699,717	$ -	$ -
PERA	$ 121,284	$ 48,514	$ 72,770	$ -	$ -
Medicare	$ 16,910	$ 6,764	$ 10,146	$ -	$ -
Subtotal	$ 1,304,387	$ 521,755	$ 782,632	$ -	$ -

Table 8: Phase 1 of 2 - FY 2019-20					
Summary of Annual Funding Cost and Funding Splits by Line Item for FY 2019-20					
Description	**FY 2019-20**	**GF**	**CF**	**RF**	**FF**
Division of Youth Corrections					
Institutional Programs (DYS)					
Personal Services					
Salary	$ 4,977,709	$ 4,977,709	$ -	$ -	$ -
PERA	$ 517,682	$ 517,682	$ -	$ -	$ -
Medicare	$ 72,177	$ 72,177	$ -	$ -	$ -
Subtotal	$ 5,567,568	$ 5,567,568	$ -	$ -	$ -
Grand Total	**$ 13,942,885**	**$ 10,339,235**	**$ 3,603,650**	**$ -**	**$ -**

Phase 2: Amount planned for request in FY 2020-21 to fill direct care staff vacancies at prevailing market wage (midpoint of pay range) and to provide compression pay increase needed (an average of 11%) to bring existing direct care employees to prevailing market wage. (Funding for Phase 2 is included in Table 9)

Table 9: Phase 2 of 2 FY 2020-21					
Summary of New Annual Funding Cost and Funding Splits by Line Item for FY 2020-21					
Description	**FY 2019-20**	**GF**	**CF**	**RF**	**FF**
Executive Director's Office					
General Administration					
Health, Life, and Dental	$ -	$ -	$ -	$ -	$ -
Short Term Disability	$ 11,970	$ 9,456	$ 2,514	$ -	$ -
SB 04-257 AED	$ 315,008	$ 248,856	$ 66,152	$ -	$ -
SB 04-235 SAED	$ 315,008	$ 248,856	$ 66,152	$ -	$ -
Shift Differential	$ 252,007	$ 199,086	$ 52,921	$ -	$ -
Subtotal	**$ 893,993**	**$ 706,254**	**$ 187,739**	**$ -**	**$ -**

Table 9: Phase 2 of 2 FY 2020-21					
Summary of New Annual Funding Cost and Funding Splits by Line Item for FY 2020-21					
Description	**FY 2019-20**	**GF**	**CF**	**RF**	**FF**
SERVICES FOR PEOPLE WITH DISABILITIES					
Veterans Community Living Centers					
Fitzsimons					
Personal Services					
Salary	$ 429,634	$ 171,853	$ 257,781	$ -	$ -
PERA	$ 44,682	$ 17,873	$ 26,809	$ -	$ -
Medicare	$ 6,230	$ 2,492	$ 3,738	$ -	$ -
Subtotal	$ 480,545	$ 192,218	$ 288,327	$ -	$ -
Florence					
Personal Services					
Salary	$ 402,656	$ 161,062	$ 241,594	$ -	$ -
PERA	$ 41,876	$ 16,750	$ 25,126	$ -	$ -
Medicare	$ 5,839	$ 2,335	$ 3,504	$ -	$ -
Subtotal	$ 450,371	$ 180,147	$ 270,224	$ -	$ -
Homelake					
Personal Services					
Salary	$ 261,185	$ 104,474	$ 156,711	$ -	$ -
PERA	$ 27,163	$ 10,865	$ 16,298	$ -	$ -
Medicare	$ 3,787	$ 1,515	$ 2,272	$ -	$ -
Subtotal	$ 292,135	$ 116,854	$ 175,281	$ -	$ -
Rifle					
Personal Services					
Salary	$ 228,982	$ 91,593	$ 137,389	$ -	$ -
PERA	$ 23,814	$ 9,526	$ 14,288	$ -	$ -
Medicare	$ 3,320	$ 1,328	$ 1,992	$ -	$ -
Subtotal	$ 256,116	$ 102,447	$ 153,669	$ -	$ -

Table 9: Phase 2 of 2 FY 2020-21					
Summary of New Annual Funding Cost and Funding Splits by Line Item for FY 2020-21					
Description	**FY 2019-20**	**GF**	**CF**	**RF**	**FF**
Division of Youth Corrections					
Institutional Programs					
Personal Services					
Salary	$ 4,977,709	$ 4,977,709	$ -	$ -	$ -
PERA	$ 517,682	$ 517,682	$ -	$ -	$ -
Medicare	$ 72,177	$ 72,177	$ -	$ -	$ -
Subtotal	$ 5,567,568	$ 5,567,568	$ -	$ -	$ -
Grand Total	**$ 7,940,729**	**$ 6,865,489**	**$ 1,075,240**	**$ -**	**$ -**

The Department has implemented a multi-year approach to address compensation concerns for direct care staff across its 24/7 care facilities. In November 2016, direct care staff at the three Regional Centers received an increase in salary to the midpoint of the job classification pay range (midpoint). In November 2017, Nurse I through III classifications at CMHIP received an increase in salary to midpoint. The remaining direct care staff at CMHIP and CMHIFL received an increase in salary effective July 1, 2018.

The Department initiative for Regional Center direct care staff has achieved significant improvement in filling vacancies and reducing turnover. Since increasing the starting wage for direct care staff at the three Regional Centers, and providing compression pay increases to existing staff, in November 2016, vacancy and turnover rates for direct care staff have decreased significantly. Table 10 shows the vacancy rate for each Regional Center on September 12, 2016, June 26, 2017, and June 18, 2018. Table 10 also shows the cumulative turnover rates for the periods FY 2016-17 and 2017-18 for the Regional Centers and Nurse I, II, and III positions at CMHIP.

Table 10. Comparison of Vacancy and Turnover Rates for Direct Care Staff at the Regional Centers For 6 month period Prior to and Post Pay Increases					
Regional Center	**Sept. 12, 2016 Vacancy Rate**	**June 26, 2017 Vacancy Rate**	**June 18, 2018 Vacancy Rate**	**Cumulative Turnover Rate FY 2016-17**	**Cumulative Turnover Rate FY 2017-18**
Grand Junction	16%	3%	4%	15%	11%
Pueblo	29%	10%	11%[1]	32%	18%
Wheat Ridge	15%	7%	8%	31%	22%
CMHIP[2]	Not Comparable	19%	15%	21%	21%

Source: Department analysis of CPPS data.

[1] Pueblo Regional Center has been under a moratorium on admissions, as a result, their staff vacancy rate has increased due to holding positions open once vacated until the resident census increases sufficiently to fill vacated positions. Staffing levels at Pueblo Regional Center, as of June would reflect an effective vacancy rate of near zero because filled positions are sufficient to provide care for the resident census.

[2] CMHIP includes comparison of vacancy and turnover for Nurse I, II, and III only. This is because pay increases for these classes were completed in November 2017. Pay increases for other direct care job classifications at CMHIP and CMHIFL were not effective until July 1, 2018, which is too recent to demonstrate significant change.

Based on these data, the Department concludes that the pay raises have been effective in attracting and improving the retention of staff for vacant direct care positions at the Regional Centers. The Department is proposing carrying out the same initiative in its remaining 24/7 care facilities to improve recruitment and retention of positions that are key to ensuring the availability of care for some of the State’s most vulnerable populations, including veterans, youth, and individuals with mental illness.

Description of the Compensation Initiative Process and Plan:

The Department worked with the Department of Personnel and Administration (DPA) to evaluate current prevailing wages, by position for each of the direct care job classifications included in this compensation initiative. The Departments to use the midpoint of the job classification pay range from the FY 2018-19 Pay Plan published by DPA. According to DPA, the midpoint of the pay range for all job classifications represents the prevailing market wage for that type of position.

In Phase 1, beginning July 1, 2019, vacancies will be filled at half-way to prevailing market wage (an average of 11% above the minimum of the pay range, with compression pay increases going into effect concurrently to prevent further loss of staff or decreased morale among existing staff. Phase 2, beginning in FY 2020-21 will increase pay for DYS and VCLC direct care employees to the midpoint of the Pay Range (an additional 11%, approximately).

State Personnel Rules allow for this type of initiative. Chapter 3 of the State Personnel Rules, provide the Department the ability to carry out this compensation initiative.

> State Personnel Rule 3-9 states that:
> "The appointing authority shall determine the hiring salary within the pay grade for a new employee, including one returning after resignation, which is typically the grade minimum unless recruitment difficulty or other unusual conditions exist.
>
> a. Recruitment difficulty means difficulty in obtaining qualified applicants or an inadequate number of candidates to promote competition despite recruitment efforts.
> b. Unusual conditions exist when the position requires experience and competencies beyond the entry level and the best candidate cannot be obtained by hiring at the minimum of the pay grade.
> c. The appointing authority's determination shall consider such factors as, but not limited to, labor market supply, recruitment efforts, nature of the assignment and required competencies, qualifications and salary requirements of the best candidate, salaries of current and recently hired employees in similar positions in the department, available funds and the long-term impact on personal services budgets of hiring above the minimum of the pay grade."

The Department has demonstrated significant turnover and vacancies at the Veterans Community Living Centers and Youth Services Centers that have gone unaddressed by other hiring efforts. These vacancies, the State's low unemployment rate, and the health care employment market have been determined to place the 24/7 facilities in a staffing crisis that cannot be overcome without this effort.

> State Personnel Rule 3-18 allows the Department to use compression pay increases to provide for in-range salary increases for existing employees.
>
> "In-Range Salary Movements. A department may use these discretionary movements to increase base salaries of permanent employees who remain in their current classes and positions when there is a critical need not addressed by any other pay mechanism. The use of in-range salary movements is not guaranteed and shall be funded within existing budgets. These movements shall not be retroactive and frequency is limited to one in-range salary movement in a 12-month period. No aspect of granting these movements is subject to grievance or appeal, except for alleged discrimination; however, an alleged violation of the department's plan can be disputed. A department's decision in the dispute is final and no further recourse is available. Once granted, a reduction in base salary is subject to appeal. Departments must develop a written plan addressing appropriate criteria for the use of any movement based on sound business practice and needs, e.g., eligibility, funding sources, approval requirements, and measures to ensure consistent use. The plan must be communicated within the department and a copy provided to the Director prior to implementation. If granted, there must be an individual written agreement between the employee and the appointing authority that stipulates the terms and conditions of the movement. Records of any aspect of these movements shall be provided to the Director when requested.
>
> a. Salary Range Compression. Used as a salary leveling increase where longer-term or more experienced employees are paid lower in the range for the class than new hires or less experienced employees over a period of time resulting in documented retention difficulties.

> Thus, there is a valid need to increase one or more employee's base salary in the class to recognize contributions equal to or greater than the newly hired or less experienced employees. Justification shall be required based on facts. To be eligible, an employee must be performing satisfactorily as evidenced by the most recent final overall performance rating. The increase may be up to 10 percent or the maximum permitted by the department's policy on hiring salaries, whichever is greater, and subject to the pay grade maximum."

Hiring vacant positions at half-way to midpoint in Phase 1 and at midpoint in Phase 2 will result in a compression pay concern within direct care job classifications for existing employees. State Personnel Rule 3-18 allows the Department to adjust existing employee salaries for compression to recognize existing employees for their on-the-job experience and to ensure that newly hired employees are not making more than existing, more-experienced staff. Completing the compression pay increase concurrently with the increased hiring wage will prevent unnecessary loss of existing, more experienced, employees. The Department's 24/7 Direct Care Compensation Plan has been reviewed and approved by the Department of Personnel and Administration. The approved Plan is included in Attachment B.

Finally, all wages for direct care staff will continue to be within the approved job classification pay ranges as approved in the Department of Personnel and Administration's FY 2018-19 Pay Plan.

Additional Salary Planning

This request is a two-year approach to increase salaries to levels more competitive with the employment market for all direct care staff job classifications at 16 of its 19 24-hour (24/7) care facilities. While this request effectively catches the Department's direct care staff up to the employment market for similar positions, it will not prevent the Department from lagging behind market in the future. If across-the-board and merit pay increases are not sufficient to keep pace with increases in market salaries in the direct care job sector, the Department will continue to fall behind. The Department will evaluate additional options for ensuring that it does not get substantially behind in the future. One option could be using competency-based pay increases offered through Personnel Rule 3-18, Part E. to allow the Department to increase salaries for staff based on achievement of additional competencies in carrying out their job duties. Additional work is needed to determine what other solutions are available for this job class, and the budgetary implications of other solutions to help the Department keep pace with market salaries.

Anticipated Outcomes:

The Department anticipates the following outcomes from increasing the compensation for Direct Care positions:

- Improved recruitment and retention (lower turnover) of direct care staff across the Department.
- Improved quality of care for residents through:
    - Reduction of critical incidents and errors caused by understaffed facilities or exhausted/overworked staff. Errors and incidents could include medication errors, unnecessary physical restraint or seclusion, and resident injury and elopement. The Department has C-Stat measures related to all of these issues.
    - Increased staff/resident familiarity by improving retention and consistency in staffing of units.

- Reduction of on-the-job injuries and workers' compensation claims, as injuries more frequently occur when staff are overworked and exhausted.
- Fewer vacancies will increase the Department's ability to take staff out of the milieu ratio to attend training and certification updates.

- Improved compliance with federal and state regulations concerning ensuring adequate, well-trained staff on shift to ensure that resident needs are met.
  - Fully staffed facilities will result in the facilities being used to their maximum capacities. Failure to fully staff facilities can result in moratoriums on admissions due to inadequate staff availability to meet resident care needs.
- Reduced overtime and double shifts, which should reduce costs, as well as staff exhaustion, burnout and high levels of turnover.
  - The Department has a strategic objective to reduce the use of overtime throughout Department facilities. Overtime is primarily caused by staff shortages and inability to hire enough staff to cover shift relief (e.g., the number of hours that existing staff are not able to work, including annual leave, sick leave, family medical leave and injury leave). Overtime also results in staff exhaustion and increased turnover. A key component to the Department's success on this strategic objective is to be able to recruit and retain staff in the 24/7 care facilities. If this request is not funded, the Department will continue to face high direct care staff turnover rates, increasing recruitment and training costs, and diminishing continuity of staff for the State's most vulnerable clients.
- Reduced reliance on the use of contract staffing agencies who often prove unreliable and a risk to the facility due to not being familiar with the care environment or the residents and their care plans.
- Reduced expenses associated with direct care staff recruitment and retention.
- Consistency in salaries for similar positions across the 24/7 facilities.

Assumptions and Calculations:

Assumptions and calculations include the following:

- The Department used the DPA's FY 2018-19 Pay Plan to identify the prevailing market wage for direct care staff included in this request. Specifically, DPA considers the midpoint of each job classification pay range to be the prevailing market rate for the job classification.
- Only direct care staff are included in this request (no management or administrative staff). Table 11 lists the direct care staff included working in the following job classifications at the VCLC and DYS facilities.

Table 11: Direct Care Staff Job Classifications
• Client Care Aide (Levels I – II) • Corr/Clin Youth/Security Officer (Levels I – II) • Health Care Services Trainee (Levels I – III) • Health Care Technician (Levels I – IV) • Mental Health Clinician (Levels I – III) • Mid-Level Provider • Nurse (Levels I – III) • Social Work/Counselor (Levels I – IV) • Therapy Assistant (Levels I – IV)

- Full annual cost to increase all current direct care staff to the midpoint of the range is based on the amount of the increase in wages between the compression pay schedule, with the midpoint of the FY 2018-19 DPA Pay Plan escalated by 2% to account for potential movement in the midpoint of the Pay Plan between FYs 2018-19 and 2019-20. The Total Compensation Report for FY 2019-20 published by DPA indicates supports this inflation rate in that it projects the increase to the State salary structure for the FY 2019-20 Pay Plan will be an increase of 2% to adjust for increases in market. The compression pay schedule, including the 2% inflation factor, is included in Attachment A and their current wages.

- The following amounts are also added for the increased of benefits:

  - Plus the increased cost of POTS (PERA [10.4%], SAED [5%], and AED [5%]) of 20.40 percent on all increases to wages, based on the FY 2017-18 rates published by DPA.
  - Plus the cost to fill the direct care vacancies at the midpoint of the range and the associated HLD POTs based on a $7,927.19 per person rate that DPA publishes.
  - Plus the increased cost of STD at .19 percent of the increase in salaries resulting from the compression pay increase.
  - Plus the increased cost of Medicare at 1.45 percent of the increase in salaries resulting from the compression pay increase.

Schedule 13

Department of Human Services

Funding Request for The FY 2019-20 Budget Cycle

Request Title

R-03 Youth Services Capacity and Behavioral Health

Dept. Approval By: Melissa Wavelet

OSPB Approval By:

____	Supplemental FY 2018-19
____	Budget Amendment FY 2019-20
X	Change Request FY 2019-20

Summary Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
Total of All Line Items Impacted by Change Request	Total	$177,231,281	$0	$179,063,333	($718,399)	$0
	FTE	1,109.6	0.0	1,111.3	(12.0)	(3.5)
	GF	$151,662,999	$0	$149,522,979	($718,399)	$0
	CF	$735,192	$0	$4,657,266	$0	$0
	RF	$18,868,919	$0	$14,676,149	$0	$0
	FF	$5,964,171	$0	$10,206,939	$0	$0

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
01. Executive Director's Office, (A) General Administration, (1) General Administration - Health, Life, And Dental	Total	$46,696,345	$0	$45,681,295	($87,198)	($23,781)
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$33,413,551	$0	$29,357,601	($87,198)	($23,781)
	CF	$144,915	$0	$2,930,144	$0	$0
	RF	$10,356,168	$0	$7,685,079	$0	$0
	FF	$2,781,711	$0	$5,708,471	$0	$0
01. Executive Director's Office, (A) General Administration, (1) General Administration - Short-Term Disability	Total	$472,856	$0	$469,396	($360)	$1,094
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$330,992	$0	$312,663	($360)	$1,094
	CF	$8,592	$0	$27,320	$0	$0
	RF	$93,723	$0	$69,252	$0	$0
	FF	$39,549	$0	$60,161	$0	$0

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
01. Executive Director's Office, (A) General Administration, (1) General Administration - Amortization Equalization Disbursement	Total	$14,268,257	$0	$14,199,753	($7,185)	$28,828
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$9,956,150	$0	$9,429,823	($7,185)	$28,828
	CF	$255,862	$0	$814,901	$0	$0
	RF	$2,884,962	$0	$2,136,137	$0	$0
	FF	$1,171,283	$0	$1,818,892	$0	$0
01. Executive Director's Office, (A) General Administration, (1) General Administration - S.B. 06-235 Supplemental Equalization Disbursement	Total	$14,268,257	$0	$14,199,753	($6,939)	$28,828
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$9,956,807	$0	$9,429,823	($6,939)	$28,828
	CF	$255,823	$0	$814,901	$0	$0
	RF	$2,884,522	$0	$2,136,137	$0	$0
	FF	$1,171,105	$0	$1,818,892	$0	$0
11. Division of Youth Services, (B) Institutional Programs, (1) Institutional Programs - Personal Services	Total	$56,491,930	$0	$59,195,425	($879,293)	($1,356,067)
	FTE	995.5	0.0	995.5	(24.5)	(30.0)
	GF	$56,491,930	$0	$59,195,425	($879,293)	($1,356,067)
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0
11. Division of Youth Services, (B) Institutional Programs, (1) Institutional Programs - Operating Expenses	Total	$4,190,501	$0	$4,133,101	($38,275)	($43,500)
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$2,780,085	$0	$2,722,685	($38,275)	($43,500)
	CF	$70,000	$0	$70,000	$0	$0
	RF	$1,340,200	$0	$1,340,200	$0	$0
	FF	$216	$0	$216	$0	$0
11. Division of Youth Services, (B) Institutional Programs, (1) Institutional Programs - Medical Services	Total	$10,722,370	$0	$10,836,488	$966,226	$1,659,989
	FTE	74.0	0.0	74.0	10.2	19.5
	GF	$10,722,370	$0	$10,836,488	$966,226	$1,659,989
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
11. Division of Youth Services, (B) Institutional Programs, (1) Institutional Programs - Educational Programs	Total	$7,020,519	$0	$7,247,876	$236,633	$606,617
	FTE	40.1	0.0	41.8	2.3	7.0
	GF	$6,670,514	$0	$6,897,871	$236,633	$606,617
	CF	$0	$0	$0	$0	$0
	RF	$350,005	$0	$350,005	$0	$0
	FF	$0	$0	$0	$0	$0
11. Division of Youth Services, (C) Community Programs, (1) Community Programs - Purchase of Contract Placements	Total	$23,100,246	$0	$23,100,246	($902,008)	($902,008)
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$21,340,600	$0	$21,340,600	($902,008)	($902,008)
	CF	$0	$0	$0	$0	$0
	RF	$959,339	$0	$959,339	$0	$0
	FF	$800,307	$0	$800,307	$0	$0

Auxiliary Data			
Requires Legislation?	YES		
Type of Request?	Department of Human Services Prioritized Request	Interagency Approval or Related Schedule 13s:	No Other Agency Impact

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Cost and FTE

- The Department requests a reduction of ($718,399) total funds/General Fund, and (12.0) FTE in FY 2019-20 and $0 total funds/General Fund, and a reduction of (3.5) FTE in FY 2020-21 and on-going in order to balance detention and commitment bed capacity and enhance Division of Youth Services treatment programming to meet recommendations made by Development Services Group (DSG) as part of an overall evaluation.

Current Program

- The Department's Division of Youth Services (DYS) is responsible for providing commitment and detention capacity for the State's 22 Judicial Districts and secure and non-secure treatment options for youth.
- The Department provides secure, residential services, in proportion to youth status as either detention or commitment.

Problem or Opportunity

- Over the past five years, detention bed use has fallen below each year's average daily maximum, resulting in unused capacity. Simultaneously, the Department has experienced an increasing need for secure beds for committed youth.
- Committed youth continue to demonstrate higher levels of need based upon treatment issues, increased person crimes and limited success in DYS contract programs.
- The Department has focused on working with contract providers on strategies to improve youth outcomes. These efforts have resulted in limited success.

Consequences of Problem

- Youth do not start placement/treatment in a timely manner. Youth are often placed far from their families who are a key component to a youth's successful rehabilitation. Youth are experiencing limited success in contract placements.
- Youth are experiencing gaps in types and quality of treatment services due to insufficient treatment staff.

Proposed Solution

- The Department requests a reduction of ($718,399) total funds and (12.0) FTE in FY 2019-20 in order to re-purpose detention capacity to new commitment capacity, and improve State-operated treatment services.
- Implementation of DSG recommendations will create a system that is right sized, provide effective treatment services near a youth's home community, and reduce length of stay in residential care.

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Department Priority: ***R-03***
Request Detail: ***Youth Services Capacity and Behavioral Health***

Summary of Incremental Funding Change for FY 2019-20	**Total Funds**	**FTE**	**General Fund**
DYS Capacity/Behavioral Health Alignment Decision Item	($718,399)	(12.0)	($718,399)
Summary of Incremental Funding Change for FY 2020-21	**Total Funds**	**FTE**	**General Fund**
DYS Capacity/Behavioral Health Alignment Decision Item	$0	(3.5)	$0

Problem or Opportunity:

The Department requests a reduction of ($718,399) total funds/General Fund, and (12.0) FTE in FY 2019-20 and ($0) total funds/General Fund, and a reduction of (3.5) FTE in FY 2020-21 and on-going in order to balance detention and commitment bed capacity, and enhance Division of Youth Services treatment programming to meet assessment and evaluation recommendations made by Development Services Group as part of an overall evaluation.

Problem 1: Imbalance of Detention and Commitment Bed Capacity

The Department's Division of Youth Services' State-operated youth centers (facilities) serve youth detained on a pretrial basis and youth committed to the custody of the Department of Human Services. The Division of Youth Services operates ten secure youth centers that function in one of three ways: (1) Detention-only, (2) Commitment-only, or (3) Multi-purpose (serving detained and commitment populations).

Statutory Detention Bed Cap and Decreasing Use

Senate Bill 03-286 placed a statutory cap on the State's juvenile detention beds. Detention use declined gradually, thus in FY 2011-12 and again in FY 2012-13, the juvenile detention bed cap was further reduced from its original level. The State's use of juvenile detention has continued to decline in the intervening five years. The Department uses the measure "Average Daily Maximum" (ADM) as a mechanism to track bed usage. Viewed through a judicial district perspective, this measure represents the average of each district's high bed usage during the course of the fiscal year. The Department used this method to identify the amount of the two prior cap reductions. Using ADM as the basis for identifying the target cap reduction ensures districts are able to accommodate those times when their detention census hovers closer to their bed allocation, while at the same time, eliminating excess unused capacity. Since the latest cap reduction in FY 2012-13, the Statewide ADM has decreased 9%. A weaker measure of actual detention-bed need, average daily population (ADP) has also decreased 10% during the same time period. ADP is considered a weaker measure of bed need based upon the inability of the measure to account for the fluctuating increases in census judicial districts naturally experience. The Department has used ADM to develop a proposed reduction in the cap. Table 1 below depicts the reduction in both the ADM and ADP from FY 2013-14 to March of FY 2017-18. Although the cap was legislatively reduced in FY 2012-13, the actual reduction occurred at the end of the fiscal year and no substantial impacts occurred until FY 2013-14.

Table 1: Trends in Detention Use

Fiscal Year	Average Maximum	ADP
FY 2013-14	292.9	290.6
FY 2014-15	287.0	281.8
FY 2015-16	277.3	275.0
FY 2016-17	260.7	257.1
FY 2017-18 (March)	267.4	262.4
Total Change	25.5	28.2
% Change	9%	10%

Table 2 shows the cap reductions over time.

Table 2: Juvenile Detention Bed Cap 2003-Present

Fiscal Year of capacity change	Detention Bed Capacity	Change	% Capacity Change	Bill Number for reduction
FY 2003-04	479	-57	-11.9%	SB 03-286
FY 2011-12	422	-40	- 9.5%	SB 11-217
FY 2012-13	382	n/a	n/a	n/a

State-Operated Secure Commitment Beds

State-operated commitment capacity serves multiple purposes. These include housing (1) Youth who are in the assessment period, (2) Youth awaiting their first placement, (3) Youth in long-term treatment, (3) Youth who have failed in contract placement (escape, termination), (4) Parolees pending a parole revocation hearing, and (5) Parolees who have had parole revoked. The Department does not control the number and timing of new commitments or the decisions of the Juvenile Parole Board. In addition, the Department makes placement decisions using all available information, assessment instrument results, family and other collateral information, and professional judgement. 37% of youth, between July 1, 2016 and February 1, 2018, still fail in contract programs, sometimes requiring a return to a secure setting. The nature of the commitment process, the characteristics of committed youth and their progress in treatment, and the various factors outside the Department's control drives the need for State-operated secure bed space.

The Department has identified an insufficiency in the Division of Youth Services' State-secure commitment bed capacity. This gap in resources compromises the Department's ability to rehabilitate a growing proportion of committed youth who demonstrate a need for a higher level of security. This proportional growth can be attributed to a combination of factors that include but are not limited to continuing increases in the complexity of youth committed to the Department's custody, and the high percentages of youth unsuccessful in contract and State programs leading to increased demand for secure beds.

The identified need for more State secure beds in 2018 seems to be contradictory to the highly publicized reporting at the state and national level on the significant declines in the number of youth in the juvenile justice system and the commensurate diminishing population of Colorado youth in the commitment system. It cannot be over-emphasized that the identification of a gap in these resources is not based upon an increase in the number of youth committed to the Department, rather this gap is the result of overly ambitious capacity reductions in 2013, the trend of an increased proportion of committed youth requiring the highest level of security and treatment needs, and the high number of committed youth failing either in a contract placement or on parole.

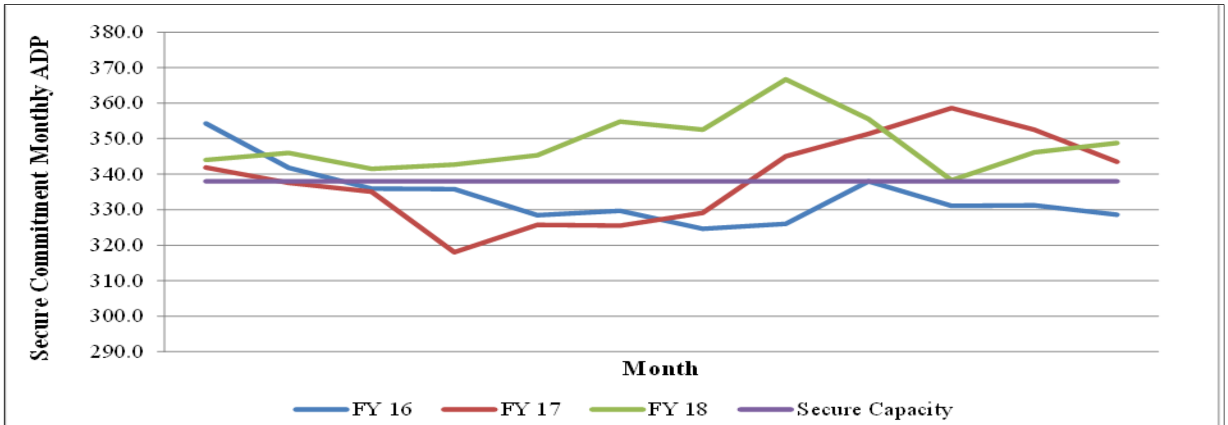
Prior Reductions in State-Operated Secure Commitment Capacity
The Department's DYS' State-operated secure commitment beds have been "right-sized" twice in the past seven years, in addition to obtaining permission from the General Assembly to reduce operating capacity from 110% of design capacity to 100% during FY 2011-12. Contract residential beds have been adjusted each year through the supplemental budget process based on projected commitment needs. The end result of these actions was a 29.29% reduction in capacity. Table 3 illustrates the reductions in committed capacity since 2010.

Table 3: Actions that Impact Secure Capacity in DYS State-operated Programs

Fiscal Year	Action	Capacity Change	Commitment Capacity	% Capacity Change
FY 2009-10	Operated at 110% of capacity	N/A	478	N/A
FY 2010-11	Closed Sol Vista	-20	458	-9.21%
	Closed Marvin Foote Program	-24	434	
FY 2011-12	Operate at 100% of capacity	-40	394	-9.22%
FY 2012-13	2nd DYS Secure Realignment	-70	324	-17.77%
FY 2013-14	Added 14 beds for Assessment	+14	338	+4.32%
Total Change		-140		-29.29%

Chart 1 demonstrates the actual use of State-operated secure capacity from FY 2015-16 to FY 2017-18. It is clear that for a large portion of the past three fiscal years, use has remained at or near the 338 beds. The chart shows that use remains somewhere between 318 and 365 beds. The message of primary importance is that the youth centers operated by the Department's Division of Youth Services must manage a population size that is often near capacity or well over it.

Chart 1: DYS Secure Youth Center ADP for FY 2015-16 through FY 2017-18

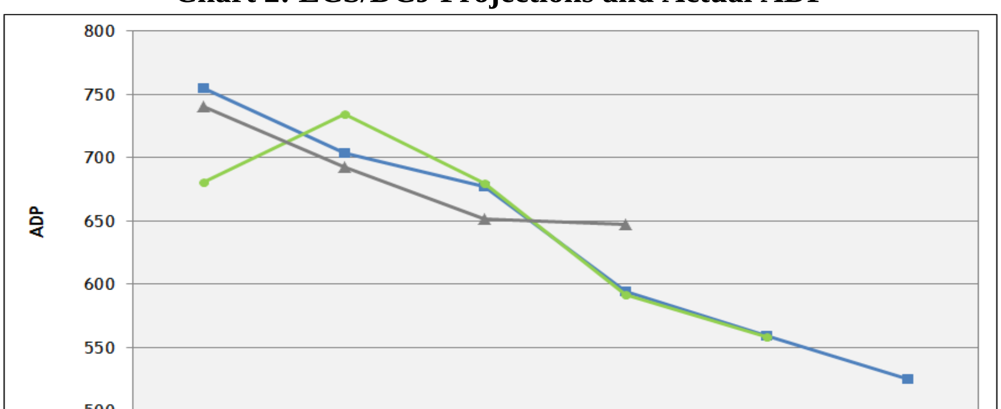


Month	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June
FY 16	354.3	341.8	335.9	335.8	328.4	329.7	324.6	326.0	338.0	331.1	331.2	328.6
FY 17	341.9	337.5	335.0	318.0	325.7	325.5	329.1	345.0	351.3	358.6	352.5	343.5
FY 18	344.0	346.0	341.5	342.7	345.3	354.8	352.5	366.7	355.5	338.3	346.1	348.8
Secure Capacity	338.0	338.0	338.0	338.0	338.0	338.0	338.0	338.0	338.0	338.0	338.0	338.0

Legislative Council Services (LCS) and Division of Criminal Justice (DCJ) Commitment Projections

Chart 2 shows the Commitment ADP forecast developed by LCS and DCJ from FY 2014-15 through FY 2019-20. ADP has steadily declined during these years and those prior. Both LCS and DCJ forecasted commitment ADP for FY 2017-18 would be approximately 593. Instead, actual ADP for the year will end closer to 650. One fiscal year does not constitute a trend; however, it is important in setting the context for the Department's request.

Chart 2: LCS/DCJ Projections and Actual ADP



	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20*
DCJ	754.9	703.7	677.2	594.4	558.9	524.8
LCS	680.7	734.6	680	592	558	
Actual	740.7	692.9	651.1	647.5		

Source: *Legislative Council Services DYS Population Projections*
Division of Criminal Justice DYS Population Projections
Division of Youth Services Monthly Population Reports

Increasing Proportion of Committed Youth Requiring State-operated Secure Placement

The trend already discussed regarding the increasing percentage of committed youth requiring secure care is demonstrated by Chart 3. This chart shows actual ADP as it has declined beginning in FY 2006-07 to FY 2017-18 April YTD and its inverse relationship with State-secure ADP. In prior years as well as in this request, the Department has provided data that would indicate that as the number of youth committed to the Department's custody declines, those who remain have greater and more complex treatment needs. In the section that follows, the ever increasing level of rehabilitative needs for committed youth is further outlined.

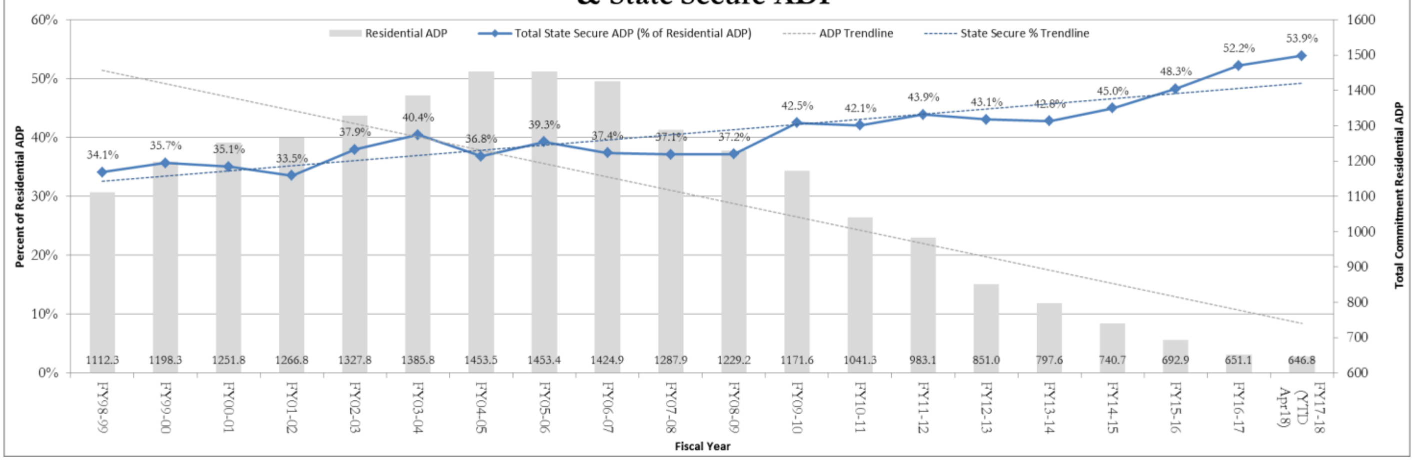


Chart 3: Total Commitment Residential ADP & State Secure ADP

Characteristics of Youth Who are Newly Committed

The Department associates the trend of increasing need for secure placement to the growing complexity in presenting treatment risk and needs and the amount of treatment unsuccessfully attempted in the community prior to commitment. The following are related to the increased need for State-secure commitment capacity.

- Increasing numbers of youth sentenced as "Special Offenders" – Aggravated, Violent, Repeat and Mandatory Offenders.
- Increasing percentage of youth committed on person felonies as well as the increased proportion of youth committed for any person offense.
- Growth in youth with co-occurring substance use and mental health disorders.
- Significant increases in the percentage of youth who require formal mental health intervention.
- Increases in the percentage of youth with trauma histories.
- Increases in the percentage of youth with aggressive behaviors who present a danger to others.
- The increased rate of recommitment reflects the number of youth who: are failing in contract placements and acquiring new charges for escape, assaultive behaviors, or crimes committed while

on escape status in the community, are acquiring new charges in State-secure programs for such crimes as assault or damage to property, are acquiring new charges while on commitment parole.

- Although not demonstrating a high growth rate, the measure of how many youth have been in prior child welfare placements (foster homes, group homes, residential child care facilities) reflects the lack of success youth have experienced prior to commitment as well as the challenges this presents to the Department in ensuring youth are appropriately placed.

Table 4 and Table 5 illustrate the changes in newly committed youth that are indicators of the need for secure placement.

Table 4: Commitment Characteristics Change over Time*

Characteristics of Newly Committed Youth	FY 2012-13	FY2016-17	Increase
Aggravated Offenders as a Percentage of ADP[1]	1.02%	3.15%	2.13%
Violent Juvenile Offenders[2]	0.0%	2.0%	2.0%
Youth Committed on Person Felonies	20.0%	25.0%	5.0%
Youth Committed on Person Crimes (Felony or Misdemeanor)	40.0%	49.0%	9.0%
Rate of Recommitment	17.4%	31.9%	14.5%
CJRA High Risk: Relationships Static[3]	45.9%	66.8%	20.9%
CJRA High Risk: Relationships Dynamic[4]	79.5%	92.0%	12.5%
CJRA High Risk: Alcohol & Drugs	69.8%	77.8%	8.0%
Occasional to Continuous Aggressive Behavior Dangerous to Others (CCAR)[5]	48.3%	57.7%	9.40%
Growth in Percentage of Co-occurring Disorders	50.8%	55.1%	4.3%
Youth with Run History	73.6%	81.4%	7.8%
Males Requiring Formal Mental Health Intervention	55.6%	59.3%	6.6%
Females Requiring Formal Mental Health Intervention	75.8%	88.9%	17.2%
Youth with One or More Prior Placements	68.0%	70.5%	2.5%

[1]Aggravated Offenders most often receive longer sentences.

[2]Violent Juvenile Offenders receive minimum sentences out of the home.

[3]Relationships indicates a youth's involvement with positive adults and association with negative peers, including gang association and membership. Static – refers to the youth's history.

[4]Dynamic risk represents risk that is subject to change, i.e. can be decreased through treatment.

[5]Colorado Client Assessment Record – completed in Assessment.

**Data for FY 2017-18 unavailable at time of submission*

Table 5: DYS Trauma Trends*

	FY 2012-13	FY 2016-17
New commits	*488*	*381*
History of Sexual Abuse	20%	23%
History of Neglect	43%	56%
History of Physical Abuse	35%	44%
History of Verbal Abuse	28%	27%
History of "Trauma"	50%	78%
History of a Suicide Attempt	17%	26%

History of Any Type of Trauma (per above)	**71%**	**86%**

**Data for FY 2017-18 unavailable at time of submission*

State-operated Secure Placement Need Model

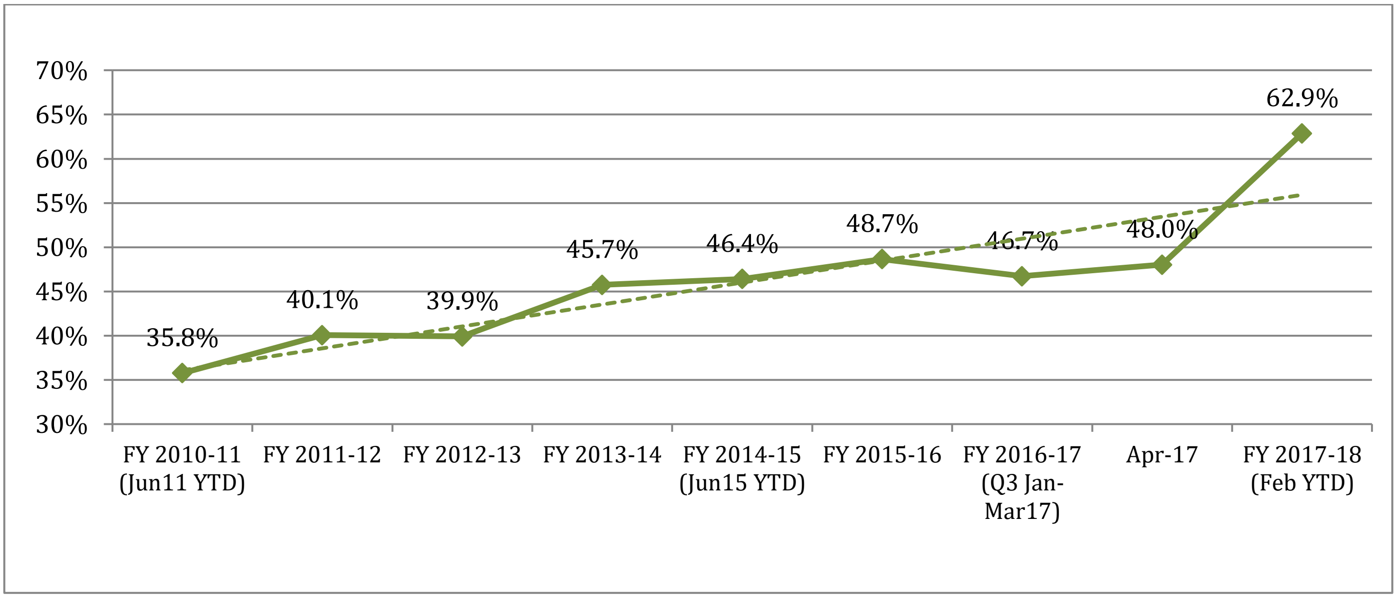
Since 2010, the Department has used a State-operated secure placement need model in an attempt to approximate the necessary amount of State-operated secure commitment capacity. As it is impossible to foresee who and how many youth may be committed to the Department, the current commitment population is used as a guide to forecast future commitments. Table 6 illustrates the criteria used in the model include five population groups:

Table 6: Secure Placement Need Model

Group	Description
1	A secure score on the DYS security level classification instrument, and
2	The ADP of youth in the 30-day assessment process, and
3	The ADP of youth who have completed assessment and are awaiting their first placement, and
4	The ADP of youth who meet all three of the following: (1) two or more prior out of home placements, (2) one or more escape from DYS custody and (3) one or more DYS recommitment, and
5	The ADP of youth who have failed in a contract program (escaped, program terminated youth, youth who acquire new criminal charges) or youth in custody pending parole revocation.
A 5% margin is added to this calculation to ensure there is adequate capacity to cover the vagaries in assessment, awaiting placement, and placement/parole failures populations.	

The model presents the Department with an overall trend of rising secure placement need. Chart 4 provides the results of the secure placement need analysis from FY 2010-11 to the present. Prior to FY 2017-18, the prior classification instrument did not take a number of important factors into account that were addressed through a "classification modification" consensus decision-making process. The secure need placement model only included the raw classification tool results thereby excluding a portion of the population of new commitments who were in actuality going to a secure bed, but not being counted in earlier iterations of the model. This was remedied in the current fiscal year.

Chart 4: Secure Need Analysis



The model shows that the Department needs its capacity to be comprised of 62.9% secure beds. Using the model's 62.9% result combined with the current DYS ADP of 646.8 (FY 2017-18 April YTD) would indicate that the Department needs approximately 407 secure beds. This is an increase of 69 secure beds. The proposed solution found in the next section outlines a proposal that is far less than an increase of 69 beds.

Diminishing Treatment Outcomes for Committed Youth

Between July 1, 2016 and February 1, 2018 37% of youth escaped from their contract placement within the first 30 days of placement. The limited flexibility currently available to the Department with 338 State-secure beds results in fewer options for addressing the needs of youth. Examples include the ability to devote youth center space to creative ideas such as short-term (90-120 days) intensive programs designed to motivate youth for treatment, bring a level of stabilization to mental health and/or substance use disorder needs that would set a youth up for success in a contract program. The same type of programming may be effective for youth who have failed in a contract program based upon an escape or substance using behaviors, so that following a 90-day program in a secure setting the youth may be able to return to the community with an enhanced probability of success.

Table 7 illustrates the number of failures in a contracted program or while on parole. Youth who fail in a contract program whether a staff-supervised or community setting are returned to a DYS youth center where a multi-disciplinary team determines if the youth should return to the contract placement or be referred to a secure setting. Parolees may spend several days in a secure youth center, remain for revocation hearing, or be placed in a contract program.
Either of the previous scenarios results in an impact to the Department's State-operated secure bed capacity and contributes to the consistently high census, as depicted in Chart 1.

Table 7: Placement / Parole Failures FY 2017-18 Feb YTD

Failure Type	Number of Failures	%
Contract Program[1]	97	67%
Parole	48	33%
Total	145	

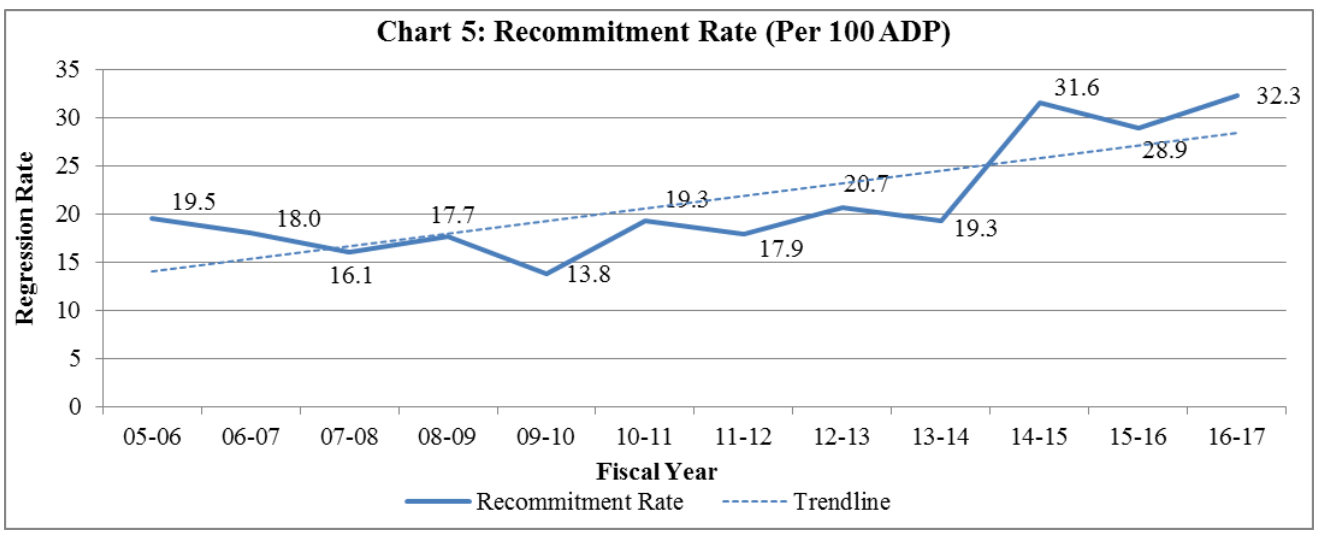
[1]Failure includes escape, new criminal charges, negative termination or any combination of the three.

Recommitment Rates

Committed youth who acquire new criminal charges while in the custody of the Department and are adjudicated on those charges are deemed "recommitments". This represents youth who are charged and adjudicated for:

- An escape from a contract program,
- An assault on another youth or staff,
- A criminal offense they receive while on pass, or
- A criminal offense they receive while on escape status.

Since FY 2011-12, the recommitment rate has been gradually increasing. The measurement in Chart 5 below shows the rate of recommitments for the total number of youth who discharged in a fiscal year. In other words, in FY 2016-17, 32.3% of all youth who discharged from the Department had been recommitted at least once.



Summary

The information presented links a profile of increasingly difficult to treat committed youth, to include more youth with: (1) Person offenses and violent behaviors, (2) Mental health and substance use treatment needs, (3) Histories of prior placement failure, (4) Run behaviors, and (5) Histories of association with negative peers, including gang membership, with those indicators that represent increasing failure within the commitment continuum, i.e. contract placement failure and recommitments. This coincides with an increasing need for secure commitment capacity as demonstrated by the secure placement need model. An insufficient amount of State-operated secure capacity results in youth centers operating at or near capacity for long stretches of the fiscal year, as shown in Chart 1. This dynamic impacts the entire system from waiting lists to decisions to place youth further from their families.

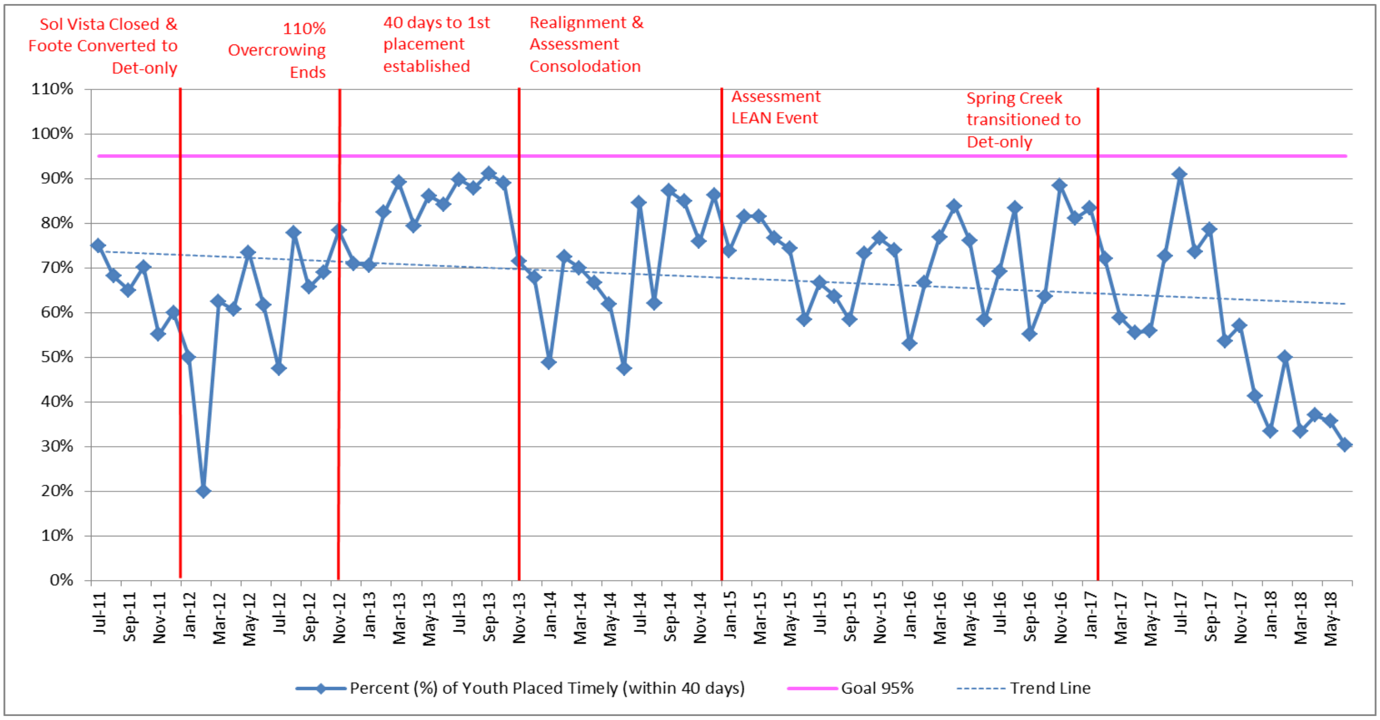
The Negative Impacts of Inadequate State-operated Secure Capacity
Insufficient State-operated secure treatment capacity has had a number of deleterious impacts upon youth, families, and the larger DYS system.

*Negative Impact 1: Family Engagement is compromised***.** The lack of secure treatment capacity often results in youth being placed outside of their home communities, limiting a family's ability to participate fully in the treatment process as well as introducing unnecessary challenges to a successful transition. Treatment processes that do not actively involve the family do not have the same impact as those where parents or guardians are engaged in the therapeutic process. In the end, such distances can impact youth success as often, when youth are placed outside of their home communities, they do not have the opportunity to have gradual community re-entries, or the ability to connect with schools or find employment.

Negative Impact 2: Potential for inaccurate classification. Client managers have a professional investment in seeing newly committed youth reach their first treatment placement in as timely a manner as possible. Some pressure exists to move youth as quickly as possible, although difficult to track, there is a potential for client managers to inappropriately aggravate or not mitigate a youth's classification, in order to send them to a non-secure facility, thereby avoiding State-operated secure placement wait lists. The Department is not currently able to track whether or not wait lists influence classification in this manner; however, there is data that does reflect a relatively high rate of first time placement failure, as noted in Tables 4 and 5.

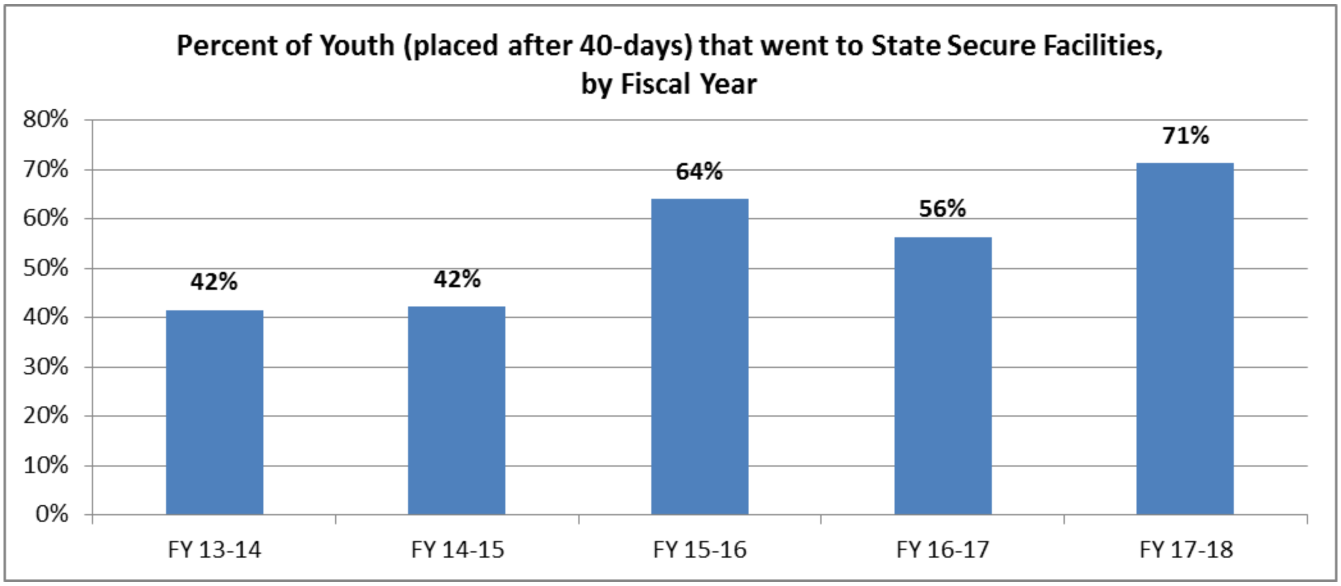
*Negative Impact 3: Youth wait longer to go to their first placement***.** Inadequate secure treatment capacity has resulted in long wait lists for youth who have been classified as needing this highest security level. Chart 6 demonstrates the Department's performance on the timeliness to first placement C-Stat measure.

Chart 6: C-Stat Timeliness from Commitment to First Placement



A factor that plays the largest role in this performance measure's decline is the unavailability of State-operated, secure treatment beds. In fact, trend data (Chart 7) show that FY 2017-18 represents a high as it relates to the percentage of youth not placed into their first treatment program timely (within 40 days of commitment), while awaiting placement into a State-operated, secure treatment bed. Seventy-one percent (71%) of youth not placed timely went to a State-operated secure bed. Historically, this average has ranged between 42% and 64%.

Chart 7: Youth Placed After 40 Days and State-operated, Secure Programs



Negative Impact 4: *Lack of flexibility in programming.* As has been discussed previously, effectively meeting the risks and needs presented by youth entering today's commitment system requires a great deal of flexibility on the part of DYS. This flexibility takes different forms, including an ability to structure programming to meet the needs of various profiles of youth, and the ability to serve youth of all genders. One advantage of this request is the ability to have the physical space and resources to offer non-traditional programming, e.g. the idea of 120 day programs.

Problem 2: Gap in the Effective Delivery of Behavioral Health Treatment Services in State-Operated Facilities

House Bill 17-1329 required the Department to contract with an independent third party to conduct an assessment of the Division of Youth Services' safety protocols, use of seclusion, physical management practices, treatment services, and other areas. The Development Services Group (DSG) was awarded the contract and conducted the assessment from December 2017-April 2018.

Recommendations from the report include specifics related to the Department's need to enhance and improve treatment services in DYS State-operated commitment facilities. The final report included findings that the DYS's current level of funding for commitment behavioral health services is inadequate to meet treatment needs (providing direct services to youth and the ability to provide adequate supervision to clinicians). The report specifically points to a lack of staff to provide services to all youth, a lack of staff with credentials in substance use treatment as well as sex offense specific treatment. In addition, the evaluators point out that two necessary components of a good treatment program are inadequate, these include quality initial and ongoing training, and a strong capacity for supervisory observation and feedback.

In summary, the Department's Division of Youth Services behavioral health resources are neither adequate in terms of numbers nor appropriately credentialed to provide the level of services youth require. To be effective in treatment, behavioral health staff need initial and ongoing training as well as supervisors who can observe them directly, provide timely feedback, and coaching.

Problem 3: The Negative Impacts of Centralized Assessment

In FY 2013-14, the Department consolidated all assessment activities into two youth centers, the Mount View Youth Services Center and the Grand Mesa Youth Services Center. This centralization meant that youth committed in the Northeastern and Southeastern parts of the State were transported to the Denver Metro Area for their assessment, initial staffing and then to await their first placement. Although designed to achieve efficiencies in the use of assessment staff, there have been unintended consequences. Impacts to service delivery include:

Negative Impact #1:Families are negatively affected. Families have a decreased ability to visit their child, and take part in the assessment staffing. Transportation for many of the families served by DYS is often troublesome despite the availability of funds for gas or other types of transportation. Beyond the initial 30 day assessment, and the multidisciplinary team (MDT) assessment staffing, youth also await their first placement in Denver, compounding families inability to visit.

Negative Impact #2:Inefficiencies in the use of Department resources. Prior to 2013, client managers were able to make frequent visits with newly committed youth as they were placed in nearby DYS receiving centers for assessment. Under the current centralized assessment configuration, staff must drive relatively long distances to meet with newly committed youth, inhibiting the development of effective relationships and trading time spent on direct client contact with drive time.

Negative Impact #3:Ancillary services are necessary to address distances. This arrangement has also necessitated the development of a DYS transportation unit. Every newly committed youth in the Northeast and Central Region is transported by local sheriffs to the region's designated receiving center. Once this occurs, DYS staff must transport the youth from either Greeley or Colorado Springs to Metro Denver. This necessitates having staff available to respond on short notice to transportation needs.

Negative Impact #4:Creates unnecessary instability for youth. Centralized assessment forces youth to undergo one more placement move, one more transition between facilities. It decreases the opportunity for youth to stabilize in a program, and be more fully prepared for their first treatment placement. It also disrupts relationships youth are building with clinicians and direct-care staff, and creates both inconsistency in routine as well as a level of uncertainty for the youth and family.

The Department attempted to address these issues through allowing a small amount of overcrowding in the few State-operated youth centers that serve committed youth. Although not optimal, 6% overcrowding has been viewed as a temporary solution to long wait lists for State-operated secure beds, and has assisted in limiting the number of youth placed in contract community programs who would be better served in secure settings.

In collaboration with contract residential providers, the Department has attempted to reduce the number of youth returning to secure youth centers from contract placements by developing action plans to improve youth outcomes, i.e. improve the rate of escapes from contract programs and decrease the number of youth failed in contract placements and were placed back into state secure placement. Efforts to reduce escapes and negative terminations have not proven successful. Contributing to this dynamic is growth in the proportion of the ADP with a runaway history. Since FY 2012-13 when assessment was centralized, and DYS downsized State-operated secure commitment beds, the percentage of ADP with a runaway history has increased from 73.6% to 81.4%.

Proposed Solution:

The Department requests a reduction of ($718,399) total funds, including ($718,399) General Fund and (12.0) FTE in FY 2019-20 and ($0) total funds, including ($0) General Fund and a reduction of (3.5) FTE in FY 2020-21 and on-going in order to in order to:

1. Repurpose 56 secure, State-operated detention beds for use as secure commitment capacity, including the retention of direct care staff.

2. Utilize savings from the closure of the commitment program at the Robert F. DeNier YSC in Durango Colorado.

3. Procure nine (9) staff secure detention beds at Robert E. DeNier or alternate location.

4. Increase State behavioral health care in DYS State-operated youth centers to provide treatment services to committed youth that is in alignment with evidence-based practices. The requested funding will be used to add 11.0 Behavioral Health Specialist FTE, 5.0 Behavioral Health Supervisors to increase the ratio of Behavioral Health Specialists to youth from current levels to 1:6, provide evidence-based treatment services, guide implementation teams, and increase the Department's ability to provide American Society of Addiction Medicine (ASAM) Level 3.5 treatment services to youth in all five commitment treatment programs.

5. Decentralize assessment by utilizing Spring Creek YSC and Platte Valley YSC in addition to Mount View YSC.

6. Spring Creek YSC becomes a commitment only facility, swapping populations with Zebulon Pike YSC which becomes a detained only facility. Additional detention population from Spring Creek is sent to Pueblo YSC. Mount View YSC will also become a commitment only facility, including assessment, and Mount View's detention population will be absorbed at Marvin Foote YSC. Create new treatment programming at the Spring Creek YSC and the Mount View YSC, necessitating State (6.0) FTE behavioral health care professionals. These FTE are included in the 11.0 Behavioral Health Specialists in item 2.

7. Balance the increased cost of realignment and increased behavioral health care staff by utilizing DYS excess vacancy savings for $209,136 ongoing. This brings the cost of the request to a net increase of $0 for FY 2020-21 and beyond.

Table 8 provides a summary of the specific elements of the Department's proposed solution:
Note: Chart currently shows more specificity in actions, but actions are largely intertwined.

Table 8: Proposed Solution Quick Reference

	PARTIAL YEAR			FULL YEAR		
	FY 2019-20			FY 2020-21		
Elements of the Department's Proposed Solution	**Requested FTE**	**Cost**	**Savings**	**Requested FTE**	**Cost**	**Savings**
1. Reduce the statutory detention cap from 382 to 305.	-42.50		$ (2,579,365)	-57.00	$ -	$ (3,468,568.00)
2. Close the Robert DeNier YSC in Durango.			$ (1,472,758)			$ (1,472,758.00)
3. Contract for nine-bed staff-secure detention at DeNier or alternate location		$ 846,800			$ 846,800.00	
4.Increase behavioral health staff for EBP and reduced caseloads as well as provide ASAM 3.5 services at all five DYS State-secure youth centers.	6.75	$ 775,361		11.00	$ 1,204,928.00	
5.Decentralize DYS front-range assessment to Spring Creek YSC and Platte Valley YSC.	10.88	$ 712,258		10.50	$ 705,951.00	$ -
6.Move toward single purpose function/ increase commitment capacity. Includes moving Mount View YSC detention population to Marvin Foote YSC, Re-purposing Spring Creek YSC and Zebulon Pike YSC, swapping populations and using Pueblo YSC to address the overflow. Spring Creek YSC will add treatment capacity to account for closure of treatment program in 2016.	12.83	$ 999,305		32.00	$ 2,392,783.00	
Total Costs	**$ (12.04)**	**$ 3,333,724**	**$ (4,052,123)**	**(3.50)**	**$ 5,150,462**	**$ (4,941,326)**
NET REDUCTION			**$ (718,399)**			**$ 209,136**
Application of DYS Excess Vacancy Savings						**$ (209,136)**
NET COST (FY 2020-21 and ongoing)						**$ -**

The Department acknowledges the recent increases in staffing for direct care which was funded by the General Assembly. This enables the DYS to meet PREA compliance and best practices under the current facility capacities. In order to accomplish these objectives, the Department is requesting a reduction in direct line staffing in YSS I and YSS II classifications commensurate with the total reduction of youth served in State Facilities. This is a reduction of 30.0 staff for those two categories as shown in table 9. With the reduced capacity and reduced direct care staff, the DYS will still be PREA compliant. This is offset by FTE needed to serve a higher caseload of committed youth who require educational and treatment programming. The request to increase FTE for Teachers, Behavioral Health Specialists (SW III) and other Health Professional classifications totals 26.5 FTE. The total requested change in FTE nets out to a reduction of (3.5) as demonstrated in Table 9. These figures are for a full year.

Table 9: FTE Request Quick Reference

FTE Full Year	Class
(22.0)	Youth Services Specialist I (CYSO I)
(8.0)	Youth Services Specialist II (CYSO II)
(30.0)	Sub total Direct Care
1.0	Clinical Supervisor (SW IV)
7.0	Teachers (State Teacher III)
13.5	Social Worker Counselor III (SW III)
4.0	Health Professional Trainers (HP IV)
1.0	Assistant BHMS Director (HP VI)
(3.5)	Total Net

<u>The elements of the proposed solution are explained in greater detail as follows:</u>

1. **Statutory Detention Cap** - Reduce the detention cap from 382 beds to 304 beds. The proposed decrease in detention beds follows from diminished use in individual judicial districts, calculated by using the "Average Daily Maximum" measure for each district, and applying a 5% cushion to account for population swings. The reduction of 78 detention beds is spread among the eight youth centers that provide secure detention services. These reductions do not provide an opportunity to close a youth center. Table 10 shows how the 78 bed reduction affects each youth center. In the 2013 cap reduction, the Department made the decision to close living units in youth centers. Over the intervening years, it has become clear that this strategy negatively impacts the youth centers by removing the ability to program youth in multiple environments. Since 2013, the Department has reopened living units at Platte Valley YSC, Mount View YSC and Spring Creek YSC in order to separate youth, take advantage of smaller living units, and to improve youth and staff safety.

Table 10: Proposed Detention Bed Cap by Facility

	Current	Proposed Detention Reductions	Proposed Detention Capacity
Adams YSC	30	-7	23
Gilliam YSC	64	-16	48
Grand Mesa YSC	30	-5	25
Marvin Foote YSC	61	-17	44
Mount View YSC	41	-11	30
Platte Valley YSC	64	-18	46
Pueblo YSC	28	-4	24
Spring Creek YSC	51	0	51
Sage (Contract)	4	0	4
Denier/Alternate Site	9	0	9
Totals	**382**	**-78**	**304**

2. **Utilize savings from the closure of the commitment program at the Robert DeNier Center in Durango**. The DeNier Center has been a State-owned, privately operated twenty-eight (28) bed program, split between nine (9) detention beds and nineteen (19) State-owned privately operated commitment beds. The DeNier Center has been significantly underutilized because the location does not support keeping youth close to their home region. In August 2018, the licensure granted to

Rite of Passage to operate the DeNier center was suspended, forcing the closure of the building and the removal of youth from that facility. The Department will be seeking to procure a vendor to operate nine (9) detention beds either at Denier or an alternate location.

3. **Increase in 11.0 FTE for State-operated youth center treatment Behavioral Health Staff (SW III), Centralized Oversight and Supporting Resources.** In order to adequately address the recommendations as outlined by DSG, it is critical that the Division of Youth Services has an adequate infrastructure to provide direct care, engage in the development and ongoing identification of best practices in treatment service delivery, attend to both supervision and coaching requirements, as well as apply effective implementation practices.

The Department is proposing the repurposing of 11.0 FTE to:

- Enhance the current behavioral health staff to youth ratio in commitment facilities from current levels (ranging from 1:6 to 1:13) to an average of 1:7.
- Operate an ASAM Level 3.5 substance use treatment program. The level of this program equates with current DYS residential contractors serving youth with lower security classifications.
- Support the provision of evidence-based treatment programming in such areas as criminogenic risk and need, behavioral health concerns, and family treatment.

Table 11 illustrates the increase of 11.0 Behavioral Health Staff by facility.

Table 11: Current and Proposed Behavioral Health Staff

Youth Center	Current Capacity	Current BH Staff	New Capacity	Proposed BH Staff	Requested BH Staff
Grand Mesa YSC	40	4.0	40	5.0	1.0
Lookout Mountain YSC	140	26.0	140	26.0	0
Mount View YSC	65	5.0	84	11.0	6.0
Platte Valley YSC	55	8.0	50	8.0	0
Spring Creek YSC	0	0	70	9.0	4.0
Zebulon Pike YSC	38	5.0	0	0	0
Total	**338**	48.0	**384**	59.0	11.0

In addition to the Behavioral Health Specialist FTE outlined above, the Department is proposing the following for the purposes of support, training, supervision and quality assurance:

A. Centralized Oversight, Support and Coaching, and Other Resources (1.0 FTE)

The organization of the centralized Behavioral Health & Medical Services Unit serves to oversee the implementation of an integrated care model within the Division of Youth Services. The integrated model includes assessment and behavioral health treatment services and physical health services. This model ensures compliance with National Commission on Correctional Health Care (NCCHC) standards of care. The unit oversight needs have expanded, precipitating the need for an Assistant Director of Behavioral Health Services at the Health Professional VI (1.0 FTE) level. This position will partner with current positions that hold oversight of the State-operated youth centers to enhance treatment programming. This team will provide training and coaching, as well as conduct assessments to ensure fidelity to all evidence-based curriculum and treatment regimen. This position will be crucial in the Department's ability to successfully respond to feedback in the DSG report. Specifically, this includes feedback regarding all of the DYS State-operated secure treatment youth centers need to improve in the provision of evidence-based treatment programming and to have measures and processes in place to ensure fidelity. This position will be directly responsible for the oversight of treatment programming at the five DYS treatment programs.

B. <u>Training and Coaching (4.0 FTE)</u>
Investment in training and coaching will require additional FTE available to train as trainers in key modalities to support Behavioral Health staff in DYS, to include quarterly coaching and observation of clinical sessions. The required number of FTE is 4.0.

C. <u>Clinical Resources/Curricula Materials/Ongoing Assessment Instrumentation</u> - A standard budget is needed to ensure the 10 state-operated facilities have access to programming materials and curriculum manuals to ensure quality delivery of manualized curricula and other clinical instrumentation. The annual cost is estimated to be $50,000. Other costs associated with increased services include Assessment tools, certifications and ongoing suicide risk assessments for an additional $125,000 for a total expense of $175,000.

4. **De-Centralize DYS Front-Range Assessment to Platte Valley YSC and Spring Creek YSC.** Remove the Southern Region and Northeast Region assessment functions from Mount View Youth Services Center and relocate to the two youth centers that serve as "Receiving Centers" which are Platte Valley Youth Services Center and Spring Creek Youth Services Center. This shift allows the Department to increase family engagement, decrease the stress on youth and families, decrease the number of placement transitions, decrease the inefficiencies in client manager time and discontinue the use of a front-range transportation unit for assessment. The following table demonstrates the current resources and those needed to accomplish decentralization.

Table 12: Behavioral Health Assessment Staff (Behavioral Health)

Facility	De-centralized Assessment Capacity	Current Assessment Behavioral Health FTE	Proposed Assessment Behavioral Health FTE	Requested Assessment Behavioral Health FTE
Grand Mesa YSC	8	0	2.0	2.0
Mount View YSC	20	6.5	5.0	(1.5)
Platte Valley YSC	15	0	1.0	1.0
Spring Creek YSC	12	0	1.0	1.0
Total	55	6.5	9.0	2.5

5. **Move toward single purpose facilities and increase commitment capacity.**

A. Repurpose Spring Creek YSC and Zebulon Pike YSC

1. Spring Creek YSC and Zebulon Pike YSC trade function and populations.
    - Spring Creek YSC becomes a commitment-only program, increasing its census from 51 detained to a total of 70 committed by taking Zeb Pike census of 38, adding assessment of 12 plus new capacity of 20. Some of the 20 will likely be from the closure of the DeNier YSC.
    - Zebulon Pike YSC becomes a detention only program increasing its census from 38 committed youth to 40 detained youth by taking 40 of the detention beds previously assigned to Spring Creek YSC.
    - Pueblo YSC increases its detention capacity by taking the remaining 11 detention beds previously assigned to Spring Creek YSC. This necessitates opening the Pueblo YSC's one closed unit.

2. Add Treatment Capacity to Spring Creek to Replace Lost Capacity from FY 2016-17
    - Add twelve (12) assessment beds from Mount View YSC, and twenty eight (28) new beds.

B. Relocate the Mount View YSC Detention Population to Marvin Foote.

1. Add nineteen (19) commitment treatment beds to Mount View YSC to make up an eighty-four (84) commitment assessment and treatment program.
    - The Mount View YSC becomes a single-purpose youth center, and the Marvin Foote YSC retains its detention focus. Table 13 shows these changes and Table 14 shows the resulting final commitment configuration.

6. Balance the increased cost of realignment and increased behavioral health care staff by utilizing DYS excess vacancy savings for $209,136 ongoing. This brings the cost of the request to a net increase of $0 for FY 2020-21 and beyond.

Table 13: Redistribution of Beds – Detention and Commitment

Facility	Number of Beds Moving	Bed Type	To
Mount View YSC	30	Detention	Marvin Foote YSC
Robert E. Denier YSC	9	Detention	Robert Denier or alternate location
Spring Creek YSC	38	Detention	Zebulon Pike YSC
Spring Creek YSC	12	Detention	Pueblo YSC
Zebulon Pike YSC	38	Commitment	Spring Creek
Mount View YSC	12	Assessment	Spring Creek
Mount View YSC	15	Assessment	Platte Valley YSC

Table 14: Final Bed Configuration

	Current State-Operated Secure Commitment Beds	Revised State-operated Secure Commitment Beds	State-operated Secure Commitment Capacity Change	Current Detention Beds	Revised Detention Beds	Detention Capacity Change
State-operated Secure:						
Adams YSC	0	0	0	30	23	-7
Gilliam YSC	0	0	0	64	48	-16
Marvin Foote YSC	0	0	0	61	74	13
Grand Mesa YSC	40	40	0	30	25	-5
Lookout Mountain YSC	140	140	0	0	0	0
Mount View YSC	65	84	+19	41	0	-41
Platte Valley YSC	55	50	-5	64	46	-18
Spring Creek YSC	0	70	+70	51	0	-51
Pueblo YSC	0	0	0	28	35	7
Zebulon Pike YSC	38	0	-38	0	40	40
Total State Operated	338	384	46	369	291	-78
Contract Secure:						
Betty Marler YSC	40	40	0	0	0	0
Robert Denier YSC/Alternate	19	0	-19	9	9	0
Sage (Contract)	0	0	0	4	4	0
Contract Totals	59	40	-19	13	13	0
State and Contract Total	397	424	+27	382	304	-78
Revised Secure Commitment Capacity Includes:						
8 beds for Western Region Assessment at Grand Mesa						
20 beds for Central Region Assessment at Mount View						
15 beds for Northeast Region Assessment at Platte Valley						
12 beds for Southern Region Assessment at Spring Creek						

Table 15 shows the final combined impact of the changes to assessment, the shift in the configuration of the Mount View YSC, Marvin Foote YSC, Spring Creek YSC, Zebulon Pike YSC and Pueblo YSC. The table also includes the decrease in contract secure capacity with the closure of the Robert DeNier YSC. The total number of requested increased State-operated secure commitment beds is twenty-seven (27).

Combining the decrease in the statutory detention cap, the closure of commitment programming at Robert E. Denier, and the increased State-operated secure treatment capacity for commitment youth results in an overall reduction of fifty-one (51) State-operated secure detention and State-operated secure commitment beds as shown in Table 15.

Table 15: Summary Bed Reductions/Additions

Action	Reduction	Increase	Net
Detention Cap Reduction	-78	0	-78
Robert DeNier YSC (Commitment)	-19	0	-19
Platte Valley YSC Commitment Decrease	- 5	0	-5
Zeb Pike YSC Commitment Decrease	-38	0	-38
Mount View YSC Commitment Increase	0	19	19
Spring Creek Commitment Increase	0	70	70
Totals	-140	89	-51

The Department is proposing a phased approach to these substantial changes to the Division of Youth Services State-operated youth center configuration which is detailed under assumptions and calculations.

Anticipated Outcomes:

If the proposed plan is approved, the Department anticipates:

- Reductions in the time youth await placement.
- Enhanced family engagement through conducting the assessment process in closer proximity to a youth's home community and family.
- Enhanced family engagement through the ability to use a living unit at Mount View for Two Generation approaches, including providing families with resources and developing more homelike visiting spaces.
- Improved State-operated program completions as measured by Trails data.
- Improved outcomes in contract residential placements, as measured by Trails data.
- Improved safety outcomes – fights/assaults, injuries, and physical managements through a more effective use of State-operated youth center spaces as measured by C-Stat performance.

Assumptions and Calculations:

Position Descriptions and primary responsibilities

1) Behavioral Health- Treatment Services

- Assistant Behavioral Health Medical Services Director (HP VI) - This position will partner with current positions that hold oversight of the State-operated youth centers to enhance treatment programming. This team will provide training and coaching and conduct assessments to ensure fidelity to all evidence-based curriculum and treatment regimen. Ensure DYS State-operated secure treatment youth centers improve in the provision of evidence-based treatment programming and to have measures and processes in place to ensure fidelity. This position will be directly responsible for the oversight of treatment programming at the five DYS treatment programs in committed facilities.

- Clinical Supervisor (Social Worker IV) - This position will be licensed and provide clinical supervision of behavioral health staff. In addition, this position will provide individual, group and family services.
- Social Worker III (SW III) - This position will be licensed, hold a caseload, and provide individual, group and family services.
- Health Professional IV (HP IV) - Investment in training and coaching will require additional FTE available to train as trainers in key modalities to support Behavioral Health staff in DYS, to include quarterly coaching and observation of clinical sessions.

2) Behavioral Health- Assessment Services

- Social Worker III (SW III) - This position will be licensed and will provide behavioral health assessments for youth while in assessment prior to placement.

3) Education

- Teacher (State Teacher III) - This position will provide highly qualified educational services to committed youth.

Table Calculations 1: Long Bill Line Items:

Table Calculations 1: Long Bill Appropriation and Requested Funding for FY 2019-20 Through FY 2021-22									
11) B) Institutional Programs: Facilities Personal Services	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**	**Medicaid Total Funds**	**Medicaid General Fund**	**Medicaid Federal Funds**	**FTE**
FY 2018-19 Appropriation (HB 18-1322)	$56,491,930	$56,491,930	$0	$0	$0	$0	$0	$0	995.5
Requested Funding (or Spending Authority)	($879,293)	$ (879,293)	$0	$0	$0	$0	$0	$0	-24.5
FY 2019-20 Total Requested Appropriation	**$55,612,637**	**$55,612,637**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**971.0**
FY 2020-21 Annualization of Prior Year Funding	($476,774)	$ (476,774)	$0	$0	$0	$0	$0	$0	-5.5
FY 2020-21 Total Requested Appropriation	**$55,135,863**	**$55,135,863**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**965.5**
FY 2021-2022 Total Requested Appropriation	**$55,135,863**	**$55,135,863**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**965.5**
11) B) Institutional Programs Operating Expense	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**	**Medicaid Total Funds**	**Medicaid General Fund**	**Medicaid Federal Funds**	**FTE**
FY 2018-19 Appropriation (HB 18-1322)	$4,190,501	$2,780,085	$70,000	$1,340,200	$216	$0	$0	$0	0.0
Requested Funding (or Spending Authority)	($38,275)	$ (38,275)	$0	$0	$0	$0	$0	$0	0.0
FY 2019-20 Total Requested Appropriation	**$4,152,226**	**$2,741,810**	**$70,000**	**$1,340,200**	**$216**	**$0**	**$0**	**$0**	**0.0**
FY 2020-21 Annualization of Prior Year Funding	($5,225)	$ (5,225)	$0	$0	$0	$0	$0	$0	0.0
FY 2020-21 Total Requested Appropriation	**$4,147,001**	**$2,736,585**	**$70,000**	**$1,340,200**	**$216**	**$0**	**$0**	**$0**	**0.0**
FY 2021-2022 Total Requested Appropriation	**$4,147,001**	**$2,736,585**	**$70,000**	**$1,340,200**	**$216**	**$0**	**$0**	**$0**	**0.0**

11)B) Institutional Programs Medical Services	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**	**Medicaid Total Funds**	**Medicaid General Fund**	**Medicaid Federal Funds**	**FTE**
FY 2018-19 Appropriation (HB 18-1322)	$10,722,370	$10,722,370	$0	$0	$0	$0	$0	$0	74.0
Requested Funding (or Spending Authority)	$966,226	$ 966,226	$0	$0	$0	$0	$0	$0	10.2
FY 2019-20 Total Requested Appropriation	**$11,688,596**	**$11,688,596**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**84.2**
FY 2020-21 Annualization of Prior Year Funding	$693,763	$ 693,763	$0	$0	$0	$0	$0	$0	9.3
FY 2020-21 Total Requested Appropriation	**$12,382,359**	**$12,382,359**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**93.5**
FY 2021-2022 Total Requested Appropriation	**$12,382,359**	**$12,382,359**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**93.5**
11) B) Institutional Programs Educational Programs	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**	**Medicaid Total Funds**	**Medicaid General Fund**	**Medicaid Federal Funds**	**FTE**
FY 2018-19 Appropriation (HB 18-1322)	$7,020,519	$6,670,514	$0	$350,005	$0	$0	$0	$0	40.1
Requested Funding (or Spending Authority)	$236,633	$ 236,633	$0	$0	$0	$0	$0	$0	2.3
FY 2019-20 Total Requested Appropriation	**$7,257,152**	**$6,907,147**	**$0**	**$350,005**	**$0**	**$0**	**$0**	**$0**	**42.4**
FY 2020-21 Annualization of Prior Year Funding	$369,984	$ 369,984	$0	$0	$0	$0	$0	$0	4.7
FY 2020-21 Total Requested Appropriation	**$7,627,136**	**$7,277,131**	**$0**	**$350,005**	**$0**	**$0**	**$0**	**$0**	**47.1**
FY 2021-2022 Total Requested Appropriation	**$7,627,136**	**$7,277,131**	**$0**	**$350,005**	**$0**	**$0**	**$0**	**$0**	**47.1**

11) C) Community Programs Purchase of Contract Placements	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	Medicaid Total Funds	Medicaid General Fund	Medicaid Federal Funds	FTE
FY 2018-19 Appropriation (HB 18-1322)	$23,100,246	$21,340,600	$0	$959,339	$800,307	$0	$0	$0	0.0
Requested Funding (or Spending Authority)	($902,008)	$ (902,008)	$0	$0	$0	$0	$0	$0	0.0
FY 2019-20 Total Requested Appropriation	**$22,198,238**	**$20,438,592**	**$0**	**$959,339**	**$800,307**	**$0**	**$0**	**$0**	**0.0**
FY 2020-21 Annualization of Prior Year Funding	$0	$ -	$0	$0	$0	$0	$0	$0	0.0
FY 2020-21 Total Requested Appropriation	**$22,198,238**	**$20,438,592**	**$0**	**$959,339**	**$800,307**	**$0**	**$0**	**$0**	**0.0**
FY 2021-2022 Total Requested Appropriation	**$22,198,238**	**$20,438,592**	**$0**	**$959,339**	**$800,307**	**$0**	**$0**	**$0**	**0.0**

1) A) General Administration Health, Life, Dental	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	Medicaid Total Funds	Medicaid General Fund	Medicaid Federal Funds	FTE
FY 2018-19 Appropriation (HB 18-1322)	$46,704,272	$33,413,551	$144,915	$10,364,095	$2,781,711	$0	$0	$0	0.0
Requested Funding (or Spending Authority)	($87,198)	($87,198)	$0	$0	$0	$0	$0	$0	0.0
FY 2019-20 Total Requested Appropriation	**$46,617,074**	**$33,326,353**	**$144,915**	**$10,364,095**	**$2,781,711**	**$0**	**$0**	**$0**	**0.0**
FY 2020-21 Annualization of Prior Year Funding	$63,417	$63,417	$0	$0	$0	$0	$0	$0	0.0
FY 2020-21 Total Requested Appropriation	$46,680,491	$33,389,770	**$144,915**	**$10,364,095**	**$2,781,711**	**$0**	**$0**	**$0**	**0.0**
FY 2021-2022 Total Requested Appropriation	$46,680,491	$33,389,770	**$144,915**	**$10,364,095**	**$2,781,711**	**$0**	**$0**	**$0**	**0.0**

Table Calculations 1: Long Bill Line Items continued

1) A) General Administration Short Term Disability	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	Medicaid Total Funds	Medicaid General Fund	Medicaid Federal Funds	FTE
FY 2018-19 Appropriation (HB 18-1322)	$473,000	$330,992	$8,592	$93,867	$39,549	$0	$0	$0	0.0
Requested Funding (or Spending Authority)	($360)	($360)	$0	$0	$0	$0	$0	$0	0.0
FY 2019-20 Total Requested Appropriation	**$472,640**	**$330,632**	**$8,592**	**$93,867**	**$39,549**	**$0**	**$0**	**$0**	**0.0**
FY 2020-21 Annualization of Prior Year Funding	$1,454	$1,454	$0	$0	$0	$0	$0	$0	0.0
FY 2020-21 Total Requested Appropriation	**$474,094**	**$332,086**	**$8,592**	**$93,867**	**$39,549**	**$0**	**$0**	**$0**	**0.0**
FY 2021-2022 Total Requested Appropriation	**$474,094**	**$332,086**	**$8,592**	**$93,867**	**$39,549**	**$0**	**$0**	**$0**	**0.0**

1) A) General Administration Amortization Equalization Disbursement	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	Medicaid Total Funds	Medicaid General Fund	Medicaid Federal Funds	FTE
FY 2018-19 Appropriation (HB 18-1322)	$14,272,038	$9,956,150	$255,862	$2,888,743	$1,171,283	$0	$0	$0	0.0
Requested Funding (or Spending Authority)	($7,185)	($7,185)	$0	$0	$0	$0	$0	$0	0.0
FY 2019-20 Total Requested Appropriation	**$14,264,853**	**$9,948,965**	**$255,862**	**$2,888,743**	**$1,171,283**	**$0**	**$0**	**$0**	**0.0**
FY 2020-21 Annualization of Prior Year Funding	$36,013	$36,013	$0	$0	$0	$0	$0	$0	0.0
FY 2020-21 Total Requested Appropriation	**$14,300,866**	**$9,984,978**	**$255,862**	**$2,888,743**	**$1,171,283**	**$0**	**$0**	**$0**	**0.0**
FY 2021-2022 Total Requested Appropriation	**$14,300,866**	**$9,984,978**	**$255,862**	**$2,888,743**	**$1,171,283**	**$0**	**$0**	**$0**	**0.0**

1) A) General Administration Supplemental Amortization Equalization Disbursement	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	Medicaid Total Funds	Medicaid General Fund	Medicaid Federal Funds	FTE
FY 2018-19 Appropriation (HB 18-1322)	$14,272,038	$9,956,807	$255,823	$2,888,303	$1,171,105	$0	$0	$0	0.0
Requested Funding (or Spending Authority)	($6,939)	($6,939)	$0	$0	$0	$0	$0	$0	0.0
FY 2019-20 Total Requested Appropriation	**$14,265,099**	**$9,949,868**	**$255,823**	**$2,888,303**	**$1,171,105**	**$0**	**$0**	**$0**	**0.0**
FY 2020-21 Annualization of Prior Year Funding	$35,767	$35,767	$0	$0	$0	$0	$0	$0	0.0
FY 2020-21 Total Requested Appropriation	**$14,300,866**	**$9,985,635**	**$255,823**	**$2,888,303**	**$1,171,105**	**$0**	**$0**	**$0**	**0.0**
FY 2021-2022 Total Requested Appropriation	**$14,300,866**	**$9,985,635**	**$255,823**	**$2,888,303**	**$1,171,105**	**$0**	**$0**	**$0**	**0.0**

FTE CALCULATIONS - Salaries for the following classifications have not been submitted at minimum, but at a salary that is 22% above minimum which reflects current hiring market.

Social Worker/ Counselor III ($1,000 above minimum)

Health Professional VI ($1,500 above minimum)

Health Professional IV ($1,000 above minimum)

Calculations for FTE for FY 19-20 can be found in Table: Calculations 3

Table Calculations 2- Expenditure Detail by Classification

Expenditure Detail			FY 2019-20		FY 2020-21	
Personal Services:						
Position 1	Class Code	Monthly Salary	FTE		FTE	
CORR/YTH/CLIN SEC OFF I	A1D2	$ 3,448	(19.4)	(802,694)	(22.0)	(910,272)
PERA				(81,473)		(92,393)
AED				(35,319)		(45,514)
SAED				(34,115)		(45,514)
Medicare				(11,639)		(13,199)
STD				(1,766)		(1,730)
Health-Life-Dental				(158,544)		(174,398)
Subtotal Position 1			**(19.4)**	**$ (1,125,550)**	**(22.0)**	**$ (1,283,020)**
Position 2	Class Code	Monthly Salary	FTE		FTE	
CORR/YTH/CLIN SEC OFF II	A1D3	$ 3,800	(5.1)	(232,560)	(8.0)	(364,800)
PERA				(23,605)		(37,027)
AED				(10,233)		(18,240)
SAED				(9,884)		(18,240)
Medicare				(3,372)		(5,290)
STD				(512)		(693)
Health-Life-Dental				(47,563)		(63,418)
Subtotal Position 2			**(5.1)**	**$ (327,729)**	**(8.0)**	**$ (507,708)**
Position 3	Class Code	Monthly Salary	FTE		FTE	
SOCIAL WORK/COUNSELOR III	C4L3	$ 5,378	6.30	406,338	13.5	871,236
PERA				41,243		88,430
AED				17,879		43,562
SAED				17,269		43,562
Medicare				5,892		12,633
STD				894		1,655
Health-Life-Dental				55,490		110,981
Subtotal Position 3			**6.3**	**$ 545,005**	**13.5**	**$ 1,172,059**

Table Calculations 2- Expenditure Detail by Classification continued

Expenditure Detail			FY 2019-20			FY 2020-21		
Personal Services:								
Position 4	Class Code	Monthly Salary	FTE			FTE		
state teacher III	H7A3	$ 6,400	2.3		179,190	7.0		537,600
PERA					18,188			54,566
AED					7,884			26,880
SAED					7,616			26,880
Medicare					2,598			7,795
STD					394			1,021
Health-Life-Dental					23,782			55,490
Subtotal Position 4			**2.3**	**$**	**239,651**	**7.0**	**$**	**710,232**
Position 5	Class Code	Monthly Salary	FTE			FTE		
health professional VI	C7C6	$ 8,370	0.8		75,330	1.0		100,440
PERA					7,646			10,195
AED					3,315			5,022
SAED					3,202			5,022
Medicare					1,092			1,456
STD					166			191
Health-Life-Dental					7,927			7,927
Subtotal Position 5			**0.8**	**$**	**98,678**	**1.0**	**$**	**130,253**
Position 6	Class Code	Monthly Salary	FTE			FTE		
health professional IV	C7C4	$ 5,706	2.3		159,759	4.0		273,888
PERA					16,216			27,800
AED					7,029			13,694
SAED					6,790			13,694
Medicare					2,317			3,971
STD					351			520
Health-Life-Dental					23,782			31,709
Subtotal Position 6			**2.3**	**$**	**216,243**	**4.0**	**$**	**365,276**

Table Calculations 2- Expenditure Detail by Classification continued

Expenditure Detail			FY 2019-20		FY 2020-21	
Personal Services:						
Position 7	Class Code	Monthly Salary	FTE		FTE	
SOCIAL WORK/COUNSELOR IV	C4L4	$ 5,706	0.8	51,354	1.0	68,472
PERA				5,212		6,950
AED				2,260		3,424
SAED				2,183		3,424
Medicare				745		993
STD				113		130
Health-Life-Dental				7,927		7,927
Subtotal Position 7			**0.8**	**$ 69,794**	**1.0**	**$ 91,320**
Subtotal Personal Services			**(12.0)**	**$ (283,907)**	**(3.5)**	**$ 678,412**
Operating Expenses			26.5			
Regular FTE Operating Expenses		$500	(12.0)	(6,019)	(3.5)	(1,750)
Telephone Expenses		$450	(12.0)	(5,417)	(3.5)	(1,575)
PC, One-Time		$1,230	26.5	32,595	-	-
Office Furniture, One-Time		$3,473	26.5	92,035	-	-
Radio & Accessories		$2,500	(6.0)	(15,000)	(6.0)	(15,000)
Training Expense	218		26.5	$ 5,777		
* PC's and Radios are purchased at the rate of 1 for every 5 direct staff hires (Non supervisory)						
* Radio replacement are same rate in all following years (Ongoing expense)						
Subtotal Operating Expenses				**$ 103,971**		**$ (18,325)**
TOTAL REQUEST			(12.0)	$ (179,936)	(3.5)	$ 660,088

FTE Calculations/ Timing

Table Calculations 3 indicates the change in FTE from July - February in order to reconcile to the FTE calculations above.

Table Calculations 3: FTE Calculations by month of hire

FTE Equivalent Calculations											
Direct Care FTE (YSS I and II)		July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	FY 2019-20	FY 2020-21
Detention (YSS I and II)		-11.20	-11.20	-11.20	-11.20	-11.20	-1.00	0.00	0.00		-57.00
Decentralized Assessment (YSS I and II)		4.40	4.40	4.40	4.40	-0.27	-4.67	-4.67	0.00		8.00
Single Purpose Facility/ Inc Tx Cap (YSS I and II)		0.00	0.00	0.00	0.00	3.00	6.00	6.00	4.00		19.00
Sub Total YSS I and II		-6.80	-6.80	-6.80	-6.80	-8.47	0.33	1.33	4.00		
Monthly Factor for Hire Date		0.92	0.83	0.75	0.67	0.58	0.50	0.42	0.33		
FTE Equivalent		**-6.23**	**-5.67**	**-5.10**	**-4.53**	**-4.94**	**0.17**	**0.56**	**1.33**	**-24.42**	
Adjustment to match FTE template (rounding)										-0.08	
FTE Direct Care FTE (YSS I and II)										**-24.50**	**-30.00**
SW III summary:											
Decentralized Assessment (SW III)						2.00	0.00	0.50	0.00		2.50
Single Purpose (SW III)									6.00		6.00
Treatment Ratios (SW III)		0.00	0.00	0.00	0.00	5.00	0.00	0.00	0.00		5.00
Net SW III Positions		0.00	0.00	0.00	0.00	7.00	0.00	0.50	6.00		
Monthly Factor for Hire Date		0.92	0.83	0.75	0.67	0.58	0.50	0.42	0.33		
FTE Equivalent SW III		**0.00**	**0.00**	**0.00**	**0.00**	**4.08**	**0.00**	**0.21**	**2.00**	**6.29**	**13.50**
Other Staff		July	Aug	Sept	Oct	Nov	Dec	Jan	Feb		
State Teacher III									7.00		7.00
HP VI	1			1.00							1.00
SW IV	1			1.00							1.00
HP IV	4					4.00					4.00
Positions	6	0.00	0.00	2.00	0.00	4.00	0.00	0.00	7.00		
Monthly Factor for Hire Date		0.92	0.83	0.75	0.67	0.58	0.50	0.42	0.33		
FTE Equivalent		0.00	0.00	1.50	0.00	2.33	0.00	0.00	2.33	**6.17**	**13.00**
Total FTE Equivalent		-6.23	-5.67	-3.60	-4.53	1.48	0.17	0.76	5.67	-12.04	-3.50

Table Calculations 4 illustrates calculations for the savings for the closure of the Robert F. DeNier center. It is anticipated that the center would close completely at the end of January- but the alternative staff secure detention center would begin operations on January 1. Transportation costs are estimated for youth being transported to either Grand Mesa or the alternative Staff Secure Detention SSD facility. Maintenance costs associated with a closed building are to safeguard the investment while an alternative purpose can be found.

Table Calculations 4: Costs for Closure of DeNier Center and new Staff Secure Detention

Full Year Savings		
Close Robert DeNier	$	(1,748,808)
Less Transportation Costs	$	200,000
Less maintenance costs at $5.00 square foot (15,2	$	76,050
	$	(1,472,758)
Less Staff Secure Detention	$	846,800
	$	(625,958)

Table Calculations 5 illustrates the various positions by action.

Table Calculations 5: Staffing by action by year

	Full Year FTE by Action and Cateogry (FY 2020-21)					Partial Year (FY 2019-20) Year FTE by Action and Cateogry				
	Detention	Assessment	TX Ratio	Single Purpose	Total	Detention	Assessment	TX Ratio	Single Purpose	Total
YSS I	-45.0	7.0		16.0	-22.0	-34.00	7.60		7.00	-19.4
YSS II	-12.0	1.0		3.0	-8.0	-8.50	1.90		1.50	-5.1
SW IV			1.0		1.0			0.75		0.8
SW III		2.5	5.0	6.0	13.5		1.38	2.92	2.00	6.3
HP VI			1.0		1.0			2.33		2.3
HP IV			4.0		4.0			0.75		0.8
State Teacher III				7.0	7.0				2.33	2.3
TOTAL	-57.0	10.5	11.0	32.0	-3.5	-42.50	10.88	6.75	12.83	-12.0

Below is the suggested timeline for implementation

FY 2019-20 Budget Impact/ Timeline:

July 2019

- Statutory reduction in the detention bed cap.
- Begin elimination of YSS I, II positions in Gilliam YSC, and Grand Mesa YSC.

September 2019

- Begin increasing treatment ratios for Grand Mesa YSC, Platte Valley YSC, Zebulon Pike YSC, and Mount View.
- Hire Assistant Director of Behavioral Health Services.
- Hire a Social Worker IV to support at Mount View YSC and Spring Creek YSC by providing increased clinical supervision, coaching, behavior management and treatment model oversight.

November 2019

- Continue hiring for treatment ratios and ASAM Level 3.5 in all five youth centers.
- Hire 5.0 FTE for ratio of treatment staff Grand Mesa YSC and Mount View YSC.
- Decentralize assessment for Northeast Region.
- Hire 3.0 BHMS assessment staff for Platte Valley YSC and Grand Mesa YSC.

January 2020

- Make population shift between Spring Creek YSC, Zebulon Pike YSC and Pueblo YSC.
- Open contract staff-secure detention in Grand Junction.
- Begin hires for decentralized assessment (in March 2020).
- Hire 1.0 BHMS assessment staff for Spring Creek YSC.
- Begin hiring behavioral health care staff for new programming at Spring Creek YSC and Mount View YSC (for opening in March).

February 2020

- Hire 6.0 SW III for new treatment beds at Mount View YSC and Spring Creek YSC.
- Hire 7.0 teachers for Spring Creek YSC and Mount View YSC.

March, 2020

- Shift the detention population at the Mount View YSC to the Marvin Foote YSC.
- Increase the treatment programming at Mount View YSC from sixty-five (65) to seventy-six (84).
- Increase the treatment programming at the Spring Creek Youth Services Center from fifty (50) to seventy-eight (70).
- Transfer teachers from Zeb Pike, hire additional teachers for Spring Creek

Schedule 13

Department of Human Services

Funding Request for The FY 2019-20 Budget Cycle

Request Title

R-04 Reducing Child Neglect via Employment

Dept. Approval By: Melissa Wavelet

OSPB Approval By:

___	Supplemental FY 2018-19
___	Budget Amendment FY 2019-20
X	Change Request FY 2019-20

Summary Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
Total of All Line Items Impacted by Change Request	Total	$75,705,715	$0	$74,550,197	$1,709,355	$3,244,218
	FTE	0.0	0.0	0.0	2.0	2.0
	GF	$53,657,500	$0	$48,529,910	$0	$0
	CF	$665,192	$0	$4,587,266	$0	$0
	RF	$16,219,375	$0	$12,026,605	$0	$0
	FF	$5,163,648	$0	$9,406,416	$1,709,355	$3,244,218

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
01. Executive Director's Office, (A) General Administration, (1) General Administration - Health, Life, And Dental	Total	$46,696,345	$0	$45,681,295	$15,854	$15,854
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$33,413,551	$0	$29,357,601	$0	$0
	CF	$144,915	$0	$2,930,144	$0	$0
	RF	$10,356,168	$0	$7,685,079	$0	$0
	FF	$2,781,711	$0	$5,708,471	$15,854	$15,854
01. Executive Director's Office, (A) General Administration, (1) General Administration - Short-Term Disability	Total	$472,856	$0	$469,396	$215	$215
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$330,992	$0	$312,663	$0	$0
	CF	$8,592	$0	$27,320	$0	$0
	RF	$93,723	$0	$69,252	$0	$0
	FF	$39,549	$0	$60,161	$215	$215

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
01. Executive Director's Office, (A) General Administration, (1) General Administration - Amortization Equalization Disbursement	Total	$14,268,257	$0	$14,199,753	$5,651	$5,651
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$9,956,150	$0	$9,429,823	$0	$0
	CF	$255,862	$0	$814,901	$0	$0
	RF	$2,884,962	$0	$2,136,137	$0	$0
	FF	$1,171,283	$0	$1,818,892	$5,651	$5,651
01. Executive Director's Office, (A) General Administration, (1) General Administration - S.B. 06-235 Supplemental Equalization Disbursement	Total	$14,268,257	$0	$14,199,753	$5,651	$5,651
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$9,956,807	$0	$9,429,823	$0	$0
	CF	$255,823	$0	$814,901	$0	$0
	RF	$2,884,522	$0	$2,136,137	$0	$0
	FF	$1,171,105	$0	$1,818,892	$5,651	$5,651
07. Office of Self Sufficiency, (B) Colorado Works Program, (1) Colorado Works Program - Child Welfare Employment	Total	$0	$0	$0	$1,681,984	$3,216,847
	FTE	0.0	0.0	0.0	2.0	2.0
	GF	$0	$0	$0	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$1,681,984	$3,216,847

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Human Services Prioritized Request	Interagency Approval or Related Schedule 13s:	No Other Agency Impact

Cost and FTE

- The Department requests $1,709,355 total funds/federal Temporary Assistance for Needy Families (TANF) funds and 2.0 FTE in FY 2019-20 and $3,244,218 total funds/ federal TANF funds and 2.0 FTE in FY 2020-21 through FY 2021-22 to connect child welfare cases, with poverty as a confounding issue, to employment strategies.
- This is a new request to the FY 2018-19 appropriation.

Current Program

- In 2017, Colorado completed 19,139 assessments for allegations of neglect (defined as an injurious environment) and 5,356 of those allegations were substantiated.
- For the most part, case plans are geared toward establishing physical safety for children in the home.

Problem or Opportunity

- More than 80% of Colorado's child welfare caseload has been cited for issues of neglect (versus abuse). Approximately 70% of the caseload consists of in-home cases.
- While poverty, in itself, does not cause child abuse or neglect, poverty is often a confounding issue and is an underlying factor in many open child welfare cases.
- Families who struggle with poverty and have an open child welfare case are 40% less likely to have a positive outcome than those without poverty as a confounding factor.
- According to the Child Fatality Review Team (CFRT) annual report, families involved in abuse and neglect incidents resulting in a fatality, near fatality, or egregious incident had a reported average income of $14,742, which is below the poverty line even for a family of two.
- Quality employment is a key factor in abating poverty. However, counties have few resources available to provide employment services to child welfare cases.

Consequences of Problem

- When poverty is not resolved, families' cases are open for longer periods of time, leaving children in risky situations with potentially significant negative long-term effects.
- Children living in poverty may experience repeat maltreatment and/or be removed from their home.

Proposed Solution

- The Department requests $1,709,355 total funds/federal TANF funds, and 2.0 FTE in FY 2019-20 and $3,244,218 total funds/federal TANF funds, and 2.0 FTE in FY 2020-21 through FY 2021-22 to create a child welfare employment program.
- The Department will procure vendors to provide targeted employment services for TANF eligible families with open child welfare cases and with poverty as an identified issue.
- This solution will meet the Department's Strategic Policy Initiative to "Improve the lives of Colorado families in need by helping them to achieve economic security" and to "Enable individuals to thrive in their homes and community."

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Department Priority: ***R-04***
Request Detail: ***Reducing Child Neglect via Employment***

Summary of Incremental Funding Change for FY 2019-20	**Total Funds**	**FTE**	**Federal Funds**
Reducing Child Neglect via Employment	$1,709,355	2.0	$1,709,355
Summary of Incremental Funding Change for FY 2020-21	**Total Funds**	**FTE**	**Federal Funds**
Reducing Child Neglect via Employment	$3,244,218	2.0	$3,244,218

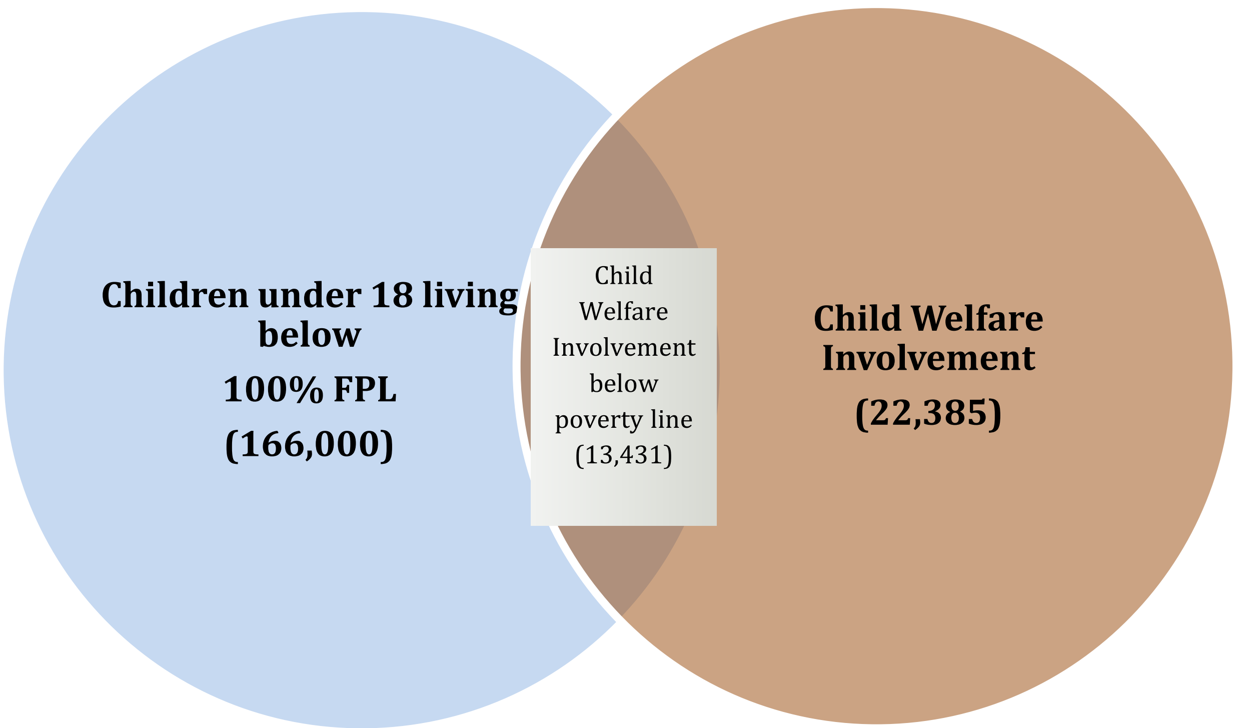
Problem or Opportunity:

The Department requests $1,709,355 total funds/federal Temporary Assistance for Needy Families (TANF) funds and 2.0 FTE in FY 2019-20 and $3,244,218 total funds/federal TANF funds and 2.0 FTE in FY 2020-21 through FY 2021-22 to create a three-year pilot program to connect families involved with the child welfare system, with poverty as a confounding issue, to employment strategies.

More than 80% of Colorado's child welfare cases are opened due to neglect (versus abuse). Among those open cases where children remain in their home, poverty is a prevailing factor, with parents experiencing trouble providing for their family's needs (Center for the Study of Social Policy, August 2014). Providing basic support, including economic security and employment, builds families' capacity to provide for their children. Findings from a 2011 study, completed by Colorado State University, indicate that a case with no poverty present is 60% more likely to have a successful outcome than a case with poverty as a presenting issue. This research suggests that investing resources in strategies to reduce or eliminate poverty will have positive effects in decreasing the likelihood of recurrent neglect. Although many factors may impact child neglect, the families' ability to meet basic needs (i.e. food, clothing, and shelter) is frequently reported as a concern to child welfare officials and is identified as a problem with a solution. Among the poverty-reduction strategies needed by families struggling to make ends meet (i.e. stable housing, cash assistance, employment services, educational support, financial literacy, and more), employment support offers the quickest path out of poverty.

In 2017, Colorado completed 19,139 assessments for allegations of neglect, defined as an injurious environment. 5,356 of those allegations were substantiated as neglect. While available data does not specifically disclose how many of these neglect cases included poverty as a presenting factor, anecdotal data indicates that a substantial number of these cases present poverty. Colorado State University (CSU) estimates that as many as 60% of the families involved with child welfare are living in poverty. As Figure 1 illustrates, using the CSU estimate, more than 13,400 open child welfare cases in Colorado involve families living below the poverty line.

Figure 1: Intersection of Child Welfare and Poverty



A 2012 study conducted by Washington and Lee University noted that many poor parents, particularly neglectful parents, suffer from social isolation, as they lack capable adults in their lives who can help provide care and support for the family. Observers noted that this social isolation deprives families of useful information, including employment or job advancement opportunities, and contributes to family stress, ultimately making it more difficult for parents to respond to their children's needs. This study correlates these isolated families' ability to alleviate poverty and avoid neglect. Similarly, a 2014 American Bar Association study cites a 2008 case whereby the Court of Appeals of California reversed the termination of a father's parental rights to his children. The court noted that "[I]t makes no sense for states to pay a significant amount of money to subsidize foster-care placements, but not to assist parents in overcoming the financial barriers to regain custody of their children."

A particularly striking Colorado example entails a recent case involving a father with two children less than five years of age. This single parent lacked family or kinship supports to help care for his children, and he was unable to find employment that provided an income high enough to compensate for the care of two small children (including food, shelter, and child care). This father resorted to accepting "off the books" work to provide for his family while he attempted to secure stable employment and child care. The child welfare referral indicated that this father kept his children in his truck while he worked or looked for work. In this case, as in many others, the lack of stable employment was the prevailing factor that kept the family in an unending cycle of being required to make the best poor choice out of a host of bad alternatives.

Cases demonstrate that the parents' underemployment is correlated with their involvement in the child welfare system. Without employment-focused guidance and assistance, these cases and so many others will remain underemployed and struggling to make the right choices to provide for their children's basic needs.

For parents involved in the child welfare system, the barriers to being able to effectively parent, including earning stable income, can be overwhelming. Child welfare workers are primarily responsible for focusing on safety, tasked with discerning when it is safe for children to be home and promoting safe reunification of families. Generally, child welfare caseworkers have neither the specialized backgrounds nor training in employment-focused services or assistance. They lack both expertise and resources to be able to counsel a parent on employment needs or provide such resources. Yet, when a family's employment, housing, and other basic resources become stable, those child welfare workers are able to focus on the family's pressing needs, including permanency and well-being.

Therefore, an employment program specifically targeting parents involved in the child welfare system will help to promote and provide a stable environment that is so critical to successful parenting.

Proposed Solution:

The Department requests $1,709,355 total funds/federal TANF funds and 2.0 FTE in FY 2019-20 and $3,244,218 total funds/federal TANF funds and 2.0 FTE in FY 2020-21 through FY 2021-22 in order to connect families involved with the child welfare system with employment strategies to eliminate incidence of neglect by virtue of poverty. The requested funding will be used to provide employment solutions to prioritized low-income families with an open child welfare case and needing employment services.

Using funds appropriated for this three-year pilot program, the Department will procure vendors to provide employment services to eligible participants referred by county departments. County departments will identify participants who have open cases where poverty is a presenting factor. Colorado's Child Welfare Employment Program pilot will promote employment services among 800 TANF eligible families in four to six counties, depending on vendors' demographics. Eligible families who are at high risk of negative child welfare outcomes (e.g. out-of-home placement, long-term open cases, reentry to child welfare systems) will be prioritized. The program will offer an effective way for county child welfare agencies to provide stability to struggling families, providing a means to work with the family's economic needs so they can focus on safety and permanency. Ultimately, employment services will provide a solution to stabilize families and ensure they can live and thrive as a family unit.

Good candidates for the Child Welfare Employment Program will meet “work-ready” criteria (i.e. they have a high school credential, lack transportation or prevalent substance abuse barriers, are not receiving Social Security Disability income, and have a desire to gain work experience and skills) and have unstable income/employment. The highest priority will be for families with income below 200% FPL (i.e. SNAP eligible). The second priority will be individuals who have income above 200% FPL and demonstrate a prevailing need for employment support. Upon referral by the county department, the program vendor will assess the participant and create an employment plan based on the participant’s employment background and desires.

Funds will be available to support participants’ needs directly related to employment. As Table 1 presents, depending on each participant’s unique needs, skill sets, and aspirations, services may include soft skills training, vocational or skills-based training, resume writing and job search support, or wage-bearing employment (including subsidized employment, transitional jobs, apprenticeships, work-based learning, and paid internships). Supportive services directly related to work will be available to participants on an individual basis.

Table 1: Employment Services

Work-based Learning	Employment Support Services
• **Subsidized Employment** *(Time-limited, wage-paid work that helps chronically un/underemployed individuals establish work history and develop workplace skills with a goal of obtaining unsubsidized employment.)* • **Transitional Jobs** *(Form of subsidized employment combining real work, skill development, and support services to help participants overcome substantial barriers to employment.)* • **On-the-Job Training** *(Combines productive work with workplace knowledge and skills essential to full, competent performance on the job. The employer and worker/participant engage in a training plan with the goal of full employment in the position.)* • **Apprenticeships** *(Employer-driven, experiential learning model combining on-the-job learning as a paid employee with related classroom instruction in order to increase one's skill level and wages.)* • **Internships** *(Opportunity to expose the participant to the work environment, requirements, and behavioral expectations of a particular occupation or industry.)*	• Transportation Assistance • Work/Interview Clothing • Car Repairs • Work Tools • Resume Writing • Interview Prep • Job Search Assistance • Soft-Skills Training

Program funds will be allocated through a competitive application process to eligible vendors, including workforce centers, non-profit organizations, county departments, and other organizations. Qualified vendors will demonstrate expertise in employment strategies and ongoing relationships with employers and industry sectors. This initiative will draw on these relationships, emphasizing collaboration among service providers, as needed.

The program will serve up to 560 individuals with open child welfare cases within the prioritized income tiers. Given the time to procure vendors, the Department anticipates serving 280 individuals in the first year, and expanding to serve 560 individuals in the second and third years. On average, the Department anticipates that the cost per participant will be $5,000, based on actual costs in evidence-based workforce development programs, as explained in the "Assumptions and Calculations" section. Participant costs will include any combination of available activities (see Table 1), from relatively inexpensive job search assistance to subsidizing up to 400 hours of employment over a six month period.

Additionally, the Department will withhold $200,000 from this request (approximately 4.5% of the appropriation) to contract with a vendor to conduct a rigorous program evaluation. Working with both employment and child protection partners within the Department, the Governor's Office, and other agencies, the Department will develop a request for proposals (RFP) to evaluate program effectiveness. Colorado's proposed Child Welfare Employment Pilot program is a unique intervention, not currently being tested in other states. For instance, child welfare programs know that as parents secure employment they are better equipped to meet other case and family obligations and achieve child welfare goals. This program evaluation will be critical to correlate stable employment with reduced likelihood of repeat maltreatment and overall improved family stability. Yet, in the absence of program-specific data, the State can only anticipate success. Without even limited evidence of other states' experience with a dedicated child welfare employment program, Colorado's program evaluation will provide critical evidence to inform and advance national evidence regarding the effectiveness of employment in positive child welfare outcomes.

In addition to evidence of successful outcomes from this intervention, the Department will use the evaluation to measure return on investment of this intervention, as described in the "Anticipated Outcomes" section.

Anticipated Outcomes:

The proposed Child Welfare Employment Pilot program will connect vulnerable, low-skilled families involved in the Child Welfare system with work-based learning and employment services with a goal to increase family income. Primary outcomes of the Child Welfare Employment Pilot program will include both employment/income outcomes, as well as reduced involvement in the child welfare system.

Employment-related outcomes include:

- Reduced unemployment
- Reduced likelihood to be living in poverty
- Reduced reliance on public assistance
- Improved family circumstances for future generations

Child welfare outcomes include:

- Earlier case closures
- Reduced re-entry to the child welfare system
- Reduced incidence of repeat maltreatment or neglect

The Department anticipates that creating a Child Welfare Employment Pilot program will provide multiple returns on investment (ROI) to support Colorado citizens, communities, and employers. In general, skilled employment increases wages, builds skills, enhances the likelihood for ongoing attachment to the labor market, and is a proven strategy to connect low- and unskilled workers, earning low wages, to attain and retain gainful employment while maintaining custody of their children. Moreover, subsidized employment supports employers and local economies to thrive. Every dollar invested in subsidized employment will generate $4 of economic activity in Colorado communities, as indicated by national estimates.

Creating a Child Welfare Employment Pilot program will meet the Department's Strategic Policy Initiative to improve families' economic security and enable individuals to thrive in their homes and community.

Research and Evidence-Based Policy (REP) Team Review

In order to build evidence for this particular model and understand the program's impact on desired outcomes, including the program's ability to impact child welfare involvement, the program will need to undergo preliminary steps to move along the evidence continuum. Based on the implementation plan presented in Table 6, this program will start in Step 1 of the evidence continuum. A logic model will be developed, specific program elements will be defined, and a program framework will be developed before moving on to an initial process evaluation in Step 2.

Assumptions and Calculations:

This request assumes an annualized 2.0 FTE, including 1.0 FTE as a Project/Contracts Administrator IV and 1.0 FTE as a Program Coordinator. The positions will be responsible for all facets of the Child Welfare Employment Pilot program, including contract execution and oversight, fiscal management, program implementation, communication, and training, project accountability, and evaluation and reporting.

Technical assistance costs are calculated at 2% of program costs. This calculation is based on the recommendation from the National Transitional Jobs Network and supported by evidence gleaned through the first four years of implementing the successful ReHire Colorado program. Funds will be used to build capacity among organizations that may have some, but not all of the elements for successful implementation. Investment and capacity building are essential to continued growth, especially within this groundbreaking initiative. Funds will facilitate peer learning and sharing of local expertise and other technical assistance needs that may arise. Similarly, the printing, communication, outreach costs are similar to corresponding costs in other employment-focused programs the Department operates.

The average cost of $5,000 per participant projected in this proposal is based on actual costs in evidence-based workforce development programs (i.e. Workforce and Innovation Opportunity Act and Transitional Jobs programs). Costs per participant include training, education, certification, and work supports, as presented in Table 1: Employment Services. Projections are based on an estimated 280 participants in FY 2019-20 and 560 participants in FY 2020-21.

Table 2: Child Welfare Employment Funding

	FY 2019-20	FY 2020-21 Thru FY 2021-22
Administrative Costs		
Personal services & operating expenses (Table 3)	$165,086	$155,680
Printing, communication, outreach	4,269	8,538
Technical assistance (2% of direct costs)	40,000	80,000
Program Delivery Costs		
Employment Services and Administration ($5,000/participant) 280 participants (FY 2019-20), 560 participants (FY 2020-21)	1,400,000	2,800,000
Program Evaluation	100,000	200,000
	$1,709,355	**$3,244,218**

Table 3: FTE Requirements

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			FY 2019-20		FY 2020-21/ FY 2021-22
Personal Services:					
Classification Title	Monthly Salary	FTE		FTE	
CONTRACT ADMIN IV	$5,218	1.0	$62,616	1.0	$62,616
PERA			$6,512		$6,512
AED			$3,131		$3,131
SAED			$3,131		$3,131
Medicare			$908		$908
STD			$119		$119
Health-Life-Dental			$7,927		$7,927
Subtotal Position 1, 1.0 FTE		**1.0**	**$84,344**	**1.0**	**$84,344**
Classification Title	Monthly Salary	FTE		FTE	
PRGM COORDINATOR	$4,200	1.0	$50,400	1.0	$50,400
PERA			$5,242		$5,242
AED			$2,520		$2,520
SAED			$2,520		$2,520
Medicare			$731		$731
STD			$96		$96
Health-Life-Dental			$7,927		$7,927
Subtotal Position 2, 1.0 FTE		**1.0**	**$69,436**	**1.0**	**$69,436**
Subtotal Personal Services		2.0	**$153,780**	2.0	**$153,780**
Operating Expenses:					
		FTE		FTE	
Regular FTE Operating Expenses	$500	2.0	$1,000	2.0	$1,000

Table 3: FTE Requirements *(continued)*

Telephone Expenses	$450	2.0	$900	2.0	$900
PC, One-Time	$1,230	2.0	$2,460	-	
Office Furniture, One-Time	$3,473	2.0	$6,946	-	
Other					
Other					
Other					
Other					
Subtotal Operating Expenses			**$11,306**		**$1,900**
TOTAL REQUEST		2.0	**$165,086**	2.0	**$155,680**
	General Fund:				
	Cash funds:				
	Reappropriated Funds:				
	Federal Funds:		*$165,086*		*$155,680*

Table 4 (attached) presents the monthly tasks required of the 2.0 FTE during the first two years of implementation.

Table 5 illustrates the Long Bill appropriation and requested funding for FY 2019-20 and beyond.

Table 5: Long Bill Appropriation and Requested Funding for FY 2019-20 Through FY 2021-22

New Child Welfare Employment	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	Medicaid Total Funds	Medicaid General Fund	Medicaid Federal Funds	FTE	Notes
FY 2018-19 Appropriation (HB 18-1322)	$0	$0	$0	$0	$0	$0	$0	$0	0.0	Enter FY 2018-19 Appropriation Amount
Requested Funding (or Spending Authority)	$1,681,984	$0	$0	$0	$1,681,984	$0	$0	$0	2.00	
FY 2019-20 Total Requested Appropriation	**$1,681,984**	**$0**	**$0**	**$0**	**$1,681,984**	**$0**	**$0**	**$0**	**2.0**	
FY 2020-21 Annualization of Prior Year Funding	$1,534,863	$0	$0	$0	$1,534,863	$0	$0	$0	0.00	
FY 2020-21 Total Requested Appropriation	**$3,216,847**	**$0**	**$0**	**$0**	**$3,216,847**	**$0**	**$0**	**$0**	**2.0**	
FY 2021-2022 Total Requested Appropriation	**$3,216,847**	**$0**	**$0**	**$0**	**$3,216,847**	**$0**	**$0**	**$0**	**2.0**	

AED	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	Medicaid Total Funds	Medicaid General Fund	Medicaid Federal Funds	FTE	Notes
FY 2018-19 Appropriation (HB 18-1322)	$0	$0	$0	$0	$0	$0	$0	$0	0.0	Enter FY 2018-19 Appropriation Amount
Requested Funding (or Spending Authority)	$5,651	$0	$0	$0	$5,651	$0	$0	$0	0.0	Enter Amount Requested for FY 2019-20
FY 2019-20 Total Requested Appropriation	**$5,651**	**$0**	**$0**	**$0**	**$5,651**	**$0**	**$0**	**$0**	**0.0**	
FY 2020-21 Annualization of Prior Year Funding	$0	$0	$0	$0	$0	$0	$0	$0	0.0	Enter Annualization (FY 2020-21 Request Minus FY 2019-20 Request Amount)
FY 2020-21 Total Requested Appropriation	**$5,651**	**$0**	**$0**	**$0**	**$5,651**	**$0**	**$0**	**$0**	**0.0**	
FY 2021-2022 Total Requested Appropriation	**$5,651**	**$0**	**$0**	**$0**	**$5,651**	**$0**	**$0**	**$0**	**0.0**	

SAED	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	Medicaid Total Funds	Medicaid General Fund	Medicaid Federal Funds	FTE	Notes
FY 2018-19 Appropriation (HB 18-1322)	$0	$0	$0	$0	$0	$0	$0	$0	0.0	Enter FY 2018-19 Appropriation Amount
Requested Funding (or Spending Authority)	$5,651	$0	$0	$0	$5,651	$0	$0	$0	0.0	Enter Amount Requested for FY 2019-20
FY 2019-20 Total Requested Appropriation	**$5,651**	**$0**	**$0**	**$0**	**$5,651**	**$0**	**$0**	**$0**	**0.0**	
FY 2020-21 Annualization of Prior Year Funding	$0	$0	$0	$0	$0	$0	$0	$0	0.0	Enter Annualization (FY 2020-21 Request Minus FY 2019-20 Request Amount)
FY 2020-21 Total Requested Appropriation	**$5,651**	**$0**	**$0**	**$0**	**$5,651**	**$0**	**$0**	**$0**	**0.0**	
FY 2021-2022 Total Requested Appropriation	**$5,651**	**$0**	**$0**	**$0**	**$5,651**	**$0**	**$0**	**$0**	**0.0**	

STD	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	Medicaid Total Funds	Medicaid General Fund	Medicaid Federal Funds	FTE	Notes
FY 2018-19 Appropriation (HB 18-1322)	$0	$0	$0	$0	$0	$0	$0	$0	0.0	Enter FY 2018-19 Appropriation Amount
Requested Funding (or Spending Authority)	$215	$0	$0	$0	$215	$0	$0	$0	0.0	Enter Amount Requested for FY 2019-20
FY 2019-20 Total Requested Appropriation	**$215**	**$0**	**$0**	**$0**	**$215**	**$0**	**$0**	**$0**	**0.0**	
FY 2020-21 Annualization of Prior Year Funding	$0	$0	$0	$0	$0	$0	$0	$0	0.0	Enter Annualization (FY 2020-21 Request Minus FY 2019-20 Request Amount)
FY 2020-21 Total Requested Appropriation	**$215**	**$0**	**$0**	**$0**	**$215**	**$0**	**$0**	**$0**	**0.0**	
FY 2021-2022 Total Requested Appropriation	**$215**	**$0**	**$0**	**$0**	**$215**	**$0**	**$0**	**$0**	**0.0**	

Health, Life and Dental	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	Medicaid Total Funds	Medicaid General Fund	Medicaid Federal Funds	FTE	Notes
FY 2018-19 Appropriation (HB 18-1322)	$0	$0	$0	$0	$0	$0	$0	$0	0.0	Enter FY 2018-19 Appropriation Amount
Requested Funding (or Spending Authority)	$15,854	$0	$0	$0	$15,854	$0	$0	$0	0.0	Enter Amount Requested for FY 2019-20
FY 2019-20 Total Requested Appropriation	**$15,854**	**$0**	**$0**	**$0**	**$15,854**	**$0**	**$0**	**$0**	**0.0**	
FY 2020-21 Annualization of Prior Year Funding	$0	$0	$0	$0	$0	$0	$0	$0	0.0	Enter Annualization (FY 2020-21 Request Minus FY 2019-20 Request Amount)
FY 2020-21 Total Requested Appropriation	**$15,854**	**$0**	**$0**	**$0**	**$15,854**	**$0**	**$0**	**$0**	**0.0**	
FY 2021-2022 Total Requested Appropriation	**$15,854**	**$0**	**$0**	**$0**	**$15,854**	**$0**	**$0**	**$0**	**0.0**	

Implementation Plan

The implementation timeline is detailed in Table 6.

Table 6: Child Welfare Employment Pilot Implementation Plan												
DESCRIPTION	**FY 2019-20**				**FY 2020-21**				**FY 2021-22**			
	Q1	Q2	Q2	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Convene stakeholders; define program elements and framework	X											
Draft and release RFP	X	X										
Select program vendors and negotiate contracts		X										
Develop evaluation criteria	X	X										
Draft and release Evaluation RFP	X	X										
Select evaluator and negotiate contracts		X										
Convene and train vendors		X										
Enroll and serve participants			X	X	X	X	X	X	X	X	X	X
Evaluation process			X	X	X	X	X	X	X	X	X	X
Monitor vendors' performance			X	X	X	X	X	X	X	X	X	X
Closeout – Financial Info for End of Fiscal Year				X				X				X
Work with vendors to identify and implement best practices			X	X	X	X	X	X	X	X	X	X
Fiscal Oversight	X	X	X	X	X	X	X	X	X	X	X	X
Technical Assistance			X	X	X	X	X	X	X	X	X	X

Table 4: Child Welfare Employment Pilot ~ FTE Justification

	FY 2019-20											
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
Contract execution and oversight:	Hours/month											
- Develop the RFP to solicit a vendor(s) to run the pilot; manage the vendor selection process	70	40	20	0	0	0	0	0	0			
- Develop and negotiate program vendor(s) contracts; shepherd it through clearance and execution processes		0	35	27	35	35	0	0	0	10	10	20
- Manage the contract, monitor the vendors' performance; address performance issues and revise strategies as needed	0	0	0	20	20	30	25	25	40	35	20	20
- Develop the RFP to solicit a third-party evaluator; manage the selection process	30	40	20	0	0	0	0	0	0			
- Develop and negotiate the evaluation contract, shepherd it through clearance and execution	0	0	0	15	25	25	5	5	0	0	17	17
- Manage the evaluation contract, monitor the vendor's performance, including reporting and oversight; address performance issues and revise strategies as needed	0	0	0	4	4	4	10	12	4	4	4	4
- Negotiate any contract modifications, including budget changes	0	0	0	2	2	2	2	10	2	10	2	10
- Contract closeout process, including travel time, reviewing files, communications with contractors ending services	0	0	0	0	0	0	0	0	0	0	5	40
Fiscal management:												
- Manage all financial interactions and transactions from both the program vendor and evaluation vendor, including vouchering and payments	0	0	0	0	0	25	30	30	30	30	30	35
- Track and oversee the overall project budget, prepare for and attend fiscal meetings	10	10	10	10	10	9	10	9	9	9	9	20
Program Implementation, Communication, and Training:												
- Recruit counties wanting to participate in the Pilot, help vendor establish operational agreement with those counties	0	0	15	15	15	10	5	0	0	0	8	10
- Develop vendor-county proceses, in collaboration with both	0	0	5	12	15	40	35	17	2	2	2	2
- Train County and Pilot staff			0	0	0	0	10	10				
- Communicate regularly with counties participating in the pilot, including troubleshooting issues as they arise	0	0	0	0	5	19	19	9	9	9	9	9
- Share information regarding the Pilot's roll-out and achievements with the Department's internal and external partners	15	0	15	9	4	9	7	7	9	9	9	9
- Communicate with external program partners, as needed	0	0	0		0	0	0	0	0	0	0	0
- Develop evaluation design with vendor	0	8	0	0	0							
- Engage in regular and in-depth communication with the program vendor(s) to monitor performance, ensure the program model is being followed with fidelity, including regularly site visits and weekly project management conversations, creating plans for improvement and compliance with plan	0	0	0	0	20	25	52	52	52	52	52	52

Table 4: Child Welfare Employment Pilot ~ FTE Justification

- Similarly, communicate regularly with the evaluation vendor to ensure the evaluation is being implemented with fidelity and that the vendor and county sites are cooperating with the evaluation protocol	0	0	0	0	0	10	15	15	9	9	15	12
- Respond to questions about the program from Department management, counties, the vendor, and other internal and external stakeholders	10	10	10	10	4	4	4	4	4	4	4	4
Technical assistance to vendors by phone and in person	0	0	0	0	10	45	45	45	45	40	40	40
Monitor program contractors, including reports, and communication with contractors and travel time				0				52	10	5	10	52
Developing and maintaining relationships with vendors	0	0	0	0	10	10	10	10	10	10	10	10
Event planning, preparation, and participation	90				20	25	90			5	25	25
Webinars training vendors, including preparation	0				25	25	12		15			
Child Welfare Academy participantion and planning						4	1	60				
Receive and respond to potiential participant questions	2	2	2	2	2	2	2	2	2	2	2	2
Meetings with external potiential employers (Marketing)	8	8	8	8	8	8	8	8	8	8	8	8
Developing marketing materials			10	15	5	5						20
Reviewing and revising program documents		5									5	
Program design modifications	1	1	1	1	1	5	1	1	1	1	1	5
Project Accountability												
- Prepare interim and annual reports		10	10	10	5	10	10	20	20	5	5	5
- Database design and maintenance; data entry			30	20	20	20	20	20	20	20	20	20
Operational												
- Division Meetings; other staff obligations	10	10	10	10	10	10	10	10	10	10	10	10
- Training on state procurement and administrative procedures	10	8	8	8	8	8	8	8	8	8	8	10
Research program related	2	2	2	2	2	2	2	2	2	2	2	2
Training - staff development	6	6	6	6	6	6	6	6	6	6	6	6
Leave	16	16	16	16	16	16	16	16	16	16	16	16
TOTAL PROJECTED HOURS/MONTH	**280**	**176**	**233**	**222**	**308**	**448**	**470**	**465**	**343**	**321**	**364**	**495**

Table 4: Child Welfare Employment Pilot ~ FTE Justification

	FY 2020-21											
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN
Contract execution and oversight:						*Hours/month*						
- Develop the RFP to solicit a vendor(s) to run the pilot; manage the vendor selection process	70	40	20									
- Develop and negotiate program vendor(s) contracts; shepherd it through clearance and execution processes	0		35	27	35	35				10	10	20
- Manage the contract, monitor the vendors' performance; address performance issues and revise strategies as needed	25	13	13	13	13	13	13	13	13	13	13	13
- Develop the RFP to solicit a third-party evaluator; manage the selection process	0											
- Develop and negotiate the evaluation contract, shepherd it through clearance and execution	15	5	0	10							17	17
- Manage the evaluation contract, monitor the vendor's performance, including reporting and oversight; address performance issues and revise strategies as needed	4	4	4	4	4	4	4	4	4	4	4	4
- Negotiate any contract modifications, including budget changes	5	2	2	2	2	2	2	2	2	2	2	10
- Contract closeout process, including travel time, reviewing files, communications with contractors ending services	10					40						10
Fiscal management:												
- Manage all financial interactions and transactions from both the program vendor and evaluation vendor, including vouchering and payments	30	29	29	29	29	29	29	29	29	29	29	35
- Track and oversee the overall project budget, prepare for and attend fiscal meetings	20	10	10	9	9	9	9	9	9	9	9	20
Program Implementation, Communication, and Training:												
- Recruit counties wanting to participate in the Pilot, help vendor establish operational agreement with those counties	0											
- Develop vendor-county proceses, in collaboration with both	5	15	15	2	2	2	2	2	2	2	2	2
- Train County and Pilot staff	10	10								10	10	
- Communicate regularly with counties participating in the pilot, including troubleshooting issues as they arise	9	9	9	9	9	9	9	9	9	9	9	9
- Share information regarding the Pilot's roll-out and achievements with the Department's internal and external partners	15	15	9	9	9	9	9	9	9	9	9	9
- Communicate with external program partners, as needed	0	2	2	2	2	2	2	2	2	2	2	2
- Develop evaluation design with vendor		8										
- Engage in regular and in-depth communication with the program vendor(s) to monitor performance, ensure the program model is being followed with fidelity, including regularly site visits and weekly project management conversations, creating plans for improvement and compliance with plan	52	52	52	52	52	52	52	52	52	52	52	52

Table 4: Child Welfare Employment Pilot ~ FTE Justification

- Similarly, communicate regularly with the evaluation vendor to ensure the evaluation is being implemented with fidelity and that the vendor and county sites are cooperating with the evaluation protocol	15	12	10	10	10	10	9	9	9	9	9	10
- Respond to questions about the program from Department management, counties, the vendor, and other internal and external stakeholders	4	4	4	4	10	10	10	4	10	10	10	4
Technical assistance to vendors by phone and in person	45	40	40	40	40	40	40	40	40	40	40	40
Monitor program contractors, including reports, and communication with contractors and travel time	10	5	10	52	10	5	5	10	52	5	5	52
Developing and maintaining relationships with vendors	10	10	10	10	10	10	10	10	10	10	10	10
Event planning, preparation, and participation	90					25	90					30
Webinars training vendors, including preparation	15				15				15			15
Child Welfare Academy participantion and planning												
Receive and respond to potiential participant questions	2	2	2	2	2	2	2	2	2	2	2	2
Meetings with external potiential employers (Marketing)	8	8	8	8	8	8	8	8	8	8	8	8
Developing marketing materials												20
Reviewing and revising program documents		5									5	
Program design modifications	1	1	1	1	1	5	1	1	1	1	5	1
<u>Project Accountability</u> - Prepare interim and annual reports	5	20	5	20	20	5	5	5	5	5	5	30
- Database design and maintenance; data entry	20	20	20	20	20	35	35	35	35	35	35	35
<u>Operational</u> - Division Meetings; other staff obligations	10	10	10	10	10	10	10	10	10	10	10	15
- Training on state procurement and administrative procedures	8	8	8	8	8	8	8	8	8	8	8	10
Research program related	2	2	2	2	2	2	2	2	2	2	2	2
Training - staff development	6	6	6	6	6	6	6	6	6	6	6	6
Leave	16	16	16	16	16	16	16	16	16	16	16	16
TOTAL PROJECTED HOURS/MONTH	**537**	**383**	**352**	**377**	**353**	**402**	**387**	**296**	**359**	**317**	**343**	**509**

Schedule 13

Department of Human Services

Funding Request for The FY 2019-20 Budget Cycle

Request Title

R-05 Improving Nutrition in Rural and Underserved Comm.

Dept. Approval By: Melissa Wavelet

OSPB Approval By: [signature]

___	Supplemental FY 2018-19
___	Budget Amendment FY 2019-20
X	Change Request FY 2019-20

Summary Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
Total of All Line Items Impacted by Change Request	Total	$1,787,420	$0	$1,795,305	$1,030,000	$1,030,000
	FTE	16.3	0.0	17.0	0.0	0.0
	GF	$895,153	$0	$899,071	$465,000	$465,000
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$892,267	$0	$896,234	$565,000	$565,000

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
07. Office of Self Sufficiency, (C) Special Purpose Welfare Programs, (1) Special Purpose Welfare Programs - Supplemental Nutrition Assistance Program	Total	$1,787,420	$0	$1,795,305	$1,030,000	$1,030,000
	FTE	16.3	0.0	17.0	0.0	0.0
	GF	$895,153	$0	$899,071	$465,000	$465,000
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$892,267	$0	$896,234	$565,000	$565,000

Auxiliary Data

Requires Legislation?	YES		
Type of Request?	Department of Human Services Prioritized Request	**Interagency Approval or Related Schedule 13s:**	No Other Agency Impact

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Cost and FTE

- The Department requests $1,030,000 total funds, including $465,000 General Fund and $565,000 federal/Supplemental Nutrition Assistance Program (SNAP) funds in FY 2019-20 through FY 2021-22 to improve Colorado's food security and access, specifically aimed at improving nutrition in underserved rural/frontier communities.
- This is new funding over the FY 2018-19 appropriation.

Current Program

- House Bill 10-1022 required the Department to create a policy, in compliance with federal law, to establish SNAP outreach in Colorado.
- SNAP provides nearly $60 million monthly in federal food benefits to nearly 465,000 Coloradans.
- The Department currently administers SNAP Outreach activities with one half-time, grant-funded FTE. That grant will end on September 30, 2019.

Problem or Opportunity

- Too many Coloradans struggle with poverty and food insecurity. One out of every eight Coloradans (12.1%), including one out of every five children, struggle with food insecurity. The majority of these underserved Coloradans live in rural communities within the State.
- Colorado has consistently ranked 44th – 46th in the program access index (PAI), the federal measure for SNAP access among eligible residents.
- Increasing access improves community and individual outcomes by reducing hunger and positions Colorado to receive federal incentive funds available to states that perform well in PAI and/or substantially improve access for citizens.

Consequences of Problem

- Failing to reduce hunger among the thousands of rural women, children, elderly, and disabled Coloradans who are eligible, but unenrolled in SNAP, will adversely affect health outcomes, school performance, and more.
- In terms of economic development, low SNAP enrollment translates into lost revenue for local communities who lose nearly $9 in revenue for every $5 of SNAP benefits (Center for Children's Law and Policy).

Proposed Solution

- The Department requests $1,030,000 total funds, including $465,000 General Fund and $565,000 federal funds in FY 2019-20 through FY 2021-22 to solidify SNAP outreach, access, and delivery for a 3-year project.
- Of this amount, $900,000 will support programmatic activities to increase enrollment in SNAP among Coloradans in rural and underserved communities. The remaining $130,000 will support one contract position to administer current and develop future SNAP outreach contracts, monitor contractor performance, and process payments for eligible activities to increase SNAP enrollment.

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Department Priority: ***R-05***
Request Detail: ***Improving Nutrition in Rural and Underserved Communities***

Summary of Incremental Funding Change for FY 2019-20	Total Funds	FTE	General Fund	Federal Funds
Improving Nutrition in Rural and Underserved Communities	$1,030,000	0.0	$465,000	$565,000
Summary of Incremental Funding Change for FY 2020-2021	**Total Funds**	**FTE**	**General Fund**	**Federal Funds**
Improving Nutrition in Rural and Underserved Communities	$1,030,000	0.0	$465,000	$565,000

Problem or Opportunity:

The Department requests $1,030,000 total funds, including $465,000 General Fund and $565,000 federal/Supplemental Nutrition Assistance Program (SNAP) funds in 2019-20 through FY 2021-22 to improve Colorado's food security and access, specifically aimed at improving nutrition in underserved rural/frontier communities.

Increasing Food Security Reduces Poverty

The U.S. Department of Agriculture (USDA) defines food insecurity as consistent reduced food intake or disrupted eating patterns due to a lack of income or other resources. In 2015, the USDA Economic Research Service reported that 12.7% of *all* U.S. households experience food insecurity, including children, seniors, the disabled, military members, underemployed workers, and more. In Colorado, at least one in every 12 residents (476,000 individuals or 9% of the State's population) is hungry. Hardest hit are families of color and families with children. According to the Annie E. Casey Foundation, 176,000 Colorado children were food insecure at some point in 2015. Furthermore, food insecurity (i.e. hunger) impacts a person's long-term health and can be a culprit of obesity, acute and chronic illnesses, low birth-weight babies, and other preventable conditions. Alternatively, investing in SNAP improves individuals' likelihood for good health, versus paying to treat preventable conditions in the future.

There is consistent evidence that SNAP benefits are a critical component of food security (Malbi and Ohls, 2015). In fact, after the Earned Income Tax Credit (EITC), SNAP lifts the most children out of poverty

(2015, U.S. Department of Census, Current Population Report). Sixty percent of all households comprised of children and at least one non-disabled, non-elderly adult have earnings while receiving SNAP (Keith-Jennings B, Palacios V. *SNAP Helps Millions of Low-wage Workers,* 2017). Beyond a purely nutritional aspect, SNAP benefits aid the working poor in numerous ways, including reducing income volatility due to variable work hours, supplementing low wages, and supporting workers and their families when they are between jobs.

Connecting eligible, interested Coloradans with critical grocery benefits requires proactive efforts to reach Colorado households that appear to qualify for SNAP, but are not enrolled. Currently, Colorado's outreach efforts wholly entail a) contracted outreach partners who must bring financial resources to the table in order to receive federal matching funds, and b) one half-time, grant-funded employee who coordinates and monitors activities of the outreach partners. Colorado had been awarded funds through a national funding opportunity, coordinated by Benefits Data Trust, to increase food assistance among low-income seniors. This grant also included funds for the half-time employee to manage SNAP outreach. The grant expires in September 2019, leaving the Department with no employee to manage and facilitate outreach efforts across the State. Furthermore, the Department lacks resources to entice community organizations to conduct SNAP outreach. Currently, the Department only contracts outreach services to entities with resources to pay for 50% of the cost required to draw-down the 50% federal match. This leaves many food pantries and smaller, community-based organizations in rural and underserved areas unable to be an outreach partner, despite their interest to do so. Rural Colorado communities are especially vulnerable to this phenomenon, lacking any local outreach efforts.

Reducing Food Insecurity in Colorado

To date in federal fiscal year 2017-18 (FFY 2017-18), SNAP has served nearly 452,000 Coloradans – including children, seniors, working people, the unemployed, students, active duty military, Veterans, and homeless individuals – every month via nearly $60 million in SNAP benefits. Yet, approximately 211,000 Colorado households who appear to qualify for SNAP benefits are not enrolled in the program. This performance ranks Colorado 44th in the nation in program access. In other words, only six states are less successful in enrolling eligible households into SNAP. The documented effects of poor SNAP access are strong, both on an individual and State level. For instance, a report estimated that "hunger costs our nation at least $167.5 billion annually, due to the combination of lost productivity, more expensive public education because of the rising costs of poor education outcomes, avoidable health care costs, and the cost of charity to keep families fed." (Shepard D, Setren E, Cooper D. *Hunger in America, Suffering We All Pay For,* Center for American Progress, 2011) Other studies correlate cost savings among low-income individuals receiving both Medicaid and SNAP versus Medicaid only, documenting a 20-25% reduction in Medicaid costs for individuals enrolled in both programs. The University of Kentucky Center for Poverty Research found that every $1 spent on SNAP reduced Medicaid costs by $50. According to the Center for Children's Law and Policy, every $5 in SNAP benefits generates about $8.50 in economic activity in Colorado communities. If all 211,000 Colorado households who appear to qualify for SNAP were enrolled in the program, it could generate more than $100 million in monthly economic activity.

Clearly, increasing SNAP access and enrollment will promote a healthier, better educated workforce and stronger communities, while failing to do so predicts poor health and economic outcomes. Additionally, it is a critical component of federal performance measures (Program Access Index), the Department's Strategic Policy Initiatives to help Coloradans "Thrive in their community" and "Achieve economic security."

Proposed Solution:

The Department requests $1,030,000 total funds, including $465,000 General Fund and $565,000 federal SNAP funds in FY 2019-20 through FY 2021-22. This funding will allow the Department to sustain contract management and programmatic elements required to implement HB 10-1022 and expand efforts to mitigate food insecurity in rural and underserved communities.

Currently, SNAP application assistance, a key form of SNAP outreach, is available in a very limited area of the State, as demonstrated in Figure 1. The vast majority of the State's counties have no recourse to help residents struggling with food insecurity other than a staff worker to respond to phone inquiries (as indicated in the darkest shading on the map.) Yet, in-person application assistance (available in the lighter shading on the Colorado map) is the method that results in the most individuals being connected with critical food benefits (Malbi, 2015). Providing funds to support SNAP outreach will bridge the gap in rural Colorado, enabling this critical, in-person application assistance in these underserved communities.

Figure 1: SNAP Application Assistance

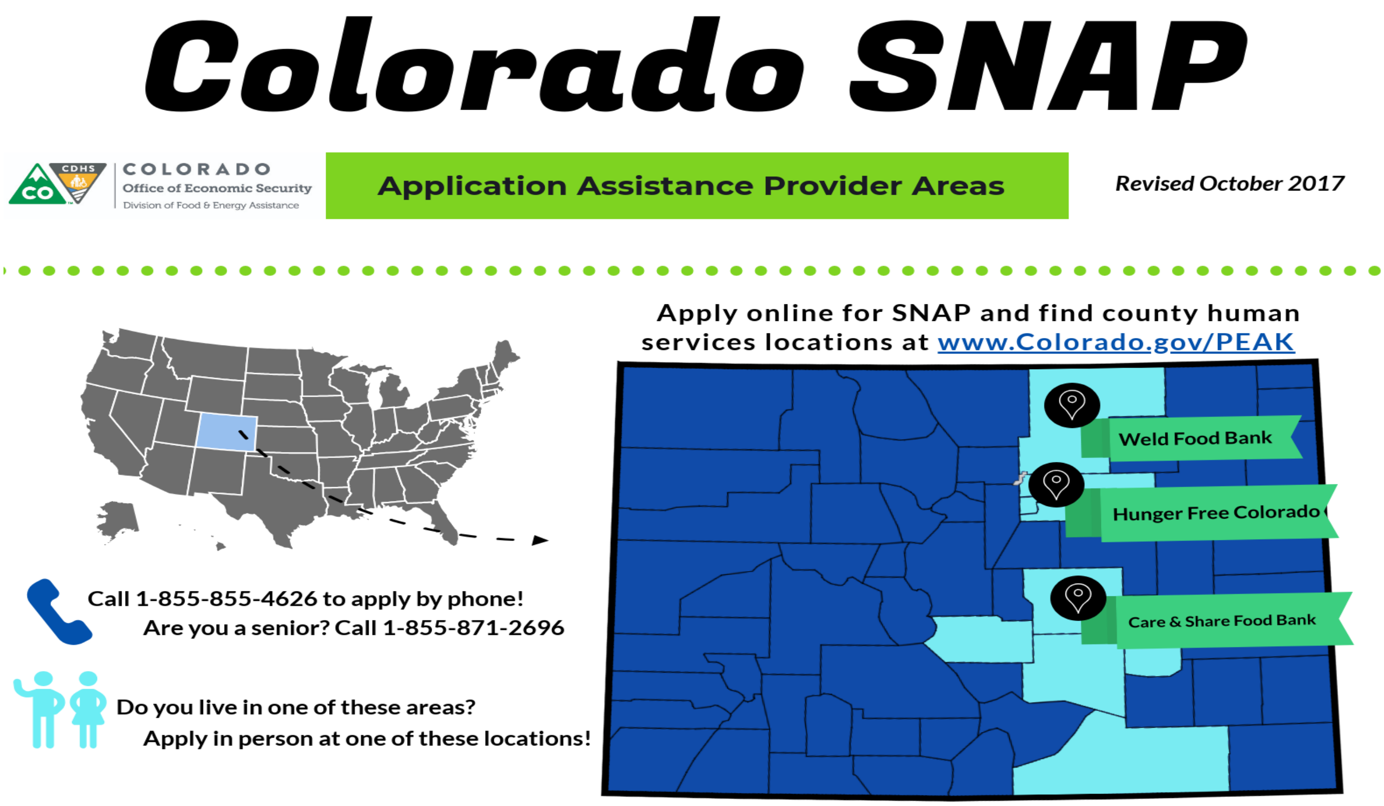


Figure 2 illustrates the pervasive reach of food insecurity across Colorado. Specifically, the map presents areas of low SNAP enrollment using an adapted Food and Nutrition Services (FNS) methodology to estimate eligibility for smaller geographic areas. Lighter-shaded areas indicate higher SNAP enrollment. Other than pockets of low access in metro Denver, which is common in dense, urban areas, the vast majority of communities with low SNAP enrollment are in rural and frontier communities.

Figure 2: Food Insecurity in Colorado

*Colorado Department of Human Services, average annual county caseload, FY 2013-14, 2014-15, and 2015-16, as reported in the FNS-388 (the annual caseload report states provide to the Federal Nutrition Service). U.S. Census Bureau, American Community Survey, 2012-2016 (5-year estimates), county population at or below 125% FPL □ For Big 10 counties, annual estimates of population at or below 125% FPL from American Community Survey for 2014, 2015, and 2016.

The Department lacks resources targeted to reducing food insecurity. Currently, all direct costs of outreach, including administrative support, are provided by the Department's non-profit contractors. Outreach is a complex process, requiring both a network of providers dedicated to outreach and contract management and oversight among the non-profit outreach partners to maximize efforts and ensure Colorado remains compliant with the federal regulations that prescribe how funds are used.

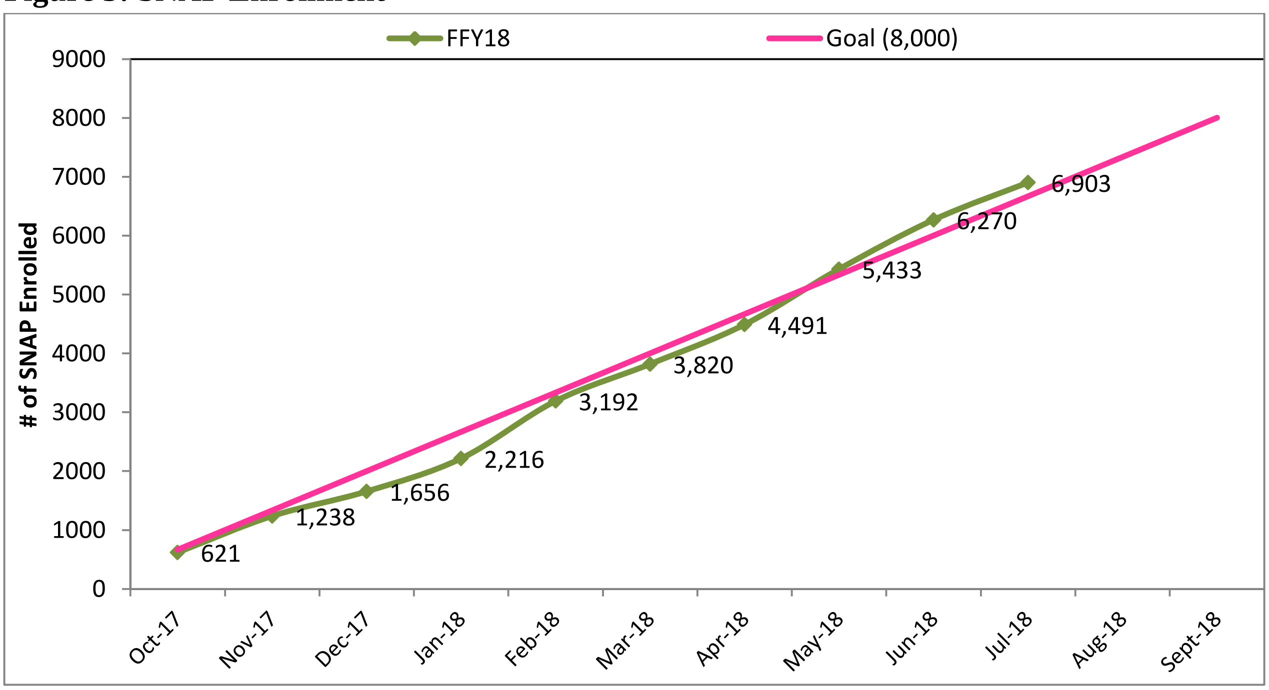
Therefore, the Department intends to expand outreach efforts by making $900,000 available to partner organizations to perform SNAP outreach, particularly in-person application assistance, in underserved rural Colorado communities. Rural outreach partners will be expected to contribute 10% ($100,000) of the total cost of direct outreach (which will draw-down a corresponding federal match for a total investment of $1 million in outreach activities.) Requiring a small portion of the total cost will ensure a strong commitment to outreach, yet opens the door to new, rural partners who cannot provide the current 50% contribution. An additional $130,000 (50% General Fund and 50% federal funds) will support a State contractor position to recruit, manage, and monitor outreach partners.

Partner organizations will be responsible for finding underserved individuals and communities and providing application assistance to individuals interested in food assistance. Potential methodologies include but are not limited to partnering with schools using lists of free/reduced lunch students, partnering with child care providers, partnering with home school organizations, partnering with food pantries, partnering with religious organizations, and other forms of contact with pools of vulnerable populations.

The Department intends to improve its current rank of 44th in the nation for SNAP access by reducing the number of Coloradans plagued by food insecurity by 5.5% annually. Accomplishing this goal will require an ongoing, concerted approach to reducing food insecurity with a hired contractor to lead that effort. This approach will entail identifying unserved areas of poverty in rural and underserved communities across Colorado, providing sufficient information and assistance to equip individuals to understand SNAP benefits and apply for assistance, and overseeing statewide efforts to implement this approach.

As Figure 3 illustrates, the Department's outreach efforts are beginning to yield success. However, outreach efforts will need to intensify in order to maintain a steady growth of 5.5%, especially as efforts move to rural and underserved communities via funds secured through this request.

Figure 3: SNAP Enrollment



In addition to direct outreach funds, increasing SNAP participation among eligible households by 5.5% requires one contractor position to connect more vulnerable rural Coloradans with groceries to meet their daily needs and address rural and child hunger in Colorado. Table 1 presents the particular tasks that must be completed in order to ensure fidelity to the outreach process. Currently, only the bare minimums of required tasks (i.e. ensuring fidelity to the contracts, per the final bullet below) are completed by the half-time FTE. Increasing SNAP participation will require a comprehensive set of activities beyond simple performance monitoring.

Table 1: Time/effort required for SNAP Outreach

Activity	Description	Hours/Year
Federal Plan	Submit the annual Outreach Plan for federal approval and resolve any questions from the FNS during the process. This includes collecting individualized plans from all vendors and creating a singular document.	240 hours
Continual Monitoring	Monitor performance and outcomes among the statewide outreach contractors.	400 hours
Sustainability Training	Train contractors in sustainable outreach efforts.	60 hours
Research	Research and identify new practices to consider and test in SNAP outreach.	160 hours
Technical Assistance	Support outreach partners with ongoing development and monitoring of their outreach plans.	110 hours
Technical Training	Develop and deliver ongoing training that ensures that outreach services are provided in compliance with federal regulations.	160 hours
Outcomes Reporting	Track progress in articulation of the statewide outreach plan and goal attainment.	200 hours
Federal Compliance	Oversee federally-mandated monitoring and reporting of vendor contracts to increase SNAP access and reduce food insecurity in Colorado	750 hours
	Total:	2,080 hours

The duties required by this new position cannot be absorbed by existing staff, including the new SNAP FTE approved for FY 2018-19. The five new FTE are filling existing gaps in administering SNAP, including developing and delivering more robust county technical assistance, implementing new federal SNAP requirements and regulations, and SB 16-190 compliance. There is no extra capacity to support SNAP outreach. Furthermore, the strict federal regulations specific to SNAP fiscal allowable expenditures require separate funding and tracking of such to ensure that outreach costs are differentiated from eligibility expenses.

Additionally, increasing SNAP participation will require the Department to improve its overall focus on SNAP access, including conducting and coordinating SNAP outreach efforts to increase access and combat food insecurity for eligible populations, including families with children.

Anticipated Outcomes:

The State’s Blueprint to End Hunger, launched in 2018, highlights the significance of expanding coordinated outreach services within Colorado. Increasing SNAP participation among needy Coloradans would potentially increase the opportunity for federal incentives which would be spent by the counties to improve their programs and develop new processes which help reduce hunger in their communities. SNAP outreach is a cumulative process. Increasing Coloradans' access to food assistance by 5.5% each year would mean 10,000 vulnerable households (approximately 22,000 Coloradans) have more adequate nutrition to improve their health and well-being by the end of FY 2021-22. Enrolling 10,000 households in SNAP could result in nearly $61 million additional State economic activity, more than $300 million in reduced Medicaid expenditures, and 13,500 children avoiding food insecurity annually.

In addition to the broad-reaching economic, health, and community outcomes related to improved food security, investing additional resources into SNAP will translate into the following key outcomes:

1) Resources to improve Colorado's program access performance and reduce food insecurity as a key component of Colorado's overall service delivery framework. Ultimately, this investment could result in Colorado accessing a share of $12 million in annual federal incentive dollars for improved access to reinvest into SNAP programming.
2) Medicaid savings of $50 for every $1 invested in SNAP (University of Kentucky Center for Poverty Research).
3) SNAP benefits not only support healthier lives, but it also has very tangible economic benefits. SNAP supports local businesses like groceries and farms. Increasing access to food assistance by 5.5% would infuse more than $85 million into the Colorado economy.

Research and Evidence-Based Policy (REP) Team Review

Based on the goals of increasing SNAP enrollment in rural and underserved areas, this request is focused on Steps 2 and 3 of the evidence continuum; identifying outputs and assessing outcomes. There is potential to look at pre and post outcomes, in addition to potentially comparing to similar areas in the state where outreach was not conducted, to help move the outreach program along the evidence continuum. There is some evidence from public health demonstrating that outreach efforts increase health insurance coverage[1], which could be comparable to this proposal.

Assumptions and Calculations:

The Department is requesting $900,000 based on the current non-federal portion of the funding for partner agencies. Historically, in the absence of any State resources, outreach partners have been required to contribute 50% of the cost of services. In FY 2019-20, Colorado expects to invest nearly $4 million in SNAP Outreach, including the investment required by the Department's outreach partners. By securing General Fund to provide a portion of the total cost required to conduct SNAP outreach (40%), this funding request will lessen the burden on partner agencies and elicit new interest among community agencies to conduct this important work, especially in underserved rural communities. Outreach partners will be required to bring 10% of the cost of conducting SNAP outreach to the table. Together, the General Fund and local funds will draw-down a corresponding federal match.

[1] Relevant research accessed through the "What Works for Health" Database at http://www.countyhealthrankings.org/take-action-to-improve-health/what-works-for-health/policies/health-insurance-enrollment-outreach-support

The Department is awaiting a pending legal opinion from the Attorney General's (AG) office per H.B. 10-1022, specifically regarding the allowance of General Fund dollars for SNAP outreach. If that AG opinion suggests that only private and federal funds can be used for SNAP outreach in Colorado, the Department will seek statute change to expand the fund sources. There is no federal restriction on the use of State funds for SNAP outreach.

Table 2: Fund sources/amounts				
	Total Funds	General Fund	Local funds	Federal Funds
Direct Outreach	$ 1,000,000	$ 400,000	$ 100,000	$ 500,000
Contract Staff	$ 130,000	$ 65,000		$ 65,000
Total	**$ 1,130,000**	**$ 465,000**	**$ 100,000**	**$ 565,000**

The critical component of this request will be to contract with and otherwise support the community partners able and willing (including being able to provide the requisite match to the State funds received) to provide outreach services, including application assistance, in underserved Colorado rural communities.

Table 3 illustrates the Long Bill appropriation and requested funding for FY 2019-20 through FY 2021-22.

Table 3: Long Bill Appropriation and Requested Funding for FY 2019-20 Through FY 2021-22										
Supplemental Nutrition Assistance Program Administration	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**	**Medicaid Total Funds**	**Medicaid General Fund**	**Medicaid Federal Funds**	**FTE**	**Notes**
FY 2018-19 Appropriation (HB 18-1322)	$1,787,420	$895,153	$0	$0	$892,267	$0	$0	$0	0.0	Enter FY 2018-19 Appropriation Amount
Requested Funding (or Spending Authority)	$1,030,000	$465,000	$0	$0	$565,000	$0	$0	$0	0.0	50/50 GF/SNAP Split
FY 2019-20 Total Requested Appropriation	**$2,817,420**	**$1,360,153**	**$0**	**$0**	**$1,457,267**	**$0**	**$0**	**$0**	**0.0**	
FY 2020-21 Annualization of Prior Year Funding	$0	$0	$0	$0	$0	$0	$0	$0	0.0	
FY 2020-21 Total Requested Appropriation	**$2,817,420**	**$1,360,153**	**$0**	**$0**	**$1,457,267**	**$0**	**$0**	**$0**	**0.0**	
FY 2021-2022 Total Requested Appropriation	**$2,817,420**	**$1,360,153**	**$0**	**$0**	**$1,457,267**	**$0**	**$0**	**$0**	**0.0**	

Implementation Plan:

Table 4 provides the initial 2-year implementation timeline for the outreach efforts.

Table 4: Implementation Plan to Improve Nutrition in Rural and Underserved Counties								
DESCRIPTION	**FY 2019-20**				**FY 2020-21**			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Convene stakeholders; define goals, program elements and framework	X							
Draft and release SNAP Outreach RFP	X	X						
Select program partners and negotiate contracts		X						
Enroll eligible clients in SNAP			X	X	X	X	X	X
Track progress			X	X	X	X	X	X
Monitor partners' performance				X	X	X	X	X
Fiscal oversight	X	X	X	X	X	X	X	X
Closeout – fiscal year-end				X				X
Work with outreach partners to identify and implement			X	X	X	X	X	X

best practices								
Technical assistance to outreach partners			X	X	X	X	X	X

Schedule 13

Department of Human Services

Funding Request for The FY 2019-20 Budget Cycle

Request Title

R-06 Child Support Employment

Dept. Approval By: Melissa Wavelet ____ Supplemental FY 2018-19

OSPB Approval By: [signature] ____ Budget Amendment FY 2019-20

x Change Request FY 2019-20

Summary Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
Total of All Line Items Impacted by Change Request	Total	$75,705,715	$0	$74,550,197	$966,977	$1,834,274
	FTE	0.0	0.0	0.0	1.0	1.0
	GF	$53,657,500	$0	$48,529,910	$0	$0
	CF	$665,192	$0	$4,587,266	$0	$0
	RF	$16,219,375	$0	$12,026,605	$0	$0
	FF	$5,163,648	$0	$9,406,416	$966,977	$1,834,274

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
01. Executive Director's Office, (A) General Administration, (1) General Administration - Health, Life, And Dental	Total	$46,696,345	$0	$45,681,295	$7,927	$7,927
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$33,413,551	$0	$29,357,601	$0	$0
	CF	$144,915	$0	$2,930,144	$0	$0
	RF	$10,356,168	$0	$7,685,079	$0	$0
	FF	$2,781,711	$0	$5,708,471	$7,927	$7,927
01. Executive Director's Office, (A) General Administration, (1) General Administration - Short-Term Disability	Total	$472,856	$0	$469,396	$119	$119
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$330,992	$0	$312,663	$0	$0
	CF	$8,592	$0	$27,320	$0	$0
	RF	$93,723	$0	$69,252	$0	$0
	FF	$39,549	$0	$60,161	$119	$119

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
	Total	$14,268,257	$0	$14,199,753	$3,131	$3,131
01. Executive Director's Office, (A) General Administration, (1) General Administration - Amortization Equalization Disbursement	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$9,956,150	$0	$9,429,823	$0	$0
	CF	$255,862	$0	$814,901	$0	$0
	RF	$2,884,962	$0	$2,136,137	$0	$0
	FF	$1,171,283	$0	$1,818,892	$3,131	$3,131

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
	Total	$14,268,257	$0	$14,199,753	$3,131	$3,131
01. Executive Director's Office, (A) General Administration, (1) General Administration - S.B. 06-235 Supplemental Equalization Disbursement	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$9,956,807	$0	$9,429,823	$0	$0
	CF	$255,823	$0	$814,901	$0	$0
	RF	$2,884,522	$0	$2,136,137	$0	$0
	FF	$1,171,105	$0	$1,818,892	$3,131	$3,131

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
	Total	$0	$0	$0	$952,669	$1,819,966
07. Office of Self Sufficiency, (B) Colorado Works Program, (1) Colorado Works Program - Child Support Services Employment	FTE	0.0	0.0	0.0	1.0	1.0
	GF	$0	$0	$0	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$952,669	$1,819,966

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Human Services Prioritized Request	Interagency Approval or Related Schedule 13s:	No Other Agency Impact

Cost and FTE

- The Department requests $966,977 total funds/federal Temporary Assistance for Needy Families (TANF) funds and 1.0 FTE in FY 2019-20 and $1,834,274 total/federal TANF funds and 1.0 FTE in FY 2020-21 through FY 2022-23 to provide employment services to low-income non-custodial parents.
- This is a new request over the FY 2018-19 appropriation.

Current Program

- The Child Support Services (CSS) program ensures that children receive financial and medical support from both parents. Services include paternity establishment, location of non-custodial parent, establishment of a child support order, and enforcement of an order.
- The program is administered by county human and social services offices across Colorado.

Problem or Opportunity

- On average about 30,000 families receive none of the monthly child support owed each month. Families lacking this income source are more likely to live in poverty.
- A disproportionate percentage of parents not paying child support have very low incomes and face employment barriers that hamper their ability to contribute. Meanwhile, traditional child support enforcement measures compound barriers to employment.
- Federal rules restrict using any of the federal funds for employment services, leaving counties with few resources to meet this need.
- In Arapahoe County, providing employment services and support to low-income non-custodial parents struggling to pay child support has resulted in an average wage of $14.69/hour.
- If an estimated 20% of parents facing barriers to paying their child support (e.g. economic, mental health, substance abuse) received more comprehensive services to become employed and reduce barriers, it would yield roughly $15 million in child support going to more than 5,200 families.

Consequences of Problem

- Without addressing barriers preventing parents from paying child support, families will continue to lack the financial support they should be receiving, resulting in economic hardship.
- Children lacking two parents engaged in their lives are more likely to be involved in the juvenile justice system, drop out of school, and raise their own children in poverty.

Proposed Solution

- The Department requests $966,977 total/federal TANF funds and 1.0 FTE in FY 2019-20 and $1,834,274 and 1.0 FTE in FY 2020-21 through FY 2022-23 to provide employment services to low-income non-custodial parents struggling to pay child support.
- The Department will provide funds to county offices to serve up to 5,200 parents at an average cost of $300/participant.
- Removing employment barriers will result in increased child support payments among participants.

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COLORADO

Department of Human Services

FY 2019-20 Funding Request | November 1, 2018

John W. Hickenlooper
Governor

Reggie Bicha
Executive Director

Department Priority: ***R-06***
Request Detail: ***Child Support Employment***

Summary of Incremental Funding Change for FY 2019-20	Total Funds	FTE	Federal Funds
Child Support Employment	$966,977	1.0	$966,977
Summary of Incremental Funding Change for FY 2020-21	**Total Funds**	**FTE**	**Federal Funds**
Child Support Employment	$1,834,274	1.0	$1,834,274

Problem or Opportunity:

The Department requests $966,977 total funds/federal Temporary Assistance for Needy Families (TANF) funds and 1.0 FTE in FY 2019-20 and $1,834,274 total/federal TANF funds and 1.0 FTE in FY 2020-21 through FY 2022-23 to provide employment services to low-income non-custodial parents as a pilot program through FY 2022-23. Every month, nearly 30,000 families on Colorado's Title IV-D child support caseload receive $0 of monthly child support owed. This scenario creates financial hardships for these families. According to the federal Office of Child Support Enforcement, child support represents an average of 41% of family income for custodial families who receive it. When families do not receive child support payments, they are likely to apply for public assistance, typically through the Temporary Assistance for Needy Families (TANF) program. The Department has a full array of enforcement remedies to motivate non-custodial parents (NCPs) to pay their child support obligations, if they have the means to do so. These remedies are applied diligently by county and State child support professionals resulting in more than $21 million in child support payments collected monthly on behalf of families. Yet, $11.9 million owed in child support each month goes unpaid, negatively affecting children.

Compounding the non-payment issue, research shows that every dollar of child support income has a greater effect on how well a child does in school than any other source of family income, exacerbating the negative effect of a child not receiving child support. Yet, a disproportionate percentage of the NCPs owing child support have very low-incomes themselves and face an array of employment barriers that limit their ability to contribute to their children. Survey data collected through the national Child Support Parent

Employment Demonstration (CSPED) grant indicates that nearly 70% of parents failing to pay child support obligations have some kind of criminal conviction. Among those with any reported income, monthly earnings average only $683, less than 70% of the federal poverty level (FPL) for a family of one. According to the Congressional Research Service, punitive measures addressing nonpayment of child support disproportionately affect low-income NCPs who are likely to be just as poor, or poorer, than the mother and child(ren) owed child support.

Findings from the 2017 Colorado Consistent Payor Project, conducted by Gray's Peak Strategies, revealed that lack of employment was the most common reason for nonpayment of child support obligations. Additionally, findings from the validation study of Colorado's Family Resource Assessment (FRA) supported the findings from the Colorado Consistent Payor Project, demonstrating that for every barrier to employment a parent reported, the odds of payment decreased by 34-38%. More specific barriers to making payments included having a criminal record as well as access to transportation. The study demonstrated that having a criminal record or history decreased the probability of payment by 86%, while not having reliable transportation decreased the probability of payment by 68%. Despite the documented need, few opportunities currently exist to engage NCPs in employment-focused activities, given current funding constraints which restrict using any of the 66% federal reimbursement to the child support services program to fund employment programs. Few counties have the resources to provide these types of services internally.

Historically, the child support system has wholly relied on punitive measures to encourage compliance. Counter-intuitively, many of the consequences (e.g. suspension of professional or driver's licenses) make it even harder for NCPs to work and pay child support. Child Support Services' (CSS) primary mission is to ensure that children receive medical and financial support from both parents, making CSS a natural, key partner in supporting the whole family to thrive instead of creating barriers (e.g., consequences that impede employment) to family/children's success. According to Dan Meyer, a professor at the University of Wisconsin's School of Social Work with extensive research on child support policy, "Many observers have long thought unwillingness is the main problem for nonpayment of child support, but the problem is actually, to a larger degree, not unwillingness at all, but simply due to those owing child support not having an ability to pay the amount expected, leaving the system only about punishment as unlikely to be effective."

Clearly, if different results are expected, new approaches to the problem of non-payment of child support must be considered. Statewide replication of promising practices gleaned through programs such as Arapahoe County's Parents to Work Program provides an excellent opportunity to implement new approaches to facilitating the collection of owed child support, ultimately allowing both parents to live more economically secure lives while supporting their children. As a bonus, increased income from child support may allow the custodial parent to eliminate and/or reduce their use of public assistance. Increased family income, facilitated by receipt of child support, during early childhood can have a lasting impact on children's lives. More specifically, a 2010 Princeton Study found that a $3,000 difference in parents' income when a child is young correlates to a 20% increase in that child's future earnings.

Furthermore, research shows that child support is a mechanism to engage parents in their children's lives, which, when it is safe to do so, leads to better outcomes for children. According to a 2006 study "*Father's Influence in the Lives of Children with Adolescent Mothers"* published in the Journal of Family Psychology, active father involvement increases high school graduation rates and decreases teen pregnancies and delinquent criminal behavior. Value-added services, such as employment services, that promote NCPs' long-term ability to pay child support improve child support collection outcomes, and promote family economic security and well-being.

Proposed Solution:

The Department requests $966,977 total/federal TANF funds and 1.0 FTE in FY 2019-20 and $1,834,274 total/federal TANF funds and 1.0 FTE in FY 2020-21 through FY 2022-23 for a pilot program to improve economic security and strengthen parent-child relationships among families interacting with Child Support Services (CSS) by implementing a statewide employment services model. This investment will supplement the federal Title IV-D of the Social Security Act funds in order to provide a mechanism to expand evidence-informed employment services to non-custodial parents (NCPs) involved in the child support program. Currently, federal guidelines prohibit the use of employment services as allowable expenditures with federal IV-D funds. This leaves counties with few options to provide employment services to needy NCPs.

Program funds would be distributed to local partnerships through a Request for Proposal (RFP) process. These partnerships would include, but are not limited to, county departments of human/social services, child support services, Workforce Centers, community-based organizations and early childhood partners. Strong partnerships will include evidence of existing relationships with employers, community providers, and industry and subject matter expertise. This initiative will draw on existing relationships, expanding service delivery menus to NCPs. NCPs with children on a Colorado Works cash assistance case will be prioritized. Arapahoe County's successful Parents to Work program will serve as the foundation for the RFP.

Nearly all NCPs participating in employment programs face barriers to employment. For example, evidence from the Tennessee Child Support Employment and Parenting Program (CSEPP) demonstrates that, among program participants, 67% had trouble meeting their basic needs, 56% reported depression, 59% faced transportation problems, 45% had legal problems, and 29% self-reported problems with anger management (Tennessee Department of Human Services, Child Support Division, 2005). Similarly, the Texas NCP Choices project (Schroeder & Doughty, 2009) noted that participants were typically poorly educated with uneven work histories, few job skills, criminal records, and mental illness.

Therefore, requested funding will be used to provide an array of services to NCPs in the areas of employment, supportive services related to employment, and workshops tailored to strengthening family stability and relationships. Funds will be awarded to applicant organizations who demonstrate a solid approach to delivering services to achieve outcomes. Table 1 presents a menu of the types of services that will be delivered, varying by organizations' capacity and community needs.

Table 1: Types of Services Available		
Employment Services	**Supportive Services**	**Classes/Workshops**
• Resume Writing • GED Classes • Interview Prep • On-the-Job Training • Job Search Assistance • Soft-Skills Training	• Transportation Assistance • Rental Assistance • Driver's License Reinstatement Fees • Work/Interview Clothing • Car Repairs • Work Tools	• Motherhood • Fatherhood • Parenting • Relationship Education • Grandparents Support • Legal Clinic • Early Childhood • Substance Abuse • Domestic Violence • Mediation • Financial Planning

This array of services will be provided to 5,200 NCPs owing child support annually via contracts awarded to county and non-profit service providers across Colorado. Based on evidence from the national Child Support Employment Demonstration Project (CSPED), the Department projects that more than 70% of participants (3,640 NCPs), previously out of compliance with child support orders, will become gainfully employed in the first six months and begin paying child support. The Department anticipates that the payments from these 3,640 NCPs will equate to an additional $15 million in child support to families annually, translating into a return of more than $13 million on the investment of federal TANF funds. These 3,640 gainfully employed individuals across Colorado are also expected to contribute to community and economic development outcomes, in both their communities of residence and their children's communities. Overall, these 3,640 NCPs equate to about 12% of the monthly non-paying caseload (i.e., zero payers) in Colorado. Supporting these parents to become regular payers of child support will significantly reduce the non-paying caseload.

Arapahoe County's Parents to Work Program

Arapahoe County's Parents to Work program provides a Colorado context to the national evidence that targeting employment services to NCPs yields positive outcomes. This particular program is designed to secure jobs for under- and unemployed NCPs with open child support cases involved in the Arapahoe County Division of Child Support Services, Arapahoe/Douglas Workforce Center (A/D Works), and the Arapahoe District Court/18th Judicial District. The program provides specialized, co-located child support and workforce personnel; identifies nonpaying NCPs by child support workers, court records, and staff outreach using an automated listing of potentially eligible cases; refers identified NCPs for on-the-spot screening and assessment by workforce personnel; provides a customized menu of employment-focused services and access to supportive services (similar to Table 1); and facilitates communication among project personnel and the magistrate who hears child support matters for Arapahoe county.

Key findings from a 2011 randomized-controlled evaluation of Parents to Work (http://centerforpolicyresearch.org/publications/parents-to-work-program-outcomes-and-economic-impact/), conducted by the Center for Policy Research, included the following:

- Participants faced serious barriers to employment. Participants were educated to the high school level, and racially and ethnically diverse. Nearly half the participants reported having a criminal background and 25% were on parole or probation. Many lacked reliable transportation.

- Participants engaged in workforce services at high rates. More than two-thirds of parents (69%) engaged in the Parents to Work program participated in workforce services.

- Participation varied with court action and reliable transportation. Participation was higher among parents who reported access to reliable transportation and those who experienced some form of court action. They also tended to be older, African American, educated to the high school level or higher, divorced rather than never married, and have relatively low prior earnings.

- Participants had higher rates of earnings post enrollment. Parents in the Parents to Work program were significantly more likely (70%) than parents in the control group (47%) to have earnings documented via unemployment insurance (UI) earnings in the year following their enrollment. Among those parents with no earnings in the year prior to their involvement in the evaluation, 50% of the parents in the Parents to Work program showed post-program earnings compared to 30% of the parents in the control group. This evidence suggests that outcomes were not due to pre-enrollment earnings.

- A majority of participants found jobs and two-thirds retained or replaced them for the 12 month follow-up period. Program records show that 65% of parents in the Parents to Work program found full-time jobs, 22% were employed part-time, and 12% obtained subsidized jobs. The average and median hourly wage for these jobs, during this evaluation period, was $11.05 and $10.00, respectively. Although 55% of participants left their positions after becoming employed, 41% subsequently found a second job, which translates into a job retention rate of 67.7%.

- Participants paid more child support. In the year following program enrollment, the average percentage of owed child support that was paid rose significantly, from 36.6% to 41.3% for parents participating in the Parents to Work program, yet remained unchanged among parents in the control group (28.2% versus 27.5%). Parents to Work participants who made no payments in the three months prior to program enrollment went from paying 16% of the amount of child support owed to 33%, compared with 15% to 23% for parents in the comparison group.

- Participants paid child support more regularly. Improvement in payment regularity was also statistically significant for Parents to Work participants, rising from an average of 5.3 to 5.7 payments in a 12-month period of time versus 3.9 to 4.0 payments for parents in the control group.

- The Parents to Work Program creates jobs. Parents participating in the Parents to Work program outpaced parents in the control group in job creation by 135 jobs and in aggregate earnings by $1,247,183 over 12 months. In all, Parents to Work contributed 149 additional jobs to the regional economy than parents in the comparison group.

- The Parents to Work Program generates regional earnings and sales/revenue growth. The parents in the Parents to Work program contributed $6,493,021 in earnings growth and $11,492,647 in regional sales/revenue growth, exceeding the earnings and sales growth that could be attributed to parents in the control group by $2,232,458 and $3,951,450, respectively.

- The Parents to Work Program produces extra child support payments. Program participants paid an additional $311,163 in child support in the first 12 months after enrollment than the parents in the control group over a comparable time period.

- The Parents to Work Program is cost-effective. The cost-effectiveness ratio for the Parents to Work program, which considers actual program expenditures and child support collections, were $1.70 for the first post-enrollment year and $5.09 after three-years, assuming the first year collection patterns are sustained.

- The Parents to Work Program has substantial impacts on the regional economy. The return on public investment for the Parents to Work program was $12.72 in regional earnings growth and $22.51 in sales/revenue growth in the region. When adjusted for differences between the Parents to Work program and the control group, the returns on public investment are $4.37 in earnings growth and $7.74 in sales revenue growth.

The Department anticipates the average cost per participant will be approximately $300. The current cost of the Parents to Work program is approximately $155/participant. However, Arapahoe County's program has operated for more than a decade, providing economies of scale that will not translate to the Department's program. The Department's program will face a learning curve during its initial years of operation, accounting for the increased cost, initially. However, as the program grows, the Department anticipates the cost/participant will decrease allowing additional NCPs to be served.

Currently, the Parents to Work program is realizing a post-program average wage of $14.69/participant. If a similar outcome is achieved, the State's entire $300 investment on a participant would be repaid after the participant worked 21 hours in just *one week*. Ultimately, providing funds to enable counties to create similar Parents to Work programs across the State provides significant, multiple returns on investment to Colorado families, parents, children, communities, and employers.

Reframing child support services via financial resources dedicated to employment through local partnerships (comprised of counties and their various partners) will require one full-time Employment Coordinator at the Department. This position will facilitate statewide change management, coordinate and manage the statewide program and evaluation, and maintain communication with local partnerships. Additionally, this position will be deployed to support changes across the State, in both urban and rural communities. No rule or statutory changes are needed to implement this initiative in Colorado.

The pilot program would run through FY 2022-23 with an evaluation reporting on anticipated outcomes.

Anticipated Outcomes:

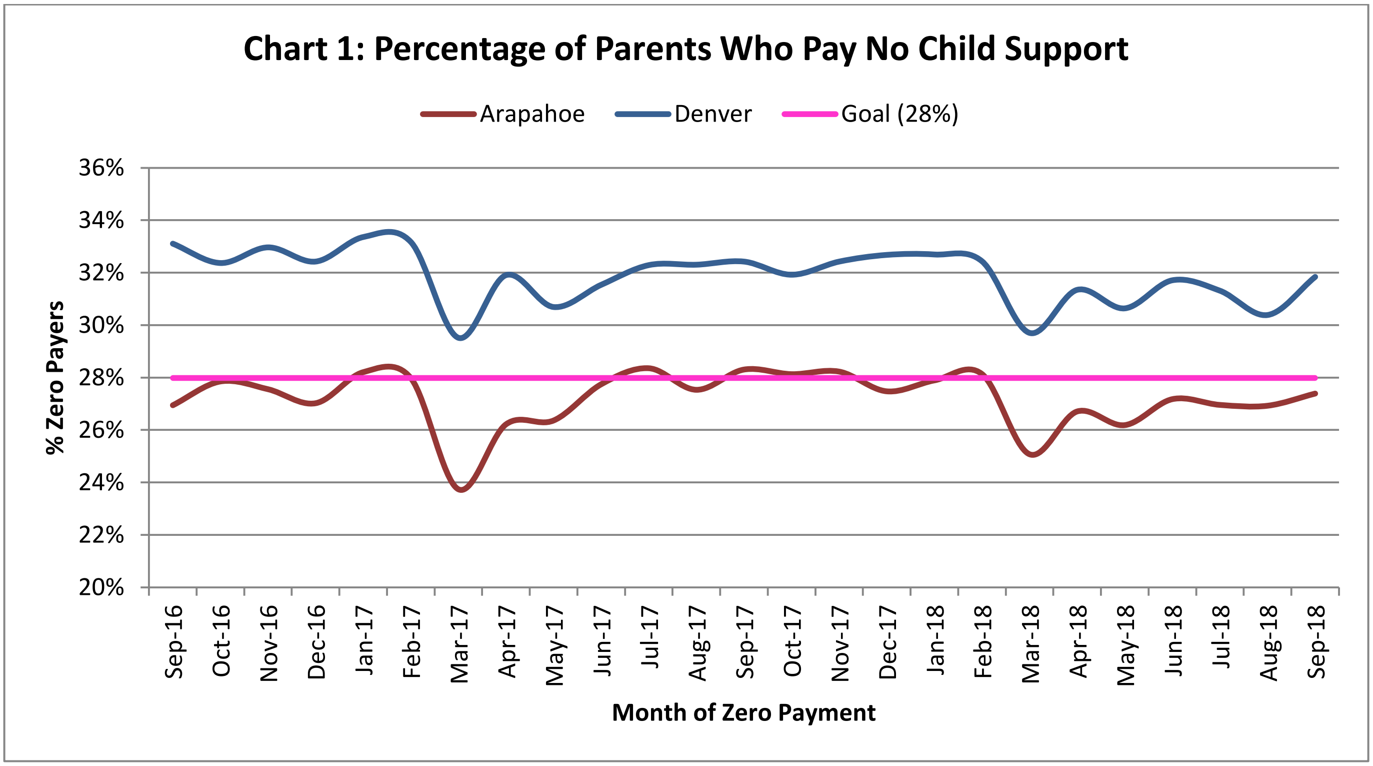
The proposed initiative would connect vulnerable, low-skilled NCPs with employment services along with supportive services and classes/workshops to enable NCPs to gain employment and pay their child support obligations. In this way, the proposed initiative is not simply an employment program. It is a custom-designed program to provide individualized services to the unique needs among NCPs owing child support, aiming to reduce barriers to employment (i.e. transportation, legal), while also assisting them in obtaining and retaining employment once barriers have been addressed.

The dedicated focus on eradicating the unique barriers to payment of child support among NCPs is what is unique about this proposed initiative, compared to existing employment programs. As the Parents to Work program evaluation had revealed, the most significant barriers to NCPs were unemployment, criminal background, and lack of transportation.

Implementing this new approach to child support service delivery by eradicating barriers to paying support owed, statewide, is anticipated to improve Colorado's collection of monthly child support. Currently, Colorado ranks 28th in the nation in the collection of monthly support. This new approach is projected to increase collection to 68% of all monthly child support owed. Achieving a 68% collection rate would likely result in Colorado's national rank rising to 12th, potentially resulting in increased federal incentive funds.

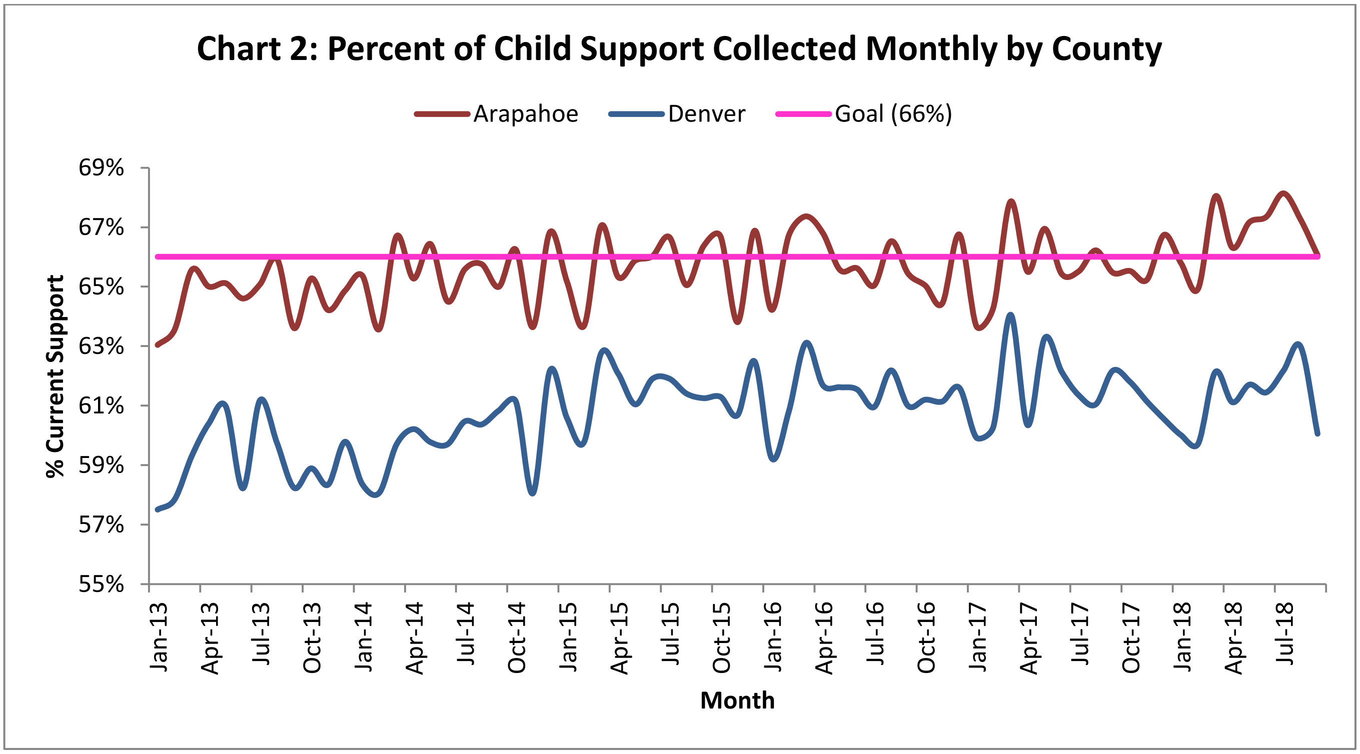
Colorado counties that are currently using a more comprehensive service delivery model for child support (e.g. Arapahoe) outperform most other counties in the collection of child support. Yet, services provided through this approach are not eligible to be paid with federal child support dollars. Counties choosing to provide specialized services do so by contributing their own county funds, participating in a grant, or using other means available in that county. The proposed initiative would provide a clear way for counties without the financial means required to offer more comprehensive services to parents owing child support.

Arapahoe County's implementation of the Parents to Work model has greatly reduced the population of parents who pay no child support. Chart 1 illustrates how that county's comprehensive services result in fewer non-paying parents compared to Denver County, which offers fewer specialized services.



Source: ACSES data

Chart 2 compares the percentage of child support collected in Arapahoe County with that collected in Denver County. It illustrates the disparity in child support collections between Denver, which has only recently begun to offer child support services beyond enforcement, and a county that offers a significant amount of additional services. As this chart illustrates, the county that has developed a more innovative and integrated service delivery system has consistently outperformed the county with limited offerings. The proposed initiative (akin to the Arapahoe County Parents to Work model) would enable Denver and other counties to continue to expand services to parents and increase collections.



Source: ACSES data

The Department will contract with a vendor, selected through a competitive process, to evaluate the proposed initiative by measuring and assessing the impact of this progressive service delivery model on the payment of child support. The Department will rely on its expert evaluation vendor to design and execute the program evaluation. Given previous child support evaluations, the Department anticipates the evaluation will rely heavily on quantitative data collected to measure progress in at least two primary anticipated outcomes:

1. Child support paid;
2. Parent employment outcomes, including attainment, retention, and wage outcomes;

Colorado outcome data will be compared against collection data from other states that are not using any specialized interventions as well as pre- and post-findings by county, using a 12-month follow-up period. Finding comparable states will be important research to inform policy on the national level. High-level evaluation questions will include information regarding:

1. Progress participants make toward employment attainment
2. Employment stability
3. Educational attainment that leads to a higher skilled and paying position
4. Utilization of work supports
5. Children’s educational attainment
6. Impact of financial literacy services on payment of child support
7. Impact of co-parenting services on payment of child support

This initiative directly supports the Department's mission to collaborate with partners to design and deliver services that improve the well-being of Coloradans. It directly addresses the Department's goals of achieving economic security through meaningful work and preparing for educational success through their lives by offering services that support both parents and their children to strengthen their economic security and parent-child relationship.

Research and Evidence-Based Policy Team (REP) Review

As mentioned in the request, the proposed pilot will draw upon a few different programs that have rigorous evaluations demonstrating their impact on employment and earnings. In order to build evidence for this particular model and understand the program's impact on desired outcomes, including successful child support payments, the program will need to undergo preliminary steps to move it along the evidence continuum. Because this program can actually be different sets of activities, and it is not following set parameters, the program will need to start at "Step 1" and will go through a logic model development phase. The rapid cycle evaluation process should identify which activities are linked to desired metrics.

Assumptions and Calculations:

Table 2 presents the scope of program expenditures required to implement the proposed child support employment program.

Table 2: Funding for Child Support Employment Initiative

	FY 2019-20	FY 2020-21 through FY 2022-23
Administrative Costs		
Personal services & operating expenses	$89,997	$85,294
Printing, communication, outreach	4,980	4,980
Program Delivery Costs		
Employment Services and Administration $300/participant x 5,200 participants (2,600 in start-up year)	780,000	1,560,000
Program Evaluation	92,000	184,000
	$966,977	**$1,834,274**

Costs for printing/communication/outreach are consistent with the costs required by similar employment-focused programs (e.g. ReHire Colorado) managed by the Department. Evaluation costs are consistent with the average cost of two similar evaluations the Department conducted for its Child Support 2Gen Transformation projects. Following the 2Gen evaluation model, the Department will procure a third-party evaluator to design the intervention and evaluation. This approach reduces the time needed to develop a detailed evaluation plan, utilizes internal staff expertise, and allows for rapid cycle evaluation, all of which reduce the cost. The evaluation will be ongoing throughout the pilot period. An interim final report will be available in August 2022, documenting the results from the program's first three years of implementation. Personal services and operating costs are detailed in Table 3. Program delivery costs are explained in the narrative, calculated at an average cost of $300/participant to serve 5,200 non-custodial parents owing child support. In the first, start-up year, the Department assumes that approximately half the number of participants will be served.

Table 3: 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		FY 2019-20		FY 2020-21	
Personal Services:					
Classification Title	Monthly	FTE		FTE	
SOC SVCS SPECIALST IV	$5,218	1.0	$62,616	1.0	$62,616
PERA			$6,512		$6,512
AED			$3,131		$3,131
SAED			$3,131		$3,131
Medicare			$908		$908
STD			$119		$119
Health-Life-Dental			$7,927		$7,927
Subtotal Position 1:		**1.0**	**$84,344**	**1.0**	**$84,344**
Subtotal Personal Services		1.0	**$84,344**	1.0	**$84,344**
Operating Expenses:					
		FTE		FTE	
Regular FTE Operating	$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	-	
Subtotal Operating Expenses			**$5,653**		**$950**
TOTAL REQUEST		1.0	**$89,997**	1.0	**$85,294**
General Fund:					
Federal Funds:			*$89,997*		*$85,294*

Table 4 presents the projected timeline required to implement the proposed initiative.

Table 4: Timeline to Transform Child Support Services																
DESCRIPTION	FY 2019-20				FY 2020-21				FY 2021-22				FY 2022-23			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Convene stakeholders; define program elements and framework	X															
Draft and release RFP	X	X														
Select program vendors and negotiate contracts		X														
Develop evaluation criteria	X	X														
Hire Employment Coordinator	X															
Develop and finalize training certification curriculum	X															
Draft and release Evaluation RFP	X	X														
Select evaluator and negotiate contracts		X														
Convene and train vendors		X														
Enroll and serve participants			X	X	X	X	X	X	X	X	X	X	X	X	X	X
Outcome tracking			X	X	X	X	X	X	X	X	X	X	X	X	X	X
Monitor vendors' performance				X	X	X	X	X	X	X	X	X	X	X	X	X
Closeout – Financial Info for End of Fiscal Year				X				X				X				X
Work with vendors to identify and implement best practices			X	X	X	X	X	X	X	X	X	X	X	X	X	X
Fiscal Oversight	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Technical Assistance			X	X	X	X	X	X	X	X	X	X	X	X	X	X

Table 5 illustrates the Long Bill appropriation and requested funding for FY 2019-20 and beyond. This request includes creating a new appropriation line for Child Support Services Employment.

Table 5: Long Bill Appropriation and Requested Funding for FY 2019-20 Through FY 2021-22							
***New* Child Support Services Employment**	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**	**FTE**	**Notes**
FY 2018-19 Appropriation (HB 18-1322)	$0	$0	$0	$0	$0	0.0	Enter FY 2018-19 Appropriation Amount
Requested Funding (or Spending Authority)	$952,669	$0	$0	$0	$952,669	1.00	100% TANF
FY 2019-20 Total Requested Appropriation	**$952,669**	**$0**	**$0**	**$0**	**$952,669**	**1.0**	
FY 2020-21 Annualization of Prior Year Funding	$867,297	$0	$0	$0	$867,297	0.00	100% TANF
FY 2020-21 Total Requested Appropriation	**$1,819,966**	**$0**	**$0**	**$0**	**$1,819,966**	**1.0**	
FY 2021-2022 Total Requested Appropriation	**$1,819,966**	**$0**	**$0**	**$0**	**$1,819,966**	**1.0**	

AED	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**	**FTE**	**Notes**
FY 2018-19 Appropriation (HB 18-1322)	$0	$0	$0	$0	$0	0.0	Enter FY 2018-19 Appropriation Amount
Requested Funding (or Spending Authority)	$3,131	$0	$0	$0	$3,131	0.0	Enter Amount Requested for FY 2019-20
FY 2019-20 Total Requested Appropriation	**$3,131**	**$0**	**$0**	**$0**	**$3,131**	**0.0**	
FY 2020-21 Annualization of Prior Year Funding	$0	$0	$0	$0	$0	0.0	Enter Annualization (FY 2020-21 Request Minus FY 2019-20 Request Amount)
FY 2020-21 Total Requested Appropriation	**$3,131**	**$0**	**$0**	**$0**	**$3,131**	**0.0**	
FY 2021-2022 Total Requested Appropriation	**$3,131**	**$0**	**$0**	**$0**	**$3,131**	**0.0**	

SAED	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**	**FTE**	**Notes**
FY 2018-19 Appropriation (HB 18-1322)	$0	$0	$0	$0	$0	0.0	Enter FY 2018-19 Appropriation Amount
Requested Funding (or Spending Authority)	$3,131	$0	$0	$0	$3,131	0.0	Enter Amount Requested for FY 2019-20
FY 2019-20 Total Requested Appropriation	**$3,131**	**$0**	**$0**	**$0**	**$3,131**	**0.0**	
FY 2020-21 Annualization of Prior Year Funding	$0	$0	$0	$0	$0	0.0	Enter Annualization (FY 2020-21 Request Minus FY 2019-20 Request Amount)
FY 2020-21 Total Requested Appropriation	**$3,131**	**$0**	**$0**	**$0**	**$3,131**	**0.0**	
FY 2021-2022 Total Requested Appropriation	**$3,131**	**$0**	**$0**	**$0**	**$3,131**	**0.0**	

STD	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**	**FTE**	**Notes**
FY 2018-19 Appropriation (HB 18-1322)	$0	$0	$0	$0	$0	0.0	Enter FY 2018-19 Appropriation Amount
Requested Funding (or Spending Authority)	$119	$0	$0	$0	$119	0.0	Enter Amount Requested for FY 2019-20
FY 2019-20 Total Requested Appropriation	**$119**	**$0**	**$0**	**$0**	**$119**	**0.0**	
FY 2020-21 Annualization of Prior Year Funding	$0	$0	$0	$0	$0	0.0	Enter Annualization (FY 2020-21 Request Minus FY 2019-20 Request Amount)
FY 2020-21 Total Requested Appropriation	**$119**	**$0**	**$0**	**$0**	**$119**	**0.0**	
FY 2021-2022 Total Requested Appropriation	**$119**	**$0**	**$0**	**$0**	**$119**	**0.0**	

HLD	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**	**FTE**	**Notes**
FY 2018-19 Appropriation (HB 18-1322)	$0	$0	$0	$0	$0	0.0	Enter FY 2018-19 Appropriation Amount
Requested Funding (or Spending Authority)	$7,927	$0	$0	$0	$7,927	0.0	Enter Amount Requested for FY 2019-20
FY 2019-20 Total Requested Appropriation	**$7,927**	**$0**	**$0**	**$0**	**$7,927**	**0.0**	
FY 2020-21 Annualization of Prior Year Funding	$0	$0	$0	$0	$0	0.0	Enter Annualization (FY 2020-21 Request Minus FY 2019-20 Request Amount)
FY 2020-21 Total Requested Appropriation	**$7,927**	**$0**	**$0**	**$0**	**$7,927**	**0.0**	
FY 2021-2022 Total Requested Appropriation	**$7,927**	**$0**	**$0**	**$0**	**$7,927**	**0.0**	

Schedule 13

Department of Human Services

Funding Request for The FY 2019-20 Budget Cycle

Request Title

R-07 Employment Affairs Staffing

Dept. Approval By: Melissa Wavelet

OSPB Approval By:

___	Supplemental FY 2018-19
___	Budget Amendment FY 2019-20
X	Change Request FY 2019-20

Summary Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
Total of All Line Items Impacted by Change Request	Total	$81,552,629	$0	$80,518,757	$589,251	$618,084
	FTE	65.9	0.0	65.9	5.4	6.0
	GF	$56,940,790	$0	$51,902,789	$329,981	$346,127
	CF	$665,192	$0	$4,594,640	$0	$0
	RF	$18,782,999	$0	$14,590,229	$259,270	$271,957
	FF	$5,163,648	$0	$9,431,099	$0	$0

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
01. Executive Director's Office, (A) General Administration, (1) General Administration - Health, Life, And Dental	Total	$46,696,345	$0	$45,681,295	$47,563	$47,563
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$33,413,551	$0	$29,357,601	$26,635	$26,635
	CF	$144,915	$0	$2,930,144	$0	$0
	RF	$10,356,168	$0	$7,685,079	$20,928	$20,928
	FF	$2,781,711	$0	$5,708,471	$0	$0
01. Executive Director's Office, (A) General Administration, (1) General Administration - Short-Term Disability	Total	$472,856	$0	$469,396	$791	$879
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$330,992	$0	$312,663	$443	$492
	CF	$8,592	$0	$27,320	$0	$0
	RF	$93,723	$0	$69,252	$348	$387
	FF	$39,549	$0	$60,161	$0	$0

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
01. Executive Director's Office, (A) General Administration, (1) General Administration - Amortization Equalization Disbursement	Total	$14,268,257	$0	$14,199,753	$20,827	$23,141
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$9,956,150	$0	$9,429,823	$11,663	$12,959
	CF	$255,862	$0	$814,901	$0	$0
	RF	$2,884,962	$0	$2,136,137	$9,164	$10,182
	FF	$1,171,283	$0	$1,818,892	$0	$0

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
01. Executive Director's Office, (A) General Administration, (1) General Administration - S.B. 06-235 Supplemental Equalization Disbursement	Total	$14,268,257	$0	$14,199,753	$20,827	$23,141
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$9,956,807	$0	$9,429,823	$11,663	$12,959
	CF	$255,823	$0	$814,901	$0	$0
	RF	$2,884,522	$0	$2,136,137	$9,164	$10,182
	FF	$1,171,105	$0	$1,818,892	$0	$0

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
01. Executive Director's Office, (B) Special Purpose, (1) Special Purpose - Employment and Regulatory Affairs	Total	$5,846,914	$0	$5,968,560	$499,243	$523,360
	FTE	65.9	0.0	65.9	5.4	6.0
	GF	$3,283,290	$0	$3,372,879	$279,577	$293,082
	CF	$0	$0	$7,374	$0	$0
	RF	$2,563,624	$0	$2,563,624	$219,666	$230,278
	FF	$0	$0	$24,683	$0	$0

Auxiliary Data

Requires Legislation?	NO		
Type of Request?	Department of Human Services Prioritized Request	**Interagency Approval or Related Schedule 13s:**	No Other Agency Impact

Cost and FTE

- The Department requests $589,251 total funds, including $329,981 General Fund and $259,270 reappropriated funds and 5.4 FTE in FY 2019-20, and $618,084 total funds, including $346,127 General Fund and $271,957 in reappropriated funds and 6.0 FTE and in FY 2020-21 and ongoing.
- This request adds human resources staff to ensure the Department can hire and retain talent to design and deliver high quality human services that help individuals, families and communities to be safe and independent. At the out-year cost, this is an 11% increase to the current appropriation.

Current Program

- The Division of Employment Affairs (HR) was restructured effective October 2017 without adding additional resources. Service delivery evaluations show that more staff are needed to meet Departmental objectives.
- Human resources provides consultation to the business regarding the attraction, motivation and retention of staff. Customers include all 5,146 FTE working in programs covering 80+ lines of business.
- The Department is currently resourced at 0.63 HR Professionals per 100 employees. This ratio is below national averages and below other State Executive Branch agencies.

Problem or Opportunity

- The HR team has less than half of the FTE needed to meet national benchmarks for the delivery of human resource services for a department of its size and complexity.
- HR cannot effectively assist programs to ensure that performance management, staff discipline, and grievance issues are handled proactively and in accordance with State personnel rules.

Consequences of Problem

- HR team turnover is 28 percent, costing more than $400,000 per year; Department-wide turnover is 24 percent, the highest of all State agencies, costing $24.7 million per year.
- Employee discipline and grievance issues cannot be proactively addressed.

Proposed Solution

- The Department requests $589,251 total funds, including $329,981 General Fund and $259,270 reappropriated funds and 5.4 FTE in FY 2019-20, and $618,084 total funds, including $346,127 General Fund and $271,957 in reappropriated funds and 6.0 FTE in FY 2020-21 and ongoing to ensure the Department can hire and retain talent and deliver high quality human services. The requested funds will bring the ratio of HR employees closer to the suggested national benchmark.

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John W. Hickenlooper
Governor

Reggie Bicha
Executive Director

Department Priority: ***R-07***

Request Detail: ***Employment Affairs Staffing***

Employment Affairs Staffing	Total Funds	FTE	General Fund	Reappropriated Funds
Total Funds Request for FY 2019-20	$589,251	5.4	$329,981	$259,270
Total Funds Request for FY 2020-21 and Ongoing	$618,084	6.0	$346,127	$271,957

Problem or Opportunity:

The Department requests $589,251 total funds, including $329,981 General Fund and $259,270 reappropriated funds and 5.4 FTE in FY 2019-20, and $618,084 total funds, including $346,127 General Fund and $271,957 in reappropriated funds and 6.0 FTE and ongoing in FY 2020-21 to ensure the Department can hire and retain talent and deliver high quality human services.

The Department of Human Services, Division of Employment Affairs is under-resourced compared to best practice in human resources for an agency with its size and complexity. As will be explained in more detail later in this document, the Department is:

- **Under-resourced:**
  - Under-resourced by between 19 and 40 human resource professionals compared to national human resource benchmarks.
  - Under-resourced by between 14 and 55 human resource professionals compared to 7 of the 8 other State Executive Branch agencies responding to the Department's survey of other agencies' human resource directors.
  - Not having a sufficiently resourced employment affairs team is causing serious delays in the recruitment and retention of direct care and other staff and resulting in a lack of support for the programs run by the Department.

- **More complex than other state executive branch agencies:**
  - More job classifications - Operating a more complex staffing structure than other state agencies, with 254 different job classifications to recruit and retain compared to the other two largest state executive branch agencies which have 154 and 170 different job classifications (Departments of Corrections and Transportation, respectively).
  - Higher turnover: Operate large volumes of highly competitive and high turnover job classifications compared to other state agencies.
  - More difficult personnel system requirements: Compared to private sector employers, the Department must follow highly complex personnel system rules and processes that make recruiting and retaining more difficult in a State system.

The Department has worked to maximize the effectiveness of its resources, the restructuring of its Division of Employment Affairs in October 2017. The Department's restructuring created the following Centers of Excellence to better meet the Department's human resources needs:

- **Business Partnership:** Human Resources Business Partners (HRBPs) provide programs with human resources consulting services. The HRBPs are responsible for working with all Department programs to analyze and anticipate the business needs, and working with programs to implement process and policy to drive improved engagement, reduce turnover, and coach supervisors and appointing authorities in effective performance management and staff development.
- **Talent Acquisition (TA):** The Talent Acquisition team is responsible for recruiting highly qualified employees across the organization.
- **Learning and Development (L&D):** The L&D team is responsible for employee development. L&D has implemented the Leadership Development training program for all new and upcoming leaders, the Supervisory Training Program for all current supervisors, and an online learning system that offers more than 2,000 courses available to employees.
- **Human Resources Operations and Civil Rights**: The Human Resources and Civil Rights team provides help to employees with benefits, including health, life and dental selections, as well as assistance accessing Family Medical Leave Act, Workers Compensation and Short Term Disability. This team also conducts investigations into allegations of inappropriate workplace conduct, rights violations, and other matters.

The above activities are carried out by 32 human resources professionals with Human Resources Specialist and Training Specialist job classifications. While the Division of Employment Affairs is now structured appropriately to best leverage its limited resources, it is still apparent that the Division is severely understaffed to effectively deliver required services.

Under-Resourced

The Employment Affairs team (human resources) is comprised of 47 regular full-time staff, of which 32 are professional-level employees and nine are technical employees (responsible for data entry of personnel actions and new staff background checks and onboarding activities), five supervisors (who also carry human resources activity workloads), and one director. According to Bloomberg Law's 2017 report titled "HR Departments Benchmark and Analysis" (Bloomberg Report), human resources departments nationally have gained a larger overall share of their organizations' financial resources over the last decade, with the median being a human resources budget of at least 1.1 percent of budgeted operating costs in 10 of the last 11 years. Additionally, the Bloomberg report recommends that agencies budget to spend about $1,087 per employee on human resources services. At $1,087 per FTE per year, the

Department's human resources budget should be about $5.6 million ($1,087 x 5,146 FTE). The Department's budget for human resources is $3.8 million for FY 2018-19, and has not received any increase since FY 2008- 2009.

Resources Compared to National Standards for Human Resources Departments:

According to the Bloomberg Report, private-sector employers have an average of 1.4 human resources professionals for every 100 employees. Other surveys indicate the ratio is 1.0 human resources professionals for every 100 employees. Table 1 shows that the Department is staffed at less than half of the national best practice ratio for human resources FTE.

Table 1: Number of Human Resources Professional FTE Needed to Meet National Standard Ratio of Human Resources Staffing		
National Ratio of Human Resources Professionals to Employees	1.4 Human Resources Professionals per 100 Employees[1]	1.0 Human Resources Professionals per 100 Employees[2]
Total Department of Human Service FTE (As of the May 4, 2018 CDHS Staff List)	5,146	5,146
# HR Professionals Needed (to meet specified ratio)	72	51
Department's Current # HR Professionals (Ratio .63 human resources professionals per 100 Employees)	32	32
# Additional HR Professionals needed to achieve national ratio of 1.4 to 100 or 1.0 to 100	40	19
Source: Department of Human Services Analysis of: [1] Bloomberg Law 2017 Report Titled "HR Department Benchmark and Analysis" (Bloomberg Report). [2] Society of Human Resources Management (SHRM).		

Workloads corroborate that the ratio of human resources staff to Department employees is insufficient to effectively support Department needs. For example:

- Human resources talent acquisition specialists handle between 60 and 90 requests to post and fill a position (i.e., requisitions) at any given time. The Society for Human Resources Management (SHRM) - one of the leading benchmarking organizations for the HR professional - published an article entitled Talent Acquisition: Recruitment and Selection on April 18, 2016. The key findings in this article indicate that the mean number of requisitions per human resources FTE is 40. This requisition load does not allow the team to focus on implementing process improvements that could make HR practices more efficient and free up the talent acquisition team to perform more valued-added activities. On average private sector human resources professional handle less than half the volume as the Department's talent acquisition team.

- This HR team performed over 11,659 required personnel actions from October 2017 to March 2018. This equates to an estimated total of over 23,000 personnel actions annually.

Feedback from Department customer groups also corroborate workload concerns for the human resources team. Specifically, a November 2017 survey of all Department customer groups (ie., CDHS supervisors), indicated that the human resources team needed improvement in customer service, response time, recruitment, easy access to human resources team members and onboarding.

Resources Compared to other Executive Branch Agencies:

The Department's current staffing ratio is 0.63 HR professionals for every 100 employees. *[Calculation: 32 HR staff divided by 51 (~5,100 employees/100) = 0.63 staff member per 100 employees]* This ratio is well below national averages, but also below the average ratios seen in other state agencies.

The Department surveyed other State Executive Branch agency human resource directors to identify how many HR professionals they have compared to the total number of employees. Table 2 shows the ratio of HR staff for every 100 employees for several other State Executive Branch agencies that participated in the Department's survey. As shown, with the exception of one of the agencies that responded to the survey, the Department is significantly under-resourced compared to other Executive Branch agencies. Based on this data, the Department would need between 13 and 55 additional HR staff to be resourced similarly to other State Executive Branch agencies.

Table 2: HR Staffing Ratios for State Executive Branch Agencies

Agency	# HR Professionals	# Employees[1]	# HR Staff for Every 100 Employees	# Additional HR Staff Needed for CDHS to be at Same Ratio
Office of Information Technology	11	960	1.1	25
Department of Health Care Policy and Financing	9	553	1.6	50
Colorado Department of Labor and Employment	22	1,298	1.7	55
Department of Local Affairs	2	193	1.0	19
Department of Military and Veteran Affairs	2.5	165	1.5	45
Department of Natural Resources	10	2,077	0.48	-8
Department of Public Health and Environment	12.5	1,421	0.88	13
Department of Transportation	43	3,057	1.4	40

Source: Department of Human Services' analysis of survey conducted of state executive branch Human Resource Directors.

1 - Data on the total number of employees was obtained from the Department of Personnel and Administration as of April 2018.
2 - Data on the number of HR Professionals obtained through a Department of Human Services survey of all State Executive

Branch agencies. Agencies included are those that responded to the survey.

Not having a sufficiently resourced employment affairs team is causing serious delays in the recruitment and retention of direct care and other staff, resulting in a lack of support for the programs run by the Department, many of which are 24/7 care facilities serving the State's most vulnerable population. This budget request will assist the Department in more closely meeting its workload by improving the HR staff-to-employee ratio to 0.75 (assuming an increase of 6 HR professionals, for a total of 38 professional HR staff to provide support to 5,146 employees).

Complexity

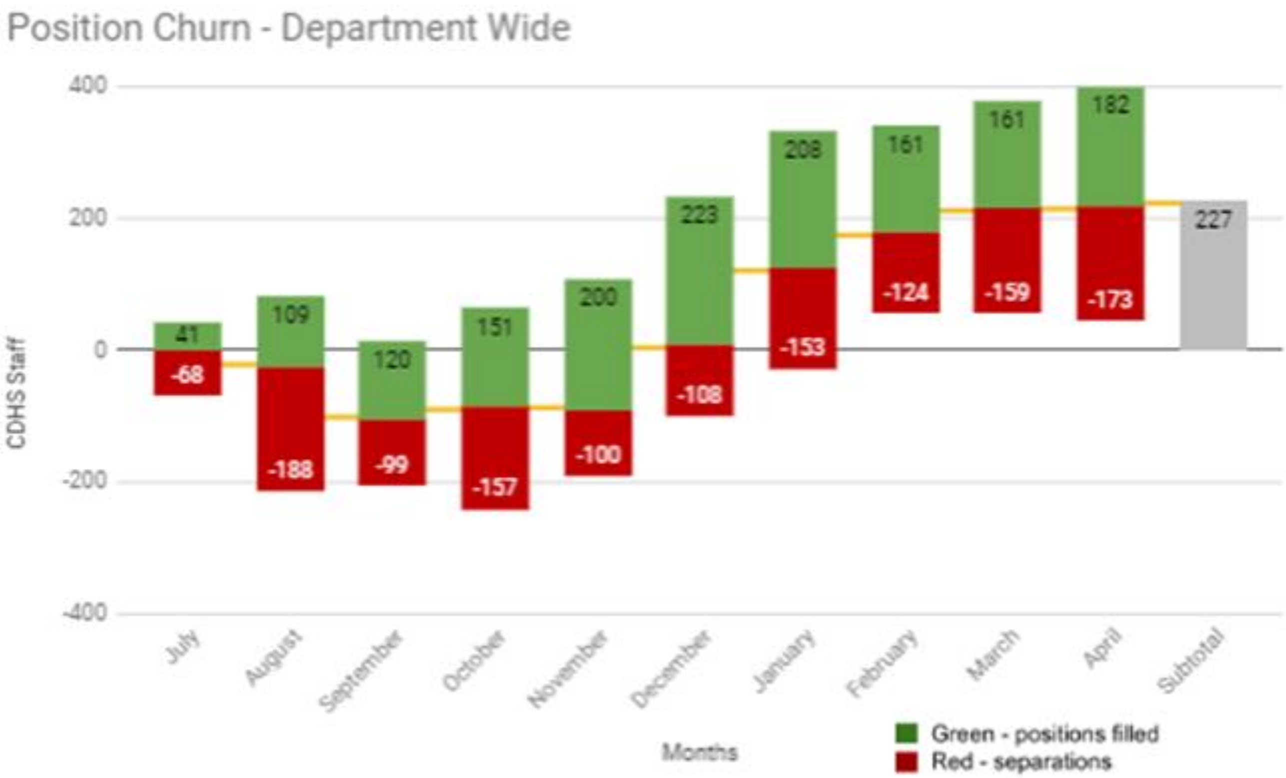
The Department is even further behind the best practice ratios expected in the private sector and when compared to other state agencies when consideration is given to the complexity of the Department's employee base and requirements of the State personnel system. The Department of Human Services is a $2 billion per year organization with more than 5,000 employees that operate more than 80 lines of business. As a result, the Department's operations are significantly more complex than other state agencies and many private sector businesses. Examples of this complexity follow:

- **Job Classifications:** The Employment Affairs team must handle recruitment and retention for more than 264 different job classifications with diverse duties and minimum qualifications. By comparison, the Colorado Department of Corrections has a greater number of employees (6,066) but uses only 154 job classes, and the Colorado Department of Transportation has 3,057 employees but uses only 170 job classes (Data from DPA/CPS Reporting).

  The Department's human resources team is responsible for recruiting and retaining people for jobs ranging from accountants, to custodians, medical professionals, social workers, managers, nursing home administrators, and business management professionals, among others. Each job class hired for each different program requires a unique approach to recruitment and retention.

- **Turnover:** The Department has the highest turnover rate compared to other State agencies, at 24 percent. Turnover in other state agencies ranges from a low of 6.8 percent for Public Safety and a high of 19.7 percent for Treasury. Note that the 19.7 percent at Treasury represents the loss of only five employees. The 24 percent at THE DEPARTMENT represents 1,187 employees. Some job classifications at the Department have turnover as high as 60 percent for Youth Services Specialist I's in one of our Division of Youth Services facilities. This drives significant workload for the Employment Affairs team. For example, in FY 2017-18, the Employment Affairs team posted and filled 1,991 positions. This means that in a one-year period slightly less than half of the Department's total positions were vacated and filled by the Employment Affairs team.

Figure 1: Position Fills against Separations from July 2017 to April 2018 - Position Churn Department-wide



- Figure 1 illustrates the positions filled (green) versus separations (red) Department-wide from November 2017 to April 2018. In total, the human resources team filled 1,135 positions but lost 817 during the same period. Put another way, the Department lost 70 percent of the positions filled due to separations.
- Position churn is exacerbated in the Department's 24/7 facilities where work environments are stressful and compensation does not always compete with the market. For example, for the Office of Behavioral Health, the human resources team filled 492 positions and lost 415 employees during the same period.
- For the Division of Youth Services (DYS), the human resources team filled 468 positions but lost 327 employees during this same time. This Division oversees 10 youth services 24/7 facilities for committed and detained youth.

High turnover is driven by a number of factors that the Employment Affairs team, if properly resourced, could help the Department to address through:

- Developing and implementing effective retention plans.
- Professional development of supervisors and leaders to promote a positive workplace culture and retain highly effective employees.
- Training to guide supervisors to proactively address employee discipline issues.
- Developing comprehensive plans to improve compensation for high-turnover, highly competitive positions to ensure salaries are competitive with the private sector. The Department has undertaken several budget actions since November 2016 to address

compensation concerns for direct care employees and will continue these efforts in the FY 2019-20 budget cycle.

- **State Personnel System Challenges:** A significant contributor to the complexity of the Department's human resources functions compared to private sector organizations is the State Personnel System. Specifically, the Personnel System rules and processes are onerous and drive significant complexity not typically found in the private sector when implementing personnel transactions. It is an exceptionally complex process to hire, compensate properly, progressively discipline and terminate employees who have a property right to their job.

    - **Significantly more complex hiring:** State Personnel Board rules require that agencies follow highly prescriptive processes for recruiting and filling vacant positions. This includes, posting a position for weeks, screening candidates for minimum qualifications, establishing a process for interviewing and selecting candidates, and ultimately if no candidate is selected from a list of qualified candidates, the agency must wait 30 days before being allowed to repost the position. These processes are often more onerous and time-consuming than the private sector, resulting in the loss of qualified candidates who can progress through a private-sector hiring process quickly and with less effort.
    - **More difficult to move non-performing employees out:** Employee morale is a large driver of turnover. One contributor to negative morale among high-performing employees is an inability to move out employees who are not performing effectively. According to the Colorado Constitution, State employees have a property right to their job (Colorado Constitution Article XII, Section 13 - (8)). This concept is supported in the State Personnel Board rules which dictate the complex underlying processes for administration and implementation of personnel actions in this environment. One of the responsibilities of the Employment Affairs team is to assist leadership with responding to grievances, some of which appear to be arbitrary and done in anticipation of disciplinary actions.

Consequences of the Problem:

The issues described here drive exhaustive workloads that can be tied to the 23 percent turnover rate in human resources staff over the last two calendar years (see Table 3). This turnover is down from 46 percent prior to when the HR organizational restructure began.

Table 3: Actual Turnover Rate for Division of Employment Affairs FY 2017-April 2018			
Work Unit	**FY2015-16**	**FY2016-17**	**FY2017-18**
Employment Affairs North & West Administration Office	38.89%	25.00%	25.71%
Employment Affairs South Administration Office	26.67%	20.00%	14.29%
Employment Affairs Total	35.29%	23.40%	22.45%

The Department's human resources professionals typically leave the Department for jobs at other State agencies or in the private sector with significantly smaller workloads.

Studies done by the Society for Human Resources Management predict that every time a business replaces an employee, it costs six to nine months' salary on average. For an employee making $40,000 a year, that's $20,000 to $30,000 in recruiting and training expenses. The cost of turnover at the Department is significant:

- **$24.7 million in Department-wide turnover -** Based on salary data, as of May 4, 2018, the average salary for a CDHS employee is $49,382 per year. Using the low end of the range for the cost of turnover ($20,000 per lost employee), the annual cost of turnover for the Department as a whole is approximately $24.7 million (24 percent annual turnover of 5,146 total FTE equals a loss of 1,245 employees per year. At a cost of $20,000 to replace each employee, the Department spends an average of $24.7 million on turnover).
- **$403,000 in Human Resources Team Turnover -** At an average salary of $60,000 for an HR professional level employee and six months, the cost of turnover alone for one HR staff member is $30,000. Based on a staff of 47 employees with 28 percent turnover, the annual cost of turnover in HR alone is $403,000.

If the Human Resources team was resourced consistent with national averages between 1.0 and 1.4 HR professionals per 100 FTE it could support programs to both recruit and retain highly qualified employees, while also reducing Department-wide turnover by an estimated 10 percent, and creating an overall reduction in turnover cost of $2.4 million per year to the State. The present request of 5.4 FTE will move the Department from 0.63 to 0.75 HR professionals per 100 FTE and provide the Department with an opportunity to validate its anticipated outcomes relative to turnover.

Efforts to Correct the Problem Include the Following:

HR Restructure and Retention

- The Department restructured the human resources team effective October 2017 without adding resources. While the human resources team is now structured to more effectively deliver HR services, the team is severely understaffed to properly serve an organization of this size and complexity.
- The team was restructured from a team of generalists, all doing a variety of work, to a team with specialized units that have distinct roles in the Department's HR processes. The team now has talent acquisition specialists; HR business partners who specialize in all day-to-day HR supports and activities helping programs to develop employee engagement and retention plans and to manage performance; a group specialized in benefits and civil rights; and a group dedicated to data entry and reporting.
- The Human Resources team implemented an employee recognition program in an effort to reduce turnover on the team.

Technology Improvements

- The HR team has worked with the Department's Business Technology Unit (BTU) to implement eClearance, an online business process technology which reduces paper transactions and brings further clarity and consistency to the implementation of personnel actions.
- The HR team is working with BTU to implement an on online position description (PD) system to improve consistency and efficiency in PD tracking, the updating and evaluation of positions and in the talent acquisition process.

- The job evaluation process is being reviewed from a LEAN perspective to reduce the time to evaluate a position from 2-3 weeks to 24-48 hours.

LEAN and Process Improvement

- The HR team has used LEAN processes to evaluate and substantially improve its talent acquisition, onboarding and data input processes.

Talent Acquisition

- The Talent Acquisition team is constantly evaluating the efficiency and enhancements available with the Statewide NeoGov applicant tracking system to further enhance the candidate experience and drive a shorter Time to Fill metric. There is more work to be done on this. With increased staff, the TA team will have more time to focus on process improvement initiatives.
- Many of the Department's open positions are reviewed by over 1,000 candidates but only an average of 2 percent apply. Further resources on the Talent Acquisition team are needed to spend time understanding and improving candidate pools.
- The Talent Acquisition team piloted a new process for issuing offer letters to prospective employees. In the Office where this has been piloted, we have reduced the time it takes the offer letter to get to the candidate from four days to two and reduced the overall process time (from creation to hire) by six days. We are continuing to implement this process across the Department's many offices.
- Online reference checking has been piloted when hiring HR professionals. We are evaluating the pilot system with Neogov to determine if it will add efficiency to the process in spite of the system's limitations.

Learning and Development

- In an effort to develop great leaders and reduce turnover, the Learning Development (L&D) team implemented the Cornerstone Learning Management System (LMS) to design, deliver and track the success rate of online, web based and in person training.
- The L&D implemented online performance management program (PMP) beginning with FY 2016 in an effort to improve the efficiency and effectiveness of performance management and goal setting.
- The L&D team has implemented various learning initiatives for leaders including a highly regarded Leadership Academy for both the Northern and Southern Districts of CDHS as well as the New Leader Onboarding program.
- The L&D team has created a mentor program to engage high potential employees as a stepping stone to possible leadership roles.
- L&D is piloting a Talent Review to evaluate employee development for leaders and high performing employees.
- Expanded organizational development consulting services to provide more customized learning and performance solutions for individual units.
- All process improvement initiatives listed here are even more critical as we have such severely limited resources. It's imperative for the HR team to become even more efficient to best allocate limited resources.
- Causes may include the complex nature of human services work and the use of many entry-level job classes to staff direct care facilities around the clock. As a result of this turnover, associated personnel actions that must be processed by certified human resources specialists to support the

Department's staffing needs has increased, averaging 11,659 actions per year.

Proposed Solution:

The Department requests 5.4 FTE to bring its Human Resources team closer to the national average for staffing ratios for an organization of over 5,000 FTE and more than 80 different lines of business. This will improve the Human Resources team's ability to appropriately address the Department's recruitment, retention, development, and performance management needs. To accomplish this, the Department requests funding in FY 2019-20 and ongoing to add the equivalent of 6.0 FTE at a total cost of $665,114 including $373,490 General Fund and $291,624 reappropriated funds.

Table 4 shows how many of each type of HR professional are planned to be hired and where the individuals will be disseminated throughout the organization.

Table 4: Employment Affairs New FTE

	Working Title	Location	Unit	Client Groups
1	Civil Rights Investigator	1575 Sherman	Civil Rights	CDHS
2	Compensation/Policy Analyst	1575 Sherman	HR Operations	CDHS
3	Talent Acquisition Specialist	Western Slope	Talent Acquisition	OCYF, OCAI
4	Talent Acquisition Specialist	1575 Sherman	Talent Acquisition	DYS, OBH
5	Training Specialist	1575 Sherman	Learning & Development	CDHS
6	HR Business Partners	1575 Sherman	Business Partnership	DYS

Anticipated Outcomes:

Overall, adding FTE to the Human Resources team will result in a reduction of turnover (both Department-wide and within HR), a reduction in vacant positions, and improvement in overall staff knowledge of and adherence to State Personnel Rules for all aspects of the human resources functions. The most critical anticipated outcome would be an expected reduction of DHS turnover. Further description of the improvements follows:

- **Talent Acquisition Team:** The Talent Acquisition team handles a significantly higher workload than other agencies and more than typically found in the private sector. Additional FTE will allow the Talent Acquisition team to focus on improving recruitment and hiring processes, reducing the Time to Fill metric, implementing strategic social media recruitment initiatives, sourcing qualified candidates, and conducting comparative analyses. Increased Talent Acquisition capacity will further enhance the candidate experience as well as lead to recruiting higher caliber employees better suited to the organization, which ultimately will result in reduced turnover.

- **Human Resources Business Partners (HRBPs):** HRBPs are responsible for aligning business objectives with employees and management in designated work units. However, the newly restructured HRBP team is spending a significant amount of time reacting to instead of proactively addressing a myriad of employee relations issues. HRBP responsibilities include R6-10 meetings (pre-disciplinary meeting held between the employee and supervisor as described in part 6-10 of the State Personnel Board Rules), corrective and disciplinary actions, performance improvement plans (PIP), investigations, complaints and grievances, general performance consultation, eClearance transaction processing (i.e., electronic processing of personnel actions), training, litigation, meetings, and job evaluation. This does not allow the team to proactively address performance issues, work with the organization to create outcome-based goals for teams, or address organizational development issues to improve engagement, retention and reduce turnover.

- **Human Resources Operations and Civil Rights:** As part of the HR reorganization strategy, the Department centralized all investigations, appeals, Equal Employment Opportunity Commission/Colorado Civil Rights Division responses, and settlement agreement management within the Civil Rights Unit. Additional human resources FTE will allow the Civil Rights Unit to organize and distribute work in a more equitable and efficient manner, in order to increase response time to emerging issues and investigation requests. A number of factors determine the scope and time commitment involved in a civil rights investigation. Variable factors include the complexity of issues under investigation, number of witnesses, travel time to the investigation site, and the volume of pertinent documents under review related to the investigation. At a minimum, assuming six witnesses to interview, including the complainant and respondent, the average time involved to complete an investigation from start to finish is about 50 hours per investigation. With approximately 65 investigations per year totaling 50 hours per investigation, the Civil Rights team spends 3,250 hours on investigations alone, not counting assistance with appeals, settlement agreements, and employee relations follow up. The Department currently has 1 FTE dedicated to investigations. The supervisor handles appeals, employee relations follow up, investigation review, supervises the benefits team, and handles projects like the implementation of a new background check regulation. The supervisor spends 60-70 hours/week on this workload. This is an insurmountable workload even with two full time investigators on staff. Further, an additional Investigator on staff will reduce cost to the Department of hiring a contractor at a minimum of $85 per hour, as well as reduce CDHS turnover as well as turnover on the HR Investigator team.

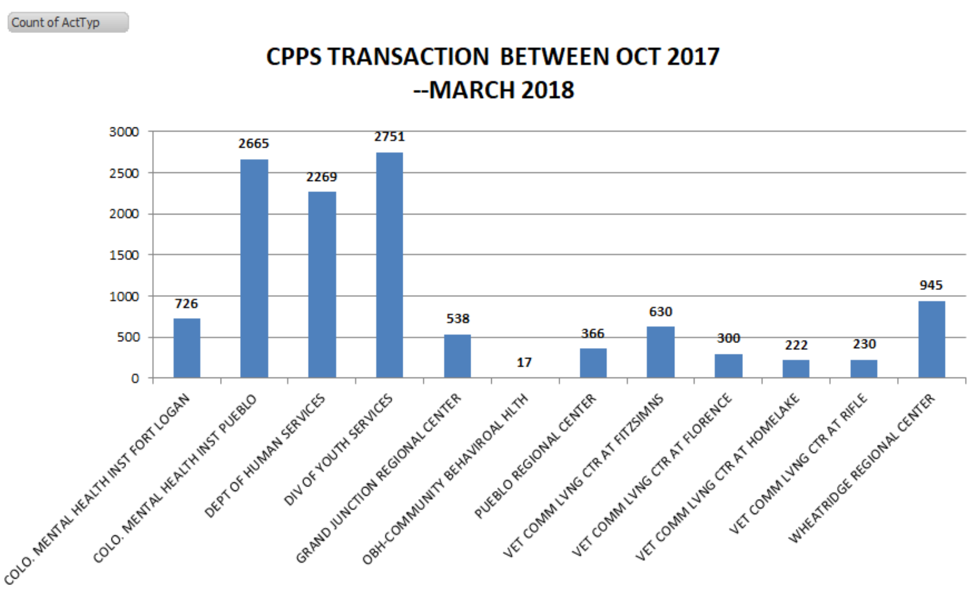
- **Learning and Development:** The Learning and Development (L&D) Team includes one Training Specialist V who oversees three Training Specialist IIIs serving approximately 5,146 CDHS employees. The team manages an online learning management system (LMS) and all professional and leadership development opportunities that are available to the entire Department. This includes open enrollment courses, the Leadership Academy, Mentorship Program, New Leader Onboarding, annual compliance training and Organizational Development Consulting Services.

  Additional HR resources for the training unit will ensure the smooth and effective functioning of learning events and special projects related to training implementation as well as with the Cornerstone LMS. An additional position will also provide technical expertise as a subject matter expert for the LMS and will ensure the LMS is being utilized to its full potential at CDHS. This includes additional bandwidth in the training unit to:

- assist in data management for the LMS,
- assign courses to employees,
- monitor progress through data reporting,
- ensure employees are trained and utilizing the system to its highest potential.
- prepare or assist with the preparation of presentations and reports; gather and analyze information as directed by the appointing authority,
- track employee training records, and
- produce specific ongoing and ad-hoc reports for leadership across the organization; enter data; and track course completion.

There is a significant need for leadership development at CDHS. This can be seen through the high turnover rate and number of investigations, grievances, and employee relations challenges.

Figure 2: Colorado Personnel Payroll System (CPPS) Transactions October 2017 to March 2018



AGENCY	Count of Emp	AGENCY %
C M H I AT FT LOGAN	365	7.03%
C M H I AT PUEBLO	1148	22.11%
DEPT OF HUMAN SERVICES	1112	21.41%
DIV OF YOUTH CORRECTIONS	1130	21.76%
GRAND JUNCTION REGN CTR	274	5.28%
PUEBLO REGIONAL CENTER	168	3.24%
VET COMM LVNG CTR AT FITZSIMNS	244	4.70%
VET COMM LVNG CTR AT FLORENCE	150	2.89%
VET COMM LVNG CTR AT HOMELAKE	87	1.68%
VET COMM LVNG CTR AT RIFLE	114	2.20%
WHEATRIDGE REGIONAL CTR	401	7.72%
Grand Total	5193	

- The HR team completed 11,659 personnel transactions from October 2017 to March 2018 for an estimated total of over 23,000 annually.

Assumptions and Calculations:

The following assumptions informed this request:

- The Department wishes to add a total of 6 HR professional FTE beginning in FY 2019-20. The number of FTE in this request will bring the Department closer, but not fully, in line with what would be needed to meet nationally recognized HR Department staffing ratios of 1.4 HR FTE for every 100 employees.

- The cost of FTE is based on salary plus the cost of benefits using the FTE calculator supplied by the Office of State Planning and Budgeting. (See Table 5 below.)
    - Salary is determined by using the midpoint salary of the FY 2017-18 Pay Plan published by the Department of Personnel and Administration for the Human Resources Specialist IV job classification.
        - The Human Resources Specialist IV classification was used because the Department has found that hiring at the III level does not produce sufficient candidate pools, and that when we are able to hire in at a level III, we often lose that employee to other State agencies that hire in at Level IV.
        - Salary midpoint was used because as the Department has tried to fill vacant Human Resources Specialist positions, the Department has had to offer at midpoint of the range or above in order to recruit qualified candidates. Of the 7 Human Resources Specialist positions filled, 6 had to be filled at midpoint or above and 3 of these were hired at the maximum.
    - The cost of benefits were included based on template published by OSPB, and include:
    - POTS (PERA, SAED, and AED of 20.4 percent on all increases to wages, based on the FY 2018-19 rates published by DPA).
    - Cost of HLD POTs based on a $7,927.19 per person rate that DPA publishes.
    - Cost of STD at .19 percent of the salaries.
    - Cost of Medicare at 1.45 percent of the salaries.

Table 5: FTE Calculations Template

FTE Calculation Assumptions:

<u>Operating Expenses</u> -- 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.

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

Expenditure Detail		FY 2019-20		FY 2020-21		FY 2021-22	
Classification Title	Monthly Salary	FTE		FTE		FTE	
HR Specialist IV	$6,428	5.4	$416,534	6.0	$462,816	-	$0
PERA			$43,320		$48,133		$0
AED			$20,827		$23,141		$0
SAED			$20,827		$23,141		$0
Medicare			$6,040		$6,711		$0
STD			$791		$879		$0
Health-Life-Dental			$47,563		$47,563		$0
Subtotal Position 2, #.# FTE		**5.4**	**$555,902**	**6.0**	**$612,384**	**-**	**$0**
Operating Expenses:							
		FTE				FTE	
Regular FTE Operating Expenses	$500	5.4	$2,700	6.0	$3,000	-	$0
Telephone Expenses	$450	5.4	$2,430	6.0	$2,700	-	$0
PC, One-Time	$1,230	6.0	$7,380	0.0	$0	-	$0
Office Furniture, One-Time	$3,473	6.0	$20,838	0.0	$0	-	$0
Other							
Other							
Other							
Other							
Subtotal Operating Expenses			**$33,348**		**$5,700**		**$0**
<u>TOTAL REQUEST</u>		5.4	**<u>$589,250</u>**	6.0	**<u>$618,084</u>**	-	**<u>$0</u>**
	General Fund:		*$330,889*		*$347,080*		*$0*
	Cash funds:		*$0*		*$0*		*$0*
	Reappropriated Funds:		*$258,361*		*$271,004*		*$0*
	Federal Funds:		*$0*		*$0*		

Schedule 13

Department of Human Services

Funding Request for The FY 2019-20 Budget Cycle

Request Title

R-08 County Child Welfare Staff - Phase 5

Dept. Approval By: Melissa Wavelet

OSPB Approval By:

___	Supplemental FY 2018-19
___	Budget Amendment FY 2019-20
X	Change Request FY 2019-20

Summary Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
Total of All Line Items Impacted by Change Request	Total	$27,858,511	$0	$27,551,435	$6,125,404	$5,725,405
	FTE	7.0	0.0	7.0	0.0	0.0
	GF	$19,034,559	$0	$18,749,724	$4,500,647	$4,205,928
	CF	$2,190,778	$0	$2,157,460	$612,541	$572,541
	RF	$0	$0	$0	$0	$0
	FF	$6,633,174	$0	$6,644,251	$1,012,216	$946,936

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
05. Division of Child Welfare, (A) Division of Child Welfare, (1) Division of Child Welfare - Training	Total	$6,659,417	$0	$6,687,341	$88,800	$88,800
	FTE	7.0	0.0	7.0	0.0	0.0
	GF	$3,583,920	$0	$3,600,585	$64,824	$64,824
	CF	$52,162	$0	$52,344	$8,880	$8,880
	RF	$0	$0	$0	$0	$0
	FF	$3,023,335	$0	$3,034,412	$15,096	$15,096
05. Division of Child Welfare, (A) Division of Child Welfare, (1) Division of Child Welfare - County Child Welfare Staffing	Total	$21,199,094	$0	$20,864,094	$6,036,604	$5,636,605
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$15,450,639	$0	$15,149,139	$4,435,823	$4,141,104
	CF	$2,138,616	$0	$2,105,116	$603,661	$563,661
	RF	$0	$0	$0	$0	$0
	FF	$3,609,839	$0	$3,609,839	$997,120	$931,840

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Human Services Prioritized Request	**Interagency Approval or Related Schedule 13s:**	No Other Agency Impact

Cost and FTE

- The Department requests $6,125,404 total funds, including $4,500,647 General Fund, $612,541 cash funds and $1,012,216 federal funds in FY 2019-20 and $5,725,405 total funds, including $4,205,928 General Fund, $572,541 cash funds and $946,936 federal funds in FY 2020-21 and on-going in order to increase county child welfare staffing to promote children and youth safety.
- The cash funds are local funds. The federal funds are from Title IV-E of the Social Security Act.
- This is an increase of 22% over the FY 2018-19 appropriation.

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 their homes for reasons of protection or community safety.

Problem or Opportunity

- The 2016 Division of Child Welfare Caseload Study, contracted through ICF International, determined that counties need 610 additional child welfare staff and provided a tool to quantify county level staffing needs.
- While 100 county positions were funded in FY 2015-16, 84.3 in FY 2016-17, 66.0 in FY 2017-18 and 85.3 in FY 2018-19 totaling 335.5 FTE positions, there are still 274.5 FTE needed in order to meet the recommended staffing level. The Department estimates it will take two more years of funding in addition to this request to meet the recommended staffing levels.
- Increased staffing allows county child welfare case workers more time to work with children, youth and families to provide quality case management services such as increased response times to initial reports of abuse/neglect, increase timeliness of assessment closure, more oversight of treatment plans, and more frequent family engagement.

Consequences of Problem

- High staff turnover and a lack of sufficient staff affect the ability of county staff to deliver quality services, or could lead to a degradation of services affecting safety measures, continuity, and quality.
- Increased volumes of work can negatively impact child safety, and the quality of work and services provided to children and families, as workers have inadequate time to perform all necessary tasks of case management.

Proposed Solution

- The Department requests $6,125,404 total funds as the fifth phase of a multi-phased approach to support counties in hiring 100 additional Child Welfare staff to ensure the number of cases are manageable and to expand the reach of recruitment of qualified child welfare candidates.

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COLORADO

Department of Human Services

FY 2019-20 Funding Request | November 1, 2018

John W. Hickenlooper
Governor

Reggie Bicha
Executive Director

Department Priority: ***R-08***
Request Detail: ***County Child Welfare Staff – Phase 5***

Summary of Incremental Funding Change for FY 2019-20	**Total Funds**	**FTE**	**General Fund**	**Cash Funds**	**Federal Funds**
County Child Welfare Staff – Phase 5	$6,125,404	0.0	$4,500,647	$612,541	$1,012,216
Summary of Incremental Funding Change for FY 2020-21	**Total Funds**	**FTE**	**General Fund**	**Cash Fund**	**Federal Fund**
County Child Welfare Staff – Phase 5	$5,725,405	0.0	$4,205,928	$572,541	$946,936

Problem or Opportunity:

The Department of Human Services requests $6,125,404 total funds including $4,500,647 General Fund, $612,541 cash funds, and $1,012,216 federal funds for FY 2019-20; and $5,725,405 total funds including $4,205,928 General Fund, $572,541 cash funds, and $946,936 federal funds in FY 2020-21 and beyond to increase county staffing in response to a caseload study performed by ICF International. The cash funds are local matching funds. The federal funds are from Title IV-E of the Social Security Act.

Additional County Child Welfare Staff

This is Phase 5 of a multi-phase approach for county staffing to meet the current child welfare workload in the State. In FY 2015-16, Senate Bill 15-242 (SB 15-242) was passed and $6,408,147 total funds were appropriated to the Department, of which $6,064,149 was allocated to counties to hire 100 child welfare supervisors, case managers, and case aide positions.

Table 1 shows funding received and future needs based on the findings identified from the caseload study.

Table 1: County Staffing Needs

Fiscal Year	Total Funds	General Fund	Cash Funds	Federal Funds	Positions
FY 2015-16	$6,064,149	$5,428,510	$606,415	$29,224	100.0
FY 2016-17	$5,481,499	$4,916,910	$566,415	($1,826)	84.25
FY 2017-18	$3,739,367	$3,366,707	$374,193	($1,533)	66.0
FY 2018-19	$5,914,079	$1,738,512	$591,593	$3,583,974	85.25
SUM	$21,199,094	$15,450,639	$2,138,616	$3,609,839	335.50
FY 2019-20 (requested)*	$6,125,404	$4,500,648	$612,461	$1,012,216	100.00
Remaining Cost and Positions	$31,245,316	$23,680,343	$3,124,532	$4,440,442	174.5
Total Funding for Recommended Need	$58,569,814	$43,631,630	$5,875,609	$9,062,497	610.0

Source: Colorado Long Bills (SB 15-242, HB 16-1405, SB 17-254, and HB 18-1322).

SB 15-242 also provided $195,050 to contract for an independent study concerning the child welfare caseload by county. The 2016 Child Welfare Caseload Study defined the impact of additional child welfare staff, as well as provided a framework for requesting additional resources. This study created the Colorado Division of Child Welfare Case Worker Allocation Tool (DCAT). The caseload study further supported the need for more county child welfare staff and the DCAT tool provides a framework for determining the allocation of appropriated funds to the counties.

While 335.5 new FTE positions have been appropriated and funded in the last few years, the current staffing level still does not meet the recommended workload for Colorado child welfare staff. In order to meet the recommended child welfare staffing level of 610 additional staff, 274.5 new FTE still need to be funded. Based on funding in prior phases, the Department is anticipating two more requests for funding, in addition to this request for fiscal year 2019-20, in order to meet the recommended staffing level.

The FTE need has not been reviewed since the 2016 Child Welfare Caseload Study to determine if the need is different than 610.

Overall, child welfare case workers reported that the volume of work can have a significant impact on child welfare 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 child welfare case 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 child welfare supervisor has to dedicate time to case work, and is unable to provide support, mentoring and guidance to staff.

As of July 1, 2018, 335.5 new FTE have been allocated to counties. The Child Welfare Allocation Committee requires that all positions be filled by November 1 of each fiscal year. If a county cannot fill the position by that date, the FTE is re-allocated to another county. This process ensures that all FTE as a result of SB 15-242 and subsequent appropriations are filled.

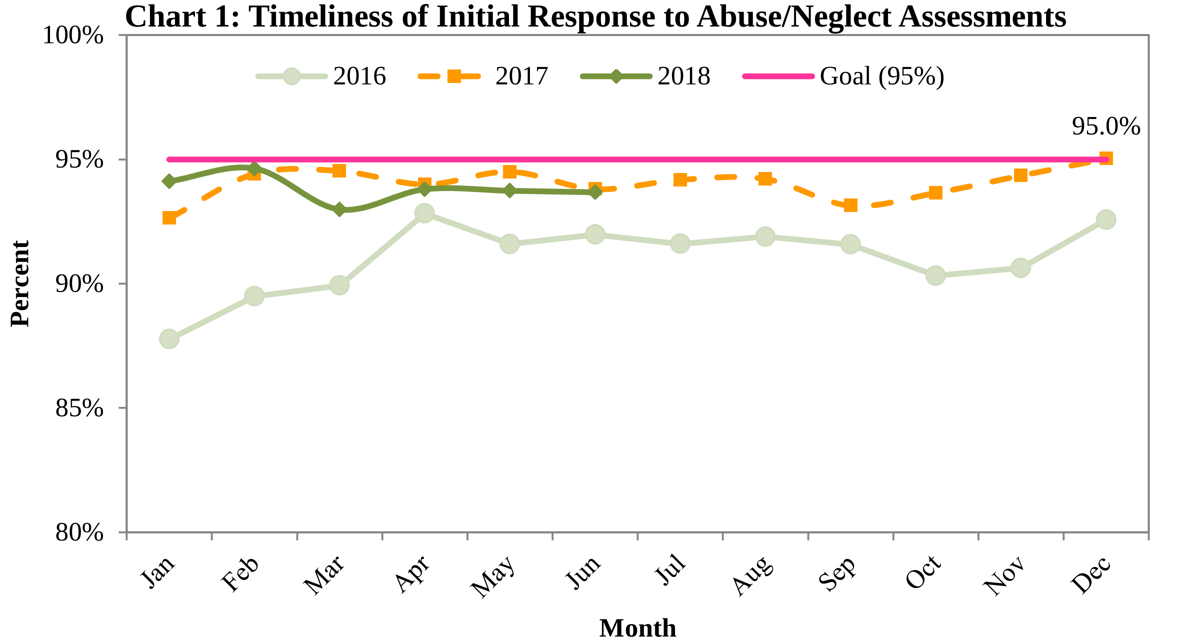
Table 2 shows how 335.5 FTE have been allocated to the counties through the first four phases of funding.
Table 2: New FTE Allocation by County

County	FTE Awarded	County	FTE Awarded
Adams	47.50	Kit Carson	-
Alamosa	2.00	La Plata	1.00
Arapahoe	43.25	Lake	-
Archuleta	1.00	Larimer	13.50
Baca	1.00	Las Animas	1.00
Bent	1.00	Lincoln	-
Boulder	5.00	Logan	1.00
Broomfield	1.00	Mesa	18.75
Chaffee	1.00	Mineral	0.25
Cheyenne	-	Moffat	1.00
Clear Creek	1.00	Montezuma	-
Conejos	1.50	Montrose	4.50
Costilla	1.00	Morgan	0.50
Crowley	1.00	Otero	1.00
Custer	-	Ouray	-
Delta	3.25	Park	-
Denver	45.25	Phillips	-
Dolores	0.50	Pitkin	1.00
Douglas	13.50	Prowers	1.00
Eagle	1.00	Pueblo	5.25
El Paso	57.75	Rio Blanco	-
Elbert	1.00	Rio Grande	1.25
Fremont	2.25	Routt	-
Garfield	0.75	Saguache	1.00
Gilpin	1.00	San Juan	-
Grand	-	San Miguel	-
Gunnison	-	Sedgwick	-
Hinsdale	-	Summit	-
Huerfano	1.00	Teller	-
Jackson	-	Washington	1.00
Jefferson	29.50	Weld	16.50
Kiowa	1.00	Yuma	1.00

Source: County FTE Allocation Document approved by Child Welfare Allocation Committee 6/4/2018

Colorado is continuing to face challenges in providing adequate services to children in need. Colorado's child population has increased by more than 1% year over year from 2013 through 2016. Total referrals and referrals accepted for assessment have increased substantially year over year. Charts 1-3 show results of C-Stat Measures related to this challenge.

Chart 1: Timeliness of Initial Response to Abuse/Neglect Assessments



Source Data: ROM reports as of September 4th, 2018; C-Stat September 2018 Reports

Chart 2: Compliance with the Statutory Requirement Related to Timeliness of Assessment Closure

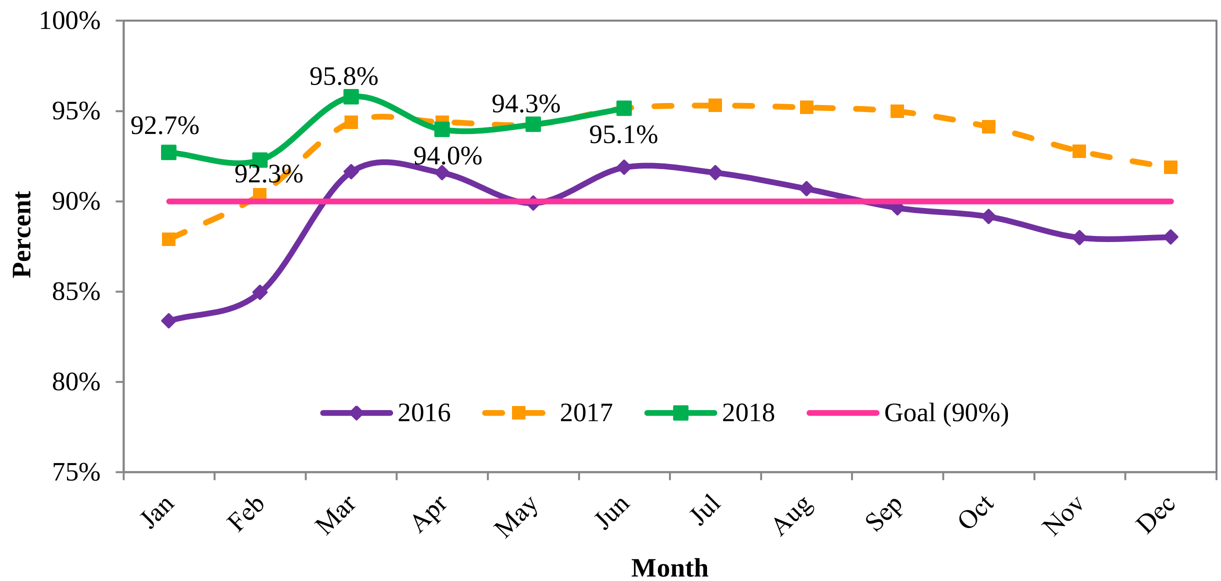
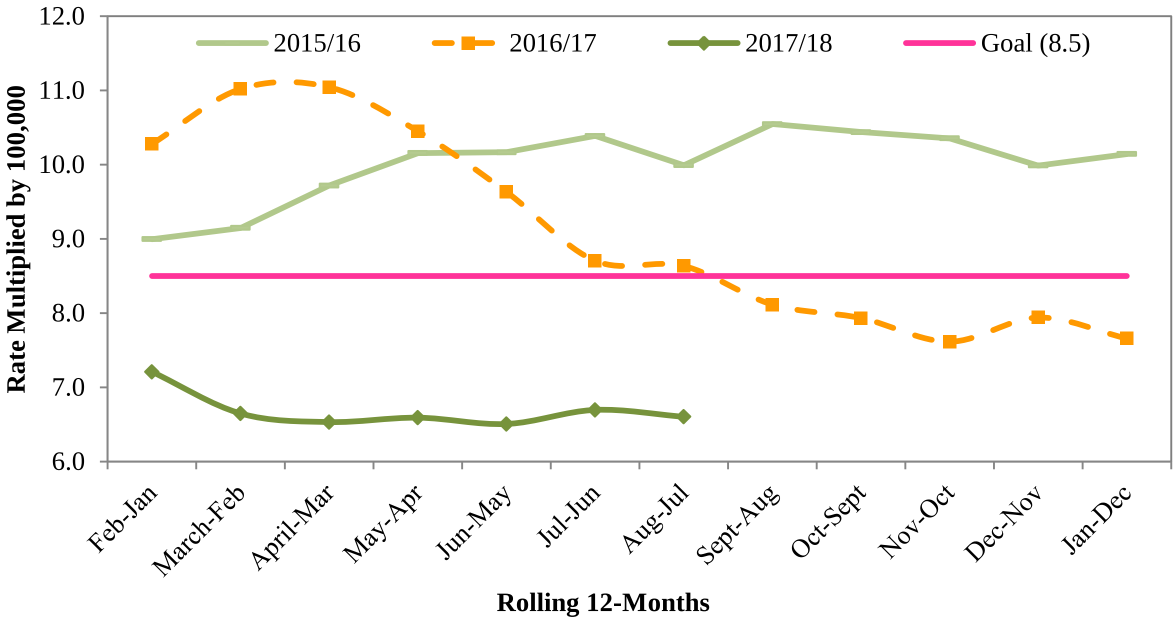


Chart 3 shows the rate of victimization per day, based on the number of children in out-of-home care during a 12-month period. "Out-of-home care" refers to a child in the child welfare system who is in county custody and placed in an out-of-home setting such as a residential child care facility, foster home or other setting.

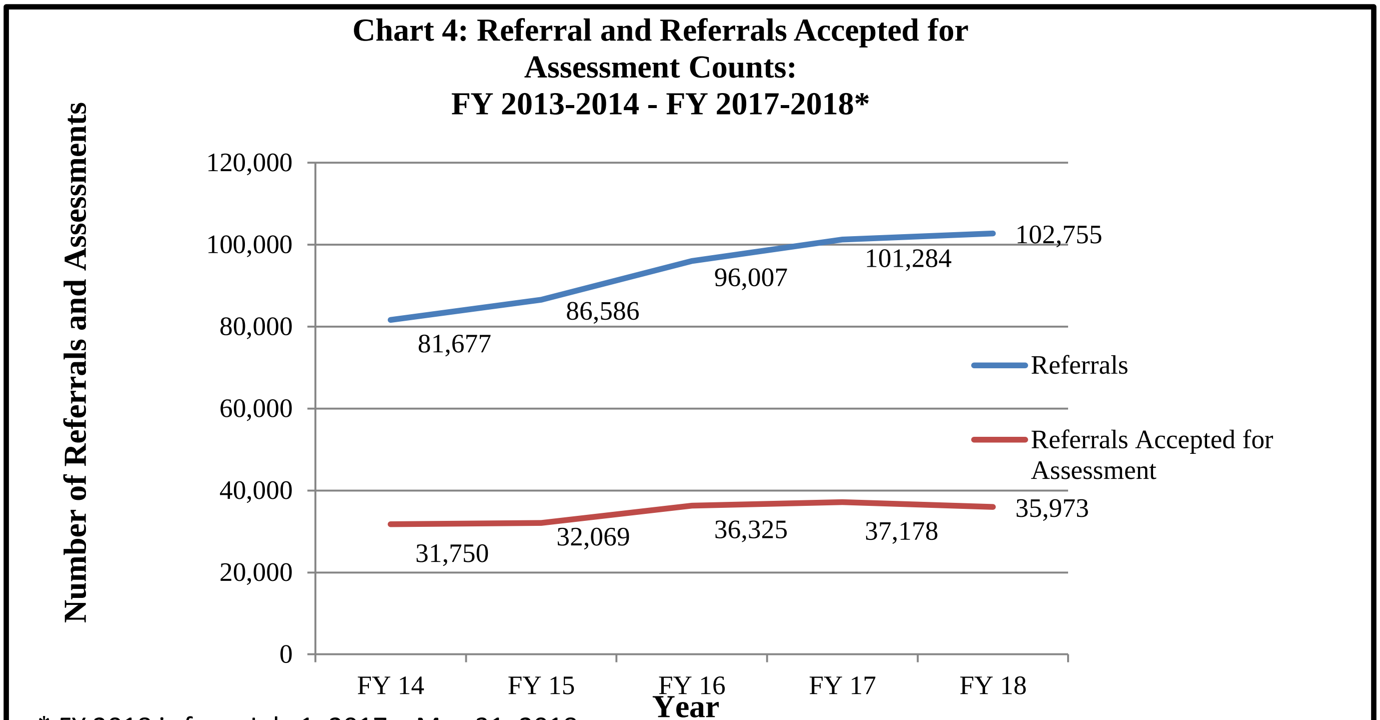
Source Data: ROM reports as of June 4th, 2018; C-Stat June 2018 Reports

Chart 3: Maltreatment in Out-of-Home



Source Data: ROM reports as of September 4th, 2018; C-Stat Sept. 2018 Reports

Chart 4 shows the significant increase in referrals counties have received from FY 2013-14 to FY 2017-18.



* FY 2018 is from July 1, 2017 – May 31, 2018

Source: Data pulled from ROM, Number of Referrals/Assessments, on June 6, 2018

The increase in population and referrals are affecting Colorado's workload and contributing to Colorado's struggle with meeting federal outcomes. Even though Colorado has funded 335.5 county child welfare staff in the first four phases of funding, more staff are needed in order to improve child safety, child well-being, child welfare services and educational outcomes for Colorado's children.

The federal well-being outcomes data included in the Department's 2017 Annual Progress and Services Report (APSR) show unfavorable performance in all three federal well-being outcome areas. The 2017 APSR was submitted to the Administration for Children and Families (ACF) on June 30, 2016, and CDHS received notification from the ACF on December 28, 2016, that the 2017 APSR was approved.

The three federal well-being outcomes and the various measures under each outcome are as follows:

- **Outcome 1: Families have enhanced capacity to provide for their children's needs.**
  To determine if families have enhanced capacity to provide for their children's needs, case workers visit with the child, parents, kin, school counselors, foster parents and other out of home providers. Therefore, the measures under this outcome focus primarily on engagement efforts with those involved in the case. For Outcome 1, Colorado's performance in FFY 2016-17 did not meet federal goals in 5 of the 8 data points comprising the outcome. As an example, Colorado's FFY 2016-17 performance in the Worker Visits with Child (Quality of Visits) data point is 79.4% and the federal goal is 95%. This data point is used to evaluate if the quality of contacts with child/youth is sufficient to address issues pertaining to the safety, permanency, and well-being of the child/youth and to promote achievement of case goals. An important factor that affects the quality of case worker visits with the child is insufficient staffing and case worker turnover throughout the State. As additional new case workers are hired, trained, and begin case work, Colorado will continue to see improved performance, as captured in the Department's monthly C-Stat reports and the

Administrative Review Division (ARD) qualitative case reviews. Table 3 shows the federal goals with the State's performance for each data point in Outcome 1.

For the few measures that show a decrease between FFY 2016 and FFY 2017, Colorado will continue to monitor results to ensure an increase of performance in these areas. The Department is proposing changes to Volume 7 rules to make positive impacts on these measures.

Table 3: Well-Being Outcome 1: Families have enhanced capacity to provide for their children's needs.

Measure	CFSP Goal	FFY 14 Performance	FFY 15 Performance	FFY 16 Performance	FFY 17 Performance
Face to Face Contacts: % of visits completed timely	95%	93.80%	95.20%	95.20%	96.70%
Face to Face Contacts: % of visits completed in child's residence	50%	86.30%	86.50%	85.00%	89.90%
Worker Visits with Child (Frequency of Visits): In what percent of cases did agency personnel have contact with the child every month?	95%	89.20%	87%	88.10%	86.00%
Worker Visits with Child (Quality of Visits): Was the quality of contacts with the child/youth sufficient to address issues pertaining to the safety, permanency, and well-being of the child/youth and to promote achievement of case goals?	95%	76.70%	78.50%	75.80%	79.40%
Was the OOH provider engaged in case planning during the review period?	95%	99.70%	99.70%	99.50%	98.90%
Was the child/youth engaged in case planning during the review period?	99.90%	99.70%	99.70%	99.60%	99.60%
Was the mother/guardian/kin engaged in case planning during the review period?	96.4%*	96.50%	95.80%	93.60%	90.50%
Was the father/guardian/kin engaged in case planning during the review period?	85.8%*	90.60%	89.80%	82.90%	78.80%
Was the other legal guardian engaged in case planning during the review period?	N/A	N/A	N/A	90.00%	94.40%

** The CFSP's goal for engagement of parents increases by 5% every year.*

Source: Administrative Review Division (ARD), June 11, 2018

- **Outcome 2: Children receive appropriate services to meet their educational needs.**
  The measures under this outcome focus primarily on educational stability, including whether a young child is enrolled in early education and whether an older youth is on track to graduate and/or complete high school. The absence of school stability within the foster care population is often cited as a barrier to academic achievement and progress toward high school graduation. In September 2014 the University of Northern Colorado submitted a trend study, *Every Transition Counts*, to the Department and the Department of Education (CDE) that showed on-time graduation rates for foster youth were far below their peers without foster care involvement. According to the study, in Fiscal Year 2013-14, of 4,400 students in foster care enrolled in a Colorado school by October 1, 53.3% changed schools one or more times that school year. The study also showed, over the past few years, on-time graduation rates for Colorado students in foster care have ranged from 27.5% to 30%, which is well below the graduation rates for the State as a whole. An additional 7.1% to 13.8% of students in foster care earn an equivalency diploma (e.g., GED).

  For Outcome 2, Colorado did not meet the goal. The goal for this outcome is to provide educational stability for the child during the review period. Efforts to improve in this outcome are underway and include the adoption of the Blueprint for Change: Education Success for Children in Foster Care (prompted by the University of Northern Colorado study) and implementation of a pilot program to test strategies that will improve educational outcomes for children and youth in foster care. These efforts target systemic barriers that affect educational outcomes as well as case specific barriers that affect the educational attainment of students in foster care. New child welfare staff are necessary to help reduce the overall volume of work for existing case workers. Case workers' volume of work can have a significant effect because of inadequate time to engage with client families and inadequate time to perform all necessary tasks or quality work, such as the ability for case workers to focus efforts on improving the education outcomes of children/youth on their caseloads. Table 4 shows the federal goal for this outcome and the State's performance.

Table 4: Well-Being Outcome 2: Children receive appropriate services to meet their educational needs.

Measure	CFSP Goal	FFY 2014 Performance	FFY 2015 Performance	FFY 2016 Performance	FFY 2017 Performance
Was educational stability provided for the child during the review period?	95%	66.50%	63%	57.50%	56.40%

Source: Administrative Review Division (ARD), June 11, 2018

- **Outcome 3: Children receive adequate services to meet their physical and mental health needs.**
  The measures under this outcome focus primarily on whether a child/youth received necessary care to meet his/her dental, medical, and mental health needs. For Outcome 3, Colorado did not meet any of the four measures. The Department is partnering with Colorado's Foster Care Coordinators group to identify barriers to providing initial and ongoing health care for children and youth in foster care. Issues identified include inconsistent documentation of health care visits and limited access to medical records. The Department will partner with the Administrative Review Division, the Continued Quality Improvement (CQI) workgroup, and county staff to investigate these issues

through Colorado's CQI process. New case workers will allow for more consistent documentation of health care visits and assist with access to medical records. Table 5 shows the federal goals for this outcome and the state's performance in each category.

Table 5: Well-Being Outcome 3: Children receive adequate services to meet their physical and mental health needs.					
Measure	CFSP Goal	FFY 2014 Performance	FFY 2015 Performance	FFY 2016 Performance	FFY 2017 Performance
Did the child/youth receive a medical exam or medical screening, or was a medical exam scheduled within two weeks of initial placement?	69.2%*	65.80%	64.20%	61.70%	63.70%
Did the child/youth receive a full dental examination or was a dental exam scheduled within eight weeks of the initial placement?	73.8%*	74.00%	68.80%	65.40%	66.50%
Has the child/youth received regular health care, including immunizations, and/or treatment for identified health needs?	95%	80.00%	75.30%	81.30%	84.70%
Were mental health services provided to meet the child/youth's needs during the review period?	95%	72.50%	73.10%	66.30%	65.40%

** The CFSP goal is to achieve a 5% increase by 2018. Baseline is based on FFY 2015 data.*

Source: Administrative Review Division (ARD), June 11, 2018

Proposed Solution:

The Department of Human Services requests $6,125,404 total funds including $4,500,647 General Fund, $612,541 cash funds, and $1,012,216 federal funds for FY 2019-20; and $5,725,405 total funds including $4,205,928 General Fund, $572,541 cash funds, and $946,936 federal funds in FY 2020-21 and beyond to increase county child welfare case workers to promote safety for children and youth. The cash funds are local matching funds. The federal funds are from Title IV-E of the Social Security Act.

Under the current Child Welfare infrastructure, the Department estimates that it would take two more years, in addition to the request this year, for counties to increase capacity to the staffing level recommended in the 2016 caseload study. Based on this estimation, the Department recommends increasing the workforce by 100 FTE in FY 2019-20. This request is for new county child welfare staff only and not to supplement other county costs.

The hiring of additional staff will result in better management of a more appropriate number of cases in accordance with caseload recommendations. By adding more staff, the counties would be able to continue implementing best practices and improving federal outcomes.

If this Phase 5 funding request is not approved, the county departments will continue to not meet the federal guidelines while seeing continuous 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.

The Department received a study from Colorado State University Social Work Research Center, Applied Research in Child Welfare (ARCH) Project, on Caseworker Retention. One intent of the study was an attempt to quantify turnover trends among case-carrying case workers in Colorado. The data is restricted to the Ten Largest Counties (TLC) with the addition of Douglas County. According to the study, the overall turnover rate decreased in 2015 to 28.1% from 32.0% in 2014 after the first wave of funding was provided to the counties for additional staff. Additionally, external turnover (case workers that are leaving the profession/industry completely) reduced to 22.6% in 2015 from 26.3% in 2014. This reduction in turnover has resulted in a higher level of continuity within the continuum of care in child welfare support and services.

Anticipated Outcomes:

The Commission to Eliminate Child Abuse and Neglect Fatalities (CECANF) issued a final report in 2016 making recommendations for reducing child fatalities resulting from abuse and neglect. One of the key findings is that a number of children who die were not known to child protective services (CPS) but were seen by other professionals such as health care staff, highlighting the importance of coordinated and multisystem efforts.

CPS agencies play a critical role, but waiting until a severe incidence of abuse or neglect has occurred to allow CPS to intervene misses numerous opportunities to protect these children. By combining a proactive approach to child safety and providing counties flexibility to hire other professional staff offers a more strategic approach.

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 child welfare case workers, supervisors, and case aides. Case aides are able to assist with family visitation, filing, transcription, and transportation of children and family.

Additional child welfare case workers and related staff are expected to reduce adverse effects, leading to higher employee morale, job satisfaction, and staff retention and caseload continuity.

Counties began hiring additional child welfare staff four years ago and there has not been sufficient time to adequately measure the long-term affect the additional staff will have on these issues. A generalized 3-month delay exists from the onboarding of new county child welfare case workers before they are full case-carrying case workers. New case workers and supervisors need to attend six weeks of training and complete on-the-job training by shadowing an experienced case worker and/or supervisor before they are ready to carry a full caseload. However, data shows that the child welfare staff counties have hired thus far are having a positive impact on a number of the Department’s C-Stat Safety Measures.

Table 6 shows a comparison of C-Stat Safety Measure results over time.

Table 6: Comparison of C-Stat Safety Measures					
Measure	**C-Stat Goal**	**July 2015**	**July 2016**	**February 2017**	**July 2017**
Timeliness of Initial Response to Abuse/Neglect Assessments	90%	89.80%	92.00%	93.90%	94.40%
Compliance with the Statutory Requirement Related to Timeliness of Assessment Closure	90%	89.10%	91.60%	90.40%	95.30%
Source: Results Oriented Management (ROM), June 11, 2018					

Assumptions and Calculations:

In Colorado, counties are responsible for approximately twenty (20%) percent of the cost of child welfare services, with state and federal funds making up the remaining eighty (80%) percent. A county that qualifies as Tier 1 or Tier 2 for the County Tax Base Relief Fund, as defined in 26-1-126 C.R.S. (2018), is funded at one hundred (100%) percent of state and federal funds for the purposes of funding new county child welfare staff effective January 1, 2015. The General Assembly approved a 90/10 split for funding the prior four phases (FY 2015-16, FY 2016-17, FY 2017-18 and FY 2018-19) and this request represents the same 90/10 split.

Tables 8 and 9 summarize the cost of the county staff for FY 2019-20 and ongoing. Salaries are based off of the same figures used to fund the first four phases. Training costs have remained the same at $1,000 for case workers and $550 for supervisors. Table 9 includes the one-time expense of $5,000 per FTE.

	Table 8:	Department Request - County Staffing Costs FY 2019-20				
	Number of staff	**Salaries and Ongoing Expenses**	**Total Cost**	**General Fund**	**Cash Funds**	**Federal Funds**
Supervisors	16	$ 1,189,728	$ 1,189,728	$ 868,501	$ 118,973	$ 202,254
Caseworkers and Case Aides	84	$ 4,846,876	$ 4,846,876	$ 3,567,322	$ 484,688	$ 794,866
Training Costs*	96	$ 88,800	$ 88,800	$ 64,824	$ 8,880	$ 15,096
Total FY 2019-20 Request	100	$ 6,125,404	$ 6,125,404	$ 4,500,647	$ 612,541	$ 1,012,216

*Case Aides incur $0 Training Cost, which is why Number of Staff is 96. Training cost is $550/supervisor and $1000/caseworker.

Source: SB 15-242

	Table 9:	Department Request - County Staffing Costs FY 2020-21				
	Number of staff	**Salaries and Ongoing Expenses**	**Total Cost**	**General Fund**	**Cash Funds**	**Federal Funds**
Supervisors	16	$ 1,125,728	$ 1,125,728	$ 821,781	$ 112,573	$ 191,374
Caseworkers and Case Aides	84	$ 4,510,877	$ 4,510,877	$ 3,319,323	$ 451,088	$ 740,466
Training Costs*	96	$ 88,800	$ 88,800	$ 64,824	$ 8,880	$ 15,096
Total FY 2020-21 Request	100	$ 5,725,405	$ 5,725,405	$ 4,205,928	$ 572,541	$ 946,936

*Case Aides incur $0 Training Cost, which is why Number of Staff is 96. Training cost is $550/supervisor and $1000/caseworker.

Source: SB 15-242

Table 10 shows the Department's implementation plan for allocating the FTE

Task	Completion Date
Submit data request to Research, Analysis and Data (RAD) Team for DCAT inputs (Average Monthly Referrals, assessments, Out-Of-Home Involvements, and In-Home Involvements).	4/1/2019
Update DCAT tool with data provided from RAD team for initial allocation of 100 FTE.	4/22/2019
Send award letters with attestation statements to counties receiving FTE from DCAT.	5/20/2019
Receive attestation statements from counties accepting FTE with the plan for hiring new FTE (The Child Welfare Allocations Committee decides the distribution of any unaccepted FTE).	8/1/2019
Confirm the FTE positions accepted by counties have been filled (If positions are not filled by September 1, 2019, funds will be refunded back to the State and redistributed to other counties).	9/1/2019

Schedule 13

Department of Human Services

Funding Request for The FY 2019-20 Budget Cycle

Request Title

R-09 Colorado Works Basic Cash Assistance COLA

Dept. Approval By: Melissa Wavrlet

OSPB Approval By:

___		**Supplemental FY 2018-19**
___		**Budget Amendment FY 2019-20**
X		**Change Request FY 2019-20**

Summary Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
Total of All Line Items Impacted by Change Request	Total	$150,548,087	$0	$150,548,087	$1,171,848	$1,189,426
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$22,349,730	$0	$22,349,730	$173,135	$175,732
	RF	$0	$0	$0	$0	$0
	FF	$128,198,357	$0	$128,198,357	$998,713	$1,013,694

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
07. Office of Self Sufficiency, (B) Colorado Works Program, (1) Colorado Works Program - County Block Grants	Total	$150,548,087	$0	$150,548,087	$1,171,848	$1,189,426
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$22,349,730	$0	$22,349,730	$173,135	$175,732
	RF	$0	$0	$0	$0	$0
	FF	$128,198,357	$0	$128,198,357	$998,713	$1,013,694

Auxiliary Data

Requires Legislation?	YES		
Type of Request?	Department of Human Services Prioritized Request	**Interagency Approval or Related Schedule 13s:**	No Other Agency Impact

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Cost and FTE

- The Department requests $1,171,848 total funds, including $173,135 local cash funds and $998,713 federal Temporary Assistance for Needy Families (TANF) funds in FY 2019-20 and $1,189,426 total funds, including $175,732 local cash funds and $1,013,694 federal TANF funds in FY 2020-21 with an anticipated annual 1.5% increase ongoing.
- This request represents a 0.8% increase over the FY 2018-19 appropriation.

Current Program

- The Colorado Works/TANF program provides cash assistance, education, training, and work assistance to low-income families to help them become self-sufficient.
- Program components are delivered by county departments of human/social services. Performance is measured by participant engagement in work activities and employment entry.
- The State Board of Human Services (SBHS) has authority to raise the Colorado Works Basic Cash Assistance grant standard, based on the appropriation.

Problem or Opportunity

- On average, a single-parent family with two children receives a maximum Colorado Works Basic Cash Assistance (BCA) payment of $508/month.
- The value of the cash assistance benefits has eroded over time, as it has not been adjusted for inflation or cost of living increases.
- Since the Colorado Works program was established in 1997, the purchasing power of Colorado's BCA has decreased 35% because the grant amount has not kept pace with inflation.

Consequences of Problem

- Monthly income of $508 is inadequate for raising two children in Colorado today. Families with this level of income live at about 29.3% of the Federal Poverty Guideline and struggle to meet their basic needs.

Proposed Solution

- The funding will be used to implement a Colorado Works Basic Cash Assistance (BCA) annual cost of living adjustment (COLA). A 1.5% COLA, or the Social Security Administration's (SSA) announced COLA, whichever is lower, will be applied to Basic Cash Assistance benefits.
- The Department has determined that the TANF Long Term Works Reserve (LTR) needs to contain a minimum of $33.9 million (one quarter of the annual federal block grant) to maintain program stability. Any year when the TANF LTR year-end balance is projected to dip below $33.9 million, the COLA increase would not be implemented.

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John W. Hickenlooper
Governor

Reggie Bicha
Executive Director

Department Priority: ***R-09***
Request Detail: ***Colorado Works Basic Cash Assistance COLA***

Summary of Incremental Funding Change for FY 2019-20	Total Funds	FTE	Cash Funds	Federal Funds
Colorado Works Basic Cash Assistance Cost of Living Adjustment	$1,171,848	0.0	$173,135	$998,713
Summary of Incremental Funding Change for FY 2020-21	**Total Funds**	**FTE**	**Cash Funds**	**Federal Funds**
Colorado Works Basic Cash Assistance Cost of Living Adjustment	$1,189,426	0.0	$175,732	$1,013,694

Problem or Opportunity:

The Department requests $1,171,848 total funds, including $173,135 local cash funds and $998,713 federal Temporary Assistance for Needy Families (TANF) funds in FY 2019-20 and $1,189,426 total funds, including $175,732 local cash funds and $1,013,694 federal TANF funds in FY 2020-21 and ongoing with a projected annual increase of 1.5%. The funding will be used to implement a Colorado Works Basic Cash Assistance (BCA) annual cost of living adjustment (COLA).

Colorado Works is the State's Temporary Assistance for Needy Families (TANF) program. It provides cash assistance and employment services to about 17,000 of Colorado's neediest families monthly. The value of the program's cash assistance benefits has eroded over time, as benefits have not adjusted for inflation or cost of living increases. Since the Colorado Works program was established in 1997, the purchasing power of Colorado's Basic Cash Assistance (BCA) grant has decreased 35%.

In June 2018, the State Board of Human Services (SBHS) approved a 10% increase to Colorado Works Basic Cash Assistance (BCA) payments. The increase took effect in September 2018. During the SBHS' deliberations, all parties, including both those who opposed and supported the increase, expressed concern that BCA increases had not been proposed in the last ten years. Some questioned whether an annual or biannual update would be more appropriate. The Department has considered this suggestion, as it has reviewed options to continue to address the needs of some of Colorado's most financially vulnerable families.

Even after the recent benefit increase, the $508 benefit received by a one-parent family with two children is still woefully inadequate, putting the family's income at about 29.3% of the Federal Poverty Guideline[1]. For a large majority of the families receiving Basic Cash Assistance, that benefit is the family's only source of cash income. The Colorado Center on Law & Policy estimates that families need more than $2,700[2] monthly to cover housing, child care, food, health care, transportation, personal care and clothing, and miscellaneous expenses (e.g. school supplies)[3].

Since 1997, the value of the Colorado Works benefit has decreased by 14.9% in inflation-adjusted dollars, while costs have continued to rise. According to the U.S. Department of Housing, in 1996, BCA was approximately 62% of fair market rents in Colorado. By 2000, BCA reflected 56% of fair market rents, and as of 2017, it would only cover 40% of rent costs. Child care costs in 2016 were typically more than $6,000 annually and could be $17,000 or more. For comparison, over the same time period (1997 to 2017), the hourly minimum wage in Colorado has increased 140%, from $4.25 to $10.20. Even when paired with Supplemental Nutrition Assistance Program (SNAP) benefits, families receiving Colorado Works BCA still struggle to meet their basic needs.

Families' ability to have income to meet their basic needs matters for both short- and long-term outcomes among parents and children. Growing evidence shows that low income can have lasting adverse effects on children, and that increasing family income can help poor children catch up in educational, behavioral, and health outcomes[4]. Years of accumulated evidence supports the notion that alleviating childhood poverty has long-term benefits on their academic achievement, health, and adult earning power[5]. Furthermore, increased household income may also increase a parent's likelihood to retain a job[6] once employed. Currently, only about half of those who leave Colorado Works with employment continue to be employed one year later[7].

Proposed Solution:

The Department requests $1,171,848 total funds, including $173,135 local cash funds and $998,713 federal TANF funds in FY 2019-20 and $1,189,426 total funds, including $175,732 local cash funds and

[1] https://www.census.gov/data/tables/time-series/demo/income-poverty/historical-poverty-thresholds.html $508/$1,645=30.9%
[2] This depends on where a family lives, family size, children's ages, and more. $2,700 would cover costs for a family with one adult, one preschooler, and one school-age child living in Bent County, a relatively inexpensive Colorado location.
[3] Pearce, Diana. The Self-Sufficiency Standard for Colorado 2015. The Colorado Center on Law and Policy. Published June 2015. Accessed August 3, 2018.
[4] https://www.cbpp.org/research/poverty-and-inequality/economic-security-programs-help-low-income-children-succeed-over#_ednref9
[5] Sherman, Arloc and Mitchell, Tazra. Economic Security Programs Health Low-Income Children Succeed Over Long Term, Many Studies Find. Center on Budget and Policy Priorities. Published July 17,2017. Accessed August 1, 2017.
[6] https://www.mdrc.org/publication/improving-employment-and-earnings-tanf-recipients
[7] Internal analysis

$1,013,694 federal TANF funds in FY 2020-21 and ongoing with an annual increase. The funding will be used to implement a Colorado Works Basic Cash Assistance annual cost of living adjustment (COLA) of 1.5% in FY 2019-20. In future years, a 1.5% COLA, or the Social Security Administration's (SSA) announced COLA, whichever is lower, will be applied to Basic Cash Assistance benefits.

The State Board of Human Services (SBHS) has the authority to raise the Colorado Works Basic Cash Assistance grant standard based on the appropriation and projected caseload.

Increase the Basic Cash Assistance Amount Annually

Applying a Colorado Works Basic Cash Assistance COLA will mean that inflation is not draining value from a family's benefits. The annual benefit increase is intended to reflect the increasing cost of living during a one-year period.

The concept of an annual cost of living adjustment was established by the SSA more than forty years ago to ensure that the purchasing power of Social Security and Supplemental Security Income (SSI) benefits is not eroded by inflation. It is based on the percentage increase in the Consumer Price Index from the third quarter of the last year a COLA was determined to the third quarter of the current year. If the cost of living does not increase, there is no COLA. The SSA announces its COLA annually in October and implements it in January.

The Department proposes to model the COLA process to stabilize the purchasing power of TANF Basic Cash Assistance. In the Department's COLA process, the Colorado Works grant standard would increase 1.5% annually, pending approval by the State Board for Human Services (SBHS). However, in years when the SSA COLA is less than 1.5%, the actual COLA amount will be applied. The SBHS has the authority to set the grant standard for the Colorado Works program based on analysis of the impact and recommendation for action from the Department. As such, the SBHS could change the grant standard at any time, regardless of whether or not the SSA has approved a COLA. Applying a 1.5% COLA in FY 2019-20 translates to $8 per month for a three-person, single parent family. This request does not require any increase in FTE.

The Department has determined that the TANF Long Term Works Reserve (LTR) needs to contain a minimum of $33.9 million (one quarter of the annual federal block grant) to maintain program stability in case of a government shut down or during an unprecedented downturn in the economy. This minimum LTR balance would act as a trigger to halt the annual BCA COLA increase. Any year when the TANF LTR year-end balance is projected to dip below $33.9 million, the COLA increase would not be implemented.

Precedent

A number of healthcare and public benefits programs that serve families and individuals living in poverty are adjusted for inflation. Medicaid and Medicare are indexed to the SSA COLA. Colorado's Old Age Pension (OAP) program is also indexed to the SSA COLA. The Supplemental Nutrition Assistance Program (SNAP) benefit amounts are also adjusted annually, based on a COLA.

Impact on Families in Poverty in Colorado

An annual COLA adjustment would halt the erosion of Colorado Works benefits for the State's poorest families. As Table 1 illustrates, the proposed annual increase (estimated at 1.5% in FY 2019-20 and in future years) for a family's Colorado Works BCA is relatively small, yet this policy change recognizes and addresses the compounding effect of benefit erosion over decades.

A COLA would have no impact on county workload and would be fully funded by this request. This proposal addresses all concerns expressed at the June 2018 State Board of Human Services rule-making session regarding addressing the value of the Basic Cash Assistance grant more frequently. Moreover, a 1.5% COLA increase is affordable. Using the proposed amount, the Department's Long Term Works Reserve (LTR) is still expected to increase by about $500,000 annually. Families receiving other program benefits, such as SNAP, would have a slight reduction in the family's allotment to reflect the BCA increase. However, the family would still have an overall net increase in total benefits for the family.

Anticipated Outcomes:

Implementation Timeline

Providing a COLA to Colorado Works recipients will ensure that BCA not be eroded by inflation. The increase will help provide financially vulnerable Colorado families with needed resources to meet their daily needs, reducing hardship among parents and children. If approved by the SBHS, this COLA increase will be effective on July 1, 2019. The maximum BCA grant for a single parent family with two children would increase by $8/month, to $516, approximately 29.8% of the 2017 Federal Poverty Guideline (FPG). Implementing an annual COLA will ensure that the purchasing power of the Colorado Works grant does not erode over time. While the FPG is expected to increase in January 2019, applying a COLA will ensure that the BCA benefit will remain close to 29.3% of FPG over time as it adjusts annually.

If TANF funds are not made available and/or the SBHS chooses not to pass along a COLA to Colorado Works recipients, neither short- nor long-term outcomes would improve among financially vulnerable parents and children. By preserving recipients' purchasing power, the Department will ensure families do not fare worse than when they apply for benefits.

Many years of accumulated evidence supports the notion that alleviating childhood poverty has long-term benefits on children's academic achievement, health, and adult earning power. With increased income, parents can better support their children and themselves while continuing to work towards sustainable employment.

.Assumptions and Calculations:

The actual COLA amount would be adjusted annually, by either 1.5% or the SSA COLA announced annually in October, whichever is less. For FY 2019-20 and ongoing, these projections use an anticipated 1.5% increase. Table 1 illustrates the expenditure projection from FY 2018-19 to FY 2022-23.

Table 1: SSA COLA Increase

	Fiscal Year	FY 2018-19 (Current)	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
A	Previous Fiscal Year BCA Expenditures		$78,123,228	$79,295,076	$80,484,502	$81,691,769
B	COLA Increase (row A x 1.5%)		$1,171,848	$1,189,426	$1,207,267	$1,225,376
C	Benefit Amount (3-person, single-parent family)	$508	$516	$523	$531	$539
D	Total BCA Expenditures (row A + row B)	$78,123,228	$79,295,076	$80,484,502	$81,691,769	$82,917,145

Table 2 shows the projected TANF Long term Reserve (LTR) balance from FY 2018-19 to FY 2022-23. Based on the updated TANF LTR projections, the Department estimates the ending FY 2017-18 balance to be $103.3 million, after adding FY 2018-19 expenditures for Child Care of $1.5 million, Child Welfare of $6.8 million, and implementing HB18-1306 related to Foster Care for $2.2 million. The current budget for FY 2018-19 projects a $95.0 million reserve balance. Of this balance, approximately $35 million is designated for program planning and implementation, and leaves $61.1 million available for appropriation. The TANF LTR projection does not currently reflect any budget requests proposed for FY 2019-20.

Table 2: State Long Term Works Reserve Estimated Impact

Fiscal Year	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22	FY 2022-23
Beginning balance	$103,345,372	$94,952,343	$91,478,654	$86,815,539	$80,945,157
Grants	$148,056,690	$148,056,690	$148,056,690	$148,056,690	$148,056,690
Current Appropriations	$156,449,719	$150,358,531	$151,530,379	$152,719,805	$153,927,072
Proposed Additional Appropriation	$ -	$1,171,848	$1,189,426	$1,207,267	$1,225,376
Ending balance (projected)	$94,952,343	$91,478,654	$86,815,539	$80,945,157	$73,849,399

** Assumes entire amount is TANF-funded (no county or General Fund contribution).

*** An ending balance less than $33.9 million will trigger the COLA to halt in order to maintain program solvency.

Table 3 illustrates the Long Bill appropriation and requested funding for FY 2019-20 and beyond.

Table 3: Long Bill Appropriation and Requested Funding for FY 2019-20 Through FY 2021-22

County Block Grants	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE	Notes
FY 2018-19 Appropriation (HB 18-1322)	$150,548,087	$0	$22,349,730	$0	$128,198,357	0.0	Enter FY 2018-19 Appropriation Amount
Requested Funding (or Spending Authority)	$1,171,848	$0	$173,135	$0	$998,713	0.00	
FY 2019-20 Total Requested Appropriation	**$151,719,935**	**$0**	**$22,522,865**	**$0**	**$129,197,070**	**0.0**	
FY 2020-21 Annualization of Prior Year Funding	$17,578	$0	$2,597	$0	$14,981	0.00	
FY 2020-21 Total Requested Appropriation	**$151,737,513**	**$0**	**$22,525,462**	**$0**	**$129,212,051**	**0.0**	
FY 2021-22 Annualization of Prior Year Funding	$17,841	**$0**	$2,636	$0	$15,205		
FY 2021-2022 Total Requested Appropriation	**$151,737,513**	**$0**	**$22,525,462**	**$0**	**$129,212,051**	**0.0**	

Schedule 13

Department of Human Services

Funding Request for The FY 2019-20 Budget Cycle

Request Title

R-10 Adult Protective Services Support

Dept. Approval By:	Melissa Wavelet		**Supplemental FY 2018-19**
OSPB Approval By:	[signature]		**Budget Amendment FY 2019-20**
		x	**Change Request FY 2019-20**

Summary Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total of All Line Items Impacted by Change Request	Total	$19,182,295	$0	$19,195,374	$0	$0
	FTE	6.5	0.0	6.5	1.8	2.0
	GF	$13,391,785	$0	$13,404,864	$0	$0
	CF	$3,700,174	$0	$3,700,174	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$2,090,336	$0	$2,090,336	$0	$0

Line Item Information	Fund	FY 2018-19		FY 2019-20		FY 2020-21
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
10. Adult Assistance Programs, (E) Adult Protective Services, (1) Adult Protective Services - State Administration	Total	$823,637	$0	$836,716	$185,472	$191,349
	FTE	6.5	0.0	6.5	1.8	2.0
	GF	$794,137	$0	$807,216	$185,472	$191,349
	CF	$29,500	$0	$29,500	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0
10. Adult Assistance Programs, (E) Adult Protective Services, (1) Adult Protective Services - Adult Protective Services	Total	$18,358,658	$0	$18,358,658	($185,472)	($191,349)
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$12,597,648	$0	$12,597,648	($185,472)	($191,349)
	CF	$3,670,674	$0	$3,670,674	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$2,090,336	$0	$2,090,336	$0	$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Human Services Prioritized Request	**Interagency Approval or Related Schedule 13s:**	No Other Agency Impact

Cost and FTE

- The Department requests a transfer of $185,472 total funds/General Fund and 1.8 FTE in FY 2019-20 and $191,349 total funds/General Fund and 2.0 FTE in FY 2020-21 and beyond from the Adult Protective Services Line Item to the State Administration Line Item for an Adult Protective Services (APS) program specialist, an administrator for the Colorado Adult Protective Services data system (CAPS) and additional CAPS licenses.
- This is a net zero request in total, but a 22.5% increase over the FY 2018-19 appropriation of $823,637 for State Administration.

Current Program

- The APS program offers protective services to prevent, reduce, or eliminate the current or potential risk of mistreatment or self-neglect to at-risk adults in Colorado.

Problem or Opportunity

- Beginning in FY 2017-18, the General Assembly approved funding for four new FTE for the Department's Administrative Review Division (ARD) to do quality assurance reviews of APS cases. At that time, funding was not provided for an additional FTE for the APS Unit to conduct training and technical assistance to county departments to address issues identified during the reviews.
- Initial findings from the reviews indicate that county departments are not in compliance with program regulations in some areas. The Department does not have sufficient staff in the APS Unit to perform the technical assistance necessary to follow up on compliance issues.
- The number of CAPS users increased from 275 to 404, or 47%, since July 2014. In addition, with the implementation of the ARD quality assurance reviews and HB17-1284, the workload of the current CAPS administrator has expanded to include the maintenance of two new areas in CAPS related to the quality assurance evaluation tools and CAPS check processes.

Consequences of Problem

- The APS Unit is currently unable to conduct sufficient monitoring, training, and technical assistance of the county department APS programs. Without sufficient staffing levels the State APS Unit is not able to address compliance issues identified during the quality assurance reviews.
- Without an additional CAPS administrator, users will see longer wait times to resolve help tickets, fewer opportunities for training and technical assistance, slower implementation of system changes necessary for program changes or to implement legislation, and the APS Unit will be unable to ensure data integrity resulting from user error.

Proposed Solution

- The Department requests $0 total funds, but a transfer of $185,472 total funds/General Fund and 1.8 FTE in FY 2019-20 and $191,349 in General Fund and 2.0 FTE in FY 2020-21 and beyond from the Adult Protective Services Line Item to the State Administration Line item.

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John W. Hickenlooper
Governor

Reggie Bicha
Executive Director

Department Priority: ***R-10***
Request Detail: ***Adult Protective Services Support***

Summary of Incremental Funding Change for FY 2019-20	Total Funds	FTE	General Fund
(10) Adult Assistance Programs, (E) Adult Protective Services, State Administration for an APS Program Specialist and CAPS Systems Administrator	$185,472	1.8	$185,472
(10) Adult Assistance Programs, (E) Adult Protective Services, Adult Protective Services	($185,472)	0.0	($185,472)
Summary of Incremental Funding Change for FY 2020-21	**Total Funds**	**FTE**	**General Fund**
(10) Adult Assistance Programs, (E) Adult Protective Services, State Administration for an APS Program Specialist and CAPS Systems Administrator	$191,349	2.0	$191,349
(10) Adult Assistance Programs, (E) Adult Protective Services, Adult Protective Services	($191,349)	0.0	($191,349)

Problem or Opportunity:

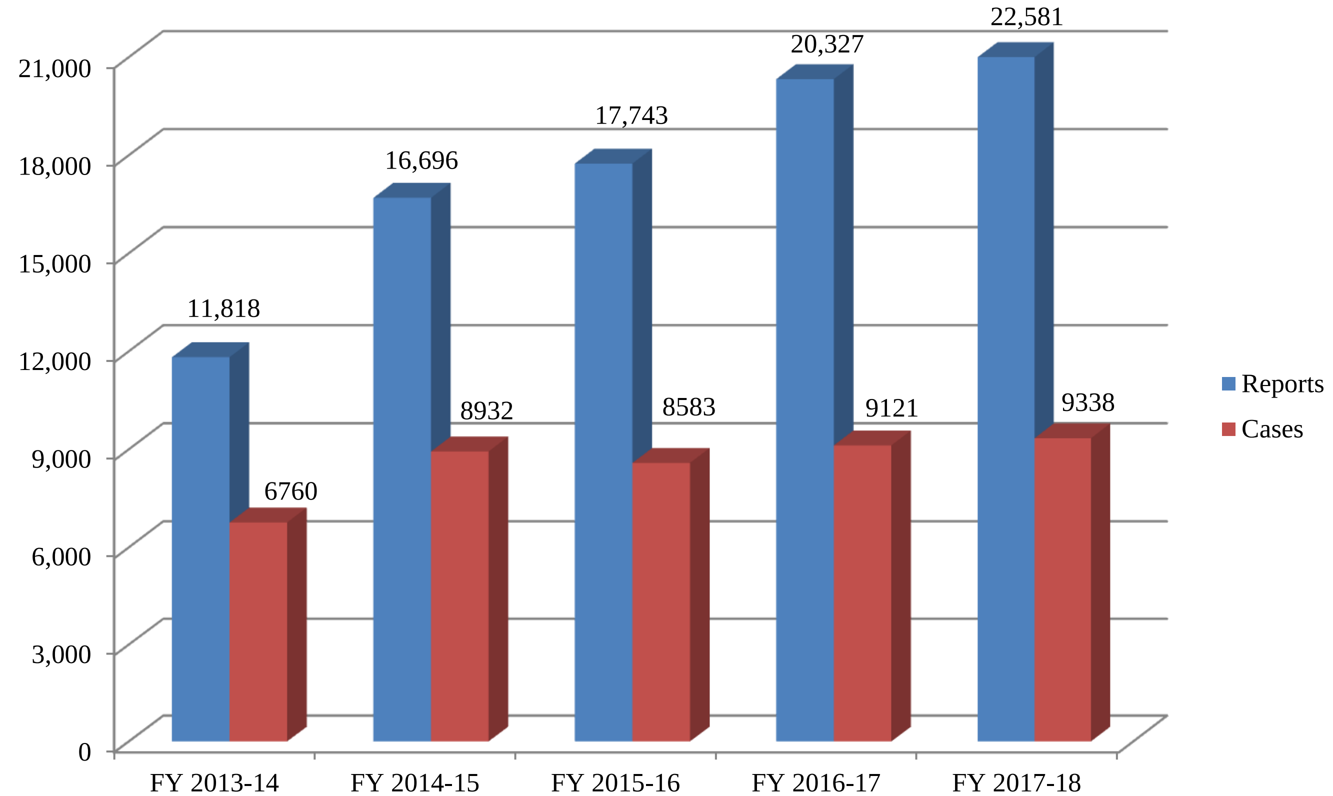
The Department requests $185,472 total funds/General Fund and 1.8 FTE in FY 2019-20 and $191,349 total funds/General Fund and 2.0 FTE in FY 2020-21 and beyond be transferred from the Adult Protective Services Long Bill Line Item to the State Administration Long Bill Line Item under (E) Adult Protective Services for the Adult Protective Services (APS) program to prevent, reduce, or eliminate mistreatment or self-neglect of at-risk adults in Colorado.

The APS program is state-supervised and county-administered. This means that the APS Unit within the Department conducts oversight of the program including training, technical assistance and monitoring of the APS staff in the 64 county departments of human services (county departments) that administer the program locally. The current staffing level in the State APS Unit is not sufficient to ensure all county departments administer the APS program in compliance with applicable statutes, rules, and program requirements and the program is implemented consistently throughout the state. Additionally, with increased hiring for the APS program at both the State and county department levels, funding is needed to purchase licenses for the APS data system, CAPS, to ensure that APS staff is able to meet the requirements of the APS program.

Mandatory Reporting and Increased APS Caseload

Per SB 13-111, mandatory reporting for certain professionals of suspected abuse, neglect, and exploitation (mistreatment) of at-risk elders went into effect in Colorado on July 1, 2014. In addition, SB 15-109 expanded mandatory reporting for certain professionals starting July 1, 2016 to include suspected mistreatment of at-risk adults with intellectual and developmental disabilities (IDD). As demonstrated in Figure 1, APS reports and cases have increased significantly over the past five years since the implementation of mandatory reporting laws and will likely continue to increase in the future. Specifically, Figure 1 shows that the number of APS reports statewide has increased from 11,818 in FY 2013-14 to 22,581 in FY 2017-18, or 91 percent, and the number of APS cases has increased from 6,760 in FY 2013-14 to 9,338, or 38 percent.

Figure 1: APS Reports and Cases FY 2013-14 through FY 2017-18



* Data is from the CAPS data system

The APS Unit does not receive sufficient annual funding to support the level of State APS staffing needed to provide effective oversight of county APS programs. The Department currently has six FTE within its APS Unit. State APS staff are responsible for providing all training for new and experienced APS staff, consulting with and providing technical assistance to county APS staff, maintaining and managing the CAPS data system, implementing legislation and developing proposed rule changes, and conducting quality assurance and data integrity activities that are beyond the scope of the APS case reviews conducted by the Department's Administrative Review Division (ARD). The six FTE are not sufficient to provide the level of oversight needed to ensure APS cases are investigated accurately and thoroughly, that services for clients are identified correctly and implemented effectively, APS statute and rules are followed, and provide an adequate level of support for the CAPS data system to ensure data integrity. As a result, the Department requests one additional APS Program Specialist FTE and one additional CAPS Administrator FTE.

Prior Requests for State APS Administration Funding

When mandatory reporting of mistreatment of at-risk elders was implemented in July 2014, there was an expectation that the number of reports and cases statewide would increase. As a result, additional funding was appropriated for county department APS staff, training county department APS staff, and the CAPS vendor's ongoing maintenance of the data system. Since the start of mandatory reporting, the number of county department APS caseworkers and supervisors has increased by 20 percent, from 235 in July 2014 to 282 in July 2018. However, funding has not been provided for additional State APS Unit staff to conduct oversight of county APS operations.

Since that time, the Department has made requests for funding for additional State APS Unit staff; however, the Department has not received additional funding. In particular:

- The SB 15-109 Task Force made a recommendation in its January 2016 report for funding for additional State administration and the Department requested additional state funding and FTE as part of a supplemental budget request for the State APS program as a result of that report, but additional resources and FTE were not appropriated.
- The Department requested funding in a budget request for FY 2017-18 for four quality assurance staff for the ARD Unit and one program specialist staff for the APS Unit. The four quality assurance staff were funded but the request for a program specialist staff position to follow up on ARD findings was not funded. The JBC staff recommendation to the Joint Budget Committee was to allow the Department time to implement the quality assurance and identify what, if any, technical assistance was needed as follow up to the reviews.

In FY 2018-19 the Department repurposed the $80,000 General Fund designated to contract for in-person mandatory reporting training of reporters across the State. With those funds, the Department hired an additional program specialist for the APS Unit. However, one additional program specialist is not sufficient to meet the oversight needs of this complex and growing program.

APS staffing levels at the State level do not allow for adequate oversight of county administration of the APS program as required in Section 26-1-111, C.R.S., which states that the Department "is charged with the administration or supervision of all the public assistance and welfare activities of the State". This responsibility includes ensuring that the county departments comply with requirements provided by Federal laws and regulations, State statutes, Executive Director and State Board of Human Services rules, and contract and grant terms. 9 CCR 2501-1 provides authority to audit and review county processes and, if needed, to implement corrective actions and sanctions. Currently the three APS program specialists in the APS Unit are only able to conduct ad hoc telephone and email assistance and consultation with county department APS staff. In FY 2017-18, the State APS program was only able to provide in-county training and support to three county APS programs. Two additional counties specifically requested in-county training that the APS staff has not been able to accommodate. The State APS Unit staff identified several other counties that would benefit from additional onsite technical assistance, but were unable to offer the support to the county departments.

Results of APS Quality Assurance Reviews by ARD

As of June 2018, the ARD Unit has completed reviews of 394 cases in thirteen (13) county department APS programs, including four large counties. These cases represent a statistically valid sample of cases from each county reviewed. Of the thirteen county departments reviewed, none met the goal of an overall 90 percent compliance rate. The following are some of the compliance issues identified during the reviews to date.

- In 50 percent of the cases reviewed, caseworkers had not interviewed all persons with relevant knowledge of the allegations, resulting in an incomplete investigation.
- In 25 percent of the cases reviewed, caseworkers had not interviewed the alleged perpetrator, resulting in some alleged perpetrators being denied the ability to provide information that may have been relevant to the case and the finding made.
- In 41 percent of the cases reviewed, the caseworker did not collect necessary supporting documents and evidence, severely limiting the ability of the caseworker to make an appropriate and/or supported finding.
- In 21 percent of the cases reviewed, the caseworker did not adequately support the finding on the alleged perpetrator, resulting in false negative and false positive findings (i.e., some perpetrators may not have been substantiated for mistreatment when they should have been and others may have been substantiated incorrectly).
- In 58 percent of the cases reviewed, the caseworker did not complete a supported baseline assessment of the client's strengths and in 17 percent of cases reviewed, the caseworker did not complete a supported final assessment, which means that client's health, safety, and welfare outcomes as a result of APS intervention may not have been accurately captured.
- In 31 percent of the cases reviewed, the caseworker did not identify all the service needs of the client, resulting in clients not being provided all the services necessary for their health, safety, and welfare.

Given the results of the quality assurance reviews to date, an onsite visit with each county following their quality assurance review would be an effective way for the State APS unit to ensure the county's future compliance and consistent implementation of the APS statutes, rules, and program regulations. Onsite technical assistance and additional training will result in improved outcomes for clients and reduced false negative and false positive findings on alleged perpetrators. These follow-ups should be happening in every county after the ARD reviews to ensure rules are being followed and that vulnerable adults are not still at-risk. Due to current staffing levels, and the other duties required of those staff, the APS Unit will not be able to provide onsite technical assistance for the vast majority of county departments that are currently receiving reviews by the ARD Unit.

In addition, the State APS Unit conducts a quarterly two-week Training Academy for new caseworkers and APS staff in the state. Several of the recent Training Academy sessions have had registration and attendance at full capacity. The Department predicts that in the near future, newly hired county department APS staff may need to wait until the next available Training Academy session because the upcoming session will be full. The Department would like to change to a bi-monthly Training Academy schedule, holding six sessions per year as opposed to four. The staffing level for APS Unit program specialists will not allow for that change currently.

Feedback from Stakeholders on the APS Program Statewide

Between December 2017 and June 2018, the Department presented three rule packets to update APS rules as part of the implementation of HB17-1284 to the State Board of Human Services. During that time, several stakeholders attended stakeholder meetings and State Board of Human Services meeting to express concerns with the APS Program operation. Specifically, stakeholders shared concerns about a lack of uniform and consistent operation of the program among counties. The addition of an APS program specialist would further enable the APS Unit to ensure adequate technical assistance is provided to APS staff at the county level to achieve greater consistency in practice across the State.

One major concern expressed by stakeholders is the level of family engagement by APS caseworkers. Some county departments who operate the APS program have also expressed an interest in reviewing current APS rules, policies and practices to ensure family engagement in APS cases is maximized. However, the APS Unit currently does not have the staff resources to conduct the necessary research, outreach, stakeholder engagement and planning necessary to address this concern at this time. Given an additional APS program specialist, the APS Unit could devote time to conduct policy research on this topic and help facilitate the stakeholder engagement process for this issue.

CAPS Administration Workload Increases

The current CAPS administrator position resolves help tickets, identifies data entry errors and data integrity concerns, makes updates to the system, ensures that workflows and validation rules are working properly, provides training to CAPS users on the CAPS system, and works with the CAPS system vendor to design, build, and test more complex system changes. The CAPS administrator must complete these tasks in a manner that ensures that APS program statute, rules, and best practice expectations are followed when completing any of the outlined tasks. The CAPS administrator position is a specialized position because the administrator must have a complex and thorough working knowledge of both, the CAPS data system and APS statute, rules, and best practice expectations in order to provide the support that is needed. Table 1 reflects Salesforce’s, the platform on which CAPS is built, recommendations for the number of system administrators:

Table 1 - Salesforce Recommended Staffing Levels	
Number of Data System Users	**Administration Resources Needed**
1 – 30 users	< 1 full-time administrator
31 – 74 users	1+ full-time administrator
75 – 149 users	1 senior administrator; 1 junior administrator
140 – 499 users	1 business analyst, 2–4 administrators
500 – 750 users	1–2 business analysts, 2–4 administrators
> 750 users	Depends on a variety of factors

*from Salesforce.com - "Achieving outstanding CRM administration"
https://help.salesforce.com/servlet/servlet.FileDownload?file=01530000001x8hWAAQ

The number of CAPS users increased from 275 to 404, or 47 percent, since July 2014. Based upon the Salesforce recommendations for adequate staffing in Table 1, the CAPS data system should have one dedicated business analyst and between 2-4 system administrators. Currently, CAPS has just one dedicated system administrator and no business analyst. This level of staffing is not sufficient to meet the increasing demands of the CAPS system and its users. The APS unit's data analyst and program specialists attempt to make up the shortfall by providing for support that should be coming from a CAPS administrator. However, this takes time away from those positions' important roles such as C-Stat, data analytics to identify client outcomes and training needs, and time spent providing training and support to county APS programs.

In addition, CAPS support tickets, which must be managed by the CAPS administrator, have increased 71 percent since CAPS started in July 2014 as a result of the increased number of users. When CAPS came online in July 2014, there was only one type of user license to manage and only one environment for users to gain access to CAPS. Because of the significant increase in users, the APS program needed to mitigate costs by creating a second user environment for APS screeners (those that only take new reports and do not perform other APS duties). This shift to a new environment for screeners decreased license fees for those users substantially, but the result of this change was to expand the CAPS system so that the administrator has to manage these two environments, which creates additional workload.

With the increase in number of CAPS users, there has been an increase in the need for new user CAPS training. However, the APS Unit is only able to offer one CAPS training session per month for new users due to the limited staff capacity. This means that some APS screeners, caseworkers or supervisors at county departments may wait up to one month from their start date to begin utilizing CAPS. This significantly impacts the county department's ability to have APS staff begin assuming their job responsibilities when they are hired.

In addition, there have been a number of improvements to CAPS that have been made over the past year that has significantly increased the workload for the CAPS administrator. With the creation of the Administrative Review Division for quality assurance and implementation of HB17-1284, the workload of the current CAPS administrator has expanded to include the maintenance of two new areas in CAPS related to the ARD evaluation tools and the CAPS check processes. For ARD, the administrator needs to be able to create and modify evaluation tools so that ARD has the ability to review appropriately and provide thorough and accurate data to both the county departments and the State APS program. However, without the second administrator, it is not be possible for the administrator to make adjustments to the current scorecard or to create new scorecards, for example, to effectively review cases in which the county department holds guardianship.

A number of significant changes to CAPS were also required for the implementation of HB17-1284. Due process functionality had to be added to CAPS to ensure that substantiated perpetrators were notified and provided their right to appeal the finding beginning July 2018. A completely new area in CAPS is being developed for the CAPS Check Unit (CCU) so that those staff are able to accept and document CAPS check requests from employers, document search results, provide automated results to employers, and create a process to “flag” results to inform employers in the event the applicant is substantiated of mistreatment in an APS case.

APS is also in the final phase of an interface between CAPS and a new data system, called CARES, developed for the 18th Judicial District (JDs) and the 22 law enforcement agencies (LEAs) in that Judicial District. The CARES system was designed and built for LEAs to use to take mandatory reports. County APS programs and LEAs were not meeting the statutory requirement for APS and LEAs to share reports received with the other agency within 24 hours. An interface between CAPS and CARES will automate the sharing of reports, eliminating this significant problem. Phase one of the project automated sharing of CAPS reports with CARES and was completed in December 2017. Phase Two was completed in July 2018 and will complete the circle by auto-sharing reports created in CARES with CAPS. The interface will also update the case information in CAPS and CARES so that APS and LEAs, as well as the district attorney’s office, will have up-to-date information and can more successfully conduct joint investigations. Phase One has proved to be very beneficial to the county APS programs in JD18 and to the LEAs and district attorney’s office, but this interface adds more workload for the CAPS administrator. Additionally, JD18 has been sharing the CAPS-CARES project successes with other judicial districts, which have expressed interested in creating a similar interface in their districts. Each new interface will create additional workload for the CAPS administrator that did not exist in July 2014 when CAPS went live.

APS reports come to the county departments at all hours of the day and night and on weekends and holidays. Therefore, the CAPS administrator is essentially “on call” 24/7/365 to be able to respond to a critical incident that prevents county APS staff from using the system. This is an exceptional expectation and a second CAPS administrator will provide significant relief for this issue.

Finally, funding for two additional CAPS Administrator licenses is needed for the two new positions in this request. Additional licenses will be also be needed to meet the demand due to new workers being hired at the county level as well as the licenses needed for the Administrative Review Division (ARD), the Child and Adult Maltreatment Dispute Review Section (CAMDRS) and the CAPS Check Unit (CCU).

Proposed Solution:

The Department requests $185,472 total funds/General Fund and 1.8 FTE in FY 2019-20 and $191,349 total funds/General Fund and 2.0 FTE in FY 2020-21 and beyond be transferred from the Adult Protective Services Long Bill Line Item to the State Administration Long Bill Line Item to provide adequate oversight of the APS program. This funding corresponds to 1.0 FTE for an APS program specialist (entry level Social Services Specialist IV) and 1.0 FTE for a CAPS Administrator (entry level Data Manager IV) and costs for licenses needed for the CAPS data system.

The Adult Protective Services Line Item includes two distinct funding mechanisms for county departments to operate their APS programs: the County APS Administration and the Client Services fund. The Client Services fund consists of $1 million and the County APS Administration consists of the remaining amount appropriated. The Client Services appropriation was added in FY 2014-15 as part of SB 13-111 and is comprised of $800,000 from General Fund and $200,000 from local county department matching funds. The Department manages these funds through a separate accounting process to be able to track county department expenditures on client services separately from county department APS administration expenditures. The Client Services fund was underspent by $307,615 GF in FY 2017-18. The underspent Client Services funds are reverted each year. As demonstrated in Table 2, there have been unspent Client Services funds reverted each year since its inception in FY 2014-15. The Department requests that $185,472 in FY 2019-20 be transferred from the Adult Protective Services Line Item, in which the Client Services funds are located, to the State Administration Line item to be utilized for this budget request.

Table 2 - Unspent APS General Fund 2014-2018

State Fiscal Year	APS Line Item Total Appropriation	County APS Administration Surplus	Client Services Surplus	Total Surplus
FY 2014-15	$ 13,928,925	$ (256,819)	$ 259,743	$ 2,924
FY 2015-16	$ 15,104,039	$ 636,341	$ 219,926	$ 856,267
FY 2016-17	$ 17,919,005	$ 1,119,980	$ 237,889	$ 1,357,869
FY 2017-18	$ 18,170,196	$ 574,368	$ 307,615	$ 881,983

The Client Services funds are used for things like: cleaning services, food, out-of-pocket medical costs, durable supplies, assistive technology, neuropsych services, and respite care, etc. These funds are continually under-utilized despite the Department's frequent attempts to encourage the use of these funds in rule, communications, and trainings. Therefore, the Department believes that reducing the county department overall allocation for client services is the best source to fund the requested APS Program Specialist, CAPS Administrator, and additional CAPS licenses. The Department does not recommend taking the needed funding from the County APS Administration appropriation since several programmatic changes are currently taking place. Specifically, the APS program is undergoing a practice alignment as a result of implementation of HB17-1284 that will likely result in counties hiring additional APS staff and, thus, utilizing any surplus dollars in County APS Administration funds in FY 2018-19 and beyond.

The Department is requesting the APS Program Specialist to allow the state APS Unit to provide more on-site technical support for county APS programs. Another Program Specialist FTE would allow the APS staff to travel to county departments to provide much needed in-county training, technical assistance, support, and follow-up for ARD quality assurance findings. The additional APS Program Specialist would help mitigate the compliance issues being uncovered by the quality assurance reviews previously discussed.

In addition, while out in the county providing support and training, the program specialist would be able to spend some time providing community education on mandatory reporting, the APS program, and meeting with multi-disciplinary Adult Protection teams. County departments have often requested assistance from the State APS program to come and provide training in their community to help dispel myths about the role of the APS program. However, due to staffing constraints, the State APS program has rarely been able to accommodate this request. Adding this Program Specialist FTE would allow the State APS program to honor many more of these requests from county departments.

The CAPS administrator FTE would help support an ever improving and expanding data system and its users. With the increase in users, reports, and cases there has been an increase in the need for CAPS support and technical assistance. Additionally, HB17-1284, the creation of the Administrative Review Division quality assurance unit, new county department APS staffing needs, and the CAPS-CARES interface have all contributed to increased workload for the CAPS administrator related to maintenance, support, and upgrades, as detailed above. The workload that was manageable in FY 2013-14 with one CAPS administrator is no longer manageable.

This increased workload will also necessitate the need for additional CAPS user licenses. The Department is requesting one "community" license that can be used by up to 100 screeners to record new reports of abuse. Because the screeners only complete new reports, they do not require a full CAPS user license. The Department also anticipates a need for an additional 75 user licenses, due to increased workload at the counties, ARD, CAMDRS, and CCU associated with investigating the claims entered by the screeners. This is in addition to the two Administrator licenses required by the APS Program Specialist and CAPS Administrator. The costs of the licenses is outlined in Table 4.

Anticipated Outcomes:

It is anticipated that the two additional FTE will enable the APS Unit to provide improved training to APS workers, improved support of the CAPS data system, and provide the ability to follow up on the findings from the newly implemented ARD reviews of APS cases.

The addition of a program specialist would help ensure the risks and concerns from the ARD reviews are being addressed in all 64 counties. The Department anticipates being able to conduct in-person follow-up technical assistance visits to county departments as needed following the ARD reviews. The Department would also be able to update its training schedule to better reflect the needs of county departments.

Specifically, with these additional resources, the Department would be able to hold six Training Academy sessions per year and two CAPS trainings per month.

It is also anticipated that the additional CAPS administrator will help support the CAPS data system by answering user questions, working with key stakeholders to determine requirements, customizing the application to appeal to users, setting up reporting and dashboards to fully utilize the data, monitoring usage and performance, activating and supporting new features, and working closely with the APS unit to ensure compliance with all rules and regulations. This is a very specific role that must have a sufficient understanding of APS statute, rules, and best practice expectations and is not a position that can be provided by the Office of Information Technology.

Without the two additional FTE, the APS unit will continue to provide the best possible oversight and training within the resources it has available. However, with limited capacity, this may result in insufficient monitoring and training at times, specifically around the quality of APS casework statewide. This may also have an impact on the ability to take action on the quality assurance findings coming out of the ARD Unit. This could lead to continued noncompliance with APS regulations and lack of improvement on quality assurance reviews. This in turn will mean poorer outcomes for APS clients who are experiencing mistreatment and self-neglect. Further, lack of sufficient staff resources may also impact the Unit’s ability to provide prompt, accurate technical support of the CAPS data system. The timeliness in adequately addressing training needs and systems issues may be affected if the additional FTE are not approved. In conclusion, the APS program will likely experience gaps in meeting the needs of the APS user community and in providing the oversight required of the counties by the State outlined at 9 CCR 2501-1.

The success of this proposed solution will be measured by the ability to respond quickly and effectively to CAPS related help tickets, requests for technical assistance, follow up on findings from ARD reviews, training needs, and support of APS staff statewide. It will also be measured by the improvements in quality assurance review findings during the ARD reviews of county casework. This funding would meet the Department’s goal of providing assistance and resources to support living independently at any age and would help to ensure at-risk adults are living free from mistreatment and self-neglect.

Assumptions and Calculations:

The two additional FTE would begin July 1, 2019 and would be housed within the APS unit of the Division of Aging and Adult Services. The FTE Template and Table 3 depict the FTE Costs for FY 2019-20 and beyond:

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		FY 2019-20		FY 2020-21	
Personal Services:					
Classification Title	Monthly Salary	FTE		FTE	
SOC SERVICES SPEC IV	$5,218	0.9	$56,354	1.0	$62,616
PERA			$5,861		$6,512
AED			$2,818		$3,131
SAED			$2,818		$3,131
Medicare			$817		$908
STD			$107		$119
Health-Life-Dental			$7,927		$7,927
Subtotal Position 1, #.# FTE		**0.9**	**$76,702**	**1.0**	**$84,344**
Classification Title	Monthly Salary	FTE		FTE	
DATA MANAGEMENT IV	$5,218	0.9	$56,354	1.0	$62,616
PERA			$5,861		$6,512
AED			$2,818		$3,131
SAED			$2,818		$3,131
Medicare			$817		$908
STD			$107		$119
Health-Life-Dental			$7,927		$7,927
Subtotal Position 2, #.# FTE		**0.9**	**$76,702**	**1.0**	**$84,344**
Subtotal Personal Services		1.8	**$153,405**	2.0	**$168,688**
Operating Expenses:					
		FTE		FTE	
Regular FTE Operating Expenses	$500	2.0	$1,000	2.0	$1,000
Telephone Expenses	$450	2.0	$900	2.0	$900
PC, One-Time	$1,230	2.0	$2,460	-	
Office Furniture, One-Time	$3,473	2.0	$6,946	-	

Subtotal Operating Expenses		**$11,306**		**$1,900**
TOTAL REQUEST	1.8	**$164,711**	2.0	**$170,588**
General Fund:		*$164,711*		*$170,588*

Table 3 - APS Budget Request Costs				
	FY 2019-20		FY 2020-21 and beyond	
Item	**Amount**	**Total FTE Requested**	**Amount**	**Total FTE Requested**
APS Program Specialist (Social Services IV)	$76,702	0.9	$84,344	1.00
CAPS Administrator (Data Management IV)	$76,702	0.9	$84,344	1.00
Operating Expenses	$11,306	N/A	$1,900	N/A
Totals	**$164,711**	**1.8**	**$170,588**	**2.00**

Table 4 - Software Licenses Needed			
License Users	**Number**	**Cost per License**	**Total Cost**
Community License (for screeners)	1	$3,576	$3,576
User License (for all other county staff, ARD, CAMDRS, CCU)	75	$215	$16,125
Admin License (state APS staff)	2	$530	$1,060
Total			**$20,761**

Schedule 13

Department of Human Services

Funding Request for The FY 2019-20 Budget Cycle

Request Title

R-11 Colorado Crisis System Enhancements

Dept. Approval By: [signature]

OSPB Approval By: [signature]

___	Supplemental FY 2018-19
___	Budget Amendment FY 2019-20
x	Change Request FY 2019-20

Summary Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
Total of All Line Items Impacted by Change Request	Total	$85,678,653	$0	$84,961,391	$985,092	$1,363,497
	FTE	76.8	0.0	79.6	3.6	3.0
	GF	$58,863,550	$0	$54,017,412	$985,092	$1,363,497
	CF	$1,280,533	$0	$5,221,814	$0	$0
	RF	$17,140,374	$0	$12,988,393	$0	$0
	FF	$8,394,196	$0	$12,733,772	$0	$0

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
01. Executive Director's Office, (A) General Administration, (1) General Administration - Health, Life, And Dental	Total	$46,696,345	$0	$45,681,295	$31,709	$31,709
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$33,413,551	$0	$29,357,601	$31,709	$31,709
	CF	$144,915	$0	$2,930,144	$0	$0
	RF	$10,356,168	$0	$7,685,079	$0	$0
	FF	$2,781,711	$0	$5,708,471	$0	$0
01. Executive Director's Office, (A) General Administration, (1) General Administration - Short-Term Disability	Total	$472,856	$0	$469,396	$592	$592
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$330,992	$0	$312,663	$592	$592
	CF	$8,592	$0	$27,320	$0	$0
	RF	$93,723	$0	$69,252	$0	$0
	FF	$39,549	$0	$60,161	$0	$0

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
01. Executive Director's Office, (A) General Administration, (1) General Administration - Amortization Equalization Disbursement	Total	$14,268,257	$0	$14,199,753	$15,584	$15,584
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$9,956,150	$0	$9,429,823	$15,584	$15,584
	CF	$255,862	$0	$814,901	$0	$0
	RF	$2,884,962	$0	$2,136,137	$0	$0
	FF	$1,171,283	$0	$1,818,892	$0	$0
01. Executive Director's Office, (A) General Administration, (1) General Administration - S.B. 06-235 Supplemental Equalization Disbursement	Total	$14,268,257	$0	$14,199,753	$15,584	$15,584
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$9,956,807	$0	$9,429,823	$15,584	$15,584
	CF	$255,823	$0	$814,901	$0	$0
	RF	$2,884,522	$0	$2,136,137	$0	$0
	FF	$1,171,105	$0	$1,818,892	$0	$0
08. Behavioral Health Services, (A) Community Behavioral Health Administration, (1) Administration - Personal Services	Total	$6,560,246	$0	$7,006,404	$348,623	$451,318
	FTE	76.8	0.0	79.6	3.6	3.0
	GF	$2,089,333	$0	$2,374,063	$348,623	$451,318
	CF	$553,343	$0	$577,174	$0	$0
	RF	$904,733	$0	$945,522	$0	$0
	FF	$3,012,837	$0	$3,109,645	$0	$0
08. Behavioral Health Services, (A) Community Behavioral Health Administration, (1) Administration - Operating Expenses	Total	$344,401	$0	$336,499	$22,140	$2,850
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$48,426	$0	$45,148	$22,140	$2,850
	CF	$61,998	$0	$57,374	$0	$0
	RF	$16,266	$0	$16,266	$0	$0
	FF	$217,711	$0	$217,711	$0	$0
08. Behavioral Health Services, (D) Integrated Behavioral Health Services, (1) Integrated Behavioral Health Services - Crisis Response System Telephone Hotline	Total	$3,068,291	$0	$3,068,291	$550,860	$845,860
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$3,068,291	$0	$3,068,291	$550,860	$845,860
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Human Services Prioritized Request	**Interagency Approval or Related Schedule 13s:**	Requires OIT Approval

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Cost and FTE

- The Department requests $985,092 total funds/General Fund and 3.6 FTE in FY 2019-20 and $1,363,497 total funds/General Fund and 3.0 FTE in FY 2020-21 and ongoing in order to support the enhancement to the Colorado Crisis System. A corresponding capital IT request has been submitted to implement one Statewide Colorado Crisis Documentation System.
- This is an increase of 3.0% over the FY 2018-19 appropriations to $32,547,092.

Current Program

- The Department currently manages $31,562,000 million in state funds to operate the statewide crisis hotline, mobile response, walk-in centers, crisis stabilization units, respite and marketing campaign.

Problem or Opportunity

- The current crisis system has many administrative inefficiencies, limited access to target populations including youth, inability to identify overlap with other state funded services, and no coordinated system for reliable data collection or evaluation.

Consequences of Problem

- If the Department does not improve data collection and reporting it will be unable to drive and measure the intended outcomes for the system including outreach to target populations, better allocate funds, and improve behavioral access.
- Additionally, the system is not currently targeting services to at risk populations in a meaningful way for children, adolescents and families which decreases the likelihood of impacting state suicide rates. In 2017, there were 192 youth suicides, which was the leading cause of death in Colorado for youth aged 10 to 24.

Proposed Solution

- The Department requests $985,092 total funds/General Fund and 3.6 FTE in FY 2019-20 in order to support the enhancement of the Colorado Crisis System.
- The Department proposes the following crisis services system enhancements: add an electronic crisis record system for all services delivered by the hotline and mobile teams; increase crisis hotline capacity and functionality; and add Co-responder pilot Emergency Medical System (EMS/911) to better coordinate emergency response information by funding local community pilots to integrate EMS systems with a uniform electronic crisis record system.

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John W. Hickenlooper
Governor
Reggie Bicha
Executive Director

Department Priority: ***R-11***

Request Detail: **Colorado Crisis System Enhancements**

Summary of Incremental Funding Change for FY 2019-20	**Total Funds**	**FTE**	**General Fund**
Colorado Crisis System Enhancements	$985,092	3.6	$985,092
Summary of Incremental Funding Change for FY 2020-21	**Total Funds**	**FTE**	**General Fund**
Colorado Crisis System Enhancements	$1,363,497	3.0	$1,363,497

Problem or Opportunity:

The Department of Human Services requests $985,092 total funds/General Fund and 3.6 FTE in FY 2019-20 and $1,363,497 total funds/General Fund and 3.0 FTE in FY 2020-21 and beyond for the purposes of addressing needed improvements to the Department's behavioral health crisis system. Specifically this request will address:

1. The lack of a centralized electronic crisis record that does not currently promote continuity of care by establishing a new electronic crisis record system that is integrated with the State Health Information Exchanges.
2. Address the changing need of how children, adolescents and the general public access crisis line services by creating a downloadable crisis services mobile phone app and increasing crisis line contractor personnel resources to address the growing demand for crisis response through text capacity.
3. The lack of coordinated emergency response information and service delivery systems by funding local community pilots that will integrate Emergency Medical Service (EMS) system with the Department's proposed new electronic crisis record system.

The priorities of this budget request are based upon the recommendations of the Crisis Steering Committee.

The Colorado Crisis System, created in response to the Aurora theatre shooting, was designed to strengthen Colorado's mental health system and to provide Coloradans with greater access to behavioral healthcare services as part of a continuum of care, regardless of ability to pay. The Colorado Crisis

Steering Committee was formed in early 2018 in anticipation of the end of the first five years of services and the solicitation process to take place in 2019. The Steering Committee's charge was to identify gaps in current service delivery or access; address the use of data to demonstrate the effectiveness of the system, increase system efficiencies for crisis services and improve mobile response in communities; establish services and clinical standards to meet the needs of the intended population; ensure that services are reaching those populations at highest risk of suicide including adolescents, adult men and veterans; address licensing challenges and prioritize regional solutions for co-located and fully integrated services.

The Department included six of nine recommendations from the Crisis Steering Committee that the Department is proposing through this request. The Department prioritized these areas because these investments will allow the Department to align the recommendations by leveraging technology to achieve multiple priorities outlined in the Steering Committee recommendations. Additionally, these recommendations are believed to have the most direct impact and improving the quality of care. The Crisis Steering Committee recommendations that were sent to the Department on June 15, 2018 that are tied to the funding request are:

- Recommendation 1: Increase the breadth and depth of services for youth and children. There are a number of steps that CDHS can take to ensure that youth and children have access to appropriate and timely behavioral health services.
- Recommendation 3: Leverage technology to connect and simplify the state and local crisis hotlines.
- Recommendation 4: Determine how the Co-Responder Model & Mobile Services can be leveraged in a crisis situation.
- Recommendation 5: Develop and implement an outcome evaluation system.
- Recommendation 7: Improve integration of services for mental health/substance abuse disorder within Crisis Stabilization Units.
- Recommendation 8: Offer a statewide-integrated data and resource system for the Hotline.

In consideration of the State's overall budget and the Department's effort to prioritize areas align overlapping initiatives, the Department did not include the following recommendations from the committee as other strategies may impact the following recommendations.

- Recommendation 2: Increase peer support in all areas.
- Recommendation 6: Establish a Leadership Committee to review and update outcomes, identify additional outcomes, identify additional gaps and needs, etc.
- Recommendation 9: Consider target marketing for those populations not served by the crisis system.

The Department's request for additional resources reflected in this request and the corresponding capital IT request titled "R-03 – Department IT Capital Construction Priority: IT-4 Colorado Crisis System Enhancements" align with these prioritized recommendations from the Crisis Steering Committee members representing local public health and human services officials, patients, advocates, hospitals, law enforcement, other state departments, elected officials, behavioral health providers, and the current crisis contractors.

The following items are based on the Crisis Steering Committee recommendations and needed system infrastructure upgrades necessary to improve service coordination and integration along with increased capacity to serve at risk populations.

- The Department is unable to determine if the populations at risk are receiving intended interventions and services, identify service utilization and adjust resources based on regional demand, make best practice recommendations for interventions, and evaluate cost, quality and outcomes for Coloradans. Funding an electronic crisis record system with improved crisis services documentation, improved system design, improved communications, and integrated technology to utilize and exchange information, would allow the Department to more actively reduce suicide rates, ensure access to the system for the entire population, integrate services across the larger health care delivery system and share relevant data with programs intended to deliver ongoing treatment and follow-up care and/or care coordination.
- The Department's crisis line contractor is reporting increase demand for text capacity crisis calls. The existing crisis hotline does not have the capacity for hotline text functionality or enhanced mobile technology which is the preferred mode of communication for the child and adolescent population. Reducing the hotline call wait time and expanding text capacity will enhance the ability to provide resources across multiple systems and existing investments, increase patient-level data collection and documentation to address the social determinants of health and provide an opportunity to leverage additional revenue streams.
- The existing crisis system has grown since its inception; however services have not been fully integrated. Additional investments include partnerships with law enforcement and emergency services to support improved community-based behavioral health responses. Integrating these systems and services will allow the State to leverage these new resources through the use of technology that tests interventions to increase access to coordinated systems and appropriate delivery of services.

Background:

While the State has invested over $30 million in the crisis system, the Department is unable to determine if the populations at risk are receiving intended interventions and services, identify service utilization and adjust resources based on regional demand, make best practice recommendations for interventions, and evaluate cost, quality and outcomes for Coloradans. Foundational to addressing this issue is the lack of consistent and uniform data collection.

The Office has repeatedly engaged contractors to analyze, validate or report additional data that is needed to understand the functionality of the system. Additionally, OBH hosts monthly data meetings to enhance standardization and improve reporting. In spite of these efforts by the State and its contractors, there are still inconsistencies and gaps in the regional data collection and reporting because of the lack of coordinated information technology infrastructure. This disconnect has been further shown in the work of different Department evaluations including broad stakeholder feedback obtained through the Crisis Steering Committee survey, the Colorado Health Institute data analysis of OBH data sets, and the law enforcement survey recently conducted as part of the S.B. 17-207 evaluation.

The Department has established monthly processes to review, troubleshoot and improve data validity and continuity in the existing crisis reporting system. These processes include: monthly data validity review of the aggregate reports, monthly presentations and action items in C-Stat, monthly meetings with contractors, and ongoing review of billing data. Additionally, the Department consistently utilizes multiple staff on an on-going basis along with contractual resources to triangulate inadequate and incomplete data from providers. Inadequate and incomplete data impedes the Department's ability to evaluate outcomes and effectiveness of the crisis system. Therefore the Department requests funding to create a new electronic crisis record system for the crisis system aligned with the current efforts for S.B. 17-019 for Medication Consistency and S.B. 17-207 to enhance the crisis service delivery system for the community, including local law enforcement agencies. By mirroring the efforts in S.B. 17-019 and leveraging the existing funding of $5.9M into law enforcement's crisis response efforts, the Department can further transfer utilization of the emergency response system and law enforcement departments to the appropriate behavioral health safety net resources in the crisis system.

While the Department has implemented performance based contracts with providers, the data reporting is too aggregate to have conversations with individual providers to drive performance change. To address this issue, the Department's Office of Behavioral Health has entered into two contracts to have subject matter experts review the data for outcomes and innovation. Unfortunately, the aggregate data shared by providers with the State is insufficient to answer research questions, and the contractors surmise there needs to be more granular and specific data collection. Furthermore, the Department's Office of Performance and Strategic Outcomes has helped perform data validation into the systems and noted differences across the system.

Proposed Solution:

The Department requests $985,092 total funds/General Fund and 3.6 FTE in FY 2019-20 and $1,363,497 total funds/General Fund and 3.0 FTE in FY 2020-21 and ongoing in order to increase the capacity of the crisis system, create and maintain information technology to better coordinate and evaluate utilization and need, and better integrate services across communities. The requested funding will support a coordinated solution to meet the identified challenges and leverage technology solutions to meet the Colorado Crisis Steering Committee's recommendations. The Department anticipates transferring $351,075 of this request to the Governor's Office of Information Technology for system enhancements. This coordinated solution includes five primary elements;

1. Creation of a single electronic Crisis Record System. The electronic Crisis Record System will support client service documentation, mobile GIS mapping technology to create a coordinated behavioral health responses between the hotline and mobile response to crisis intervention. Connecting the client record to the two State Health Information Exchanges will allow for providers to view treatment records from other providers such as hospitals, behavioral health, and primary care providers to view relevant history to appropriately treat and coordinate care and services. This system will strategically align with the Department's efforts for IT interoperability to maximize coordinated care across systems and programs. Funding for this element has been included in this request and in the corresponding capital IT request.

2. Enhanced capacity and functionality of the crisis hotline. The crisis hotline will be enhanced to support text, chat, and mobile functionality and a downloadable app for users to instant message. Enhanced resource and referral services will be created to track patient engagement in community based services including referral and follow up care. Funding for this element has been included in part in this request and in part in the corresponding capital IT request.
3. Creation of a pilot program to connecting Emergency Medical Service (EMS), Co-Responder teams, and Mobile through 911. This pilot will ensure appropriate responses to a behavioral health crisis in the community.

Further descriptions of these three elements are outlined as follows.

1. **Electronic Crisis Record System**

   An Electronic Crisis Record System addresses Crisis Committee Report, specifically
   - Recommendation 3 (leverage technology to connect and simplify the state and local crisis lines),
   - Recommendation 4 (determine how the Co-Responder Model & Mobile Services can be used in a crisis situation),
   - Recommendation 5 (develop and implement an outcome evaluation system) and
   - Recommendation 8 offer a statewide-integrated data and resource system for the crisis line.

   The Department recommends that one electronic crisis record be procured that will allow for documentation in one standard record, allow for data extraction and reporting, as well as utilization, cost and outcomes reporting for the crisis system. Establishing one record for documentation of crisis services allows for regular and consistent reporting of data to base day to day decision making and make continual adjustments to the crisis system with the use of real time data and allows providers access to meaningful data to improve care quality for crisis clients. The Electronic Crisis Record System would also serve as an outcome evaluation system to investigate the extent to which the crisis system is achieving its short-term and medium-term outcomes once those outcomes are defined and determine to what degree those outcomes are attributable to the system itself. It could measure the effectiveness of the system, and ultimately make it more effective in terms of delivering the intended benefits.

   In the current crisis system each contractor documents in each of the providers native electronic health record system and then submits data to the regional contractor who aggregates and reports the data. While the Department chose measures to track performance and utilization, these have been hard to validate and implement quality activities for due to aggregate data submission. Furthermore, since contractors have different electronic record systems there are disparate methods to submit and calculate measures for the Office.

The problem of disparate data systems and different data records has been identified through C-Stat performance measurement, internal data audits and in several external evaluations. The Department's Office of Performance and Strategic Outcomes completed data integrity validation for the timeliness of mobile response measure, and found different contractors have different data systems that inhibit congruent data collection across the State. Notably, through the data integrity evaluation, 50 percent of OBH crisis hotline referrals for mobile units were not deployed by the Crisis Providers between July 2016 and January 2017. During this time frame, 576 mobile responses were requested by the hotline after assessment. The primary reasons these rescues were reported as "not complete" were reportedly due to inadequate staffing, or diverting the client to an alternative service such as walk-in. Additionally data analysis conducted by the Colorado Health Institute for the Crisis Steering Committee made several additional recommendations about the challenges associated with the lack of consistent data.

The lack of a meaningful crisis record system is negatively affecting service delivery and customers. There is not a current solution to maximize continuity of care across regions and across providers. The branched and disconnected data systems lead to possible misallocation of resources, duplicitous efforts, and a missed opportunity for interventions for clients. OBH currently meets with crisis contractors on a monthly basis but due to the current business structure of each of the entities, disparate ownership of the providers in the system, inconsistent business rules, and the absence of one data system that is tracking utilization, services costs, system capacity, and clinical outcomes OBH has struggled to leverage opportunities for identifying ways to improve service delivery and outcomes for Coloradans.

An Electronic Crisis Record System solution will coordinate care and efforts of the Crisis Services Hotline, Crisis mobile response providers, and State leadership. The purpose of this single Crisis System Record System is to:

- create a centralized repository of standardized consumer information pertinent to case management and treatment and integrate Crisis system data with current OBH treatment data (including Substance Use Disorder (SUD) treatment information) to coordinate care for consumers with co-occurring disorders;
- allow access and utilization of a client record from any entry or referral point, be it the crisis hotline or the mobile response unit;
- allow access to query or build a direct interface into the State Health Information Exchanges to allow access to patients' historical treatment records to enable appropriate treatment interventions, enable continuity of care, and inform timely crisis interventions. Access to information contained in the State Health Information Exchanges may include psychiatric treatment, Emergency Department utilization, medications, hospitalizations, primary care physician information, and other connected Electronic Health Records from specialty providers;
- allow data collection and report standardized quality metrics pertinent to contract management and policy decisions (e.g. mobile dispatch times, bed utilization);

- allow data collection of cross-system, client-level outcomes congruent with strong research and evaluation principals;
- allow real-time system metrics such as geo-mapping of response used in emergency services/911 service deployment to inform local policy and coordination of response; and
- allow connectivity to the uniform data set and data warehouse of OBH treatment data.

The total cost is contingent on the type of record system procured. The key functionality of the procured solution must include a cloud-based, community solution to data collection (geo-mapping, remote data entry), certified for 42 part 2 data storage and reporting, case-management and treatment data modules, texting and multi-data implementation for the hotline service hub, and interoperability with statewide Health Information Exchanges and CDHS enterprise service bus.

Other State investments in electronic record systems have been explored with the Office of Health Information and the Office of e-Health Innovation to make cost estimates for crisis system infrastructure. From these models the following costs for design, implementation, and Crisis Record System were approximated. Staffing for an OIT project manager and an OBH project manager/ system administrator estimates are included to execute the implementation.

Table 1 represents current problem areas with the current data collection process. The Department has identified that data consistency, accuracy and data gaps are problematic. Table 1 describes some of the specific issues that a new electronic health care record system could help to correct.

Table 1: Summary of Data Analysis Themes

Theme	Description	Examples
Consistency	Different values in different systems	Slightly different values of client demographics in reports from Crisis Services Organizations (CSOs) versus compiled data from OBH based on monthly CSO data submission
	Inconsistent definitions	Differences between CSOs on how they define denominator for non-dispatched mobile services
		Different definitions of “respite”
Accuracy	General concerns	Possible incorrect locations coded for some mobile service
	Administrative errors	Invalid Medicaid IDs in HCPF-supplemented claims data set
		Invalid values in claims data cells (e.g., first names listed under DOB)
Presence of Data Gaps	Data silos	Unable to connect hotline data to CSO service provision
	Data incompleteness	Unable to answer questions such as payer mix of clients

A centralized data and reporting system will address many of the problems identified. This system would create a direct connection between a shared crisis systems database and electronic health records, or designate a spot for regular data uploads from crisis service providers. All data pulls, including dashboards and key indicators, could be built off a shared system and available to users designated through a data agreement.

This system addresses the problem of consistency by eliminating the possibility for competing values. It addresses accuracy by limiting administrative errors due to typos, which often occur when processes are manual. Finally, shared databases allow more flexibility in answering questions—for example, queries may be run on custom age groupings, or cross-tabulations can be done by gender and care setting.

A streamlined data reporting process can solve many of these problems as well. Streamlined reporting can be accomplished with a shared database, yet even in the absence of a shared database, a more streamlined process is possible. The process should limit manual or duplicative procedures. For example, when crisis providers report data to OBH, OBH should use a macro to have this data automatically input into a table, rather than using a manual entry process. This addresses accuracy concerns by limiting administrative errors.

The integration of data collection systems will allow for more robust reporting on crisis services. One frequently cited example in the Crisis Steering Committee was a request to integrate hotline and mobile response data collection system.

This integration will serve to address two of the themes identified. Accuracy will improve because data from multiple systems can now serve as cross-validation—for example, when values on mobile dispatches exceed values of mobile requests, this flags an inconsistency in one system. Integrated systems will also allow for more robust questions asked by stakeholders at many of these meetings to be answerable in the future.

2. Capacity for text, chat, and mobile functionality that includes a downloadable app

Improved technology and service functionality for the crisis hotline addresses Crisis Committee Report

- Recommendation 1 (Increase the breadth and depth of services for youth and children),
- Recommendation 3 (leverage technology to connect and simplify the state and local crisis lines),
- Recommendation 4 (determine how the Co-Responder Model & Mobile Services can be used in a crisis situation), and
- Recommendation 8 (offer a statewide-integrated data and resource system for the crisis line).

Create a downloadable software application tool to enhance the hotline system to meet broader social determinants of health needs of crisis consumers Currently, the Department has a public facing website for its resource directory however programming and the development would need to occur in order to make this resource available to the public through a mobile phone app. This app will make information more accessible and easier to navigate. This will assist individuals with behavioral health and non-behavioral health resource needs that could be impacting the crisis. For example, some clients may have housing issues and need local resources such as information on housing vouchers. This app could conveniently assist individuals with the critical information on how to access these resources through the mobile telephone app.

3. A pilot program to connecting Emergency Medical Service (EMS), Co-Responder teams, and Mobile through 911

A pilot program to connect EMS, co-responder teams and mobile through 911 will address the Crisis Steering Committee Report

- Recommendation 3 (leverage technology to connect and simplify the state and local crisis lines),
- Recommendation 4 (determine how the Co-Responder Model & Mobile Services can be used in a crisis situation), and
- Recommendation 8 (offer a statewide-integrated data and resource system for the crisis line).

The Co-Responder Model began in 2018 through support from the Colorado Legislature, and partners law enforcement officers with behavioral health specialists to intervene on mental health-related 911 calls. These two-person teams work to de-escalate situations by diverting individuals in crisis for immediate behavioral health assessments instead of arrest. Because the Co-Responder Model is so new, its implications and impact are not yet clear. The Co-Responder Model is not formally a component of Colorado Crisis System. However, it is worthwhile to understand the impact of the model on the Crisis System, how to minimize redundancy, and how to better leverage related or overlapping services as data is collected throughout the Model's implementation. In an effort to connect this program with the larger crisis system, the Department is requesting funding to test three pilots to examine technology solutions to integrate 911 emergency responses with co-responder teams and test models to ensure appropriate behavioral health response rather than law enforcement responses when appropriate.

In the current crisis system structure, co-response with emergency responders (e.g. 911 responders) is on a local community-based initiative level. In other OBH initiatives, the State is piloting and funding co-response programs. These programs are operating separately from the crisis system which does not leverage the two State investments.

The Crisis Services Steering Committee recommended an integration of co-response to the crisis system (Recommendation 4). However, before deploying a statewide solution, the Department is requesting funding to pilot technology solutions that interface with the crisis hotline, OBH funded Co-Responder pilots, existing 911 emergency responses. This will allow the Department to identify strategies that meet the needs of local communities and existing infrastructure to begin integrating the two systems that currently run parallel to each other. The new pilot should be funded once the new Crisis Service Record is deployed to ensure the benefits for referral, communication, treatment, and outcomes is leveraged in the new pilot.

Anticipated Outcomes:

Electronic Crisis Record System Anticipated outcomes:

The Department will complete a process evaluation of timely procurement of the new system, timely build, and timely implementation of the new data system. Within the new electronic crisis record system, there will be key metrics included to help track outcome evaluation such as continuity of care. An outcome evaluation will compare pre-implementation to post-implementation data collection time, continuity of care and follow up services for individuals in crisis and evaluate outcomes for the population using standard quality measures and cost and utilization metrics. This outcome evaluation will be procured in the second year after implementation. The improved data collection will also allow more finite billing data to allow calculations of cost-centers by region and service type. Therefore, the Department could begin to create an ongoing benefit-cost analysis.

With the procurement of the new electronic crisis record system, there will be strategic requirements to build business analytics into the design. Proper business analytics (e.g. Tableau) allow the state users, contract managers, and even clinicians to track performance and quality metrics in a timely, uniform way. These outcomes will also be tied to other adjudicated/validated data sets from the Health Information Exchanges to track population health and system wide outcomes beyond those in the behavioral health crisis service episode.

With uniform data, the Department will evaluate performance at the service-level in a data informed manner. Long term success will result in the overall decreased utilization of the State’s emergency departments and law enforcement calls for behavioral health crises.

Capacity for text, chat, and mobile functionality and downloadable mobile app anticipated outcomes: With the addition of seven contracted staff to the Department’s Crisis Services hotline the Department will have a dedicated text resource that is available 24 hours a day seven days a week. Texting functionality was not a feature that was originally built in the crisis hotline; however, the current crisis hotline provider has improvised staffing to address approximately 25 text encounters per day. While many text calls answered do not result in an extended encounter, they must be answered and properly addressed. Once a client is engaged, the average text encounter is approximately 50 minutes. It is anticipated that additional 24/7 posts will allow for an additional 25 text encounters. The Department believes that this increase in capacity will address the growing demand for future text capacity. Table 2 reflects the current utilization rate for text capacity. Over the course of twelve months, texts answered have increased by 43%. It is anticipated that if additional staff are added this will assist with meeting the demand for future services as text communication continues to gain popularity and the service is more widely advertised within the Department’s existing marketing efforts.

Table 2: Crisis Hotline Text Answered Trend-September 2017 to August 2018		
Month	**Percentage Change**	**Number of Text Calls Answered**
September 2017	**0%**	559
October 2017	**20%**	669
November 2017	**37%**	765
December 2017	**29%**	723
January 2018	**4%**	582
February 2018	**6%**	595
March 2018	**18%**	657
April 2018	**37%**	768
May 2018	**50%**	838
June 2018	**48%**	827
July 2018	**37%**	766
August 2018	**43%**	801

A pilot program to connect Emergency Medical Service (EMS), Co-Responder teams, and Mobile through 911 anticipated outcomes:
Colorado and local counties and municipalities have invested significantly in better connecting law enforcement and crisis services. These include state and locally supported co-responder models, crisis intervention trainings, training EMTs and peace officers in identifying behavioral health issues and how to address them and refer for services, and law enforcement assisted diversion programs. While these programs are making significant improvements in our justice and health systems, they are currently not coordinated by the entity that intersects with all of these programs, 911.

This pilot program will support training and technology to better connect individuals in crisis to the appropriate local response through interfaces with 911 systems. Outcomes will include:

- Increasing the number of calls to 911 for behavioral health crisis that are directed to the Colorado Crisis Hotline.
- Increasing the number of co-responder led responses to behavioral health crisis emergencies.
- Reduced use of ambulances for behavioral health crises.

Assumptions and Calculations:

Table 3 is a summary of projected costs for this request. Assumptions used to calculate each of the components of this request are provided in the "Assumptions and Calculations" narrative that follows this table.

Table 3: Crisis Services Budget Estimate Summary					
FY 2019-20 and FY 2020-21 General Fund					
	FY 2019-20		**FY 2020-21**		
Description	**FTE**	**Estimated Costs**	**FTE**	**Estimated Costs**	**Notes**
Crisis System Data and Health IT Infrastructure	3.6	$434,232	3.0	$517,637	See Table 4
Hotline Enhancements (text capacity, downloadable app; interface with HIE, resource and referral capacity)		$350,860		$365,860	See Table 5
Pilots to connect EMS/911; Crisis hotline and mobile response, and co-responder projects		200,000		$480,000	See Table 6
Total	**3.6**	**$985,092**	**3.0**	**$1,363,497**	

In Tables 4 through 6, Department of Human Services (CDHS) budget items are denoted with "CDHS Budget" and Office of information Technology (OIT) budget items are denoted with "OIT Budget".

Crisis System Data and Health IT Infrastructure:

This request includes FTE and operating expenses for an OIT Project Manager and an OBH Project Manager Administrator to execute the implementation of the proposed electronic crisis record system. The OIT Project Manager will only be necessary for FY 2019-20 to help complete a formal business requirements document as well as help to document the data fields that are part of the project, as well as to define and articulate the actual outcomes desired. The OIT positions are non-classified FTE and funds will be reappropriated to OIT. The OBH Project Manager Administrator position will be required in FY 2019-20 and ongoing, as they will be the application support position that will interface with the estimated 900 users when there are technical questions/problems that need to be addressed with the system and the software vendor.

The request includes an Identity and Access Management (IAM) Analyst that would take over all provisioning, de-provisioning, account management, Single Sign One, Multi Factor Authentication auditing during implementation and operations. In addition, this request includes an Integrations Analyst/Solutions Engineer position. That position has two functions one is to deploy the Enterprise

Service BUS and the other is for ongoing integration development that will be needed for a project of this scope.

The Department’s proposed new electronic crisis record system includes cloud-based technology solutions. Cloud based technology solution refers to on-demand services, computer networks, storage, applications and/or resources accessed via the internet and through a non-state service provider's shared cloud computing infrastructure. Additionally, this project will also include a community based solution that will integrate local provider data collection. This will include working with the Department’s crisis services providers and to interface their electronic health care records with the new electronic crisis record system. It is also envisioned that this system will include geo-mapping features to identify the specific location of crisis services as they occur and provide reports and map visualization. This is especially important given that mobile crisis services may occur anywhere in the community. This system must be an electronic crisis record system that complies with federal substance use treatment data, security and privacy requirements as outlined in the federal code of regulations (C.F.R) Title 42 part 2. This project will include design work and programming that will include: data storage and reporting, case-management and treatment data modules, texting and multi-data implementation for the hotline service hub, and interoperability with statewide Health Information exchanges and CDHS enterprise service bus.

Table 4: Crisis System and Data and Health IT Infrastructure					
	FY 2019-20		FY 2020-21		
Description	**FTE**	**Estimated Costs**	**FTE**	**Estimated Costs**	**Notes**
One-time cost for Project Manager at Office of Information Technology (OIT)	0.9	$133,182	1.0	$0	Execute implementation of project. OIT Budget
Data Management IV at Colorado Department of Human Services (CDHS)	0.9	$83,156	1.0	$85,294	Execute implementation of project CDHS Budget
Identity and Access Management (IAM) Analyst	0.9	$82,658	1.0	$84,239	Implementation and operations. OIT Budget
Integrations Analyst/Solutions Engineer	0.9	$135,235	1.0	$141,604	Deploy the Enterprise Service BUS and ongoing integration development OIT Budget
One Identity Software for non-state users	0.0	$0	0.0	$22,500	Year 2 - $25 p/year per user x 900 estimated users ($25 x 900 = $22,500) These fees will be for external users of the system. OIT Budget
Independent Verification and Validation	0.0	$0	0.0	$100,000	The IV & V cost builds on the capital IT request this cost will expire in FY 2020-21. OIT Budget
Crisis System Monthly Maintenance	0.0	0.0	0.0	$84,000	On-going maintenance for the whole system regardless of number of users. In FY 2019-20 maintenance cost is requested in OIT Capital request. OIT Budget
Total	**3.6**	**$434,232**	**4.0**	**$517,637**	
Subtotal Office of Information Technology	**2.7**	**$351,075**	**3.0**	**$432,343**	OIT Budget
Subtotal Department of Human Services	**0.9**	**$83,156**	**1.0**	**$85,294**	CDHS Budget

OIT Senior Project Manager Position:
The OIT Project Manager shall manage and oversee all aspects of the development and implementation of this multi-platform and system technology initiative. The Project Manager is tasked with building the projects from original concept through final implementation by defining project scope and objectives, analyzing project requirements and determining the best approach to complete projects using existing and/or new approaches, developing detailed work plans, schedules, project estimates, resource plans, and status reports, managing the project budget, and developing plans for transition to operations. The Project Manager manages the integration of vendor tasks and tracks and reviews vendor deliverables.

OIT Integrations Analyst/Solutions Engineer Position:
Application Developer will provide design, development, unit testing, integration testing, user acceptance testing, production implementation and ongoing support of the OBH Crisis System. The position's primary objective is to provide the ability to transfer data between the OBH Crisis System to Colorado's Health Information Exchanges.

OIT Identity and Access Management Position:
The role would take over all provisioning, de-provisioning, account management, Single Sign One, Multi Factor Authentication auditing during implementation and operations.

OBH Business Analyst position (Data Management IV):
The OBH Business Analyst role is necessary to help complete a formal business requirements document as well as help to document the data fields that are part of the project. The BA defines and articulates the actual outcomes desired.

Two Additional Crisis FTE to align with Crisis Regions:
Two Program Administrator FTE are requested to improve contractual and fiscal monitoring of each contract region. This addition will allow the Department to cover each of the four geographic crisis services regions to increase day-to-day monitoring of the program. These additional staff will also be needed to work with the Department of Health Care Policy and Financing to develop quality improvement processes to improve efficiency in the program. Currently, the Department's Office of Behavioral Health, Division of Community Programs (OBH-C), has two FTE on program staff to monitor the statewide system.

Crisis Hotline/Text line Enhancements:
Text capacity for hotline/text line includes seven contract staff including five bachelor level triage specialists, one licensed crisis clinician, one program supervisor and 3.54 percent indirect costs. This cost is necessary to address the growing demand and need for children and youth demographic. As a compliment to this request, the Department submitted an OIT Capital Request to build a mobile application that will need ongoing maintenance beginning in FY 2020-21.

Table 5: Crisis Hotline/Text line Enhancements FY 2019-20 and FY 2020-21				
Description	**Contract FTE**	**FY 2019-20**	**FY 2020-21**	**Notes**
Triage Specialists	5.0	$218,790	$218,790	
Crisis Clinicians	1.0	$53,820	$53,820	
Program Supervisor	1.0	$66,250	$66,250	
Subtotal Personnel	7.0	$338,860	$338,860	
Indirect Costs	3.54%	$12,000	$12,000	
Mobile App. Maintenance Cost		$0	$15,000	The mobile app maintenance cost builds on the capital IT request; the ongoing maintenance is an operating expense
Total		**$350,860**	**$365,860**	CDHS Budget

Pilots to connect Emergency Medical System (EMS)/911: Crisis hotline and mobile response, and co-responder projects:

This portion of the request will include an assessment of emergency medical services systems and technology needs. The Department in partnership with the Office of Information Technology will determine if OIT staff or a contractor consultant will be needed. This will be determined based upon the best resource that is familiar with EMS data systems and how to integrate with the Department's Crisis health information system. Post assessment three communities with EMS systems will pilot crisis health, co-responder and EMS information system integration. Finally, this section of the request will also include a program evaluation of the three pilot sites to inform the legislature if pilots should be expanded Statewide.

Table 6: Pilots to connect Crisis System, Co-Responder & Emergency Medical System (EMS)/911			
Description	**FY 2019-20 Estimated Costs**	**FY 2020-21 Estimated Costs**	**Notes**
Assessment of Emergency Medical Services Systems (EMS) and Technology Needs	$200,000	$0	Contractor will be charged with selecting EMS participants whose systems are capable of interfacing with the State HIE. This contractor will assess the technical interface issues that must be addressed in the connectivity of these systems.
Build EMS/ Crisis System Interface for 3 Pilot Sites	$0	$180,000	Connectivity function: $30,000 per interface with HIE X 3 sites+ $30,000 per interface with EMS systems X 3 Sites
Build EMS/ Crisis System Licenses for 3 Pilot Sites	$0	$150,000	One time license for the HIE Module: $50,000 per license X 3 sites
Program Evaluation	$0	$150,000	Allow for roll forward into FY 2021-22
Total	**$200,000**	**$480,000**	CDHS Budget

Table 7 illustrates the Long Bill appropriation and requested funding for FY 2019-20 and ongoing.

Table 7: Long Bill Appropriation and Requested Funding for FY 2019-20 Through FY 2021-22						
Line Item: (1) Executive Director's Office, Health, Life and Dental	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**	**FTE**
FY 2018-19 Appropriation (HB 18-1322)	$46,704,272	$33,413,551	$144,915	$10,364,095	$2,781,711	0
Requested Funding (or Spending Authority)	$31,708	$31,708	$0	$0	$0	0
FY 2019-20 Total Requested Appropriation	$46,735,980	$33,445,259	$144,915	$10,364,095	$2,781,711	**0**
FY 2020-21 Annualization of Prior Year Funding	$0	$0	$0	$0	$0	0
FY 2020-21 Total Requested Appropriation	$46,735,980	$33,445,259	$144,915	$10,364,095	$2,781,711	**0**
FY 2021-2022 Total Requested Appropriation	$46,735,980	$33,445,259	$144,915	$10,364,095	$2,781,711	**0**
Line Item: (1) Executive Director's Office, Short-term Disability	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**	**FTE**
FY 2018-19 Appropriation (HB 18-1322)	$473,000	$330,992	$8,592	$93,867	$39,549	0
Requested Funding (or	$592	$592	$0	$0	$0	0

Spending Authority)						
FY 2019-20 Total Requested Appropriation	$473,592	$331,584	$8,592	$93,867	$39,549	**0**
FY 2020-21 Annualization of Prior Year Funding	$0	$0	$0	$0	$0	0
FY 2020-21 Total Requested Appropriation	$473,592	$331,584	$8,592	$93,867	$39,549	**0**
FY 2021-2022 Total Requested Appropriation	$473,592	$331,584	$8,592	$93,867	$39,549	**0**

Line Item: (1) Executive Director's Office, Amortization Equalization Disbursement	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**	**FTE**
FY 2018-19 Appropriation (HB 18-1322)	$14,272,038	$9,956,150	$255,862	$2,888,743	$1,171,283	0
Requested Funding (or Spending Authority)	$15,584	$15,584	$0	$0	$0	0
FY 2019-20 Total Requested Appropriation	$14,287,622	$9,971,734	$255,862	$2,888,743	$1,171,283	**0**
FY 2020-21 Annualization of Prior Year Funding	$0	$0	$0	$0	$0	0
FY 2020-21 Total Requested Appropriation	$14,287,622	$9,971,734	$255,862	$2,888,743	$1,171,283	**0**
FY 2021-2022 Total Requested Appropriation	$14,287,622	$9,971,734	$255,862	$2,888,743	$1,171,283	**0**

Line Item: (1) Executive Director's Office, Supplemental Amortization Equalization Disbursement	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**	**FTE**
FY 2018-19 Appropriation (HB 18-1322)	$14,272,038	$9,956,150	$255,862	$2,888,743	$1,171,283	0
Requested Funding (or Spending Authority)	$15,584	$15,584	$0	$0	$0	0
FY 2019-20 Total Requested Appropriation	$14,287,622	$9,971,734	$255,862	$2,888,743	$1,171,283	**0**
FY 2020-21 Annualization of Prior Year Funding	$0	$0	$0	$0	$0	0
FY 2020-21 Total Requested Appropriation	$14,287,622	$9,971,734	$255,862	$2,888,743	$1,171,283	**0**
FY 2021-2022 Total Requested Appropriation	$14,287,622	$9,971,734	$255,862	$2,888,743	$1,171,283	**0**

Line Item: (8) Office of Behavioral Health, (A) Community Behavioral Health Administration, Personal Services	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**	**FTE**

FY 2018-19 Appropriation (HB 18-1322)	$6,410,562	$1,939,649	$553,343	$904,733	$3,012,837	74.5
Requested Funding (or Spending Authority)	$348,623	$348,623	$0	$0	$0	3.6
FY 2019-20 Total Requested Appropriation	$6,759,185	$2,288,272	$553,343	$904,733	$3,012,837	**77.2**
FY 2020-21 Annualization of Prior Year Funding	$102,695	$102,695	$0	$0	$0	-0.6
FY 2020-21 Total Requested Appropriation	$6,861,880	$2,390,967	$553,343	$904,733	$3,012,837	**80.2**
FY 2021-2022 Total Requested Appropriation	$6,861,880	$2,390,967	$553,343	$904,733	$3,012,837	**80.2**

Line Item: (8) Office of Behavioral Health, (A) Community Behavioral Health Administration, Operating Expenses	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**	**FTE**
FY 2018-19 Appropriation (HB 18-1322)	$323,404	$27,429	$61,998	$16,266	$217,711	0
Requested Funding (or Spending Authority)	$22,140	$22,140	$0	$0	$0	0
FY 2019-20 Total Requested Appropriation	$339,891	**$43,916**	**$61,998**	**$16,266**	**$217,711**	**0**
FY 2020-21 Annualization of Prior Year Funding	-$19,290	-$19,290	$0	$0	$0	0
FY 2020-21 Total Requested Appropriation	$320,601	$24,626	$61,998	$16,266	$217,711	**0**
FY 2021-2022 Total Requested Appropriation	$320,601	$24,626	$61,998	$16,266	$217,711	**0**

Line Item: (8) Office of Behavioral Health, (D) Integrated Behavioral Health Services, Behavioral Health Crisis Response Telephone Hotline	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**	**FTE**
FY 2018-19 Appropriation (HB 18-1322)	$27,893,709	$23,506,902	$4,386,807	$0	$0	0
Requested Funding (or Spending Authority)	$550,860	$550,860	$0	$0	$0	0
FY 2019-20 Total Requested Appropriation	$28,244,569	**$23,857,762**	**$4,386,807**	**$0**	**$0**	**0**
FY 2020-21 Annualization of Prior Year Funding	$295,000	$295,000	$0	$0	$0	0
FY 2020-21 Total Requested Appropriation	$28,539,569	$24,152,762	$4,386,807	$0	$0	**0**
FY 2021-2022 Total Requested Appropriation	$28,539,569	$24,152,762	$4,386,807	$0	$0	**0**

Schedule 13

Department of Human Services

Funding Request for The FY 2019-20 Budget Cycle

Request Title

R-12 Contracted Physician Salary Adjustment

Dept. Approval By:

OSPB Approval By:

___	Supplemental FY 2018-19
___	Budget Amendment FY 2019-20
X	Change Request FY 2019-20

Summary Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
Total of All Line Items Impacted by Change Request	Total	$104,055,036	$0	$106,918,300	$1,127,667	$2,255,334
	FTE	1,198.0	0.0	1,198.0	0.0	0.0
	GF	$90,340,919	$0	$93,204,183	$1,127,667	$2,255,334
	CF	$6,408,506	$0	$6,408,506	$0	$0
	RF	$7,305,611	$0	$7,305,611	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
08. Behavioral Health Services, (E) Mental Health Institutes, (1) Mental Health Institutes - Ft. Logan - Personal Services	Total	$21,635,525	$0	$22,205,912	$315,641	$631,282
	FTE	216.2	0.0	216.2	0.0	0.0
	GF	$19,784,439	$0	$20,354,826	$315,641	$631,282
	CF	$1,825,111	$0	$1,825,111	$0	$0
	RF	$25,975	$0	$25,975	$0	$0
	FF	$0	$0	$0	$0	$0
08. Behavioral Health Services, (E) Mental Health Institutes, (2) Mental Health Institutes - Pueblo - Personal Services	Total	$82,419,511	$0	$84,712,388	$812,026	$1,624,052
	FTE	981.8	0.0	981.8	0.0	0.0
	GF	$70,556,480	$0	$72,849,357	$812,026	$1,624,052
	CF	$4,583,395	$0	$4,583,395	$0	$0
	RF	$7,279,636	$0	$7,279,636	$0	$0
	FF	$0	$0	$0	$0	$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Human Services Prioritized Request	**Interagency Approval or Related Schedule 13s:**	No Other Agency Impact

Cost and FTE
• The Department requests $1,127,667 total funds/General Fund in FY 2019-20 and $2,255,334 total funds/General Fund in 2020-21 and beyond in order to hire and retain physicians at the Colorado Mental Health Institutes. The requested market pay adjustment is phased in over two fiscal years. • The total request is a net 2.5% change over the FY 2018-19 Personal Services appropriations at the Colorado Mental Health Institutes.

Current Program
• The Colorado Mental Health Institute at Pueblo (CMHIP) operates 449 inpatient psychiatric beds, and the Colorado Mental Health Institute at Fort Logan (CMHIFL) operates 94 inpatient psychiatric beds for adults. Referrals to the MHIs come from the State's community mental health centers, local hospitals and the courts.

Problem or Opportunity
• The Mental Health Institutes at Fort Logan (CMHIFL) and Pueblo (CMHIP) utilize psychiatrist and internal medicine physicians. Physicians are responsible for evaluating and diagnosing patients, developing plans for treatment, prescribing medication, and assessing patient response to treatment. • The national shortage of psychiatrists has impacted the Department's ability to effectively recruit qualified physicians, especially given the competitive market rates outside of Institutes. The last salary adjustment was funded by the General Assembly in FY 2014-15, and physician salaries are also increased through any annual provider rate increase. • In order to hire and retain staff, this request is to provide a market rate adjustment to physician salaries to $225,000 per year, the four supervisory physician positions to $250,000, the two Chief of Medicine positions to $275,000 per year, and Nurse Practitioner and Physician Assistant salaries to $120,000 per year.

Consequences of Problem
• If not addressed, the Institutes could be unsuccessful in recruiting and retaining qualified physicians and may continue to operate with inadequate psychiatrist staffing. • Continued open positions will further decrease the efficacy of care, lead to poorer treatment outcomes for patients and increase safety risk for patients and staff. • Psychiatrist vacancies burden the remaining psychiatrists to provide treatment for an unacceptably high number of patients, which negatively impacts patient care, documentation requirements, and patient length of stay, which may impact the ability to meet the terms of an existing settlement agreement. These issues lead to poor job satisfaction and high rates of burnout.

Proposed Solution
• The Department requests $1,127,667 total funds/General Fund in FY 2019-20 and $2,255,334 total funds/General Fund in 2020-21 and beyond in order to hire and retain physicians at the Colorado Mental Health Institutes. The requested market pay adjustment is phased in over two fiscal years.

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Department Priority: ***R-12***
Request Detail: ***Contracted Physician Salary Adjustment***

Summary of Incremental Funding Change for FY 2019-20	**Total Funds**	**FTE**	**General Fund**
Contracted Physician Salary Adjustment	$1,127,667	0.0	$1,127,667
Summary of Incremental Funding Change for FY 2020-21	**Total Funds**	**FTE**	**General Fund**
Contracted Physician Salary Adjustment	$2,255,334	0.0	$2,255,334

Problem or Opportunity:

The Department requests $1,127,667 total funds/General Fund in FY 2019-20 and $2,255,334 total funds/General Fund in 2020-21 and beyond in order to hire and retain physicians at the Colorado Mental Health Institutes. The requested market pay adjustment is phased in over two fiscal years ($1,127,667 in FY 2019-20 + $1,127,667 in FY 2020-21 = $2,255,334). The Department has a total of seven (7.0) full time medical provider vacancies.

In order to hire and retain staff, this request is to provide a market rate adjustment of staff physician salaries to $225,000 per year, the four supervisory physician positions to $250,000, the two Chief of Medicine positions to $275,000 per year and Nurse Practitioner (NP) and Physician Assistant (PA) salaries to $120,000 per year. None of these positions were included in the direct care salary adjustment requests previously funded by the General Assembly, as that request addressed State FTE, and these positions are contracted the University of Colorado - Denver (UCD). The Department currently contracts for 34.78 physicians and 19.55 nurse practitioners or physician assistants, for a total of 54.33 contracted medical providers. This request also includes funding for the net change in costs for benefits (25.04%) and administrative fee (8.1%) charged to the sum of the salaries by UCD.

The Office of Behavioral Health is responsible for policy development, service provision and coordination, program monitoring and evaluation, and administrative oversight for the public behavioral health system. OBH funds, supports and monitors numerous mental health and substance abuse community programs and providers, and reviews and designates the State's 27-65 providers. OBH also operates the Colorado Mental Health Institutes at Fort Logan and Pueblo. OBH executes the State's federal responsibilities as the State Mental Health Authority and the State Substance Abuse Authority for the purposes of administering federal mental health and substance abuse block grant funds.

The Mental Health Institutes at Fort Logan (CMHIFL) and Pueblo (CMHIP) utilize psychiatrist and internal medicine physicians at both Institutes. Physicians are responsible for evaluating and diagnosing patients, developing plans for treatment, prescribing medication, and assessing patient response to treatment.

Psychiatrists at both Institutes are employed through a contractual relationship between the Colorado Department of Human Services-Office of Behavioral Health (OBH) and the University of Colorado-Denver School of Medicine. Institute psychiatrists receive base salaries between $175,000 and $222,079 annually, while other psychiatrists with comparable certifications and experience generally earn between $236,000 and $300,000+ annually. The LocumTenems.com 2017 psychiatry salary survey states the average salary of a psychiatrist is $240,448. The 2017 Medscape Compensation Report, which surveyed more than 19,200 national physicians across twenty seven specialty areas, indicated overall specialty physicians earned $316,000, with psychiatrists earning an average of $235,000[1] . Hiring staff at both Institutes have been approached by potential candidates requesting salaries within these ranges. Additionally, the Veterans Administration (VA) is currently advertising psychiatry positions at $264,000 and a Pueblo competitor is offering an annual psychiatrist salary of $236,000 with a $30,000 bonus in the first year, and a Nurse Practitioner salary of $120,738 with up to a $15,000 bonus in the first year.

Furthermore, morale and retention problems also occur at the Institutes because the cost of living and merit adjustment for current psychiatrists has not kept pace with the base rate for psychiatrists within the local communities. If physicians resign, the Department could be faced with paying agency physicians a much higher contracted rate, which currently is $230/hour or $478,400 for a full-time, 2,080 hour year.

In an attempt to mitigate impacts upon patients, both Institutes have hired mid-level providers (MLPs) including Nurse Practitioners and Physician Assistants to address the gaps in coverage due to vacant psychiatrist positions. These professionals are normally utilized as an extension of physician care, but are taking on a larger role out of necessity. This can result in unnecessary delays in patient treatment and diagnosis since MLPs cannot perform those independently. Although hiring lower MLPs can improve coverage, there are many duties that they cannot perform that a psychiatrist may, such as: preparing court documents, testifying in court, performing forensic evaluations, providing consultations and second opinions, petitioning the court for court ordered medications and treatments and performing Electroconvulsive Therapies (ECT).

Lastly, the inability to recruit and retain psychiatrists could result in survey deficiency findings by the Colorado Department of Public Health and Environment (CDPHE) and the Centers for Medicare and Medicaid Services (CMS). Additionally, the United States Department of Justice has initiated actions related to inadequate medical care and high psychiatrist-to-patient ratios against several state psychiatric hospitals across the country. Adequate psychiatrist staffing of the Institutes is necessary in order to comply with state and federal regulatory requirements and uphold the mission and vision of the Department to enhance service delivery, reduce hospital length of stay and comply with Constitutional requirements for involuntarily hospitalized patients.

[1] https://www.medscape.com/slideshow/compensation-2017-overview-6008547#1

Proposed Solution:

The Department requests $1,127,667 total funds/General Fund in FY 2019-20 and $2,255,334 total funds/General Fund in 2020-21 and beyond in order to hire and retain physicians at the Colorado Mental Health Institutes. The requested market pay adjustment is phased in over two fiscal years ($1,127,667 in FY 2019-20 + $1,127,667 in FY 2020-21 = $2,255,334). In order to hire and retain staff, this request is to provide a market rate adjustment to staff physician salaries to $225,000 per year, the four supervisory physician positions to $250,000, the two Chief of Medicine positions to $275,000 per year and Nurse Practitioner and Physician Assistant salaries to $120,000 per year. None of these positions were included in the direct care salary adjustment requests previously funded by the General Assembly, as that request addressed State FTE, and these positions are contracted the UCD.

Anticipated Outcomes:

If approved, the increase in psychiatrist base salary will enable both Mental Health Institutes to recruit and retain psychiatrists to meet the needs of persons hospitalized at the Institutes. Retention of psychiatrists will enable the Institutes to maintain adequate physician staffing, which complies with federal standard of care requirements, results in improved patient outcomes and thereby promotes the Department's goal, "To promote quality and effective behavioral health practices to strengthen the health, resiliency and recovery of Coloradans.

Assumptions and Calculations:

Please see the tables below for assumptions and calculations. Table 1 below illustrates the cost per fiscal year to implement the market rate pay adjustment into two equal installments between FY 2019-20 and FY 2020-21. Tables 2, 3 and 4 will identify each medical provider position and the corresponding market rate adjustment.

Table 1: MHI Contracted Salary Adjustment Summary for FY 2019-20 and Ongoing							
				Positions			
Position	**Total Cost of Market Pay Adjustment**	**Phase I FY 2019-20**	**Phase II FY 2020-21**	**Total**	**Filled**	**Vacant**	**Comment**
CMHIP Physician Staff							
Salary Difference	$930,575	$465,288	$465,288				
Benefits (25.04%)	$233,016	$116,508	$116,508				See Table 2
Administrative Fee (8.1%)	$94,251	$47,126	$47,126				
Subtotal	**$1,257,842**	**$628,921**	**$628,921**	**23.8**	**19.8**	**4.0**	
CMHIP Nurse Practitioner/Physician Assistant							
Salary Difference	$270,929	$135,465	$135,465				
Benefits (25.04%)	$67,841	$33,921	$33,921				See Table 3
Administrative Fee (8.1%)	$27,440	$13,720	$13,720				
Subtotal	**$366,210**	**$183,105**	**$183,105**	**17.5**	**17.5**	**0.0**	
CMHIFL Physician Staff							
Salary Difference	$452,443	$226,222	$226,222				
Benefits (25.04%)	$113,292	$56,646	$56,646				See Table 4
Administrative Fee (8.1%)	$45,825	$22,913	$22,913				
Subtotal	**$611,560**	**$305,780**	**$305,780**	**11.0**	**8.0**	**3.0**	
CMHIFL Nurse Practitioner/Physician Assistant							
Salary Difference	$14,591	$7,296	$7,296				
Benefits (25.04%)	$3,653	$1,827	$1,827				See Table 4
Administrative Fee (8.1%)	$1,478	$739	$739				
Subtotal	**$19,722**	**$9,861**	**$9,861**	**2.0**	**2.0**	**0.0**	
CMHIP Total	**$1,624,052**	**$812,026**	**$812,026**	**41.3**	**37.3**	**4.0**	
CMHIFL Total	**$631,281**	**$315,641**	**$315,641**	**13.0**	**10.0**	**3.0**	
TOTAL GENERAL FUND	**$2,255,334**	**$1,127,667**	**$1,127,667**	**54.3**	**47.3**	**7.0**	

Table 2 identifies the physician (MD) positions and calculations for CMHIP. Providers who are part time required an annualized calculation to determine their base adjustment, however the request is only for the pro-rated amount.

Table 2: CMHIP Physician Staff											
			FY 2018-19	Annualized	Full Time			Benefits	Total	Administrative	NET Grand
MDs	Discipline	Positions	SALARY	to 1.0	Salary	DIFF	% change	25.04%	Difference	Fee Difference	Total
MD	Medical	1.0	$186,083	$186,083	$225,000	$38,917	20.91%	$9,745	$48,662	$3,942	$52,603
MD	Psychiatric	1.0	$186,097	$186,097	$225,000	$38,903	20.90%	$9,741	$48,644	$3,940	$52,585
MD	Psychiatric	1.0	$201,607	$201,607	$225,000	$23,393	11.60%	$5,858	$29,251	$2,369	$31,620
MD	Medical	0.5	$99,439	$187,621	$225,000	$19,811	19.92%	$4,961	$24,772	$2,007	$26,778
MD	Psychiatric	1.0	$181,709	$181,709	$225,000	$43,291	23.82%	$10,840	$54,131	$4,385	$58,516
MD	Psychiatric	1.0	$188,072	$188,072	$225,000	$36,928	19.64%	$9,247	$46,175	$3,740	$49,915
MD	Psychiatric	1.0	$185,000	$185,000	$225,000	$40,000	21.62%	$10,016	$50,016	$4,051	$54,067
MD	Psychiatric	0.8	$170,847	$227,796	$225,000	$0	0.00%	$0	$0	$0	$0
MD	Psychiatric	1.0	$203,372	$203,372	$225,000	$21,628	10.63%	$5,416	$27,044	$2,191	$29,234
MD	Psychiatric	1.0	$218,557	$218,557	$250,000	$31,443	14.39%	$7,873	$39,316	$3,185	$42,501
MD	Psychiatric	1.0	$185,674	$185,674	$225,000	$39,326	21.18%	$9,847	$49,173	$3,983	$53,156
MD	Medical	0.5	$97,099	$194,198	$225,000	$15,401	15.86%	$3,856	$19,257	$1,560	$20,817
MD	Psychiatric	1.0	$186,083	$186,083	$225,000	$38,917	20.91%	$9,745	$48,662	$3,942	$52,603
MD	Psychiatric	1.0	$202,458	$202,458	$250,000	$47,542	23.48%	$11,905	$59,447	$4,815	$64,262
MD	Psychiatric	1.0	$193,437	$193,437	$225,000	$31,563	16.32%	$7,903	$39,466	$3,197	$42,663
MD	Medical	1.0	$184,043	$184,043	$225,000	$40,957	22.25%	$10,256	$51,213	$4,148	$55,361
MD	Psychiatric	1.0	$190,826	$190,826	$225,000	$34,174	17.91%	$8,557	$42,731	$3,461	$46,192
MD	Medical	0.5	$93,212	$186,424	$225,000	$19,288	20.69%	$4,830	$24,118	$1,954	$26,071
MD	Psychiatric	1.0	$222,079	$222,079	$275,000	$52,921	23.83%	$13,251	$66,172	$5,360	$71,532
MD	Medical	1.0	$186,429	$186,429	$250,000	$63,571	34.10%	$15,918	$79,489	$6,439	$85,928
MD	Psychiatric	0.5	$91,462	$182,924	$225,000	$21,038	23.00%	$5,268	$26,306	$2,131	$28,437
MD	Psychiatric	1.0	$193,437	$193,437	$225,000	$31,563	16.32%	$7,903	$39,466	$3,197	$42,663
DO	Psychiatric	1.0	$175,000	$175,000	$225,000	$50,000	28.57%	$12,520	$62,520	$5,064	$67,584
MD	Psychiatric	1.0	$175,000	$175,000	$225,000	$50,000	28.57%	$12,520	$62,520	$5,064	$67,584
MD	Psychiatric	1.0	$175,000	$175,000	$225,000	$50,000	28.57%	$12,520	$62,520	$5,064	$67,584
MD	Psychiatric	0.5	$87,500	$175,000	$225,000	$25,000	28.57%	$6,260	$31,260	$2,532	$33,792
MD	Psychiatric	0.5	$87,500	$175,000	$225,000	$25,000	28.57%	$6,260	$31,260	$2,532	$33,792
Total MD		**23.8**				**$930,575**		**$233,016**	**$1,163,591**	**$94,251**	**$1,257,842**

Table 3 identifies the nurse practitioner/physician assistant (NP/PA) positions and calculations for CMHIP.

Table 3: CMHIP Nurse Practitioner/Physician Assistant Staff										
		FY 2018-19	Annualized	Full Time			Benefits	Total	Administrative	NET Grand
NP/PA	Positions	SALARY	to 1.0	Salary	DIFF	% change	25.04%	Difference	Fee Difference	Total
NP/PA	1.0	$110,749	$110,749	$120,000	$9,251	8.35%	$2,316	$11,567	$937	$12,504
NP/PA	1.0	$106,687	$106,687	$120,000	$13,313	12.48%	$3,334	$16,647	$1,348	$17,995
NP/PA	1.0	$109,208	$109,208	$120,000	$10,792	9.88%	$2,702	$13,494	$1,093	$14,587
NP/PA	1.0	$104,029	$104,029	$120,000	$15,971	15.35%	$3,999	$19,970	$1,618	$21,588
NP/PA	1.0	$96,986	$96,986	$120,000	$23,014	23.73%	$5,763	$28,777	$2,331	$31,108
NP/PA	1.0	$108,206	$108,206	$120,000	$11,794	10.90%	$2,953	$14,747	$1,195	$15,942
NP/PA	1.0	$103,842	$103,842	$120,000	$16,158	15.56%	$4,046	$20,204	$1,637	$21,840
NP/PA	1.0	$120,140	$120,140	$120,000	$0	-0.12%	$0	$0	$0	$0
NP/PA	1.0	$95,000	$95,000	$120,000	$25,000	26.32%	$6,260	$31,260	$2,532	$33,792
NP/PA	1.0	$81,896	$81,896	$120,000	$38,104	46.53%	$9,541	$47,645	$3,859	$51,505
NP/PA	1.0	$101,256	$101,256	$120,000	$18,744	18.51%	$4,693	$23,437	$1,898	$25,336
NP/PA	1.0	$120,550	$120,550	$120,000	$0	0.00%	$0	$0	$0	$0
NP/PA	1.0	$104,595	$104,595	$120,000	$15,405	14.73%	$3,857	$19,262	$1,560	$20,823
NP/PA	0.4	$54,080	$135,200	$120,000	$0	0.00%	$0	$0	$0	$0
NP/PA	1.0	$109,226	$109,226	$120,000	$10,774	9.86%	$2,698	$13,472	$1,091	$14,563
NP/PA	1.0	$91,187	$91,187	$120,000	$28,813	31.60%	$7,215	$36,028	$2,918	$38,946
NP/PA	0.4	$54,080	$135,200	$120,000	$0	0.00%	$0	$0	$0	$0
NP/PA	1.0	$100,000	$100,000	$120,000	$20,000	20.00%	$5,008	$25,008	$2,026	$27,034
NP/PA	0.8	$76,204	$101,605	$120,000	$13,796	18.10%	$3,455	$17,251	$1,397	$18,648
Total NP/PA	**17.6**				**$270,929**		**$ 67,841**	**$ 338,770**	**$ 27,440**	**$ 366,210**

Table 4 identifies the physician (MD) and nurse practitioner/physician assistant (NP/PA) positions and calculations for CMHIFL.

Table 4: CMHIFL Physician and Nurse Practitioner/Physician Assistant Staff										
MD, NP, PA	Discipline	Positions	FY 2018-19 SALARY	Full Time Salary	DIFF	% change	Benefits 25.04%	Total Difference	Administrative Fee Difference	NET Grand Total
MD	Psychiatry	1.0	$189,781	$ 225,000	$ 35,219	18.56%	$ 8,819	$ 44,038	$ 3,567.06	$ 47,604.88
MD	Psychiatry	1.0	$189,781	$ 225,000	$ 35,219	18.56%	$ 8,819	$ 44,038	$ 3,567.06	$ 47,604.88
MD	Psychiatry	1.0	$185,153	$ 225,000	$ 39,847	21.52%	$ 9,978	$ 49,824	$ 4,035.78	$ 53,860.22
MD	Medical	1.0	$185,153	$ 225,000	$ 39,847	21.52%	$ 9,978	$ 49,824	$ 4,035.78	$ 53,860.22
MD	Medical	1.0	$189,781	$ 225,000	$ 35,219	18.56%	$ 8,819	$ 44,038	$ 3,567.06	$ 47,604.88
MD	Psychiatry	1.0	$193,578	$ 225,000	$ 31,422	16.23%	$ 7,868	$ 39,291	$ 3,182.54	$ 42,473.09
MD	Psychiatry	1.0	$200,576	$ 275,000	$ 74,424	37.11%	$ 18,636	$ 93,060	$ 7,537.85	$ 100,597.75
MD	Medical	1.0	$195,864	$ 250,000	$ 54,136	27.64%	$ 13,556	$ 67,691	$ 5,483.00	$ 73,174.34
MD	Medical	1.0	$185,153	$ 225,000	$ 39,847	21.52%	$ 9,978	$ 49,825	$ 4,035.80	$ 53,860.49
MD	Psychiatry	1.0	$192,955	$ 225,000	$ 32,045	16.61%	$ 8,024	$ 40,069	$ 3,245.55	$ 43,314.05
MD	Psychiatry	1.0	$189,781	$ 225,000	$ 35,219	18.56%	$ 8,819	$ 44,038	$ 3,567.06	$ 47,604.88
Total MD		**11.0**			**$452,443**		**$ 113,292**	**$ 565,735**	**$ 45,825**	**$ 611,560**
NP/PA		Positions	FY 2018-19 SALARY	FY 2018-19 SALARY	DIFF	% change	Benefits 25.04%	Total Difference	Administrative Fee Difference	NET Grand Total
NP/PA		1.0	$114,954	$ 120,738	$ 5,784	5.03%	$ 1,448	$ 7,232	$ 585.80	$ 7,817.91
PA/NP		1.0	$111,931	$ 120,738	$ 8,807	7.87%	$ 2,205	$ 11,012	$ 891.97	$ 11,903.96
Total PA/NP		**2.0**			**$ 14,591**		**$ 3,653**	**$ 18,244**	**$ 1,478**	**$ 19,722**

Implementation Timeline:

Table 5 provides a timeline of when the salary adjustments will go into effect.

Table 5: Implementation Time Table	
Steps to be completed	**Completion Date**
If this funding request is approved, funding is available at the start of the new fiscal year	**July 1, 2019**
Physician salaries adjusted	**July 1, 2019**

Table 6 illustrates the Long Bill appropriation and requested funding for FY 2019-20 and ongoing.

Table 6: Long Bill Appropriation and Requested Funding for FY 2019-20 Through FY 2021-22					
Line Item: (8) Office of Behavioral Health, (E)(1) Mental Health Institute at Ft. Logan, Personal Services	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**FTE**
FY 2018-19 Appropriation (HB 18-1322)	$21,635,525	$19,784,439	$1,825,111	$25,975	216.2
Requested Funding (or Spending Authority)	$315,641	$315,641	$0	$0	0.0
FY 2019-20 Total Requested Appropriation	**$21,951,166**	**$20,100,080**	**$1,825,111**	**$25,975**	**216.2**
FY 2020-21 Annualization of Prior Year Funding	$315,641	$315,641	$0	$0	0.0
FY 2020-21 Total Requested Appropriation	**$22,266,806**	**$20,415,720**	**$1,825,111**	**$25,975**	**216.2**
FY 2021-2022 Total Requested Appropriation	**$22,266,806**	**$20,415,720**	**$1,825,111**	**$25,975**	**216.2**
Line Item: (8) Office of Behavioral Health, (E)(2) Mental Health Institute at Pueblo, Personal Services	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**FTE**
FY 2018-19 Appropriation (HB 18-1322)	$82,419,511	$70,556,480	$4,583,395	$7,279,636	981.8
Requested Funding (or Spending Authority)	$812,026	$812,026	$0	$0	0.0
FY 2019-20 Total Requested Appropriation	**$83,231,537**	**$71,368,506**	**$4,583,395**	**$7,279,636**	**981.8**
FY 2020-21 Annualization of Prior Year Funding	$812,026	$812,026	$0	$0	0.0
FY 2020-21 Total Requested Appropriation	**$84,043,563**	**$72,180,532**	**$4,583,395**	**$7,279,636**	**981.8**
FY 2021-2022 Total Requested Appropriation	**$84,043,563**	**$72,180,532**	**$4,583,395**	**$7,279,636**	**981.8**

Schedule 13

Department of Human Services

Funding Request for The FY 2019-20 Budget Cycle

Request Title

R-13 Colorado Trails Maintenance

Dept. Approval By: Melissa Wavelet

OSPB Approval By: [signature]

____	Supplemental FY 2018-19
____	Budget Amendment FY 2019-20
X	Change Request FY 2019-20

Summary Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
Total of All Line Items Impacted by Change Request	Total	$4,970,392	$0	$4,970,392	$2,452,920	$2,452,920
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$2,683,461	$0	$2,683,461	$1,103,814	$1,103,814
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$2,286,931	$0	$2,286,931	$1,349,106	$1,349,106

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
02. Office of Information Technology Services, (A) Information Technology, (1) Information Technology - Colorado Trails	Total	$4,970,392	$0	$4,970,392	$2,452,920	$2,452,920
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$2,683,461	$0	$2,683,461	$1,103,814	$1,103,814
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$2,286,931	$0	$2,286,931	$1,349,106	$1,349,106

Auxiliary Data

Requires Legislation?	NO		
Type of Request?	Department of Human Services Prioritized Request	**Interagency Approval or Related Schedule 13s:**	Requires OIT Approval

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Cost and FTE

- In FY 2019-20 and FY 2020-21, the Department requests $2,452,920 total funds, including $1,103,814 General Fund and $1,349,106 federal funds. In FY 2021-22, the Department requests $2,143,000 total funds consisting of $964,350 General Fund and $1,178,650 federal funds. In FY 2022-23 and on-going, the Department requests $1,833,080 total funds consisting of $824,886 General Fund and $1,008,194 federal funds. These funds are for contracting developers, business analysts, data base administrators and service desk support to operate and maintain Trails.
- Federal funding sources include Title IV-E, Title XX, and TANF.
- This request represents a 49% increase over the FY 2018-19 appropriation.

Current Program

- The Division of Child Welfare (DCW) provides technical assistance, oversight, and monitoring of counties and service providers in order to ensure children are protected from harm.
- Trails is Colorado's statewide child welfare case management system and is used by the State, counties, and other state agencies to meet the needs of children who must be placed, or are at risk of placement outside of their homes for reasons of protection or community safety.

Problem or Opportunity

- Colorado Trails has not had an operations and maintenance increase in over nine years despite rising technology costs.
- DCW has used vacancy savings and capital development funds to pay for OIT to contract services. These are not sustainable resources of funding and will cause the child welfare system to be without an interface developer, mobile developer and data base administrator for the development, training and reporting servers if new funding is not obtained.
- Trails desk support is needed to address the volume increase in system access and support requests.
- State and federal regulations need to be implemented in Trails.
- Transitioning the business rules into a rules based engine module will allow Trails to be more flexible and less costly to upgrade with new technology and interface with other systems.

Consequences of Problem

- Colorado is at risk of losing the 50% federal Title IV-E match on all eligible Trails maintenance and operating expenditures if we continue to be in non-compliance with State and Federal statutes.

Proposed Solution

- The Department requests funds over the next three years and beyond to pay for contracting developers, business analysts, data base administrators and service desk support to operate and maintain Trails.

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John W. Hickenlooper
Governor

Reggie Bicha
Executive Director

Department Priority: ***R-13***
Request Detail: ***Colorado Trails Maintenance***

Summary of Incremental Funding Change for FY 2019-20	Total Funds	FTE	General Fund	Federal Funds
Colorado Trails	$2,452,920	0.0	$1,103,814	$1,349,106
Summary of Incremental Funding Change for FY 2020-21	**Total Funds**	**FTE**	**General Fund**	**Federal Fund**
Colorado Trails	$2,452,920	0.0	$1,103,814	$1,349,106
Summary of Incremental Funding Change for FY 2021-22	**Total Funds**	**FTE**	**General Fund**	**Federal Fund**
Colorado Trails	$2,143,000	0.0	$964,350	$1,178,650
Summary of Incremental Funding Change for FY 2022-23 and beyond	**Total Funds**	**FTE**	**General Fund**	**Federal Fund**
Colorado Trails	$1,833,080	0.0	$824,886	$1,008,194

Problem or Opportunity:

Trails is Colorado's Child Welfare automated case management system and is used by Child Welfare, Youth Corrections, Early Childhood, Administrative Review, the Office of Child Protection Ombudsman, certain contracted providers and sixty-four county Departments of Human and Social Services. An independent analysis of Trails in FY 2013-14 resulted in a recommendation to modernize the Trails system through technology upgrades. Trails is scheduled to complete this upgrade in FY 2018-19.

While the technology of Trails is getting upgraded, much work still needs to be done in the child welfare system to be in compliance with federal and state statute. Administration of Children and Families (ACF) did a virtual system review in April 9, 2018 and was happy with the overall performance and improvements made through the $24 million Trails upgrade, but recommended increased security and data quality improvements in accordance with the Comprehensive Child Welfare Information System (CCWIS) regulations. An example given to Colorado is social security numbers and data in file transfers are not being encrypted.

The Department acknowledges ACF's review findings and requests funds to hire the needed developers, business analysts, data administrators and desk support to address the following issues in Trails:

- Trails has not been updated to comply with the federal regulations and requirements in the Child Abuse Prevention and Treatment Act issued in August 26, 2016.
- Trails has not been updated to comply with the federal regulations and requirements in Every Student Succeeds Act (ESSA) signed December 10, 2015.
- Judicial interface required updating due to new encryption requirements. Interface has been down and non-operational since January 2017.
- Although OIT has been working to update Trails for the Colorado Expungement law, the update has not been completed and not all juvenile delinquent records have been expunged as required by law.
- County and State employees are waiting in excess of six to eight weeks to receive the Trails access they need to perform their job duties.
- ACF performed Colorado's Child and Family Services Review (CFSR) in September 2017. One of the findings in the report noted that Colorado's case management system needs improvement and is not in conformity with the systemic factor of a statewide information system. ACF acknowledges the technology upgrade being made through the Trails Modernization project. However, during the CFSR, ACF interviewed caseworkers and families and came to the conclusion that Trails is not meeting the needs of system users. In the last year, ticket and change orders have escalated. Over 1,000 ticket and change orders are currently outstanding and the number continues to grow.

Trails has not had an operations and maintenance increase in over nine years. Technology costs have gone up and OIT has been cutting services to stay within budget. While services are getting cut, Trails is supporting over 6,000 users, training environments have grown from one metro site to four regional sites, and data base size has grown from the equivalent of 12 servers to 94 serves with storage quadrupling. The rate of return and benefit of investing $24 million in upgrading the technology of Trails and $21 million on an annual basis for additional county child welfare staff is diminished if Trails users cannot get access and technical support in a timely manner to perform their jobs.

In 2009, Colorado Trails was appropriated $9,252,736. In 2010, Colorado Trails was funded $4,952,399. In FY 2017-18, Trails was appropriated $4,970,392 with an additional $3,000,000 appropriated through payments to OIT known as common policy, resulting in a reduction of funding of $1,282,344 since 2009.

Without additional resources, OIT is limited on what they can do to improve Trails and response time to its users.

To help meet deliverables over the last couple of years, the Department's Division of Child Welfare has used vacancy savings and capital development funds to pay for OIT to contract services. These are not sustainable resources of funding and will cause the child welfare system to be without an interface developer, mobile developer and data base administrator for the development, training and reporting servers if new funding is not obtained.

Proposed Solution:

In FY 2019-20 and FY 2020-21, the Department requests $2,452,920 total funds, including $1,103,814 General Fund and $1,349,106 federal funds. In FY 2021-22, the Department requests $2,143,000 total funds consisting of $964,350 General Fund and $1,178,650 federal funds. In FY 2022-23 and on-going, the Department requests $1,833,080 total funds consisting of $824,886 General Fund and $1,008,194 federal funds. These funds are for contracting developers, business analysts, data base administrators and service desk support to operate and maintain Trails. Funds will be used to increase Trails support by increasing the Colorado Trails line item so that OIT can contract for much needed services to meet deliverables in a timely manner, through a Statement of Works between the Department and OIT. Anticipated use of funds will be to contract for:

- Two Interface Developers to help keep Colorado in compliance with federal and state regulations including, but not limited to, Comprehensive Child Welfare Information System (CCWIS) which allows Colorado to receive a 50% federal match on eligible expenditures;
- One Developer and one Budget Analyst for three years to transition business rules from coded language into a global business engine to reduce costly redundant coding caused by system upgrades and changes in technology. This needed infrastructure change in Trails should take three years and will end June 30, 2022.
- One Developer and one Budget Analyst for two years to work with county users, stakeholders, Subject Matter Experts, and Colorado Department of Human Services leadership to build the needed features in Trails to implement the Family First Prevention Services Act of 2018 (FFPSA). FFPSA is the largest federal reform for Child welfare in thirty years. The extra workload required in Trails to implement this federal legislation is limited to two years and will end June 30, 2021.
- One Mobile Developer to maintain the new web based mobile technology scheduled to be fully operational in FY 2018-19;
- One Data Base Administrator to oversee the training, reporting, and development servers;
- Two Help Desk Service Support workers to respond to county tickets and give access to county case workers in a timely manner;
- One Trails Manager for oversight;
- Increased licenses costs; and
- Increase in five year CenturyLink contract signed by OIT.

Anticipated Outcomes:

The additional moneys will:

- Implement federal and state mandated requirements in Trails;
- Allow Colorado to address and correct the system improvements outlined in the CFSR;
- Provide on-going technical support to county users for the new web based and mobility technology being introduced in the Trails Modernization project;
- Build the needed infrastructure change to reduce costly redundant coding caused by system upgrades and technology changes;
- Stay in compliance with CCWIS and allow Colorado to continue to partner with ACF and receive a 50% federal reimbursement on all eligible Trails operational and maintenance expenditures.
- Implement the security changes recommended by ACF in the system review on April 9, 2018.

Assumptions and Calculations:

In FY 2017-18, ACF approved the new Trails Modernization system to receive the CCWIS 50% federal reimbursement on eligible operational and maintenance expenses. All CCWIS operational and maintenance costs are allocated under the federal approved cost allocation plan. As such, the current funding mix is as follows:

- 45% General Fund,
- 35% Title IV-E Funds,
- 13% TANF Funds,
- 7% Title. XX Funds

The budgets in Table 1 and Table 2 were developed for FY 2019-20.

Table 1: Budget for OIT Staffing Currently Funded to Support Trails

Positions/Services	Fully Loaded Hourly Rate	# Staff	Hours per Fiscal Year	Total Hours	Total Costs	Comments
Business Analyst	$56	3	2080	6240	$349,440.00	Currently Funded
Lead Developer	$93	1	2080	2080	$193,440.00	Currently Funded
Developers - .net	$93	6	2080	12480	$1,160,640.00	Currently Funded
Reports Developers	$93	3	2080	6240	$580,320.00	Currently Funded
Test Analyst / Tester	$88	3	2080	6240	$549,120.00	Currently Funded
Trainer	$88	2	2080	4160	$366,080.00	Currently Funded
Application Support Staff	$50	3	2080	6240	$312,000.00	Currently Funded
Trails Manager	$93	1	2080	520	$48,360.00	.25 FTE Currently Funded
OIT Infrastructure Costs					$2,857,530.00	Currently Funded
Hardware Purchases					$1,482,098.00	HP Computers for county caseworkers
Supplies and Admin costs					$71,364.00	Currently Funded
Total		**22**		**44200**	**$7,970,392.00**	

Note: All position rates were provided by OIT.

Table 2 Request to Fund Additional Contract Staff to Support Trails

Positions/Services	Fully Loaded Hourly Rate	# Staff	Hours per Fiscal Year	Total Hours	FY 2019-20 and FY 2020-21 Total Costs	Comments
Interface Developer	$93.00	2	2080	4160	$386,880.00	NEW POSITIONS, one developer funded in FY 2017-18 with DCW vacancy savings, support SANCA and other mandated system interfaces to reduce redundancy work between systems that serve the same clients.
Mobile Developer	$93.00	1	2080	2080	$193,440.00	NEW POSITION, support users with new mobile capabilities provided by the Trails Modernization upgrade.
Server Administrator (DBA)	$109.00	1	2080	2080	$226,720.00	NEW POSITION, Funded in FY 2017-18 with DCW vacancy savings
Trails Manager	$93.00	1	2080	1560	$145,080.00	Requesting a full time Trails Manager
Desk Service Support	$50.00	2	2080	4160	$208,000.00	NEW POSITIONS to address increase in county technical support calls
OIT Infrastructure Costs					$472,960.00	CenturyLink Contract, 5 yr Contract signed by OIT in 2017 (Increase in contracted services)
Software Licenses					$200,000.00	Original licenses funded from Capital Development funds and DCW vacancy savings
.net Developer	$93.00	1	2080	2080	$193,440.00	NEW POSITION NEEDED FOR TWO YEARS, implement FFPSA
.net Developer	$93.00	1	2080	2080	$193,440.00	NEW POSITION NEEDED FOR THREE YEARS, Transition business rules into rules based engine module.
Budget Analyst	$56.00	1	2080	2080	$116,480.00	NEW POSITION NEEDED FOR TWO YEARS, implement FFPSA
Budget Analyst	$56.00	1	2080	2080	$116,480.00	NEW POSITION NEEDED FOR THREE YEARS, Transition business rules into rules based engine module.
Total		**11**		**22360**	**$2,452,920.00**	

Table 2 Request to Fund Additional Contract Staff to Support Trails (cont.)

Positions/Services	Fully Loaded Hourly Rate	# Staff	Hours per Fiscal Year	Total Hours	FY 2021-22 Total Costs	Comments
Interface Developer	$93.00	2	2080	4160	$386,880.00	NEW POSITIONS, one developer funded in FY 2017-18 with DCW vacancy savings, support SANCA and other mandated system interfaces to reduce redundancy work between systems that serve the same clients.
Mobile Developer	$93.00	1	2080	2080	$193,440.00	NEW POSITION, support users with new mobile capabilities provided by the Trails Modernization upgrade.
Server Administrator (DBA)	$109.00	1	2080	2080	$226,720.00	NEW POSITION, Funded in FY 2017-18 with DCW vacancy savings
Trails Manager	$93.00	1	2080	1560	$145,080.00	Requesting a full time Trails Manager
Desk Service Support	$50.00	2	2080	4160	$208,000.00	NEW POSITIONS to address increase in county technical support calls
OIT Infrastructure Costs					$472,960.00	CenturyLink Contract, 5 yr Contract signed by OIT in 2017 (Increase in contracted services)
Software Licenses					$200,000.00	Original licenses funded from Capital Development funds and DCW vacancy savings
.net Developer	$93.00	1	2080	2080	$193,440.00	NEW POSITION NEEDED FOR THREE YEARS, Transition business rules into rules based engine module.
Budget Analyst	$56.00	1	2080	2080	$116,480.00	NEW POSITION NEEDED FOR THREE YEARS, Transition business rules into rules based engine module.
Total		**9**		**18200**	**$2,143,000.00**	

Positions/Services	Fully Loaded Hourly Rate	# Staff	Hours per Fiscal Year	Total Hours	FY 2022-23 and ongoing Total Costs	Comments
Interface Developer	$93.00	2	2080	4160	$386,880.00	NEW POSITIONS, one developer funded in FY 2017-18 with DCW vacancy savings, support SANCA and other mandated system interfaces to reduce redundancy work between systems that serve the same clients.
Mobile Developer	$93.00	1	2080	2080	$193,440.00	NEW POSITION, support users with new mobile capabilities provided by the Trails Modernization upgrade.
Server Administrator (DBA)	$109.00	1	2080	2080	$226,720.00	NEW POSITION, Funded in FY 2017-18 with DCW vacancy savings
Trails Manager	$93.00	1	2080	1560	$145,080.00	Requesting a full time Trails Manager
Desk Service Support	$50.00	2	2080	4160	$208,000.00	NEW POSITIONS to address increase in county technical support calls
OIT Infrastructure Costs					$472,960.00	CenturyLink Contract, 5 yr Contract signed by OIT in 2017 (Increase in contracted services)
Software Licenses					$200,000.00	Original licenses funded from Capital Development funds and DCW vacancy savings
Total		**7**		**14040**	**$1,833,080.00**	

Note: All position rates were provided by OIT.

Based on the budget in Table 2, the Department requests the following funds to contract needed services to operate and maintain Trails:

- Increase the Colorado Trails line item by $2,452,920 in FY 2019-20 to allow OIT to contract the needed expertise to implement the needed changes in Trails and allow OIT provide technical support to Trail users so that they can better serve Colorado's children and families and allow the Department to successfully address the CFSR system findings and ACF security recommendations.

The requested funds will be over the next three years and beyond:

- In FY 2019-20 and FY 2020-21, the Department requests $2,452,920 total funds. $1,103,814 General Fund and $1,349,106 federal funds. Federal funds consist of $858,522 Title IV-E, $318,880 TANF and $171,704 Title XX.
- In FY 2021-22, the Department requests $2,143,000 total funds, $964,350 General Fund and $1,178,650 federal funds. Federal funds consist of $750,050 Title IV-E, $278,590 TANF and $150,010 Title XX.
- In FY 2022-23 and on-going, the Department requests $1,833,080 total funds consisting of $824,886 General Fund and $1,008,194 federal funds. Federal funds consist of $641,578 Title IV-E, $238,300 TANF and $128,316 Title XX.

Table 3 illustrates the Long Bill appropriation and requested funding for FY 2019-20 and beyond.

Table 3: Long Bill Appropriation and Requested Funding for FY 2019-20 Through FY 2022-23					
Line Item: Colorado Trails	**Total Funds**	**General Fund**	**Federal Funds**	**FTE**	**Notes**
FY 2018-19 Appropriation (HB 18-1322)	$4,970,392	$2,683,461	$2,286,931	0.0	FY 2018-19 Appropriation Amount
Requested Funding (or Spending Authority)	$2,452,920	$1,103,814	$1,349,106	0.0	Amount Requested for FY 2019-20
FY 2019-20 Total Requested Appropriation	**$7,423,312**	**$3,787,275**	**$3,636,037**	**0.0**	
FY 2020-21 Annualization of Prior Year Funding	$0	$0	$0	0.0	Annualization (FY 2020-21 Request Minus FY 2019-20 Request Amount)
FY 2020-21 Total Requested Appropriation	**$7,423,312**	**$3,787,275**	**$3,636,037**	**0.0**	
Requested Funding (or Spending Authority)	($309,920)	($139,464)	($170,456)	0.0	
FY 2021-2022 Total Requested Appropriation	**$7,113,392**	**$3,647,811**	**$3,465,581**	**0.0**	
Requested Funding (or Spending Authority)	($309,920)	($139,464)	($170,456)	0.0	
FY 2022-2023 Total Requested Appropriation	**$6,803,472**	**$3,508,347**	**$3,295,125**	**0.0**	

Schedule 13

Department of Human Services

Funding Request for The FY 2019-20 Budget Cycle

Request Title

R-14 Child Welfare Provider Rate Implementation - Phase 2

Dept. Approval By: Melissa Wavelet

OSPB Approval By:

___	Supplemental FY 2018-19
___	Budget Amendment FY 2019-20
X	Change Request FY 2019-20

Summary Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
Total of All Line Items Impacted by Change Request	Total	$378,305,027	$0	$378,305,028	$10,350,000	$10,350,000
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$203,167,824	$0	$203,167,824	$4,968,000	$4,968,000
	CF	$66,724,431	$0	$66,724,431	$2,070,000	$2,070,000
	RF	$12,981,593	$0	$12,981,594	$0	$0
	FF	$95,431,179	$0	$95,431,179	$3,312,000	$3,312,000

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
05. Division of Child Welfare, (A) Division of Child Welfare, (1) Division of Child Welfare - Child Welfare Services	Total	$378,305,027	$0	$378,305,028	$10,350,000	$10,350,000
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$203,167,824	$0	$203,167,824	$4,968,000	$4,968,000
	CF	$66,724,431	$0	$66,724,431	$2,070,000	$2,070,000
	RF	$12,981,593	$0	$12,981,594	$0	$0
	FF	$95,431,179	$0	$95,431,179	$3,312,000	$3,312,000

Auxiliary Data

Requires Legislation? NO

Type of Request? Department of Human Services Prioritized Request

Interagency Approval or Related Schedule 13s: No Other Agency Impact

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Cost and FTE

- The Department requests $10,350,000 total funds, including $4,968,000 General Fund, $2,070,000 cash funds, and $3,312,000 federal funds in FY 2019-20 and ongoing in order to implement the provider rate increase as the result of a salary surrey and actuarial analysis directed in House Bill 17-1292.
- Cash funds are local county match and the federal funding source is Title IV-E.
- This is an increase of 2.7% over the FY 2018-19 appropriation.

Current Program

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

Problem or Opportunity

- Pursuant to HB 17-1292, the Department contracted with an independent vendor to perform a salary survey related to the delivery of child welfare services and an actuarial analysis of the costs necessary to provide services at a level required by statute, departmental rule, federal rules and regulations.
- The independent contractor, Public Consulting Group (PCG), submitted a report through the Department to the Joint Budget Committee on April 2, 2018 with a recommended rate methodology. The total fiscal impact of the analysis is estimated at approximately $52 million. In FY 2018-19, the Joint Budget Committee was appropriated partial funding of $14,583,334 total funds pursuant to SB 18-254.

Consequences of Problem

- If the final phases of the provider rate recommendation are not funded then the Department will not be able to implement the methodology recommended by PCG.

Proposed Solution

- The Department requests $10,350,000 total funds, including $4,968,000 General Fund, $2,070,000 cash funds, and $3,312,000 federal funds in FY 2019-20 to implement the provider rate increase as the result of a salary survey and actuarial analysis directed in House Bill 17-1292.
- The recommended rates better align to program goals and better outcomes for children.

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Department Priority: R-14
Request Detail: Child Welfare Provider Rate Implementation – Phase 2

Summary of Incremental Funding Change for FY 2019-20	Total Funds	FTE	General Fund	Cash Funds	Federal Funds
Provider Rate Implementation - Phase 2	$10,350,000	0.0	$4,968,000	$2,070,000	$3,312,000

Problem or Opportunity:

The Department requests $10,350,000 total funds, including $4,968,000 General Fund, $2,070,000 cash funds, and $3,312,000 federal funds in FY 2019-20 to implement the provider rate increase as the result of a salary survey and actuarial analysis directed in House Bill 17-1292. Cash funds are local county match and federal funds are Title IV-E.

House Bill 05-1084 (HB 05-1084) established a collaborative rate setting process that directed the Department to work with counties and providers on a provider rate methodology. The Department, counties, and providers have met since 2005 and were unable to come to a consensus on a rate setting process.

Senate Bill 16-201 (SB 16-201) mandated the Department convene a group of representatives from the State, counties, the provider community, and the Joint Budget Committee to review the rate setting process for provider compensation. The group was directed to provide the Joint Budget Committee with a report that recommended whether any changes to the rate setting process for provider compensation were advisable and, if so, a process or methodology recommendation. The bill did not require that the group recommend changes to the current rate setting process if it determined that the current rate setting process was the preferred option. This effort resulted in no recommendation.

As a result of no action between the Department, counties, and community providers, House Bill 17-1292 (HB 17-1292) directed the Department to contract with an independent vendor to conduct a salary survey and an actuarial analysis of the delivery of child welfare services, and to develop a new rate-setting methodology for out of home placement providers. Public Consulting Group (PCG) was awarded a contract through a Request for Proposal solicitation process.

The specific work PCG performed pursuant to requirements of HB 17-1292:

- Perform a salary survey related to the delivery of child welfare services that doesn't duplicate existing efforts that collect public employee salary information and instead incorporates existing information into the overall analysis.
- The study must include information pertaining to federal and state regulations or licensing requirements for each position.
- The study must also include salary surveys that represent employees performing all facets of similar work, utilizing similar knowledge, skills, and abilities for licensed out of home placement providers who have a contract with the Department or a county agency of social and/or human services; child placement agency employees; residential child care facility employees; and county employees involved with the provision of child welfare services.
- Perform an actuarial analysis of the costs necessary to provide services at a level required by state statute, departmental rule, or federal rules and regulations, as appropriate for the families referred, including salary comparisons between licensed out of home placement provider categories and overhead and administrative costs, and determine the extent to which the salary survey should inform the actuarial analysis.
- Develop the rate setting methodology for licensed out of home placement provider compensation by soliciting input from representatives from the Department, counties, licensed out of home placement provider community, and the Department of Health Care Policy and Financing. The methodology must be based on equal representation by counties and licensed out of home placement providers.

To aid in the development of the report and rate methodology, PCG, with the assistance of the Department, convened providers and counties beginning in October 2017 through March 2018 to gather information, data, and input.

The salary survey and actuarial analysis were used to develop a report defining the rate setting methodology, including the process through which the daily rate is determined by the Colorado Department of Human Services, and was submitted to the Joint Budget Committee on April 2, 2018.

Proposed Solution:

The Department requests $10,350,000 total funds, including $4,968,000 General Fund, $2,070,000 cash funds, and $3,312,000 federal funds in FY 2019-20 in order to implement the provider rate increase as the result of a salary survey and actuarial analysis directed in House Bill 17-1292. Cash funds are local county match and federal funds are Title IV-E.

PCG's rate proposal and report includes a rate methodology, actuarial analysis, stakeholder engagement, rate calculations, and fiscal impact. The fiscal impact is estimated at $52,200,000 and does not include provider rate increases to any of the same providers contracted with the Department's Division of Youth Services. The Department was appropriated partial funding of $14,583,334 total funds in FY 2018-19 pursuant to Senate Bill 18-254.

Additionally, the recent passage of the federal Family First Prevention Services Act (FFPSA) of 2018 will require the Department to make significant changes to Colorado's child welfare system, including regulatory and practice changes around the use of congregate care. Specifically, there will be a significant workload impact due to the new Qualified Residential Treatment Program (QRTP) requirement outlined in FFPSA. The proposed phased-in approach to the provider rate increase prioritizes the implementation of the rates to less restrictive placements for children/youth that will be covered with federal funding.

Data indicates that older youth have an especially difficult path to permanency, with older youth driving Colorado's overall high rates of congregate care. Table 1 illustrates these rates.

Table 1: Rates of Congregate Care by Age Group, ROM, April 2018

0-2	3-5	6-8	9-11	12-14	15+	Total
0.3% (n = 4)	0.3% (n = 2)	4.7% (n =28)	8.8% (n = 50)	35.2% (n = 216)	47.5% (n = 559)	17.6% (n = 859)

Source: ROM, April 2018

Table 2 illustrates the provider rate increase in a three-step, phased-in approach.

Table 2: Residential Rate Increase				
	Total Funds	**General Fund**	**Cash Funds**	**Federal Funds**
FY 2018-19	$ 14,583,334	$ 7,000,000	$ 2,916,667	$ 4,666,667
FY 2019-20	$ 10,350,000	$ 4,968,000	$ 2,070,000	$ 3,312,000
FY 2020-21	$ 27,196,771	$ 13,054,450	$ 5,439,354	$ 8,702,967
Total Rate Increase	**$ 52,130,105**	**$ 25,022,450**	**$ 10,426,021**	**$ 16,681,634**

Source: Child Welfare Rate Phase-In Options, Public Consulting Group, July 12, 2018, revised by the Department September 27, 2018.
Cash funds are local county match and federal funds are Title IV-E.

Anticipated Outcomes:

The rates were developed with certain program goals in mind. For example, the Residential Child Care Facility (RCCF) rate is intended to ensure that an intense level of service is utilized appropriately and for a limited time. Similarly, the foster family rates are intended to better support foster families and the children and youth in their care. The goal is for Colorado to recruit more foster families, and adequately support children and youth in their care so that provider-based out of home settings are used more sparingly and more in line with their intended therapeutic purpose. Changes in utilization of out of home settings could significantly mitigate the rate increases for out of home placements.[1]

The recommended rates better align to program goals and better outcomes for children. Colorado, like many states, has a shortage of foster families to meet the current level of demand. The foster family rates are intended to better support children and foster families, allowing more children to be served in family-based settings.

Assumptions and Calculations:

Using the FY 2018-19 appropriation, PCG developed the rates using a three-year approach to full implementation. The Department is utilizing an allocation process that follow a service type priority order.[2]

Table 3 illustrates the phase-in implementation plan over three fiscal years.

Table 3: Phased-In Implementation Plan			
Service Type	**FY 2018-19**	**FY 2019-20**	**FY 2020-21**
Child Placement Agency, Administration	$ 776,789	$ -	$ 9,960,275
Child Placement Agency, Child Maintenance	$ 6,860,844	$ -	$ -
County Foster Care/Kinship Care	$ 3,672,429	$ -	$ -
Group Home	$ -	$ -	$ 2,344,060
Group Center	$ -	$ -	$ 6,650,794
Accredited Residential Child Care Facility	$ 3,273,272	$ 10,350,000	$ 47,195
Non-Accredited Residential Child Care Facility	$ -	$ -	$ 8,194,447
Total	**$ 14,583,334**	**$ 10,350,000**	**$ 27,196,771**

Source: Child Welfare Rate Phase-In Options, Public Consulting Group, July 12, 2018

[1] Child Welfare Services Salary Survey & Actuarial Analysis, Rate Proposal, Public Consulting Group, March 27, 2018, revised by the Department September 27, 2018.

[2] Child Welfare Rate Phase-In Options, Public Consulting Group, July 12, 2018

Table 4 illustrates the Long Bill appropriation and requested funding for FY 2019-20 and beyond.

Table 4: Long Bill Appropriation and Requested Funding for FY 2019-20 Through FY 2021-22										
Line Item:(5) Child Welfare Services	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**	**Medicaid Total Funds**	**Medicaid General Fund**	**Medicaid Federal Funds**	**FTE**	**Notes**
FY 2018-19 Appropriation (HB 18-1322)	$362,612,599	$191,117,824	$67,382,542	$15,564,853	$88,547,380	$15,564,852	$7,782,427	$7,782,426	0.0	FY 2018-19 Appropriation Amount
Requested Funding (or Spending Authority)	$10,350,000	$4,968,000	$2,070,000	$0	$3,312,000	$0	$0	$0	0.0	Amount Requested for FY 2019-20
FY 2019-20 Total Requested Appropriation	**$372,962,599**	**$196,085,824**	**$69,452,542**	**$15,564,853**	**$91,859,380**	**$15,564,852**	**$7,782,427**	**$7,782,426**	**0.0**	
FY 2020-21 Annualization of Prior Year Funding	$0	$0	$0	$0	$0	$0	$0	$0	0.0	Annualization (FY 2020-21 Request Minus FY 2019-20 Request Amount)
FY 2020-21 Total Requested Appropriation	**$372,962,599**	**$196,085,824**	**$69,452,542**	**$15,564,853**	**$91,859,380**	**$15,564,852**	**$7,782,427**	**$7,782,426**	**0.0**	
FY 2021-2022 Total Requested Appropriation	**$372,962,599**	**$196,085,824**	**$69,452,542**	**$15,564,853**	**$91,859,380**	**$15,564,852**	**$7,782,427**	**$7,782,426**	**0.0**	

Additional funding for the provider rate increase will be allocated to counties through the allocation model recommended by the Child Welfare Allocation Committee to be effective July 1, 2020.

Schedule 13

Department of Human Services

Funding Request for The FY 2019-20 Budget Cycle

Request Title

R-15 Community Provider Rate Increase

Dept. Approval By: Melissa Wavelet

OSPB Approval By: [signature]

___	Supplemental FY 2018-19
___	Budget Amendment FY 2019-20
x	Change Request FY 2019-20

Summary Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
Total of All Line Items Impacted by Change Request	Total	$1,118,673,210	$0	$1,127,152,375	$9,253,301	$9,203,279
	FTE	1,409.8	0.0	1,411.5	0.0	0.0
	GF	$639,291,871	$0	$647,045,949	$5,417,348	$5,389,910
	CF	$163,828,111	$0	$164,319,577	$1,472,169	$1,462,937
	RF	$40,491,052	$0	$40,552,753	$104,926	$104,689
	FF	$275,062,176	$0	$275,234,096	$2,258,858	$2,245,743

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
01. Executive Director's Office, (B) Special Purpose, (1) Special Purpose - Colorado Commission for the Deaf and Hard of Hearing	Total	$2,089,541	$0	$2,160,131	$6,902	$6,902
	FTE	16.3	0.0	16.3	0.0	0.0
	GF	$144,324	$0	$153,214	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$1,945,217	$0	$2,006,917	$6,902	$6,902
	FF	$0	$0	$0	$0	$0
04. County Administration, (A) Administration, (1) Administration - County Administration	Total	$75,890,989	$0	$75,890,989	$758,910	$758,910
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$25,262,780	$0	$25,262,780	$252,628	$252,628
	CF	$15,178,197	$0	$15,178,197	$151,782	$151,782
	RF	$0	$0	$0	$0	$0
	FF	$35,450,012	$0	$35,450,012	$354,500	$354,500

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
05. Division of Child Welfare, (A) Division of Child Welfare, (1) Division of Child Welfare - Child Welfare Services	Total	$378,305,027	$0	$378,305,028	$3,767,588	$3,725,352
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$203,167,824	$0	$203,167,824	$2,026,916	$2,003,821
	CF	$66,724,431	$0	$66,724,431	$716,521	$708,493
	RF	$12,981,593	$0	$12,981,594	$0	$0
	FF	$95,431,179	$0	$95,431,179	$1,024,151	$1,013,038
05. Division of Child Welfare, (A) Division of Child Welfare, (1) Division of Child Welfare - County Child Welfare Staffing	Total	$21,199,094	$0	$20,864,094	$211,990	$211,990
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$15,450,639	$0	$15,149,139	$154,506	$154,506
	CF	$2,138,616	$0	$2,105,116	$21,386	$21,386
	RF	$0	$0	$0	$0	$0
	FF	$3,609,839	$0	$3,609,839	$36,098	$36,098
05. Division of Child Welfare, (A) Division of Child Welfare, (1) Division of Child Welfare - Family and Children's Programs	Total	$55,307,655	$0	$55,307,655	$553,076	$553,076
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$46,547,535	$0	$46,547,535	$465,475	$465,475
	CF	$5,782,342	$0	$5,782,342	$57,823	$57,823
	RF	$0	$0	$0	$0	$0
	FF	$2,977,778	$0	$2,977,778	$29,778	$29,778
06. Division of Early Childhood, (A) Division of Early Care and Learning, (1) Division of Early Care and Learning - Child Care Licensing and Administration	Total	$9,104,027	$0	$9,300,731	$45,131	$45,131
	FTE	54.0	0.0	54.0	0.0	0.0
	GF	$2,529,873	$0	$2,589,923	$16,406	$16,406
	CF	$876,778	$0	$903,681	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$5,697,376	$0	$5,807,127	$28,725	$28,725
06. Division of Early Childhood, (A) Division of Early Care and Learning, (1) Division of Early Care and Learning - Child Care Assistance Program	Total	$112,569,426	$0	$112,569,426	$1,128,735	$1,125,694
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$29,039,745	$0	$29,039,745	$291,182	$290,397
	CF	$11,498,315	$0	$11,498,315	$115,294	$114,983
	RF	$0	$0	$0	$0	$0
	FF	$72,031,366	$0	$72,031,366	$722,259	$720,314

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
06. Division of Early Childhood, (B) Division of Community and Family Support, (1) Division of Community and Family Support - Early Childhood Mental Health Services	Total	$3,024,749	$0	$3,036,913	$28,491	$28,491
	FTE	0.7	0.0	0.7	0.0	0.0
	GF	$1,275,961	$0	$1,281,016	$12,546	$12,546
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$1,748,788	$0	$1,755,897	$15,945	$15,945

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
06. Division of Early Childhood, (B) Division of Community and Family Support, (1) Division of Community and Family Support - Early Intervention Services	Total	$62,244,583	$0	$62,270,546	$341,126	$341,126
	FTE	7.5	0.0	7.5	0.0	0.0
	GF	$36,496,578	$0	$36,496,578	$341,126	$341,126
	CF	$10,500,000	$0	$10,500,000	$0	$0
	RF	$7,968,022	$0	$7,968,022	$0	$0
	FF	$7,279,983	$0	$7,305,946	$0	$0

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
06. Division of Early Childhood, (B) Division of Community and Family Support, (1) Division of Community and Family Support - Family Support Services	Total	$752,704	$0	$756,310	$6,751	$6,751
	FTE	0.5	0.0	0.5	0.0	0.0
	GF	$752,704	$0	$756,310	$6,751	$6,751
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
06. Division of Early Childhood, (B) Division of Community and Family Support, (1) Division of Community and Family Support - Community-Based Child Abuse Prevention Services	Total	$8,564,769	$0	$8,444,769	$81,650	$81,650
	FTE	2.0	0.0	2.0	0.0	0.0
	GF	$8,564,769	$0	$8,444,769	$81,650	$81,650
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
06. Division of Early Childhood, (B) Division of Community and Family Support, (1) Division of Community and Family Support - Healthy Steps for Young Children	Total	$571,946	$0	$571,946	$5,719	$5,719
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$571,946	$0	$571,946	$5,719	$5,719
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
06. Division of Early Childhood, (B) Division of Community and Family Support, (1) Division of Community and Family Support - Incredible Years Program	Total	$601,545	$0	$843,867	$5,014	$5,014
	FTE	1.1	0.0	1.1	0.0	0.0
	GF	$120,309	$0	$168,773	$1,002	$1,002
	CF	$481,236	$0	$675,094	$4,012	$4,012
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0
07. Office of Self Sufficiency, (C) Special Purpose Welfare Programs, (1) Special Purpose Welfare Programs - Refugee Assistance	Total	$10,793,334	$0	$10,822,431	$18,439	$18,439
	FTE	10.0	0.0	10.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$10,793,334	$0	$10,822,431	$18,439	$18,439
08. Behavioral Health Services, (B) Mental Health Community Program, (1) Community Program - Mental Health Community Programs	Total	$35,388,513	$0	$35,388,513	$270,599	$269,870
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$26,987,027	$0	$26,987,027	$270,599	$269,870
	CF	$0	$0	$0	$0	$0
	RF	$161,909	$0	$161,909	$0	$0
	FF	$8,239,577	$0	$8,239,577	$0	$0
08. Behavioral Health Services, (B) Mental Health Community Program, (1) Community Program - Assertive Community Treatment Programs	Total	$17,189,240	$0	$17,189,240	$165,312	$164,866
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$16,486,643	$0	$16,486,643	$165,312	$164,866
	CF	$702,597	$0	$702,597	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0
08. Behavioral Health Services, (B) Mental Health Community Program, (1) Community Program - Mental Health Services for Juvenile and Adult Offenders	Total	$5,574,491	$0	$5,574,491	$55,895	$55,745
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$5,574,491	$0	$5,574,491	$55,895	$55,745
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
08. Behavioral Health Services, (B) Mental Health Community Program, (1) Community Program - Mental Health Treatment Services for Youth	Total	$3,014,675	$0	$4,108,644	$30,228	$30,146
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$2,480,818	$0	$3,270,582	$24,875	$24,808
	CF	$407,247	$0	$711,452	$4,083	$4,072
	RF	$126,610	$0	$126,610	$1,270	$1,266
	FF	$0	$0	$0	$0	$0
08. Behavioral Health Services, (C) Substance Use Treatment and Prevention, (1) Treatment Services - Treatment and Detoxification Contracts	Total	$32,121,036	$0	$32,121,036	$126,554	$126,213
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$12,541,319	$0	$12,541,319	$125,752	$125,413
	CF	$386,250	$0	$386,250	$802	$800
	RF	$0	$0	$0	$0	$0
	FF	$19,193,467	$0	$19,193,467	$0	$0
08. Behavioral Health Services, (C) Substance Use Treatment and Prevention, (1) Treatment Services - Increasing Access to Effective Substance Disorder Services	Total	$15,204,950	$0	$15,204,950	$152,460	$152,050
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$15,204,950	$0	$15,204,950	$152,460	$152,050
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0
08. Behavioral Health Services, (C) Substance Use Treatment and Prevention, (1) Treatment Services - Prevention Programs	Total	$6,417,693	$0	$6,417,693	$455	$454
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$35,427	$0	$35,427	$355	$354
	CF	$51,250	$0	$51,250	$100	$100
	RF	$0	$0	$0	$0	$0
	FF	$6,331,016	$0	$6,331,016	$0	$0
08. Behavioral Health Services, (C) Substance Use Treatment and Prevention, (1) Treatment Services - Community Prevention and Treatment Programs	Total	$6,603,648	$0	$6,603,648	$7,759	$7,738
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$9,946	$0	$9,946	$100	$99
	CF	$3,205,884	$0	$3,205,884	$7,659	$7,639
	RF	$0	$0	$0	$0	$0
	FF	$3,387,818	$0	$3,387,818	$0	$0

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
08. Behavioral Health Services, (C) Substance Use Treatment and Prevention, (1) Treatment Services - Offender Services	Total	$4,742,880	$0	$4,742,880	$47,557	$47,429
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$3,222,503	$0	$3,222,503	$32,312	$32,225
	CF	$0	$0	$0	$0	$0
	RF	$1,520,377	$0	$1,520,377	$15,245	$15,204
	FF	$0	$0	$0	$0	$0
08. Behavioral Health Services, (C) Substance Use Treatment and Prevention, (1) Treatment Services - High Risk Pregnant Women Program	Total	$1,838,654	$0	$1,838,654	$18,436	$18,387
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$1,838,654	$0	$1,838,654	$18,436	$18,387
	FF	$0	$0	$0	$0	$0
08. Behavioral Health Services, (D) Integrated Behavioral Health Services, (1) Integrated Behavioral Health Services - Crisis Response System Services	Total	$27,893,709	$0	$27,893,709	$279,691	$278,937
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$23,506,902	$0	$23,506,902	$235,704	$235,069
	CF	$4,386,807	$0	$4,386,807	$43,987	$43,868
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0
08. Behavioral Health Services, (D) Integrated Behavioral Health Services, (1) Integrated Behavioral Health Services - Crisis Response System Telephone Hotline	Total	$3,068,291	$0	$3,068,291	$30,772	$30,689
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$3,068,291	$0	$3,068,291	$30,772	$30,689
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0
08. Behavioral Health Services, (D) Integrated Behavioral Health Services, (1) Integrated Behavioral Health Services - Community Transition Services	Total	$5,938,773	$0	$7,527,023	$59,548	$59,388
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$5,938,773	$0	$7,527,023	$59,548	$59,388
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
08. Behavioral Health Services, (D) Integrated Behavioral Health Services, (1) Integrated Behavioral Health Services - Criminal Justice Diversion Programs	Total	$5,561,828	$0	$5,561,828	$52,600	$52,600
	FTE	1.3	0.0	1.3	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$5,561,828	$0	$5,561,828	$52,600	$52,600
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0
08. Behavioral Health Services, (D) Integrated Behavioral Health Services, (1) Integrated Behavioral Health Services - Jail-based Behavioral Health Services	Total	$7,724,277	$0	$10,204,572	$77,451	$77,243
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$2,426,667	$0	$4,906,962	$24,332	$24,267
	CF	$0	$0	$0	$0	$0
	RF	$5,297,610	$0	$5,297,610	$53,119	$52,976
	FF	$0	$0	$0	$0	$0
08. Behavioral Health Services, (D) Integrated Behavioral Health Services, (1) Integrated Behavioral Health Services - Community-Based Circle Program	Total	$1,993,511	$0	$1,993,511	$19,989	$19,935
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$1,993,511	$0	$1,993,511	$19,989	$19,935
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0
08. Behavioral Health Services, (D) Integrated Behavioral Health Services, (1) Integrated Behavioral Health Services - Rural Co-occurring Disorder Services	Total	$4,045,884	$0	$4,045,884	$40,568	$40,459
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$3,000,000	$0	$3,000,000	$30,081	$30,000
	CF	$1,045,884	$0	$1,045,884	$10,487	$10,459
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0
08. Behavioral Health Services, (E) Mental Health Institutes, (1) Mental Health Institutes - Ft. Logan - Personal Services	Total	$21,635,525	$0	$22,205,912	$38,499	$38,395
	FTE	216.2	0.0	216.2	0.0	0.0
	GF	$19,784,439	$0	$20,354,826	$38,499	$38,395
	CF	$1,825,111	$0	$1,825,111	$0	$0
	RF	$25,975	$0	$25,975	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
08. Behavioral Health Services, (E) Mental Health Institutes, (2) Mental Health Institutes - Pueblo - Personal Services	Total	$82,419,511	$0	$84,712,388	$96,442	$96,182
	FTE	981.8	0.0	981.8	0.0	0.0
	GF	$70,556,480	$0	$72,849,357	$96,442	$96,182
	CF	$4,583,395	$0	$4,583,395	$0	$0
	RF	$7,279,636	$0	$7,279,636	$0	$0
	FF	$0	$0	$0	$0	$0
08. Behavioral Health Services, (E) Mental Health Institutes, (3) Forensic Services - Jail-based Competency Restoration Program	Total	$13,434,998	$0	$13,421,463	$59,106	$58,947
	FTE	4.3	0.0	4.3	0.0	0.0
	GF	$13,434,998	$0	$13,421,463	$59,106	$58,947
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0
10. Adult Assistance Programs, (E) Adult Protective Services, (1) Adult Protective Services - Adult Protective Services	Total	$18,358,658	$0	$18,358,658	$184,083	$183,586
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$12,597,648	$0	$12,597,648	$126,317	$125,976
	CF	$3,670,674	$0	$3,670,674	$36,806	$36,707
	RF	$0	$0	$0	$0	$0
	FF	$2,090,336	$0	$2,090,336	$20,960	$20,903
11. Division of Youth Services, (B) Institutional Programs, (1) Institutional Programs - Medical Services	Total	$10,722,370	$0	$10,836,488	$49,298	$49,298
	FTE	74.0	0.0	74.0	0.0	0.0
	GF	$10,722,370	$0	$10,836,488	$49,298	$49,298
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0
11. Division of Youth Services, (B) Institutional Programs, (1) Institutional Programs - Educational Programs	Total	$7,020,519	$0	$7,247,876	$33,075	$33,075
	FTE	40.1	0.0	41.8	0.0	0.0
	GF	$6,670,514	$0	$6,897,871	$33,075	$33,075
	CF	$0	$0	$0	$0	$0
	RF	$350,005	$0	$350,005	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
11. Division of Youth Services, (C) Community Programs, (1) Community Programs - Purchase of Contract Placements	Total	$23,100,246	$0	$23,100,246	$231,002	$231,002
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$21,340,600	$0	$21,340,600	$213,406	$213,406
	CF	$0	$0	$0	$0	$0
	RF	$959,339	$0	$959,339	$9,593	$9,593
	FF	$800,307	$0	$800,307	$8,003	$8,003
11. Division of Youth Services, (C) Community Programs, (1) Community Programs - Managed Care Pilot Project	Total	$1,489,767	$0	$1,489,767	$14,898	$14,898
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$1,453,662	$0	$1,453,662	$14,537	$14,537
	CF	$0	$0	$0	$0	$0
	RF	$36,105	$0	$36,105	$361	$361
	FF	$0	$0	$0	$0	$0
11. Division of Youth Services, (C) Community Programs, (1) Community Programs - S.B. 91-94 Juvenile Services	Total	$15,150,174	$0	$15,150,174	$151,502	$151,502
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$13,101,857	$0	$13,101,857	$131,019	$131,019
	CF	$2,048,317	$0	$2,048,317	$20,483	$20,483
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Human Services Prioritized Request	**Interagency Approval or Related Schedule 13s:**	Impacts HCPF Medicaid

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Cost and FTE

The Department of Human Services requests an increase of $9,253,301 total funds, including $5,417,348 General Fund, $1,472,169 cash funds, $104,926 reappropriated funds, and $2,258,858 federal funds in FY 2019-20 and $9,203,279 total funds, including $5,389,910 General Fund, $1,462,937 cash funds, $104,689 reappropriated funds, and $2,245,743 federal funds in FY 2020-21 and beyond for a 1.0% rate increase 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 Services, County Child Welfare Staffing, community based Youth Services entities, community mental health centers, Child Care Licensing contracts, Child Care Assistance Program, and Early Childhood Mental Health Specialists.

Problem or Opportunity

- Contracted providers and counties are facing increased labor and supply costs as a result of salary increases, cost of living adjustments and general inflation. For example, the Denver-Aurora-Lakewood Consumer Price Index (CPI) is projected to grow faster than the national average with growth projected at 3.0% in 2018 compared to the national projection of 2.5% based on the September OSPB Forecast. As a result, providers have less purchasing power to provide needed contractual services.

Consequences of Problem

- If the request is not approved, providers will have less purchasing power to provide needed contractual services and will continue to manage community programs and services within existing appropriations.

Proposed Solution

- An across the board 1.0% increase for contracted community provider services resulting in an increase of $9,253,301 total funds, including $5,417,348 General Fund, $1,472,169 cash funds, $104,926 reappropriated funds, and $2,258,858 federal funds in FY 2019-20 will aid in addressing providers increased administrative and personnel costs.

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Department Priority: R-15
Request Detail: Community Provider Rate Increase

Summary of Incremental Funding Change for FY 2019-20	Total Funds	General Fund	Cash Fund	Reappropriated Funds	Federal Funds
Community Provider Rate Increase (various line items)	$9,253,301	$5,417,348	$1,472,169	$104,926	$2,258,858
Summary of Incremental Funding Change for FY 2020-21	**Total Funds**	**General Fund**	**Cash Fund**	**Reappropriated Funds**	**Federal Funds**
Community Provider Rate Increase (various line items)	$9,203,279	$5,389,910	$1,462,937	$104,689	$2,245,743

Problem or Opportunity:

The Department of Human Services requests an increase of $9,253,301 total funds, including $5,417,348 General Fund, $1,472,169 cash funds, $104,926 reappropriated funds, and $2,258,858 federal funds in FY 2019-20 and $9,203,279 total funds, including $5,389,910 General Fund, $1,462,937 cash funds, $104,689 reappropriated funds, and $2,245,743 federal funds in FY 2020-21 and beyond for a 1.0% rate increase for contracted community provider services.

Provider rate adjustments apply to community programs and services provided by contracted providers or county staff. Within the Department this community provider rate has been applied to County Administration, Child Welfare Services, County Child Welfare Staffing, community based Youth Services entities, community mental health centers, Child Care Licensing contracts, Child Care Assistance Program, Early Childhood Mental Health Specialists and so forth.

Contracted providers and counties are facing increased labor and supply costs as a result of salary increases, cost of living adjustments and general inflation. For example, the Denver-Aurora-Lakewood Consumer Price Index (CPI) is projected to grow faster than the national average with growth projected at 3.0% in 2018 compared to the national projection of 2.5% based on the September OSPB Forecast. As a result, providers have less purchasing power to provide needed contractual services.

Additional Providers

Since FY 2013-14 multiple lines and new contracts have been added to the Department's budget and the Long Bill structure has changed. These new lines and contracts had not been reviewed to determine if they should receive a community provider rate increase. Examples include Community Based Child Abuse

Prevention and RISE the Jail Based Restoration Program. Additionally, recent conversations during the development of the FY 2019-20 budget suggested that the line items to which the rate increase has been applied to and not applied to should be revisited. Therefore over the summer of 2018, the Department undertook a review of the historical community provider rates and the new funding to determine if the provider rate increase should be provided to new programs.

The Department's review of existing and new programs for the provider rate increase was based on the historical interpretation of the community provider rate that it is intended for contracts and services that could be delivered by State FTE. Per the JBC Common Policy for Community Provider Rates document (January 18, 2018), "The community provider rate common policy applies to a historic set of services that might otherwise be delivered by state FTE in the following departments: Corrections, Health Care Policy and Financing, Human Services, Judicial, Labor and Employment, Public Health and Environment, and Public Safety".

As a result, the Department proposes adding the following Community Provider Rate adjustments.

Table 1: Proposed Additional Line Items to Apply the Community Provider Rate To

Long Bill Line Item	FY 2019-20 Estimated Base for Provider Rate Increase	Provider Rate Calculation at 1%	Rationale for Provider Rate Increase
(5) Division of Child Welfare, Child Welfare Services	$2,264,315 TF/GF	$22,643 TF/GF	The Department currently pays for residential placements for children in the child welfare system. The Department proposes to include this line item as a subset of the larger group of child placement providers.
(6) Office of Early Childhood, (B) Division of Community and Family Support, Family Support Services	$675,077 TF/GF	$6,751 TF/GF	Funding for family support services is provided to Family Resource Centers to provide support to vulnerable families. These services include case management to move families from crisis to self-reliance.
(6) Office of Early Childhood, (B) Division of Community and Family Support, Healthy Steps	$571,946 TF/GF	$5,719 TF/GF	The Healthy Steps line item was created in FY 2017-18 for the program which was previously funded with Maternal Infant Maternal, Infant and Early Childhood Home Visiting (MIECHV) program.
(6) Office of Early Childhood, (B) Division of Community and Family Support, Community Based Child Abuse Prevention Services	$8,165,000 TF/GF	$81,650 TF/GF	Similar to the Family Support Services program, Community-Based Child Abuse Prevention Services provides services to families that assist them in family relationships and increasing families protective factors.
(6) Office of Early Childhood, (B) Division of Community and Family Support, Incredible Years	$501,454 TF/GF	$5,015 TF/GF	Incredible Years is a program that fosters social and emotional well-being for children through classroom management, and parenting programs.
(8) Behavioral Health Services, (D) Integrated Behavioral Health Services, Criminal Justice Program	$5,260,000 TF/GF	$52,600 TF/GF	Funding support contractual relationships with local law enforcement and behavioral health service providers to expend pre-booking criminal diversion, increase access to behavioral health care, and implement harm reduction training for law enforcement.

Proposed Solution:

The Department of Human Services requests an increase of $9,253,301 total funds, including $5,417,348 General Fund, $1,472,169 cash funds, $104,926 reappropriated funds, and $2,258,858 federal funds in FY 2019-20 and $9,203,279 total funds, including $5,389,910 General Fund, $1,462,937 cash funds, $104,689 reappropriated funds, and $2,245,743 federal funds in FY 2020-21 and beyond for a 1.0% rate increase for contracted community provider services.

An across-the-board provider rate increase would be equitable since all of the community programs and services that are provided by contracted providers or county staff face similar inflationary issues. The 1.0% provider rate increase would enable the providers to address the rising costs for labor and supplies.

See Problem or Opportunity, Additional Providers section, for discussion regarding additional line items for the community provider rate increase.

Anticipated Outcomes:

Contracted providers and county staff will be in a better position to manage increased labor and supplies costs in order to provide needed contractual services.

Assumptions and Calculations:

Please see the Department of Health Care Policy and Financing budget request for the related Medicaid impacts of this request. Community provider rates were calculated using a 1% increase from FY 2018-19 funding. Leap year adjustments were included in FY 2019-20, and subsequently removed in FY 2020-21 and beyond.

Schedule 13

Department of Human Services

Funding Request for The FY 2019-20 Budget Cycle

Request Title

R-16 Old Age Pension Program Cost of Living Adjustment

Dept. Approval By: Melissa Wavelet

OSPB Approval By:

___	Supplemental FY 2018-19
___	Budget Amendment FY 2019-20
X	Change Request FY 2019-20

Summary Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
Total of All Line Items Impacted by Change Request	Total	$97,874,518	$0	$97,953,876	$3,219,665	$3,353,539
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$97,874,518	$0	$97,953,876	$3,219,665	$3,353,539
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
10. Adult Assistance Programs, (B) Old Age Pension Program, (1) Old Age Pension Program - Cash Assistance Programs	Total	$97,874,518	$0	$97,953,876	$3,219,665	$3,353,539
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$97,874,518	$0	$97,953,876	$3,219,665	$3,353,539
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Auxiliary Data

Requires Legislation?	NO		
Type of Request?	Department of Human Services Prioritized Request	**Interagency Approval or Related Schedule 13s:**	No Other Agency Impact

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Cost and FTE

- The Department requests $3,219,665 total funds/Old Age Pension (OAP) cash funds in FY 2019-20 and $3,353,539 total funds/OAP cash funds in FY 2020-21 and ongoing in order to fund a 2.8% Cost of Living Adjustment (COLA) to the grant award provided to OAP program participants.
- This is an increase of 3.2% over the FY 2018-19 appropriation.

Current Program

- The OAP Program is established in the State constitution and is continuously appropriated. The OAP program provides basic cash assistance to low-income adults, age 60 or older, who meet OAP program eligibility requirements.
- Each year, the Social Security Administration (SSA) reviews the Consumer Price Index (CPI) to determine whether to increase benefits to Supplemental Security Income (SSI) recipients, through a COLA increase in order to keep pace with inflation.
- OAP program participants typically receive a COLA increase that matches the COLA passed for SSI recipients.
- The State Board of Human Services (SBHS) has constitutional authority to choose to raise or not raise the OAP grant standard effective on January 1 annually.

Problem or Opportunity

- On October 11, 2018, the SSA announced a Supplemental Security Income COLA of 2.8%; the new COLA amount is subject to the Maintenance of Effort (MOE) requirement that requires a minimum State expenditure level of $27,438,187 on SSI recipients annually.
- Not passing along the COLA to OAP participants would result in the OAP grant standard not keeping pace with inflation and creating a negative fiscal impact on a vulnerable population.

Consequences of Problem

- If the approved COLA is not passed along to OAP recipients, it will reduce the total amount of State expenditures applied towards SSI recipients as required by the SSA to meet the MOE spending requirement. This situation would require other programs to bear the cost of meeting the mandated spending, creating an inequitable distribution of benefit dollars.
- Non-compliance with the MOE requirement could result in a loss of a quarter of the State’s annual federal Medicaid funds or $325 million quarterly.

Proposed Solution

- The Department requests $3,219,665 total funds/OAP cash funds to pass along a 2.8% COLA to OAP eligible recipients, pending approval by the SBHS.
- The FY 2019-20 COLA monthly increase will be $22, setting the grant standard to $810 per month to support the Department’s priority of helping individuals thrive in their own community.

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Department Priority: ***R-16***
Request Detail: ***Old Age Pension Program Cost of Living Adjustment***

Summary of Incremental Funding Change for FY 2019-20	Total Funds	FTE	Cash Funds
Old Age Pension Program Cost of Living Adjustment	$3,219,665	0.0	$3,219,665
Summary of Incremental Funding Change for FY 2020-21	**Total Funds**	**FTE**	**Cash Fund**
Old Age Pension Program Cost of Living Adjustment	$3,353,539	0.0	$3,353,539

Problem or Opportunity:

The Department of Human Services request $3,219,665 in total funds/Old Age Pension (OAP) cash funds spending authority in FY 2019-20 and $3,353,539 in FY 2021-21 and beyond to provide a 2.8% Cost of Living (COLA) Adjustment for the Old Age Pension Program (OAP). According to the State Demographer, the official poverty rate for seniors in Colorado is about 1% higher than that of the general population; however, the Supplemental Poverty Rate indicates a wider gap, whereby seniors are almost twice as likely to be poorer than the average Colorado resident. This disparity is mostly attributed to medical costs that are not considered in the official poverty measure, yet are accounted for in the supplemental measure. The number of seniors in Colorado is growing faster than the overall State population.

As such, the Old Age Pension program is designed to mitigate the effects of poverty among vulnerable Coloradans, over age 60, via cash benefits. In FY 2018-19, the maximum OAP grant is $788. For many seniors, OAP funds are their primary source of disposable income to meet daily needs. The effects of inflation and other changes in the cost of living are magnified among these vulnerable seniors living on a limited, fixed income.

In order to reduce this effect, the Social Security Administration (SSA) reviews the Consumer Price Index annually to determine whether to increase benefits to Supplemental Security Income (SSI) recipients in order to keep pace with inflation rates through a Cost of Living Adjustment (COLA). The SSA announces its COLA decision and corresponding amount in late October to be effective on January 1st of the following calendar year. Given the similarity in the SSI and OAP populations, Colorado typically mirrors the COLA, increasing the grant standard and monthly payments among OAP recipients.

If a COLA is approved by the SSA, the State Board of Human Services (SBHS) has the constitutional authority to choose to raise (or not raise) the Old Age Pension (OAP) grant standard in accordance with the SSA's action. The SBHS has the sole discretion to set the grant standard for the OAP program based on analysis of the impact and recommendation for action from the Department. As such, the SBHS could change the grant standard at any time, regardless of whether or not the SSA has approved a COLA. However, when SSA does approve a COLA, the importance of mirroring the action via benefit increases to OAP program participants is magnified by its impact to the State's Maintenance of Effort (MOE) obligation whereby the State is required to meet a specific minimum expenditure level – $27,438,187 each calendar year – on Supplemental Security Income (SSI) recipients as a condition of receiving its full amount of Federal Financial Participation (FFP) for Medicaid. The penalty for non-compliance is equal to at least $325 million quarterly and at least $1.3 billion annually. Colorado failed to meet its MOE obligation in nine out of the last ten years. In years when the SSA COLA was not passed along to OAP recipients, this has contributed to the Department not meeting the State's MOE expenditure benchmark.

In FY 2017-18, the Joint Budget Committee approved a COLA increase of 2.0% of the grant standard payment, increasing the monthly payment by $16 and setting the grant standard at $788. The SSA announced a 2.8% COLA on October 11, 2018 to be effective on January 1, 2019. This actual COLA amount was used to calculate the impact of an OAP COLA in FY 2019-20 and beyond.

This request supports two of the Department's strategic goals: "Improving the lives of Colorado families in need by helping them to achieve economic security" and "Helping individuals to thrive in their community." The increase in OAP goes directly to participants as cash benefits to assist them with daily living expenses.

Proposed Solution:

The Department of Human Services requests $3,219,665 total funds/OAP cash funds in FY 2019-20 and $3,353,539 total funds/OAP cash funds in FY 2020-21 to pass the anticipated COLA along to OAP recipients, pending approval of the COLA by the SSA and subsequent approval by the SBHS. The COLA will result in a 2.8% monthly increase ($22 per month) to vulnerable seniors. This request does not require any increase in FTE.

Anticipated Outcomes:

By passing along a COLA to OAP recipients, the OAP grant will remain aligned with inflation and will help provide vulnerable elderly Coloradans with needed resources to meet their daily needs. If approved by the SBHS, this increase will be effective January 1, 2019. It would result in a maximum grant of $810 which is nearly 81% of the 2017 federal poverty level.

If funds are not made available and/or the SBHS chooses not to pass along the COLA to OAP recipients, there could be negative repercussions to vulnerable seniors, most prominently by failing to reduce hardship among one of the State's most vulnerable populations. By preserving recipients' purchasing power, the Department will ensure seniors are no worse off. Furthermore, there would be negative implications to the State's MOE obligation. Failing to pass along the COLA would effectively reduce the amount of countable state expenditures to meet the MOE. This mandated spending would need to occur in other programs, or put Colorado at risk for federal penalties. The penalty for not meeting MOE obligations is at least one quarter ($325 million) of the State's federal Medicaid funding.

Assumptions and Calculations:

The following calculations in Table 1 are based on the SSA's announced COLA increase of 2.8% on October 11, 2018. Costs reflect assumptions that 1) the SBHS will approve the COLA for OAP recipients for the same percentage as SSA;2) that such approval will be effective January 1, 2019 and the full annual increase would be in FY 2019-20; and 3) the OAP caseload will increase by 4.2% in FY 2020-21. The OAP grant standard will be increased by $22. The COLA for SSI recipients (45% of caseload) will be funded by SSI benefit. The COLA for OAP-only recipients (55% of caseload) will be funded by this request.

Table 1: OAP COLA Calculation

	FY 2019-20	**FY 2020-21**
OAP Monthly Caseload	22,174	23,096
Grant Standard (Monthly)	$788	$788
Cost of Living Adjustment (2.8%) Monthly Increase	$22	$22
OAP Annual COLA	$5,853,936	$6,097,344
Caseload OAP Only (COLA not paid by SSA)	55%	55%
Fiscal Year Cost	$3,219,665	$3,353,539

Table 2 illustrates the Long Bill appropriation and requested funding for FY 2019-20 and beyond.

Table 2: Long Bill Appropriation and Requested Funding

Line Item Cash Assistance Programs	**Total Funds**	**General Fund**	**Cash Funds**
FY 2018-19 Appropriation (HB 18-1322)	$97,875,518	$0	$97,875,518
Requested OAP COLA Funding	$3,219,665	$0	$3,219,665
FY 2019-20 Total Requested Appropriation	$101,095,183	$0	$101,095,183
Requested OAP COLA Funding	$3,353,539	$0	$3,353,539
FY 2020-21 and beyond Total Requested Appropriation	$104,448,722	$0	$104,448,722

Schedule 13

Department of Human Services

Funding Request for The FY 2019-20 Budget Cycle

Request Title

R-17 State Staff for 24-Hour Monitoring

Dept. Approval By: Melissa Wavelet

OSPB Approval By:

___	Supplemental FY 2018-19
___	Budget Amendment FY 2019-20
x	Change Request FY 2019-20

Summary Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
Total of All Line Items Impacted by Change Request	Total	$84,051,392	$0	$83,102,399	$164,519	$170,588
	FTE	61.9	0.0	62.4	1.8	2.0
	GF	$61,023,046	$0	$56,061,385	$136,551	$141,588
	CF	$665,192	$0	$4,587,266	$0	$0
	RF	$16,280,296	$0	$12,090,024	$0	$0
	FF	$6,082,858	$0	$10,363,724	$27,968	$29,000

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
01. Executive Director's Office, (A) General Administration, (1) General Administration - Health, Life, And Dental	Total	$46,696,345	$0	$45,681,295	$15,854	$15,854
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$33,413,551	$0	$29,357,601	$13,159	$13,159
	CF	$144,915	$0	$2,930,144	$0	$0
	RF	$10,356,168	$0	$7,685,079	$0	$0
	FF	$2,781,711	$0	$5,708,471	$2,695	$2,695
01. Executive Director's Office, (A) General Administration, (1) General Administration - Short-Term Disability	Total	$472,856	$0	$469,396	$214	$238
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$330,992	$0	$312,663	$178	$198
	CF	$8,592	$0	$27,320	$0	$0
	RF	$93,723	$0	$69,252	$0	$0
	FF	$39,549	$0	$60,161	$36	$40

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
01. Executive Director's Office, (A) General Administration, (1) General Administration - Amortization Equalization Disbursement	Total	$14,268,257	$0	$14,199,753	$5,635	$6,262
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$9,956,150	$0	$9,429,823	$4,677	$5,197
	CF	$255,862	$0	$814,901	$0	$0
	RF	$2,884,962	$0	$2,136,137	$0	$0
	FF	$1,171,283	$0	$1,818,892	$958	$1,065
01. Executive Director's Office, (A) General Administration, (1) General Administration - S.B. 06-235 Supplemental Equalization Disbursement	Total	$14,268,257	$0	$14,199,753	$5,635	$6,262
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$9,956,807	$0	$9,429,823	$4,677	$5,197
	CF	$255,823	$0	$814,901	$0	$0
	RF	$2,884,522	$0	$2,136,137	$0	$0
	FF	$1,171,105	$0	$1,818,892	$958	$1,065
05. Division of Child Welfare, (A) Division of Child Welfare, (1) Division of Child Welfare - Administration	Total	$8,345,677	$0	$8,552,202	$137,181	$141,972
	FTE	61.9	0.0	62.4	1.8	2.0
	GF	$7,365,546	$0	$7,531,475	$113,860	$117,837
	CF	$0	$0	$0	$0	$0
	RF	$60,921	$0	$63,419	$0	$0
	FF	$919,210	$0	$957,308	$23,321	$24,135

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Human Services Prioritized Request	**Interagency Approval or Related Schedule 13s:**	No Other Agency Impact

Cost and FTE

- The Department requests $164,519 total funds, including $136,551 General Fund and $27,968 Title IV-E federal funds and 1.8 FTE in FY 2019-20 and $170,588 total funds, including $141,588 General Fund and $29,000 federal funds and 2.0 FTE in FY 2020-21 and on-going in order to hire additional State child welfare staff needed for monitoring, technical assistance, and oversight of 24-hour child care facilities.
- This is an increase of 1.9% over the FY 2018-19 appropriation.

Current Program

- The Division of Child Welfare (Division) provides licensing, monitoring, technical assistance, and oversight of 24-hour child care facilities throughout the state in order to ensure children and youth are protected from harm and to assist placement providers in ensuring the safety, permanency, and well-being of children and youth placed within these facilities.

Problem or Opportunity

- There have been an increased number of complaints from constituents throughout the state with regards to 24-hour licensed facilities.
- There are no national standards for the monitoring aspect of 24-hour state licensed facilities related to licensing and monitoring caseload.
- The Family First Prevention Services Act will require regulatory changes to the 24-hour child care facilities providing congregate care placement services.
- A June 2016 workload assessment performed by Public Financial Management, Inc. (PFM) identified a need for additional State FTE in the Department's Division of Child Welfare.

Consequences of Problem

- Current State staff are overstretched and cannot meet the increased needs of rising complaints.
- The Department's ability to provide proactive inspections in an effort to avoid future complaints and exposure to liability of 24-hour child care facilities is limited.

Proposed Solution

- The Department requests $164,519 total funds, including $136,551 General Fund and $27,968 federal funds and 1.8 FTE in FY 2019-20 for monitoring, technical assistance, and oversight of 24-hour child care facilities.
- The proposed solution will decrease caseloads, leading to increased monitoring capacity and coordination in caring for and protecting children and youth residing in 24-hour child care facilities.

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COLORADO
Department of Human Services

FY 2019-20 Funding Request | November 1, 2018

John W. Hickenlooper
Governor

Reggie Bicha
Executive Director

Department Priority: R-17
Request Detail: State Staff for 24-Hour Monitoring

Summary of Incremental Funding Change for FY 2019-20	Total Funds	FTE	General Fund	Federal Funds
24-Hour Monitoring State Staff	$164,519	1.8	$136,551	$27,968
Summary of Incremental Funding Change for FY 2020-21	**Total Funds**	**FTE**	**General Fund**	**Federal Fund**
24-Hour Monitoring State Staff	$170,588	2.0	$141,588	$29,000

Problem or Opportunity:

The Department requests $164,519 total funds, including $136,551 General Fund and $27,968 federal funds and 1.8 FTE in FY 2019-20 and $170,588 total funds, including $141,588 General Fund and $29,000 federal funds and 2.0 FTE in FY 2020-21 and on-going in order to hire additional State child welfare staff needed for monitoring, technical assistance, and oversight of 24-hour child care facilities. The federal funds are Title IV-E.

26-6-107.5 (1) C.R.S. (2018) requires the Department's Division of Child Welfare (DCW), Placement Services Unit (PSU), Monitoring Team to conduct on-site investigations of complaints alleging the immediate risk to health and safety to children placed in child placement agencies, residential child care facilities, as well as other 24-hour facilities statewide within 48 hours of its receipt.

In addition to responding to complaints, the monitoring team is responsible for conducting Stage II investigations (Stage IIs), which are on-site investigations to determine the administrative culpability of a facility where an alleged incident of abuse/neglect has occurred. The team conducts ongoing routine monitoring of child placement agencies, residential child care facilities, as well as other 24-hour facilities statewide.

The current statewide workload of the monitoring team consists of 227 facilities with approximately 6,440 beds for the placement of children and youth. PSU has seen a sizeable and sustained increase in the number of complaints received on licensed facilities. Table 1 shows the number of complaints for the last three calendar years:

Table 1: Licensed Facility Complaints	
Year	Number of Complaints
2016	29
2017	59
2018	90 (January -September)

From January 1, 2018 to September 30, 2018, there have been 90 complaints. This increase in the number of complaints over the last few years is correlated to a number of processes and factors.

The first is related to county departments of human and social services screen outs of referrals alleging child abuse and/or neglect. The PSU instituted a new process in 2017 in which Monitoring Specialists began assessing and opening up investigations for potential licensing violations of screened out referrals of alleged child abuse and/or neglect. This process was created because PSU does not have the ability to open a Stage II after a Stage I (referral of alleged child abuse and/or neglect) has been screened out by county department of human and social services. The new process ensures a review of an agency/facility's practices regardless of whether or not an allegation of abuse and/or neglect is assessed by a county department of human and social services.

Secondly, over the last few years the Monitoring Specialists have made a concerted effort to develop relationships with county child welfare personnel, to include supervisors, ongoing caseworkers, and institutional abuse assessment caseworkers. As a result, the county departments of human and social services have discovered that they have a resource to address their concerns with specific agencies and facilities, which has led to the submission of more complaints.

Lastly, there has been a significant increase in the types of behaviors that children and youth have been demonstrating that many facilities and agencies are not properly trained or equipped to manage. This results in an increase of complaints being made against the agencies and facilities. For example, suicide attempts, human/sex trafficking, aggression, mental illness, and sexually acting out in the presence of adults.

The majority of the facility complaints are from: county administrators, county child welfare caseworkers, county institutional abuse assessment caseworkers, employees of the agencies and facilities, parents/ guardians, community (primarily neighbors to facilities), law enforcement, the Office of Colorado's Child Protection Ombudsman, the Office of Behavioral Health, the Division of Youth Services, and the Attorney General's Office (primarily the Medicaid Fraud Unit completing investigations).

The increase in complaints has created an unsustainable workload for existing staff.

Additionally, in June 2016, Public Financial Management, Inc. (PFM) performed a workload assessment for the Department's Division of Child Welfare. PFM concluded that, in some key operational areas, the Department lacks the staff capacity to properly oversee and assist counties and providers in addressing current and upcoming challenges.

Specifically, PFM noted that the Department's Division of Child Welfare PSU Monitoring Team was an area of risk. PFM further stated that the number of Monitoring Specialists is insufficient to adequately monitor out of home placement providers, with the largest current risks being the high volume of critical incidents that need to be reviewed as well as the inability to monitor screen outs.

As a result of their workload assessment, one of PFM's recommendation was the addition of a 24-Hour Monitoring Specialist to provide additional support for Stage II investigations (including sufficiently detailed reports and follow up to ensure providers are implementing necessary improvements), and increase capacity to review critical incidents and screen outs.

The current monitoring team consists of 5.5 Monitoring Specialists FTE, and 1.0 supervisor FTE. At this current staffing level, monitoring specialists are having difficulty in visiting each facility even once per year. As a result, staff lacks capacity to adequately oversee facilities to ensure children are safe or to respond proactively to address reports of institutional abuse before reacting to situations that then become a crisis.

When a crisis in a facility erupts, as with the 2017 closure of El Pueblo Boys & Girls Ranch, Inc., there are insufficient staff to respond and also maintain routine monitoring of other facilities. For example, a large agency in Colorado is doing business through five separate 24-hour facilities licensed by PSU. At this time, due to licensing violations, four of the five facilities are at imminent risk of being placed on probationary licensing status all at the same time. When a facility's license is placed on probationary licensing status, at least two or more PSU staff conducts at least weekly unannounced monitoring visits resulting in a workload increase.

Currently the Licensing Team Supervisor, the Monitoring Team Supervisor and the Placement Services Unit Manager are acting as Monitoring Specialists in order to help ensure that all complaints received on licensed providers are investigated. If this budget request for additional Monitoring Specialists is not granted, complaint investigations may not be conducted in a timely manner, leaving children in out of home placements in potentially unsafe environments.

The recent passage of the federal Family First Prevention Services Act (FFPSA) of 2018 compounds all of the aforementioned issues even more. The FFPSA requires the Department to make significant and positive changes to Colorado's child welfare system, including regulatory and practice changes around the use of congregate care. Specifically, there will be a significant workload impact to the PSU due to the new Qualified Residential Treatment Program (QRTP) outlined in FFPSA.

The FFPSA identifies several defining characteristics of QRTPs:

- Must be licensed and nationally accredited by the Commission on Accreditation of Rehabilitation Facilities (CARF), the Joint Commission on Accreditation of Healthcare Organizations (JCAHO), the Council on Accreditation, or others approved by HHS.
- Requires trauma-informed treatment model to facilitate family participation in a child's treatment program (if in the child's best interest),
- Requires family outreach, and the documentation of how the child's family is integrated into the child's treatment,
- Requires discharge planning and family-based aftercare supports for at least six months after the child/youth is discharged, and
- Requires registered or licensed nursing and other licensed clinical staff onsite, consistent with the QRTP's treatment model.

QRTPs not meeting the requirements and standards set out by the FFPSA, will not be eligible for federal Title IV-E funding. Therefore, it will be imperative that the PSU has the necessary staffing resources to track and monitor each of the QRTPs in Colorado qualify under FFPSA.

In response to the aforementioned PFM workload assessment report and recommendations, the Department reviewed existing and vacant positions to determine if any positions were related to non-statutorily mandated services, and if so, if those positions could be reallocated to fulfill some of the recommendations identified by PFM. As a result, the DCW has shifted and/or repurposed three vacant FTE. Table 2 shows the breakdown of the repurposed positions.

Table 2: Repurposed FTE Positions within DCW

ORIGINAL POSITION	REPURPOSED POSITION
Researcher	Referral and Assessment Specialist
Technician	Ongoing Specialist
Program Assistant	Youth Specialist

The Department also submitted a Fiscal Year 2017-18 decision item in an effort to address the recommendations of the PFM Group: R-07 Child Welfare Oversight and Technical Assistance. This decision item for funding was denied.

Proposed Solution:

The Department requests $164,519 total funds, including $136,551 General Fund and $27,968 federal funds and 1.8 FTE in FY 2019-20 and $170,588 total funds, including $141,588 General Fund and $29, 000 federal funds and 2.0 FTE in FY 2020-21 and on-going in order to hire additional State child welfare staff needed for monitoring, technical assistance, and oversight of 24-hour child care facilities. The federal funds are Title IV-E.

Monitoring Specialists

Current Department Division of Child Welfare Monitoring Team staff are overstretched and unable to meet both the increased needs of rising complaints against 24-hour facilities and maintaining routine monitoring requirements.

In order to determine a recommended Monitoring Specialist to facility ratio for this budget request, the Department conducted research of the following agencies standards, as well as contacting other states through the State Liaison Officer listserv:

- Commission on Accreditation of Rehabilitation Facilities (CARF), Child & Youth Services Standards Manual:
  - The CARF Child & Youth Services Standards Manual does not provide a recommended ratio of regulatory/monitoring staff to agency/facility.
- Joint Commission: Accreditation, Health Care, Certification (JCAHO), Comprehensive Accreditation Manual for Behavioral Health Care
  - The JCAHO Comprehensive Accreditation Manual for Behavioral Health Care does not provide a recommended ratio of regulatory/monitoring staff to agency/facility.
- Council on Accreditation (COA)
  - COA does not provide a recommended ratio of regulatory/monitoring staff to agency/facility.
- National Association of Regulatory Administration (NARA):
  - While NARA does provide a recommended ratio of *licensing* staff to agency/facility for *less than* 24-hour child care providers, it does not provide a recommended ratio of licensing staff to 24-hour agency/facility, nor does it provide a recommended ratio of regulatory/monitoring staff to 24-hour agency/facility.
- Colorado Department of Public Health & Environment (CDHPE), Health Facilities & Emergency Medical Services Division:
  - CDHPE does not have a set ratio of survey staff to facilities. The variables are the complexity of regulations, federal requirements, size of facility, etc.
- Tennessee:
  - Tennessee reports that their monitoring ratios are 1 staff for 31 facilities. Tennessee reports that this includes detention centers and temporary holding facilities.

Currently, in terms of the number of complaints against state licensed facilities, each Monitoring Specialist currently carries a case load of 40-45 licensed facilities. Two additional Monitoring Specialists will reduce the case load of these staff to approximately 30 licensed facilities per Monitoring Specialist.

PLACEMENT SERVICES UNIT

Monitoring Specialist (2.0)

- Investigate complaints received by the Department on licensed facilities
- Conduct Stage II investigations in licensed facilities after Stage I investigations for abuse or neglect are conducted by county departments of human and personal services

- Process Critical Incident Reports received from licensed facilities and determine which ones require follow up action by the Department
- Review abuse and neglect referrals on licensed facilities screened out by county departments of human services and determine which should be followed up on for licensing investigations

TIME ESTIMATE PER FTE-MONITORING SPECIALIST

TASKS	**# of HOURS**
Complaint Investigations	864
Stage II Investigations	600
Critical Incident Reports	200
Review of Screened-Out Referrals	200
Meeting and Other Duties as Assigned	216
TOTAL HOURS	**2,080** per year

This funding for the 2.0 FTE is ongoing and does not affect other state agencies. It also does not require a statutory change. The FTE costs are calculated using the template provided by the Office of State Planning and Budgeting.

Anticipated Outcomes:

Additional State Child Welfare Monitoring Specialists will expand the Department's capacity to provide licensing, monitoring, technical assistance, and oversight of 24-hour child care facilities.

Maltreatment in out of home care is both a C-Stat performance measure and a federal, statewide data indicator. From Calendar Year 2013 through Calendar Year 2017, approximately 45% of incidents of maltreatment in out of home care occurred in one of the 24-hour agencies/facilities overseen by the Department's Division of Child Welfare Placement Services Unit. As a result of decreased caseloads and increased monitoring capacity through this budget request, the Department anticipates a decrease in incidents of maltreatment in these facilities.

The additional positions are necessary to continue coordinated efforts of counties to protect children from harm and assist agencies and facilities in caring for and protecting children and youth residing with these providers.

Assumptions and Calculations:

Costs for the FTE including salary, benefits, and operating costs are calculated in Table 2.

Table 2: 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		FY 2019-20		FY 2020-21	
Personal Services:					
Classification Title	Monthly	FTE		FTE	
SOC SERVICES SPEC IV	$5,218	1.8	$112,709	2.0	$125,232
PERA			$11,722		$13,024
AED			$5,635		$6,262
SAED			$5,635		$6,262
Medicare			$1,634		$1,816
STD			$214		$238
Health-Life-Dental			$15,854		$15,854
Subtotal Position 1, #.# FTE		**1.8**	**$153,403**	**2.0**	**$168,688**
Subtotal Personal Services		1.8	**$153,403**	2.0	**$168,688**
Operating Expenses:					
		FTE		FTE	
Regular FTE Operating	$500	1.8	$900	2.0	$1,000
Telephone Expenses	$450	1.8	$810	2.0	$900
PC, One-Time	$1,230	2.0	$2,460	-	
Office Furniture, One-Time	$3,473	2.0	$6,946	-	
Other					
Other					
Other					
Other					
Subtotal Operating Expenses			**$11,116**		**$1,900**
TOTAL REQUEST		1.8	**$164,519**	2.0	**$170,588**
General Fund:			*$136,551*		*$141,588*
Cash funds:					
Reappropriated Funds:					
Federal Funds:			*$27,968*		*$29,000*

Schedule 13

Department of Human Services

Funding Request for The FY 2019-20 Budget Cycle	
Request Title	R-18 Hotline for Child Abuse and Neglect

Dept. Approval By: Melissa Wavelet

OSPB Approval By: [signature]

___	Supplemental FY 2018-19
___	Budget Amendment FY 2019-20
X	Change Request FY 2019-20

Summary Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
Total of All Line Items Impacted by Change Request	Total	$3,139,575	$0	$3,154,248	$228,999	$131,321
	FTE	6.0	0.0	6.0	0.0	0.0
	GF	$3,088,146	$0	$3,102,521	$228,999	$131,321
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$51,429	$0	$51,727	$0	$0

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
05. Division of Child Welfare, (A) Division of Child Welfare, (1) Division of Child Welfare - Hotline for Child Abuse and Neglect	Total	$3,139,575	$0	$3,154,248	$228,999	$131,321
	FTE	6.0	0.0	6.0	0.0	0.0
	GF	$3,088,146	$0	$3,102,521	$228,999	$131,321
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$51,429	$0	$51,727	$0	$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Human Services Prioritized Request	**Interagency Approval or Related Schedule 13s:**	No Other Agency Impact

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Cost and FTE

- The Department requests $228,999 total funds/General Fund in FY 2019-20, and $131,321 total funds/General Fund in FY 2020-21 and ongoing in order to cover the increased costs to support the Child Abuse and Neglect Hotline help desk and telephone operations and maintenance.
- This is an increase of 7.2% over the FY 2018-19 appropriation.

Current Program

- The Department's Division of Child Welfare (Division) 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 their homes for reasons of protection or community safety.
- The Division's Hotline County Connection Center (HCCC) is a help desk operating 24 hours a day, seven days a week to answer calls concerning suspected child abuse and neglect.

Problem or Opportunity

- The operating cost of the HCCC and additional costs for the CenturyLink HP Server (consisting of hardware, software, and network support) have steadily increased over the past four years.
- Call volume, reports, and referrals have all increased from when the hotline went live in January 2015 to the present.
- The contracts related to the HCCC and CenturyLink-related services expire on June 30, 2019. New requests for proposals will be issued in FY 2018-19.
- This line item has not received any provider rate adjustments to support increases in costs.

Consequences of Problem

- Insufficient funding jeopardizes the Department's goals for its customers because vendors will either curtail the services or discontinue those services, causing increased risk to the safety of children.
- The HCCC will have to reduce FTE resulting in decreased capacity to answer calls, longer wait times, and callers abandoning their effort to make a report, resulting in an increased risk of missing critical calls. Reduced server support could result in platform outages and degraded performance levels.

Proposed Solution

- The Department requests $228,999 General Fund in FY 2019-20 and $131,321 General Fund in FY 2020-21 and ongoing in order to cover staff costs at the HCCC and ongoing auxiliary support.

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John W. Hickenlooper
Governor

Reggie Bicha
Executive Director

Department Priority: ***R-18***
Request Detail: ***Hotline for Child Abuse and Neglect***

Summary of Incremental Funding Change for FY 2019-20	Total Funds	FTE	General Fund
Hotline for Child Abuse and Neglect	$228,999	0.0	$228,999
Summary of Incremental Funding Change for FY 2020-21	**Total Funds**	**FTE**	**General Fund**
Hotline of Child Abuse and Neglect	$131,321	0.0	$131,321

Problem or Opportunity:

The Department requests $228,999 total funds/General Fund in FY 2019-20, and $131,321 total funds/General Fund in FY 2020-21 and ongoing in order to cover the increased costs to support the Child Abuse and Neglect Hotline help desk and telephone operations and maintenance.

This request for additional funding affects two areas of Colorado's Child Abuse and Neglect Hotline System (Hotline). However, in order to better understand what is being requested, it is important to first provide an explanation of the three different Hotline areas that make up the complete system.

1. CenturyLink Platform consisting of the hardware, software, network and ongoing support paid through an Inter-Agency Agreement with the Governor's Office of Information Technology (OIT).
2. Hotline County Connection Center (HCCC) is the State call center consisting of 16.4 contracted FTE that are part of the original 2014 contract with Prowers County.
3. Information Gathering Program (IGP) is managed by the HCCC which is 100% self-sustaining and not part of this budget request.

The current request areas address items one and two. First is the need for $107,323 to cover cost increases for server and platform support of the CenturyLink portion of the system. There have been no increases for ongoing support since September 2014.

The second part of the request is $121,676 to cover increased cost of salaries and benefits at the HCCC. This line item has not been included in community provider rate adjustments.

The State Legislature passed HB13-1271 establishing Colorado's statewide Child Abuse and Neglect Hotline reporting system. The Colorado Hotline System made reporting incidents of child abuse and neglect an easier process for the general public. A single statewide toll-free number was established that is available 24 hours a day, 365 days per year. The Hotline Steering Committee (HSC) also recommended that technology be housed at the State level, and that data be collected on all calls to ensure a quality system. All calls are voice recorded for quality assurance and data files stored for future reference, as needed.

Calls made directly to local county dedicated numbers go through the statewide hotline phone system. Through advanced telecommunications technology, calls are routed seamlessly through the statewide hotline system unbeknownst to the caller. This enables the hotline system to collect data on calls made directly to the counties. In order for the routing system to be effective, all 64 counties must have a dedicated line for child abuse and neglect. Part of the legislation required that reporters are provided another option to make a report of suspected child abuse/neglect in the event a county or their designated agency was not available. As a recommendation of the HSC, the HCCC was established by the State, operating 24-hours a day, seven days a week, to fulfill the requirements set forth in HB 13-1271 and to provide that other option for making a report.

An RFP was issued for the help desk services and the associated five-year contract was awarded to Prowers County, establishing the HCCC, in September of 2014. At the same time, the Department's Division of Child Welfare (DCW) Hotline Unit entered into an Interagency Agreement (IA) with OIT to provide the needed call center applications via CenturyLink and the associated support.

The five year contract for HCCC services expires at the end of FY 2018-19 and must be renewed. The original contract consists of the loaded salaries for 16.4 FTE (1 manager, 2 supervisors and 13.4 call takers) and associated costs for housing IT and administrative support services. The original contract was for $873,785 per year. The salary costs alone are $704,973 or 80% of the total contract. However, the contract did not include any escalators for increased salary costs or increased costs of benefits, such as retirement plans, health plans, or general cost of living increases.

Since the inception of the Hotline, there have been no cost of living adjustments to pass through to the HCCC vendor contract. However, since September 2014, salary costs have risen by $121,676. By FY 2019-20 beginning July 1, 2019, the cost of salaries and benefits at the HCCC will increase to $826,649. This is due to standard market increases in wages and benefit related expenses. There is a projected increase in salary and benefits of $23,294 in FY 2019-20 and $23,998 in the FY 2020-21. These costs are projected to continue to increase. In addition to the projected increases is the one-time adjustment of $121,676 to bring the salary and benefits to current market rates.

To ensure that counties participating in the Information Gathering Program (also known as the Call Coverage Program) are paying for all the additional costs associated with the information Gathering Services, HB 13-1271 provided an option for counties to contract directly with any entity to take all or a portion of their calls and associated reports. Because the HCCC was a logical choice for these services, the DCW Hotline Unit developed the Information Gathering Program. This program provides counties the option of contracting with the HCCC to take their calls on full-time basis or after-hours only basis. The costs associated with providing the Information Gathering Services are recovered directly from the counties. This distinction is important, first, because the costs associated with this budget request are associated to the 2014 HCCC contract only, and not associated with recovering cost associated with the Information Gathering Program and secondly because any shift towards any or all of the counties being responsible for the entire cost of the statewide Child Abuse and Neglect Hotline reporting system would likely require a statutory change.

The contract with the HCCC is for 16.4 FTE. An additional 6.0 FTE were hired to support the increased services provided with the Information Gathering Services program, bringing the total number to 22.4 FTE. Funding for the 6 additional FTE is obtained directly from the counties participating in the Information Gathering Services Program. Any cost increases associated with those 6.0 additional FTE is directly passed on to and paid for by the participating counties.

Other areas that have seen cost increases are associated with the CenturyLink costs for support of the HP Servicers and auxiliary services. Those costs will increase by $107,022 in FY 2019-20. Without ongoing support, the service levels will decrease and the performance of the entire platform will be jeopardized.

Proposed Solution:

The Department requests $228,999 total funds/General Fund in FY 2019-20, and $131,321 total funds/General Fund in FY 2020-21 and ongoing in order to cover the increased costs to support the Statewide Child Abuse and Neglect Hotline and server support.

The primary objective of the implementation of a Statewide Child Abuse and Neglect Hotline was to help Colorado improve the safety of its children. Success is measured by how quickly reporters can reach a call taker to a make a report of suspected child abuse and/or neglect.

The requested funding will ensure the vendors do not have to reduce resources necessary to manage the HCCC intake which would have a detrimental impact on all service areas. Calls would have to wait longer to be answered thus risking greater numbers of abandoned calls which result in the risk of missing critical reports of suspected child abuse and neglect. In addition, without proper CenturyLink server support, systems would have reduced performance levels and delays that can impact ability to access programs and make timely reports.

Currently, reporters who have waited a designated period of time to reach a county intake caseworker will divert to the HCCC where they speak to a live person and receive assurances that someone will be with them shortly. They are then put back into the county queue. However, they are also given the option to have an HCCC call taker take their report, avoiding being put back into the county queue. This reduces the risk of an incident going unreported. If the HCCC stopped taking reports it would violate one of the tenants of the initial legislation requiring “another option” for reporters to make a report. This would require a legislative change.

Anticipated Outcomes:

By continuing adequate funding levels, the HCCC will be able to maintain the current service levels and the CenturyLink HP Servers will be adequately maintained ensuring lowered risk of outage time.

The Service Level Agreement measures:

- Answer and attend 85% of the calls within 1 minute.
- Answer and attend 95% of the calls within 1 minute 30 seconds.
- Abandonment Rate does not exceed 4%.
- Manage to all Volume 7 Rules and CDHS policies
  - Specifically, time notification of reports
  - Following Enhanced Screening Techniques
  - Certification training of all call takers

These measurements are operations based versus practice based, but they do have an indirect impact on the timeliness of response aspect of the C-Stat measures. The more time counties have to spend managing reports, the less time they have to respond to referrals that meet criteria for assessment.

Assumptions and Calculations:

Cost increases were based on historical data from the HCCC operations between 2014 to 2018 and actuals. Projected increases were based on average of actuals during that time frame.

- Average total annual increase in salary, benefits and associated administrative cost is 2.9% to 3.0%.
- Benefits: Retirement and FICA are fixed amounts.
- Average increase in insurances is 6% per year.
- Unemployment Insurance is fixed at .3%
- Per the contract, Administrative Costs are 15% of total contract.
- Overtime Cost is estimated at 5% per year based on historical data.

The existing contract is based on 16.4 FTE in various positions and associated administrative support costs. The HCCC was fully staffed in 2017. Salaries and benefits for all call takers and managers were increased, annualized and carried forward. At this time the contract can no longer maintain the annual increase at the current funding level.

The Governor’s Office of Information Technology received a quote from CenturyLink for the increase to support the server costs beginning July 1, 2019.

Table 1 outlines the actuals and projected costs associated with the base FTE at the HCCC. This request is not asking for additional FTE, but asking that the ongoing cost increases for the existing FTE.

Table 1: Hotline HCCC & CenturyLink Project Cost increases											
	Contract Period 2014-2019					**Contract Period 2019-2023**					**Total**
Year	**2014/15**	**2015/16**	**2016/17**	**2017/18**	**2018/19**	**2019/20**	**2020/21**	**2021/22**	**2022/23**	**2023/24**	
Total HCCC Salary & Benefits	$704,973	$655,917	$675,807	$739,618	$803,356	$826,649	$850,647	$875,447	$901,083	$927,594	$4,381,421
Total HCCC Increases Year over Year	$0		$19,890	$63,811	$63,738	$23,294	$23,998	$24,800	$25,636	$26,510	$124,238
GAP vs Current Contract						$121,676					$121,676
CenturyLink HP Server	$0					$107,323	$107,323	$107,323	$107,323	$107,323	$536,615
Total Requested Funding	$704,973					**$228,999**	**$131,321**	**$132,123**	**$132,959**	**$133,833**	**$759,235**

Source: Prowers County HCCC on May 14, 2018.

Table 2 illustrates the Long Bill appropriation and requested funding for FY 2019-20 and beyond.

Table2: Long Bill Appropriation and Requested Funding for FY 2019-20 Through FY 2021-22										
Line Item: Hotline for Child Abuse and Neglect	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**	**Medicaid Total Funds**	**Medicaid General Fund**	**Medicaid Federal Funds**	**FTE**	**Notes**
FY 2018-19 Appropriation (HB 18-1322)	$3,139,575	$3,088,146	$0	$0	$51,429	$0	$0	$0	0.0	FY 2018-19 Appropriation Amount
Requested Funding (or Spending Authority)	$228,999	$228,999	$0	$0	$0	$0	$0	$0	0.0	Amount Requested for FY 2019-20
FY 2019-20 Total Requested Appropriation	**$3,368,574**	**$3,317,145**	**$0**	**$0**	**$51,429**	**$0**	**$0**	**$0**	**0.0**	
FY 2020-21 Annualization of Prior Year Funding	($97,678)	($97,678)	$0	$0	$0	$0	$0	$0	0.0	Annualization (FY 2020-21 Request Minus FY 2019-20 Request Amount)
FY 2020-21 Total Requested Appropriation	**$3,270,896**	**$3,219,467**	**$0**	**$0**	**$51,429**	**$0**	**$0**	**$0**	**0.0**	
FY 2021-2022 Total Requested Appropriation	**$3,270,896**	**$3,219,467**	**$0**	**$0**	**$51,429**	**$0**	**$0**	**$0**	**0.0**	

Source: FY 2018-19 Long Bill, SB 18-1322

Schedule 13

Department of Human Services

Funding Request for The FY 2019-20 Budget Cycle

Request Title

R-19 Covering Child Support Unfunded Disbursements

Dept. Approval By: Melissa Wavelet

OSPB Approval By: [signature]

___	Supplemental FY 2018-19
___	Budget Amendment FY 2019-20
x	Change Request FY 2019-20

Summary Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
Total of All Line Items Impacted by Change Request	Total	$9,129,791	$0	$9,199,750	$150,896	$0
	FTE	16.9	0.0	16.9	0.0	0.0
	GF	$2,593,487	$0	$2,611,747	$150,896	$0
	CF	$727,258	$0	$733,491	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$5,809,046	$0	$5,854,512	$0	$0

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
07. Office of Self Sufficiency, (D) Child Support Enforcement, (1) Child Support Enforcement - Automated Child Support Enforcement System	Total	$9,129,791	$0	$9,199,750	$150,896	$0
	FTE	16.9	0.0	16.9	0.0	0.0
	GF	$2,593,487	$0	$2,611,747	$150,896	$0
	CF	$727,258	$0	$733,491	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$5,809,046	$0	$5,854,512	$0	$0

Auxiliary Data

Requires Legislation?	NO		
Type of Request?	Department of Human Services Prioritized Request	**Interagency Approval or Related Schedule 13s:**	No Other Agency Impact

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Cost and FTE

- The Department requests $150,896 total funds/General Fund in FY 2019-20 in order to sufficiently cover unfunded disbursements, given shortfalls in the Family Support Registry (FSR) Fund.
- This request represents a 1.6% increase over the FY 2018-19 appropriation.

Current Program

- The Family Support Registry Fund (FSR Fund) was created by the Colorado General Assembly in 1998 (26-13-115.5 C.R.S.), to deposit interest earned from the daily balance of the account used for child support collected by the Department to offset unfunded disbursements.
- Federal regulations require that 66% of these earnings be sent to the federal Office of Child Support Enforcement (OCSE); the remaining 34% can be used by the State to offset program expenditures.
- Unfunded disbursements result in rare cases when obligors bounce checks or funds are misapplied. They account for 0.038% of the total funds disbursed during the past three years.

Problem or Opportunity

- When the FSR Fund was created, interest earned on the account's daily balance was large enough that the 34% State share of these earnings covered unfunded disbursements. Any excess funds remained in the Fund for future years.
- Declining interest rates and advances in financial transaction times have reduced interest earned on the Fund's daily balance, effectively eliminating these funds' ability to cover the State's expense of the unfunded disbursements.

Consequences of Problem

- Unfunded disbursements are not eligible to be paid with Federal Financial Participation (i.e. federal matching) dollars. Therefore, using currently appropriated General Fund reduces the program total funds by $443,813 (General Fund and federal funds), because the $292,917 federal match is not earned on the $150,896 General Fund.
- Shorting General Fund appropriated for system costs will hamper the Department's ability to modernize the Automated Child Support Enforcement System (ACSES) and improve performance.

Proposed Solution

- The Department requests $150,896 total funds/General Fund in FY 2019-20 in order to allow the FSR Fund to cover the program's unfunded disbursements.
- These funds will allow the Department to focus appropriate resources to meet the child support program's goals, C-Stat measures, the Wildly Important Goal (WIG) to reduce zero payers, and Strategic Policy Initiative to improve families' economic security.

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John W. Hickenlooper
Governor

Reggie Bicha
Executive Director

Department Priority: ***R-19***
Request Detail: ***Covering Child Support Unfunded Disbursements***

Summary of Incremental Funding Change for FY 2019-20	Total Funds	FTE	General Fund
Covering Child Support Unfunded Disbursements	$150,896	0.0	$150,896

Problem or Opportunity:

The Department requests $150,896 total funds/General Fund in FY 2019-20 to cover unfunded disbursements in FY 2019-20 given shortfalls in the FSR Fund.

The Department operates the statewide Child Support Services program. Child support is a tangible mechanism for ensuring economic supports for families and children. It is mandated by Title IV-D of the Social Security Act and 26-13-101 C.R.S. (2018) et seq. Appropriated funds include resources for the Automated Child Support Enforcement System (ACSES), the Family Support Registry (FSR), and the State Directory of New Hires (SDNH) as required to implement the Child Support Program statewide in 64 county offices. The federal Office of Child Support Enforcement (OCSE) provides a 66% reimbursement, known as Federal Financial Participation (FFP), when the State reports federally allowed program costs to the OCSE. Operating the complex child support program includes some costs that are not eligible for FFP. States bear the full burden of operational costs that are not eligible for federal reimbursement (e.g. employment services, unfunded disbursements, and program demonstration not directly tied to child support collections).

The Family Support Registry (FSR) is an important tool in collecting child support. It is responsible for the receipt and disbursement of child support in Colorado, processing more than $450 million in child support obligations annually. The Family Support Registry Fund (FSR Fund) was created by the Colorado General Assembly in 1998, 26-13-115.5 C.R.S. (2018) to deposit interest earned from the daily balance on child support collections to offset unfunded disbursements. Federal law mandates that child support payments are transferred to the custodial parent within 48 hours of receipt. When a noncustodial parent pays child support, those funds are deposited into the FSR bank account. Any interest earned on the FSR bank balances is transferred to the FSR Fund (Fund 2470) and used to cover unfunded disbursements. Interest is earned on the daily balance during the short time between when the funds are paid by a noncustodial parent and disbursed to the custodial parent. This is a common practice for financial transactions, similar to the way in which a bank can earn interest on customers' checking accounts. Per federal regulations, 66% of the earnings from this financial transaction must be returned to the federal Office of Child Support Enforcement (OCSE). The remaining 34% of these earnings can be used to offset State program expenditures. Pursuant to the creation of the FSR Fund, these earnings are used to cover unfunded disbursements.

Unfunded disbursements result in the rare cases when obligors bounce checks, stop payments on checks, or funds are misapplied by State or county workers. Typically, when disbursement errors occur, they are recouped through an automated process whereby the ACSES sends a notice to the obligee and begins retaining 10% of future child support payments each month until the total amount has been repaid. However, county workers have the ability to change or suppress the percentage collected on the case. In cases where there are no consistent child support payments to retain or the case is closed, there are no reasonable means to recoup the funds from the obligee, essentially creating the unfunded disbursement.

When the FSR Fund was created 20 years ago, financial transactions often took three to five business days for a check to clear at the bank and the money to be made available. In the past two decades, advances in financial transaction technology to process funds have shortened the time period during which these funds can earn interest. Concurrently, consistently low interest rates (below 1%) have decreased interest earned on the funds. Together, these factors have resulted in the FSR Fund's inability to cover the expense of the unfunded disbursements. As the FSR Fund slowly shrunk during the incremental changes in the financial landscape in the last 20 years, the State has been required to pay more and more of the unfunded disbursements. Since no funds are appropriated for these costs, the Department has had to use General Fund appropriated for modernizing the Automated Child Support Enforcement System (ACSES) to cover unfunded disbursements. Ultimately, this practice shortchanges the child support program and is not sustainable.

Prior to 2013, the Department had referred such cases to the Colorado Central Collections Services (CCS). In 2013 CCS stopped accepting the referrals due to technical issues. The reduction in recoupment between 2012 (the last full year using CCS) and 2014 (first full year not using the CCS) was $38,000. Furthermore, CCS collection processes can cause the obligee, who was not receiving regular child support, to pay two to three times more in fees than the original unfunded disbursement to cover costs of collecting the debt. This practice exacerbates financial hardships among families already struggling to achieve economic security. Any additional hardship imposed on obligees through the collection process or fees applied to child support payment inhibits the Department's ability to achieve its child support program goals, C-Stat measures, the Wildly Important Goal (WIG) to reduce zero payers, and its Strategic Policy Initiative to "improve families' economic security."
Using the average annual unfunded disbursement amount for the past three years, adjusted for inflation, the best estimate of the funds required to meet this need for FY 2019-20 is $150,896. Unfunded disbursements comprise 0.038% of the total funds disbursed through the child support

system during the past three years. While small, these costs are solely the State's responsibility and do not earn the 66% FFP.

Using General Fund allocated for other purposes, such as the ACSES, to cover unfunded disbursements is not a wise use of State resources on several fronts. ACSES dates back to the 1980s and is the primary system for child support workers across the State to conduct the work required to promote families' economic stability via child support. The aging system has been experiencing system delays and inoperability, ultimately compromising service delivery. Given the gravity of these issues, the Department is in the midst of a multi-year project to fix and modernize ACSES in order to improve its functionality.

Since the cost of unfunded disbursements earns no FFP, it must be paid with State-only (General Fund, cash fund, or reappropriated) dollars. Therefore, covering $150,896 in unfunded disbursements from current General Fund appropriated for ACSES essentially reduces program expenditures by more than $443,813, nearly 300%, because the $292,917 (66%) FFP is not earned. Furthermore, this practice delays critical system upgrades, ultimately affecting families' receipt of child support.

Proposed Solution:

The Department requests the appropriation of $150,896 total funds/General Fund in FY 2019-20 in order to sufficiently cover unfunded disbursements, given shortfalls in the Family Support Registry (FSR) Fund. These funds will be used to cover expenditures in the form of unfunded child support disbursements. This solution bears no TABOR impact. It prevents the Department from needing to access its current General Fund appropriated to improving the ACSES that earns 66% federal reimbursement for the full appropriation.

Appropriating these funds to the FSR Fund will enable the ASCES appropriation to continue to be used for its intended purpose to operate and modernize the ACSES required to ensure efficacy in the collection and distribution of child support payments to Colorado families. Furthermore, earmarking funds for unfunded disbursements will ensure that the State earns its 66% federal reimbursement on all ACSES-related expenditures.

If funds are not appropriated to the FSR Fund to fully cover the cost of the child support program's unfunded disbursements, $443,813 of spending authority will be shifted away from the operation and improvement of the ACSES to cover the $150,896 in unfunded disbursements. This will result in a significant reduction of the resources available to modernize and improve the ACSES.

Anticipated Outcomes:

Providing funds in FY 2019-20 to cover unfunded disbursements will help to stabilize the FSR Fund and ensure that the child support program is using its appropriations intended to operate the ACSES. Modernizing and enhancing ACSES will ensure a more stable and functional system to better serve our customers.

Assumptions and Calculations:

Evidence from the past few years indicates that a General Fund appropriation of $150,896 will cover unfunded disbursements in FY 2019-20, alleviating the Department from using its current General Fund appropriation earmarked for ACSES modernization during this year. Providing a dedicated fund source to cover unfunded disbursements, which are not eligible expenses for the Federal Financial Participation (FFP), will ensure that the Department will maximize its spending authority. This will bolster the Department's ability to resolve the ACSES run time issues and other challenges that arise in serving more than 150,000 Colorado families within the child support system.

Table 1 illustrates the Long Bill appropriation and requested funding for FY 2019-20 and beyond.

Table 1: Long Bill Appropriation and Requested Funding for FY 2019-20 Through FY 2021-22

Automated Child Support Enforcement System	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE	Notes
FY 2018-19 Appropriation (HB 18-1322)	$9,129,791	$2,593,487	$727,258	$0	$5,809,046	0.0	Enter FY 2018-19 Appropriation Amount
Requested Funding (or Spending Authority)	$150,896	$150,896	$0	$0	$0	0.00	
FY 2019-20 Total Requested Appropriation	**$9,280,687**	**$2,744,383**	**$727,258**	**$0**	**$5,809,046**	**0.0**	
FY 2020-21 Annualization of Prior Year Funding	($150,896)	($150,896)	$0	$0	$0	0.00	
FY 2020-21 Total Requested Appropriation	**$9,129,791**	**$2,593,487**	**$727,258**	**$0**	**$5,809,046**	**0.0**	
FY 2021-2022 Total Requested Appropriation	**$9,129,791**	**$2,593,487**	**$727,258**	**$0**	**$5,809,046**	**0.0**	

Schedule 13

Department of Human Services

Funding Request for The FY 2019-20 Budget Cycle

Request Title

R-20 Food Service Inflation

Dept. Approval By: Melissa Wavrlet

OSPB Approval By: [signature]

___	Supplemental FY 2018-19
___	Budget Amendment FY 2019-20
X	Change Request FY 2019-20

Summary Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
Total of All Line Items Impacted by Change Request	Total	$11,392,525	$0	$11,335,125	$150,910	$150,910
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$6,477,167	$0	$6,419,767	$98,442	$98,442
	CF	$613,040	$0	$613,040	$0	$0
	RF	$4,302,102	$0	$4,302,102	$52,468	$52,468
	FF	$216	$0	$216	$0	$0

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
08. Behavioral Health Services, (E) Mental Health Institutes, (1) Mental Health Institutes - Ft. Logan - Operating Expenses	Total	$1,069,263	$0	$1,069,263	$1,850	$1,850
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$926,936	$0	$926,936	$1,850	$1,850
	CF	$127,371	$0	$127,371	$0	$0
	RF	$14,956	$0	$14,956	$0	$0
	FF	$0	$0	$0	$0	$0
08. Behavioral Health Services, (E) Mental Health Institutes, (2) Mental Health Institutes - Pueblo - Operating Expenses	Total	$6,132,761	$0	$6,132,761	$88,819	$88,819
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$2,770,146	$0	$2,770,146	$88,819	$88,819
	CF	$415,669	$0	$415,669	$0	$0
	RF	$2,946,946	$0	$2,946,946	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
11. Division of Youth Services, (B) Institutional Programs, (1) Institutional Programs - Operating Expenses	Total	$4,190,501	$0	$4,133,101	$60,241	$60,241
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$2,780,085	$0	$2,722,685	$7,773	$7,773
	CF	$70,000	$0	$70,000	$0	$0
	RF	$1,340,200	$0	$1,340,200	$52,468	$52,468
	FF	$216	$0	$216	$0	$0

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Human Services Prioritized Request	Interagency Approval or Related Schedule 13s:	No Other Agency Impact

Cost and FTE
• The Department of Human Services requests $150,910 total funds including $98,442 General Fund and $52,468 reappropriated funds in FY 2019-20 and ongoing to keep pace with an estimated 1.5 percent increase in food costs.

Current Program
• The Department is mandated to provide nutritionally adequate meals to individuals in its care and custody at its various facilities. • The Colorado Mental Health Institute at Pueblo (CMHIP) operates 449 inpatient psychiatric beds, and the Colorado Mental Health Institute at Fort Logan (CMHIFL) operates 94 inpatient psychiatric beds for adults. Referrals to the MHIs come from the State's community mental health centers, local hospitals and the courts. • The Division of Youth Services operates ten State-owned secure facilities for detention and commitment which include diagnostic, education, and program services for youth. • This request does not include the Department's Veteran Living Centers or the Regional Centers. Those facilities' daily rate budgeting methodology accounts for changes to food costs.

Problem or Opportunity
• This request represents a 1.5 percent increase to compensate for the rising costs of food products as projected by the U.S. Department of Agriculture (USDA).

Consequences of Problem
• With insufficient funding, it becomes challenging for the Department to provide adequate and nutritious meals to its residents. • Without an increase in funding for food costs, the Department will have to divert funding from other critical operating needs such as: medical/laboratory supplies, custodial and laundry supplies, telephone and IT expenses, and patient transportation.

Proposed Solution
• The Department of Human Services requests $150,910 total funds, including $98,442 General Fund and $52,468 reappropriated funds in FY 2019-20 and ongoing to keep pace with an estimated 1.5 percent increase in food costs. • The funding will allow the Mental Health Institutes and the Division of Youth Services facilities to keep pace with projected raw food inflation.

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Department Priority: ***R-20***
Request Detail: ***Food Service Inflation***

Summary of Incremental Funding Change for FY 2019-20	**Total Funds**	**FTE**	**General Fund**	**Reappropriated Funds**
Food Service Inflation	$150,910	0.0	$98,442	$52,468
Summary of Incremental Funding Change for FY 2020-21	**Total Funds**	**FTE**	**General Fund**	**Reappropriated Funds**
Food Service Inflation	$150,910	0.0	$98,442	$52,468

Problem or Opportunity:

The Department of Human Services requests $150,910 total funds including $98,442 General Fund and $52,468 reappropriated funds in FY 2019-20 and ongoing to keep pace with an estimated rate of inflation of 1.5 percent as projected by the United States Department of Agriculture (USDA) for the cost of food. The Department is required to provide nutritiously adequate meals to patients or residents housed at all of its facilities. The meals must meet or exceed guidelines set forth by the Centers for Medicare and Medicaid Services (CMS), the Joint Commission (JHACO), National School Lunch Program (NSLP), Colorado Department of Education (CDE), and Academy of Nutrition and Dietetics Standards.

Mental Health Institutes

The Office of Behavioral Health (OBH) operates two State-owned mental health institutes. The Colorado Mental Health Institute at Pueblo (CMHIP) operates 449 inpatient psychiatric beds, and the Colorado Mental Health Institute at Fort Logan (CMHIFL) operates 94 inpatient psychiatric beds for adults referred from the State's community mental health centers. Patients residing in these two Mental Health Institutes receive food services and meals at these facilities.

Without funding to address increased food costs, the Mental Health Institutes will continue to absorb these costs into the operating expenses appropriation. This will lead to the hospitals being further financially challenged to meet the other operational needs such as medical supplies, patient supplies, patient care and subsistence items, all of which impact patient care and recovery.

Division of Youth Services

The Division of Youth Services (DYS) operates ten State-owned secure facilities for detention and committed youth with a bed capacity of 707. Detained youth are held in detention for short term stays under the jurisdiction of the juvenile court. Detention beds are statutorily capped at 382, which are allocated to Judicial Districts through a formula. Committed youth are in the custody of the Department for an average of 18-24 months in length. DYS provides meals to all youth in their facilities in compliance with the NSLP guidelines that require nutritious, well-balanced, and age-appropriate meals to all the youth they serve.

The mission of DYS Food Services is to provide healthy nutritious meals to the youth. As participants in the National School Breakfast, Lunch, and Snack programs, DYS Food Services is subject to Federal regulations tied to nutrition and recommended daily allowances of vitamins, minerals, and fats. In addition, the Colorado Department of Education (CDE) requires that the youth are served whole grain rich foods, which are more expensive. Weekly menus cycle every four weeks and offer a diverse selection of foods. With a registered dietitian on staff, DYS Food Services has the ability to create menus for any special diets as needed.

An audit was completed by the Colorado Department of Education in FY 2017-18. The Division needs to provide youths with both a soup and salad to fully comply with updated nutritional guidelines. As a result, the initial plate cost increases are nearly $0.20 a plate.

If DYS absorbs these costs, the Division will need to reduce the snacks provided to youth from two per day to one. Since breakfast and lunch require reduced calories under the National School Lunch program- the snacks are critical in providing the full day's requirement of calorie intake for youth which is 3,400 calories daily. The Division believes that not only are two snacks critical, but a third snack a day would benefit youth but there is insufficient funding.

Without an annual increase for food inflation, the Department will have to divert operating funds from other critical operating expenses, such as medical/laboratory supplies, custodial and laundry supplies, telephone and IT expenses, and patient/youth transportation.

In addition to its own programs, the Department partners with the Department of Corrections (DOC) at the Colorado Mental Health Institute at Pueblo, preparing additional meals each day to feed DOC offenders on the campus. This request does not address the food inflation costs for the DOC meals, as these costs are addressed through a separate funding request submitted by the DOC.

Proposed Solution:

The Department of Human Services requests $150,910 total funds including $98,442 General Fund and $52,468 reappropriated funds in FY 2019-20 and ongoing to keep pace with an estimated 1.5 percent increase in raw food costs for meal preparation. The reappropritated funds requested by DYS will be received from the National School Lunch Program.

Change in raw food costs

Food costs continue to rise throughout the country affecting the raw food costs of the Department. The Consumer Price Indexes (CPI) for food, food-at-home, and food-away-from-home are expected to increase 1.0 percent to 2.0 percent in calendar year 2018 according to the USDA Economic Research Service.

Other Department Facilities

This request does not include the Department's Veteran Community Living Centers or the Regional Centers. The Veteran's Community Living Centers are an enterprise and funded by resident payments and federal funds. The Regional Centers are funded by a Medicaid daily rate. Statute requires the daily rate (25.5-6-204 (I) (b), C.R.S (2018)) to include the actual costs of the facility therefore any increases in food costs are accounted for in the Medicaid daily rate.

Meals prepared for DOC Offenders

The Department of Corrections will submit a separate request for the raw food cost increases related to the meals prepared by CMHIP for DOC offenders located on the CMHIP campus. Both Departments' requests use an estimated 1.5% increase in raw food costs based on the US Department of Agriculture website, citing statistics from the CPI and the Bureau of Labor Statistics.

Anticipated Outcomes:

The funding request will allow the Department to keep pace with estimated food inflation. The Department will be able to provide nutritionally adequate meals to patients and residents, while simultaneously maintaining the funding levels for other operating functions that help ensure a high level of patient and resident care. This request runs parallel to the Department of Corrections' food inflation request, using the 1.5 percent increase in raw food costs based on the 2018 CPI, published on June 25, 2018. Raw food cost increases related to meals prepared for the DOC will be submitted by the DOC, and reimbursed to the Department through the Inter-agency agreement.

Assumptions and Calculations:

The Department is projecting actual food costs to exceed the food budget by $150,910 in FY 2019-20 and ongoing. The last time the Department received an increase in appropriations for food cost was in FY 2015-16. The Department can no longer absorb these costs or it will negatively impact other critical operating expenses by diverting funds. Table 1 details the DHS food budget with actual costs or projected costs, broken out by facility.

Table 1: DHS Food Service Inflation Projections

Facility	Food Budget FY 2017-2018	Projected Food Costs FY 2017-18	FY 2017-2018 Deficit	Projected Number of Meals Served FY 2017-18	Number of Snacks Served FY 2017-18	Number of Patients/ Residents Served FY 2017-2018	Food Budget FY 2018-19	FY 2018-19 Projected Food Costs with 1.5% Inflation	FY 2018-19 Deficit	FY 2019-20 Projected Food Costs with 1.5% inflation	FY 2019-20 Deficit	FY 2020-21 Projected Food Costs	FY 2020-21 Deficit
Adams	$ 57,000	$ 56,546	$ 454	26,627	4,750	23.0	$ 57,000	$ 57,394	$ (394)	$ 58,255	$ (1,255)	$ 58,255	$ (1,255)
Grand Mesa	$ 123,000	$ 160,813	$ (37,813)	67,374	12,018	21.0	$ 145,000	$ 163,225	$ (18,225)	$ 165,674	$ (20,674)	$ 165,674	$ (20,674)
Gilliam	$ 100,000	$ 85,945	$ 14,055	45,663	8,145	82.5	$ 93,000	$ 87,234	$ 5,766	$ 88,543	$ 4,457	$ 88,543	$ 4,457
Lookout	$ 325,000	$ 309,388	$ 15,612	154,128	27,493	147.4	$ 315,000	$ 314,029	$ 971	$ 318,739	$ (3,739)	$ 318,739	$ (3,739)
Foote	$ 95,000	$ 93,309	$ 1,691	46,533	8,300	40.9	$ 90,000	$ 94,709	$ (4,709)	$ 96,129	$ (6,129)	$ 96,129	$ (6,129)
Mount View	$ 150,000	$ 216,903	$ (66,903)	97,575	17,405	95.9	$ 190,000	$ 220,157	$ (30,157)	$ 223,459	$ (33,459)	$ 223,459	$ (33,459)
Platte Valley	$ 200,000	$ 189,563	$ 10,437	96,918	17,288	90.2	$ 180,000	$ 192,406	$ (12,406)	$ 195,293	$ (15,293)	$ 195,293	$ (15,293)
Pueblo	$ 45,000	$ 54,179	$ (9,179)	18,606	3,319	17.2	$ 55,000	$ 54,992	$ 8	$ 55,817	$ (817)	$ 55,817	$ (817)
Spring Creek	$ 165,000	$ 109,756	$ 55,244	52,830	9,424	47.0	$ 135,000	$ 111,402	$ 23,598	$ 113,073	$ 21,927	$ 113,073	$ 21,927
Zebulon Pike	$ 90,000	$ 92,465	$ (2,465)	46,932	8,372	38.6	$ 90,000	$ 93,852	$ (3,852)	$ 95,260	$ (5,260)	$ 95,260	$ (5,260)
DYS Total	**$ 1,350,000**	**$ 1,368,867**	**$ (18,867)**	**653,186**	**116,514**	**603.7**	**$ 1,350,000**	**$ 1,389,400**	**$ (39,400)**	**$ 1,410,241**	**$ (60,241)**	**$ 1,410,241**	**$ (60,241)**
CMHIFL	$ 279,628	$ 285,000	$ (5,372)	99,098*	33,033	303.0**	$ 291,764	$ 289,275	$ 2,489	$ 293,614	$ (1,850)	$ 293,614	$ (1,850)
CMHIP	$ 2,464,179	$ 2,707,000	$ (242,821)	441,176*	147,059	918.0**	$ 2,700,000	$ 2,747,605	$ (47,605)	$ 2,788,819	$ (88,819)	$ 2,788,819	$ (88,819)
OBH Total	**$ 2,743,807**	**$ 2,992,000**	**$ (248,193)**	**540,273**	**180,091**	**1,221.0**	**$ 2,991,764**	**$ 3,036,880**	**$ (45,116)**	**$ 3,082,433**	**$ (90,669)**	**$ 3,082,433**	**$ (90,669)**
TOTAL	**$ 4,093,807**	**$ 4,360,867**	**$ (267,060)**	**1,193,459**	**296,605**	**1,824.7**	**$ 4,341,764**	**$ 4,426,280**	**$ (84,516)**	**$ 4,492,674**	**$ (150,910)**	**$ 4,492,674**	**$ (150,910)**

*Number of Meals Served: Breakfast, Lunch, Dinner, Snack x Average Daily Attendance in FY 2017-18 x365 days

**MHI Number of Patients Served: This number represents the unique number of patient episodes. If Patient A was admitted 5 times, the patient is counted 5 times. Source: IM census reports

Avg Daily Attendance CMHIFL: 90.5

Avg Daily Attendance CMHIP: 402.9

Table 2 is from the U.S. Department of Agriculture website, citing statistics from the Consumer Price Index and the Bureau of Labor Statistics. The 2018 forecast predicts a 1.0 percent to 2.0 percent inflation rate.

Table 2: USDA CPI Indicator

Changes in Food Price Indexes, 2016 through 2018						
Item	Relative importance[1]	Month-to-Month Apr 2018 to May 2018	Year-over-Year May 2017 to May 2018	Year-to-Date Avg 2017 to Avg 2018	Annual 2017	**Forecast 2018**
Consumer Price Indexes	*Percent*			*Percent change*		
All food	100.0	0.0	1.2	1.0	0.9	**1.0 to 2.0**
Food away from home	42.3	0.3	2.7	1.9	2.3	**2.0 to 3.0**
Food at home	57.7	-0.4	0.1	0.4	-0.2	**0.5 to 1.5**
Meats, poultry, and fish	12.0	-0.6	1.2	0.5	-0.1	**0.5 to 1.5**
Meats	7.6	-0.8	1.4	0.4	-0.6	**0.25 to 1.25**
Beef and Veal	3.4	-1.1	2.6	0.9	-1.2	**0.5 to 1.5**
Pork	2.3	-0.1	0.4	-0.4	0.6	**-1.0 to 0.0**
Other meats	1.9	-1.2	0.5	0.4	-0.9	**0.5 to 1.5**
Poultry	2.5	0.0	0.5	0.5	0.2	**1.5 to 2.5**
Fish and seafood	1.9	-0.7	1.4	0.9	1.2	**0.5 to 1.5**
Eggs	0.7	-5.8	21.6	15.3	-9.5	**6.0 to 7.0**
Dairy products	6.0	-0.6	-0.6	-0.4	0.1	**-0.5 to 0.5**
Fats and oils	1.7	-0.5	-0.2	0.4	0.8	**-1.5 to -0.5**
Fruits and vegetables	9.8	0.1	-0.4	0.7	-0.2	**0.5 to 1.5**
Fresh fruits & vegetables	7.6	0.2	-0.3	1.0	0.2	**1.0 to 2.0**
Fresh fruits	4.1	0.1	1.1	1.5	0.5	**2.0 to 3.0**
Fresh vegetables	3.5	0.2	-1.9	0.4	-0.1	**-0.5 to 0.5**
Processed fruits & vegetables*	2.1	-0.1	-0.9	-0.4	-1.6	**-1.0 to 0.0**
Sugar and sweets	2.1	0.0	0.5	0.7	-0.1	**0.0 to 1.0**
Cereals and bakery products	7.8	0.1	-0.2	0.1	-0.5	**0.5 to 1.5**
Nonalcoholic beverages	6.9	-0.4	-1.3	-0.1	0.2	**-0.25 to 0.75**
Other foods	10.7	-0.2	-0.4	0.0	0.1	**0.25 to 1.25**

Orange indicates an adjustment downward and **black** indicates no change from last month's forecast.

[1]BLS estimated expenditure shares, December 2016. Food prices represent approximately 13.7 percent of the total

Note: The most recent forecast was published on June 25, 2018.

*Annual data for processed fruits and vegetables are only available from 1999. This is a 19-year historical average.

Source: Bureau of Labor Statistics' Consumer Price Index. Forecasts by Economic Research Service.

Table 3 illustrates the Long Bill appropriation and requested funding for FY 2019-20 and ongoing.

Table 3: Long Bill Appropriation and Requested Funding for FY 2018-19 Through FY 2020-21					
Line Item: (11) Division of Youth Services, (B) Institutional Programs,	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**
FY 2018-19 Appropriation (HB 18-1322)	$4,190,501	$2,780,085	$70,000	$1,340,200	$216
Requested Funding (or Spending Authority)	$60,241	$7,773	$0	$52,468	$0
FY 2019-20 Total Requested Appropriation	**$4,250,742**	**$2,787,858**	**$70,000**	**$1,392,668**	**$216**
FY 2020-21 Annualization of Prior Year Funding	$0	$0	$0	$0	$0
FY 2020-21 Total Requested Appropriation	**$4,250,742**	**$2,787,858**	**$70,000**	**$1,392,668**	**$216**
FY 2021-22 Total Requested Appropriation	**$4,250,742**	**$2,787,858**	**$70,000**	**$1,392,668**	**$216**
Line Item: (8) Office of Behavioral Health, (E) (1) Mental Health Institute at Ft. Logan, Operating	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**
FY 2018-19 Appropriation (HB 18-1322)	$1,069,263	$926,936	$127,371	$14,956	$0
Requested Funding (or Spending Authority)	$1,850	$1,850	$0	$0	$0
FY 2019-20 Total Requested Appropriation	**$1,071,113**	**$928,786**	**$127,371**	**$14,956**	**$0**
FY 2020-21 Annualization of Prior Year Funding	$0	$0	$0	$0	$0
FY 2020-21 Total Requested Appropriation	**$1,071,113**	**$928,786**	**$127,371**	**$14,956**	**$0**
FY 2021-22 Total Requested Appropriation	**$1,071,113**	**$928,786**	**$127,371**	**$14,956**	**$0**
Line Item: (8) Office of Behavioral Health, (E) (2) Mental Health Institute at Pueblo, Operating	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**
FY 2018-19 Appropriation (HB 18-1322)	$6,132,761	$2,770,146	$415,669	$2,946,946	$0
Requested Funding (or Spending Authority)	$88,819	$88,819	$0	$0	$0
FY 2019-20 Total Requested Appropriation	**$6,221,580**	**$2,858,965**	**$415,669**	**$2,946,946**	**$0**
FY 2020-21 Annualization of Prior Year Funding	$0	$0	$0	$0	$0
FY 2020-21 Total Requested Appropriation	**$6,221,580**	**$2,858,965**	**$415,669**	**$2,946,946**	**$0**
FY 2021-22 Total Requested Appropriation	**$6,221,580**	**$2,858,965**	**$415,669**	**$2,946,946**	**$0**

Schedule 13

Department of Human Services

Funding Request for The FY 2019-20 Budget Cycle

Request Title

R-21 Salesforce Shield

Dept. Approval By: ______________ ___ **Supplemental FY 2018-19**

OSPB Approval By: ______________ ___ **Budget Amendment FY 2019-20**

X **Change Request FY 2019-20**

Summary Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
Total of All Line Items Impacted by Change Request	Total	$80,450,099	$0	$91,537,778	$473,418	$484,446
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$15,822,062	$0	$19,052,858	$29,218	$29,898
	CF	$8,616,507	$0	$9,460,660	$39,827	$40,754
	RF	$27,118,034	$0	$31,702,907	$283,819	$290,431
	FF	$28,893,496	$0	$31,321,353	$120,554	$123,363

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
01. Executive Director's Office, (C) Indirect Costs, (1) Indirect Costs - Indirect Cost Assessment	Total	$310,811	$0	$380,252	$3,084	$3,156
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$191,908	$0	$245,316	$2,520	$2,578
	RF	$118,903	$0	$133,403	$488	$500
	FF	$0	$0	$1,533	$76	$78
02. Office of Information Technology Services, (A) Information Technology, (1) Information Technology - Payments to OIT	Total	$29,294,897	$0	$35,277,852	$251,318	$257,172
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$15,822,062	$0	$19,052,858	$29,218	$29,898
	CF	$0	$0	$0	$0	$0
	RF	$13,472,835	$0	$16,224,994	$222,100	$227,274
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
03. Office of Operations, (C) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessments	Total	$277,396	$0	$298,870	$971	$994
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$273,403	$0	$291,769	$866	$887
	RF	$3,993	$0	$7,101	$105	$107
	FF	$0	$0	$0	$0	$0
05. Division of Child Welfare, (A) Division of Child Welfare, (1) Division of Child Welfare - Indirect Cost Assessment	Total	$10,745,176	$0	$11,616,603	$43,086	$44,090
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$87,098	$0	$119,446	$1,526	$1,562
	RF	$27,755	$0	$34,287	$220	$225
	FF	$10,630,323	$0	$11,462,870	$41,340	$42,303
06. Division of Early Childhood, (C) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$3,182,251	$0	$3,449,927	$13,264	$13,573
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$126,353	$0	$137,557	$529	$541
	RF	$0	$0	$0	$0	$0
	FF	$3,055,898	$0	$3,312,370	$12,735	$13,032
07. Office of Self Sufficiency, (F) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$16,421,036	$0	$17,946,833	$70,905	$72,557
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$66,153	$0	$75,029	$419	$428
	RF	$2,328,738	$0	$2,631,392	$10,192	$10,430
	FF	$14,026,145	$0	$15,240,412	$60,294	$61,699
08. Behavioral Health Services, (F) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$6,966,774	$0	$7,851,004	$37,085	$37,948
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$5,604,540	$0	$6,014,441	$19,339	$19,789
	RF	$335,818	$0	$699,321	$12,243	$12,528
	FF	$1,026,416	$0	$1,137,242	$5,503	$5,631

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
09. Services for People with Disabilities, (E) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$12,940,955	$0	$14,384,513	$52,680	$53,907
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$2,097,881	$0	$2,398,482	$14,182	$14,513
	RF	$10,829,992	$0	$11,972,409	$38,471	$39,367
	FF	$13,082	$0	$13,622	$27	$27
10. Adult Assistance Programs, (F) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$291,520	$0	$303,194	$579	$593
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$149,888	$0	$149,890	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$141,632	$0	$153,304	$579	$593
11. Division of Youth Services, (D) Indirect Costs, (1) Indirect Costs - Indirect Costs	Total	$19,283	$0	$28,730	$446	$456
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$19,283	$0	$28,730	$446	$456
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Auxiliary Data

Requires Legislation?	NO		
Type of Request?	Department of Human Services Prioritized Request	**Interagency Approval or Related Schedule 13s:**	Requires OIT Approval

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Cost and FTE

- The Department requests $473,418 total funds, including $29,218 General Fund, $39,827 cash funds, $283,819 reappropriated funds and $120,554 federal funds in FY 2019-20 and $484,446 total funds, including $29,898 General Fund, $40,754 cash funds, $290,431 reappropriated funds and $123,363 federal funds in FY 2020-21 and beyond with an ongoing increase of 2.33 percent each fiscal year in order to support the secure encryption of client identifiable information stored on the Salesforce cloud.
- Of this amount, $222,100 reappropriated funds in FY 2019-20 and $227,274 reappropriated funds in FY 2020-21 is part of the Department's indirect cost plan.

Current Program

- The Department currently has Salesforce supporting 17 different applications, the majority of which contain client information.

Problem or Opportunity

- The Governor's Office of Information Technology (OIT) data security standards and industry best practice require encryption of client information in vendor-hosted systems.
- The Department's Salesforce Applications do not currently encrypt stored client data (i.e., data-at-rest) consistent with OIT standards and industry best practice. Data encryption is an addressable technical safeguard under HIPAA (45 CFR 164.312) and is a feature available within Salesforce.

Consequences of Problem

- Since Department applications hosted on the Salesforce cloud do not align with OIT and Health Insurance Portability and Accountability Act (HIPAA) encryption-at-rest security requirements, there is a risk for client information breach. If the data is accessed inappropriately by an unauthorized party, this is considered a breach under HIPAA, and the Department could be subject to financial penalties starting at $100 up to $10,000 per violation, including corrective action (45 CFR 160.404). However, if the data has been encrypted, this would not be considered a breach, and the Department would not be subject to financial penalties.
- Currently, existing data security does not meet the HIPAA standard to use reasonable and appropriate administrative, technical, and physical safeguards for protecting information.

Proposed Solution

- The Department requests $473,418 total funds, including $29,218 General Fund, $39,827 cash funds, $283,819 reappropriated funds and $120,554 federal funds in FY 2019-20 for licensing an additional secure encryption of client identifiable information stored on the Salesforce cloud.

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COLORADO
Department of Human Services

John W. Hickenlooper
Governor

Reggie Bicha
Executive Director

FY 2019-20 Funding Request | November 1, 2018

Department Priority: ***R-21***
Request Detail: ***Salesforce Shield***

Summary of Incremental Funding Change for FY 2019-20	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds
Salesforce Shield	$473,418	$29,218	$39,827	$283,819	$120,554
Summary of Incremental Funding Change for FY 2020-21	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**
Salesforce Shield	$484,446	$29,898	$40,754	$290,431	$123,363

Problem or Opportunity:

- The Department requests $473,418 total funds, including $29,218 General Fund, $39,827 cash funds, $283,819 reappropriated funds and $120,554 federal funds in FY 2019-20 and $484,446 total funds, including $29,898 General Fund, $40,754 cash funds, $290,431 reappropriated funds and $123,363 federal funds in FY 2020-21 and beyond with an ongoing increase of 2.33 percent each fiscal year in order to support the secure encryption of client identifiable information stored on the Salesforce cloud.
  - A recent clarification from the U.S. Department of Human Services, Office of Civil Rights (OCR), the federal agency responsible for enforcing compliance with the Health Insurance Portability and Accountability Act (HIPAA), confirms that client personally identifiable information (PII) held by an organization designated as a Covered Entity under HIPAA must be handled as electronic protected health information (ePHI). The Department is a designated Covered Entity.
  - The Governor's Office of Information Technology (OIT) classifies PII and PHI as data requiring moderate security controls. These technical standards require encrypting data-at-rest if that data leaves a State-controlled area. CDHS hosts applications on the Salesforce cloud that are required to meet this standard, but currently cannot do so. Encryption-at-rest is included out-of-the-box for Salesforce-hosted solutions; however, OIT concluded that the encryption strength is too weak.

The problem does not impact workload or performance, but rather application data security. The problem was discovered after consulting with the CDHS HIPAA security and compliance officer as well as the Office of Information Security (OIS) within the Governor's Office of Information Technology.

Proposed Solution:

The requested funding would be used to:

- Purchase Salesforce (Shield) security services. The license-based service delivers additional security configuration controls for solutions hosted on the Salesforce cloud that would bring these hosted solutions in alignment with the HIPAA Security Rule and OIT standard TS-CISO-001.
- The alternative is to re-platform all Salesforce-hosted applications onto custom-developed solutions hosted in State-controlled data centers. The short term and long term costs to implement such a solution are inappropriately high compared to the chosen solution of purchasing Salesforce "Shield" licenses.

Anticipated Outcomes:

CDHS is designated as a Covered Entity under HIPAA which means that all personally identifiable information (PII) is considered to be protected health information (PHI), even if a specific set of data doesn't contain what one might categorize as medical information. HIPAA considers the following information to be indicative of personally identifiable information: name, address (all geographic subdivisions smaller than state, including street address, city county, and zip code), all elements (except years) of dates related to an individual (including birth date, admission date, discharge date, date of death, and exact age if over 89), telephone number, fax number, email address, social security number, medical record number, health plan beneficiary number, account number, certificate or license number, vehicle identifiers and serial numbers, device identifiers and serial numbers, internet Uniform Resource Locator (URL), Internet Protocol (IP) address, finger or voice print, photographic image, or any other characteristic that could uniquely identify the individual.

HIPAA requires reasonable safeguards for data security and the OIT standard requires encrypting data-at-rest, particularly when data is not directly in the control of OIT data centers. The Department expects that the requested funding would bring the existing technology solutions that store and process client identifiable information into alignment with OIT encryption-at-rest standards and HIPAA reasonable safeguards. This anticipated outcome will be verified by a feature included in the Shield licensing cost that measures if encrypted fields are effectively protected.

Assumptions and Calculations:

Salesforce Shield is a license-based service that is a cost calculated by Salesforce applying a 30 percent premium to Salesforce user licenses. The applicable annual cost for CDHS Salesforce user licenses for applications requiring encryption is expected to be $837,728 in FY 2019-20, 30 percent of that total equates to a cost of $251,318 to purchase Shield in FY 19-20. The Department anticipates a 7 percent year cost increase each time OIT renews the Salesforce Licensing Agreement, which historically has been for a 3-year term (7% ÷ 3 years = 2.33% for projected annual inflation). There are no expected implementation costs for Shield as it is a configured solution and will be implemented with existing OIT resources.

Table 1: Cost Breakdown of Salesforce Encryption	
Applicable User License Base Cost	$837,728
Shield premium of user license base	30%
FY2019-20 Funding Request	**$251,318**
FY2020-21 Funding Request with 2.33% inflation	$257,172

Table 2: Cost Breakdown of Salesforce Encryption by Salesforce Organizational Unit	
Division of Community and Family Support Early Childhood Mental Health, Early Intervention (EI) Colorado Program, SafeCare, Promoting Safe and Stable Families, Colorado Community Response	$31,294
Office of Early Childhood (CHATS)	$91,888
Division of Early Care and Learning, Colorado Shines (QRIS), Attendance Tracking, Background Investigation Unit	$69,170
Division of Aging and Adult Services (CAPS)	$26,086
Division of Employment and Benefits (ReHire)	$12,408
Division of Refugee Services (CRSP) Low-Income Energy Assistance Program (LEAP)	$20,472
FY 2019-20 Funding Request	**$251,318**
FY 2020-21 Funding Request with 2.33% inflation	$257,172

Table 3: Cost Splits by Programs				
Program	**Licensing Cost FY19-20**	**With 2.33 % for inflation (growth and licensing cost increase)**	**Reappropriated Funds**	**General Funds**
Early Childhood Mental Health	$4,732	$4,842	$2,421	$2,421
Early Intervention (EI)	$17,972	$18,390	$9,195	$9,195
SafeCare	$2,813	$2,879	$0	$2,879
Promoting Safe and Stable Families	$3,132	$3,205	$3,205	$0
Colorado Community Response	$2,644	$2,706	$0	$2,706
Office of Early Childhood, Division of Community and Family Support	**$31,293**	**$32,022**	**$14,821**	**$17,201**
Office of Early Childhood (CHATS)	**$91,888**	**$94,029**	**$94,029**	**$0**
Colorado Shines (QRIS)	$44,603	$45,641	$45,641	$0
Attendance Tracking	$9,065	$9,275	$9,275	$0
Background Investigation Unit	$15,503	$15,865	$15,865	$0
Office of Early Childhood, Division of Early Care and Learning	**$69,170**	**$70,781**	**$70,781**	**$0**
Division of Aging and Adult Services (CAPS)	**$26,086**	**$26,694**	**$26,694**	**$0**
	$12,408	**$12,697**	**$0**	**$12,697**
Colorado Refugee Services Program	$13,043	$13,347	$13,347	$0
Low-Income Energy Assistance	$7,429	$7,602	$7,602	$0
Economic Security	**$20,472**	**$20,949**	**$20,949**	**$0**
TOTAL	**$251,318**	**$257,172**	**$224,274**	**$29,898**

Schedule 13

Department of Human Services

Funding Request for The FY 2019-20 Budget Cycle

Request Title

R-22 SNAP Quality Assurance Line Item

Dept. Approval By: Melissa Wavelet

OSPB Approval By:

	Supplemental FY 2018-19
	Budget Amendment FY 2019-20
X	Change Request FY 2019-20

Summary Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
Total of All Line Items Impacted by Change Request	Total	$7,634,334	$0	$7,763,865	$0	$0
	FTE	82.2	0.0	82.9	0.0	0.0
	GF	$4,178,443	$0	$4,271,950	$0	$0
	CF	$0	$0	$7,374	$0	$0
	RF	$2,563,624	$0	$2,563,624	$0	$0
	FF	$892,267	$0	$920,917	$0	$0

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
01. Executive Director's Office, (B) Special Purpose, (1) Special Purpose - Employment and Regulatory Affairs	Total	$5,846,914	$0	$5,968,560	($1,153,693)	($1,153,693)
	FTE	65.9	0.0	65.9	(13.3)	(13.3)
	GF	$3,283,290	$0	$3,372,879	($576,847)	($576,847)
	CF	$0	$0	$7,374	$0	$0
	RF	$2,563,624	$0	$2,563,624	($576,846)	($576,846)
	FF	$0	$0	$24,683	$0	$0
01. Executive Director's Office, (B) Special Purpose, (1) Special Purpose - SNAP Quality Assurance	Total	$0	$0	$0	$1,265,242	$1,265,863
	FTE	0.0	0.0	0.0	15.3	15.3
	GF	$0	$0	$0	$632,622	$632,932
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$576,846	$576,846
	FF	$0	$0	$0	$55,774	$56,085

Line Item Information	Fund	FY 2018-19 Initial Appropriation	FY 2018-19 Supplemental Request	FY 2019-20 Base Request	FY 2019-20 Change Request	FY 2020-21 Continuation
	Total	$1,787,420	$0	$1,795,305	($111,549)	($112,170)
07. Office of Self Sufficiency, (C) Special Purpose Welfare Programs, (1) Special Purpose Welfare Programs - Supplemental Nutrition Assistance Program	FTE	16.3	0.0	17.0	(2.0)	(2.0)
	GF	$895,153	$0	$899,071	($55,775)	($56,085)
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$892,267	$0	$896,234	($55,774)	($56,085)

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Department of Human Services Prioritized Request	**Interagency Approval or Related Schedule 13s:**	No Other Agency Impact

Cost and FTE

- This request seeks a technical adjustment to combine funding from two existing appropriations and create a new appropriation line for the Supplemental Nutrition Assistance Program Quality Assurance (SNAPQA) Unit.

Current Program

- SNAP (Supplemental Nutrition Assistance Program) provides nearly $60 million monthly in federal food benefits to nearly 465,000 Coloradans. In Colorado, 64 counties administer the program, while the Department is responsible for sound program oversight.
- The Supplemental Nutrition Assistance Program Quality Assurance (SNAPQA) Unit is responsible for meeting the federal requirements that ensure accuracy and timeliness of the eligibility, benefits, and noticing for the Supplemental Nutrition Assistance Program (SNAP) in Colorado.

Problem or Opportunity

- SNAPQA is currently funded in the Long Bill under two appropriations, Employment and Regulatory Affairs and SNAP Administration. These appropriations are shared by multiple entities.
- The current appropriation structure lacks transparency regarding the budget for SNAPQA.

Consequences of Problem

- The inability to identify the total annual allocation creates challenges in approving additional resources and supports such as travel, training, conferences, and equipment, as well as the ability to negotiate salaries with potential new hires in a timely manner.

Proposed Solution

- The Department requests to combine funding from two existing appropriations and create a new appropriation line for the Supplemental Nutrition Assistance Program Quality Assurance (SNAPQA) Unit.

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COLORADO
Department of Human Services

FY 2019-20 Funding Request | November 1, 2018

John W. Hickenlooper
Governor

Reggie Bicha
Executive Director

Department Priority: R-22
Request Detail: SNAP Quality Assurance Appropriation

Summary of Incremental Funding Change for FY 2019-20	Total Funds	FTE	General Fund	Federal Funds
SNAPQA Appropriation	$0	0.0	$0	$0
Summary of Incremental Funding Change for FY 2020-21	**Total Funds**	**FTE**	**General Fund**	**Federal Fund**
SNAPQA Appropriation	$0	0.0	$0	$0

Problem or Opportunity:

The Department requests $0 total funds in FY 2019-20 and beyond. This request seeks a technical adjustment to combine funding from two existing appropriations and create a new appropriation line for the Supplemental Nutrition Assistance Program Quality Assurance (SNAPQA) Unit.

The Colorado Food Assistance Program (i.e. Supplemental Nutrition Assistance Program) is a federal entitlement program that provides monthly food benefits to families and individuals experiencing food insecurity. The program provides more than $60 million in monthly benefits to nearly 465,000 Coloradans. In Colorado, 64 counties administer the program, while the Department is responsible for sound program oversight.

The Supplemental Nutrition Assistance Program Quality Assurance (SNAPQA) Unit is responsible for meeting the federal requirements that ensure accuracy and timeliness of the eligibility, benefits, and noticing for the Supplemental Nutrition Assistance Program (SNAP) in Colorado.

Funding for the SNAPQA Unit is currently funded from the Employment and Regulatory Affairs and Supplemental Nutrition Assistance Program (SNAP) Administration Long Bill appropriation lines. These two appropriations are shared by multiple entities. This funding appropriation lacks transparency and makes it difficult to identify and budget the allocation specific to SNAPQA. The inability to identify the specific SNAPQA annual allocation inhibits the unit from approving resources and supports such as travel, training, conferences, and equipment in a timely manner. This uncertainty also causes additional controls and monitoring of required travel and associated expenses to complete mandatory field investigations.

Proposed Solution:

The Department requests $0 total funds in FY 2019-20 and beyond. This request seeks a technical adjustment to combine partial funding from two existing appropriations (Employment and Regulatory Affairs and SNAP Administration) and create a new appropriation line for the Supplemental Nutrition Assistance Program Quality Assurance (SNAPQA) Unit.

In FY 2016-17 two additional appropriation lines were created for SNAP Administration and SNAP Staff Training to provide greater transparency of SNAP program expenditures. These appropriations previously resided within the Office of Self Sufficiency, (A) Administration Long Bill appropriation. This dedicated appropriation provided a greater transparency and management of these program expenditures.

Creating a new appropriation for SNAPQA program expenditures would build upon this movement towards transparency and identifying SNAP specific program expenditures.

Anticipated Outcomes:

This request would create a singular appropriation funding source for the SNAPQA Unit. A dedicated SNAPQA appropriation would provide transparency concerning the funds and FTE allocated for Quality Assurance (QA) activities. Additionally, this would improve the ability to efficiently authorize spending for resources and support such as travel and training, as well as increase the ability to timely negotiate salaries with potential new hires.

Assumptions and Calculations:

Table 1 provides the detail of fund amounts that would be transferred to a new dedicated appropriation line. As such, this budget request requires no additional appropriations, only the technical transfer of funds between Long Bill appropriation lines. The amount of funds transferred for 2 FTE from the Supplemental Nutrition Assistance Program Administration appropriation line was calculated from the approved “FY 2018-19, R-08 Colorado SNAP Increased Food Security and County Technical Assistance” budget request. The amount of funds transferred for 13.3 FTE from the Employment and Regulatory Affairs was calculated from the FY 2018-19 SNAPQA program budget.

Table 1: Technical Adjustments Between Appropriations for FY 2019-20

Appropriation Line	Total Funds	General Fund	Reapparopriated Funds	Federal Funds	FTE
Supplemental Nutrition Assistance Program Administration	$ (111,549)	$ (55,775)	$ -	$ (55,774)	-2.0
*Supplemental Nutrition Assistance Program Quality Assurance	$ 111,549	$ 55,775	$ -	$ 55,774	2.0
Employment and Regulatory Affairs	$ (1,153,693)	$ (576,847)	$ (576,846)	$ -	-13.3
*Supplemental Nutrition Assistance Program Quality Assurance	$ 1,153,693	$ 576,847	$ 576,846	$ -	13.3

**New appropriation line*

Table 2 illustrates the Long Bill appropriation and requested funding for FY 2019-20 and beyond.

Table 2: Long Bill Appropriation and Requested Funding for FY 2019-20 Through FY 2021-22

New SNAP Quality Assurance	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	Medicaid Total Funds	Medicaid General Fund	Medicaid Federal Funds	FTE	Notes
FY 2018-19 Appropriation (HB 18-1322)	$0	$0	$0	$0	$0	$0	$0	$0	0.0	Enter FY 2018-19 Appropriation Amount
Requested Funding (or Spending Authority)	$1,265,242	$632,622	$0	$576,846	$55,774	$0	$0	$0	15.30	50/50 SNAP
FY 2019-20 Total Requested Appropriation	**$1,265,242**	**$632,622**	**$0**	**$576,846**	**$55,774**	**$0**	**$0**	**$0**	**15.3**	
FY 2020-21 Annualization of Prior Year Funding	$621	$310	$0	$0	$311	$0	$0	$0	0.00	50/50 SNAP
FY 2020-21 Total Requested Appropriation	**$1,265,863**	**$632,932**	**$0**	**$576,846**	**$56,085**	**$0**	**$0**	**$0**	**15.3**	
FY 2021-2022 Total Requested Appropriation	**$1,265,863**	**$632,932**	**$0**	**$576,846**	**$56,085**	**$0**	**$0**	**$0**	**15.3**	

SNAP Administration	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	Medicaid Total Funds	Medicaid General Fund	Medicaid Federal Funds	FTE	Notes
FY 2018-19 Appropriation (HB 18-1322)	$1,787,420	$895,153	$0	$0	$892,267	$0	$0	$0	0.0	Enter FY 2018-19 Appropriation Amount
Requested Funding (or Spending Authority)	($111,549)	($55,775)	$0	$0	($55,774)	$0	$0	$0	-2.00	Enter Amount Requested for FY 2019-20
FY 2019-20 Total Requested Appropriation	**$1,675,871**	**$839,378**	**$0**	**$0**	**$836,493**	**$0**	**$0**	**$0**	**-2.0**	
FY 2020-21 Annualization of Prior Year Funding	($621)	($310)	$0	$0	($311)	$0	$0	$0	0.00	Enter Annualization (FY 2020-21 Request Minus FY 2019-20 Request Amount)
FY 2020-21 Total Requested Appropriation	**$1,675,250**	**$839,068**	**$0**	**$0**	**$836,182**	**$0**	**$0**	**$0**	**-2.0**	
FY 2021-2022 Total Requested Appropriation	**$1,675,250**	**$839,068**	**$0**	**$0**	**$836,182**	**$0**	**$0**	**$0**	**-2.0**	

Employment and Regulatory Affairs	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	Medicaid Total Funds	Medicaid General Fund	Medicaid Federal Funds	FTE	Notes
FY 2018-19 Appropriation (HB 18-1322)	$5,846,914	$3,283,290	$0	$2,563,624	$0	$0	$0	$0	0.0	Enter FY 2018-19 Appropriation Amount
Requested Funding (or Spending Authority)	($1,153,693)	($576,847)	$0	($576,846)	$0	$0	$0	$0	-13.30	Enter Amount Requested for FY 2019-20
FY 2019-20 Total Requested Appropriation	**$4,693,221**	**$2,706,443**	**$0**	**$1,986,778**	**$0**	**$0**	**$0**	**$0**	**-13.3**	
FY 2020-21 Annualization of Prior Year Funding	$0	$0	$0	$0	$0	$0	$0	$0	0.00	Enter Annualization (FY 2020-21 Request Minus FY 2019-20 Request Amount)
FY 2020-21 Total Requested Appropriation	**$4,693,221**	**$2,706,443**	**$0**	**$1,986,778**	**$0**	**$0**	**$0**	**$0**	**-13.3**	
FY 2021-2022 Total Requested Appropriation	**$4,693,221**	**$2,706,443**	**$0**	**$1,986,778**	**$0**	**$0**	**$0**	**$0**	**-13.3**	