Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

NP-01 Annual Fleet Vehicle Request

Dept. Approval By:

OSPB Approval By:

	Supplemental FY 2019-20
	Budget Amendment FY 2020-21
X	**Change Request FY 2020-21**

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
Total of All Line Items Impacted by Change Request	Total	$57,664,793	$0	$57,567,230	($207,507)	($207,507)
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$654,613	$0	$654,613	($44,017)	($44,017)
	CF	$8,527,557	$0	$8,509,915	($12,340)	($12,340)
	RF	$16,768,863	$0	$16,734,891	($105,261)	($105,261)
	FF	$31,713,760	$0	$31,667,811	($45,889)	($45,889)

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
01. Executive Director's Office, (C) Indirect Costs, (1) Indirect Costs - Indirect Cost Assessment	Total	$812,089	$0	$810,393	($1,175)	($1,175)
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$663,465	$0	$662,083	($960)	($960)
	RF	$128,589	$0	$128,322	($186)	($186)
	FF	$20,035	$0	$19,988	($29)	($29)
03. Office of Operations, (A) Administration, (1) Administration - Vehicle Lease Payments	Total	$1,172,030	$0	$1,172,030	($125,762)	($125,762)
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$654,613	$0	$654,613	($44,017)	($44,017)
	CF	$0	$0	$0	$0	$0
	RF	$517,417	$0	$517,417	($81,745)	($81,745)
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
03. Office of Operations, (C) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessments	Total	$255,697	$0	$255,166	($370)	($370)
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$228,146	$0	$227,670	($330)	($330)
	RF	$27,551	$0	$27,496	($40)	($40)
	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	$11,007,554	$0	$10,984,587	($15,928)	($15,928)
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$94,199	$0	$94,030	($136)	($136)
	RF	$57,919	$0	$57,795	($84)	($84)
	FF	$10,855,436	$0	$10,832,762	($15,708)	($15,708)
06. Division of Early Childhood, (C) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$3,532,778	$0	$3,525,388	($5,112)	($5,112)
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$179,462	$0	$179,078	($260)	($260)
	RF	$0	$0	$0	$0	$0
	FF	$3,353,316	$0	$3,346,310	($4,852)	($4,852)
07. Office of Self Sufficiency, (F) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$18,670,326	$0	$18,651,622	($27,015)	($27,015)
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$110,257	$0	$110,027	($160)	($160)
	RF	$2,683,748	$0	$2,678,139	($3,883)	($3,883)
	FF	$15,876,321	$0	$15,863,456	($22,972)	($22,972)
08. Behavioral Health Services, (F) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$8,072,873	$0	$8,056,145	($11,682)	($11,682)
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$3,400,221	$0	$3,393,265	($4,920)	($4,920)
	RF	$3,223,624	$0	$3,216,882	($4,665)	($4,665)
	FF	$1,449,028	$0	$1,445,998	($2,097)	($2,097)

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
09. Services for People with Disabilities, (E) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$13,871,474	$0	$13,842,483	($20,072)	($20,072)
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$3,734,399	$0	$3,726,595	($5,404)	($5,404)
	RF	$10,130,015	$0	$10,108,840	($14,658)	($14,658)
	FF	$7,060	$0	$7,048	($10)	($10)
10. Adult Assistance Programs, (F) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$152,620	$0	$152,304	($221)	($221)
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$56	$0	$55	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$152,564	$0	$152,249	($221)	($221)
11. Division of Youth Services, (D) Indirect Costs, (1) Indirect Costs - Indirect Costs	Total	$117,352	$0	$117,112	($170)	($170)
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$117,352	$0	$117,112	($170)	($170)
	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

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Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

NP-02 Annual Legal Allocation

Dept. Approval By: ______ **Supplemental FY 2019-20**

OSPB Approval By: ______ **Budget Amendment FY 2020-21**

X **Change Request FY 2020-21**

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
Total of All Line Items Impacted by Change Request	Total	$59,483,818	$0	$59,318,895	$1,706,439	$1,571,894
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$1,879,208	$0	$1,811,848	$748,933	$748,933
	CF	$8,527,557	$0	$8,509,915	$72,267	$72,267
	RF	$17,363,293	$0	$17,329,321	$616,478	$616,478
	FF	$31,713,760	$0	$31,667,811	$268,761	$134,216

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
01. Executive Director's Office, (A) General Administration, (1) General Administration - Legal Services	Total	$2,991,055	$0	$2,923,695	$1,227,686	$1,227,686
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$1,879,208	$0	$1,811,848	$748,933	$748,933
	CF	$0	$0	$0	$0	$0
	RF	$1,111,847	$0	$1,111,847	$478,753	$478,753
	FF	$0	$0	$0	$0	$0
01. Executive Director's Office, (C) Indirect Costs, (1) Indirect Costs - Indirect Cost Assessment	Total	$812,089	$0	$810,393	$6,883	$6,883
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$663,465	$0	$662,083	$5,623	$5,623
	RF	$128,589	$0	$128,322	$1,090	$1,090
	FF	$20,035	$0	$19,988	$170	$170

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
03. Office of Operations, (C) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessments	Total	$255,697	$0	$255,166	$2,166	$2,166
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$228,146	$0	$227,670	$1,933	$1,933
	RF	$27,551	$0	$27,496	$233	$233
	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	$11,007,554	$0	$10,984,587	$93,284	$93,284
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$94,199	$0	$94,030	$798	$798
	RF	$57,919	$0	$57,795	$491	$491
	FF	$10,855,436	$0	$10,832,762	$91,995	$91,995
06. Division of Early Childhood, (C) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$3,532,778	$0	$3,525,388	$29,939	$29,939
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$179,462	$0	$179,078	$1,521	$1,521
	RF	$0	$0	$0	$0	$0
	FF	$3,353,316	$0	$3,346,310	$28,418	$28,418
07. Office of Self Sufficiency, (F) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$18,670,326	$0	$18,651,622	$158,223	$23,678
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$110,257	$0	$110,027	$934	$934
	RF	$2,683,748	$0	$2,678,139	$22,744	$22,744
	FF	$15,876,321	$0	$15,863,456	$134,545	$0
08. Behavioral Health Services, (F) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$8,072,873	$0	$8,056,145	$68,414	$68,414
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$3,400,221	$0	$3,393,265	$28,815	$28,815
	RF	$3,223,624	$0	$3,216,882	$27,319	$27,319
	FF	$1,449,028	$0	$1,445,998	$12,280	$12,280

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
09. Services for People with Disabilities, (E) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$13,871,474	$0	$13,842,483	$117,556	$117,556
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$3,734,399	$0	$3,726,595	$31,648	$31,648
	RF	$10,130,015	$0	$10,108,840	$85,848	$85,848
	FF	$7,060	$0	$7,048	$60	$60
10. Adult Assistance Programs, (F) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$152,620	$0	$152,304	$1,293	$1,293
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$56	$0	$55	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$152,564	$0	$152,249	$1,293	$1,293
11. Division of Youth Services, (D) Indirect Costs, (1) Indirect Costs - Indirect Costs	Total	$117,352	$0	$117,112	$995	$995
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$117,352	$0	$117,112	$995	$995
	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

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Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

NP-03 Paid Family Leave

Dept. Approval By:

OSPB Approval By:

	Supplemental FY 2019-20
	Budget Amendment FY 2020-21
x	**Change Request FY 2020-21**

Summary Information	**Fund**	**FY 2019-20**		**FY 2020-21**		**FY 2021-22**
		Initial Appropriation	**Supplemental Request**	**Base Request**	**Change Request**	**Continuation**
Total of All Line Items Impacted by Change Request	**Total**	**$0**	**$0**	**$0**	**$2,935,547**	**$2,935,547**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$1,997,692	$1,997,692
	CF	$0	$0	$0	$28,365	$28,365
	RF	$0	$0	$0	$711,860	$711,860
	FF	$0	$0	$0	$197,630	$197,630

Line Item Information	**Fund**	**FY 2019-20**		**FY 2020-21**		**FY 2021-22**
		Initial Appropriation	**Supplemental Request**	**Base Request**	**Change Request**	**Continuation**
01. Executive Director's Office, (A) General Administration, (1) General Administration - Paid Family Leave	**Total**	**$0**	**$0**	**$0**	**$2,935,547**	**$2,935,547**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$1,997,692	$1,997,692
	CF	$0	$0	$0	$28,365	$28,365
	RF	$0	$0	$0	$711,860	$711,860
	FF	$0	$0	$0	$197,630	$197,630

Auxiliary Data

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

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Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

NP-04 OIT_FY21 Budget Request Package

Dept. Approval By:

OSPB Approval By:

	Supplemental FY 2019-20
	Budget Amendment FY 2020-21
x	**Change Request FY 2020-21**

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
Total of All Line Items Impacted by Change Request	Total	$95,738,537	$0	$94,509,752	$453,114	$1,112,770
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$15,195,208	$0	$14,763,799	$106,286	$261,020
	CF	$8,527,557	$0	$8,509,915	$26,176	$64,286
	RF	$40,302,012	$0	$39,568,227	$223,300	$548,388
	FF	$31,713,760	$0	$31,667,811	$97,352	$239,076

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
01. Executive Director's Office, (C) Indirect Costs, (1) Indirect Costs - Indirect Cost Assessment	Total	$812,089	$0	$810,393	$2,494	$6,122
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$663,465	$0	$662,083	$2,037	$5,002
	RF	$128,589	$0	$128,322	$395	$969
	FF	$20,035	$0	$19,988	$62	$151
02. Office of Information Technology Services, (A) Information Technology, (1) Information Technology - Payments to OIT	Total	$39,245,774	$0	$38,114,552	$279,700	$686,895
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$15,195,208	$0	$14,763,799	$106,286	$261,020
	CF	$0	$0	$0	$0	$0
	RF	$24,050,566	$0	$23,350,753	$173,414	$425,875
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
03. Office of Operations, (C) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessments	Total	$255,697	$0	$255,166	$785	$1,928
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$228,146	$0	$227,670	$700	$1,720
	RF	$27,551	$0	$27,496	$85	$208
	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	$11,007,554	$0	$10,984,587	$33,790	$82,982
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$94,199	$0	$94,030	$289	$710
	RF	$57,919	$0	$57,795	$178	$437
	FF	$10,855,436	$0	$10,832,762	$33,323	$81,835
06. Division of Early Childhood, (C) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$3,532,778	$0	$3,525,388	$10,845	$26,632
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$179,462	$0	$179,078	$551	$1,353
	RF	$0	$0	$0	$0	$0
	FF	$3,353,316	$0	$3,346,310	$10,294	$25,279
07. Office of Self Sufficiency, (F) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$18,670,326	$0	$18,651,622	$57,311	$140,747
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$110,257	$0	$110,027	$338	$831
	RF	$2,683,748	$0	$2,678,139	$8,238	$20,232
	FF	$15,876,321	$0	$15,863,456	$48,735	$119,684
08. Behavioral Health Services, (F) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$8,072,873	$0	$8,056,145	$24,781	$60,859
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$3,400,221	$0	$3,393,265	$10,438	$25,633
	RF	$3,223,624	$0	$3,216,882	$9,895	$24,302
	FF	$1,449,028	$0	$1,445,998	$4,448	$10,924

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
09. Services for People with Disabilities, (E) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	**Total**	**$13,871,474**	**$0**	**$13,842,483**	**$42,580**	**$104,570**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$3,734,399	$0	$3,726,595	$11,463	$28,152
	RF	$10,130,015	$0	$10,108,840	$31,095	$76,365
	FF	$7,060	$0	$7,048	$22	$53
10. Adult Assistance Programs, (F) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	**Total**	**$152,620**	**$0**	**$152,304**	**$468**	**$1,150**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$56	$0	$55	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$152,564	$0	$152,249	$468	$1,150
11. Division of Youth Services, (D) Indirect Costs, (1) Indirect Costs - Indirect Costs	**Total**	**$117,352**	**$0**	**$117,112**	**$360**	**$885**
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$117,352	$0	$117,112	$360	$885
	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

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Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

NP-05 Provider Rate Increase

Dept. Approval By:

OSPB Approval By:

	Supplemental FY 2019-20
	Budget Amendment FY 2020-21
X	**Change Request FY 2020-21**

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
Total of All Line Items Impacted by Change Request	Total	$355,373,500	$0	$354,745,338	$1,896,341	$2,015,766
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$179,778,033	$0	$189,010,061	$0	$0
	CF	$66,350,032	$0	$66,224,168	$0	$0
	RF	$12,981,594	$0	$12,981,594	$1,896,341	$2,015,766
	FF	$96,263,841	$0	$86,529,515	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
05. Division of Child Welfare, (A) Division of Child Welfare, (1) Division of Child Welfare - Child Welfare Services	Total	$355,373,500	$0	$354,745,338	$1,896,341	$2,015,766
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$179,778,033	$0	$189,010,061	$0	$0
	CF	$66,350,032	$0	$66,224,168	$0	$0
	RF	$12,981,594	$0	$12,981,594	$1,896,341	$2,015,766
	FF	$96,263,841	$0	$86,529,515	$0	$0

Auxiliary Data

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

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Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-01 Comprehensive Approach to Improving Child Care Quality

Dept. Approval By:

OSPB Approval By:

	Supplemental FY 2019-20
	Budget Amendment FY 2020-21
x	Change Request FY 2020-21

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
Total of All Line Items Impacted by Change Request	Total	$82,891,265	$0	$84,275,641	$5,619,496	$5,637,598
	FTE	14.6	0.0	14.6	7.2	8.0
	GF	$56,695,255	$0	$55,994,186	$2,809,748	$2,818,801
	CF	$697,896	$0	$811,385	$0	$0
	RF	$17,181,976	$0	$19,472,918	$0	$0
	FF	$8,316,138	$0	$7,997,152	$2,809,748	$2,818,797

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
01. Executive Director's Office, (A) General Administration, (1) General Administration - Health, Life, And Dental	Total	$49,710,058	$0	$50,579,101	$80,336	$80,336
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$35,539,333	$0	$34,735,604	$40,168	$40,168
	CF	$154,510	$0	$510,059	$0	$0
	RF	$11,050,322	$0	$12,179,008	$0	$0
	FF	$2,965,893	$0	$3,154,430	$40,168	$40,168
01. Executive Director's Office, (A) General Administration, (1) General Administration - Short-Term Disability	Total	$496,291	$0	$503,816	$688	$763
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$347,144	$0	$349,162	$344	$382
	CF	$9,024	$0	$4,978	$0	$0
	RF	$98,586	$0	$118,894	$0	$0
	FF	$41,537	$0	$30,782	$344	$381

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
01. Executive Director's Office, (A) General Administration, (1) General Administration - Amortization Equalization Disbursement	Total	$14,911,079	$0	$15,137,784	$20,188	$22,431
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$10,403,658	$0	$10,454,710	$10,094	$11,216
	CF	$267,217	$0	$148,174	$0	$0
	RF	$3,016,941	$0	$3,587,508	$0	$0
	FF	$1,223,263	$0	$947,392	$10,094	$11,215
01. Executive Director's Office, (A) General Administration, (1) General Administration - S.B. 06-235 Supplemental Equalization Disbursement	Total	$14,911,325	$0	$15,137,784	$20,188	$22,431
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$10,405,120	$0	$10,454,710	$10,094	$11,216
	CF	$267,145	$0	$148,174	$0	$0
	RF	$3,016,127	$0	$3,587,508	$0	$0
	FF	$1,222,933	$0	$947,392	$10,094	$11,215
06. Division of Early Childhood, (A) Division of Early Care and Learning, (1) Division of Early Care and Learning - Continuation of Child Care Quality Initiatives	Total	$2,862,512	$0	$2,917,156	$5,498,096	$5,511,637
	FTE	14.6	0.0	14.6	7.2	8.0
	GF	$0	$0	$0	$2,749,048	$2,755,819
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$2,862,512	$0	$2,917,156	$2,749,048	$2,755,818

Auxiliary Data

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

Department of Human Services

FY 2020-21 Funding Request

November 1, 2019

Jared Polis
Governor

Michelle Barnes
Executive Director

Department Priority: R-01
Request Detail: Comprehensive Approach to Improving Child Care Quality

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	$0	$5,619,496	$5,637,598
FTE	0.0	7.2	8.0
General Fund	$0	$2,809,748	$2,818,799
Cash Funds	$0	$0	$0
Reappropriated Funds	$0	$0	$0
Federal Funds	$0	$2,809,748	$2,818,799

Summary of Request:

The Department of Human Services requests $5,619,496 total funds, including $2,809,748 General Fund and $2,809,748 in federal Child Care and Development Fund (CCDF) and 7.2 FTE in FY 2020-21 to support increased access to high quality early care and education. This amount annualizes to $5,637,598 total funds and 8.0 FTE in FY 2021-22 and beyond. This comprehensive request includes (1) grants to support continuous quality improvement efforts for licensed child care programs participating in the Colorado Shines Quality Rating and Improvement System (Colorado Shines QRIS); (2) funds to increase the capacity of Local Early Childhood Councils to recruit child care providers and address community quality improvement needs; and (3) additional staff specialists to offer enhanced technical assistance for providers to improve quality rating through Colorado Shines, while ensuring equal access for Colorado's most vulnerable families.

In the near-term, the Department expects that this Comprehensive Approach to Improving Child Care Quality would achieve the State's widely important goal to increase the percentage of Colorado Shines eligible programs rated at a high quality level (Levels 3, 4, 5) from 24% to 34% (an increase of approximately 373 programs) by June 30, 2022. This will increase the number of children in high quality care from 64,341 to 81,090 children.

Looking further into the future, the Department anticipates that this request will continue to increase access to and availability of high-quality early care and learning opportunities for all children – which is important as child care quality has been found to predict children's social and academic outcomes. Due to rapid brain development in early life, high-quality early care and education has been linked to a number of positive outcomes, ranging from short-term benefits, such as increased school readiness and higher academic achievement scores, to long-term effects into adulthood, including higher wages and lower rates of arrests.

Current Program:

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

To meet the needs of Colorado's most vulnerable children and families, the Division of Early Care and Learning within the OEC is designed to both support enriching early childhood experiences that promote the long-term success of children and assist low-income working parents with the cost of child care. This Division is comprised of three units: Child Care Quality Initiatives, Colorado Child Care Assistance Program (CCCAP), and Child Care Licensing and Administration. These units work in concert to ensure children's needs and age-appropriate progress across developmental domains is addressed within licensed child care settings that will improve readiness for kindergarten.

Child Care Quality Initiatives Unit

To better meet the goal of providing safe, stable and high quality child care, the Department has implemented the Colorado Shines QRIS. This system is embedded in child care licensing, so that those licensed child care programs serving children prior to kindergarten entry have a rating tied to their license.

Currently, 42 states are implementing a QRIS as a strategy to improve program quality for young children. The QRIS provides parents with information to help them select high quality early learning programs for their children. The QRIS gives early childhood programs incentives and resources to improve quality, by working through several manageable steps or levels, plus public recognition for their achieved quality levels. An important long-term goal of a QRIS is to improve child development and school readiness outcomes for children.

While high quality early care and education settings can have significant developmental benefits and other positive long term effects for children well into their adult years, poor quality settings can result in unsafe environments that disregard children's basic physical and emotional needs leading to neglect, toxic stress, injury, or even death. As a result, health and safety has been identified in multiple parent surveys as one of the most important factors to consider when evaluating child care options.[1] Health and safety practices provide the foundation on which Colorado builds quality early care and education settings.

Child Care Licensing and Administration Unit

Regular inspections through the child care licensing process are a means of ensuring that children are cared for in settings that meet minimum requirements for health and safety. Programs that are inspected more frequently are more likely to adhere to critical health and safety requirements and child care inspections are associated with lower rates of accidents requiring medical attention. On-site guidance during inspections helps providers improve the

[1] Shlay, A. (2010). African American, White and Hispanic child care preferences: A factorial survey analysis of welfare leavers by race and ethnicity. Social Science Research, 39(1), 125-141.

level of care they offer. Furthermore, there is increased accountability for how federal and state funds are spent as licensing inspectors review sign-in sheets and authorization data which helps identify anomalies in attendance data.

Licensing specialists also serve as ambassadors for the Colorado Shines QRIS. Licensing specialists are responsible for assessment of Level 1 and Level 2 licensed child care providers. In this role, the specialist also provides guidance and technical assistance to help licensed child care providers maintain or improve their quality rating.

Colorado Child Care Assistance Program (CCCAP) Unit

CCCAP provides financial assistance to eligible families to assist with child care costs. This program provides child care assistance to families who are working, searching for employment, or are in a training program. Funding through CCCAP is intended to support low-income families' access to stable, high-quality, child care while working to achieve self-sufficiency through these activities. Families should be free to choose the child care setting and schedule that is best for their child and their needs.

The State is required by federal CCDF regulation to ensure equal access for eligible and enrolled families receiving subsidy, compared to private pay families, to high quality care whenever possible. In Colorado, the State oversees the counties that administer this program. Counties manage the fiscal agreements with licensed child care programs and legally exempt providers that receive CCCAP. These decisions have a direct impact on the level of access children and families have to high-quality child care.

Problem or Opportunity:

As the Governor has made school readiness a top priority and the Department has a wildly important goal to improve quality early care and education settings for children across the state, the Division of Early Care and Learning requires additional resources to ensure the majority of families in the State have access to high quality early care and education by 2022. The goal is to increase the percentage of Colorado Shines eligible programs rated at a high quality level (Levels 3, 4, 5) from 24% to 34% (an increase of approximately 373 programs) by June 30, 2022. This will increase the number of children in high quality care from 64,341 to 81,090 children. This represents an increase of 39% of the total number of high quality programs across the State. This opportunity must be addressed through a coordinated effort between Child Care Licensing, Child Care Quality Initiatives, and the Colorado Child Care Assistance Program. Each unit requires additional resources to enhance quality within licensed child care settings which will better prepare children for kindergarten.

Quality Improvement

More than one-quarter of the State's child care and preschool programs have achieved a Level 3, 4, or 5, the highest in the five-tier Colorado Shines QRIS; however, over 1,800 providers – or 48% – remain at a Level 1, the lowest quality level. The Department's current funding for quality improvement is insufficient to confidently achieve the Governor's wildly important goal to increase the percentage of high-quality Colorado Shines eligible programs by 2022. This request proposes additional quality improvement dollars to ensure the Department offers the incentives necessary to meet this goal in a timely manner. The additional funding for quality improvement will be used to support an additional 373 high quality programs and 627 Level 1 and 2 programs.

Licensing

Licensing of center-based care and family child care homes is a process that establishes the minimum requirements necessary to protect the health and safety of children in care. Licensing requirements are established under State law and define requirements for a provider to legally operate and provide child care services in Colorado. These requirements are regulated by the Child Care Licensing and Administration unit. Currently, approximately 5,000 licensed child care providers are inspected by 60 licensing specialists. Licensing staff in the State of Colorado inspect a wide variety of health, safety, quality and programmatic requirements. A typical inspection will include reviewing staffing ratios, children's and staff files, and medical authorizations; inspecting fire safety, overall cleanliness and condition of the facility, and internal and external hazards; evaluating child care provider quality rating; providing technical assistance and coaching to support the quality rating system; and auditing attendance logs for Colorado Child Care Assistance Program clients to detect any irregularities in billings or utilization.

The Department's current staffing caseload ratio is 1:85 as compared to the national industry standards and best practices staffing ratio of 1:50, which allows for one scheduled and one unannounced visit annually. The current high ratio does not allow licensing staff to invest the time necessary for low performing licensed child care providers and provide all providers with more consultation and technical assistance for quality.

Likewise, in addition to the existing required annual visits to licensed providers and legally exempt providers receiving CCCAP, which have often driven additional follow-up visits to ensure compliance with serious health and safety requirements, new federal regulations now require the State to make 100% of licensing reports of inspections publicly available to all families online as part of the federal consumer education requirements of the Child Care Development Block Grant. This requirement went into effect in 2018 and has required extensive staff resources to ensure that these reports are accurate, complete and do not contain any personal identifiable information (PII). As a result, licensing specialists and supervisors have been unable to focus as much of their time as is needed to engage with Colorado Shines providers and offer enhanced technical assistance to improve improving quality.

This request includes additional licensing specialists to allow the ratio of licensed child care providers to be at a level that supports enhanced quality improvement technical assistance for low performing providers and ultimately achieve the Department's wildly important goal related to quality improvement.

Provider Recruitment

Qualified early childhood education (ECE) professionals are key to children's positive early learning and development. Research is clear that skilled ECE professionals "are the single most important factor" in providing children with the early experiences necessary to foster children's positive learning and development in ECE settings, including social and emotional development.[2] Likewise, the need for ECE professionals is significant throughout the State and is expected to grow by 33-42% in the next 10 years.[3]

Although teachers are a significant contributor to children's healthy development, most communities in Colorado still lack an effective, consistent workforce that families can trust and with whom young children can thrive. The Department recognizes the critical role of the ECE workforce – the teachers, directors, family child care professionals, and others – that support families in Colorado and help young children thrive. The availability of safe, quality care for children also allows parents in a household to go to work, creating increased positive impact on local communities. This request includes additional support for Local Early Childhood Councils to attract and retain talented ECE professionals for communities across Colorado.

Proposed Solution:

The Department proposes a three faceted approach to improving child care and education quality across the State, which includes quality improvement, licensing, and provider recruitment.

Quality Improvement

The Department requests $4,658,308 and 1.8 FTE in FY 2020-21 and beyond to enable continuous program quality improvement and ensure the Department is able to support the necessary number of programs associated with the Governor's wildly important goal.

Of these total funds, $3,500,000 would be used to incent 24% (or 627) of Level 1 and 2 programs to achieve higher quality levels and to support approximately 373 programs at a Level 3, 4, and 5 to maintain high-quality. With these quality improvement funds, licensed child care providers can prepare for a quality rating assessment and address concerns noted on the quality improvement plan. Specifically, programs can choose to access the following:

- *Coaching* – Coaching includes intensive support offered by subject matter experts to enhance particular aspects of child care quality. This support can occur in person or remotely, for example via phone, email, or video conference. This model incorporates practice based coaching, which focuses on planning and goal setting, focused observation, reflection and sharing teaching practices.
- *Professional Development and Temporary Teacher Funds* – Participating programs may utilize quality improvement funding to compensate for professional development activities for their staff. Allowable activities include qualifying Early Childhood Education college coursework, conferences, or training.
- *Early Learning Materials* – Classroom materials, such as non-consumable materials for the child care learning environment.
- *Minor Capital Improvements* – Funds to support minor capital improvements in programs may be available through an application to and approval from the Office of Early Childhood, Colorado Department of Human Services. State approval depends on available funding and strength of the request.

[2] United States Department of Health and Human Services and United States Department of Education (2016). *High quality early learning settings depend on a high-quality workforce: Low compensation determines quality.* Washington, D.C.: Institute of Education Sciences, U.S. Department of Education.

[3] Colorado Workforce Development Council, Talent Pipeline Report, 2016

These quality improvement funds will be prioritized for programs serving children with high needs and will be used to complement existing funding offered through the existing Colorado Shines Quality Improvement effort.

An additional $1,000,000 will be used to increase the capacity for Early Childhood Councils to identify and address quality improvement needs locally. The remaining funds will support 2 FTE to conduct regular scans of local and county practice. The 2 FTE will also provide technical assistance and trainings to county departments of human services and child care programs statewide in order to ensure that Colorado has successful strategies in place to support access to high quality programs.

Licensing

The Department requests $461,188 and 5.4 FTE in FY 2020-21 and beyond to increase the number of licensing specialists and supervisors to conduct more frequent child care facility inspections and provide enhanced technical assistance for low performing providers to increase quality. Specifically, the new staff will provide greater opportunities and resources to invest time and expertise in low-performing Level 1 and 2 licensed child care providers and offer all providers with more consultation and technical assistance for quality, rather than basic health and safety compliance alone. Finally, staff may begin to perform additional unannounced visits as warranted for the purpose of supporting Colorado Shines eligible programs and increase participation in Quality Level 2 activities.

The proposed solution has several important benefits. Children benefit from thriving in a safe and stimulating care environment. Parents benefit from having their children in secure licensed child care providers and having access to comprehensive information related to health and safety, as well as quality. And providers benefit from the coaching and technical assistance that helps them improve the quality of their child care business.

Provider Recruitment

The Department requests $500,000 total funds in FY 2020-21 and beyond to support targeted recruitment of child care providers and child care slots. This work will be implemented by the Early Childhood Councils supporting areas where there are known child care deserts, which are defined by the US Census Bureau as county subdivisions with less than 31% licensed capacity of child care slots for their total child population under five. As of September 2018, there were 71 county subdivisions that qualified under this designation. The Department anticipates that this funding for targeted provider recruitment would result in at least 18 county subdivisions experiencing an increase in licensed capacity.

Anticipated Outcomes:

In the near-term, the Department projects that this Comprehensive Approach to Improving Child Care Quality would achieve the State's widely important goal to increase the percentage of Colorado Shines eligible programs rated at a high quality level (Levels 3, 4, 5) from 24% to 34% (an increase of approximately 373 programs) by June 30, 2022. This will increase the number of children in high quality care from 64,341 to 81,090 children.

Looking further into the future, the Department anticipates that the additional quality improvement, licensing, and provider recruitment resources included in this request would continue to increase access to and availability of high-quality early care and learning opportunities for all children – which is important as child care quality has been found to predict children's social and academic outcomes. Due to rapid brain development in early life, high-quality early care and education has been linked to a number of positive outcomes, ranging from short-term benefits, such as increased school readiness and higher academic achievement scores, to long-term effects into adulthood, including higher wages and lower rates of arrests. Quality early care and education also has an effect on the overall economy, resulting in cost savings in special education, criminal justice, and welfare programs, as well as increased earnings and productivity. Long-term results from the High Scope/Perry Preschool study, a longitudinal randomized research effort, have found that participants with high-quality preschool program experiences had more economic success in adulthood and reduced criminal arrests than their counterparts without high-quality preschool, resulting in public benefits of $105,324 per participant.

Assumptions and Calculations:

Table 1 shows a breakdown of the Department's funding request for FY 2020-21 and FY 2021-22. The calculations for the FTE assume the position will start in August or later.

Table 1: Breakdown of Request		
Component	**Cost (FY 2020-21)**	**Cost (FY 2021-22)**
Quality Improvement		
Quality Improvement Incentive Funds	$3,500,000	$4,500,000
Early Childhood Councils Local Quality Efforts	$1,000,000	
Quality Improvement Staff	$158,308	$163,213
Licensing		
Licensing and Quality Technical Assistance Staff	$461,188	$474,385
Provider Recruitment		
Targeted Recruitment of Child Care Providers through Local Early Childhood Councils	$500,000	$500,000
Total	**$5,619,496**	**$5,637,598**

The Department determined $3,500,000 is needed for quality improvement incentive funding by subtracting the number of programs (794, of which 506 are high quality) currently served with the existing levels of quality improvement funding from the number of Colorado Shines-eligible programs rated high quality included in the Department's wildly important goal. This number (1,000) was then multiplied by the average quality improvement funding award amount ($3,500), which totals $3,500,000. The remaining quality improvement funds ($1,000,000) will support the local implementation efforts provided by Early Childhood Councils, to include outreach, quality improvement navigation, and general technical assistance. The allocation for this funding was determined by using the number of Colorado Shines QRIS eligible licensed programs within the Early Childhood Council service area as a proxy, providing an additional $262 per licensed program ($1,000,000 / 3,816). The Department determined that the 2 FTE to support quality improvement efforts were best suited as a Quality Access Coordinator (Project Manager I) and a

Compliance Specialist (Social Services Specialist III). Additional details on these FTE assumptions can be found in Table 3, below.

The Department calculated the $500,000 of requested funding for targeted recruitment of child care providers by calculating a 0.5 FTE position for each Early Childhood Council (10) serving an area where there are known child care deserts. The request assumes an average of $50,000 per position.

The request is funded through a mix of General Fund and federal Child Care and Development Fund (CCDF). Table 2 shows the sustainability of CCDF through FY 2022-23 and includes the Department's budget request.

Table 2: CCDF Sustainability Projection

Updated 10/17/19

Federal CCDF Funds	FY 2018-19 Actual	FY 2019-20 Estimate	FY 2020-21 Request	FY 2021-22 Request	FY 2022-23 Request
CCDF Carryforward (Unspent Balance)	$ 43,841,856	$ 51,966,440	$ 45,309,757	$ 33,508,151	$ 21,996,635
New Annual CCDF Award	$100,192,700	$101,320,712	$100,425,935	$100,425,935	$100,425,935
Total Funds Available	**$ 144,034,556**	**$ 153,287,152**	**$ 145,735,692**	**$ 133,934,086**	**$ 122,422,570**
Base Expenditures	$ 92,068,116	$ 107,977,395	$ 107,977,395	$ 107,977,395	$ 107,977,395
R-1/Comp Approach to Improving CC Quality			$ 2,809,748	$ 2,818,799	$ 2,818,799
R-3/CCCAP Direct Services			$ 3,155,573	$ 2,856,432	$ 2,856,432
R-8/Scholarships for EC Ed Professionals			$ 100,000	$ 100,000	$ 100,000
R-31/Increase Efficiency of Resource & Referral			$ (315,175)	$ (315,175)	$ (315,175)
R-27/Redirect Intrastate Redistribution Funding			$ (1,500,000)	$ (1,500,000)	$ (1,500,000)
Total Expenditures	**$ 92,068,116**	**$ 107,977,395**	**$ 112,227,541**	**$ 111,937,451**	**$ 111,937,451**
Roll Forward Balance	$ 51,966,440	$ 45,309,757	$ 33,508,151	$ 21,996,635	$ 10,485,119

*The Department needs to maintain a CCDF Roll Forward Balance between $8 and $10 million dollars in order to have adequate funding for the 1st quarter of the next fiscal year, which represents the difference in timing between the federal award distribution schedule and the State fiscal year.

Table 3 shows the FTE calculation assumptions used for the 7.2 FTE included in this request.

Table 3: FTE Calculations

FTE Calculation Assumptions:

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

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

General Fund FTE -- Beginning July 1, 2019, new employees will be paid on a bi-weekly pay schedule, therefore **new full time General Fund positions are reflected in Year 1 as 0.9615 FTE** to account for the pay-date shift (25/26 weeks of pay). **This applies to personal services costs only; operating costs are not subject to the pay-date shift.**

Expenditure Detail		FY 2020-21		FY 2021-22	
Personal Services:					
Classification Title	Biweekly Salary	FTE		FTE	
COMPLIANCE SPECIALIST III	$1,977	3.6	$185,069	4.0	$205,632
PERA			$20,172		$22,414
AED			$9,253		$10,282
SAED			$9,253		$10,282
Medicare			$2,683		$2,982
STD			$315		$350
Health-Life-Dental			$40,168		$40,168
Subtotal Position 1, 4.0 FTE		**3.6**	**$266,913**	**4.0**	**$292,110**
Classification Title	Biweekly Salary	FTE		FTE	
COMPLIANCE SPECIALIST IV	$2,456	1.8	$114,955	2.0	$127,728
PERA			$12,530		$13,922
AED			$5,748		$6,386
SAED			$5,748		$6,386
Medicare			$1,667		$1,852
STD			$195		$217
Health-Life-Dental			$20,084		$20,084
Subtotal Position 2, 2.0 FTE		**1.8**	**$160,927**	**2.0**	**$176,575**
Classification Title	Biweekly Salary	FTE		FTE	
PROJECT MANAGER I	$2,456	0.9	$57,478	1.0	$63,864
PERA			$6,265		$6,961
AED			$2,874		$3,193
SAED			$2,874		$3,193
Medicare			$833		$926
STD			$98		$109
Health-Life-Dental			$10,042		$10,042
Subtotal Position 5, 1.0 FTE		**0.9**	**$80,464**	**1.0**	**$88,288**
Classification Title	Biweekly Salary	FTE		FTE	
SOCIAL SERVICES SPECIALIST III	$1,977	0.9	$46,267	1.0	$51,408
PERA			$5,043		$5,603
AED			$2,313		$2,570
SAED			$2,313		$2,570
Medicare			$671		$745
STD			$79		$87
Health-Life-Dental			$10,042		$10,042
Subtotal Position 5, 1.0 FTE		**0.9**	**$66,728**	**1.0**	**$73,025**
Subtotal Personal Services		7.2	**$575,032**	8.0	**$629,998**
Operating Expenses:					
		FTE		FTE	
Regular FTE Operating	$500	7.2	$3,600	8.0	$4,000
Telephone Expenses	$450	7.2	$3,240	8.0	$3,600
PC, One-Time	$1,230	8.0	$9,840	-	
Office Furniture, One-Time	$3,473	8.0	$27,784	-	
Subtotal Operating Expenses			**$44,464**		**$7,600**
TOTAL REQUEST		7.2	**$619,496**	8.0	**$637,598**

Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-02 Early Intervention Caseload Growth

Dept. Approval By:

OSPB Approval By:

	Supplemental FY 2019-20
	Budget Amendment FY 2020-21
x	**Change Request FY 2020-21**

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
Total of All Line Items Impacted by Change Request	Total	$65,808,916	$0	$65,879,943	$3,231,940	$4,973,412
	FTE	7.5	0.0	7.5	0.0	0.0
	GF	$40,034,948	$0	$40,051,518	$3,231,940	$4,973,412
	CF	$10,500,000	$0	$10,509,980	$0	$0
	RF	$7,968,022	$0	$7,968,022	$0	$0
	FF	$7,305,946	$0	$7,350,423	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
06. Division of Early Childhood, (B) Division of Community and Family Support, (1) Division of Community and Family Support - Early Intervention Services	Total	$65,808,916	$0	$65,879,943	$3,231,940	$4,973,412
	FTE	7.5	0.0	7.5	0.0	0.0
	GF	$40,034,948	$0	$40,051,518	$3,231,940	$4,973,412
	CF	$10,500,000	$0	$10,509,980	$0	$0
	RF	$7,968,022	$0	$7,968,022	$0	$0
	FF	$7,305,946	$0	$7,350,423	$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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Department of Human Services

FY 2020-21 Funding Request

November 1, 2019

Jared Polis
Governor

Michelle Barnes
Executive Director

Department Priority: R-02
Request Detail: Early Intervention Caseload Growth

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	$1,503,074	$3,231,940	$4,973,412
FTE	0.0	0.0	0.0
General Fund	$1,503,074	$3,231,940	$4,973,412
Cash Funds	$0	$0	$0
Reappropriated Funds	$0	$0	$0
Federal Funds	$0	$0	$0

Summary of Request:

The Department of Human Services requests a total fund and General Fund increase of $3,231,940 in FY 2020-21 to address a 3.7% increase in caseload growth in the Early Intervention (EI) program, which will ultimately serve an estimated 361 additional children in the coming fiscal year. This amount annualizes to $4,973,412 General Fund in FY 2021-2022 and beyond. The growth in EI caseload has been higher than expected for FY 2019-20 as well and will require a total fund and General Fund increase of $1,503,074 through a January Supplemental to ensure all infants and toddlers aged birth through two who have been identified with a developmental delay or disability receive EI services, as required under Part C of the Individuals with Disabilities Education Act (IDEA).

The EI program effectively identifies developmental delays in infants and toddlers to proactively address these delays and mitigate the impact they have on a child's growth so that the child will have as many skills as possible when they enter preschool. The developmental areas that EI services target are adaptive skills, cognitive skills, communication skills, motor skills and social and emotional skills. Evaluations of Colorado's EI program have demonstrated positive outcomes for children served through the EI program:

- 49% of children enrolled in EI do not go on to need Part B Preschool Special Education services;
- 99% of children show at least some progress in development; and
- 60% of children show significant progress toward reaching development closer to their same-age peers.

EI is a preventative, cost-saving program that contributes to young children's school readiness and reduces the need for additional costs incurred when a child is found eligible for preschool special education services.

Current Program:

The Early Intervention (EI) program serves children birth through age two with developmental delays or disabilities and their families. Services are provided under Part C of IDEA. As of August 2019, EI reported 9,467 children were enrolled in the program on average each month.

Currently, children and their families are referred to their local EI system, which is either the local school district (Administrative Unit or AU) or Community Centered Board (CCB). The AUs conduct the evaluation and CCBs use this information to determine if the child is eligible for EI. All families receive service coordination from the moment of referral to support the family until the child transitions out of the program at age three or upon the parent withdrawing the child if it is determined that the child has made significant progress and would no longer benefit from EI services.

Direct services are provided as determined by a team and the family through the development of an Individualized Family Service Plan (IFSP). The services are provided in the child's natural environment or where the child spends their time during the day (home, child care, kin care, etc.) The plans are required to be reviewed at least every six months to determine the child's progress toward outcomes and to adjust services as needed. When the child nears the age of three, the CCB and AU work together to ensure a smooth transition from EI into preschool.

The EI program effectively identifies developmental delays in infants and toddlers to proactively address these delays and mitigate the impact they have on a child's growth so that the child will have as many skills as possible when they enter preschool. The developmental areas that EI services target are adaptive skills, cognitive skills, communication skills, motor skills and social and emotional skills. These services are provided to support outcomes that are critical to a child's success once they enter school, including ensuring the following:

- *A child has positive social relationships*: The child has relationships with children and adults, can begin to control their emotions, understands and follows rules, and communicates wants and needs effectively.
- *A child acquires and uses knowledge and skills*: The child is able to engage in thinking, reasoning and problem solving, show an eagerness for learning, can explore their environment and engage in learning opportunities, show imagination and creativity in play, and understand and communicate.
- *A child takes appropriate action to meet their needs*: The child is able to move from place to place to participate in everyday activities and routines, meet their self-care needs (feeding, dressing, toileting, etc.), seek help when necessary, and use objects such as spoons, crayons and tools.

Part C regulations do not allow a waiting list; therefore, services to meet all of the needs identified on a child's Individualized Family Service Plan must be provided.

Problem or Opportunity:

The Department projects a need to serve 361 additional children in FY 2020-21, which represents a 3.7% increase. This caseload growth is largely driven by increased physician referrals, improved collaboration with Child Welfare, increased exposure of infants to developmentally harmful substances, and enhanced outreach to Level 1 Neonatal Intensive Care Units. Additional funding for EI direct services and service coordination is needed to support this level of growth.

Additionally, federal reporting requirements on children being served have resulted in additional data system and administration costs. These include the incorporation of the Individualized Family Service Plan within the data system to allow for monitoring and quality assurance, documentation of children referred through the Child Abuse Prevention and Treatment Act, additional data verification tools for fiscal oversight and the addition of attestations for provider qualifications. In future fiscal years, while the caseload growth rate is projected to slow, the total number of children will continue to increase year-over-year, as outlined in the table below.

Average Monthly Enrolled – Actuals and Projected					
	FY 2017-18	**FY 2018-19***	**FY 2019-20 (Projected)**	**FY 2020-21 (Projected)**	**FY 2021-22 (Projected)**
Average Monthly Enrolled	9,063	9,259	9,695	10,056	10,417

* Average includes monthly actuals from July 2018-May 2019.

If the Department cannot serve the number of children identified without a waiting list and make services available to eligible children and families as required under 34 CFR, Section 303.101(a)(1), the State will not meet the Part C requirement and will be at risk of forfeiting eligibility for federal grant funds, a loss of more than $7 million annually. The purpose of IDEA is to ensure that all children with disabilities (aged birth through 21) have available to them a free appropriate public education that emphasizes special education and related services designed to meet their unique needs and prepare them for further education, employment, and independent living. If Colorado loses the Part C grant, parents of infants and toddlers aged birth through two would no longer have the assurances available to them under the IDEA and infants and toddlers living in Colorado would not have the guarantee of appropriate and needed EI services that are a provision under Part C. One of the important provisions under Part C is the coordination with Part B preschool special education to ensure that children exiting Part C are smoothly transitioned into preschool with the special education services needed to be successful in school.

Currently, direct services make up 67% of the cost of the EI program, leaving little room to absorb additional caseload growth. Furthermore, the Part C federal funding that Colorado receives to implement Early Intervention has remained relatively flat over the last five years, and the FY 2019-20 award was approximately $12,000 less than the FY 2018-19 award. As a result, the State has had to contribute a significant amount of General Fund over the years to support the program in order to continue serving the increasing number of children found eligible for EI services.

Proposed Solution:

The Department's request for additional funding will support the provision of increased direct services and service coordination associated with the projected 3.7% EI caseload growth, as well as to fund the cost increases associated with federal and state requirements on the program's administration.

Without this increase in funding, the EI program will be unable to provide needed preventative services to all children found to be eligible under the State's current eligibility criteria of a 25% developmental delay in one or more areas of development. Likewise, the quality of EI support for children and families will be compromised because children that do receive services may have infrequent or incomplete access to all of the services for which they are found eligible. This will negatively impact these children's developmental outcomes, which in some cases could result in a greater strain on the preschool and K-12 public school special education system if delays and disabilities are not addressed early in a child's life.

Anticipated Outcomes:

Part C is an educational law and designed to assist children with disabilities in being prepared for and successful in school. Children who are found eligible for and participate in the EI program show an increase in:

- *Positive social relationships*: The child has relationships with children and adults, can begin to control their emotions, understand and follow rules, and communicate wants and needs effectively.
- *Acquisition and use of knowledge and skills*: The child is able to engage in thinking, reasoning and problem solving, show an eagerness for learning, can explore their environment and engage in learning opportunities, show imagination and creativity in play, and understand and communicate.
- *Taking appropriate action to meet their needs:* The child is able to move from place to place to participate in everyday activities and routines, meet their self-care needs (feeding, dressing, toileting, etc.), seek help when necessary, and use objects such as spoons, crayons and tools.

Likewise, quality assurance assessments and required data reporting for Colorado's EI program have demonstrated positive outcomes for children served through the EI program. Specifically,

- 49% of children enrolled in EI do not go on to need Part B Preschool Special Education services;
- 99% of children show at least some progress in development; and
- 60% of children show significant progress toward reaching development closer to their same-age peers.

EI is a preventative, cost-saving program that contributes to young children's school readiness and reduces the need for additional costs incurred when a child is found eligible for preschool special education services.

Assumptions and Calculations:

The Department determined caseload growth through an exponential trend smoothing (ETS) forecasting model, using the past three years of monthly enrolled data. In each of these three years, caseload growth outpaced population growth of children ages 0-3. This historic data reflects population growth along with other factors that may increase the number of EI participants (e.g. enhanced referral and screening networks, growing number of eligible children.) The ETS forecasting model assumes that, given currently eligibility requirements, there is a finite number of children who would be eligible for EI services. The ETS model was selected as it was a conservative estimate among competing models while retaining good statistical fit. Previous projections of EI caseload using a similar model resulted in less than a 1% difference from measured actual caseloads. Figure 1 shows this projection.

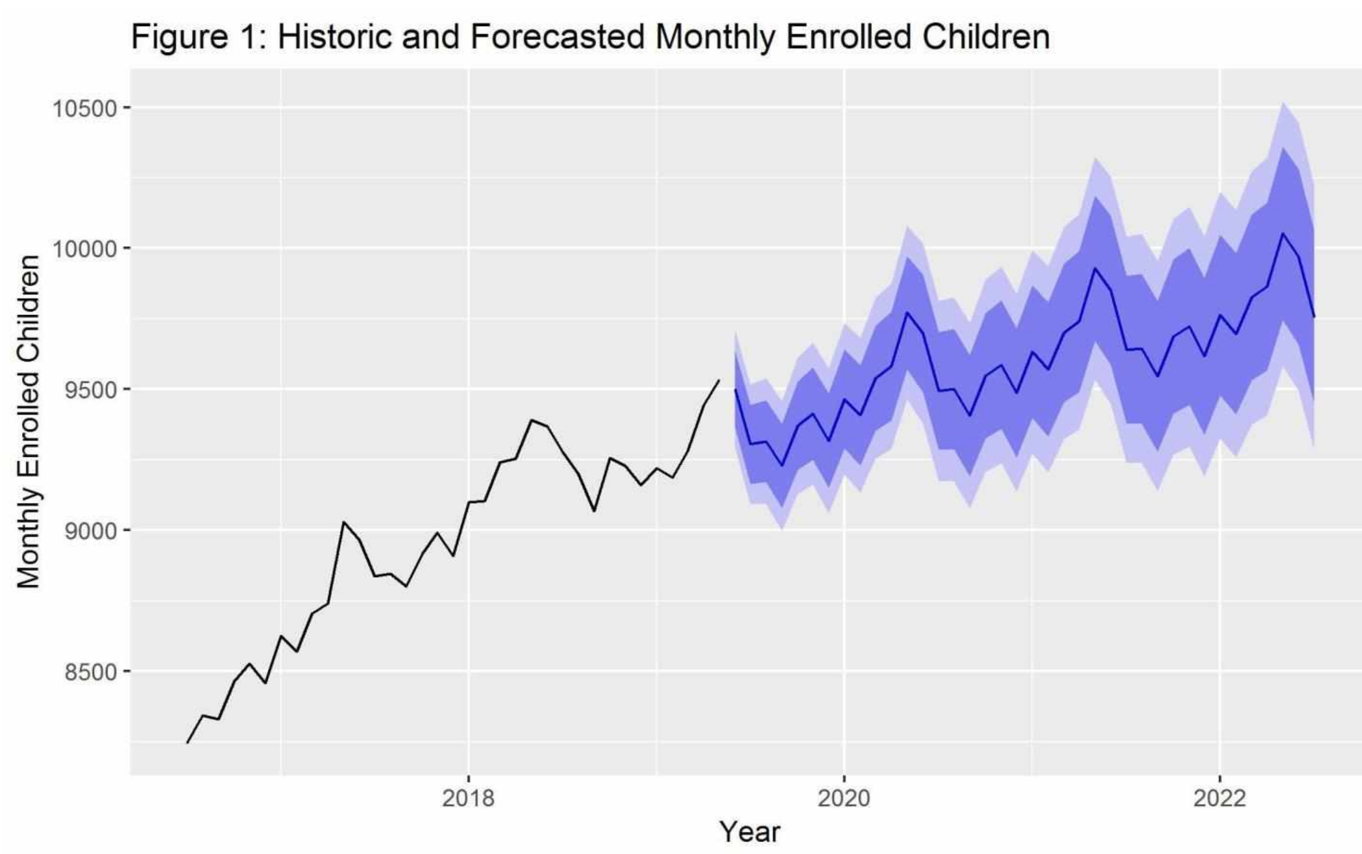

Table 1 shows the Early Intervention funding available to serve enrolled children and families, who are not covered by Medicaid or the Early Intervention Trust for Fiscal Years 2018-19 through 2021-22.

Table 1: Early Intervention Funding Breakdown				
	FY 2018-19	**FY 2019-20**	**FY 2020-21**	**FY 2021-22**
Appropriated Funds (Incl. Supplemental & POTS)	$65,468,432	$65,808,916	$65,808,916	$65,808,916
Carry-forward federal grant funds	$618,778	$2,882		
Total Available Early Intervention Funds	**$66,087,210**	**$65,811,798**	**$65,808,916**	**$65,808,916**
Pass through EI Trust Funding	($10,500,000)	($10,500,000)	($10,500,000)	($10,500,000)
Re-appropriated Medicaid Funds (Billed Directly)	($7,968,022)	($7,968,022)	($7,968,022)	($7,968,022)
Funds for Repayment of 16-17 Expenses	($927,540)			
EI State Team, Data & Administrative Costs	($2,134,589)	($2,198,627)	($2,198,627)	($2,198,627)
Remaining Amount for Contracted EI Services	**$44,557,059**	**$45,145,149**	**$45,142,267**	**$45,142,267**

For FY 2019-20, the EI funding available to contract for services to enrolled families is $45,145,149. This amount is insufficient to support the increased contractual costs necessary to cover the anticipated growth in caseload. The Department is projecting a caseload of 10,056 in FY 2020-21, which is a total increase of 797 children (8.6%) over the number of children served in FY 2018-19. Some of this growth will be realized during FY 2019-20, and is detailed in the supplemental section at the end of this document. This request details the costs necessary to support the growth in caseload projected for FY 2020-21, which is 361 children (and 3.7%) higher than anticipated for FY 2019-20.

Table 2 shows the estimated contractual costs by service type including growth, to determine the amount of funding necessary to support estimated growth of 3.7% in FY 2020-21 and 3.6% in FY 2021-22.

Table 2: Contract Costs to Serve Enrolled Families

Contracted EI Caseload Services	FY 2018-19 Cost (9,259 AME)	FY 2019-20 Growth	FY 2019-20 Estimated Cost (9,695 AME)	FY 2020-21 Growth	FY 2020-21 Estimated Cost (10,056 AME)	FY 2021-22 Growth	FY 2021-22 Estimated Cost (10,056 AME)
Service Coordination	$9,924,080	4.7%	10,390,512	3.7%	10,774,961	3.6%	11,162,860
Direct Services Staff & Costs	$10,060,321	4.7%	10,533,156	3.7%	10,922,883	3.6%	11,316,107
Contractor Costs	$350,404	4.7%	366,873	3.7%	380,447	3.6%	394,143
Administration	$2,906,265	4.7%	3,042,859	3.7%	3,155,445	3.6%	3,269,041
Contracted Direct Services (GAE)	$17,262,727	4.7%	18,074,075	3.7%	18,742,816	3.6%	19,417,557
Subtotal Direct Costs	**$40,503,797**		**42,407,475**		**43,976,552**		**45,559,708**
Indirect (10% of Direct Costs)	$4,050,380		4,240,748		4,397,655		4,555,971
Total Contracted EI Services	**$44,554,177**		**46,648,223**		**48,374,207**		**50,115,679**
Available Funds	$44,557,059		45,145,149		45,142,267		45,142,267
Balance/(Shortfall)	**$2,882**		**(1,503,074)**		**(3,231,940)**		**(4,973,412)**

Supplemental, 1331 Supplemental or Budget Amendment Criteria:

This request includes anticipated growth for FY 2019-20. The amount included in this request reflects $1,503,074 in funds needed to support the projected 4.7% growth (436 children) in FY 2019-20. The Department did not have sufficient data to support this level of growth during the FY 2019-20 budget development process, and plans to submit a supplemental request for FY 2019-20 to address this caseload growth during the current year.

Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle		
Request Title		
	R-03 Colorado Child Care Assistance Program Direct Services	
Dept. Approval By:		**Supplemental FY 2019-20**
OSPB Approval By:		**Budget Amendment FY 2020-21**
	x	**Change Request FY 2020-21**

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
Total of All Line Items Impacted by Change Request	Total	$124,537,113	$0	$124,537,113	$6,762,446	$8,669,241
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$29,410,508	$0	$29,410,508	$940,292	$940,292
	CF	$11,645,071	$0	$11,645,071	$2,666,581	$4,872,517
	RF	$0	$0	$0	$0	$0
	FF	$83,481,534	$0	$83,481,534	$3,155,573	$2,856,432

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
06. Division of Early Childhood, (A) Division of Early Care and Learning, (1) Division of Early Care and Learning - Child Care Assistance Program	Total	$124,537,113	$0	$124,537,113	$6,762,446	$8,669,241
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$29,410,508	$0	$29,410,508	$940,292	$940,292
	CF	$11,645,071	$0	$11,645,071	$2,666,581	$4,872,517
	RF	$0	$0	$0	$0	$0
	FF	$83,481,534	$0	$83,481,534	$3,155,573	$2,856,432

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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Department Priority: R-03
Request Detail: Child Care Assistance Program Direct Services

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	$0	$6,762,446	$8,669,241
FTE	0.0	0.0	0.0
General Fund	$0	$940,292	$940,292
Cash Funds	$0	$2,666,581	$4,872,517
Reappropriated Funds	$0	$0	$0
Federal Funds	$0	$3,155,573	$2,856,432

Summary of Request:

The Department of Human Services requests a total fund increase of $6,762,446 for the Colorado Child Care Assistance Program (CCCAP), including $940,292 General Fund, $3,155,573 federal funds from the Child Care and Development Fund (CCDF), and $2,666,581 cash funds from a refinance of the County Share and an increase of the county Maintenance of Effort (MOE) in FY 2020-21. Total costs for CCCAP direct services grow by at least the same rate as the combined effects of inflation, quality reimbursements, and utilization. Utilization, in particular, will be impacted by federal requirements related to equal access and will increase the costs of CCCAP direct services in FY 2020-21. Specifically, these changes include increasing the minimum number of absences paid to providers.

The purpose of CCCAP is to provide eligible households with access to high quality, affordable child care that supports healthy child development and school readiness while promoting household self-sufficiency and informed child care choices. In FY 2017-18, CCCAP served a total of 28,662 children. The Department estimates that 330,665 children across the State are income-eligible, meaning their families' income meets CCCAP program eligibility criteria. Currently, CCCAP is only able to fund 9% of all income-eligible children. Without the additional funds requested, the Department estimates that the program would serve up to 3,000 fewer children over the next 18 months.

Access to high-quality early childhood education settings are crucial for all children's development, and these findings are particularly relevant for CCCAP because the program is specifically designed to serve low-income families and children. Research indicates that high-quality early childhood education and sustained participation in sound child care and early education has favorable short- and long-term effects on children and their families, including high school completion, higher earning rates for parents and for the children once grown, and reduced public spending on remedial education and services.

Current Program:

The purpose of CCCAP is to provide eligible households with access to high-quality, affordable child care that supports healthy child development and school readiness while promoting household self-sufficiency and informed child care choices. The Colorado Department of Human Services, as the Child Care and Development Fund (CCDF) Lead Agency, retains overall responsibility for the administration of CCCAP; however, the program is locally administered by county departments of human/social services. CCCAP provides child care assistance to low-income families who are working, searching for employment, or are in training or secondary-education programs. Funding through CCCAP is intended to support low-income families attending work or school while providing high-quality early learning opportunities for children 0-13 years of age in a variety of early childhood settings such as licensed child care centers, preschools, child care homes, and before and after school programs.

Problem or Opportunity:

In FY 2017-18, CCCAP served a total of 28,662 children. The Department estimates that 330,665 children across the State are income-eligible, meaning their families' income meets CCCAP program eligibility criteria. Currently, CCCAP is only able to fund 9% of all income-eligible children.

In order to meet federal equal access requirements, CCDF Lead Agencies must demonstrate how they support the fixed costs of providing child care services by delinking provider payments from a child's occasional absence. Paying a sufficient number of absences to better reflect private pay practices helps support equal access and ensures that neither the provider nor the family incur financial penalties. Currently, the minimum number of absences a county is required to pay based on a provider's quality rating does not meet federal requirements. Federal monitoring of Colorado will begin in FY 2020-21 and there will be an emphasis on ensuring payment practices that support equal access. The Department is at risk of incurring financial penalties of up to 10% of the federal award for each instance of noncompliance with CCDF regulation. This will have a significant negative impact on the number of children and families the program will be able to serve.

In order to maintain approximately the current number of children served by CCCAP, total funding for direct services must grow by at least the same rate as the combined effects of inflation, quality reimbursements, and utilization, including the new federal policy requirements related to absences. The Joint Budget Committee has made an annual request for information (RFI) to estimate these costs to the system due on or before January 2 of each year. While all data necessary to finalize the RFI is not completely final, this budget request reflects the Department's best understanding and quantification of those cost drivers.

Without the additional funds requested, the Department estimates that the program would serve up to 3,000 fewer children over the next 18 months. The majority of these families would likely show up on waitlists, which the Department anticipates would grow significantly without the requested additional funding.

Access to high-quality early childhood education settings are crucial for all children's development, and these findings are particularly relevant for CCCAP because the program is specifically designed to serve low-income families and children. Research indicates that high-quality early childhood education and sustained participation in sound child care and early education has favorable short- and long-term effects on children and their families, including high school completion, higher earning rates for parents and for the children once grown, and reduced public spending on remedial education and services.

Proposed Solution:

Fully funding the anticipated growth of underlying cost drivers of CCCAP direct services will ensure that the State can maintain the number of children benefiting from the program. In an effort to ensure the cost of CCCAP is shared equitably among counties and the State, this request proposes an increase to county Maintenance of Effort (MOE), while also increasing General Funds and federal fund spending authority through CCDF.

The county contribution to the program has not kept pace with the federal and General Fund portions, which have increased in funding for CCCAP over the last several years. Since FY 2013-14, the combined federal and General Fund portions of the allocation have increased by a total of $47,272,092, which represents an increase from 87.6% to 90.6% of the allocation. Until FY 2014-15, the county share of the CCCAP program remained consistent at 12.4% of the total allocation. In FY 2015-16, the county share began to decrease as the State funding increased. As of the most recent fiscal year, the county share only represented 9.4% of the total appropriation. The proposed request incrementally restores the county share to 12.4%, with increases of 1.5% over two fiscal years, with an increase to 10.9% in FY 2020-21 and reaches 12.4% in FY 2021-22.

Increased funding will support the implementation of federal equal access requirements regarding absences paid to child care providers accepting CCCAP. Beginning in June 2019, the Department, in collaboration with county representatives, community partners and child care providers, began developing new rules in compliance with federal requirements that will require an increase in the number of absences paid to child care providers.

The Department is proposing a tiered paid absence approach, where the highest quality-rated programs (Levels 3-5) would receive three absences per child per month and Levels 1 & 2 would receive up to two absences per child per month. This policy would move the State towards meeting the federal requirements of payment based on 85% attendance rate, depending on the average amount of care authorized for a child in CCCAP. Although the rule rewrite committee has yet to come to consensus on this most recent proposal, tiering paid absences supports the Governor’s goal to incentivize providers moving toward high quality and ensures equal access to quality early care and learning opportunities that improve school readiness.

Anticipated Outcomes:

The additional funding for CCCAP direct services will enable the program to maintain service levels for the approximately 28,000 children currently participating in CCCAP and possibly increase the number of providers participating in the program. Furthermore, implementing the federal requirements to better reflect payment practices ensures child care providers are able to better sustain their businesses as well as invest more resources into maintaining staff and improving quality, which supports the Governor's goals around school readiness and supporting the early childhood workforce.

The program's two-generation approach supports whole family outcomes as well as local and regional economies. CCCAP not only provides children the opportunity to receive quality care in a stable, nurturing environment, it also benefits families as a whole. Parents whose children have dependable access to child care are able to participate more fully in the workforce, which has positive economic benefits for families and the State.

Assumptions and Calculations:

Three factors drive the increases to CCCAP direct services costs: inflation in provider reimbursement rates, increases in tiered quality reimbursement rates, and care utilization per child.

1. ***Provider rates/Inflation***: The Department is foregoing a provider rate increase based on inflation for FY2020-21 as the Department has determined that the current provider rates fall within the federal requirements for equal access.

2. ***Quality***: Previous estimates of the cost of increasing quality examined growth to overall program cost from changes in underlying program quality data for a six-month period between April and October 2018, which yielded an annualized estimate of 0.8%. Increases to the share of high-quality providers have remained relatively steady from that sample period through the most recently available data. For this reason, the Department assumes 0.8% cost growth from improved quality. Based on these assumptions, the cost of quality for FY 2020-21 for CCCAP is $1,042,060. The Department arrived at this amount by multiplying the FY 2019-20 base amount for CCCAP combined with the Department's estimate for utilization ($130,257,499) by the 0.8% quality cost growth estimate.

3. ***Utilization***: The estimate uses two primary data sources for the period from October 2018 through July 2019 to compare individual transaction level details for all payments associated with CCCAP for a given month with the number of authorized days, regular paid days, and absent paid days, down to the level of each individual authorization.

   Secondary features of these data sets allowed for the disaggregation of the results by Child Age, County (under which each case originated), Provider Type, and Provider Quality. Additionally, the full-time equivalent cost of a care unit could be estimated as the sum of the dollar amounts paid by CCCAP and the parental fee divided by the number of full-time equivalent care units. The sum of paid holiday days and paid absence days reflects the effects of the current absence/holiday policy and was used to establish a baseline number of current absences. The number of total unattended days by child-case-provider for a given month was estimated by subtracting the total number of paid regular days from the total number of authorized days. This figure was used as a constraint in modeling the number of absences that would be generated under the new policy: each child-case-provider would generate the lesser of 2 absences (QRIS level 1 & 2) / 3 absences (QRIS levels 3-5) or the number of unattended days.

The number of current absences/holidays was subtracted from the estimated number of absences under the new policy to arrive at a projected increase in the number of absence days resulting from the policy shift. In order to estimate the cost of these days, the number of new absence days is multiplied by the relevant estimate of full-time equivalent cost of care for each child-case-provider. Due to the implementation of state-established rates at the start of the fiscal year that will not yet be reflected in the data, this estimated 10-month cost is then converted into a percentage increase in county direct service expenditures rather than employing other methods of projecting full-year costs. This percentage increase is then applied to the projected county direct services expenditures detailed elsewhere.

Table 1 shows more detail for how the Department arrived at the $6,762,446 amount for its CCCAP direct services budget request for FY 2020-21.

Table 1: Calculation of FY 2020-21 CCCAP Direct Services Request

Component	**Component Cost**	**% Change**
FY 2019-20 Child Care Assistance Program Line Item	$124,537,113	--
Provider Rates	$0	0%
Quality	$1,042,060	0.80%
Utilization	$5,720,386	4.6%
FY 2020-21 Total Direct Services Request for CCCAP	**$6,762,446**	**5.4%**

In Table 1, the amount reflected in the Quality increase is associated with state policy. The amount reflected in the Utilization increase is a result of the proposed absence policy change associated with compliance with CCDF federal regulations.

Table 2 shows the calculation for the increase to the county share in FY 2020-21 and FY 2021-22.

Table 2: Calculation for Increase to County Share

	FY 2020-21	FY 2021-22
FY 2019-20 CCCAP Appropriation	$124,537,113	$124,537,113
FY 2019-20 CCCAP County Share	$11,645,071	$11,645,071
Proposed County Share Percentage	10.9%	12.4%
Proposed County Share Amount Based on FY 2019-20 Appropriation	$13,574,545	$15,442,602
Increase over FY 2019-20 County Share	$1,929,474	$3,797,531

The request for increased CCCAP funding has been split across three fund sources, as shown in Table 3, below. First, the increased budget need was filled with cash funds through a refinance of the 2019-20 County Share and an increase of the county Maintenance of Effort (MOE) in FY 2020-21, estimated as 10.9% of total direct services increase in FY 2020-21 and 12.4% in FY 2021-22. The remaining funding need was split between General Fund and federal funds from the CCDF grant, first drawing down $3,155,573 of the federal CCDF and then filling in the remaining need with General Fund, totaling $940,292. As the recent policy changes pertaining to equal access are mostly driven by federal requirements, and the increased cost is partly due to adjusting existing county absence policies, the Department is requesting the majority of these costs be supported by federal CCDF spending authority to implement these changes.

Table 3 shows a breakdown of the CCCAP funding request by funding source.

Table 3: Breakdown of CCCAP Funding Request by Funding Source

FY 2020-21	Total	County Share/ Cash Funds	State Funded	General Fund	Federal CCDF
CCCAP Direct Services Increase	$ 6,762,446	$ 737,107	$ 6,025,339	$ 2,869,766	$ 3,155,573
Refinance FY 2019-20 County Share	$ -	$ 1,929,474	$ (1,929,474)	$ (1,929,474)	
Total	$ 6,762,446	$ 2,666,581	$ 4,095,865	$ 940,292	$ 3,155,573
FY 2021-22 and ongoing	**Total**	**County Share/ Cash Funds**	**State Funded**	**General Fund**	**Federal CCDF**
CCCAP Direct Services Increase	$ 8,669,241	$ 1,074,986	$ 7,594,255	$ 4,737,823	$ 2,856,432
Refinance FY 2020-21 County Share	$ -	$ 3,797,531	$ (3,797,531)	$ (3,797,531)	
Total	$ 8,669,241	$ 4,872,517	$ 3,796,724	$ 940,292	$ 2,856,432

Table 4 shows the sustainability of the Child Care and Development Fund through FY 2022-23 and includes the Department's budget request for FY 2020-21.

Table 4: CCDF Sustainability Projection					
Updated 10/17/19					
	FY 2018-19	**FY 2019-20**	**FY 2020-21**	**FY 2021-22**	**FY 2022-23**
Federal CCDF Funds	**Actual**	**Estimate**	**Request**	**Request**	**Request**
CCDF Carryforward (Unspent Balance)	$ 43,841,856	$ 51,966,440	$ 45,309,757	$ 33,508,151	$ 21,996,635
New Annual CCDF Award	$100,192,700	$101,320,712	$100,425,935	$100,425,935	$100,425,935
Total Funds Available	**$ 144,034,556**	**$ 153,287,152**	**$ 145,735,692**	**$ 133,934,086**	**$ 122,422,570**
Base Expenditures	$ 92,068,116	$ 107,977,395	$ 107,977,395	$ 107,977,395	$ 107,977,395
R-1/Comp Approach to Improving CC Quality			$ 2,809,748	$ 2,818,799	$ 2,818,799
R-3/CCCAP Direct Services			$ 3,155,573	$ 2,856,432	$ 2,856,432
R-8/Scholarships for EC Ed Professionals			$ 100,000	$ 100,000	$ 100,000
R-31/Increase Efficiency of Resource & Referral			$ (315,175)	$ (315,175)	$ (315,175)
R-27/Redirect Intrastate Redistribution Funding			$ (1,500,000)	$ (1,500,000)	$ (1,500,000)
Total Expenditures	**$ 92,068,116**	**$ 107,977,395**	**$ 112,227,541**	**$ 111,937,451**	**$ 111,937,451**
Roll Forward Balance	$ 51,966,440	$ 45,309,757	$ 33,508,151	$ 21,996,635	$ 10,485,119
*The Department needs to maintain a CCDF Roll Forward Balance between $8 and $10 million dollars in order to have adequate funding for the 1st quarter of the next fiscal year, which represents the difference in timing between the federal award distribution schedule and the State fiscal year.					

Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-04 L2 Operating and Staffing

Dept. Approval By:

OSPB Approval By:

	Supplemental FY 2019-20
	Budget Amendment FY 2020-21
x	**Change Request FY 2020-21**

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
Total of All Line Items Impacted by Change Request	Total	$231,750,112	$0	$238,720,889	$4,819,669	$6,079,407
	FTE	1,441.0	0.0	1,441.0	42.3	61.8
	GF	$176,826,925	$0	$180,896,906	$4,819,669	$6,079,407
	CF	$2,496,502	$0	$2,670,841	$0	$0
	RF	$46,973,059	$0	$49,128,664	$0	$0
	FF	$5,453,626	$0	$6,024,478	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
01. Executive Director's Office, (A) General Administration, (1) General Administration - Health, Life, And Dental	Total	$49,710,058	$0	$50,579,101	$388,428	$507,336
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$35,539,333	$0	$34,735,604	$388,428	$507,336
	CF	$154,510	$0	$510,059	$0	$0
	RF	$11,050,322	$0	$12,179,008	$0	$0
	FF	$2,965,893	$0	$3,154,430	$0	$0
01. Executive Director's Office, (A) General Administration, (1) General Administration - Short-Term Disability	Total	$496,291	$0	$503,816	$4,209	$6,188
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$347,144	$0	$349,162	$4,209	$6,188
	CF	$9,024	$0	$4,978	$0	$0
	RF	$98,586	$0	$118,894	$0	$0
	FF	$41,537	$0	$30,782	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
01. Executive Director's Office, (A) General Administration, (1) General Administration - Amortization Equalization Disbursement	Total	$14,911,079	$0	$15,137,784	$110,782	$162,838
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$10,403,658	$0	$10,454,710	$110,782	$162,838
	CF	$267,217	$0	$148,174	$0	$0
	RF	$3,016,941	$0	$3,587,508	$0	$0
	FF	$1,223,263	$0	$947,392	$0	$0
01. Executive Director's Office, (A) General Administration, (1) General Administration - S.B. 06-235 Supplemental Equalization Disbursement	Total	$14,911,325	$0	$15,137,784	$110,782	$162,838
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$10,405,120	$0	$10,454,710	$110,782	$162,838
	CF	$267,145	$0	$148,174	$0	$0
	RF	$3,016,127	$0	$3,587,508	$0	$0
	FF	$1,222,933	$0	$947,392	$0	$0
01. Executive Director's Office, (A) General Administration, (1) General Administration - Shift Differential	Total	$7,903,357	$0	$8,164,831	$81,080	$121,620
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$4,751,997	$0	$5,141,742	$81,080	$121,620
	CF	$0	$0	$39,879	$0	$0
	RF	$3,151,360	$0	$2,038,728	$0	$0
	FF	$0	$0	$944,482	$0	$0
03. Office of Operations, (A) Administration, (1) Administration - Personal Services	Total	$29,947,313	$0	$30,882,840	$124,590	$166,120
	FTE	414.7	0.0	414.7	0.0	0.0
	GF	$18,966,697	$0	$19,902,224	$124,590	$166,120
	CF	$0	$0	$0	$0	$0
	RF	$10,980,616	$0	$10,980,616	$0	$0
	FF	$0	$0	$0	$0	$0
03. Office of Operations, (A) Administration, (1) Administration - Operating Expenses	Total	$4,400,341	$0	$5,378,376	$20,872	$16,870
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$2,995,914	$0	$2,996,654	$20,872	$16,870
	CF	$0	$0	$0	$0	$0
	RF	$1,404,427	$0	$2,381,722	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
	Total	$10,014,729	$0	$10,014,729	$24,483	$36,725
	FTE	0.0	0.0	0.0	0.0	0.0
03. Office of Operations, (A) Administration, (1) Administration - Utilities	GF	$6,772,748	$0	$6,772,748	$24,483	$36,725
	CF	$0	$0	$0	$0	$0
	RF	$3,241,981	$0	$3,241,981	$0	$0
	FF	$0	$0	$0	$0	$0
	Total	$88,548,668	$0	$92,006,553	$3,003,302	$4,430,140
	FTE	1,026.3	0.0	1,026.3	42.3	61.8
08. Behavioral Health Services, (E) Mental Health Institutes, (2) Mental Health Institutes - Pueblo - Personal Services	GF	$79,161,091	$0	$82,598,005	$3,003,302	$4,430,140
	CF	$1,445,852	$0	$1,466,823	$0	$0
	RF	$7,941,725	$0	$7,941,725	$0	$0
	FF	$0	$0	$0	$0	$0
	Total	$7,165,558	$0	$7,051,919	$818,383	$241,147
	FTE	0.0	0.0	0.0	0.0	0.0
08. Behavioral Health Services, (E) Mental Health Institutes, (2) Mental Health Institutes - Pueblo - Operating Expenses	GF	$3,949,998	$0	$3,836,359	$818,383	$241,147
	CF	$182,207	$0	$182,207	$0	$0
	RF	$3,033,353	$0	$3,033,353	$0	$0
	FF	$0	$0	$0	$0	$0
	Total	$3,741,393	$0	$3,863,156	$132,758	$227,585
	FTE	0.0	0.0	0.0	0.0	0.0
08. Behavioral Health Services, (E) Mental Health Institutes, (2) Mental Health Institutes - Pueblo - Pharmaceuticals	GF	$3,533,225	$0	$3,654,988	$132,758	$227,585
	CF	$170,547	$0	$170,547	$0	$0
	RF	$37,621	$0	$37,621	$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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Department of Human Services

FY 2020-21 Funding Request

November 1, 2019

Jared Polis
Governor

Michelle Barnes
Executive Director

Department Priority: R-04
Request Detail: L2 Operating and Staffing

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	$0	$4,819,669	$6,079,407
FTE	0.0	42.3	61.8
General Fund	$0	$4,819,669	$6,079,407
Cash Funds	$0	$0	$0
Reappropriated Funds	$0	$0	$0
Federal Funds	$0	$0	$0

Summary of Request:

The Department of Human Services requests $4,819,669 total funds/General Fund and 42.3 FTE in FY 2020-21 and $6,079,407 total funds/General Fund and 61.8 FTE in FY 2021-22 and ongoing in order to operate and staff the completed L2 patient unit at the Colorado Mental Health Institute at Pueblo (CMHIP). Without the additional funding, the Department will be unable to utilize the additional bed space and would be further challenged in meeting the demand for inpatient psychiatric beds at the state hospitals. Additionally, if the Department is unable to utilize this new patient unit and therefore unable to meet the terms within the current consent decree due to lack of bed space, the Department will be required to pay daily fines for each individual who exceeds specific wait times and criteria. The Department is currently paying fines in excess of $1.3 million per month.

Current Program:

The Office of Behavioral Health (OBH) 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 under the Colorado Revised Statutes Part 101 of Article 65 of Title 27, commonly referred to as "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.

Background--L2:

The High Security Forensic Institute (HSFI) on the CMHIP campus, also referred to as the Hawkins Building, opened in June of 2009. The HSFI on CMHIP campus is currently a 200-bed, 200,000 square-foot HSFI with an additional 32 beds for the medium- and maximum-security forensics program. The design plan for the HSFI included expansion opportunities in which infrastructure such as plumbing was incorporated into the construction, allowing for the expansion of up to three additional patient wings.

The State funded for the HSFI L2 expansion (a 24 net bed increase) through FY 2017-18 capital funding request, and the project is scheduled to be completed by September 25, 2020. In order to open for patient occupancy on October 1, 2020, the Department requires operating funds and FTE. Hiring and training of staff, as well as ordering any needed supplies, such as linens, training materials, and patient treatment items, must be completed prior to October 1, 2020. The L2 unit will serve a high acuity patient population.

Problem or Opportunity:

This funding request provides the Department with the resources needed to fully staff and operate the newly constructed L2 unit on the CMHIP campus. Without the additional funding, the Department will be unable to utilize the additional bed space and meet the demand for inpatient psychiatric beds at the state hospitals.

Need for additional inpatient bed space

The Department has a statutory obligation §§ 16-8.5-101 *et seq.* (2018) to provide competency evaluations for persons charged with criminal offenses when the issue of competency is raised, and to provide restoration treatment for persons found incompetent to proceed. Since 2000, the number of orders to complete inpatient competency evaluations has grown by 592 percent, and the number of orders to provide inpatient restoration services has grown by 1,251 percent. Despite many and varied efforts to increase inpatient capacity and increase outpatient services, the Department has been unable to keep up with the demand for competency and restoration treatment. The Department is currently not in compliance with the consent decree and is facing monthly fines. Jail-based restoration staff screen potential clients based on level of acuity. Those patients that are not acute are generally accepted into the Jail-based restoration program. Inpatient restoration is reserved for patients with higher acuity and treatment needs.

Legislative changes such as HB16-1410 and SB17-012 and emergency supplemental funding, including the funding of an expansion of the Restoring Individuals Safely and Effectively

Program (Colorado's jail-based restoration program), have enabled the Department to comply with settlement timeframes for jail-based competency evaluations since January 1, 2017. This is a significant accomplishment and demonstrates the importance of the General Assembly's support in the Department meeting the requirements of the consent decree. However, despite these measures, and the commencement of a statewide outpatient restoration program, the Department has been unable to meet the consent decree timelines for inpatient services since mid-2017. This is due to an unrelenting increase in the number of court orders requiring inpatient services. Inpatient competency restoration, in particular, continues to be the single largest hurdle for the Department to sustain compliance in all categories of the federal Consent Decree related to competency services, and is the one remaining area in serious need of reform.

While the Department anticipates that all of these efforts will assist in addressing the continuing rise in demand for competency services, they are unlikely to keep pace with the demand for services over the long term. Since CMHIP has a finite number of beds (455), which also serve civil geriatric and juvenile patients, the State's overreliance on inpatient restoration services is problematic.

This request will provide the additional staffing and operational resources to open the newly constructed L2 (CMHIP will net 24 new beds).

Proposed Solution:

The Department requests $4,819,669 total funds/General Fund and 42.3 FTE in FY 2020-21 and $6,079,407 total funds/General Fund and 61.8 FTE in FY 2021-22 and ongoing in order to operate and staff the completed L2 patient unit at the CMHIP. Without the additional funding, the Department will be unable to utilize the additional bed space and would be further challenged in meeting the demand for inpatient psychiatric beds at the state hospitals. Additionally, if the Department is unable to utilize this new patient unit and therefore unable to meet the terms within the current consent decree due to lack of bed space, the Department will be required to pay daily fines ($100/day or $500/day) for each individual who exceeds specific wait times and criteria. The Department is currently paying fines in excess of $1.3 million per month.

The L2 unit is specifically designed to provide treatment to patients who are behaviorally dysregulated and difficult to manage. The design of the unit is unique and has a high emphasis on security. Staffing levels were based on the high acuity of the patients.

Anticipated Outcomes:

This funding request provides the Department the resources needed to fully and safely operate the newly constructed L2 expansion. High acuity patients on L2 will be treated in the newest wing of CMHIP which will incorporate the latest treatment elements such as ambient lighting, durable and sturdy furniture, improved unit climate and security features. This funding request will also provide the Department additional inpatient psychiatric beds which will assist in the management of the consent decree terms.

Assumptions and Calculations:

Assumptions and calculation details are provided in the accompanying Excel files.

The following assumptions were included in this request:

<u>L2 Unit</u>

- L2 estimated patient occupancy date is October 1, 2020.
- L2 assumes a September 1, 2020 hire date to allow for new employee orientation for all except security staff who assume an August 1, 2020 hire date to allow for an extended security new employee orientation, facility staff who need to clean and finish preparing the new unit, and human resources staff who need to assist with the hiring. HR staff will be required to assess position descriptions, post positions, conduct initial qualification reviews, etc, in advance of the employee start date of September 1, 2020.

<u>Financial Assumptions:</u>

- 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 approved by the General Assembly effective FY 2018-19.
- Includes 2.0 contract psychiatrists (M.D.) Salary requested is per the approved FY 2019-20 Contracted Physician Salary Adjustment change request (R-12).
- Includes 1.0 contract psychiatric nurse practitioner provider. Salary requested is per the approved FY 2019-20 Contracted Physician Salary Adjustment change request (R-12).
- Shift relief was calculated based on a similarly acute and similarly staffed CMHIP unit E1, based on prior year expenses.
- Operating expenses were calculated based on a similarly acute and similarly staffed CMHIP unit E1, based on prior year expenses.
- Operating expenses, including utilities and housekeeping, were prorated for 8 months in FY 2020-21 as many costs (such as phones, computers, supply purchases, etc) will incur one month prior to occupancy.
- Pharmacy and food costs were calculated at 7 months based on an estimated December 1, 2020 patient occupancy date.
- Electronic Health Record (E.H.R.) license package: $81,000 (sold in bulk package only, not sold per license), and the cost of ongoing monthly fees.

<u>**Staffing disciplines included in this request:**</u>

<u>Medical Provider (Contract providers through the University of Colorado - Denver)</u>

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 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 the 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, 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. Two 24/7 posts are requested (5.1 FTE per post).

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.

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

Data/Finance/Human Resources
The administrative workload from the additional 24 beds and additional FTE will exceed available resources for the Information Management team that administers and trains staff on the electronic health record (Data Management III) for the hospital, the Financial Office which provides the budgetary, billing, and financial management for the hospital (Accountant II), and Human Resources (HR) who will hire and provide HR related functions to the new staff. A standard ratio of 1:50 FTE is utilized to calculate this administrative impact.

Maintenance/Housekeeping
The expansion of L2 will require resources for the Office of Operations, Facility Management Division, to provide housekeeping and maintenance duties to the unit. Table 1 summarizes the operating and FTE for this request.

Table 1: L2 Operating and FTE Summary Table

L2 Operating and FTE Summary Table				
Office of Behavioral Health (OBH)	**FY 2020-21**	**FTE**	**FY 2021-22**	**FTE**
Personal Services: Wages	$2,215,701	40.2	$3,256,660	59.0
Personal Services: Benefits	$262,558		$385,916	
Personal Services: Professional Services	$525,043		$787,564	
Operating Expenses: FTE	$190,313		$56,041	
Operating Expenses: Programmatic	$467,070		$104,106	
Operating Expenses: E.H.R. licenses	$161,000		$81,000	
Pharmaceuticals	$132,758		$227,585	
Office of Behavioral Health Subtotal	$3,954,442	40.2	$4,898,872	59.0
Executive Director's Office (EDO)				
Shift	$81,080		$121,620	
AED	$110,782		$162,838	
SAED	$110,782		$162,838	
STD	$4,209		$6,188	
Health-Life-Dental	$388,428		$507,336	
Executive Director's Office Subtotal	$695,281		$960,820	
Office of Operations				
Personal Services: Wages	$111,389	2.1	$148,519	2.8
Personal Services: Benefits	$13,201		$17,601	
Operating Expenses: FTE	$11,380		$2,632	
Operating Expenses: Utilities	$24,483		$36,725	
Operating Expenses: Programmatic	$9,492		$14,238	
Office of Operations Subtotal	$169,946	2.1	$219,715	2.8
GRAND TOTAL	**$4,819,669**	**42.3**	**$6,079,407**	**61.8**

Table 2 illustrates the staffing resources required for operationalizing the new L2 unit.

L2 Operating FTE by Discipline Summary Table

Nursing	**20-21**	**21-22**	**Social Work**	**20-21**	**21-22**
Client Care Aide II	7.6	11.3	Social Worker III	0.7	1.0
Health Care Tech II	2.0	3.0	**Total Social Work Staff**	0.7	1.0
Health Care Tech III	1.3	2.0			
Midlevel Provider	1.0	1.5			
Nurse I	6.7	10.0	**Dietary**	**20-21**	**21-22**
Nurse II	1.3	2.0	Dining Services III	1.3	2.0
Nurse III	0.4	0.7	Dining Services V	0.7	1.0
Total Nursing Staff	20.3	30.5	Material Handler III	0.7	1.0
			Dietician III	0.3	0.4
Clinical	**20-21**	**21-22**	**Total Dietary Staff**	2.9	4.4
Health Care Professional III	0.7	1.0			
Health Care Professional V	0.7	1.0	**Administrative/Other**	**20-21**	**21-22**
Health Care Professional VII	0.3	0.5	Unit Administrative Assistant I	0.7	1.0
Mental Health Clinician I	1.3	2.0	E.H.R. Support (Data Mgt III)	0.8	1.2
Clinical Behavioral Specialist II	0.7	1.0	Budget Analyst I	0.8	1.2
Total Clinical Staff	3.7	5.5	Human Resource Spec IV	0.9	1.2
			Pipe-Mechanical Trades II	0.4	0.6
			Custodian I	0.8	1.0
Security	**20-21**	**21-22**	**Total Administrative/Other**	4.3	6.2
Correctional Officer I	7.7	10.2			
Total Pharmacy	7.7	10.2			
			GRAND TOTAL STATE FTE	**42.3**	**61.8**
Recreational Therapy (RC)	**20-21**	**21-22**			
Clinical Therapist I	0.7	1.0			
Total Recreational Therapy Staff	0.7	1.0			
			CONTRACT PHYSICIAN	**2**	**2**
Psychology	**20-21**	**21-22**	CONTRACT NP/PA/MLP	**1**	**1**
Psychologist I	2.0	3.0			
Total Psychology Staff	2.0	3.0			

Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-05a Drug Detection Devices, Canine and Staffing

Dept. Approval By: ______ ___ **Supplemental FY 2019-20**

OSPB Approval By: ______ ___ **Budget Amendment FY 2020-21**

X **Change Request FY 2020-21**

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
Total of All Line Items Impacted by Change Request	Total	$71,608,663	$0	$73,172,393	$1,016,000	$1,016,000
	FTE	971.0	0.0	961.0	10.0	10.0
	GF	$70,145,779	$0	$71,694,580	$1,016,000	$1,016,000
	CF	$70,000	$0	$70,000	$0	$0
	RF	$1,392,668	$0	$1,392,668	$0	$0
	FF	$216	$0	$15,145	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
01. Executive Director's Office, (A) General Administration, (1) General Administration - Health, Life, And Dental	Total	$0	$0	$0	$100,419	$100,419
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$100,419	$100,419
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0
01. Executive Director's Office, (A) General Administration, (1) General Administration - Short-Term Disability	Total	$0	$0	$0	$910	$910
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$910	$910
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
01. Executive Director's Office, (A) General Administration, (1) General Administration - Amortization Equalization Disbursement	Total	$0	$0	$0	$26,754	$26,754
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$26,754	$26,754
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0
01. Executive Director's Office, (A) General Administration, (1) General Administration - S.B. 06-235 Supplemental Equalization Disbursement	Total	$0	$0	$0	$26,754	$26,754
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$26,754	$26,754
	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 - Personal Services	Total	$67,301,072	$0	$69,018,748	$809,163	$809,163
	FTE	971.0	0.0	961.0	10.0	10.0
	GF	$67,301,072	$0	$69,018,748	$809,163	$809,163
	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	$4,307,591	$0	$4,153,645	$52,000	$52,000
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$2,844,707	$0	$2,675,832	$52,000	$52,000
	CF	$70,000	$0	$70,000	$0	$0
	RF	$1,392,668	$0	$1,392,668	$0	$0
	FF	$216	$0	$15,145	$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

Department of Human Services

FY 2020-21 Funding Request

November 1, 2019

Jared Polis
Governor

Michelle Barnes
Executive Director

Department Priority: R05a
Request Detail: Drug Detection Devices, Canines, and Staffing

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	$366,500	$1,016,000	$1,016,000
FTE	1.7	10.0	10.0
General Fund	$366,500	$1,016,000	$1,016,200
Cash Funds	$0	$0	$0
Reappropriated Funds	$0	$0	
Federal Funds	$0	$0	$0

Summary of Request:

The Department of Human Services requests $1,016,000 in Total funds/General Fund and 10.0 FTE in FY 2020-21 and ongoing to (a) purchase drug detection wands for three of the ten youth services centers, (b) hire full-time equivalent (FTE) employees to operate the drug detection wands to check visitors and staff for drugs upon entry into these three youth services centers, and (c) contracted services to bring drug detection canines to all ten youth services centers to randomly check facility grounds for contraband. The request will increase the safety and security of youth served by these facilities.

This request represents an increase of 1.2% over the FY 2019-20 appropriation for Institutional Programs, Personal Services.

Current Program:

The Department does not currently utilize drug detection wands at youth services facilities and the Department recently piloted the use of drug detection canines at youth services centers (youth centers). Visitors must sign in and pass through a metal detector before entering the facility, and are subject to a pat-down search if reasonable suspicion exists. The Department has implemented a new policy that allows both staff and visitors to utilize clear tote bags to bring allowable personal belongings into the secure facility. This enables staff at the entry point to see all contents within the clear bag in order to help promote a drug-free environment; however, small amounts of drugs may still go undetected under this policy.

Problem or Opportunity:

The Department has taken a variety of steps to ensure safety in the youth centers. Recently, the Department made changes to expand search procedures for youth (a) being admitted to a State-owned and operated youth services center from a provider-operated entity, (b) participating in family visitation, and (c) returning to the facility from an allowable absence. The Department updated its current youth search policy to allow for full unclothed searches of youth upon intake and upon a youth returning from an unsupervised visit - a practice that is in line with 31 other states across the nation. The Department has also begun conducting full unclothed searches after family visits as these are full contact visits and are not closely supervised.

Optimal safety and security in our youth centers require a multipronged approach which includes accountability for a contraband free environment from not only our youth but also our staff and visitors. Shortly after the youth search policy change, the Department worked to expand the policy to encompass employees, visitors, contractors, interns, volunteers, and professionals. At present, this new policy details allowable personal items to be brought into the secure areas of the youth centers and required use of clear bags for all personal items brought into the secure area (provided by the Department). In addition, the Department informs people entering the facilities that they are subject to search by a trained staff member and drug detection canines.

Even with these new policies, the Department cannot prevent all drugs from being introduced into youth facilities by youth, visitors or staff. The addition of drug detection wands for use with all youth, visitors, staff, contractors, interns, volunteers, and professionals will further help detect drugs not found through alternative screenings. The addition of trained drug detection canines will allow the Department to search all areas of the facilities to ensure the safety of the youth by confiscating all contraband.

Proposed Solution:

The Department requests two drug detection wands for each of the following youth services centers: Lookout Mountain Youth Services Center, Mount View, and Zeb Pike. These facilities were selected in order to pilot the drug wand in a variety of facilities, such as large multi-purpose, large commitment, and small commitment. The request also includes two FTE per facility to operate the wands for 16 hours a day, 7 days a week. The total number of FTE required to operate the wands for all three facilities is 10.0 FTE. The total costs also include the ability to replace one drug detection wand per year on an ongoing basis for annual maintenance and in order for the Department to keep up with the latest technology and improvements in the device. Funding is also requested for contracted drug detection canines to perform random searches in all areas in all ten facilities.

Anticipated Outcomes:

By increasing the Department's ability to prevent drugs from entering youth services centers, the overall safety and security of staff and youth will improve. The Department anticipates a lower amount of drugs within the facilities.

Assumptions and Calculations:

Table 1 includes the cost estimates for labor to operate the drug detection wand for improved facility security, at a full-year cost of $778,000 for 10.0 FTE. The table also includes the total cost of drug detection devices and maintenance at $30,000 and a breakdown of canine services by facility. Regularly scheduled canine services cost $75.00 per hour and a normal site visit is approximately 4 hours. If a call is made for an unscheduled search, the price is increased to $95.00. Searches would be utilized across all state facilities.

Table 1: Decision Item Cost Estimates

Ongoing Expenses

Labor/ Operating 10.0 FTE	$	778,000
Narcotic Wand Detector (6 at $5k maint)	$	30,000
Canines at $75 hour - scheduled (500 site visits @ 4 hours)	$	150,000
Canines at $95 hour - unscheduled (125 site visits @ 4 hours)	$	47,500
Mileage	$	10,500
Total	**$**	**1,016,000**

Table 2: Partial Year for FY 2019-20

Labor/ Operating 2.5 FTE (April hire)	$	138,431
Narcotic Wand Detector (6 at $25k)	$	150,000
Canines at $75 hour - scheduled (120 site visits @ 4 hours)	$	36,000
Canines at $95 hour - unscheduled (100 site visits @ 4 hours)	$	38,000
Mileage	$	4,069
Total	**$**	**366,500**

Table 3: FTE Calculations

Expenditure Detail			FY 2020-21		FY 2021-22	
Personal Services:		April hire date				
Classification Title	Biweekly Salary	FTE			FTE	
CORR/YTH/CLIN SEC	$2,058	1.7	$89,180		10.0	$535,080
PERA			$9,721			$58,324
AED			$4,459			$26,754
SAED			$4,459			$26,754
Medicare			$1,293			$7,759
STD			$152			$910
Health-Life-Dental			$20,084			$100,419
Subtotal Position 1, #.# FTE		**1.7**	**$129,348**		**10.0**	**$756,000**
Operating Expenses:						
		FTE			FTE	
Regular FTE Operating	$500	1.7	$833		10.0	$5,000
Telephone Expenses	$450	1.7	$750		10.0	$4,500
PC, One-Time	$1,230	0.0	$0		0.0	
Office Furniture, One-Time	$3,473	0.0	$0		0.0	
Digital Trunk Radios	$2,500	3.0	$7,500		5.0	$12,500
Subtotal Operating Expenses			**$9,083**			**$22,000**
TOTAL REQUEST		1.7	**$138,431**		10.0	**$778,000**

Table 4: Long Bill Appropriation and Requested Funding

11(B) Institutional Programs-Personal Services	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2019-20 Appropriation LB 19-207	$69,329,722	$69,329,722	$0	$0	$0	1002.5
Requested Funding (or Spending Authority)	$178,194	$178,194	$0	$0	$0	1.7
FY 2019-20 Total Requested Appropriation	**$69,507,916**	**$69,507,916**	**$0**	**$0**	**$0**	**1004.2**
FY 2020-21 Annualization of Prior Year Funding	$630,969	$630,969	$0	$0	$0	8.3
FY 2020-21 Total Requested Appropriation	**$70,138,885**	**$70,138,885**	**$0**	**$0**	**$0**	**1012.5**

11(B) Institutional Programs-Operating Exp	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2019-20 Appropriation LB 19-207	$4,337,516	$2,874,632	$70,000	$1,392,668	$216	0.0
Requested Funding (or Spending Authority)	$159,083	$159,083	$0	$0	$0	0.0
FY 2020-21 Total Requested Appropriation	**$4,496,599**	**$3,033,715**	**$70,000**	**$1,392,668**	**$216**	**0.0**
FY 2021-22 Annualization of Prior Year Funding	($107,083)	($107,083)	$0	$0	$0	0.0
FY 2021-22 Total Requested Appropriation	**$4,389,516**	**$2,926,632**	**$70,000**	**$1,392,668**	**$216**	**0.0**

Table 4: Long Bill Appropriation and Requested Funding for FY 2019-20 Through FY 2021-22						
(1) Executive Directors Office (A) Health Life Dental	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**	**FTE**
FY 2019-20 Appropriation LB 19-207	$49,796,652	$35,625,927	$154,510	$11,050,322	$2,965,893	0.0
Requested Funding (or Spending Authority)	$20,084	$20,084	$0	$0	$0	0.0
FY 2020-21 Total Requested Appropriation	**$49,816,736**	**$35,646,011**	**$154,510**	**$11,050,322**	**$2,965,893**	**0.0**
FY 2021-22 Annualization of Prior Year Funding	$80,335	$80,335	$0	$0	$0	0.0
FY 2021-22 Total Requested Appropriation	**$49,897,071**	**$35,726,346**	**$154,510**	**$11,050,322**	**$2,965,893**	**0.0**
(1) Executive Directors Office (A) Short Term Disability	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**	**FTE**
FY 2019-20 Appropriation LB 19-207	$496,778	$347,631	$9,024	$98,586	$41,537	0.0
Requested Funding (or Spending Authority)	$152	$152	$0	$0	$0	0.0
FY 2020-21 Total Requested Appropriation	**$496,930**	**$347,783**	**$9,024**	**$98,586**	**$41,537**	**0.0**
FY 2021-22 Annualization of Prior Year Funding	$758	$758	$0	$0	$0	0.0
FY 2021-22 Total Requested Appropriation	**$497,688**	**$348,541**	**$9,024**	**$98,586**	**$41,537**	**0.0**
(1) Executive Directors Office (A) AED	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**	**FTE**
FY 2019-20 Appropriation LB 19-207	$14,905,410	$10,397,989	$267,217	$3,016,941	$1,223,263	0.0
Requested Funding (or Spending Authority)	$4,459	$4,459	$0	$0	$0	0.0
FY 2020-21 Total Requested Appropriation	**$14,909,869**	**$10,402,448**	**$267,217**	**$3,016,941**	**$1,223,263**	**0.0**
FY 2021-22 Annualization of Prior Year Funding	$22,295	$22,295	$0	$0	$0	0.0
FY 2021-22 Total Requested Appropriation	**$14,932,164**	**$10,424,743**	**$267,217**	**$3,016,941**	**$1,223,263**	**0.0**
(1) Executive Directors Office (A) SAED	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**	**FTE**
FY 2019-20 Appropriation LB 19-207	$13,803,659	$10,397,454	$267,145	$3,016,127	$122,933	0.0
Requested Funding (or Spending Authority)	$4,459	$4,459	$0	$0	$0	0.0
FY 2020-21 Total Requested Appropriation	**$13,808,118**	**$10,401,913**	**$267,145**	**$3,016,127**	**$122,933**	**0.0**
FY 2021-22 Annualization of Prior Year Funding	$22,295	$22,295	$0	$0	$0	0.0
FY 2021-22 Total Requested Appropriation	**$13,830,413**	**$10,424,208**	**$267,145**	**$3,016,127**	**$122,933**	**0.0**

Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-05b Splitting Lookout Mountain Into Distinct Facilities

Dept. Approval By:

OSPB Approval By:

	Supplemental FY 2019-20
	Budget Amendment FY 2020-21
X	Change Request FY 2020-21

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
Total of All Line Items Impacted by Change Request	Total	$71,608,663	$0	$73,172,393	$747,748	$747,748
	FTE	971.0	0.0	961.0	7.0	7.0
	GF	$70,145,779	$0	$71,694,580	$747,748	$747,748
	CF	$70,000	$0	$70,000	$0	$0
	RF	$1,392,668	$0	$1,392,668	$0	$0
	FF	$216	$0	$15,145	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
11. Division of Youth Services, (B) Institutional Programs, (1) Institutional Programs - Personal Services	Total	$67,301,072	$0	$69,018,748	$736,198	$736,198
	FTE	971.0	0.0	961.0	7.0	7.0
	GF	$67,301,072	$0	$69,018,748	$736,198	$736,198
	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	$4,307,591	$0	$4,153,645	$11,550	$11,550
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$2,844,707	$0	$2,675,832	$11,550	$11,550
	CF	$70,000	$0	$70,000	$0	$0
	RF	$1,392,668	$0	$1,392,668	$0	$0
	FF	$216	$0	$15,145	$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

Department Priority: R-05b
Request Detail: Splitting Lookout Mountain into Distinct Facilities

Summary of Incremental Funding Changes			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	$180,410	$747,748	$747,748
FTE	1.2 <1>	7.0	7.0
General Fund	$180,410	$747,748	$747,748
Cash Funds	$0	$0	$0
Reappropriated Funds	$0	$0	$0
Federal Funds	$0	$0	$0
<1> Costs assume FTE start date is April 1, 2020.			

Summary of Request:

The Department of Human Services requests $747,748 General Fund and 7.0 FTE for FY 2020-21 and ongoing. This request establishes four distinct commitment facilities on the Lookout Mountain Youth Services Center (Lookout Mountain) campus. The creation of four unique facilities on the Lookout Mountain campus includes an FTE request for a Director of Facility Operations, three facility directors, one assistant facility director, and two clinical directors for a total of 7.0 FTE. The Department proposes to increase the committed population served at Lookout Mountain by bringing the campus census up to 112 youth.

Smaller facilities with concentrated treatment groups have a reduced frequency of violent incidents and escapes.

This request supports the Department's strategic plan by creating smaller facilities to improve the continuum of care, by modifying or building smaller, treatment and relationship-focused, secure care facilities that keep young people engaged with their families and communities.

The Department anticipates that outcomes of the creation of four distinct commitment facilities will increase safety for youth and staff, improve treatment outcomes and family engagement treatment plans. Additionally, the Department anticipates a reduction in contraband, a decrease in assaults, a decrease in seclusion and restraint, and an increase in staff retention.

In addition, the new commitment beds provided by this investment will allow the Department to avoid holding youth in detainment facilities without access to services (e.g., education, career services, and technical education) they would receive in a commitment facility or sending youth to out-of-state facilities.

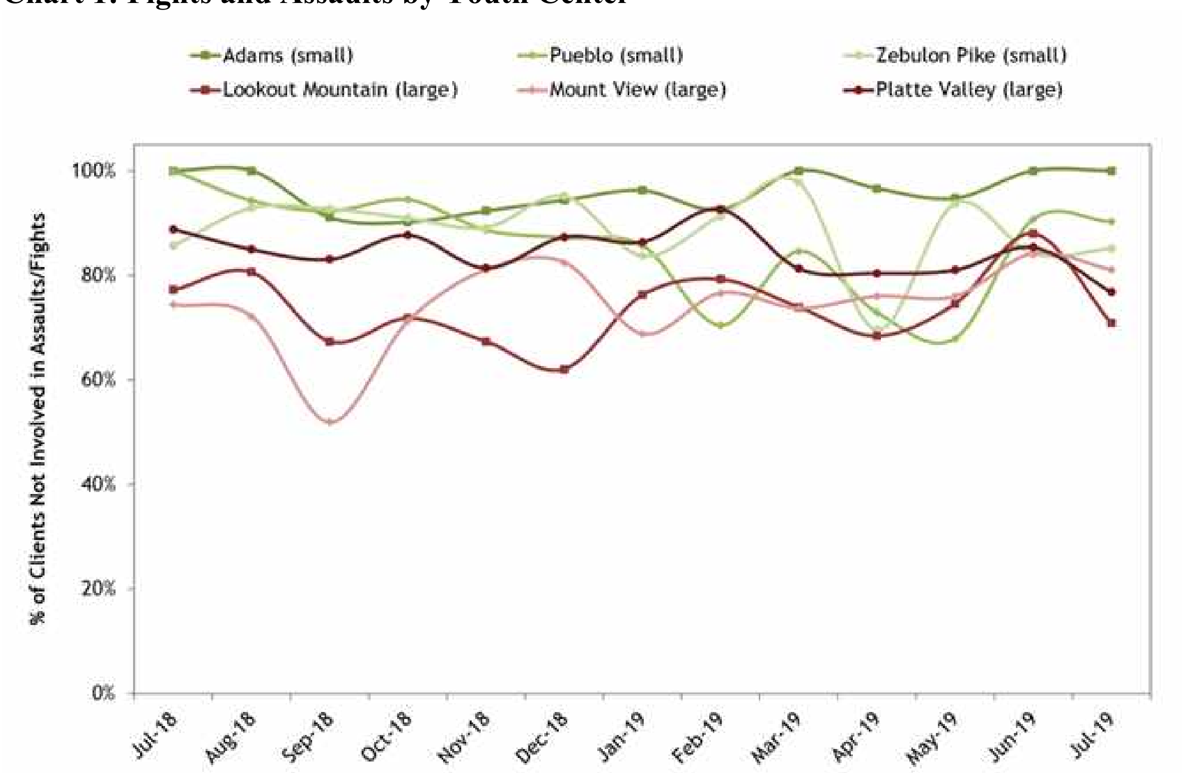
Current Program

The current Lookout Mountain Youth Services Center (Lookout Mountain) campus has multiple buildings that are managed together as one program, utilizing one facility director, two assistant directors and two clinical directors. The program census was reduced from 158 to a current number of 64 in July 2019 due to safety and security issues on the campus.

Problem or Opportunity:

Smaller facilities with concentrated treatment groups have a reduced frequency of violent incidents and escapes. The Department has recognized that in its smaller youth centers with thirty or fewer beds, such as Adams Youth Services Center, Pueblo Youth Services Center and Zeb Pike Youth Services Center, the number of fights and assaults-per-capita is lower than in the larger youth services centers.

Chart 1: Fights and Assaults by Youth Center



This request supports the Department's strategic plan by creating smaller facilities to improve the continuum of care, by modifying or building smaller, treatment and relationship-focused, secure care facilities that keep young people engaged with their families and communities.

The Department strives to create a safe and secure environment that promotes trust and healthy relationships between youth and staff and allows youth to develop. Transforming four Division of Youth Services (DYS) residential buildings from housing units in a 140 bed program to four smaller, separate youth services centers, each operating independently as a small facility, will allow the Department to reach better treatment outcomes and reduced recidivism for youth served at the Lookout Mountain campus.

Proposed Solution:

The Department proposes changing the structure of the Lookout Mountain campus from an older concept whereby the entire campus is treated as a single, large youth center of 140 beds, to four small youth centers on one campus, with each of the small youth centers having a capacity of 36 or fewer beds. Each building will have a facility director and assistant director, as well as a clinical director. The exception would be the Juniper program, which will serve 16 youth and will not require an assistant director. All programs will utilize existing dining services, recreational, educational and vocational education opportunities across the campus. Youth from the small youth centers will not commingle unless they are approved for participation in career tech education. The Lookout Mountain campus will be reset at a new capacity of 112 youth housed in four buildings as listed in Table 1.

Table 1: Building capacity

Capacity by building	
Aspen	24
Spruce	36
Cedar	36
Juniper	16
	112

The Missouri Model focuses on small youth centers, serving 36 youth or less per facility, and has been shown to improve the trajectory of the youth served.[1] Smaller youth centers support individual care within a group treatment model, which produces better outcomes and safer environments. By utilizing smaller units, the staff are able to build healthier relationships with youth.

Finally, the splitting of Lookout Mountain into distinct facilities will increase the number of beds available to committed youth who require a secure placement. This will allow youth to be moved into the commitment facilities, pursue educational gains and treatment goals. This increased capacity will alleviate the need to move young people into secure facilities in other states.

Anticipated Outcomes:

The Department anticipates that outcomes of the creation of four distinct commitment facilities will increase safety for youth and staff, improve treatment outcomes and family engagement treatment plans. Additionally, the Department anticipates a reduction in contraband, a decrease in assaults, a decrease in seclusion and restraint, and an increase in staff retention.

Assumptions and Calculations:

The management structure of each building is shown in Table 2.

[1] Richard A. Mendel (2010) The Missouri Model.The Annie E. Casey Foundation, downloaded http://www.njjn.org/uploads/digital-library/model.pdf

Table 2: Management structure

Need by building:				
Title:	Director	Assist Director	Clinical Director	Total
Classification	PM III	PM II	Clinical Team Lead	
Dir of Facil Operations	1.0			1.0
Aspen	1.0	1.0	1.0	3.0
Spruce	1.0	1.0	1.0	3.0
Cedar	1.0	1.0	1.0	3.0
Juniper	1.0	-	1.0	2.0
Total	5.0	3.0	4.0	12.0
				-
Existing Staff	1.0	2.0	2.0	5.0
Net New Staff	4.0	1.0	2.0	7.0

FTE costs are demonstrated in Table 3. Note that due to the small change in FTE, no benefit costs have been requested.

Table 3: FTE costs

Expenditure Detail		FY 2019-20		FY 2020-21	
Personal Services:					
Classification Title	**Biweekly Salary**	**FTE**		**FTE**	
Program Management II	$3,527	0.2	$15,284	1.0	$91,704
Program Management III	$2,918	0.5	$37,932	3.0	$227,592
Program Management III Dir of Facil Operations	$4,622	0.2	$20,028	1.0	$120,168
Clinical Team Lead	$4,150	0.3	$35,968	2.0	$215,808
Total		**1.2**	**$109,212**	**7.0**	**$655,272**
PERA			$11,085		$71,425
AED					
SAED					
Medicare			$1,584		$9,501
STD					
Health-Life-Dental					
Subtotal FTE		**1.2**	**$121,881**	**7.0**	**$736,198**
Operating Expenses:					
		FTE		FTE	
Regular FTE Operating Expenses	$500	1.2	$583	7.0	$3,500
Telephone Expenses	$450	1.2	$525	7.0	$3,150
PC, One-Time	$1,230	7.0	$8,610	0.0	
Office Furniture, One-Time	$3,473	7.0	$24,311	0.0	
Digital Trunk Radios	$3,500	7.0	$24,500	1.4	$4,900
Subtotal Operating Expenses			**$58,529**		**$11,550**
TOTAL REQUEST		1.2	**$180,410**	7.0	**$747,748**

Table 4: Long Bill Appropriations

11(B) Institutional Programs- Personal Services	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	Medicaid Total Funds	Medicaid General Fund	Medicaid Federal Funds	FTE
FY 2019-20 Appropriation LB 19-207	$69,329,722	$69,329,722	$0	$0	$0	$0	$0	$0	1002.5
Requested Funding (or Spending Authority)	$121,881	$121,881	$0	$0	$0	$0	$0	$0	1.2
FY 2019-20 Total Requested Appropriation	**$69,451,603**	**$69,451,603**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**1003.7**
FY 2020-21 Annualization of Prior Year Funding	$614,317	$614,317	$0	$0	$0	$0	$0	$0	5.8
FY 2020-21 Total Requested Appropriation	**$70,065,920**	**$70,065,920**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**1009.5**

11(B) Institutional Programs- Operating Exp	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	Medicaid Total Funds	Medicaid General Fund	Medicaid Federal Funds	FTE
FY 2019-20 Appropriation LB 19-207	$4,337,516	$2,874,632	$70,000	$1,392,668	$216	$0	$0	$0	0.0
Requested Funding (or Spending Authority)	$58,529	$58,529	$0	$0	$0	$0	$0	$0	0.0
FY 2020-21 Total Requested Appropriation	**$4,396,045**	**$2,933,161**	**$70,000**	**$1,392,668**	**$216**	**$0**	**$0**	**$0**	**0.0**
FY 2021-22 Annualization of Prior Year Funding	($46,979)	($46,979)	$0	$0	$0	$0	$0	$0	0.0
FY 2021-22 Total Requested Appropriation	**$4,349,066**	**$2,886,182**	**$70,000**	**$1,392,668**	**$216**	**$0**	**$0**	**$0**	**0.0**

Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-05c Supervisor Salary Increase

Dept. Approval By:

OSPB Approval By:

	Supplemental FY 2019-20
	Budget Amendment FY 2020-21
x	Change Request FY 2020-21

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
Total of All Line Items Impacted by Change Request	Total	$67,301,072	$0	$69,018,748	$1,170,411	$1,073,259
	FTE	971.0	0.0	961.0	0.0	0.0
	GF	$67,301,072	$0	$69,018,748	$1,170,411	$1,073,259
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
01. Executive Director's Office, (A) General Administration, (1) General Administration - Short-Term Disability	Total	$0	$0	$0	$1,624	$0
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$1,624	$0
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0
01. Executive Director's Office, (A) General Administration, (1) General Administration - Amortization Equalization Disbursement	Total	$0	$0	$0	$47,764	$0
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$47,764	$0
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
01. Executive Director's Office, (A) General Administration, (1) General Administration - S.B. 06-235 Supplemental Equalization Disbursement	Total	$0	$0	$0	$47,764	$0
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$47,764	$0
	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 - Personal Services	Total	$67,301,072	$0	$69,018,748	$1,073,259	$1,073,259
	FTE	971.0	0.0	961.0	0.0	0.0
	GF	$67,301,072	$0	$69,018,748	$1,073,259	$1,073,259
	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:**	No Other Agency Impact

Jared Polis
Governor

Michelle Barnes
Executive Director

Kara Veitch
Executive Director

Department Priority: R-05c
Request Detail: Supervisor Salary Increase

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21***	**FY 2021-22***
Total Funds	$0	$1,170,411	$1,073,259
FTE	0	0	0
General Fund	$0	$1,170,411	$1,073,259
Cash Funds	$0	$0	$0
Reappropriated Funds	$0	$0	$0
Federal Funds	$0	$0	$0

*The FY 2020-21 total includes an ongoing total of $1,073,259 for base building salaries plus PERA and FICA, plus a one-time amount of $97,152 for benefits POTS. The FY 2021-22 total in the table includes the ongoing amount from FY 2020-21.

Summary of Request:

The Department of Human Services (DHS) in coordination with the Department of Personnel & Administration (DPA) requests a total of $1,170,411 General Fund in FY 2020-21 and $1,073,259 in FY 2021-22 and ongoing. These increases will affect 83 FTE Youth Services Specialist III's (YSS III) in FY 2020-21 and ongoing. This request addresses compression issues resulting from the FY 2019-20 request R-02 Compensation for Direct Care Employees. This will be the final requested salary increase to follow this model, as future salary increases will be merit-based.

These staff are vital in setting the tone and culture in youth service facilities. They are the most highly trained and experienced and lead their direct reports by modeling behaviors which create a safer environment for youth and staff. Should this request not be approved, the Department expects to experience a higher level of turnover for the YSS III classifications going forward, in addition to experiencing recruiting problems filling any vacancies within this population of employees. Not addressing the compression issues created by the previously approved salary increases could also be detrimental to the culture and proper functioning of the Division of Youth Service facilities, which in turn could compromise the safety of our youth and staff.

Current Program:

The Division of Youth Service within the Department of Human Services operates ten facilities throughout the State for both detained and committed youth. The safe management of these youths are handled by direct care staff, which consists of approximately 800 Youth Services Specialist (YSS) I's and II's. The supervision of these staff are handled by approximately 90 Youth Services Specialist III's.

Problem or Opportunity:

In the FY 2019-20 legislative session, the General Assembly funded compensation increases for direct care staff in YSS I and YSS II classifications for FY 2019-20 and FY 2020-21 for an average of 11% per year. This was funded on the basis of attrition, vacancy rates, and other market conditions. However, this had an unintended consequence of creating inequitable salary compression issues with the YSS III staff who supervise these direct care employees.

As a result, Supervisory staff may now receive pay that is below or equal to those they supervise with comparative years of service. For example, a supervisor who has five years of service will be earning $4,401 monthly as of July 1, 2019, but a YSS II employee with the same five years of service, whom they supervise, will earn $4,546 per month. That same YSS II employee also has the ability to earn overtime, unlike the YSS III, who does not qualify for overtime compensation under the Fair Labor and Standards Act (FLSA), further exacerbating the compression issues between these classifications as many supervisors do work additional unpaid overtime. Correcting the compression issues for the YSS III classification will not result in further compression issues within the Department.

The tables below, which are based on the March 2019 statewide workforce data, show the impacted job classifications within the Department, the current department average monthly salary, the comparable market median salary where applicable, the department average salary percent in range, department average years of service, and the percent difference from the Department average salaries to the State's average salaries. Additionally, Table 2 below shows department specific separation and turnover rates for these job classifications.

Table 1: Department of Human Services Compensation Information

Class Title	Dept. EE Count	Current Dept Avg Salary	BASE Market 50th (Median) Salary	% Diff Dept Avg Salary to Market Median	Dept Avg Salary PIR	Dept Avg YOS	Range Min	Range Max	% Diff Dept Avg Salary to SOC Avg Salary
CORR/YTH/CLN SEC SPEC III	4	$4,516.25	n/a	n/a	12%	13.5	$4,273.00	$6,351.00	-12.8%
CORR/YTH/CLN SEC SUPV III	88	$4,761.98	$4,439.33	7%	24%	13.3	$4,273.00	$6,351.00	-3.2%

Table 2: Department of Human Services Separation and Turnover Information

Class Title	Dept Sep (FY1718)	Dept Avg EE in Class (FY1718)	Dept Turnover FY1718	Dept Sep (FY1819 YTD)	Dept Avg EE in Class (FY1819 YTD)	Dept Turnover FY1819 YTD
CORR/YTH/CLN SEC SPEC III	0	6.7	**0.0%**	1	5.1	**19.6%**
CORR/YTH/CLN SEC SUPV III	12	70.2	**17.1%**	16	86.4	**18.5%**

Proposed Solution:

The Department requests $1,170,411 General Fund in FY 2020-21 and $1,073,259 in FY 2021-22. The amount included in FY 2020-21 consists of $1,073,259 ongoing personal services (base salary, PERA and FICA), plus the one-time benefits POTS expense of $97,152 which captures the incremental POTS for Amortization Equalization Disbursement (AED), Supplemental Amortization Equalization Disbursement (SAED), and Short-Term Disability (STD). These incremental benefits POTS will be required on a one-time basis in FY 2020-21, because the FY 2020-21 annual total compensation request will be based on employee salaries as of July 2019 and will not include the adjustments included in this request.

The Department's proposed solution will increase YSS III salaries in FY 2020-21 to the midpoint of the salary range, plus a small percentage based on each position's total years of service. This approach is consistent with the approach taken in the FY 2019-20 R-02 Compensation for Direct Care Employees request. The Department seeks to compensate existing and new YSS III supervisory positions at the midpoint of the pay range for each classification, and provide a compression increase for existing supervisory positions who are already at the midpoint of the range. This request will increase the personal services appropriation for (11) Division of Youth Services, (A) Administration, Personal Services for the base salaries, PERA and FICA, and will increase the benefits pots within the (1) Executive Director's Office, (A) General Administration appropriation lines. DHS has not reverted money within the (11) Division of Youth Services, (A) Administration, Personal Services line for the last two fiscal years.

This will be the final requested salary increase to follow this model, as future salary increases will be merit-based.

Should this request not be approved, the Department expects to experience a higher level of turnover for the YSS III classifications going forward, in addition to experiencing recruiting problems filling any vacancies within this population of employees. Not addressing the compression issues created by the previously approved salary increases could also be highly detrimental to the culture and proper functioning of the Department's facilities which in turn could compromise the safety of our youth and staff.

Anticipated Outcomes:

By increasing salaries from their current levels to the midpoint of the salary range, plus a small adjustment related to the employees' years of service, the Department anticipates being able to recruit and retain more staff and reduce the overall turnover rates within these job classifications. In the last year, the average length of service for a YSS III supervisor fell from 12.5 years to 10.6 years. This request is a proactive step in aligning Youth Services Specialist pay and alleviates supervisors from making less or nearly the same pay as the staff they supervise. These staff are vital in setting the tone and culture in youth facilities. They are the most highly trained and experienced and lead their direct reports by modeling behaviors which create a safer environment for youth and staff.

Assumptions and Calculations:

To estimate the total impact for FY 2020-21 and FY 2021-22, the relevant positions were estimated utilizing April 2019 salaries aged to FY 2019-20 salaries as the base. The Department has assumed that in FY 2020-21, the annual total compensation process will include a 2% salary adjustment (either in the form of an across-the-board salary survey increase or merit pay), plus a 2% salary structure adjustment to pay ranges. This is based on the standard estimates for movement in the market and aligns with the policies that have been approved over the last few fiscal years.

The table below shows the application of additional salary increases based on years of service:

Table 3: Requested Increases by Years of Service

Category	Midpoint + Increase
0 to 1 year	Midpoint of Salary Range
1 year + 1 day to 2 years	Midpoint + 0.5%
2 years + 1 day to 3 years	Midpoint + 1.0%
3 years + 1 day to 4 years	Midpoint + 1.5%
4 years + 1 day to 5 years	Midpoint + 2.0%
5 years + 1 day to 10 years	Midpoint + 2.5%
10 years + 1 day and beyond	Midpoint + 3.0%

The tables below represent the estimated FY 2020-21 salary increases plus associated POTS:

Table 4: FY 2020-21 Total Estimated Cost by Category

Job Class	Class Code	Personal Services	PERA (10.90%)	Medicare (1.45%)	AED (5.00 %)	SAED (5.00%)	STD (0.17%)	Total
CORR/YTH/CLN SEC SPEC III	A1D4XX	$ 73,140	$ 7,972	$ 1,061	$ 3,657	$ 3,657	$ 124	$ 89,611
CORR/YTH/CLN SEC SUPV III	A1D5XX	$ 882,142	$ 96,154	$ 12,791	$ 44,107	$ 44,107	$ 1,500	$ 1,080,801
		$ 955,282	**$ 104,126**	**$ 13,852**	**$ 47,764**	**$ 47,764**	**$ 1,624**	**$ 1,170,411**

Table 5: FY 2020-21 Cost Build Detail

Row	Category	Amount	Notes	Requested One-Time or Ongoing
1	Personal Services	$ 955,282		Ongoing
2	PERA (10.90%)	$ 104,126	Row 1 * 10.90%	Ongoing
3	Medicare (1.45%)	$ 13,852	Row 1 * 1.45%	Ongoing
4	Personal Services Subtotal	**$ 1,073,259**	Sum of Rows 1, 2, and 3	
5	AED (5.00 %)	$ 47,764	Row 1 * 5%	One-Time POTS
6	SAED (5.00%)	$ 47,764	Row 1 * 5%	One-Time POTS
7	STD (0.17%)	$ 1,624	Row 1 * 0.17%	One-Time POTS
8	Total	$ 1,170,411	Sum of Rows 4, 5, 6, and 7	

Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-05d Youth Service Day Reporting

Dept. Approval By:

OSPB Approval By:

	Supplemental FY 2019-20
	Budget Amendment FY 2020-21
X	**Change Request FY 2020-21**

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
Total of All Line Items Impacted by Change Request	Total	$1,508,788	$0	$1,504,665	$725,000	$815,000
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$1,472,222	$0	$1,468,199	$725,000	$815,000
	CF	$0	$0	$0	$0	$0
	RF	$36,566	$0	$36,466	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
11. Division of Youth Services, (C) Community Programs, (1) Community Programs - Managed Care Pilot Project	Total	$1,508,788	$0	$1,504,665	$725,000	$815,000
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$1,472,222	$0	$1,468,199	$725,000	$815,000
	CF	$0	$0	$0	$0	$0
	RF	$36,566	$0	$36,466	$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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Department of Human Services

FY 2020-21 Funding Request

November 1, 2019

Jared Polis
Governor

Michelle Barnes
Executive Director

Department Priority: R-05d
Request Detail: Youth Services Day Reporting

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	$0	$725,000	$815,000
FTE	0.0	0.0	0.0
General Fund	$0	$725,000	$815,000
Cash Funds	$0	$0	$0
Reappropriated Funds	$0	$0	$0
Federal Funds	$0	$0	$0

Summary of Request:

The Department of Human Services requests an increase of $725,000 Total funds/General Fund for FY 2020-21 and $815,000 in FY 2021-22 and ongoing to implement a day reporting program with a comprehensive evaluation to support reducing youth recidivism rates. A day reporting program provides juvenile parolees who present with higher risk and needs with a structured introduction back into the community, offering a higher level of contact with service providers (transition coordinators, mentors, therapists, job coaches, tutors) and juvenile parole officers, increased opportunities for the development of prosocial interests and peer associations and direct access to treatment services. The request also funds an evaluation consistent with the State of Colorado's emphasis on data and evaluation.

The Department anticipates a reduction in the number of parolee failures during the first 90 days of parole. Expected outcomes also include an increased number of youth discharging with a positive parole adjustment rating, more timely and effective interventions for substance use relapses, a reduction in parole revocations, and increases in youth obtaining and maintaining full-time programs (employment/education). Finally, day reporting and the associated services are targeted toward a reduction in recidivism at one, two and three years.

This increase is 18.0% above the FY 2019-20 appropriation in (11)B Institutional Programs, Operating.

Current Program:

The Department currently provides transition services to all committed youth who are preparing for community reentry following residential placement and then while on parole. The Department's Division of Youth Services served approximately 200-215 youth on juvenile parole on a daily basis over the past 12 months. These services include supervision, transition support,[1] obtaining housing, family services, employment and educational support, mental health and substance use services, and mentoring. These services are managed by the youth's Client Manager or Parole Officer. For the most part, services are currently provided through different delivery mechanisms. In some geographical areas, providers are in place who have the ability to bundle services, while in others, each service is provided by separate agencies and professionals.

Problem or Opportunity:

A gap in the Department's array of transition and parole services has been in the ability to provide a higher degree of structure and services to higher risk and higher need youth transitioning to parole. A subpopulation of parolees have struggled to obtain full time programs (education, vocation, and employment) in a timely manner. The six-month parole period limits the amount of time available to successfully re-integrate youth back into the community and lost time in the early months of parole can impact outcomes. The Division of Youth Services' evaluations have long identified that the first ninety days of parole are most critical for establishing success as for those youth who do fail, the highest proportion do so during this period. Parolees discharge from different residential programs with a range of continued treatment needs. Based upon their level of risk at parole, they will also require varying levels of supervision and contact with parole officers. Examples include: youth who need to continue to study for a GED, search for employment and take advantage of job coaching, develop new peer associations, and explore pro-social activities. The need for treatment of a youth's factors that lead to criminal behavior and areas such as mental health, family dynamics, and substance use does not end at discharge from a residential placement. In fact, best practice literature recognizes that treatment must proceed as seamlessly as possible.[2] In addition, for many youth the transition from a highly structured residential setting to parole with the freedoms offered by the community presents difficulties in relapse, both in criminal thinking and in the use of substances. As stated earlier, although the Department has the ability to offer paroled youth an array of services, there is currently no mechanism to provide an enhanced structure with centralized access to services. The Department does not currently fund a day reporting program.

Proposed Solution:

The Department is requesting $725,000 to implement a pilot contracted day reporting program and evaluation of services starting in FY 2020-21. Annualized costs amount to $792,000 in FY 20221-22 plus $23,000 for the evaluation. A day reporting program provides juvenile parolees who present with higher risk and need with a structured introduction back into the community,

[1] Examples include but are not limited to assistance connecting to sustainable community services, support enrolling in school and finding employment.

[2]David Altschuler, Ph.D. and Shay Bilchik, J.D. (2014) Critical Elements of Juvenile Reentry in Research and Practice, Council of State Governments Justice Center

offering a higher level of contact with service providers (transition coordinators, mentors, therapists, job coaches, tutors) and juvenile parole officers, increased opportunities for the development of prosocial interests and peer associations, and direct access to treatment services.

The proposed program would serve 110 parolees per year with each youth attending a day reporting program for an average of 60 days. The Department anticipates using the day reporting program for youth who are making the transition from residential placement to parole or those on parole who may be struggling and require increased supervision and services. Youth often require more support during the first several months of parole. As parole is limited to six months in most cases, there is relatively little time to prepare them for discharge. Parole officers work to gradually transition parolees to local community resources and off of more formalized, State-funded services. Youth who are struggling in the community often require short-term interventions to assist them with getting back on track. Day reporting is cost effective when compared to the cost of keeping youth in a state facility or residential facility. For example, the annual cost for youth in a Residential Child Care Facility is $79,924 annually; the annual cost for one youth in day reporting is $7,200.

Consolidating these services under one location allows youth to meet their treatment needs, access services designed to support their self-sufficiency, and achieve their goals. Parole officers and treatment providers from various disciplines will have a greater ability to supervise youth, as well as ensure youth attend appointments and are engaged in full time pro-social activities. Youth will have an enhanced ability to obtain their GED through on-site tutoring, and find and maintain employment while receiving job coaching. A “one-stop shop” approach will contribute to better treatment outcomes as youth will be able to access providers in a central location.

Anticipated Outcomes:

Day reporting has most often been used for adult offenders at various points in the process, such as for probationers who require a higher level of supervision, or for parolees who require more structure as they reintegrate into the community. A great deal of research has been undertaken to assess the efficacy of day reporting centers on recidivism. A 2019 study conducted by the University of Nevada, Las Vegas Center for Crime and Justice Policy found that the Nevada Day Reporting Center demonstrated a positive impact on recidivism for probationers and parolees who participated in the program versus those who did not.[3] An older exploratory Colorado study was completed in 2002.[4] The study found that participants who completed the day reporting program fared better than those who did not participate or those who did not successfully complete. A 2014 West Virginia study of 2,030 probationers served in day reporting centers also demonstrated positive effects on recidivism. This study points to the importance of program design and the type and amount of treatment services provided.[5] The West Virginia program follows the Risk-Need-Responsivity principle, matching service delivery to identified risk and

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[3] West, Matthew & Belisle, Linsey & Sousa, William. (2019). Nevada's Day Reporting Ctr: ResultsRandomized Controlled Trial

[4] Amy Craddock PhD & Laura A. Graham MPA (2001) Recidivism as a Function of Day Reporting Center Participation, Journal of Offender Rehabilitation, 34:1, 81-97, DOI: 10.1300/J076v34n01_06

[5] Spence, Douglas Hamilton. “Predictors of Client Success in Day Report Centers : Successful Program Completion and its Relationship to Recidivism.” .

need. A 2013 Council of State Governments' National Reentry Resource Center Center presentation succinctly summarizes the research on day reporting centers for adult offenders.[6] Day reporting centers are used for different purposes by jurisdictions across the country. Program structures also differ, e.g., some centers provide any combination of assessment, services to address criminogenic risk and need, employment services, job training and prosocial activities. As the report states, "Much depends on target population, level and type of supervision, specific services provided and quality of services."

The Department is proposing to implement this approach with juvenile offenders who are transitioning from residential settings to their home communities on juvenile parole. Day reporting centers for juveniles have, for the most part, not been studied and it appears from the lack of research and literature that few exist. One such program in Florida, "AMIkids", is a day treatment program that provides "education, challenge experiences, cognitive-behavioral therapy, strength-based case management, behavior modification, family partnership, problem-solving and social skills development, and community service." The program is featured on the Office of Juvenile Justice and Delinquency Prevention's Model Programs Guide as a Promising Practice.[7] The program is not specifically designed for a juvenile corrections population but is more generalized to an at-risk and delinquent group. The program has demonstrated significantly significant effect sizes on future recidivism.

From the literature on adult day reporting and the concept's impact on re-offending, the Department's proposal will include the use of an actuarial-based risk assessment to ensure those offenders with the highest level of risk are served, and to provide specific need areas requiring further (following each youth's residential stay) treatment. Evidence-based treatment approaches will be employed as well as supervision standards commensurate with each youth's risk level.

The Department anticipates a reduction in the number of parolee failures during the first 90 days of parole. Outcomes also include an increased number of youth discharging with a positive parole adjustment rating, more timely and effective interventions for substance use relapses, a reduction in parole revocations, and increases in youth obtaining and maintaining full-time programs (employment/education). Finally, day reporting and the services associated are targeted toward a reduction in recidivism at one, two and three years.

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[6] Skinner, B & Gnall, K. 2013. Halfway Houses, Day Reporting and Work Release Centers: What Impact Do They Have on Public Safety. Downloaded from: https://csgjusticecenter.org/nrrc/webinars/work-release-day-reporting-halfway-houses-what-impact-of-they-have-on-public-safety/

[7] OJJDP. Model Programs Guide. Downloaded from https://www.ojjdp.gov/MPG/Topic/Details/42

Assumptions and Calculations:

Table 1: Program Cost Estimate

Program Cost Estimate	FY 2020-21	FY 2021-22
Day Reporting for Parolees		
estimated price per day	$ 120.00	
# of Parolees (unique)	110	
# of days	60	
	$ 792,000	**$ 792,000**
Cost Per Month	$ 66,000	
Prorated to begin Sept 1	**$ 660,000**	
Evaluation expense	$ 65,000	$ 23,000
Evaluation	**725,000**	**$ 815,000**

Table 2: Estimate of price per day

Estimate of cost for day reporting		
Current RCCF rate	$218.97	
Estimate of cost for day reporting	50%	
Rough estimate		$109.49
possible 10% range in above		10.95
calculated estimate of rate		$120.43
rounded for this proposal to	**$120.00**	

The estimate for Day Reporting is based on the number of Parole Intakes year to date through June 2019 for the Central, Northeast and Southern Region.

Table 3: Estimate of Youth to be served for Day Reporting

Estimate of Youth to be served		
Annualized Parole Intakes- Central Region	318	
% applicable for Day Reporting	35%	
Resulting number of youth for program		111.3
Number of youth for pilot	110	

Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-05e Youth Services Candidate Assessment

Dept. Approval By:

OSPB Approval By:

	Supplemental FY 2019-20
	Budget Amendment FY 2020-21
x	**Change Request FY 2020-21**

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
Total of All Line Items Impacted by Change Request	Total	$4,307,591	$0	$4,153,645	$75,000	$75,000
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$2,844,707	$0	$2,675,832	$75,000	$75,000
	CF	$70,000	$0	$70,000	$0	$0
	RF	$1,392,668	$0	$1,392,668	$0	$0
	FF	$216	$0	$15,145	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
11. Division of Youth Services, (B) Institutional Programs, (1) Institutional Programs - Operating Expenses	Total	$4,307,591	$0	$4,153,645	$75,000	$75,000
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$2,844,707	$0	$2,675,832	$75,000	$75,000
	CF	$70,000	$0	$70,000	$0	$0
	RF	$1,392,668	$0	$1,392,668	$0	$0
	FF	$216	$0	$15,145	$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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Department of Human Services

FY 2020-21 Funding Request

November 1, 2019

Jared Polis
Governor

Michelle Barnes
Executive Director

Department Priority: R-05e
Request Detail: Youth Services Candidate Assessment

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	$0	$75,000	$75,000
FTE	0.0	0.0	0.0
General Fund	$0	$75,000	$75,000
Cash Funds	$0	$0	$0
Reappropriated Funds	$0	$0	$0
Federal Funds	$0	$0	$0

Summary of Request:

The Department of Human Services requests $75,000 in Total funds/General Fund for FY 2020-21 and ongoing for the implementation of an applicant screening tool for all classifications of staff who work in a Division of Youth Services (DYS) facility or interact directly with youth. The Department wants to take additional measures to strengthen our ability to find the best candidates and continue to ensure the creation of safe, secure and therapeutic facilities.

Current Program:

The Department uses standardized methods for screening applicants to work in Youth Service facilities, including meeting minimum qualifications, background checks, and reference checks. However, the Department does not currently utilize a specific tool designed to assess the ability to create healthy, appropriate relationships with youth in the Division of Youth Service custody.

Problem or Opportunity:

The Department proposes to implement an employment screening tool for all prospective staff who will have contact with youth. In the past year, the Department has had staff who have allegedly engaged in inappropriate relationships or introduced contraband into facilities. Currently, staff are hired based on minimum qualifications, the subject matter expert review, and interviews with the appointing authority. It is imperative that a screening instrument is utilized to inform the appointing authority on the characteristics and ability of prospective employees to appropriately function in a correctional environment with at risk youth. The Department wants to take additional measures to strengthen our ability to find the best candidates and continue to ensure the creation of safe, secure and therapeutic facilities.

Proposed Solution:

The Division is exploring several current options for purchasing pre-employment screening materials.

One tool being considered that is used by the Department of Corrections (DOC) is called The Corrections Selection Inventory assessment and assesses the following:

- Characteristics critical to job success
- Respect for Authority
- Work Ethic
- Cooperation/Teamwork
- Dependability
- Retention
- Communication Skills
- Attention to Detail
- Principled Behavior
- Judgment

Anticipated Outcomes:

The implementation of a pre-employment screening tool will assist the Department with hiring strong candidates who are able to create and maintain healthy and appropriate relationships with youth. A secondary benefit may also be a reduction in turnover in direct care positions by hiring the right candidates. For the fiscal year 2018-19, in direct care positions Youth Services Specialist I and II, turnover averaged above 52%.

The Corrections Selection Inventory assessment underwent a validation study in 2010 conducted by Dr. Mo Wang, Ph.D., Associate Professor, Department of Psychology University of Maryland. The retention score impact on turnover demonstrated that candidates with low retention scores are two times more likely to turnover voluntarily than candidates who are assessed as having acceptable or high retention scores. Candidates who had high overall success scores demonstrated that the candidate was nearly twice (1.8 times) as committed to the job as those with low overall success scores. Candidates with low overall success scores were 1.6 times more likely to turnover voluntarily and 2.3 times more likely to turnover involuntarily than candidates who are assessed as having acceptable or high overall success scores.

If this request is not approved, DYS will continue to hire new staff based on current hiring practices.

Assumptions and Calculations:

Pre-employment screening costs are estimated in Table 1.

Table 1: Screening Tool Calculation

Annual Hires	500
Cost per hire	$150
Annual Cost	**$75,000**

Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-06 Family First Prevention Services Act and Trails

Dept. Approval By:

OSPB Approval By:

	Supplemental FY 2019-20
	Budget Amendment FY 2020-21
x	**Change Request FY 2020-21**

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
Total of All Line Items Impacted by Change Request	Total	$369,213,812	$0	$368,779,618	$3,575,996	$3,563,769
	FTE	63.6	0.0	63.8	12.4	13.0
	GF	$188,920,199	$0	$198,338,916	($3,376,547)	($3,382,660)
	CF	$66,350,032	$0	$66,224,168	$0	$0
	RF	$13,045,013	$0	$13,046,613	$0	$0
	FF	$100,898,568	$0	$91,169,921	$6,952,543	$6,946,429

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
02. Office of Information Technology Services, (A) Information Technology, (1) Information Technology - Colorado Trails	Total	$7,483,516	$0	$7,483,516	$515,488	$515,488
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$3,829,418	$0	$3,829,418	$335,067	$335,067
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$3,654,098	$0	$3,654,098	$180,421	$180,421
05. Division of Child Welfare, (A) Division of Child Welfare, (1) Division of Child Welfare - Administration	Total	$6,356,796	$0	$6,550,764	$3,060,508	$3,048,281
	FTE	63.6	0.0	63.8	12.4	13.0
	GF	$5,312,748	$0	$5,499,437	$1,530,254	$1,524,141
	CF	$0	$0	$0	$0	$0
	RF	$63,419	$0	$65,019	$0	$0
	FF	$980,629	$0	$986,308	$1,530,254	$1,524,140

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
	Total	$355,373,500	$0	$354,745,338	$0	$0
	FTE	0.0	0.0	0.0	0.0	0.0
05. Division of Child Welfare, (A) Division of Child Welfare, (1) Division of Child Welfare - Child Welfare Services	GF	$179,778,033	$0	$189,010,061	($5,241,868)	($5,241,868)
	CF	$66,350,032	$0	$66,224,168	$0	$0
	RF	$12,981,594	$0	$12,981,594	$0	$0
	FF	$96,263,841	$0	$86,529,515	$5,241,868	$5,241,868

Auxiliary Data

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

Jared Polis
Governor

Michelle Barnes
Executive Director

Department Priority: R-06
Request Detail: Family First Prevention Services Act and Trails

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20*	**FY 2020-21**	**FY 2021-22**
Total Funds	**$1,692,819**	**$3,575,996**	**$3,563,769**
FTE	5.6	12.4	13.0
General Fund	$1,332,590	($3,376,547)	($3,382,660)
Cash Funds	$0	$0	$0
Federal Funds	$360,229	$6,952,543	$6,946,429

* Funding in FY 2019-20 is the amount appropriated in ES-01 Family First and Colorado Trails.

Summary of Request:

The Department of Human Services requests $3,575,996 total funds and 12.4 FTE, including General Fund savings of $3,376,547 and an increase of $6,952,543 federal funds, in FY 2020-21 to implement aspects of the federal Family First Prevention Services Act (Family First). The source of federal funds is Title IV-E of the Social Security Act. This amount annualizes to $3,563,769 total funds and 13.0 FTE in FY 2021-22 and ongoing, including a savings of $3,382,660 General Fund and an increase of $6,946,429 federal funds. The funding will be used for (a) additional staff to support implementation and reporting requirements and (b) additional staff and operating expenses for modifying Trails to capture Family First information.

On February 9, 2018, the federal Family First Prevention Services Act (Family First) was signed into law. Family First changes foster care by: (1) allowing federal reimbursement for care in family-based settings and certain residential treatment programs for children and youth with emotional and behavioral disturbance; (2) allowing federal reimbursement (through Title IV-E funds) for evidence-based prevention or mental health and substance abuse services, and in-home, skills-based services for parents; and (3) requiring settings to meet the Qualified Residential Treatment Program (QRTP) criteria.

Once Colorado "opts in" to provide prevention services, Colorado must, simultaneously, be fully prepared to meet the federal reporting requirements for both prevention and the Qualified Residential Treatment Program criteria. Additional FTE will be needed to implement various Family First requirements, some of which include the evaluation and monitoring of preventative services, ongoing training, and ongoing reporting.

Trails is used by various offices including Child Welfare and Youth Services. Trails Modernization is a current capital project. 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.

Current Program:

The Department's Division of Child Welfare (Division), through county departments of human or social services, 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.

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:

On February 9, 2018, the federal Family First Prevention Services Act (Family First) was signed into law. Family First changes foster care by:

(1) Allowing federal reimbursement (through Title IV-E funds) for care in family-based settings and certain residential treatment programs for children and youth with emotional and behavioral disturbance;
(2) Allowing federal reimbursement (through Title IV-E funds) for evidence-based prevention or mental health and substance abuse services, and in-home, skills-based services for parents; and
(3) Requiring residential child care facility settings to meet the qualified residential treatment program (QRTP) criteria.

Once Colorado "opts in" to provide prevention services, Colorado must, simultaneously, be fully prepared to meet the federal reporting requirements for both prevention and the QRTP criteria. Additional FTE will be needed to implement various Family First requirements, some of which include the evaluation and monitoring of preventative services, ongoing training, and ongoing reporting. The Department has been preparing for the implementation since 2018, and plans to opt in by January 31, 2020, pending approval of Colorado's Title IV-E plan by the federal Administration for Children and Families. If, at that time, the Department is not compliant, the State will not be able to leverage the new opportunity for reimbursement of Title IV-E funds available through Family First implementation.

Trails is Colorado's child welfare automated case management system used to track child abuse and neglect cases, provider licenses, children and youth in the Division of Youth Services, and foster and adoptive services. It facilitates and documents the State's compliance with government regulations and safety standards and is used by the Division of Child Welfare, the Division of Youth Services, the Office of Early Childhood, the Administrative Review Division, the Office of Child Protection Ombudsman, certain contracted providers, 22 judicial districts, and 64 county departments of human/social services. Trails was first built in 2001 and an independent analysis of Trails in FY 2013-14 resulted in a recommendation to "modernize" the Trails system through technology upgrades. Trails Modernization is a current capital project.

While Trails modernization is underway, much work still needs to be done in the child welfare case management system to be in compliance with federal and state statutes, such as increased security and encryption of social security numbers. In addition to federal and state requirements, the new documentation and reporting requirements of Family First need to be incorporated into Trails. The Trails Modernization project must be completed prior to making Trails compliant with Family First.

The Department acknowledges the Federal Administration for Children and Families (ACF) 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 on August 26, 2016.
- Trails has not been updated to comply with the federal regulations and requirements in Every Student Succeeds Act signed December 10, 2015.
- Judicial interface requires updating due to new encryption requirements. The interface has been down and non-operational since January 2017.
- Although Governor's Office of Information (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.
- The federal Administration of Children and Families (ACF) performed Colorado's Child and Family Services Review (Review) in September 2017 and found that Colorado's case management system is not in conformity with requirements. ACF acknowledges the technology upgrade being made through the Trails Modernization project. However, during the Review, ACF interviewed caseworkers and families and concluded 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.

To this effort, the Department was appropriated $2,452,920 total funds ($1,103,814 General Fund and $1,349,106 federal funds) in FY 2019-20. Before this FY 2019-20 appropriation, Trails had not had an operations and maintenance increase in over nine years. Technology costs have gone up and OIT has been reducing services to stay within budget. While OIT services have been reduced, Trails continues to support over 6,000 users, training environments have grown from one metro site to four regional sites, and database 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.

The Department's management team has been meeting monthly to address its concerns with OIT management for over eighteen months. The Department has provided a Statement of Work and established response times on Trails access and technical support, but missed deliverables, non-compliance, escalating tickets and change orders continue. Without additional resources, OIT and the current Trails operations and maintenance vendor have limited options to improve Trails and response times for 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. Without additional funding, the Department will not be able to meet the ongoing demands of support and maintenance as a result of the development and implementation of Trails due to Family First.

Proposed Solution:

Staff Support
In order to implement Family First, the Department is requesting 12.4 FTE and $3,452,308 for FY 2020-21 to (a) make Trails compliant with Family First and (b) ensure compliance with the new reporting requirements. Specifically, the Department is requesting:

Trails Compliance

- 1.0 FTE Trails Product Owner (Program Management III) to ensure that the final Trails Modernization product is completed and meets the evolving needs of Colorado's child welfare system, with Family First requirements incorporated.$123,688 for Insight – HP Renewal for testing capabilities
- $40,800 for database upgrades and monitoring.
- $351,000 for project management and Manager support to ensure that Trails Modernization is completed on time, schedule and within budget with all Family First requirements incorporated.

Family First Implementation

- 1.0 Project Manager III (time-limited) to ensure full child welfare practice implementation of the Family First.
- 1.0 Auditor III to join the Finance Unit to report new Family First requirements.
- 1.0 Prevention Training Supervisor (Training Specialist V) to provide technical assistance and oversight to county departments on prevention services and activities.
- 2.0 Compliance Investigator IIs for the Department's Administrative Review Division (ARD) will be required to review the validity of placements during case reviews.
- 1.0 Analyst IV for DCW's Research, Analysis and Data (RAD) Unit who will need to provide analysis of prevention related data, reporting, and evaluations on Family First.
- 5.0 Monitoring Specialists and 1.0 Monitoring Supervisor for DCW's Placement Services Unit will need to create guidelines for Family First QRTP accreditation standards, monitor to the fidelity of these standards, and investigate complaints from the Office of Behavioral Health (OBH) when QRTPs are non-compliant in the fidelity of their trauma informed care models.
- $361,800 for third party assessor(s) required to assess the validity of placements in Qualified Residential Treatment Programs
- $1,425,000 for five evaluations required by Family First for programs or services that Colorado would determine to meet requirements to earn Title IV-E reimbursement.

Anticipated Outcomes:

The Department's request will allow Colorado to implement Family First and be in compliance with federal law. By serving children and youth who are at risk of being removed from their families with evidence based preventative services, fewer children, youth, and families will experience the trauma of being removed from their homes. Preventative programs/models will be monitored for degrees of evidence-based compliance with the goal of meeting federal composition requirements, resulting in more children and youth remaining in their homes and when out-of-home placement is necessary, experiencing less restrictive settings in more family like environments.

Anticipated outcomes from the additional moneys for Trails support will:

- Implement federal and state mandated requirements in Trails;
- Provide on-going technical support to county users for the new web based and mobility technology being introduced in the Trails Modernization project as a result of Family First;
- Stay in compliance with CCWIS and allow Colorado to continue to partner with ACF.

Family First will increase the federal dollar match for evidence based prevention services that are well-supported (randomized-controlled trial or rigorous quasi-experimental design demonstrating sustained effect for at least a year after treatment), supported (randomized-controlled trial or rigorous quasi-experimental design showing sustained effects for at least six months after treatment), or promising practices (independent systematic review has been conducted using some form of control group). Family First also incentivizes placements in family like settings by limiting the financial support for long-term stays in congregate care settings, but still providing residential treatment options for youth with clinical needs in qualified residential treatment programs (QRTP). These changes will improve outcomes for youth, prevent unnecessary placements, and align child welfare financing models with programmatic best practices.

Assumptions and Calculations:

The Title IV-E Prevention Services Clearinghouse, developed in accordance with Family First, rates programs and services as well-supported*,* supported*,* promising*,* or does not *c*urrently meet criteria*.* To date, there are nine evidence-based services or programs on the Clearinghouse. Those programs and services are:

- Parent-Child Interaction Therapy
- Trauma-focused – Cognitive Behavioral Therapy
- Multi-systemic Therapy
- Functional Family Therapy
- Families Facing the Future
- Methadone Maintenance Therapy
- Nurse Family Partnership
- Healthy Families America
- Parents as Teachers

Colorado provides some of these Clearinghouse programs or services across its continuum of child welfare services in order to keep children and youth in their homes. These services and programs are primarily provided using Family and Children's Programs funding, or more commonly referred to as the Core Services Program. The Core Services Program line item is funded almost completely with General Fund. Although the Department does not currently track these individual services and programs in Trails or the County Financial Management System (CFMS), it cross-walked Core Services expenditures to those on the Clearinghouse list above to make this analysis and estimate.

The list of items and assumptions the Department considered is as follows:

- Prevention and intervention services – New earnings based on prevention and intervention services; newly eligible for IV-E reimbursement under Family First
- Training - New earnings based on training; newly eligible for IV-E under Family First
- Administration - New earnings based on administration; newly eligible for IV-E under Family First
- Title IV-E Waiver funding loss - the Title IV-E Waiver expired (9/30/2019)
- Congregate care placement loss – this includes a weighted average provider rate increase of 26%
- Candidacy/Infrastructure adjustment – because of the time to develop a robust infrastructure for Family First, that not all programs will meet Family First prevention criteria, and because not all children will meet the definition of candidacy, we assume a downward adjustment of approximately 25%

Table 1 summarizes the calculations for this estimate.

	Table 1: Projected Family First Prevention Service Act Revenue Gains and Losses			
	Item	**Additional Earnings**		**Notes**
A	FFPSA Services	$	9,343,167	New earnings based on services newly eligible for IV-E per FFPSA
B	FFPSA Training	$	1,817,414	New earnings based on training newly eligible for IV-E per FFPSA
C	FFPSA Admin	$	16,918,621	New earnings based on administrative expenditures newly eligible for IV-E per FFPSA
D	**Total**	**$**	**28,079,202**	**Sum of Rows A, B, and C**
E	Estimated Federal Earnings	$	1,787,998	Assumption includes 50% federal earnings of additonal services and staffing in R-06.
F	**Total**	**$**	**29,867,200**	**Sum of Rows D and E**
G	Waiver Funding Loss	$	(12,900,000)	Adjust for $9.7 million in bridge funding provided in FY 2019-20 for 9 months after Title IV-E Waiver expires (9/30/2019) to account for 12 months in FY 2020-21
H	Congregate Care Placement Losses from FFPSA	$	(2,765,284)	with weighted average rate increase of 26%
I	**Total**	**$**	**(15,665,284)**	**Sum of Rows G and H**
J	Subtotal	$	14,201,916	Sum of Rows F and I
K	Candidacy/Infrastructure adjustment		24.27%	Assumption that approximately 25% of children will not meet candidacy definition per FFPSA.
L		$	(7,249,373)	Row F multiplied by Row K
M	**Net Increase in Federal Funds**	**$**	**6,952,543**	**Sum of Rows J and L**

Tables 2 and 3 summarize the estimated impacts on both Title IV-E funding and program area FTE requests. For FTE cost detail see Table 4: FTE Cost Calculations. Table 5 shows the costs for Trails support. Table 6 shows the total costs for this request.

Table 2: FFPSA FY 2020-21 Cost Estimates					
	FTE	Total Funds	General Fund	County Match	Federal Funds
Title IV-E (CW Block, Core Services, Training)	n/a	$ -	$ (5,241,868)		$ 5,241,868
Auditor III	1	$ 88,288	$ 44,144	$ -	$ 44,144
Trails Product Owner (Prgm Mgmt III)	1	$ 122,398	$ 61,199	$ -	$ 61,199
Prevention Training Supervisor (Trng Spclst V)	1	$ 107,945	$ 53,973	$ -	$ 53,973
Monitoring Specialist (SSS IV)	4.7	$ 417,967	$ 208,984	$ -	$ 208,984
Monitoring Supervisor (SSS V)	0.9	$ 98,155	$ 49,078	$ -	$ 49,078
Analyst IV	1	$ 88,288	$ 44,144	$ -	$ 44,144
Compliance Investigator II	1.8	$ 160,927	$ 80,464	$ -	$ 80,464
Project Manager III	1	$ 116,251	$ 58,126	$ -	$ 58,126
Third-Party Assessor		$ 361,800	$ 180,900	$ -	$ 180,900
Evaluations (5)		$ 1,425,000	$ 712,500	$ -	$ 712,500
Operating Expenses for FTE		$ 73,489	$ 36,745	$ -	$ 36,745
Total	**12.4**	**$ 3,060,508**	**$ (3,711,614)**	**$ -**	**$ 6,772,122**

Table 3: FFPSA FY 2021-22 Cost Estimates					
	FTE	Total Funds	General Fund	County Match	Federal Funds
Title IV-E (CW Block, Core Services, Training)	n/a	$ -	$ (5,241,868)		$ 5,241,868
Auditor III	1	$ 88,288	$ 44,144	$ -	$ 44,144
Trails Product Owner (Prgm Mgmt III)	1	$ 122,398	$ 61,199	$ -	$ 61,199
Prevention Training Supervisor (Trng Spclst V)	1	$ 107,945	$ 53,973	$ -	$ 53,973
Monitoring Specialist (SSS IV)	5	$ 441,441	$ 220,721	$ -	$ 220,721
Monitoring Supervisor (SSS V)	1	$ 107,945	$ 53,973	$ -	$ 53,973
Analyst IV	1	$ 88,288	$ 44,144	$ -	$ 44,144
Compliance Investigator II	2	$ 176,575	$ 88,288	$ -	$ 88,288
Project Manager III	1	$ 116,251	$ 58,126	$ -	$ 58,126
Third-Party Assessor		$ 361,800	$ 180,900	$ -	$ 180,900
Evaluations (5)		$ 1,425,000	$ 712,500	$ -	$ 712,500
Operating Expenses for FTE		$ 12,350	$ 6,175	$ -	$ 6,175
Total	**13.0**	**$ 3,048,281**	**$ (3,717,728)**	**$ -**	**$ 6,766,009**

Table 4 provides detail on FTE expenses, including position titles, salaries, and overall operating expenses for all FTE.

Table 4: FTE Cost Calculations

FTE Calculation Assumptions:

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

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

General Fund FTE -- Beginning July 1, 2019, new employees will be paid on a bi-weekly pay schedule; therefore **new full-time General Fund positions are reflected in Year 1 as 0.9615 FTE** to account for the pay-date shift (25/26 weeks of pay). **This applies to personal services costs only; operating costs are not subject to the pay-date shift.**

Expenditure Detail		FY 2020-21		FY 2021-22	
Personal Services:					
Classification Title	Biweekly Salary	FTE		FTE	
AUDITOR III	$2,456	1.0	$63,864	1.0	$63,864
PERA			$6,961		$6,961
AED			$3,193		$3,193
SAED			$3,193		$3,193
Medicare			$926		$926
STD			$109		$109
Health-Life-Dental			$10,042		$10,042
Subtotal Position 1, #.# FTE		**1.0**	**$88,288**	**1.0**	**$88,288**
Classification Title	Biweekly Salary	FTE		FTE	
PROGRAM MANAGEMENT III	$3,527	1.0	$91,704	1.0	$91,704
PERA			$9,996		$9,996
AED			$4,585		$4,585
SAED			$4,585		$4,585
Medicare			$1,330		$1,330
STD			$156		$156
Health-Life-Dental			$10,042		$10,042
Subtotal Position 2, #.# FTE		**1.0**	**$122,398**	**1.0**	**$122,398**
Classification Title	Biweekly Salary	FTE		FTE	
TRAINING SPECIALIST V	$3,073	1.0	$79,908	1.0	$79,908
PERA			$8,710		$8,710
AED			$3,995		$3,995
SAED			$3,995		$3,995
Medicare			$1,159		$1,159
STD			$136		$136
Health-Life-Dental			$10,042		$10,042
Subtotal Position 3, #.# FTE		**1.0**	**$107,945**	**1.0**	**$107,945**

Table 4: FTE Cost Calculations (continued)

Classification Title	Biweekly Salary	FTE		FTE	
SOC SERVICES SPEC IV	$2,456	4.7	$300,161	5.0	$319,320
PERA			$32,718		$34,806
AED			$15,008		$15,966
SAED			$15,008		$15,966
Medicare			$4,352		$4,630
STD			$510		$543
Health-Life-Dental			$50,210		$50,210
Subtotal Position 4, #.# FTE		**4.7**	**$417,967**	**5.0**	**$441,441**
Classification Title	Biweekly Salary	FTE		FTE	
SOC SERVICES SPEC V	$3,073	0.9	$71,917	1.0	$79,908
PERA			$7,839		$8,710
AED			$3,596		$3,995
SAED			$3,596		$3,995
Medicare			$1,043		$1,159
STD			$122		$136
Health-Life-Dental			$10,042		$10,042
Subtotal Position 5, #.# FTE		**0.9**	**$98,155**	**1.0**	**$107,945**
Classification Title	Biweekly Salary	FTE		FTE	
ANALYST IV	$2,456	1.0	$63,864	1.0	$63,864
PERA			$6,961		$6,961
AED			$3,193		$3,193
SAED			$3,193		$3,193
Medicare			$926		$926
STD			$109		$109
Health-Life-Dental			$10,042		$10,042
Subtotal Position 6, #.# FTE		**1.0**	**$88,288**	**1.0**	**$88,288**
Classification Title	Biweekly Salary	FTE		FTE	
COMPL INVESTIGATOR II	$2,456	1.8	$114,955	2.0	$127,728
PERA			$12,530		$13,922
AED			$5,748		$6,386
SAED			$5,748		$6,386
Medicare			$1,667		$1,852
STD			$195		$217
Health-Life-Dental			$20,084		$20,084
Subtotal Position 7, #.# FTE		**1.8**	**$160,927**	**2.0**	**$176,575**

Table 4: FTE Cost Calculations (continued)

Classification Title	Biweekly Salary	FTE		FTE	
PROJECT MANAGER III	$3,334	1.0	$86,688	1.0	$86,688
PERA			$9,449		$9,449
AED			$4,334		$4,334
SAED			$4,334		$4,334
Medicare			$1,257		$1,257
STD			$147		$147
Health-Life-Dental			$10,042		$10,042
Subtotal Position 8, #.# FTE		**1.0**	**$116,251**	**1.0**	**$116,251**
Subtotal Personal Services		12.4	**$1,200,219**	13.0	**$1,249,131**
Operating Expenses:					
		FTE		FTE	
Regular FTE Operating Expenses	$500	13.0	$6,500	13.0	$6,500
Telephone Expenses	$450	13.0	$5,850	13.0	$5,850
PC, One-Time	$1,230	13.0	$15,990	-	$0
Office Furniture, One-Time	$3,473	13.0	$45,149	-	$0
Other					
Other					
Other					
Other					
Subtotal Operating Expenses			**$73,489**		**$12,350**
TOTAL REQUEST		12.4	**$1,273,708**	13.0	**$1,261,481**
	General Fund:		*$1,057,178*		*$1,047,029*
	Cash funds:				
	Reappropriated Funds:				
	Federal Funds:		*$216,530*		*$214,452*

Table 5: Trails Costs

Table 5: Colorado Trails Costs				
Task	**Total Funds**	**General Fund Percentage**	**General Fund**	**Federal Funds**
Insight - HP Renewal	123,688	65%	80,397	43,291
Project Management/Manager Support	351,000	65%	228,150	122,850
Database Tools Upgrade and Monitoring	40,800	65%	26,520	14,280
Total	**515,488**	**65%**	**335,067**	**180,421**

Table 6: Total Costs

Table 6: Total Costs				
FY 2020-21	**Total Funds**	**General Fund**	**County Funds**	**Federal Funds**
FFPSA	3,060,508	(3,711,614)	-	6,772,122
Trails	515,488	335,067		180,421
Total	3,575,996	(3,376,547)	-	6,952,543
FY 2021-22 and Ongoing	**Total Funds**	**General Fund**	**County Funds**	**Federal Funds**
FFPSA	3,048,281	(3,717,728)	-	6,766,009
Trails	515,488	335,067		180,421
Total	3,563,769	(3,382,660)	-	6,946,429

Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-07a Youth Facilities Refurbishment and Safety

Dept. Approval By:			**Supplemental FY 2019-20**
OSPB Approval By:			**Budget Amendment FY 2020-21**
		x	**Change Request FY 2020-21**

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
Total of All Line Items Impacted by Change Request	Total	$4,307,591	$0	$4,153,645	$682,192	$0
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$2,844,707	$0	$2,675,832	$682,192	$0
	CF	$70,000	$0	$70,000	$0	$0
	RF	$1,392,668	$0	$1,392,668	$0	$0
	FF	$216	$0	$15,145	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
11. Division of Youth Services, (B) Institutional Programs, (1) Institutional Programs - Operating Expenses	Total	$4,307,591	$0	$4,153,645	$682,192	$0
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$2,844,707	$0	$2,675,832	$682,192	$0
	CF	$70,000	$0	$70,000	$0	$0
	RF	$1,392,668	$0	$1,392,668	$0	$0
	FF	$216	$0	$15,145	$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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Department Priority: R-07a
Request Detail: Youth Services Refurbishment and Safety

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	$0	$682,192	$0
FTE	0.0	0.0	0.0
General Fund	$0	$682,192	$0
Cash Funds	$0	$0	$0
Reappropriated Funds	$0	$0	$0
Federal Funds	$0	$0	$0

Summary of Request:

The Department of Human Services requests an increase of $682,192 Total funds/General Fund for FY 2020-21 to improve the safety and security of several facilities by installing night lights in sleeping rooms and enhancing the security of sleeping room windows by installing metal panels. The installation of the lights and sleeping windows will help increase the safety and security of the youth by preventing suicides and escapes. This is a one-time refurbishment expenditure, which increases the (11)B Institutional Programs, Operating appropriation by 24% General Fund, 16% Total Funds.

Current Program:

Current lighting in sleeping rooms is either non-existent or offers insufficient visibility for staff to easily observe youth. Staff make regular room checks during sleeping hours but may not be able to see the youth well enough to make an assessment about their safety or security.

Windows in facilities have detention grade glass, but still present opportunities for youth to manipulate the window and remove the glass from the window frame where the opening is large enough for an adult to egress and attempt an escape from the secure perimeter.

Problem or Opportunity:

Low lighting in sleeping quarters has led to unsafe conditions for youth. The total annual number of self-inflicted client injuries in the Division of Youth Services (DYS) operated youth centers more than doubled over a period of five years, going from 66 in FY 2013-14 to 138 in FY 2017-18. There were also 128 injuries in 2018-19. Serious suicide attempts over the last five years have remained at elevated levels; there were 88 suicide attempts in FY 2015-16, 100 in FY 2016-17, and 94 in FY 2017-18 and 110 in FY 2018-19. Since the spring of 2017 there have been two successful suicides and six very sophisticated and dangerous escape incidents at DYS operated youth centers.

Inadequate or aging window installation has led to escapes; six very sophisticated and dangerous escape incidents at various DYS youth centers have highlighted the existing safety gaps at DYS youth centers. Youth sleeping rooms are the highest risk areas since youth occupy these rooms with the least amount of direct oversight by staff at all times. Providing additional security at the sleeping room windows has thus been identified as a much needed safety and security measure. This was identified in the 2015 Reilly Johnson Assessment Report as well as adding night lights for better medical oversight, escape and self-harm mitigation.

Proposed Solution:

The Department of Human Services (Department), Division of Youth Services (DYS) requests $387,192 in General Funds to replace sleeping room nightlights at Mount View Youth Services Center (Mount View) and Lookout Mountain Youth Services Center (Lookout Mountain), and also requests $295,000 in Total /General Funds to install window panels on sleeping rooms at DYS facilities for enhanced security. Window panels would be installed at four facilities to prevent youth from escaping through the bedroom window - Lookout Mountain, Mount View, Pueblo Youth Services Center (Pueblo) and Zebulon Pike Youth Services Center (Zebulon Pike). These facilities were chosen due to high need and risk.

Anticipated Outcomes:

By placing enhanced night lights with amber lenses recessed into the ceiling of each sleeping room at Mount View and Lookout Mountain, staff will have more visibility in sleeping rooms which are areas of the highest potential for self-harm. These facility upgrades will enhance and complement the Division’s focus on trauma-responsiveness.

Window panels will be placed on the outside of the window and will act as a physical barrier to escapes. The Division anticipates that escapes through windows will not occur once this option is in place.

Assumptions and Calculations:

Table 1: Estimate of Costs

Safety / Security Refurbishments	
Night Lights- Mount View and Lookout Mountain	$ 387,192
Windows	
Lookout Mountain	$ 96,040
Mount View	$ 117,600
Pueblo	$ 40,680
Zeb Pike	$ 40,680
Window Total	$ 295,000
Grand Total	$ 682,192

Table 2: Long Bill Appropriation Impact

11(B) Institutional Programs- Operating Exp	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds
FY 2019-20 Appropriation LB 19-207	$4,337,516	$2,874,632	$70,000	$1,392,668	$216
Requested Funding (or Spending Authority)	$0	$0	$0	$0	$0
FY 2020-21 Total Requested Appropriation	**$4,337,516**	**$2,874,632**	**$70,000**	**$1,392,668**	**$216**
FY 2021-22 Annualization of Prior Year Funding	$682,192	$682,192	$0	$0	$0
FY 2021-22 Total Requested Appropriation	**$5,019,708**	**$3,556,824**	**$70,000**	**$1,392,668**	**$216**

Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-07b Homelike Environment at Lookout

Dept. Approval By: ______

OSPB Approval By: ______

___	Supplemental FY 2019-20
___	Budget Amendment FY 2020-21
x	Change Request FY 2020-21

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
Total of All Line Items Impacted by Change Request	Total	$4,307,591	$0	$4,153,645	$908,321	$0
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$2,844,707	$0	$2,675,832	$908,321	$0
	CF	$70,000	$0	$70,000	$0	$0
	RF	$1,392,668	$0	$1,392,668	$0	$0
	FF	$216	$0	$15,145	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
11. Division of Youth Services, (B) Institutional Programs, (1) Institutional Programs - Operating Expenses	Total	$4,307,591	$0	$4,153,645	$908,321	$0
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$2,844,707	$0	$2,675,832	$908,321	$0
	CF	$70,000	$0	$70,000	$0	$0
	RF	$1,392,668	$0	$1,392,668	$0	$0
	FF	$216	$0	$15,145	$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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Department Priority: R-07b
Request Detail: Homelike Environment at Lookout

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	$0	$908,321	$0
FTE	0.0	0.0	0.0
General Fund	$0	$908,321	$0
Cash Funds	$0	$0	$0
Reappropriated Funds	$0	$0	$0
Federal Funds	$0	$0	$0

Summary of Request:

The Department of Human Services requests an increase of $908,321 Total funds/General Fund for FY 2020-21 to emulate the pilot program upgrades, undertaken in 2018 at the Aspen Unit, at the remaining three additional residential units at Lookout Mountain Youth Services Center (Lookout Mountain). Those residential units include Cedar, Spruce, and Juniper East. This is a one-time refurbishment expenditure which increases the (11)B Institutional Programs, Operating appropriation by 32% General Fund, or 21% Total Funds.

Current furnishings and the environment of Cedar, Spruce and Juniper East residential units are not modern nor trauma responsive. The current environment in these units is correctional, sterile and antithetical to a therapeutic environment where young people can thrive, which is why the Department proposes to invest in creating a homelike environment to improve outcomes by reducing recidivism.

Current Program:

Current furnishings and the environment of Cedar, Spruce and Juniper East residential units are not modern nor trauma responsive. The current environment in these units is correctional, sterile and antithetical to a therapeutic environment where young people can thrive, which is why the Department has invested in creating a homelike environment to improve outcomes by reducing recidivism.

Problem or Opportunity:

The Aspen Unit at Lookout Mountain Youth Services Center utilizes a therapeutic rehabilitative culture delivered in a homelike treatment setting where social-emotional competencies are best learned and practiced. The pilot program was established by House Bill 17-1329. The experience of youth in a safe, humane, non-violent, and nurturing environment is essential to the development of coping skills and trusting healthy relationships. The Department would like to create that environment in the three remaining living units on the Lookout Mountain campus. The Juvenile Detention Alternatives Initiative, which outlines standards to impact juvenile reform and improve the conditions of confinement within secure youth centers, states, "furnishings and other decorations reflect a home-like, non-penal environment supportive of boys and girls to the maximum extent possible."

Proposed Solution:

The Department of Human Services Division of Youth Services (DYS) requests $908,321 Total / General Funds to refurbish and create a homelike environment in the remaining housing units on the Lookout Mountain Youth Services Center campus.

House Bill 17-1329 mandated the development of a pilot program, called the Colorado Model, for which Lookout Mountain's Cypress Unit was chosen. Cypress was subsequently renamed the Aspen Unit. The pilot unit received significant upgrades to bring about a naturalized living environment. The unit was updated with new paint that brought enhanced color and went away from traditional institutional white walls. The flooring was upgraded to include new carpet and industrial faux wood flooring throughout the unit. The bedrooms were upgraded with paint, industrial faux wood flooring, new beds, dressers, and desks. The rooms were complete with upgraded mattresses and comforters. The unit was also provided with small kitchenettes. Lastly, the unit was outfitted with homelike pictures and furniture, similar to what you would see in a residential house. The youth and staff have been consistent in how the environment has changed the feel of the program for the better.

The facility upgrades will enhance and complement the mission of the Department and transform all living units at Lookout Mountain to the Colorado Model. This request includes homelike upgrades and modifications primarily in the interior environment (floor finishes, interior paint, etc.) for the remaining Lookout Mountain housing units, matching the work completed at Aspen Unit.

Anticipated Outcomes:

By creating a homelike environment at Lookout Mountain, the Department anticipates creating a more safe and secure environment for youth to work toward treatment and educational goals. Homelike environments are one component in creating a trauma responsive and normalized environment that allows youth to fully engage in all aspects of programming, which can lead to better outcomes such as reduced assaults, reduced seclusion and restraint, and staff retention.

Assumptions and Calculations:

The Division has utilized the cost per square foot for items which include painting, flooring, doors, kitchenette, and other enhancements. Additionally, new beds and homelike decor would be purchased.

Table 1: Estimate of Costs

Homelike Environment costs based on LM Pilot at Aspen			Juniper East	Cedar	Spruce	Total
Original Pilot: Cost including Paint, flooring, doors, kitchenette		$ 188,754				
square feet	(24 bed unit)	9,480				
per Square Foot		**$ 19.91**				
Square feet per building			4730	14350	14350	
Cost per square Foot			$ 19.91	$ 19.91	$ 19.91	
Estimated Costs			$ 94,174	$ 285,709	$ 285,709	$ 665,591
Beds	Number of youth		18	36	36	
	$2195 per bed		$ 39,510	$ 79,020	$ 79,020	$ 197,550
Furniture	Org pilot at $330 per youth		$ 5,940	$ 11,880	$ 11,880	$ 29,700
Décor/ Bedding	Org pilot at $171 per youth		$ 3,078	$ 6,156	$ 6,156	$ 15,390
TOTAL			**$ 142,720**	**$ 382,801**	**$382,801**	**$ 908,321**

Table 2: Long Bill Appropriation Impacts

11(B) Institutional Programs-Operating Exp	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**
FY 2019-20 Appropriation LB 19-207	$4,337,516	$2,874,632	$70,000	$1,392,668	$216
Requested Funding (or Spending Authority)	$0	$0	$0	$0	$0
FY 2020-21 Total Requested Appropriation	**$4,337,516**	**$2,874,632**	**$70,000**	**$1,392,668**	**$216**
FY 2021-22 Annualization of Prior Year Funding	$908,321	$908,321	$0	$0	$0
FY 2021-22 Total Requested Appropriation	**$5,245,837**	**$3,782,953**	**$70,000**	**$1,392,668**	**$216**

Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-08 Scholarships for Early Childhood Educators

Dept. Approval By: ______ ____ **Supplemental FY 2019-20**

OSPB Approval By: ______ ____ **Budget Amendment FY 2020-21**

X **Change Request FY 2020-21**

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
Total of All Line Items Impacted by Change Request	Total	$2,234,001	$0	$2,239,037	$600,000	$600,000
	FTE	1.0	0.0	1.0	0.9	1.0
	GF	$0	$0	$0	$500,000	$500,000
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$2,234,001	$0	$2,239,037	$100,000	$100,000

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
06. Division of Early Childhood, (A) Division of Early Care and Learning, (1) Division of Early Care and Learning - School-Readiness Quality Improvement Program	Total	$2,234,001	$0	$2,239,037	$600,000	$600,000
	FTE	1.0	0.0	1.0	0.9	1.0
	GF	$0	$0	$0	$500,000	$500,000
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$2,234,001	$0	$2,239,037	$100,000	$100,000

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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Department of Human Services

FY 2020-21 Funding Request

November 1, 2019

Jared Polis
Governor

Michelle Barnes
Executive Director

Department Priority: R-08
Request Detail: Scholarships for Early Childhood Educators

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	$0	$600,000	$600,000
FTE	0.0	0.9	1.0
General Fund	$0	$500,000	$500,000
Cash Funds	$0	$0	$0
Reappropriated Funds	$0	$0	$0
Federal Funds	$0	$100,000	$100,000

Summary of Request:

The Department of Human Services requests an increase of $600,000 total funds, including $100,000 in federal funding through the Child Care and Development Fund (CCDF) and $500,000 General Fund, and 0.9 FTE in FY 2020-21 to support early childhood workforce capacity across the state and for TEACH (Teacher Education and Compensation Helps Early Childhood) early childhood scholarships. This amount annualizes to $600,000 total funds and 1.0 FTE in FY 2021-22 and beyond. This would be a 100% increase in the state budget as the State currently directs no General Fund or federal funds to TEACH. The Department expects this request will support scholarships for approximately 645 early childhood educators each year.

State funding for TEACH scholarships is expected to increase quality in early childhood settings by improving providers' credentials and reducing turnover through increased provider compensation. Research is clear that skilled early childhood education (ECE) professionals "are the single most important factor" in providing children with the early experiences necessary to foster children's positive learning and development.[1] Likewise, the need for ECE professionals is significant throughout the State and is expected to grow by 33-42% in the next 10 years.[2] Colorado's existing TEACH early childhood scholarships, currently funded through philanthropic contributions, have produced positive results for early childhood educator retention, satisfaction, and compensation, including:

- 100% retention rate for Associate and Bachelor's degree scholarship recipients;
- 100% of surveyed recipients and employers indicated they would recommend TEACH;
- 4% average increase in earnings for a TEACH recipients.

[1] United States Department of Health and Human Services and United States Department of Education (2016). *High quality early learning settings depend on a high-quality workforce: Low compensation determines quality.* Washington, D.C.: Institute of Education Sciences, U.S. Department of Education.

[2] Colorado Workforce Development Council, Talent Pipeline Report, 2016

Current Program:

Qualified early childhood education (ECE) professionals are key to children's positive early learning and development. Research is clear that skilled ECE professionals "are the single most important factor" in providing children with the early experiences necessary to foster children's positive learning and development in ECE settings, including social and emotional development.[3] Likewise, the need for ECE professionals is significant throughout the State and is expected to grow by 33-42% in the next 10 years.[4]

Although teachers are a significant contributor to children's healthy development, most communities in Colorado still lack an effective, consistent workforce that families can trust and with whom young children can thrive. The Department recognizes the critical role of the ECE workforce – the teachers, directors, family child care professionals, and others – that support families in Colorado and help young children thrive.

TEACH has been in effect nationally since the 1990s, when it was pioneered in North Carolina, and has operated in Colorado for about 20 years. The program awards educational scholarships to early education professionals to enroll in two-year or four-year institutions of higher education with which TEACH has agreements to help providers earn an associate's or bachelor's degree or credential that allows them to meet licensing requirements.

In Colorado, TEACH has primarily relied on private funding, including from the Buell Foundation and Mile High United Way. The program has agreements with eight four-year institutions, including Colorado State University, University of Northern Colorado, and University of Colorado at Denver, and 15 two-year institutions, provides 90% of the cost of tuition and books for participants, paid release time, and a raise and bonus upon successful completion. TEACH requires participants to remain employed at their child care program for one year following completion if they earn a degree and for six months following completion if they earn licensing credentials. TEACH Participants in Colorado earning their associate's or bachelor's degree gain a $2 per hour raise above and beyond any other raise or a $325 bonus upon completion of their 12-month program. Those gaining a licensed credential in Colorado through TEACH also earn a $2 per hour raise or a $75 bonus after their six-month program. This amount is paid by the employer in a contractual obligation. TEACH is now housed at the Early Childhood Council Leadership Alliance (ECCLA), which is the current organization designated by the TEACH Early Childhood National Center to offer TEACH scholarships in Colorado.

The purpose of TEACH is to improve under-education, poor compensation and high turnover within the early education workforce, which helps lead to better quality. TEACH has successfully increased wages, helped providers earn degrees, and reduced turnover. In FY 2017-18, TEACH Early Childhood Colorado produced the following results:

- 100% retention rate for Associate and Bachelor's degree scholarship recipients;
- 100% of surveyed recipients and employers indicated they would recommend TEACH;

[3] United States Department of Health and Human Services and United States Department of Education (2016). *High quality early learning settings depend on a high-quality workforce: Low compensation determines quality.* Washington, D.C.: Institute of Education Sciences, U.S. Department of Education.

[4] Colorado Workforce Development Council, Talent Pipeline Report, 2016

- 4% average increase in earnings for a TEACH recipients.

TEACH has served over 2,350 professionals in the past 20 years in Colorado. In 2017-18, the program impacted 4,954 children, allowed professionals to earn nearly 700 credit hours toward their degrees and certificates, resulted in an average of a 5% wage increase, and just 3% turnover, compared to 33% turnover in the field. These results are similar nationally where TEACH operates in 22 states and DC with an approximate 95% retention rate among participants earning degrees, an 8-9% average wage increase, and 58% of about 14,700 participants worked toward a two-year or four-year degree. TEACH reaches a diverse population nationally; about half of TEACH participants are people of color and are from families without a college degree.

Problem or Opportunity:

Colorado is one of many states currently confronting an early childhood education teacher shortages. In the midst of this shortage, the demand for qualified early childhood educators continues to rise. The state's teacher shortage must be addressed to ensure that all students receive the highest quality education possible to support the academic and personal growth. In order to address this shortage strategically, Colorado must gain a better understanding of:

1. Where all of the early childhood educators are across the state and where there are gaps
2. Why early childhood educators leave the field
3. Which occupations current early childhood educators are employed in
4. What strategies or supports result in educators staying in the field

Likewise, research has found that early care and education teachers who have postsecondary experience have a better understanding of child development and are more sensitive to the needs of young children. Colorado requires center directors and teachers to have completed college-level classes, but low wages often prevent many early childhood teachers to be able to afford college-level coursework and meaningful professional development. TEACH provides a pathway to pursue higher education and rewards participants with increased compensation upon completion of the program.

Teacher effectiveness is one of the most important components of quality in early childhood, according to many studies. Colorado struggles with a qualified early childhood workforce and public funding of this program would support improved quality, which research associates with long-term educational, economic, social, and criminal justice outcomes for children, along with a robust return on investment. TEACH not only helps early childhood providers have better academic qualifications, it helps retain them in their program and in the field through better wages. Programmatic turnover is detrimental to child development and field-wise turnover is systemically detrimental to the early childhood workforce.

Proposed Solution:

The Department would direct $100,000 from the federal Child Care and Development Fund (CCDF) and $500,000 General Fund to the TEACH early childhood scholarship program, contracting with ECCLA, as the TEACH administrator for Colorado. The Buell Foundation and the Denver Preschool Program would continue to cover the administrative overhead costs of the TEACH program, enabling the funding to directly serve the intended goals of measurably expanding the early childhood workforce, while also resulting in better credentials, higher compensation, and less turnover. In FY 2020-21, $478,776 of the request will be dedicated to the scholarship program and $121,224 General Fund will fund 0.9 FTE.

The Department requests 0.9 FTE in FY 2020-21 and ongoing that will be focused on understanding of the early childhood workforce landscape. This position will ensure that workforce data collection and analysis are part of early childhood governance structures and support the integration of workforce data systems with broader early childhood data, such as licensing databases. This position will also manage the contract for the TEACH scholarship and other workforce related activities supported by the Department, evaluating which activities positively impact the early childhood workforce and address the current teacher shortage.

Without public funding for this program in Colorado, TEACH will continue to have a limited effect, as just 78 early childhood professionals were able to participate in the program in the past year.

Anticipated Outcomes:

If approved, the Department anticipates that more early childhood professionals will have a better capacity to serve young children well, leading to more healthy development among children in their care and higher satisfaction among their families, and ultimately leading to a more productive workforce. The Department expects that the request will support scholarships for up to 645 additional early childhood educators each year to attain higher credentials and compensation.

National research on TEACH has identified other positive systemic outcomes of this scholarship program. Early childhood degree programs have experienced an increase in their student populations, allowing them to hire additional faculty and expand their infrastructure through long-term student investments. Likewise, research links better child development to stronger outcomes in school, work, and society, and a more productive workforce leads to a better economy.

The TEACH program will continue to measure and report on educational attainment among participants, as well as compensation and turnover. These are key metrics for the quality of child care and early education.

Assumptions and Calculations:

Table 1 shows the FTE calculation assumptions used for the 0.9 FTE included in this request for FY 2020-21.

Table 1: FTE Calculations					
FTE Calculation Assumptions:					
Operating Expenses -- Base operating expenses are included per FTE for $500 per year. In addition, for regular FTE, annual telephone costs assume base charges of $450 per year.					
Standard Capital Purchases -- Each additional employee necessitates the purchase of a Personal Computer ($900), Office Suite Software ($330), and office furniture ($3,473).					
General Fund FTE -- Beginning July 1, 2019, new employees will be paid on a bi-weekly pay schedule; therefore **new full-time General Fund positions are reflected in Year 1 as 0.9615 FTE** to account for the pay-date shift (25/26 weeks of pay). **This applies to personal services costs only; operating costs are not subject to the pay-date shift.**					
Expenditure Detail		FY 2020-21		FY 2021-22	
Personal Services:					
Classification Title	Biweekly Salary	FTE		FTE	
PROJECT MANAGER II	$3,073	0.9615	$76,822	1.0	$79,898
PERA			$8,374		$8,709
AED			$3,841		$3,995
SAED			$3,841		$3,995
Medicare			$1,114		$1,159
STD			$131		$136
Health-Life-Dental			$10,042		$10,042
Subtotal Position 1, #.# FTE		**0.9615**	**$104,165**	**1.0**	**$107,934**
Subtotal Personal Services		0.9615	**$104,165**	1.0	**$107,934**
Operating Expenses:					
		FTE		FTE	
Regular FTE Operating	$500	0.9615	$481	1.0	$500
Telephone Expenses	$450	0.9615	$433	1.0	$450
PC, One-Time	$1,230	1	$1,230	-	
Office Furniture, One-Time	$3,473	1	$3,473	-	
OEC Cost Distribution	$ 11,900	0.9615	$11,442	1.0	$11,900
Subtotal Operating Expenses			**$17,059**		**$12,850**
TOTAL REQUEST		1.0	**$121,224**	1.0	**$120,784**

TEACH funds 90% of the higher education scholarship and cost of books, as well as $75 for travel reimbursement and 2 hours of paid study time/week. The program funds an initial bonus of $375 for every participant completing classes with a C grade point average or better, with the compensation increase covered by the employer. The Department estimates, according to data collected, for every $100,000 increase in funds added to TEACH, the program could support up to 135 professionals dependent upon the type of scholarship and prospective role of the individual. In total, this $600,000 request, of which $478,776 will be used for scholarships and $121,224 will be used for the Department's FTE, could support approximately 645 early childhood educators each year.

Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-09 Expansion of Evidence-Based Home Visiting

Dept. Approval By:			**Supplemental FY 2019-20**
OSPB Approval By:			**Budget Amendment FY 2020-21**
		X	**Change Request FY 2020-21**

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
Total of All Line Items Impacted by Change Request	Total	$24,661,125	$0	$24,677,005	$521,605	$588,996
	FTE	3.0	0.0	3.0	0.9	1.0
	GF	$0	$0	$0	$521,605	$588,996
	CF	$22,897,788	$0	$22,913,668	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$1,763,337	$0	$1,763,337	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
06. Division of Early Childhood, (B) Division of Community and Family Support, (1) Division of Community and Family Support - Nurse Home Visitor Program	Total	$24,661,125	$0	$24,677,005	$521,605	$588,996
	FTE	3.0	0.0	3.0	0.9	1.0
	GF	$0	$0	$0	$521,605	$588,996
	CF	$22,897,788	$0	$22,913,668	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$1,763,337	$0	$1,763,337	$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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Department of Human Services

FY 2020-21 Funding Request

November 1, 2019

Jared Polis
Governor

Michelle Barnes
Executive Director

Department Priority: R-09
Request Detail: Expansion of Evidence-Based Home Visiting

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	$0	$521,605	$588,996
FTE	0.0	0.9	1.0
General Fund	$0	$521,605	$588,996
Cash Funds	$0	$0	$0
Reappropriated Funds	$0	$0	$0
Federal Funds	$0	$0	$0

Summary of Request:

The Department of Human Services requests an increase of $521,605 total funds/General Fund and 0.9 FTE in FY 2020-21 to expand evidence-based home visiting services to communities and families with risk factors associated with low kindergarten readiness. This request annualizes to $588,996 and 1.0 FTE in FY 2021-22 and beyond. In combination, the expansion of Healthy Steps and Home Instruction for Parents of Preschool Youngsters (HIPPY) would provide education and modeling for parents and home-based child care providers so that an additional 360 children each year can begin school ready to learn.

In Colorado, supports for young children are neither universal nor equitable across counties. The Department estimates that Colorado has 315,200 families with children who are under the age of six and not enrolled in kindergarten. Approximately 45% of those families exhibit at least one risk factor that makes them a good candidate for home visiting. Many parts of the State are without access to high-quality early childhood care and education programs. In these areas, the Department's HIPPY home visiting program is one of only options to support school readiness. Even families that have access to quality early childhood care and education can benefit from an expansion of the Department's Healthy Steps home visiting program, which fills a crucial need for families with children exhibiting low social-emotional skills.

This request will add four Healthy Steps sites and expand HIPPY in two locations, which in combination will serve an additional 360 children each year and provide families in more rural and urban areas access to high-quality supports and services that foster improved school readiness. In 2015, the Governor's Office utilized the Results First framework to assess the return on investment of Healthy Steps and HIPPY, which determined the total benefits to cost ratio of Healthy Steps to be $2.60 per $1 invested and the total benefits to cost ratio of HIPPY to be $6.10 per $1 invested.

Current Program:

The Office of Early Childhood (OEC) is committed to increasing the number of families who receive quality family support programs, in particular those with risk factors associated with low kindergarten readiness. The OEC offers five home visiting programs through the Division of Community and Family Support to advance the goal of preparing children for school and helping families support their children's overall health and well-being. These home visiting programs include Home Instruction for Parents of Preschool Youngsters (HIPPY) and Healthy Steps, both of which are voluntary and free of charge for families.

HIPPY

HIPPY is an evidence-based home visiting program that helps parents prepare their 2, 3, 4 and 5-year old children for success in school and throughout life. Through the use of curriculum, storybooks and other materials, parents strengthen their children's cognitive, literacy, social/emotional and physical development. HIPPY strengthens both communities and families by empowering parents to play an active role in preparing their children for school. The program is currently offered in 14 counties, with 9 HIPPY sites serving a total of 871 children.

HIPPY was developed specifically for parents who may face various barriers, such as limited education, poverty, language and/or isolation. Through well-defined activities, materials and instruction, the HIPPY model is designed to have the following impact:

1. Parents become active in guiding their children's educational experiences in the home (ex: if a parent is cooking and the child is around, instead of having the child watch TV, parents will ask the child to count beans and describe the item)
2. The home literacy environment improves (parents receive books and build a home library at home; parents learn how to label things, so children related)
3. Children acquire values that display a predisposition to learning (having a weekly home visitor come to the home and the parent works with the child daily so the child is used to learning)
4. Children acquire pre-academic skills and knowledge in key learning areas (based on HIPPY curriculum)
5. Parents assume an active role as their children enter the formal academic environment by communicating with teachers, attending school events, volunteering in the school and advocating for their children (parents learn educational concepts and the language used in school settings)
6. Families increase their involvement in the local community (during group meetings, bring someone from the community to talk about what's going on in the community)
7. Families have stronger parent-child relationships (daily time with the parent to work on activities and/or read books; Piccolo Assessment)
8. Children achieve long-term academic success (Bracken School Readiness Assessment - pre and post demonstrate strong outcomes in kindergarten readiness)

Healthy Steps

Healthy Steps is an evidence-based, interdisciplinary pediatric primary care program that promotes positive parenting and healthy development for babies and toddlers, with an emphasis on families living in low-income communities. The entire pediatric practice works together to implement the Healthy Steps model, with leadership from a Physician Champion and a child development professional, known as a Healthy Steps Specialist. Healthy Steps Specialists connect with and guide families during and between well-child visits. They provide tailored support for common and complex concerns such as: behavior, sleep, feeding, attachment, parental depression, social determinants of health, and adapting to life with a baby or toddler.

Healthy Steps is currently serving 1,411 children in 8 counties. Many of the participating families live in rural areas with limited support programs and are at risk for adverse outcomes due to poverty-related stressors, parental depression, substance use, domestic violence, and limited knowledge of child development and healthy parenting.

Healthy Steps includes eight core components organized into three tiers of service that are responsive to each family's needs.

1. Universal services (tier 1) for all children and families in the practice include:
    a. Child developmental and social-emotional/behavioral screening
    b. Family needs screening
    c. Access to a child development support line.
2. Short-term support services (tier 2) for families in need of additional services
    a. Development and behavior consults with the Healthy Steps Specialist
    b. Care coordination and systems navigation services
    c. Positive parenting guidance
    d. Early learning resources
3. Intensive services (tier 3) for children and families with the greatest needs
    a. Ongoing, preventive, team-based well-child visits, during which both the Healthy Steps Specialist and primary care provider meet with families.

Outcomes from Healthy Steps include:

1. Children in Healthy Steps are more likely to attend well-child visits on time and to receive timely vaccines and screenings.
2. Parent are more likely to receive information on community resources and services;
3. Parents are more likely to provide infants with age-appropriate nutrition; adhere to child safety guidelines; use positive parenting strategies; and engage in early literacy-enhancing practices with their children; and,
4. Parents are more likely to report higher levels of satisfaction with their pediatric care than non-participating parents.

Problem or Opportunity:

In Colorado, supports for young children are neither universal nor equitable across counties. The Department estimates that Colorado has 315,200 families with children who are under the age of six and not enrolled in kindergarten. Approximately 45% of those families exhibit at least one risk factor that makes them a good candidate for home visiting and 16% exhibit two risk factors. Risk factors include poverty, premature birth, low-birth-weight infants, maternal age at conception, low educational achievement, substance abuse, maternal depression, or domestic violence. Yet, only about 11,000 Colorado families – or 3.5% of the population of families with young children – accessed home visiting in 2018.[1]

[1] Retrieved from https://www.nhvrc.org/yearbook/2018-home-visiting-yearbook/

Many parts of the State are without access to high-quality early childhood care and education programs. In these areas, home visiting programs offered through the Department's Division of Community and Family Support, such as HIPPY, are some of the only program options to support school readiness. HIPPY is well-positioned for expansion in communities where families with young children might not have access to a high-quality early care and learning environment or for families who choose not to enroll their children in preschool. For these families, HIPPY focuses on helping children ages 3-5 with school readiness skills, such as letter and number recognition, exposure to common cultural knowledge, and positive emotional engagement, such as curiosity and persistence. Two years of Colorado-specific Bracken School Readiness pre- and post-testing shows that over the course of the nine month program, a significant number of children in HIPPY move from testing as delayed to testing on track as compared to their same age peers. Additionally, a significant number of children in this program move from on track into the advanced category. HIPPY also supports early childhood workforce development goals, since the program recruits parents who graduate from the HIPPY program to become HIPPY educators.

Even families that have access to quality early childhood care and education can benefit from an expansion of the Department's home visiting programs, such as Healthy Steps, that fill a crucial need for families with children exhibiting low social-emotional skills. Social-emotional skills have been associated with improved school readiness and include the ability to listen, cooperate, comply with rules, manage emotions, organize tasks, and resolve problems with peers. Research suggests that "by fourth grade, children who entered kindergarten with low social-emotional skills were 80% more likely to be held back a grade and 7 times more likely to have been suspended or expelled at least once in the previous 5 years."[2] Healthy Steps fills a role that is unique from HIPPY as it serves families with young children during their child's wellness visit rather than having a home visitor.

Proposed Solution:

The Department proposes a General Fund increase of $521,605 and 0.9 FTE to expand Healthy Steps and HIPPY home visiting programs and ensure that more families have access to programs that increase children's school readiness across the State. The Department will use the requested funding and FTE to add four Healthy Steps sites and expand HIPPY in two locations, which in combination will serve an additional 360 children each year and provide families in more rural and urban areas access to high-quality supports and services that foster improved school readiness. The expansion could target communities with high rates of poverty, low 3rd grade test scores, high rates of children without access to high quality preschool programs, and factors that can contribute to lower school readiness. Decades of research have shown Healthy Steps and the HIPPY model to be effective in improving school, parent, and community readiness

Anticipated Outcomes:

Colorado has the opportunity to systematically expand Healthy Steps and HIPPY to improve the health, safety, social emotional competence, and school readiness of young children. The HIPPY portion of the expansion will serve 40 more children, and the Healthy Steps portion of the

[2] Retrieved from http://info.teachstone.com/blog/the-abcs-of-social-emotional-development

expansion will serve an estimated 320 more children in the first year, with up to 900 more children served in the third year of operations. In 2015, the Governor's Office utilized the Results First framework to assess the return on investment of Healthy Steps and HIPPY, which determined the total benefits to cost ratio of Healthy Steps to be $2.60 per $1 invested and the total benefits to cost ratio of HIPPY to be $6.10 per $1 invested. Each program has been evaluated and proven to be effective across a number of key indicators, as outlined in detail below in Table 1.

Table 1: Healthy Steps and HIPPY Outcome Details		
	Healthy Steps	**Home Instruction for Parents of Preschool Youngsters (HIPPY)**
Outcomes	• Families received more anticipatory guidance that matched their needs. • Parents demonstrated a better understanding of infant development • Mothers were 22% more likely to show picture books to their infants every day. • Parents were 2x more likely to report that someone at the practice went out of the way for them, and they were 1.5x more likely to rely on someone in the practice for advice (rather than friend or relative. • Children were 1.4 times more likely to have nonmedical referrals, including for behavior, speech, hearing, child abuse or neglect, and early intervention. • Mothers with depressive symptoms reported fewer symptoms after 3 months in the program. • Parents were 22% less likely to rely on harsh punishment (yelling, spanking with hand). • Parents were less likely to use severe discipline (face slap, spanking with objects). • Children whose mothers reported childhood trauma scored better on a social-emotional screening after receiving Healthy Steps than comparable children who did not receive the program. • Children were 23% less likely to visit the emergency room for	• Home literacy environments improve and parent involvement in children's academic learning increase for families enrolled in HIPPY. • Parents participating in the HIPPY program report spending more time reading to their children; teaching them letters, words and numbers; visiting the library and monitoring their child's TV use • Children participating in HIPPY have demonstrated statistically significant higher achievement scores in reading, math and social studies in third, fifth and sixth grades based on multiple measures used in Arkansas, Texas, Florida and Colorado.

	injuries in a 1-year period.	
Research	National Healthy Steps data comes from evaluation from Zero to Three, a national organization dedicated to advancing the healthy development of young children.	National HIPPY data comes from a series of studies including 2 randomized control trials, 4 quasi experimental designs, and 7 evaluation studies.

Assumptions and Calculations:

The Department considered three primary cost drivers when determining the total request amount of $521,605 and 0.9 FTE needed to expand Healthy Steps and HIPPY, specifically contracting, supplies and travel, and FTE costs. Table 2 shows the assumptions and calculations for expansion of the two home visiting models.

Table 2: Breakdown of Request (FY 2020-21 and FY 2021-22)

Component	Cost (FY 2020-21)	Cost (FY 2021-22)
Contracts	$406,000	$473,500
Travel and Meeting Costs	$9,602	$2,972
FTE Costs	$106,003	$112,524
Total	**$521,605**	**$588,996**

Contracting: The Department contracts with community agencies to implement the HIPPY and Healthy Steps programs, and with state program model intermediaries to train staff and monitor fidelity. Contracting expenses related to HIPPY include salary for the peer home visitors, mileage for home visitors, curriculum and supplies. Contracting expenses related to Healthy Steps include salary for Healthy Step Specialists, mileage for home visits outside of the pediatric office, curriculum, early learning resources, and supplies. These amounts were estimated based on costs incurred to implement the program for FY 2019-2020. Table 3 shows more detail regarding the anticipated contracting costs for this request in FY 2020-21.

Table 3: Contracting Costs Detail (FY 2020-21)

Component	Cost
Healthy Steps Expansion (4 new sites serving up to 320 children in FY 2020-21)	$280,000
Healthy Steps Site Development and Training	$40,000
HIPPY Expansion (Serving 40 more children in FY 2020-21)	$80,000
HIPPY Site Development and Training	$6,000
Contracting Total	**$406,000**

Travel and Meeting Costs:
This category includes mileage for site visits to monitor programs and attend meetings with sites and program model intermediaries, travel and meeting costs related to community advisory board development, and grantee meeting costs. The year one costs are broken down as follows: Mileage/travel for meetings, site visits, and monitoring ($1,972, which assumes at least 4 visits to sites outside of the Denver metro area), $1,000 for travel and meeting expenses for grantee meetings, and $6,620 for mileage, travel, meeting and facilitation costs related to community advisory board development (assumes sites outside of Denver metro area). Costs related to community advisory board development will only occur during year one.

FTE Costs:
The responsibilities of the FTE include procurement (e.g., writing the RFP and choosing vendors), contracting duties, fiscal and program oversight. The FTE also provides technical assistance to vendors and would submit regular reporting and progress updates. The Project Manager I was determined to be the needed FTE level based on the comparable duties for other home visiting programs' FTE classifications. This FTE will split their time across the two expanding programs evenly; however, the time will fluctuate according to the needs of vendors. Existing staff are primarily funded through federal funds which cannot be used to manage state contracts. Due to staff capacity and funding streams, OEC would not be able to implement this pilot without additional funding for this FTE.

Table 4 below provides more detail regarding the anticipated costs for state FTE. The calculations for the FTE assume the position will start in August or later. This request also represents 0.9% of the OEC Administrative Distribution and 3.7% of the DCFS Administrative Distribution. These administrative costs are distributed to programs based on FTE, in accordance with the CDHS federally approved Cost Allocation Plan (PACAP).

Table 4: FTE Calculations

FTE Calculation Assumptions:

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

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

General Fund FTE -- Beginning July 1, 2019, new employees will be paid on a bi-weekly pay schedule; therefore **new full-time General Fund positions are reflected in Year 1 as 0.9615 FTE** to account for the pay-date shift (25/26 weeks of pay). **This applies to personal services costs only; operating costs are not subject to the pay-date shift.**

Expenditure Detail			FY 2020-21		FY 2021-22	
Personal Services:						
Classification Title	Biweekly Salary	FTE			FTE	
Project Manager I	$2,456	0.9	$56,682		1.0	$63,864
PERA			$6,178			$6,961
AED			$2,834			$3,193
SAED			$2,834			$3,193
Medicare			$822			$926
STD			$96			$109
Health-Life-Dental			$10,042			$10,042
Subtotal Position 1, #.# FTE		**0.9**	**$79,488**		**1.0**	**$88,288**
Operating Expenses:						
		FTE			FTE	
Regular FTE Operating	$500	0.9	$450		1.0	$500
Telephone Expenses	$450	0.9	$405		1.0	$450
PC, One-Time	$1,230	1.0	$1,230		-	
Office Furniture, One-Time	$3,473	1.0	$3,473		-	
OEC & DCFS Administrative	$ 23,286	0.9	$20,957		1.0	$23,286
Subtotal Operating Expenses			**$26,515**			**$24,236**
TOTAL REQUEST		0.9	**$106,003**		1.0	**$112,524**

Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-10 Child Support Pass-through

Dept. Approval By:			**Supplemental FY 2019-20**
OSPB Approval By:			**Budget Amendment FY 2020-21**
		X	**Change Request FY 2020-21**

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
Total of All Line Items Impacted by Change Request	Total	$7,032,958	$0	$7,100,795	$800,182	$800,182
	FTE	24.5	0.0	24.5	0.0	0.0
	GF	$5,204,523	$0	$5,220,753	$800,182	$800,182
	CF	$166,067	$0	$171,955	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$1,662,368	$0	$1,708,087	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
07. Office of Self Sufficiency, (D) Child Support Enforcement, (1) Child Support Enforcement - Child Support Enforcement	Total	$7,032,958	$0	$7,100,795	$800,182	$800,182
	FTE	24.5	0.0	24.5	0.0	0.0
	GF	$5,204,523	$0	$5,220,753	$800,182	$800,182
	CF	$166,067	$0	$171,955	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$1,662,368	$0	$1,708,087	$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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Jared Polis
Governor

Michelle Barnes
Executive Director

Department Priority: R-10
Request Detail: Child Support Pass-through

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	$800,182	$800,182	$800,182
FTE	0.0	0.0	0.0
General Fund	$800,182	$800,182	$800,182
Cash Funds	$0	$0	$0
Reappropriated Funds	$0	$0	$0
Federal Funds	$0	$0	$0

Summary of Request:

The Department of Human Services requests $800,182 total funds/General Fund in FY 2020-21 and ongoing to ensure sufficient resources available to continue the Child Support pass-through program. This is an 18.0% increase over the FY 2019-20 appropriation. This proposal supports previous legislation and continues to induce positive behavioral change in terms of child support payments to the poorest of Colorado families.

In 2015, the Colorado General Assembly passed historic legislation (SB 15-012) making Colorado the first state in the nation to implement a full child support pass-through program. Through Colorado's policy change, all current child support payments made on behalf of children on cases receiving monthly cash assistance through the Temporary Assistance for Needy Families (TANF) program are going directly to those children and families. Previously, the State and counties retained a portion of the child-support payment to recover the cost to provide public assistance.

Multiple studies have found this program to be effective. According to the Pew Foundation's Results First Clearinghouse Database, pass-through has "a positive impact based on the most rigorous evidence." Full pass-through may also reduce the risk of child maltreatment. Generous pass-through and disregard policies generally decrease government outlays on some safety net services such as child care and food stamps (Pirog 2006).

The Department is conducting an evaluation of the pass-through program using a quasi-experimental design. To date, the Department has collected preliminary evidence suggesting that more TANF cases are establishing child support orders, more non-custodial parents are paying child support, and child support is being paid at a higher rate. The request is between level 4 and 5 on the evidence continuum scale.

Current Program:

In 2015, the Colorado General Assembly passed historic legislation (SB 15-012) making Colorado the first state in the nation to implement a full child support pass-through program. Through Colorado's policy change, all current child support payments made on behalf of children on cases receiving monthly cash assistance through the Temporary Assistance for Needy Families (TANF) program are going directly to those children and families. Previously, the State and counties retained a portion of the child-support payment to recover the cost to provide public assistance.

Following extensive changes to the Automated Child Support Enforcement System (ACSES) to automate the payments, Colorado's child support pass-through became operational in April 2017. In the two years that the policy has been implemented (April 2017-June 2019), an average of 3,045 families per month received child support pass-through payments, ultimately directing nearly $10 million into the pockets families with income less than $6,000/year, rather than to the federal and county governments. These resources are directly helping families to attain self-sufficiency. In fact, research indicates that every dollar of child support paid on behalf of a child living in poverty increases the child's likelihood to excel in school, avoid the juvenile justice system, and pursue an adult life outside of poverty, while reducing risk of maltreatment (Office of Child Support Enforcement, Administration for Families and Children, December 2016).

Colorado had relied on available data from other states who had implemented a partial pass-through program to estimate the policy's impact and costs. This data suggested that child support payments would increase as non-custodial parents became aware of their payments going directly to their child or children instead of being retained by the government. The available data did not provide the full story of the behavioral changes among both the non-custodial parents owing child support and the custodial parents seeking child support orders. With data from more than two years of implementing a full pass-through program, along with internal research, the Department has a better understanding of the program's effect and can proactively plan to ensure that pass-through payments operate continuously, within the available appropriation.

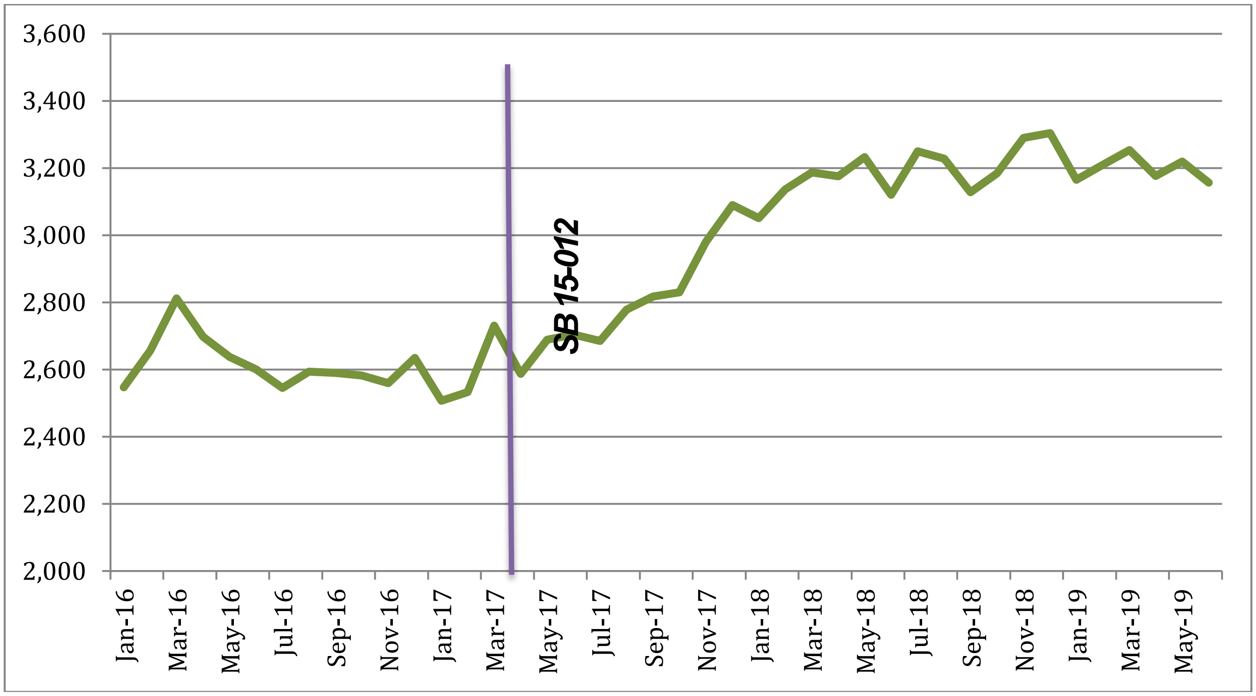
The Department has identified the following factors as causal evidence of the varying, yet increasing, child support payments being passed to families and children receiving TANF:

1) More TANF cases are establishing child support orders;
2) More non-custodial parents are paying child support; and
3) Child support is being paid at a higher rate.

<u>1.) More TANF cases are establishing child support orders</u>

Figure 1 illustrates the increase of child support cases receiving support after the implementation of SB 15-012. This data shows that more families receiving TANF assistance are receiving child support payments since the pass-through was implemented. In March 2017, just prior to the pass-through becoming operational, child support was paid on behalf of 2,731 TANF families (all of which was retained by the government). By June 2019, more than two years into the program's operation, 3,157 TANF families (15.6% increase) were receiving all child support paid on their child or children's behalf.

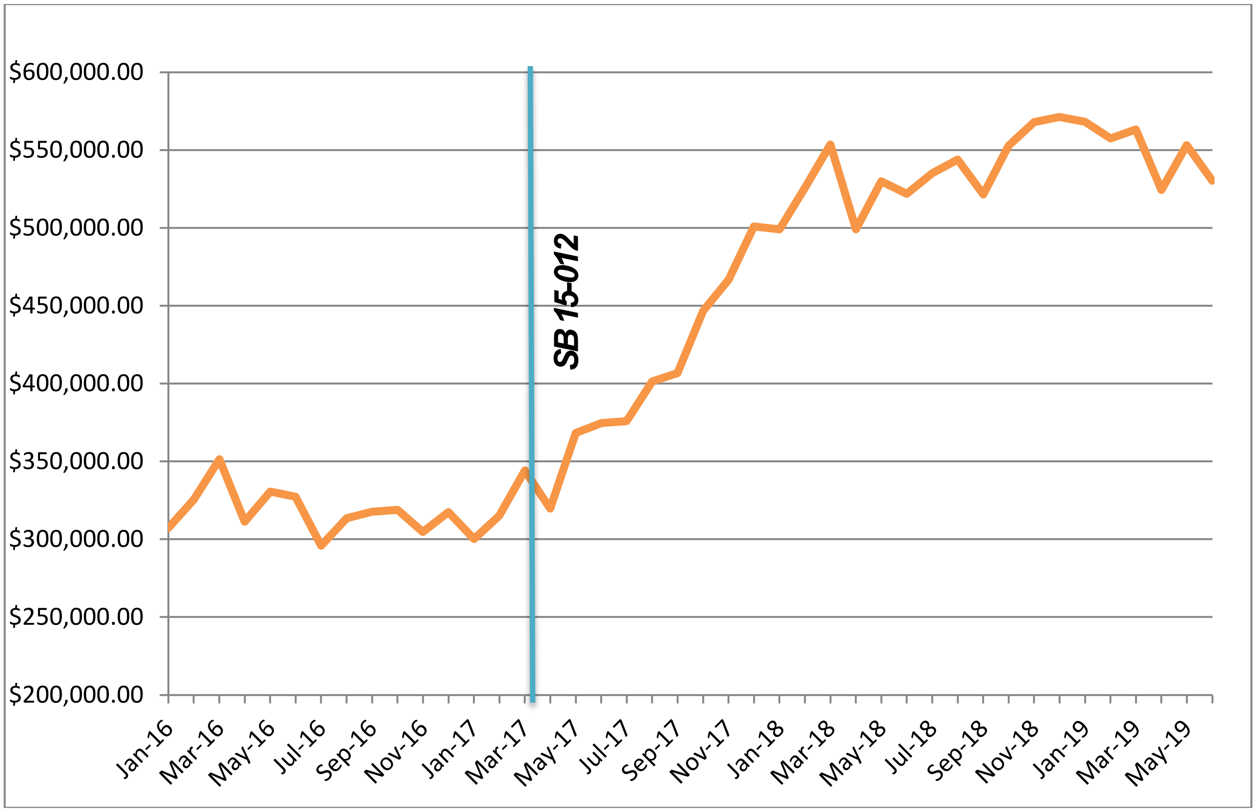
Figure 1: TANF Caseload with Current Support Received



<u>2.) More non-custodial parents are paying child support</u>

During the same time period (March 2017 to June 2019), the total monthly child support collected on behalf of TANF cases increased by $444,676 (54.1% increase). These child support payments have resulted in more than $13.4 million going directly to the lowest-income families since the program began. Figure 2 illustrates the significant increase in child support funds received, all of which is now directly supporting children.

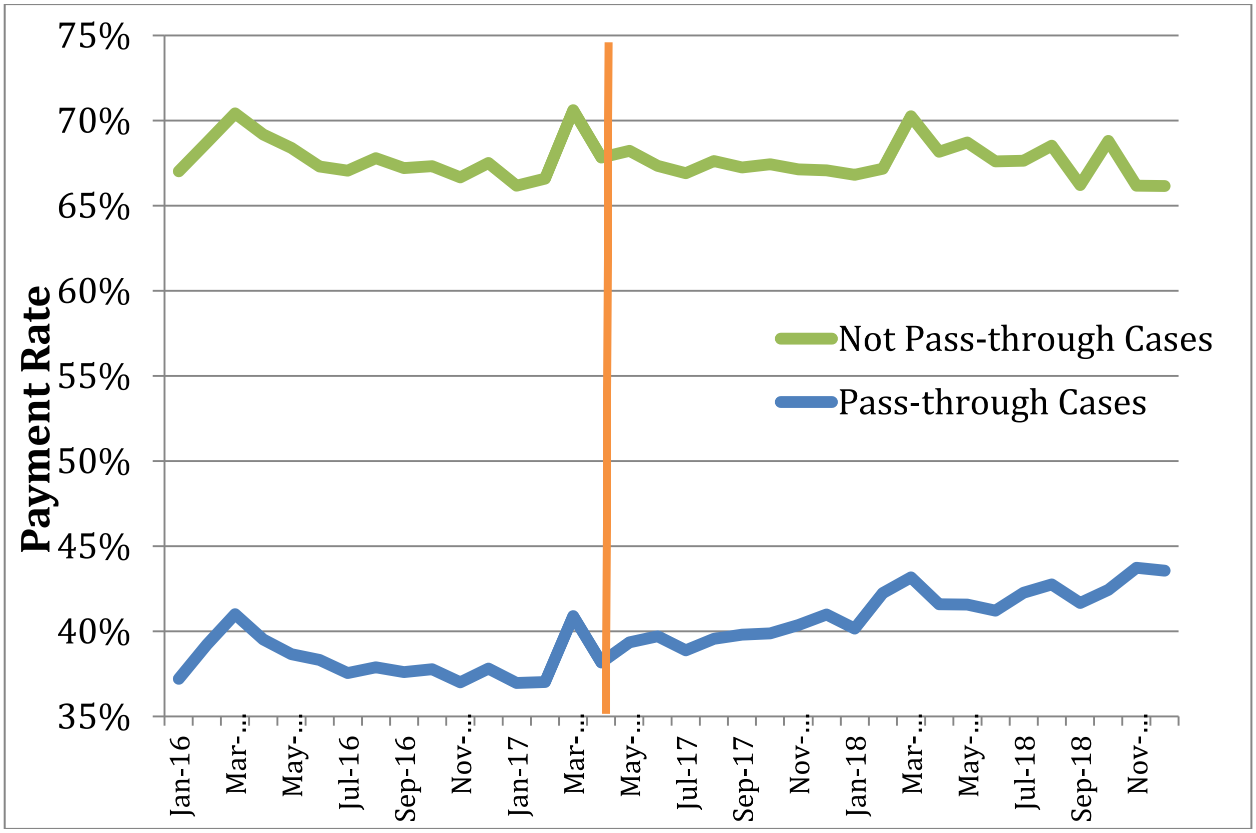
Figure 2: Total Child Support Received on TANF Cases



<u>3.) Child support is being paid at a higher rate</u>

The percentage of pass-through cases with monthly payments increased as payments were made at a much higher rate than cases not in the pass-through program. Figure 3 depicts the 6.4% increase in the payment rate among TANF pass-through cases with child support payments between January 2016 (37.2% payment rate) and December 2018 (43.6% payment rate). This increase was not evident among non-TANF cases. In fact, the payment rate among cases not in the pass-through program declined 0.8% between January 2016 (67.0%) and December 2018 (66.2%). While the overall payment rates are lower for the pass-through cases (given financial demographics among that group), data in Figure 3 provides evidence that the pass-through policy has had a positive effect upon child support payment rates for TANF (pass-through) cases.

Figure 3: Child Support Payment Rates: Pass-through vs. Not Pass-through



Evidence indicates that the pass-through policy is continuing to inspire positive behavioral changes among parents: more custodial parents are cooperating with child support offices to establish support orders and more non-custodial parents are choosing to pay child support to children on the TANF caseload. This behavior has resulted in Colorado's most vulnerable families receiving an average of $167 additional monthly income from parents directly supporting their children. These positive changes help families, but have caused the pass-through program to exceed its appropriation during its first two full years of operation.

Problem or Opportunity:

As the first state in the nation to change policy to implement a full child support pass-through, Colorado lacked evidence, both internally and from other states, to gauge its impact. The fiscal note projecting costs for the authorizing legislation (SB 15-012) estimated an annual five-percent increase; however, that entire increase was realized within the first few months of the pass-through becoming operational. That initial estimate was based on predictions from other states who had implemented partial pass-through programs and Colorado's payment history from 2013-2015. The initial estimated cost did not accurately model behavior changes transpiring from the pass-through. The appropriation needed to fund this program is inherently a function of program participants' behavior.

In just over two years of operations, the pass-through has grown dramatically: 34% growth in FY 2017-18 and 8.25% growth in FY 2018-19. Data indicates the growth curve is slowing, yet continuing to increase. The Department projects the pass-through payments will exceed the FY 2019-20 appropriation by $800,182 (8.25% growth plus a five-percent contingency in case growth does not flatten-out). If the pass-through continues to grow at its current rate, and no statutory changes are made, as discussed in the Proposed Solution section "2. Statute Changes," the Department estimates the pass-through payments will exceed its appropriation by more than $1 million in FY 2020-21. Therefore, the Department is seeking a budget change to ensure appropriate means to operate the program in FY 2019-20 and beyond, while level-setting the program to avoid similar problems in the future.

Prior to the pass-through legislation, Colorado statute had required all current child support paid on behalf of children receiving TANF assistance be retained as unreimbursed public assistance. Fifty percent of these collections are mandated to be paid to the federal government. In Colorado, the remaining fifty percent is allocated to the counties as incentive payments. The State's obligations to the federal government and counties remain under C.R.S. 26-2-108, even though that child support paid on behalf of a child receiving TANF assistance is now going directly to that child and family. Therefore, the annual General Fund appropriation is required to satisfy the statutory requirement to back-fill funds required to pay the federal government and counties in lieu of the collections that are now going directly to TANF cases.

Statute also requires that if sufficient funds are not appropriated to reimburse the federal government and counties their respective shares of child support payments, the Department is required to "turn off" the pass-through in ACSES and counties are not required to pass-through child support funds to families.

Turning-off the pass-through when funds run out during a fiscal year is not a viable, long-term solution. Turning-off the pass-through risks undoing the positive behavioral changes of encouraging parents to seek and pay child support and reducing dollars available to support children living in poverty. In addition, turning off the pass-through would entail unplanned costs to the Department in order to communicate this change to both paying and receiving parents and to counties. Furthermore, additional costs would result from re-messaging to parties when the pass-through becomes operational again at the beginning of the next fiscal year. Moreover, statute (C.R.S. 26-2-108) requires the program to operate as long as the General Assembly appropriates funds for the program, making turning-off the pass-through only an incremental solution, one fiscal year at a time, recreating the same issues every year funds fall short of the growth.

Proposed Solution:

The Department is proposing a multi-pronged solution to resolve the persistent underfunding of the pass-through: 1) submitting a supplemental budget request for FY 2019-20 (to reflect the FY 2018-19 growth over the current appropriation and projected FY 2019-20 growth); 2) seeking statute change (C.R.S. 26-2-108) to mitigate the effects of variable growth; and 3) increasing the FY 2020-21 appropriation (per this decision item). These interconnected solutions will establish a long-term solution that will preclude the Department from needing to request additional funds in future years.

The three parts of the proposed solutions are detailed below:

1. FY 2019-20 Supplemental funding: The requested funds in this decision item reflect the anticipated need for supplemental funding in FY 2019-20. As such, the Department projects that program growth in FY 2018-19 and FY 2019-20 will render the FY 2019-20 appropriation to be $800,182 short of the fiscal year commitment. A forthcoming supplemental budget request for FY 2019-20 will ensure the program operates throughout the year without any disruption.

2. Statute changes: Recommended changes to C.R.S. 26-2-108 would require counties to continue passing child support to families even if the program appropriation runs out mid-year (as has occurred since the program began). This change would ensure that unexpected cost-overages would no longer put the pass-through at-risk. Additionally, it would alleviate the need for future budget requests because the amount appropriated each year by the General Assembly will be statutorily sufficient to ensure the program operates continuously throughout the year. The Department also recommends that the statute change to allow the pass-through appropriation to roll-forward to the subsequent fiscal year. This change seeks to accommodate the predicted ebbs and flows in future payments and reduce the impact on counties if the appropriation runs out before the end of the fiscal year.

3. FY 2020-21 budget request: This decision item, in concert with the other two parts of the solution, will establish a ceiling for required program funds at an amount sufficient to fund projected costs in FY 2020-21. These funds will create a realistic baseline for the cost of the pass-through using empirical data from the Department's experience in implementing the program.

Ultimately, increasing the appropriation in FY 2020-21 will ensure that child support paid on behalf of some of the poorest children in Colorado will go directly to those children. The average pass-through payment is $167, roughly a 33% increase in financial resources for a single mother with two children receiving TANF. Additionally, the Department will be able to meet its obligations to the federal government and counties per unreimbursed public assistance.

The Department continues to work to identify the appropriate legislative route to (a) provide funds for this proposal in FY 2019-20, (b) allow the ability to roll-forward funds, and (c) cap payments to counties at the FY 2019-20 appropriation, ensuring long-term program sustainability. The recommended amount is consistent with the capping of the FY 2019-20 appropriation. Joint Budget Committee members and staff will be updated on the status of such legislation.

Anticipated Outcomes:

Child Support Pass-through has the highest rating on Pew's Results First Clearinghouse. There is strong evidence that full pass-through and disregard of child support payments increases custodial parents' likelihood of receiving payments as well as increasing the amount they receive. Paternity is also established more quickly when the custodial parent receives all child support paid on their child's behalf, and that amount is not considered in benefit calculations, than when child support payments are retained to offset welfare payments (Urban-Wheaton 2008, Cancian 2008, UW IRP-Cancian 2007, Pirog 2006, Cassetty 2005). Full pass-through may also reduce the risk of child maltreatment (Cancian 2013).

The Department anticipates that providing funds to ensure a full year of the Child Support pass-through, given increased number of parents making child support payments, will result in several key outcomes in Colorado, as intended by SB 15-012:

- Children will have more cash resources directly supporting their needs and stabilizing their families. Available Colorado data reveals that child support (via the pass-through) represents more than 82.7% of income among the Colorado Works caseload receiving those funds.
- Every dollar of child support paid on behalf of a low-income child increases the child's likelihood to excel in school, avoid the juvenile justice system, pursue an adult life outside of poverty, and reduces risk of maltreatment. (Office of Child Support Enforcement, Administration for Families and Children, December 2016)
- Non-custodial parents will continue to be motivated to pay child support when those dollars are going directly to their children instead of being retained by the government. Custodial parents will be more willing to seek child support orders if they know that orders will translate into actual received payments.
- Counties will continue to receive the full amount (50% of retained collections) of funds that the State statutorily owes them until the statute is changed. Once the statute is changed, counties will be receiving a larger percentage of their retained collections than before the pass-through was implemented.
- The ability to roll-forward funds will minimize the impact to counties, while ensuring that counties have some "skin in the game" by more equitably distributing costs and alleviating the State from holding full responsibility for program costs.
- The pass-through program will essentially be capped at the FY 2020-21 appropriation, ensuring long-term program sustainability and, more importantly, long-term financial support to some of Colorado's most vulnerable children/families.

Assumptions and Calculations:

Data used to estimate program need is based on the pass-through program's operation between April 2017 and June 2019. This data comes directly from actual payment amounts received from non-custodial parents and disbursed to custodial parents. Information from a study being conducted by the Department's Performance Management Unit on the pass-through program was also used to support this request.

Table 1 below shows the pass-through growth rate, as it relates to the appropriation, over time.

Table 1: Pass-through growth rate over the past two fiscal years			
Month	Pass-through Backfill- Total owed Feds & Counties	Cost Running Total	Appropriation Running Balance
FY 2017-18 Appropriation: $3,024,000			
17-Jul	264,081	264,081	2,759,919
17-Aug	282,619	546,700	2,477,300
17-Sep	294,484	841,184	2,182,816
17-Oct	324,154	1,165,338	1,858,662
17-Nov	332,739	1,498,077	1,525,923
17-Dec	364,813	1,862,890	1,161,110
18-Jan	364,983	2,227,873	796,127
18-Feb	377,559	2,605,432	418,568
18-Mar	397,298	3,002,730	21,270
18-Apr	356,978	3,359,708	(335,708)
18-May	377,020	3,736,728	(712,728)
18-Jun	376,844	4,113,572	(1,089,572)

FY 2018-19 Appropriation: $4,447,426			
18-Jul	389,715	389,715	4,057,711
18-Aug	399,332	789,047	3,658,379
18-Sep	376,137	1,165,184	3,282,242
18-Oct	408,839	1,574,023	2,873,403
18-Nov	416,667	1,990,690	2,456,736
18-Dec	411,438	2,402,128	2,045,298
19-Jan	421,537	2,823,665	1,623,761
19-Feb	406,671	3,230,336	1,217,090
19-Mar	412,301	3,642,637	804,789
19-Apr	381,993	4,024,630	422,796
19-May	404,338	4,428,968	18,458
19-Jun	384,437	4,813,405	(365,979)

As shown in the table above, the growth rate resulted in costs 36.03 % over appropriation in FY 2018-18, and 8.23% over appropriation in FY 2019-20.

The rate of growth of the program was calculated using the annual growth rate between April 2017 and June 2019, and is shown in Table 2 below.

Table 2: Pass-through growth calculation	
*Projected Pass-through FY 2019-20	$5,247,608
Appropriation	$4,447,426
Difference	$800,182

**Projected pass-through assumes same rate of historical federal disregard*

Supplemental, 1331 Supplemental or Budget Amendment Criteria:

The Department will also request a supplemental in FY 2019-20 for $800,182 to address issues outlined in this document. Joint Budget Committee members and staff will be updated on the status of such legislation.

Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-11 Respite Care Task Force Funding Adjustments

Dept. Approval By:

OSPB Approval By:

	Supplemental FY 2019-20
	Budget Amendment FY 2020-21
X	**Change Request FY 2020-21**

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
Total of All Line Items Impacted by Change Request	Total	$453,085	$0	$453,085	$374,770	$374,770
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$404,715	$0	$404,715	$374,770	$374,770
	CF	$48,370	$0	$48,370	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
10. Adult Assistance Programs, (D) Community Services for the Elderly, (1) Community Services for the Elderly - Respite Services	Total	$453,085	$0	$453,085	$374,770	$374,770
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$404,715	$0	$404,715	$374,770	$374,770
	CF	$48,370	$0	$48,370	$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:**	No Other Agency Impact

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Department of Human Services

FY 2020-21 Funding Request

November 1, 2019

Jared Polis
Governor

Michelle Barnes
Executive Director

Department Priority: R-11
Request Detail: Respite Care Task Force Funding Adjustments

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	$0	$374,770	$374,770
FTE	0.0	0.0	0.0
General Fund	$0	$374,770	$374,770
Cash Funds	$0	$0	$0
Reappropriated Funds	$0	$0	$0
Federal Funds	$0	$0	$0

Summary of Request:

The Department of Human Services requests an increase of $374,770 General Fund for FY 2020-21 in order to complete its implementation of the recommendations of the Respite Care Task Force as mandated in HB16-1398 and to restore the Respite Services line item to its intended amount. The requested funding would be used to continue the Department's contract with Easterseals Colorado in order to meet the scope of work established and approved by HB16-1398. The anticipated completion date of the Task Force recommendations is March of 2021. The requested General Fund would bring the total cost of implementing the Task Force recommendations to $1,854,619, far below the anticipated cost in HB16-1398 of $2,184,104.

The initial study conducted in FY 2017-18 identified positive impacts of respite services related to economic, fiscal, and client satisfaction. The Department plans to pilot the evidence-based caregiver assessment tool, Tailored Care (also known as TCARE), to identify the best ways to support family and informal caregivers. Washington State implemented this model and identified an estimated savings of $19.4 million in both State and Medicaid costs. The Department will pilot this tool in Colorado in FY 2019-20 and analyze the results of the pilot in FY 2020-21. The program is level 4 on the evidence continuum scale.

Current Program:

The Task Force was established by HB 15-1233 to study the dynamics of supply and demand for respite care services in Colorado and report its findings to the General Assembly. The 15 member Task Force completed its work and presented a report with recommendations to the General Assembly on January 29, 2016. The General Assembly subsequently passed HB 16-1398, which required the Department to contract with an entity to implement the recommendations over a four-year period spanning five fiscal years (FY 2016-17 to FY 2020-21). The Department began a four-year contract with EasterSeals Colorado to implement this work in February 2017.

To date, EasterSeals Colorado has achieved significant progress toward the implementation of the Respite Task Force recommendations. The Department's four-year contract with EasterSeals Colorado continues through March 2021 to complete the remainder of the implementation of the Task Force recommendations pending available appropriations.

Problem or Opportunity:

The fiscal note for HB 16-1398 identified a total cost of $2,184,104 from FY 2016-17 to FY 2020-21 to complete the requirements identified in the bill. However, only $900,000 of that amount was appropriated to the Department as part of HB 16-1398. The initial funding of $900,000 was a one-time transfer from the Intellectual and Developmental Disabilities (IDD) Cash Fund through a special bill so it was not reflected in the Respite Care line item of the Long Bills during the years in which it was used (FY 2016-17 through FY 2018-19).

Because funding for the full project was not appropriated with the bill, it was anticipated that the Department would request additional funding to complete the four-year project. The Department's request for $62,677 in FY 2018-19, $404,715 in FY 2019-20, and $270,507 in FY 2020-21 to be added to the Respite Services line item for the purposes of implementing the Task Force recommendations was approved by the General Assembly. With that request, the total budget for the project was reduced to $1,637,899 over the five fiscal years.

The $62,677 was appropriated correctly in FY 2018-19. However, during the 2019 legislative session, funds for FY 2019-20 were inadvertently applied to the Long Bill (SB19-207). Instead of increasing the Respite Services line item General Fund amount that already existed of $350,000 by $404,715 for FY 2019-20, for a total of $754,715, the General Fund portion of the line item was set at $404,715. Due to this technical oversight, the funds necessary for the continuation of the implementation of HB16-1398 were not included in the SB19-207 line item for Respite Services. The Department received roll forward authority in the amount of $200,000 and an additional $54,715 in FY 2019-20 to continue implementing the Task Force recommendations.

In addition, the funding for FY 2020-21 was interpreted as "total funds" rather than additional funds. As a result, additional funds are necessary in FY 2020-21 to complete the implementation of the Task Force recommendations. This is due to the fact that rather than adding $270,507 General Fund to the amount that existed in this line item for FY 2020-21, the aforementioned budget request was interpreted to be the total funds in the Respite Services line item for that year and replaced the $350,000 General Fund that existed previously in that line. This misinterpretation had the unintended consequence of lowering the funding for respite service providers, which is a separate program from the Task Force. As a result, Department is requesting new General Fund in the amount of $374,770 be approved for FY 2020-21 to implement the recommendations of the Task Force and restore the Respite Services line item to its previous level.

The summary of the difference between the initial Fiscal Note and actual appropriations is shown in Table 1 below.

Table 1: Difference between the Fiscal Note and actual appropriations

	Fiscal Note (approved)	Appropriated	**Difference between Fiscal Note and Appropriated**
FY 2016-17	$520,934	$900,000 (for two fiscal years)	
FY 2017-18	$457,942		$78,876
FY 2018-19	$457,942	$0	$457,942
FY 2019-20	$457,942	$54,715	$403,227
FY 2020-21	$289,344	$0	$289,344
Total	**$2,184,104**	**$954,715**	$1,229,389
FY 2020-21 DI (if approved)		**$374,770**	$854,619

Proposed Solution:

The Department requests an increase of $374,770 General Fund for FY 2020-21 in order to complete its implementation of the recommendations of the Respite Care Task Force as mandated in HB16-1398 and to restore the Respite Services line item to its intended amount. The requested funding would be used to continue the Department's contract with Easterseals Colorado in order to meet the scope of work established and approved by HB16-1398. The anticipated completion date of the Task Force recommendations is March of 2021. The requested General Fund would bring the total cost of implementing the Task Force recommendations to $1854,619, far below the anticipated cost in HB16-1398 of $2,184,104.

Anticipated Outcomes:

The requested General Fund will allow the Department and its contracted vendor, Easterseals Colorado, to complete the Respite Study as required in HB 16-1398. It is anticipated that the funding allocated for FY 2020-21 will allow the Respite Study to be completed by the mandated end date of March 2021. Without additional General Fund, the Department and the contractor may not have the resources to fully implement the work outlined by the Respite Care Task Force and required by 26-1-702, C.R.S. or the completion of those recommendations may be inadequate.

Specifically, this funding would be used to support the next phase of the respite study. While the initial study conducted in FY 2017-18 identified positive impacts of respite services related to economic, fiscal, and client satisfaction, it was only a first start at what can be done in this area. The Department plans to pilot an evidence-based caregiver assessment tool to identify the best ways to support family and informal caregivers. Washington State implemented this model and identified an estimated savings of $19.4 million in both State and Medicaid costs. The Department will pilot this tool in FY 2019-20 and analyze the results of the pilot in FY 2020-21.

Assumptions and Calculations:

Table 2 illustrates the contractor's Task Force recommendations implementation budget and expenditures to date, including projections for future years. The table illustrates the contractor's current budget for FY 2020-21, including this request for an additional $374,770 of General Fund.

It is important to note that the initial funding for HB 16-1398 to implement the Task Force recommendations was a one-time transfer of $900,000 from the Intellectual and Developmental Disabilities (IDD) Cash Fund. The $900,000 was not reflected in the subsequent years' Long Bills due to the fact that this was a special bill.

Table2: FY 2016-17 through FY 2020-21 Costs to Implement Respite Task Force Recommendations					
Item	**FY 2016-17***	**FY 2017-18***	**FY 2018-19***	**FY 2019-20****	**FY 2020-21****
Contracted Personnel	$53,410	$347,775	$93,698	$50,000	$50,000
Respite Study	$0	$0	$0	$100,000	$135,000
Community Outreach and Education	$0	$0	$150,000	$45,000	$60,000
Respite Systems Standardization	$0	$0	$36,168	$35,303	$25,000
Website	$0	$0	$3,900	$0	$0
Contractor Operating Costs	$0	$0	$7,888	$6,223	$3,720
Contractor Indirect Costs (7.69%)	$0	$0	$40,958	$18,189	$21,050
Respite Services Restoration					**$80,000**
Total	**$53,410**	**$347,775**	**$332,612**	**$254,715**	**$374,770**

* Actual Expenditures

**Projected Expenditures

Table 3 illustrates the Respite Services Long Bill Line Item in FY 2020-21 with the requested additional $294,770 for the Respite Care Task Force completion and the requested restoration of the General Fund for respite services.

Table 3: Summary of Incremental Changes to the Respite Services Long Bill Line Item for FY 2020-21		
Fiscal Year	**Requested General Fund**	**Notes**

Additional FY 2020-21	$ 294,770	Funding for FY 2020-21 requested for the Respite Care Task Force
Respite Services FY 2020-21	$ 80,000	Respite Services Restoration
Total Incremental Funding for FY 2020-21	**$ 374,770**	Total of current respite services and task force funding request

Table 4 illustrates the Respite Services Long Bill line item appropriation and requested funding.

Table 4: Long Bill Appropriation and Requested Funding for FY 2020-21 and Beyond				
Line Item: (10) Adult Assistance Programs; (D) Community Services for the Elderly, Respite Services	**Total Funds**	**General Fund**	**Cash Funds**	**Notes**
FY 2020-21 Requested New Funding	$374,770	$374,770	$0	Includes $294,770 for Respite Task Force and $80,000 for Respite Services
FY 2020-2021 Total Requested Appropriation	**$773,140**	**$724,770**	**$48,370**	The GF line includes $350,000 for respite services and the requested $294,770 for the Task Force
FY 2021-2022 Total Requested Appropriation	**$398,370**	**$350,000**	**$48,370**	Funding for Task Force is completed but Respite Services is ongoing

Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-12 Subsidized Employment Continuation

Dept. Approval By:

OSPB Approval By:

	Supplemental FY 2019-20
	Budget Amendment FY 2020-21
x	Change Request FY 2020-21

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
Total of All Line Items Impacted by Change Request	Total	$4,000,000	$0	$0	$4,000,000	$4,000,000
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$4,000,000	$0	$0	$4,000,000	$4,000,000

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
07. Office of Self Sufficiency, (B) Colorado Works Program, (1) Colorado Works Program - Employment Opportunities with Wages Program	Total	$4,000,000	$0	$0	$4,000,000	$4,000,000
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$4,000,000	$0	$0	$4,000,000	$4,000,000

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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Department of Human Services

FY 2020-21 Funding Request

November 1, 2019

Jared Polis
Governor

Michelle Barnes
Executive Director

Department Priority: R-12
Request Detail: Subsidized Employment Continuation

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	$0	$4,000,000	$4,000,000
FTE	0.0	0.0	0.0
General Fund	$0	$0	$0
Cash Funds	$0	$0	$0
Reappropriated Funds	$0	$0	$0
Federal Funds	$0	$4,000,000	$4,000,000

Summary of Request:

The Department of Human Services requests $4,000,000 total funds/federal Temporary Assistance for Needy Families (TANF) funds for FY 2020-21 and beyond. The funding will continue the Employment Opportunities with Wages program, created by SB 17-292 (as sponsored by the Joint Budget Committee). Ongoing funding will enable the Department to continue to connect public assistance recipients with employment opportunities. This request represents a 0% increase over the FY 2019-20 appropriation.

This program achieved the highest rating for evidence in Pew's Results First Clearinghouse. There is strong evidence that transitional and subsidized jobs programs increase employment and earnings for low income adults, youth, unemployed individuals, TANF recipients, and recently released former prisoners for the duration of their subsidized position. National data indicates that a subsidized employment program will generate $4 of economic activity in Colorado communities for every $1 invested. The program is between level 3 and 4 on the evidence continuum scale.

Current Program:

The federal Temporary Assistance for Needy Families (TANF) program, known locally as Colorado Works, provides cash assistance, employment services, and supportive services to economically vulnerable families with the primary goal of stabilizing those families and moving them out of poverty by promoting employment opportunities. In Colorado, these services are delivered through a State-supervised/county-administered framework, providing flexibility to counties to design services to meet their communities' needs. Colorado receives a $136.1 million federal TANF block grant annually.

SB 17-292 provided an investment in the subsidized employment program, Colorado Works Subsidized Training and Employment (CW STEP), directly benefiting families via immediate income and on-the-job experience to facilitate future employment. Furthermore, national data indicates that a subsidized employment program will generate $4 of economic activity in Colorado communities for every $1 invested.

CW STEP Funding Background:

- Annual receipt of the TANF block grant and Contingency Funds, combined with county spending patterns, has bolstered the Colorado Works Long-term Reserve to approximately $75 million at the beginning of FY 2019-20. The Department estimates this level of reserves is sufficient to maintain program solvency for several years, even in the event of a dramatic funding change.
- Federal law allows states to spend TANF funds on employment, education, and training activities to prevent participants from cycling on and off cash assistance. Colorado spends a very low percentage of TANF funds (2.6%) on employment-specific activities. CW STEP has helped to bolster this spending to 3.5% of total expenditures in federal FY 2018-19 and reduce poverty among struggling Colorado families.
- The federal government requires states to engage TANF recipients in a minimum number of work activities and hours each month. As a qualifying employment activity, CW STEP program is assisting Colorado in this requirement.
- Subsidized employment is a proven strategy, with evidence from a number of state programs (e.g. California, Illinois, Minnesota, Wisconsin, among others (Georgetown Center for Poverty and Inequality-Dutta-Gupta/Grant/Eckel/Edelman, 2016)). Colorado's homegrown HIRE and ReHire Colorado programs have demonstrated positive outcomes in the areas of sustained employment and family stability. CW STEP is now beginning to lend data to the body of evidence per subsidized employment.
- Furthermore, subsidized employment has the highest rating on Pew's Results First Clearinghouse. There is strong evidence that transitional and subsidized jobs programs increase employment and earnings for TANF recipients (as well as other low income adults, unemployed individuals, and recently released former prisoners) for the duration of their subsidized position (Mathematica-Maxwell 2015, EMC-Roder 2013, OPRE-Butler 2012, MDRC-Jacobs 2012, OPRE-Redcross 2012).
- Significant discussions at the federal level have included proposals to expand work requirements and, most importantly, provide viable work experience and skills to help TANF recipients to weather future economic downturns.

Problem or Opportunity:

CW STEP provides several tangible opportunities to the Department:

Programmatic Opportunity

TANF is both a cash assistance/safety net program and an employment-focused program. Yet, competing demands for resources within Colorado's county-administered framework results in uneven approaches to serving families, especially within the broad realm of employment. More than twenty years after "welfare reform" – and with no new funds available – the Department is continuing its efforts to strengthen the Colorado Works program's employment focus, while meeting the federal Work Participation Rate requirement. Collectively, Colorado spent $10.7 million (2.6% of total expenditures) on employment and training activities in federal FY 2017-18 and is projected to increase such spending to $14.5 million (3.5% of total expenditures) in federal FY 2018-19. Colorado is only spending a fraction of the national average of 10.5% of TANF expenditures on employment and training activities. In fact, Colorado's limited investment in employment and training activities has been noted by the federal government, making this ongoing investment in subsidized employment a prudent way to address this gap within a framework of proven positive outcomes from subsidized employment. Ultimately, CW STEP increases participants' wages within a framework of complying with federal requirements.

Subsidized employment is a valuable employment strategy designed to transition people with significant labor market barriers (e.g. limited experience, low skills, prior criminal record, disabilities, etc.) into work using wage-paid employment that combines real work, skills development, and supportive services. The subsidized wages act as a "trial period" for an employer to take a risk on an employee who may have been overlooked in an application review. At the same time, subsidized employment supports employers' bottom-lines, encouraging and promoting job creation by testing the viability of a new position or shifting responsibilities. Additionally, subsidized employment yields a high return on the investment. National estimates indicate that a subsidized employment program will generate $4 of economic activity in Colorado communities for every $1 invested.

Participant Opportunity

At the participant level, a good job paying a livable wage, is the clearest path out of poverty and reliance on Colorado Works and other public assistance. CW STEP is promoting those outcomes. The work experience and basic workplace skills gained through on-the-job experience have a strong correlation to one's likelihood of securing employment. Despite the currently strong economy, many Coloradans continue to struggle. While the statewide unemployment rate has fallen to 3.3%, the measure of labor underutilization (i.e. rate of individuals who are unemployed, marginally attached, or have dropped out of the workforce due to lack of opportunities) in Colorado is 6.5%[1]. The unemployment rate among Coloradans with at least some higher education is close to half of that among those lacking a high school credential (diploma or GED). Poverty rates among similar education demographics are nearly three times higher for people with no high school credential. Among the Colorado Works caseload, approximately 75% of adult participants are unemployed, many of whom have never

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[1] Bureau of Labor Statistics, Local Area Unemployment Statistics, Alternative Measures of Labor Underutilization for States, Second quarter of 2018 through First Quarter 2019 Averages, April 2019

been gainfully employed. Therefore, many able and willing, albeit low- or unskilled, Colorado Works recipients will benefit from the ongoing investment in CW STEP.

Maintaining the State's investment in subsidized employment will promote employment, increase targeted spending in employment and training activities, and continue to elevate Colorado as a national leader in subsidized employment. Additionally, continuing CW STEP will augment the baseline of effective, value-added employment and training services available to eligible Colorado Works participants, regardless of fiscal dynamics or other prevailing conditions among counties' Colorado Works programs.

<u>Compliance Opportunity</u>

Subsidized employment connects more Colorado Works recipients with a qualifying work activity. This strategy assists Colorado to meet the federal Work Participation Rate (WPR) requirement in an evidence-based, sustainable way.

In May 2015, the federal Administration for Children and Families (ACF) informed the Department that Colorado had failed to meet the federal WPR for FFY 2012-13. Subsequent notices have been received for FFYs 2013-14 through 2015-16. The only guaranteed way to avoid a penalty is by meeting the federal WPR. The Department has placed significant effort – including implementation of CW STEP – to move the compliance needle, while simultaneously translating into stronger employment and economic outcomes. Colorado anticipates being in full compliance in FFY 2017-18 and FFY 2018-19, partially due to the increased hours reported by CW STEP participants. These were the first two federal fiscal years that include the new CW STEP program.

<u>Financial Opportunity</u>

The Department estimates that currently available and unappropriated TANF funds can support CW STEP for at least the next four years, through FY 2023-24 (see Table 3). Moreover, unappropriated TANF funds are missed opportunities to address poverty in Colorado communities and bolster economic security across the State. In the event of changing economic circumstances or federal changes in grant amounts, all TANF funded programs will be reviewed and funding adjustments will be recommended.

Maintaining the infrastructure for subsidized employment maintains Colorado as a national leader in the subsidized employment arena.

Proposed Solution:

The Department requests $4,000,000 total funds/federal TANF funds and 0.0 FTE in FY 2020-21 and beyond. This strategy utilizes available, unappropriated federal TANF funds to continue funding the CW STEP program, successfully connecting Colorado Works recipients with real-time, wage-bearing employment and training opportunities. The Department administers the existing CW STEP program in coordination with counties and the Colorado Workforce Development Council. The program was initially created for three years, and is currently set to expire at the end of FY 2019-20.

In its first year of implementation (FY 2017-18), CW STEP's goal was to serve 445 Colorado Works participants, subsidizing up to 400 hours of employment over a six month period. Since the program began, it has placed 571 participants in subsidized employment. Among those placements, 260 individuals have exited to unsubsidized employment (employer paid wages) at a median wage of $12.08/hour.

The program is managed through a contract with the Colorado Department of Labor and Employment, providing services to participants receiving cash assistance to attain a living-wage through subsidized employment, apprenticeships, on-the-job training, and transitional jobs. This process avoids duplication of services. Available funds are used to help pay prevailing wages for Colorado Works participants engaged in eligible subsidized employment activities. Colorado Works recipients who are identified as subsidized employment candidates are referred to their Workforce Center for services. Participants are served via program funds that have been allocated proportionately among vendors (workforce centers and third-party vendors) operating the program.

This initiative draws on Workforce Center's expertise in industry sectors and relationships with employers. The Department of Labor and Employment (CDLE) makes the funds available to counties, through the Workforce Centers, to pay wage subsidies to Colorado Works participants.

Ultimately, maintaining the CW STEP program will provide significant, multiple returns on the investment to support Colorado citizens, communities, and employers. Subsidized employment builds skills, increases likely attachment to the labor market, and is a proven strategy to connect low- and unskilled workers earning very low wages to attain and retain gainful employment. Subsidized employment supports employers and local economies to thrive so a subsidized employment program will generate $4 of economic activity in Colorado communities for every $1 invested as indicated by national estimates.

Anticipated Outcomes:

The Department anticipates two primary outcomes to result from continuing CW STEP:

1. Low-skilled Colorado Works recipients will gain on-the-job experience and earned income; and
2. The State will ensure compliance with the Work Participation Rate. While Colorado Works participants are gaining vital employment skills to enable ongoing sustainable employment, those hours will increase employment entry and bolster the State's work participation rate.

Community outcomes are also anticipated. However, these types of outcomes are more difficult to attribute directly to wage subsidies. Yet, national subsidized employment programs have demonstrated returns on investment to local economies through increased taxes collected, reduced public assistance benefits, and reduced return to public assistance.

The Department is currently evaluating the results and will have initial results of the existing program in the Fall of 2019 and will provide a report to the legislature by October 15, 2019.

Assumptions and Calculations:

Wage subsidies will be paid at the prevailing wage for a particular job within an industry sector, as determined by employer hosts and labor market data, on average $12.15/hour. The Department will contract funds directly to CDLE and in turn, Workforce Centers will serve participants referred from county departments. Counties will not be required to contribute Maintenance of Effort funds in exchange for the use of these federal TANF funds. Table 1 and Table 2 provide detail on the program costs based on current program expenditures.

Table 1: Wage Calculation		
A	Average wage (Family of 4 to be at the federal poverty level)	$12.15
B	Number of participants (maximum of 400 hours)	720
C	Maximum wages to any individual	$4,860
D	Total subsidized employment wages (row B x row C)	$3,499,200

Table 2: Program Costs		
A	Subsidized Wages (Table 1, row D)	$3,499,200
B	Local Program Administration (10% of total appropriation, $4M)	$400,000
C	Evaluation costs (2.5% of total appropriation, $4M)	$100,000
D	**Total Expenditures**	**$3,999,200**

The Department has used the following assumptions in projecting outcomes:

- Average monthly participation in subsidized employment: 360 participants, for an annual total of 720 participants.
- Total adults (work-required) on the Colorado Works caseload: 13,500.
- Total percentage served: 5.3%.
- Increased “employment entry” among the Colorado Works caseload: approximately 3%.
- If all 720 participants meet the minimum WPR participation requirement, this program would increase the average WPR by approximately 5%.

Under current statute, the program is set to expire at the end of FY 2019-20. This request will extend the program for FY 2020-21 and beyond.

Program funding will be from awarded and unappropriated federal TANF funds. Table 3 presents the projected TANF Long-term Reserve balances through the next four years. Based on the federal awards and appropriation assumptions, available reserves will be sufficient to fund this request.

Table 3: TANF Long-term Reserve Projection				
	FY 2019-20	**FY 2020-21**	**FY 2021-22**	**FY 2022-23**
Beginning TANF Long-Term Reserve	$75,917,476	$58,329,534	$53,574,295	$48,819,056

Federal Grant Awards	$148,056,690	$148,056,690	$148,056,690	$148,056,690
Appropriations	$165,644,632	$152,811,929	$152,811,929	$152,811,929
Ending Long-Term Reserve	$58,329,534	$53,574,295	$48,819,056	$44,063,817

Table 4 provides the Long Bill appropriations table.

Table 4. Long Bill Appropriation and Requested Funding for FY 2020-21 and Beyond

Line Item Employment Opportunities with a Wage	FTE	Total Funds	General Fund	Cash Funds	Reapprop Funds	Federal Funds*
FY 2019-20 (SB19-207)	0.0	$4,000,000	$0	$0	$0	$4,000,000
Requested Funding	0.0	$4,000,000	$0	$0	$0	$4,000,000
FY 2020-21 and Beyond Total Requested Appropriation	0.0	$4,000,000	$0	$0	$0	$4,000,000

Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-13 County Child Welfare Staffing: Phase 6

Dept. Approval By:

OSPB Approval By:

	Supplemental FY 2019-20
	Budget Amendment FY 2020-21
X	**Change Request FY 2020-21**

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
	Total	$355,373,500	$0	$354,745,338	$3,062,702	$2,862,702
	FTE	0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	$179,778,033	$0	$189,010,061	$2,250,324	$2,102,964
	CF	$66,350,032	$0	$66,224,168	$306,270	$286,270
	RF	$12,981,594	$0	$12,981,594	$0	$0
	FF	$96,263,841	$0	$86,529,515	$506,108	$473,468

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
	Total	$355,373,500	$0	$354,745,338	$3,062,702	$2,862,702
	FTE	0.0	0.0	0.0	0.0	0.0
05. Division of Child Welfare, (A) Division of Child Welfare, (1) Division of Child Welfare - Child Welfare Services	GF	$179,778,033	$0	$189,010,061	$2,250,324	$2,102,964
	CF	$66,350,032	$0	$66,224,168	$306,270	$286,270
	RF	$12,981,594	$0	$12,981,594	$0	$0
	FF	$96,263,841	$0	$86,529,515	$506,108	$473,468

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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Department Priority: R-13
Request Detail: County Child Welfare Staff: Phase 6

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	$0	$3,062,702	$2,862,702
FTE	0.0	0.0	0.0
General Fund	$0	$2,250,324	$2,102,964
Cash Funds	$0	$306,270	$286,270
Reappropriated Funds	$0	$0	$0
Federal Funds	$0	$506,108	$473,468

Summary of Request:

The Department of Human Services requests $3,062,702 in total funds consisting of $2,250,324 General Fund, $306,270 cash funds, and $506,108 federal funds in FY 2020-21, and $2,862,702 in total funds consisting of $2,102,964 General Fund, $286,270 cash funds, and $473,468 federal funds in FY 2021-22 and beyond to increase county staffing in response to SB 15-242 and a workload study completed in 2014 by ICF International. The cash funds are local matching funds. The federal funds are from Title IV-E of the Social Security Act. This request represents Phase 6 of a multi-phase request. This request represents an increase of 11% over the FY 2019-20 appropriation and is an ongoing request.

The 2016 Division of Child Welfare Caseload Study, contracted through ICF International, determined that counties need 610 additional child welfare staff. Over the past five fiscal years, 433.75 new staff have been added. Since the addition of these new caseworkers, C-Stat measures have shown significant improvements in timely initial responses and assessment of cases.

The additional staff has also led to decreased turnover. In July 2018, Colorado State University Social Work Research Center, Applied Research in Child Welfare Project, released the Caseworker Retention Survey Report. According to the study, the overall turnover rate of caseworkers decreased from 32.0% in 2014 to 28.1% in 2015 after the first wave of funding was provided to the counties for additional child welfare staff. Additionally, external turnover (case workers that are leaving the profession/industry completely) reduced from 26.3% in 2014 to 22.6% in 2015. This reduction in turnover has resulted in a higher level of continuity within the continuum of care in child welfare support and services.

Current Program:

The Department's Division of Child Welfare (Division), through county departments of human or social services, 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:

The 2014 ICF International Workload Study (Workload Study) determined that county departments of human/social services needed an additional 610 county child welfare FTE positions to meet workload requirements. In FY 2015-16, Senate Bill 15-242 (SB 15-242) was passed and $6,408,147 total funds were appropriated to the Department for Phase 1 of implementing the identified county staffing needs, of which $6,064,149 was allocated to counties to hire 100 child welfare supervisors, case managers, and case aide positions.

SB 15-242 also provided the Department with $195,050 to contract for an independent study concerning the child welfare caseload by county. The 2016 ICF International Caseload Study (Caseload Study) provided recommended staffing ratios and created the Colorado Division of Child Welfare Case Worker Allocation Tool (DCAT), which provides a framework for determining which counties should receive additional county child welfare positions based on future appropriated funds and current caseload counts. The Caseload Study further supported the need for additional county child welfare staff.

Child welfare professionals have reported that the volume of work can have a significant impact on county 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 county 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.[1]

In July 2018, Colorado State University Social Work Research Center, Applied Research in Child Welfare (ARCH) Project, released the Caseworker Retention Survey Report. According to the study, the overall turnover rate of caseworkers decreased from 32.0% in 2014 to 28.1% in 2015 after the first wave of funding was provided to the counties for additional child welfare staff. Additionally, external turnover (case workers that are leaving the profession/industry completely) reduced from 26.3% in 2014 to 22.6% in 2015. This reduction in turnover has

[1] ICF International, Colorado Department of Human Services, Colorado Child Welfare County Workload Study, August 2014

resulted in a higher level of continuity within the continuum of care in child welfare support and services.

To date, 420 new county child welfare FTE positions have been appropriated and funded, which includes 334.5 currently hired and 85.5 to be hired for FY 2019-20. This is 190 FTE less than the recommended 610 FTE determined by the Workload Study. Based on funding received in prior phases (see Table 1), the Department is anticipating making additional requests for funding, in addition to this request for FY 2020-21, in order to meet the recommended staffing level. The current request for FY 2020-21 was developed using results from a salary survey that was administered by the Department during Summer 2019. The survey collected responses from all counties who were awarded staff from SB 15-242.

Table 1 shows funding received and future needs based on the findings identified from the Workload 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	84.25
FY 2019-20	$6,047,248	$4,387,031	$604,912	$1,055,305	99.25
SUM	$27,246,342	$19,837,670	$2,743,528	$4,665,144	433.75
FY 2020-21 (requested)*	$3,062,702	$2,250,324	$306,270	$506,108	50.00
Remaining Cost and Positions	**$7,812,277**	**$5,351,845**	**$781,228**	**$1,679,205**	**126.25**
Total Funding for Recommended Need	**$38,121,321**	**$27,439,839**	**$3,831,026**	**$6,850,457**	**610.0**

Source: SB 15-242, HB 16-1405, SB 17-254, HB 18-1322, SB 19-207 and Department Salary Survey conducted Summer 2019.

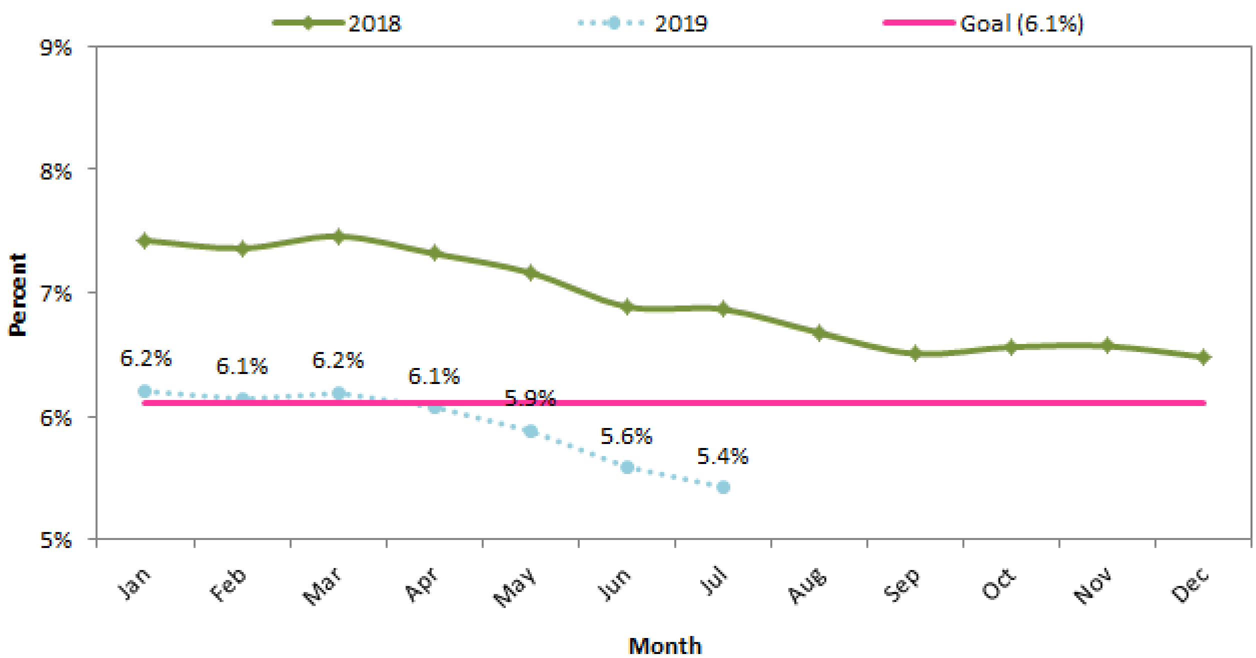
The Child Welfare Allocations Committee (CWAC) requires that these positions be filled by November 1 of each fiscal year. If a county cannot fill the position by that date, the FTE is re-allocated to another county. However, in order to address concerns of salary gaps noted in the salary survey conducted during Summer 2019, for FY 2019-20, the CWAC voted to allow counties to keep their full dollar award and advise the Department how many FTE they would hire (in an attestation letter), rather than using the number of FTE recommended by the DCAT. This would allow counties to address any salary gaps from prior years.

While Colorado is continuing to face challenges in providing adequate services to children, youth, and families involved in the State's child welfare system, the data suggests that the infusion of county child welfare staff has impacted various child welfare performance measures in positive ways. Charts 1-3 provide examples of C-Stat[2] performance measures which support these positive outcomes.

[2] C-Stat is a performance management system that allows every Colorado Department of Human Services program to better focus on and improve performance outcomes. C-Stat has moved CDHS to an outcomes oriented and collaborative approach. The goal of C-Stat is to collect timely data, increase transparency, conduct regular executive meetings to assess the effectiveness of the strategies, and identify new performance measures, all in support of continuous quality improvement.

In Chart 1, congregate care use has decreased over time. Although awareness in decreasing congregate care use would have some causal relationship, having more child welfare staff to provide additional capacity ensures that sufficient attention and treatment are provided to children/youth. When caseworkers have lower caseloads, they are able to focus more time and attention on providing services and assuring children/youth are being maintained at appropriate levels of care that meet their needs. This will be especially important as caseworkers are required to comply with the requirements of the Family First Prevention Services Act ensuring appropriate level of placements for children/youth in out-of-home care and after care services upon discharge from placement.

Chart 1: Children in Congregate Care C-Stat Measure

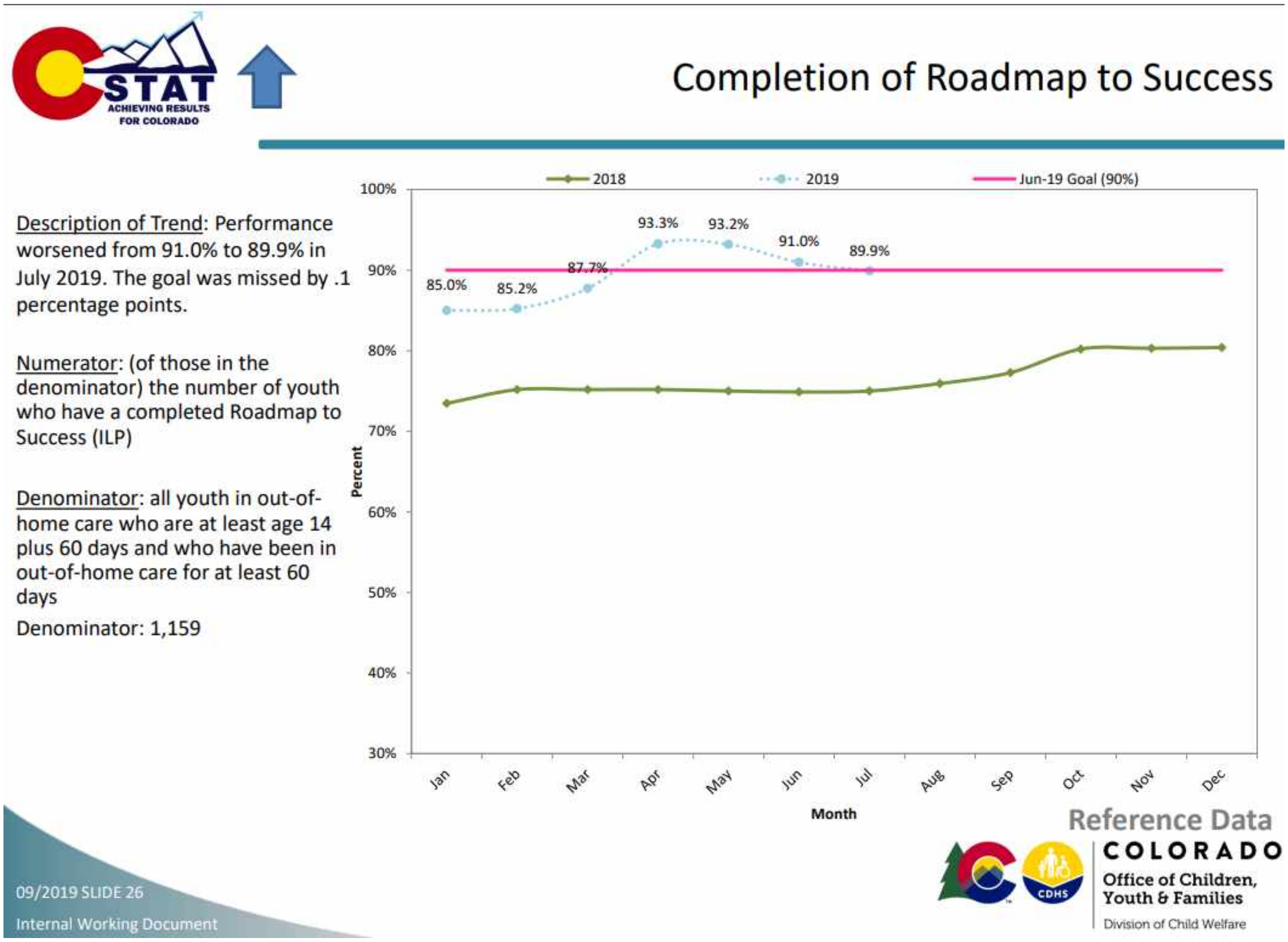


Source Data: Congregate Care ADP report for C-Stat

Chart 2 and Chart 3 both show that more attention to each child or youth helps to support the completion of Roadmaps to Success (previously called Independent Living Plans) and that recognizing and correcting unique situations an individual child/youth faces can improve Maltreatment in Out-of-Home care statistics.

Roadmaps to Success are youth-driven, individualized goal and service plans for youth who are over age 14 and in out-of-home placement for more than 60 days. Engaging youth in meaningful long-term planning is expected to result in more placement stability, more pro-social community engagement, and better educational and permanency outcomes overall. With increased caseworker staff time and attention to this process, Colorado reached the goal of 90% completion in FY 2018-19. However, completion is only the first step. Additional resources are still needed to ensure the plans are completed timely, updated when circumstances change, and that the follow-through is meaningful.

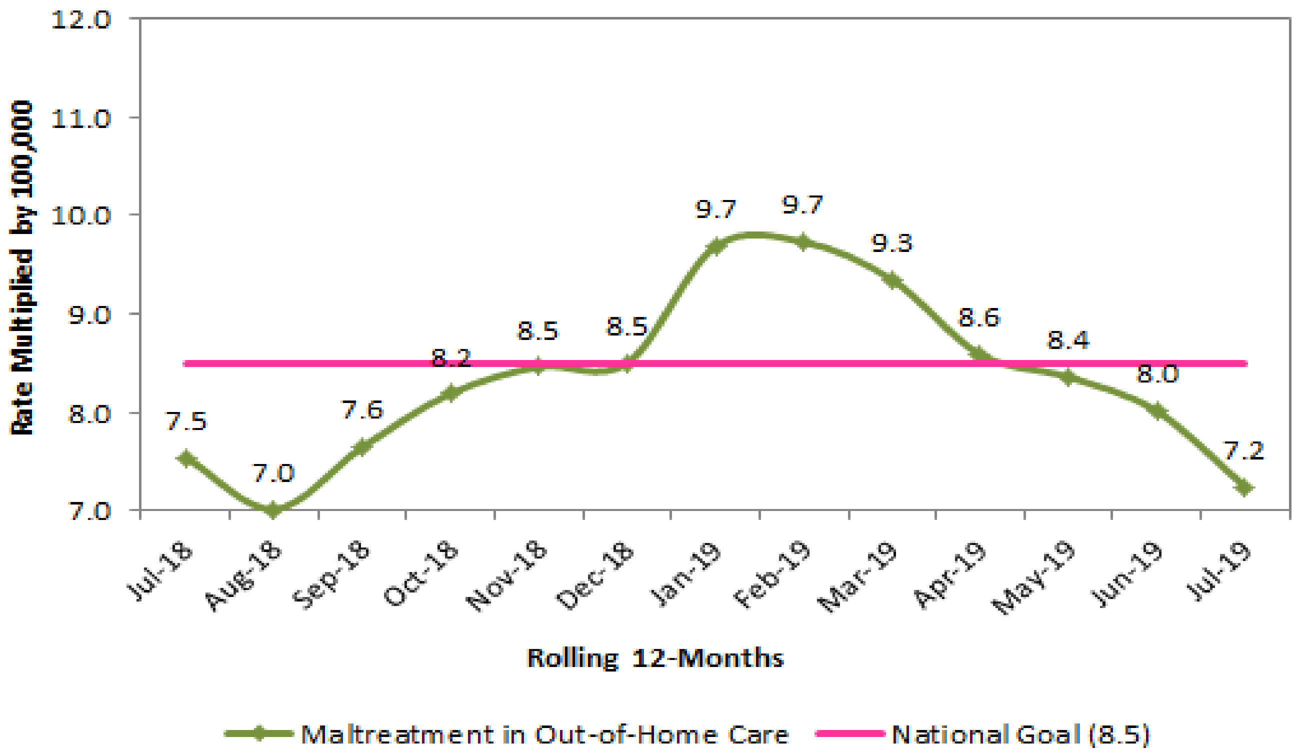
Chart 2: Completion of Roadmap to Success (Independent Living Plans) – Wildly Important Goal (WIG)



Source Data: ROM report "Percent of Eligible Children with a completed Roadmap to Success (Independent Living Plan)"

Chart 3 shows the rate of maltreatment incidents per 100,000 days in out-of-home care during a rolling 12 month period. Out-of-home care refers to a child or youth 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. Maltreatment in out-of-home care occurs when the child/youth who has been removed and placed into out-of-home care experiences maltreatment while in out-of-home care. Increased caseworker staff time spent with children/youth in out-of-home care allows for better assessment of their safety. Moreover, when caseworkers spend more time with children/youth, the time spent in out-of-home care can be reduced.

Chart 3. Maltreatment in Out-of-Home Care



Data Source: ROM Report " Maltreatment in Out-of-Home Care"

Proposed Solution:

The Department of Human Services requests $3,062,702 in total funds consisting of $2,250,324 General Fund, $306,270 cash funds, and $506,108 federal funds in FY 2020-21, and $2,862,702 in total funds consisting of $2,102,964 General Fund, $286,270 cash funds, and $473,468 federal funds for FY 2021-22 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.

Given the current new county welfare staffing allocations, the Department estimates that it would take three additional years, in addition to this FY 2020-21 request, for counties to increase their capacity to the staffing level recommended in the 2014 workload study. Based on this estimation, the Department recommends increasing the county child welfare workforce by 50 FTE in FY 2020-21 and beyond. This request is for new county child welfare staff only and not to supplement other county costs. Once these 50 FTE are allocated in FY 2020-21, then 126.25 FTE remain to be allocated to achieve the staffing levels recommended by the 2014 workload study.

Anticipated Outcomes:

The Department, through an increase of county child welfare staff for the counties, can better serve children, youth, and families. Counties will have the resources to hire additional child welfare case workers, supervisors, and case aides. Case aides will 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.

The Workload Study noted that in order to spend the required amount of time on cases, caseworkers would need between 18% and 157% more time than they actually did during the study. Hiring additional county child welfare staff will result in better management of a more appropriate number of cases in accordance with caseload ratio recommendations from the Caseload Study. As a result of hiring more caseworkers, more time would be allocated to working cases correctly and as a result, the outcomes on performance measures will improve.

If this Phase 6 funding request is not approved, county departments will continue to struggle in case practice and therefore struggle to 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.

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. (2019), 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, FY 2018-19, and FY 2019-20) and this request represents the same 90/10 split.

Tables 7 and 8 summarize the cost of the county staff for FY 2020-21 and ongoing. Salaries are based on data collected from a salary survey administered by the Department during Summer 2019. Operating and training costs are estimated to be approximately $3000 per employee over the two years.

	Table 7:			Department Request - County Staffing Costs FY 2020-21		
	Number of staff	Salaries and Ongoing Expenses	Total Cost	General Fund	Cash Funds	Federal Funds
Supervisors	8.00	$ 594,864	$ 594,864	$ 434,251	$ 59,486	$ 101,127
Caseworkers and Case Aides	42.00	$ 2,423,438	$ 2,423,438	$ 1,783,661	$ 242,344	$ 397,433
Training Costs*	48.00	$ 44,400	$ 44,400	$ 32,412	$ 4,440	$ 7,548
Total FY 2020-21 Request	50.00	$ 3,062,702	$ 3,062,702	$ 2,250,324	$ 306,270	$ 506,108

*Case Aides incur $0 Training Cost, which is why Number of Staff is 48. Training cost is $550/supervisor and $1000/caseworker.

	Table 8:		Department Request - County Staffing Costs FY 2021-22			
	Number of staff	Salaries and Ongoing Expenses	Total Cost	General Fund	Cash Funds	Federal Funds
Supervisors	8.00	$ 562,864	$ 562,864	$ 410,891	$ 56,286	$ 95,687
Caseworkers and Case Aides	42.00	$ 2,255,438	$ 2,255,438	$ 1,659,661	$ 225,544	$ 370,233
Training Costs*	48.00	$ 44,400	$ 44,400	$ 32,412	$ 4,440	$ 7,548
Total FY 2021-22 Request	50.00	$ 2,862,702	$ 2,862,702	$ 2,102,964	$ 286,270	$ 473,468

*Case Aides incur $0 Training Cost, which is why Number of Staff is 48. Training cost is $550/supervisor and $1000/caseworker.

Table 9 shows the Department's implementation plan for allocating the FTE

Table 9: Implementation Plan

Task	Completion Date
Submit data request to Research and Data Team for DCAT inputs (Average Monthly Referrals, assessments, Out-Of-Home Involvements, and In-Home Involvements).	4/1/2020
Update DCAT tool with data provided from RAD team for initial allocation of 100 FTE.	4/22/2020
Send award letters with attestation statements to counties receiving FTE from DCAT.	5/20/2020
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).	8/1/2020
Confirm the FTE positions accepted by counties have been filled (If positions are not filled by September 1, 2020, funds will be refunded back to the State and redistributed to other counties).	9/1/2020

Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-14 Joint Agency Interoperability Operation and Maintenance

Dept. Approval By:

OSPB Approval By:

	Supplemental FY 2019-20
	Budget Amendment FY 2020-21
x	Change Request FY 2020-21

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
Total of All Line Items Impacted by Change Request	Total	$34,534,018	$0	$34,484,957	$12,120,172	$12,120,172
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$132,336	$0	$132,336	$2,326,384	$2,326,384
	CF	$383,918	$0	$383,135	$0	$0
	RF	$2,741,667	$0	$2,735,934	$9,507,438	$9,507,438
	FF	$31,276,097	$0	$31,233,552	$286,350	$286,350

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
02. Office of Information Technology Services, (A) Information Technology, (1) Information Technology - IT Systems Interoperability	Total	$1,323,360	$0	$1,323,360	$6,627,766	$6,627,766
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$132,336	$0	$132,336	$2,326,384	$2,326,384
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$5,492,406	$5,492,406
	FF	$1,191,024	$0	$1,191,024	($1,191,024)	($1,191,024)
05. Division of Child Welfare, (A) Division of Child Welfare, (1) Division of Child Welfare - Indirect Cost Assessment	Total	$11,007,554	$0	$10,984,587	$20,749	$20,749
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$94,199	$0	$94,030	$0	$0
	RF	$57,919	$0	$57,795	$0	$0
	FF	$10,855,436	$0	$10,832,762	$20,749	$20,749

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
06. Division of Early Childhood, (C) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$3,532,778	$0	$3,525,388	$36,001	$36,001
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$179,462	$0	$179,078	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$3,353,316	$0	$3,346,310	$36,001	$36,001
07. Office of Self Sufficiency, (F) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$18,670,326	$0	$18,651,622	$5,435,656	$5,435,656
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$110,257	$0	$110,027	$0	$0
	RF	$2,683,748	$0	$2,678,139	$4,015,032	$4,015,032
	FF	$15,876,321	$0	$15,863,456	$1,420,624	$1,420,624

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

Department of Human Services

FY 2020-21 Funding Request

November 1, 2019

Jared Polis
Governor

Michelle Barnes

Executive Director

Department Priority: R-14
Request Detail: FY 2020-21 Joint Agency Interoperability Operation and Maintenance

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	FY 2020-21	FY 2021-22
Total Funds	$0	$6,627,766	$6,627,766
FTE	0.0	0.0	0.0
General Fund	$0	$2,326,384	$2,326,384
Cash Funds	$0	$0	$0
Reappropriated Funds	$0	$5,492,406	$5,492,406
Federal Funds	$0	($1,191,024)	($1,191,024)

- Please note that the above cost represents new funding for this item. The numbers displayed in the Schedule 13 represent both the new funding and the cost allocation (indirects).

Summary of Request:

The Department of Human Services requests an increase of $6,627,766 total funds including $2,326,384 General Fund, $5,492,406 reapppropriated funds and a reduction of ($1,191,024) of federal funds in FY 2020-21 and ongoing for funding operations and maintenance of the Joint Agency Interoperability project.

This is a request for the state match for operating and maintenance for FY 2020-21 and beyond to support the interoperability program created by the Joint Agency Interoperability project. This request marks the first year of operating following a five-year capital IT project to develop the interoperability infrastructure. This program enables systems or applications to exchange information to allow better decisions and provide better coordinated services to improve the lives of children, youth and families in Colorado. The program will be utilized by the Department and county employees, as well as external partners.

Current Program:

The interoperability program enables data sharing across systems and programs, such as Medicaid, child support, and child welfare, so that any workers an individual encounters can effectively and efficiently identify and refer the right services. The project creates the ultimate "no wrong door" so that the 1.3 million Coloradans on Medicaid can receive health and human services better. More effectively meeting clients' needs helps families in crisis and can reduce costs of more expensive interventions.

Work to establish the business, legal and technical capability for IT systems to interoperate dates back to 2012 when the Department received a $1,125,000 planning grant from the federal Health and Human Services Administration for Children and Families. This grant was utilized to conduct an in-depth analysis of the Department's IT systems and environment, and an Interoperability Roadmap was produced.

The State then partnered with the Department of Health Care Policy and Financing (HCPF) to utilize a federal funding opportunity, the OMB Circular A-87 cost allocation waiver. Through this incentive, Medicaid financed 90% of project costs to improve the technical infrastructure for human services systems to be able to connect and share data.

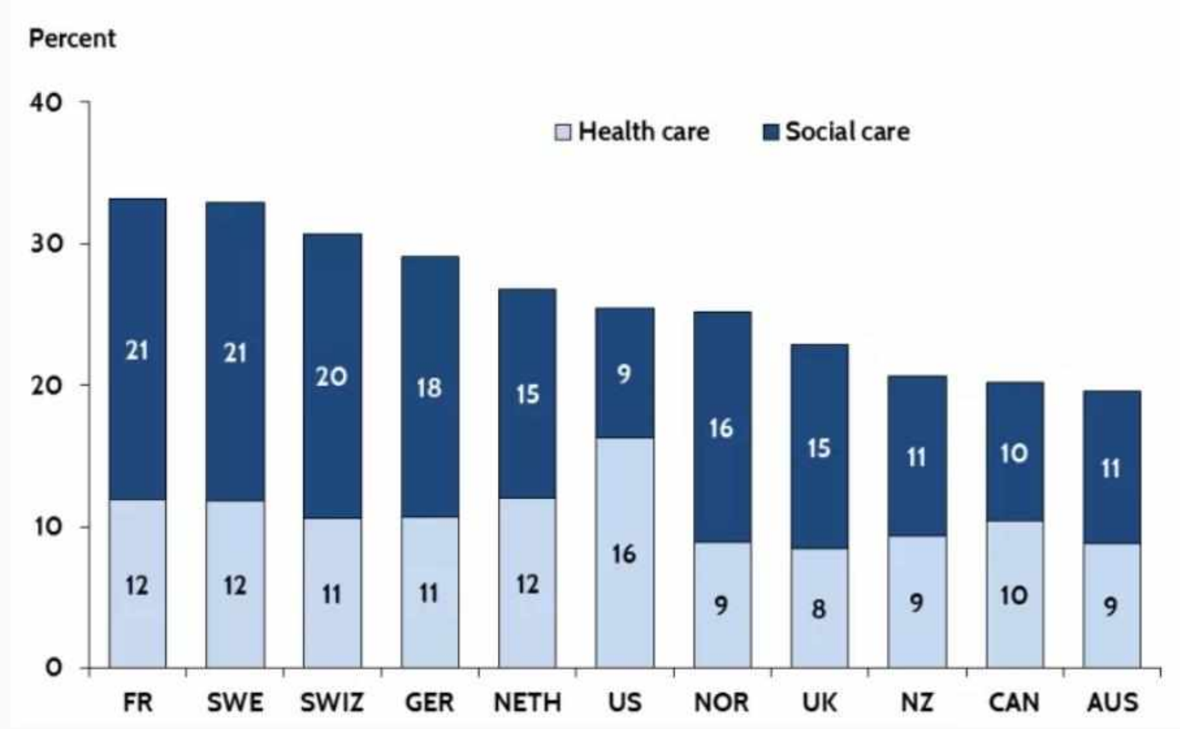
When the A-87 waiver program ended on December 31, 2018 programs benefiting from the work were required to contribute their share of the costs. The Department, along with HCPF, successfully built a coalition of three federal agencies agreeing to fund the capital IT project. The federal partners have indicated support to fund the ongoing program operations contingent upon continued state match and federal approvals of annual budget updates and requests.

Problem or Opportunity:

Sharing data across IT systems and domains is essential. However the capability to do that for human services systems lags far behind data exchange capabilities in the healthcare space. An individual's health is affected more by social determinants such as access to healthy food, safe housing, employment, than the clinical activities that occur in a doctor's office. The National Academy of Medicine estimates 10-20% of health outcomes are clinically driven while 80-90% are influenced by the Social Determinants of Health. Because of this vital connection between clinical and social factors in determining health outcomes it is imperative that we enable interoperability for our human services systems.

According to the Brookings Institution, the United States invests more in healthcare but less in social care than other comparable nations. Figure 1 illustrates health and social care spending as a percentage of developed countries' GDP.

Figure 1. Health and Social Care Spending as a Percentage of GDP



Because of federal policies and investments, there has been a proliferation of electronic health records and health information exchanges, along with clear standards to make data sharing more uniform and penalties for data blocking. As a result health data is much more accessible and useful than ever before. A recent report conducted by the American Hospital Association found that, "[...] 93% of hospitals nationally give patients the ability to view their health records online, up from 27% in 2012. And 88% of hospitals now send records to ambulatory-care providers outside their system, up from 37% in 2012."[1]

Unfortunately, money and incentives to do the same for human service data systems have not been available on the same scale. The data environment for "social data" or human services systems remains largely non-standard. A study of just 18 of the Department's IT systems revealed more than 500 interfaces to move data to a total of 95 federal, State, and county IT systems using 28 different methodologies. Because of this lack of standardization the Department had no ability to view or analyze data as a comprehensive whole, in anything close to near real time or without enormous manual effort. It takes months or years to build integrations between systems, and as a result, it is very difficult to obtain a comprehensive view of a client's involvement across the collective health and human service system.

Continuing to invest in the State's interoperability program will change the game. For example:

[1] "Sharing Data, Sharing Lives: The Hospital Agenda for Interoperability," American Hospital Association, January 2019

- What if a primary care doctor could refer a patient to food benefits right through their electronic health record?
- What if a county jail could see someone's medication history and use it to stabilize their mental health?
- What if there were universal screening and assessment tools shared by county caseworkers, family resource centers, community clinics, schools and primary care doctors?
- What if care plans were shared by everyone to reduce duplicate efforts?
- What if a caseworker knew precisely when and how to provide assistance to a family for optimal success?

Proposed Solution:

This request is for ongoing operating funds to support the suite of interoperability services. The capabilities required for the interoperability infrastructure are:

- Integration Capability
- Identity and Access Management (user access)
- Identity Resolution (client record matching)
- Data Management
- Caseworker View
- Analytics

The following section describes each service, the benefit and assumptions for future levels of support.

1. **Integration capability** is critical, because caseworkers need better access to data in order to serve clients faster and more effectively. The historic practice of sprawling point-to-point integrations is too slow, too costly, and too rigid in an environment with this kind of complexity. For example the State currently has over 500 interfaces across health and human services, at a cost of $15,000-$30,000 to per interface per year.

   In contrast, the Joint Agency Interopability program is delivered using the State's Enterprise Service Bus (ESB). Instead of building and maintaining hundreds of single-use interfaces, the program allows for reusable application programming interfaces (APIs), near real-time data exchange, and better security for information.

   The proposed budget anticipates adding additional data sources and connections over time.

2. **Identity and Access Management** is important, because the State needs a user identity management strategy to ensure only the right people have access to sensitive client information being shared between systems. The program creates user profiles at a level above any given IT system.

   This capability is delivered using the State's identity management enterprise solutions and provides role based access, auto provisioning to automatically removing access when a user has changed roles or left the organization, and password sync or single-sign-on (SSO). These changes will reduce human effort, improve security and create easier access to resources.

The budget supports adding approximately four new systems per year and 500 total new users per year.

3. **Identity Resolution** is the ability to match clients records with different IDs from different systems, and it is essential to uniquely identify a person and provide timely and seamless service. An estimated 20% of IT tickets for systems like Trails are driven by requests to manually merge and de-duplicate records. Poor identity resolution also delays service to clients. For example, the Department cannot currently match clients on Women, Infants and Children (WIC) and Supplemental Nutrition Assistance Program (SNAP)because the systems do not have a common unique identifier. The program will allow more accurate client matching (95% accuracy or higher compared to around 70% accuracy with traditional methods, reduction in duplicate records, and improvement of client contact information.

4. **Data Management** is essential because the Department needs robust tools and decision making to support data exchange that meets privacy and security standards. Decisions about connections to state data systems have been made in a decentralized fashion. Standardizing the data request review, approval and delivery process is essential for more efficient management of information.

   This capability ensures data governance, metadata repository, and data quality improvement

5. **Caseworker View** is the tangible demonstration of the underlying infrastructure so that county case workers from all programs, such as Medicaid, food assistance, child welfare, child support, child care assistance, need a tool to see which services the whole family is receiving or could be receiving. Siloed systems make it difficult or impossible to obtain and use information efficiently. The new view will allow coordinating assessments, visits, document collection and more to reduce the impact to workers and clients.

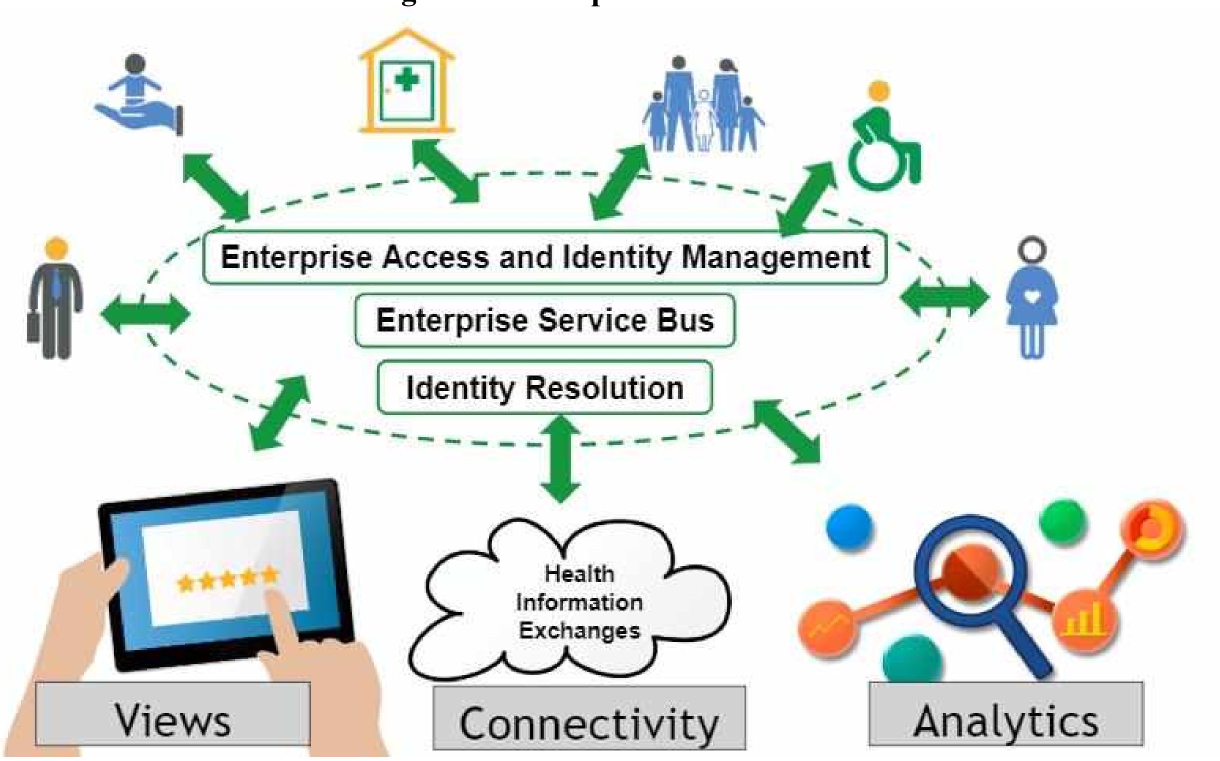
   Currently the caseworker view displays client contact information and active case from the four major systems: Colorado Benefits Management System (CBMS), Automated Child Support Enforcement Services (ACSES), child welfare (Trails), Childcare Automated Tracking System (CHATS). Resources for this capability will support continued development of the views for workers to have access to additional information in support of better service delivery.

   This solution is developed on the platform used for CBMS which accounts for 80% of the caseworker population and extends access to the other system users to enable access for approximately 6,000 county users.

6. **Analytics** ability is needed to perform research and program evaluation across data sets from multiple systems across the human services. With this service we ensure data is connected and accessible for research.

Combining these services creates the State's interoperability infrastructure. The infrastructure has the scalability to connect any system in order to share data with any of the other connected systems. Through the hub and spoke model, the State gains the ability to move data more efficiently as compared to the labor intensive one-off traditional approach. By leveraging OIT's enterprise standard tools, this architecture can be utilized by other domains, such as labor, corrections, or housing,. The State's "hub" for data exchange can also be connected to other hubs such as the Health Information Exchanges (HIE). Figure 2 illustrates the conceptual future state of connectivity in the digital State social care environment.

Figure 2: Conceptual Future State



The program will be utilized by the Department and county employees, as well as external partners.

Anticipated Outcomes:

There are two broad categories of anticipated outcomes. One comes directly from the technology in terms of reduced human effort, improved accuracy and cost avoidance through reuse of an enterprise strategy. The second category of outcomes is programmatic in nature and translates into better structured services and better supported Coloradans.

Each piece of technology being added to the interoperability service portfolio brings distinct benefits. With integrations, the reusable API approach will save time and money for each data connection. For example, basic employee information, such as employee name, email, or physical location, can be used in many systems. Creating one re-useable API with this standard set of fields enables a number of other systems to use that information. The traditional method of creating point-to-point interfaces means building the connection at least multiple times, but with a reusable "build once, use many times" approach is the State has a cost avoidance of $15,000 - $30,000.

With identity management the State is gaining auto-provisioning capability so that accounts that had to be manually created in numerous systems can be done once and populated to all appropriate systems. The new system avoids the 1-4 hours needed to manually provision accounts in different systems, resulting in an estimated savings of $428,083 for an OIT security analyst[2].

The identity resolution service also reduces manual effort and presents cost avoidance. There are 5,400 estimated tickets annually resulting from requests to merge SIDMOD (state ID/Medicaid ID) records.[3] The impact for clients is more significant as it means duplicate records will not result in delay or disruption of services.

The programmatic or meaningful human outcomes will come as better access to data informs service improvements. One example of cross system data sharing with expected impact is the matching of Medicaid, Supplemental Nutrition Assistance Program (SNAP) and Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) populations to identify individuals who are eligible for but not enrolled in services. Increasing enrollment of eligible SNAP participants helps Coloradans access food, and this is a key determinant for health[4], and increased enrollment also has the potential to increase federal funds Colorado receives.

Other examples of service improvements:

- An example where this technology and governance infrastructure can be utilized is in work to identify homeless youth who had involvement in child welfare or youth services and use that information to prioritize their access to housing, education vouchers and other services that can ameliorate homelessness.

[2] If we assume a reduction of effort from 90 minutes to 10 minutes per account with auto-provisioning, and estimate employee turnover at 24% annually across 12,000 users (CDHS and county combined workforce) that means there are approximately 2,880 accounts to onboard and offboard each year. If we estimate 80 minutes x 2 (onboard & offboard) x 2,880 accounts per year that is 460,800 minutes or 7,680 hours/year. Multiple that times the hourly rate for an OIT security analyst of $55.74/hour (fully loaded) and this is an estimated annual savings of $428,083.

[3] Assuming three parties are involved for 10 minutes each, requestor, Service Desk to log ticket, OIT staff to resolve merge request, 30 minutes x 4,400 tickets x hourly rate of $55 = $121,000 per year.

[4] Center on Budget and Policy Priorities, *SNAP is Linked with Improved Nutritional Outcomes and Lower Health Care Costs,* Stephen Carlson and Brynne Keith-Jennings, January 17, 2018.

- A second example where we are leveraging the infrastructure, though funding the development and utilization separately, is the effort to exchange medication data between county jails and medical providers. Individuals who are on medication when they enter a jail may experience a disruption to that regimen, and if the medications are psychotropic or serving to stabilize behavior, the disruption can result in the individual acting in ways that make the legal situation worse.

- Another side of this is when an individual may receive behavior-stabilizing medication in jail or prison and then upon being released this information is not shared with community providers or the medication costs are not covered, and the result can be disruption in medication that results in an individual self-medicating with drugs or alcohol and reoffending.

Virtually all difficult problems require sharing data among systems in order to gain insights and disrupt the status quo that currently allows people to go without food, shelter or medicine.

Assumptions and Calculations:

The ongoing budget to support this program consists of three components: annual software licensing and hosting costs; professional services from vendors to configure, develop and enhance as new data and systems are brought on; and, contract or staff resources to coordinate the technology and organizational change management.

The costs detailed are based on assumptions that may change as priorities are determined year over year. The reasons for variation include OIT's shared service pricing, rate of expansion to other systems and users, and focus area as determined by stakeholders over time. For example, it is anticipated that MuleSoft license costs will decrease as more state agencies pay into a fixed price enterprise agreement and OIT moves that service into OIT's Common Policy billing. Another example of likely variation is that licensing for the identity services is charged on a per user basis. The current estimates allow for growth of up to 500 users per year with four systems per year being added to the interoperability environment. If prioritized systems to add are different from these assumptions the costs will change. The third factor for cost variation will be driven by stakeholders and the area(s) for focus. A key decision to be determined is whether the State should continue to develop the Caseworker View, which is the "proof of concept" for the underlying infrastructure, or whether the State is better served by encouraging other parties to develop "caseworker views". If the State encourages a "bring your own software" approach for interoperability and focuses on connectivity with existing solutions, e.g. commercial off-the-shelf (COTS) solutions, county developed solutions, other state systems, etc., then the budget will need to emphasize the integration services over software development.

While there are likely to be changes to the budget as priorities for the interoperability program change over time, the following budget provides sufficient resources to maintain current levels of licensing and support and provides for a moderate expansion over time.

Table 1 describes the budget by service component.

Table 1: Interoperability Program Operating and Maintenance Cost Projections			
		FY 2020-21	
Description	**Solution Component**	**Estimated Hardware and Software Costs**	**Personal Services Costs**
Integration Capability	MuleSoft	$1,275,216	$791,200
Identity and Access Management (county users)	One Identity and Ping	$157,155	$433,200
Identity Resolution	Health Information Exchange	$650,000	$0
Data Management	Erwin Meta Data Repository	$209,000	$0
Caseworker View	Salesforce	$2,200,000	$250,000
Analytics	Salesforce	$354,733	$245,267
Licensing and Professional Services Subtotal		**$4,846,104**	**$1,719,667**
Description	**Estimated Contract Hourly Rate**		
Project Manager	$77		$160,160
Business Analyst	$79		$164,320
Health IT Architect	$110		$229,403
Tester	$63		$130,000
Identity Management Analyst	$40		$83,200
Application Developer	$75		$156,000
Integration Developer	$75		$156,270
Security Operations	$75		$156,000
Data Governance Manager	$72		$150,000
Personnel Subtotal			**$1,385,354**
Total Cost for FY 2020-2021			**$7,951,126**
Source: CDHS analysis of Interoperability program maintenance and operations Note: Costs estimates are subject to change pending approval of the project IAPDU. Contract Costs based on 2080 hours.			

Although the total funding requirements for this program are $7,951,126, the Department already has allocated $1,323,360. Therefore, the Department needs an increase in total funds of $6,627,766.

The State funds required to fund this program ongoing are calculated based on the budget, which is split among funding partners, and then for each funding partner there is an agreed upon federal/state match rate.

To calculate the amount each payer should fund the parties agreed to use the number of recipients in each program as a percent of the total population benefitting from the interoperability infrastructure. Currently the current interoperability program serves Medicaid, SNAP, Temporary Aid to Needy Families (TANF), Child Support Services, Child Welfare and Child Care Assistance.

Table 2 reflects the cost allocation.

Table 2: COST ALLOCATION				
Agency	**Program**	**Program Type**	**Number of Recipients**	**% of Total Recipients**
HCPF	Medicaid	Medicaid	761,000	59.67%
CDHS	Food Assistance	Food Assistance	298,072	23.37%
CDHS	Child Support Services	Title IV-D	145,000	11.37%
CDHS	Cash Assistance	AF, TANF, Colorado Works	46,338	3.63%
CDHS	Child Welfare	Title IV-E	13,000	1.02%
CDHS	Child Care Assistance	CCDF	12,000	0.94%
			1,275,510	**100.00%**
Source: CDHS analysis of recipient data from each program identified in the table.				

The costs are divided among the parties based on their respective share of the benefit from the interoperability program, and then for each funder there is an established match rate that determines the State match. This is shown in Table 3.

Table 3: Estimated Federal Match Rates for Interoperability Development and Ongoing Operating/ Maintenance by Federal Program			
Agency	**Program**	**Fed Match Rate**	**State Match Rate**
HCPF	Medicaid (CMS)	75%	25%
CDHS	Food Assistance (FNS)	50%	50%
CDHS	Child Support Services (ACF)	66%	34%
CDHS	Cash Assistance (ACF)	50%	50%
CDHS	Child Welfare (ACF)	50%	50%
CDHS	Child Care Assistance (ACF)	100%	0%
	Source: CDHS of Human Services' analysis of cost allocation methodologies for existing federal programs and application of those methodologies to interoperability project costs for capital development, implementation, and ongoing operation and maintenance. **Note:** Cost allocation methodologies are subject to change pending final approval by federal program oversight agencies.		

Table 4 shows the necessary changes to Long Bill line items for this budget request.

Table 4: Long Bill Appropriation and Requested Funding for FY 2020-21					
Line Item: **(2) Office of Information Technology Services, (A) Information Technology, IT Systems Interoperability**	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**
FY 2019-20 Appropriation (SB 19-207)	**$1,323,360**	$132,336	$0	$0	$1,191,024
Requested Amount	**$6,627,766**	**$2,326,384**	**$0**	**$5,492,406**	**($1,191,024)**
FY 2020-21 Total Requested Appropriation	**$7,951,126**	**$2,458,720**	**$0**	**$5,492,406**	**$0**
Line Item: **(5) Division of Child Welfare, Indirect Cost Assessment**	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**
FY 2019-20 Appropriation (SB 19-207)	$11,007,554	$0	$94,199	$57,919	$10,855,436
Requested Amount	$20,749	$0	$0	$0	$20,749
FY 2020-21 Total Requested Appropriation	**$11,028,303**	**$0**	**$94,199**	**$57,919**	**$10,876,185**
Line Item: **(6) Office of Early Childhood, (C) Indirect Cost Assessment**	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**
FY 2019-20 Appropriation (SB 19-207)	$3,532,778	$0	$179,462	$0	$3,353,316
Requested Amount	$36,001	$0	$0	$0	$36,001
FY 2020-21 Total Requested Appropriation	**$3,568,779**	**$0**	**$179,462**	**$0**	**$3,389,317**
Line Item: **(7) Office of Self Sufficiency, (F) Indirect Cost Assessment**	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**
FY 2019-20 Appropriation (SB 19-207)	$18,670,326	$0	$110,257	$2,683,748	$15,876,321
Requested Amount	$5,435,656	$0	$0	$4,015,032	$1,420,624
FY 2020-21 Total Requested Appropriation	**$24,105,982**	**$0**	**$110,257**	**$6,698,780**	**$17,296,945**

CDHS is requesting roll-forward authority for the Joint Agency Interoperability project. Accordingly, we request the following footnote for the Long Bill.

> Department of Human Services, Office of Information Technology Services, IT Systems Interoperability -- Of this appropriation, $795,113 remains available for expenditure until the close of the 2021-22 state fiscal year.

Changes to letternotes are also necessary. We are requesting the following changes to these letternotes:

(5) Division of Child Welfare, Indirect Cost Assessment

[r] Of this amount, $6,102,150 shall be from the Title XX Social Services Block Grant, an estimated $3,696,679 (I) shall be from Title IV-E of the Social Security Act, an estimated $232,862(I) shall be from Title IV-B, Subpart 1, of the Social Security Act, and an estimated $844,494(I) shall be from various sources of federal funds.

(6) Office of Early Childhood, Indirect Cost Assessment

[b] Of this amount, $3,177,880 shall be from Child Care Development Funds and $211,437(I) shall be from various sources of federal funds.

(7) Office of Self Sufficiency, (F) Indirect Cost Assessment

[c] Of this amount, $4,717,972 shall be from the Temporary Assistance for Needy Families Block Grant, an estimated $3,286,214(I) shall be from Titles II and XVI of the Social Security Act, an estimated $3,124,634(I) shall be from the U.S. Department of Agriculture, an estimated $3,418,023(I) shall be from Title IV-D of the Social Security Act, and an estimated $1,995,824(I) shall be from various sources of federal funds.

Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-15 Human Resources Staffing

Dept. Approval By:

OSPB Approval By:

___		Supplemental FY 2019-20
___		Budget Amendment FY 2020-21
X		Change Request FY 2020-21

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
Total of All Line Items Impacted by Change Request	Total	$141,556,049	$0	$142,941,565	$1,258,245	$1,245,620
	FTE	55.0	0.0	55.0	7.7	8.0
	GF	$59,084,018	$0	$58,525,684	$477,265	$472,476
	CF	$9,225,453	$0	$9,321,300	$58,944	$58,353
	RF	$36,079,192	$0	$38,346,774	$502,824	$497,778
	FF	$37,167,386	$0	$36,747,807	$219,212	$217,013

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
01. Executive Director's Office, (A) General Administration, (1) General Administration - Health, Life, And Dental	Total	$49,710,058	$0	$50,579,101	$80,335	$80,335
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$35,539,333	$0	$34,735,604	$44,184	$44,184
	CF	$154,510	$0	$510,059	$0	$0
	RF	$11,050,322	$0	$12,179,008	$36,151	$36,151
	FF	$2,965,893	$0	$3,154,430	$0	$0
01. Executive Director's Office, (A) General Administration, (1) General Administration - Short-Term Disability	Total	$496,291	$0	$503,816	$1,030	$1,071
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$347,144	$0	$349,162	$567	$589
	CF	$9,024	$0	$4,978	$0	$0
	RF	$98,586	$0	$118,894	$463	$482
	FF	$41,537	$0	$30,782	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
01. Executive Director's Office, (A) General Administration, (1) General Administration - Amortization Equalization Disbursement	Total	$14,911,079	$0	$15,137,784	$30,289	$31,469
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$10,403,658	$0	$10,454,710	$16,659	$17,308
	CF	$267,217	$0	$148,174	$0	$0
	RF	$3,016,941	$0	$3,587,508	$13,630	$14,161
	FF	$1,223,263	$0	$947,392	$0	$0
01. Executive Director's Office, (A) General Administration, (1) General Administration - S.B. 06-235 Supplemental Equalization Disbursement	Total	$14,911,325	$0	$15,137,784	$30,289	$31,469
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$10,405,120	$0	$10,454,710	$16,659	$17,308
	CF	$267,145	$0	$148,174	$0	$0
	RF	$3,016,127	$0	$3,587,508	$13,630	$14,161
	FF	$1,222,933	$0	$947,392	$0	$0
01. Executive Director's Office, (B) Special Purpose, (1) Special Purpose - Employment and Regulatory Affairs	Total	$5,034,533	$0	$5,187,880	$725,812	$714,703
	FTE	55.0	0.0	55.0	7.7	8.0
	GF	$2,388,763	$0	$2,531,498	$399,196	$393,087
	CF	$0	$0	$0	$0	$0
	RF	$2,645,770	$0	$2,656,382	$326,616	$321,616
	FF	$0	$0	$0	$0	$0
01. Executive Director's Office, (C) Indirect Costs, (1) Indirect Costs - Indirect Cost Assessment	Total	$812,089	$0	$810,393	$5,613	$5,557
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$663,465	$0	$662,083	$4,586	$4,540
	RF	$128,589	$0	$128,322	$889	$880
	FF	$20,035	$0	$19,988	$138	$137
03. Office of Operations, (C) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessments	Total	$255,697	$0	$255,166	$1,767	$1,750
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$228,146	$0	$227,670	$1,577	$1,561
	RF	$27,551	$0	$27,496	$190	$189
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
05. Division of Child Welfare, (A) Division of Child Welfare, (1) Division of Child Welfare - Indirect Cost Assessment	Total	$11,007,554	$0	$10,984,587	$76,085	$75,326
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$94,199	$0	$94,030	$651	$645
	RF	$57,919	$0	$57,795	$400	$396
	FF	$10,855,436	$0	$10,832,762	$75,034	$74,285
06. Division of Early Childhood, (C) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$3,532,778	$0	$3,525,388	$24,419	$24,174
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$179,462	$0	$179,078	$1,240	$1,228
	RF	$0	$0	$0	$0	$0
	FF	$3,353,316	$0	$3,346,310	$23,179	$22,946
07. Office of Self Sufficiency, (F) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$18,670,326	$0	$18,651,622	$129,055	$127,757
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$110,257	$0	$110,027	$762	$754
	RF	$2,683,748	$0	$2,678,139	$18,552	$18,365
	FF	$15,876,321	$0	$15,863,456	$109,741	$108,638
08. Behavioral Health Services, (F) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$8,072,873	$0	$8,056,145	$55,801	$55,241
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$3,400,221	$0	$3,393,265	$23,503	$23,267
	RF	$3,223,624	$0	$3,216,882	$22,282	$22,059
	FF	$1,449,028	$0	$1,445,998	$10,016	$9,915
09. Services for People with Disabilities, (E) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$13,871,474	$0	$13,842,483	$95,884	$94,921
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$3,734,399	$0	$3,726,595	$25,814	$25,555
	RF	$10,130,015	$0	$10,108,840	$70,021	$69,318
	FF	$7,060	$0	$7,048	$49	$48

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
10. Adult Assistance Programs, (F) Indirect Cost Assessment, (1) Indirect Cost Assessment - Indirect Cost Assessment	Total	$152,620	$0	$152,304	$1,055	$1,044
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$56	$0	$55	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$152,564	$0	$152,249	$1,055	$1,044
11. Division of Youth Services, (D) Indirect Costs, (1) Indirect Costs - Indirect Costs	Total	$117,352	$0	$117,112	$811	$803
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$117,352	$0	$117,112	$811	$803
	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

Department Priority: R-15
Request Detail: FY 2020-21 Human Resources Staffing Budget Request

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	$0	$867,755	$859,048
FTE	0.0	7.7	8.0
General Fund	$0	$477,265	$472,476
Cash Funds	$0	$0	$0
Reappropriated Funds	$0	$390,490	$386,572
Federal Funds	$0	$0	$0

Please note that the above cost represents new funding for this item. The numbers displayed in the Schedule 13 represent both the new funding and the cost allocation (indirects).

Summary of Request:

The Department of Human Services requests $867,755 total funds including $477,265 General Fund, $390,490 reappropriated funds and 7.7 FTE in FY 2020-21 for the purposes of improving the Department's recruitment and retention of employees with specific focus on direct care positions. This request annualizes to $859,048 total funds, including $472,476 General Fund, $386,572 reappropriated funds and 8.0 FTE in FY 2021-22 and beyond. This request represents a 21% increase over the FY 2019-20 appropriation.

The Department anticipates that adding these positions to the Human Resources team will result in a reduction of turnover (both Department-wide and within HR), a reduction in vacant positions, and an 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 by 10 percent providing an annual return on investment of a minimum of $3.7 million.

Current Program:

The Division of Human Resources supports all Colorado Department of Human Services (CDHS) staff through personnel management, employee benefits and workers' compensation administration, learning and development, and civil rights. Human Resources perform all functions related to recruitment and selection of job applicants, creation and evaluation of positions, performance management and coaching, benefits and workers' compensation administration, civil rights consultation and compliance, maintenance of personnel records and learning and development. Customers include all 5,146 FTE, including all direct care staff.

The Division of Human Resources' vision is to "Make CDHS a great place to work" by providing valuable services that increase employee engagement and decrease turnover.

The Division of Human Resources has a current spending authority of $4,000,000 for both personal services and operating costs. The Department currently has 36 Human Resources professionals.

Problem or Opportunity:

The Department of Human Services, Division of Human Resources is under-resourced compared to best practice in human resources for an agency with its size and complexity. The Department is both under-resourced and more complex than other state executive branch agencies:

- **Under-resourced:**
  - Under-resourced by between 15 and 36 human resource professionals compared to national human resource benchmarks.
  - Under-resourced by between 9 and 53 human resource professionals compared to seven (7) of the eight (8) other State Executive Branch agencies responding to the Department's survey of other agencies' human resource directors.
- **More complex than other state executive branch agencies:**
  - More job classifications: The Department operates 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: The Department manages 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.

Under Resourced

The Human Resources team is comprised of 51 regular full-time staff, of which 36 are professional-level employees, twelve are technical employees (responsible for data entry of personnel actions, employee background checks and onboarding activities), and three administrative professionals. HR leadership is comprised of five supervisors (who also carry human resources activity workloads), one deputy director and one HR Director (the HR leadership positions are included in the 36 professional-level staff). According to Bloomberg

Law's 2017 report titled "HR Departments Benchmark and Analysis" (Bloomberg Report), agencies should budget $1,087 per employee on human resources services, which would be $5.6 million[1] for the Department of Human Services' Human Resources Division. The Department's budget for human resources is $4 million for FY 2019-20.

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 Services FTE	5,146	5,146
# HR Professionals Needed (to meet specified ratio)	72	51
Department's Current # HR Professionals (Ratio .69 human resources professionals per 100 Employees. Ratio calculation: Total number of HR FTE/Total Number of FTE x 100)	36 HR Ratio of .69	36
# Additional HR Professionals needed to achieve national ratio of 1.4 to 100 or 1.0 to 100	36	15
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 at any given time. The Society for Human Resources Management - one of the leading benchmarking organizations for the HR professional - published an

[1] 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).

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 professionals handle less than half the volume as the Department's talent acquisition team.

Feedback from Department customer groups also corroborate workload concerns for the human resources team. Specifically, a November 2017, May 2018 and November 2018 survey of all Department employees 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 .69 HR professionals for every 100 employees[2]. 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 9 and 53 additional HR staff to be resourced similarly to other state executive branch agencies.

[2] *Calculation:* Total number of HR FTE (36)/Total Number of FTE (5,146) x 100 = .69 staff members per 100 employees.

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	23
Department of Health Care Policy and Financing	9	553	1.6	48
Colorado Department of Labor and Employment	22	1,298	1.7	53
Department of Local Affairs	2	193	1.0	15
Department of Military and Veteran Affairs	2.5	165	1.5	43
Department of Natural Resources	10	2,077	0.48	-11
Department of Public Health and Environment	12.5	1,421	0.88	9
Department of Transportation	43	3,057	1.4	38

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 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 Human Resources 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 DHS, 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 .89.

More Complex

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 over 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:

- **<u>Job Classifications</u>:** The Human Resources 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/CPPS Reporting).Each job class hired for each different program requires a unique approach to recruitment and retention.

- **<u>Turnover</u>:** 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.[3] Some job classifications at the Department have turnover as high as 60 percent, which drives significant workload for the Human Resources team. For example, in FY 2018-19, the Human Resources team posted and filled 2,155 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 Human Resources team.

  Figure 1 illustrates the positions filled (green) versus separations (red) Department-wide during FY 2018-19. In total, the human resources team posted 2,234 positions but lost 1,845 during the same period. The Department lost 82 percent of the positions filled due to separations.[4]

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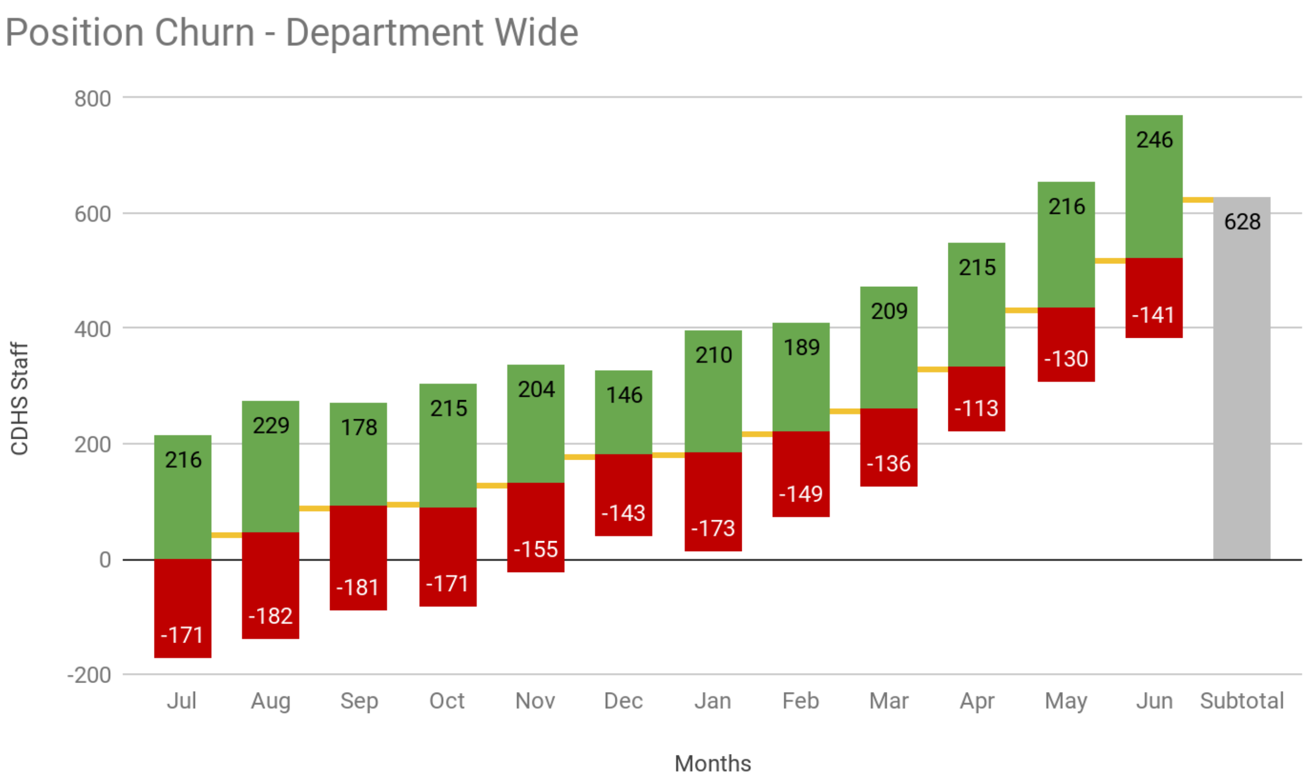
[3] This represents a loss of five employees.

[4] Please note that the number of positions posted (2,234) differs from the number of positions posted and filled (2,155). The posted positions reflect hiring actions that have not yet completed hiring as of July 2, 2019.

Figure 1: Position Fills against Separations during FY 2018-19 - Position Churn Department-wide



High turnover is driven by a number of factors that the Human Resources 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.

- **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 Human Resources team is to assist leadership with responding to grievances, some of which appear to be arbitrary and done in anticipation of disciplinary actions.

CDHS HR has undertaken many efforts to improve services. These are included at the end of the document as appendix A.

Proposed Solution:

The Department requests 7.7 FTE in FY 2020-21 to bring its Human Resources team closer to the national average for staffing ratios for an organization of over 5,000 FTE. 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 2020-21 at a total cost of $822,531. In FY 2021-22 and ongoing, the Department requests 8.0 FTE at a total cost of $851,448.

With increased staff, the Division will:

- Implement process improvement initiatives that will further decrease the time to fill a position. Currently, the Department averages 102 days to fill a position, from posting the position to the employee starting employment.
- Implement recruitment and candidate experience initiatives, the Department will have an increased ability to source and maintain candidate interest throughout the application process. This will lead to higher caliber candidates filling our positions, contributing to a reduction in overall turnover and improved service delivery to the Department's clients.
- Provide proactive and thoughtful employee disciplinary and performance management guidance, coaching and training. This will contribute to the reduction in turnover and, along with other DHS planned activities, contribute to improved engagement as evidenced by an improved DHS engagement rating during the next employee engagement survey.

- Provide an additional Civil Rights investigator on staff to reduce cost to the Department of hiring a contractor at a minimum of $85 per hour, as well as reduce CDHS turnover and turnover on the HR Investigator team.
- Provide an additional Compensation/Policy Analyst to the HR Operations team to allow for expert compensation support for the HRBP team and Department leadership. This position will have the capability and resources to proactively address and provide solutions to the HRBP team regarding the best use of pay to attract and retain top talent, how the use of pay contributes to reducing the Time to Fill metric, and how pay changes could reduce turnover.

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 by 10 percent providing an annual return on investment of a minimum of $3.7 million.

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, 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. At a minimum, 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.

Consequences if request not funded

Inadequate staffing resources drive exhaustive workloads that can be tied to the 23-percent turnover rate in Human Resources staff over the last three fiscal 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 HUMAN RESOURCES			
Work Unit	**FY15-16**	**FY16-17**	**FY17-18**
Human Resources North & West Administration Office	38.89%	25.00%	25.71%
Human Resources South Administration Office	26.67%	20.00%	14.29%
Human Resources 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 the FY 2017-18 State of Colorado Workforce Report, the average salary for a DHS employee is $53,316 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.[5]
- **$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.

[5] 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.

If the Human Resources team could be sufficiently resourced to support programs to both recruit and retain highly qualified employees, while also reducing Department-wide turnover by 10 percent, the Department would see an overall reduction in turnover cost of $2.4 million per year.

Anticipated Outcomes:

If properly resourced, Human Resources could make significant impacts on decreasing the amount of time to fill positions, increasing supervisory and leadership development, providing proactive and accurate guidance regarding performance management, progressive discipline, employee relations and civil rights compliance which will improve employee engagement and retention, while decreasing turnover for the Department. This directly impacts the quality of the care and service provided to the Department's clients.

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

Table 4: Human Resources New FTE

	Working Title	Location	Unit	Client Groups
1	Talent Acquisition Specialist (HR Specialist IV)	Pueblo	Talent Acquisition	CDHS
2	Talent Acquisition Specialist (HR Specialist IV)	1575 Sherman	Talent Acquisition	DYS
3	Talent Acquisition Specialist (HR Specialist IV)	1575 Sherman	Talent Acquisition	OBH
4	HR Business Partners (HR Specialist IV)	1575 Sherman	Business Partnership	CDHS
5	HR Business Partners (HR Specialist IV)	1575 Sherman	Business Partnership	OCAI
6	HR Business Partners (HR Specialist IV)	1575 Sherman	Business Partnership	DYS
7	Civil Rights Investigator (HR Specialist IV)	1575 Sherman	Civil Rights	CDHS
8	Compensation/Policy Analyst (HR Specialist IV)	1575 Sherman	HR Operations	CDHS

Proposed Performance Metrics:

The Department will continue to actively monitor Department turnover rates, employee engagement metrics, as well as the internal Human Resources metrics of the amount of time to fill positions. In addition, the Division has identified goals for FY 2019-2020 that will focus on decreasing the amount of time to fill positions, increasing the percentage of candidates who start employment within two weeks of the offer and increasing the number of successful employee relations issues through training and increased job knowledge (which will increase employee engagement, enable managers and supervisors to effectively manage performance, and decrease the number of personnel decisions that are reversed). These goals include:

- Reduce the amount of time to fill from 97 days to 75 days by July 1, 2020.
- Increase the percentage of new hires who start employment within two weeks of the offer from 80% to 90% by July 1, 2020.
- Reduce the amount of appeals with issues due to a Human Resources process failure by 3% by July 1, 2020.

Assumptions and Calculations:

The Department requests a total of 7.7 HR professional FTE beginning in FY 2020-21.

- 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 (OSPB). (See Table 5)
  - Salary is determined by using the midpoint salary of the FY 2019-20 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 a level III, we often lose that employee to other State agencies that hire at a Level IV.
    - The midpoint was used to enable the Department to compete adequately for top talent (the midpoint of the salary range is considered to be the market rate).
  - The cost of benefits were included based on template published by OSPB, and include:
  - POTS (PERA, SAED, and AED of 20.9 percent on all increases to wages, based on the FTE calculator supplied by the OSPB)
  - plus the cost of STD at .17 percent of the salaries,
  - plus the cost of Medicare at 1.45 percent of the salaries.

Table 5 FTE Calculations:

FTE Calculation Assumptions:

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

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

General Fund FTE – Beginning July 1, 2019, new employees will be paid on a bi-weekly pay schedule; therefore **new full-time General Fund positions are reflected in Year 1 as 0.9615 FTE** to account for the pay-date shift (25/26 weeks of pay). **This applies to personal services costs only; operating costs are not subject to the pay-date shift.**

Expenditure Detail			FY 2020-21		FY 2021-22	
Personal Services:						
Classification Title	Biweekly Salary	FTE			FTE	
HR Specialist IV	$3,026	7.7	$605,775		8.0	$629,377
PERA			$66,029			$68,602
AED			$30,289			$31,469
SAED			$30,289			$31,469
Medicare			$8,784			$9,126
STD			$1,030			$1,070
Health-Life-Dental			$80,335			$80,335
Subtotal Position 1, #.# FTE		**7.7**	**$822,531**		**8.0**	**$851,448**
Classification Title	Biweekly Salary	FTE			FTE	
			$0			$0
PERA			$0			$0
AED			$0			$0
SAED			$0			$0
Medicare			$0			$0
STD			$0			$0
Health-Life-Dental			$0			$0
Subtotal Position 2, #.# FTE		-	**$0**		-	**$0**
Subtotal Personal Services		7.7	**$822,531**		8.0	**$851,448**
Operating Expenses:						
		FTE			FTE	
Regular FTE Operating	$500	8.0	$4,000		8.0	$4,000
Telephone Expenses	$450	8.0	$3,600		8.0	$3,600
PC, One-Time	$1,230	8.0	$9,840		-	
Office Furniture, One-Time	$3,473	8.0	$27,784		-	
Other						
Other						
Other						
Other						
Subtotal Operating Expenses			**$45,224**			**$7,600**
TOTAL REQUEST		7.7	**$867,755**		8.0	**$859,048**
	General Fund:					
	Cash funds:					
	Reappropriated Funds:					
	Federal Funds:					

	FY 2020-21	FY 2021-22
PERA	10.90%	10.90%
AED	5.00%	5.00%
SAED	5.00%	5.00%
Medicare	1.45%	1.45%
STD	0.17%	0.17%
Health-Life-Dental	$10,042	$10,042

Table 6: Long Bill Appropriation and Requested Funding for FY 2020-21						
Line Item: (1) Executive Director's Office, (B) Special Purpose, Employment and Regulatory Affairs	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**	**FTE**
FY 2019-20 Appropriation (SB 19-207)	$5,034,533	$2,388,763	$0	$2,645,770	$0	55.0
Requested Amount	$725,812	$399,196	$0	$326,616	$0	7.7
FY 2020-21 Total Requested Appropriation	$5,760,345	$2,787,959	$0	$2,972,386	$0	62.7
Line Item: (1) Executive Director's Office, (A) General Administration, S.B. 04-257 Amortization Equalization Disbursement	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**	**FTE**
FY 2019-20 Appropriation (SB 19-207)	$14,905,410	$10,397,989	$267,217	$3,016,941	$1,223,263	0.0
Requested Amount	$30,289	$16,659	$0	$13,630	$0	0.0
FY 2020-21 Total Requested Appropriation	$14,935,699	$10,414,648	$267,217	$3,030,571	$1,223,263	0.0
Line Item: (1) Executive Director's Office, (A) General Administration, S.B. 06-235 Supplemental Amortization Equalization Disbursement	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**	**Federal Funds**
FY 2019-20 Appropriation (SB 19-207)	$14,903,659	$10,397,454	$267,145	$3,016,127	$1,222,933	0.0
Requested Amount	$30,289	$16,659	$0	$13,630	$0	0.0
FY 2020-21 Total Requested Appropriation	$14,933,948	$10,414,113	$267,145	$3,029,757	$1,222,933	0.0
Line Item: (1) Executive Director's Office, (A) General Administration, Short Term Disability	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**	**Federal Funds**

FY 2019-20 Appropriation (SB 19-207)	$496,778	$347,631	$9,024	$98,586	$41,537	0.0
Requested Amount	$1,030	$567	$0	$463	$0	0.0
FY 2020-21 Total Requested Appropriation	$497,808	$348,198	$9,024	$99,049	$41,537	0.0
Line Item: (1) Executive Director's Office, (A) General Administration, Health, Life and Dental	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**	**Federal Funds**	**Federal Funds**
FY 2019-20 Appropriation (SB 19-207)	$49,796,652	$35,625,927	$154,510	$11,050,322	$2,965,893	0.0
Requested Amount	$80,335	$44,184	$0	$36,151	$0	0.0
FY 2020-21 Total Requested Appropriation	$49,876,987	$35,670,111	$154,510	$11,086,473	$2,965,893	0.0

Table 7 Long Bill Indirect Cost Assessment Line Amounts

Long Bill Section	Item	Total	General Fund	Cash Funds	Reappropriated Funds	Federal Funds
1 (C)	Indirect Cost Assessment Line	$ 5,613	$ -	$ 4,586	$ 889	$ 138
3 (C)	Indirect Cost Assessment Line	$ 1,767	$ -	$ 1,577	$ 190	$ -
5	Indirect Cost Assessment Line	$ 76,087	$ -	$ 651	$ 400	$ 75,035
6 (C)	Indirect Cost Assessment Line	$ 24,419	$ -	$ 1,240	$ -	$ 23,179
7 (F)	Indirect Cost Assessment Line	$ 129,053	$ -	$ 762	$ 18,551	$ 109,741
8 (F)	Indirect Cost Assessment Line	$ 55,801	$ -	$ 23,503	$ 22,282	$ 10,016
9 (E)	Indirect Cost Assessment Line	$ 95,883	$ -	$ 25,813	$ 70,021	$ 49
10 (F)	Indirect Cost Assessment Line	$ 1,055	$ -	$ 0	$ -	$ 1,055
11 (D)	Indirect Cost Assessment Line	$ 811	$ -	$ 811	$ -	$ -
	Total	$ 390,490	$ -	$ 58,944	$ 112,333	$ 219,212

Changes to letternotes are also necessary. We are requesting the following changes to these letternotes:

(5) Division of Child Welfare, Indirect Cost Assessment

[p] Of this amount, $37,355 shall be from the Marijuana Tax Cash Fund created in Section 39-28.8-501 (1), C.R.S., an estimated $30,207(I) shall be from the Youth Services Program Fund created in Section 26-6.8-102 (2)(d), C.R.S., and an estimated $27,288(I) shall be from various sources of cash funds. The amount from the Youth Services Program Fund is received as a

damage award and, as such, does not constitute fiscal year spending for the purposes of Section 20 of Article X of the State Constitution.

[r] Of this amount, $6,141,622 shall be from the Title XX Social Services Block Grant, an estimated $3,704,046(I) shall be from Title IV-E of the Social Security Act, an estimated $234,472(I) shall be from Title IV-B, Subpart 1, of the Social Security Act, and an estimated $850,331(I) shall be from various sources of federal funds.

(6) Office of Early Childhood, Indirect Cost Assessment

[a] Of this amount, an estimated $80,876 shall be from the Nurse Home Visitor Program Fund created in Section 26-6.4-107 (2)(b), C.R.S., an estimated $25,466 shall be from the Early Intervention Trust Fund created in Section 27-10.5-709 (2)(a), C.R.S., and an estimated $74,360 shall be from various sources of cash funds. The amount from the Early Intervention Services Trust Fund is not subject to appropriation and is exempt from the restrictions on state spending imposed by Section 20 of Article X of the State Constitution pursuant to Section 27-10.5-709 (2)(a), C.R.S. The amount from the Nurse Home Visitor Program Fund is received as a damage award and, as such, does not constitute fiscal year spending for the purposes of Section 20 of Article X of the State Constitution.

[b] Of this amount, $3,165,062 shall be from Child Care Development Funds and $211,433(I) shall be from various sources of federal funds.

(7) Office of Self Sufficiency, (F) Indirect Cost Assessment

[a] Of this amount, an estimated $76,359 shall be from the Colorado Domestic Abuse Program Fund established pursuant to Section 39-22-802 (1), C.R.S., and an estimated $34,660 shall be from various sources of cash funds.

[c] Of this amount, $4,612,852 shall be from the Temporary Assistance for Needy Families Block Grant, an estimated $3,308,929(I) shall be from Titles II and XVI of the Social Security Act, an estimated $3,146,232(I) shall be from the U.S. Department of Agriculture, an estimated $2,908,429(I) shall be from Title IV-D of the Social Security Act, and an estimated $2,009,620(I) shall be from various sources of federal funds.

(8) Office of Behavioral Health, (F) Indirect Cost Assessment

[a] Of this amount, an estimated $1,755,840 shall be from Medicare and other sources of patient revenues earned by the mental health institutes, an estimated $1,516,643 shall be from the Marijuana Tax Cash Fund created in Section 39-28.8-501 (1), C.R.S., and an estimated $151,241 shall be from various sources of cash funds.

[c] Of this amount, an estimated $473,956 shall be from the Substance Abuse Prevention and Treatment Block Grant, an estimated $175,254 shall be from the Mental Health Services Block Grant, and an estimated $809,834 shall be from various sources of federal funds.

(9) Services for People with Disabilities, (E) Indirect Cost Assessment

[a] Of this amount, an estimated $3,012,789(I) shall be from the Central Fund for Veterans Community Living Center created in Section 26-12-108 (1)(a), C.R.S., and an estimated $747,423 shall be from various sources of cash funds.

Appendix A.

CDHS HR Efforts to Correct the Problem Include the Following:

The Department has worked to maximize the effectiveness of its resources by restructuring in October 2017. The Division'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, work with programs to analyze and anticipate the business needs, 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 Operations and Civil Rights team provides help to employees with benefits and also conducts investigations into allegations of inappropriate workplace conduct, rights violations, and other matters.

These activities are carried out by 36 human resources professionals with Human Resources Specialist and Training Specialist job classifications.

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 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 has implemented an online position description system to improve efficiency and consistency in job evaluation. This system allows for the updating and evaluation of positions electronically in the talent acquisition process.
- The HR team has implemented an electronic offer letter process for all hiring candidates. Utilizing Docusign, the Department has significantly reduced the amount of time to create, send and return a signed offer letter. This results in faster hiring time and improved candidate experience.

Lean and Process Improvement

- The job evaluation process is being reviewed using Lean principles to reduce the time to evaluate a position from 2-3 weeks to 24-48 hours. As part of the work already completed on this project, the Department has implemented an electronic job evaluation process.
- The hiring process is being reviewed using Lean principles to reduce the amount of time to fill a position. As part of the work already completed on this project, the Department has implemented an electronic offer letter process that has significantly reduced the amount of time to create, send and receive signed offer letters from the candidate. This directly contributes to a faster time to fill a position.

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 implemented a new process for issuing offer letters to prospective employees. In the Office where this was 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.

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 to design, deliver and track the success rate of online, web based and in person training.
- The L&D team implemented online performance management program during FY 2016-17 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 the Department as well as the New Leader Onboarding program.
- The L&D team has created a mentoring 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.

In February 2019, the Department assigned two additional FTE, from within the existing budget, to Human Resources to further increase resources. The Division created a Deputy Director role to provide increased leadership and project management for process improvement initiatives. The Division also created a HR Software Applications Liaison that will assist with creating standard operating procedures, training all Department staff on HR applications, such as the eClearance (personnel action request) application and upcoming Human Resources Information System (HRIS), and designing and implementing process improvement initiatives.

While the Division of Human Resources is now structured more appropriately to best leverage its limited resources, and has implemented significant process improvement initiatives, it is still apparent that the Division is severely understaffed to effectively deliver required services.

Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-16 Child Welfare Provider Rate Increase

Dept. Approval By:

OSPB Approval By:

Supplemental FY 2019-20

Budget Amendment FY 2020-21

X **Change Request FY 2020-21**

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
Total of All Line Items Impacted by Change Request	Total	$1,617,117	$0	$1,622,454	$2,549,481	$2,549,481
	FTE	2.0	0.0	2.0	0.0	0.0
	GF	$1,205,149	$0	$1,210,486	$1,223,751	$1,223,751
	CF	$0	$0	$0	$509,896	$509,896
	RF	$0	$0	$0	$0	$0
	FF	$411,968	$0	$411,968	$815,834	$815,834

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
05. Division of Child Welfare, (A) Division of Child Welfare, (1) Division of Child Welfare - Foster and Adoptive Parent Recruitment, Training, & Support	Total	$1,617,117	$0	$1,622,454	$2,549,481	$2,549,481
	FTE	2.0	0.0	2.0	0.0	0.0
	GF	$1,205,149	$0	$1,210,486	$1,223,751	$1,223,751
	CF	$0	$0	$0	$509,896	$509,896
	RF	$0	$0	$0	$0	$0
	FF	$411,968	$0	$411,968	$815,834	$815,834

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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Department Priority: R-16
Request Detail: Child Welfare Provider Rate Increase

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	$0	$2,549,481	$2,549,481
FTE	0.0	0.0	0.0
General Fund	$0	$1,223,751	$1,223,751
Cash Funds	$0	$509,896	$509,896
Federal Funds	$0	$815,834	$815,834

Summary of Request:

The Department requests $2,549,481 in total funds, including $1,223,751 General Fund, $509,896 cash funds, and $815,834 federal funds in FY 2020-21 and ongoing in order to implement the provider rate increase as the result of a salary survey and actuarial analysis directed by HB 17-1292. The cash funds are local county funds and the federal funding source is Title IV-E. This is an increase of less than 1% over the Child Welfare Services FY 2019-20 appropriation.

Current Program:

The Department's Division of Child Welfare (Division), through county departments of human or social services, 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:

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.

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 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. The report was submitted to the Joint Budget Committee on April 2, 2018, as required by HB 17-1292. The report recommended that CDHS should adjust the rate structure first provided in order to comply with the passage of Family First (for more on Family First, see next page).[1]

One month later, Senate Bill 18-254 (SB 18-254) was passed. SB 18-254 states that counties are not allowed to negotiate rates below the base anchor rates established by the Department. It also requires that the rate increases should be done incrementally, but be fully implemented on or before June 30, 2022, subject to available appropriations (SB 18-254 Section 6(g)). At present, the Department has fully implemented one of these increments (Phase 1) and has received an appropriation for the second increment (Phase 2) in FY 2019-20. This current request for FY 2020-21 (Phase 3).

The incremental increases of the provider 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 amount of time. Similarly, the

[1] "Child Welfare Services Salary Survey & Actuarial Analysis: Rate Proposal." Public Consulting Group, Inc., March 27, 2018 (p. 20) "7. CDHS should adjust this rate structure and related policies to comply with the Families First Act. The Family First Prevention Services Act was signed into law as part of the Bipartisan Budget Act on February 9, 2018. PCG/L&E has provided some guidance on this recommendation but CDHS will need to take a critical look at its child welfare system to ensure compliance with the Families First Act."

family foster care rates are intended to better support foster families and the children and youth in their care, as well as to ensure children and youth are placed, when necessary, in the most family like and least restrictive setting. 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, such as RCCFs, are used more sparingly and are more in line with their intended therapeutic purpose.

Family First Prevention Services Act

Also in early 2018, the Federal government passed the federal Family First Prevention Services Act (Family First) that requires the Department to make significant changes to Colorado's child welfare system, including regulatory and practice changes around the use of congregate care. Family First emphasizes the importance of children and youth growing up in families and reforms the way child welfare is practiced so that children and youth can safely stay with their families and avoid the traumatic experience of entering foster care. In cases where foster care is needed, Family First helps ensure that children and youth are placed in the least restrictive, most family-like setting appropriate to their identified needs.

Through Family First, there will be a significant workload impact due to the new Qualified Residential Treatment Program (QRTP) requirements in the Act, including requirements for accreditation. Reimbursement requirements for placements in QRTPs will also be strict, as independent assessors are to determine whether or not a child or youth should be in the QRTP placement.

The Department has been preparing for the implementation since 2018, and plans to opt in by January 31, 2020, pending approval of Colorado's Title IV-E plan by the federal Administration for Children and Families. If at that time, the Department is not compliant, the State will not be able to leverage the new opportunity for reimbursement of Title IV-E funds available through Family First implementation.

The salary survey and actuarial analysis, on which this request is based, recommended that the Department should adjust the rate structure first provided in order to comply with the passage of Family First.[2]

Proposed Solution:

The Department requests $2,549,481 in total funds, including $1,223,751 General Fund, $509,896 cash funds, and $815,834 federal funds in FY 2020-21 and ongoing in order to implement the provider rate increase as the result of a salary survey and actuarial analysis directed by HB 17-1292. The cash funds are local county funds and the federal funding source is Title IV-E. This is an increase of 1% over the Child Welfare Services FY 2019-20 appropriation.

Table 1 illustrates the provider rate increase since FY 2018-19.

[2] "Child Welfare Services Salary Survey & Actuarial Analysis: Rate Proposal." Public Consulting Group, Inc., March 27, 2018 (p. 20) "7. CDHS should adjust this rate structure and related policies to comply with the Families First Act. The Family First Prevention Services Act was signed into law as part of the Bipartisan Budget Act on February 9, 2018. PCG/L&E has provided some guidance on this recommendation but CDHS will need to take a critical look at its child welfare system to ensure compliance with the Families First Act."

Table 1: Provider Rate Increase				
	Total Funds	General Fund	Cash Funds	Federal Funds
FY 2018-19[1]	$ 19,491,840	$ 9,356,084	$ 3,898,367	$ 6,237,389
FY 2019-20	$ 10,350,000	$ 4,968,000	$ 2,070,000	$ 3,312,000
FY 2020-21	$ 2,549,481	$ 1,223,751	$ 509,896	$ 815,834
Total Rate Increase	**$ 32,391,321**	**$ 15,547,835**	**$ 6,478,263**	**$ 10,365,223**

[1] Includes supplemental of $4,908,507
Source: Child Welfare Rate Phase-In Options, Public Consulting Group, July 12, 2018, revised by Department September 27, 2018.
Cash funds are local county match and federal funds are Title IV-E.

SB 18-254 also established a Task Force to ensure appropriate delivery of child welfare services. Two of the purposes of the Task Force is to (1) develop a method through which to incentivizee counties for the provision of services and placements required by Family First, and (2) establish performance and outcome measures for placements (Section 8(b-c)). In addition, the Department is required to work collaboratively with the State Board of Human Services to promulgate rules concerning rules governing the methodology by which counties may negotiate rates, services, and outcomes with licensed out-of-home placement providers, as well as incentive payments (Section 6 (a-d)). In addition to the requested increase for Family First compliant providers in FY 2020-21, OSPB recommends evaluating further increases and their alignment to Family First in future years.

Anticipated Outcomes:

The recommended rates better align to program goals and better outcomes for children and youth. Colorado, like many states, has a shortage of foster families to meet the current level of demand. The increased foster family rates are intended to better support children and foster families. Increased rates may encourage more people in Colorado to open their home and become a foster parent, allowing more children and youth to be served in family-based settings, including specialized foster homes, such as treatment foster care homes, for children and youth who have unique needs. When deemed necessary by an independent assessor, highly specialized RCCF settings (QRTP) will be better resourced and therefore available to serve children and youth with higher needs not available in specialized foster family homes.

Assumptions and Calculations:

Using the FY 2018-19 appropriation, PCG developed the rates using a three-year phased in approach to full implementation. However, the Department began using the allocation process with some modifications, including an additional year to implement the full rate increase.[3] Table 2 shows past rate increases to specific types of providers.

[3] Child Welfare Rate Phase-In Options, Public Consulting Group, July 12, 2018

Service Type	FY 2018-19	FY 2018-19 Supplemental	FY 2019-20	FY 2020-21	Total
CPA, Administration	$ 776,789	$ 4,908,507	$ 5,051,768	$ -	$10,737,064
CPA, Child Maintenance	$ 6,860,844	$ -	$ -	$ -	$6,860,844
County Foster/Kinship	$ 3,672,429	$ -	$ -	$ -	$3,672,429
Group Home	$ -	$ -		$ -	$0
Group Center	$ -	$ -		$ -	$0
RCCF, Accredited	$ 3,273,271	$ -	$ 5,298,232	$ 2,549,481	$11,120,984
RCCF, Non-Accredited	$ -	$ -	$ -	$ -	$0
Total	**$14,583,333**	**$ 4,908,507**	**$ 10,350,000**	**$ 2,257,481**	$32,099,321

The Department will continue to work with stakeholders in order to determine how future rates will be based on performance and compliance with Family First, as recommended in the PCG report.

Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-17 Records and Reports Fund Adjustments

Dept. Approval By: ____

OSPB Approval By: ____

____	**Supplemental FY 2019-20**
____	**Budget Amendment FY 2020-21**
X	**Change Request FY 2020-21**

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
Total of All Line Items Impacted by Change Request	Total	$868,932	$0	$1,026,340	$648,048	$648,048
	FTE	11.0	0.0	13.5	6.0	6.0
	GF	$125,304	$0	$2,871	$422,847	$422,847
	CF	$743,628	$0	$1,023,469	$225,201	$225,201
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
01. Executive Director's Office, (B) Special Purpose, (1) Special Purpose - Records and Reports of Child Abuse or Neglect	Total	$654,126	$0	$683,952	$532,321	$532,321
	FTE	7.5	0.0	7.5	2.0	2.0
	GF	$0	$0	$0	$422,847	$422,847
	CF	$654,126	$0	$683,952	$109,474	$109,474
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0
01. Executive Director's Office, (B) Special Purpose, (1) Special Purpose - Records and Reports of At-risk Adult Abuse or Neglect	Total	$214,806	$0	$342,388	$115,727	$115,727
	FTE	3.5	0.0	6.0	4.0	4.0
	GF	$125,304	$0	$2,871	$0	$0
	CF	$89,502	$0	$339,517	$115,727	$115,727
	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

Department Priority: R-17
Request Detail: Records and Reports Fund Adjustments

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	$611,575	$648,048	$648,048
FTE	5.4	6.0	6.0
General Fund	$368,110	$422,847	$422,847
Cash Funds	$243,465	$225,201	$225,201
Reappropriated Funds	$0	$0	$0
Federal Funds	$0	$0	$0

Summary of Request:

The Department of Human Services request $648,048 total funds, including $422,847 General Fund, $225,201 in cash fund spending authority, and 6.0 FTE in FY 2020-21 and beyond to ensure the Department has adequate funding to support the Records and Reports Fund. The Records and Reports fund is comprised of two separate line items: Records and Reports of Child Abuse or Neglect, and Records and Reports of At-Risk Adult Abuse or Neglect.

1. Background Checks Spending Authority

The Department requests $54,737 in cash fund spending authority and 1.0 FTE in FY 2019-20 and $109,474 in cash fund spending authority and 2.0 FTE in FY 2020-21 to allow the Office of Early Childhood (OEC) to access the cash fund revenue from background check fees resulting from anticipated growth due to recent legislation.

2. CAMDRS Funding Stabilization

The Department requests $368,110 General Fund in FY 2019-20 and $422,847 General Fund in FY 2020-21 and on-going in order to provide sufficient funding for the Records and Reports cash fund that supports the child abuse and neglect notice and appeals process of the Child and Adult Mistreatment Dispute Review Section (CAMDRS) and associated legal fees, and the Department's Background Investigation Unit (BIU).

3. At-Risk Adult Abuse and Neglect

The Department requests an increase of $115,727 in cash funds spending authority and 4.0 FTE in FY 2020-21 and beyond in the Records and Reports for At-Risk Adults Line Item to align the Long Bill with the fiscal note for HB17-1284 as well as for additional costs associated with the implementation of the bill.

Current Program:

Background Checks Spending Authority

The Department's Background Investigation Unit (BIU) performs statutorily required background checks for a variety of individuals and entities involved in the care of children and youths, such as child care providers, volunteers or employees of licensed neighborhood youth organizations, prospective adoptive parents, and licensed child placement agencies. The BIU is required to process certain background check applications within ten days as specified in statute; however, the Department intends to complete all checks within ten days as this is necessary to prevent hiring delays in a variety of child care settings and ensure the health and safety of children in care. On August 2, 2019, OEC will begin processing Trails background checks for community organizations and individuals who supervise children or have unsupervised contact with children as authorized by SB 19-177. Organizations requesting Trails child abuse and neglect background checks have to pay a $35 fee per check.

Prior to summer of 2018, the Department had been completing Trails background checks for community organizations and individuals who supervised children or had unsupervised contact with children. This activity ceased in July 2018 upon notification from the Attorney General's Office that the Department did not have sufficient statutory authority to complete these checks. SB 19-177 rectified the problem by clearly authorizing the Department to process the Trails background checks for these organizations and individuals.

The Department anticipates that the number of Trails checks the OEC will be requested to complete will increase by 8% in FY 2020-21, in addition to the increase of requests prompted by SB 19-177. Before the Department received updated statutory guidance from the Attorney General in summer 2018, the Department was experiencing 8% growth year to year in the number of background checks being requested.

CAMDRS Funding Stabilization

The Records and Reports cash fund, created at 19-1-307(2.5), C.R.S. (2019) is meant to support the operations of the BIU as well as the costs of the child abuse and neglect notice and appeals process under CAMDRS. CAMDRS reviews county decisions involving individuals with a substantiated finding of an act of child abuse or neglect, or mistreatment of an at-risk adult, when the individual requests a state appeal. Any individual has the right to appeal a county finding. Historically, legal services associated with the child abuse and neglect notice and appeals process were capped at $167,677 by a letter note in the Long Bill. However, for FY 2017-18, the letter note was removed as part of a change by the Joint Budget Committee to the way indirect costs were distributed. As a result, the associated legal services charged to the cash fund for FY 2017-18 increased from $167,677 (the amount that had been paid when the cap was in effect) to approximately $464,000.

At-Risk Adult Abuse and Neglect

The Adult Protective Services (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. The Colorado APS data system (CAPS) tracks people with substantiated incidents of mistreatment and certain potential employees must be checked against CAPS prior to employment. HB 17-1284 mandated a background check on employees who work with at-risk adults to minimize the potential for employment of people with a history of mistreatment to at-risk adult populations. The legislation also implemented a due process/appeal procedure through the Administrative Review Division (ARD) for citizens with a founded allegation.

Problem or Opportunity:

Background Checks Spending Authority

In order to provide a timely and valuable community service, the OEC needs to have the ability to turn around background check requests in a short time frame. Delays in background check processing prevent organizations from onboarding volunteers and employees who work directly with children in a variety of roles.

Current staffing capacity within the OEC's BIU is insufficient to absorb the additional workload that will result from completing the increased number of Trails checks in ten days.

CAMDRS Funding Stabilization

Fees collected to complete background checks for individuals applying to work in all types of child care, as well as foster homes and child placement agencies, provide the sole revenue source for the Records and Reports cash fund. The fees, which are established by the CDHS State Board, are mandated not to exceed the direct and indirect costs of administering the background checks and the child abuse notice and appeals process. The Department cannot independently raise the background check fees since only the CDHS State Board has the authority to do this; it would be necessary for the Department to request that the Board consider a fee increase, which likely would not be viewed favorably as the fee would need to at least double in order to cover the shortfall. The Department is now in a position in which revenue is insufficient to support all of the activities funded through the Records and Reports cash fund.

At-Risk Adult Abuse and Neglect

The fiscal note estimates for the number of background checks and appeals related to HB 17-1284 were too low and have not accurately reflected the true cost of the program. Based on the information available at the time, the projected number of CAPS background checks included in the fiscal note for HB 17-1284 was 44,000 per year. However, by the end of the first quarter after implementation on January 1, 2019, the number of requested checks totaled 24,000, which equates to about twice the anticipated amount for a full year. In addition, not all required employers have registered to request the checks as of this date, so the pace of requested checks is anticipated to increase once more employers begin conducting the checks. As a result, the Department currently projects there will be over 100,000 CAPS checks requests received and processed in the first year of this initiative, which is more than double the original projection. The Department has received additional revenue from fees from the increased number of requested checks. However, the Department does not have the spending authority needed in this line item to pay for the staff needed to process these requests. As a result, the Department is requesting $65,127 in additional spending authority in this line for staffing for this unit and 1.0 FTE.

In addition, increased spending authority is needed to have adequate staff for the number of appeals received and keep due-process working efficiently for APS cases. Current spending authority is insufficient to cover the staff needed to process the appeals being received from citizens with substantiated findings of mistreatment of at-risk adults. The numbers of reviews continue to increase and the current staff no longer has time to complete the associated administrative tasks associated with processing appeals. An additional 0.5 FTE for a Program Assistant II is needed in order to reduce this workload from the staff that actually review and make decisions on each appeal. As a result, the Department is requesting an additional $50,600 in spending authority in this line item for staffing for this unit.

Furthermore, the Long Bill for FY 2019-20 did not accurately reflect the FTE in the fiscal note from HB 17-1284. Rather, the Long Bill includes the figures from FY 2018-19 which were intended to staff only a partial year of operation and therefore do not provide sufficient FTE for a full year's staffing in FY 2019-20 and beyond. The figures for FY 2019-20 are short 2.5 FTE when compared to the fiscal note from the bill. These inaccuracies were not discovered until after the Long Bill had been introduced.

Proposed Solution:

Background Checks Spending Authority

The Department requests additional spending authority from the cash fund revenue generated from background check fees charged to organizations requesting the checks. This funding will be used for 2.0 FTE that will process the additional background checks required by SB 19-177 and from additional anticipated growth.

CAMDRS Funding Stabilization

Because of the increased amount being charged to the cash fund due to the removal of the letter note, the Department is experiencing a revenue shortfall. This shortfall is projected to be $368,110 in FY 2019-20 and $422,847 in FY 2020-21. In order to address this shortfall, the Department has determined there are two potential courses of action:

- The Department can request General Fund to supplement the cash funds already in the Records and Reports cash fund or
- Fees charged to child care providers for background checks can be raised to provide additional funding.

The Department has concluded that raising background check fees for child care providers in order to fund the child abuse and neglect notice and appeals process is not a viable option for a number of reasons. First, the fee increase would likely need to be double the current rate and would be crippling to an already strained sector, namely child care providers and school districts. Given the high turnover rate in the child care industry, the burden of these expenses is onerous for child care providers, who often operate on extremely thin margins. The Department does not wish to place an additional burden on the State's child care providers as they provide a beneficial service that promotes children's development and parents' economic stability.

Second, the CDHS State Board has set the maximum fee to $35 and the Department is currently charging the maximum fee amount, after an increase in July 2018 from $28 to $35 per provider, representing more than a 20% increase. Any additional fee increase is dependent on approval from the CDHS State Board. This would likely result in vocal opposition from members the child care community, many of whom already had expressed concern about the fee increase in

2017. School districts in particular have spoken out publicly against fee increases because they are required to budget for background checks at the beginning of each school year. In the event that the State Board does not approve such an increase, the Department will still not have found an effective solution to the funding shortfall.

The Department is requesting General Fund as this is the appropriate funding source to address the current funding shortfall. Because the work of CAMDRS includes all child and adult mistreatment appeals, it impacts individuals from all sectors. Legal services and the child abuse and neglect notice and appeals process are not an appropriate use for the federal Child Care and Development Fund (CCDF), which is intended to support access to quality child care and early education in Colorado.

At-Risk Adult Abuse and Neglect

The Department requests an increase of $115,727 in cash fund spending authority and 4.0 FTE in FY 2020-21 and beyond for the Records and Reports of At-Risk Adult Abuse or Neglect Long Bill Line Item to provide the ability to spend the revenue received in the cash fund for this line item and meet statutory and rule mandates on the time to complete a background check. The increase in spending authority, and related FTE, will also support the Department's ability to adequately process appeals associated with citizens' due process rights in accordance with statute.

The additional $115,727 in spending authority is needed to access the revenue received to cover the workload incurred due to receiving double the estimated number of background checks and due process workload. The cash fund has the revenue to cover this request due to the number of requested checks being twice what was anticipated. No new funds are included as part of this request. Without the increase in spending authority, the current spending authority will not cover the salary and benefits for the staff needed to process the background check and due process requests within the statutory and rule based time frames.

Finally, the Department will work to introduce stand-alone legislation to stabilize funding in FY 2019-20. Joint Budget Committee members and staff will be updated on the status of such legislation.

Anticipated Outcomes:

Background Checks Spending Authority

Not securing additional spending authority would likely result in delays in the processing of background checks, which in some cases would put the Department out of compliance with statutorily required timelines. Furthermore, these delays are disruptive to the business operations of the providers requesting the checks and detrimental to the health and safety of children. Background checks help ensure the safety of children. Children who are in unsafe environments are unable to learn the skills and knowledge they need to be ready for preschool and kindergarten.

Organizations and individuals for whom the Department has the statutory authority to conduct background checks per SB 19-177 include programs that work directly with children that are not already licensed by the Department, such as behavioral health treatment programs, family navigators, and coaches, as well as volunteer organizations, such as Boys and Girls Clubs. The legislation did not require that these checks be completed; instead, it simply provided the Department the authority to do so when requested. SB 19-177 provided the Department the needed authority to conduct the checks helps to ensure the safety of children participating in those programs, and this request provides the Department with sufficient spending authority to ensure appropriate staffing to complete this work in a timely manner.

<u>CAMDRS Funding Stabilization</u>

In addition to supporting the work done by BIU technicians to process background checks, the Records and Reports fund also supports the CAMDRS unit. The Department's request for funding would allow the work done by CAMDRS and the BIU to be continued without interruption. CAMDRS performs an important community service for individuals requesting a state appeal for a county-substantiated case of child abuse or neglect or the mistreatment of an at-risk adult. The CAMDRS dispute review system ensures individuals have due process rights in cases when they have received a mistreatment finding. The Department's BIU performs statutorily required background checks for a variety of individuals and entities, such as child care providers, volunteers or employees of licensed neighborhood youth organizations, prospective adoptive parents, and licensed child placement agencies. These checks are a critical step to ensure the health and safety of children in a variety of care settings across the State.

Appeal rights through the administrative courts are granted in statute to all individuals with a founded allegation of child abuse and/or neglect, and the Department uses CAMDRS to facilitate the appeals process and reach settlement agreements in order to reduce overall legal costs. Ultimately, the Department has no control over the number of appeals or the amount of the associated legal fees that then must be funded by the background check fees paid by child care providers. The Department has received no indication that the number of appeals and their associated legal fees will decrease in the near future.

If the Department does not secure the requested funding, it may be forced to reduce the number of staff within the BIU and CAMDRS. In addition to the potential risk associated with delayed processing of background checks, the Department would also risk being in violation of current rule that establishes the Department's appeal process, which could lead to fewer settlement agreements and higher court costs.

The costs of the CAMDRS unit and the legal fees are not directly related to the number of child care provider background checks being conducted. Because of the broad child abuse and neglect appeals rights, these appeals may not have anything to do with a background check being requested. As child care providers' background check fees are the sole source of revenue for this fund, a reduction in BIU staff for cost savings purposes would mean that the background checks would be processed more slowly and result in additional revenue reduction, which would further exacerbate the funding shortfall the Department is already experiencing.

If the requested funding is not secured, the Department will experience a revenue shortfall in the Records and Reports cash fund.

<u>At-Risk Adult Abuse and Neglect</u>

It is anticipated that the additional spending authority will allow the APS unit to maintain a full staff to process the increased number of background checks within the mandatory time frames established in statute and rule. Due to receiving double the number of background check requests than were anticipated, the Department is in danger of falling behind on the workload. The increased spending authority and additional 1.0 FTE will allow the Department to adequately staff for background checks and appeals and maintain compliance with statute and rule. The additional spending authority will also allow the Department to continue to meet statutorily required timeframes for processing appeals of founded allegations of adult maltreatment.

Assumptions and Calculations:

Table 1 shows a breakdown of the Department's full request by line item.

Table 1 : Request Breakdown (FY 2020-21 and beyond)

Line Item	Total Funds	General Fund	Cash Fund Spending Authority	FTE
Records and Reports of Child Abuse or Neglect - Background Check Spending Authority	$109,474	$0	$109,474	2.0
Records and Reports of Child Abuse or Neglect - CAMDRS Funding Stabilization	$422,847	$422,847	$0	0.0
Records and Reports of At-Risk Adult Abuse or Neglect	$115,727	$0	$115,727	4.0
Total Request	**$648,048**	**$422,847**	**$225,201**	**6.0**

<u>Background Checks Spending Authority</u>

The Department currently requires four Background Check Technicians to process the approximately 23,600 background check requests received annually. Each Technician is able to process approximately 5,900 background check requests annually, while completing background checks within ten days.

The Department anticipates SB 19-177 and anticipated growth will result in at least 10,200 additional background checks, which would require an additional 2.0 FTE Background Check Technicians to complete checks within ten days.

<u>CAMDRS Funding Stabilization</u>

Table 2 shows the costs of the activities funded by the cash fund, and projects the costs for FY 2018-19 and beyond based on the actual costs of the first quarter. For FY 2015-16 and FY 2016-17, the table shows the actual legal services cost and not the capped amount. The legal fees projection for FY 2018-19 and beyond includes an estimated 3% increase to account for anticipated growth. The information in Table 2 and Table 3 is based on expenditures and revenue recorded in CORE as of May 31, 2019. The legal services amounts reflect the annual total reported on the Department of Law's legal services statement for child abuse appeals for that year.

Table 2 – Program Costs

Activity	Actual FY 2015-16	Actual FY 2016-17	Actual FY 2017-18	Projected FY 2018-19	Estimated FY 2019-20	Estimated FY 2020-21
Legal Fees	$490,171	$381,264	$463,580	$463,495	$477,400	$477,400
CAMDRS Unit	$319,395	$318,136	$277,960	$344,123	$354,447	$354,447
Background Investigation Unit	$257,179	$234,948	$344,966	$498,440	$575,114	$629,851
Indirect Costs	$65,132	$62,065	$119,520	$134,684	$138,725	$138,725
Total	**$1,131,877**	**$996,413**	**$1,206,026**	**$1,440,742**	**$1,545,686**	**$1,600,423**

Table 3 shows the revenue earned for Fiscal Years 2015-16 through FY 2017-18 and estimates for FY 2018-19, FY 2019-20, and FY 2020-21.

Table 3 – Revenue

Revenue	Actual FY 2015-16	Actual FY 2016-17	Actual FY 2017-18	Estimated FY 2018-19	Estimated FY 2019-20	Estimated FY 2020-21
Estimated Earned Revenue	$784,499	$1,009,888	$1,093,731	$814,761	$1,177,576	$1,177,576
Carryforward Fund Balance	$71,930	$47,046	$274,107	$161,812	$0	$0
Total Revenue	**$856,429**	**$1,056,934**	**$1,367,838**	**$976,573**	**$ 1,177,576**	**$1,177,576**
Program Costs	$809,383*	$782,826*	$1,206,026	$1,440,742	$1,545,686	$1,600,423
Revenue Balance	**$47,046**	**$274,107**	**$161,812**	**$(464,169)**	**$(368,110)**	**$(422,847)**

*The program costs in FY 2015-16 and FY 2016-17 differ from Table 1 since they only included the capped amount for legal fees.

The Department is requesting $422,847 General Fund in order to address the revenue shortfall shown in Table 3 for FY 2020-21.

<u>At-Risk Adult Abuse and Neglect</u>
The additional spending authority and Long Bill true-up will be utilized to align the funding with the fiscal note from HB 17-1284 and allow the background check teams to be properly staffed for the number of background checks and CAMDRS properly staffed to process the number of appeals received.

Table 4 illustrates the requested increase in spending authority to handle the actual number of background checks and appeals.

Table 4 - Additional Spending Authority Calculations				
Existing Spending Authority for FY 2020-21				
Line Item	**FTE**	**Total Funds**	**General Fund**	**Cash Funds**
CAPS Personal Services & Operating	5.0	$ 245,468	$ -	$ 245,468
ARD Personal Services & Operating	1.0	$ 68,377	$ -	$ 68,377
Spending Authority Needed for FY 2020-21 and Beyond				
Line Item	**FTE**	**Total Funds**	**General Fund**	**Cash Funds**
CAPS Personal Services & Operating	6.0	$ 310,595	$ -	$ 310,595
ARD Personal Services & Operating	1.5	$ 118,977	$ -	$ 118,977
Difference in Spending Authority for FY 2020-21 and Beyond (part 2 of request)				
Line Item	**FTE**	**Total Funds**	**General Fund**	**Cash Funds**
CAPS Personal Services & Operating	1.0	$ 65,127	$ -	$ 65,127
ARD Personal Services & Operating	0.5	$ 50,600	$ -	$ 50,600
Difference (part 2 of request)	**1.5**	**$ 115,727**	**$ -**	**$ 115,727**

Table 5 illustrates the changes to the Records and Reports of At-Risk Adult Abuse or Neglect Long Bill line item based upon the changes in Table 4.

Table 5 - Long Bill Appropriation and Requested Funding for FY 2020-21 and Beyond				
Line Item: (B) Special Purpose; Records and Reports of At-Risk Adult Abuse or Neglect	**Total Funds**	**General Fund**	**Cash Funds**	**Notes**
Appropriation for FY 2020-21	$313,845	$0	$313,845	Fiscal note for HB 17-1284
Requested Spending Authority Increase	$115,727	$0	$115,727	The At-Risk Adult Abuse and Neglect Request
FY 2020-2021 Total Requested Appropriation	$429,572	$0	$429,572	The requested total spending authority
FY 2021-2022 Total Requested Appropriation	$429,572	$0	$429,572	Same amount each year thereafter

Table 6 shows the number of checks received since the new law HB 17-1284 went into effect on January 1, 2019, the projected number of checks for FY 2019-20 using a straight line projection, and the difference from the original fiscal note estimates.

Table 6 - Projected Number of Background Checks in FY 2019-20	
Number of Background Checks	**Total Number of Requests**
January	7,090
February	8,849
March	8,194
April	10,572
May	10,506
Total of first five months	45,211
Projection for FY 2019-20	108,506
Estimates provided in HB 17-1284	44,000
Increase from fiscal note estimate	64,506

Note. CAPS data system. (June, 2019).

Table 7 shows the revenue received since HB 17-1284 went into effect on January 1, 2019 and projections for revenue in FY 2019-20 using a straight line projection.

Table 7 - Revenue Projections in FY 2019-20		
Month	**Revenue Received**	
January	$	108,748
February	$	116,033
March	$	140,198
April	$	135,935
May	$	139,862
Total of first four months	$	640,776
Projected revenue for FY 2019-20	**$**	**1,537,861**

Note. CORE data system. (June, 2019).

Table 8 shows the amount of spending authority appropriated in the fiscal note for HB 17-1284, which is below the amount needed to handle the current workload impact, compared to the amount needed for FY 2020-21.

Table 8 - Comparison of Fiscal Note Needed Budget Amount for FY 2020-21			
	Fiscal Note Amount	**Budget Amount Needed**	**Difference**
Department of Human Services			
County Training	$70,800	$70,800	$0
CAPS Build/Modifications	$20,000	$20,000	$0
CAPS Licenses	$2,400	$2,400	$0
CAPS Personal Services	$227,918	$293,045	$65,127
CAPS Operating	$17,550	$17,550	$0
ARD Personal Services	$67,027	$117,627	$50,600
ARD Operating	$1,350	$1,350	$0
Total for Department of Human Services	**$407,045**	**$522,722**	**$115,727**
Department of Law			
Legal Services	$218,615	$218,615	$0
Total of Both Departments	**$625,660**	**$741,387**	**$115,727**

As Table 7 and 8 demonstrate, there will be sufficient funds available to support an increase in spending authority for the Records and Reports line item. It is important to note that the Department is monitoring the revenue versus spending for this and will reduce the CAPS Check fee in the event it appears the amount of funds expected to be received from CAPS Checks fees will exceed the amount needed to support the APS due process and CAPS Checks processes in FY 2020-21.

Table 9 shows the number of appeals received since due process began in July, 2018, as well as the projected number of appeals for FY 2020-21.

Table 9 - Projected Number of APS Appeal Requests in FY 2018-19	
Month/Year	**Total Number of APS Appeal Requests**
July-18	2
August-18	6
September-18	14
October-18	23
November-18	29
December-18	31
January-19	26
February-19	25
March-19	24
April-19	26
May-19	41
June 2019 (as of 06/19/2019)	14
Total of FY 2018-19 (as of 06/19/2019)	261
Projection for FY 2019-20*	**337**
Estimates provided in HB 17-1284	**231**
Increase from fiscal note estimate	**106**
*For purposes of projections, the monthly average of October 2018 through May 2019 was multiplied by 12 months.	

Note. CAMDRS Tracking Documentation (June, 2019).

Note: The first quarter of appeals are not utilized in generating the projections for FY 2020-21 as the numbers were atypical due to the process just beginning.

Supplemental, 1331 Supplemental or Budget Amendment Criteria:

The Department will also request a supplemental in FY 2019-20 for $611,575 to address issues outlined in this document. Joint Budget Committee members and staff will be updated on the status of such legislation.

Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-18 Staffing for Electronic Health Record Support

Dept. Approval By:			Supplemental FY 2019-20
OSPB Approval By:			Budget Amendment FY 2020-21
		X	Change Request FY 2020-21

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total of All Line Items Impacted by Change Request	Total	$1,071,113	$0	$1,071,113	$274,576	$132,586
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$926,683	$0	$926,683	$274,576	$132,586
	CF	$120,527	$0	$120,527	$0	$0
	RF	$23,903	$0	$23,903	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
08. Behavioral Health Services, (E) Mental Health Institutes, (1) Mental Health Institutes - Ft. Logan - Operating Expenses	Total	$1,071,113	$0	$1,071,113	$274,576	$132,586
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$926,683	$0	$926,683	$274,576	$132,586
	CF	$120,527	$0	$120,527	$0	$0
	RF	$23,903	$0	$23,903	$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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Department of Human Services

FY 2020-21 Funding Request

November 1, 2019

Jared Polis
Governor

Michelle Barnes
Executive Director

Department Priority: R-18
Request Detail: Staffing for Electronic Health Record Support

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	FY 2020-21	FY 2021-22
Total Funds	$0	$274,576	$132,586
FTE	0.0	0.0	0.0
General Fund	$0	$274,576	$132,586
Cash Funds	$0	$0	$0
Reappropriated Funds	$0	$0	$0
Federal Funds	$0	$0	$0

Summary of Request:

The Department of Human Services requests $274,576 total funds/General Fund and 0.0 FTE in FY 2020-21 and $132,586 total funds/General Fund and 0.0 FTE in FY 2021-22 and beyond in order to provide resources to reprogram and rebuild systems critical to the Colorado Mental Health Institutes. In addition, the funding will integrate work with the Anticipate system, a system that holds information related to legal status, wait time, evaluations, restorations, and any other vital information needed for the Department to manage the terms of the Consent Decree. If this request is not approved, the Department may not be able to track the population related to the Consent Decree, and continue to face large fines.

This request funds 2.0 FTE for OIT in FY 2020-21 and 1.0 FTE for OIT in FY 2021-22 and beyond.

Current Program:

The Department implemented a new behavioral electronic health record system (BEHR) at both Mental Health Institutes on May 1, 2018. As a result of the transition to a new electronic system, previous systems that were operational now require either reprogramming or a rebuild in order to properly communicate with the new BEHR system. The Office of Information Technology (OIT) has estimated it will take 2.0 FTE approximately 12 months to build the new systems and then 1.0 FTE ongoing to maintain.

There are two extremely significant systems for which the Department requires OIT resources:

1. Legacy System
2. Anticipate System

The Legacy system contains the most important clinical electronic health record information for patients at the Mental Health Institutes from the prior Avatar and Pharmacy systems. In order for clinical users to access any historical institutional information, the Legacy system needs to be maintained and upgraded to continue operating in response to normal changes in the OIT environment (such as when there are upgrades to servers, firewalls, network software and firmware, etc.). There are also plans to add the pre-BEHR medical-clinic reports to Legacy to provide improved access to information regarding chronic medical conditions of the longer-term patients.

The Anticipate system is the “lawsuit” system, in that it holds information related to legal status, wait time, evaluations, restorations, and any other vital information needed for the Department to manage the terms of the settlement. The Department has a statutory obligation §§ 16-8.5-101 *et seq.* (2018) to provide competency evaluations for persons charged with criminal offenses when the issue of competency is raised, and to provide restoration treatment for persons found incompetent to proceed (Consent Decree). The Department is currently not in compliance with the Consent Decree and is facing monthly fines; the Anticipate system helps the Department keep track of compliance with the consent decree. OIT staff have begun the requirements-gathering and architecture-planning to move Anticipate from a less-secure MS Access environment to a stable and secure structure query language (SQL) back-end with a browser front-end. Given the complexity of the current system, the task to recreate and maintain Anticipate in the OIT SQL environment will be a challenging and time-consuming effort.

There are additional, non-BEHR programming needs that are very important to hospital operations, however are not as critically vital as Legacy and Anticipate. These systems include the Group Tracker, which is used by patient programming at both Institutes to ensure appropriate programming is in place (a recent concern identified by the Joint Commission); the Visitor Log which impacts patient rights as well as security; and the patients’ Grievance system. OIT is currently modifying or building these systems in its SQL environment under the umbrella of the Ancillary project. As with the Legacy and Anticipate systems, the Ancillary systems require OIT support through completion and maintenance.

Problem or Opportunity:

The new BEHR system has allowed the Department to implement an electronic health record system similar to those used in other acute care and behavioral health care hospitals. Electronic Health Record systems help to provide accurate, up-to-date information about patients, more securely share patient information between clinicians, enable safer and more reliable prescribing, help reduce medication errors, and provide quick access to patient records.

The Department, prior to BEHR, operated with several additional programs that were linked to or dependent upon the prior electronic system called Avatar. The funding requested will provide OIT resources to either reprogram or rebuild these existing systems to work with BEHR. Without this programming, it will be difficult for the Department to access the data and information needed to make strategic decisions with regards to treatment, bed management, and compliance with the lawsuit/consent decree, and will make accessing historical data difficult if not impossible.

This request is unique to the previous funding requests submitted by the Department. The Department previously submitted two funding requests related to EHR (1) R-02 FY 2014-15 IT Capital Request Mental Health Institutes' Electronic Health Record and Pharmacy System Replacement for the purposes of purchasing the new electronic system; and (2) R-11 FY 2014-15 Mental Health Institutes Electronic Health Record System operating request for the purposes of funding operating costs such as licensing fees, system hosting and support, ongoing system development and enhancements and 7.7 FTE. The FTE in the earlier requests are CDHS FTE and are responsible for providing application support, researching system problems, training Institute staff, providing hands-on customer support to Institute staff, designing work-process changes, creating and running automated reports for regulatory compliance, and other Institute specific tasks. Those responsibilities lie within the parameters of what Department technical staff can provide.

This request for two OIT programmers falls outside of what CDHS staff can address both in scope and in access to systems. Modifications to OIT systems, servers and environments fall exclusively within the parameters of OIT, and can only be completed by OIT staff. Traditionally, requests to modify existing systems and servers are submitted to OIT by the Department and then assigned to existing OIT staff who are funded through common policy. However, the complexity, size and scope of the Legacy, Anticipate, and Ancillary transition projects are outside of OIT's existing resources and will require dedicated FTE (1.0 FTE for 12 months and 1.0 FTE ongoing) in order to complete. This need was not foreseen in FY 2014-15.

Proposed Solution:

The Department requests $274,576 total funds/General Fund and 0.0 FTE in FY 2020-21 and $132,586 total funds/General Fund and 0.0 FTE in FY 2021-22 and beyond in order to provide resources to reprogram and/or rebuild systems critical to the Colorado Mental Health Institutes. This request funds 2.0 FTE for OIT in FY 2020-21 and 1.0 FTE for OIT in FY 2021-22 and beyond. General Funds to the Department will provide funding for the programmers; payments will be made to OIT through an inter-departmental funds transfer.

The Department will require two (2) OIT programmers to create a solution for the Legacy, Anticipate, and Ancillary systems in FY 2020-21 and one (1) OIT programmer ongoing to support the newly created systems.

Anticipated Outcomes:

This request will provide the Department with additional resources needed to fund two OIT project programmers who will reprogram and rebuild previous data systems needed for the Institutes to make well informed, data-driven decisions regarding patient treatment, lawsuit compliance, and bed management related to the consent decree. Additionally, historical clinical information will be available for treatment staff.

Assumptions and Calculations:

Table 2 outlines the contract costs for the 2.0 FTE additional OIT staff. Funding to the Department will be booked in (2) Office of Information Technology Services (A) Information Technology Electronic Health Record and Pharmacy System. The funding for the Senior Developers will be booked as reappropriated funds to OIT's Applications Agency Services line. (Please see Schedule 13 by OIT for further detail).

Table 2. Contract Costs

Expenditure Detail			FY 2020-21		FY 2021-22	
Personal Services:						
Classification Title	Monthly		FTE		FTE	
Senior Developer	$8,342		2.0	$200,207	1.0	$100,104
PERA				$20,822		$10,411
AED				$10,010		$5,005
SAED				$10,010		$5,005
Medicare				$2,903		$1,452
STD				$380		$190
Health-Life-Dental				$18,938		$9,469
Subtotal Position 1, #.# FTE			**2.0**	**$263,270**	**1.0**	**$131,636**
Classification Title	Monthly		FTE		FTE	
			-	$0	-	$0
PERA				$0		$0
AED				$0		$0
SAED				$0		$0
Medicare				$0		$0
STD				$0		$0
Health-Life-Dental				$0		$0
Subtotal Position 2, #.# FTE			-	**$0**	-	**$0**
Subtotal Personal Services			2.0	**$263,270**	1.0	**$131,636**
Operating Expenses:						
			FTE		FTE	
Regular FTE Operating		$500	2.0	$1,000	1.0	$500
Telephone Expenses		$450	2.0	$900	1.0	$450
PC, One-Time		$1,230	2.0	$2,460	-	
Office Furniture, One-Time		$3,473	2.0	$6,946	-	
Subtotal Operating Expenses				**$11,306**		**$950**
TOTAL REQUEST			2.0	**$274,576**	1.0	**$132,586**

Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-19 Replace Phone Systems

Dept. Approval By:

OSPB Approval By:

	Supplemental FY 2019-20
	Budget Amendment FY 2020-21
x	**Change Request FY 2020-21**

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
Total of All Line Items Impacted by Change Request	Total	$11,473,149	$0	$11,205,564	$917,525	$787,983
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$6,794,705	$0	$6,512,191	$917,525	$787,983
	CF	$252,207	$0	$252,207	$0	$0
	RF	$4,426,021	$0	$4,426,021	$0	$0
	FF	$216	$0	$15,145	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
08. Behavioral Health Services, (E) Mental Health Institutes, (2) Mental Health Institutes - Pueblo - Operating Expenses	Total	$7,165,558	$0	$7,051,919	$689,371	$583,579
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$3,949,998	$0	$3,836,359	$689,371	$583,579
	CF	$182,207	$0	$182,207	$0	$0
	RF	$3,033,353	$0	$3,033,353	$0	$0
	FF	$0	$0	$0	$0	$0
11. Division of Youth Services, (B) Institutional Programs, (1) Institutional Programs - Operating Expenses	Total	$4,307,591	$0	$4,153,645	$228,154	$204,404
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$2,844,707	$0	$2,675,832	$228,154	$204,404
	CF	$70,000	$0	$70,000	$0	$0
	RF	$1,392,668	$0	$1,392,668	$0	$0
	FF	$216	$0	$15,145	$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

Department of Human Services

FY 2020-21 Funding Request

November 1, 2019

Jared Polis
Governor

Michelle Barnes
Executive Director

Department Priority: R-19
Request Detail: FY 2020-21 Replace Phone Systems

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	$0	$917,525	$787,983
FTE	0.0	0.0	0.0
General Fund	$0	$917,525	$787,983
Cash Funds	$0	$0	$0
Reappropriated Funds	$0	$0	$0
Federal Funds	$0	$0	$0

Summary of Request:

The Department of Human Services requests $917,525 total funds/General Fund in FY 2020-21 and $787,983 total funds/General Fund ongoing in order to cover costs related to the installation of a new phone systems and ongoing funds for the monthly lease of the phone system service at the Colorado Mental Health Institute at Pueblo (CMHIP) and at Division of Youth Services (DYS) facilities. The phone systems are currently unsupported technology and infrastructure. This request would result in a reliable phone system, including phone logs, for a 24/7 hospital facility and several secure youth facilities.

Current Program:

The Colorado Mental Health Institute at Pueblo (CMHIP) operates 455 inpatient psychiatric beds. CMHIP currently has two phone systems, (1) a legacy phone system that is 20 years old, Avaya, and (2) CISCO voice over internet protocol (VOIP) system, however, this system will also be at end-of-life by FY 2021-22. These phone systems support a 24/7 hospital facility as well as serving individual extensions and voicemail and customer facing call center functions.

The Division of Youth Services (DYS) is responsible for the management and oversight of ten secure State-operated residential facilities, parole program services, and community alternative programs that serve and treat youth 10-20 years of age who have demonstrated delinquent behavior. The DYS phone system is currently the Avaya Prologix system that, like the CMHIP phone system, is roughly 20 years old with unsupported technology and infrastructure.

Problem or Opportunity:

The CMHIP campus is currently supported by two phone systems: (1) Avaya and (2) CISCO. Both systems on the CMHIP campus support the patient units as well as the administration phone lines. The current (Avaya) system is already past end-of-life and the original manufacturer no longer supports the version CMHIP is operating. Software updates for this version are no longer developed, and hardware replacements (including phones), even refurbished hardware, is hard to find. Should this system suffer a catastrophic failure, it is likely that the only solution would be a full replacement. The newer (CISCO) phone system is still supported however, will reach end-of-life by FY 2021-22.

As a 24/7 inpatient psychiatric hospital, a reliable phone system is vital for the health and safety of both the patients and the staff. Phone systems are used to notify staff of a medical or security emergency, to call for an ambulance or other medical back up, notify security staff or police of a security issue in the units or on grounds and of course, to engage in the day-to-day business with vendors and other community stakeholders.

The DYS phone system has a processor issue, and consequently phone records at secure facilities are inaccurate. Like at CMHIP, the system is no longer supported by the vendor. There are no repair parts for the systems from Avaya and any parts are bought online and have no guarantee of working.

Other significant problems identified with the current system at five of DYS 10 state-operated youth centers include intermittent call completion issues, intermittent outage on the phone system, inability to add new phone numbers to the system, a mix of digital and analog cards that limit the ability to move phone numbers consistent with operational needs, billing that is connected to one central number and cannot provide extension based reports making it an arduous and time consuming task to trace and reconcile long distance calls. In addition, the acquisition of new phones that are compatible with the Avaya system (to replace aging and broken desksets) can be extremely difficult except for used, reconditioned sets that come with their own set of issues. When there are power outages phones are connected to a generator which takes only 30 seconds to accomplish, but rebooting of the phone system can take as long as 5 minutes. This is particularly problematic in urgent and emergency situations requiring phone access.

The phone system upgrades are needed at Gilliam, Lookout Mountain, Platte Valley, Spring Creek and Marvin Foote facilities.

Proposed Solution:

The Office of Information Technology (OIT) uses Managed Internet Protocol Communications (MIPC), a cloud service that provides telephony services using a monthly operational cost model rather than a capital outlay model. MIPC also includes enhanced voice, video, voicemail and mobile phone integration features as well as options for contact center technology on a unified communications platform and MIPC is the hosted option for delivery. The MIPC service is far better than the current legacy voice system used by CMHIP and DYS in that it is intelligent enough to route calls through the network for the best quality of service quality possible which also helps reduce long distance costs. The system also provides more built in options and features for productivity for use by the customer. The new MIPC service provides fewer connection interruptions because of increased internal processes and procedures that the current legacy voice system falls victim to on a daily basis.

The Department requests $917,525 total funds/General Fund in FY 2020-21 and $787,983 total funds/General Fund ongoing in order to cover costs related to the installation of new phone systems and ongoing funds for the monthly lease of the phone system service at the Colorado Mental Health Institute at Pueblo (CMHIP) and at DYS facilities. General Funds to the Department will provide funding for the installation of the new phone system, and the ongoing lease costs; payments will be made to OIT through an inter-departmental funds transfer.

Annual ongoing costs for the upgraded phone system at CMHIP will be $583,579 with one time costs of $137,792. The phone system upgrades at Gilliam, Lookout Mountain, Platte Valley, Spring Creek and Marvin Foote facilities total $204,404 annually with total one-time costs of $23,750.

Anticipated Outcomes:

The Department will no longer be relying on increasingly unsupportable, legacy phone systems at the CMHIP campus and at DYS facilities. MIPC will allow CDHS to stay current on communication technology and service dependability. This MIPC solution will deliver reliability so that customers can focus their drive to enhance ideas and innovation. All existing functionality will be replaced with State standard technology and that is MIPC.

Assumptions and Calculations:

Table 1 identifies the ongoing and one-time upgrade/installation costs (FY 2020-21).

Table 1. Annual Ongoing Costs and One Time Costs for FY 2020-21

Division	Annual Ongoing	One-Time	Total
CMHIP	$583,579	$105,792*	**$689,371**
DYS	$204,404	$23,750	**$228,154**
Total	**$787,983**	**$129,542**	**$917,525**

*Includes reduction of one-time cost savings in Table 2

The annual costs are based on the monthly costs of $48,632 and $14,034 for CMHIP and DYS facilities, respectively.

Table 2 identifies the one-time (FY 2020-21) cost savings resulting from the conversion of the existing phone systems (Avaya and CISCO) to MIPC at CMHIP.

Table 2. Identified One-time Cost Savings

CMHIP One-time Cost Savings			
	Price	Quantity	Total
Avaya Maintenance	$ 2,578	12	$ 30,936
Cisco Maintenance	$ 92	12	$ 1,104
Total			$ 32,040

Table 3. One-time and ongoing lease costs of the new phone system at CDHS facilities.

	FY 2020-21	FY 2021-22
Gilliam	$18,413	$15,913
Lookout Mountain	$67,921	$66,671
Platte Valley	$76,223	$66,223
Spring Creek	$27,079	$22,079
Marvin Foote	$38,518	$33,518
Subtotal DYS Facilities	*$228,154*	*$204,404*
CMHIP	$689,371	$583,579
Total	**$917,525**	**$787,983**

Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-20 Child Welfare Legal Representation

Dept. Approval By:

OSPB Approval By:

	Supplemental FY 2019-20
	Budget Amendment FY 2020-21
X	**Change Request FY 2020-21**

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
Total of All Line Items Impacted by Change Request	**Total**	**$1,617,117**	**$0**	**$1,622,454**	**$10,295,646**	**$10,295,646**
	FTE	2.0	0.0	2.0	0.0	0.0
	GF	$1,205,149	$0	$1,210,486	$0	$0
	CF	$0	$0	$0	$10,295,646	$10,295,646
	RF	$0	$0	$0	$0	$0
	FF	$411,968	$0	$411,968	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
05. Division of Child Welfare, (A) Division of Child Welfare, (1) Division of Child Welfare - Foster and Adoptive Parent Recruitment, Training, & Support	**Total**	**$1,617,117**	**$0**	**$1,622,454**	**$10,295,646**	**$10,295,646**
	FTE	2.0	0.0	2.0	0.0	0.0
	GF	$1,205,149	$0	$1,210,486	$0	$0
	CF	$0	$0	$0	$10,295,646	$10,295,646
	RF	$0	$0	$0	$0	$0
	FF	$411,968	$0	$411,968	$0	$0

Auxiliary Data

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

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Jared Polis
Governor

Michelle Barnes
Executive Director

Department Priority: R-20
Request Detail: Child Welfare Legal Representation

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	$0	$10,295,646	$10,295,646
FTE	0.0	0.0	0.0
General Fund	$0	$0	$0
Cash Funds	$0	$10,295,646	$10,295,646
Reappropriated Funds	$0	$0	$0
Federal Funds	$0	$0	$0

Summary of Request:

The Department requests $10,295,646 total funds and cash funds as spending authority for the Title IV-E Administrative Cost Cash Fund created in SB 19-258. This cash fund was created within the State Treasury and will be funded with an annual appropriation by the General Assembly for claimable federal Title IV-E administrative costs for attorneys to provide legal representation for the Title IV-E agency, a candidate for Title IV-E foster care or a Title IV-E eligible child in foster care and the child's parents to prepare for and participate in all stages of foster care related legal proceedings.

With this additional funding, the Office of Child's Representative and the Office of Respondent Parents' Counsel will be able to provide additional advocacy for homeless and at-risk you, education advocacy, and activities and advocacy in specialty courts that serve children and families involved in the child welfare system.

Current Program:

The Department's Division of Child Welfare (Division), through county departments of human or social services, 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.

Senate Bill 19-258 created the Title IV-E Administrative Cost Cash Fund, which consists of any federal reimbursement for administrative costs associated with independent legal representation for a child eligible for or in foster care.

Title IV-E of the Social Security Act allows reimbursement of Title IV-E administrative costs for attorneys to provide legal representation for the title IV-E agency, a candidate for Title IV-E foster care or a Title IV-E eligible child in foster care and the child's parents to prepare for and participate in all stages of foster care related legal proceedings. The cash fund will be credited with the federal reimbursements, and then disbursed to the Office of Child's Representative and the Office of Respondent Parents' Counsel pursuant to the Memorandum of Understanding with the agencies.

Problem or Opportunity:

For the first time, states can now claim federal matching funds (50%) through Title IV-E of the Social Security Act to help pay the costs of attorneys representing certain children and their parents in all stages of child welfare legal proceedings. This begins when the case is first brought to the attention of the parent or child's attorney through the time the case is terminated following the child's return home, adoption, guardianship, or aging out of the court process. Before this change, federal matching funds were available to help pay for attorneys representing child welfare agencies, but not for the attorneys of children or parents.

This change in policy will ensure that, among other things, reasonable efforts are made to prevent removal and finalize the plan to ensure that when children and youth are placed in out-of-home care, they are placed in a safe, permanent home as quickly as possible, and parents and youth are engaged in and complying with case plans.

Proposed Solution:

The Department requests spending authority for the Title IV-E Administrative Cost Cash Fund created in SB 19-258.

Anticipated Outcomes:

With this additional funding, the Office of Child's Representative and the Office of Respondent Parents' Counsel will be able to provide additional advocacy for homeless and at-risk you, education advocacy, and activities and advocacy in specialty courts that serve children and families involved in the child welfare system.

Assumptions and Calculations:

Data from the Office of Child's Representative and the Office of Respondent Parents' Counsel have been provided to develop an estimate for how much would be reimbursed from the federal government. The data represents estimated costs for legal representation expenses for claimable Title IV-E administrative costs for attorneys to provide legal representation for the Title IV-E agency, a candidate for Title IV-E foster care or a Title IV-E eligible child in foster care and the child's parents to prepare for and participate in all stages of foster care related legal proceedings. Federal reimbursement rates of 50% as well as a 48% penetration rate have been applied to these figures to estimate actual federal reimbursement.

Table 1 shows the estimated amount of Title IV-E reimbursement for legal representation based on the actual expenditures of the current fiscal year and prior fiscal years.

Table 1: FY 2020-21 Estimated IV-E Reimbursement

OCR	
D&N	$19,369,346
Juvenile Delinquency	$4,662,349
Total eligible	$24,031,695
Penetration Rate	48%
Adjusted eligible	$11,535,214
Reimbursement rate	50%
Estimated Federal Reimbursement for ORPC	$5,767,607
ORPC	
Mandated Costs appropriation	$17,576,705
Mandated Costs appropriation	$1,290,122
Total eligible	$18,866,827
Penetration rate	48%
Adjusted eligible	$9,056,077
Reimbursement rate	50%
Estimated Federal Reimbursement for OCR	$4,528,038
Total Estimated Federal Reimbursement for ORPC & OCR	**$10,295,645**

Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-21 Youth Services Expenditure Alignment

Dept. Approval By:

OSPB Approval By:

	Supplemental FY 2019-20
	Budget Amendment FY 2020-21
x	**Change Request FY 2020-21**

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
Total of All Line Items Impacted by Change Request	Total	$89,546,816	$0	$91,046,625	($3,222,298)	($3,222,298)
	FTE	971.0	0.0	961.0	0.0	0.0
	GF	$87,284,351	$0	$88,771,885	($3,082,683)	($3,082,683)
	CF	$70,000	$0	$70,000	$0	$0
	RF	$2,192,249	$0	$2,189,595	($139,615)	($139,615)
	FF	$216	$0	$15,145	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
11. Division of Youth Services, (B) Institutional Programs, (1) Institutional Programs - Personal Services	Total	$67,301,072	$0	$69,018,748	($148,005)	($148,005)
	FTE	971.0	0.0	961.0	0.0	0.0
	GF	$67,301,072	$0	$69,018,748	($148,005)	($148,005)
	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	$4,307,591	$0	$4,153,645	($1,900)	($1,900)
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$2,844,707	$0	$2,675,832	($1,900)	($1,900)
	CF	$70,000	$0	$70,000	$0	$0
	RF	$1,392,668	$0	$1,392,668	$0	$0
	FF	$216	$0	$15,145	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
	Total	$17,938,153	$0	$17,874,232	($3,072,393)	($3,072,393)
11. Division of Youth Services, (C) Community Programs, (1) Community Programs - Purchase of Contract Placements	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$17,138,572	$0	$17,077,305	($2,932,778)	($2,932,778)
	CF	$0	$0	$0	$0	$0
	RF	$799,581	$0	$796,927	($139,615)	($139,615)
	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

Jared Polis
Governor

Michelle Barnes
Executive Director

Department Priority: R-21
Request Detail: Youth Services Expenditure Alignment

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	$0	($3,222,298)	($3,222,298)
FTE	0.0	0.0	0.0
General Fund	$0	($3,082,683)	($3,082,683)
Cash Funds	$0	$0	$0
Reappropriated Funds	$0	($139,615)	($139,615)
Federal Funds	$0	$0	$0

Summary of Request:

The Department of Human Services requests a decrease in total funds of $3,222,298 including a decrease of $3,082,683 General Fund and a decrease of $139,615 reappropriated funds in FY 2020-21 for the Division of Youth Services (DYS). The changes in funding are due to savings incurred due to a lower caseload forecast of committed youth as well as savings from contract facility closures. The fiscal impact of this decision item will be updated when the new caseload forecasts are released in January. This reduction is a 18.0 percent change to the Purchase of Contract Placements line appropriation for FY 2020-21. This proposal will have no impact on programs.

If the request is not approved, the Department will revert unused funds in this appropriation at the end of the year.

Current Program:

The Department of Human Services (Department) Division of Youth Services (DYS) operates ten State-owned secure facilities for detention and commitment. In addition, the State also places youth at a State-owned, privately operated facilities located in Watkins, Colorado as well as across multiple private providers. The expenditures for private providers, including those operating in State-owned facilities, are funded within the Purchase of Contract Placements line. Traditionally, the Division adjusts the need for placement with private providers in conjunction with the total commitment population forecast and corresponding State facility capacity.

Problem or Opportunity:

The Departments funding for the Purchase of Contract Placements line item was set by the commitment average daily population. The General Assembly used the January 2019 Division of Criminal Justice (DCJ) juvenile commitment forecast for FY 2018-19 as a basis for the current FY 2019-20 appropriation for the Purchase of Contract Placements. The DCJ projects the FY 2020-21 average daily population to be 6.3% lower, from 600.3 youth in FY 2018-19 to 562.5 youth in FY 20-21. This will result in a savings of $1,983,993.

In addition to the lower commitment population forecast , the Department will receive cost savings due to the closure of the DeNier center in Durango Colorado, as well as the closure of a four detention bed contracted facility in San Luis Valley. Both of these closures are contributing to the cost savings in this appropriation of $1,098,690.

Proposed Solution:

The Department of Human Services is requesting a budget reduction due to the decrease in caseload.

The Division is using the 2018 forecast from the Division of Criminal Justice and modifying it for an additional decrease in total committed youth based on the population trends experienced in FY 2018-19.

The DCJ forecast for FY 2020-21 was 590.5 average daily population. This request is based upon a projected caseload of 562.5 which is 28 lower than the last forecast.

This proposal will have no impact on programs.

Anticipated Outcomes:

The Division anticipates this adjustment will align the needed funding in the Purchase of Contract Placements with the projected population forecast and projected available State capacity.

If the request is not approved, the Department will revert unused funds in this appropriation at the end of the year.

Assumptions and Calculations:

Population adjustments have been calculated to estimate the need for funding for placement with private providers in Table 1. The Leap Year adjustment has been normalized for FY 2020-21.

Table 1: Contract Placement Model

FY 2019-20	LONG BILL FUNDING Commitment	Detention	% of Total Committed ADP	Total
Forecasted Beds -Preliminary projection	562.5	382.0	100%	944.5
Minus Boulder Impact	(2.0)	0.0	0%	(2.0)
Minus DeNier Contract at avg ADP committed	0.0	(9.0)	0%	(9.0)
Minus State Capacity	(388.0)	(369.0)	69%	(757.0)
Contract Beds	**172.5**	**4.0**	31%	**176.5**

	Estimated Need based on LCS Projection Contract Beds	Estimated Rate	Days		Total	General Fund	Reapprop. Funds
Contracted Facilities	172.5	$ 209.2027	366	$	13,208,012	$13,208,012	$0
Contracted Facilities Substance Use Programs	55.0	$ 42.12	366	$	847,876	$847,876	$0
Medicaid eligible ADP at annual cost	172.5	$ 3,825.89	per youth	$	659,966	$0	659,966
Need based on Forecast				$	**14,715,855**	$ **14,055,889**	$ **659,966**
TOTAL				$	14,715,855	$ 14,055,889	$ 659,966
LB (Baseline for NOV 1 Budget Request)				$	17,938,153	$ 17,138,572	$ 799,581
SHORTFALL/ (SURPLUS) in CONTRACT PLACEMENTS				$	(3,222,298)	$ (3,082,683)	$ (139,615)

Table 2: Summary of Changes

	FY 19-20		FY 20-21		CHANGE	
ADP	600.0		562.5		-37.5	
less State/ Boulder	-400.7		-390.0		10.7	
Net Community	199.3		172.5		-26.8	
	Total Fund	General Fund	Total Fund	General Fund	Total Fund	General Fund
Contracted Facilities	$ 15,192,005	$ 15,192,005	$ 13,208,012	$ 13,208,012	$ (1,983,993)	$ (1,983,993)
Substance Abuse Programs	$ 847,876	$ 847,876	$ 847,876	$ 847,876	$ -	$ -
Medicaid Expenses	$ 799,582	$ -	$ 659,966	$ -	$ (139,616)	$ -
Contract Detention Beds (SLV, Brown)	$ 243,507	$ 243,507	$ -	$ -	$ (243,507)	$ (243,507)
Staff Secure Detention costs DeNier	$ 855,183	$ 855,183	$ -	$ -	$ (855,183)	$ (855,183)
Need based on Forecast	$ 17,938,154	$ 17,138,572	$ 14,715,855	$ 14,055,889	$ (3,222,298)	$ (3,082,683)

Note: Caseload adjustment accounts for leap year in FY 20-21

Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-22 Adjust Medicaid Funding for Eligibility

Dept. Approval By:

OSPB Approval By:

	Supplemental FY 2019-20
	Budget Amendment FY 2020-21
x	**Change Request FY 2020-21**

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
	Total	$355,373,500	$0	$354,745,338	($1,900,000)	($1,900,000)
	FTE	0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	$179,778,033	$0	$189,010,061	$0	$0
	CF	$66,350,032	$0	$66,224,168	$0	$0
	RF	$12,981,594	$0	$12,981,594	($1,900,000)	($1,900,000)
	FF	$96,263,841	$0	$86,529,515	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
	Total	$355,373,500	$0	$354,745,338	($1,900,000)	($1,900,000)
	FTE	0.0	0.0	0.0	0.0	0.0
05. Division of Child Welfare, (A) Division of Child Welfare, (1) Division of Child Welfare - Child Welfare Services	GF	$179,778,033	$0	$189,010,061	$0	$0
	CF	$66,350,032	$0	$66,224,168	$0	$0
	RF	$12,981,594	$0	$12,981,594	($1,900,000)	($1,900,000)
	FF	$96,263,841	$0	$86,529,515	$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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Jared Polis
Governor

Michelle Barnes
Executive Director

Department Priority: R-22
Request Detail: Adjust Medicaid Funding for Eligibility

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	$0	($1,900,000)	($1,900,000)
FTE	0.0	0.0	0.0
General Fund	$0	$0	$0
Cash Funds	$0	$0	$0
Reappropriated Funds	$0	($1,900,000)	($1,900,000)
Federal Funds	$0	$0	$0

Summary of Request:

The Department of Human Services requests a decrease of $1,900,000 total funds including $1,900,000 reappropriated funds in FY 2020-21 and ongoing as a result of under-earning Medicaid funds from the Colorado Department of Health Care Policy and Financing (HCPF) in the Child Welfare program. This reduction of reappropriated funds will align the appropriation with the amount that is actually earned. This reduction will have no impact on programs.

Current Program:

In FY 2019-20, $12,981,594 reappropriated funds were appropriated in the Long Bill in (5) Division of Child Welfare, Child Welfare Services line item. This is Medicaid funding transferred from the Department of Health Care Policy and Financing (HCPF) to the Department for Medicaid-eligible expenditures provided by counties through the Child Welfare Services (or Child Welfare Block) allocation.

Problem or Opportunity:

Historically, Medicaid-eligible services have been significantly lower than the appropriation. This reduction would better align actual expenditures with appropriations.

Proposed Solution:

The Department requests a decrease of $1,900,000 total funds/reappropriated funds in FY 2020-21 and ongoing as a result of under-earning Medicaid funds from the Colorado Department of Health Care Policy and Financing (HCPF).

Anticipated Outcomes:

This reduction of reappropriated funds will align the appropriation with the amount that is actually earned.

The Department does not anticipate a negative impact to the provision of child welfare services due to this reduction in appropriation.

Assumptions and Calculations:

Table 1 shows the Medicaid funding that has been earned in Child Welfare Services.

Table 1: Medicaid Totals

Fiscal Year	Child Welfare Medicaid Appropriation	Reappropriated Medicaid Dollars (Actuals)
FY 2013-14	$14,579,137	$4,529,554
FY 2014-15	$14,943,615	$3,467,708
FY 2015-16	$15,222,606	$4,186,168
FY 2016-17	$15,197,702	$3,725,312
FY 2017-18	$15,410,746	$6,305,738
FY 2018-19	$15,564,853	$5,302,526

**Amounts do not include Children's Habilitation Residential Program Waiver (CHRP) funding.*
***The Medicaid Appropriation reflects the Long Bill*

Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-23 Adjust Leased Space Funding Grand Junction

Dept. Approval By:

OSPB Approval By:

	Supplemental FY 2019-20
	Budget Amendment FY 2020-21
x	**Change Request FY 2020-21**

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total of All Line Items Impacted by Change Request	Total	$1,986,886	$0	$1,986,886	($48,558)	($48,558)
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$695,093	$0	$695,093	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$1,291,793	$0	$1,291,793	($48,558)	($48,558)
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
03. Office of Operations, (A) Administration, (1) Administration - Leased Space	Total	$1,986,886	$0	$1,986,886	($48,558)	($48,558)
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$695,093	$0	$695,093	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$1,291,793	$0	$1,291,793	($48,558)	($48,558)
	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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Department of Human Services

FY 2020-21 Funding Request

November 1, 2019

Jared Polis
Governor

Michelle Barnes
Executive Director

Department Priority: R-23
Request Detail: Adjust Leased Space Funding Grand Junction Regional Center

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	$0	($48,558)	($48,558)
FTE	0.0	0.0	0.0
General Funds	$0	$0	$0
Cash Funds	$0	$0	$0
Reappropriated Funds	$0	($48,558)	($48,558)
Federal Funds	$0	$0	$0

Summary of Request:

The Department of Human Services requests a reduction of $48,558 total funds/reappropriated funds in FY 2020-21 and ongoing of the lease line appropriation for the Grand Junction Regional Center Administrative Office. The Department was able to locate and lease a site at a cost less than the amount appropriated by the General Assembly for this purpose. The cost of the lease includes escalation in future years that will need to be covered by the existing appropriation.

Current Program:

The Division for Regional Center Operations provides residential, day programming and other supportive services across three Regional Centers in Pueblo, Wheat Ridge and Grand Junction. The Grand Junction Regional Center provides Intermediate Care Facility for Individuals with Intellectual and Developmental Disabilities (ICF/IDD) services to 22 individuals on a 42 acre campus. ICF/IDD residential services are the most acute residential services available in Colorado's continuum of care for adults with intellectual and developmental disabilities.

Problem or Opportunity:

The Colorado Department of Human Services Office of Administrative Solutions requests to reduce the lease line appropriation for the Grand Junction Regional Center Administrative Office by ($48,558). The Department was able to locate and lease a site at a cost less than the amount appropriated by the General Assembly for this purpose. The cost of the lease includes escalation in future years that will need to be covered by the existing appropriation. There would be little to no impact by this reduction.

Proposed Solution:

This reduction is necessary to more closely align actual lease costs with the appropriation amount. The reduction will allow the Department of Human Services to prioritize spending elsewhere.

Anticipated Outcomes:

This reduction will allow the Colorado Department of Human Services to save $48,558 and reprioritize spending.

Assumptions and Calculations:

In FY 2018-19, through Budget Amendment 13 request, The Department requested $562,000 total funds (including $38,000 General Fund, $520,032 reappropriated funds, and $3,968 cash funds) for leased space in FY 2018-19 and ongoing for the Department to implement Senate Bill 16-178 by relocating administrative functions off of the Grand Junction Regional Center Campus and performing pre-construction activities for moving the residents off the Campus.

Table 1. Summary of Budget Amendment 13.

FY 2018-19 Budget Amendment-13, Grand Junction Campus Relocation – Administrative Leased Space					
Summary of Incremental Change	Total Funds	FTE	General Fund	Reappropriated Funds	Cash Funds
	$562,000	0.0	$38,000	$520,032	$3,968

Table 2. Summary of Rental (Lease) Rates and Rental Cost Escalations

Term Dates	Estimated Monthly Rent	Estimated Total Term Rent	1 Year's Lease Cost
5/1/18 – 6/30/18	$ 12,665	$ 25,330	
7/1/18 – 4/30/19	$ 12,665	$ 126,650	$ 151,980
5/1/19 – 6/30/19	$ 12,915	$ 25,830	
7/1/19 – 4/30/20	$ 12,915	$ 129,150	$ 154,980
5/1/20 – 6/30/20	$ 13,165	$ 26,330	
7/1/20 – 4/30/21	$ 13,165	$ 131,650	$ 157,980
5/1/21 – 6/30/21	$ 13,415	$ 26,830	
7/1/21 – 4/30/22	$ 13,415	$ 134,150	$ 160,980
5/1/22 – 6/30/22	$ 13,665	$ 27,330	
7/1/22 – 4/30/23	$ 13,665	$ 136,650	$ 163,980

Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-24 Adjust Old Age Pension Funding Based on Caseload

Dept. Approval By:

OSPB Approval By:

	Supplemental FY 2019-20
	Budget Amendment FY 2020-21
x	Change Request FY 2020-21

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
Total of All Line Items Impacted by Change Request	Total	$101,173,541	$0	$101,173,541	($22,268,490)	($22,268,490)
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$101,173,541	$0	$101,173,541	($22,268,490)	($22,268,490)
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
10. Adult Assistance Programs, (B) Old Age Pension Program, (1) Old Age Pension Program - Cash Assistance Programs	Total	$101,173,541	$0	$101,173,541	($22,268,490)	($22,268,490)
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$101,173,541	$0	$101,173,541	($22,268,490)	($22,268,490)
	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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Department Priority: R-24
Request Detail: Adjust Old Age Pension Funding Based on Caseload

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	$0	($ 22,268,490)	($ 22,268,490)
FTE	0.0	0.0	0.0
General Fund	$0	$0	$0
Cash Funds	$0	($ 22,268,490)	($ 22,268,490)
Reappropriated Funds	$0	$0	$0
Federal Funds	$0	$0	$0

Summary of Request:

The Department of Human Services requests a reduction of ($22,268,490) total funds/Old Age Pension (OAP) cash funds in FY 2020-21 and ongoing to reflect the decreased caseload and align the appropriation with actual and projected expenditures for the Old Age Pension Cash Assistance Program. This is a 22.0% decrease from the FY 2019-20 appropriation.

The number of seniors in Colorado is growing faster than the overall State population. However, the OAP program caseload has been declining in recent years. While the exact reason for this decline is unknown, the Department expects the currently strong economy is a key factor.

The declining OAP caseload has reduced monthly cash assistance expenditures by 15.9% from July 2016 to May 2019. The recommended amount represents the average difference between the OAP appropriation and expenditures for FY 2016-17 through FY 2019-20 (projected).

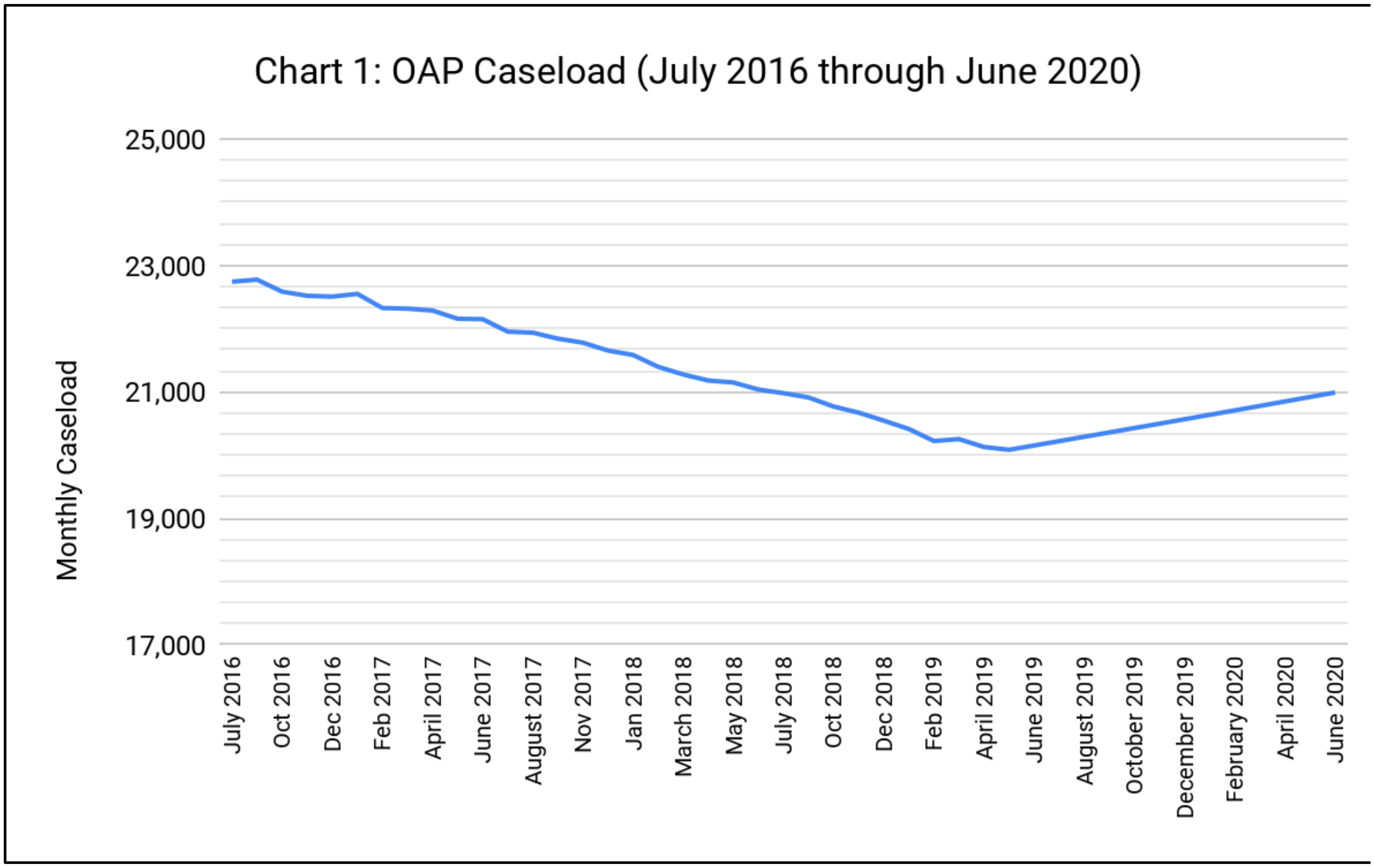
Current Program:

The Old Age Pension (OAP) program provides a maximum monthly benefit of $809 per client. Funds for OAP cash assistance and all other program expenditures are constitutionally appropriated. As such, OAP funds are continuously appropriated and come “off the top” of the State budget (i.e. what remains unappropriated for the OAP becomes the General Fund).

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 Coloradan. 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. However, the OAP program caseload has been declining in recent years. While the exact reason for this decline is unknown, the Department expects the currently strong economy is a key factor.

Ultimately, the OAP program is designed to mitigate the effects of poverty among vulnerable Coloradans, over age 60, via cash benefits. In 2019, the maximum OAP grant standard is $809 per month. For many seniors, OAP funds are their primary source of disposable income to meet their daily needs.

Chart 1 illustrates the OAP caseload changes between July 2016 and June 2020. Caseload data from June 2019 to June 2020 is projected.



Problem or Opportunity:

The declining OAP caseload has reduced monthly cash assistance expenditures. Table 1 provides historical data from July 2016 showing declining monthly expenditures paid as client benefits. Total monthly benefits paid has decreased 15.9% from July 2016 ($6,976,338) to May 2019 (5,868,770). For FY 2018-19, the OAP Cash Assistance Programs appropriation is $97,874,518; the projected cash benefits expenditure is $71,472,468, a difference of $26,402,050 between the appropriation and expenditures.

Table 1: Caseload and Expenditure Data by Month (FY 2016-17 through FY 2018-19)				
Fiscal Year	**Month**	**Total Caseload**	**Average Payments**	**Monthly Expenditures**
FY 2016-17	July 2016	22,742	$306.76	$6,976,338
	Aug 2016	22,774	$307.25	$6,997,326
	Sept 2016	22,639	$305.67	$6,920,051
	Oct 2016	22,584	$303.12	$6,845,672
	Nov 2016	22,519	$304.14	$6,848,825
	Dec 2016	22,506	$314.85	$7,086,025
	Jan 2017	22,549	$304.82	$6,873,334
	Feb 2017	22,326	$303.56	$6,777,254
	March 2017	22,315	$301.27	$6,722,914
	April 2017	22,286	$298.72	$6,657,188
	May 2017	22,156	$296.60	$6,571,366
	June 2017	22,149	$297.49	$6,589,030
TOTAL	**FY 2016-17**			**$81,865,323**
FY 2017-18	July 2017	21,952	$293.31	$6,438,789
	Aug 2017	21,936	$293.53	$6,438,789
	Sept 2017	21,906	$292.72	$6,412,336
	Oct 2017	21,841	$290.94	$6,354,423
	Nov 2017	21,777	$289.94	$6,313,988
	Dec 2017	21,653	$290.69	$6,294,408
	Jan 2018	21,583	$294.93	$6,365,563
	Feb 2018	21,396	$292.73	$6,263,193
	March 2018	21,275	$292.82	$6,229,835
	April 2018	21,179	$292.24	$6,189,271
	May 2018	21,148	$291.36	$6,161,602
	June 2018	21,037	$289.60	$6,092,328
TOTAL	**FY 2017-18**			**$75,554,525**
FY 2018-19	July 2018	20,979	$288.89	$6,060,565

	Aug 2018	20,911	$289.53	$6,054,304
	Sept 2018	20,787	$288.48	$5,996,637
	Oct 2018	20,768	$288.64	$5,994,414
Table 1: Caseload and Expenditure Data by Month (*continued*)				
	Nov 2018	20,671	$286.69	$5,926,132
	Dec 2018	20,545	$290.59	$5,970,165
	Jan 2019	20,413	$293.97	$6,000,867
	Feb 2019	20,223	$292.90	$5,923,253
	March 2019	20,253	$292.46	$5,923,253
	April 2019	20,128	$291.40	$5,865,384
	May 2019	20,084	$292.21	$5,868,770
	June 2019	*20,152*	*$292.21*	*$5,888,724*
TOTAL	**FY 2018-19**			***$71,472,468***
FY 2019-20	*July 2019*	*20,221*	*$292.21*	*$5,908,745*
	August 2019	*20,290*	*$292.21*	*$5,928,835*
	September 2019	*20,359*	*$292.21*	*$5,948,993*
	October 2019	*20,428*	*$292.21*	*$5,969,220*
	November 2019	*20,497*	*$292.21*	*$5,989,515*
	December 2019	*20,567*	*$292.21*	*$6,009,880*
	January 2020	*20,637*	*$297.00*	*$6,129,139*
	February 2020	*20,707*	*$297.00*	*$6,149,978*
	March 2020	*20,777*	*$297.00*	*$6,170,887*
	April 2020	*20,848*	*$297.00*	*$6,191,869*
	May 2020	*20,919*	*$297.00*	*$6,212,921*
	June 2020	*20,990*	*$297.00*	*$6,234,045*
TOTAL	**FY 2019-20**			***$72,844,027***

**Projected data provided for June 2019 through June 2020*

The OAP program is constitutionally available to low-income individuals age 60 and over. The increasing population who are potentially eligible for OAP has not been reflected in an increased caseload. This lack of correlation may be related to the strong economy or for other reasons outside the Department's understanding. Table 2 provides a four-year summary of actual expenditures compared to appropriations.

Quarterly, the Department provides an OAP caseload and expenditure projection to the Governor's Office to be included in the Governor's and General Assembly's economic forecasts. The projection assumes an 8% caseload growth every two years. This assumption is based on the State Demographer's projection for population growth among individuals over age 65. The FY 2019-20 projection assumes an anticipated 1.5% Cost of Living Adjustment (COLA) in January 2020 to mirror the anticipated federal Social Security Administration's (SSA) COLA increases for individuals receiving Supplemental Security Income (SSI). The SSA's COLA is announced each October and takes effect in January. The State Board of Human Services has the constitutional authority to set the OAP benefits; traditionally, the State Board has applied an annual OAP COLA that mirrors the SSI COLA.

In prior years the Department has submitted an informational-only decision item to reflect the SSI COLA amount and its effect on the OAP appropriation. Table 2 shows that despite the OAP expenditures decreasing, the appropriation has continued to increase based on the application of the COLA.

Table 2. OAP Expenditures vs Appropriation			
	Actual Expenditures	Appropriation	Difference
FY 2016-17	$81,865,323	$95,160,150	$13,294,827
FY 2017-18	$75,554,525	$96,602,091	$21,047,566
FY 2018-19*	$71,472,468	$97,874,518	$26,402,050
FY 2019-20*	$72,844,026	$101,173,541	$28,329,515
Average			**$22,268,490**

**FY 2018-19 and FY 2019-20 expenditures are projected*

Proposed Solution:

The Department of Human Services requests a reduction of ($22,268,490) total funds/Old Age Pension (OAP) cash funds in FY 2020-21 and ongoing to reflect the decreased caseload and actual expenditures of the Old Age Pension Cash Assistance Program. The recommended amount represents the average difference between the OAP appropriation and expenditures for FY 2016-17 through FY 2019-20 (projected).

The reduction in the informational-only Long Bill line will more accurately reflect the anticipated OAP program expenditures. Going forward, using the quarterly December and March OAP projections to adjust the Long Bill amount will also reflect the most up to date COLA to be implemented and reduce the need for separate decision items/supplementals each year. Meanwhile, the Department will continue to closely monitor population projections and caseload changes and include that data in its quarterly OAP projections.

Anticipated Outcomes:

Adjusting the appropriation provides a more realistic projection of the OAP funds required to serve the anticipated caseload. Improving the accuracy of the required appropriation will provide a more accurate projection of the OAP's impact to the General Fund. Reliance on the quarterly OAP projections will eliminate the need for a separate decision item/supplemental request to report the SSI COLA announced annually in October.

Assumptions and Calculations:

Projected expenditures for FY 2019-20 is based on a projected 8% caseload increase (every two years) of poor Coloradans aged 60 years or older. This projection was provided by the State Demographer's Office as a means for predicting the change to eligible population. The OAP grant standard is subject to an annual COLA approved by the State Board of Human Services. The Social Security Administration (SSA) approves an annual COLA amount in October for the following calendar year. Expenditure estimates assume the SSA will approve a 1.5% COLA for FY 2019-20, which will be mirrored in the State Board's action for an OAP COLA. Applying a 1.5% COLA to the estimated average OAP benefit among the projected caseload (see Table 1) will increase expenditures by $1,371,559 in FY 2019-20.

Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-25 Refinance Substance Use Treatment Services

Dept. Approval By:

OSPB Approval By:

	Supplemental FY 2019-20
	Budget Amendment FY 2020-21
x	**Change Request FY 2020-21**

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
Total of All Line Items Impacted by Change Request	Total	$54,219,660	$0	$54,455,134	($2,800,000)	$0
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$13,583,079	$0	$14,318,079	($1,300,000)	$0
	CF	$21,443,114	$0	$20,943,588	$0	$0
	RF	$0	$0	$0	($1,500,000)	$0
	FF	$19,193,467	$0	$19,193,467	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
08. Behavioral Health Services, (C) Substance Use Treatment and Prevention, (1) Treatment Services - Treatment and Detoxification Contracts	Total	$38,642,796	$0	$38,878,270	($1,300,000)	$0
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$13,583,079	$0	$14,318,079	($1,300,000)	$0
	CF	$5,866,250	$0	$5,366,724	$0	$0
	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	$15,576,864	$0	$15,576,864	($1,500,000)	$0
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$15,576,864	$0	$15,576,864	$0	$0
	RF	$0	$0	$0	($1,500,000)	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation

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

Department Priority: R-25
Request Detail: Repurpose Substance Use Treatment Services Funding

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	$0	($2,800,000)	$0
FTE	0.0	0.0	0.0
General Fund	$0	($1,300,000)	$0
Cash Funds	$0	$0	$0
Reappropriated Funds	$0	($1,500,000)	$0
Federal Funds	$0	$0	$0

Summary of Request:

The Department of Human Services requests a reduction of $2,800,000 total funds, including reductions of $1,300,000 General Fund and $1,500,000 reappropriated funds in FY 2020-21. This reduction will repurpose State funds that will be duplicated from substance use residential and inpatient treatment resources that will be provided through the State's H.B. 18-1136 Medicaid expansion.

Current Program:

The Department's Substance Use Treatment and Prevention Services, Treatment and Detoxification Programs Long Bill line item provides funding to Managed Service Organizations (MSOs) to provide substance use treatment service to individuals that are indigent. This array of services includes residential treatment services.

The passage of S.B. 16-202 provided the funding for substance use disorder services and S.B. 17-254 (FY 2017-18 Long Bill) created this line item to differentiate it from the appropriation that is distributed to Managed Service Organizations on July 1 each fiscal year (per statutory direction) rather than on a cost reimbursement basis.

This bill requires each of the State's designated regional MSOs provide treatment services for substance use disorders. It also requires MSOs to assess the sufficiency of substance use disorder services in its geographic region, and to prepare a community action plan to address the most critical service gaps. The act provides for an annual appropriation from the Marijuana Tax Cash Fund to support the implementation of these plans and this line item serves that purpose. This line item also funds evaluation services to determine the effectiveness of this program.

Problem or Opportunity:

The State will expand Medicaid coverage for residential substance use treatment services based upon the passage of H.B. 18-1136, titled, Concerning Treatment for Individuals with Substance use disorders, and, in connection therewith, adding residential and inpatient treatment to the Colorado Medical Assistance Program.

The bill adds residential and inpatient substance use disorder services and medical detoxification services to the Colorado medical assistance program. When this happens, it is anticipated that many substance use residential treatment providers will become part of the Colorado medical assistance program treatment network. The benefit is limited to persons who meet nationally recognized, evidence-based level of care criteria for residential and inpatient substance use disorder treatment.

It is anticipated that the benefit will be available July 1, 2020 and that the need for State General Fund provided to the Office of Behavioral Health and contracted through MSOs will be reduced as a result of the H.B 18-1136 residential substance use treatment benefit.

It must be noted that funding for room and board should be retained in base funding at the Department's Office of Behavioral Health because Medicaid does not cover room and board which is an essential component of funding substance use residential treatment capacity.

Proposed Solution:

As a result of indigent clients receiving substance use residential treatment services, through Medicaid, the State may utilize General Fund from the Substance Use Treatment & Prevention Services line item along with S.B. 202 Marijuana Tax Cash Fund for other purposes.

Anticipated Outcomes:

This reduction will allow the State to repurpose $2,800,000 of State appropriations. Additionally, through H.B 18-1136 it is anticipated that the State will significantly increase spending on residential treatment services. Table 1 below provides an estimate of the funding that will be made available for residential and inpatient substance use treatment services through H.B. 18-1136.

Table 1: Expenditures Under HB 18-1136

Expenditures Under HB 18-1136

	FY 2018-19	FY 2019-20	FY 2020-21
Dept. of Health Care Policy and Financing			
Personal Services	$102,750	$137,000	$137,000
Operating Expenses and Capital Outlay Costs	$10,831	$1,900	$1,900
Contractor and Actuarial Costs	$225,000	$150,000	$150,000
Travel and Conferences	$95,074	$95,074	-
Printing and Training Material	$40,000	$40,000	-
Facility Licensing Costs	-	$30,000	$60,000
Inpatient and Residential Treatment	-	-	$179,996,000
Current Treatment Services Offset	-	-	($6,127,931)
Centrally Appropriated Costs*	$20,326	$27,101	$27,101
FTE – Personal Services	1.5 FTE	2.0 FTE	2.0 FTE
Total Cost	**$493,981**	**$481,075**	**$174,244,070**
Total FTE	**1.5 FTE**	**2.0 FTE**	**2.0 FTE**

The Department of Health Care Policy and Financing analyzed FY 2020-21 appropriations from H.B 18-1136 and determined the need for the appropriation to be reduced in the FY 2020-21 start-up year. The Department of Health Care Policy and Financing's request is consistent with this request.

It is anticipated that this change to the Colorado medical assistance program provided through the Department of Health Care Policy and Financing will reduce the demand for residential treatment services provide by OBH. It is further anticipated that subcontracted substance use treatment providers will bill Medicaid, rather than OBH for the population the indigent population that was previously covered by the Office of Behavioral Health.

Assumptions and Calculations:

Table 2 represents line items that account for the $2,800,000 of State funds that are available for repurposing.

The Department assumes that current substance use residential treatment providers will become part of the Colorado medical assistance program treatment network provided through the

Department of Health Care Policy and Financing. The Department assumes that some of indigent population that it currently serves will become Medicaid eligible for the residential and inpatient substance use benefit. The Department also assumes that appropriations for room and board should be retained in base funding at the Department's Office of Behavioral Health because Medicaid does not cover room and board which is an essential component of funding substance use residential treatment capacity. Finally, it is assumed that the Department's base substance use treatment budget will be used to assist the State with expanding residential treatment capacity.

Table 2: Available funds for Repurposing			
A	B	C	D
Description	Department of Human Services General Fund (8) (C) Treatment & Detox Svcs.	Department of Human Services Cash Funds (8)(C) Increasing Access to Effective Substance Use Disorder Services	Total Funds Available for Repurposing
Current Residential Treatment Funds from CDHS-OBH	($1,300,000)	($1,500,000)	($2,800,000)
Available Funds for Repurposing	1,300,000	$1,500,000	$2,800,000

Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-26 Adjust Veteran Community Living Center Reserves

Dept. Approval By:

OSPB Approval By:

	Supplemental FY 2019-20
	Budget Amendment FY 2020-21
x	Change Request FY 2020-21

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
Total of All Line Items Impacted by Change Request	Total	$56,947,805	$0	$56,947,805	$0	$0
	FTE	577.3	0.0	577.3	0.0	0.0
	GF	$3,469,922	$0	$3,469,922	($3,469,922)	($3,469,922)
	CF	$32,046,083	$0	$32,046,083	$3,469,922	$3,469,922
	RF	$0	$0	$0	$0	$0
	FF	$21,431,800	$0	$21,431,800	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
09. Services for People with Disabilities, (D) Veterans Community Living Centers, (1) Veterans Community Living Centers - Fitzsimons Veterans Community Living Center	Total	$24,506,708	$0	$24,506,708	$0	$0
	FTE	236.4	0.0	236.4	0.0	0.0
	GF	$965,580	$0	$965,580	($965,580)	($965,580)
	CF	$12,027,928	$0	$12,027,928	$965,580	$965,580
	RF	$0	$0	$0	$0	$0
	FF	$11,513,200	$0	$11,513,200	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
09. Services for People with Disabilities, (D) Veterans Community Living Centers, (1) Veterans Community Living Centers - Florence Veterans Community Living Center	Total	$12,558,427	$0	$12,558,427	$0	$0
	FTE	135.0	0.0	135.0	0.0	0.0
	GF	$513,096	$0	$513,096	($513,096)	($513,096)
	CF	$7,674,231	$0	$7,674,231	$513,096	$513,096
	RF	$0	$0	$0	$0	$0
	FF	$4,371,100	$0	$4,371,100	$0	$0
09. Services for People with Disabilities, (D) Veterans Community Living Centers, (1) Veterans Community Living Centers - Homelake Veterans Community Living Center	Total	$8,688,170	$0	$8,688,170	$0	$0
	FTE	95.3	0.0	95.3	0.0	0.0
	GF	$567,049	$0	$567,049	($567,049)	($567,049)
	CF	$5,180,621	$0	$5,180,621	$567,049	$567,049
	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	$10,394,500	$0	$10,394,500	$0	$0
	FTE	110.6	0.0	110.6	0.0	0.0
	GF	$624,197	$0	$624,197	($624,197)	($624,197)
	CF	$7,163,303	$0	$7,163,303	$624,197	$624,197
	RF	$0	$0	$0	$0	$0
	FF	$2,607,000	$0	$2,607,000	$0	$0
09. Services for People with Disabilities, (D) Veterans Community Living Centers, (1) Veterans Community Living Centers - Transfer to the Central Fund pursuant to Section 26-12-108	Total	$800,000	$0	$800,000	$0	$0
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$800,000	$0	$800,000	($800,000)	($800,000)
	CF	$0	$0	$0	$800,000	$800,000
	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

Department of Human Services

FY 2020-21 Funding Request

November 1, 2019

Jared Polis
Governor

Michelle Barnes
Executive Director

Department Priority: R-26
Request Detail: Adjust Veterans Community Living Center Reserves

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	$0	$0	$0
FTE	0.0	0.0	0.0
General Fund	$0	($3,469,922)	($3,469,922)
Cash Funds	$0	$3,469,922	$3,469,922
Re-appropriated Funds	$0	$0	$0
Federal Funds	$0	$0	$0

Summary of Request:

The Department requests the elimination of General Fund for the Veterans Community Living Centers (VCLCs) in the amount of $3,469,922 to be replaced by cash funds spending authority from the Veteran Central Fund for the Veterans Community Living Centers in FY 2020-21 through FY 2025-26 in order to spend down balance of approximately $25.8 million in the Veterans Central Fund. Even if no new funding comes into the Veteran Central Fund, refinancing the General Fund appropriations could be done for up to 7 years without depleting the cash fund balance.

Current Program:

The Veterans Community Living Centers are State-owned facilities that provide skilled nursing care primarily to honorably discharged veterans and their spouses, widows and, in some instances, parents of deceased veterans (Gold Star parents). Five VCLCs are located throughout the State: Aurora (Fitzsimons), Florence (McCandless), Monte Vista (Homelake), Rifle, and Walsenburg (Spanish Peaks). Each facility is Medicare and Medicaid-certified and licensed by the Colorado Department of Public Health and Environment. Additionally, the VCLCs are certified by the U.S. Department of Veterans Affairs to receive federal funds in support of the care of veterans.

Problem or Opportunity:

The cash fund balance for the Veterans Central Fund, referred to as fund 5050, has grown from $18.9 million in FY 2014-25 to $22.6 million in FY 2017-18. As of June 2109, there is a balance of approximately $25.8 million in the Veterans Central Fund. Even if no new funding comes into the Veteran Central Fund, refinancing the General Fund appropriations could be done for up to 7 years without depleting the cash fund balance.

Proposed Solution:

The Department proposes to fund the VCLCs direct care positions pay increases solely with cash funds, resulting in an annual General Fund savings of $3,469,922. The Department submitted a decision item for FY 2019-20 to increase pay for direct care staff at the VCLCs and DYS. For the VCLCs, the pay increase was funded by a combination of cash funds from the VCLC's Central Fund and from the General Fund. Under this proposal, the VCLCs would fund all of the direct care pay increases in FY 2020-21 through FY 2025-26 with its Central Fund. This would still leave adequate savings within the cash fund for other activities or to buffer against a future economic downturn.

Anticipated Outcomes:

Refinancing the General Fund appropriation for direct care positions salary increases with funds from the Central Fund would allow the Department to pare down its cash balance in the Central Fund over the next six years. This would allow the State to direct the General Fund freed up by this action to other priorities.

Assumptions and Calculations:

The amount of this request is based on the General Fund appropriations provided to pay for the salary increase of direct care staff in the FY 2019-20 Long Bill, including the transfer to the Central Fund, through the Department's R-02 Direct Care compensation request.

Below is the approximate fund balance from FY 2019029 through FY 2025-26.

Table 1: Approximate fund balance from FY 2019029 through FY 2025-26.

Fiscal Year	Fund Balance
FY 2019-20	25,800,000
FY 2020-21	22,330,078
FY 2021-22	18,860,156
FY 2022-23	15,390,234
FY 2023-24	11,920,312
FY 2024-25	8,450,390
FY 2025-26	4,980,468

Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-27 Redirect Intrastate Redistribution Funding

Dept. Approval By:

OSPB Approval By:

	Supplemental FY 2019-20
	Budget Amendment FY 2020-21
X	**Change Request FY 2020-21**

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
	Total	$2,000,000	$0	$2,000,000	($1,500,000)	$0
	FTE	0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	$0	$0	$0	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$2,000,000	$0	$2,000,000	($1,500,000)	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
	Total	$2,000,000	$0	$2,000,000	($1,500,000)	$0
06. Division of Early Childhood, (A) Division of Early Care and Learning, (1) Division of Early Care and Learning - Intrastate Child Care Assistance Program Redistribution	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$2,000,000	$0	$2,000,000	($1,500,000)	$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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Department Priority: R-27
Request Detail: Redirect Intrastate Redistribution Funding

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	$0	($1,500,000)	($1,500,000)
FTE	0.0	0.0	0.0
General Funds	$0	$0	$0
Cash Funds	$0	$0	$0
Reappropriated Funds	$0	$0	$0
Federal Funds	$0	($1,500,000)	($1,500,000)

Summary of Request:

The Department of Human Services requests the authorization to reallocate $1,500,000 in total funds/ federal Child Care and Development Fund (CCDF) in FY 2020-21 from the Intrastate Redistribution line to other child care activities allowable under the CCDF grant. This request represents a 75% reduction in spending authority as compared to the FY 2019-20 appropriation and is accompanied by separate decision items requesting complementary increases in federal spending authority under the CCDF grant. Specifically, the Department requests that this reduction in CCDF spending authority for Child Care Resource and Referral (CCR&R) activities is accompanied by a complementary increase in CCDF spending authority through the Department's R-01 Comprehensive Approach to Improving Child Care Quality and R-03 Child Care Assistance Program Direct Services requests. This request is an ongoing reduction.

The Intrastate Redistribution line item was established in FY 2018-19 to ensure the Department had the CCDF spending authority to implement federal requirements related to regulations under the 2014 CCDF Reauthorization as well as to smooth the implementation of the Colorado General Assembly's HB18-1335. Due to rule changes under CCCAP, the demand for these funds has been lower than expected, resulting in $1,500,000 of undesignated funds in FY 2019-20. The Department now has better information about the cost of both the CCDF intrastate requirements and the new CCCAP payment model and is better able to predict the cost of the system changes necessary to assist counties with the transition.

The Department anticipates that the reallocation of $1,500,000 of federal spending authority for other child care activities allowable under the CCDF grant would allow the State to address the specific challenges related to equal access to high-quality early child care and education, including child care deserts, workforce development, and provider retention.

Current Program:

Federal regulations revised in 2014 under the Child Care and Development Fund (CCDF) required states to ensure families remain eligible for child care assistance for a minimum of 12 consecutive months, regardless of where they live within the state. This represented a major shift for the Colorado Child Care Assistance Program (CCCAP) as a county-administered program, where families were only deemed eligible if they remained in the county of residence under which they applied for CCCAP. This policy change was expected to increase the length of time families remain eligible under CCCAP.

At approximately the same time, the Colorado General Assembly passed HB 18-1335, which established statewide income eligibility criteria, state-set child care provider reimbursement rates, and a new formula for the CCCAP county allocation. In combination, the state and federal policy changes were expected to require funding to implement.

The Intrastate Redistribution line was implemented in FY 2018-19 to establish a CCCAP fund reserve to be used to address intrastate portability under the CCDF federal regulations and ease the transition to the new funding model for CCCAP required by HB 18-1335.

Problem or Opportunity:

The Intrastate Redistribution line item was established in FY 2018-19 to ensure the Department had the CCDF spending authority to implement federal requirements related to regulations under the 2014 CCDF Reauthorization as well as to smooth the implementation of HB18-1335. Due to rule changes under CCCAP, the demand for these funds has been lower than expected. The Department now has better information about the cost of both the CCDF intrastate requirements and the new CCCAP payment model and is better able to predict the cost of the system changes necessary to assist counties with the transition. As part of the FY 2020-21 budgeting process, the Department undertook a robust review of funding, legislation, reports, programs, and C-Stat data to ensure funding aligns with its strategic plan and priorities. During this process, the Department determined that $1,500,000 for the Intrastate Redistribution could be reduced and reallocated for other more impactful child care activities.

Proposed Solution:

The Department proposes reallocating $1,500,000 of federal spending authority from the Intrastate Redistribution line item to other more impactful child care activities allowable under the CCDF grant. The remaining funds in the line item will be used to continue to ensure adherence to regulations and improve effective delivery of the program, including enhancements to the CCCAP IT system, the Child Care Automated Tracking System (CHATS). The Department also requests to roll forward any unspent funds remaining from the FY 2019-20 appropriation in this line to continue enhancements to CHATS.

Anticipated Outcomes:

The Department anticipates that the reallocation of $1,500,000 of federal spending authority for other child care activities allowable under the CCDF grant would allow the State to address the specific challenges related to equal access to high-quality early child care and education, including child care deserts, workforce development, and provider retention. Specifically, these CCDF funds could be used to support the outcomes of the Department's R-01 Comprehensive Approach to Improving Child Care Quality and R-03 Child Care Assistance Program Direct Services budget requests.

Assumptions and Calculations:

In order to determine the amount that could be reduced, the Department identified the portion of funds in this line that have not been designated for specific activities beginning in FY 2019-20 related to the implementation of federal regulations and transitions under HB 18-1335.

In FY 2020-21 and beyond, the Department can reduce this line item by $1,500,000, which is the amount of undesignated funds, without disruption to the planned enhancements funded by this line.

Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-28 Post Affordable Care Act Reductions

Dept. Approval By:			**Supplemental FY 2019-20**
OSPB Approval By:			**Budget Amendment FY 2020-21**
		x	**Change Request FY 2020-21**

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
	Total	4,371,490	$0	$14,371,490	($1,284,000)	($1,284,000)
	FTE	0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	$11,012,459	$0	$11,012,459	($647,000)	($647,000)
	CF	$0	$0	$0	$0	$0
	RF	$3,359,031	$0	$3,359,031	($637,000)	($637,000)
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
	Total	$4,821,702	$0	$4,821,702	($247,000)	($247,000)
08. Behavioral Health Services, (C) Substance Use Treatment and Prevention, (1) Treatment Services - Offender Services	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$3,301,325	$0	$3,301,325	($247,000)	($247,000)
	CF	$0	$0	$0	$0	$0
	RF	$1,520,377	$0	$1,520,377	$0	$0
	FF	$0	$0	$0	$0	$0
	Total	$1,838,654	$0	$1,838,654	($637,000)	($637,000)
08. Behavioral Health Services, (C) Substance Use Treatment and Prevention, (1) Treatment Services - High Risk Pregnant Women Program	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	($637,000)	($637,000)
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
	Total	**$7,711,134**	**$0**	**$7,711,134**	**($400,000)**	**($400,000)**
08. Behavioral Health Services, (D) Integrated Behavioral Health Services, (1) Integrated Behavioral Health Services - Community Transition Services	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$7,711,134	$0	$7,711,134	($400,000)	($400,000)
	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:**	No Other Agency Impact

Department Priority: R-28
Request Detail: Post Affordable Care Act Reductions

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	$0	($1,284,000)	($1,284,000)
FTE	0.0	0.0	0.0
General Funds	$0	($647,000)	($647,000)
Cash Funds	$0	$0	$0
Reappropriated Funds	$0	($637,000)	($637,000)
Federal Funds	$0	$0	$0

Summary of Request:

The Department of Human Services requests a reduction of $1,284,000 total funds and $965,500 net state Funds (General Fund and net General Fund) in FY 2020-21 and beyond, for the purpose of reducing the Department's Office of Behavioral Health Programs (OBH) that are underutilized as a result of expanded Medicaid coverage and benefits under the Affordable Care Act.

Current Program:

The Department identified the following programs that have historical underutilization or have partially duplicative funding sources.

- **High Risk Pregnant Women program**. This program provides residential substance use treatment for women with substance use issues. This Medicaid program has historically been underutilized. The Medicaid funding formula is a 50% general fund and 50% federal match.
- The Department's **Short-Term Intensive Remedial Treatment** continuing care program has been historically underutilized. This program provides outpatient substance use treatment to offenders who are in need of follow-up care following short term intensive residential substance use treatment. This budget has been underutilized because other payer sources such as probation services have addressed the cost of this population.
- The Department's **Community Transition Services** line item has been underutilized because other treatment resources such as Medicaid and private insurance are available to meet the needs of individuals discharging from the mental health institutes.

Appropriation and Expenditure History			
Line Item	**FY 2016-17**	**FY 2017-18**	**FY 2018-19**
High Risk Pregnant Women Program			
Appropriation	$1,600,000	$1,662,430	$1,838,861
Expenditures	$1,077,589	$1,147,889	$138,241
Net Total	**($522,411)**	**($514,541)**	**($1,700,620)**
Short-Term Intensive Remedial Treatment Program			
Appropriation	$3,669,435	$4,639,123	$4,699,085
Expenditures	$3,541,811	$4,267,757	$4,070,249
Net Total	**($127,624)**	**($371,366)**	**($628,836)**
Community Transition Services			
Appropriation	$5,147,901	$4,307,449	$4,350,523
Expenditures	$4,247,901	$3,803,614	$2,128,738
Net Total	**($900,000)**	**($503,835)**	**($2,221,785)**

Problem or Opportunity:

With the expansion of benefits under the Affordable Care Act, several OBH programs have required lower levels of funding, as more clients qualify for Medicaid. The three programs identified within this decision item have reverted funds over recent years and this trend is sustainable.

Proposed Solution:

Reduce appropriated budgets to align funding with the demand for services and corresponding expenditures.

Table 1: FY 2020-21
Proposed Post Affordable Care Act Long Bill Line Item Budget Reductions

Long Bill Line Item/Program	Total	General Fund	Cash Funds	Re-appropriated
8(C) High Risk Pregnant Women	$637,000	$0	$0	$637,000
8(C) Offender Services (STIRT Continuing Care)	$247,000	$247,000	$0	$0
8(D) Community Transition Services (Momentum)	$400,000	$400,000	$0	$0
Total	$1,284,000	$647,000	$0	$637,000

Anticipated Outcomes:

Upon completion of these funding reductions from the four line items, the budget will align with program expenditures.

Assumptions and Calculations:

The Department assumes that the FY 2019-20 appropriated net state funding from these three programs totaling amount of $1,284,000 will be reduced through this budget request. This total budget reduction will yield $965,500 of Net General/Cash Funds. Net General/Cash Funds are calculated as follows:

- $318,500 is the General fund portion (50%) of Medicaid funds from the High Risk Pregnant Women line item. The federal matching share is not available because use is reserved for Medicaid programs.
- $247,000 100% STIRT Continuing Care cash funds
- $400,000 100% Community Transition Services (Momentum) General Fund.

Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-29 Reduce Duplicative Activities

Dept. Approval By:			Supplemental FY 2019-20
OSPB Approval By:			Budget Amendment FY 2020-21
		X	Change Request FY 2020-21

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
	Total	$6,286,752	$0	$6,286,752	($380,000)	($380,000)
	FTE	0.0	0.0	0.0	0.0	0.0
Total of All Line Items Impacted by Change Request	GF	$60,189	$0	$60,189	$0	$0
	CF	$2,838,745	$0	$2,838,745	($380,000)	($380,000)
	RF	$0	$0	$0	$0	$0
	FF	$3,387,818	$0	$3,387,818	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
	Total	$6,286,752	$0	$6,286,752	($380,000)	($380,000)
08. Behavioral Health Services, (C) Substance Use Treatment and Prevention, (1) Treatment Services - Community Prevention and Treatment Programs	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$60,189	$0	$60,189	$0	$0
	CF	$2,838,745	$0	$2,838,745	($380,000)	($380,000)
	RF	$0	$0	$0	$0	$0
	FF	$3,387,818	$0	$3,387,818	$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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Department of Human Services

FY 2020-21 Funding Request

November 1, 2019

Jared Polis
Governor

Michelle Barnes
Executive Director

Department Priority: R-29
Request Detail: Reduce Duplicative Activities

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	$0	($380,000)	($380,000)
FTE	0.0	0.0	0.0
General Funds	$0	$0	$0
Cash Funds	$0	($380,000)	($380,000)
Reappropriated Funds	$0	$0	$0
Federal Funds	$0	$0	$0

Summary of Request:

The Department of Human Services requests a reduction of $380,000 total funds and $380,000 Cash Funds (Persistent Drunk Driver Cash Fund) in FY 2020-21 and beyond for the purpose of reducing a portion of the Department's Office of Behavioral Health Programs (OBH) Persistent Drunk Driver program. The reduction will target duplicative withdrawal management services and unnecessary marketing expenses.

Current Program:

Persistent Drunk Driver Programs are funded by the Persistent Drunk Driver Cash Fund (created by H.B. 98-1334) consisting of fees assessed against convicted drunk drivers. The fund is managed by representatives of the Departments of Revenue, Transportation, and Human Services, and the State Court Administrator's Office. Funding priorities as defined by statute are designed to support programs intended to deter persistent drunk driving, and to educate the public, with emphasis on young drivers.

Problem or Opportunity:

The Persistent Drunk Driving Program has an opportunity to reduce expenditures as a result of unnecessary and potentially duplicative functions. The Department has an opportunity to reduce unnecessary spending related to contracted marketing ($115,000) expenditures. These marketing efforts were unnecessary because they are duplicative of the Colorado Department of Transportation's drunk driving reduction marketing and education efforts. Additionally, the Department targeted the elimination of Managed Service Organization (MSO) contracts withdrawal management funding ($265,000). It is anticipated that the funding for withdrawal management within the MSO contracts can be supplemented through federal grants administered by the Division. Overall, the Department anticipates being able to maintain the program's service levels with lower funding.

Proposed Solution:

The Department recommends reducing appropriated budgets to align funding with the demand for services and corresponding expenditures.

FY 2020-21
Proposed Community Prevention and
Treatment Programs Long Bill Line Item Budget Reductions

Long Bill Line Item/Program	Total	General Fund	Cash Funds	Re-appropriated
8(C) Treatment and Detoxification Programs Withdrawal Management (PDD)	($265,000)	$0	($265,000)	$0
8(C) Community Prevention and Treatment Programs Marketing (PDD)	($115,000)	$0	($115,00)	$0
Total	($380,000)	$0	($380,000)	$0

Anticipated Outcomes:

Upon completion of these funding reductions from the two line items, the budget will align with program expenditures.

Assumptions and Calculations:

The Department assumes that the Colorado Department of Transportation will continue their drunk driving reduction marketing and education efforts. The Department also assumes that funding for withdrawal management within the MSO contracts can be supplemented through federal grants.

Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-30 Revert Evaluation Funding of Discontinued Program

Dept. Approval By:			**Supplemental FY 2019-20**
OSPB Approval By:			**Budget Amendment FY 2020-21**
		X	**Change Request FY 2020-21**

Summary Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
Total of All Line Items Impacted by Change Request	Total	$50,000	$0	$50,000	($50,000)	$0
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$50,000	$0	$50,000	($50,000)	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20		FY 2020-21		FY 2021-22
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
08. Behavioral Health Services, (C) Substance Use Treatment and Prevention, (1) Treatment Services - Gambling Addiction Counseling Services	Total	$50,000	$0	$50,000	($50,000)	$0
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$50,000	$0	$50,000	($50,000)	$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:**	No Other Agency Impact

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Jared Polis
Governor

Michelle Barnes
Executive Director

Department Priority: R-30
Request Detail: Revert Evaluation Funding of Discontinued Gambling Addiction Program

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	FY 2020-21	FY 2021-22
Total Funds	$0	($50,000)	($50,000)
FTE	0.0	0.0	0.0
General Fund	$0	$0	$0
Cash Funds	$0	($50,000)	($50,000)
Reappropriated Funds	$0	$0	$0
Federal Funds	$0	$0	$0

Summary of Request:

The Department of Human Services requests a reduction of $50,000 total funds/Cash Funds in FY 2020-21 and beyond to eliminate the Gambling Addiction Evaluation program. The resulting reduction will eliminate funds for the evaluation of the gambling addiction program. General addiction services including gambling addiction are covered in the Managed Service Organizations' (MSOs) contracts.

In August of 2015, the Office of State Auditor (OSA) reported that the Gambling Addiction Program has not operated effectively to address problem gambling. From July 2010 to August 2013, the Program had students provide gambling addiction counseling and did not provide grants to entities with or seeking accredited counselors, as statute requires. From September 2013 to June 2015, the Program funded only $650 in counseling services (the main purpose of the Program) and granted over $20,900 to ineligible counselors. Eighteen of the 23 counselors who received grants did not get accredited. Since July 2010, DHS has used only 36 percent of Gambling Addiction Program funds for grants; the remaining funds were used for administrative and marketing costs or were reverted.

Pursuant to S.B. 18-191 the appropriations for the program will be discontinued as a result of the final plan that must be implemented by March 1, 2020. Therefore there is no longer a need for the $50,000 appropriation beyond FY 2019-20.

Current Program:

The Gambling Addiction Counseling Services Program line item was created in H.B. 08-1314 to provide gambling addiction counseling to Colorado residents. Monies from the Local Limited Gaming Impact Fund (2%) are transferred to the Gambling Addiction Account for grant awards to provide gambling addiction counseling, including prevention and education, to Colorado residents. The Department may use a portion of the funds in the Gambling Addiction Account to cover the Department's direct and indirect costs associated with administering the grant program.

Grants are awarded to State, local, public or private entities and programs that provide gambling addiction counseling services and that utilize nationally accredited gambling addiction counselors. This program was scheduled to be repealed effective July 1, 2013. Special bill, S.B. 13-173 appropriated funding for the line and set a new expiration date of September 1, 2022. S.B. 18-191, the bill regarding the Local Government Limited Gaming Fund, also required this funding be used to study the magnitude of the gambling addiction problem in Colorado with a final report due no later than March 1, 2020.

Problem or Opportunity:

In August of 2015, the Office of State Auditor (OSA) reported that the Gambling Addiction Program has not operated effectively to address problem gambling. From July 2010 to August 2013, the Program had students provide gambling addiction counseling and did not provide grants to entities with or seeking accredited counselors, as statute requires. From September 2013 to June 2015, the Program funded only $650 in counseling services (the main purpose of the Program) and granted over $20,900 to ineligible counselors. Eighteen of the 23 counselors who received grants did not get accredited. Since July 2010, DHS has used only 36 percent of Gambling Addiction Program funds for grants; the remaining funds were used for administrative and marketing costs or were reverted.

Proposed Solution:

Pursuant to S.B. 18-191 the appropriations for the program will be discontinued as a result of the final plan that must be implemented by March 1, 2020. Therefore there is no longer a need for the $50,000 appropriation beyond FY 2019-20.

Anticipated Outcomes:

The elimination of this line item appropriation will decrease the need for cash funds to the program and remove redundancy of funding for gambling addiction services, which are covered in MSO contracts.

Assumptions and Calculations:

The Department concluded that this program needed to be eliminated because the utilization of this program was low. The amount of funds reverted were substantial. In FY 2016-17 $68,039 and $68,877 were reverted from the $100,000 annual budget.

Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-31 Increased Efficiency of Resource and Referral Funding

Dept. Approval By: _______________ Supplemental FY 2019-20

OSPB Approval By: _______________ Budget Amendment FY 2020-21

x Change Request FY 2020-21

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
Total of All Line Items Impacted by Change Request	Total	$8,241,981	$0	$8,251,785	($630,350)	($630,350)
	FTE	1.0	0.0	1.0	0.0	0.0
	GF	$4,763,638	$0	$4,769,601	($315,175)	($315,175)
	CF	$385	$0	$385	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$3,477,958	$0	$3,481,799	($315,175)	($315,175)

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
06. Division of Early Childhood, (A) Division of Early Care and Learning, (1) Division of Early Care and Learning - Child Care Grants for Quality, Availability and Fed. Targets	Total	$8,241,981	$0	$8,251,785	($630,350)	($630,350)
	FTE	1.0	0.0	1.0	0.0	0.0
	GF	$4,763,638	$0	$4,769,601	($315,175)	($315,175)
	CF	$385	$0	$385	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$3,477,958	$0	$3,481,799	($315,175)	($315,175)

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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Department Priority: R-31
Request Detail: Increased Efficiency of Resource and Referral Funding

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	FY 2020-21	FY 2021-22
Total Funds	$0	($630,350)	($630,350)
FTE	0.0	0.0	0.0
General Fund	$0	($315,175)	($315,175)
Cash Funds	$0	$0	$0
Reappropriated Funds	$0	$0	$0
Federal Funds	$0	($315,175)	($315,175)

Summary of Request:

The Department of Human Services requests a total fund reduction of $630,350, including reductions of $315,175 General Fund and $315,175 in federal Child Care and Development Fund (CCDF) spending authority in FY 2020-21 and ongoing. The Department requests that this reduction in CCDF spending authority for Child Care Resource and Referral (CCR&R) activities is accompanied by a complementary increase in CCDF spending authority through the Department's R-01 Comprehensive Approach to Improving Child Care Quality request.

The CCR&R system was revamped in 2017 to include a statewide call center that accommodates families with a range of referrals, as well as offer translation services. With the emergence of a more efficient statewide call center in 2017, funding for the local CCR&R activity is not as necessary. This request will eliminate funding for the local service agencies to conduct CCR&R activities at the community level; however, this funding reduction will not impact the statewide CCR&R call center, which will continue to equitably offer resource and referral services to families across the state.

The Department anticipates that by eliminating local CCR&R activity while maintaining the centralized call center and expanding funding to Early Childhood Councils through the Department's R-01, the State will be able to more efficiently and equitably support child care referral services that most effectively meet the needs of the children, families and providers statewide. Likewise, this request will enable local CCR&R partners to refocus their efforts on other community needs, such as building the supply of licensed child care or increasing the quality of early childhood care and education centers.

Current Program:

The Department's Child Care Resource and Referral (CCR&R) program offers support to families seeking child care. Sixteen local service agencies out of 34 across the state currently offer CCR&R services for their communities with funding from General Fund and federal Child Care and Development Funds (CCDF). In 2017, the Department established the Colorado Shines CCR&R centralized call center to more efficiently and equitably offer resource and referral services for families across the state who otherwise would be without access to CCR&R through local service agencies.

The decision to centralize CCR&R activities occurred due to the difficulties that the smaller, local service organizations were experiencing to staff the referral line locally, which resulted in inequitable access to CCR&R services across the state. The Mile High United Way was already supporting the call feature for resource and referral activities for more than half of the state, and was awarded the statewide centralized call center contract through an open and competitive process in 2017.

The Department's transition to a more efficient, centralized call center for CCR&R activities has been successful. Since its award, Mile High United Way has worked to ensure that local knowledge is reflected within the Colorado Shines data system and is sufficiently informing the referral process. Likewise, the change has provided multi-lingual support, which was previously unavailable to many families, and quality controls to ensure more consistent customer service and positive experience for families. In addition to phone calls, the call center now also offers other means of communication to families, such as chat, email and text.

Problem or Opportunity:

The Department's CCR&R system was revamped in 2017 to include a statewide call center that could accommodate families with a range of referrals, as well as offer this information through the use of translation services. The transition to a centralized CCR&R call center created more efficient access to basic child care referrals and questions.

Proposed Solution:

The Department proposes a reduction of $630,350 General Fund and federal CCDF funding for local CCR&R activities, given the increased efficiency and equity of the Colorado Shines CCR&R centralized call center, which would not be affected by this budget reduction request. The centralized call center currently offers CCR&R services state-wide, with call center coverage that already includes the communities who also have access to local resource and referral services. By maintaining this portion of the program, the State is able to focus resources on the portion of referral services that most effectively meets the needs of the children and families statewide.

Likewise, the Department has also submitted R-01 Comprehensive Approach to Improving Child Care Quality, which includes a $5,619,496 increase in total funding for FY 2020-21 and an increase in federal CCDF spending authority – made possible in part through this reduction request – to support Early Childhood Councils to identify and address quality improvement needs locally. If R-01is funded, the Early Childhood Councils will be better equipped to refocus their efforts on other community needs, such as building the supply of licensed child care or increasing the quality of early childhood care and education centers.

Anticipated Outcomes:

The Department anticipates that by maintaining the centralized call center in conjunction with the expanded funding provided to Early Childhood Councils through R-01, the State will be able to more efficiently and equitably support child care referral services that most effectively meet the needs of the children, families and providers statewide.

The Department also anticipates that local entities, such as the Early Childhood Councils, will be able to refocus on other community needs, such as providing technical assistance and resources to licensed child care programs to improve the quality of early care and learning settings within their local catchment area.

Assumptions and Calculations:

The $630,350 amount reflects 100% of the amount contracted to all 16 local CCR&R service agencies across the state. This maintains funding for the statewide CCR&R call center.

Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-32 Realign Regional Center Appropriations

Dept. Approval By:

OSPB Approval By:

	Supplemental FY 2019-20
	Budget Amendment FY 2020-21
X	**Change Request FY 2020-21**

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
Total of All Line Items Impacted by Change Request	Total	$54,156,535	$0	$55,637,194	$600,000	$600,000
	FTE	827.8	0.0	827.8	0.0	0.0
	GF	$0	$0	$0	$600,000	$600,000
	CF	$2,755,029	$0	$2,755,029	$0	$0
	RF	$51,401,506	$0	$52,882,165	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
09. Services for People with Disabilities, (A) Regional Centers - Developmental Disabilities Services, (1) Wheat Ridge Regional Center - Wheat Ridge Regional Center Intermediate Care Facility	Total	$25,085,044	$0	$25,786,606	$750,000	$750,000
	FTE	373.0	0.0	373.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$779,589	$0	$779,589	$0	$0
	RF	$24,305,455	$0	$25,007,017	$750,000	$750,000
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
09. Services for People with Disabilities, (A) Regional Centers - Developmental Disabilities Services, (2) Grand Junction Regional Center - Grand Junction Regional Center Intermediate Care Facility	Total	$8,662,032	$0	$8,841,491	($1,500,000)	($1,500,000)
	FTE	98.8	0.0	98.8	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$1,037,320	$0	$1,037,320	$0	$0
	RF	$7,624,712	$0	$7,804,171	($1,500,000)	($1,500,000)
	FF	$0	$0	$0	$0	$0
09. Services for People with Disabilities, (A) Regional Centers - Developmental Disabilities Services, (2) Grand Junction Regional Center - Grand Junction Regional Center Waiver Services	Total	$9,666,341	$0	$9,957,981	$1,100,000	$1,100,000
	FTE	174.2	0.0	174.2	0.0	0.0
	GF	$0	$0	$0	$350,000	$350,000
	CF	$398,264	$0	$398,264	$0	$0
	RF	$9,268,077	$0	$9,559,717	$750,000	$750,000
	FF	$0	$0	$0	$0	$0
09. Services for People with Disabilities, (A) Regional Centers - Developmental Disabilities Services, (3) Pueblo Regional Center - Pueblo Regional Center Waiver Services	Total	$10,743,118	$0	$11,051,116	$250,000	$250,000
	FTE	181.8	0.0	181.8	0.0	0.0
	GF	$0	$0	$0	$250,000	$250,000
	CF	$539,856	$0	$539,856	$0	$0
	RF	$10,203,262	$0	$10,511,260	$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

Department of Human Services

FY 2020-21 Funding Request

November 1, 2019

Jared Polis
Governor

Michelle Barnes
Executive Director

Department Priority: R-32
Request Detail: Realign Regional Center Appropriations

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	$600,000	$600,000	$600,000
General Fund	$600,000	$600,000	$600,000

Summary of Request:

The Department of Human Services requests an increase of $600,000 total funds, including $600,000 in General Fund for FY 2020-21 and beyond, to realign the appropriations for the Regional Centers. The purpose of the increased General Fund is to make up for room and board costs that are not covered by Regional Center resident payments at the Grand Junction Regional Center and Pueblo Regional Center waiver programs and cannot be reimbursed through Medicaid. In addition, this request proposes to transfer spending authority from Regional Center programs that are underspending their appropriations to those that are overspending to better align these appropriations with actual operations. The additional funding represents an increase of less than 2 percent over the FY 2019-20 appropriations for the Regional Center programs.

Current Program:

The Department provides residential care in a group-home setting for approximately 247 individuals with developmental disabilities in Regional Centers located in Grand Junction, Pueblo, and Wheat Ridge. The purpose of this care is to provide supports and training to these individuals so that they can transition to living in the community of their choice. The Regional Centers operate under two different licenses: Intermediate Care Facilities (ICF) and Home and Community Based Services (HCBS, or "waiver"). Wheat Ridge is an ICF program, Pueblo is a waiver program, and Grand Junction operates under both types of licenses.

The Regional Centers provide three types of care: long-term habilitation, intensive treatment, and short-term treatment. Long-term habilitation residents typically are medically fragile and have lived at the Regional Centers for most of their lives. The Regional Centers no longer admit these types of residents because they can be served effectively in the community. As of June 2019, the Regional Centers had 73 residents in this type of care. Intensive treatment residents have a history of problematic sexual behavior, which the Regional Centers treat so that they can return to the community of their choice. As of May 2019, the Regional Centers had 23 residents in this type of care. Short-term treatment residents are typically experiencing behaviors that make it impossible for them to live in the community and come to the Regional Centers to get supports for managing those behaviors so that they can return to their community. As of May 2019, the Regional Center had 145 residents in this type of care.

Table 1 shows the average census at each Regional Center program for the last five fiscal years.

Table 1: Average Regional Center Census
FY 2015-16 to FY 2018-19

Program	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19
Grand Junction ICF (46 beds)	25	27	24	22	21
Grand Junction Waiver (80 beds)	56	56	56	63	55
Pueblo (88 beds)	65	59	53	46	47
Wheat Ridge (142 beds)	126	124	127	130	124
Total	**272**	**266**	**260**	**261**	**247**

Source: Division of Regional Center Operations data.

The General Assembly funds the Regional Centers' operations through the following line items

- Grand Junction Regional Center Intermediate Care Facility
- Grand Junction Regional Center Waiver Services
- Grand Junction Regional Center Depreciation
- Pueblo Regional Center Waiver Services
- Pueblo Regional Center Depreciation
- Wheat Ridge Regional Center Intermediate Care Facility
- Wheat Ridge Regional Center Depreciation

These lines are primarily funded by reappropriated funds from the Department of Health Care Policy and Financing, and these funds are 50% Medicaid plus 50% General Fund. Each of the non-depreciation lines also receives a relatively small cash fund appropriation to account for resident payments for room and board. Under federal regulations, room and board are eligible for reimbursement by Medicaid for ICF programs but not for waiver programs. "Room" is defined as shelter expenses such as furnishings, maintenance, utilities, and related administrative services. "Board" is defined as three meals per day or any other full nutritional regimen.

Currently, all Regional Centers collect payments from residents to offset their room and board expenses. Typically, the residents use a portion of their monthly Social Security Disability Insurance (SSDI) benefits to pay for their room and board. Collectively, the Regional Centers were appropriated $2,755,029 in cash funds in the FY 2019-20 Long Bill to account for this resident revenue, but they typically do not collect this entire amount. The Regional Center ICF programs are able to fund their remaining room and board expenses through Medicaid reimbursements and the accompanying General Fund match, but the waiver programs are not.

Problem or Opportunity:

This request addresses two issues:

Room and Board: Table 2 shows the room and board revenues and expenses for the Regional Centers' waiver programs in Grand Junction and Pueblo. As the table shows, the waiver programs have not been collecting sufficient resident revenue to cover their room and board costs. As a result, the Department has had to use General Fund appropriated to other administrative areas in the Department to cover this shortfall.

Table 2: Room and Board Revenues and Expenses for Regional Center Waiver Programs Fiscal Years 2015-16 to 2018-19

Program	**FY 2015-16**	**FY 2016-17**	**FY 2017-18**	**FY 2018-19 (pre-audit)**
Grand Junction Waiver				
Revenues	$436,629	$442,820	$501,675	$472,085
Expenses	532,712	660,799	645,599	$600,753
Deficit	**(96,083)**	**(217,979)**	**(143,924)**	**($128,668)**
Pueblo Waiver				
Revenues	$489,768	$420,571	$372,644	$380,621
Expenses	917,717	795,535	659,498	$713,495
Deficit	**(427,949)**	**(374,964)**	**(286,854)**	**($332,874)**
Source: Colorado Department of Human Services' data from CORE.				

Appropriation Realignment: As shown in Table 3, in the current and past fiscal year the Grand Junction Regional Center ICF program has underspent its appropriation by a significant amount, while the Wheat Ridge Regional Center ICF program and the Grand Junction Regional Center waiver program have significantly overspent their appropriations. Thus far, the Department has been able to manage the overexpenditures by (1) making 5 percent transfers between these programs as authorized in the long bill and (2) reallocating POTS funds.

Table 3. Appropriations[1] and Expenditures for Select Regional Center Programs Fiscal Years 2017-18 and 2018-19		
Program	**FY 2017-18**	**FY 2018-19**
Grand Junction ICF		
Appropriation	$7,089,361	$7,256,996
Expenditures	5,963,752	$5,964,455
(Over)/Under	**$1,125,609**	**$1,292,541**
Grand Junction Waiver		
Appropriation	$8,970,421	$9,088,539
Expenditures	9,946,001	$9,349,239
(Over)/Under	**($975,580)**	**($260,700)**
Wheat Ridge ICF		
Appropriation	$23,142,080	$23,519,078
Expenditures	25,032,984	23,710,784
(Over)/Under	**($1,890,904)**	**($191,706)**

[1]Appropriations reflect only the reappropriated funds from each program's Long Bill line item.
[2]Expenditures estimated by annualizing actual expenditures incurred through March 2019.
Source: The Long Bill and Department of Human Services data from CORE.

Changes in census are driving these current expenditure trends. Specifically, while the census overall at all the Regional Centers has been declining, the census at the Grand Junction Regional Center ICF program has dropped significantly more than the other programs. For example, the average census at the Grand Junction Regional Center ICF has dropped 25 percent in the last five years, while the average censuses at the Grand Junction Regional Center waiver program and the Wheat Ridge Regional Center ICF are virtually unchanged.

The Department expects the current expenditure trends for these programs to continue for the foreseeable future, so realigning their appropriations would more accurately reflect their operations for the General Assembly and the public.

Proposed Solution:

The proposed solutions for each of the issues identified above are:

Room and Board: The Department requests $600,000 in additional total funds/General Fund in FY 2019-20 to cover the room and board shortfalls at the Grand Junction and Pueblo waiver programs. Specifically, the Department proposes to increase the appropriation for the Grand Junction waiver program by $350,000 and the Pueblo waiver program by $250,000. As discussed in the Assumptions and Conclusions section, these amounts reflect the most recent deficits experienced by these programs with respect to room and board costs.

As discussed in the Current Program section above, Regional Center residents typically use their SSDI benefits to pay for room and board. All of the Regional Center programs, including the waiver programs, currently collect the maximum allowed by federal law from each resident's SSDI benefits. As a result, increasing resident collections is not a viable solution to this problem.

Appropriation Realignment: The Department proposes to reduce the spending authority for the Grand Junction Regional Center ICF program by $1,500,000 and increase the spending authority for the Grand Junction Regional Center waiver program and the Wheat Ridge Regional Center ICF program by $750,000 each, which will zero net effect on the Regional Centers' total appropriation. The Department does not expect these changes in spending authority to have any impact on service delivery, workload, outcomes, or Regional Center residents.

As discussed previously, the Department has been able to manage the imbalance in the Regional Center appropriations through transfers and reallocations of funds. However, if the imbalance grows too large, these measures may no longer work because the Department does not have unlimited flexibility to use them, as the long bill limits transfers between programs to 5 percent. If the Department reaches the limit on these transfers and reallocations, the result may be that the Regional Centers that are overspending their appropriation would have to cut expenditures to remain under their spending authority. Because 75 to 80 percent of the Regional Centers' expenditures are related to staff, eliminating staff would be the most likely way to reduce those expenditures.

Anticipated Outcomes:

Anticipated outcomes for each of the issues identified above:

Room and Board: Approval of this request would allow the Grand Junction and Pueblo Regional Centers to continue to provide the high level of services currently being provided.

Appropriation Realignment: The main outcome of this request if approved is that the Regional Centers' appropriations would be aligned with their current operations. As a result, stakeholders including the General Assembly would have more accurate information about the size of these operations.

Assumptions and Calculations:

Room and Board: Table 2 in the Problem/Opportunity section demonstrated that the Regional Center waiver programs are not collecting enough revenue from wavier residents to cover their room and board expenses. As that table shows, the annual deficits have ranged widely for both programs. As a result, this request is based on the most recent figures from FY 2018-19. The requested additional funds of $350,000 for the Grand Junction waiver line and $250,000 for the Pueblo waiver line provide some flexibility in case these deficits continue to grow.

Appropriation Realignment: As Table 3 in the Problem/Opportunity section shows, Grand Junction ICF has been significantly underspent in FY 2017-18 and FY 2018-19 while Grand Junction waiver and Wheat Ridge ICF have been significantly overspent. Table 3 also shows that the overexpenditures for Grand Junction Waiver and Wheat Ridge ICF decreased from FY 2017-18 to FY 2018-19. This decline occurred because of measures taken by the Department during FY 2018-19 to reduce costs. These measures included not filling newly vacant positions that were no longer needed and revising staffing schedules so that they were more efficient. Because of these measures that have been implemented, the Department believes that FY 2018-19 expenditures are a good indicator of future expenditures.

Based on Table 3, the Department determined that transferring $750,000 of spending authority in reappropriated funds from Grand Junction ICF to both Grand Junction Waiver and Wheat Ridge ICF (for a total of $1,500,000) would effectively realign all of their appropriations.

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 2020-21 and Beyond				
Line Item: (9) Regional Centers for People with Developmental Disabilities; (A) Regional Centers for People with Developmental Disabilities; (1) Wheat Ridge Regional Center; Wheat Ridge Regional Center Intermediate Care Facility	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**
FY 2019-20 Total Appropriation (SB 19-207)	**$25,085,044**	**$0**	**$779,589**	**$24,305,455**
Requested Funding (or Spending Authority)	$750,000	$0	$0	$750,000
FY 2020-2021 Total Requested Appropriation	**$25,835,044**	**$0**	**$779,589**	**$25,055,455**
FY 2021-2022 Total Requested Appropriation	**$25,835,044**	**$0**	**$779,589**	**$25,055,455**
Line Item: (9) Regional Centers for People with Developmental Disabilities; (A) Regional Centers for People with Developmental Disabilities; (2) Grand Junction Regional Center; Grand Junction Regional Center Intermediate Care Facility	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**
FY 2019-20 Total Appropriation (SB 19-207)	**$8,662,032**	**$0**	**$1,037,320**	**$7,624,712**
Requested Funding (or Spending Authority)	($1,500,000)	$0	$0	($1,500,000)
FY 2020-2021 Total Requested Appropriation	**$7,162,032**	**$0**	**$1,037,320**	**$6,124,712**
FY 2021-2022 Total Requested Appropriation	**$7,162,032**	**$0**	**$1,037,320**	**$6,124,712**
Line Item: (9) Regional Centers for People with Developmental Disabilities; (A) Regional Centers for People with Developmental Disabilities; (2) Grand Junction Regional Center; Grand Junction Regional Center Waiver Services	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**
FY 2019-20 Total Appropriation (SB 19-207)	**$9,666,341**	**$0**	**$398,264**	**$9,268,077**
Requested Funding (or Spending Authority)	$1,100,000	$350,000	$0	$750,000
FY 2020-2021 Total Requested Appropriation	**$10,766,341**	**$350,000**	**$398,264**	**$10,018,077**
FY 2021-2022 Total Requested Appropriation	**$10,766,341**	**$350,000**	**$398,264**	**$10,018,077**
Line Item: (9) Regional Centers for People with Developmental Disabilities; (A) Regional Centers for People with Developmental Disabilities; (3) Pueblo Regional Center; Pueblo Regional Center Waiver Services	**Total Funds**	**General Fund**	**Cash Funds**	**Reappropriated Funds**
FY 2019-20 Total Appropriation (SB 19-207)	**$10,743,118**	**$0**	**$539,856**	**$10,203,262**
Requested Funding (or Spending Authority)	$250,000	$250,000	$0	$0
FY 2020-2021 Total Requested Appropriation	**$10,993,118**	**$250,000**	**$539,856**	**$10,203,262**
FY 2021-2022 Total Requested Appropriation	**$10,993,118**	**$250,000**	**$539,856**	**$10,203,262**

Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-33 Adjust Excess Reserves Older Coloradans Cash Fund

Dept. Approval By: ______ ______ **Supplemental FY 2019-20**

OSPB Approval By: ______ ______ **Budget Amendment FY 2020-21**

X **Change Request FY 2020-21**

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
Total of All Line Items Impacted by Change Request	Total	$28,811,622	$0	$28,811,622	$0	$0
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$14,803,870	$0	$14,803,870	($3,000,000)	$0
	CF	$13,007,752	$0	$13,007,752	$3,000,000	$0
	RF	$1,000,000	$0	$1,000,000	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
10. Adult Assistance Programs, (D) Community Services for the Elderly, (1) Community Services for the Elderly - State Funding for Senior Services	Total	$28,811,622	$0	$28,811,622	$0	$0
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$14,803,870	$0	$14,803,870	($3,000,000)	$0
	CF	$13,007,752	$0	$13,007,752	$3,000,000	$0
	RF	$1,000,000	$0	$1,000,000	$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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Jared Polis
Governor

Michelle Barnes
Executive Director

Department Priority: R-33
Request Detail: Adjust Excess Reserves Older Coloradans Cash Fund

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	$0	$0	$0
FTE	0.0	0.0	0.0
General Fund	$0	($3,000,000)	$0
Cash Funds	$0	$3,000,000	$0
Reappropriated Funds			

Summary of Request:

The Department of Human Services is proposing a decrease in the amount $3 million General Fund and an associated increase of $3 million Cash Fund spending authority for a zero net change for the State Funding for Senior Services Long Bill Line Item in FY 2020-21. This proposal is being made as the result of approximately $30.9 million additional funds received in the Older Coloradans Cash Fund from the Senior Citizen and Disabled Veteran Property Tax Exemption fund during FY 2018-19 and FY 2019-20. Refinancing will have no impact on the total amount available for senior funding in FY 2020-21.

Current Program:

The General Assembly created the Older Coloradans Cash Fund and designated various funding mechanisms for the fund. One of the mechanisms is the Senior Citizen and Disabled Veteran Property Tax Exemption fund. Specifically, HB 12-1326 authorized the transfer of any funding that is budgeted for the tax exemption program and not utilized, be transferred to the Older Coloradans Cash Fund for purposes of services to seniors through the State's Area Agencies on Aging. Per Section 26-11-205.5(5)(b), C.R.S., the funds in the OCCF from this purpose are subject to annual appropriation to the Department for distribution to the Area Agencies on Aging (AAAs) and must be used for senior services via the funding formula used to distribute their State Funding for Senior Services allocation.

The State Funding for Senior Services, along with the Older Americans Act funding, allows more than 55,000 older Coloradans to receive services including personal care, assisted transportation, congregate meals, home-delivered meals, homemaker services, adult day care, transportation, and legal assistance. These services help seniors to age-in-place in their communities and postpone or avoid more costly placements such as assisted living facilities or nursing homes.

Problem or Opportunity:

In August 2018, the Department received a $14.9 million transfer to the Older Coloradans Cash Fund per section 39-3-207(6), C.R.S. The $14.9 million transfer was the result of the State budgeting significantly higher than the amount that was needed to pay for the Senior Property Tax Exemption the prior year. Per Section 26-11-205.5(5)(b), C.R.S., the funds in the Older Coloradans Cash Fund from this purpose are subject to annual appropriation to the Department for distribution to the Area Agencies on Aging (AAAs) and must be used for senior services via the funding formula used to distribute their SFSS allocation. As a result, the Department developed a plan to distribute these funds over a five-year period and submitted a budget request (BA-2) to allow the Department to distribute $3 million per year for five years starting in FY 2019-20 to the AAAs for use for senior services.

After the large transfer to the Older Coloradans Cash Funding 2018, Department staff reached out to representatives from the General Assembly to inquire about projections for the Senior Property Tax Exemption funds in future years, who assured the Department there would not be another transfer of that size because the projections for the Senior Property Tax Exemption were fixed. However, in August 2019, the Department learned that there was a $16 million deposit to the OCCF from the Senior Property Tax Exemption funding, for a two-year total of $30.9 million.

Proposed Solution:

The Department requests a net zero adjustment to the SFSS Long Bill Line Item in FY 2020-21. The $3.0 million General Fund reduction for the SFSS Long Bill Line Item in FY 2020-21 will be offset by an increase of $3.0 million in the cash fund spending authority for the SFSS Long Bill Line Item during the same year. Table 1 provides a breakdown of the anticipated fund splits for this line item.

Table 1: Long Bill Appropriation for State Funding of Senior Services			
Fiscal Year	**FY 2018-19**	**FY 2019-20**	**FY 2020-21 (proposed)**
Appropriation	**$25,811,622**	**$28,811,622**	**$28,811,622**
General Fund	$14,803,870	$14,803,870	$11,803,870
Cash Funds	$10,007,752	$13,007,752	$16,007,752
Reappropriated Funds	$1,000,000	$1,000,000	$1,000,000

Anticipated Outcomes:

Refinancing will have no impact on the total amount available for senior funding in FY 2020-21.

It is anticipated that the additional funding of approximately $13 million net will be utilized to provide additional services to older Coloradans as they are provided today but that the Area Agencies on Aging will also be encouraged to spend a portion of the funds on innovation and new program development. New service delivery models are essential for the future of the State Funding for Senior Services programs as future older Coloradans will access services differently. The historical method of providing services may not be as successful with the current and future senior populations. Having multiple years of increased funding will allow the Area Agencies on Aging and their providers to develop and implement new programs and service delivery models. For example, the Denver Regional Council of Governments (DRCOG) is piloting a transportation program involving Uber and Lyft which has resulted in lower costs and flexibility in ride options, such as ride sharing. Other innovative efforts include expanding meal sites to include breakfasts and dinners in addition to the traditional lunch meal.

As Table 1 indicates, the $3 million refinancing from General Fund to Cash funds will provide the same level of funding for the AAAs in FY 2020-21 as they received in FY 2019-20. In addition, the reduction in the General Fund appropriation will allow the State to provide other needed services to Colorado residents.

Assumptions and Calculations:

The Department is refinancing the General Fund appropriation for this line item with cash funds spending authority, and would have no impact to the total appropriation for State Funding for Senior Services Long Bill Line Item.

Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-34 Mental Health Long Bill Technical Correction

Dept. Approval By:		Supplemental FY 2019-20
OSPB Approval By:		Budget Amendment FY 2020-21
	x	Change Request FY 2020-21

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
Total of All Line Items Impacted by Change Request	Total	$101,201,483	$0	$104,682,465	$0	$0
	FTE	1,078.9	0.0	1,078.9	0.0	0.0
	GF	$88,598,346	$0	$92,058,357	$0	$0
	CF	$1,628,059	$0	$1,649,030	$0	$0
	RF	$10,975,078	$0	$10,975,078	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
08. Behavioral Health Services, (E) Mental Health Institutes, (2) Mental Health Institutes - Pueblo - Personal Services	Total	$88,548,668	$0	$92,006,553	($905,405)	$0
	FTE	1,026.3	0.0	1,026.3	(11.0)	0.0
	GF	$79,161,091	$0	$82,598,005	($905,405)	$0
	CF	$1,445,852	$0	$1,466,823	$0	$0
	RF	$7,941,725	$0	$7,941,725	$0	$0
	FF	$0	$0	$0	$0	$0
08. Behavioral Health Services, (E) Mental Health Institutes, (2) Mental Health Institutes - Pueblo - Operating Expenses	Total	$7,165,558	$0	$7,051,919	($10,450)	$0
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$3,949,998	$0	$3,836,359	($10,450)	$0
	CF	$182,207	$0	$182,207	$0	$0
	RF	$3,033,353	$0	$3,033,353	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
	Total	$5,487,257	$0	$5,623,993	$915,855	$0
	FTE	52.6	0.0	52.6	11.0	0.0
08. Behavioral Health Services, (E) Mental Health Institutes, (3) Forensic Services - Court Services	GF	$5,487,257	$0	$5,623,993	$915,855	$0
	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:**	No Other Agency Impact

Department Priority: R-34
Request Detail: Mental Health Long Bill Technical Correction

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	$0	$0	$0

Summary of Request:

The Department of Human Services requests $0 net total funds and net 0 FTE, including $0 General Fund in FY 2020-21 and $0 net total funds and net 0 FTE ongoing, as a technical correction to the newly created Forensic Services appropriation and a correction to adjust the existing electronic health record (EHR) appropriation for the FTE needed in order to accommodate ongoing manual processes within the system.

While the Department has a 5 percent transfer authority between the Mental Health Institutes (MHI) funding lines, it is most accurate and transparent to appropriate the lines correctly in the cost centers they exist within. The transfer authority does not extend to Community Behavioral Health appropriations which is also a component of this request.

Current Program:

Correction to Forensic Services appropriation

The Forensic Services appropriation was a new line item in the Department's Long Bill as of July 1, 2018. The funding for Forensic Services included moving specific programs that previously existed within the Colorado Mental Health Institute at Pueblo (CMHIP) Long Bill section and moving them to the newly created Forensic Services appropriation. Upon further review of this new appropriation, it was discovered that a few technical corrections are required to accurately reflect the funding need of this program area, as they were omitted in the original calculation of the base transfer provided by the Department to the JBC.

Correction to Electronic Health Record (EHR) appropriation

The Department, in cooperation with the Governor's Office of Information Technology (OIT), submitted an IT Capital Construction request on September 1, 2013 for the Mental Health Institutes' Electronic Health Record and Pharmacy System Replacement. The request was for funding to replace the current legacy health information management systems (clinical, lab, pharmacy and dietary) used by the Mental Health Institutes, with a comprehensive, fully-integrated EHR system that meets Federal regulatory and reimbursement standards.

The EHR system became operational on May 1, 2018. While the new system is still being modified and adjusted on the clinical side, there are billing processes that are not able to be incorporated within the new system and require manual adjustments.

The Department's Patient Financial Services team is responsible for accurately billing and collecting revenue for patients at the Mental Health Institutes. The Institutes are funded through General Fund, Medicaid, Medicare, private insurance and patient payments. A patient's ability to pay (ATP) is determined by the Patient Financial Services team, who review current benefits (such as private insurance, Medicare, Medicaid, VA), patient assets, and eligibility for other potential benefits. Once the ATP has been calculated, this amount is billed to the patient on a monthly invoice. The new EHR system is unable to complete the ATP process and therefore it must be completed manually. The number of patients who have an ATP varies depending on who is in the hospital, and has been as high as 140 and as low as 70. The Institutes have been at averaging 75 ATP patients in FY 2018-19.

Each ATP patient requires a manual adjustment to their daily charge, resulting in approximately 27,375 adjustments and 1,369 additional work hours per year.[1] The manual process requires 1.66 Auditor FTE to ensure data accuracy and integrity as well as a data specialist who will enter the daily adjustments. With large volumes of manual data entry, it is accounting industry best practice to incorporate an internal auditing process.

The Department negotiated with the vendor (Cerner) and agreed upon a reduced contractual payment of $176,650 in order to cover the costs of the 1.66 Auditor FTE, who are needed to ensure accuracy and regulatory compliance. The contract amendment with the vendor that

[1] 27,375 adjustments = 75 ATP patients x 365 days; 1,369 additional work hours = (75 ATP patients x 365 days x 3 minutes to complete each adjustment)/60 minutes)

reflects this reduction was negotiated during late spring 2018 and fully executed (signed) on June 27, 2018.
The contractual payments are paid out of the Department's Long Bill (2) Office of Information Technology Services (A) Information Technology, Electronic Health Record and Pharmacy System appropriation. This appropriation line was created during the FY 2016-17 Figure Setting *(see FY 2016-17 JBC Staff Figure Setting – FY 2016-17, Department of Human Services, Office of Information Technology, dated February 24, 2016, page 40)* and also provides funding for on-going fees, hosting, support, development and enhancement. The net difference between the reduced payment to the EHR vendor and the cost of the FTE will be used towards the costs of on-going system fees, hosting, support, development and enhancement.

While the Department has transfer authority between the Institute funding lines, it is not able to transfer funding from the Institutes Electronic Health Record and Pharmacy System appropriation. However, due to the high risk for errors manual adjustments have and the severity of penalties should Medicare or Medicaid be billed erroneously, the Department has filled the auditor position as of September 1, 2018 and is actively recruiting for the permanent data specialist. Currently the ATP data entry workload is added to existing staff workload, however this is an unsustainable solution. As an example, there are currently 5,013 billing lines in the system reporting an error or suspension that requires staff review and resolution. Research into these billing system errors can be extremely time consuming, often requiring meetings and conference calls with the vendor. These errors are separate from the ATP manual adjustments that need to be input. Failure to resolve these issues impact the Department's ability to collect revenue.

Problem or Opportunity:

This funding request provides the Department the opportunity to correct the Mental Health Division Long Bill line items. This technical correction will allow costs to be reflected accurately within the cost centers they reside.

Proposed Solution:

The Department requests $0 net total funds and net 0 FTE, including $0 General Fund in FY 2020-21 and $0 net total funds and net 0 FTE ongoing, as a technical correction to the newly created Forensic Services appropriation and a correction to adjust the existing electronic health record (EHR) appropriation for the FTE needed in order to accommodate ongoing manual processes within the system.

Anticipated Outcomes:

This request will provide the Department the ability to adjust existing funding to the appropriate lines in order to accurately reflect the true costs of each program area.

Correction to Electronic Health Record (EHR) Appropriation

This request will provide the Department the ability to adjust existing funding to the appropriate lines in order to reflect a decreased financial obligation in the EHR appropriation and an increased FTE need in the Institutes appropriations. It will also provide the opportunity to correctly reflect the funding and FTE within the Forensic Services appropriation as the funding and FTE was erroneously omitted from the original transfer out of other Office of Behavioral Health lines.

Without this net $0 adjustment, the EHR appropriation will be underspent and the Institute Personal Services appropriation will be overspent, as the auditor and data specialist are necessary to ensure data entry accuracy, compliance and follow accounting industry best practice.

Correction to Forensic Services Appropriation
Without this net $0 adjustment, the Court Services, Outpatient Restoration and Forensic Services Administration lines will not reflect the accurate FTE allocation and will not have enough funding to cover the associated costs.

This request is a net $0 technical correction only.

Assumptions and Calculations:

This request is calculated on actual budget and FTE allocations that are located within the wrong Long Bill lines. These calculations do not add, delete or change any of the programmatic goals or operations, it simply places the funding and FTE within the correct budget.

Correction to Court Services Appropriation
The Department's Court Ordered Reports FTE Caseload FY 2017-18 supplemental request and FY 2018-19 funding request *(S-01b, R-05c)* were approved and included funding for 11.0 additional FTE. With the creation of the new Forensic Services appropriation, the funding from these requests should have been moved to the Forensic Services line, however, they were not. The funding and FTE remain in the CMHIP Long Bill lines, however the expenses are charged to Court Services. This request corrects the Departments error, resulting in a net $0 and net 0.0 FTE change for the Office of Behavioral Health.

Table 1: Court Services Technical Adjustment

Long Bill Line	FY 2020-21 General Fund	FTE
(8) Office of Behavioral Health (E)Mental Health Institutes (2) Mental Health Institute at Pueblo, Personal Services	($905,405)	(11.0)
(8) Office of Behavioral Health (E)Mental Health Institutes (2) Mental Health Institute at Pueblo, Operating Expenses	($10,450)	
(8) Office of Behavioral Health (E)Mental Health Institutes (3) Forensic Services, Court Services	$915,855	11.0
NET CHANGE	$0	0.0

Correction to Outpatient Restoration Services Appropriation

The Department was funded for Outpatient Competency Restoration Services *(R-05e, FY 2018-19 request).* The funding for this program was then appropriated within the Department's Long Bill (8) Office of Behavioral Health (A) Community Behavioral Health Administration, Personal Services and Operating Expenses. With the creation of the new Forensic Services appropriation, the funding for the Outpatient Restoration Services should have been moved to the Forensic Services line, however, it was not. The funding and FTE remain in the Community Behavioral Health Long Bill lines, however the program and staffing are within Forensic Services. This request corrects the Departments error, resulting in a net $0 and net 0.0 FTE change for the Office of Behavioral Health.

Table 2: Outpatient Restoration Services Technical Adjustment

Long Bill Line	FY 2020-21 General Fund	FTE
(8) Office of Behavioral Health (A) Community Behavioral Health Administration, Personal Services	(140,844)	(2.0)
(8) Office of Behavioral Health (A) Community Behavioral Health Administration, Operating Expenses	(1,950)	
(8) Office of Behavioral Health (E)Mental Health Institutes (3) Forensic Services, Outpatient Competency Restoration Program	$142,794	2.0
NET CHANGE	$0	0.0

Table 3 below identifies the total costs of the 1.7 FTE required as a result of the manual ATP billing process. The Auditor II position has been filled while interviewing for the Data Specialist is in process. The salary levels in Table 3 do not reflect the July 1, 2019 3% COLA increase and will be updated.

Table 3: Costs of FTE

Expenditure Detail			FY 2020-21		FY 2021-22	
Personal Services:						
Classification Title	Monthly	FTE		FTE		
AUDITOR II	$4,605	1.0		$55,260	1.0	$55,260
PERA				$5,747		$5,747
AED				$2,763		$2,763
SAED				$2,763		$2,763
Medicare				$801		$801
STD				$105		$105
Health-Life-Dental				$7,927		$7,927
Subtotal Position 1, #.# FTE		**1.0**		**$75,366**	**1.0**	**$75,366**
Classification Title	Monthly	FTE		FTE		
DATA SPECIALIST	$3,113	0.7		$24,655	0.7	$24,655
PERA				$2,564		$2,564
AED				$1,233		$1,233
SAED				$1,233		$1,233
Medicare				$357		$357
STD				$47		$47
Health-Life-Dental				$7,927		$7,927
Subtotal Position 2, #.# FTE		**0.7**		**$38,016**	**0.7**	**$38,016**
Subtotal Personal Services		1.7		**$113,382**	1.7	**$113,382**
Operating Expenses:						
		FTE			FTE	
Regular FTE Operating	$500	1.7		$850	1.7	$850
Telephone Expenses	$450	1.7		$765	1.7	$765
PC, One-Time	$1,230			$0	-	
Office Furniture, One-Time	$3,473			$0	-	
Subtotal Operating Expenses				**$1,615**		**$1,615**
TOTAL REQUEST		1.7		**$114,997**	1.7	**$114,997**

Table 4: FTE Technical Adjustment		
Long Bill Line	FY 2020-21 General Fund	FTE
(2) Office of Information Technology Services (A)Information Technology Electronic Health Record and Pharmacy System	($114,997)	(1.7)
(8) Office of Behavioral Health (E)Mental Health Institutes (2) Mental Health Institute at Pueblo, Personal Services	$114,997	1.7
NET CHANGE	$0	0.0

Tables 5 and 6 identify the work duties and estimated number of hours per task for the Auditor II and Data Specialist.

Table 5: Auditor II Duties---1.0 FTE	
Duty – Auditor II duties	**Estimated Numbers of Hours**
Export raw data daily and analyze ATP entries for accuracy and compliance	603
Review each ATP patient financial determination for accuracy and compliance	603
Review findings with Patient Financial Services staff and recommend corrections	603
Identify and reduce vulnerabilities within the manual ATP process	271
Total	**2,080***
***** A full time employee works an average of 2,080 hours in 12 months.	

Table 6: Data Specialist Duties—0.66 FTE	
Duty – Data Specialist duties	**Estimated Numbers of Hours**
Review ATP patient list daily, calculate the manual adjustment amount, enter manual adjustment (75 ATP patients x 3 minutes x 242 days ÷ 60 minutes ± 908 hours)	915
Data entry related to rebilling, adjustment or other corrections	458
Total	**1,373***
* A 0.66 employee works an average of 1,373 hours in 12 months.	

Schedule 13

Department of Human Services

Funding Request for The FY 2020-21 Budget Cycle

Request Title

R-35 Community Provider Rate Increase

Dept. Approval By:

OSPB Approval By:

		Supplemental FY 2019-20
		Budget Amendment FY 2020-21
	X	**Change Request FY 2020-21**

Summary Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
Total of All Line Items Impacted by Change Request	Total	$1,083,745,998	$0	$1,083,029,072	$4,647,651	$4,647,651
	FTE	228.1	0.0	227.2	0.0	0.0
	GF	$574,942,877	$0	$584,523,571	$2,721,608	$2,721,608
	CF	$168,822,848	$0	$168,110,752	$738,969	$738,969
	RF	$36,831,514	$0	$37,025,975	$52,868	$52,868
	FF	$303,148,759	$0	$293,368,774	$1,134,206	$1,134,206

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
01. Executive Director's Office, (B) Special Purpose, (1) Special Purpose - Colorado Commission for the Deaf and Hard of Hearing	Total	$2,186,473	$0	$2,333,688	$3,486	$3,486
	FTE	16.3	0.0	16.3	0.0	0.0
	GF	$153,214	$0	$103,214	$0	$0
	CF	$0	$0	$0	$0	$0
	RF	$2,033,259	$0	$2,230,474	$3,486	$3,486
	FF	$0	$0	$0	$0	$0
04. County Administration, (A) Administration, (1) Administration - County Administration	Total	$76,649,899	$0	$76,649,899	$383,250	$383,250
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$25,515,408	$0	$25,515,408	$127,577	$127,577
	CF	$15,329,979	$0	$15,329,979	$76,650	$76,650
	RF	$0	$0	$0	$0	$0
	FF	$35,804,512	$0	$35,804,512	$179,023	$179,023

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
05. Division of Child Welfare, (A) Division of Child Welfare, (1) Division of Child Welfare - Adoption and Relative Guardianship Assistance	Total	$41,439,076	$0	$41,212,076	$206,628	$206,628
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$22,409,892	$0	$22,328,650	$91,016	$91,016
	CF	$4,188,794	$0	$4,143,394	$41,661	$41,661
	RF	$0	$0	$0	$0	$0
	FF	$14,840,390	$0	$14,740,032	$73,951	$73,951
05. Division of Child Welfare, (A) Division of Child Welfare, (1) Division of Child Welfare - Child Welfare Services	Total	$355,373,500	$0	$354,745,338	$1,663,240	$1,663,240
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$179,778,033	$0	$189,010,061	$909,479	$909,479
	CF	$66,350,032	$0	$66,224,168	$316,128	$316,128
	RF	$12,981,594	$0	$12,981,594	$0	$0
	FF	$96,263,841	$0	$86,529,515	$437,633	$437,633
05. Division of Child Welfare, (A) Division of Child Welfare, (1) Division of Child Welfare - County Child Welfare Staffing	Total	$27,246,342	$0	$26,746,342	$107,056	$107,056
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$19,837,670	$0	$19,470,170	$78,026	$78,026
	CF	$2,743,528	$0	$2,693,528	$10,800	$10,800
	RF	$0	$0	$0	$0	$0
	FF	$4,665,144	$0	$4,582,644	$18,230	$18,230
05. Division of Child Welfare, (A) Division of Child Welfare, (1) Division of Child Welfare - Residential Placements for Children with IDD	Total	$2,366,727	$0	$2,366,727	$11,435	$11,435
	FTE	1.0	0.0	1.0	0.0	0.0
	GF	$2,349,317	$0	$2,349,317	$11,435	$11,435
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$17,410	$0	$17,410	$0	$0
05. Division of Child Welfare, (A) Division of Child Welfare, (1) Division of Child Welfare - Family and Children's Programs	Total	$55,860,731	$0	$55,860,731	$279,304	$279,304
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$47,013,010	$0	$47,013,010	$235,065	$235,065
	CF	$5,840,165	$0	$5,840,165	$29,201	$29,201
	RF	$0	$0	$0	$0	$0
	FF	$3,007,556	$0	$3,007,556	$15,038	$15,038

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
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	$10,127,437	$0	$9,749,867	$22,791	$22,791
	FTE	54.3	0.0	53.4	0.0	0.0
	GF	$2,631,423	$0	$2,155,452	$8,285	$8,285
	CF	$1,609,474	$0	$1,633,856	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$5,886,540	$0	$5,960,559	$14,506	$14,506
06. Division of Early Childhood, (A) Division of Early Care and Learning, (1) Division of Early Care and Learning - Child Care Assistance Program	Total	$124,537,113	$0	$124,537,113	$568,475	$568,475
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$29,410,508	$0	$29,410,508	$146,651	$146,651
	CF	$11,645,071	$0	$11,645,071	$58,066	$58,066
	RF	$0	$0	$0	$0	$0
	FF	$83,481,534	$0	$83,481,534	$363,758	$363,758
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	$3,065,404	$0	$3,074,186	$14,388	$14,388
	FTE	0.7	0.0	0.7	0.0	0.0
	GF	$1,293,562	$0	$1,299,636	$6,336	$6,336
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$1,771,842	$0	$1,774,550	$8,052	$8,052
06. Division of Early Childhood, (B) Division of Community and Family Support, (1) Division of Community and Family Support - Early Intervention Services	Total	$65,808,916	$0	$65,879,943	$172,269	$172,269
	FTE	7.5	0.0	7.5	0.0	0.0
	GF	$40,034,948	$0	$40,051,518	$172,269	$172,269
	CF	$10,500,000	$0	$10,509,980	$0	$0
	RF	$7,968,022	$0	$7,968,022	$0	$0
	FF	$7,305,946	$0	$7,350,423	$0	$0
06. Division of Early Childhood, (B) Division of Community and Family Support, (1) Division of Community and Family Support - Family Support Services	Total	$1,263,061	$0	$1,265,125	$3,409	$3,409
	FTE	0.5	0.0	0.5	0.0	0.0
	GF	$1,263,061	$0	$1,265,125	$3,409	$3,409
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 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	$8,526,419	$0	$8,532,206	$41,233	$41,233
	FTE	2.0	0.0	2.0	0.0	0.0
	GF	$8,526,419	$0	$8,532,206	$41,233	$41,233
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0
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	$577,665	$0	$577,665	$2,888	$2,888
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$577,665	$0	$577,665	$2,888	$2,888
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0
06. Division of Early Childhood, (B) Division of Community and Family Support, (1) Division of Community and Family Support - Incredible Years Program	Total	$848,881	$0	$851,043	$2,532	$2,532
	FTE	1.1	0.0	1.1	0.0	0.0
	GF	$169,775	$0	$171,937	$506	$506
	CF	$679,106	$0	$679,106	$2,026	$2,026
	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	$10,840,870	$0	$10,856,865	$9,312	$9,312
	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	$10,840,870	$0	$10,856,865	$9,312	$9,312
08. Behavioral Health Services, (B) Mental Health Community Program, (1) Community Program - Mental Health Community Programs	Total	$35,886,706	$0	$35,886,706	$136,284	$136,284
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$27,647,129	$0	$27,647,129	$136,284	$136,284
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$8,239,577	$0	$8,239,577	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
08. Behavioral Health Services, (B) Mental Health Community Program, (1) Community Program - Assertive Community Treatment Programs	Total	$16,889,906	$0	$16,889,906	$83,258	$83,258
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$16,889,906	$0	$16,889,906	$83,258	$83,258
	CF	$0	$0	$0	$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	$5,710,843	$0	$5,710,843	$28,151	$28,151
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$5,710,843	$0	$5,710,843	$28,151	$28,151
	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 Treatment Services for Youth	Total	$3,089,001	$0	$3,089,001	$15,224	$15,224
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$2,544,664	$0	$2,544,664	$12,528	$12,528
	CF	$417,727	$0	$417,727	$2,057	$2,057
	RF	$126,610	$0	$126,610	$639	$639
	FF	$0	$0	$0	$0	$0
08. Behavioral Health Services, (C) Substance Use Treatment and Prevention, (1) Treatment Services - Treatment and Detoxification Contracts	Total	$38,642,796	$0	$38,878,270	$63,738	$63,738
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$13,583,079	$0	$14,318,079	$63,334	$63,334
	CF	$5,866,250	$0	$5,366,724	$404	$404
	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	$15,576,864	$0	$15,576,864	$76,785	$76,785
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$0	$0	$0	$0	$0
	CF	$15,576,864	$0	$15,576,864	$76,785	$76,785
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
08. Behavioral Health Services, (C) Substance Use Treatment and Prevention, (1) Treatment Services - Prevention Programs	Total	$6,874,275	$0	$6,854,275	$230	$230
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$36,293	$0	$36,293	$179	$179
	CF	$506,966	$0	$486,966	$51	$51
	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	$6,286,752	$0	$6,286,752	$3,907	$3,907
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$60,189	$0	$60,189	$50	$50
	CF	$2,838,745	$0	$2,838,745	$3,857	$3,857
	RF	$0	$0	$0	$0	$0
	FF	$3,387,818	$0	$3,387,818	$0	$0
08. Behavioral Health Services, (C) Substance Use Treatment and Prevention, (1) Treatment Services - Offender Services	Total	$4,821,702	$0	$4,821,702	$23,952	$23,952
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$3,301,325	$0	$3,301,325	$16,274	$16,274
	CF	$0	$0	$0	$0	$0
	RF	$1,520,377	$0	$1,520,377	$7,678	$7,678
	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	$9,285	$9,285
	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	$9,285	$9,285
	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	$28,079,269	$0	$28,079,269	$140,863	$140,863
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$24,081,881	$0	$24,081,881	$118,710	$118,710
	CF	$3,997,388	$0	$3,997,388	$22,153	$22,153
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
08. Behavioral Health Services, (D) Integrated Behavioral Health Services, (1) Integrated Behavioral Health Services - Crisis Response System Telephone Hotline	Total	$3,958,762	$0	$3,958,762	$15,498	$15,498
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$3,538,410	$0	$3,538,410	$15,498	$15,498
	CF	$420,352	$0	$420,352	$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	$7,711,134	$0	$7,711,134	$29,991	$29,991
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$7,711,134	$0	$7,711,134	$29,991	$29,991
	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 - Criminal Justice Diversion Programs	Total	$6,854,072	$0	$7,241,144	$26,563	$26,563
	FTE	2.1	0.0	2.1	0.0	0.0
	GF	$1,165,052	$0	$1,552,124	$0	$0
	CF	$5,689,020	$0	$5,689,020	$26,563	$26,563
	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	$14,454,233	$0	$14,454,233	$39,008	$39,008
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$7,277,387	$0	$7,277,387	$12,255	$12,255
	CF	$0	$0	$0	$0	$0
	RF	$7,176,846	$0	$7,176,846	$26,753	$26,753
	FF	$0	$0	$0	$0	$0
08. Behavioral Health Services, (D) Integrated Behavioral Health Services, (1) Integrated Behavioral Health Services - Circle and Other Rural Prog for Cooccur Disorders	Total	$8,220,615	$0	$8,220,615	$30,499	$30,499
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$3,090,019	$0	$3,090,019	$15,150	$15,150
	CF	$3,130,596	$0	$3,130,596	$15,349	$15,349
	RF	$2,000,000	$0	$2,000,000	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
08. Behavioral Health Services, (E) Mental Health Institutes, (1) Mental Health Institutes - Ft. Logan - Contract Medical Services	Total	$815,297	$0	$815,297	$19,389	$19,389
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$815,297	$0	$815,297	$19,389	$19,389
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0
08. Behavioral Health Services, (E) Mental Health Institutes, (2) Mental Health Institutes - Pueblo - Contract Medical Services	Total	$3,384,664	$0	$3,384,664	$48,572	$48,572
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$3,384,664	$0	$3,384,664	$48,572	$48,572
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$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	$13,588,102	$0	$13,599,327	$29,768	$29,768
	FTE	4.3	0.0	4.3	0.0	0.0
	GF	$13,588,102	$0	$13,599,327	$29,768	$29,768
	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	$18,357,269	$0	$18,351,392	$92,703	$92,703
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$12,538,493	$0	$12,532,616	$63,319	$63,319
	CF	$3,707,480	$0	$3,707,480	$18,723	$18,723
	RF	$0	$0	$0	$0	$0
	FF	$2,111,296	$0	$2,111,296	$10,661	$10,661
11. Division of Youth Services, (B) Institutional Programs, (1) Institutional Programs - Medical Services	Total	$13,064,019	$0	$13,244,777	$24,896	$24,896
	FTE	84.2	0.0	84.2	0.0	0.0
	GF	$13,064,019	$0	$13,244,777	$24,896	$24,896
	CF	$0	$0	$0	$0	$0
	RF	$0	$0	$0	$0	$0
	FF	$0	$0	$0	$0	$0

Line Item Information	Fund	FY 2019-20 Initial Appropriation	FY 2019-20 Supplemental Request	FY 2020-21 Base Request	FY 2020-21 Change Request	FY 2021-22 Continuation
11. Division of Youth Services, (B) Institutional Programs, (1) Institutional Programs - Educational Programs	Total	$8,132,009	$0	$8,216,098	$16,703	$16,703
	FTE	44.1	0.0	44.1	0.0	0.0
	GF	$7,782,004	$0	$7,866,093	$16,703	$16,703
	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	$17,938,153	$0	$17,874,232	$116,657	$116,657
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$17,138,572	$0	$17,077,305	$107,770	$107,770
	CF	$0	$0	$0	$0	$0
	RF	$799,581	$0	$796,927	$4,845	$4,845
	FF	$0	$0	$0	$4,042	$4,042
11. Division of Youth Services, (C) Community Programs, (1) Community Programs - Managed Care Pilot Project	Total	$1,508,788	$0	$1,504,665	$7,523	$7,523
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$1,472,222	$0	$1,468,199	$7,341	$7,341
	CF	$0	$0	$0	$0	$0
	RF	$36,566	$0	$36,466	$182	$182
	FF	$0	$0	$0	$0	$0
11. Division of Youth Services, (C) Community Programs, (1) Community Programs - S.B. 91-94 Juvenile Services	Total	$15,343,599	$0	$15,301,676	$76,508	$76,508
	FTE	0.0	0.0	0.0	0.0	0.0
	GF	$13,269,131	$0	$13,232,876	$66,164	$66,164
	CF	$2,074,468	$0	$2,068,800	$10,344	$10,344
	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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Department Priority: R-35
Request Detail: Community Provider Rate Increase

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	**FY 2020-21**	**FY 2021-22**
Total Funds	$0	$4,647,561	$4,647,901
FTE	0.0	0.0	0.0
General Fund	$0	$2,721,608	$2,721,608
Cash Funds	$0	$738,969	$738,969
Reappropriated Funds	$0	$52,868	$52,868
Federal Funds	$0	$1,134,206	$1,134,206

Summary of Request:

The Department of Human Services requests an increase of $4,647,901 total funds, including $2,721,608 General Fund, $738,969 cash funds, $52,868 reappropriated funds, and $1,134,206 federal funds in FY 2020-21 and beyond for a 0.5% provider rate increase for contracted community provider services. This request will allow contracted providers and county staff to be in a better position to manage increased labor and supply costs to provide needed contractual services.

Current Program:

The Department of Human Services administers multiple public assistance programs through a state-supervised county-administered model meaning that the state contracts with community providers to deliver services.

Historically 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, 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.

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. The State of Colorado Economic and Fiscal Outlook estimates inflation to be at 1.7 percent in FY 2020-21. As a result, providers have less purchasing power to provide needed contractual services.

Proposed Solution:

The Department requests an increase of $4,647,901 total funds, including $2,721,608 General Fund, $738,969 cash funds, $52,868 reappropriated funds, and $1,134,206 federal funds in FY 2020-21 and beyond for a 0.5% provider 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 pressures. The 0.5% provider rate increase would enable the providers to address the rising costs for labor and supplies.

Anticipated Outcomes:

Contacted providers and county staff will be in a better position to manage increased labor and supply costs in order to provide needed contractual services.

Assumptions and Calculations:

See Attachment A for calculations of provider rate increase by line item.

CDHS Summary Table			
	FY 2020-21 Provider Rate Base	0.5% Provider Rate Increase	New Total
TF	**$929,530,237**	**$4,647,651**	**$934,177,888**
GF	$544,321,567	$2,721,608	$547,043,175
CF	$147,793,834	$738,969	$148,532,803
RF	$10,573,623	$52,868	$10,626,491
FF	$226,841,212	$1,134,206	$227,975,418
NGF	$5,389,322	$26,947	$5,416,269

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Community Provider Rate Increase Calculation for OSPB

Department: Human Services

				1.00%					0.50%	
Fund Type	Long Bill Group	SubDivision (All)	Line Item Appropriation	Explanation of Providers impacted	FY 2019-20 Estimated Base	Provider Rate Calculation	Total FY 2019-20 Request	Total Impact of Provider Rate Increase Calculation	FY 2020-21 Estimated Base	Provider Rate Calculation
					{amount in reconciliation minus any costs not related to community services}					
TF	(1) Executive Director's Office	(B) Special Purpose	Colorado Commission for the Deaf and Hard of Hearing	Legal Auxiliary Services Program	$690,239	$6,902	$690,239	$6,902	$697,141	$3,486
GF					$0	$0	$0	$0	$0	$0
CF					$0	$0	$0	$0	$0	$0
RF		only this amount from the ttl appr is spent on providers.			$690,239	$6,902	$690,239	$6,902	$697,141	$3,486
FF					$0	$0	$0	$0	$0	$0
MTF					$0	$0	$0	$0	$0	$0
MGF					$0	$0	$0	$0	$0	$0
MFF					$0	$0	$0	$0	$0	$0
NGF					$0	$0	$0	$0	$0	$0
							$0	$0		
TF	(4) County Administration	N/A	County Administration	Counties	$75,890,989	$758,910	$75,890,989	$758,910	$76,649,899	$383,249
GF					$25,262,780	$252,628	$25,262,780	$252,628	$25,515,408	$127,577
CF					$15,178,197	$151,782	$15,178,197	$151,782	$15,329,979	$76,650
RF					$0	$0	$0	$0	$0	$0
FF					$35,450,012	$354,500	$35,450,012	$354,500	$35,804,512	$179,023
MTF					$0	$0	$0	$0	$0	$0
MGF					$0	$0	$0	$0	$0	$0
MFF					$0	$0	$0	$0	$0	$0
NGF					$0	$252,628	$0	$252,628	$252,628	$1,263
							$0	$0		
TF	(5) Division of Child Welfare	N/A	Child Welfare Services	Community Child Welfare Providers	$329,354,458	$3,293,545	$329,354,458	$3,293,545	$332,648,003	$1,663,240
GF					$180,094,875	$1,800,949	$180,094,875	$1,800,949	$181,895,824	$909,479
CF					$62,599,586	$625,996	$62,599,586	$625,996	$63,225,582	$316,128
RF					$0	$0	$0	$0	$0	$0
FF					$86,659,997	$866,600	$86,659,997	$866,600	$87,526,597	$437,633
MTF					$0	$0	$0	$0	$0	$0
MGF					$0	$0	$0	$0	$0	$0
MFF					$0	$0	$0	$0	$0	$0
NGF					$0	$1,800,949	$0	$1,800,949	$1,800,949	$9,005
							$0	$0		
TF	(5) Division of Child Welfare	N/A	Adoption and Relative Guardianship Assistance	Reimburses Counties	$40,916,412	$409,164	$40,916,412	$409,164	$41,325,576	$206,628
GF					$18,022,949	$180,229	$18,022,949	$180,229	$18,203,178	$91,016
CF					$8,249,689	$82,497	$8,249,689	$82,497	$8,332,186	$41,661

RF					$0	$0	$0	$0	$0	$0
FF					$14,643,774	$146,438	$14,643,774	$146,438	$14,790,212	$73,951
MTF					$0	$0	$0	$0	$0	$0
MGF					$0	$0	$0	$0	$0	$0
MFF					$0	$0	$0	$0	$0	$0
NGF					$0	$180,229	$0	$180,229	$180,229	$901
							$0	$0		
TF	(5) Division of Child Welfare	N/A	County Level Child Welfare Staffing	Community Child Welfare Providers	$21,199,094	$211,991	$21,199,094	$211,991	$21,411,085	$107,055
GF					$15,450,639	$154,506	$15,450,639	$154,506	$15,605,145	$78,026
CF					$2,138,616	$21,386	$2,138,616	$21,386	$2,160,002	$10,800
RF					$0	$0	$0	$0	$0	$0
FF					$3,609,839	$36,098	$3,609,839	$36,098	$3,645,937	$18,230
MTF					$0	$0	$0	$0	$0	$0
MGF					$0	$0	$0	$0	$0	$0
MFF					$0	$0	$0	$0	$0	$0
NGF					$0	$154,506	$0	$154,506	$154,506	$773
							$0	$0		
TF	(5) Division of Child Welfare	N/A	Family and Children's Programs	Community Programs for child and family at risk	$55,307,655	$553,077	$55,307,655	$553,077	$55,860,732	$279,304
GF					$46,547,535	$465,475	$46,547,535	$465,475	$47,013,010	$235,065
CF					$5,782,342	$57,823	$5,782,342	$57,823	$5,840,165	$29,201
RF					$0	$0	$0	$0	$0	$0
FF					$2,977,778	$29,778	$2,977,778	$29,778	$3,007,556	$15,038
MTF					$0	$0	$0	$0	$0	$0
MGF					$0	$0	$0	$0	$0	$0
MFF					$0	$0	$0	$0	$0	$0
NGF					$0	$465,475	$0	$465,475	$465,475	$2,327
							$0	$0		
TF	(6) Office of Early Childhood	(A) Division of Early Care and Learning	Child Care Licensing and Administration	Contract Licensing Inspectors	$4,513,118	$45,131	$4,513,118	$45,131	$4,558,249	$22,791
GF					$1,640,642	$16,406	$1,640,642	$16,406	$1,657,048	$8,285
CF					$0	$0	$0	$0	$0	$0
RF						$0	$0	$0	$0	$0
FF					$2,872,476	$28,725	$2,872,476	$28,725	$2,901,201	$14,506
MTF					$0	$0	$0	$0	$0	$0
MGF					$0	$0	$0	$0	$0	$0
MFF					$0	$0	$0	$0	$0	$0
NGF					$0	$16,406	$0	$16,406	$16,406	$82
							$0	$0		
TF	(6) Office of Early Childhood	(A) Division of Early Care and Learning	Child Care Assistance Program	Child Care Providers	$112,569,426	$1,125,694	$112,569,426	$1,125,694	$113,695,120	$568,476
GF					$29,039,745	$290,397	$29,039,745	$290,397	$29,330,142	$146,651
CF					$11,498,315	$114,983	$11,498,315	$114,983	$11,613,298	$58,066
RF					$0	$0	$0	$0	$0	$0
FF					$72,031,366	$720,314	$72,031,366	$720,314	$72,751,680	$363,758
MTF					$0	$0	$0	$0	$0	$0
MGF					$0	$0	$0	$0	$0	$0
MFF					$0	$0	$0	$0	$0	$0
NGF					$0	$290,397	$0	$290,397	$290,397	$1,452
							$0	$0		
TF	(6) Office of Early Childhood	(B) Division of Community and Family Support	Early Childhood Mental Health Services	Mental Health Providers	$2,849,132	$28,491	$2,849,132	$28,491	$2,877,623	$14,388

GF					$1,254,638	$12,546	$1,254,638	$12,546	$1,267,184	$6,336
CF					$0	$0	$0	$0	$0	$0
RF					$0	$0	$0	$0	$0	$0
FF					$1,594,494	$15,945	$1,594,494	$15,945	$1,610,439	$8,052
MTF					$0	$0	$0	$0	$0	$0
MGF					$0	$0	$0	$0	$0	$0
MFF					$0	$0	$0	$0	$0	$0
NGF					$0	$12,546	$0	$12,546	$12,546	$63
							$0	$0		
TF	(6) Office of Early Childhood	(B) Division of Community and Family Support	Early Intervention Services	Community Long-term Services and Support Providers	$34,112,578	$341,126	$34,112,578	$341,126	$34,453,704	$172,269
GF					$34,112,578	$341,126	$34,112,578	$341,126	$34,453,704	$172,269
CF					$0	$0	$0	$0	$0	$0
RF					$0	$0	$0	$0	$0	$0
FF					$0	$0	$0	$0	$0	$0
MTF					$0	$0	$0	$0	$0	$0
MGF					$0	$0	$0	$0	$0	$0
MFF					$0	$0	$0	$0	$0	$0
NGF					$0	$341,126	$0	$341,126	$341,126	$1,706
							$0	$0		
TF	(7) Office of Self Sufficiency	(C) Special Purpose Welfare Programs	Refugee Assistance	Residential Services for Unaccompanied Refugee Minors	$1,843,920	$18,439	$1,843,920	$18,439	$1,862,360	$9,312
GF					$0	$0	$0	$0	$0	$0
CF					$0	$0	$0	$0	$0	$0
RF					$0	$0	$0	$0	$0	$0
FF				Child Protection Agencies and Child Maintenance	$1,843,920	$18,439	$1,843,920	$18,439	$1,862,360	$9,312
MTF					$0	$0	$0	$0	$0	$0
MGF					$0	$0	$0	$0	$0	$0
MFF					$0	$0	$0	$0	$0	$0
NGF					$0	$0	$0	$0	$0	$0
							$0	$0		
TF	(8) Behavioral Health Services	(B)Community-based Mental Health Services	Mental Health Community Programs	Community Mental Health Providers	$26,987,027	$269,870	$26,987,027	$269,870	$27,256,897	$136,284
GF					$26,987,027	$269,870	$26,987,027	$269,870	$27,256,897	$136,284
CF					$0	$0	$0	$0	$0	$0
RF					$0	$0	$0	$0	$0	$0
FF					$0	$0	$0	$0	$0	$0
MTF					$0	$0	$0	$0	$0	$0
MGF					$0	$0	$0	$0	$0	$0
MFF					$0	$0	$0	$0	$0	$0
NGF					$0	$269,870	$0	$269,870	$269,870	$1,349
							$0	$0		
TF	(8) Behavioral Health Services	(B)Community-based Mental Health Services	Assertive Community Treatment Programs and Other Alternatives to the Mental Health Institutes	Community Mental Health Providers	$16,486,643	$164,866	$16,486,643	$164,866	$16,651,509	$83,258
GF					$16,486,643	$164,866	$16,486,643	$164,866	$16,651,509	$83,258
CF					$0	$0	$0	$0	$0	$0

RF					$0	$0	$0	$0	$0	$0
FF					$0	$0	$0	$0	$0	$0
MTF					$0	$0	$0	$0	$0	$0
MGF					$0	$0	$0	$0	$0	$0
MFF					$0	$0	$0	$0	$0	$0
NGF					$0	$164,866	$0	$164,866	$164,866	$824
							$0	$0		
TF	(8) Behavioral Health Services	(B)Community-based Mental Health Services	Mental Health Services for Juvenile and Adult Offenders	Community Mental Health Providers	$5,574,491	$55,745	$5,574,491	$55,745	$5,630,236	$28,151
GF					$0	$0	$0	$0	$0	$0
CF					$5,574,491	$55,745	$5,574,491	$55,745	$5,630,236	$28,151
RF					$0	$0	$0	$0	$0	$0
FF					$0	$0	$0	$0	$0	$0
MTF					$0	$0	$0	$0	$0	$0
MGF					$0	$0	$0	$0	$0	$0
MFF					$0	$0	$0	$0	$0	$0
NGF					$0	$0	$0	$0	$0	$0
							$0	$0		
TF	(8) Behavioral Health Services	(B)Community-based Mental Health Services	Mental Health Treatment Services for Youth (H.B. 99-1116)	Community Mental Health Providers	$3,014,675	$30,147	$3,014,675	$30,147	$3,044,822	$15,224
GF					$2,480,818	$24,808	$2,480,818	$24,808	$2,505,626	$12,528
CF					$407,247	$4,072	$407,247	$4,072	$411,319	$2,057
RF					$126,610	$1,266	$126,610	$1,266	$127,876	$639
FF					$0	$0	$0	$0	$0	$0
MTF					$0	$0	$0	$0	$0	$0
MGF					$0	$0	$0	$0	$0	$0
MFF					$0	$0	$0	$0	$0	$0
NGF					$0	$24,808	$0	$24,808	$24,808	$124
							$0	$0		
							$0	$0		
TF	(8) Behavioral Health Services	(C) (1) Substance Use Treatment and Prevention Services	Treatment and Detoxification Contracts	Community Substance Abuse Providers	$12,621,319	$126,213	$12,621,319	$126,213	$12,747,532	$63,738
GF					$12,541,319	$125,413	$12,541,319	$125,413	$12,666,732	$63,334
CF					$80,000	$800	$80,000	$800	$80,800	$404
RF					$0	$0	$0	$0	$0	$0
FF					$0	$0	$0	$0	$0	$0
MTF					$0	$0	$0	$0	$0	$0
MGF					$0	$0	$0	$0	$0	$0
MFF					$0	$0	$0	$0	$0	$0
NGF					$0	$125,413	$0	$125,413	$125,413	$627
							$0	$0		
TF	(8) Behavioral Health Services	(C) (1) Substance Use Treatment and Prevention Services	Increasing Access to Effective Substance Disorder Services (SB 16-202)	Community Substance Abuse Providers	$15,204,950	$152,050	$15,204,950	$152,050	$15,357,000	$76,785
GF					$0	$0	$0	$0	$0	$0
CF					$15,204,950	$152,050	$15,204,950	$152,050	$15,357,000	$76,785
RF					$0	$0	$0	$0	$0	$0
FF					$0	$0	$0	$0	$0	$0
MTF					$0	$0	$0	$0	$0	$0

MGF					$0	$0	$0	$0	$0	$0
MFF					$0	$0	$0	$0	$0	$0
NGF					$0	$0	$0	$0	$0	$0
							$0	$0		
TF	(8) Behavioral Health Services	(C) (1) Substance Use Treatment and Prevention Services	Prevention Programs	Community Substance Abuse Providers	$45,427	$454	$45,427	$454	$45,881	$229
GF					$35,427	$354	$35,427	$354	$35,781	$179
CF					$10,000	$100	$10,000	$100	$10,100	$51
RF					$0	$0	$0	$0	$0	$0
FF					$0	$0	$0	$0	$0	$0
MTF					$0	$0	$0	$0	$0	$0
MGF					$0	$0	$0	$0	$0	$0
MFF					$0	$0	$0	$0	$0	$0
NGF					$0	$354	$0	$354	$354	$2
							$0	$0		
TF	(8) Behavioral Health Services	(C) (1) Substance Use Treatment and Prevention Services	Community Prevention and Treatment Programs	Community Substance Abuse Providers	$773,807	$7,738	$773,807	$7,738	$781,545	$3,908
GF					$9,946	$99	$9,946	$99	$10,045	$50
CF					$763,861	$7,639	$763,861	$7,639	$771,500	$3,857
RF					$0	$0	$0	$0	$0	$0
FF					$0	$0	$0	$0	$0	$0
MTF					$0	$0	$0	$0	$0	$0
MGF					$0	$0	$0	$0	$0	$0
MFF					$0	$0	$0	$0	$0	$0
NGF					$0	$99	$0	$99	$99	$0
`							$0	$0		
TF	(8) Behavioral Health Services	(C) (1) Substance Use Treatment and Prevention Services	Offender Services	Community Substance Abuse Providers	$4,742,880	$47,429	$4,742,880	$47,429	$4,790,309	$23,952
GF					$3,222,503	$32,225	$3,222,503	$32,225	$3,254,728	$16,274
CF					$0	$0	$0	$0	$0	$0
RF					$1,520,377	$15,204	$1,520,377	$15,204	$1,535,581	$7,678
FF					$0	$0	$0	$0	$0	$0
MTF					$0	$0	$0	$0	$0	$0
MGF					$0	$0	$0	$0	$0	$0
MFF					$0	$0	$0	$0	$0	$0
NGF					$0	$32,225	$0	$32,225	$32,225	$161
							$0	$0		
TF	(8) Behavioral Health Services	(C) (1) Substance Use Treatment and Prevention Services	High-Risk Pregnant Women Program	Community Substance Abuse Providers	$1,838,654	$18,387	$1,838,654	$18,387	$1,857,041	$9,285
GF					$0	$0	$0	$0	$0	$0
CF					$0	$0	$0	$0	$0	$0
RF					$1,838,654	$18,387	$1,838,654	$18,387	$1,857,041	$9,285
FF					$0	$0	$0	$0	$0	$0
MTF					$0	$0	$0	$0	$0	$0
MGF					$0	$0	$0	$0	$0	$0
MFF					$0	$0	$0	$0	$0	$0
NGF					$0	$0	$0	$0	$0	$0
							$0	$0		
							$0	$0		

TF	(8) Behavioral Health Services	(D) Integrated Behavioral Health Services	Behavioral Health Crisis Response System Services	Crisis Service Providers	$27,893,709	$278,937	$27,893,709	$278,937	$28,172,646	$140,863
GF					$23,506,902	$235,069	$23,506,902	$235,069	$23,741,971	$118,710
CF					$4,386,807	$43,868	$4,386,807	$43,868	$4,430,675	$22,153
RF					$0	$0	$0	$0	$0	$0
FF					$0	$0	$0	$0	$0	$0
MTF					$0	$0	$0	$0	$0	$0
MGF					$0	$0	$0	$0	$0	$0
MFF					$0	$0	$0	$0	$0	$0
NGF					$0	$235,069	$0	$235,069	$235,069	$1,175
							$0	$0		
							$0	$0		
TF	(8) Behavioral Health Services	(D) Integrated Behavioral Health Services	Behavioral Health Crisis Response System - Telephone Hotline	Crisis Service Providers	$3,068,921	$30,689	$3,068,921	$30,689	$3,099,610	$15,498
GF					$3,068,921	$30,689	$3,068,921	$30,689	$3,099,610	$15,498
CF					$0	$0	$0	$0	$0	$0
RF					$0	$0	$0	$0	$0	$0
FF					$0	$0	$0	$0	$0	$0
MTF						$0	$0	$0	$0	$0
MGF						$0	$0	$0	$0	$0
MFF						$0	$0	$0	$0	$0
NGF						$30,689	$0	$30,689	$30,689	$153
							$0	$0		
TF	(8) Behavioral Health Services	(D) Integrated Behavioral Health Services	Community Transition Services	Crisis Service Providers	$5,938,773	$59,388	$5,938,773	$59,388	$5,998,161	$29,991
GF					$5,938,773	$59,388	$5,938,773	$59,388	$5,998,161	$29,991
CF					$0	$0	$0	$0	$0	$0
RF					$0	$0	$0	$0	$0	$0
FF					$0	$0	$0	$0	$0	$0
MTF					$0	$0	$0	$0	$0	$0
MGF					$0	$0	$0	$0	$0	$0
MFF					$0	$0	$0	$0	$0	$0
NGF					$0	$59,388	$0	$59,388	$59,388	$297
							$0	$0		
TF	(8) Behavioral Health Services	(D) Integrated Behavioral Health Services	Jail-based Behavioral Health Services	Crisis Service Providers	$7,724,277	$77,243	$7,724,277	$77,243	$7,801,520	$39,008
GF					$2,426,667	$24,267	$2,426,667	$24,267	$2,450,934	$12,255
CF					$0	$0	$0	$0	$0	$0
RF					$5,297,610	$52,976	$5,297,610	$52,976	$5,350,586	$26,753
FF					$0	$0	$0	$0	$0	$0
MTF					$0	$0	$0	$0	$0	$0
MGF					$0	$0	$0	$0	$0	$0
MFF					$0	$0	$0	$0	$0	$0
NGF					$0	$24,267	$0	$24,267	$24,267	$121
							$0	$0		
TF	(8) Behavioral Health Services	(D) Mental Health Institutes	Community Based Circle Program	Medical Contracts	$1,993,511	$19,935	$1,993,511	$19,935	$2,013,446	$10,067
GF					$0	$0	$0	$0	$0	$0
CF					$1,993,511	$19,935	$1,993,511	$19,935	$2,013,446	$10,067
RF					$0	$0	$0	$0	$0	$0

FF					$0	$0	$0	$0	$0	$0
MTF					$0	$0	$0	$0	$0	$0
MGF					$0	$0	$0	$0	$0	$0
MFF					$0	$0	$0	$0	$0	$0
NGF					$0	$0	$0	$0	$0	$0
							$0	$0		
TF	(8) Behavioral Health Services	(D) Integrated Behavioral Health Services	Rural Co-occurring Disorder Services	Crisis Service Providers	$4,045,884	$40,459	$4,045,884	$40,459	$4,086,343	$20,432
GF					$3,000,000	$30,000	$3,000,000	$30,000	$3,030,000	$15,150
CF					$1,045,884	$10,459	$1,045,884	$10,459	$1,056,343	$5,282
RF					$0	$0	$0	$0	$0	$0
FF					$0	$0	$0	$0	$0	$0
MTF					$0	$0	$0	$0	$0	$0
MGF					$0	$0	$0	$0	$0	$0
MFF					$0	$0	$0	$0	$0	$0
NGF					$0	$30,000	$0	$30,000	$30,000	$150
							$0	$0		
TF	(8) Behavioral Health Services	(E) (1) Mental Health Institutes	Mental Health Institute - Ft. Logan Personal Services	Medical Contracts	$3,839,500	$38,395	$3,839,500	$38,395	$3,877,895	$19,389
GF				Medical Contracts	$3,839,500	$38,395	$3,839,500	$38,395	$3,877,895	$19,389
CF					$0	$0	$0	$0	$0	$0
RF					$0	$0	$0	$0	$0	$0
FF					$0	$0	$0	$0	$0	$0
MTF					$0	$0	$0	$0	$0	$0
MGF					$0	$0	$0	$0	$0	$0
MFF					$0	$0	$0	$0	$0	$0
NGF					$0	$38,395	$0	$38,395	$38,395	$192
							$0	$0		
TF	(8) Behavioral Health Services	(E) (2) Mental Health Institutes	Mental Health Institute - Pueblo Personal Services	Medical Contracts	$9,618,200	$96,182	$9,618,200	$96,182	$9,714,382	$48,572
GF				Medical Contracts	$9,618,200	$96,182	$9,618,200	$96,182	$9,714,382	$48,572
CF					$0	$0	$0	$0	$0	$0
RF					$0	$0	$0	$0	$0	$0
FF					$0	$0	$0	$0	$0	$0
MTF					$0	$0	$0	$0	$0	$0
MGF					$0	$0	$0	$0	$0	$0
MFF					$0	$0	$0	$0	$0	$0
NGF					$0	$96,182	$0	$96,182	$96,182	$481
							$0	$0		
TF	(8) Behavioral Health Services	(E) (3) Mental Health Institutes	Jail-based Compentency Program	Jail-based Restoration Service Provider	$5,894,700	$58,947	$5,894,700	$58,947	$5,953,647	$29,768
GF				Jail-based Restoration Service Provider	$5,894,700	$58,947	$5,894,700	$58,947	$5,953,647	$29,768
CF					$0	$0	$0	$0	$0	$0
RF					$0	$0	$0	$0	$0	$0
FF					$0	$0	$0	$0	$0	$0
MTF					$0	$0	$0	$0	$0	$0
MGF					$0	$0	$0	$0	$0	$0
MFF					$0	$0	$0	$0	$0	$0
NGF					$0	$58,947	$0	$58,947	$58,947	$295
							$0	$0		
TF	(10) Adult Assistance Programs	(E) Adult Protective Services	Adult Protective Services	Counties	$18,357,269	$183,573	$18,357,269	$183,573	$18,540,842	$92,704

GF					$12,538,493	$125,385	$12,538,493	$125,385	$12,663,878	$63,319
CF					$3,707,480	$37,075	$3,707,480	$37,075	$3,744,555	$18,723
RF					$0	$0	$0	$0	$0	$0
FF					$2,111,296	$21,113	$2,111,296	$21,113	$2,132,409	$10,662
MTF					$0	$0	$0	$0	$0	$0
MGF					$0	$0	$0	$0	$0	$0
MFF					$0	$0	$0	$0	$0	$0
NGF					$0	$125,385	$0	$125,385	$125,385	$627
							$0	$0		
TF	(11) Division of Youth Corrections	(B) Institutional Programs	Medical Services	Medical Contracts	$4,929,812	$49,298	$4,929,812	$49,298	$4,979,110	$24,896
GF					$4,929,812	$49,298	$4,929,812	$49,298	$4,979,110	$24,896
CF					$0	$0	$0	$0	$0	$0
RF					$0	$0	$0	$0	$0	$0
FF					$0	$0	$0	$0	$0	$0
MTF					$0	$0	$0	$0	$0	$0
MGF					$0	$0	$0	$0	$0	$0
MFF					$0	$0	$0	$0	$0	$0
NGF					$0	$49,298	$0	$49,298	$49,298	$246
							$0	$0		
TF	(11) Division of Youth Corrections	(B) Institutional Programs	Educational Programs	Educational Contacts	$3,307,538	$33,075	$3,307,538	$33,075	$3,340,613	$16,703
GF					$3,307,538	$33,075	$3,307,538	$33,075	$3,340,613	$16,703
CF					$0	$0	$0	$0	$0	$0
RF					$0	$0	$0	$0	$0	$0
FF					$0	$0	$0	$0	$0	$0
MTF					$0	$0	$0	$0	$0	$0
MGF					$0	$0	$0	$0	$0	$0
MFF					$0	$0	$0	$0	$0	$0
NGF					$0	$33,075	$0	$33,075	$33,075	$165
							$0	$0		
TF	(11) Division of Youth Corrections	(C) Community Programs	Purchase of Contract Placements	Youth Correctional Community Providers	$23,100,246	$231,002	$23,100,246	$231,002	$23,331,248	$116,656
GF				yes- all providers	$21,340,600	$213,406	$21,340,600	$213,406	$21,554,006	$107,770
CF					$0	$0	$0	$0	$0	$0
RF					$959,339	$9,593	$959,339	$9,593	$968,932	$4,845
FF					$800,307	$8,003	$800,307	$8,003	$808,310	$4,042
MTF					$0	$0	$0	$0	$0	$0
MGF					$0	$0	$0	$0	$0	$0
MFF					$0	$0	$0	$0	$0	$0
NGF					$0	$213,406	$0	$213,406	$213,406	$1,067
							$0	$0		
TF	(11) Division of Youth Corrections	(C) Community Programs	Managed Care Pilot Project	Youth Correctional Community Providers	$1,489,767	$14,898	$1,489,767	$14,898	$1,504,665	$7,523
GF				yes	$1,453,662	$14,537	$1,453,662	$14,537	$1,468,199	$7,341
CF					$0	$0	$0	$0	$0	$0
RF					$36,105	$361	$36,105	$361	$36,466	$182
FF					$0	$0	$0	$0	$0	$0
MTF					$0	$0	$0	$0	$0	$0
MGF					$0	$0	$0	$0	$0	$0

MFF					$0	$0	**$0**	**$0**	$0	$0
NGF					$0	$14,537	**$0**	**$14,537**	$14,537	$73
							$0	**$0**		
TF	(11) Division of Youth Corrections	(C) Community Programs	S.B. 91-94 Programs	Youth Correctional Community Providers	**$15,150,174**	**$151,502**	**$15,150,174**	**$151,502**	$15,301,676	$76,508
GF					$13,101,857	$131,019	**$13,101,857**	**$131,019**	$13,232,876	$66,164
CF					$2,048,317	$20,483	**$2,048,317**	**$20,483**	$2,068,800	$10,344
RF					$0	$0	**$0**	**$0**	$0	$0
FF					$0	$0	**$0**	**$0**	$0	$0
MTF					$0	$0	**$0**	**$0**	$0	$0
MGF					$0	$0	**$0**	**$0**	$0	$0
MFF					$0	$0	**$0**	**$0**	$0	$0
NGF					$0	$131,019	**$0**	**$131,019**	$131,019	$655
							$0	**$0**		
							$0	**$0**		
							$0	**$0**		
TF	**TOTAL Provider Rate Increase for Department**				**$902,889,175**	**$9,028,892**	**$902,889,175**	**$9,028,892**	**$911,918,067**	**$4,559,590**
GF					$527,155,689	$5,271,557	$527,155,689	$5,271,557	$532,427,246	$2,662,136
CF					$140,669,293	$1,406,693	$140,669,293	$1,406,693	$142,075,986	$710,380
RF					$10,468,934	$104,689	$10,468,934	$104,689	$10,573,623	$52,868
FF					$224,595,259	$2,245,953	$224,595,259	$2,245,953	$226,841,212	$1,134,206
MTF					$0	$0	$0	$0	$0	$0
MGF					$0	$0	$0	$0	$0	$0
MFF					$0	$0	$0	$0	$0	$0
NGF					$0	$5,271,557	$0	$5,271,557	$5,271,557	$26,358

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