



Colorado General Assembly
Joint Budget Committee

JOINT BUDGET COMMITTEE STAFF FY 2023-24 BUDGET BRIEFING SUMMARY

Department of Human Services

Executive Director's Office, Administration and Finance, Office of Economic Security, and Office of Adults, Aging, and Disability Services

The Department of Human Services is responsible for the administration and supervision of most non-medical public assistance and welfare programs in the state. The Department's FY 2022-23 consists of 41.4 percent General Fund, 28.4 percent cash funds, 8.5 percent reappropriated funds, and 21.7 percent federal funds.

FY 2022-23 APPROPRIATION AND FY 2023-24 REQUEST

DEPARTMENT OF HUMAN SERVICES						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 APPROPRIATION:						
H.B. 22-1329 (Long Bill)	\$2,638,145,548	\$1,141,826,416	\$462,123,650	\$225,856,891	\$808,338,591	5,332.5
Other legislation	(86,726,158)	(84,669,770)	262,569,593	(10,062,564)	(254,563,417)	(90.8)
TOTAL	\$2,551,419,390	\$1,057,156,646	\$724,693,243	\$215,794,327	\$553,775,174	5,241.7
FY 2023-24 REQUESTED APPROPRIATION:						
FY 2022-23 Appropriation	\$2,551,419,390	\$1,057,156,646	\$724,693,243	\$215,794,327	\$553,775,174	5,241.7
R1 State hospital quality assurance	783,260	783,260	0	0	0	6.5
R2 Preventing youth homelessness	5,100,837	5,049,825	0	0	51,012	7.4
R3 County adult protective services support	1,609,266	1,309,266	300,000	0	0	1.0
R4 Improving Medicaid access for child welfare	541,573	162,500	0	291,573	87,500	2.7
R5 Reforming IT project ownership	0	0	0	0	0	0.0
R6 DYS security equipment upgrades	540,600	540,600	0	0	0	0.0
R7 Improving SNAP delivery	0	0	0	0	0	5.6
R8 Forensic Services Division capacity expansion	3,704,803	3,704,803	0	0	0	23.1
R9 Salary increase for hospital medical staff	1,808,328	1,808,328	0	0	0	0.0
R10 Community provider rate	22,491,357	13,879,529	3,290,100	446,776	4,874,952	0.0
R11 Aid for parents to make child support payments	1,140,274	0	0	0	1,140,274	1.0
R12 Momentum program funding	328,747	328,747	0	0	0	0.0
R13 Sustaining ReHire Colorado	102,904	102,904	0	0	0	0.0
R14 OCFMH data management and reporting	236,314	236,314	0	0	0	2.8
R15 Quality assurance budget alignments	0	0	0	0	0	0.0
R16 Juvenile justice budget alignment	0	0	0	0	0	0.0
R17 Realign child welfare hotline budget	(535,787)	(535,787)	0	0	0	0.0
R18 DYS caseload reduction for parole and transition	(700,000)	(700,000)	0	0	0	0.0
R19 DYS caseload reduction for state facilities	(1,927,398)	(1,675,864)	0	(134,557)	(116,977)	0.0
BHA-R1 Behavioral Health Administration personnel	3,478,525	3,478,525	0	0	0	31.3
BHA-R2 Behavioral health services	5,500,000	5,500,000	0	0	0	0.0

DEPARTMENT OF HUMAN SERVICES

	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
BHA-R3 Behavioral health learning management system	753,386	753,386	0	0	0	0.9
BHA-R4 BHA community provider	5,246,702	3,491,583	1,751,187	3,932	0	0.0
BHA-R5 BHA technical adjustments	0	0	0	0	0	0.0
Centrally appropriated line items	23,532,567	16,198,261	2,518,073	2,614,667	2,201,566	0.0
Indirect cost assessments	6,520,404	0	1,035,765	2,025,147	3,459,492	0.0
Non-prioritized requests	2,386,535	2,126,875	204,946	54,714	0	(3.5)
Technical adjustments	492,540	507,114	(90,811)	(47,220)	123,457	0.0
Annualize prior year legislation	(312,406,151)	(1,988,084)	(311,972,108)	459,017	1,095,024	11.0
Annualize prior year budget actions	(1,771,130)	5,175,193	(98,019)	(4,690,379)	(2,157,925)	9.5
TOTAL	\$2,320,377,846	\$1,117,393,924	\$421,632,376	\$216,817,997	\$564,533,549	5,341.0
INCREASE/(DECREASE)	(\$231,041,544)	\$60,237,278	(\$303,060,867)	\$1,023,670	\$10,758,375	99.3
Percentage Change	(9.1%)	5.7%	(41.8%)	0.5%	1.9%	1.9%

* Decision items shaded in grey are not addressed in this document. These items are address by other JBC Staff briefing documents.

R3 COUNTY ADULT PROTECTIVE SERVICES SUPPORT: The request includes an increase of \$1.6 million total funds, including \$1.3 million General Fund and \$300,000 cash funds from local county matching funds, and 1.0 FTE in FY 2023-24 and ongoing. The Colorado Adult Protective Services Program (APS) codified in Section 26-3.1-101 et seq., C.R.S., was created to improve the health, safety, and welfare of at-risk adults experiencing mistreatment or self-neglect. The Department identifies this request as theory-informed.

R5 REFORMING IT PROJECT OWNERSHIP: The request includes a budget neutral transfer of \$3.7 million totals funds, including \$1.3 million General Fund, from the Payments to OIT line item to the Personal Services line item within the Administration and Finance section for FY 2023-24 and ongoing. This request would move IT project ownership and management from OIT to DHS and result in the hiring of 38.0 contract FTE. The Department identifies this request as theory-informed.

RECOMMENDATION: In consultation with JBC staff for Information Technology Projects and Joint Technology Committee (JTC) staff, staff recommends that the Committee refer this request to the Joint Technology Committee (JTC), pursuant to Joint Rule 45(b). **JBC staff for Information Technology Projects will present this recommendation in a single document for Committee action at a later date.** Staff further recommends that this request remain for consideration in the operating budget as submitted; however, staff requests a JTC review and recommendation as an IT-related operating request item.

R7 IMPROVING SNAP DELIVERY: The request includes a transfer of \$622,173 total funds, including \$311,087 General Fund, from the Electronic Benefits Transfer Service line item to the Supplemental Nutrition Assistance Program Administration line item within the Office of Economic Security, Food and Energy Assistance subdivision for FY 2023-24 and ongoing. The request also includes an increase of 5.6 FTE in FY 2023-24, annualizing to 6.0 FTE in FY 2024-25 and ongoing. The shift in funding and increase in FTE are requested to improve and bolster the administration of the Supplemental Nutrition Assistance Program (SNAP), as well as provide additional support to the State’s counties who administer the Program.

R10 COMMUNITY PROVIDER RATE: The request includes an increase of \$22.5 million total funds, including \$13.9 million General Fund, in FY 2023-24 and ongoing for a 3.0 percent provider rate adjustment. This request affects the Office of Children, Youth, and Families, the Office of Economic Security, the Office of Behavioral Health, and the Office of Adults, Aging, and Disability Services.

R11 AID FOR PARENTS TO MAKE CHILD SUPPORT PAYMENTS: The request includes an increase of \$1.1 million federal funds from the Temporary Assistance for Needy Families (TANF) Block Grant and 1.0 FTE in FY 2023-24 through FY 2026-27 to provide employment services to at least 300 low-income, non-custodial parents through the Improved Payments and Child Success (IMPACS) program. Funding for the program, operated by the Department under Sections 26-2-706 (1)(d) and 26-2-706.6 (4), C.R.S., has been provided through FY 2022-23. The Department is seeking to extend the program an additional four fiscal years to continue providing services and to collect additional programmatic data to allow for a full program evaluation. The Department identifies this request as evidence-informed.

R13 SUSTAIN REHIRE COLORADO [REQUIRES LEGISLATION]: The request includes an increase of \$102,904 General Fund to increase the funding for the ReHire Colorado program, authorized by Section 26-2-1101 et seq., C.R.S., to provide increased wage subsidies to program participants. Additionally, the Department requests that the Committee sponsor legislation to extend the program indefinitely; the program is set to repeal July 1, 2025. The Department identifies this request as proven.

R15 QUALITY ASSURANCE BUDGET ALIGNMENT: The request includes a budget neutral transfer of \$1.2 million total funds, including \$1,161,187 General Fund, and 13.0 FTE from the Office of Children, Youth, and Families to the Administration and Finance division to align the Department's budget structure with its operational structure for administrative review and quality assurance related to child welfare and youth services. This request is associated with the reorganization of the Department's Long Bill section that was approved and implemented during the 2022 legislative session.

R15 QUALITY ASSURANCE BUDGET ALIGNMENT SUMMARY						
DIVISION	SUB DIVISION	LINE ITEM	TOTAL FUNDS	GENERAL FUND	FEDERAL FUNDS	FTE
Admin/Finance	Special Purpose	Administrative Review Unit	\$517,503	\$439,613	\$77,890	6.0
Admin/Finance	Special Purpose	Quality Assurance Youth Services	721,574	721,574	0	7.0
OCYF	Div of Child Welfare	Continuous Quality Improvement	(517,503)	(439,613)	(77,890)	(6.0)
OCYF	Div of Youth Services	Program Administration	(721,574)	(721,574)	0	(7.0)
Total			\$0	\$0	\$0	0.0

CENTRALLY APPROPRIATED LINE ITEMS: The request includes adjustments to centrally appropriated line items:

CENTRALLY APPROPRIATED LINE ITEMS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Salary survey	\$25,609,827	\$18,932,095	\$1,324,318	\$2,215,770	\$3,137,644	0.0
Payments to OIT	7,778,741	2,955,922	0	4,822,819	0	0.0
Legal services	1,414,867	843,261	0	571,606	0	0.0
Vehicle lease payments	197,251	97,245	0	100,006	0	0.0
Risk management and property adjustment	36,217	31,400	0	4,817	0	0.0
Shift differential	(2,099,941)	(1,437,060)	48,487	(468,751)	(242,617)	0.0
Workers' compensation	(1,937,783)	(1,195,612)	0	(742,171)	0	0.0
PERA Direct Distribution	(1,616,878)	0	0	(1,616,878)	0	0.0
AED	(1,577,455)	(1,267,867)	37,099	(293,451)	(53,236)	0.0
SAED	(1,577,455)	(1,267,867)	37,099	(293,451)	(53,236)	0.0
Health, life, and dental	(1,380,812)	(871,862)	1,069,955	(997,352)	(581,553)	0.0
CORE adjustment	(488,256)	(294,418)	0	(193,838)	0	0.0
Capitol Complex leased space	(386,982)	(135,444)	0	(251,538)	0	0.0
ALJ services	(362,018)	(131,775)	0	(230,243)	0	0.0
Short-term disability	(76,756)	(59,757)	1,115	(12,678)	(5,436)	0.0
TOTAL	\$23,532,567	\$16,198,261	\$2,518,073	\$2,614,667	\$2,201,566	0.0

INDIRECT COST ASSESSMENTS: The request includes net adjustments to indirect costs across the Department.

NON-PRIORITIZED REQUESTS: The request includes the following non-prioritized request items, which are linked to decision items in other departments and common policy decisions.

NON-PRIORITIZED REQUESTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
OIT Budget package	\$2,802,753	\$1,065,046	\$0	\$1,737,707	\$0	0.0
NP4 Records and Reports CF Solution	1,208,889	1,208,889	0	0	0	2.0
DPS Digital trunk radio	303,702	115,407	0	188,295	0	0.0
NP2 Food service inflation	273,706	0	0	273,706	0	0.0
DPA COE common policy	73,055	29,222	0	43,833	0	0.0
DPA Capitol complex staffing	46,436	19,085	0	27,351	0	0.0
DPA Transfer perf. budgeting to DPA	9,735	6,026	0	3,709	0	0.0
BHANP1 Maternity equity	(1,903,091)	0	0	(1,903,091)	0	0.0
NP8 Transfer FTE between DEC and DHS	(428,650)	(316,800)	204,946	(316,796)	0	(5.5)
TOTAL	\$2,386,535	\$2,126,875	\$204,946	\$54,714	\$0	(3.5)

TECHNICAL ADJUSTMENTS: The request includes an increase of \$492,540 total funds, including \$507,114 General Fund for technical adjustments, including for the upcoming leap year and annual depreciation-lease equivalent payments.

TECHNICAL ADJUSTMENTS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS	FTE
Leap year	\$600,491	\$367,061	\$96,967	\$13,006	\$123,457	0.0
ADL equivalent payments	140,053	140,053	0	0	0	0.0
State Ombudsman Program	(173,289)	0	(173,289)	0	0	0.0
DYS administration	(60,226)	0	0	(60,226)	0	0.0
Administrative Review Unit	(14,489)	0	(14,489)	0	0	0.0
TOTAL	\$492,540	\$507,114	(\$90,811)	(\$47,220)	\$123,457	0.0

ANNUALIZE PRIOR YEAR LEGISLATION: The request includes a net decrease of \$312.4 million total funds to reflect the FY 2023-24 impact of bills passed in previous sessions, summarized in the following table.

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROP. FUNDS	FEDERAL FUNDS	FTE
HB 22-1259 Modifications to Colorado Works program	\$1,540,937	\$2,266,909	(\$1,698,606)	\$0	\$972,634	0.0
HB 22-1278 Behavioral Health Administration	1,192,353	1,192,353	0	0	0	12.1
HB 22-1374 Foster care success act	1,112,326	1,112,326	0	0	0	0.1
HB 22-1094 Foster youth in transition	843,318	421,659	0	421,659	0	0.0
HB 22-1256 Modifications to civil involuntary commitment	576,814	576,814	0	0	0	5.2
SB 22-235 County admin of public assistance programs	200,000	60,000	0	80,000	60,000	0.0
HB 22-1289 Health benefits for children	166,000	107,900	0	0	58,100	0.0
HB 22-1056 Emergency care for children	49,550	45,260	0	0	4,290	0.0
HB 22-1061 Modifications to NGRI	33,539	33,539	0	0	0	0.5
HB 22-1315 Colorado 211 collaborative funding	4,936	4,936	0	0	0	0.1
HB 22-1397 Statewide equity office	1,915	0	0	1,915	0	0.3
HB 22-1249 School security and behavioral health	0	6,000,000	(6,000,000)	0	0	0.0

ANNUALIZE PRIOR YEAR LEGISLATION						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROP. FUNDS	FEDERAL FUNDS	FTE
HB 22-1281 Behavioral health-care continuum gap grant	(90,000,000)	0	(90,000,000)	0	0	(0.5)
SB 22-196 Health needs of persons in criminal justice system	(50,700,000)	0	(50,700,000)	0	0	0.0
HB 22-1303 Increase residential behavioral health beds	(47,160,741)	0	(47,160,741)	0	0	(7.0)
SB 22-181 Behavioral health workforce	(36,806,984)	0	(36,806,984)	0	0	0.0
HB 22-1386 Competency to proceed and restoration	(29,362,828)	0	(29,362,828)	0	0	0.0
HB 22-1283 Youth and family behavioral health	(19,667,949)	0	(19,667,949)	0	0	0.0
HB 22-1326 Fentanyl accountability	(13,755,154)	(10,630,154)	(3,125,000)	0	0	0.9
SB 22-177 Investments in care coordination	(12,200,000)	0	(12,200,000)	0	0	0.0
HB 22-1380 Critical services for low-income households	(6,000,000)	0	(6,000,000)	0	0	0.0
SB 22-148 CO Land-based tribe behavioral health grant	(5,000,000)	0	(5,000,000)	0	0	0.0
HB 21-1105 Low-income utility payment assistance contributions	(4,250,000)	0	(4,250,000)	0	0	0.0
HB 22-1364 Food Pantry Assistance Grant program	(3,000,000)	(3,000,000)	0	0	0	0.0
HB 22-1131 Reduce justice involvement	(105,000)	(105,000)	0	0	0	0.0
SB 22-211 Repurpose Ridge View Campus	(44,557)	(44,557)	0	0	0	(0.4)
HB 22-1378 Denver-metro regional navigation	(44,557)	0	0	(44,557)	0	(0.4)
HB 22-1099 Policies and procedures	(30,000)	(30,000)	0	0	0	0.0
HB 22-1052 Promoting crisis services	(69)	(69)	0	0	0	0.1
TOTAL	(\$312,406,151)	(\$1,988,084)	(\$311,972,108)	\$459,017	\$1,095,024	11.0

ANNUALIZE PRIOR YEAR BUDGET ACTIONS: The FY 2023-24 request includes a net decrease of \$1.8 million total funds, including an increase of \$5.2 million General Fund, for prior year budget actions, summarized in the following table.

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROP. FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 NPBA2 COWINS Partnership Agreement	\$993,551	\$688,464	\$77,204	\$90,328	\$137,555	0.0
FY 2022-23 R6 Facilities Management Operating	747,980	5,510,168	0	(4,762,188)	0	0.0
FY 2022-23 R17 Realign child welfare hotline	457,787	457,787	0	0	0	0.0
FY 2022-23 R7 DYS phone replacement	100,000	100,000	0	0	0	0.0
FY 2022-23 BA2 Behavioral Health Safety Net	80,611	80,611	0	0	0	1.2
FY 2022-23 BA4 National School Lunch Program staffing	6,931	(42,500)	49,431	0	0	0.5
FY 2019-20 R21 Salesforce shield	6,274	729	0	5,545	0	0.0
FY 2022-23 BA5 Implementation of SAPA	3,212	3,212	0	0	0	0.1
FY 2019-20 R6 Child support employment	(1,820,720)	0	0	0	(1,820,720)	(1.0)
FY 2022-23 BA9 DYS Job readiness	(1,088,000)	(1,088,000)	0	0	0	0.0
FY 2022-23 Salary survey	(647,946)	(21,762)	(186,260)	0	(439,924)	0.0
FY 2022-23 BA6 SB 21-278 funding	(250,000)	(250,000)	0	0	0	0.0
FY 2022-23 R1 Food service & housekeeping	(170,593)	(89,713)	(38,394)	(19,083)	(23,403)	0.0
FY 2022-23 R2 CMHIFL 44 bed operating	(147,914)	(147,914)	0	0	0	8.4

ANNUALIZE PRIOR YEAR BUDGET ACTIONS						
	TOTAL FUNDS	GENERAL FUND	CASH FUNDS	REAPPROP. FUNDS	FEDERAL FUNDS	FTE
FY 2022-23 R10 SNAP Fair Hearings Compliance	(18,466)	(9,233)	0	0	(9,233)	0.1
FY 2022-23 R4 County child welfare support	(15,712)	(13,512)	0	0	(2,200)	0.2
FY 2022-23 NP5 OIT package	(8,125)	(3,144)	0	(4,981)	0	0.0
TOTAL	(\$1,771,130)	\$5,175,193	(\$98,019)	(\$4,690,379)	(\$2,157,925)	9.5

SUMMARY OF ISSUES PRESENTED TO THE JOINT BUDGET COMMITTEE

ONE-TIME FUNDING AUTHORIZED IN RECENT LEGISLATIVE SESSIONS: During the 2020B, 2021, and 2022 legislative sessions, the General Assembly allocated significant one-time funding to the Department of Human Services that included \$46.0 million originating as state General Fund and \$482.4 million originating as federal Coronavirus State Fiscal Recovery funds (ARPA funds). Through FY 2021-22, the Department has expended \$20.3 million of the \$46.0 million, or 44.1 percent, of the one-time General Fund appropriated by the General Assembly. Through FY 2021-22, the Department has expended \$41.4 million of the \$482.4 million, or 8.6 percent, of the one-time ARPA funds appropriated by the General Assembly and allocated by the Governor.

R3 COUNTY ADULT PROTECTIVE SERVICES SUPPORT: The Department requests an increase of \$1,609,266 total funds, including \$1,309,266 General Fund and \$300,000 cash funds from local county matching funds, and 1.0 FTE in FY 2023-24 and ongoing. The Colorado Adult Protective Services Program (APS) codified in Section 26-3.1-101 et seq., C.R.S., was created to improve the health, safety, and welfare of at-risk adults experiencing mistreatment or self-neglect.

FOR MORE INFORMATION

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TO READ THE ENTIRE BRIEFING: Go to <http://leg.colorado.gov/content/budget/budget-documents> to use the budget document search tool. Select this department's name under *Department/Topic*, "Briefing" under *Type*, and select a *Start date* and *End date* to show documents released in November and December of 2022.