



Colorado General Assembly  
Joint Budget Committee

# JOINT BUDGET COMMITTEE STAFF FY 2023-24 BUDGET BRIEFING SUMMARY

*Department of Human Services*  
*Office of Children, Youth and Families*

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 appropriation 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            |
| <b>FY 2022-23 APPROPRIATION:</b>                    |                        |                        |                      |                      |                      |                |
| 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)         |
| <b>TOTAL</b>  | <b>\$2,551,419,390</b> | <b>\$1,057,156,646</b> | <b>\$724,693,243</b> | <b>\$215,794,327</b> | <b>\$553,775,174</b> | <b>5,241.7</b> |
| <b>FY 2023-24 REQUESTED APPROPRIATION:</b>          |                        |                        |                      |                      |                      |                |
| 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 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              | 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           | 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 parole and transition caseload              | (700,000)              | (700,000)              | 0                    | 0                    | 0                    | 0.0            |
| R19 DYS state facilities caseload                   | (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            |
| 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            |

| DEPARTMENT OF HUMAN SERVICES        |                        |                        |                        |                      |                      |                |
|-------------------------------------|------------------------|------------------------|------------------------|----------------------|----------------------|----------------|
|                                     | TOTAL FUNDS            | GENERAL FUND           | CASH FUNDS             | REAPPROPRIATED FUNDS | FEDERAL FUNDS        | FTE            |
| 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            |
| <b>TOTAL</b>                        | <b>\$2,320,377,846</b> | <b>\$1,117,393,924</b> | <b>\$421,632,376</b>   | <b>\$216,817,997</b> | <b>\$564,533,549</b> | <b>5,341.0</b> |
| <b>INCREASE/(DECREASE)</b>          | <b>(\$231,041,544)</b> | <b>\$60,237,278</b>    | <b>(\$303,060,867)</b> | <b>\$1,023,670</b>   | <b>\$10,758,375</b>  | <b>99.3</b>    |
| Percentage Change                   | (9.1%)                 | 5.7%                   | (41.8%)                | 0.5%                 | 1.9%                 | 1.9%           |

\* Decision items shaded in blue are addressed in this document. The remaining items are address by other JBC Staff briefing documents. Totals for the item descriptions below are for OCYF only, and therefore may differ from the Department totals above.

**R2 PREVENTING YOUTH HOMELESSNESS [REQUIRES LEGISLATION]:** The request includes an increase of \$5,100,837 total funds, including \$5,049,825 General Fund, and 7.4 FTE in FY 2034-24, and \$5,164,275 total funds in FY 2024-25 and ongoing to address factors contributing to youth homelessness. The request requires legislation to establish a housing voucher for foster youth. The department identified the request as evidence-informed (Step 4). *Additional information is provided in the second issue brief.*

The request includes the following components:

- \$717,688 total funds, including \$690,946 General Fund, and 2.0 FTE for program intermediaries to serve as liaisons between the Department and local service providers to increase access to prevention services included on the Family First Prevention Services Clearinghouse;
- \$1.3 million General Fund to distribute to service providers to address youth risk factors through evidence-based programs such as multisystemic therapy and skills groups;
- \$3.1 million total funds, including \$2.7 million General Fund, and 6.0 FTE to provide dedicated housing assistance for youth transitioning out of foster care and Youth Services. The request includes \$1.1 million to create and fund approximately 100 youth housing vouchers.

**R4 IMPROVING MEDICAID ACCESS FOR CHILD WELFARE YOUTH:** The request includes an increase of \$541,573 total funds, including \$162,500 General Fund, and 2.7 FTE in FY 2023-24 and \$821,637 total funds in FY 2024-25 and ongoing for dedicated staff to coordinate between the Department of Health Care Policy and Financing (HCPF) and DHS for child welfare youth. The department identified the request as theory-informed (Step 3).

DHS, HCPF, and the Office of Information Technology (OIT) conducted a root cause analysis that determined at least 1,396 child welfare youth experienced Medicaid eligibility disruptions last year. Eligibility disruptions can cause youth to experience delays and loss in access to prescriptions, treatment, and placements. The request would create three positions with expertise in child welfare, Medicaid, and the three state data systems that manage child welfare and Medicaid cases (Trails, CBMS, and MMIS) to improve Medicaid access by reducing system fragmentation. The request was a recommendation of the Medicaid Subcommittee of the Delivery of Child Welfare Services Task Force created by S.B. 18-254 (Child Welfare Reforms).

**R6 DYS SECURITY EQUIPMENT UPGRADES:** The request includes an increase of \$540,600 General Fund in FY 2023-24, and \$137,000 General Fund in FY 2024-25 and ongoing, for the one-time purchase and ongoing maintenance of security equipment. Proposed equipment expenses include 11 drug trace detectors, five digital fingerprinting machines, and one handheld x-ray. The Department currently relies on physical fingerprinting that must be mailed between the DYS and Judicial Districts.

**R10 COMMUNITY PROVIDER RATE:** The request includes an increase of \$16,813,231 total funds, including \$10,047,087 General Fund in FY 2023-24 and ongoing in OCYF for a 3.0 percent provider rate increase.

**R15 QUALITY ASSURANCE BUDGET ALIGNMENTS:** The request includes a net-zero transfer of two line items from OCYF to the Administration and Finance Division. The transfer would separate quality assurance processes from the programs they review. The transfer would not have a programmatic impact and is intended to align the Long Bill with current practice.

**R16 JUVENILE JUSTICE BUDGET ALIGNMENT:** The request includes a net-zero transfer of \$281,249 General Fund and 3.0 FTE from the Division of Child Welfare (DCW) to the Division of Youth Services (DYS). The request states that S.B. 21-071 (Limit the Detention of Juveniles) incorrectly appropriated funding for DHS in the DCW Administration line. The transfer would not have a programmatic impact and is intended to align the Long Bill with current practice.

**R17 REALIGN CHILD WELFARE HOTLINE BUDGET:** The request includes a one-time decrease of \$535,787 General Fund in FY 2023-24 to reflect cost efficiencies in DCW. The request is a continuation of a one-time decrease approved by the Committee and General Assembly during the last budget cycle. The Department states that the decrease would not have a programmatic impact, and is only requested on a one-time basis to allow for future technological improvements.

**R18 DYS PAROLE CASELOAD REDUCTION:** The request includes a decrease of \$700,000 General Fund in FY 2023-24 and ongoing to reflect a projected parole caseload decrease of 2.0 percent. The Department does not anticipate that the decrease will have an impact on services and anticipates that funding will be reverted at the end of the fiscal year if the request is not approved.

**R19 DYS CONTRACT PLACEMENT CASELOAD REDUCTION:** The request includes a decrease of \$1,927,398 total funds, including \$1,675,864 General Fund, in FY 2023-24 and FY 2024-25 to reflect decreased caseload for community contract placements. The caseload decrease results from a shift in higher acuity cases requiring State-secure rather than community placements, and the closure of Ridge View Youth Services Center, a 32-bed facility in Watkins, Colorado.

**INDIRECT COST ASSESSMENT:** The request includes a net increase of \$1,249,244 to indirect costs for OCYF.

**ANNUALIZE PRIOR YEAR LEGISLATION:** The request includes a net decrease of \$9,591,829 total funds for OCYF to reflect the FY 2023-24 impact of bills passed in previous sessions, summarized in the table below.

| ANNUALIZE PRIOR YEAR LEGISLATION       |                      |                    |                       |                      |                 |            |
|--|----------------------|--------------------|-----------------------|----------------------|-----------------|------------|
|  | TOTAL FUNDS          | GENERAL FUND       | CASH FUNDS            | REAPPROPRIATED FUNDS | FEDERAL FUNDS   | FTE        |
| HB22-1374 Foster care success act      | \$1,112,326          | \$1,112,326        | \$0                   | \$0                  | \$0             | 0.1        |
| HB22-1094 Foster youth in transition   | 843,318              | 421,659            | 0                     | 421,659              | 0               | 0.0        |
| HB22-1289 Health benefits for children | 166,000              | 107,900            | 0                     | 0                    | 58,100          | 0.0        |
| HB22-1056 Emergency care for children  | 49,550               | 45,260             | 0                     | 0                    | 4,290           | 0.0        |
| HB22-1283 Youth behavioral health      | (11,628,023)         | 0                  | (11,628,023)          | 0                    | 0               | 0.0        |
| HB22-1131 Reduce justice involvement   | (105,000)            | (105,000)          | 0                     | 0                    | 0               | 0.0        |
| HB22-1099 Policies and procedures      | (30,000)             | (30,000)           | 0                     | 0                    | 0               | 0.0        |
| <b>TOTAL</b>                           | <b>(\$9,591,829)</b> | <b>\$1,552,145</b> | <b>(\$11,628,023)</b> | <b>\$421,659</b>     | <b>\$62,390</b> | <b>0.1</b> |

**ANNUALIZE PRIOR YEAR BUDGET ACTIONS:** The request includes a net increase of \$2,819,779 total funds to reflect the FY 2023-24 impact of prior year budget actions for OCYF, summarized in the table below.

| ANNUALIZE PRIOR YEAR BUDGET ACTIONS        |                    |                    |                 |                      |                 |            |
|--|--------------------|--------------------|-----------------|----------------------|-----------------|------------|
|  | TOTAL FUNDS        | GENERAL FUND       | CASH FUNDS      | REAPPROPRIATED FUNDS | FEDERAL FUNDS   | FTE        |
| Annualize prior year salary survey         | \$3,615,704        | \$3,449,853        | \$82,890        | \$9,161              | \$73,800        | 0.0        |
| FY 22-23 R17 Realign child welfare hotline | 457,787            | 457,787            | 0               | 0                    | 0               | 0.0        |
| FY 22-23 R7 DYS phone replacement          | 100,000            | 100,000            | 0               | 0                    | 0               | 0.0        |
| FY 22-23 R1 Food service & housekeeping    | 0                  | 0                  | 0               | 0                    | 0               | 0.0        |
| FY 22-23 BA9 DYS Job readiness             | (1,088,000)        | (1,088,000)        | 0               | 0                    | 0               | 0.0        |
| FY 22-23 BA6 SB 21-278 funding             | (250,000)          | (250,000)          | 0               | 0                    | 0               | 0.0        |
| FY 22-23 R4 County child welfare support   | (15,712)           | (13,512)           | 0               | 0                    | (2,200)         | 0.2        |
| <b>TOTAL</b>                               | <b>\$2,819,779</b> | <b>\$2,656,128</b> | <b>\$82,890</b> | <b>\$9,161</b>       | <b>\$71,600</b> | <b>0.2</b> |

**TECHNICAL ADJUSTMENTS:** The request includes a net increase of \$469,890 total funds for a leap year adjustment.

**NON-PRIORITIZED REQUESTS:** The request includes an increase of \$164,641 for the transfer of FTE from the new Department of Early Childhood to OCYF.

## 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). Two bills have allocated a total of \$17.6 million ARPA funds to OCYF.

**R2 PREVENTING YOUTH HOMELESSNESS:** This issue provides background research and outlines the Department's second prioritized request, R2 Preventing Youth Homelessness.

**CHILD WELFARE REFORM:** This issue summarizes recent state and federal legislative changes impacting the Child Welfare budget.

## 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.