

**COLORADO GENERAL ASSEMBLY  
JOINT BUDGET COMMITTEE**



**FY 2016-17 STAFF BUDGET BRIEFING  
DEPARTMENT OF HUMAN SERVICES**

**(Office of Operations, Division of Child Welfare, Office of Early Childhood)**

**JBC Working Document - Subject to Change  
Staff Recommendation Does Not Represent Committee Decision**

**Prepared By:  
Robin J. Smart, JBC Staff  
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For Further Information Contact:

Joint Budget Committee Staff  
200 E. 14th Avenue, 3rd Floor  
Denver, Colorado 80203  
Telephone: (303) 866-2061  
TDD: (303) 866-3472

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## DEPARTMENT OF HUMAN SERVICES

(Office of Operations, Division of Child Welfare, Office of Early Childhood)

### Department Overview

The Department of Human Services is responsible for the administration and supervision of all non-medical public assistance and welfare programs in the State. It supervises programs that are administered at the local level by counties and other agencies and directly operates mental health institutes, regional centers for people with developmental disabilities, and institutions for juvenile delinquents. This presentation focuses on three sections of the Department.

- The **Office of Operations** Long Bill group, functionally within the *Office of Administrative Solutions*, provides Department-wide facility maintenance and management, accounting, payroll, contracting, purchasing, and field audits.
- **Child Welfare:** The Division of Child Welfare provides funding for programs that protect children from harm and assist families in caring for and protecting their children. Nearly 90.0 percent of funding in this division is allocated to counties, which are responsible for administering child welfare services under the supervision of the Department. County departments receive and respond to reports of potential child abuse or neglect and provide appropriate child welfare services to the child and the family, including providing for the residential care of a child when a court determines this is in the child's best interest.
- **Office of Early Childhood:** This office includes the Division of Early Care and Learning and the Division of Community and Family Support. The Division of Early Care and Learning includes funding associated with the State supervision and the county administration of the Colorado Child Care Assistance Program (CCCAP). Through CCCAP, counties provide child care subsidies to low income families and families transitioning from the Colorado Works Program. In addition, this division is responsible for licensing and monitoring child care facilities and for administering programs that are designed to improve the quality and availability of child care in the State. The Division of Community and Family Support includes funding for various early childhood family support programs such as Early Intervention Services and the Nurse Home Visitor Program.

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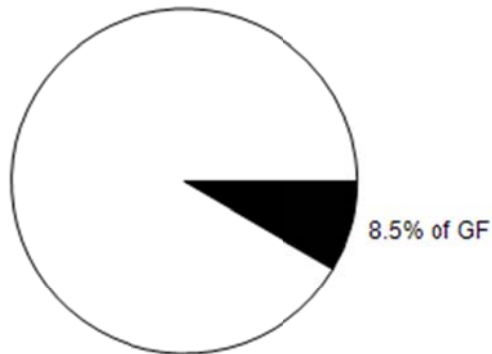
## Department Budget: Recent Appropriations

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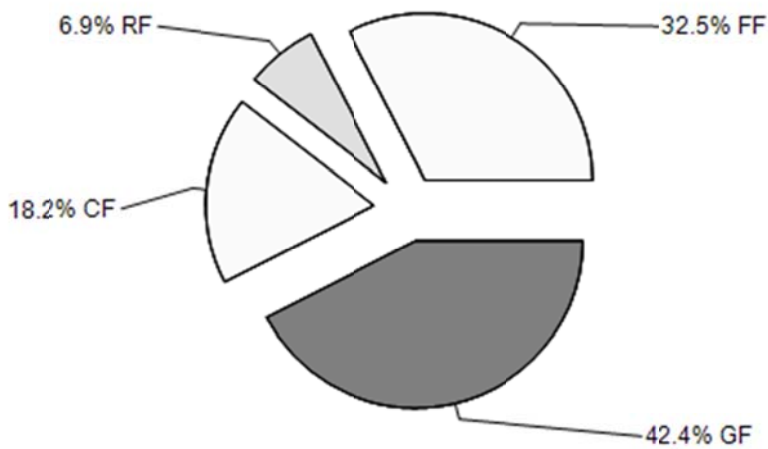
<b>Funding Source</b>	<b>FY 2013-14</b>	<b>FY 2014-15</b>	<b>FY 2015-16</b>	<b>FY 2016-17 *</b>
General Fund	\$719,139,332	\$790,048,884	\$811,905,208	\$836,373,426
Cash Funds	360,140,503	346,553,374	348,624,954	360,224,239
Reappropriated Funds	497,414,430	128,165,697	131,723,226	127,019,684
Federal Funds	<u>612,167,352</u>	<u>619,824,287</u>	<u>622,405,770</u>	<u>583,077,871</u>
<b>Total Funds</b>	<b>\$2,188,861,617</b>	<b>\$1,884,592,242</b>	<b>\$1,914,659,158</b>	<b>\$1,906,695,220</b>
Full Time Equiv. Staff	4,879.0	4,961.2	4,970.9	4,837.7

## Department Budget: Graphic Overview

**Department's Share of Statewide  
General Fund**

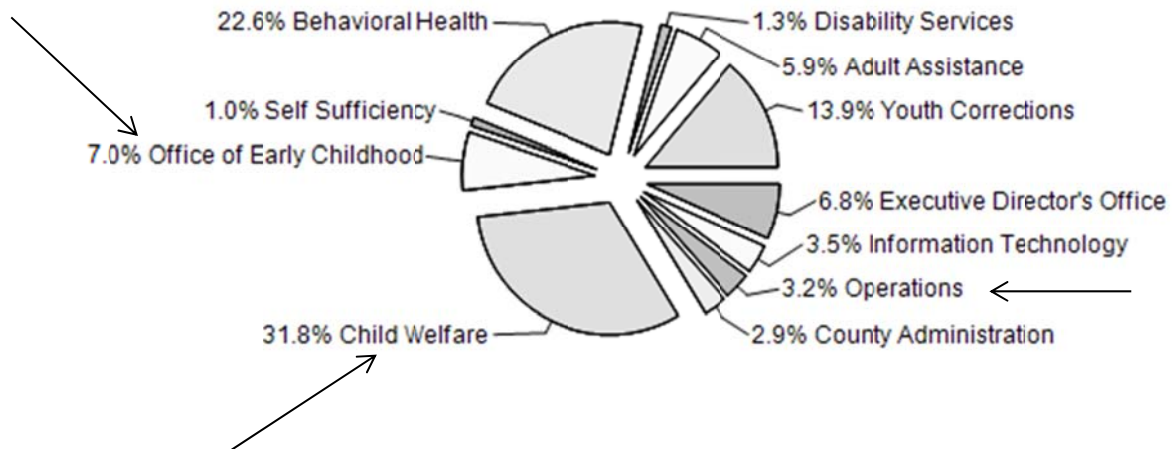


**Department Funding Sources**

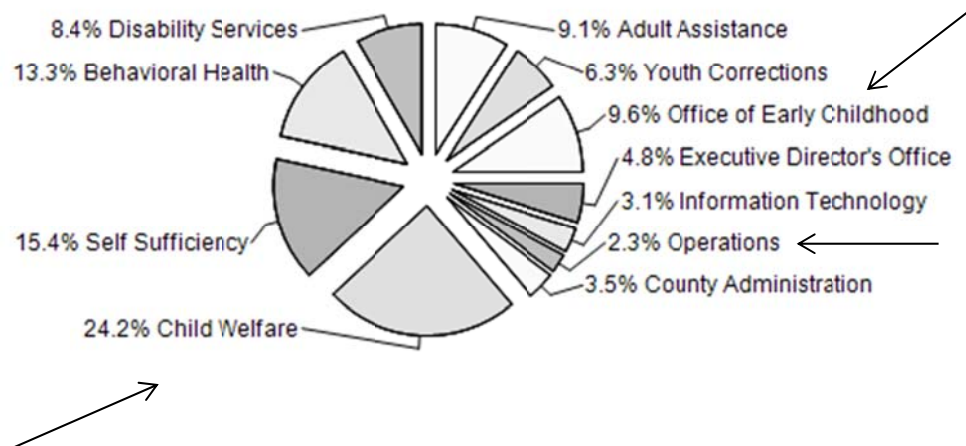


All charts are based on the FY 2015-16 appropriation.

**Distribution of General Fund by Division**



**Distribution of Total Funds by Division**



All charts are based on the FY 2015-16 appropriation.

## **General Factors Driving the Budget**

### **Office of Operations**

The Office of Operations provides Department-wide facility maintenance and management, accounting, payroll, contracting, purchasing and field audits. Its budget is primarily driven by legislative decisions impacting the Personal Services line item, the majority of which funds the Division of Facilities Management. The Division is responsible operating, cleaning, and maintaining all Department buildings and facilities, including youth correctional facilities, the two State mental health institutes' campuses, and three regional centers for the developmentally disabled, in addition to Department office buildings. Overall, the Division operates 330 buildings and over 3.7 million gross square feet of space. It is also responsible for acquisition, operation and management of utility services, planning, design and construction of capital construction and controlled maintenance projects, and the Department's commercial and vehicle leases. The office is also affected by trends in utilities costs, Department efficiency initiatives, and by Statewide common policy decisions related to vehicle lease payments and leased space costs for buildings in the Capitol Complex.

### **Division of Child Welfare**

County departments of social/human services receive and respond to reports of potential child abuse or neglect under the supervision of the Department. The General Assembly appropriates funds for child welfare services to support county and State duties. Appropriations for child welfare programs for FY 2015-16 total \$463.8 million and consist of 55.7 percent General Fund, 21.8 percent federal funds, 19.2 percent county funds and various cash fund sources, and 3.3 percent reappropriated funds.

#### ***Child Welfare Services***

Nearly 90.0 percent of funds appropriated for child welfare are made available to county departments as block allocations for the provision of child welfare services. Funding and workload measures for child welfare staffing, direct services, administrative and support functions, and operational expenses associated with the delivery of child welfare services are discussed in greater detail in the issue beginning on page 15 of this document.

#### ***Tony Gramsas Youth Services Program***

Pursuant to Section 26-6.8-102 (1) (b), C.R.S., the Tony Gramsas Youth Services (TGYS) Program was established to provide State funding for community-based programs that target youth and their families for intervention services in an effort to reduce incidents of youth crime and violence. It also promotes prevention and education programs that are designed to reduce the occurrence and reoccurrence of child abuse and neglect, and reduce the need for State intervention in child abuse and neglect prevention and education. Grant recipients and the award amounts are selected by the program board and, pursuant to H.B. 13-1117, the program is administered by the Department of Human Services (CDHS).

Eligible organizations, including local governments, Colorado public or nonsectarian secondary schools, groups of public or nonsectarian secondary schools, school districts or groups thereof, boards of cooperative services, institutions of higher education, the Colorado National Guard,

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State agencies, State-operated programs, or private nonprofit community-based organizations, can apply for funding for programs within six categories: general violence prevention, school dropout prevention, before and after school programs, mentoring programs, restorative justice, early childhood programs, and adolescent and youth marijuana use prevention and intervention. Section 26-6.8-102 (2) (d) (3), C.R.S. requires that programs with an emphasis on marijuana use prevention and intervention utilize evidence-based practices in the delivery of services. The FY 2015-16 appropriation to the program includes \$1.5 million General Fund and \$5.5 million cash funds - \$2.0 million from the Marijuana Tax Cash Fund and \$3.6 million from the Youth Services Program Fund (originating from Tobacco Litigation Settlement funds).

The TGYS Program awards are paid from the Youth Services Program Fund, the principal of which consists of tobacco litigation settlement moneys, or out of the General Fund. Through S.B. 14-215, an additional \$2.0 million was added to the Fund from the Marijuana Tax Cash Fund. From FY 2007-08 through FY 2014-15, via a total of 512 awards, the TGYS Program has awarded a total of \$32.4 million organizations providing qualifying services.

<b>Tony Grampas Youth Services Program Grant Awards</b>		
<b>Award Year</b>	<b>Total Award Value</b>	<b>Total Number of Awards</b>
FY 2007-08	\$3,346,033	58
FY 2008-09	\$4,671,897	93
FY 2009-10	\$3,656,517	94
FY 2010-11	\$3,329,359	88
FY 2011-12	\$3,156,470	29
FY 2012-13	\$3,176,470	30
FY 2013-14	\$4,665,829	56
FY 2014-15	\$6,422,556	64
TOTAL	\$32,425,131	512

**Office of Early Childhood**

Pursuant to H.B. 13-1117, the Office of Early Childhood (OEC) was created in order to align child development programs that address early learning, child health, child mental health, and family support and parent education. This consolidation of programs and services is intended to strengthen collaboration and coordination between the State-level early childhood system and local delivery systems. The office is comprised of two divisions – the Division of Early Care and Learning and the Division of Community and Family Supports.

**Division of Early Care and Learning**

The Division of Early Care and Learning is responsible for administering various early childhood grant programs and for licensing and monitoring child care facilities throughout the State, including child care homes and centers, preschool and school-age child care programs, homeless youth shelters, and summer camps, as well as 24-hour facilities (such as residential treatment facilities, residential child care facilities, and child placement agencies). In some



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counties, the Division contracts with local entities (*e.g.*, county departments of social services, county health departments, child placement agencies) to perform licensing functions for certain types of facilities. The Division has licenses or certifies nearly 9,000 child care facilities in Colorado, including 4,300 family child care homes; 2,001 child care centers and preschools; 883 school-age facilities; and camps, child placement agencies, and residential facilities. The Division reports that approximately 220,000 children are served in these facilities.

The Division includes funding associated with the State supervision and the county administration of the Colorado Child Care Assistance Program (CCCAP). Through this program, counties provide child care subsidies to low income families and families transitioning from the Colorado Works Program. In FY 2014-15, there was a monthly average of 1,486 licensed CCCAP facilities and an estimated 17,003 children per month received CCCAP assistance. Cash funds sources reflect county tax revenues and fees and fines paid by child care facilities. Federal fund sources consist primarily of Child Care Development Funds.

Unlike most sources of federal funds, the General Assembly has the authority to appropriate federal Child Care Development Funds (CCDF). The CCDF funds available to the State each year consist of three components: mandatory funds, matching funds, and discretionary funds. Mandatory funds are fixed, require no match and are awarded to the State based on the historic federal share of federal child care expenditures (Title IV-A programs) prior to federal welfare reform. Colorado's portion of these funds is approximately \$10.2 million per year. If a state also chooses to expend federal matching funds, the state must obligate its mandatory funds by the end of the federal fiscal year in which they are granted, with no limit on the liquidation period.

Matching funds are based on the State's relative share of children under age 13. The State is required to match expenditures from this source of funds based on its applicable federal medical assistance percentage rate (FMAP). Availability of funds is dependent upon the State meeting specific requirements, including obligating mandatory funds, meeting the federal child care maintenance of effort (MOE) requirements, and obligating the federal and State matching funds by the end of the fiscal year in which they are awarded. In order to meet the MOE requirements and be eligible for its share of the matching funds, the State must continue to spend at least the same amount on child care services that it spent on the Title IV-A child care programs in FFY 1994 or FFY 1995, whichever was great. Matching funds must be fully expended in two years. Colorado uses the local share of CCCAP expenditures to comply with federal child care MOE requirements and uses multiple sources of funds to comply with federal matching funds requirements. These include the General Fund portion of CCCAP expenditures and a portion of Colorado Preschool Program expenditures.

Allocations of discretionary funds to the State are based on the relative share of children under age five, the relative share of children receiving free and reduced price school lunches under the National School Lunch Act, and the State's per capita income. The State has two years to obligate these funds and no match is required to spend them. Since FFY 2001, Congress has required certain portions of discretionary funds be targeted to enhance the quality of care, including infant and toddler care as well as school-age care and resource and referral services. In

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addition, states must spend at least four percent of all of its expenditures for child care on quality activities. Examples of quality activities include:

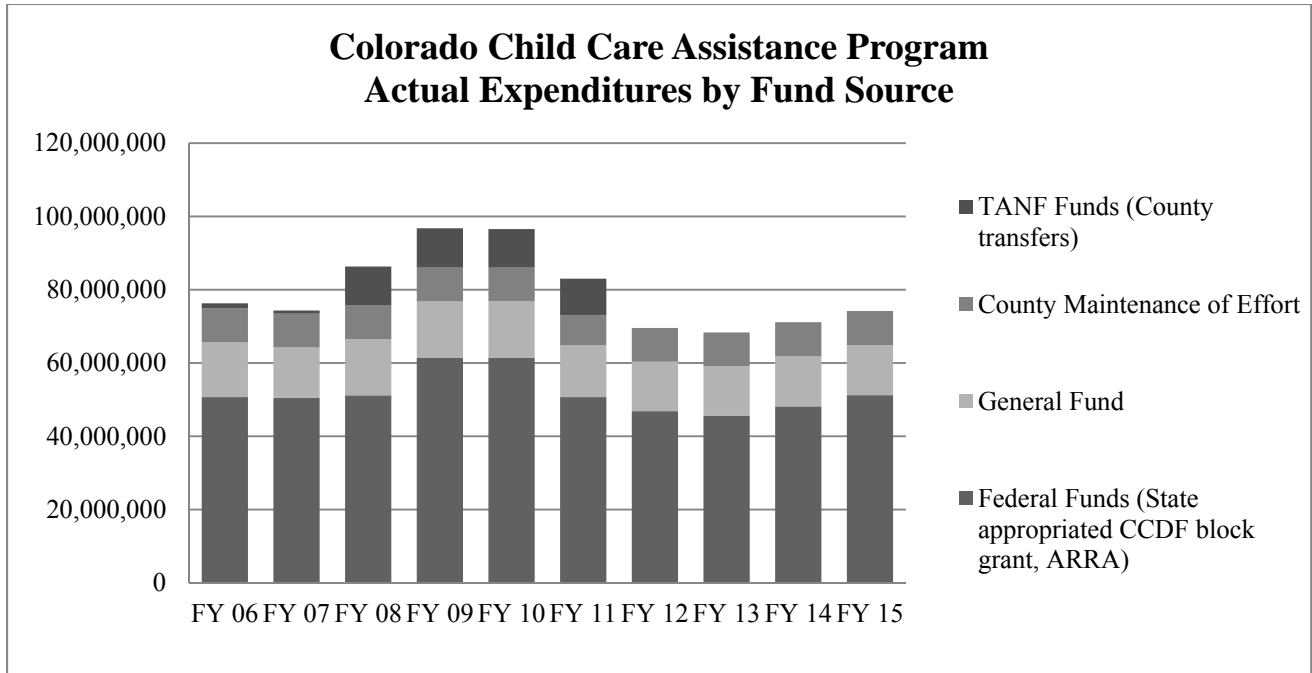
- Practitioner training and technical assistance;
- Grants or loans to allow programs to purchase needed equipment, make minor renovations, develop new curricula, or pursue accreditation;
- Use of the federal funds to train or to lower caseloads for licensing staff; and
- Grant programs specifically aimed at improving wages for child care providers.

Colorado has had a voluntary system for quality rating for many years. The Department is now working to incorporate a rating system into the State child care licensing process. It will accelerate this process through a Race to the Top Early Learning Challenge Grant that was awarded to the State in December 2012. The Department's goal, as described in the Race to the Top grant proposal, is that all early learning programs would be quality rated by December 2015.

***Child Care Assistance Program***

The Colorado Child Care Assistance Program (CCCAP) is the largest single component of the Division's budget (78.2 percent). Child care subsidy programs, such as CCCAP, were promoted under 1996 federal welfare reform legislation to help families become financially independent. CCCAP was established through Senate Bill 97-120, and was expanded during the 2014 legislative session through H.B. 14-1317. The program provides child care assistance to families that are working, searching for employment or are in training, and families that are enrolled in the Colorado Works Program and need child care services to support their efforts toward self-sufficiency. The program is administered through county departments of social/human services under the direction of the Division. Counties set eligibility for families, but must serve families that have income of 130.0 percent or less of the federal poverty guideline and may not serve families that have income of over 85.0 percent of the State median income. The State must adhere to federal rules of the CCDF and report policies related to child care assistance to the federal government through the Colorado State Plan for CCDF Services.

Funding for CCCAP is allocated to counties, which are responsible for administering the program. Funding for the program includes State General Fund, federal funds, local funds from county sources, and parent feeds. In addition to appropriated amounts, counties may transfer a portion of their Temporary Assistance for Needy Families (TANF) block grant funding to support child care programs. Such transfers are not reflected in the appropriation, but are a driver of overall program expenditures. As the table below illustrates, county spending began to decline in FY 2010-11, as one-time federal funding exceeding \$10 million per year that was available in FY 2008-09 and FY 2009-10 under the American Recovery and Reinvestment Act (ARRA) was no longer available. Spending on CCCAP began declining in FY 2008-09 and continued to decline through FY 2012-13, before rising again to current levels, as counties were under financial pressure to use their TANF funds on basic cash assistance and other recession-related Colorado Works program costs.



**Division of Community and Family Support**

The Division of Community and Family Support includes Early Childhood Councils, Early Intervention, Promoting Safe and Stable Families, the Children’s Trust Fund, Family Resource Centers, Nurse Home Visitor Program, and Early Childhood Mental Health Services. The Division works with many partners, including parents, schools, child care providers, early intervention services and programs, businesses, community organizations, and other stakeholders to provide high quality, early childhood programs and effective prevention strategies to mitigate challenges faced by families that affect school readiness and academic success.

**Early Intervention Services**

The majority of the Division’s budget (70.3 percent) is appropriated to Early Intervention (EI) Services (56.8 percent) and Early Intervention Services Case Management (13.7 percent). EI services are provided to infants and toddlers, up through age two, with one of the following three conditions:

- A developmental delay or disability diagnosis;
- A physical or mental condition that has a high probability of resulting in a significant delay in development; or
- A parent or caretaker who has a developmental disability.

Funding for EI Services for FY 2015-16 totals \$51.1 million and consists of 49.9 percent General Fund (\$25.5 million); 22.6 percent cash funds from local funds and the Early Intervention Services Trust Fund (\$11.6 million); 11.6 percent Medicaid reappropriated funds (\$5.9 million); and 15.9 percent federal funds (\$8.1 million). As a condition of receiving federal funds, the State is required to provide EI services to all eligible infants and toddlers whose parents seek these services. Colorado is expected to experience a steady population growth in this age group through 2020. In the past three years, increases in appropriations to address Early Intervention

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Services caseload growth include: \$3.1 million in FY 2013-14, \$3.5 million in FY 2014-15, and \$3.3 million in FY 2015-16.

***Early Childhood Councils***

Since FY 1997-98, the Department of Human Services has worked with the Department of Education to provide grant funds and technical assistance to local communities to design consolidated programs of comprehensive early childhood care and education services intended to serve children in low-income families. These pilot programs were allowed to blend various sources of State and federal funding and were allowed apply for waivers of State rules. The pilot programs were used to identify best practices relative to increasing quality, meeting the diverse needs of families seeking child care, and integrating early childhood care with educational programs. The law authorizing pilots was repealed and reenacted pursuant to H.B. 07-1062 to create the Early Childhood Councils program. Councils represent public and private stakeholders in a local community who work to develop and improve local early childhood services, and to create a seamless network of such services statewide.

House Bill 07-1062 also required a contracted evaluation of the early childhood council system. An evaluation was completed and submitted by the Center for Research Strategies on June 30, 2010. The evaluation concluded that "the Councils are making progress in their efforts to build the foundations of local Early Childhood systems by developing their internal capacity related to staffing, communication mechanisms, strategic planning, assessment and evaluation. They are also working to build public engagement and.... increase opportunities for new funding...." The evaluation identified various barriers to success and leverage points for change including improving marketing efforts, strengthening partnerships with key stakeholders, improving use of evaluation tools, and strengthening councils' internal capacity.

Funding for the pilot program was reflected in its own line item starting in FY 2000-01 (the Pilot Program for Community Consolidated Child Care Services) until being renamed the Early Childhood Councils line item after the enactment of H.B. 07-1062. House Bill 07-1062 also transferred \$2.0 million (including \$1.0 million General Fund) from the Child Care Assistance Program line item to expand this program starting in FY 2007-08. The appropriation for the line item was cut by \$500,000 through FY 2010-11 supplemental action and an additional \$500,000 through FY 2011-12 figure setting action. In total, the line-item has been cut by one-third from the FY 2009-10 level.

The Early Childhood Leadership Council was scheduled to be repealed on July 1, 2013. House Bill 13-1117 extended the Early Childhood Leadership Council sunset date to September 1, 2018, and reduced the membership of the council from 35 to 20 members. The duties of the council have shifted to include advising and monitoring of early childhood programs, rather than developing legislative recommendations and improving data collection and sharing, as was specified under previous law. The councils are funded through Child Care Development Funds appropriated by the General Assembly.

***Nurse Home Visitor Program***

The Nurse Home Visitor Program was established to provide regular, in-home, visiting nurse services to low-income, first-time mothers on the importance of nutrition and avoiding alcohol

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and drugs, including nicotine. Nurses also assist and educate mothers in providing general care for their children and in improving child health outcomes. Visiting nurses may also help mothers in locating assistance with educational achievement and employment. This program is available to mothers who consent to receiving these services.

The program is administered within communities through local entities and is implemented as a partnership between the Department and a health sciences facility at the University of Colorado. The Department is responsible for financial administration of the program; and the university is responsible for programmatic and clinical support, evaluation, and monitoring of the program. The program protocols and requirements are based on research-based model programs that have been implemented in one or more other states for at least five years and have shown significant reductions in the number of: infant behavioral impairments due to parental use of alcohol and drugs; reported incidents of child abuse and neglect; the number of subsequent pregnancies; the receipt of public assistance; and engagement in criminal activities in families receiving services through the program. This program is funded through moneys received from the Tobacco Master Settlement Agreement; and local entities are awarded grants for the administration of the program.

***Early Childhood Mental Health Services***

The purpose of the Early Childhood Mental Health Services (ECMHS) program is to increase the availability of mental health services to young children, birth through age five, and to provide consultation and coaching/training to families and early learning programs. The ECMHS program focuses on developing and strengthening the social emotional skills of young children through timely screening and assessment, increasing the parent and the early learning provider's ability to manage difficult behaviors, providing outreach, and connect families to other community resources. The FY 2015-16 appropriation for this program is \$1.2 million General Fund and the Department utilized 0.2 FTE for its administration. Funds not allocated toward this 0.2 FTE are used to fund one Early Childhood Mental Health Specialist in Community Mental Health Centers (CMHC) in Colorado. As required by State fiscal rules, the contracts for the Early Childhood Mental Health Specialists program are awarded through a competitive procurement process. Contracts are awarded to organizations in specific geographic areas which represent the catchment areas of each CMHC. The Department awarded contracts to the 14 CMHC's that submitted proposals, and has initiated another procurement process to contract with community organizations who are encouraged to partner with CMHC's for these services in the three remaining catchment areas.

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**Summary: FY 2015-16 Appropriation & FY 2016-17 Request**

<b>Department of Human Services</b>						
	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Reappropriated Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2015-16 Appropriation</b>						
SB 15-234 (Long Bill)	\$684,125,085	\$333,898,779	\$133,013,005	\$31,266,574	\$185,946,727	602.8
Other Legislation	<u>8,285,320</u>	<u>7,591,201</u>	<u>606,415</u>	<u>0</u>	<u>87,704</u>	<u>2.9</u>
<b>TOTAL</b>	<b>\$692,410,405</b>	<b>\$341,489,980</b>	<b>\$133,619,420</b>	<b>\$31,266,574</b>	<b>\$186,034,431</b>	<b>605.7</b>
<b>FY 2016-17 Requested Appropriation</b>						
FY 2015-16 Appropriation	\$692,410,405	\$341,489,980	\$133,619,420	\$31,266,574	\$186,034,431	605.7
R1 County child welfare staff - phase 2	6,715,593	5,946,896	614,959	0	153,738	2.7
R4 Annual child care licensing visits	673,524	0	0	0	673,524	0.8
R5 Early intervention caseload growth	3,803,626	2,207,911	961,045	634,670	0	0.0
R7 Continuation of child care quality initiatives	1,431,255	0	0	0	1,431,255	7.3
R8 Title IV-E Waiver cash funds	6,000,000	0	6,000,000	0	0	0.0
R9 Indirect cost recovery offset for DVR transfer to CDLE	1,094,283	1,094,283	0	0	0	0.0
R15 Utilities cost increase	305,968	253,953	0	52,015	0	0.0
R19 Community provider rate adjustment	(5,570,763)	(2,786,609)	(956,696)	(214,617)	(1,612,841)	0.0
NP4 Annual fleet vehicle request	72,599	45,281	2,410	15,942	8,966	0.0
Annualize prior year legislation	1,953,418	3,799,706	(874,010)	0	(972,278)	(3.3)
Annualize prior year budget actions	(1,050,821)	(1,572,768)	(897)	104,512	418,332	0.3
Centrally appropriated line items	<u>(223,185)</u>	<u>(117,162)</u>	<u>(10,516)</u>	<u>(11,413)</u>	<u>(84,094)</u>	<u>0.0</u>
<b>TOTAL</b>	<b>\$707,615,902</b>	<b>\$350,361,471</b>	<b>\$139,355,715</b>	<b>\$31,847,683</b>	<b>\$186,051,033</b>	<b>613.5</b>
<b>Increase/(Decrease)</b>	\$15,205,497	\$8,871,491	\$5,736,295	\$581,109	\$16,602	7.8
Percentage Change	2.2%	2.6%	4.3%	1.9%	0.0%	1.3%

**Description of Requested Changes**

**R1 County child welfare staff- phase 2:** This request includes an increase of \$6.7 million total funds, including \$5.9 million General Fund, and 2.7 FTE for the phase 2 increase of county staffing in response to the 2014 Child Welfare Workload Study performed by the Office of the State Auditor.

**R4 Annual child care licensing visits:** The request includes an increase of \$673,524 in federal Child Care Development Fund spending authority and 0.8 FTE to improve the caseload ratio of

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licensing specialists to child care facilities to 1:86 to allow for one unannounced inspection annually in order to comply with federal annual inspection requirements.

**R5 Early intervention caseload growth:** This request includes an increase of \$3.8 million total funds, including \$2.2 million General Fund for Early Intervention direct services and case management.

**R7 Continuation of child care quality initiatives:** The request includes an increase of \$1.4 million in federal Child Care Development Fund spending authority and 7.0 FTE to support ongoing sustainability of the Colorado Shines QRIS and the associated technology systems to improve the quality of child care services.

**R8 Title IV-E Waiver cash funds:** The request includes an increase of \$6.0 million in cash fund spending authority in the Title IV-E Waiver Demonstration Project for prevention and intervention services and continued expansion of IV-E Waiver interventions.

**R9 Indirect cost recovery offset for DVR transfer to CDLE:** The request includes an increase of \$1.1 million General Fund to offset the reduction of indirect revenues that will no longer be collected due to the transfer of the Division of Vocational Rehab to the Department of Labor and Employment. *This request will be addressed during the Department's Executive Director's Office and Services for People with Disabilities briefing presented by Megan Davisson on December 14, 2015.*

**R15 Utilities cost increase:** The request includes an increase of \$305,968, including \$253,953 General Fund, to accommodate for increased energy commodities costs.

**R19 Community provider rate adjustment:** This request includes a decrease of \$5.6 million total funds, including \$2.8 million General Fund, for a 1.0 percent rate decrease for contracted community provider services.

**NP4 Annual fleet vehicle request:** The request includes the Department's share of annual fleet vehicle replacement adjustments. *This request will be addressed by Afredo Kemm at the briefing for the Department of Personnel on December 9, 2015.*

**Annualize prior year legislation:** The request includes adjustments related to prior year legislation including: S.B. 15-239 (Transfer Vocational Rehab from DHS to CDLE), S.B. 15-241 (Collaborative Management Program), S.B. 15-242 (Child Welfare Staff Funding Allocation), H.B. 15-1248 (Safe placements), H.B. 15-1367 (Proposition BB), H.B. 14-1317 (Colorado Child Care Assistance Program), H.B. 14-1368 (Transition of IDD Youth).

**Annualize prior year budget actions:** The request includes a number of changes to annualize funding decisions made through the prior year Long Bill including: hotline for child abuse and neglect, child welfare public awareness campaign, modernizing child welfare case management, leap year adjustments, and child care automated tracking system.

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**Centrally appropriated line items:** The request includes adjustments to centrally appropriated line items for the following: State contributions for health, life, and dental benefits; merit pay; salary survey; short-term disability; supplemental State contributions to the Public Employees' Retirement Association (PERA) pension fund; shift differential; vehicle lease payments; workers' compensation; legal services; administrative law judges; payment to risk management and property funds; Capitol complex leased space; and payments to OIT.



## **EXPANSIVE ISSUE: Child Welfare Staffing and Service Delivery**

The Division of Child Welfare supervises county departments of social/human services in responding to reports of potential child abuse or neglect. Nearly 90.0 percent of the monies appropriated for child welfare are made available to county departments as block allocations with which the counties may fund child welfare staff, direct services, and child welfare related administrative and support functions. Block allocations are funded through the Child Welfare Services, County Level Child Welfare Staffing, and Family and Children’s Programs line items of the Long Bill. Allocations that can be used for **direct services** are funded in the Family and Children’s Programs and the Child Welfare Services line items; allocations for the **hiring of county level child welfare staff** are funded in the Child Welfare Services and the County Level Child Welfare Staffing line items; and **allocations for child welfare related administrative and support functions** are funded in the Child Welfare Services line item. Provider rate adjustments are currently made to the Child Welfare Services and Family and Children’s Programs line items.

Due to the complexity of child welfare block funding and current statutory restrictions on each line item, Staff has chosen to analyze and discuss four underlying issues and subsequently make a recommendation in the context of the whole. These underlying issues include: 1) the Governor’s R1 request, County Child Welfare Staff, Phase 2; 2) block funding for county staff and child welfare related administrative and support functions; 3) block funding for direct service delivery; and 4) provider rate increases and decreases. Each underlying issue discussion will include background information, discussion of the issue within the context of statute and current practice, and points to consider.

### **SUMMARY OF EXPANSIVE ISSUE**

- County level child welfare staff, direct services, and associated administrative and support functions are funded through block allocations from the following Long Bill line items: Child Welfare Services, County Level Child Welfare Staffing, and Family and Children’s Programs.
- Funding from the County Level Child Welfare Staffing line item may only be used to fund newly hired county level child welfare case aides, case workers, and supervisors after January 1, 2015. The required county match is 10.0 percent unless the county qualifies for tier 1 or tier 2 for the purpose of County Tax Base Relief, in which case the match is 0.0 percent.
- Funding from the Family and Children’s Programs line item may only be used to fund approved Family Preservation Services. It cannot be used to fund out-of-home placements, adoptions, operational expenses, or staff. The required county match is 20.0 percent for most expenses.

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- Funding from the Child Welfare Services line item may be used to fund existing or newly hired county level child welfare staff, administrative and support functions, operational expenses associated with the delivery of child welfare services, family preservation services, out of home placements, adoptions, and other eligible services. The required county match is 20.0 percent for most expenses.
- The Department’s FY 2016-17 request increases funding in the line item that funds new county level child welfare staff, and decreases funding in the line items that fund existing county level child welfare staff and contracted service providers.

**EXPANSIVE ISSUE: STAFF RECOMMENDATION**

The Department’s FY 2016-17 request contains two decision items that directly impact the three line items from which county block allocations are made. Due to the overlapping nature of the three block grants, Staff believes these two requests must be considered within the context of the overall funding mechanism for child welfare services in the State of Colorado. As a result of the challenges presented in the underlying issues, Staff recommends that:

- The Committee sponsor legislation to change the funding structure for the delivery of child welfare services, including:
  - Consolidating the three line items and corresponding block allocations into two line items with corresponding block allocations. Suggested line items:
    - County Level Child Welfare Staffing – to provide a county block allocation for all child welfare staff, administrative and support functions, and child welfare related operational expenses; establish a county match rate of 15.0 percent (to more closely correspond with the current effective match rate of 16.0 percent when the staffing allocations are combined); eliminate the January 1, 2015 hire date language in statute.
    - Child Welfare and Family Preservation Services – to provide a county block allocation for all direct services delivered through contract providers; require that a minimum of 13.0 percent of the funds be spent on Family Preservation Services pursuant to Sections 26-5.5-102 through 106, C.R.S.; establish a county match rate of 20.0 percent.
  - Require an annual evaluation of each new line item consistent with the currently required Core Services annual report.
- The Committee ask the Department to:
  - Discuss the various options for establishing appropriate provider rate fee schedules, including tiered rates for services that reflect provider rates commiserate with the acuity level of children and families served, including those children served in congregate care settings.
  - Perform an internal workload study in order to provide data on the appropriate Division of Child Welfare staff to county level staffing ratio.

## **Underlying Issue 1: County Child Welfare Staff, Phase 2**

In August 2014, the Office of the State Auditor released the Colorado Child Welfare County Workload Study. The study was conducted pursuant to Section 2-3-103, C.R.S., which authorized the State Auditor to conduct audits of all departments, institutions, and agencies of State government. The purpose of the study was to “establish a comprehensive picture of the state’s county child welfare workload, case management, and staffing levels and identify estimated workload and staffing levels to accomplish child welfare goals.” During the 2015 legislative session, the Joint Budget Committee sponsored a bill to increase the funding allocated to counties specifically for the purpose of hiring additional child welfare case workers, case aides and supervisors. This funding is equivalent to the cost of 100.0 FTE calculated using State compensation rates. The Department has requested phase 2 funding equivalent to the cost of increasing county-level staff by another 100.0 FTE.

### **SUMMARY OF ISSUE**

- New county level child welfare staff, hired on or after January 1, 2015, can be funded through block allocations from the County Level Child Welfare Staffing Long Bill line item.
- Funding from this line item may only be used to fund case aides, case workers, and supervisors. The required county match is 10.0 percent unless the county qualifies for tier 1 or tier 2 for the purpose of County Tax Base Relief, in which case the match is 0.0 percent.
- The Department’s FY 2016-17 request increases funding for new county level child welfare staff, and decreases funding for existing county level child welfare staff and contracted service providers.

### **DISCUSSION**

#### **Background Information**

In August 2014, the Office of the State Auditor released the Colorado Child Welfare County Workload Study. The study was conducted pursuant to Section 2-3-103, C.R.S., which authorized the State Auditor to conduct audits of all departments, institutions, and agencies of state government. The study was performed by ICF International Incorporated, L.L.C. in collaboration with Walter R. McDonald & Associates, Inc. According to the workload study report, the purpose of study was to “establish a comprehensive picture of the state’s county child welfare workload, case management, and staffing levels and identify estimated workload and staffing levels to accomplish child welfare goals.” It focused on actual time spent on tasks in order to evaluate efficiencies, develop workload standards, and determine the need for additional resources. The study indicated that county level child welfare staffing needed to increase by 576.0 case worker/aid FTE and 122.0 supervisor FTE. This was based on a 1:10 case worker to case ratio and a 1:5 supervisor to case worker ratio.

During the 2015 legislative session, the Joint Budget Committee sponsored S.B. 15-242 increasing the funding allocated to counties specifically for the purpose of hiring additional child welfare case workers, case aides, and supervisors. This bill appropriated \$6.1 million total

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funds, including \$5.4 million General Fund, in a new line item specifically designated to increase county level child welfare FTE. The bill also appropriated funds to the Department for the purpose of conducting a caseload study in order to determine the appropriate case worker to case ratio.

***Department Request***

The Department requests an additional \$6.8 million total funds, including \$6.0 million General Fund, and 2.7 FTE in FY 2016-17 with an annualization of \$6.8 million total funds, including \$6.0 million General Fund, and 3.0 FTE in FY 2017-18, to: 1) increase county level staffing by 100.0 FTE, including 80.0 child welfare staff (case workers, case aides and supervisors) and 20.0 ancillary staff (nurses, educational specialists, and housing coordinators); 2) increase Department oversight; and 3) provide educational stipends to attract interested child welfare professional candidates. This phase 2 request is a 100.0 percent increase in appropriation to the County Level Child Welfare Staffing line item created in FY 2015-16.

**Additional County Staff.** This phase 2 request for funding to increase county level child welfare staff is based on the Department's assumption that it will take five years for counties to increase capacity enough to support the overall staffing increase recommended in the workload study. Phase 1 of this capacity building plan was accomplished through appropriations made in S.B. 15-242. The purpose of the staffing increase is to allow case workers to manage a more appropriate number of cases. For FY 2016-17, the Department requests an additional \$4.8 million total funds, including \$4.3 million General Fund, to provide funding to counties equivalent to the cost of 3.0 case aide FTE, 68.0 case worker FTE, and 9.0 supervisor FTE. County allocations for this request are intended to be from the County Level Child Welfare Staffing line item and include a 10.0 percent county match pursuant to S.B. 15-242.

In addition to the funding requested for child welfare professionals, the Department requests \$1.4 million total funds, including \$1.2 million General Fund, in order to expand the reach of professionals by giving the counties the option of hiring nurses, educational liaisons, and other positions. Funding is equivalent to the cost of 10.0 nurses, 5.0 educational specialists, and 5.0 housing coordinators. County allocations for this portion of the request are intended to be from the County Level Child Welfare Staffing line item and include a 10.0 percent county match pursuant to S.B. 15-242.

**Department FTE.** The Department requests 2.7 FTE in FY 2016-17, annualizing to 3.0 FTE in FY 2017-18 and beyond, for the Division of Child Welfare. The positions include two Child Protection Services Specialists and one training Certification Specialist and will provide technical assistance and oversight to county child welfare staff. The request is for \$220,815 total funds, including \$183,277 General Fund. The responsibilities of a Child Protective Services Specialist (GP IV) include, but are not limited to: monitoring, supervising, and providing oversight of county department practice; ensuring the successful roll out of the revised Colorado Family Safety and Risk Assessment Tools; ensuring the successful expansion of differential response; and providing training, coaching, and technical assistance to county departments. The responsibilities of the Training Certification Specialist (GP III) include but are not limited to: facilitating courses as assigned by the Training Center Coordinator; setting up classrooms and systems; ensuring learning experiences are culturally inclusive for all learners; executing training

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logistics before, during, and after training; and participating in continuous quality improvement assessment, feedback, and coaching processes to guarantee best training facilitation practices. The Department's request is based on the premise that an increase in the county staffing level will result in the need for additional Department staff to provide technical assistance and oversight.

**Educational Stipends.** The funding request for educational stipends is based on the need to attract more qualified child welfare professionals in order to meet the workforce demands in the future. Currently, stipends are offered by Metropolitan State University (MSU) and the University of Denver (DU) to students pursuing a career in public child welfare. These stipends range from \$8,000 to \$18,000 and support coursework for bachelors or Master's degree students. Stipends are also offered through MSU in the amount of \$2,000 to support coursework relevant to a case aide certification. These stipends originate as state funds (68.0 percent) appropriated in the Training line item in the Division of Child Welfare and are eligible for a federal Title IV-E draw down (32.0 percent). Stipend recipients enter into a contract to work in Colorado public child welfare for one year for every year the individual received the stipend.

The Department requests \$310,500 total funds, including \$211,140 General Fund, for the purpose of increasing the number of accredited educational institutions and/or private universities with available stipends in order to expand the program beyond the Denver Metro area. The stipends will be offered at MSU, DU, and other universities that complete the Request for Proposal process.

## **Analysis**

### ***Additional County Staff***

**Summary of Workload Study.** The 2014 child welfare workload study<sup>1</sup> indicated that county level child welfare staffing needs to increase by 576.0 case worker/aid FTE and 122.0 supervisor FTE in order for counties to ensure that staff is allowed to manage a more appropriate number of cases. Calculations for this increase are based on data indicating that county caseworkers are working an average of 44.6 hours per week and supervisors, managers, and executives work an average of 48.0 hours per week. Time spent working on case related services are consistent with other state child welfare studies; however Colorado caseworkers and supervisors manage more cases than compared with the national average. Heavy caseloads and workloads have been cited repeatedly as key reasons workers leave child welfare.

The study evaluated the workload and case management of county caseworkers, supervisors, and other frontline staff statewide (identified in the table below), and included a time study to determine the amount of time county caseworkers, supervisors and other staff spend on job duties, including child welfare and non-child welfare tasks. Of those who participated in the study, 61.0 percent were child welfare caseworkers; 17.0 percent were supervisors, managers and executives; 15.0 percent were child welfare support staff; and 7.0 percent were other staff.

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<sup>1</sup> The report is posted on the website of the Office of the State Auditor and can be accessed at the following link: [http://www.leg.state.co.us/OSA/coauditor1.nsf/All/E5214710B77C878487257D320050F29A/\\$FILE/1354S%20-%20Colorado%20Childrens%20Welfare%20Workload%20Study%20Report%20August%202014.pdf](http://www.leg.state.co.us/OSA/coauditor1.nsf/All/E5214710B77C878487257D320050F29A/$FILE/1354S%20-%20Colorado%20Childrens%20Welfare%20Workload%20Study%20Report%20August%202014.pdf).

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<b>County Child Welfare Time Study</b>			
<b>Examples of Job Positions</b>			
<b>Caseworker</b>	<b>Supervisor/Manager</b>	<b>Support</b>	<b>Other (e.g. Specialized)</b>
<ul style="list-style-type: none"> <li>• Caseworker</li> <li>• Social caseworker</li> <li>• Senior social caseworker</li> <li>• Lead caseworker</li> </ul>	<ul style="list-style-type: none"> <li>• Casework supervisor</li> <li>• Unit supervisor</li> <li>• Program manager</li> <li>• Child and family supervisor</li> <li>• Director</li> <li>• Deputy director administrator, child welfare</li> <li>• Social services supervisor</li> </ul>	<ul style="list-style-type: none"> <li>• Case aide</li> <li>• Case services aide</li> <li>• Administrative assistant</li> <li>• Secretary</li> <li>• Business associate</li> <li>• Screener</li> <li>• Hotline operator</li> </ul>	<ul style="list-style-type: none"> <li>• Adoption assistance specialist</li> <li>• Child protection community liaison</li> <li>• Facilitator/mediator</li> <li>• Family advocate</li> <li>• Family engagement specialist/facilitator</li> <li>• Foster care specialist</li> <li>• Kinship navigator</li> <li>• Visitation facilitator</li> <li>• Volunteer coordinator</li> </ul>

*Source: ICF International's analysis of data collected during the February 2014 time study of county child welfare workers.*

The report provides the following key summary findings in the context of services and task performance:

- Caseworkers participating in the time study spent about 68.0 percent of their time on case-related activities, including screening, family meetings, assessments, ongoing in-home and out-of-home services, and visitation.
- Of the 11 major services studied, time study participants spent the highest percentage of time (36.0 percent) on case support, which includes any work activities that are not related to a specific case, including staff meetings and training.
- Of the 15 task categories studied, time study participants spent the highest percentage of time (38.0 percent) on documentation and administration, including Trails documentation, human resource tasks, and other general office tasks.

ICF developed a workload model by establishing workload standards – the estimated amount of time necessary to perform a service for a case in a month if all federal and state law, policy, and good practices are met. These workload standards are summarized in the following table.

<b>Actual Measured and Estimated Hours per Case by Service for Colorado Child Welfare Caseworkers</b>			
<b>Service</b>	<b>Actual measured hours per case per time study results</b>	<b>Estimated hours per case to achieve objectives and meet requirements<sup>1</sup></b>	<b>Percent change</b>
Screening/intake/hotline	2.8	3.3	18%
Family meetings	4.1	9.5	132%
Assessments	5.3	8.3	57%
Ongoing in-home	5.5	8.1	47%
Ongoing out-of-home	7.2	14.3	99%
Visitation	6.1	13.9	128%
Adoption	4.9	12.6	157%
Licensing	5.1	11.6	127%

*Source: ICF International's analysis of February 2014 Colorado county child welfare workers' time study results, information obtained from focus groups, and workload results from other states.*

<sup>1</sup> *The estimated hours per case were established from qualitative analysis of the information provided by experienced caseworkers during focus group meetings, workload results from other states, and review by subject matter experts.*

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By utilizing the workload data above and combining it with information on the number of actual cases to be served, ICF developed a workload model. According to the report, the primary reasons *estimated service time* amounts are higher than the *actual measured* number of hours spent per case, include:

- Additional time is necessary to meet all mandated service requirements, on average, across cases. The actual time is lower than the estimated needed time because child welfare workers are not able to dedicate as much time to the services as required.
- More cases should receive the service each month; however due to a variety of factors (large caseloads, weather, scheduling, travel time), the proper amount of cases did not receive the service.
- The actual measured time did not accurately reflect the actual amount of time it takes to complete the task.
- More time should be dedicated to some task categories to fully meet the needs of the client.
- Time study averages may not be accurate for every month of the year.

The staffing model was used to calculate the number of additional FTE needed to cover the difference between the estimated hours per case per service at the level of the workload standard and the actual number of hours per case per service at the current staffing level. The following table provides a breakdown of these calculations. The study determined that an additional 576.0 FTE were needed in order to adequately meet service requirements for each case.

<b>Caseworker Staffing Model and FTE Projections for the Time Study Participants</b>						
<b>Service</b>	<b>Monthly caseload</b>	<b>Actual monthly hours per case</b>	<b>Actual case-related FTE</b>	<b>Estimated monthly hours per case</b>	<b>Estimated case-related FTE</b>	<b>Additional FTE needed</b>
Screening/intake/hotline	6851	2.8	177	3.3	209	32
Family meetings	1464	4.1	55	9.5	128	73
Assessments	2929	5.3	143	8.3	224	81
Ongoing in-home	2077	5.5	105	8.1	155	50
Ongoing out-of-home	2768	7.2	184	14.3	365	181
Visitation	740	6.1	42	13.9	95	53
Adoption	951	4.9	43	12.6	111	68
Licensing	639	5.1	30	11.6	68	38
<b>Total</b>			<b>780</b>		<b>1357</b>	<b>576</b>

*Source: ICF International's analysis of time study case data, time study measured actual monthly hours per case data, and subject matter expert review to determine recommended hours data.*

**S.B. 15-242 – County Level Child Welfare Staffing (Block Grant).** During the 2015 legislative session, the Joint Budget Committee sponsored S.B. 15-242 to increase the funding allocated to counties specifically for the purpose of hiring additional child welfare case workers, case aides, and supervisors. Funding is equivalent to the cost of 100.0 FTE calculated at State compensation rate. Provisions of this legislation require:

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- The Child Welfare Allocations Committee to develop a formula to allocate funding to counties that choose to receive it, in addition to that already allocated in the Child Welfare Block Grant;
- The capped allocation to be used for the specific purpose of hiring new child welfare staff as of January 1, 2015;
- Existing county FTE to be funded through the Child Welfare Block Grant allocation;
- The counties that receive a capped allocation from the Child Welfare Staffing Block Grant to provide a 10.0 percent match to the allocated State and federal funds, unless a county qualifies for tier 1 or tier 2 for the purpose of County Tax Base Relief. In this case, no county match will be required.

The appropriation for this bill specifically states that the allocation to the counties is for the hiring of local child welfare case workers, child welfare case aides, and child welfare supervisors. With the FY 2015-16 allocation, 29 of the 64 Colorado counties elected not to hire additional staff. Of the remaining 35 counties, the 12 largest were allocated funding equivalent to 73.0 FTE, and the smaller counties (22) received funding equivalent to 1.0 FTE each. Of this allocation, funding equivalent to 13.0 FTE was awarded to counties that qualify for tier 1 or tier 2 CTBR. County level child welfare FTE that existed prior to January 1, 2015 continues to be funded through the Child Welfare Block Grant. This funding requires a 20.0 percent county match.

***Department FTE***

In addition to funds for county level staffing, the Department requests funds for State staff, including two Child Protection Services Specialists and one Training Certification Specialist. The Department's request includes a detailed list of duties for the 3.0 FTE positions for which it requests funding; however, it does not include workload measures associated with the positions or the necessary ratio of Department staff to county staff for which it must provide oversight. Because of this, Staff is unable to determine if the Department's current workload requires additional FTE.

***Educational Stipends***

According to the Department, educational stipends for those intending to pursue a career in child welfare may be either a general stipend or a rural stipend. Though the stipends are similar, a student receiving a rural stipend must work in a rural county upon graduation. If at the time of hire, there are no job openings in a rural county, the rural employment requirement is waived. The Department indicates that it currently leads a stipend committee made up of institutions that have an award and that the stipends are funded through State and federal (Title IV-E) funds. Funds for educational stipends are appropriated in the Training line item in the Division of Child Welfare.

The Committee denied the Department's request for funding in FY 2015-16 for a Gerontology Stipend Program. The Department cited the increasing number of older adults requiring expansion of services and the projected workforce needs that will be required to address them as the reason for the program. The FY 2016-17 request again cites projected workforce needs as the reason additional funding is needed. In alignment with the Staff Recommendation provided



in the FY 2015-16 Figure Setting Document for this request, however, Staff believes that providing stipends or scholarships to students to incent them to enter a specific vocation is outside the purview of the Department of Human Services. This matter is better addressed by the Department of Higher Education as it is able to do a gap analysis of educational opportunities and workforce trends across all institutions, prioritize those needs, and seek funding within existing educational models. Though Staff agrees that there may be a shortage of qualified child welfare professionals in the future, especially in rural communities, the Department has not provided data to support this portion of the request.

## **POINTS TO CONSIDER**

The Department is requesting funding for an additional 100.0 county level FTE. The funds splits for this request correspond with those identified in S.B. 15-242 in which an appropriation was made for a separate child welfare staffing block grant to be allocated to counties wishing to participate. Pursuant to this legislation, counties qualifying for tier 1 or tier 2 of County Tax Base Relief (CTBR) are funded at 100.0 percent; all other counties are funded at 90.0 percent and are required to provide a 10.0 percent county match. Staff submits the following points for the Committee’s consideration when making a decision on this request:

- The workload study’s recommendation of increased county staffing is based on an analysis of work performed by child welfare staff, including case aides, case workers, supervisors, support staff, and other specialized staff. This workload study does not address a possible need for other types of professions to which the Department intends to provide an “expanded reach.”
- Though the Department indicates that this Phase 2 funding will be the second of five fiscal year requests to increase county child welfare staff to the recommended level, if it utilizes funds for positions other than those identified in the workload study, it will not achieve the recommended staffing levels by FY 2019-20.
- S.B. 15-242 and the associated 90/10 funding split was intended for the hiring of three specific positions – child welfare case aides, child welfare case workers, and child welfare supervisors. The intent of this legislation is to provide funding to counties to address the workforce needs in areas of services identified in the workload study. It was not intended to be used to fund other county positions, such as those Ancillary Staff positions for which funding is requested.
- The Department is requesting funding for county level Ancillary Staff positions that are funded in other areas of the budget (i.e. Public Health and Education). The Department reports working to strengthen relationships with other agencies to ensure that appropriate wrap around services are provided to children and families. As such, Staff believes that greater improvement in service delivery, efficiency, and cost-effectiveness will be achieved through the strengthening of these partnerships than will be accomplished by county child welfare divisions creating positions that already exist in other agencies in the community.
- The Department has requested additional FTE in both the FY 2015-16 and FY 2016-17 requests for funding for county level staffing. In FY 2015-16, the Department received funding for 1.0 FTE for the Training Academy. It is requesting 3.0 additional FTE in FY 2016-17. Though it provides detailed descriptions of the position responsibilities, the Department does not provide data on Department workload related to county staffing levels.

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- The Department has determined that it will take five years for counties to develop the capacity needed to support the staffing increase as recommended in the workload study. There is concern that, though there may be funding for those positions in the future, there may not be an adequate workforce to fill them. Though this is a valid concern, the Department did not provide data to support this premise.

## **Underlying Issue 2: Block Funding for County Staff and Child Welfare Related Administrative and Support Functions**

Counties receive block allocations to fund county staff and child welfare related administrative and support functions from appropriations in two Long Bill line items. The line items include the Child Welfare Services line item from which the Child Welfare Block Grant is allocated, and the County Level Child Welfare Staffing line item from which the Staffing Block Grant is allocated. The formula for allocation of the funds is developed by the Child Welfare Allocations Committee and the same formula is used for each block grant. While the Child Welfare Block Grant allocation can be used for child welfare related administrative and support functions, child welfare services, and county level child welfare staff regardless of date of hire, the Staffing Block Grant may only be used to fund child welfare case aide, case worker, and supervisor positions created in a county on or after January 1, 2015. The purpose of this specificity is to ensure that the gap in county staffing identified in the 2014 Child Welfare Workload Study is addressed and that ongoing monitoring of county level staffing occurs.

### **SUMMARY OF ISSUE**

- County level child welfare staff and associated administrative and support functions are funded through block allocations from the following Long Bill line items: Child Welfare Services and County Level Child Welfare Staffing.
- Funding from the County Level Child Welfare Staffing line item may only be used to fund newly hired county level child welfare case aides, case workers, and supervisors after January 1, 2015. The required county match is 10.0 percent unless the county qualifies for tier 1 or tier 2 for the purpose of County Tax Base Relief, in which case the match is 0.0 percent.
- Funding from the Child Welfare Services line item may be used to fund county level child welfare staff, administrative and support functions, operational expenses associated with the delivery of child welfare services, family preservation services, out-of-home placements, adoptions, and other eligible services. The required county match is 20.0 percent for most expenses.
- The Department's FY 2016-17 request increases funding for new county level child welfare staff, and decreases funding for existing county level child welfare staff and contracted service providers.

### **DISCUSSION**

#### ***Child Welfare Block (Child Welfare Services line item)***

Funds in the Child Welfare Services line item are allocated to counties as the Child Welfare Block established by S.B. 97-218. These funds provide the primary source of funding for counties to administer child welfare programs and deliver associated services to children and families. This line item appropriation provides funding for the following: county administration

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of child welfare related activities; out-of-home care; subsidized adoption and relative guardianship agreements; and other necessary and appropriate services for children and families. Pursuant to Section 26-5-104 (4) (a), C.R.S., county departments are authorized to use this allocation to provide child welfare services without categorical restriction.

Through the Child Welfare Services line item, county departments of human and social services are reimbursed for 80.0 percent of related expenses, up to the amount available for each county's allocation. The Outcomes Model uses data from the most recent fiscal year for calculating the allocation, using a three-year average for non-demographic data elements. It includes the following drivers: child population; children in poverty; program services costs; days paid in foster care; days paid in congregate care; days paid in subsidized adoption; and new adoptions. The remaining two percent of available funds was reserved for incentives based on each county's performance in each of three outcome-based performance measures: absence of recurrence of child maltreatment; permanency for children in out-of-home care; and timeliness of child abuse assessments closure. The first full year this Outcomes Model was used for distributing funding was in FY 2014-15 and it will be used in ensuing fiscal years.

The FY 2015-16 Child Welfare Services line item appropriation is \$354.1 million total funds, including \$180.6 General Fund. Though county close-out documents do not indicate how much of the Child Welfare Block Grant is used for county level staff, the workload study states that there were 780.0 FTE for existing child welfare staff (excluding supervisors) that were carrying out the child welfare related activities analyzed in the study. Based on a ratio of 1 supervisor for every 5 case workers (as identified in the Department's request), it is estimated that there were 150.0 supervisor FTE at the county level. Using the same cost per FTE type provided in the Department's R1 request, Staff estimates the cost of existing county level child welfare case aides, case workers, and supervisors to be approximately \$53.4 million total funds, including \$34.1 million General Fund. This General Fund calculation is based on the existing 20.0 percent county match requirement for allocations from this block grant.

In addition to the case aides, case workers, and supervisors, county staff will include FTE responsible for the management of the division or department and for other administrative or support functions. Though this is likely conservative, Staff estimates the total cost of these responsibilities to be approximately \$20.0 million total funds, including \$16.0 million General Fund. Staff estimates the county level staffing costs funded through the Child Welfare Block Grant to total approximately \$73.4 million, including approximately \$58.7 million General Fund.

***S.B. 15-242 – County Level Child Welfare Staffing (Block Grant)***

As stated above, during the 2015 legislative session, the Joint Budget Committee sponsored S.B. 15-242 to increase the funding allocated to counties specifically for the purpose of hiring additional child welfare case workers, case aides and supervisors on or after January 1, 2015. This source of funding may not be used to provide direct services of any kind. Any existing county level child welfare FTE are to continue to be funded through the Child Welfare Block Grant allocation. Counties are not required to accept an allocation from this block grant, but those that do are required to provide a 10.0 percent match to the allocated State and federal funds. If a county qualifies for tier 1 or tier 2 for the purpose of County Tax Base Relief, however, no county match is required.

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From the FY 2015-16 Staffing Block allocation, 29 of Colorado’s 64 counties elected not accept an allocation to hire additional staff. Of the remaining 35 counties, the 12 largest were allocated funding equivalent to 73.0 FTE, and the smaller counties (22) received funding equivalent to 1.0 FTE each. Of the 95.0 newly created FTE, funding equivalent to 13.0 FTE was awarded to counties that qualify for tier 1 or tier 2 CTBR. Staff estimates the total cost of those to be \$720,798 total funds, including \$716,638 General Fund.

The table below provides a comparison of the two block grants through which county level staff can be funded. Based on the above calculations, Staff estimates the effective match rate for county level staffing at approximately 16.2 percent.

<b>Child Welfare County Block Allocation Line Item/Statutory Comparison</b>		
	<b>County Level Child Welfare Staffing (S.B. 15-242)</b>	<b>Child Welfare Services (Child Welfare Block) Section 26-5-101 through 105, C.R.S.</b>
<b>Purpose</b>	<ul style="list-style-type: none"> <li>Funding for additional county level child welfare staff</li> </ul>	<ul style="list-style-type: none"> <li>Promote health, safety and well-being of children</li> <li>Promote best interest of the child</li> <li>Reduce risk of future maltreatment</li> <li>Avoid unnecessary placement of children in foster care</li> <li>Facilitate speedy reunification of parents with children</li> <li>Ensure there is no discrimination when placing children</li> </ul>
<b>Funds use</b>		
<b>Staffing</b>	<ul style="list-style-type: none"> <li>Funds new child welfare positions created as of January 1, 2015</li> <li>Supervisors</li> <li>Case workers</li> <li>Case aides</li> </ul>	<ul style="list-style-type: none"> <li>Funds new and existing child welfare positions</li> <li>Management</li> <li>Supervisors</li> <li>Case workers</li> <li>Case aides</li> <li>Other staff</li> </ul>
<b>Non case related activities</b>	n/a	<ul style="list-style-type: none"> <li>Administration and support functions</li> <li>Operational expenses associated with child welfare services</li> </ul>
<b>County allocation</b>	<ul style="list-style-type: none"> <li>Allocation formula developed by Child Welfare Allocations Committee</li> </ul>	<ul style="list-style-type: none"> <li>Allocation formula developed by Child Welfare Allocations Committee</li> </ul>
<b>County match rate</b>	<ul style="list-style-type: none"> <li>County match rate of 10.0% unless the county qualifies for tier 1 or tier 2 of County Tax Base Relief</li> </ul>	<ul style="list-style-type: none"> <li>County match rate of 20.0% for eligible services</li> </ul>
<b>Unexpended funds</b>	<ul style="list-style-type: none"> <li>Unexpended funds are reverted to General Fund</li> </ul>	<ul style="list-style-type: none"> <li>Under expenditures addressed during close-out process; may be transferred to Family and Children's Programs line item to cover over-expenditures in Core Services</li> </ul>
<b>Other</b>	<ul style="list-style-type: none"> <li>Caseload study to determine appropriate worker to case ratio (funding is reflected in a separate line item)</li> </ul>	n/a

## **POINTS TO CONSIDER**

For FY 2015-16, the Department requested funding for 130.0 county level child welfare case aide, case worker, and supervisor FTE. Senate Bill 15-242 appropriated funding equivalent to the cost of 100.0 FTE. Allocations made to counties through this Staffing Block Grant are much more restricted than those allocated to counties through the Child Welfare Block Grant. The purpose of this separate line item, however, is to provide a mechanism through which the Department and the General Assembly can consistently evaluate county staffing levels on an ongoing basis in order to ensure that appropriations meet increasing need. It is important to note that:

- All position types that are funded through the Staffing Block Grant allocation, can also be funded through the Child Welfare Block Grant allocation.
- Not all position types that are funded through the Child Welfare Block Grant allocation can be funded through the Staffing Block Grant allocation.
- Administration and support functions as well as operational expenses associated with child welfare services may be funded through the Child Welfare Block Grant, but not through the Staffing Block Grant.
- Unexpended funds in the Staffing Block Grant revert to the General Fund; however, adjustments to allocations may be made during county close-out to re-allocate under-expenditures in the Child Welfare Block; under-expenditures may be transferred to cover over-expenditures in Core Services (discussed in the next underlying issue).
- Funds were appropriated in S.B. 15-242 for the completion of a caseload study to determine the appropriate ratio of case worker to cases; there is no statutorily required evaluation required for the allocation of the Child Welfare Block Grant.

### **Underlying Issue 3: Block Funding for Direct Service Delivery**

The majority of funds appropriated for child welfare (nearly 90.0 percent) are made available to county departments as block allocations for the provision of child welfare services. Increases and decreases in appropriations for child welfare services are at the discretion of the General Assembly. However, in setting appropriation levels for these services, the General Assembly takes into consideration the funding required by counties to fulfill their statutory duties in serving abused and neglected children. County departments of social/human services receive funding in the form of block allocations through an allocation formula developed by the Child Welfare Allocations Committee. At the State level, funding for these block allocations are appropriated in two Long Bill line items, including the Child Welfare Services line item from which the Child Welfare Block Grant is allocated, and the Family and Children’s Programs line item from which Core Services funding is allocated.

#### **SUMMARY OF ISSUE**

- County level child welfare direct services are funded through block allocations from the following Long Bill line items: Child Welfare Services and Family and Children’s Programs.
- Funding from the Family and Children’s Programs line item may only be used to fund approved Family Preservation Services. It may not be used to fund out-of-home placements, adoptions, operational expenses, or staff. The required county match is 20.0 percent for most expenses.
- Funding from the Child Welfare Services line item may be used to fund county level child welfare staff, administrative and support functions, operational expenses associated with the delivery of child welfare services, family preservation services, out-of-home placements, adoptions, and other eligible services. The required county match is 20.0 percent for most expenses.
- The Department’s FY 2016-17 request increases funding for new county level child welfare staff, and decreases funding for existing county level child welfare staff and contracted service providers.

#### **DISCUSSION**

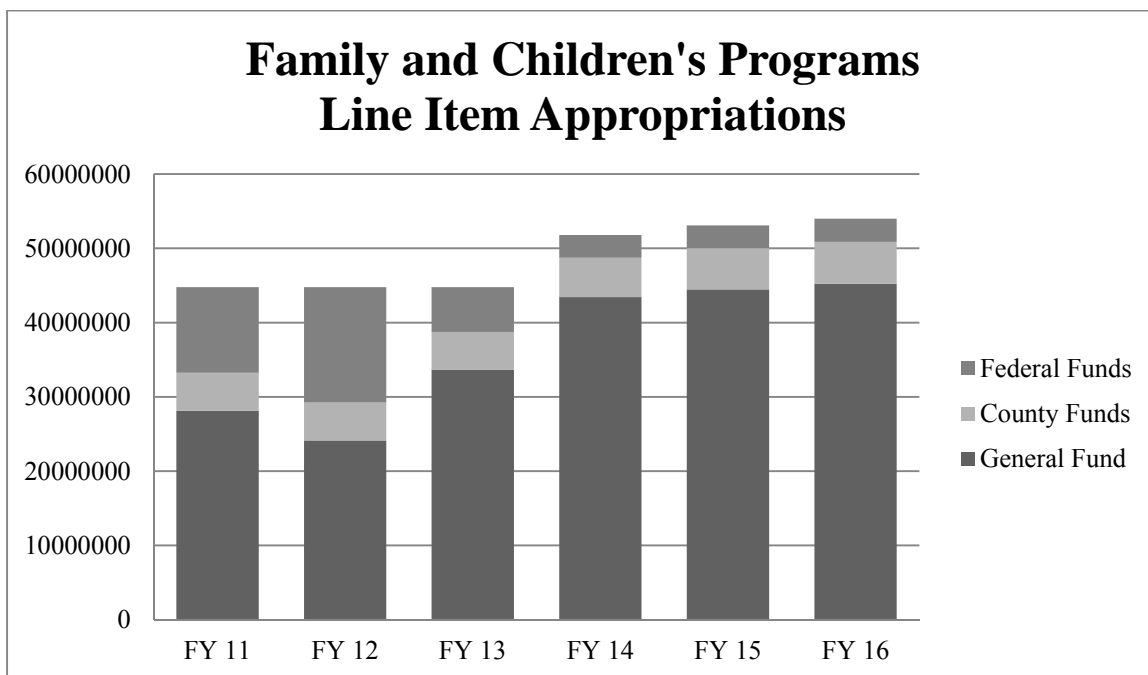
##### ***Family and Children’s Programs (Core Services)***

The Core Services Program was established in 1994 to provide: 1) intensive services for families where a child is at risk of an out-of-home placement, and 2) phased-in services aimed at reunifying families where a child has been placed out of the home. Intensive services are immediate, concentrated, in home crisis intervention services by one or more family development specialists who assist a family in developing strengths to cope with family stress. The program is designed to provide family preservation services defined as services or assistance that focus on family strengths and includes services that empower a family by providing alternative problem-solving techniques, child-rearing practices, responses to living situations that

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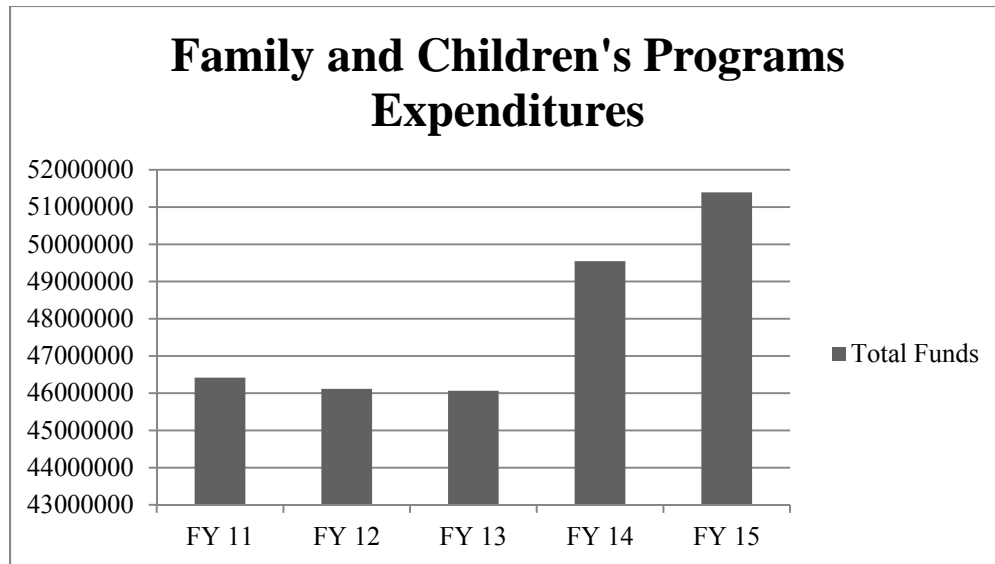
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create stress upon the family, and resources that are available as support systems for the family. The goals of the program include: safely maintaining children/youth in the home; returning children/youth home; promoting the least restrictive out-of-home setting for children (including adoptive and foster homes); and providing services for families at-risk of involvement in the child welfare system. The program is funded by appropriations in the Family and Children's Programs line item and allocated to counties in the form of the Core Services Block Grant through a formula developed by the Child Welfare Allocations Committee. While the fund splits varied, total appropriations for the Family and Children's Services line item remained flat from FY 2010-11 through FY 2012-13, before increasing substantially in FY 2013-14 and then gradually through FY 2015-16. Increases in funding over the past three years are the result of provider rate increases (discussed in the underlying issue presented on page 39 of this document).



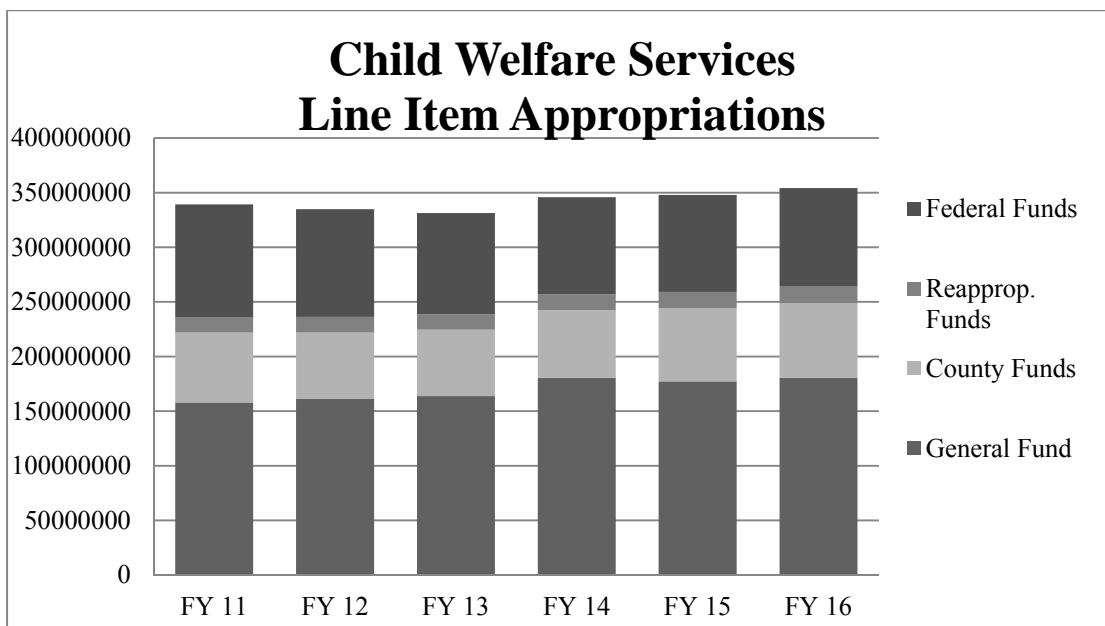
Core Services funding may only be used to pay for the delivery of therapeutic services for children and/or youth either at home or in out-of-home placement. It may not be used to fund out-of-home placement costs or staffing. If counties spend more than the capped allocations, they are responsible for covering any shortfall with other funds. If the Child Welfare Block allocation is underspent, funds may be transferred from it to cover over-expenditures in the Core Services allocation. If the Core Services allocation is underspent, excess funds may not be transferred to cover Child Welfare Block over-expenditures. County spending on Core Services gradually decreased from FY 2010-11 through FY 2012-13 but dramatically increased by 7.6 percent in FY 2013-14 when total spending reached \$49.5 million. It increased another 3.7 percent in FY 2014-15 with total expenditures reported at \$51.2 million.





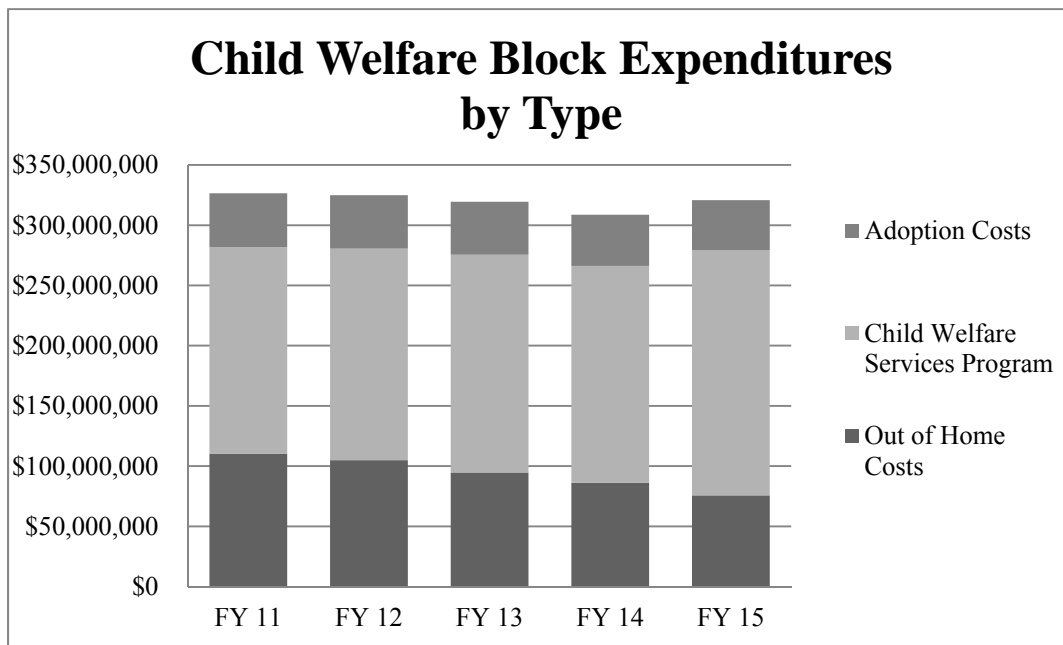
***Child Welfare Services***

In addition to funding county level child welfare staff, administrative and support functions, and operational expenses associated with child welfare services, the Child Welfare Block Grant funds are used to pay for contracts with direct service providers. Appropriations for the Child Welfare Services line item declined from FY 2010-11 through FY 2012-13, after which they have steadily increased to the FY 2015-16 appropriation of \$354.1 million total funds, including \$180.6 General Fund.



Child Welfare Block allocations provide a more flexible source of funding to counties and are used to pay for out-of-home placements, subsidized adoptions, relative guardianships, certified kinship care, case services, and a majority of administrative costs, in addition to all service types

that can be paid for by Core Services funding activities associated with out-of-home placements for children and families at risk of involvement, or those already experiencing involvement with the child welfare system. If counties spend more than the capped allocations, they are responsible for covering any shortfall with other funds; however, excess Core Services dollars may not be used to address this shortfall. Historically, total spending by counties exceeded State allocations by three to five percent per year. However, since FY 2008-09, counties have reduced spending more rapidly than the State has reduced child welfare allocations until FY 2014-15 when spending on Child Welfare Services Programs increased by 13.1 percent over the previous year.



**County Workload**

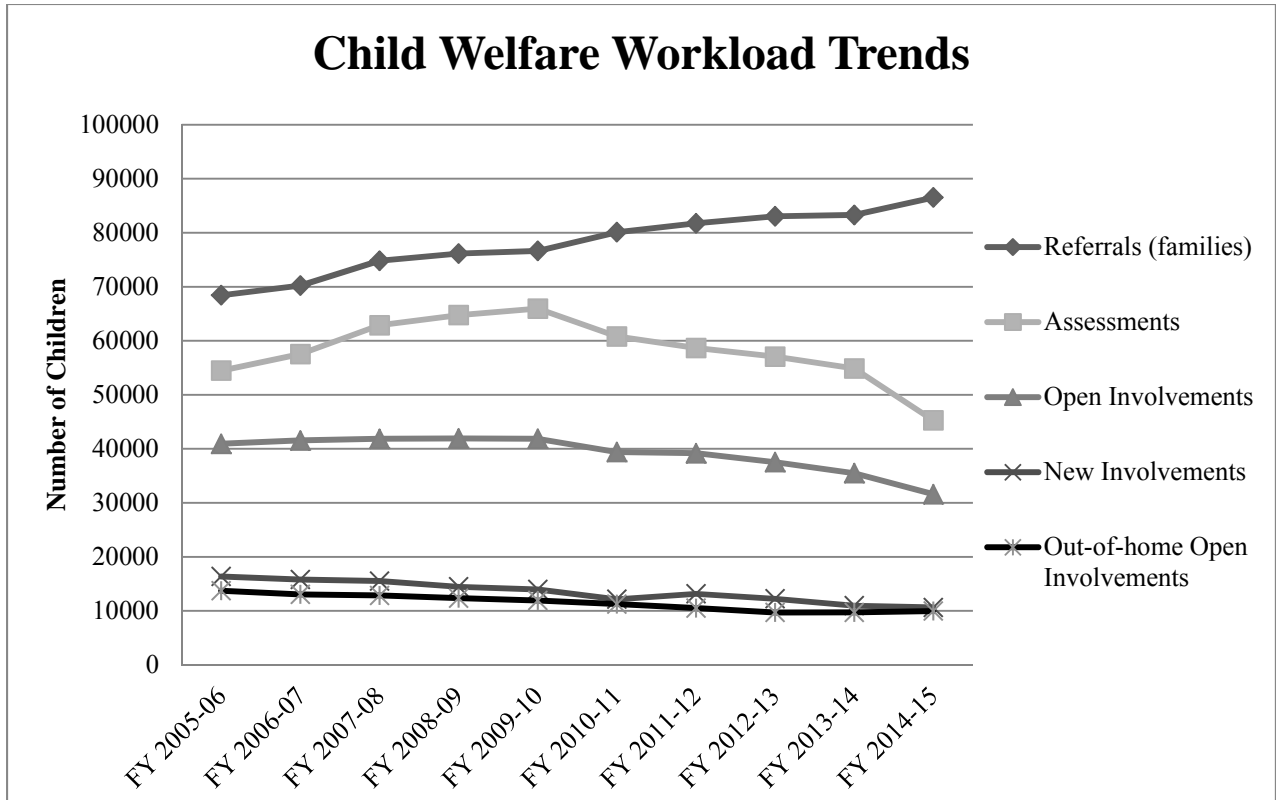
At the county level, expenditures for child welfare services (whether they are funded through the Child Welfare Services or Family and Children’s Programs line item) are driven by:

- The number of reports of abuse or neglect received;
- The number of reports that the county determines require further investigation (assessments);
- The number of children requiring child welfare services (open involvements);
- The number of children with open child welfare cases who receive residential services versus alternative services; and
- The costs of the various services provided.

Among these drivers, certain elements are largely beyond county control, such as the number of reports of abuse or neglect, the number of reports that require a child welfare case to be opened based on the severity of an incident and risk to a child, and judicial decisions regarding client placements. Other drivers are within county control, such as the types of services offered and the rates paid for services.

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Referrals to child welfare have continued to increase, but the numbers of child welfare assessments, open child welfare cases, new child welfare involvements, and out-of-home placements have declined. The percentage of reports of abuse or neglect that result in county intervention through the child welfare system has also declined.



Over the last several years, counties have made significant changes in how they respond to allegations of abuse and neglect (e.g. the implementation in several counties of a differential response practice model) and the kinds of services they offer, based on funding constraints and on changes in what is considered to be best practice. The State has taken a variety of steps, ranging from providing funding for additional studies and research through the Child Welfare Action Committee to adding new Division of Child Welfare staff and expanded funding for preventative child abuse initiatives. Contributing to this reduction in expenditures is the Department’s prioritization of the policy initiative to ensure child safety through improved prevention, access, and permanency. As a part of the Department’s State Measurement for Accountable, Responsive, and Transparent (SMART) Government Act FY 2015-16 Performance Plan, the Department has included the following operational measures to monitor its success in meeting this strategic policy initiative:

- Compliance with the statutory requirement related to timeliness of assessment closure. The Department reports a goal of 92.0 percent compliance with this goal in FY 2015-16. The first quarter performance evaluation for FY 2015-16 indicates an 89.7 percent compliance rate.
- Percentage of children and youth in congregate care settings. The Department reports a goal of reducing this percentage to 18.4 percent in FY 2015-16. The first quarter performance

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evaluation for FY 2015-16 indicates that 19.7 percent of children in out-of-home placement are in congregate care.

As a part of the Department’s first priority of ensuring that “individuals will have the opportunity to thrive in the community of their choice,” *The Community Living Plan* includes children in child welfare placements and emphasizes that children in the care of the Department need to be placed in the least restrictive setting to meet their needs. As indicated in the table below, expenditures for out-of-home placement and adoption costs have consistently declined in the past five years, while expenditures on Core and Child Welfare Services have increased.

<b>Costs Associated with Out-of-home Placement and Adoption</b>					
	<b>FY 2010-11</b>	<b>FY 2011-12</b>	<b>FY 2012-13</b>	<b>FY 2013-14</b>	<b>FY 2014-15</b>
Out-of-home Costs	\$110,418,858	\$104,895,302	\$94,697,249	\$86,239,958	\$75,751,121
<i>Percent change</i>	<b>n/a</b>	<b>-5.0%</b>	<b>-9.7%</b>	<b>-8.9%</b>	<b>-12.2%</b>
Adoption Costs	\$44,705,407	\$44,321,213	\$43,881,743	\$42,531,151	\$41,616,762
<i>Percent change</i>	<b>n/a</b>	<b>-0.9%</b>	<b>-1.0%</b>	<b>-3.1%</b>	<b>-2.1%</b>
Total Costs	\$155,124,265	\$149,216,515	\$138,578,992	\$128,771,109	\$117,367,883
<i>Percent change</i>	<b>n/a</b>	<b>-3.8%</b>	<b>-7.1%</b>	<b>-7.1%</b>	<b>-8.9%</b>

According to the Child Welfare Services Staff Manual, Volume 7, the Core Services Block Grant only provides funding for ten designated types of family preservation services, including:

- Aftercare services: any of the Core Services provided to prepare a child for reunification with his/her family or other permanent placement and to prevent future out-of-home placement of the child;
- County designed services: an optional service tailored by the specific county in meeting the needs of families and children in the community in order to prevent the out-of-home placement of children or facilitate reunification or another form of permanence;
- Day treatment: comprehensive, highly structured services that provide education to children and therapy to children and their families;
- Home-based intervention: Services provided primarily in the home of the client and can include therapeutic services, concrete services, collateral services, and crisis intervention directed to meet the needs of the child and family;
- Intensive family therapy: therapeutic intervention typically with all family members to improve family communication, functioning, and relationships;
- Life skills: services provided primarily in the home that teach household management, effectively accessing community resources, parenting techniques, and family conflict management;
- Mental health services: diagnostic and/or therapeutic services to assist in the development of the family services plan and to assess and/or improve family communication, functioning, and relationships;
- Sexual abuse treatment: Therapeutic intervention designed to address issues and behaviors related to sexual abuse victimization, sexual dysfunction, sexual abuse perpetration, and to prevent further sexual abuse and victimization;

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- Special economic assistance: emergency financial assistance of not more than \$2,000 per family per year in the form of cash/or vendor payment to purchase hard services;
- Substance abuse treatment services: diagnostic and/or therapeutic services to assist in the development of the family services plan, to assess and/or improve family communication, functioning, and relationships, and to prevent further abuse of drugs or alcohol.

Pursuant to Section 26-5-101 (3), C.R.S., Core Services is included in the list of approved Child Welfare Services. In addition, Section 19-3-208 (2) (d) (9), C.R.S., identifies Family Preservation Services in the list of services that shall be made available and provided based upon the State's capacity to increase federal funding or any other moneys appropriated for these services and as determined necessary and appropriate by individual case plans. The following table provides a comparison of Child Welfare Services and Core Services.

<b>Child Welfare County Block Allocation Line Item/Statutory Comparison</b>		
	<b>Child Welfare Services (Child Welfare Block) Section 26-5-101 through 105, C.R.S.</b>	<b>Core Services (Family Preservation Program) Section 26-5.5-102 through 106, C.R.S.</b>
<b>Purpose</b>	<ul style="list-style-type: none"> <li>• Promote health, safety and well-being of children</li> <li>• Promote best interest of the child</li> <li>• Reduce risk of future maltreatment</li> <li>• Avoid unnecessary placement of children in foster care</li> <li>• Facilitate speedy reunification of parents with children</li> <li>• Ensure there is no discrimination when placing children</li> </ul>	<ul style="list-style-type: none"> <li>• Family-focused</li> <li>• Safely maintain child in home</li> <li>• Outcome-driven</li> <li>• Cost-efficient</li> <li>• Promote least restrictive out-of-home setting</li> <li>• Return child home</li> </ul>
<b>Funds use Services</b>	<ul style="list-style-type: none"> <li>• Family preservation services (brief, comprehensive, intensive services to prevent out-of-home placement, or to promote a safe return to the home)</li> <li>• Core services</li> <li>• Drug and alcohol treatment services</li> <li>• Financial services in order to prevent placement</li> <li>• Emergency shelter</li> <li>• Transportation</li> <li>• Child care</li> <li>• Diagnostic, mental health, health care services</li> <li>• After care services to prevent a return to out-of-home placement</li> <li>• Home-based family and crisis counseling</li> <li>• Family support services while the child in in out-of-home placement including home-based services, family counseling placement</li> </ul>	<ul style="list-style-type: none"> <li>• Family preservation services (brief, comprehensive, intensive services to prevent out-of-home placement, or to promote a safe return to the home)</li> <li>• Core services</li> <li>• Substance abuse treatment services</li> <li>• Special economic assistance</li> <li>• Mental health services</li> <li>• Aftercare services</li> <li>• Sexual abuse treatment</li> <li>• Life skills</li> <li>• Intensive family therapy</li> <li>• Home-based intervention</li> <li>• Day treatment</li> <li>• County designed services</li> </ul>

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<b>Child Welfare County Block Allocation Line Item/Statutory Comparison</b>		
	<b>Child Welfare Services (Child Welfare Block) Section 26-5-101 through 105, C.R.S.</b>	<b>Core Services (Family Preservation Program) Section 26-5.5-102 through 106, C.R.S.</b>
<b>Case related activities</b>	<ul style="list-style-type: none"> <li>alternative services</li> <li>• Information and referral services to available public and private assistance resources</li> <li>• Youth in conflict functions</li> <li>• Early intervention and prevention</li> <li>• Utilization review</li> <li>• In-home supportive homemaker services</li> <li>• Placement services including foster care and emergency shelter</li> <li>• Out-of-home placement, including foster care</li> <li>• Visitation services for parents</li> <li>• Adoption and subsidized adoption</li> </ul> <hr style="border-top: 1px dashed black;"/> <ul style="list-style-type: none"> <li>• Child protection</li> <li>• Risk assessment</li> <li>• Permanency planning</li> <li>• Treatment planning</li> <li>• Case management</li> <li>• Administration and support functions</li> <li>• Screening, assessments, individual case plans</li> </ul>	n/a
<b>County allocation</b>	• Allocation formula developed by Child Welfare Allocations Committee	• Allocation formula developed by Child Welfare Allocations Committee
<b>County match rate</b>	• County match rate of 20.0% for eligible services	• County match rate of 20.0% for eligible services
<b>Unexpended funds</b>	• Under expenditures addressed during close-out process; may be transferred to Family and Children's Programs line item to cover over-expenditures in Core Services	• Under expenditures addressed during close-out process
<b>Other</b>	n/a	• Performance report due December 31st annually

Finally, the Department requires counties to input case specific data into Trails. Data is entered into designated program areas depending on the assessed needs of each case. The following table provides a breakdown of each Program Area, the types of services available to children and families within each area, and the sources of funding that may be used pay for the services. It is important to note that both Child Welfare Services (the Child Welfare Block Grant) and Family and Children’s Programs (the Core Services Block Grant) are available sources for funding in all program areas.

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<b>Trails Program Areas and Corresponding Funding Sources</b>			
<b>Program Area</b>	<b>Description</b>	<b>Types of Services</b>	<b>Sources of Funding</b>
3	Program for prevention and intervention services for children, youth, and families at risk of involvement with child welfare	<ul style="list-style-type: none"> <li>• Voluntary services for children, youth, families</li> <li>• Services that reduce risk and increase protective factors to decrease likelihood of child abuse and neglect</li> <li>• Services for children or youth in conflict with family members, community, or at risk for abuse or neglect and does not meet the definition of unsafe</li> <li>• County designed services</li> <li>• Life skills</li> <li>• Home-based interventions</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Child Welfare Services</b></li> <li>• <b>Family and Children's Programs (Core Services)</b></li> <li>• Collaborative Management Program</li> <li>• Promoting Safe and Stable Families</li> <li>• Temporary Assistance for Needy Families Block Grant</li> <li>• SSA/SSI Trust Fund</li> <li>• County funds (only)</li> <li>• County Title IV-E Waiver savings</li> </ul>
4	Youth in Conflict - children and youth who are beyond the control of their parents or guardians; children and/or youth whose behavior is such that, there is a likelihood that they may cause harm to themselves or to others, or who have committed acts that could cause them to be adjudicated a delinquent child/youth by the court	<ul style="list-style-type: none"> <li>• Services that alleviate conflicts, protect the youth and community, re-establish family stability, assist the youth to emancipate successfully</li> <li>• Temporary Placement</li> <li>• Crisis intervention</li> <li>• Out-of-home placement</li> <li>• Home-based interventions</li> <li>• County designed services</li> <li>• Day treatment</li> <li>• Intensive family therapy</li> <li>• Life skills</li> <li>• Mental health services</li> <li>• Sexual abuse treatment</li> <li>• Special economic assistance</li> <li>• Substance abuse treatment</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Child Welfare Services</b></li> <li>• <b>Family and Children's Programs (Core Services) - excluding out-of-home-placement</b></li> </ul>
5	Children in need of protection - children whose physical, mental, or emotional well-being is threatened or harmed due to abuse or neglect; children who are subjected to circumstances in which there is a reasonable likelihood that they are at risk of harm due to abuse or neglect by their parents or caretakers which shall include children who are alleged to be responsible for the abuse or neglect and are under the age of 10	<ul style="list-style-type: none"> <li>• After care services</li> <li>• County designed services</li> <li>• Day treatment</li> <li>• Home-based intervention</li> <li>• Intensive family therapy</li> <li>• Life skills</li> <li>• Mental health services</li> <li>• Sexual abuse treatment</li> <li>• Special economic assistance</li> <li>• Substance abuse treatment services</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Child Welfare Services</b></li> <li>• <b>Family and Children's Programs (Core Services) - excluding out-of-home-placement</b></li> </ul>
6	Children and families in need of specialized services	Limited to children and families in need of adoption assistance, relative guardianship assistance, or Medicaid only services, or to children for whom the goal is no longer reunification; children must meet specific program requirements to receive services under the target group; services delivered in any program area	<ul style="list-style-type: none"> <li>• <b>Child Welfare Services</b></li> <li>• <b>Family and Children's Programs (Core Services) - excluding out-of-home-placement</b></li> </ul>

**POINTS TO CONSIDER**

The Family Preservation Program is based on the principle of appropriate State intervention with the purpose of ensuring that family structure is maintained and out-of-home placements are minimized. Pursuant to Section 26-5.5-102 (1) (d), C.R.S., it is family-focused, outcome-driven,

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and cost-efficient. Funding for this program is allocated to counties from the Family and Children's Programs line item and can be used to pay for services that safely maintain a child in the home, promote the least restrictive out-of-home setting, and return the child home. There are ten designated types of family preservation services.

Pursuant to Section 26-5-102 (2), C.R.S., objectives of child welfare services and related delivery systems reforms include a focus on quality and outcome-driven services, and a more efficient and responsive service systems for children and families. Funding for Child Welfare Services is allocated to counties in the form of the Child Welfare Block Grant. These services are intended to promote health, safety and well-being of children, promote the best interest of the child, reduce risk of future maltreatment, avoid unnecessary placement of children in foster care, facilitate speedy reunification of parents with children, and ensure there is no discrimination when placing children. Regardless of the funding source, service delivery for a child and family is categorized in Program Areas for which specific types of funding can be used. It is important to note:

- Funding from both the Child Welfare Block Grant and Core Services can be used to pay for services in all program areas. The source of funding used depends on whether or not it meets the family preservation program requirements. (Because Program Area 3 defines prevention and intervention services, other sources of funding may be used for them, in addition to these two block grants.)
- Core Services funds may only be used for services that fall within the ten designated types of family preservation services.
- All services funded with Core Services dollars can be funded with Child Welfare Block Grant dollars.
- Only the Child Welfare Block Grant can be used to pay for out-of-home placement, adoption, and other case-related activities.
- Unexpended funds in the Child Welfare Block allocation may be transferred to cover over-expenditures in Core Services funds; however, unexpended funds in the Core Services Block Grant may not be transferred to cover over-expenditures in Child Welfare Services.
- Core Services expenditures average 13.0 percent of total block expenditures over the past five years.
- An annual evaluation is conducted of the Core Services/Family Preservation Program.



## **Underlying Issue 4: Provider Rate Increases and Decreases**

The Joint Budget Committee has historically made a determination on a common figure setting policy to be applied for community provider rate increases. In some divisions of the Department of Human Services, including the Division of Child Welfare, increases are applied to line items that are distributed through county block grants and provider rates are negotiated independently by each county. Section 26-5-104 (6) (a), C.R.S., authorizes counties to negotiate rates, services, and outcomes with providers if the county has a request for proposal process in effect for soliciting bids from providers or another mechanism for evaluating the rates, services, and outcomes that is acceptable to the State department. Pursuant to Section 26-5-104 (6) (c), C.R.S., “a county that negotiates or renegotiates rates, services, and outcomes pursuant to paragraph (a) of this subsection (6) shall include as part of such negotiations or renegotiations cost of living adjustments and provider rate increases approved by the general assembly.”

### **SUMMARY OF ISSUE**

- Historically common policy provider rate adjustments are applied to the following Long Bill line items: Child Welfare Services and Family and Children’s Programs.
- Contracted child welfare services are funded through block allocations to counties. Counties negotiate rates, services, and outcomes with providers at the local level.
- The Department’s FY 2016-17 request increases funding for new county level child welfare staff, and decreases funding for existing county level child welfare staff and contracted service providers.

### **DISCUSSION**

The Department’s R19 request is for a 1.0 percent provider rate decrease for every line item that funds contracts with direct service providers, including county administration, child welfare, child care licensing, child care assistance, children’s mental health, early intervention, school-aged and adult mental health, substance abuse treatment, and youth corrections. The Department-wide reduction totals \$7.9 million total funds, including \$4.7 million General Fund and is intended to address a projected budget deficit in FY 2016-17. For the Division of Child Welfare, provider rate adjustments are applied to the Child Welfare Services and Family and Children’s Program line items and are allocated to counties for the contracting of direct services through the Child Welfare and Core Services Block Grants. The reduction results in a decrease of \$3.5 million total funds, including \$1.8 million General Fund, in the Child Welfare Services line item; and a decrease of \$540,030 total funds, including \$452,340 General Fund, in the Family and Children’s Services line item.

### **Background Information**

The Joint Budget Committee has historically made a determination on a common figure setting policy to be applied for community provider rate adjustments. The "community provider" common policy applies to selected line items in the Department of Human Services that are used to fund services that might otherwise be delivered by State FTE. As indicated in the table below,

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since FY 2009-10 the net provider rate adjustment applied to the Child Welfare Services and Family and Children’s Program line items is a 3.2 percent increase. The cumulative rate of inflation for that same period is 10.7 percent.

<b>Provider Rate Adjustments Applied to Division of Child Welfare Line Items</b>		
<b>Fiscal Year</b>	<b>Adjustment</b>	<b>Rate of Inflation</b>
FY 2009-10	0.0%	n/a
FY 2010-11	(2.0)%	1.6%
FY 2011-12	0.0%	3.2%
FY 2012-13	0.0%	2.1%
FY 2013-14	1.5%	1.5%
FY 2014-15	2.0%	1.6%
FY 2015-16	1.7%	0.5%
<b>Net Adjustment Over 7 Years</b>	<b>3.20%</b>	<b>(cumulative) 10.9%</b>

In the Division of Child Welfare, increases are applied to line items that are distributed through the Child Welfare and Core Services Block Grants and provider rates are negotiated independently by each county. Section 26-5-104 (6) (a), C.R.S., authorizes counties to negotiate rates, services, and outcomes with providers if the county has a request for proposal process in effect for soliciting bids from providers or another mechanism for evaluating the rates, services, and outcomes that is acceptable to the State department. Pursuant to Section 26-5-104 (6) (c), C.R.S., “a county that negotiates or renegotiates rates, services, and outcomes pursuant to paragraph (a) of this subsection (6) shall include as part of such negotiations or renegotiations cost of living adjustments and provider rate increases approved by the general assembly.” The common policy provider rate adjustment is applied to the full amount of the base appropriation of the Child Welfare Services and Family and Children’s Programs line items. Because county child welfare staff salaries are funded through the Child Welfare Block, the provider rate adjustments affect county staff salaries as well as contracted provider rates. Though the counties are required by statute to include cost of living adjustments and provider rate increases in rate negotiations, the General Assembly has no authority to determine rates at the local level or what portion of the provider rate adjustment is applied to county staff salaries or contracted providers.

***County Level Staffing***

As described previously, beginning in FY 2015-16 funding for county level staff is allocated to counties through two block grants – the Child Welfare Block Grant from the Child Welfare Services line item, and the Staffing Block from the County Level Child Welfare Staffing line item. The allocation of these funds is accomplished through the same formula developed by the Child Welfare Allocations Committee. Counties are required to provide a 20.0 percent match to funds allocated from the Child Welfare Block Grant and a 10.0 percent match to funds allocated from the Staffing Block. Historically, provider rate adjustments have been applied to the full amount of the base appropriation in the Child Welfare Services line item that funds county level staff, direct services, and administrative and support functions. Staff does not have a breakdown of the amounts expended in each of these areas for a given fiscal year and is unable at this time to determine the portion of funding from the block grant that is applied to county staff salaries (though Staff provided an estimate in underlying issue 2 above).

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In the FY 2016-17 Department R19 request, the provider rate adjustment is not applied to the County Level Child Welfare Staffing line item. In the past it has been argued that because counties are technically contracted by the State to perform child welfare related duties, county level staffing is eligible for provider rate adjustments. If the 1.0 percent provider rate adjustment were to be applied to this line item, the reduction would be for \$60,641 total funds, including \$54,285 General Fund.

**Contracted Providers**

Counties contract with direct service providers for the provision of statutorily eligible services that are funded through the Child Welfare and Core Services Block Grants, as well as services that can be funded through other sources, including the Collaborative Management Program, Promoting Safe and Stable Families, Temporary Assistance for Needy Families Block Grant, SSA/SSI Trust Fund, county funds (only), and County Title IV-E Waiver savings – services that are provided in Program Area 3.

The Department has selected a measure of reducing the number of out-of-home placements in congregate care as one of its SMART Act performance measures. Congregate care placement includes placement in institutional, residential, or group settings. This type of care provides acute care for children with identified medical, developmental and/or behavioral needs. In the past five years, the number of placements in congregate care has decreased by 20.6 percent. Trails indicates that in FY 2013-14 there were 1,742 children who exited from congregate care placement; over half of those individuals had a subsequent congregate care placement within one year of exiting care.

<b>Out-of-home (OOH) Child Welfare Involvements</b>					
<b>Fiscal Year</b>	<b>Open Involvements</b>	<b>Out-of-home Involvements</b>	<b>Percent</b>	<b>Number of OOH involvements in Congregate Care</b>	<b>Congregate Care OOH Placements in OOH</b>
FY 2010-11	39,403	11,246	28.5%	2,508	22.3%
FY 2011-12	39,177	10,503	26.8%	2,447	23.3%
FY 2012-13	37,524	9,687	25.8%	2,228	23.0%
FY 2013-14	35,486	9,705	27.3%	1,999	20.6%
FY 2014-15	31,597	9,956	31.5%	1,991	20.0%

The level of acuity of the child served will typically determine the Program Area through which services are provided and the cost of those services. Total costs for out-of-home placements in FY 2014-15 were \$79.2 million. Though Staff has calculated the average cost per out-of-home involvement at \$7,958, actual costs per involvement will vary depending on the level of acuity of the child, the length of the placement, and the contracted provider rate for services between a given county and/or provider facility. In addition, Staff is unable to determine at this time the portion of out-of-home costs attributable to services provided to children in each type of out-of-home placement (i.e. foster care, kinship care, group homes, congregate care, etc.). Given the increased percentage of out-of-home involvements within total open involvements in the past five years, and the decrease in actual total and average costs, it is possible that children in out-of-

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home placement are requiring or receiving fewer services – perhaps indicating that on average children in out-of-home placement are in need of or are receiving fewer services (possibly due to the acuity level of children placed out-of-home being lower each year); or that children in out-of-home placement are receiving the same amount or more services and the cost of those services (in the form of contracted rates) is actually lower. This is concerning given the fact that as more children are being served in lower levels of care, those requiring the most intensive services are now served in residential treatment facilities and typically require greater supervision and more treatment and other types of services.

<b>Costs for Out-of-home (OOH) Child Welfare Involvements</b>					
<b>Fiscal Year</b>	<b>Out-of-home Involvements</b>	<b>Number of OOH involvements in Congregate Care</b>	<b>Congregate Care OOH Placements in OOH</b>	<b>Total Cost of OOH</b>	<b>Average Cost per OOH Involvement</b>
FY 2010-11	11,246	2,508	22.3%	\$110,418,858	\$9,818.50
FY 2011-12	10,503	2,447	23.3%	\$104,895,302	\$9,987.18
FY 2012-13	9,687	2,228	23.0%	\$94,697,249	\$9,775.70
FY 2013-14	9,705	1,999	20.6%	\$86,239,958	\$8,886.14
FY 2014-15	9,956	1,991	20.0%	\$79,233,882	\$7,958.41

A portion of the reduction in total costs of out-of-home placement is due to the decreasing average number of days per year a child spends out-of-home. In FY 2013-14, the average number of days per year was 133 days. In FY 2014-15, that number decreased to 123. In addition, the average cost per day decreased by \$2.11, from \$66.81 to \$64.70 per day. The total cost reduction for all out-of-home placements attributed to this decreased cost per day equates to \$2.6 million. As indicated in the table above, the total annual cost of out-of-home placements in FY 2014-15 was \$79.2 million, a reduction of \$7.0 million from FY 2013-14. Because the number of out-of-home involvements actually increased in FY 2014-15, while the total cost and average cost per day decreased, Staff concludes that the reduction is at least partially attributable to lower contracted rates with providers during fiscal years in which the General Assembly has approved provider rate increases.

**POINTS TO CONSIDER**

The Committee has historically made a determination on a common figure setting policy to be applied for community provider rate adjustments. In the Division of Child Welfare, adjustments are applied to line items that are distributed through county block grants and provider rates are negotiated independently by each county. In FY 2015-16, the General Assembly approved a 1.7 percent provider rate increase that was applied to both the Child Welfare Services and the Family and Children’s Programs line items. In the FY 2016-17 request, the Department is seeking a 1.0 percent reduction to the base appropriation of these line items in order address a potential budget deficit. It is important to note:

- The Department’s R19 request is for a Department-wide provider rate **reduction** totaling \$7.9 million total funds, including \$4.7 million General Fund, and is intended to address a projected budget deficit in FY 2016-17.

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- The Department’s R1 request is for an **increase** of \$6.8 million total funds, including \$6.0 million General Fund, to increase funding for county level child welfare staff, Department FTE, and educational stipends.
- The General Fund portion of the Department-wide provider rate decrease will fund 78.3 percent of the General Fund portion of the request for new county level child welfare staff, Department FTE, and educational stipends.
- Funding for direct services in both the Child Welfare Block Grant and the Core Services Block Grant will be reduced if the Department’s R19 request is approved.
- Funding for **existing** county level staffing in the Child Welfare Block Grant will be reduced if the Department R19 request is approved; and funding for **new** county level child welfare FTE will be increased if the Department’s R1 request is approved.
- The increase in appropriation to new county level child welfare staffing, Department FTE, and educational stipends combined with the overall provider rate decrease prioritizes the hiring of new county level child welfare staff above direct services provided to clients in all service domains.
- The cost of services provided to children is dependent upon the level of acuity of the child, the length of time services are required, and the cost of those services.
- Though the total cost of out-of-home placements and congregate care placements have decreased in the past three years, the number of out-of-home placements has increased in the past three years. It is unclear if the cost savings are as a result of fewer services for children or lower contracted rates with providers.
- Staff believes that the level of funding provided to counties for the provision of services is appropriate; however is concerned that the payment for specific services may not always take into the consideration the acuity of children being served.

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### **Expansive Issues: Staff Recommendation**

Funding for the delivery of child welfare services is allocated to counties in the form of block grants originally appropriated in three Long Bill line items – Child Welfare Services, County Level Child Welfare Staffing, and Family and Children’s Programs. All three block grants are allocated through the same formula developed by the Child Welfare Allocations Committee. The use of each block allocation is restricted by statute. Both the Staffing Block (from the County Level Child Welfare Staffing line item) and the Core Services Block (from the Family and Children’s Programs line item) are more restricted than the Child Welfare Block (from the Child Welfare Services line item). A table comparing the three funding sources can be found on page 45.

The Department’s FY 2016-17 request contains two decision items that directly impact these three line items. The R1 request is for an increase of \$6.8 million total funds, including \$6.0 million General Fund, and 2.7 FTE to increase county level child welfare staff, Department staff, and education stipends. The R19 request is for a 1.0 percent common policy provider rate decrease of \$4.0 million total funds, including \$2.2 million General Fund, in the Child Welfare Services and Family and Children’s Programs line items. Due to the overlapping nature of the three block grants, Staff believes these two requests must be considered within the context of the overall funding mechanism for child welfare services in the State of Colorado. Given this

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context and the restrictions on the use of funds appropriated to each line, Staff is concerned that 1) portions of the R1 request will not be able to be funded within current law, though funding can be appropriated in different line items if the Committee chooses to fund the request without modification; 2) appropriating funding to the Child Welfare Services line item for increased county level staff will prevent the degree of consistent and ongoing monitoring of county staffing levels that is intended by the creation of a new staffing line item through S.B. 15-242; 3) the R19 request for a 1.0 percent provider rate decrease will reduce funds available for direct services in all domains, while the R1 request increases funding for county child welfare staff only; 4) two block grants for staffing, and two block grants for services creates inefficiencies, less transparency, and potential for mistakes in calculations and payments; and 5) it is difficult to determine the actual impact of provider rate adjustments on county level staffing and on contract provider rates. As a result of the challenges presented in the above underlying issues, Staff recommends that:

- The Committee sponsor legislation to change the funding structure for the delivery of child welfare services, including:
  - Consolidating the three line items and corresponding block allocations into two line items with corresponding block allocations. Suggested line items:
    - County Level Child Welfare Staffing – to provide a county block allocation for all child welfare staff, administrative and support functions, and child welfare related operational expenses; establish a county match rate of 15.0 percent (to more closely correspond with the current effective match rate of 16.0 percent when the staffing allocations are combined); eliminate the January 1, 2015 hire date language in statute.
    - Child Welfare and Family Preservation Services – to provide a county block allocation for all direct services delivered through contract providers; require that a minimum of 13.0 percent of the funds be spent on Family Preservation Services pursuant to Sections 26-5.5-102 through 106, C.R.S.; establish a county match rate of 20.0 percent.
  - Require an annual evaluation of each new line item consistent with the currently required Core Services annual report.
- The Committee ask the Department to:
  - Discuss the various options for establishing appropriate provider rate fee schedules, including tiered rates for services that reflect provider rates commiserate with the acuity level of children and families served, including those children served in congregate care settings.
  - Perform an internal workload study in order to provide data on the appropriate Division of Child Welfare staff to county level staffing ratio.

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<b>Child Welfare County Block Allocation Line Item/Statutory Comparison</b>			
	<b>County Level Child Welfare Staffing (S.B. 15-242)</b>	<b>Child Welfare Services (Child Welfare Block) Section 26-5-101 through 105, C.R.S.</b>	<b>Core Services (Family Preservation Program) Section 26-5.5-102 through 106, C.R.S.</b>
<b>Purpose</b>	<ul style="list-style-type: none"> <li>Funding for additional county level child welfare staff</li> </ul>	<ul style="list-style-type: none"> <li>Promote health, safety and well-being of children</li> <li>Promote best interest of the child</li> <li>Reduce risk of future maltreatment</li> <li>Avoid unnecessary placement of children in foster care</li> <li>Facilitate speedy reunification of parents with children</li> <li>Ensure there is no discrimination when placing children</li> </ul>	<ul style="list-style-type: none"> <li>Family-focused</li> <li>Safely maintain child in home</li> <li>Outcome-driven</li> <li>Cost-efficient</li> <li>Promote least restrictive out-of-home setting</li> <li>Return child home</li> </ul>
<b>Funds use</b>			
<b>Staffing</b>	<ul style="list-style-type: none"> <li>Funds new child welfare positions created as of January 1, 2015</li> <li>Supervisors</li> <li>Case workers</li> <li>Case aides</li> </ul>	<ul style="list-style-type: none"> <li>Funds new and existing child welfare positions</li> <li>Management</li> <li>Supervisors</li> <li>Case workers</li> <li>Case aides</li> <li>Other staff</li> </ul>	n/a
<b>Services</b>	n/a	<ul style="list-style-type: none"> <li>Family preservation services (brief, comprehensive, intensive services to prevent out-of-home placement, or to promote a safe return to the home)</li> <li>Core services</li> <li>Drug and alcohol treatment services</li> <li>Financial services in order to prevent placement</li> <li>Emergency shelter</li> <li>Transportation</li> <li>Child care</li> <li>Diagnostic, mental health, health care services</li> <li>After care services to prevent a return to out-of-home placement</li> <li>Home-based family and crisis counseling</li> <li>Family support services while the child in in out-of-home placement including home-based services, family counseling placement alternative services</li> <li>Information and referral services to available public and private assistance resources</li> <li>Youth in conflict functions</li> <li>Early intervention and prevention</li> </ul>	<ul style="list-style-type: none"> <li>Family preservation services (brief, comprehensive, intensive services to prevent out-of-home placement, or to promote a safe return to the home)</li> <li>Core services</li> <li>Substance abuse treatment services</li> <li>Special economic assistance</li> <li>Mental health services</li> <li>Aftercare services</li> <li>Sexual abuse treatment</li> <li>Life skills</li> <li>Intensive family therapy</li> <li>Home-based intervention</li> <li>Day treatment</li> <li>County designed services</li> </ul>

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<b>Child Welfare County Block Allocation Line Item/Statutory Comparison</b>			
	<b>County Level Child Welfare Staffing (S.B. 15-242)</b>	<b>Child Welfare Services (Child Welfare Block) Section 26-5-101 through 105, C.R.S.</b>	<b>Core Services (Family Preservation Program) Section 26-5.5-102 through 106, C.R.S.</b>
<b>Case related activities</b>	n/a	<ul style="list-style-type: none"> <li>• Utilization review</li> <li>• In-home supportive homemaker services</li> <li>• Placement services including foster care and emergency shelter</li> <li>• Out-of-home placement, including foster care</li> <li>• Visitation services for parents</li> <li>• Adoption and subsidized adoption</li> </ul>	
	n/a	<ul style="list-style-type: none"> <li>• Child protection</li> <li>• Risk assessment</li> <li>• Permanency planning</li> <li>• Treatment planning</li> <li>• Case management</li> <li>• Administration and support functions</li> <li>• Screening, assessments, individual case plans</li> </ul>	n/a
<b>Non case related activities</b>	n/a	<ul style="list-style-type: none"> <li>• Administration and support functions</li> <li>• Operational expenses associated with child welfare services</li> </ul>	n/a
<b>County allocation</b>	<ul style="list-style-type: none"> <li>• Allocation formula developed by Child Welfare Allocations Committee</li> </ul>	<ul style="list-style-type: none"> <li>• Allocation formula developed by Child Welfare Allocations Committee</li> </ul>	<ul style="list-style-type: none"> <li>• Allocation formula developed by Child Welfare Allocations Committee</li> </ul>
<b>County match rate</b>	<ul style="list-style-type: none"> <li>• County match rate of 10.0% unless the county qualifies for tier 1 or tier 2 of County Tax Base Relief</li> </ul>	<ul style="list-style-type: none"> <li>• County match rate of 20.0% for eligible services</li> </ul>	<ul style="list-style-type: none"> <li>• County match rate of 20.0% for eligible services</li> </ul>
<b>Unexpended funds</b>	<ul style="list-style-type: none"> <li>• Unexpended funds are reverted to General Fund</li> </ul>	<ul style="list-style-type: none"> <li>• Under expenditures addressed during close-out process; may be transferred to Family and Children's Programs line item to cover over-expenditures in Core Services</li> </ul>	<ul style="list-style-type: none"> <li>• Under expenditures addressed during close-out process</li> </ul>
<b>Other</b>	<ul style="list-style-type: none"> <li>• Caseload study to determine appropriate worker to case ratio</li> </ul>	n/a	<ul style="list-style-type: none"> <li>• Performance report due December 31st annually</li> </ul>



## **Issue: Early Intervention Services Caseload Growth**

The Early Intervention Program is administered by the Division of Community and Family Support in the Office of Early Childhood. It provides early intervention (EI) services to infants and toddlers ages zero through two years of age who have been determined to have a developmental delay or disability, who have been diagnosed with a physical or mental condition that has a high probability of resulting in a significant delay in development, or who are living with a parent who has a developmental disability.

### **SUMMARY OF ISSUE**

- Federal regulations require the State to adopt a policy to make appropriate early intervention (EI) services available to all eligible infants and toddlers and their families. The Department of Human Services contracts with 20 Community-Centered Boards (CCBs) to provide community-based early intervention services.
- The Department is designated as Colorado’s lead agency under Part C of the Federal Individuals with Disabilities Education Act (IDEA).
- EI caseload growth is anticipated to be 6.0 percent per year in the next two years. The Department is requesting an increase of \$3.8 million total funds, including \$2.2 million General Fund, for early intervention direct services and service coordination to address the increased caseload.
- The Department anticipates receiving approximately \$7.0 million in federal funds from Part C of IDEA. Due to federal calculation guidelines, this funding is expected to remain flat or decrease in the next few years placing a greater burden on State General Fund as the eligible population for EI services increases.

### **STAFF RECOMMENDATION**

Staff recommends that the Committee ask the Department to discuss:

- Strategies to address the increasing burden on State General Fund that will result from projected EI eligible caseload increases combined with flat or declining allocations from Part C of the Federal IDEA Act.
- Potential impacts on the program budget as a result of the task force recommendations described on page 49 of this document.

### **DISCUSSION**

#### **Background Information**

The Early Intervention Program is administered by the Division of Community and Family Support in the Office of Early Childhood. It provides early intervention (EI) services to infants and toddlers ages zero through two years of age who have been determined to have a developmental delay or disability, who have been diagnosed with a physical or mental condition that has a high probability of resulting in a significant delay in development, or who are living

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with a parent who has a developmental disability. The Department of Human Services is designated as Colorado's lead agency under Part C of the Federal Individuals with Disabilities Education Act (IDEA) and reports that intervention services are provided to eligible children and their families to enhance child development in 15 allowable areas of service and service coordination that include cognition, speech, communication, physical development, motor development, vision, hearing, social and emotional development, and self-help skills. These community-based services are delivered Statewide by 20 Community Centered Boards (CCBs), with whom the Department contracts.

Community Centered Boards are private corporations that can be either for-profit or not-for-profit entities. Pursuant to Section 25.5-10-202 (4), when acting as a service agency, the CCBs provide case management services to persons with intellectual and developmental disabilities; and are authorized to determine eligibility of those persons within a specified geographical area, serve as a single point of entry for persons to receive services and supports, and provide authorized services and supports either directly or by purchasing services and supports from service agencies. In cases of children, birth through two years of age, multi-disciplinary evaluations are performed by Child Find teams under the supervision of the Department of Education, and those meeting the evaluation threshold are referred to the appropriate CCB. Each CCB serves a specific geographic region covering from one to ten counties and is responsible for: intake; eligibility determination; providing service coordination; service plan development; and arrangement, delivery, and monitoring of services.

The Department reports that in the past five years, the number of children identified as eligible for EI services has increased from 2.4 to 3.1 percent of Colorado's 0-2 year old population, exceeding the nation average of 2.8 percent. Federal regulations under 34 C.F.R., Section 303.101 (a) (1) require the State to adopt a policy to make appropriate EI services and service coordination available to all eligible infants and toddlers and their families. It also requires that the multidisciplinary evaluation to determine eligibility must be completed within 45 days of the referral; and that services must be provided in a timely manner, defined in Colorado as 28 calendar days. In order for the State to maintain Part C funding, there cannot be a waitlist for eligible children and families.

Multiple sources of funding are available for EI services. The Department has developed a funding hierarchy that is to be used by the CCBs during the individualized family service plan (IFSP) development process to identify possible funding sources that may be available to each child. Funding sources are accessed for service payment through the funding hierarchy to ensure that all available funding sources for EI services are accessed and utilized in an efficient manner. The funding hierarchy includes:

- Private pay (voluntary, at the discretion of the parent)
- Private health insurance plan (with written consent of the parent)
- TRICARE (a military health system)
- Medicaid (Title XIX), Home and Community Based Services (HCBS) Medicaid Waivers, and Child Health Plan Plus (CHP+)
- Child welfare and Temporary Assistance to Need Families (TANF)
- Other local, State, or federal funds, including mill levy funds (as may be available)

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- State General Fund
- Part C of the Federal Individuals with Disabilities Education Act (IDEA)

In November 2013, the Alliance/Office of Early Childhood Early Intervention Task Force was formed to provide an opportunity for communication and collaboration between CCBs and the Department. In November 2014, the task force began focusing on the fiscal challenges facing the EI program. The FY 2014-15 Annual Report provided by the Department indicates that the goals of the task force include:

- Develop processes for identifying the projected growth in caseload of the number of children serviced in the EI program;
- Determine an allocation methodology that adequately funds the EI programs in the 20 CCBs;
- Address challenges with implementing a coordinated system of payment that follows a funding hierarchy and ensures maximization of Medicaid as a critical funding source for EI services.

The task force made several recommendations that may have future impacts on the program budget. These recommendations and the Department actions are identified in the table below.

<b>EI Task Force Recommendations with Potential Future Budget Impacts</b>	
<b>Recommendation</b>	<b>Department Action</b>
Consider cost of living and other population demographics in allocation formula	Cost of living, other population demographics will be discussed in FY 2015-16 for consideration in the FY 2016-17 allocations
Set aside carry forward funds, if available, in a “mitigation pool” that could be distributed mid-year to address caseload growth	Mitigation pool funds will be discussed in FY 2015-16 for consideration in the FY 2016-17 allocations
Address provider rates	Discussions are underway between the Department and the Medicaid program on the discrepancies between speech, occupational, and physical therapy rates.
Development of a data collection tool to collect time and costs for unreimbursed activities performed by CCB staff from the point of referral to eligibility determination or termination, including: intake, scheduling, collecting documentation, travel, data entry	State EI staff met with the subcommittee to develop the process to collect consistent data on unreimbursed service coordination costs; distributed the tracking sheet for use from August through October 2015 for 25.0 percent of all referrals to the EI program.

**Department Request**

The Department requests an increase of \$3.8 million total funds, including \$2.2 General Fund, for early intervention direct services and service coordination in FY 2016-17 in order to serve an additional 467 eligible infants and toddlers in the EI program. This 6.0 percent caseload growth is due to better public awareness of the benefits of accessing supports during early development, increased developmental screening by primary care practices, the activities of the Assuring Better Child Health and Development initiative that is improving community collaboration in identification and referral process, and emphasis on the children who are referred and have experienced a substantiated case of child abuse and neglect.

Infants and toddler are enrolled in EI services for an average of 13 months. Children and families exit services for one of four reasons: 1) the child ages out of services upon turning three; 2) the family moves out of state; 3) the family declines services; or 4) the child exhibits

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appropriate progress and no longer needs services. Currently, the number of eligible children entering services exceeds the number of children exiting services.

According to the Department, a CCB's total projected caseload was calculated by multiplying the percent change over the previous three years by the actual average monthly enrollment for the current fiscal year or the average enrollment for the previous three years, whichever is greater. In March 2015, the EI Task Force recommended that the calculation of the allocation be based on either 12 months of AME or a projected AME based on a forecasting model from the previous year's active actual enrollment. The Department agreed with this change.

In FY 2014-15, the unduplicated number of eligible children that were served by all CCBs exceeded 12,800. Given the high turnover rate in the program, this number may not provide an adequate representation of CCB workload. This workload is driven by the volume of referrals, intake, eligibility determinations and the development of the initial individualized IFSP. This number does reflect the number of children who were determined eligible for EI services, had an active IFSP at some point during the year, and who received one or more EI services during the fiscal year. The Department reports FY 2014-15 expenditures for early intervention services and service coordination at \$40.2 million.

Caseload growth is determined by calculating the average monthly enrollment, and while historically, growth has been calculated based on an average growth of approximately 2.0 percent, growth in eligibility numbers has been substantially larger in the past two years. During the 2015 legislative session, FY 2014-15 funding for EI services was increased to account for unexpected caseload growth, and funding was increased again for FY 2015-16 to provide services to the expected 5.3 percent caseload growth. According to the Department's new enrollment data, the growth rate for FY 2015-16 is closer to the 6.0 percent used to calculate the FY 2016-17 request. As a result, the Department will continue to monitor available funding and projected expenditures to determine if a FY 2015-16 supplemental is needed.

**Analysis**

The Department is requesting an increase of \$3.8 million total funds, including \$2.2 million General Fund for FY 2016-17 for early intervention direct services and service coordination. During the FY 2015-16 budget cycle, the Department based its request for increased funding on a projected caseload growth of 5.3 percent. Since that time, actual caseload growth has exceeded that rate and is closer to 6.0 percent. Cost per child for EI services has been estimated at approximately \$6,900 (the FY 2013-14 cost adjusted for inflation). If growth in the program remains consistent with the new projection of 6.0 percent growth, Staff estimates a FY 2015-16 budget short fall of \$1.0 million total funds. The projected funding short fall for FY 2016-17 is approximately \$1.4 million. This does not take into the account the impact of the 1.0 percent provider rate decrease in the Department's R19 request. Staff's estimate of total funding required above the Department's current request is provided in the table below. (The estimates differ from those provided by the Department because the Department used a rate of \$6,664 per child.)

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<b>Average Monthly Enrollment</b>		
<b>AME</b>	<b>FY 2015-16</b>	<b>FY 2016-17</b>
5.3 percent growth (used to calculate the FY 2015-16 budget increase)	7,634	8,039
6.0 percent (new projections based on actual enrollment)	7,780	8,247
<b>Difference in projected caseload</b>	<b>(146)</b>	<b>(208)</b>
Estimated average cost per child	\$6,939	\$6,939
<b>Projected funding shortfall</b>	<b>(\$1,013,094)</b>	<b>(\$1,443,312)</b>

The Department receives \$7.0 million in federal Individuals with Developmental Disabilities Education Act (IDEA) funding. Under 34 CRF, Section 303.101 (a) (1), the State is required to provide services in a timely manner and is at risk of forfeiting eligibility for the federal grant if there is a waitlist for early intervention services. According to the Department, federal funds are expected to remain flat or be slightly reduced in FY 2016-17 because allocations from Part C of the Federal IDEA Act are based on the number of children in the general population aged birth through two years in each state. The formula does not include an adjustment to account for the number of children identified for EI services. Colorado’s population of children aged birth through two has declined, while the number of children identified as eligible has increased in the past several years. As a result, the State can expect a greater portion of the burden to fund early intervention services to fall on the General Fund as the caseload increases and the federal allocation remains flat or declines.

**STAFF RECOMMENDATION**

Staff recommends that the Committee ask the Department to discuss:

- Strategies to address the increasing burden on State General Fund that will result from projected EI eligible caseload increases combined with flat or declining allocations from Part C of the Federal IDEA Act.
- Potential impacts on the program budget as a result of the task force recommendations described on page 49 of this document.

## **Issue: Nurse Home Visitor Program – Tobacco Master Settlement Agreement Funding**

The Nurse Home Visitor Program was established to provide regular, in-home, visiting nurse services to low-income, first-time mothers on the importance of nutrition and avoiding alcohol and drugs, including nicotine. Nurses also assist and educate mothers in providing general care for their children and in improving child health outcomes. Visiting nurses may also help mothers in locating assistance with educational achievement and employment. This program is available to mothers who consent to receiving these services.

### **SUMMARY OF ISSUE**

- The Nurse Home Visitor Program provides services to low-income, first-time mothers. It utilizes an evidence-based program for service delivery and is funded through Tobacco Master Settlement Agreement (MSA) funds
- The MSA annual report submitted to the Joint Budget Committee indicates that the program underspent its allocated funding by nearly \$1.2 million in FY 2014-15. The annual report included no explanation for the unexpended funds.

### **STAFF RECOMMENDATION**

Staff believes that the services provided through the Nurse Home Visitor Program are beneficial to low income first-time mothers; but is concerned that inaccurate financial reports may impact the program budget. In addition to the hearing agenda questions resulting from the Tobacco Master Settlement Briefing, Staff recommends that the Committee ask the Department to:

- Provide details on the issues that led to the lack of timely and accurate tracking of program expenditures; and
- Discuss the issue of the inaccurate appropriation in the FY 2014-15 Long Bill and lack of associated spending authority that subsequently resulted in a reduction of spending at the program level.

### **DISCUSSION**

#### **Background Information**

The Nurse Home Visitor Program was established to provide regular, in-home, visiting nurse services to low-income, first-time mothers on the importance of nutrition and avoiding alcohol and drugs, including nicotine. Nurses also assist and educate mothers in providing general care for their children and in improving child health outcomes. Visiting nurses may also help mothers in locating assistance with educational achievement and employment. This program is available to mothers who consent to receiving these services.

The program is administered within communities through local entities and is implemented as a partnership between the Department and a health sciences facility at the University of Colorado. The Department is responsible for financial administration of the program; and the university is responsible for programmatic and clinical support, evaluation, and monitoring of the program.

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The program protocols and requirements are based on research-based model programs that have been implemented in one or more states for at least five years and have shown significant reductions in the number of: infant behavioral impairments due to parental use of alcohol and drugs; reported incidents of child abuse and neglect; the number of subsequent pregnancies; the receipt of public assistance; and engagement in criminal activities in families receiving services through the program. This program is funded through moneys received from the Tobacco Master Settlement Agreement (MSA); and local entities are awarded grants for the administration of the program.

**Analysis**

On November 1, 2015, the Department provided the *FY 2014-15 Tobacco Master Settlement Agreement Programs Annual Report* in response to the Committee's Request for Information. This report includes program information on the Nurse Home Visitor Program, including the amount of MSA moneys received in the preceding fiscal year, the actual number of persons served and the types of services provided, and information on the evaluation of the program including its effectiveness in achieving stated goals. Though the program is implemented as a partnership between the Department and a health sciences facility at the University of Colorado, the Department is responsible for financial administration of the program.

This program implements an evidence-based voluntary, community health nursing program aimed at improving the lives of vulnerable families expecting their first child called Nurse Family Partnership (NFP). It is open to all first-time, low-income parents (individuals below 200.0 percent of federal poverty level). The cumulative median age of clients in Colorado is 20 years of age, and 67.0 percent of the clients have Medicaid. NFP services are available in 61 of the 64 Colorado counties. In FY 2014-15, the program served 4,547 clients and 3,498 children. While the program is not specifically reflected in the Department's FY 2015-16 SMART Act Performance Plan and no outcome measure is selected for it, the program does support the Department's second goal of ensuring child safety through improved prevention, access, and permanency. The program is one of only three Child Welfare related programs that meets the Colorado Results First "evidence-based practices" criteria and for which sufficient data has been collected to be evaluated in the benefit-cost model. Results First indicates that the total cost per person for the duration of the program (up to three years) is \$9,084 as compared with the benefits of the program at \$31,033 per person. Results First indicates that for every dollar invested in the program there is a \$3.42 savings in long-term costs associated with the prevention of victimization, improved education, and reduction in public assistance payments.

In FY 2014-15 the Nurse Home Visitor Program received an appropriation of \$15,026,670 in MSA funds. The annual report indicates that an additional \$662,122 was carried forward from the FY 2013-14 appropriation, providing a total allocation in FY 2014-15 of \$15,688,792. Master settlement agreement expenditures for the program are reported to be \$14,494,356 in the annual report. The Department did not include an explanation for the unexpended funds totaling \$1,194,436 in the annual report.

In response to questions from Joint Budget Committee Staff for the Tobacco Master Settlement Agreement Briefing, the Department indicated that the unexpended funds were as a result of an 18.0 percent turnover rate in nurses who provide the services, and that there are not enough

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recent nursing graduates to meet the demand. The following questions were added to the Department's hearing agenda as a result of the Committee's discussion of the briefing issue:

- Please discuss what is causing the nursing shortfall for the Nurse Home Visitor Program, including whether or not the shortfall is caused by a lack of nurses or inadequate reimbursement rates.
- Please discuss the feasibility of the Nurse Home Visitor Program expending all the Tobacco Master Settlement Agreement revenues in FY 2015-16, FY 2016-17, and FY 2017-18.
- Please discuss the specific steps and implementation timeline the Department is pursuing to reduce the Nurse Home Visitor Program nurse turnover rate.

Subsequent to the MSA Briefing, additional information was provided to Staff to further clarify the issue of unexpended funds. While the issues described by the Department are true, there was also a lack of timely and accurate tracking of expenditures in the new CORE accounting system. Information provided to Staff by the program administrator indicates that the Department was informed of an error in the appropriation amount in the FY 2014-15 Long Bill; however Staff has no record of any supplemental request from the Department addressing this issue or requesting additional spending authority for the nearly \$700,000 that was reportedly not included in the Long Bill.

**STAFF RECOMMENDATION**

Staff believes that the services provided through the Nurse Home Visitor Program are beneficial to low income first-time mothers; but is concerned that inaccurate financial reports may impact the program budget. In addition to the hearing agenda questions resulting from the Tobacco Master Settlement Briefing, Staff recommends that the Committee ask the Department to:

- Provide details on the issues that led to the lack of timely and accurate tracking of program expenditures; and
- Discuss the issue of the inaccurate appropriation in the FY 2014-15 Long Bill and lack of associated spending authority that subsequently resulted in a reduction of spending at the program level.



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**Appendix A: Number Pages**

	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
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**DEPARTMENT OF HUMAN SERVICES**  
**Reggie Bicha, Executive Director**

**(3) OFFICE OF OPERATIONS**

**(A) Administration**

Personal Services	<u>21,539,742</u>	<u>23,629,870</u>	<u>24,398,129</u>	<u>25,775,305</u> *
FTE	439.9	438.9	432.5	429.1
General Fund	12,669,236	13,193,330	13,646,853	14,817,110
Cash Funds	1,352,525	2,177,085	2,238,394	2,285,779
Reappropriated Funds	5,461,153	6,410,939	6,580,066	6,704,280
Federal Funds	2,056,828	1,848,516	1,932,816	1,968,136
Operating Expenses	<u>3,346,457</u>	<u>7,775,879</u>	<u>3,613,538</u>	<u>3,613,538</u>
General Fund	2,454,829	6,852,941	2,690,599	2,690,599
Cash Funds	11,422	11,422	11,422	11,422
Reappropriated Funds	711,838	711,898	711,898	711,898
Federal Funds	168,368	199,618	199,619	199,619
Vehicle Lease Payments	<u>1,082,037</u>	<u>1,053,384</u>	<u>1,079,506</u>	<u>1,152,105</u> *
General Fund	615,289	637,597	547,744	593,025
Cash Funds	75,568	55,518	75,788	78,198
Reappropriated Funds	236,161	238,822	285,796	301,738
Federal Funds	155,019	121,447	170,178	179,144

\* Denotes budget request

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	<b>FY 2013-14 Actual</b>	<b>FY 2014-15 Actual</b>	<b>FY 2015-16 Appropriation</b>	<b>FY 2016-17 Request</b>	<b>Request vs. Appropriation</b>
Leased Space	<u>2,119,476</u>	<u>1,744,946</u>	<u>2,410,915</u>	<u>1,237,487</u>	
General Fund	588,759	504,833	588,759	343,243	
Cash Funds	19,208	3,967	37,416	32,992	
Reappropriated Funds	0	0	22,527	22,527	
Federal Funds	1,511,509	1,236,146	1,762,213	838,725	
Capitol Complex Leased Space	<u>1,589,006</u>	<u>1,236,932</u>	<u>1,748,239</u>	<u>1,525,054</u>	
General Fund	834,159	649,335	917,748	800,586	
Cash Funds	74,871	58,282	82,374	71,858	
Reappropriated Funds	81,258	63,255	89,403	77,990	
Federal Funds	598,718	466,060	658,714	574,620	
Utilities	<u>9,418,424</u>	<u>9,418,424</u>	<u>9,418,424</u>	<u>9,724,392</u> *	
General Fund	7,820,907	7,820,907	7,820,907	8,074,860	
Cash Funds	50,000	50,000	50,000	50,000	
Reappropriated Funds	1,547,517	1,547,517	1,547,517	1,599,532	
<b>SUBTOTAL - (A) Administration</b>	39,095,142	44,859,435	42,668,751	43,027,881	0.8%
<i>FTE</i>	<u>439.9</u>	<u>438.9</u>	<u>432.5</u>	<u>429.1</u>	(0.8%)
General Fund	24,983,179	29,658,943	26,212,610	27,319,423	4.2%
Cash Funds	1,583,594	2,356,274	2,495,394	2,530,249	1.4%
Reappropriated Funds	8,037,927	8,972,431	9,237,207	9,417,965	2.0%
Federal Funds	4,490,442	3,871,787	4,723,540	3,760,244	(20.4%)

**(B) Special Purpose**

Buildings and Grounds Rental	<u>807,683</u>	<u>746,441</u>	<u>1,029,269</u>	<u>1,032,638</u>	
FTE	3.8	3.8	6.5	6.5	
Cash Funds	807,683	746,441	1,029,269	1,032,638	

\* Denotes budget request

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	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
State Garage Fund	<u>731,212</u>	<u>616,073</u>	<u>737,272</u>	<u>740,640</u>	
FTE	1.6	1.6	2.6	2.6	
Reappropriated Funds	731,212	616,073	737,272	740,640	
<b>SUBTOTAL - (B) Special Purpose</b>	1,538,895	1,362,514	1,766,541	1,773,278	0.4%
<i>FTE</i>	<u>5.4</u>	<u>5.4</u>	<u>9.1</u>	<u>9.1</u>	<u>(0.0%)</u>
Cash Funds	807,683	746,441	1,029,269	1,032,638	0.3%
Reappropriated Funds	731,212	616,073	737,272	740,640	0.5%
<b>TOTAL - (3) Office of Operations</b>	40,634,037	46,221,949	44,435,292	44,801,159	0.8%
<i>FTE</i>	<u>445.3</u>	<u>444.3</u>	<u>441.6</u>	<u>438.2</u>	<u>(0.8%)</u>
General Fund	24,983,179	29,658,943	26,212,610	27,319,423	4.2%
Cash Funds	2,391,277	3,102,715	3,524,663	3,562,887	1.1%
Reappropriated Funds	8,769,139	9,588,504	9,974,479	10,158,605	1.8%
Federal Funds	4,490,442	3,871,787	4,723,540	3,760,244	(20.4%)

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	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
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**(5) DIVISION OF CHILD WELFARE**

This division provides funding and state staff associated with the state supervision and county administration of programs that protect children from harm and assist families in caring for and protecting their children. Funding also supports training for county and state staff, direct care service providers (e.g. foster parents), and court personnel. Cash funds sources include county tax revenues, grants and donations, federal Title IV-E funds, and amounts from the Collaborative Management Incentives Cash Fund (primarily from civil docket fees). Reappropriated funds are Medicaid funds transferred from the Department of Health Care Policy and Financing.

Administration	<u>5,993,212</u>	<u>5,176,729</u>	<u>6,025,461</u>	<u>6,124,168</u> *
FTE	53.0	53.0	64.9	65.3
General Fund	5,010,578	4,236,157	4,944,015	5,025,978
Reappropriated Funds	119,426	124,812	140,806	142,640
Federal Funds	863,208	815,760	940,640	955,550
Training	<u>5,239,910</u>	<u>5,650,864</u>	<u>6,571,113</u>	<u>6,526,955</u>
FTE	5.4	5.4	7.0	7.0
General Fund	2,112,918	3,720,308	3,350,116	3,310,877
Cash Funds	37,230	100,000	37,230	37,230
Federal Funds	3,089,762	1,830,556	3,183,767	3,178,848
Foster and Adoptive Parent Recruitment, Training, and Support	<u>259,358</u>	<u>380,334</u>	<u>339,253</u>	<u>341,008</u>
FTE	1.1	1.1	1.0	1.0
General Fund	189,341	322,310	271,812	273,216
Federal Funds	70,017	58,024	67,441	67,792

\* Denotes budget request

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	<b>FY 2013-14 Actual</b>	<b>FY 2014-15 Actual</b>	<b>FY 2015-16 Appropriation</b>	<b>FY 2016-17 Request</b>	<b>Request vs. Appropriation</b>
Child Welfare Services	<u>341,746,753</u>	<u>334,485,343</u>	<u>354,140,267</u>	<u>350,233,592</u>	*
General Fund	177,777,462	182,440,424	180,648,501	181,399,308	
Cash Funds	62,068,186	52,664,644	68,068,797	64,490,449	
Reappropriated Funds	14,579,137	6,814,876	15,222,606	15,045,476	
Federal Funds	87,321,968	92,565,399	90,200,363	89,298,359	
County Level Child Welfare Staffing	<u>0</u>	<u>0</u>	<u>6,064,149</u>	<u>12,379,742.27</u>	*
General Fund	0	0	5,428,510	11,015,406	
Cash Funds	0	0	606,415	1,181,374	
Federal Funds	0	0	29,224	182,962	
Child Welfare Caseload Study	<u>0</u>	<u>0</u>	<u>235,000</u>	<u>0</u>	
General Fund	0	0	195,050	0	
Federal Funds	0	0	39,950	0	
Title IV-E Waiver and Evaluation Development	<u>374,999</u>	<u>500,000</u>	<u>500,018</u>	<u>500,018</u>	
General Fund	124,990	250,000	250,009	250,009	
Federal Funds	250,009	250,000	250,009	250,009	
Title IV-E Waiver Demonstration	<u>0</u>	<u>1,421,004</u>	<u>6,000,000</u>	<u>12,000,000</u>	*
General Fund	0	0	0	0	
Cash Funds	0	1,421,004	6,000,000	12,000,000	
Family and Children's Programs	<u>49,548,998</u>	<u>50,426,682</u>	<u>54,003,032</u>	<u>53,463,002</u>	*
General Fund	41,185,564	41,967,369	45,233,989	44,781,649	
Cash Funds	5,292,541	4,584,244	5,645,945	5,589,486	
Federal Funds	3,070,893	3,875,069	3,123,098	3,091,867	

\* Denotes budget request

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	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
Performance-based Collaborative Management					
Incentives	<u>3,043,291</u>	<u>24,885</u>	<u>4,500,000</u>	<u>4,500,000</u>	
FTE	0.0	0.0	0.0	0.0	
General Fund	0	0	1,500,000	1,500,000	
Cash Funds	3,043,291	24,885	3,000,000	3,000,000	
Collaborative Management Program Administration and Evaluation	<u>0</u>	<u>0</u>	<u>356,635</u>	<u>348,945</u>	
FTE	0.0	0.0	1.5	1.5	
General Fund	0	0	356,635	348,945	
Independent Living Programs	<u>2,339,243</u>	<u>2,446,999</u>	<u>2,837,040</u>	<u>2,841,449</u>	
FTE	3.7	3.7	4.0	4.0	
Federal Funds	2,339,243	2,446,999	2,837,040	2,841,449	
Federal Child Abuse Prevention and Treatment Act Grant	<u>330,871</u>	<u>303,414</u>	<u>444,819</u>	<u>448,993</u>	
FTE	2.5	2.5	3.0	3.0	
Federal Funds	330,871	303,414	444,819	448,993	
Community-based Child Abuse Prevention Services	<u>3,320,525</u>	<u>6,678,489</u>	<u>8,439,384</u>	<u>8,442,653</u>	
FTE	0.9	0.9	2.0	2.0	
General Fund	3,320,525	6,678,489	8,439,384	8,442,653	
Hotline for Child Abuse and Neglect	<u>906,900</u>	<u>2,832,679</u>	<u>4,595,643</u>	<u>3,130,078</u>	
FTE	0.0	0.0	6.0	6.0	
General Fund	902,660	2,832,852	4,540,646	3,075,081	
Federal Funds	4,240	(173)	54,997	54,997	

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	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
Public Awareness Campaign for Child Welfare	0	<u>1,793,890</u>	<u>1,599,250</u>	<u>1,393,250</u>	
FTE	0.0	0.0	1.0	1.0	
General Fund	0	1,793,890	1,599,250	1,393,250	
Interagency Prevention Programs Coordination	<u>112,679</u>	<u>105,533</u>	<u>133,284</u>	<u>135,210</u>	
FTE	1.3	1.3	1.0	1.0	
General Fund	112,679	105,533	133,284	135,210	
Tony Gramscas Youth Services Program	<u>5,032,029</u>	<u>6,823,271</u>	<u>6,999,781</u>	<u>9,003,888</u>	
FTE	2.6	2.6	3.0	3.0	
General Fund	1,453,849	1,450,420	1,457,278	1,457,278	
Cash Funds	3,578,180	5,372,851	5,542,503	7,546,610	
Workforce Tools - Mobile Computing Technology	<u>76,532</u>	<u>451,814</u>	0	0	
General Fund	0	451,678	0	0	
Federal Funds	76,532	136	0	0	
Workload Study	<u>440,269</u>	0	0	0	
General Fund	360,615	0	0	0	
Federal Funds	79,654	0	0	0	
<b>TOTAL - (5) Division of Child Welfare</b>	418,765,569	419,501,930	463,784,129	471,812,951	1.7%
FTE	<u>70.5</u>	<u>70.5</u>	<u>94.4</u>	<u>97.5</u>	<u>3.3%</u>
General Fund	232,551,181	246,249,430	258,348,479	262,408,860	1.6%
Cash Funds	74,019,428	64,167,628	88,900,890	93,845,149	5.6%
Reappropriated Funds	14,698,563	6,939,688	15,363,412	15,188,116	(1.1%)
Federal Funds	97,496,397	102,145,184	101,171,348	100,370,826	(0.8%)

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	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
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**(6) OFFICE OF EARLY CHILDHOOD**

This office provides funding and state staff associated with the state supervision and the county administration of the Colorado Child Care Assistance Program (CCCAP); for the administration of various child care grant programs; and for licensing and monitoring of child care facilities. In addition, this office provides funding to organizations that provide early childhood mental health services and early intervention services and case management. Cash funds appropriations reflect expenditures by counties, fees and fines associated with the licensing of child care facilities, and funds from the Early Intervention Services Trust Fund. Federal funds reflect moneys from Child Care Development Funds, which the General Assembly has authority to appropriate pursuant to federal law; and funds received from Part C of the federal Individuals with Disabilities Education Improvement Act. Reappropriated funds are Medicaid funds transferred from the Department of Health Care Policy and Financing.

**(A) Division of Early Care and Learning**

Promoting Safe and Stable Families Program	<u>4,265,057</u>	<u>3,064,558</u>	<u>4,212,049</u>	<u>4,215,147</u>
FTE	2.4	2.4	2.0	2.0
General Fund	50,265	52,913	54,882	54,882
Cash Funds	1,064,160	0	1,064,160	1,064,934
Federal Funds	3,150,632	3,011,645	3,093,007	3,095,331
 Child Care Licensing and Administration	 <u>5,045,207</u>	 <u>6,431,679</u>	 <u>7,218,907</u>	 <u>7,920,538</u> *
FTE	47.2	48.4	52.0	52.8
General Fund	1,012,529	2,365,616	2,450,786	2,474,340
Cash Funds	688,772	682,467	849,004	857,080
Federal Funds	3,343,906	3,383,596	3,919,117	4,589,118
 Fine Assessed Against Licenses	 <u>51,662</u>	 <u>0</u>	 <u>20,000</u>	 <u>20,000</u>
Cash Funds	51,662	0	20,000	20,000

\* Denotes budget request



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	<b>FY 2013-14 Actual</b>	<b>FY 2014-15 Actual</b>	<b>FY 2015-16 Appropriation</b>	<b>FY 2016-17 Request</b>	<b>Request vs. Appropriation</b>
Child Care Assistance Program	<u>71,148,153</u>	<u>65,533,293</u>	<u>87,293,241</u>	<u>88,697,308</u> *	
FTE	0.0	1.0	0.0	0.0	
General Fund	13,604,221	22,510,895	21,931,865	23,692,546	
Cash Funds	9,366,274	22,648	9,762,470	9,664,845	
Reappropriated Funds	0	0	0	0	
Federal Funds	48,177,658	42,999,750	55,598,906	55,339,917	
Colorado Child Care Assistance Program Market Rate Study	<u>0</u>	<u>0</u>	<u>55,000</u>	<u>55,000</u>	
General Fund	0	0	55,000	55,000	
Colorado Child Care Assistance Cliff Effect Pilot Program	<u>0</u>	<u>0</u>	<u>1,269,453 1.0</u>	<u>1,269,453 1.0</u>	
General Fund	0	0	69,453	69,453	
Cash Funds	0	0	1,200,000	1,200,000	
Child Care Grants for Quality and Availability and Federal Targeted Funds Requirements	<u>6,298,195</u>	<u>8,210,087</u>	<u>8,670,827</u>	<u>8,671,947</u>	
FTE	0.9	0.8	1.0	1.0	
General Fund	2,865,388	4,757,755	4,757,755	4,758,371	
Cash Funds	0	0	439,439	439,495	
Federal Funds	3,432,807	3,452,332	3,473,633	3,474,081	
School-readiness Quality Improvement Program	<u>2,221,295</u>	<u>2,000,823</u>	<u>2,228,586</u>	<u>2,229,652</u>	
FTE	0.6	0.6	1.0	1.0	
Federal Funds	2,221,295	2,000,823	2,228,586	2,229,652	
Early Literacy Book Distribution Partnership	<u>0</u>	<u>99,828</u>	<u>100,000</u>	<u>100,000</u>	
General Fund	0	99,828	100,000	100,000	

\* Denotes budget request

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	FY 2013-14 Actual	FY 2014-15 Actual	FY 2015-16 Appropriation	FY 2016-17 Request	Request vs. Appropriation
Micro Loans to Increase Access to Child Care	<u>0</u>	<u>0</u>	<u>338,200</u>	<u>338,200</u>	
General Fund	0	0	0	0	
Federal Funds	0	0	338,200	338,200	
Micro Grants to Increase Access to Child Care	<u>0</u>	<u>0</u>	<u>250,000</u>	<u>250,000</u>	
General Fund	0	0	0	0	
Federal Funds	0	0	250,000	250,000	
Conitnuation of Child Care Quality Initiatives	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,431,255 7.3</u> *	
Federal Funds	0	0	0	1,431,255	

<b>SUBTOTAL - (A) Division of Early Care and Learning</b>	89,029,569	85,340,268	111,656,263	115,198,500	3.2%
<i>FTE</i>	<u>51.1</u>	<u>53.2</u>	<u>57.0</u>	<u>65.1</u>	<u>14.2%</u>
General Fund	17,532,403	29,787,007	29,419,741	31,204,592	6.1%
Cash Funds	11,170,868	705,115	13,335,073	13,246,354	(0.7%)
Reappropriated Funds	0	0	0	0	0.0%
Federal Funds	60,326,298	54,848,146	68,901,449	70,747,554	2.7%

**(B) Division of Community and Family Support**

Early Childhood Councils	<u>1,978,230</u>	<u>1,980,508</u>	<u>1,984,169</u>	<u>1,984,169</u>	
FTE	0.3	0.3	1.0	1.0	
Federal Funds	1,978,230	1,980,508	1,984,169	1,984,169	
Early Childhood Mental Health Services	<u>2,319,548</u>	<u>1,144,079</u>	<u>1,241,247</u>	<u>1,228,835</u> *	
FTE	0.3	0.3	0.2	0.2	
General Fund	2,319,548	1,144,079	1,241,247	1,228,835	

\* Denotes budget request

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	<b>FY 2013-14 Actual</b>	<b>FY 2014-15 Actual</b>	<b>FY 2015-16 Appropriation</b>	<b>FY 2016-17 Request</b>	<b>Request vs. Appropriation</b>
Early Intervention Services	<u>36,231,129</u>	<u>36,826,061</u>	<u>41,219,454</u>	<u>43,547,608</u>	*
FTE	8.7	8.7	6.5	6.5	
General Fund	17,177,704	19,047,719	21,519,365	23,074,083	
Cash Funds	9,108,617	10,331,541	11,557,457	12,396,578	
Federal Funds	9,944,808	7,446,801	8,142,632	8,076,947	
Early Intervention Services Case Management	<u>2,731,511</u>	<u>7,388,010</u>	<u>9,927,221</u>	<u>10,876,640</u>	*
General Fund	2,731,511	3,385,689	3,998,538	4,375,678	
Reappropriated Funds	0	4,002,321	5,928,683	6,500,962	
Colorado Children's Trust Fund	<u>448,270</u>	<u>882,239</u>	<u>1,095,548</u>	<u>1,098,958</u>	
FTE	2.3	2.3	1.5	1.5	
Cash Funds	279,753	274,368	451,948	455,358	
Federal Funds	168,517	607,871	643,600	643,600	
Nurse Home Visitor Program	<u>15,817,104</u>	<u>18,008,049</u>	<u>16,031,489</u>	<u>16,031,489</u>	
FTE	2.0	2.0	3.0	3.0	
Cash Funds	13,765,529	14,486,903	15,826,889	15,826,889	
Federal Funds	2,051,575	3,521,146	204,600	204,600	
Family Support Services	<u>0</u>	<u>0</u>	<u>1,035,593</u>	<u>1,035,593</u>	
FTE	0.0	0.0	0.5	0.5	
General Fund	0	0	750,000	750,000	
Cash Funds	0	0	22,500	22,500	
Federal Funds	0	0	263,093	263,093	

\* Denotes budget request

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	<b>FY 2013-14 Actual</b>	<b>FY 2014-15 Actual</b>	<b>FY 2015-16 Appropriation</b>	<b>FY 2016-17 Request</b>	<b>Request vs. Appropriation</b>
<b>SUBTOTAL - (B) Division of Community and Family</b>					
<b>Support</b>	59,525,792	66,228,946	72,534,721	75,803,292	4.5%
<i>FTE</i>	<u>13.6</u>	<u>13.6</u>	<u>12.7</u>	<u>12.7</u>	<u>0.0%</u>
General Fund	22,228,763	23,577,487	27,509,150	29,428,596	7.0%
Cash Funds	23,153,899	25,092,812	27,858,794	28,701,325	3.0%
Reappropriated Funds	0	4,002,321	5,928,683	6,500,962	9.7%
Federal Funds	14,143,130	13,556,326	11,238,094	11,172,409	(0.6%)
<b>TOTAL - (6) Office of Early Childhood</b>					
	148,555,361	151,569,214	184,190,984	191,001,792	3.7%
<i>FTE</i>	<u>64.7</u>	<u>66.8</u>	<u>69.7</u>	<u>77.8</u>	<u>11.6%</u>
General Fund	39,761,166	53,364,494	56,928,891	60,633,188	6.5%
Cash Funds	34,324,767	25,797,927	41,193,867	41,947,679	1.8%
Reappropriated Funds	0	4,002,321	5,928,683	6,500,962	9.7%
Federal Funds	74,469,428	68,404,472	80,139,543	81,919,963	2.2%
<b>TOTAL - Department of Human Services</b>					
	607,954,967	617,293,093	692,410,405	707,615,902	2.2%
<i>FTE</i>	<u>580.5</u>	<u>581.6</u>	<u>605.7</u>	<u>613.5</u>	<u>1.3%</u>
General Fund	297,295,526	329,272,867	341,489,980	350,361,471	2.6%
Cash Funds	110,735,472	93,068,270	133,619,420	139,355,715	4.3%
Reappropriated Funds	23,467,702	20,530,513	31,266,574	31,847,683	1.9%
Federal Funds	176,456,267	174,421,443	186,034,431	186,051,033	0.0%

## **Appendix B: Recent Legislation Affecting Department Budget**

**(Office of Operations, Division of Child Welfare, Office of Early Childhood)**

### **2014 Session Bills**

**S.B. 14-003 (Colorado Child Care Assistance Program):** Creates a grant program in the Department to provide funding to counties participating in the existing Cliff Effect Pilot Program under the Colorado Child Care Assistance Program (CCCAP). Counties may use grant funding to pay for costs of serving families and administrative expenses under the pilot program. Clarifies that receipt of grant funding under the pilot program does not affect a county's CCCAP block grant. Creates the Colorado Child Care Assistance Cliff Effect Pilot Program Fund, and requires DHS to develop an application process for awarding grants and report on pilot program outcomes to the General Assembly by October 1, 2019. Appropriates \$2,469,453 total funds, of which \$1,269,453 is General Fund and \$1,200,000 is reappropriated funds and 1.0 FTE to the Department for FY 2014-15.

**S.B. 14-215 (Disposition of Legal Marijuana Related Revenue):** Creates the Marijuana Tax Cash Fund (MTCF) and directs that all sales tax moneys collected by the State starting in FY 2014-15 from retail and medical marijuana be deposited in the MTCF instead of the Marijuana Cash Fund. Specifies permissible uses of moneys in the MTCF, including the following purposes relevant to the Department of Human Services (DHS):

- To provide inpatient treatment for adults who suffer from co-occurring disorders at the Colorado Mental Health Institute at Pueblo (i.e., the "Circle Program");
- For community-based programs to provide marijuana prevention and intervention services to youth;
- For local judicial-district based programs to provide marijuana prevention and intervention services to pre-adjudicated and adjudicated youth;
- To expand the provision of jail-based behavioral health services in underserved counties and to enhance the provision of jail-based behavioral health services to offenders transitioning from jail to the community to ensure continuity of care;
- For the provision of substance use disorder treatment services for adolescents and pregnant women; and
- To provide child welfare training specific to issues arising from marijuana use and abuse.

Under current law, the State Treasurer is required to annually transfer the first \$2.0 million of sales tax revenues attributable to medical marijuana to the General Fund. These transfers are intended to offset General Fund expenditures for two programs: (1) The DHS' Circle Program; and (2) Screening, brief intervention, and referral for treatment for substance abuse ("SBIRT"), an optional service covered under the State's Medicaid program and funded through the Department of Health Care Policy and Financing. This act continues these transfers for FY 2013-14 and FY 2014-15, and eliminates these transfers starting in FY 2015-16. Instead, the bill

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authorizes the General Assembly to appropriate moneys from the MTCF to support the Circle Program.

Appropriates a total of \$7,600,000 from the MTCF to DHS for FY 2014-15, including:

- \$2.0 million for the Tony Grampas Youth Services Program for programs specifically related to the prevention and intervention of adolescent and youth marijuana use;
- \$2.0 million for the expansion and enhancement of jail-based behavioral health services;
- \$2.0 million for SB 91-94 programs related to the provision of marijuana prevention and intervention services to pre-adjudicated and adjudicated youth;
- \$1.5 million for the provision of substance use disorder treatment services for adolescents and pregnant women; and
- \$100,000 for child welfare training specific to issues arising from marijuana use and abuse.

For more information see the "Recent Legislation" section at the end of the Department of Revenue section of this report.

**H. B. 14-1238 (Supplemental Bill):** Supplemental appropriation to the Department of Human Services to modify appropriations for FY 2012-13 and FY 2013-14.

**H.B. 14-1298 (Financing of Public Schools):** Changes the "Public School Finance Act of 1994" by modifying the funding for K-12 public schools. Appropriates \$68,084 General Fund and 1.1 FTE to the Department of Human Services for FY 2014-15 to license and inspect new preschool facilities. For additional information on H.B. 14-1298, see the "Recent Legislation" section at the end of the Department of Education.

**H.B. 14-1317 (Colorado Child Care Assistance Program Changes):** Makes changes to the Colorado Child Care Assistance Program (CCCAP) including:

- Requires the Department to set provider rates for each county every two years. Allows counties to opt out of the State-established rates and negotiate their own rates with child care providers. Counties setting their own rates must solicit feedback from various stakeholders, including early childhood councils, child care resource and referral agencies, and child care providers. By July 1, 2016, both State- and county-established rates must include a system of tiered reimbursement that provides higher reimbursement to facilities with higher quality ratings. Subject to available appropriations, DHS must contract for a study to compare private payment tuition rates for child care and CCCAP rates and determine if the CCCAP rates provide equal access as required under federal law.
- Limits the co-payment amount for CCCAP families with incomes below 100 percent of the federal poverty level (FPL) to no more than one percent of the family's gross monthly income. Requires the Department to promulgate rules outlining the formula for determining parental co-payments. The co-payment formula must gradually increase the parent share as family income approaches self-sufficiency income levels. Beginning on July 1, 2016, the formula must include a tiered reduced copayment structure for children attending high quality care.

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- Requires counties to reimburse providers for absences and holidays based on the quality rating of providers in the State's five-tier rating system.
- Requires counties to provide child care assistance to families with incomes up to 165 percent of the FPL. At their discretion, counties may serve any family so long as its income does not exceed the federal income limit of 85 percent of State median income.
- Expands the activities in which a parent may be participating in order to be eligible for CCCAP. A parent who is not employed but who is enrolled in a post-secondary education program or workforce training program is eligible for CCCAP for a period of up to two years. The bill also expands the period in which an unemployed parent is eligible while actively engaged in job search activities.
- Requires counties to directly enroll a family transitioning from the workforce program in CCCAP without requiring a separate application. If the county has a waiting list for CCCAP, they may choose to place the family on the waiting list or provide the CCCAP subsidy immediately. Families cannot be directly enrolled in CCCAP if they are leaving Colorado Works due to a program violation or no longer meet CCCAP eligibility criteria.
- Requires the Department to establish rules for the exit income eligibility level at which the county may deny benefits for that family. For counties that set their initial CCCAP income eligibility level at less than 185 percent of the FPL, the rules must require the county to set the exit income eligibility level at a higher level than the initial eligibility level.
- Requires that child care be authorized based on maintaining continuity of care for children with the least disruption to the child and that the care schedule not be linked directly with a parent's employment, education, or workforce training schedule.
- Requires counties to maintain a current and accurate waiting list of parents who have inquired about receiving a CCCAP subsidy and are likely eligible for assistance based on self-reported income and eligibility criteria.
- Requires counties to request evidence on 30 days of income, but may, on a case-by-case basis, request up to 12 months if the 30 days of evidence does not accurately reflect family income.

Appropriates \$9,922,744 total funds, of which \$8,578,187 is General Fund, \$7,032 is cash funds, \$44,529 is reappropriated funds, and \$1,292,996 is federal funds to the Department for FY 2014-15.

**H.B. 14-1336 (Long Bill):** General appropriations act for FY 2014-15. Includes provisions modifying appropriations to the Department of Human Services for FY 2013-14.

**H.B. 14-1368 (Transition Youth Developmental Disabilities to Adult Services):** Establishes a plan and appropriates funds to transfer youth into adult services for persons with IDD under Medicaid Home- and Community-Based Services (HCBS) in the Department of Health Care Policy and Financing (HCPF). The bill sets forth criteria for transition planning and instructs the State Board of Human Services and the Medical Services Board to promulgate any rules necessary to guide the transition. Creates the Child Welfare Transition Cash Fund (Fund). Adjusts the FY 2014-15 appropriation to the Department by reducing \$2,829,586 General Fund and increasing cash funds appropriation by \$2,829,586 from the Fund for FY 2014-15.

## **2015 Session Bills**

**S.B. 15-149 (Supplemental Bill):** Supplemental appropriation to the Department of Human Services to modify appropriations for FY 2014-15.

**S.B. 15-204 (Office of the Child Protection Ombudsman):** Establishes the Office of the Child Protection Ombudsman (the Office) in the Judicial Department as an independent agency, and requires the Office to sign an administrative memorandum of understanding with the Judicial Department with an effective date of no later than January 1, 2016. Modifies the powers and duties of the existing Child Protection Ombudsman Program in the Department of Human Services. Repeals the provision requiring the Executive Director of the Department of Human Services to award a contract for the operation of the Ombudsman Program, and authorizes the Executive Director to extend the existing contract through December 31, 2015. Reduces the General Fund appropriation to the Department of Human Services for FY 2015-16 for the Child Protection Ombudsman by \$270,372 (from \$512,822 to \$242,450). For additional information, see the "Recent Legislation" section at the end of the Judicial Department.

**S.B. 15-234 (Long Bill):** General appropriations act for FY 2015-16. Includes provisions modifying appropriations to the Department of Human Services for FY 2014-15.

**S.B. 15-241 (Collaborative Management Program):** Clarifies the responsibilities of the Department and participating counties and the requirements for a county's receipt of incentive funds. Requires the Department to contract for an annual external evaluation of the program. Appropriates \$1,856,635 General Fund and 1.5 FTE to the Department, adding to the existing \$3.0 million cash fund spending authority.

**S.B. 15-242 (Child Welfare Staff Funding Allocation):** Directs the Child Welfare Allocations Committee to develop a formula to allocate funding to counties in addition to the Child Welfare Block Grant, for the specific purpose of hiring new child welfare staff at the county level. Counties receiving an allocation must continue to fund any child welfare staff existing as of January 1, 2015 through the county's Child Welfare Block Grant. Counties receiving an allocation will provide a 10.0 percent match to State and federal moneys; except that a county that qualify under tier 1 or tier 2 of the County Tax Base Relief fund shall be funded at 100.0 percent of State and federal funds provided. Requires the Department of Human Services to contract for an external study concerning child welfare caseload by county. Appropriates \$6.4 million total funds, including \$5.7 million General Fund and 1.0 FTE to the Department for use as follows: \$6.0 million total funds for allocation to counties through the funding formula; \$90,468 total funds for training; and \$195,050 total funds for the contracted caseload study.

**H.B. 15-1248 (Child Welfare Check Potential Foster Parents):** Allows a designated person at each child placement agency, in accordance with certain conditions outlined in the bill, to access records and reports of child abuse or neglect for the purpose of screening current or prospective foster parents, any adult residing in the home of a current or prospective foster parent, and specialized group facilities. Appropriates \$37,138 General Fund and 0.4 FTE to the Department for Trails and for monitoring its usage.



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**H.B. 15-1367 (Retail Marijuana Taxes):** Refers a ballot issue to voters in November 2015, asking whether the State may retain and spend revenue collected from the Proposition AA excise and special sales taxes on retail marijuana in FY 2014-15. Creates a \$58.0 million Proposition AA Refund Account in the General Fund. Contingent on voter approval of the ballot issue, the act makes several appropriations to the Department of Human Services for FY 2015-16, as detailed in the following table.

<b>Appropriations to Department of Human Services That Are Contingent on Voter Approval</b>		
<b>Division and Line Item</b>	<b>Fund Source</b>	<b>Dollar Amount</b>
<u>Division of Child Welfare</u>		
Appropriation to Youth Mentoring Services Cash Fund	CF - Proposition AA Refund Account	\$1,000,000
Colorado Youth Mentoring Program	RF - Youth Mentoring Services Cash Fund	1,000,000
Colorado Youth Mentoring Program - grants to statewide membership organizations	CF - Proposition AA Refund Account	1,000,000
<u>Behavioral Health Services</u>		
Treatment and Detoxification Contracts	CF - Proposition AA Refund Account	<u>500,000</u>
<b>Total Appropriations</b>		<b>\$3,500,000</b>

Independent of whether the voters approve the ballot issue, the act broadens purposes for which funds in the Marijuana Tax Cash Fund (MTCF) may be expended and requires that appropriations from the MTCF for jail-based behavioral health services be made through the Correctional Treatment Cash Fund. The act includes a corresponding change to FY 2015-16 appropriations, replacing a \$1,550,000 cash funds appropriation from the MTCF for jail-based behavioral health services with an appropriation of \$1,550,000 reappropriated funds transferred from the Judicial Department. For additional information, see the "Recent Legislation" section at the end of the Department of Revenue and Appendix L.

## Appendix C: Update on Long Bill Footnotes & Requests for Information

### Long Bill Footnotes

27 **Department of Human Services, Division of Child Welfare** – It is the intent of the General Assembly to encourage counties to serve children in the most appropriate and least restrictive manner. For this purpose, the Department may transfer funds among all line items in this long bill group total for the Division of Child Welfare, except that the Department may not transfer funds from non-custodial line items to the Child Welfare Administration line item to increase funding for personal services.

**Comment:** The Department has annually transferred moneys when necessary.

28 **Department of Human Services, Division of Child Welfare, Family and Children's Programs** – It is the intent of the General Assembly that \$4,006,949 of the funds appropriated for this line item be used to assist county departments of social services in implementing and expanding family- and community-based services for adolescents. It is the intent of the General Assembly that such services be based on a program or programs demonstrated to be effective in reducing the need for higher cost residential services.

**Comment:** This targeted funding was added by the General Assembly between FY 2003-04 and FY 2005-06 with the intent of ensuring that new child welfare funding be used as effectively as possible. The Governor has vetoed this footnote in the past (FY 2010-11) on the grounds that it violates separation of powers but also directed the Department to comply with the intent.

29 **Department of Human Services, Division of Child Welfare, Hotline for Child Abuse and Neglect** – It is the intent of the General Assembly that \$4,198,864 of this appropriation be used for the purpose of hotline technology, the help desk, and the hotline implementation fund.

**Comment:** The Department provides a quarterly report on the implementation of the hotline. A breakdown of the FY 2014-15 allocation of this appropriation is provided below.

<b>Hotline For Child Abuse And Neglect FY 2014-15 Appropriation and Expenditures</b>							
Component	Long Bill HB 14-1336		Expenditure		Variance		Variance Details
	Appropriation	FTE	Dollar	FTE	Dollar	FTE	
Technology and Technical Training	\$1,986,568	0.0	\$966,081	0.0	\$1,020,487	0.0	Funds rolled forward to cover costs incurred in FY 2014-15, to be billed FY 2015-16.
Help Desk	746,731	0.0	562,556	0.0	184,175	0.0	Help Desk became fully operational one and a half months

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<b>Hotline For Child Abuse And Neglect FY 2014-15 Appropriation and Expenditures</b>							
Component	Long Bill HB 14-1336		Expenditure		Variance		Variance Details
							later than expected.
Implementation Fund	1,465,565	0.0	1,037,052	0.0	428,513	0.0	Counties were overly cautious of how the funds were spent.
Staff	396,779	5.6	284,345	3.5	112,434	2.1	Project Manager was hired late in the process, which delayed full-staffing implementation.
<b>Total</b>	<b>\$4,595,643</b>	<b>5.6</b>	<b>\$2,850,035</b>	<b>3.5</b>	<b>\$1,745,608</b>	<b>2.1</b>	

**29a Department of Human Services, Office of Early Childhood, Division of Community and Family Support, Early Childhood Mental Health Services** – It is the intent of the General Assembly that this appropriation be used for the purpose of supporting early childhood mental health specialists in each community mental health center.

**Comment:** As required by State fiscal rules, the contracts for the Early Childhood Mental Health Specialists program are awarded through a competitive procurement process. To comply with the intent of Footnote 29a, contracts are awarded to organizations in specific geographic areas which represent the catchment areas of each Community Mental Health Center (CMHC). As a result of that procurement, the Department awarded contracts to the 14 CMHCs that submitted proposals. The Department has initiated another procurement process to contract with community organizations who are encouraged to partner with CMHCs for these services in the three remaining catchment areas.

### Requests for Information

- Department of Education, Assistance to Public Schools, Grant Programs, Distributions, and Other Assistance, Reading and Literacy, Early Literacy Competitive Grant Program; Department of Health Care Policy and Financing, Medical Services Premiums; Indigent Care Program, Children's Basic Health Plan Medical and Dental Costs; Department of Higher Education, Colorado Commission on Higher Education, Special Purpose, University of Colorado, Lease Purchase of Academic Facilities at Fitzsimons; Governing Boards, Regents of the University of Colorado; Department of **Human Services, Division of Child Welfare, Tony Grampsas Youth Services Program; Office of Early Childhood, Division of Community and Family Support, Nurse Home Visitor Program;** Behavioral Health Services, Mental Health Community Programs, Mental Health Services for Juvenile and Adult Offenders, and Mental Health Treatment Services for Youth (H.B. 99-1116); and Substance Use Treatment and Prevention, Other Programs, Community Prevention and Treatment; Department of Military and Veterans Affairs, Division of Veterans Affairs, Colorado State Veterans Trust Fund Expenditures; Department of Personnel, Division of Human Resources, Employee Benefits Services, H.B. 07-1335 Supplemental State Contribution Fund; Department of Public Health and Environment, Administration and Support, Local Public Health Planning and Support;

Disease Control and Environmental Epidemiology Division, Administration, General Disease Control, and Surveillance, Immunization Operating Expenses; Special Purpose Disease Control Programs, Sexually Transmitted Infections, HIV and AIDS Operating Expenses, and Ryan White Act Operating Expenses; Prevention Services Division, Chronic Disease Prevention Programs, Oral Health Programs; Primary Care Office – Each Department is requested to provide the following information to the Joint Budget Committee by November 1, 2015, for each program funded with Tobacco Master Settlement moneys: the name of the program; the amount of Tobacco Settlement moneys received for the program for the preceding fiscal year; a description of the program including the actual number of persons served and the services provided through the program; information evaluating the operation of the program, including the effectiveness of the program in achieving its stated goals; and a recommendation regarding the amount of Tobacco Master Settlement funds the program requires for FY 2016-17 and why.

**Comment:** The Department provided a summary report for the Nurse Home Visitor (NHV) Program and for the Tony Grampas Youth Services (TGYS) Program as a part of its response. This summary reports for the NHV and the TGYS programs can be found beginning on page 79 of this document; however, due to delayed financial reconciliation, accurate total expenditures may not be reflected.

41. **Department of Human Services, Office of Early Childhood, Division of Community and Family Support, Early Intervention Services** – The Department is requested to provide to the Joint Budget Committee, by November 1 of each fiscal year, aggregate data on all children aging out of early intervention services in each community centered board region each year, including:
- 1) the number of 3-, 4-, and 5-year olds who are identified as needing ongoing support services, and who are:
    - i) receiving Part B of the Individuals with Disabilities Education Act (IDEA) services through a Part B child care provider;
    - ii) receiving child care services from a non-Part B provider;
    - iii) being cared for by a parent, guardian, or other family member and not receiving Part B services;
  - 2) the types and cost of services delivered to those children; and
  - 3) the types of services that those children need but are not receiving.
- In addition, the Department is requested to provide information on:
- 4) the number of 3-, 4-, and 5-year-old children who did not receive early intervention services prior to turning 3 years of age, but who have been identified by a Part B provider as needing similar supports as children aging out of early intervention services; and
  - 5) the number of those children who received a Child Find evaluation prior to the age of 3, including the number of evaluations resulting in a referral for early intervention services and the number of evaluations that indicated ineligibility for services.

**Comment:** Though the Department submitted a response to this request for information, it did not provide any useful information. Because it was not specifically

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instructed to do so, the Department chose not to work with Community Centered Boards or the Department of Education in order to obtain the requested information.

42. **Department of Human Services, Office of Early Childhood, Division of Community and Family Support, Early Intervention Services** – The Department is requested to provide to the Joint Budget Committee, by November 1, 2015, an update on the strategies the newly formed Early Intervention Task Force is developing to ensure appropriate utilization of the early intervention funding hierarchy.

**Comment:** The Department provided the FY 2014-15 Annual Report detailing activities of the Alliance/Office of Early Childhood Early Intervention Task Force. This report can be found on page 106 of this document.

43. **Department of Human Services, Division of Child Welfare** – The Department is requested to provide to the Joint Budget Committee, by January 1, 2016, a plan that identifies strategies to improve operational efficiencies in the child welfare process and ensures ongoing monitoring of uniform measures for county child welfare staff workload as identified in the August 2014 Colorado Child Welfare County Workload Study.

**Comment:** The Department is requested to provide this information to the Committee by January 1, 2016. It will be included in the Staff Figure Setting document for the Division of Child Welfare.

44. **Department of Human Services, Division of Child Welfare** – The Department is requested to provide to the Joint Budget Committee, by November 1, 2015, information on county child welfare worker hiring practices, including county data on: (1) appropriate minimum staffing levels; (2) actual staffing levels; (3) new hires funded by the child welfare block grant; (4) new hires funded through new county child welfare staffing funding (new legislation); (5) new hires that were previously employed and trained by another county; (6) training hours provided to each new and existing employee; and (7) staff turnover, totals and reasons for vacating position.

**Comment:** In the response beginning on page 149 of this document, the Department reports that 95 new county staff have been hired as of January 1, 2015 as a result of the new staffing block grant.

45. **Department of Human Services, Division of Child Welfare** – The Department is requested to provide to the Joint Budget Committee, by November 1, 2015, information concerning the progress in addressing each of the 2014 child welfare audit findings.

**Comment:** The audit recommendation status report can be found beginning on page 157 of this report. Of the 47 individual recommendations, 23 have been fully implemented, 8 are implemented and ongoing, 4 have been partially implemented, 2 are no longer applicable as a result of changes to statute, and 10 are reported as not applicable because the Department disagreed with the finding.

46. **Department of Human Services, Division of Child Welfare, Hotline for Child Abuse and Neglect** – The Department is requested to provide to the Joint Budget Committee, by the last day of the month following the end of each quarter, information concerning the progress of the development and implementation of the child abuse and neglect hotline reporting system, including: (a) deliverables contained in each vendor contract; (b) associated expenditures for each element; (c) progress of rule-making; and (d) relevant outcome data, including but not limited to: (i) call volume; (ii) call duration; (iii) wait time; (iv) number of and time to complete Enhanced Screening guide performed by Help Desk staff; and (v) workload indicators of hotline administration.

**Comment:** In compliance with this request, the Department provided an update on deliverables in vendor contracts, associated expenditures for each component of the hotline for which funding was appropriated, and the progress of rule-making. Specific outcome data can be found in the attached report beginning on page 172.

48. **Department of Human Services, Division of Child Welfare and Totals** – The Department is requested to provide a report to the Joint Budget Committee by October 1 of each fiscal year concerning the amount of federal revenues earned by the State for the previous fiscal year pursuant to Title IV-E of the Social Security Act, as amended; the amount of money that was expended for the previous State fiscal year, including information concerning the purposes of the expenditures; and the amount of money that was credited to the Excess Federal Title IV-E Reimbursements Cash Fund created in Section 26-1-111 (2) (d) (II) (C), C.R.S.

**Comment:** In compliance with this request, the Department has provided the following information:

- The total amount of federal revenues earned by the state in FY 2014-15 is \$86,409,255;
- The Excess Title IV-E Reimbursement Cash Fund total is \$42,901.
- The total amount of Title IV-E expenditures is \$78,352,315. (The breakdown and purpose of expenditures is provided in the table on page 184.)

49. **Department of Human Services, Totals** – The Department is requested to submit annually, on or before November 1, a report to the Joint Budget Committee concerning federal Child Care Development Funds. The requested report should include the following information related to these funds for the actual, estimate, and request years: (a) the total amount of federal funds available and anticipated to be available to Colorado, including funds rolled forward from previous State fiscal years; (b) the amount of federal funds expended, estimated, or requested to be expended for these years by Long Bill line item; (c) the amount of funds expended, estimated, or requested to be expended for these years, by Long Bill line item where applicable, to be reported to the federal government as either maintenance of effort or matching funds associated with the expenditure of federal funds; and (d) the amount of funds expended, estimated, or requested to be expended for these years that are to be used to meet the four percent federal requirement related to quality activities and the federal requirement related to targeted funds. An

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update to the information on the amount of federal funds anticipated to be available and requested to be expended by Long Bill line item should be provided to the Joint Budget Committee annually on or before January 15.

**Comment:** The Department is in compliance with this request. The information is provided in the tables found on beginning on page 188 of this document.

50. **Department of Human Services, Division of Child Welfare, Child Welfare Services –** The Department is requested to provide to the Joint Budget Committee, by November 1 of each year, information concerning the actual use of funds distributed through the child welfare allocation model, including data on expenses and children served by funding category. At a minimum, such data should include the following: (a) program services expenditures and the average cost per open involvement per year; (b) out-of-home placement care expenditures and the average cost per child per day; and (c) subsidized adoption expenditures and the average payment per child per day.

**Comment:** The Department has provided the following information in compliance with this request. A comparison of data for the past five years is provided on page 196.

	<b>STATE TOTALS</b>	<b>FY 2014-15</b>
	Child Population Ages 0-17	1,246,372
	Referrals (Families)	86,514
	Assessments	45,259
	Total New Involvements	10,625
	Open Involvements	31,597
	Out-of-Home Open Involvements	9,956
	Average Days per Year for Out-of-home Open Involvements	123
b	Total Out-of-Home Placement Care Expenditures	\$79,233,882
	Total Paid days for all Out-of-Home	1,226,899
b	Average Cost per Day for all Out-of-Home Care	\$64.58
a	Program Services Expenditures	\$197,079,781
a	Average Program Service Cost per Open Involvement	\$6,237
	Number of Children Receiving Adoption Subsidy	11,593
c	Average Cost per Child per Day for Adoption Subsidy	\$13.08
	Total Annual Adoption Subsidy Paid Days	3,181,286
c	Total Annual Subsidized Adoption Expenditures	\$41,604,889

51. **Department of Human Services, Division of Child Welfare –** The Department is requested to provide to the Joint Budget Committee, by November 1 of each year, information concerning the gross amount of payments to child welfare service providers, including amounts that were paid using revenues other than county, state, or federal tax revenues. The Department is requested to identify amounts, by source, for the last two actual fiscal years.

**Comment:** In compliance with this request, the Department has provided the following information:

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<b>Payment Type</b>	<b>FY 2013-14</b>	<b>FY 2014-15</b>
Social Security Income*	\$3,779,700	\$3,874,791
Provider Recovery Revenue	\$22,012	\$13,325
Child Support	\$1,815,739	\$1,758,556
Parental Fees	\$2,624,992	\$2,429,363
Veteran's Benefits	0	0
Parental Medical Adjustment Paid to County	\$1,380	\$100
Other Sources	\$60,083	\$20,725
<b>Total</b>	<b>\$8,303,906</b>	<b>\$8,096,860</b>

\* Social Security Income includes Supplemental Security Income (SSI), Social Security Disability Income (SSDI) and Social Security Administration (SSA).





October 30, 2015

The Honorable Kent Lambert  
Chair, Joint Budget Committee  
Legislative Services Building, 3<sup>rd</sup> Floor  
200 East 14<sup>th</sup> Avenue  
Denver, Colorado 80203

Dear Senator Lambert:

The Colorado Department of Human Services, in response to FY 2015-16 Request for Information Affecting Multiple Departments #4, respectfully submits the attached information concerning programs funded with Tobacco Master Settlement moneys. RFI #4 requests the following:

**4 - Department of Human Services, Division of Child Welfare, Tony Grampsas Youth Services Program; Office of Early Childhood, Division of Community and Family Support, Nurse Home Visitor Program; Behavioral Health Services, Mental Health Community Programs, Mental Health Services for Juvenile and Adult Offenders, and Mental Health Treatment Services for Youth (H.B. 99-1116); and Substance Use Treatment and Prevention, Other Programs, Community Prevention and Treatment - Each Department is requested to provide the following information to the Joint Budget Committee by November 1, 2015, for each program funded with Tobacco Master Settlement moneys: the name of the program; the amount of Tobacco Settlement moneys received for the program for the preceding fiscal year; a description of the program including the actual number of persons served and the services provided through the program; information evaluating the operation of the program, including the effectiveness of the program in achieving its stated goals; and a recommendation regarding the amount of Tobacco Master Settlement funds the program requires for FY 2016-17 and why.**

If you require further information or have additional questions, please contact Sarah Sills, Director, Division of Budget and Policy at 303-866-7655.

Sincerely,

Reggie Bicha  
Executive Director



Enclosure

cc: Representative Millie Hamner, Vice Chair, Joint Budget Committee  
Representative Bob Rankin, Joint Budget Committee  
Representative Dave Young, Joint Budget Committee  
Senator Pat Steadman, Joint Budget Committee  
Senator Kevin Grantham, Joint Budget Committee  
John Ziegler, Staff Director, Joint Budget Committee  
Carolyn Kampman, Joint Budget Committee Staff  
Robin Smart, Joint Budget Committee Staff  
Melissa Bloom, Budget Analyst, Office of State Planning and Budgeting  
Ann Renaud, Budget Analyst, Office of State Planning and Budgeting  
Kyle Brown, Human Services Policy Advisor, Governor's Office  
Legislative Council Library  
Molly Otto, State Librarian  
Nikki Hatch, Deputy Executive Director of Operations  
Julie Krow, Deputy Executive Director of Community Partnerships  
Melissa Wavelet, Director, Office of Performance and Strategic Outcomes  
Sarah Sills, Budget and Policy Director  
MaryAnne Snyder, Director, Office of Early Childhood  
Nancy VanDeMark, Director, Office of Behavioral Health  
Robert Werthwein, Director, Office of Children, Youth and Families  
Kristina Mueller, Interim Legislative Liaison  
Alicia Caldwell, Communications Director





**TOBACCO MASTER SETTLEMENT AGREEMENT PROGRAMS**  
**Annual Report**  
**FY 2014-15**

**Submitted to the Joint Budget Committee**  
**November 1, 2015**

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## SUMMARY

Pursuant to SB15-189, CONCERNING THE REPEAL OF CONSOLIDATED TOBACCO SETTLEMENT PROGRAM MONITORING AND REPORTING REQUIREMENTS, AND, IN CONNECTION THEREWITH, REDUCING AN APPROPRIATION, the Colorado Department of Human Services (CDHS) respectfully submits this report for the following programs at CDHS funded through the tobacco master settlement agreement (MSA) funds:

- Colorado Nurse Home Visitor Program
- Tony Grampsas Youth Services Program
- Offender Mental Health Services
- Substance Abuse Primary Prevention and Treatment
- Child Mental Health Treatment Program

Each program's summary includes a financial overview, program description, eligible persons served, detailed financials, program objectives, program partners, outputs and outcomes, and challenges and improvement areas.

Full reports for each program can be obtained by contacting:

- Julie Becker ([Julie.becker@state.co.us](mailto:Julie.becker@state.co.us)) for the Colorado Nurse Home Visitor Program
- Kavitha Kailasam ([kavitha.kailasam@state.co.us](mailto:kavitha.kailasam@state.co.us)) for the Tony Grampsas Youth Services Program
- Jagruti Shah ([jagruti.shah@state.co.us](mailto:jagruti.shah@state.co.us)), Offender Mental Health Services
- Tena Prange ([tena.prange@state.co.us](mailto:tena.prange@state.co.us)) and Marc Condojani ([marc.condojani@state.co.us](mailto:marc.condojani@state.co.us)), Substance Abuse Primary Prevention and Treatment
- Andrew Gabor ([andrew.gabor@state.co.us](mailto:andrew.gabor@state.co.us)), Child Mental Health Treatment Program

## COLORADO NURSE HOME VISITOR PROGRAM

**Program Overview:**

Program Representative:	Julie Becker, Home Visiting Director, Julie.becker@state.co.us, 303-866-5205
Program Description:	Nurse Home Visitor Program (NHVP) was created in statute in FY 1999-2000. The NHVP utilizes the Nurse-Family Partnership (NFP), an evidenced-based, voluntary, community health nursing program aimed at improving the lives of vulnerable families expecting their first child. Clients are partnered with a registered nurse early in their pregnancy and receive home visits until the child turns two. All nurses delivering NFP are trained on the model by the NFP National Service Office (NFPNSO) and receive nursing consultation and continuing education from Invest in Kids (IIK). IIK, the NFPNSO, and the University of Colorado monitor the data to ensure the program is being implemented with fidelity to the model as tested in the original randomized controlled trials. Per Statute, Colorado Department of Human Services (CDHS) is responsible for fiscal oversight and contract management of the program.
Eligible Population:	The program is open to all first-time, low-income (individuals below 200% of federal poverty level) parents. 67% of the clients have Medicaid. The cumulative median age of clients in Colorado is 20. NFP services are available in 61 of the 64 counties in Colorado.
Services:	Number of Eligible Persons Served: 4,547 clients and 3,498 children  50,786 completed visits in FY 2014-15
	<ul style="list-style-type: none"> <li>• Improve pregnancy outcomes by helping women engage in good preventive health practices including prenatal care from their healthcare providers, improving their diets and reducing their use of cigarettes, alcohol and illegal substances.</li> <li>• Improve child health and development by helping parents provide responsible and competent care.</li> <li>• Improve the economic self-sufficiency of the family by helping parents develop a vision for their own future, plan future pregnancies, continue their education and find work.</li> </ul>

**Financial Overview:**

FY 2014-15 MSA Appropriation	<b>\$15,026,670</b>
Carry forward from FY 2013-14 MSA Appropriation	<b>\$662,122</b>
Total FY 2014-15 MSA Allocation	<b>\$15,688,792</b>
FY 2014-15 MSA Expenditures	<b>\$14,494,356</b>

Total Actual Administrative Expenditures	<b>\$551,781</b>
Administrative Expenditures as a percent of the Total	<b>3.7%</b>
Maximum % of Administrative Expenditures Allowable	<b>5%</b>

**FY 2015-16 Strategic Priorities and Key Goals:**

- The program aligns with the shared vision of the Early Childhood Colorado Framework to improve family support and education, health and well-being and learning and development.
- Recruitment and retention of a competent NFP nursing workforce. The success of NFP depends upon the preparation of NFP nurses and supervisors.
- The therapeutic relationship with the nurse is key to the NFP program. Success of the therapeutic relationship relies on nurses' integration of positive innovations in practice. In particular, NFP nurses are working to integrate a new documentation system for identifying client risks and strengths which help inform practice, a new dyadic assessment method to improve the caregiver/child relationship and a new intervention aimed at improving the safety and well-being of families involved in intimate partner violence situations.
- Opening an additional site in El Paso County through a faculty led practice at the University of Colorado-Colorado Springs Beth El College of Nursing will allow more clients to be seen, as well as serve as a pilot site for increased nursing expertise, education and support.

**Partner Relationships:**

- The NHVP implementation depends on strong partnerships between CDHS, the University of Colorado and IIK.
- NHVP partners with local communities. All NFP sites have local advisory boards comprised of community stakeholders.
- NHVP partners with CDHS Child protection to increase collaboration between NHVP nurses and CPS.
- NHVP partners with HCPF to ensure Medicaid billing for targeted case management (8% of the annual budget).

**Measures of Success (July 2014- June 2015):**

Program Outputs	Program Outcomes
<ul style="list-style-type: none"> <li>• 7340 total referrals to NFP; a 46% increase from FY 2013-14 due to partnership between IIK and Health Care Policy and Financing.</li> <li>• 26% of eligible referrals enrolled in NFP.</li> <li>• Client retention improved for all phases compared to FY 2013-14:               <ul style="list-style-type: none"> <li>○ Pregnancy phase: 80.4% (79.3% FY 13-14)</li> <li>○ Infancy phase: 67.7% (64.5% FY 13-14)</li> <li>○ Toddler phase: 76.8% (72.6% FY 13-14)</li> </ul> </li> <li>• Expanded to serve clients in Las Animas and Grand Counties.</li> <li>• All nurses received Intimate Partner Violence NFP intervention training.</li> </ul>	<ul style="list-style-type: none"> <li>• 18.3% reduction in smoking during pregnancy.</li> <li>• 7.9% preterm birth rate among all NFP clients, 7.2% preterm rate for Non-Hispanic/Latina, 8.5% preterm rate for Hispanic/Latina.</li> <li>• 10.3% low birth weight rate.</li> <li>• 94.5% of NFP clients initiate breastfeeding.</li> <li>• 92.3% immunization of NFP 24-month olds.</li> <li>• 2.7% NFP clients had subsequent pregnancies at 6 months postpartum; 9.2% at 12 months and 16.5% at 18 months.</li> <li>• 99% of NFP infants were assessed at 4 months and 10 months. Respectively, 4% and 10% needed referral.</li> <li>• 46.1% of NFP clients (18 and older at intake) are working at 6 months postpartum. This increases to 60.1% at 18 months postpartum.</li> </ul>

### **Program Opportunities and Challenges:**

NHVP services are provided by 182 nurses, most of them employed in Public Health Department settings. The average turnover rate was 18% in FY 2014-15. This was a 3% increase from FY 2013-14. The average NHVP nursing salary is 15% less than the closest comparison of a home health nurse, and 24% less than a nurse working in an outpatient care center.<sup>1</sup> Further, there are not enough graduating nurses to meet the demand. CDHS, IIK and the University of Colorado are working with the University of Colorado, College of Nursing to create a specialized training and development curriculum for recent nursing graduates. The program is also exploring the creation of a specialized nursing management program in which to enroll all NFP Nurse Supervisors.

Fidelity to the NFP model includes supervisors providing supervisory visits and reflective supervision in order to maintain accountability and guide professional development. In FY 2014-15, 241 supervisory visits and 5,837 Reflective supervisions were completed. Colorado's quality improvement initiative is to increase the provision of both of these elements by 20%.

### **Recommendation regarding the amount of Tobacco Master Settlement Funds for FY 2016-17:**

For FY 2015-16, the Legislature appropriated \$15,826,889. This funding is based on the statutorily defined rate of the State's share of the Tobacco Master Settlement Agreement. For FY 2016-17, The Nurse Home Visitor Program requests the same funding to maintain the current level of services.

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<sup>1</sup>U.S Department of Labor Bureau of Labor Statistics Occupational Employment and Wages, May 2013. Washington, DC. Available at <http://www.bls.gov/oes/current/oes291141.htm> Accessed 09/22/14.



## TONY GRAMPAS YOUTH SERVICES PROGRAM

### Program Overview:

Program Representative:	Kavitha Kailasam, TGYS Program Administrator Kavitha.Kailasam@state.co.us, 303-866-4188
Program Description:	The Tony Grampas Youth Services Program (TGYS) is a program authorized by §26-6.8-101 through 106, C.R.S., to provide funding to community-based organizations that serve children, youth, and their families with programs designed to reduce youth crime and violence, youth marijuana use, and prevent child abuse and neglect.
Eligible Population:	Eligible TGYS applicants include local governments, schools, nonprofit organizations, state agencies, and institutions of higher education. TGYS-funded agencies serve target populations including children and youth ages 0-24, as well as parents and caregivers.

<b>Services:</b>	<b>Number of Eligible Persons Served:</b>
TGYS achieves its goals by funding programs that implement Positive Youth Development and Early Childhood development approaches. Using a strengths-based approach, TGYS-funded agencies address those risk and protective factors that are associated with the prevention of various negative outcomes. Specific strategies are defined by the TGYS statute and include: <ol style="list-style-type: none"> <li>1. Student dropout prevention</li> <li>2. Youth mentoring</li> <li>3. Before- and after-school</li> <li>4. Restorative justice</li> <li>5. Early childhood</li> <li>6. General violence prevention</li> </ol>	Combined, TGYS-funded programs served 66,258 individuals in 46 counties across Colorado and 2 individuals in the Ute Mountain Ute Reservation for a total of 66,260 in FY 2014-15. Of those served: <ul style="list-style-type: none"> <li>• 15,769 (23 percent) were children (ages 0-8)</li> <li>• 38,533 (58 percent) were youth (ages 9-18)</li> <li>• 1,404 (2 percent) were young adults (ages 19-24)</li> <li>• 8,607 (13 percent) were parents or caregivers</li> <li>• 1,947 (3 percent) were adult community members</li> </ul>

### Financial Overview:

TGYS receives funding from three sources: the Master Settlement Agreement (MSA), General Fund (GF), and the Marijuana Tax Cash Fund (MTCF). Following are appropriation and expenditure data for FY 2014-15.

Total FY 2014-15 Program Appropriation based on Long Bill and Special Bills	<b>TOTAL: \$7,060,499</b> GF: \$1,453,849 MTCF: \$2,000,000 MSA: \$3,606,650	Actual Administrative Program Costs from all funding sources: Personal Services, Supplies & Operating, and Indirect	\$328,237
MSA Allocation adjusted for MSA FY 2013-14 Carry Forward and MSA FY 2014-15 Revenue Shortfall	\$3,611,375	% of Total Actual Administrative Costs / Expenditures	4.8
Total Program Expenditures	<b>TOTAL: \$6,830,505</b> GF: \$1,453,849 MTCF: \$1,945,613 MSA: \$3,431,042	% of Allowable Administrative Costs	n/a

### FY 2015-16 Strategic Priorities and Key Goals:

- In 2015-16, TGYS will be preparing for the next Request for Applications, which is anticipated to be released in the Fall of 2016. Throughout FY 2015-16, TGYS staff and board members will be considering and defining TGYS funding strategies and priorities prior to the Request for Applications.

- Going into the second year of funding for youth marijuana prevention, TGYS plans to continue the refinement of the youth marijuana prevention evaluation metrics.
- In the 2015 legislative session, TGYS was authorized by H.B. 15-1365 to include youth representatives as board members on the statutorily defined board. In FY 2015-16, TGYS staff and the board will enhance its structure and processes to include an active and engaged youth adult partnership model.

**Partner Relationships:**

- Colorado State University (CSU) provides evaluation services for TGYS through a contract. Through these contracted services, CSU provides technical assistance to grantees in the areas of data collection, outcome measurement, and dissemination. CSU implements a pre- and post-test evaluation regarding measuring change on related risk and protective factors with funded agencies. Highlights of those outcome results are provided in the table below.
- TGYS maintains a strong collaborative relationship with the Colorado Department of Public Health and Environment’s Sexual Violence Prevention Unit (SVP). The two programs share some of the same grantees, and strategically coordinate efforts; TGYS funds programs working at the individual and relationship levels of the Social Ecological Model, while SVP prioritizes funding programs working at the community and societal levels. Staff expertise is also leveraged between programs, and in FY 2015-16, the two programs will share a youth advisor between their teams to help guide program monitoring and support. The programs are developing toolkits and strategies around shared risk and protective factors, in an effort to coordinate State-level prevention funding and promote the most impactful primary prevention strategies.
- TGYS actively participates in various capacities with the CO9to25 network and the Statewide Youth Development Planning process by participating in action teams, rural outreach efforts, and standing TGYS Board member updates.

**Measures of Success:**

Program Outputs	Program Outcomes
<ul style="list-style-type: none"> <li>• TGYS funded 64 lead agencies, representing a total of 103 local providers through multi-agency and intermediary agency partnerships.</li> <li>• Additionally, funded agencies participated in TGYS program support and monitoring activities including provider orientation, semi-annual reporting (all 64 funded agencies submitted mid-year and year-end reports), and site visits and progress calls.</li> <li>• TGYS also leveraged opportunities for agencies to participate in other youth prevention activities and training, including the State of Colorado’s Retail Marijuana Education Program’s Positive Youth Development training across the State.</li> </ul>	<ul style="list-style-type: none"> <li>• Overall, youth participating in TGYS-funded programs demonstrated significant positive gains in the outcomes of: attitudes toward delinquency, school grade point average, resilience, social competence, and life effectiveness.</li> <li>• Among a set of marijuana use and attitudes surveys implemented across various age groups, positive significant changes were seen in children in Grades 1-5 talking to their parents about marijuana and thinking their parents would disapprove of marijuana use. Youth in Grades 6-12 demonstrated significant positive changes in conflict resolution and talking to adults.</li> <li>• In many instances, youth reporting in the least desirable 25 percent of scores at pre-test (or at the initiation of TGYS-funded programming), demonstrated the most significant positive changes by the end. Examples of these outcome areas are: attitudes toward delinquency; school grade point average; school engagement; bullying, fighting, and victimization; resilience; social competence; self-efficacy; perceived social support; and life effectiveness.</li> </ul>

	<ul style="list-style-type: none"> <li>• These results indicate the benefit of pro-social group activities and involvement for youth with high risk factors or low protective factors, like those provided through TGYS-funded programs.</li> <li>• Parents participating in TGYS-funded home-visiting programs with pre- and post-program survey assessment also demonstrated significant gains in parenting support, confidence in parenting, understanding of health and safety issues, child development, cognitively stimulating activities, library visits, and educational activities.</li> </ul>
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**Program Opportunities and Challenges:**

- Approximately half of TGYS' current \$7.0 million budget is annually appropriated from the General Fund and the Marijuana Tax Cash Fund, resulting in a budget that can fluctuate greatly from year-to-year. TGYS therefore often relies on temporary staffing structures to help manage variable workflows. Going into FY 2015-16, TGYS will grow its permanent staff by one additional program specialist, who will provide monitoring and support to the growing number of grantees and more consistent and stable staffing.
- As a result of H.B. 13-1239, TGYS is authorized to spend up to \$300,000 during the current 3-year grant cycle to support the improvement in evidence-base for youth-serving community agencies. To operationalize this, the TGYS Board in FY 2013-14, approved the carry forward of up to \$100,000 in each of the first two years of the three-year grant cycle (2014-17) to be distributed as needed over the course of the three years. In FY 2015-16, TGYS aims to engage a vendor to provide technical assistance and training around evaluation to support youth program quality and improvement.

**Recommendation regarding the amount of Tobacco Master Settlement Funds for FY 2016-17:**

For FY 2015-16, the Legislature appropriated \$3,542,503. This funding is based on the statutorily defined rate of the State's share of the Tobacco Master Settlement Agreement. For FY 2016-17, Tony Grampas Youth Services Program requests the same funding to maintain the current level of services.

## OFFENDER MENTAL HEALTH SERVICES

**Program Overview:**

Program Representative:	Jagruti Shah, Manager- Offender Mental Health Programs jagruti.shah@state.co.us (303) 866 7504			
Program Description:	The Offender Mental Health Services Initiative Program has developed community-based services with 11 Community Mental Health Centers (CMHCs). These CMHCs serve juveniles and adults with mental illness involved in the criminal justice system and collaborate with identified community agencies (i.e., local and State criminal justice agencies) and associated resources.			
<p><b>Eligible Population:</b> The 11 CMHCs serve juveniles and adults with mental illness involved in the criminal justice system and collaborate with identified community agencies (i.e., local and State criminal justice agencies) and associated resources.</p> <p>The table to the right lists the region served, type of program and population served by CMHC.</p>	CMHC	Region Served	Type of Program	Population Served
	Arapahoe Douglas Mental Health Network	Arapahoe and Douglas Counties	Mental Health Court Treatment Services	Adult male and female
	AspenPointe	El Paso County	Jail Diversion	Adult male and female
	Aurora Mental Health Center	Adams and Arapahoe Counties	Jail Re-Entry In-reach and Intensive Outpatient Treatment Services and Transitional Housing	Adult male and female
	Community Reach Center	Adams County	Adult: Jail Diversion Outpatient	Adult male and female
	Health Solutions	Pueblo County	Jail Diversion and Mental Health Court Co-occurring Treatment Services	Adult male and female
	Jefferson Center for Mental Health	Jefferson County	<ul style="list-style-type: none"> <li>• Youth Outpatient</li> <li>• Adult: Re-Entry-Community Residential</li> <li>• Outpatient</li> </ul>	<ul style="list-style-type: none"> <li>• Adult male and female</li> <li>• Juveniles up to age 18</li> </ul>
	Mental Health Partners	Boulder County	Adult Outpatient Re-Entry	Adult male and female
	Mental Health Center of Denver	Denver County	<ul style="list-style-type: none"> <li>• Adult: Jail Diversion</li> <li>• Youth-School Based</li> </ul>	<ul style="list-style-type: none"> <li>• Adult male and female</li> <li>• Juveniles up to age 18</li> </ul>
	Mind Springs Health	Eagle, Mesa and Summit	Jail Diversion and Outpatient Re-Entry	Adult male and female

		Counties		
	North Range Behavioral Health	Weld County	Jail Diversion	Adult male and female
	Summit Stone Health Partners	Larimer County	Outpatient Re-Entry Jail Diversion Residential	Adult male and female
<b>Services:</b>	<b>Number of Eligible Persons Served:</b>			
<p>The table to the right lists the number of individuals served by CMHC.</p> <p>The program services are:</p> <ul style="list-style-type: none"> <li>● Assertive Community Treatment</li> <li>● Aggression Replacement Training</li> <li>● Integrated Dual Diagnosis Treatment</li> <li>● Intensive Case Management</li> <li>● Cognitive Behavioral Therapy</li> <li>● Functional Family Therapy</li> <li>● Medication Management</li> <li>● Dialectical Behavioral Therapy</li> <li>● Multi-Systemic Therapy</li> <li>● Wraparound Services</li> <li>● Supportive Housing</li> <li>● Trauma Recovery and Empowerment</li> <li>● Supportive Employment Services</li> <li>● Individual Psychotherapy</li> <li>● Case Management Crisis Intervention Training</li> </ul>		<b>Agency</b>	<b>Number Served</b>	
		Arapahoe Douglas Mental Health	70	
		AspenPointe	68	
		Aurora Mental Health Center	60	
		Community Reach Center	62	
		Health Solutions	120	
		Jefferson Center for Mental Health	195	
		Mental Health Partners	53	
		Mental Health Center of Denver	77	
		Mind Springs	98	
		North Range Behavioral Health	60	
		Summit Stone Health Partners	80	
		<b>Total</b>	<b>943</b>	

Financial Overview: Please note that all FY 2014-15 actual expenditures are reported based on CORE as of 10/20/2015.

Total Program Appropriation	\$3,368,665
MSA FY 2014-15 Expenditure	\$3,185,074

Actual Administrative Program Costs	See table below
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Budget Category	FY 2014-15 Budget from Long Bill	Expenses	Balance
Personal Services	\$ 95,333	\$ 95,333	\$0
Operating Expenses	\$ 4,482	\$ 748	\$3,734
Contractual Services	\$ 3,268,850	\$ 3,088,993	\$179,857
<b>Total</b>	<b>\$ 3,368,665</b>	<b>\$ 3,185,074</b>	<b>\$183,588</b>

**FY 2015-16 Strategic Priorities and Key Goals:**

- Increase community capacity to serve juveniles with serious emotional disorders and adults with serious mental illness.
- Provide outcome and recovery oriented services that increase the target populations' abilities to function independently in the community as measured by clinical domain outcomes on the Colorado Client Assessment Record (CCAR).
- Reduce jail and prison recidivism by offering services to help individuals remain in their facilities.

**Measures of Success:**

Program Outputs	Program Outcomes
<p>The Office of Behavioral Health analyzes the Colorado Client Assessment Record (CCAR) for changes/improvements in the following clinical domains for the clients served: 1. Improvement in Symptom Severity; 2. Improvement in Recovery; 3. Improvement in Functioning, 4. Improvement in Role Performance</p> <p>Average change/improvement data is available only for those participants who had both an Admission and Discharge CCAR submitted in the FY 2014-15 timeframe. It should therefore be noted that this data is not reflective of all clients served in the program in FY 2014-15. Additionally, clients who remain engaged in treatment services for a longer duration are likely to have better treatment outcomes and these outcomes are not reflected in the data since a Discharge CCAR is not available for clients still successfully engaged in treatment services.</p>	<p>At total program level, clients showed improvement in clinical functioning in all four domains measured. The evaluation found that clients on average experienced:</p> <ul style="list-style-type: none"> <li>• 0.81 improvement in Symptom Severity. This domain indicates the severity of the person's mental health symptoms.</li> <li>• 0.34 improvement in Recovery. This measure shows the extent to which clients are involved in the process of getting better and developing restoring/maintaining a positive and meaningful sense of self.</li> <li>• 0.51 improvement in Functioning. This domain shows the ability to carry out activities of daily living despite the presence of mental health symptoms.</li> <li>• 0.43 improvement in Role Performance. The measure shows the extent to which clients are able to adequately perform his/her occupational role.</li> </ul> <p><b>Cost Savings</b></p> <p>The program has generated a total cost savings of \$9,523,773. The cost savings are calculated by programs for each client based on the number of days they participated in the program; the cost of the jail/prison/community corrections bed for the amount of time the client participated in the treatment program; minus the cost of the SB 97 program. Programs use the following formula to</p>

	<p>report cost savings:</p> <p>Cost Savings = Difference between the cost of jail/prison/cost of a community corrections bed plus the cost of the SB 97 program.</p>
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**Recommendation regarding the amount of Tobacco Master Settlement Funds for FY 2016-17:**

The Department requests \$3,161,205 to maintain all existing programs and administrative services. Community Mental Health Centers have modified referral partnerships in FY 2015-16 to offer services to persons involved in Problem Solving Courts, Community Corrections facilities and the Department of Corrections to serve individuals not eligible for Medicaid or other funding streams. This effort is expected to increase the number of individuals served in FY 2016-17.

**Areas for Development in the Future Year:**

At present, 11 of the 17 CMHCs in the State receive funds for Offender Mental Health Services Initiative. In the last five years, the number of individuals involved in the criminal justice system in the catchment areas of the five CMHCs who do not receive these funds has increased due to sentencing reforms around drug related offenses. These centers have requested funding to implement programs to meet the needs of this population and the Department supports this request.

## SUBSTANCE ABUSE PREVENTION

**Program Overview:**

Program Representative:	Marc S. Condojani, (303) 866-7173, <a href="mailto:marc.condojani@state.co.us">marc.condojani@state.co.us</a>
Program Description:	<p>The Department contracts with OMNI Institute for provider training and technical assistance through the Regional Prevention Services (RPS) project. Strategies used to provide community-based processes include networking; presentations to the providers in the form of workshops and/or conferences, resource and website development; technology assistance; facilitation of best practices through community-wide meetings; and Substance Abuse Prevention Skills Training,</p> <p>This was the fifth year of the Department's five-year funding cycle.</p> <p>The RPS project's intended target was a variety of substance use prevention populations, including adults, youth, law enforcement, and other populations such as parents and ethnic groups. This includes programs funded through the following Department funding streams: Substance Abuse Block Grant, Persistent Drunk Driver (PDD), Law Enforcement Assistance Fund (LEAF) and Colorado Prevention Partnerships for Success (CPPS). The secondary target populations included a more broad focus on agencies and groups engaged in prevention efforts serving youth, families, and communities.</p>
Eligible Population:	Providers of substance use prevention services serving youth, families, and communities.
Services:	Number of Eligible Persons Served:
<i>Substance use prevention services</i>	In Fiscal Year 2014-15, 4,409 people received universal-direct prevention services, while another 484 people received universal-indirect prevention services.

**Financial Overview:** Please note that all FY 2014-15 actual expenditures are reported based on CORE as of 10/20/2015.

Total Program Appropriation	<p><b><u>Direct Program Expenditures</u></b>  <b>\$756,081 total funds</b>          \$33,649 General Fund          \$526,832 Substance Abuse Block Grant          \$195,600 MSA Tobacco</p> <p><b><u>Administrative Expenditures from MSA Tobacco</u></b>          \$16,441 MSA Tobacco</p>
MSA FY 2014-15 Expenditure	\$212,041 MSA Tobacco



**Measures of Success:**

Program Outputs	Program Outcomes
<p>The RPS project’s primary planned substance use prevention strategies were information dissemination and community-based processes. These strategies were intended to be delivered in the form of individual, organizational, coalition, and community capacity building.</p> <p>From July 2010 to May 2015, the RPS project documented 3,577 contacts that served 278 unique entities across the State. These entities represented organizations, coalitions, and individuals who serve all 64 counties across the state.</p> <p>RPS efforts covered the following geographic areas: 44% rural; 27% urban; 24% multiple (i.e. entities that serve multiple counties); 4% frontier; and 1% tribal.</p> <p>During this time period, RPCs time was spent on a variety of services focused on entities: 50% of the RPC’s time was spent providing Technical Assistance, 24% offering trainings, 13% in facilitations, 6% on resource development, 6% on networking, and 5% on presentations. These services averaged 30.8 hours per entity.</p> <p>Time spent with entities ranged from 10 minutes to 1,530 hours; although 88% of the entities received one hour or more of services and 18% of entities received 50 or more hours of services during this time period.</p> <p>The most prevalent focus area for RPS efforts was capacity, followed by planning and implementation. The most frequent method of contact with entities was in person at the community and/or program site, which was used over twice as frequently as any other method (i.e. email, phone, office).</p>	<p>Over the past five years, the RPS continues to be highly successful in providing services across the state. OMNI has streamlined their resources and training curricula so there is a consistent methodology and content that all communities and providers can benefit from. This has made a positive impact on staff turnover; either at the RPS level or at the community level. Their RPS team has been strengthened, through quarterly and online (videoconference) meetings, resource sharing, and using other team members to review work and brainstorm. This team approach continues to increase the quality and effectiveness of services.</p> <p>Another success is that OMNI has been able to maximize the use of resources by building on already existing resources. They have spent time customizing each service to meet the needs of the community. For example, several of their trainings were developed from Substance Abuse Prevention Skills Training (SAPST) materials (i.e. Prevention 101, Risk &amp; Protective Factors). OMNI has also relied heavily on resources developed through the Colorado Prevention Partnerships and Colorado Prevention Partnerships for Success initiatives.</p> <p>Fidelity and adaptation are major considerations that shape how OMNI delivers services. They ground their prevention services in the public health model, the foundation for the Strategic Prevention Framework. This Framework informs all of the Department’s prevention services, which includes: tracking RPS efforts to outcomes (internally) and providing technical assistance to communities. Lastly, OMNI implemented the SAPST with fidelity using information provided in October 2012 by the Center for the Application of Prevention Technologies.</p>

**Recommendation regarding the amount of Tobacco Master Settlement Funds for FY 2016-17:**

The Department requests the continued funding of substance abuse prevention for the same amount of \$247,417, The Department recently issued a Request for Proposal (RFP) to procure community and statewide prevention services to initiate a new five-year funding cycle, largely with federal Substance Abuse Prevention and Treatment

Block Grant funding. Among those RFPs, the Department included a statewide request to contract with an entity to provide training and technical assistance to all other prevention contractors. There are over 40 new contractors across the State, including many communities, small non-profit organizations and schools, and local law enforcement agencies. These entities will require guidance on how to implement evidence-based programming to meet the needs of their target audiences. These funds, while only covering a portion of the costs, are essential to support that work.

## SUBSTANCE ABUSE TREATMENT

Program Representative:	Marc S. Condojani, Director of Community Treatment and Recovery Programs 303-866-7173, <a href="mailto:marc.condojani@state.co.us">marc.condojani@state.co.us</a>
Program Description:	These dollars represent a combination of Substance Abuse Prevention and Treatment Block Grant (SAPT) funds from SAMHSA, State General Fund, and various other cash funds to provide a continuum of substance use disorder treatment services statewide. The Department contracts with four managed service organizations (MSOs), for seven sub-state planning areas (SSPAs), who in turn, subcontract with SUD providers to offer services to Colorado residents. \$586,800 in Tobacco Master Settlement Agreement (MSA) funds are used, which comprises 4.5% of the total \$12,901,685 contracted amount for these services.
Eligible Population:	SUD Treatment services are available statewide for all indigent individuals who do not qualify for or receive any type of health insurance to include Medicaid and private insurance. The SAPT Block Grant, which provides the largest portion of funding for SUD treatment in Colorado, has established priority populations, including injecting drug using pregnant women, pregnant women, other injecting drug users, women with dependent children, and persons with or at risk of transmitting communicable diseases. The Department's contracts require that other funding sources (private insurance or Medicaid) are utilized before SAPT funds are used. Those who are uninsured or receive services that are not covered by insurance can be supported with SAPT funds.
Services:	Number of Eligible Persons Served:
	These funds supported 32,880 admissions into SUD treatment. A breakdown is provided below in the Measures of Success.

**Financial Overview:** Please note that all FY 2014-15 actual expenditures are reported based on CORE as of 10/20/2015.

FY 2014-15 Substance Abuse Treatment	Appropriated	Actual	(Over) / Under
Personal Services	\$41,537	\$41,537	\$0
Operating Expenses	\$8,654	\$7,786	\$868
Community Prevention and Treatment			
<u>Prevention Programs</u>	<u>\$586,800</u>	<u>\$497,060</u>	<u>\$89,740</u>
<b>Program Total</b>	<b>\$636,990</b>	<b>\$546,382</b>	<b>\$90,608</b>

Measures of Success:

Program Outputs	Program Outcomes
<p>Outputs Generated:</p> <ul style="list-style-type: none"> <li>• The Department contracts for client treatment services. Historically, the Department has used a “cost share” principle, recognizing that the funding provided only covers a portion of the cost of care. Other revenue is supporting the total treatment provided. The different types of treatment supported with this program are as follows:               <ul style="list-style-type: none"> <li>○ Differential Assessment Only 3,880 admissions</li> <li>○ Traditional Outpatient 19,258 admissions</li> <li>○ Intensive Outpatient 3,022 admissions</li> <li>○ Day Treatment 218 admissions</li> <li>○ Transitional Residential Treatment 1,446 admissions</li> <li>○ Therapeutic Community 536 admissions</li> <li>○ Intensive Residential Treatment 3,536 admissions</li> <li>○ Opioid Replacement Therapy 984 admissions</li> </ul> </li> </ul>	<p>Outcomes Influenced:</p> <ul style="list-style-type: none"> <li>• For FY 2014-15, clients who received outpatient SUD treatment services through MSO subcontracted providers experienced an 82.2% reduction in the use of their primary substance of abuse from the time of admission to the time of discharge. This is an increase from 78.7 % during FY 2013-14. This compares to National Outcome Measures (NOMs) of 75.8% for reduction in alcohol use and 71.5% for reduction in drug use. Colorado tracks and reports this measure by combining alcohol and drugs, and Colorado providers outperform in both comparative NOMs.</li> <li>• For FY 2014-15, clients who received residential SUD treatment services through MSO subcontracted providers experienced a 98.5% reduction in the use of their primary substance of abuse from the time of admission to the time of discharge.</li> <li>• For FY 2014-15, 90.1% of clients who were admitted into outpatient SUD treatment, were offered an appointment within three days of their initial contact to the program seeking services. While there are no NOMs for this measure, the literature is clear that making SUD treatment accessible as soon after someone seeks help is correlated with better outcomes.</li> </ul>

Performance based contracting was established for FY 2014-15, with three performance metrics tied to the treatment contract line item supported with these funds: timely access into treatment, reduction in use for outpatient, and reduction in use for residential treatment. A statewide benchmark was established by identifying the performance produced for each measure by the top 25%. Contractual goals were created for each MSO to either maintain their high performance for those who achieved the benchmark in FY 2013-14, or to improve by ten percent from their FY 2013-14 performance to the established statewide benchmark. The Department produces a monthly scorecard and publishes this on its website, distributes to all contractors, and requires feedback on performance. Below are the goals and performance for each sub state planning area (SSPA) for each measure.

SSPA	Access Goal	Access Performance	Outpatient Reduction in Use Goal	Outpatient Reduction in Use Performance	Residential Reduction in Use Goal	Residential Reduction in Use Performance
1	76.2%	82.5%	83.0%	88.4%	94.6%	99.0%
2	77.6%	94.4%	80.4%	86.3%	93.1%	98.1%
3	91.7%	94.6%	88.6%	90.8%	96.5%	100.0%
4	91.7%	96.5%	86.5%	90.0%	94.7%	99.0%
5/6	89.4%	89.9%	83.8%	78.4%	95.2%	99.0%
7	84.0%	83.3%	78.4%	63.0%	85.7%	95.3%

**Partners:** The Department contracts with the following MSOs to provide services in their areas.

- Signal Behavioral Health Network (MSO for SSPAs 1, 2 &4)
- Aspen Pointe (MSO for SSPA 3)
- West Slope Casa (MSO for SSPA 5/6)
- Mental Health Partners (MSO for SSPA 7)

**Recommendation regarding the amount of Tobacco Master Settlement Funds for FY 2016-17:**

\$586,800 is requested from Tobacco Master Settlement funds for FY 2016-17 in order to maintain prior year activities and expenses. Additionally, the Department requests to continue the appropriation of \$50,190 to the Personal Services and Operating Expenses line items in order to maintain prior year activities.

**Areas for Development in the Future Year:**

Performance measures are being refined to align with health care industry measures. Currently, providers are measured on the percent of new clients who are offered an appointment within three days of the first date of contact. In an effort to align the Department's measures with that of the Department of Health Care Policy and Financing who administer Medicaid, the Department will likely change this measure to instead track the percentage of new clients who are offered an appointment within seven days of the first date of contact. Goals will be set higher to account for the increased time allowed to meet demand.

Consistent high performance on the residential reduction in use measure, coupled with the varying degree that this level of care is supported in each SSPA has led the Department to remove it from our list of contractual goals. The Department will be partnering with our MSOs this fiscal year to identify an appropriate performance measure for residential. Measures under consideration include tracking the successful transition from higher levels of care to lower levels of care.

## CHILD MENTAL HEALTH TREATMENT PROGRAM

**Program Overview:**

<b>Program Representative:</b>	Andrew Gabor, LPC, Manager of the Child Mental Health Treatment Programs, Andrew.gabor@state.co.us, 303-866-4277
<b>Program Description:</b>	<p>Colorado legislators implemented the Child Mental Health Treatment Act (CMHTA) to prevent unnecessary involvement of legal and child welfare systems solely to obtain mental health services for children. The CMHTA funds mental health services that include residential treatment; transitional services from residential back into the home; and community-based therapy including in-home therapy, day treatment, family therapy, and other treatment modalities as children meet criteria of at-risk for out-of-home placement.</p> <p>This program receives applicants through referrals from its partners including; hospitals, residential treatment centers, community mental health centers, family advocates, county child welfare agencies, and individual families.</p>
<b>Eligible Population:</b>	The eligible population includes all children statewide who are between the ages of birth to-17-years-old (up to 18th birthday). They must have a mental illness and be at risk of out-of-home placement or further involvement with county child welfare systems.
<b>Services:</b>	<b>Number of Eligible Persons Served:</b>
The CMHTA funds mental health services that include: residential treatment; transitional services from residential back into the home; and community-based therapy including in-home therapy, day treatment, family therapy, and other treatment modalities as children meet criteria of at-risk for out-of-home placement.	In FY 2014-15, the program served 91 total children; 18 residential only, 55 community-based only and 18 transitional (both residential and community based). This was a 10.9% increase in children served compared to the previous record of 83 children served in FY 2013-14.

**Financial Overview:** Please note that all FY 2014-15 actual expenditures are reported based on CORE as of 10/20/2015.

<b>Total Program Appropriation</b>	<b>\$1,065,828 Total Funds</b> <b>\$417,309 General Fund</b> <b>\$8,678 Reappropriated Funds (Medicaid)</b> <b>\$300,000 MSA Tobacco</b>	<b>Actual Administrative Program Costs</b>	<b>\$0</b>
<b>MSA Expenditure</b>	<b>\$299,345</b>	<b>% of Total Actual Adm. Costs</b>	<b>\$0</b>

**FY 2015-16 Strategic Priorities and Key Goals:**

Goals for FY 2015-16 include increased and continued outreach to State and county child welfare agencies due to increased awareness of CMHTA. State Division of Child Welfare (DCW) and the Department's Office of Behavioral Health (OBH) are currently coordinating 8 regional CMHTA trainings for county child welfare agencies. In addition to this, OBH and DCW will incorporate CMHTA into the statewide child welfare training academy for every new case worker and supervisor. This goal will increase the Department's ability to reach CMHTA populations in need and reduce unnecessary out of home placements.

**Measures of Success:**

Program Outputs	Program Outcomes
<p data-bbox="181 730 748 821">Outreach to state and county child welfare agencies to ensure familiarity with CMHTA legislation mandates.</p> <p data-bbox="181 1146 695 1203">Improved quality of data in order to effectively monitor outcomes.</p>	<p data-bbox="787 730 1360 982">The Department's CMHTA manager completed 25 trainings in communities around the state reaching an estimated total of 614 individuals including family members, treatment providers, behavioral health agencies, and community members. These trainings increased the understanding and awareness of services funded by the CMHTA and increased the utilization of the program.</p> <p data-bbox="787 1014 1360 1234">Tracking outcomes for CMHTA has been difficult in the past due to data challenges. In April of 2014, the Department initiated improvements in the data reporting and collection process for this program that included performance measures for risk reduction and goal achievement upon discharge from treatment funded by the CMHTA.</p> <p data-bbox="787 1266 1360 1388">During FY 2014-15, 57 children were discharged from the program and provided data using the new discharge tool that measures the effectiveness of treatment funded by the CMHTA.</p> <p data-bbox="787 1419 1360 1583">Performance measures demonstrated that 79% of children were at reduced risk of out-of-home placement due to interventions funded by the CMHTA and that 87.72% of discharged CMHTA children did not experience subsequent child welfare involvement.</p>

**Recommendation regarding the amount of Tobacco Master Settlement Funds for FY 2016-17:**

The Child Mental Health Treatment Act continues to see an increase in utilization of the program and the Department requests a continuation of \$300,000 appropriation. Six of the last seven years saw ever increasing

utilization as the result of strong outreach with state and county child welfare agencies. Based upon the historical trend, the Department expects continued expansion in program demand.



October 30, 2015

The Honorable Kent Lambert  
Chair, Joint Budget Committee  
Legislative Services Building, 3<sup>rd</sup> Floor  
200 East 14<sup>th</sup> Avenue  
Denver, Colorado 80203

Dear Senator Lambert:

The Colorado Department of Human Services, in response to FY 2015-16 Request for Information # 41, respectfully submits the attached information concerning children aging out of Early Intervention Services at the age of 3. RFI # 41 requests specifically for the following:

41. Department of Human Services, Office of Early Childhood, Division of Community and Family Support, Early Intervention Services – The Department is requested to provide to the Joint Budget Committee, by November 1 of each fiscal year, aggregate data on all children aging out of early intervention services in each Community Centered Board region each year, including:
- 1) the number of 3-, 4-, and 5-year olds who are identified as needing ongoing support services, and who are
    - i) receiving Part B of the Individuals with Disabilities Education Act (IDEA) services through a Part B child care provider;
    - ii) receiving child care services from a non-Part B provider;
    - iii) being cared for by a parent, guardian, or other family member and not receiving Part B services;
  - 2) the types of and cost services delivered to those children; and
  - 3) the types of services that those children need but are not receiving.
  - 4) the number of 3-, 4-, and 5-year old children who did not receive early intervention services prior to turning 3 years of age, but who have been identified by a Part B provider as needing similar supports as children aging out of early intervention services; and
  - 5) the number of those children who received a Child Find evaluation prior to the age of 3, including the number of evaluations resulting in a referral for early intervention services; and the number of evaluations that indicated ineligibility for services.

If you require further information or have additional questions, please contact Mary Anne Snyder, Director of the Office of Early Childhood at 303-866-5979.

Sincerely,



Reggie Bicha  
Executive Director



Enclosure

cc: Representative Millie Hamner, Vice Chair, Joint Budget Committee  
Representative Bob Rankin, Joint Budget Committee  
Representative Dave Young, Joint Budget Committee  
Senator Pat Steadman, Joint Budget Committee  
Senator Kevin Grantham, Joint Budget Committee  
John Ziegler, Staff Director, Joint Budget Committee  
Robin Smart, Joint Budget Committee Staff  
Melissa Bloom, Budget Analyst, Office of State Planning and Budgeting  
Kyle Brown, Human Services Policy Advisor, Governor's Office  
Legislative Council Library  
Molly Otto, State Librarian  
Nikki Hatch, Deputy Executive Director of Operations  
Julie Krow, Deputy Executive Director of Community Partnerships  
Melissa Wavelet, Director, Office of Performance and Strategic Operations  
Sarah Sills, Budget and Policy Director  
Mary Anne Snyder, Director, Office of Early Childhood  
Kristina Mueller, Interim Legislative Liaison  
Alicia Caldwell, Communications Director



## Attachment A: Response to Legislative Request for Information #41

Department of Human Services responses are in italics.

Department of Human Services, Office of Early Childhood, Division of Community and Family Support, Early Intervention Services – The Department is requested to provide to the Joint Budget Committee, by November 1 of each fiscal year, aggregate data on all children aging out of early intervention services in each Community Centered Board region each year, including:

- 1) the number of 3-, 4-, and 5-year olds who are identified as needing ongoing support services, and who are i) receiving Part B of the Individuals with Disabilities Education Act (IDEA) services through a Part B child care provider; ii) receiving child care services from a non-Part B provider; iii) being cared for by a parent, guardian, or other family member and not receiving Part B services;
- 2) the types of, and cost of, services delivered to those children; and
- 3) the types of services that those children need but are not receiving.

*Response: Early Intervention services, known as Part C, discontinue on a child's third birthday; therefore, the Office of Early Childhood (OEC) does not collect information on children who receive services through Part B of IDEA or child care settings.<sup>1</sup>*

In addition, the Department is requested to provide information on:

- 4) the number of 3-, 4-, and 5-year old children who did not receive early intervention services prior to turning 3 years of age, but who have been identified by a Part B provider as needing similar supports as children aging out of early intervention services; and

*Response: Early Intervention services, known as Part C, discontinue on a child's third birthday; therefore, the OEC does not collect information on children who receive services through Part B of IDEA.*

- 5) the number of those children who received a Child Find evaluation prior to the age of 3, including the number of evaluations resulting in a referral for early intervention services; and the number of evaluations that indicated ineligibility for services.

*Response: Between July 1, 2014 and June 30, 2015, 8,395 infants and toddlers were evaluated to determine eligibility for early intervention services. Of those evaluated, 6,725 (80%) were determined to be eligible for early intervention services and 1,670 (20%) were not eligible. (Data source DDDWeb)*

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<sup>1</sup> Part B services for children ages 3-5 are administered through the Department of Education.

October 30, 2015

The Honorable Kent Lambert  
Chair, Joint Budget Committee  
Legislative Services Building, 3<sup>rd</sup> Floor  
200 East 14<sup>th</sup> Avenue  
Denver, Colorado 80203

Dear Senator Lambert:

The Colorado Department of Human Services, in response to FY 2015-16 Request for Information # 42, respectfully submits the attached information concerning the Alliance/Office of Early Childhood Early Intervention Task Force. RFI # 42 requests specifically for the following:

42. Department of Human Services, Office of Early Childhood, Division of Community and Family Support, Early Intervention Services – The Department is requested to provide to the Joint Budget Committee, by November 1, 2015, an update on the strategies the newly formed Early Intervention Task Force is developing to ensure appropriate utilization of the early intervention funding hierarchy.

If you require further information or have additional questions, please contact Mary Anne Snyder, Director of the Office of Early Childhood at 303-866-5979.

Sincerely,



Reggie Bicha  
Executive Director

Enclosure

cc: Representative Millie Hamner, Vice Chair, Joint Budget Committee  
Representative Bob Rankin, Joint Budget Committee  
Representative Dave Young, Joint Budget Committee  
Senator Pat Steadman, Joint Budget Committee  
Senator Kevin Grantham, Joint Budget Committee  
John Ziegler, Staff Director, Joint Budget Committee  
Robin Smart, Joint Budget Committee Staff  
Melissa Bloom, Budget Analyst, Office of State Planning and Budgeting  
Kyle Brown, Human Services Policy Advisor, Governor's Office  
Legislative Council Library  
Molly Otto, State Librarian



Nikki Hatch, Deputy Executive Director of Operations  
Julie Krow, Deputy Executive Director of Community Partnerships  
Melissa Wavelet, Director, Office of Performance and Strategic Outcomes  
Sarah Sills, Budget and Policy Director  
Mary Anne Snyder, Director, Office of Early Childhood  
Kristina Mueller, Interim Legislative Liaison  
Alicia Caldwell, Communications Director





## ***Legislative Request for Information #42***

### ***Alliance/Office of Early Childhood Early Intervention Task Force Report***

Submitted to

Joint Budget Committee

***November 1, 2015***

by

Colorado Department of Human Services  
Office of Early Childhood  
Division of Community and Family Support  
1575 Sherman Street, 1<sup>st</sup> Floor  
Denver, CO 80203  
303/866-5468 (voice)  
303/866-5200 (fax)

# ***Alliance/Office of Early Childhood Early Intervention Task Force FY 2014-15 Annual Report***

The Department of Human Services is submitting the following report in accordance with “Legislative Request for Information from the Executive Branch, Elected Officials, and the Judicial Branch for FY 2015-16”, number 42:

The Department is requested to provide to the Joint Budget Committee, by November 1, an update on the strategies the newly formed Early Intervention Task Force is developing to ensure appropriate utilization of the early intervention funding hierarchy.

## **Background and Program Description:**

In FY 2014-15, the Early Intervention (EI) Program was administered by the Division of Community and Family Support (DCFS) under the Office of Early Childhood (OEC) of the Colorado Department of Human Services (DHS). DCFS provides EI services to infants and toddlers, birth through two-years of age, who have been determined to have a developmental delay or disability, who have been diagnosed with a physical or mental condition that has a high probability of resulting in a significant delay in development, or who are living with a parent who has a developmental disability. These services provide eligible infants and toddlers, and their families, with the interventions needed to enhance child development in the areas of cognition, speech, communication, physical development, motor development, vision, hearing, social and emotional development, and self-help skills.

Early intervention services are intended to increase the likelihood of school readiness of infants and toddlers with developmental delays and disabilities and their families through a focus on the following global outcomes:

As a result of EI services children have:

- Positive social and emotional skills;
- Acquisition and use of knowledge and skills; and,
- Use of appropriate behaviors to meet their needs.

And families:

- Know their rights;
- Effectively communicate their children’s needs; and,
- Help their children develop and learn.

DCFS contracts with 20 Community Centered Boards (CCBs) to deliver the statewide, community-based services. CCBs are private non-profit organizations that are designated annually by the DHS as the single entry point into the long-term service and supports system for persons with developmental disabilities under Sections 27-10.5-102 (3) and 105, C.R.S. (2015). Each CCB has a non-overlapping geographic service region of one to 10 counties. CCBs are responsible for intake, eligibility determination, providing

service coordination that includes Targeted Case Management, service plan development, arrangement for services, delivery of services, monitoring of services, and many other functions.

CCBs are designated by the DHS as Certified Early Intervention Service Brokers under Section 27-10.5-702 (3), C.R.S. (2015). CCBs deliver services directly and/or contract with qualified individual EI professionals to provide EI services to eligible infants and toddlers.

In FY 2014-15, the EI Colorado program served 13,316 infants and toddlers, a 4.8% increase over FY 2013-14. The average monthly enrolled count for the same time period increased by 6.6% to 7,340.

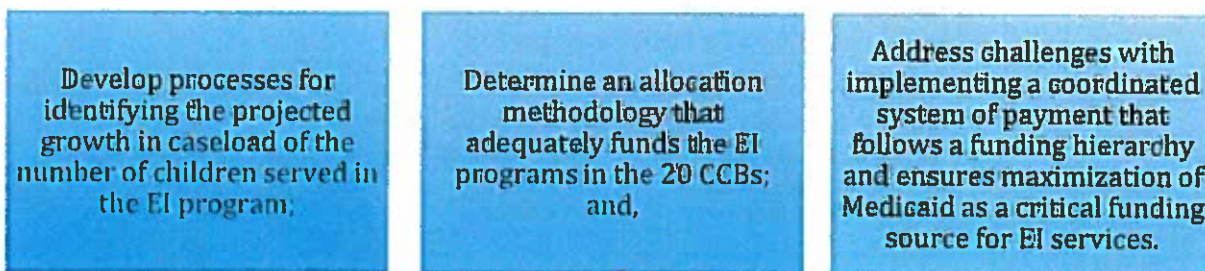
### **Alliance/Office of Early Childhood Early Intervention Task Force**

The Alliance/Office of Early Childhood (OEC) Early Intervention (EI) Task Force was originally formed in November 2013 to provide a venue for communication and collaboration between the Community Centered Boards (CCBs) and the Office of Early Childhood (OEC) Early Intervention (EI) Colorado program to address policy and procedural issues related to the EI Colorado program.

In November 2014, the Department charged the Task Force to focus on addressing the fiscal challenges facing the EI program due to significant caseload growth. The Alliance/OEC EI Task Force membership was expanded to include representatives from more CCBs and higher level involvement of DHS staff (see Appendix A).

#### **Goals and Recommendations:**

The purpose of the Alliance/OEC EI Task Force is to serve as a collaborative committee that meets regularly to advise and assist the Department in addressing fiscal policies and procedures for the Early Intervention Colorado program. Recommendations from the Task Force address immediate, short-term actions and others that are long-term strategies to address caseload growth, future policy changes and revision of the criteria used to allocate state and federal funds. These include:



#### **Task Force Recommendations:**

Between November 2014 and September 2015, the Task Force and its sub-committee have met 12 times. Table 1 provides a summary of the key recommendations made by the Task Force and the subsequent actions of the Department. Complete meeting minutes are provided in Appendix D.



Table 1

Date	Task Force Recommendations	Department Actions
November 2014	<ul style="list-style-type: none"> <li>• Task Force members agreed that the percentage for average monthly enrollment of 5.3% to be used in the FY 2014-15 Supplemental Request is acceptable since it is based on the enrollment trend over the past five years; and,</li> <li>• That the estimated direct service cost per child of \$5,243 used in developing the budget data in the Supplemental Request was acceptable.</li> <li>• The EI service coordination rate should be increased closer to the Targeted Case Management (TCM) rate based on the average number of units that are provided for children in EI services.</li> <li>• State training on billing Medicaid is needed to support the CCBs in recruiting more independent contractors to bill Medicaid.</li> </ul>	<ul style="list-style-type: none"> <li>• The agreed upon growth percentage and average cost were used in the FY 2014-15 Supplemental Request.</li> <li>• EI staff, with input from Medicaid staff and providers who bill Medicaid, developed a Medicaid billing manual and provided training in five regions of the state between July 2014 and July 2015.</li> <li>• EI staff conducted Medicaid billing training with providers in two mountain communities.</li> <li>• EI staff developed and distributed revised Fiscal Management and Accountability Procedures and a Communication Brief on billing Medicaid for EI services.</li> <li>• Requirement of TL<sup>1</sup> modifier for all units billed to Medicaid to improve data reliability.</li> </ul>
December 2014	<ul style="list-style-type: none"> <li>• FY 2014-15 allocation formulas will be used to determine how funds will be distributed pending approval of the Supplemental Request.</li> </ul>	<ul style="list-style-type: none"> <li>• The FY 2014-15 allocation formulas were used for the Supplemental Request along with a service coordination rate of \$1,310.40 (a \$132 increase per child per year).</li> </ul>
January 2015	<ul style="list-style-type: none"> <li>• For the allocation of the FY 2014-15 Supplemental Request, if approved, use 12 months for the Average Monthly Enrolled (AME) data to determine level of funding for each CCB.</li> <li>• Do not include a hold back percentage to address short-term growth increases.</li> <li>• Maintain level of funding for smaller programs, so that no CCB had a decrease in funding.</li> </ul>	<ul style="list-style-type: none"> <li>• For the allocations of the Supplemental funds, no hold back was included and funds for small programs were maintained even if growth decreased at the mid-year point.</li> </ul>
February 2015	<ul style="list-style-type: none"> <li>• A smaller sub-committee was formed to work on crafting a revised draft allocation formula for FY 2015-16, taking into consideration some of the modifiers discussed.</li> </ul>	<ul style="list-style-type: none"> <li>• The recommendation was to be presented at the March 26 Task Force meeting.</li> </ul>
March 2015	<ul style="list-style-type: none"> <li>• Continue to determine allocations using the same criteria as in past years but use the higher number for average monthly enrollment (AME) of either 12 months of AME or a projected AME based on a forecasting model from the previous</li> </ul>	<ul style="list-style-type: none"> <li>• The recommendation for AME was accepted and there was sufficient funding to revise the management fee criteria to include funding for 26.5% of</li> </ul>

<sup>1</sup> The TL Modifier is use in the Medicaid payment system to differentiate an EI service from other services so that we can better track exactly how much money is being spent on EI services.

	<p>year's actual active enrolled. It was also recommended that an allocation for management fee for 13% of children removed from the original criteria due to being eligible for Medicaid.</p> <ul style="list-style-type: none"> <li>• Modify contract language to remove the restriction of movement of funds between budget line items.</li> <li>• Consider cost of living and other population demographics in future years.</li> <li>• Set aside carry forward funds, if available, in a "mitigation pool" that could be distributed mid-year to address caseload growth.</li> <li>• Address provider rates.</li> </ul>	<p>the Medicaid eligible count.</p> <ul style="list-style-type: none"> <li>• The contract was not revised to allow movement of funds between line items due to the need for accountability and to ensure federal funds are used as payor of last resort.</li> <li>• Cost of living, other population demographics and mitigation pool funds will be factors discussed during work with the Task Force in FY 2015-16 for consideration in the FY 2016-17 allocations.</li> <li>• Discussions are underway between the Department and the Medicaid program on the discrepancies between speech, occupational and physical therapy rates.</li> </ul>
May-June 2015	<ul style="list-style-type: none"> <li>• The Task Force formed a subcommittee to develop a data collection tool to collect time and costs for unreimbursed activities performed by CCB staff from the point of referral to either eligibility determination or termination. It includes: <ul style="list-style-type: none"> <li>○ Intake, scheduling with the family, collecting documentation, travel (both mileage and time), and data entry</li> <li>○ Data will be collected for each date of activity and will be tracked by the number of units (time) the activity takes (travel will track mileage as well)</li> <li>○ Activities will be tracked during several months in the fall 2015</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• State EI staff met with the subcommittee to develop the process to collect consistent data on unreimbursed service coordination costs.</li> </ul>
July 2015	<ul style="list-style-type: none"> <li>• The Task Force approved an Unreimbursed Costs Tracking sheet and timeline to gather information from all 20 CCBs on time and costs of EI activities that occur between referral and eligibility determination or termination.</li> </ul>	<ul style="list-style-type: none"> <li>• State EI staff distributed the Unreimbursed Costs Tracking sheet for use from August through October 2015 for 25% of all referrals to the EI program.</li> </ul>
August - September 2015	<ul style="list-style-type: none"> <li>• The Task Force reviewed and provided input on the Alliance/OEC EI Task Force Report to be submitted November 1 to the JBC.</li> <li>• Input on the recent changes to TCM billing was provided by members.</li> </ul>	<ul style="list-style-type: none"> <li>• State EI staff compiled and analyzed data for consideration in the criteria for FY 2016-17 allocations.</li> <li>• State EI staff met with HCPF staff to ensure proper billing and payment for Medicaid and CHP+ funded services.</li> </ul>

## Summary of Progress in Addressing Goals

### **Develop processes for identifying the projected growth in caseload of the number of children served in the EI program**

The enrollment of infants and toddlers who are eligible for EI services has increased statewide but shows fluctuation between CCBs. Appendix B provides an illustration of the statewide versus CCB-specific growth trends.

Further analysis is underway to track trends in referrals, eligibility rates, and community factors that may provide a more accurate method of projecting growth trends by CCB.

### **Determine an allocation methodology that adequately funds the EI programs in the 20 CCBs**

The EI Colorado program worked with the OEC Data unit staff to analyze growth trends using a variety of methods. The data was presented to the Task Force for consideration. The data showed only a slight difference for some CCBs in projected numbers of children using growth in average historic enrollment versus a forecasting model (see Appendix C). The take-away is that the current formula based on using the higher of either the current year average enrollment or the three-year average enrollment does a reasonably good job of predicting total system count for the average monthly enrollment at a CCB level.

The decision for the methodology for FY 2015-16 allocations to the CCBs was based on using the higher of either the one year count of the average monthly enrollment or the projected average determined using the forecasting model which projects a future trend for growth.

The allocations subcommittee of the Task Force is currently examining the potential use of a geographic formula similar to that used by the Colorado Department of Education to fund special education services as the allocation method for FY 2016-17.

### **Address challenges with implementing a coordinated system of payment that follows a funding hierarchy and ensures maximization of Medicaid as a critical funding source for EI services**

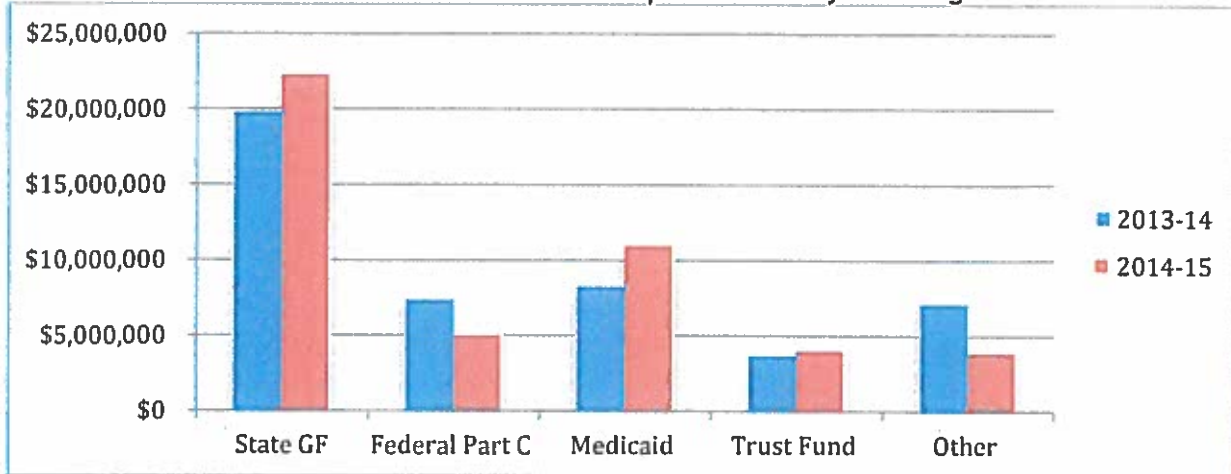
In accordance with Section 27-10.5-706, C.R.S. (2015), and the EI scope of work in the CCB contracts with the Department, the CCBs must use a coordinated system of payment for EI services. By following the funding hierarchy during the Individualized Family Service Plan (IFSP) development process for each service needed for eligible children, all available funding sources are accessed. The funding hierarchy is as follows:

1. Use of Private Pay (voluntary, at discretion of parent)
2. Private Health Insurance Plan (with written consent of the parent)
3. TRICARE, a Military Health System
4. Medicaid (Title XIX), Home and Community Based Services (HCBS) Medicaid Waivers, and Child Health Plan Plus (CHP+)
5. Child Welfare and Temporary Assistance to Needy Families (TANF)

6. Other local, state or federal funds, including mill levy funds (as may be made available)
7. State General Funds (GF)
8. Federal Part C of IDEA Funds

In the past twelve months, progress has been made to increase the use of Medicaid for the payment of EI services, but the increased growth requires a higher use of General Fund. Table 2 illustrates the change in utilization between FY 2013-14 and FY 2014-15 total expenditures for each of the funding sources used for services for infants and toddlers enrolled in the EI Colorado program.

Table 2: FY 2013-14 and FY 2014-15 Total Expenditures By Funding Sources<sup>2</sup>



**Additional Information:**

The focus on Medicaid utilization also involved outreach and technical assistance activities by EI Colorado staff with CCBs and private contractors. These activities included:

- Medicaid enrollment and billing trainings at Imagine!, Mountain Valley, and North Metro - 42 providers trained
- Medicaid worked 1:1 with 16 providers to get them enrolled
- Medicaid removed the Waiver program restrictions for all services, as well as the need for a prior authorization for TCM services for everyone
- Rocky Mountain Human Services now requires all of their eligible providers to obtain a Medicaid number (not every EI provider is able to obtain a Medicaid number)

<sup>2</sup> Data are collected from the DDDWeb for State General Fund and federal Part C Funds; utilization reports that are generated through data matches of the MMIS and DDDWeb for services funded under Medicaid; payment reports provided by DHS Southern Accounting for the Early Intervention Services Trust; and, year-end Revenue and Expenditure Reports completed by CCBs to report other revenue used by the CCB for EI expenditures that are covered by private insurance plans not included under Section 10-15-104 (1.3), C.R.S. (2014) and may include mill levy funds and other funding sources. FY 2014-15 total expenditures are higher than FY 2014-15 appropriation due to data reported by the CCBs that are not captured in the state data systems.

- Ongoing technical assistance to contract providers regarding Medicaid billing, and support during the change-over to the new Prior Authorization Request (PAR) system
- Collaboration between EI Colorado and HCPF on a new method to submit claims for Targeted Case Management (TCM) that streamlines the billing process effective by August 1, 2015

## Appendix A: Alliance/OEC EI Task Force Membership

The original Alliance/OEC EI Task Force membership in 2013 included executive level representatives from six CCBs, the Alliance and OEC staff. By January 2015, the membership had expanded to include a broader representation of the CCBs and the roles of those representatives, as well as a broader representation of Department staff.

The membership as of September 2015 is:

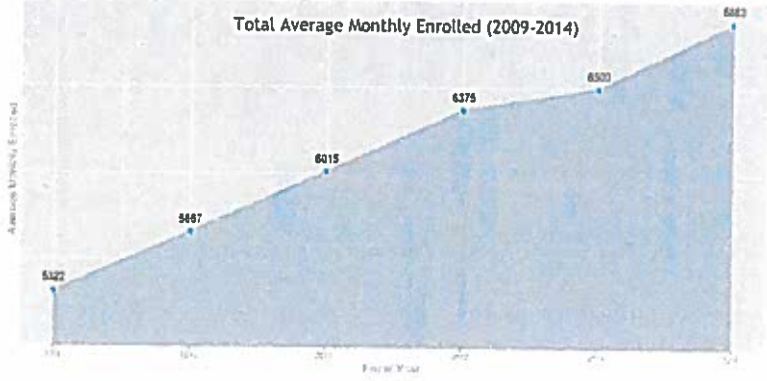
Mary Anne Snyder, Director, OEC, CDHS  
Sarah Sills, Director, Division of Budget and Policy, CDHS  
Ardith Ferguson, Director, EI Colorado Program, CDHS  
Beth Cole, Fiscal Accountability Manager, EI Colorado Program, CDHS  
Josh Rael, Executive Director, Alliance  
Jodi Litfin, Director of Child and Family Programs, Rocky Mountain Human Services  
Rob DeHerrera, Finance Director, Developmental Disabilities Resource Center  
Cindy Lichti, Vice President, Program Services, Developmental Pathways  
John Nevins, Finance Director, Imagine!  
Traci Schrade, Finance Director, Eastern Colorado Services  
Moniqua Herrington, Children's Case Management Director, Envision  
Carla Conrady, Finance Director, Foothills Gateway  
Kristie Phillips, EI Provider, Colorado Bluesky  
Sara Sims, Associate Director, Mountain Valley  
Sarah Bonnell-Sharp, Director of Case Management, Strive  
Diane Trujillo, Children's Services Director, Starpoint  
Melinda Rizley, EI Coordinator, Colorado Bluesky  
Gretchen Hammer, HCPF (ad hoc)  
Gina Robinson, HCPF (ad hoc)

# Early Intervention Growth

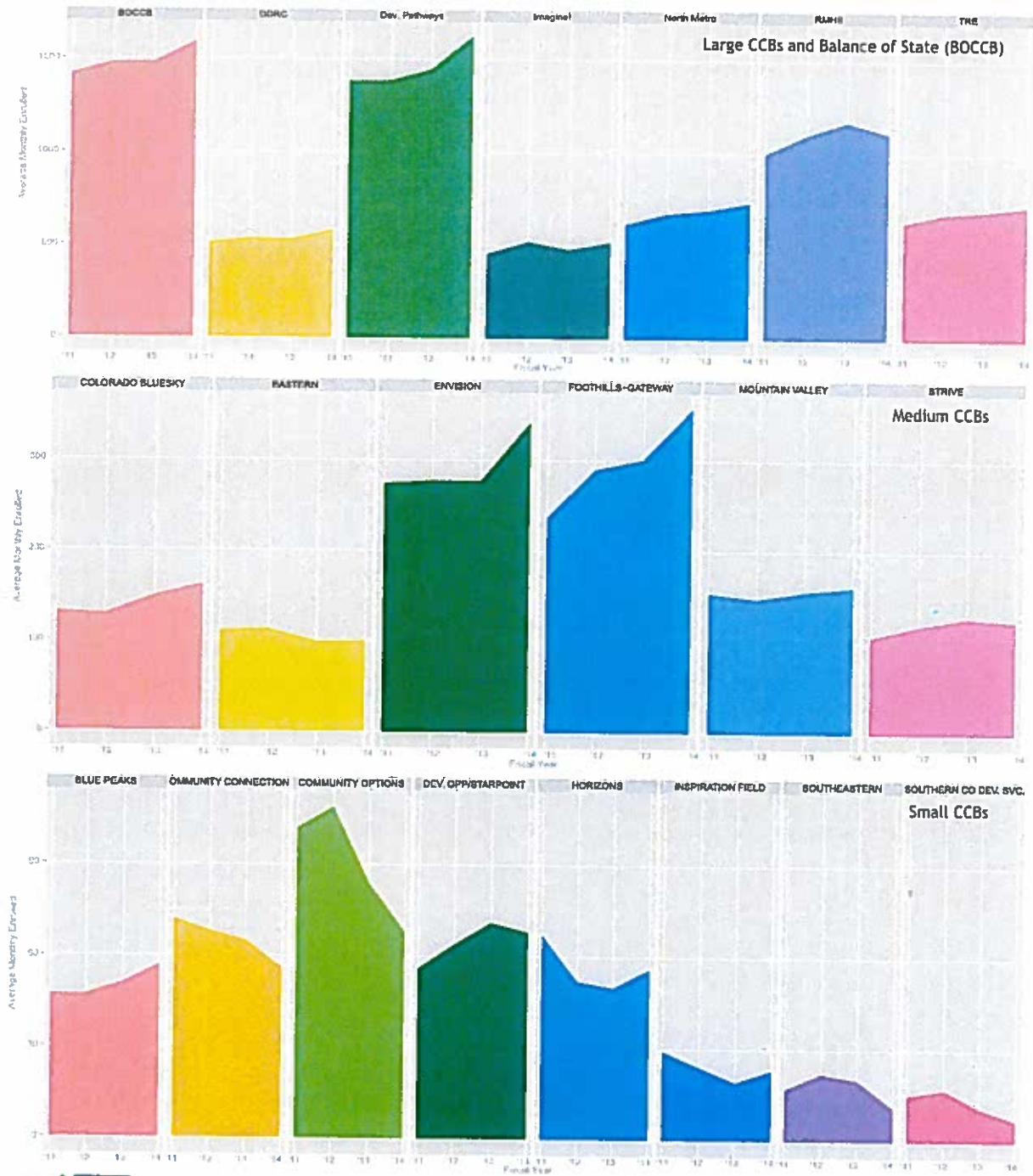
In just 5 years Colorado's Early Intervention program has grown by 29% (almost 5% a year.)

**Trends...**

- \* From 2011-2014 Developmental Pathways accounted for 28% of all growth. In the last year it accounted for 47.5% of the total system growth
- \* Foothills-Gateway and Envision, two medium CCBs have been the fastest growing.
- \* Small, rural CCBs show continued declines in average monthly enrollment.



Data: DDDWeb.  
Overall Average Monthly Enrolled (AME) growth 2009-2014.  
By CCB AME growth 2011-2014



Appendix C

**EI Allocation Formula Comparisons**

*Current Formula:*

$$\text{Projected AME} = \left[ \begin{array}{c} \text{Avg. Past 3 years of AME} \\ \text{or} \\ \text{Actual AME YTD} \\ \text{(whichever is greater)} \end{array} \right] \times \text{Avg. \% Growth Previous 3 Years} + \text{Actual AME YTD}$$

**Takeaway:**

The current formula does a reasonably good job of predicting total system AME. Because the alternative formula creates a separate model for each CCB it does a slightly better job at predicting AME at a CCB level

*Alternative Formula:*

Using historic monthly enrollment data since 2010 generate a best-fit Exponential Trend Smoothing (ets) model for each CCB.

$$\text{Projected AME} = \frac{\text{Sum of Projected Monthly Enrollment for each month of FY (from ets model)}}{12}$$

**ETS assumes:**

- The more recent the data point, the more it impacts future data points.
- Growth is not infinite (eventually we will have all kids needing EI in EI.)
- Growth is additive, not exponential
- No other "shocks" to the system (i.e. capacity limits growth, massive sudden decline in population, changes to eligibility, etc.)
- Seasonality may effect each CCB enrollment

**Performance Comparison**

Goal: Predict AME for FY13-14.

Method: Create forecasts using current and alternative formulas for FY13-14 using FY10-13 monthly enrollment.

**Overall System Performance:**

- Actual FY13-14 AME: 6885
- Current formula projection: 6796 (-1.9% of actual)
- Alternative projection: 6929 (+0.6% of actual)

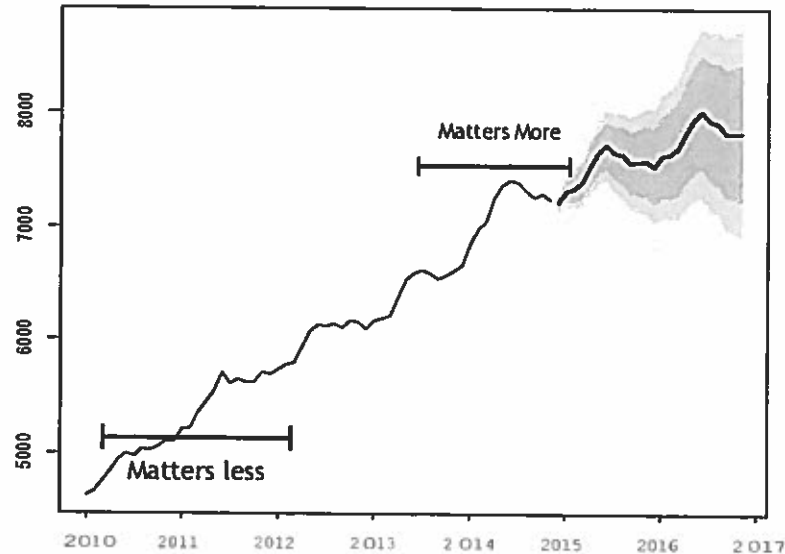
**Total CCB "Wins" (closer projections):**

- (higher is better)
- Current formula: 3
- Alternative: 17

**Median magnitude of CCB "Miss" (percentage off):**

- (closer to 0 is better)
- Current formula: 12.7%
- Alternative: 3.4%

Forecasts from ETS(M,Ad,M)





Appendix D

**Alliance/OEC EI Task Force Minutes  
November 2014 – September 2015**

**EI Supplemental Task Force Meeting**  
**November 25, 2014**  
**1:00-4:00**  
**Room 4A/B, 1575 Sherman Street**

Participants: Sarah Sills, Mary Martin, Ardith Ferguson, Josh Rael,  
 Rob DeHerrera, Lloyd Sweet, and John Nevins

**Minutes**

<b>Topic</b>	<b>Strategies/Decisions</b>	<b>Team Member(s) Responsible</b>
<p>Define purpose of task force – short-term and long-term</p>	<p>Decision:</p> <ul style="list-style-type: none"> <li>• The short-term group provided input to possible revisions to a Budget Supplemental Request for FY 2014-15. Any changes to the request have to be made within the next week.</li> <li>• The long-term group will have expanded membership and will provide input on fund distribution methodology for the FY 2015-16 EI contract, and offer recommendations related to a possible cost, time and/or rate study.</li> <li>• The group will also address geographic and program size differences as well as other factors that include the following:               <ul style="list-style-type: none"> <li>○ Use of mill levy funds (Alliance);</li> <li>○ Variances in growth rates;</li> <li>○ Seasonal changes in the data and impact on when count data is pulled;</li> <li>○ Impact of referrals and pending status;</li> <li>○ Reimbursement for training and administrative costs (Alliance);</li> <li>○ Other unreimbursed costs;</li> <li>○ Overall program complexity;</li> <li>○ Funding hierarchy;</li> <li>○ Support for extra small programs – regional options;</li> <li>○ Transition and gap in services;</li> <li>○ AME/Medicaid detail (CDHS); and,</li> <li>○ Mechanism for a safety net fund because we cannot have a wait list in the EI program.</li> </ul> </li> </ul> <p>Those items that have Alliance or CDHS in parentheses indicate a suggestion for who will provide information at a future meeting.</p> <ul style="list-style-type: none"> <li>• This new long-term group will not duplicate the work being done by the Fiscal Cohort Advisory Team (FCAT) or the Alliance/OEC Task Force.</li> </ul>	<p>Sarah/Ardith</p>

Determine if current growth data is accurate predictor of future growth	<p>Decision:</p> <ul style="list-style-type: none"> <li>Task Force members agreed that the percentage for average monthly enrollment of 5.3% to be used in the Supplemental Request is acceptable since it is based on the enrollment trend over the past five years.</li> </ul>	Task Force Members
Determine if there is agreement on the estimated cost per child data	<p>Decision:</p> <ul style="list-style-type: none"> <li>The Task Force members agreed that the estimated direct service cost per child of \$5,243 to be used in the Supplemental Request is acceptable.</li> <li>There was no data available upon which a different cost per child can be based at this time.</li> <li>The group recommended that the service coordination rate be increased closer to the Targeted Case Management rate based on the average number of units that are provided for children in EI services. The current rate per unit is \$15.60. Ardith will provide a report on the average number of units reimbursed in FY 2013-14. Alliance will provide feedback on whether that rate seems like a reasonable barometer.</li> </ul>	Task Force Members
Schedule future meetings and membership of long-term task force	<p>Decision:</p> <ul style="list-style-type: none"> <li>The next meeting will be scheduled via Doodle poll and will occur in early January. The discussion will focus on historical growth and impact of using different year spans and the impact on CCB funding. EI staff will also provide an overview on the allocation methodology that is used in this year's allocation.</li> <li>Proposed membership: <ul style="list-style-type: none"> <li>Current Task Force Members - Josh Rael (Alliance), John Nevins (Imagine!), Lloyd Sweet (DP), Rob DeHerrerra (DDRC);</li> <li>To be invited: Traci Schrade (Eastern) and Rosa Salo (Inspiration Field); and,</li> <li>CDHS – Mary Anne Snyder, Sarah Sills, Mary Martin, Ardith Ferguson, and EI staff (as needed)</li> </ul> </li> </ul>	Task Force Members

Alliance/OEC EI Task Force Meeting

January 20, 2015

1575 Sherman Street, Room 4A/B

3:00 – 4:30 p.m.

Call in number is 1-877-820-7831, passcode 883833#

**Present:** Mary Anne Snyder, Sarah Sills, Josh Rael,  
Diane Trujillo, Beth Cole, Ardith Ferguson, Jake Barney,  
Sarah Bonnell-Sharp, Sara Sims, Kent Dyson, Traci Schrade,  
Rob DeHerrera, John Nevins, Keisha Davis, Kristie Phillips,  
Zach Cartaya, Carla Conrardy, and Stephen Block.

**Minutes**

Topic	Strategies/Decisions	Action Items	Person(s) Responsible
I. Revisit purpose of meeting and establish ground rules	Ardith and Sarah Sills reviewed the recap of the November meeting and discussed priorities. It was decided that the first priority should be: A. FY 2014-15 Allocations if Supplemental is approved; B. FY 2015-16 Allocations; C. Medicaid maximization; and, D. Funding hierarchy.		
II. Update on the EI Supplemental Request	It is scheduled to be heard by the JBC on Friday, January 23. We should know whether or not it will be recommended to be funded by mid-February.		
III. Discussion of priorities	Participants discussed issues that affect funding. At the end of the meeting, it was determined that all of the items below could fit into the three big “buckets” of Allocations, Medicaid Maximization” and “Funding Hierarchy.  III.A. FY 14-15 Allocations - The current allocation formulas will be used to determine how funding is determined if the Supplemental Request is approved. Is the caseload likely to increase in the spring and should that be considered?  III.B. FY 15-16 Allocations - Mechanism for a safety net fund because we cannot have a wait list in the EI program -- It was suggested that we investigate having a mitigation pool to	III.A. 1. Compile average monthly enrollment (AME) data from December 2013 – November 2014 and the previous three years to determine the AME for each CCB by January 29.  III.A.2. Based on the data, EI Colorado will have a draft revised FY 14-15 allocations for the January 29.	III.A.1. Jake  III.A.2. Beth

	<p>cover shortfalls in coverage for direct services, so that all direct services billed will be reimbursed. Possibly have all funds in one pool that all CCBs can draw on as a true fee-for-service model and services rendered will be reimbursed.</p> <ol style="list-style-type: none"> <li>1. AME/Medicaid detail (CDHS) – Jake is working with Christy to ensure that all Medicaid numbers are accurate. Funding for management fee needs to be considered for children with Medicaid, as there is no management fee associated with Medicaid.</li> <li>2. Variances in growth rates – See above III.A.1.</li> <li>3. Geographic and program size differences – this was not discussed at this meeting.</li> <li>4. Support for extra small programs – regional options – possibly have shared services for administrative functions.</li> <li>5. It was suggested to look at caseload ratios for service coordinators. In addition, fluctuations in caseloads need to be considered when determining the allocations.</li> <li>6. Impact of referrals and pending status -- There was discussion on the gap between when a child is referred and when he/she completes the evaluation process. Stephen Block suggested we look at federal regulation changes/waiver or state law/regulation changes to allow for presumptive eligibility to be able to cover services prior to actual eligibility being determined.</li> <li>7. The amount of mill levy and other funding that is used to supplement EI was discussed. The data source is the FY13-14 JBC report (the end of year reports for FY13-14 that were submitted to EI Colorado in September, 2014) and CCB Year-End Revenue and Expenditure Reports.</li> <li>8. There was discussion on how to project caseloads in order to better fund service coordination.</li> <li>9. There was a great deal of discussion about the possible use of “block grants” to CCBs for EI services in lieu of the current allocation formulas. The biggest hurdle to this is how to account for the federal Part C funds in a</li> </ol>	<p>III.B.6. Provide data from Colorado Bluesky on the actual number of hours of service coordination spent on pre-eligibility activities for children who do not complete the process and are not captured in the Referred, Evaluated, Not Eligible (RENE) data.</p> <p>III.B.7. Provide the details of which CCBs reported use of other funding sources, what they were, how much was used and whether or not it was used for direct service or service coordination.</p> <p>III.B.9. Provide a review language from past contracts that allowed for this to occur.</p>	<p>III.B.6. Kristie</p> <p>III.B.7. Beth</p> <p>III.B.9. Ardith</p>
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	<p>way that is acceptable to OSEP, being able to account for General Fund to the JBC and the General Assembly, and how to ensure that the funding hierarchy is being followed. A possible step that might be taken now is to allow for flexibility between line items in the allocations.</p> <p>10.a. There was some discussion about unreimbursed costs that have been reported in past DDD reports. It was decided that this could be a starting point for EI unreimbursed costs; and,</p> <p>b. Cost studies from other states may serve as another resource to help determine actual costs for EI services.</p> <p>11. There was some discussion about the reasons and barriers/solutions for children who are “Terminated from Other” as well as how to account for these children when determining costs of service coordination.</p> <p>III. C. Funding Hierarchy</p> <p>1. Use of mill levy funds –There will be some discussion on whether or how to take this information into account when looking at the funding for EI in FY 15-16.</p> <p>D. Medicaid Maximization</p> <p>1. Medicaid utilization -- there was mention of EI Colorado having a hold-back of allocated funds that would be earned by CCBs when specific Medicaid targets, which are spelled out in the contract, are met.</p>	<p>III.B.10. a. Alliance will find the report of unreimbursed costs for adult services that was completed within the past few years; and,</p> <p>b. Distribute the Cost Study that was completed for the state of Washington.</p> <p>III.C.1.a. Provide information on which CCBs have mill levy funds available to their agencies, and, b. Data on “other” funds were reported in the Annual Report to the JBC for FY 2013-14.</p>	<p>III.B.10. a. Rob; and, b. Beth Cole</p> <p>III.C.1.a. Alliance; and, b. Ardith</p>
<p>IV. Next meeting</p>	<p>January 29, 2015 from 1 – 3 p.m. at 1575 Sherman St. in Room 9F. Discussion of a “managed care/block grant” type of funding for EI.</p>	<p>IV. Creative ideas for ensuring use of funding hierarchy, payer of last resort and non -comingling of federal funds.</p>	<p>IV. All Task Force Members</p>

**Alliance/OEC EI Task Force Meeting**

**January 29, 2015**

**2:30-4:30**

**Room 9F, 1575 Sherman Street**

Participants: Rob DeHerrera, Traci Schrade, Judy Fehringer, Sarah Sharp, Carla Conrardy, Keisha Davis, Josh Rael, Sarah Sills, Mary Anne Snyder, Jake Barney, Beth Cole, Ardith Ferguson, John Nevins, and Zach Cartaya

**Minutes**

<b>Topic</b>	<b>Strategies/Decisions</b>	<b>Member(s) Responsible</b>	<b>Follow Up Actions</b>	<b>Member(s) Responsible</b>
I. Introductions, Review of Minutes 2:30-2:45	I. A. Minutes for the January 20 meeting were approved with only a typographical correction of the date. I.B. Sarah recapped the discussion at action items from the January 20 meeting	I.A. Ardith I.B. Sarah Sills		
II. FY 2014-15 Allocations Based on Approval of Supplemental 2:45-3:45	II. A. Sarah updated the group on the EI Supplemental which was approved by the JBC on January 23. The budget should go to the Governor's office in mid-February and funds ready for distribution at the end of February; and, II. B. Jake and Beth reviewed data on caseload growth trends in comparison to the current criteria that was used for the FY 2014-15 allocations.  Decision: Option 3 from the handout spreadsheet of revised allocations will be used along with three options for a hold back (3, 5 and 10%) so that CCBs can review and provide feedback. The hold back will be calculated only on direct services and management fee, leaving the service coordination dollars intact.	II. A. Sarah Sills II.B. Beth, & Jake	II.B.1. Prepare a draft spreadsheet that shows the Supplemental funds calculated using Option 3 with 3 percentages of hold back and only on direct service and management fee (keeping service coordination static). These will be distributed to CCBs by 2/10/15 II.B.2. Beth will review the spreadsheet at the Executive Directors' meeting on 2/10/15 II.B.3. Josh will gather CCB feedback and present at the 2/17/15 Task Force meeting.	II.B.1. Beth II.B.2. Beth II.B.3. Josh
III. Planning for FY 2015-16 Contract and Budget 3:45-4:15	III. A. Ardith reviewed language used in the current contract and those of the past two years (handout) regarding line items for direct services, management fee and service coordination in order to consider future contract language that may allow more flexibility and support maximization of all available funding resources. Discussion focused on the state variability about issues and	III. A. Ardith	III.A. Ardith will send out the draft FY 2015-16 Exhibit A: Scope of Work by 1/30/15. III.B. & C. Josh will gather feedback from the CCBs on the "Other Funding" handout to confirm accuracy of the	

	<p>factors that affect funding. Discussion also focused on the desire by the small CCBs to be able to retain unspent direct service funds and allow transfer of funds between line items;</p> <p>III. B. The group did not review a list of CCBs who receive mill levy funds;</p> <p>III.C. The group reviewed reports of the use of "Other" funds for EI services and service coordination from past JBC reports; and,</p> <p>III.D. EI staff introduce the topic of RENE vs. unfunded activities for service coordination but there were no data so this conversation was postponed until the next meeting.</p>	<p>III. B. Josh</p> <p>III.C. Ardith</p> <p>III. D. Kristie</p>	<p>data provided in the FY 2013-14 Year-End Report and on contract language concerning line item shifts. He will report back to the Task Force at the 2/17/15 meeting.</p> <p>III.D. Beth will contact Kristie to request that she share data on the unfunded service coordination activities at the 2/17/15 meeting. Beth will share information from Diane Trujillo on pre-eligibility costs. Josh will work with Beth and Ardith to create a survey to be sent out to all CCBs to capture unfunded activities prior and report back to the group by the 2/26/15 meeting.</p>	
<p>IV. Next meeting 4:15-4:30</p> <p>7-Dec-15</p>	<p>Follow up actions were reviewed.</p> <p>The next meeting is February 17, 1:00-3:00 in Room 9D, discussion of the Washington State Cost Study, unfunded activities and other related details from past DDD cost studies for adult services. Review of possible allocations of the supplemental. We also need to solidify a regular meeting schedule.</p> <p>126</p>	<p>IV. Sarah</p>	<p>IV. Beth will resend the Washington State Cost Study and the draft 2015 Fiscal Management and Accountability Procedures (FMAP) by 1/30/15.</p> <p>V. Rob and John will present the information they put together on unfunded costs for adult services.</p> <p>VI. All Task force members will think about how to create an ideal funding scenario, regardless of rules and regulations. Josh will coordinate with CCB members who are not a part of this group.</p>	<p>HUM-OP/CW/EC-brf</p>



			<p>VII. Ardith will use information from the Task Force to present a draft of amended contract language that will include flexibility, potential caveats for performance goals and a “hold harmless” clause for the small CCBs.</p>	
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**Buckets:**

**Allocations**

- AME/Medicaid detail
- Variances in growth rates
- Geographic and program size differences
- Support for extra small programs – regional options
- Caseload ratios for service coordinators & fluctuations in caseloads
- Impact of referrals and pending status, “Terminated from Other”
- The amount of mill levy and other funding used to supplement EI
- Use of “block grants” to CCBs for EI services
- Unreimbursed costs, including administrative paperwork and activities not covered for direct services paid by Medicaid
- Cost studies from other states

**Funding Hierarchy**

- Use of mill levy funds

**Medicaid Maximization**

- Hold-back of allocated funds as performance measure

**Alliance/OEC EI Task Force Meeting**

**February 17, 2015**

**1:00-3:00**

**Room 9E, 1575 Sherman Street**

Participants: Stephen, Carla, Diane, Rob, John,  
Tracie, Sarah Sharp, Sara Sims, Sarah Sills, Keisha,  
Beth, Ardith, Mary, Josh, Kristie, Karen, Zach, and  
Cindy

**Minutes**

Call in #: 877-820-7831

Participant Pass Code: 883833#

<b>Topic</b>	<b>Strategies/Decisions</b>	<b>Member(s) Responsible</b>	<b>Follow Up Actions</b>	<b>Member(s) Responsible</b>
I. Introductions, Review of Minutes 1:00-1:15	I. A. Minutes – no changes were made to the January 29, 2015 minutes I.B. Ardith summarized the content and actions of the January 29 meeting	I.A. Ardith I.B. Sarah Sills		
II. Supplemental Funds 1:15-2:15	II. Sarah reported that the supplemental request passed through the House and Senate without any amendments and should be going to the Governor’s Office by the end of this week. Beth reviewed the three options of hold back in a draft spreadsheet for the distribution of the supplemental funds. There was discussion of the usefulness of a hold back since the Direct Service funds are reimbursed as fee for service. If all available funds are being utilized effectively there may be unspent funds, cautiously estimated to be up to \$800,000 based on current AME and utilization trend. Beth confirmed that the numbers shown for Service Coordination include the rate increase.  Decision: It was recommended by the group that the CDHS apply no hold out percentage to the FY 2014-15 allocations of the supplemental funds.	II. Sarah Sills & Beth	II. A. Finalize the allocation spreadsheet for the distribution of the supplemental funds and submit into the clearance process with option letters.  II. B. Compile data on the amount of PLR requested and funded over the past couple of years and distribute prior to the next meeting.  II.C. Discuss at future meetings how to use a hold back in the FY 2015-16 allocations for incentives.	II.A. Beth  II.B. Ardith  II.C. Task Force

<p>III. Data related to unfunded program costs 2:15-2:45</p>	<p>III. The group discussed data provided by Kristie and Diane about unfunded activities. Josh distributed to CCBs a request for an EI time study that is due February 21. The data that is gathered through this study will be discussed at the next meeting. The adult DDD study was reported to not be very helpful in relation to the EI program costs. Ardith reviewed some of the details from the Washington State Cost Study that are similar to Colorado's issues.</p>	<p>III. Kristie, Rob, and Ardith</p>	<p>III. Report on the time study data at the next meeting.</p>	<p>Josh</p>
<p>IV. Next meeting 2:45-3:00</p>	<p>Follow-up actions and agenda items for the <b>next meeting on February 26 from 12:30-2:00 in 8A</b> were discussed. The group also discussed how to schedule future meetings using a Doodle Poll. Kristie suggested linking the dates on the same days that the FCAT meets for those traveling from out of town.</p> <p>Future topics will include:</p> <ul style="list-style-type: none"> <li>• Caseload ratios for service coordination</li> <li>• Draft master fiscal plan</li> </ul>	<p>IV. Sarah</p>	<p>IV. A. Discuss on February 26 the data on the time study and unreimbursed costs and identify the source(s) of leveraging or braiding funds that some CCBs use.</p> <p>IV.B. Discuss Jake's model of growth projections vs. the historical model for FY 2015-16 allocations.</p> <p>IV.C. Review data on geographic sizes, AME, cost of living, # of DHS offices, # of LICCs &amp; # of school district child find teams.</p>	<p>IV.A. Josh</p> <p>IV.B. Jake &amp; Beth</p> <p>IV.C. Jake &amp; Ardith</p>

Buckets:

**Allocations (brackets indicate related issues)**

- AME/Medicaid detail
- (•) Variances in growth rates
- (•) Geographic and program size differences

- Support for extra small programs – regional options
- Caseload ratios for service coordinators & fluctuations in caseloads
- Impact of referrals and pending status, “Terminated from Other”
- The amount of mill levy and other funding used to supplement EI
- Use of “block grants” to CCBs for EI services
- Unreimbursed costs
- Cost studies from other states

#### Funding Hierarchy

- Use of mill levy funds

#### Medicaid Maximization

- Hold-back of allocated funds as performance measure

**Alliance/OEC EI Task Force Meeting  
February 26, 2015  
12:30-2:00  
Room 8A, 1575 Sherman Street**

Participants: Via Phone: Stephen, Sara Sims, Rob,  
Traci, Diane, Cindy, John, Keisha, Carla, Zach,  
In Person: Mary, Beth, Ardith, & Josh

Minutes  
Call in #: 877-820-7831  
Participant Pass Code: 883833#

Topic	Strategies/Decisions	Follow Up Actions	Member(s) Responsible
I. Introductions, Review of Minutes 12:30-12:40	No changes were made to the minutes		
II. Payor of Last Resort (PLR) Requests 12:40-12:50	II.A. Ardith reviewed the data on the amount of PLR requested and funded in past two years. There was no further discussion.		
III. Data related to unfunded program costs 12:50-1:55	<p>III.A. Josh shared the information that he has collected to date on the unfunded activities, other related details from time study recently completed by Alliance and the CCBs.</p> <p>III.B. Ardith reviewed demographic data and the additional details provided by four CCBs. The spreadsheet will be resent to all CCBs with instructions to fill in the column on LICCs and confirm accuracy of other data. John asked if we had looked at the CCAP data on geographic modifiers. Beth shared that it was not useful as the catchment areas used did not match the CCB areas. Traci shared her concerns about the CCBs who have very large geographic areas and travel costs for service coordinators and EI Coordinators.</p> <p>III.C. Beth reviewed three options for the FY 2015-16 allocations. <u>Decision:</u> The discussion led to a recommendation to use a fourth option in which all CCBs have allocations are based on the amount that includes the current Supplemental funds and then increased based on growth and other criteria. These may include the demographic and cost of living data. Sara suggested that maybe allocations for service coordination and management fee could be adjusted based on geographic size. Sara also asked that we collect data on the percentage of non-English speaking families. John suggested that we add in funding based on Jake's</p>	<p>III.A. Data from the CCBs should be sent to Alliance. Deadline is March 8 so that it can be shared on March 9.</p> <p>III.B. Send out most current form. Deadline is March 8 so it can be shared on March 9.</p> <p>III.C.1. Run data on the percentage of AME who are non-English speakers and the data on use of translators and interpreters by March 9.</p>	<p>III.A. CCBs &amp; Josh</p> <p>III.B. Ardith</p> <p>III.C.1. Beth</p>

	<p>growth projections so that we keep abreast of the growth in particular CCBs. Ardith suggested we also consider criteria which allocates a management fee based on Medicaid utilization.</p> <p><u>Decision:</u> The group decided to form a smaller sub-committee to work on crafting a revised draft allocation taking into consideration some of the modifiers discussed. Members of this group will be: Beth, Sarah Sills, Traci, Stephen, Rob, Lloyd, and John. This Allocations Sub-committee will meet at a TBD date after the March 9<sup>th</sup> meeting and after Figure Setting information is available.</p> <p>Other: John asked that we look into removing the requirements of Exhibit D: Privacy Insurance from the FY 2015-16 Contract.</p>	<p>III.C.2. Send out Doodle poll to schedule the Allocations Sub-Committee meeting.</p> <p>Other: Staff will discuss with Contracts Division</p>	<p>III.C.2. Beth</p> <p>Other: Ardith &amp; Beth</p>
<p>IV. Next meeting 1:55-2:00</p>	<p>The next meeting is March 9, 1:00-3:00, Room 4A/B. Topics will include:</p> <ul style="list-style-type: none"> <li>• Review demographic, COL and non-English language data;</li> <li>• Medicaid maximization; and,</li> <li>• Exhibit D, Privacy Insurance.</li> </ul>		

**Buckets:**

**Allocations**

- AME/Medicaid detail
- Variances in growth rates
- Geographic and program size differences
- Support for extra small programs – regional options
- Caseload ratios for service coordinators & fluctuations in caseloads
- Impact of referrals and pending status, “Terminated from Other”
- The amount of mill levy and other funding used to supplement EI
- Use of “block grants” to CCBs for EI services
- Unreimbursed costs
- Cost studies from other states

**Funding Hierarchy**

- Use of mill levy funds

**Medicaid Maximization**

- Hold-back of allocated funds as performance measure

**Alliance/OEC EI Task Force Meeting  
March 9, 2015  
1:00-3:00  
Room 4A/B, 1575 Sherman Street**

Participants: Traci, John, Stephen, Beth, Ardith,  
Diane, Cindy, Josh, Zach, and Sarah Sills – in person  
Rob, Sara, Keisha, and Carla – by phone

**Minutes**

Topic	Strategies/Decisions	Member(s) Responsible	Follow Up Actions	Member(s) Responsible
I. Introductions, Review of Minutes 1:00-1:10	I. A. There were no corrections to the minutes I.B. Ardith gave a recap of February 26 meeting	I.A. Ardith I.B. Sarah Sills		
II. Option Letters and FY15-16 Allocations Report 1:10-1:20	II.A. Sarah reviewed the status of Figure Setting. There were technical errors in how the numbers were shown in the Figure Setting report so those will be adjusted. Sarah will be working with Robin on this. The supplemental request is now with the Governor and should be signed soon. Budget planning for FY 16-17 begins soon. Tabor and sequestration may restrict the available funds.	II.A. Sarah Sills & Beth		
III. Medicaid Maximization and Report for Reggie/JBC 1:20-2:45	III.A. Discussion of details for report to Reggie/JBC – we will prepare a report with decisions and actions by the Task Force that will be used to communicate with the CDHS and JBC. B. Discussion of how to maximize/incentivize use of Medicaid: <ul style="list-style-type: none"> <li>• John recommended an EI Medicaid code for all EI services. It was recommended that Gretchen Hammer, Medicaid Director, be invited to the next meeting.</li> <li>• It would be an incentive if there could be a management fee tied to Medicaid numbers in the allocation criteria. It was decided that a smaller sub-committee would meet to review the allocations criteria and bring back to the Task Force their recommendations for FY 2015-16 contract allocation.</li> <li>• It would also be very helpful if Medicaid covered no-shows. The FCAT group is addressing this issue.</li> <li>• It was recommended that we identify champions who are successful at billing Medicaid and consider hosting a webinar during which time they (PT, OT, and SLP) could share their strategies.</li> <li>• Stephen mentioned that they require all their sub-contractors to</li> </ul>	III.A. Sarah Sills III.B. Ardith & Beth	III.B.1. Prepare a list of topics to discuss with Gretchen and send to the Task Force as a draft to help prioritize the issues.  III.B.2. Invite Gretchen to either the April 6 or April 23 meeting.  III.3. Organize and conduct a meeting of the sub-committee members before March 26.	III.B.1. Ardith and Beth  III.B.2. Ardith and Mary  III.3. Beth

	<p>be a Medicaid provider. RMHS bills Medicaid for the providers at no cost.</p> <ul style="list-style-type: none"> <li>• The issue of prior authorization requests (PARs) was discussed. It's hard to get prescriptions back from some physicians and Home Health agencies will not begin to serve a child until a PAR is in place (which requires the prescription from the physician), which compromises delivering timely services.</li> <li>• A question was raised if the CCBs could bill Medicaid through the new EI data system.</li> </ul>		<p>III.B.4. Share information on the impact of no-shows and cancellation at the March 26 meeting.</p> <p>III.B.5. Contact providers who may be willing to provide TA</p> <p>III.B.6. Work with Jake on the Alliance data for unfunded costs.</p> <p>III.B.7. Draft a report of the actions taken by the Task Force to date.</p>	<p>III.B.4. Cindy, John, Stephen and Carla</p> <p>III.B.5. Beth</p> <p>III.B.6. Ardith, Beth, and Josh</p> <p>III.B.7. Ardith</p>
<p>IV. Next meeting 2:45-3:00</p>	<p>Discuss follow up actions from this meeting and have a report from the smaller group that will have a recommendation regarding the FY15-16 allocations. Next meeting March 26 12:30 – 2:00 in room 8A</p>	<p>IV. Sarah</p>		

**Buckets:**

**Allocations**

- AME/Medicaid detail
- Variances in growth rates
- Geographic and program size differences
- Support for extra small programs – regional options
- Caseload ratios for service coordinators & fluctuations in caseloads
- Impact of referrals and pending status, “Terminated from Other”
- The amount of mill levy and other funding used to supplement EI
- Use of “block grants” to CCBs for EI services



- Unreimbursed costs
- Cost studies from other states

#### Funding Hierarchy

- Use of mill levy funds

#### Medicaid Maximization

- Hold-back of allocated funds as performance measure

**Alliance/OEC EI Task Force Meeting**

**March 26, 2015**

**12:30-2:00**

**Room 8A, 1575 Sherman Street**

**Minutes**

Participants: Mary Anne, Cindy, Ardith, Beth,  
 Kristie, Mary, Traci, Zach, Josh, John, Stephen, and  
 Julie Krow – in person  
 Diane, Rob, and Carla – by phone

<b>Topic</b>	<b>Strategies/Decisions</b>	<b>Member(s) Responsible</b>	<b>Follow Up Actions</b>	<b>Member(s) Responsible</b>
I. Introductions, Review of Minutes 12:30-12:40	I. A. No changes were made to the minutes I.B. Ardith gave a recap of March 9 meeting	I.A. Ardith I.B. Ardith		
II. FY15-16 Allocations Report from the Sub-Committee 12:40-1:10	II.A. Josh shared the data on EI uncompensated hours. These data have not been analyzed for use in the FY 2015-16 initial allocations as the data are inconsistent and incomplete. Beth and the sub-committee members reviewed the recommendations for the allocations using the higher of the AME historical count or the projected trend count. The group recommended that geographic modifiers be considered for FY 2016-17. The current birth records and population growth data do not account for in-state movement and varying identification rates. It was also recommended that the smallest programs receive enough funding to “hold harmless”. The cost of living and other population demographics will be considered in future years. The three allocation options presented by the sub-committee were reviewed. A vote was taken and the option 2 was chosen by the majority as the best option for FY 2015-16. The group recommended that any carry forward funds be held in a “mitigation pool” that could be distributed mid-year to address caseload growth. The sub-committee also recommended modifying Exhibit A language that restricts movement of funds between budget line items.	II.A. Beth	II. A. Review task force recommendations with Sarah Sills prior to finalizing FY 2015-16 contracts	II.A. Ardith
III. Medicaid Maximization and Report for Reggie/JBC 1:10-1:50	III.A. Ardith reported that she is working on the draft report that will document progress of the Alliance/OEC EI Task Force and decisions made since November. B. The group briefly discussed what points need to be covered with Gretchen Hammer, Medicaid Director. It was suggested that she address the process for making State Plan changes and	III.A. Ardith III.B. Ardith & Beth	III.A. Draft report III.B. Prepare a draft that will be sent to the Alliance/OEC EI Task Force prior to	III.A. Ardith III.B. Ardith & Beth

	whether it is feasible to develop an EI billing code for all services, use the IFSP in place of a PAR, and bill for a rate similar to that of Home Health.		the meeting for additional input.	
IV. Next meeting 1:50-2:00	Julie Krow stopped by to meet everyone. She is the new Deputy of Community Partnerships and will oversee the Department's work with outward facing organizations, such as the CCBs. Follow up actions were reviewed. Next meeting: April 6 from 1 – 3 p.m. in room 9D, Guest – Gretchen Hammer, Medicaid Director, HCPF	IV. Ardith		

**Buckets:**

**Allocations**

- AME/Medicaid detail
- Variances in growth rates
- Geographic and program size differences
- Support for extra small programs – regional options
- Caseload ratios for service coordinators & fluctuations in caseloads
- Impact of referrals and pending status, “Terminated from Other”
- The amount of mill levy and other funding used to supplement EI
- Use of “block grants” to CCBs for EI services
- Unreimbursed costs
- Cost studies from other states

**Funding Hierarchy**

- Use of mill levy funds

**Medicaid Maximization**

- Hold-back of allocated funds as performance measure

**Alliance/OEC EI Task Force Meeting**

**April 6, 2015**

**1:00-3:00 pm**

**Room 9D, 1575 Sherman Street**

**Minutes**

Participants: Rob, Sara Sims, Traci, Josh, Carla – phone  
Mary Anne, Ardith, Emma Hudson, Kristie, John, Cindy, Mary, Zach, Stephen, Beth, and Gretchen Hammer

Topic	Strategies/Decisions	Follow Up Actions	Member(s) Responsible
I. Introductions 1:00-1:05	I. Gretchen Hammer, Medicaid Director, Health Care Policy and Financing was introduced. She started in the job on January 5, 2015.		
II. Discussion with Gretchen Hammer 1:05-1:45	<p>II. Ardith shared an overview of the challenges and possible strategies to address them. The group along with Gretchen discussed the possible changes to EI services covered under the Medicaid State Plan.</p> <p>Gretchen shared information about broad changes occurring in the Medicaid program. These include:</p> <ul style="list-style-type: none"> <li>• New utilization management vendor will start in September or October 2015 to address past problems from the previous vendor (APS);</li> <li>• There was a targeted rate increase this year. General Assembly has authorized a systemic rate process that will be more transparent and involve a review every five years. There will be a 24 member review committee that will start in the fall 2015 and Gretchen will be staff to the committee.</li> <li>• There is a new requirement for medical providers who refer a patient who has Medicaid. They have to be a Medicaid provider. Gretchen will share a powerpoint presentation for the task force to review for more information.</li> <li>• It's important to note that the CHP+ program is a separate program in CO. CHP+ has different benefits, is fully capitated, and operates as managed care model.</li> </ul>	<p>II.A. Send out slides from Gretchen</p> <p>II.B. Review powerpoint from Gretchen and generate questions for use at future meeting</p>	<p>II.A. Ardith</p> <p>II.B. Task Force members</p>

III. Review of 3/26/15 minutes and decisions made to date 1:10-2:30	III. No changes were made to the 3/26 minutes and there was discussion of details for the draft Task Force report	III. Incorporate initial edits offered by the group	III. Ardith
IV. Next steps 2:30-3:00	IV. Add HCPF/Medicaid update to the agenda, discuss powerpoint and questions from the Task Force, continue to reach consensus on the decisions noted in the draft Alliance/OEC EI Task Force report and identify which items on the bucket list to address next. <b>Next meeting: April 23, 12:30-2:00 Room 8A</b>		

**Buckets:**

**Allocations**

- AME/Medicaid detail
- Variances in growth rates
- Geographic and program size differences
- Support for extra small programs – regional options
- Caseload ratios for service coordinators & fluctuations in caseloads
- Impact of referrals and pending status, “Terminated from Other”
- The amount of mill levy and other funding used to supplement EI
- Use of “block grants” to CCBs for EI services
- Unreimbursed costs
- Cost studies from other states

**Funding Hierarchy**

- Use of mill levy funds

**Medicaid Maximization**

- Hold-back of allocated funds as performance measure

**Alliance/OEC EI Task Force Meeting  
May 18, 2015; 1:00-3:00 pm  
Room 9D, 1575 Sherman Street**

Participants: Kristie, Rob, Sara Sims, Traci, Carla,  
Gina – phone  
Ardith, John, Sarah, Josh, Cindy, Beth, and Mary –  
in person

**Minutes**

**To call in: 1-877-820-7831, passcode 883833#**

Topic	Strategies/Decisions	Follow Up Actions	Member(s) Responsible
I. Introductions & Review of Minutes 1:00-1:05	I. Ardith review minutes from April 6 <sup>th</sup> and the final allocation decisions that were made. All of the recommendations from the Task Force were accepted except the request to allow CCBs to transfer of funds between line items. The OEC determined that there may be sequestration and state budget limits that might impact available funds in FY 2016-17.		
II. Update on Medicaid activities 1:05-1:45	II. Beth gave an update on activities discussed at April 6 <sup>th</sup> meeting and discussion of next steps regarding Medicaid maximization. See attached notes.	II.A. Find out which CCBs need assistance enrolling providers II.B. Send Communication Brief on billing Medicaid	II.A. Beth II.B. Beth
III. Update on sub-committee examining unreimbursed costs 1:45 – 2:15	III. Beth gave an update on discussions regarding survey for CCBs to collect unreimbursed costs data and next steps. See attached notes.	III.A. Develop a draft form that CCBs can use to collect data by June 15 III.B. Provide information on TCM allowable activities	III.A. Beth and Jake III.B. Beth
IV. Review of Task Force Report 2:15 – 2:45	IV. Ardith reviewed edits to the Task Force report and the group discussed next steps.	IV.A. Get a copy of the RFI to ensure that the report is comprehensive	IV.A. Ardith
V. Next steps 2:45-3:00	V. No meeting in June due to the Alliance summit meeting, next meeting will be July 20, 1:00-3:00.	V.A. An email will be sent with dates for August – December 2015 V.B. The Allocations Subcommittee will meet in August – October and will include Gerri, John, Traci, Rob, Cindy, Jake, Stephen. Beth will schedule	V. A. Ardith V.B. Beth

### **Allocations**

- AME/Medicaid detail
- Variances in growth rates
- Geographic and program size differences
- Support for extra small programs – regional options
- Caseload ratios for service coordinators & fluctuations in caseloads
- Impact of referrals and pending status, “Terminated from Other”
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- Cost studies from other states

### **Funding Hierarchy**

- Use of mill levy funds

### **Medicaid Maximization**

- Hold-back of allocated funds as performance measure

Participants: John Nevins, Moniqua Herrington,  
 Diane Trujillo Cindy Lichti, Beth Cole, Christy  
 Scott, Josh Rael, Rob DeHerrera, Traci Schrade,  
 Mary Anne Snyder – in person  
 Sara Sims, Sarah Sharp, Carla Conrardy - phone

**Alliance/OEC EI Task Force Meeting**  
**July 20, 2015; 1:00-3:00 pm**  
**Room 9F, 1575 Sherman Street**  
 Call in #: 877-820-7831  
**Minutes**

Topic	Strategies/Decisions	Follow Up Actions	Member(s) Responsible
I. Introductions & Review of Minutes 1:00-1:05	I. Beth Reviewed the minutes from the May 17 meeting. There were no changes or corrections.		
II. EI Data System 1:05-1:45	<p>II. Christy updated the group on what was happening with the data system. She explained about the Sales Force platform and how it will work. She indicated that internal testing was happening, but that the timeline for roll-out of the system had been pushed back to 9/14/15. The biggest issue affecting the timeline is external testing and training. Training webinars will be held the last week of August and the first week of September. They will be about 2 hours long. The licenses will be managed at the state level. Christy indicated that the input of information on the IFSP will translate into data entry, so it will do away with the double entry for IFSP and data. There was concern expressed about needing to enter every date of service instead of being able to utilize batch billing. Due to how the billing will be entered, Christy was confident that it won't take more time. However, that is one aspect that we will get feedback on from the individuals doing the external testing and, if necessary, change the process. During the external testing, the State will also be working with programs to determine the most efficient way to get things entered, so that instruction on that can be incorporated into the training.</p> <p>In Phase 2, the billing will be as automated as possible to help reduce the workload. Also, the Child Outcomes Summary information will be collected in the database. This will be incorporated <del>142</del> later date.</p>	It was requested that at the August meeting, Christy give a demonstration of the data system.	Christy



	There were questions regarding what it will look like or how much work it will be to transfer children from the EI database into the DIDD database.		
V. Medicaid activities 1:45 – 2:15	III. Beth provided information on activities since the May meeting. Medicaid is in the process of arranging 1:1 support for enrolling 16 providers. Beth trained 11 providers for Mtn. Valley on enrollment and billing for Medicaid. Sheila Peil developed a report regarding DI and Medicaid. Beth provided her with some information for that report. Sheila has indicated that she will share the report as soon as it goes through clearance. Gina Robinson has been working with Beth to work out the glitches in the TCM billing process and it is getting close to working as intended.	A follow up meeting will be scheduled with Gretchen to keep talking about next steps.  Beth will work with Sheila Peil to obtain a copy of her report, as soon as possible	Mary Anne/ Beth  Beth
IV. Examining unreimbursed costs 2:15 – 2:45	IV. The group reviewed the draft Unreimbursed Costs Tracking sheet. It was recommended that the activities be a drop-down to help make the data more uniform. It was also suggested that the form allow Mileage to be charged only if Travel is the activity. The final activities that were recommended to be on the form were “Documentation”, “Scheduling”, “Travel”, “Data Entry”, “Home Visiting”, and “Phone Calls”. Once the changes are completed, the group recommended that the form be adopted for use by the CCBs.	Revise the form as indicated, then send it through clearance and out to the CCBs for use beginning in August.	Beth
V. Next steps 2:45-3:00	II. Discuss follow up actions from this meeting Next meeting: August 17, 1:00-3:00 9E	Upcoming topics – allocations (update from the sub-group), more on the data system.	

### Allocations

- AME/Medicaid detail
- Variances in growth rates
- Geographic and program size differences
- Support for extra small programs – regional options
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- Unreimbursed costs
- Cost studies from other states

### **Funding Hierarchy**

- Use of mill levy funds

### **Medicaid Maximization**

- Hold-back of allocated funds as performance measure

Participants: John, Melinda, Moniqua, Ardith,  
Christy, Beth, Sarah Sills, and Cindy  
Via webinar: Jodi, Traci, Diane, Rob, Sarah B., Mary  
M., Carla, Ellen, and Sarah Sharp

**Alliance/OEC EI Task Force Meeting**  
**August 17, 2015; 1:00-3:00 pm**  
**Room 9E, 1575 Sherman Street**

**Minutes**

Topic	Strategies/Decisions	Follow Up Actions	Member(s) Responsible
I. Introductions & Review of Minutes 1:00-1:05	I. Beth reviewed minutes from July 20 meeting.		
II. EI Data System Update 1:05-1:30	II. Christy gave an update on the EI data system build. The following CCBs are testing the system: Colorado Bluesky Developmental Pathways Foothills Gateway Imagine! Rocky Mountain Human Services Starpoint Strive TRE		
III. Medicaid activities 1:30 – 1:45	III. Beth reviewed the latest activities regarding Medicaid maximization. Sheila Peil from HCPF has finished her report on what EI services are covered in other states' Medicaid plans. Beth has read the report but it is still in the HCPF clearance process and will be shared once it is final. Beth reported that Gina is getting the TCM process working, but the system is still calculating payments based on the old rate.		
IV. Review draft report and identify additional issues 1:45 – 2:45	IV. Ardith facilitated a discussion of the draft report on the task force activities for the JBC, updates from the Allocations Sub-committee, and additional issues that need to be addressed in FY 2015-16. Beth reported that the unreimbursed cost study is underway.	The next subcommittee meeting will focus on working with Jake Barney, OEC data analyst, on examining allocation criteria that is similar to that used by CDE with administrative units.	Beth
V. Next steps 2:45-3:00 7-Dec-15	V. The task force identified follow up actions. <i>Next meeting: September 21, 1:00-3:00 9E</i> 145	Review draft report to JBC and year end growth data. HUM-OP/CW/EC-brf	Ardith

### **Allocations**

- AME/Medicaid detail
- Variances in growth rates
- Geographic and program size differences
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### **Funding Hierarchy**

- Use of mill levy funds

### **Medicaid Maximization**

- Hold-back of allocated funds as performance measure

○ Alliance/OEC EI Task Force Meeting  
September 21, 2015; 1:00-3:00 pm  
Room 9E, 1575 Sherman Street

Participants: John, Carla, Sara, Sarah B., Melinda,  
Cindy, Moniqua, Diane, Ardith, Beth, Mary and Gina

**Minutes**

Topic	Strategies/Decisions	Follow Up Actions	Member(s) Responsible
I. Introductions & Review of Minutes 1:00-1:05	I. Ardith reviewed minutes from August 17 meeting.		
II. Medicaid activities 1:05 – 1:45	II. Beth reviewed the latest activities regarding Medicaid maximization, including the TCM rate issue: <ul style="list-style-type: none"> <li>○ Sixteen providers at DP have received TA from HCPF on billing Medicaid</li> <li>○ Recertification for providers was discussed</li> <li>○ Gina reported that billing issues for the Medicaid modifier have been fixed</li> <li>○ Gina indicated that Medicaid has removed the Waiver program restrictions for all services, as well as the need for a Prior authorization for TCM</li> <li>○ Beth reported that CCBs are billing TCM at 82% and direct services at 48%</li> <li>○ Gina and Beth summarized information that was covered in the TCM rate Communication Brief that was recently distributed</li> </ul>		
III. Review draft report and identify additional issues 1:45 – 2:45	III. Ardith facilitated a discussion of the draft report on the task force activities for the JBC. John Nevins suggested that summary information be added for the two other goals. Beth provided an update from the Allocations Sub-committee, year-end fiscal utilization data and additional issues that need to be addressed in FY 2015-16 that included: <ul style="list-style-type: none"> <li>○ Beth and Jake ran numbers with a base amount, COL and growth. This draft allocation spreadsheet will be reviewed by the sub-committee.</li> <li>○ In addition, once EI Colorado has firm numbers for carry-forward, the sub-committee has recommended methodology to revise the allocations for this year and the revised allocations will be reviewed by the Task Force in anticipation of contract amendments.</li> </ul>	The sub-committee will make recommendations to the full task force by the November 21st meeting.	Beth and sub-committee members
V. Next steps 2:45-3:00 7-Dec-15	V. The task force identified the following future issues to be addressed: <ul style="list-style-type: none"> <li>○ Respond to results of the upcoming rate audit study and fiscal audits</li> <li>○ Child Find evaluations</li> </ul>		

	<ul style="list-style-type: none"><li>○ Medicaid report on Developmental Intervention Services</li><li>○ Medicaid rates for EI services</li><li>○ Follow-up on unreimbursed costs</li><li>○ Recommendations for allocations</li></ul> <p><i>Next meeting: October 19, 1:00-3:00 9E</i></p> <p><i>Future meetings: November 21 and December 21 (if needed)</i></p>		
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**COLORADO**  
Department of Human Services

October 30, 2015

The Honorable Kent Lambert  
Chair, Joint Budget Committee  
Legislative Services Building, 3<sup>rd</sup> Floor  
200 East 14<sup>th</sup> Avenue  
Denver, CO 80203

Dear Senator Lambert:

The Colorado Department of Human Services, in response to the Long Bill FY 2015-16 Request for Information #44 (RFI #44), respectfully submits the attached information detailing county child welfare worker hiring practices. RFI #44 requests the Department

“to provide to the Joint Budget Committee by November 1 information on county child welfare worker hiring practices, including county data on: (1) appropriate minimum staffing levels; (2) actual staffing levels; (3) new hires funded by child welfare block grant; (4) new hires funded through new county child welfare staffing funding (new Legislation); (5) new hires that were previously employed and trained by another county; (6) training hours provided to each new and existing employee; (7) staff turnover, totals and reasons for vacating position.”

The attached response includes the issues that have been identified related to the Legislative Request for Information #44, as well as the next steps that the Department plans to take.

If you have questions, please contact Robert Werthwein, Director of the Office of Children, Youth and Families at 303-866-4544.

Sincerely,

Reggie Bicha  
Executive Director



cc: Representative Millie Hamner, Vice-Chair, Joint Budget Committee  
Senator Kevin Grantham, Joint Budget Committee  
Representative Bob Rankin, Joint Budget Committee  
Senator Pat Steadman, Joint Budget Committee  
Representative Dave Young, Joint Budget Committee  
John Ziegler, Staff Director, Joint Budget Committee  
Robin Smart, Joint Budget Committee Staff  
Henry Sobanet, Director, Office of State Planning and Budgeting  
Ann Renaud, Senior Management & Budget Analyst, Office of State Planning  
and Budgeting  
Nikki Hatch, Deputy Executive Director of Operations, Department of Human  
Services  
Julie Krow, Deputy Executive Director of Community Partnerships, Department  
of Human Services  
Melissa Wavelet, Director, Office of Performance and Strategic Outcomes,  
Department of Human Services  
Sarah Sills, Director of Budget and Policy, Department of Human Services  
Robert Werthwein, Director, Office of Children, Youth, and Families, Department  
of Human Services  
Ann Rosales, Director, Division of Child Welfare, Department of Human  
Services  
Kristina Mueller, Interim Legislative Liaison, Department of Human Services  
Alicia Caldwell, Communications Director, Department of Human Services  
Molly Otto, State Librarian





### Request for Information #44

The Colorado Department of Human Services, in response to the Long Bill FY 2015-16 Request for Information #44 (RFI #44), respectfully submits the following information detailing county child welfare worker hiring practices. RFI #44 requests the Department

“to provide to the Joint Budget Committee by November 1 information on county child welfare worker hiring practices, including county data on: (1) appropriate minimum staffing levels; (2) actual staffing levels; (3) new hires funded by child welfare block grant; (4) new hires funded through new county child welfare staffing funding (new Legislation); (5) new hires that were previously employed and trained by another county; (6) training hours provided to each new and existing employee; (7) staff turnover, totals and reasons for vacating position.”

In the 2015 Legislative Session pursuant to S.B. 15-242, the Department received \$6,408,147 total funds for use by the Division of Child Welfare. The funding was to be used for allocation to counties for the hiring of local child welfare case workers, case aides, and supervisors pursuant to section 26-5-104 (8) (a), C.R.S.; for an additional 1.0 FTE for training; and for the monitoring of local child welfare staffing and the child welfare caseload study pursuant to section 26-5-112, C.R.S. Passage of this legislation was predicated on a child welfare county workload study report which was produced in August 2014 by ICF International Incorporated, L.L.C. through the Office of the State Auditor. In the report, a recommendation was made to increase the number of county child welfare staff by 574 caseworkers and 122 supervisors. A request was made by the Department for a 5-year incremental staffing model of 120 staff per year. The Joint Budget Committee (JBC) authorized funding for 100 new county staff in FY 2015-16, with a request for additional information. Below are Department responses to each JBC request.

#### Minimum Staffing Levels

Senate Bill 15-242 provided funding to the Department to monitor child welfare staffing and for a caseload study. In the August 2014 Colorado Child Welfare County Workload Study, the additional recommended staffing level was based on a time-study of casework, and not on a recommended number of cases for each county child welfare staff to carry. Determining a recommended number of cases for caseworkers is the goal of the caseload study authorized by S.B. 15-242. The Department is currently in the process of contracting with a vendor to determine the appropriate minimum staffing levels, and will make this information public once it is received.

The Workload Study Task Group consists of county and state partners and has reviewed other states' and national data. The group has tentatively recommended a ratio of 1 caseworker per



10 combined assessment/investigation and ongoing cases and a ratio of 5 caseworkers per supervisor.

**Actual Staffing Levels and New Hires**

Below is the staffing level reported by each county as of July 1, new hires from the child welfare block as of January 1, new hires from the additional funding as of January 1, and new hires that were previously employed and trained by another county.

**TABLE 1: Staffing Levels and New Hires by County**

County	Staffing Level as of July 1, 2015	New Hires From CW Block as of January 1, 2015	New Hires From Additional Funding as of January 1, 2015*	New Hires Employed and Trained by Another County
Adams	127	22	9	1
Alamosa	17	0	1	0
Arapahoe	152	20	10	13
Archuleta	5	1	1	0
Baca	3	1	1	0
Bent	4	1	0	0
Boulder	94.75	4.5	5	1
Broomfield	15	2	0	0
Chaffee	6	0	1	0
Cheyenne	1	0	0	0
Clear Creek	4	0	1	0
Conejos	4	0	0	0
Costilla	3	0	1	0
Crowley	2.25	0	1	0
Custer	3	1	0	0
Delta	10	0	1	0
Denver	207	62	7	4
Dolores	1	1	0	1
Douglas	27	8	3	2
Eagle	9	0	1	2
El Paso	191	36	12	0
Elbert	7	0	1	0
Fremont	38	2	2	0
Garfield	27	0	0	0
Gilpin	3	0	1	0
Grand	4	0	0	0
Gunnison	5.58	1	0	1
Hinsdale	.42	0	0	0
Huerfano	7	0	1	0
Jackson	1	0	0	0
Jefferson	150.5	1	9	2



Kiowa	2	0	1	0
Kit Carson	3.6	0	0	0
La Plata	21.33	2	1	0
Lake	5	1	0	0
Larimer	114	0	5	0
Las Animas	9	1	1	0
Lincoln	6	1	0	0
Logan	20	0	1	0
Mesa	57	0	4	0
Mineral	0	0	0	0
Moffat	8	1	1	0
Montezuma	12	0	0	0
Montrose	14	0	1	0
Morgan	16	0	0	0
Otero	10	0	0	0
Ouray	1.5	0	0	0
Park	6	0	0	0
Phillips	2	0	0	0
Pitkin	4	0	1	0
Prowers	11	0	1	0
Pueblo	87	1	3	2
Rio Blanco	4	0	0	2
Rio Grande	7.5	2	1	0
Routt	4	0	0	0
Saguache	6	0	1	0
San Juan	0	0	0	0
San Miguel	1.5	0	0	0
Sedgwick	2	0	0	0
Summit	6	1	0	0
Teller	10	0	0	0
Washington	4	3	0	0
Weld	92	12	4	2
Yuma	5	0	0	0
Colorado Statewide	1,680.9	188.5	95	33
Total as of 10/5/15				

\*Counties have been informed that if the allocated positions are not filled by November 30, 2015 the funds for those positions will be refunded back to the State and redistributed to other counties.

All counties were notified of the new legislated funding and asked through several surveys whether they had a need to hire a new FTE if allocated the funding. Not all counties responded to the surveys. Of those that responded, all small counties said they needed an additional FTE were awarded one FTE. The remaining 73 FTE, based on county child welfare assessment data, were allocated to the twelve largest counties: Adams, Arapahoe, Boulder, Denver, Douglas, El Paso, Fremont, Jefferson, Larimer, Mesa, Pueblo, and Weld. The allocation formula used to



distribute the funding to the counties was determined by the Child Welfare Allocation Committee.

**New Caseworker and Supervisor Training Hours**

The Child Welfare Training Academy was established by S.B. 09-164. S.B. 09-164 provides funding to train new and ongoing county child welfare caseworkers, case services aides and supervisors; child placement and residential treatment service providers; supportive services providers (e.g., domestic abuse counselors, substance use disorder counselors, mental health practitioners, developmental disabilities counselors and law enforcement officers); first responders and mandatory reporters; child abuse report screening staff; and the Division of Child Welfare staff.

All newly hired caseworkers who are not currently certified in Colorado, and who have not had comparable training from another state, are required to complete new worker training, which is comprised of 100 hours of fundamental classroom training. There are also several hours of Transfer of Learning (TOL) exercises that must be completed at the county department. Once all requirements are complete, certification is issued. All newly hired caseworker supervisors must complete new supervisor training, which is comprised of 59 hours of fundamental classroom training. There are also TOL exercises that must be completed at the county department. Once certified, all caseworkers and caseworker supervisors must complete 40 hours of in-service training every State Fiscal Year to remain certified.

**Staff Turnover Information**

Counties can experience high turnover in these high profile child welfare positions, due to the nature of becoming involved with families regarding possible, or documented, abuse and neglect. When asked about turnover rates and reasons, counties provided the information found in Table 2.

**TABLE 2: County Staff Turnover Data**

County	Staff Turnover Since July 1, 2014	Reasons Given
Adams	17	Accepted a training position with Kempe; Retired; Transitioned to internal vacancies; Went to another county (promotional opportunities in other county)
Alamosa	2	Relocated to Colorado Springs; Wanted to stay at home with children
Arapahoe	48	Case load; Secondary trauma; Salary increase; Retired
Archuleta	1	Relocated
Baca	0	
Bent	1	Wanted to stay at home with children
Boulder	12	Retired; Left the child welfare field; Discharged; Promotions
Broomfield	1	Accepted a promotion in Adams County
Chaffee	6	Resigned; Discharged
Cheyenne	0	
Clear Creek	0	
Conejos	0	



Costilla	1	Left the child welfare field
Crowley	0	
Custer	0	
Delta	2	Retired; Relocated out of state
Denver	63	Left the agency; Promotions; Left the child welfare field
Dolores	1	Became Director/Supervisor with new role in child welfare.
Douglas	7	Wanted to stay at home with children; Discharged; Left the child welfare field; Relocated; Returned to starting county
Eagle	4	Went to a partner agency; Promoted with Human Services outside of child welfare; Promoted within child welfare; Relocated to the Midwest where they grew up
El Paso	51	Resigned; Retired; Relocated out of state; Obtained a different job within child welfare; Promoted within agency; Discharged
Elbert	3	Left the child welfare field; Personal reasons
Fremont	12	Took a less stressful position; Left the field of child welfare; Left the community; Discharged; Retired
Garfield	7	Job pressures/stress; Transferred to another county; Discharged; Promotion; Pursued other interests
Gilpin	0	
Grand	0	
Gunnison	1	Left the child welfare field
Hinsdale	0	
Huerfano	1	Discharged
Jackson	0	
Jefferson	49	Left the child welfare field; Promotions; Accepted positions with non-child welfare agencies; Accepted positions in another county or state;
Kiowa	0	
Kit Carson	1	Accepted another job, less hours, more pay
La Plata	4.33	Relocated to another county; Promotion; Transitioned within the agency
Lake	1	Left the agency
Larimer	32	Retired; Left for family reasons; Accepted positions outside the agency; Promotions
Las Animas	5	Promotions; Left the child welfare field;
Lincoln	1	Accepted a position with another county
Logan	2	Too much paperwork, not enough family interaction
Mesa	9	Relocated; Left the child welfare field; Discharged
Mineral	0	
Moffat	5	Relocated; Dissatisfied; Change in family composition
Montezuma	3	Married, relocated; Transitioned within the agency out of child welfare; Promotion
Montrose	4	Left the child welfare field
Morgan	3	Accepted a position with CDHS; Accepted a position with another county; Transitioned to another agency within the



		county
Otero	2	Personal reasons; Left the child welfare field
Ouray	.5	Retired
Park	1	Relocated out of state
Phillips	1	Left the child welfare field
Pitkin	0	
Prowers	1	Promotion
Pueblo	5	Left the child welfare field; Retired
Rio Blanco	4	Relocated to another part of the child welfare field; Promotion; Left the child welfare field; Reduction in force
Rio Grande	1.5	Left the child welfare field
Routt	1	Left the child welfare field
Saguache	3	Left the child welfare field; Relocated to another county for higher pay
San Juan	0	
San Miguel	.5	Retired
Sedgwick	0	
Summit	1	Relocated, stress related
Teller	2	Accepted a position in another county; Promotions; Accepted a position with CDHS
Washington	0	
Weld	9	Resigned; Personal reasons; Retired
Yuma	0	
<b>Total</b>	<b>392.83</b>	





**COLORADO**  
Department of Human Services

October 30, 2015

The Honorable Kent Lambert  
Chair, Joint Budget Committee  
Legislative Services Building, 3<sup>rd</sup> Floor  
200 East 14<sup>th</sup> Avenue  
Denver, CO 80203

Dear Senator Lambert:

The Department of Human Services, in response to FY 2015-16 Requests for Information #45 (RFI #45), respectfully submits this report regarding efforts by the Division of Child Welfare (DCW) to address the Office of State Auditor's 2014 Performance Audit. RFI #45 requests the Department to

“provide the Joint Budget Committee by November 1 information concerning the progress in addressing each of the 2014 child welfare audit findings.”

Of the 35 recommendations, DCW has completed 31, with the remaining four in progress and scheduled to be completed timely.

If you have questions, please contact Robert Werthwein, Director of the Office of Children, Youth and Families at 303-866-4544.

Sincerely,

Reggie Bicha  
Executive Director



cc: Representative Millie Hamner, Vice-Chair, Joint Budget Committee  
Senator Kevin Grantham, Joint Budget Committee  
Representative Bob Rankin, Joint Budget Committee  
Senator Pat Steadman, Joint Budget Committee  
Representative Dave Young, Joint Budget Committee  
John Ziegler, Staff Director, Joint Budget Committee  
Robin Smart, Joint Budget Committee Staff  
Henry Sobanet, Director, Office of State Planning and Budgeting  
Ann Renaud, Senior Management & Budget Analyst, Office of State Planning and Budgeting  
Nikki Hatch, Deputy Executive Director of Operations, Department of Human Services  
Julie Krow, Deputy Executive Director of Community Partnerships, Department of Human Services  
Melissa Wavelet, Director, Office of Performance and Strategic Outcomes, Department of Human Services  
Sarah Sills, Director of Budget and Policy, Department of Human Services  
Robert Werthwein, Director, Office of Children, Youth, and Families, Department of Human Services  
Ann Rosales, Director, Division of Child Welfare, Department of Human Services  
Kristina Mueller, Interim Legislative Liaison, Department of Human Services  
Molly Otto, State Librarian





**AUDIT RECOMMENDATION STATUS REPORT**

**AUDIT NAME: CHILD WELFARE**  
**AUDIT NUMBER: 1303P**  
**DEPARTMENT: HUMAN SERVICES**  
**DATE OF STATUS REPORT: OCTOBER 2015**

**SUMMARY INFORMATION**

<b>Rec. Number</b>	<b>Agency's Response</b>	<b>Original Implementation Date</b>	<b>Implementation Status</b> <i>(Insert: Implemented, Implemented and Ongoing, Partially Implemented, Not Implemented, or No Longer Applicable. Please refer to the attached sheet for definitions of each implementation status option.)</i>	<b>Revised Implementation Date (If applicable)</b> <i>(Complete only if agency is revising the original implementation date.)</i>
1a	Partially Agree	January 2015	Implemented and Ongoing	
1b	Disagree	N/A	N/A	
2a	Disagree	N/A	N/A	
2b	Agree	March 2015	Implemented and Ongoing	
3a	Agree	March 2015	Implemented	
3b	Disagree	N/A	N/A	
3c	Agree	July 2015	Implemented	
3d	Agree	January 2015	No Longer Applicable	
3e	Agree	January 2015	Implemented	
4a	Partially Agree	January 2015	Implemented and Ongoing	
4b	Partially Agree	January 2015	Implemented	
4c	Agree	January 2015	Implemented	
5a	Agree	January 2015	Implemented	
5b	Agree	July 2015	Implemented	
6a	Agree	January 2015	Implemented	
6b	Agree	January 2015	Implemented	
6c	Agree	April 2016	Partially Implemented	
6d	Agree	January 2016	Partially Implemented	
6e	Agree	July 2016	Partially Implemented	
7	Agree	June 2015	Implemented	
8a	Agree	October 2015	Implemented	
8b	Agree	October 2015	Implemented	
8c	Disagree	N/A	N/A	
9a	Disagree	N/A	N/A	
9b	Disagree	N/A	N/A	
9c	Partially Agree	January 2015	Implemented	

Rec. Number	Agency's Response	Original Implementation Date	Implementation Status <i>(Insert: Implemented, Implemented and Ongoing, Partially Implemented, Not Implemented, or No Longer Applicable. Please refer to the attached sheet for definitions of each implementation status option.)</i>	Revised Implementation Date (If applicable) <i>(Complete only if agency is revising the original implementation date.)</i>
10	Disagree	N/A	N/A	
11a	Agree	March 2015	Implemented and Ongoing	
11b	Agree	March 2015	Implemented and Ongoing	
11c	Agree	January 2015	Implemented and Ongoing	
12a	Agree	June 2015	Implemented	
12b	Agree	June 2015	Implemented	
12c	Disagree	N/A	N/A	
12d	Agree	July 2015	Implemented and Ongoing	
12e	Agree	July 2015	Implemented	
13a	Partially Agree	July 2015	No Longer Applicable	
13b	Disagree	N/A	N/A	
13c	Agree	July 2015	Implemented	
14a	Disagree	N/A	N/A	
14b	Partially Agree	July 2015	Implemented	
14c	Agree	July 2015	Implemented	
15a	Agree	August 2015	Implemented	
15b	Agree	August 2015	Implemented and Ongoing	
15c	Agree	January 2016	Partially Implemented	
16a	Agree	March 2015	Implemented	
16b	Agree	October 2015	Implemented	
16c	Agree	March 2015	Implemented	

## DETAIL OF IMPLEMENTATION STATUS

### Recommendation No. 1:

The Department of Human Services should ensure that counties make appropriate child welfare referral screening decisions based on established requirements by working with the State Board of Human Services as needed to:

- A Implement guidance and training that clarifies how counties should interpret statutes and rules and use referral information, including additional insight obtained through enhanced screening, to determine if an allegation could indicate known or suspected child abuse or neglect, and meets the legal definition of abuse or neglect. The guidance and training should also be clear regarding (i) how a child not making an outcry of abuse should influence the screening decision and (ii) whether a referral can be screened out solely on the basis that one parent indicates some ability to keep a child safe. The Department should consider providing vignettes based on real-life scenarios so that counties have concrete examples from which to draw when deciding how to screen a referral.

*The Department partially agreed with this recommendation. The Department disagreed with providing vignettes based on real-life scenarios.*

Current Implementation Status for Rec. 1, part a: Implemented and Ongoing

#### Agency's Update:

Via a December 3, 2014 Dear Director Letter (DD-DCW-12-01-2014), two webinars, and access to Division of Child Welfare ("DCW") experts, the Department provides guidance and training on consideration of the above factors to ensure referral screening decisions are based on established requirements. New rules approved by the State Board of Human Services ("State Board") became effective January 1, 2015. Rule 7.103 expands information gathering during referrals and 7.103.4 increases consistency in screening decisions through the use of RED Teams, which sort information into 7 categories.

- B Establish requirements for counties to include in Trails a brief narrative of the rationale behind their referral screening decisions.

*The Department disagreed with this audit recommendation.*

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### Recommendation No. 2:

The Department of Human Services should strengthen its performance measures and monitoring related to counties making actual contact with children within assigned response times by:

- A Expanding C-Stat performance measures to include a separate measure on actual initial contacts with children.

*The Department disagreed with this audit recommendation.*

- B Developing and publicly reporting a separate performance measure that reflects actual initial contacts with children on the Community Performance Center. This could be in addition to existing performance measures.

Current Implementation Status for Rec. 2, part b: Implemented and Ongoing

#### Agency's Update:

The Department created a performance measure titled, "Timeliness of Initial Response to Abuse/Neglect Assessment: Actual Contact." This data can be pulled by members of the public at any time through the Community Performance Center, [www.cdhsdatamatters.org](http://www.cdhsdatamatters.org).

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### Recommendation No. 3:

The Department of Human Services should ensure that children's safety and risk of abuse or neglect are assessed in a thorough and timely manner by:

- A Establishing clearer written guidance on how caseworkers should identify child safety concerns in situations that may be difficult to assess, such as those involving substance use, and determine when overrides of risk assessment scores are appropriate. This should include working with the State Board of Human Services as needed.

**Current Implementation Status for Rec. 3, part a: Implemented**

**Agency's Update:**

Rules 7.107.1 to 7.107.17 and 7.107.2 to 7.107.4 were approved by the State Board and became effective January 1, 2015. Rule 7.107.12 establishes a safety threshold to determine if a present or impending danger exists. Rule 7.107.13 defines 10 current or impending dangers involving difficult situations, such as substance abuse or mental health needs. Rules 7.107.23 and 7.107.24 address documentation of risk assessment scores and responding to a high risk assessment. Risk assessment score overrides were rescinded from rule. Two webinars were provided in December 2014.

- B Establishing written expectations that counties implement controls to prevent the same person from both requesting and approving (i) an extension to complete an assessment or (ii) the closure of an assessment, or implement other compensating controls.

*The Department disagreed with this audit recommendation.*

- C Modifying Trails so that supervisors can clearly document their review and approval of the safety and risk assessment tools before approving closure of the overall assessment.

**Current Implementation Status for Rec. 3, part c: Implemented**

**Agency's Update:**

Both the current and proposed safety and risk assessment tools in Trails require supervisory approval and review before closure of an overall assessment. This tool was fully functional as of May 31, 2015. There have been multiple trainings held to inform county directors and their staff of this new functionality.

- D Enforcing requirements for caseworkers to request, and supervisors to approve, extensions when assessments need to take longer than 30 days, and for supervisors to document their approval in Trails.

**Current Implementation Status for Rec. 3, part d: No Longer Applicable**

**Agency's Update:**

To address this recommendation, rules 7.104.131, 7.104.132, and 7.104.23 were proposed to and approved by State Board and became effective January 1, 2015. Counties were also provided a Dear Director Letter (DD-DCW-12-01-2014) on December 3, 2014, and two webinars. Subsequently, the use of extensions was rescinded.

- E Ensuring that all Department staff who interact with county departments of human/social services for the purposes of child welfare activities understand the requirements regarding documenting sufficient assessment details in Trails and consistently communicate the requirements to counties.

**Current Implementation Status for Rec. 3, part e: Implemented**

**Agency's Update:**

All members of the Child Protection Services Unit have received training on the requirements for documenting assessment details in Trails and have signed a statement indicating they understand the documentation requirements and will communicate these requirements during his/her contact with counties. Those ARD staff who interact with counties attend three days of trainings once a month to review current practices and ensure ARD consistency in findings and messaging. ARD instructions for review assessment tools reference Volume 7, which sets forward practice expectations and are updated when statute or DCW policy changes. In addition DCW and ARD meet monthly to ensure mutual understanding of Volume 7 and consistency between DCW and ARD.

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**Recommendation No. 4:**

The Department of Human Services (Department) should improve its Child Fatality Review Team process by:

- A Implementing a process to (i) provide Child Fatality Review Team members written information on the county violations identified by Department staff so that members can more easily participate in the process of identifying violations of statutes and rules and (ii) allow members to review and provide feedback on all reports before they are finalized.

*The Department partially agreed with this recommendation, citing a need for additional resources and statutory changes to either ease timeframes create more CFRT teams, secure additional staff to support those teams, or have fewer cases to review.*

**Current Implementation Status for Rec. 4, part a: Implemented and Ongoing**

**Agency's Update:**

The Department worked with CFRT on creating processes that would allow members to more easily participate in the process of identifying violations. On December 1, 2014, the Department met with CFRT members, who stated they did not feel comfortable providing comments on policy violations; they did not have time to read all incident information and felt it more appropriate to focus on their individual subject matter expertise in identifying systematic strengths and barriers to assessing and managing child safety. CFRT denied any need for new processes or information.

- B Working with the State Board of Human Services to promulgate rules in accordance with Sections 26-1-139(4)(i) and (7), C.R.S., to provide additional guidance on the Child Fatality Review Team process, including (i) what factors should be covered in reviews to comply with statute, (ii) what information should be included in annual reports to policy makers, and (iii) requiring the Child Fatality Review Team to request responses for implementing recommendations and include the responses in the final review reports.

*The Department partially agreed with this recommendation, citing that it believed implementation of recommendations should be monitored by the Division of Child Welfare and not the Child Fatality Review Team.*

**Current Implementation Status for Rec. 4, part b: Implemented**

**Agency's Update:**

Rule 7.106 was approved by the State Board and became effective January 1, 2015. Rules 7.106.13 and 7.106.14 address the factors that must be included in reviews in order to comply with statute. Rule 7.106.16 lists the mandatory information included in annual reports. Included in this rule is the requirement for the CFRT to report on the status of recommendations that were made in prior case specific, executive summary reports. In addition, on December 3, 2015 a Dear Director Letter (DD-DCW-12-01-2014) was sent to all counties regarding these rules.

- C Implementing written guidance to use performance data and other information in a consistent manner when determining whether a recommendation should be made. This should include (i) using performance data that reflect a consistent and appropriately broad time horizon, are comprehensive, and are applied consistently across reports; (ii) establishing a standard that the performance data must show performance at or above the Department's benchmarks for a pre-determined period; and (iii) establishing when it is appropriate to rely on current or planned efforts to address a deficiency.

**Current Implementation Status for Rec. 4, part c: Implemented**

**Agency's Update:**

The Administrative Review Division ("ARD") has implemented written guidance through the CFRT common agreement document. Rule 7.106.16, regarding the CFRT Annual Report, was approved by the State Board and became effective January 1, 2015.

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**Recommendation No. 5:**

The Department of Human Services should improve county reporting of egregious incidents of abuse and neglect by:

- A Working with the State Board of Human Services to further define in rules, or implementing through other formal mechanisms, egregious incidents of child abuse and neglect that require review.

**Current Implementation Status for Rec. 5, part a: Implemented**

**Agency's Update:**

Rule 7.106 was approved by the State Board and became effective January 1, 2015. Rule 7.106.1 addresses assessments and referrals of egregious incidents of child abuse and/or neglect, including assessment procedures, additional actions when county departments have had prior or current involvement, guidelines for reporting to the State Department, and requirements for State review. The Department completed a policy and research analysis entitled, "Defining Egregious Incidents of Child Maltreatment Version 1.0."

- B Providing training and guidance to county departments of human/social services on the identification and reporting of egregious incidents.

**Current Implementation Status for Rec. 5, part b: Implemented**

**Agency's Update:**

The policy and research analysis entitled, "Defining Egregious Incidents of Child Maltreatment Version 1.0," has been incorporated into the training provided by the Kempe Center at the New Worker Pre-Service Training Academy. A Dear Director Letter was sent on March 9<sup>th</sup> to inform all county departments about the new guidance on egregious incidents created for recommendation 5A. Additionally, ARD holds targeted county trainings as necessary.

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**Recommendation No. 6:**

The Department of Human Services should ensure compliance with the requirements for providing certain mandatory reporters with information about cases they have reported to the county by:

- A Working with the State Board of Human Services to promulgate in rule, or implementing through other formal mechanisms, guidance for counties regarding (i) what it means for a county to have "actual knowledge" that mandatory reporters continue to be officially and professionally involved with the child for whom they made a report of suspected abuse or neglect and (ii) the type of information a county may provide mandatory reporters to allow them to fulfill their professional and official roles in maintaining a child's safety.

**Current Implementation Status for Rec. 6, part a: Implemented**

**Agency's Update:**

The State Board approved Rules 7.000.2 and 7.103.8(a), which became effective January 1, 2015. "Actual Knowledge" is defined in Rule 7.000.2. Rule 7.103.8(a) defines the relationship between mandatory reporters and the child/ren for which they made a report of suspected abuse or neglect and the information a county may provide a mandatory reporter. In addition, guidance has been provided to counties in the form of both a Dear Director Letter (DD-DCW-12-01-2014) sent on December 3, 2014 as well as through webinars.

- B Working with the State Board of Human Services to modify the rule that requires counties to inform all reporting parties when their referrals are screened out (Section 7.202.4.C, 12 C.C.R. 2509-3) so that rules are consistent with Section 19-1-307(2)(e.5), C.R.S.

**Current Implementation Status for Rec. 6, part b: Implemented**

**Agency's Update:**

The Department modified Rule 7.202.4(c) to be consistent with statute. The State Board approved the rule modification, which became effective January 1, 2015.

- C Expanding the reviews conducted by the Administrative Review Division to include assessments of whether the county complied with requirements to notify mandatory reporters of case information when required.

**Current Implementation Status for Rec. 6, part c: Partially Implemented**

**Agency's Update:**

This recommendation was provided to the ARD's New Assessment Instrument Workgroup for inclusion in the final Assessment Review Tool. The draft instrument was piloted beginning July 2015 and finalized in October 2015. Modifications to Trails to support ARD's review are estimated to be completed by January 1, 2016.

- D Pursuing a modification of Trails to capture data needed to facilitate monitoring of counties' compliance with notifying mandatory reporters of case information when required and enforcing requirements for counties to document their compliance in Trails.

**Current Implementation Status for Rec. 6, part d: Partially Implemented**

**Agency's Update:**

On October 22, 2014, the Department requested a modification to the Trails mandatory reporter notification box to include: whether the individual is a mandatory reporter, whether notification was sent to the mandatory reporter, the date notification was sent, and a drop down box of what was sent. The Department is

seeking further Trails modification noting if a mandatory reporter submitted written affirmation and was sent caseworker contact information. As stated above, the estimated completion date is January 1, 2016.

- E Implementing a process to regularly analyze Trails data and the results of reviews conducted by the Administrative Review Division to monitor counties' compliance with notification requirements and provide technical assistance to counties based on the analysis.

**Current Implementation Status for Rec. 6, part e: Partially Implemented**

**Agency's Update:**

This recommendation was provided to the ARD's New Assessment Instrument Workgroup for inclusion in the final Assessment Review Tool. The draft instrument was piloted beginning July 2015 and finalized in October 2015. Modifications to Trails to support ARD's review are estimated to be completed by January 1, 2016. ARD will institute a regular analysis of Trails data post modifications.

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**Recommendation No. 7:**

The Department of Human Services should work with child welfare and county stakeholders to assess whether Child Protection Teams are still needed and work with the General Assembly on statutory changes to either make Child Protection Teams effective as an oversight mechanism for the child welfare system or to eliminate the requirement for Child Protection Teams.

**Current Implementation Status for Rec. 7: Implemented**

**Agency's Update:**

The Department consulted with child welfare and county stakeholders through the Child Welfare Sub-Policy Advisory Committee ("CW Sub-PAC"), the Child Protection Task Group to assess whether Child Protection Teams ("CPT") were still needed. On February 24, 2015, the Department proposed ending the use of CPTs to the Legislative Audit Committee ("LAC"), where a motion to request a bill draft failed.

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**Recommendation No. 8:**

As long as Child Protection Teams continue in their current form, the Department of Human Services should improve their use as an oversight mechanism by:

- A Seeking legal guidance from the Office of the Attorney General on whether statute as currently written allows for counties to employ a risk-based approach for determining which cases should be reviewed by a Child Protection Team. Based on that guidance either (i) work with the State Board of Human Services to promulgate rules on how to employ a risk-based approach for selecting which cases are reviewed by the Child Protection Team, or (ii) work with the General Assembly to seek statutory change to allow for a risk-based approach.

**Current Implementation Status for Rec. 8, part a: Implemented**

**Agency's Update:**

The Department requested an AG opinion regarding the use of a risk-based approach for CPTs. On February 24, 2015, the Department proposed statutory changes related to CPTs to the LAC, where a motion was made to request a bill draft; however, the motion failed and the LAC took no further action to make changes to the CPT statute. The Department presented proposed rules to State Board on October 2, 2015.

- B Working with the State Board of Human Services to promulgate rules providing parameters for counties to determine (i) which cases should be reviewed by Child Protection Teams, (ii) when in the case the Child Protection Teams should review the case, (iii) how the results of the Child Protection Team review should be used by the counties to improve their cases and processes, and (iv) how to publicly report the results.

**Current Implementation Status for Rec. 8, part b: Implemented**

**Agency's Update:**

The Department worked with county departments of human/social services and community stakeholders through the CW Sub-PAC and the Child Protection Task Group to review current rules related to CPTs and to make the recommended changes to these rules. The Department presented the recommended rule changes to the State Board on October 2, 2015.

- C Implementing a process for monitoring Trails data to ensure counties are complying with requirements for using Child Protection Teams and following up with counties that are not complying. This should include requiring counties to populate Child Protection Team review information into Trails.

*The Department disagreed with this audit recommendation.*

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**Recommendation No. 9:**

The Department of Human Services (Department) should ensure that it exercises appropriate authority when advising and overseeing counties regarding requirements for the child welfare system by:

- A Requesting a legal opinion from the Office of the Attorney General on whether the Department has authority to waive rules that govern the child welfare system or to otherwise provide direction to counties to operate in a manner that is inconsistent with requirements in rules.

*The Department disagreed with this audit recommendation.*

- B If the Attorney General finds that the Department does not have authority to waive or contravene rules, discontinuing the practice of directing or allowing counties to operate in a manner that is not consistent with rules.

*The Department disagreed with this audit recommendation.*

- C Based on the opinion of the Attorney General obtained in response to Part A, as well as the Attorney General's recent guidance to the Department regarding its authority to establish and enforce policies, taking steps to communicate any changes in practice or expectations. This should include informing Department staff who provide technical assistance to counties of any new Department policies or practices and revising quality assurance review tools used by the Administrative Review Division as needed.

*The Department partially agreed with this recommendation, citing its disagreement with seeking an opinion from the Attorney General.*

Current Implementation Status for Rec. 9, part c: Implemented

**Agency's Update:**

Both the Division of Child Welfare and ARD have internal processes to notify staff interacting with counties regarding additions and/or revisions to Volume 7 and Department policies. ARD updates review tools as applicable to coincide with Department policies and practices and emails its employees. The Department created a communication procedure that details the steps for communication to its staff and between ARD and the DCW.

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**Recommendation No. 10:**

The Department of Human Services should improve its SMART Government Act performance measure for child welfare by revising the "Timeliness of Assessment Closure" measure, or adding an additional measure, to align with the regulatory requirement for investigative assessments to be closed in 30 days unless an extension is approved by a supervisor. The revised measure should be used as the basis for awarding incentives to counties.

*The Department disagreed with this audit recommendation.*

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**Recommendation No. 11:**

The Department of Human Services should promote compliance with the statutory requirement that county departments of human/social services establish cooperative agreements with the law enforcement agencies in their jurisdictions by:

- A Working with the State Board of Human Services to promulgate in rule, or otherwise provide, formal written guidance on (i) establishing effective cooperative agreements and (ii) reviewing and updating the agreements on a specified frequency.

Current Implementation Status for Rec. 11, part a: Implemented and Ongoing



**Agency's Update:**

Rules 7.601.1 and 7.601.2 have been approved by the State Board and became effective January 1, 2015. Rule 7.601.2 requires a cooperative agreement between county departments and incorporated and unincorporated municipality, city, and state law enforcement agencies. A review and update is required every four years. The Department created a template of a cooperative agreement between county departments and local law enforcement. A Dear Director letter was sent to counties on December 3, 2014 (DD-DCW-12-01-14), providing guidance and a copy of this template.

- B Implementing processes to obtain county agreements, including any time the agreements are revised; review the agreements for compliance with requirements in statute, rule, and applicable guidance; and provide technical assistance to counties that do not have adequate agreements.

**Current Implementation Status for Rec. 11, part b:** Implemented and Ongoing

**Agency's Update:**

A tracking document is used to review agreements for compliance with applicable requirements. The document notes: county name, law enforcement agency, whether or not the county has entered into a Memorandum of Understanding ("MOU") with the local law enforcement agency, the date of the MOU, and any relevant notes pertaining to the cooperative agreement. The document is updated each time a revision is made. Guidance was provided to counties through two webinars and a Dear Director Letter (DCW-DD-12-01-14) sent on December 3, 2014.

- C Providing a statewide agreement with Colorado State Patrol that counties can use, or ensuring that counties create a separate agreement.

**Current Implementation Status for Rec. 11, part c:** Implemented and Ongoing

**Agency's Update:**

The Department collaborated with the Colorado State Patrol to create a law enforcement agreement. The agreement was signed by the Chief of the Colorado State Patrol on March 31, 2014. This agreement facilitated county departments entering into agreements with the Colorado State Patrol.

**Recommendation No. 12:**

The Department of Human Services (Department) should improve its oversight of the Collaborative Management Program (CMP) by:

- A Establishing procedures and deadlines to comply with State Board of Human Services (State Board) rules for submitting and accepting memoranda of understanding (MOUs) or working with the State Board to revise the deadlines. The Department should then communicate the due dates to county-level programs and discontinue allocating incentive funds to county-level programs that do not submit MOUs in accordance with rules.

**Current Implementation Status for Rec. 12, part a:** Implemented

**Agency's Update:**

The Department has established an internal procedure regarding the process for submitting and accepting MOUs. The procedure includes: instruction/guidance and templates, a detailed MOU review process, and MOU acceptance and notification guidelines. The timelines and deadlines for MOUs were communicated to all county directors through a Dear Director Letter (DD-DCW-03-25-2015) sent on March 25, 2015.

- B Establishing processes to determine whether county-level programs have "successfully implemented the elements of collaborative management," working with the State Board as needed. This should include working with the Judicial Department to revise the MOU template to adequately capture statutory and regulatory requirements, including defining the target population and detailing expectations and requirements for collaborative management processes; promulgating and communicating guidance; and establishing MOU review criteria and checklists.

**Current Implementation Status for Rec. 12, part b:** Implemented

**Agency's Update:**

Rules 7.303.3-.36, were approved by the State Board on June 5, 2015. These rules went into effect on August 1, 2015. The elements of Collaborative Management are listed in 7.303.33(C). In addition, the Department has defined target population, detailed expectations and requirements for the Collaborative Management Program

("CMP") processes, and established MOU criteria and checklists within the CMP MOU instructions for State Fiscal Year 2015-16, all of which are included in rule.

- C Developing a set of standardized performance measures that (i) specify the results that all county-level programs must achieve to be eligible for incentive funding; (ii) are based on outcome measures already used by the Department to allow comparisons between CMP participants and non-CMP participants; and (iii) include process measures to incentivize compliance with Department requirements, statutes, and rules.

*The Department disagreed with this audit recommendation.*

- D Establishing a monitoring program to (i) determine whether county level programs have implemented collaborative management in accordance with statute, rule, and MOUs and (ii) verify the accuracy and reliability of county-level program performance data used to award incentive funding.

**Current Implementation Status for Rec. 12, part d: Implemented**

**Agency's Update:**

Rule 7.303.33(D)(3), which was approved by the State Board and went into effect on August 1, 2015, establishes a CMP monitoring program. The Department collaborated with the Collaborative Management Steering Committee ("Committee") to create the CMP monitoring process, whereby the accuracy and reliability of the data will be verified during the approval process of the measures and as a part of the approval process of the awards. On June 16, 2015, the Committee provided final edits and feedback to this written monitoring process. The monitoring process was finalized on July 23, 2016.

- E Revising the allocation methodology to ensure that it incentivizes and rewards performance in an equitable manner within the funds available, and uses actual data on participants served to allocate incentive payments.

**Current Implementation Status for Rec. 12, part e: Implemented**

**Agency's Update:**

Rule 7.303.35 was approved by the State Board on June 5, 2015, and went into effect on August 1, 2015. The rule clarifies the incentive funding formula to include performance measures. The Child Welfare Allocation Committee ("CWAC") approved the incentive funding formula at a meeting on April 27, 2015.

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**Recommendation No. 13:**

The Department of Human Services should improve its management of general fund savings from the Collaborative Management Program (CMP) by:

- A Working with the State Board of Human Services to promulgate a rule to determine general fund savings resulting from the CMP as set forth in Section 24-1.9-102(2)(h)(I), C.R.S.

*The Department partially agreed with this recommendation, citing that it saw a conflict between Title 24 and Title 26.*

**Current Implementation Status for Rec. 13, part a: No Longer Applicable**

**Agency's Update:**

The Department worked in conjunction with the CDHS Legislative Liaison to provide information to the JBC regarding passage of Senate Bill 15-241 during the 2015 Legislative Session, which addressed the conflict between Title 24 and Title 26. In addition, Rule 7.303.36 establishes the CWAC as the group that recommends the allocation of any unexpended funds at close out. This rule was adopted by the State Board on June 5, 2015 and went into effect on August 1, 2015.

- B Discontinuing the practice of requiring county-level programs to elect either a savings or surplus distribution in their memoranda of understanding.

*The Department disagreed with this audit recommendation.*

- C Seeking further legal guidance on the use of surplus funds for distributing general fund savings, and proposing legislative change to establish a mechanism for distributing general fund savings, if needed.

**Current Implementation Status for Rec. 13, part c: Implemented**

**Agency's Update:**

On March 5, 2015, the Department received an AG's Opinion regarding the CMP and Child Welfare Allocations Statutes' Reinvestment Provisions. The Opinion concluded that the Department has statutory and legal authority to require counties to elect between Title 24 and Title 26 reinvestment schemes and to allocate general fund savings to counties that have elected to participate in the CMP. Senate Bill 15-241, which directly pertains to this recommendation, was signed into law by the Governor on May 1, 2015.

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**Recommendation No. 14:**

The Department of Human Services (Department) should improve accountability for the Collaborative Management Program (CMP) by:

- A Requesting an opinion from the Office of the Attorney General on whether the Department is exercising its full authority as permitted in current statute. Depending on the results of the opinion, the Department should ensure its practices are consistent with the opinion and work with the General Assembly to request clarification of its authority related to CMP funding, if needed.

*The Department disagreed with this audit recommendation.*

- B Developing improved data collection and reporting protocols for programmatic and expenditure data and requiring all county departments of human/social services that participate in county-level programs to comply with them. This could include requiring county departments to identify CMP participants in the child welfare system in Trails so that participant demographics, services, outcomes, and expenditures can be tracked and monitored.

*The Department partially agreed with this recommendation. The Department disagreed with requiring county departments to identify CMP participants in the child welfare Trails system.*

Current Implementation Status for Rec. 14, part b: Implemented

**Agency's Update:**

On June 5, 2015, the State Board adopted Rules 7.303.33(D) and 7.303.34. Rule 7.303.33(D) addresses the requirements of the CMP monitoring and review process. Included in this is the requirement for data reporting on program components and expenditure data. Rule 7.303.34 states what must be included in the annual report to the State Department. These rules went into effect on August 1, 2015.

- C Assessing options for implementing a single data system to maintain CMP data. This should include determining whether to acquire capacity to bring data collection and management, currently performed by the contractor, in-house or evaluating the feasibility of improving the interoperability of existing state information systems to better track CMP data.

Current Implementation Status for Rec. 14, part c: Implemented

**Agency's Update:**

The Department has taken a three prong approach to assessing options for implementing a single data system to maintain CMP data. First, the Department brought the data collection process in-house to assess the feasibility of improving data collection. Second, the Department met with the Office of Business Technology to discuss other data systems available to increase interoperability. Finally, the Department is working to procure a contract to maintain historic and current data and work towards the creation of a new data system that would allow for greater interoperability.

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**Recommendation No. 15:**

If the General Assembly enacts legislation to continue the use of differential response beyond July 1, 2015, the Department of Human Services (Department) should ensure successful expansion of differential response by:

- A Establishing guidance that clearly defines risk levels that influence whether a differential response assessment is appropriate and clarifies how different factors can influence a child's risk of maltreatment. This should include working with the State Board of Human Services as appropriate.

Current Implementation Status for Rec. 15, part a: Implemented

**Agency's Update:**

House Bill 15-1358, enacted during the 2015 Legislative Session, removed the pilot status from the Differential Response ("DR") program, thereby establishing a permanent DR program for child abuse or neglect cases of low or moderate risk. Rules 7.000.2 and 7.103.7 were approved by the State Board and became effective January 1, 2015. Rule 7.000.2 provides definitions of response tracks within differential response. Rule 7.103.7 addresses procedures for counties interested in participating in the DR program and establishes guidance for counties that implement DR.

- B Enforcing Department policies and guidance or working with the State Board of Human Services to codify in rules all requirements that counties must follow when handling assessments and cases through differential response.

**Current Implementation Status for Rec. 15, part b: Implemented and Ongoing**

**Agency's Update:**

Rules 7.103.7 and 7.104 were approved by the State Board and became effective January 1, 2015. Rules 7.103.7 and 7.104 establish guidelines for counties that have implemented the DR program. The Department has also created three new components to the New Worker Pre-Service Training related to the DR program: Enhanced Screening, Group Supervision, and Facilitation.

- C Implementing a more robust process for monitoring differential response activities that includes modifying Trails so the Department can easily monitor the risk level of referrals undergoing differential response assessments.

**Current Implementation Status for Rec. 15, part c: Partially Implemented**

**Agency's Update:**

On October 22, 2014, the Department requested modification of the Trails Referral Acceptance Screen to more easily monitor the risk level of referrals undergoing DR assessments. This Trails modification is scheduled to be completed on or before January 1, 2016. The Department surveyed counties using DR in order to improve practice and conducted quality assessment site visits to Differential Response counties to observe and provide assistance. The Department monitors DR and traditional counties performance through monthly C-Stat measures.

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**Recommendation No. 16:**

The Department of Human Services should ensure that counties statewide implement the Review, Evaluate, and Direct (RED) Team process consistently and effectively by:

- A Establishing guidance that clarifies (i) instances when counties must use RED Teams and when counties have discretion to use a different referral screening method, and (ii) how counties should document RED Team discussions and supervisory approval of RED Team decisions. This should include working with the State Board of Human Services as appropriate.

**Current Implementation Status for Rec. 16, part a: Implemented**

**Agency's Update:**

Rules 7.103.4, 7.103.7, and 7.103.9 were approved by the State Board and became effective January 1, 2015. Rule 7.103.4 explains when the RED team framework shall be used and what that framework shall include. Rules 7.103.7 and 7.103.9 address approval, team decision making, and documentation requirements. In addition, a Dear Director Letter (DD-DCW-12-01-2014) was sent to county directors on December 3, 2014 regarding these rules. Lastly, two webinars were provided to assist counties in implementing these rules.

- B Adding a component to the Administrative Review Division's quality assurance reviews that includes reviewing Trails documentation that supports RED Team decisions for referrals that are assigned for assessment.

**Current Implementation Status for Rec. 16, part b: Implemented**

**Agency's Update:**

This recommendation was provided to the ARD's New Assessment Instrument Workgroup for inclusion in the final Assessment Review Tool. The draft instrument was piloted beginning in July 2015 and finalized in October 2015. Performance data is compiled and reviewed with each county department of human/social services at the conclusion of ARD's review.

- C Modifying Trails so the database fields more closely align with the factors that RED Teams consider during their discussions.

Current Implementation Status for Rec. 16, part c: Implemented

**Agency's Update:**

On November 19, 2014, the Colorado Department of Human Services, Office of Informational Technologies Project Governance Team approved the Department's requested modification to Trails related to this recommendation. The Trails modification was completed on March 23, 2015.



October 19, 2015

The Honorable Kent Lambert  
Chair, Joint Budget Committee  
Legislative Services Building, 3<sup>rd</sup> Floor  
200 East 14<sup>th</sup> Avenue  
Denver, CO 80203

Dear Senator Lambert:

The Department of Human Services, in response to the Long Bill for FY 2015-16 Request for Information #46 (RFI #46), respectfully submits the attached information detailing the progress of the hotline reporting system. RFI #46 requests the Department

“to provide to the Joint Budget Committee, by the first of the month following the end of each quarter, information concerning the progress of the development and implementation of the child abuse and neglect hotline reporting system, including: (a) deliverables contained in each vendor contract; (b) associated expenditures for each element; (c) progress of rule-making; and relevant outcome data, including but not limited to: (i) call volume; (ii) call duration; (iii) wait time; (iv) number of and time to complete Enhanced Screening guide performed by Help Desk staff; (v) and workload indicators of hotline administration.”

If you have questions, please contact Robert Werthwein, Director of the Office of Children, Youth and Families at 303-866-4544.

Sincerely,

Reggie Bicha  
Executive Director



cc: Representative Millie Hamner, Vice-Chair, Joint Budget Committee  
Senator Kevin Grantham, Joint Budget Committee  
Representative Bob Rankin, Joint Budget Committee  
Senator Pat Steadman, Joint Budget Committee  
Representative Dave Young, Joint Budget Committee  
John Ziegler, Staff Director, Joint Budget Committee  
Robin Smart, Joint Budget Committee Staff  
Henry Sobanet, Director, Office of State Planning and Budgeting  
Ann Renaud, Senior Management & Budget Analyst, Office of State Planning and Budgeting  
Nikki Hatch, Deputy Executive Director of Operations, Department of Human Services  
Julie Krow, Deputy Executive Director of Community Partnerships, Department of Human Services  
Melissa Wavelet, Director, Office of Performance and Strategic Outcomes, Department of Human Services  
Sarah Sills, Director of Budget and Policy, Department of Human Services  
Robert Werthwein, Director, Office of Children, Youth, and Families, Department of Human Services  
Ann Rosales, Director, Division of Child Welfare, Department of Human Services  
Kristina Mueller, Interim Legislative Liaison, Department of Human Services  
Alicia Caldwell, Communications Director, Department of Human Services  
Molly Otto, State Librarian





**COLORADO**

**Office of Children,  
Youth & Families**

Division of Child Welfare

Ann M. Rosales, MSW, Director

**Joint Budget Committee - Request for Information #46**  
**Colorado Child Abuse and Neglect Reporting Hotline System**  
**July 1, 2015 through September 30, 2015**





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### Attachments

Attachment 1: Purchase Order (PO) with CTS Language Link for translation services

Attachment 2: PO with Express Services, Inc., for temporary staff to reduce the pending queue



## Accomplishments

### Phase 2 Enhancements

During the first quarter of FY 2015-16, the Colorado Department of Human Services (CDHS) engaged in work to deploy Phase 2 Hotline items and continued to improve the processes and procedures of the Hotline County Connection Center (HCCC).

Phase 2 improvements include:

- addition of county-specific greetings to eliminate caller confusion when calls are routed to counties;
- implementation of priority routing to specific call-taker groups labeled as primary, secondary, and back-up call-takers;
- implementation of an option to route Adult Protection Services (APS) calls out of the child protection domain to the appropriate APS entity in each county;
- addition of permanently logged-in agents to ensure that callers reach an available call-taker in a timely manner; and
- enhanced performance of the Integrated Voice Response system to recognize a broader spectrum of county name pronunciations.

While all of the Phase 2 options are available to all counties, they are not mandatory. As all counties have different phone systems and staffing situations, the Phase 2 options are more beneficial to some counties than others.

### Hotline County Connection Center (HCCC)

Since launching in January 2015, more than 160,846 calls have come through the Hotline system with an average of 585 calls per day. The HCCC has answered and/or taken approximately 15,400 of these calls, and routed the calls to the appropriate county.

The HCCC is being called upon with increasing regularity to assist in taking county calls during emergencies, county system outages, meetings and after hours. Examples are:

- A tornado warning in Arapahoe County sent all call-takers to a tornado shelter, leaving Arapahoe's Hotline unstaffed. In this case, the HCCC received and handled all of Arapahoe County's child neglect and abuse calls until the staff could safely return.
- Local power failures led to local network outages in Denver and Adams Counties. In both cases the HCCC was able to take the county's calls until repairs were made.
- The HCCC is currently piloting a project with one county to accept their calls on weekends and after hours. It is intended that the pilot project will provide information about the resource requirements needed to manage calls for a county.

### Expansion and Growth

As the system continues to change and develop, the Hotline unit continues to work to refine processes and procedures within each county. The Hotline unit has received inquiries to consider taking calls on a full-time basis. Documentation and procedures are being created to support the HCCC in providing full-time call coverage for interested counties.



### Call Record Reconciliation Project

On January 1, 2015, rule mandated that information from all calls received via the Colorado Child Abuse and Neglect Hotline system be captured in the state automated case management system (Trails). As part of a planned technical rollout of the Trails Hotline Application (THA), counties were allowed to maintain manual logs that tracked the call type until the THA rollout was completed. The vast majority of these calls were "information and referral" requests regarding Medicaid, TANF, daycare assistance, etc. Since all calls had already been answered and documented in the THA and Trails, the Department hired temporary certified caseworkers to assist counties with reconciling the manual logs to the THA. Effective July 27, 2015, the planned technical rollout of the THA was completed and counties are responsible for making all administrative entries in the THA.

A purchase order (PO) for \$75,858.98 was issued to cover the costs of the reconciliation project. This is included as part of the overall system implementation and the cost is included in the Hotline budget. Details about the PO are included in the Vendor Contracts section of this report. This project is well underway and should be completed in the 2<sup>nd</sup> quarter.

## Vendor Contracts

The following is a list of Interagency Agreements (IA) and contracts that are currently established to support Hotline system functionality. An earlier Request for Information (RFI) response included summaries of the key deliverables for most of the agreements listed below. Copies of the SFY 2015-16 CTS LanguageLink Purchase Order (PO) and Express Services, Inc., PO are attached.

#### CDHS IA with OIT for Child Abuse and Neglect Hotline System Contracting

Term: June 1, 2014 - June 30, 2019  
Total: \$5,780,992<sup>1</sup>  
Total expenditures to date: \$906,900  
Projected costs to date: \$1,249,824

#### CDHS IA with OIT for the Child Abuse and Neglect Hotline Trails Application Modifications

Term: July 1, 2014 - June 30, 2016  
Total: \$720,000  
Total expenditures to date: \$119,728  
Projected costs to date: \$311,629

#### CDHS Contract with Prowers County for the HCCC

Term: July 1, 2015 - June 30, 2016  
Price structure: Cost reimbursement  
Total: \$873,875<sup>2</sup>  
Total expenditures to date: \$214,994

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<sup>1</sup> This amount includes estimated monthly recurring charges; therefore, the total cost may change depending on the system's call volume and potential modifications.

<sup>2</sup> This amount may increase pending HCCC call volume and county demand for back-up support services.



PO with CTS LanguageLink for Translation Services

Term: July 1, 2015 - June 30, 2016

Total: \$58,590<sup>3</sup>

Total expenditures to date: \$680

PO with Express Services, Inc. for Temporary Help to Reconcile the Pending Queue

Term: August 31, 2015 - November 30, 2015

Total: \$75,859

Total expenditures to date: \$5,646

## Rule-making

The State Board of Human Services approved the Hotline rules, which became effective on January 1, 2015. At the October 9, 2015 meeting the Hotline Steering Committee (HSC) will discuss the methodology for reviewing and recommending any changes to existing Hotline rules.

## Outcome Data

This Request For Information includes data on the system's operations.

Measures	January 2015	February 2015	March 2015	Quarter Total
Call Volume - Systemwide	19,028	18,312	17,041	54,381
Average Call Duration	00:07:07	00:07:25	00:07:18	00:07:17 <sup>4</sup>
Average Wait Time	00:00:33	00:00:38	00:00:22	00:00:31
Call Volume - HCCC	1,766	1,597	1,296	4,659
Enhanced Screening Performed by HCCC Staff	63	35	22	120
Average Call Duration of Enhanced Screening Performed by HCCC Staff	00:24.55	00:21:03	00:17:23	00:20:00 <sup>5</sup>

<sup>3</sup> This amount is based on a projected estimate of 1,575 bi-lingual enhanced screening calls, with an average call duration of 60 minutes. This amount may change depending on actual call volume.

<sup>4</sup> Numbers may not calculate exactly due to rounding.

<sup>5</sup> Numbers in this category are based on a random sampling and do not include time for follow-up documentation.



Measures	April 2015	May 2015	June 2015	Quarter Total
Call Volume - Systemwide	20,259	18,351	16,687	55,297
Average Call Duration	00:07:43	00:07:36	00:07:09	00:07:30
Average Wait Time	00:00:26	00:00:22	0:00:20	00:00:23
Call Volume - HCCC	2,552	2,624	2,591	7,767
Enhanced Screening Performed by HCCC Staff	19	29	32	80
Average Call Duration of Enhanced Screening Performed by HCCC Staff	00:27:22	00:21:22	00:29:42	00:26:08

Measures	July 2015	August 2015	Sept 2015	Quarter Total
Call Volume - Systemwide	16,101	16,925	18,142	51,168
Average Call Duration	00:07:09	00:07:34	00:08:28	00:07:46
Average Wait Time	00:00:18	00:00:24	00:00:29	00:00:24
Call Volume - HCCC	2,448	2,443	2,529	7,420
Enhanced Screening Performed by HCCC Staff	44	46	70	160
Average Call Duration of Enhanced Screening Performed by HCCC Staff	00:35:44	00:35:17	00:31:28	00:34:13

## Hotline Administration

CDHS was provided with funding for six positions for the administration of the Hotline system which includes: Hotline Manager, Policy and Rule Analyst, Program Assistant, Data Analyst, Quality Assurance Analyst, and a Programming and Information Technology Analyst. The following is a workload summary for each of the positions.

### General Professional VI - Hotline Manager CDHS - Division of Child Welfare

During this quarter, a primary focus of the Hotline Manager was to implement Phase 2 options in the counties that have expressed interest in them. The Hotline Manager approved the completion of the work by the vendor (CenturyLink) to create and implement Phase 2 enhancements of the Hotline system in coordination with OIT. As was mentioned previously, counties are progressing at different paces and are not all able to take advantage of the Phase 2 options at this time. Implementing Phase 2 options will be ongoing work.

The Hotline Manager also continued individual meetings with counties to troubleshoot and make adjustments to their unique telephone systems and technological connections to the Hotline's platform. These meetings have taken place either via telephone, webinar, or face-to-face with county directors, supervisors, IT and telecommunications staff, and vendor representatives.

#### Other steps include:

- Continuation of work with the Trails team for increased quality improvement of the THA and the forthcoming Trails modernization;
- Ongoing maintenance for the THA and Hotline platform; and,
- Continual process improvement.



The Hotline Manager continues to hold a weekly Hotline status update call with the counties, as well as provide support and guidance to the HCCC managerial staff.

The Hotline Manager participated in the Child Welfare Training Academy's "Fundamentals of Child Welfare Casework Practice" course. This multi-week course includes five modules of didactic training and a simulation class.

**General Professional IV - Policy and Rule Analyst  
CDHS - Division of Child Welfare**

The Policy Analyst continues to work closely with county users in an effort to troubleshoot Hotline issues and provide support and training. The Policy Analyst has continued to provide one-on-one trainings for counties via webinars, as well as work with the Trails Senior Trainers to design and offer training for counties as needed. Most recently, the Policy Analyst has begun working with the trainers to develop a web-based THA training.

The Policy Analyst continues to work with the Trails team in the design and testing of the THA, and remains the point person to field questions, county comments, and concerns regarding the application. The Policy Analyst works with the CDHS Child Protection Services Unit as needed for clarification, and to insure that practice is in line with policy and rule.

During this time, the Policy Analyst has also taken the lead in organizing the efforts to ensure that all THA records are appropriately reconciled.

Overall, the Policy Analyst remains focused primarily on three key elements:

- Hotline Administrative Reconciliation Project
- Trails Hotline Application design/testing
- County support and training

The Policy Analyst resigned in June however the vacated position has since been filled.

**Program Assistant II  
CDHS - Division of Child Welfare**

The Program Assistant (PA) continues the day-to-day work of assisting the Hotline Manager, Policy and Rule Analyst, and HCCC staff in day-to-day operations such as:

- Using vendor-provided web applications in a coordinated effort with HCCC staff to add new users, add supervisory credentials, assist with login issues, and modify county hours of operation and holiday observances to the Hotline database.
- Monitoring a generic email box by which counties communicate issues, emergent situations, or requests for technical assistance, and either resolving the requests or directing them to more appropriate staff.
- Maintaining a spreadsheet containing all county call-takers, login credentials, and phone numbers active on the Hotline platform.
- Providing assistance with budget management, by tracking expenses, creating requisitions/POs, and processing invoices for payment.



The PA participated in the 2-day “New Bookkeeper Training” class during the quarter. While the class is widely attended by county staff, it proved very helpful in understanding the broad and detailed picture of the financial relationship between the counties and the state.

The PA is now responsible for updating the Hotline Steering Committee webpage. This page is part of the Office of Children Youth and Family, Division of Child Welfare site and includes information about Hotline Steering Committee business and meetings.

**Statistical Analyst II - Data Analyst**  
**CDHS - Division of Child Welfare**

Between July 2015 and September 2015, the Data Analyst participated in the New Worker Training hosted by the Colorado Child Welfare Training System. The training introduces the practices and principles of child welfare casework in Colorado over seven different courses and includes everything from Hotline practices to closure and legal preparation.

The Data Analyst continues to provide daily, weekly and monthly reports regarding call data and performance levels of the Hotline system.

**General Professional IV - Quality Assurance Analyst**  
**CDHS - Division of Quality Assurance and Quality Improvement**

The Quality Assurance Analyst has engaged in collaborative relationships with Division of Child Welfare staff through attendance at staff and issue-specific meetings. Multiple meetings with the Administrative Review Unit management have been held regarding the development and implementation of a standardized review process for the Hotline system.

Development of a standardized review instrument regarding the Hotline system has advanced and piloting of the review instrument started in September 2015. The pilot of the review instrument will inform revisions and adjustments to optimize data and information collected from quality assurance reviews.

Current quality assurance reviews of the HCCC continue to focus upon issue-specific reviews that are conducted weekly to assure rule is being adhered to when taking referrals on behalf of a county.

**General Professional IV - Programming and Information Technology Analyst**  
**The Governor’s Office of Information Technology (OIT) - Trails**

The Programming and Information Technology Analyst assists with developing ongoing changes that improve the THA functionality that helps improve county performance. There are currently several minor modifications underway that will assist with transferring referrals to counties and providing the associated confirmation of receipt.





STATE OF COLORADO  
Department of Human Services

<b>ORDER</b>		<b>** IMPORTANT **</b>				
Number: PO IHFA 20160000000000000901		The order number and line number must appear on all invoices, packing slips, cartons and correspondence				
Date: 06/26/15						
Description: DCW Hotline Translation Price Agreement		<b>BILL TO</b>				
Effective Date:                      Expiration Date:		CENTRAL ACCOUNTING				
		1575 SHERMAN STREET, 6TH FLOOR				
<b>BUYER</b>		DENVER, CO 80203-1714				
Buyer: JEFF WYLDE		<b>SHIP TO</b>				
Email: jeff.wylde@state.co.us		CHILD WELFARE				
<b>VENDOR</b>		1575 SHERMAN ST. 2ND FL.				
CORPORATE TRANSLATION SERVICES INC		DENVER, CO 80203				
911 MAIN ST		<b>SHIPPING INSTRUCTIONS</b>				
STE 10		Delivery/Install Date:				
VANCOUVER, WA 98660-3448		F.O.B: FOB Dest, Frieght Prepaid				
Contact: VSS Contact		<b>VENDOR INSTRUCTIONS:</b>				
Phone: 3604330432						
<b>EXTENDED DESCRIPTION</b>						
SFY16 CTS Language Link/Hotline Translation Services Price Agreement 96175YYY01P/WSCA per established pricing agreement.						
<b>Line Item</b>	<b>Commodity/Item Code</b>	<b>UOM</b>	<b>QTY</b>	<b>Unit Cost</b>	<b>Total Cost</b>	<b>MSDS Req.</b>
1	96175		0	0.00	\$58,590.00	<input type="checkbox"/>
Description: SFY2016Translation Services						
Service From: 07/01/15                      Service To: 06/30/16						
<b>TERMS AND CONDITIONS</b>						
<a href="https://www.colorado.gov/osc/purchase-order-terms-conditions">https://www.colorado.gov/osc/purchase-order-terms-conditions</a>						
<b>DOCUMENT TOTAL = \$58,590.00</b>						





**STATE OF COLORADO**  
Department of Human Services

<b>ORDER</b>		<b>** IMPORTANT **</b>				
Number: PO IHFA 20160000000000004952		The order number and line number must appear on all invoices, packing slips, cartons and correspondence				
Date: 09/28/15						
Description: Purchasing Temp Services to resolve Hotline Pending Queue		<b>BILL TO</b>				
Effective Date:                      Expiration Date:		CHILD WELFARE 1575 SHERMAN ST. 2ND FL. DENVER, CO 80203				
<b>BUYER</b>		<b>SHIP TO</b>				
Buyer:		CHILD WELFARE				
Email:		1575 SHERMAN ST. 2ND FL. DENVER, CO 80203				
<b>VENDOR</b>		<b>SHIPPING INSTRUCTIONS</b>				
EXPRESS SERVICES INC 45 S WADSWORTH BLVD LAKEWOOD, CO 80226		Delivery/Install Date:				
Contact: Rhonda Lord		F.O.B:				
Phone: 303-238-3500		<b>VENDOR INSTRUCTIONS:</b>				
<b>EXTENDED DESCRIPTION</b>						
Purchasing temporary services to resolve Hotline pending queue calls. Working with Express Services, Inc. Ref PA 96478YYY02P - General Professional positions at a max rate of \$21.70/hr for and estimated 3333 hrs of work.						
<b>Line Item</b>	<b>Commodity/Item Code</b>	<b>UOM</b>	<b>QTY</b>	<b>Unit Cost</b>	<b>Total Cost</b>	<b>MSDS Req.</b>
1	96102		0	0.00	\$75,858.98	<input type="checkbox"/>
Description: Administrative Services, All Kinds (Incl. Clerical, Secreta						
Service From: 08/31/15                      Service To: 11/30/15						
<b>TERMS AND CONDITIONS</b>						
<a href="https://www.colorado.gov/osc/purchase-order-terms-conditions">https://www.colorado.gov/osc/purchase-order-terms-conditions</a>						
<b>REASONS FOR MODIFICATION</b>						
Change Order No: 1						
Modification issued to increase PO \$3,532.98 to reflect the new rate of \$22.76/hr - Ref PA 96478YYY02P - General Professional positions.						
<b>DOCUMENT TOTAL = \$75,858.98</b>						



October 15, 2015

The Honorable Kent Lambert  
Chair, Joint Budget Committee  
Legislative Services Building, 3<sup>rd</sup> Floor  
200 East 14<sup>th</sup> Avenue  
Denver, CO 80203

Dear Senator Lambert:

The Department of Human Services, in response to the FY 2015-16 Long Bill Request for Information #48 (RFI #48), respectfully submits the attached information detailing FY 2014-15 Title IV-E expenditures and revenue. RFI #48 requests the Department

“to provide a report to the Joint Budget Committee by October 1 of each fiscal year concerning the amount of federal revenues earned by the State for the previous fiscal year, pursuant to Title IV-E of the Social Security Act, as amended; the amount of money that was expended for the previous state fiscal year, including information concerning the purposes of the expenditures; and the amount of money that was credited to the Excess Federal Title IV-E Reimbursements Cash Fund created in Section 26-1-111(2) (d) (C), C.R.S.”

The Colorado Operations Resource Engine (CORE) closed FY 2014-15 on October 4, 2015, which was a much later time for fiscal year closeout than in previous years. The Department has been in communication with your staff, Robin Smart, as to a short delay in reporting the information to you, given transactions were being recorded in CORE that affected this report.

If you have questions, please contact Robert Werthwein, Director of the Office of Children, Youth and Families at 303-866-4544.

Sincerely,

Reggie Bicha  
Executive Director



cc: Representative Millie Hamner, Vice-Chair, Joint Budget Committee  
Senator Kevin Grantham, Joint Budget Committee  
Representative Bob Rankin, Joint Budget Committee  
Senator Pat Steadman, Joint Budget Committee  
Representative Dave Young, Joint Budget Committee  
John Ziegler, Staff Director, Joint Budget Committee  
Robin Smart, Joint Budget Committee Staff  
Henry Sobanet, Director, Office of State Planning and Budgeting  
Ann Renaud, Senior Management & Budget Analyst, Office of State Planning  
and Budgeting  
Nikki Hatch, Deputy Executive Director of Operations, Department of Human  
Services  
Julie Krow, Deputy Executive Director of Community Partnerships,  
Department of Human Services  
Melissa Wavelet, Director, Office of Performance and Strategic Outcomes,  
Department of Human Services  
Sarah Sills, Director of Budget and Policy, Department of Human Services  
Robert Werthwein, Director, Office of Children, Youth, and Families,  
Department of Human Services  
Ann Rosales, Director, Division of Child Welfare, Department of Human  
Services  
Kristina Mueller, Interim Legislative Liaison, Department of Human Services  
Molly Otto, State Librarian



**Colorado Department of Human Services**  
**RFI #48**  
**Fiscal Year 2014-15 Application of IV-E Revenue**

Fund	Appropriation Unit	Title	FY 2014-15 IV-E Revenue To Be Applied (Budgeted)	FY 2014-15 IV-E Revenue Earned Through Period 13	FY 2014-15 IV-E Revenue (Over)/Under Earnings
1000	P21	County Wide Cost Allocation Plans - Pass Thru	\$2,791,531.27	\$2,791,531.27	\$0.00
1000	P22	County Automated Data Processing - Pass Thru	\$137,434.20	\$137,434.20	\$0.00
1000	P23	County Training - Pass Thru	\$3.10	\$3.10	\$0.00
1000	P24	County Only Federal Pass Thru	\$4,393.63	\$4,393.63	\$0.00
1000	0001	Departmental Administration	\$915,231.04	\$915,231.04	\$0.00
1000	0X01	Departmental Administration	\$855,530.40	\$855,530.40	\$0.00
1000	0005	Workmen's Compensation Premiums	\$15,259.16	\$15,259.16	\$0.00
1000	0009	Risk Management	\$6,859.02	\$6,859.02	\$0.00
1000	0013	ADM-Purchase Services-GGCC	\$638,255.11	\$638,255.11	\$0.00
1000	0018	Administrative Review Unit	\$877,637.00	\$547,755.05	\$329,881.95
1000	0068	Child Welfare Administration	\$1,031,293.00	\$931,698.11	\$99,594.89
1000	0070	Child Welfare Services - Non-waiver (IVB)	-	6,000,000.02	(\$6,000,000.02)
1000	0070	Child Welfare Services - State Only/County Adm Non-waiver	\$16,624,729.50	23,818,049.79	(\$7,193,320.29)
1000	0070	Child Welfare Services - Waiver Non-Intervention	\$39,653,821.47	36,811,813.70	\$2,842,007.77
1000	0070	Child Welfare Services - Waiver-Intervention (6.7M)	\$4,000,000.00	3,387,912.28	\$612,087.72
1000	0072	Family and Children's Programs	\$3,875,069.03	\$3,875,069.03	\$0.00
1000	0075	Foster & Adoptive Parent Recruitment, Training	\$69,697.00	\$55,732.70	\$13,964.30
1000	0079	Title IV-E Waiver Evaluation	\$250,009.00	\$250,000.00	\$9.00
1000	0092	Leased Space	(\$39.50)	(\$39.50)	\$0.00
1000	0098	Colorado Trails	\$1,601,080.00	\$1,670,068.09	(\$68,988.09)
1000	0125	Vehicle Lease Payments	\$14,291.88	\$14,291.88	\$0.00
1000	0285	Workforce Tools-Mobile Computing Technology	\$122,910.00	\$577.53	\$122,332.47
1000	0288	Child Welfare Staff Training	\$2,905,968.00	\$1,775,474.64	\$1,130,493.36
1000	0289	Hotline for Child Abuse and Neglect	\$54,997.00	\$0.00	\$54,997.00
1000	0293	Electronic Benefit Transfer Services			
1000	A293	Electronic Benefit Transfer Services - Appropriated	\$1,502.91	\$1,502.91	\$0.00
1000	N293	Electronic Benefit Transfer Services - Non-Appropriated	\$2,367.12	\$2,367.12	\$0.00
1000	0103	DYC Personal Services	\$871,297.55	\$871,297.55	\$0.00
1000	0250	DYC Purchase of Contract Placement	\$563,961.08	\$563,961.08	\$0.00
1000	0480	DYC Parole Program Services	\$467,226.45	\$467,226.45	\$0.00
			<b>\$78,352,315.42</b>	<b>\$86,409,255.36</b>	<b>(\$8,056,939.94)</b>

**Colorado Department of Human Services**  
**RFI #48**  
**Expenditures and Revenue for State Fiscal Year 2014-15**

<b>Cash Fund Balance as of July 1, 2014</b>	\$	42,901
<b>FY 2014-15 Expenditures</b>		
IV-E Eligibility Determination Services at the County Level	\$	-
Assistance Payments (TANF MOE Eligible)	\$	-
Excess Title IV-E Reimbursements (Assistance Payments)	\$	-
Fees	\$	-
<b>Total FY 2014-15 Expenditures</b>	<b>\$</b>	<b>-</b>
<b>FY 2014-15 Revenue</b>		
Interest Income	\$	-
<b>Total Revenue to Excess Title IV-E Reimbursement Cash Fund (17W)</b>		
<b>Excess Title IV-E Reimbursement Cash Fund Balance July 1, 2015</b>	<b>\$</b>	<b>42,901</b>



October 30, 2015

The Honorable Kent Lambert  
Chair, Joint Budget Committee  
Legislative Services Building, 3<sup>rd</sup> Floor  
200 East 14<sup>th</sup> Avenue  
Denver, CO 80203

Dear Senator Lambert:

The Department of Human Services, in response to FY 2014-15 Request for Information #49 (RFI #49), respectfully submits the attached information detailing data for the federal Child Care Development Funds for the Office of Early Childhood. RFI #49 requests the Department

“to submit annually, on or before November 1, a report to the Joint Budget Committee concerning federal Child Care Development Funds. The requested report should include the following information related to these funds for the actual, estimate, and request years: (a) the total amount of federal funds available, and anticipated to be available, to Colorado, including funds rolled forward from previous state fiscal years; (b) the amount of federal funds expended, estimated, or requested to be expended for these years by Long Bill line item; (c) the amount of funds expended, estimated, or requested to be expended for these years, by Long Bill line item where applicable, to be reported to the federal government as either maintenance of effort or matching funds associated with the expenditure of federal funds; and (d) the amount of funds expended, estimated, or requested to be expended for these years that are to be used to meet the four percent federal requirement related to quality activities and the federal requirement related to targeted funds. An update to the information on the amount of federal funds anticipated to be available and requested to be expended by Long Bill line item should be provided to the Joint Budget Committee annually on or before January 15.”



The information requested is included in the following tables:

Table	Title	Page Number
A	CCDF Federal Funds Available by Fund Type Including Roll Forward	1
B	CCDF Expenditures Organized by Long Bill Line Item	2
C	MOE and Matching Sources Organized by Long Bill Line Item	3
D	Activities to Improve the Quality of Child Care 4% Federal Requirement	4
D1	Actual Targeted Funds Spending	5
D2	Estimated Expenditures to Comply with Federal Targeted Funds Requirement	6

If you have questions, please contact please contact MaryAnne Snyder, Director of the Office of Early Childhood, at 303-866-5979.

Sincerely,

Reggie Bicha  
Executive Director

- cc: Representative Millie Hamner, Vice-Chair, Joint Budget Committee  
 Senator Kevin Grantham, Joint Budget Committee  
 Representative Bob Rankin, Joint Budget Committee  
 Senator Pat Steadman, Joint Budget Committee  
 Representative Dave Young, Joint Budget Committee  
 John Ziegler, Staff Director, Joint Budget Committee  
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 Henry Sobanet, Director, Office of State Planning and Budgeting  
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 Julie Krow, Deputy Executive Director of Community Partnerships, Department of Human Services  
 Melissa Wavelet, Director, Office of Performance and Strategic Outcomes, Department of Human Services  
 Sarah Sills, Director of Budget and Policy, Department of Human Services  
 MaryAnne Snyder, Director, Office of Early Childhood, Department of Human Services  
 Ann Rosales, Director, Division of Child Welfare, Department of Human Services  
 Alicia Caldwell, Communications Director, Department of Human Services  
 Kristina Mueller, Interim Legislative Liaison, Department of Human Services  
 Molly Otto, State Librarian



**Request for Information #49**  
**Federal Child Care Development Funds**  
 State Fiscal Years 2014-15, 2015-16, and 2016-17  
 CCDF Federal Funds Available by Fund Type Including Roll Forward  
**Table A**

	FY 2014-15	FY 2015-16	FY 2016-17	
Federal CCDF Funds	Actual	Estimate	Request	Comments
CCDF Federal Grant (Unspent Balance)	\$ 22,393,937	\$ 32,065,141	\$ 29,742,785	
New Annual CCDF Award <sup>1</sup>	\$ 69,043,659	\$ 69,244,477	\$ 69,244,477	<i>Year and 25% of Prior Award Year</i>
<b>Total Funds Available</b>	<b>\$ 91,437,596</b>	<b>\$ 101,309,618</b>	<b>\$ 98,987,262</b>	
<b>Funds Available by Type</b>				
Mandatory Funds	\$ 10,173,800	\$ 10,173,800	\$ 10,173,800	
Discretionary Funds	\$ 47,836,074	\$ 40,086,609	\$ 37,526,447	
Matching Funds	\$ 33,427,722	\$ 51,049,209	\$ 51,287,015	<i>Requires 1-for-1 Match</i>
<b>Total</b>	<b>\$ 91,437,596</b>	<b>\$ 101,309,618</b>	<b>\$ 98,987,262</b>	
Expenditures	\$ 59,372,455	\$ 71,566,833	\$ 71,716,833	
Balance to roll forward	\$ 32,065,141	\$ 29,742,785	\$ 27,270,429	

<sup>1</sup> Grant amounts are calculated as 75% of the current award and 25% of prior award year.



**Request for Information #49**  
**Child Care Development Fund Expenditures**  
State Fiscal Years 2008-2014, 2014-15, 2015-16, 2016-17  
CCDF Expenditures Organized by Long Bill Line Item  
**Table B**

Long Bill Line Item	COFRS Appropriation Number	FY 2014-15 Actual	FY 2015-16 Estimate	FY 2016-17 Request
Executive Director's Office - Personal Services	001	\$ 280,000	\$ 280,000	\$ 280,000
Office of Information Technology Services (ITS) - Purchase of Services from Computer Center	013			
ITS - Colorado Trails	098	\$ 817,700	\$ 918,457	\$ 918,457
ITS - Operating Expenses	116			
ITS - Child Care Automated Tracking System (CHATS)	109	\$ 3,901,468	\$ 2,709,933	\$ 2,709,933
Office of Operations (OPS) - Vehicle Lease Payment	125	\$ 39,918	\$ 246,194	\$ 246,194
OPS- (A) Administration	Various	\$ 400,000	\$ 422,263	\$ 422,263
Office of Early Childhood (OEC) - Child Care Licensing and Administration	024	\$ 3,746,793	\$ 3,769,117	\$ 3,769,117
OEC - Child Care Assistance Program	080	\$ 42,899,750	\$ 55,498,906	\$ 55,498,906
OEC-Grants to Improve the Quality and Availability of Child Care and to Comply with Federal Targeted Funds Requirements	085	\$ 3,463,161	\$ 3,473,633	\$ 3,473,633
OEC-Early Childhood Councils	086	\$ 1,990,117	\$ 1,984,169	\$ 1,984,169
OEC-School-readiness Quality Improvement Program	089	\$ 2,001,556	\$ 2,228,586	\$ 2,228,586
Office of Self-Sufficiency- Electronic Benefits Transfer Service	293	\$ 9,120	\$ 35,575	\$ 35,575
Prior Year Accounts Payable Reversion		\$ (166,496)	\$ -	\$ -
Adjustments - Audit and Other Miscellaneous	480	\$ (10,632)	\$ 0	\$ -
<b>Total</b>	<b>Total</b>	<b>\$ 59,372,455</b>	<b>\$ 71,566,833</b>	<b>\$ 71,566,833</b>

**Request for Information #49**  
**Child Care Development Funds**  
 State Fiscal Years 2014-15, 2015-16, and 2016-17  
 MOE and Matching Sources Organized by Long Bill Line Item  
**Table C**

<b>Source of Matching Funds By Long Bill Line Item</b>			
<b>Long Bill Line Item</b>	<b>Matching Amount</b>		
	<b>FY 2014-15 Actual</b>	<b>FY 2015-16 Estimate</b>	<b>FY 2016-17 Request</b>
Executive Director's Office (EDO) - Indirects	\$ 737,531	\$ 737,531	\$ 737,531
EDO - Workers' Comp	\$ 45,765	\$ 45,765	\$ 45,765
EDO - Payment to Risk Management and Property Funds	\$ 20,572	\$ 20,572	\$ 20,572
EDO - Office of Performance Improvement	\$ 37,724	\$ 37,724	\$ 37,724
Office of Early Childhood (OEC) - Child Care Licensing and Administration	\$ 1,171,333	\$ 1,171,333	\$ 1,171,333
OEC - Fines Assessed Against Licensees	\$ 7,998	\$ 7,998	\$ 7,998
OEC - Child Care Assistance Program	\$17,704,417	\$17,704,417	\$17,704,417
OEC - Child Care Grants for Quality and Availability and Federal Targeted Funds Requirements	\$ 4,775,976	\$ 4,775,976	\$ 4,775,976
Division of Child Welfare - Child Welfare Services	\$ 4,392,251	\$ 4,392,251	\$ 4,392,251
Office of Operations (OPS) - Leased Space	\$ 1,000	\$ 1,000	\$ 1,000
OPS - Vehicle Lease Payment	\$ 758	\$ 758	\$ 758
Crib Inspection App 522	\$ -	\$ -	\$ -
Office of Information Technology Services (ITS) - Purchase of Services from Computer Center	\$ 797,000	\$ 797,000	\$ 797,000
Subtotal	\$29,692,325	\$29,692,325	\$29,692,325
<u>Detailed Breakdown of Matching Funds (Other sources)</u>		\$ -	
Mile High United Way	\$ 1,757,145	\$ 1,757,145	\$ 1,757,145
General Fund - Special Education	\$ 4,097,723	\$ 4,097,723	\$ 4,097,723
General Fund - Colorado Preschool Program (CDE)	\$ 1,789,188	\$ 1,789,188	\$ 1,789,188
Subtotal	\$ 7,644,056	\$ 7,644,056	\$ 7,644,056
<b>Total Matching from all Sources</b>	<b>\$37,336,381</b>	<b>\$37,336,381</b>	<b>\$37,336,381</b>
<b>Source of Maintenance of Effort (MOE)</b>			
<b>Long Bill Line Item</b>			
County MOE	\$ 8,337,406	\$ 8,337,406	\$ 8,337,406
County Required 20% Share of Administration Costs	\$ 1,784,103	\$ 1,784,103	\$ 1,784,103
<b>Total</b>	<b>\$10,121,509</b>	<b>\$10,121,509</b>	<b>\$10,121,509</b>

**Request for Information #49**  
**Child Care Development Funds**  
 State Fiscal Years 2014-15, 2015-16, and 2016-17  
 Activities to Improve the Quality of Child Care 4% Federal Requirement  
**Table D**

Federal regulations state not less than 4% of the Child Care Development Funds (CCDF) a state receives shall be expended on activities that are designed to provide comprehensive consumer education to parents and the public, activities to increase parental choice, and activities designed to improve the quality and availability of child care. The 4% requirement applies to the expenditures of Discretionary, Mandatory, and both the State and Federal share of the Match grant. This includes any funds transferred to the CCDF Discretionary grant from the Temporary Assistance to Needy Families Block Grant.

**State Fiscal Year 2012-17**

	Actual FY 2014-15	Estimate FY 2015-16	Request FY 2016-17
CCDF Mandatory Award	\$ 10,173,800	\$ 10,173,800	\$ 10,173,800
CCDF Match Award (Federal Share)	\$ 28,648,573	\$ 28,603,611	\$ 28,603,611
Match (State Share)	\$ 28,648,573	\$ 28,603,611	\$ 28,603,611
CCDF Discretionary Award	\$ 30,221,287	\$ 30,467,067	\$ 30,467,067
CCDF/TANF Transfer	\$ 655,251		
<b>Total CCDF Funds</b>	<b>\$ 98,347,484</b>	<b>\$ 97,848,089</b>	<b>\$ 97,848,089</b>
<b>Total Required to Meet 4%</b>	<b>\$ 3,933,899</b>	<b>\$ 3,913,924</b>	<b>\$ 3,913,924</b>

**Actual and Estimated Spending On 4% Quality Requirement**  
**Organized By Long Bill Line Item**

	Actual FY 2014-15	Estimate FY 2015-16	Request FY 2016-17
Office of Operations (OPS) - Personal Services	\$ 759	\$ 759	\$ 759
Executive Director's Office (EDO)-Payment to Risk Management and Property Funds	\$ 66,336	\$ 66,336	\$ 66,336
Office of Early Childhood (OEC) - Child Care Licensing and Administration	\$ 4,498,661	\$ 4,498,661	\$ 4,498,661
OEC - Grants to Improve the Quality and Availability of Child Care and to Comply with Federal Targeted Funds Requirements	\$ 3,463,161	\$ 3,463,161	\$ 3,723,274
OEC - Early Childhood Councils	\$ 1,990,166	\$ 1,990,166	\$ 1,990,166
OEC - School-readiness Quality Improvement Program	\$ 2,001,555	\$ 2,001,555	\$ 2,001,555
Pass-through Account (TANF) transfer Child Care Reserves	\$ 746,754	\$ 746,754	\$ 746,754
Crib Inspection	\$ -	\$ -	\$ -
<b>Total Spending on Quality Activities</b>	<b>\$ 12,767,392</b>	<b>\$ 12,020,638</b>	<b>\$ 12,280,751</b>

**Request for Information #49**  
**Child Care Development Funds**  
 State Fiscal Year 2014-15  
 Targeted Funds Spending  
**Table D1**

**FY 2014-15 Targeted Spending by Long Bill Line Item by Targeted Category**

<b>Long Bill Line Item</b>	<b>FY 2014-15 Actual Expenditures</b>	<b>FY 2014-15 Actual Expenditures by Category</b>
<b>CC - Grants to Improve the Quality and Availability of Child Care and to Comply with Federal Targeted Funds Requirements</b>	<b>\$ 2,497,286</b>	
Quality Expansion Targeted		\$ 1,183,420
School Age Resource and Referral		\$ 280,445
Infant/Toddler		\$ 1,033,421
Subtotal		<b>\$ 2,497,286</b>
<b>CC - Early Childhood Councils</b>	<b>\$ 1,536,998</b>	
Quality Expansion Targeted		\$ 1,144,442
School Age Resource and Referral		\$ -
Infant/Toddler		\$ 392,556
Subtotal		<b>\$ 1,536,998</b>
<b>Total</b>	<b>\$ 4,034,284</b>	
<b>Totals by Targeted Category</b>		
Quality Expansion Targeted	\$ -	\$ 2,327,862
School Age Resource and Referral	\$ -	\$ 280,445
Infant/Toddler	\$ -	\$ 1,425,977
<b>Total</b>	<b>\$ 4,034,284</b>	<b>\$ 4,034,284</b>

**Request for Information #49**  
**Child Care Development Funds**  
 State Fiscal Years 2015-16 and 2016-17  
 Estimated Expenditures to Comply with Federal Targeted Funds Requirement  
**Table D2**

<b>FY 2015-16 Targeted Funds Requirement (Estimated Expenditures)</b>				
	<b>Quality Expansion</b>	<b>Infant Toddler</b>	<b>School Age Resource and Referral</b>	<b>Total</b>
Open Federal CCDF Targeted Funds as of July 1, 2015	\$ 268,336	\$ 434,123	\$ 10,528	\$ 712,987
Additional Targeted Funds Open During FY 2014-15 (75% of Estimated FFY 2014 Targeted Funds)	\$ 1,894,903	\$ 1,097,381	\$ 174,796	\$ 3,167,080
<b>Total Targeted Funds Open in FY 2015-16</b>	<b>\$ 2,163,239</b>	<b>\$ 1,531,504</b>	<b>\$ 185,324</b>	<b>\$ 3,880,067</b>
<b>Total Projected Spending by LBLI:</b>				
Grants to Improve the Quality and Availability of Child Care and to Comply with Federal Targeted Funds Requirements and Early Childhood Councils	\$ 2,163,239	\$ 1,531,504	\$ 185,324	\$ 3,880,067
<b>Total FY 2015-16 Estimated Spending</b>	<b>\$ 2,163,239</b>	<b>\$ 1,531,504</b>	<b>\$ 185,324</b>	<b>\$ 3,880,067</b>
Targeted Funds Balance After FY 2014-15 Spending	\$ 0	\$ 0	\$ 0	\$ 0
<b>FY 2016-17 Targeted Funds Requirement (Estimated)</b>				
	<b>Quality Expansion</b>	<b>Infant Toddler</b>	<b>School Age Resource and Referral</b>	<b>Total</b>
Estimated Open Targeted Funds as of July 1, 2016	\$ 631,634	\$ 365,794	\$ 58,265	\$ 1,055,693
Additional Targeted Funds Open During FY 2015-16 (75% of Estimated FFY 2014 Targeted Funds)	\$ 1,894,903	\$ 1,097,381	\$ 174,796	\$ 3,167,080
<b>Total Targeted Funds Open in FY 2016-17</b>	<b>\$ 2,526,537</b>	<b>\$ 1,463,175</b>	<b>\$ 233,061</b>	<b>\$ 4,222,773</b>
<b>Total Projected Spending by LBLI:</b>				
Federal Discretionary Child Care Funds Targeted Funds for Certain Purposes	\$ 2,526,537	\$ 1,463,175	\$ 233,061	\$ 4,222,773
<b>Total FY 2015-16 Estimated Spending</b>	<b>\$ 2,526,537</b>	<b>\$ 1,463,175</b>	<b>\$ 233,061</b>	<b>\$ 4,222,773</b>
Targeted Funds Balance After FY 2016-17 Spending	\$ 0	\$ 0	\$ 0	\$ 0



October 19, 2015

The Honorable Kent Lambert  
Chair, Joint Budget Committee  
Legislative Services Building, 3<sup>rd</sup> Floor  
200 East 14<sup>th</sup> Avenue  
Denver, CO 80203

Dear Senator Lambert:

The Department of Human Services, in response to FY 2014-15 Request for Information #50 (RFI #50), respectfully submits the attached information detailing FY 2014-15 expenditure and client data for the Child Welfare Services line item. RFI #50 requests the Department

“to provide to the Joint Budget Committee by November 1 of each year, information concerning the actual use of funds distributed through the child welfare allocation model, including data on expenses and children served by funding category. At a minimum, such data should include the following: (a) program services expenditures and the average cost per open involvement per year; (b) out-of-home placement care expenditures and the average cost per child per day; and (c) subsidized adoption expenditures and the average payment per child per day.”

If you have questions, please contact Robert Werthwein, Director of the Office of Children, Youth and Families at 303-866-4544.

Sincerely,

Reggie Bicha  
Executive Director



cc: Representative Millie Hamner, Vice-Chair, Joint Budget Committee  
Senator Kevin Grantham, Joint Budget Committee  
Representative Bob Rankin, Joint Budget Committee  
Senator Pat Steadman, Joint Budget Committee  
Representative Dave Young, Joint Budget Committee  
John Ziegler, Staff Director, Joint Budget Committee  
Robin Smart, Joint Budget Committee Staff  
Henry Sobanet, Director, Office of State Planning and Budgeting  
Ann Renaud, Senior Management & Budget Analyst, Office of State Planning and Budgeting  
Nikki Hatch, Deputy Executive Director of Operations, Department of Human Services  
Julie Krow, Deputy Executive Director of Community Partnerships, Department of Human Services  
Melissa Wavelet, Director, Office of Performance and Strategic Outcomes, Department of Human Services  
Sarah Sills, Director of Budget and Policy, Department of Human Services  
Robert Werthwein, Director, Office of Children, Youth, and Families, Department of Human Services  
Ann Rosales, Director, Division of Child Welfare, Department of Human Services  
Jennifer Corrigan, Legislative Liaison, Department of Human Services  
Kristina Mueller, Interim Legislative Liaison, Department of Human Services  
Molly Otto, State Librarian



CDHS Child Welfare Data  
Use of Funds  
Year by Year Comparison  
RFI # 50

State Totals	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Child Population Ages 0-17	1,274,619	1,250,366	1,256,840	1,272,432	1,246,372
Referrals	80,094	81,734	72,045	83,278	86,514
Children in Open Assessments	60,791	58,660	57,069	54,878	45,259
Total New Involvements	12,142	13,153	12,237	10,962	10,625
Open Involvements	39,403	39,177	37,524	35,486	31,597
a Program Services Expenditures	\$ 171,361,257	\$ 175,671,726	\$ 180,859,829	\$ 179,950,301	\$ 197,079,781
a Average Program Service Cost per Open Involvement	\$ 4,349	\$ 4,484	\$ 4,820	\$ 5,071	\$ 6,237
Out-Of-Home Open Involvements	11,246	10,503	9,687	9,705	9,956
Average Days per Year for Out-Of-Home Open Involvements	144	138	138	133	123
b Total Out-of-Home Placement Care Expenditures	\$ 110,418,858	\$ 104,895,302	\$ 94,697,249	\$ 86,239,958	\$ 79,233,882
Total Paid Days for all Out-Of-Home	1,616,767	1,448,380	1,335,518	1,295,121	1,226,899
b Average Cost per Day for all Out-Of-Home Care	\$ 68.30	\$ 72.42	\$ 70.91	\$ 66.59	\$ 64.58
Number of Children Receiving Adoption Subsidy	11,156	11,363	11,536	11,575	11,593
c Average Cost Per Child Per Day for Adoption Subsidy	\$ 14.69	\$ 14.52	\$ 14.01	\$ 13.48	\$ 13.08
Total Annual Adoption Subsidy Paid Days	3,043,501	3,053,292	3,126,518	3,155,674	3,181,286
c Total Annual Subsidized Adoption Expenditures	\$ 44,705,407	\$ 44,321,213	\$ 43,881,743	\$ 42,531,151	\$ 41,604,889

**Legend:**

- a - Program Services Expenditures and Average Cost Per Open Involvement Per Year
- b - Out-Of-Home Placement care Expenditures and Average Cost Per Child Per Day
- c - Subsidized Adoption Expenditures and Average Payment Per Child Per Day



**DATA DEFINITIONS**

DATA ELEMENT	DEFINITION	SOURCE
Child Population Ages 0-17	Number of children and adolescents under the age of 18 as projected by the State Demography Office, Dept. of Local Affairs for the reporting period. Data reflects the most current projections as reported within 3 months of the end of the reporting period.	State Demography Office
Referrals	Number of reports of Abuse/Neglect within the reporting period	Trails
Children in Open Assessments	Number of children, for whom the date accepted for assessment falls within the reporting period	Trails
New Involvements	Number of children, for whom the involvement start date falls within the reporting period	Trails
Open Involvements	Number of children, for whom involvement dates fall within the reporting period	Trails
OOH Open Involvements	Number of children for whom days of out-of-home placement fall within the reporting period	Trails
Average Days per Year for OOH Open Involvements	Number of days for out-of-home services authorized for payment during the reporting period divided by number of OOH open involvements. Days are calculated <b>only for</b> : <ul style="list-style-type: none"> <li>• Expenditures, not state administrative adjustments or refunds.</li> <li>• Child maintenance or room and board payments.</li> </ul>	Trails & CFMS
Average Cost per Day for OOH	Total expenditures reflect reimbursable expenditures plus reimbursable state administrative adjustments minus refunds as reported prior to CFMS close-out. Total OOH cost includes: <ul style="list-style-type: none"> <li>• Child Welfare and CHRP Medicaid payments for Family Foster Home Care, Group Center Care, and Group Home Care placements with resources certified by a CPA</li> <li>• Child Welfare and CHRP Medicaid payments for Family Foster Home Care, Group Center Care, and Group Home Care placements with resources licensed by a county</li> <li>• Child Welfare and Medicaid treatment payments for Residential placements</li> </ul> Average cost per day is total cost of OOH services authorized for payment within the reporting period, divided by days of service. CHRP = Children's Habilitation Residential Program Waiver	CFMS
Program Services Expenditures	100% CW County Administration 80/20 CW County Administration Special Circumstances Child Care, Case Services for Foster Care	CFMS
Number of New Adoptions	Number of adoptions finalized in the reporting period; includes adoptions that are Medicaid only	Trails
Average Annual Adoption Subsidy Per Child	Average annual adoption subsidy per child; includes adoptions, which are Medicaid only; includes case services for adoption.	CFMS
Average Cost per Day for Adoptions	Total expenditures reflect reimbursable expenditures plus reimbursable state administrative adjustments minus refunds and includes case services for adoption.	CFMS



October 19, 2015

The Honorable Kent Lambert  
Chair, Joint Budget Committee  
Legislative Services Building, 3<sup>rd</sup> Floor  
200 East 14<sup>th</sup> Avenue  
Denver, CO 80203

Dear Senator Lambert:

The Department of Human Services, in response to FY 2015-16 Request for Information #51 (RFI #51), respectfully submits the attached information detailing payments by funding source to service providers in FY 2013-14 and FY 2014-15. RFI #51 requests the Department

“to provide to the Joint Budget Committee, by November 1 of each year, information concerning the gross amount of payments to child welfare service providers, including amounts that were paid using revenues other than county, state, or federal tax revenues. The Department is requested to identify amounts, by source, for the last two actual fiscal years.”

If you have questions, please contact Robert Werthwein, Director of the Office of Children, Youth and Families at 303-866-4544.

Sincerely,

Reggie Bicha  
Executive Director



cc: Representative Millie Hamner, Vice-Chair, Joint Budget Committee  
Senator Kevin Grantham, Joint Budget Committee  
Representative Bob Rankin, Joint Budget Committee  
Senator Pat Steadman, Joint Budget Committee  
Representative Dave Young, Joint Budget Committee  
John Ziegler, Staff Director, Joint Budget Committee  
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Robert Werthwein, Director, Office of Children, Youth, and Families, Department of Human Services  
Ann Rosales, Director, Division of Child Welfare, Department of Human Services  
Jennifer Corrigan, Legislative Liaison, Department of Human Services  
Kristina Mueller, Interim Legislative Liaison, Department of Human Services  
Molly Otto, State Librarian



**RFI #51: Gross Amounts Paid to Child Welfare Service Providers By Funding Source**

<b>Payment Type</b>	<b>FY 2013-14</b>	<b>FY 2014-15</b>
Social Security Income	\$ 3,779,700	\$ 3,874,791
Provider Recovery Revenue	\$ 22,012	\$ 13,325
Child Support	\$ 1,815,739	\$ 1,758,556
Parental Fees	\$ 2,624,992	\$ 2,429,363
Veteran's Benefits	\$ -	\$ -
Parental Medical Adjustment Paid to County	\$ 1,380	\$ 100
Other Sources	\$ 60,083	\$ 20,725
<b>Total</b>	<b>\$ 8,303,906</b>	<b>\$ 8,096,860</b>

\*Social Security Income includes Supplemental Security Income (SSI), Social Security Disability Income (SSDI) and Social Security Administration (SSA).



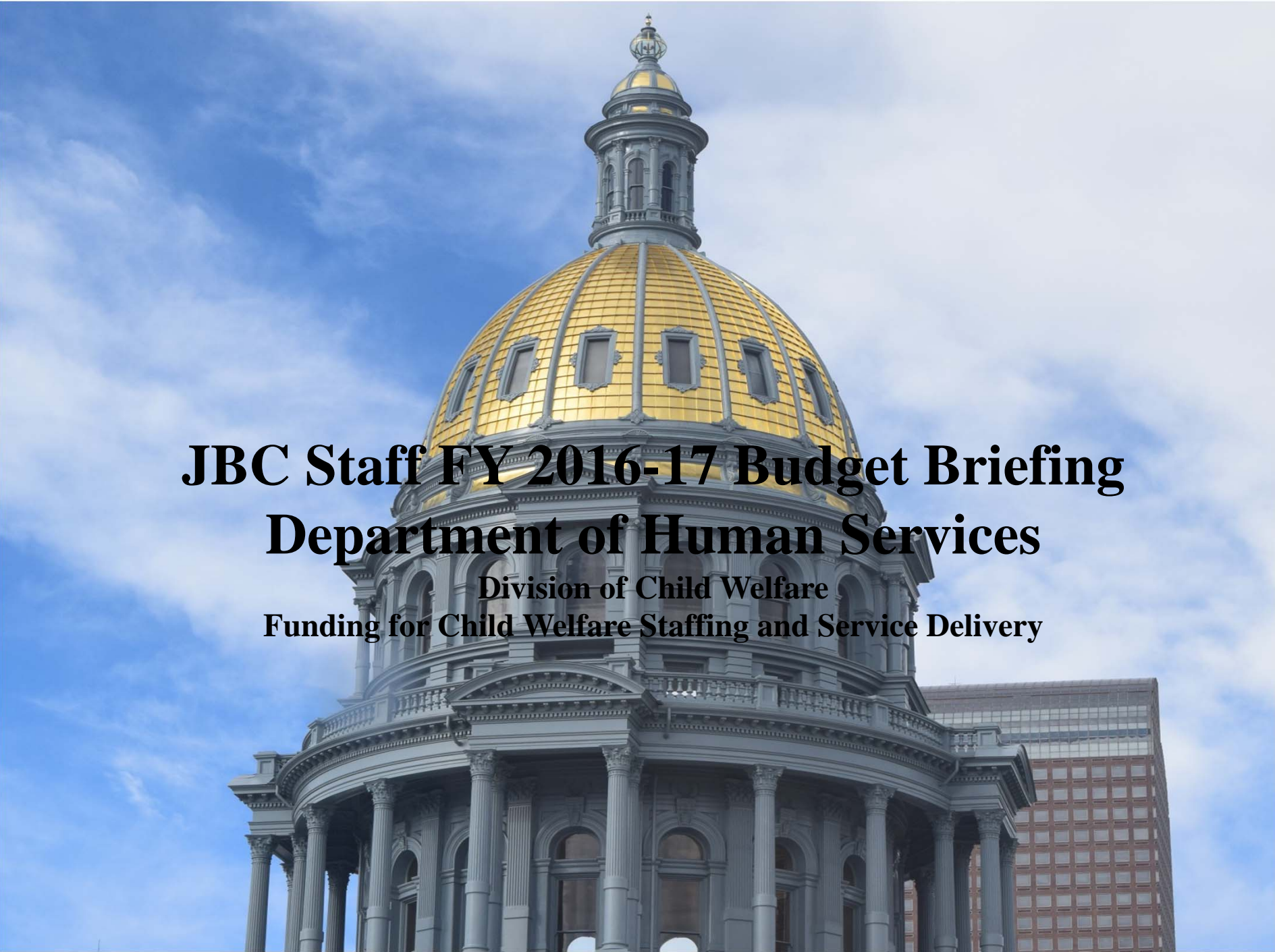
## **Appendix D: FY 2014-15 SMART Act Annual Performance Report and FY 2015-16 Performance Plan**

Pursuant to Section 2-7-205 (1) (a) (I), C.R.S., the Office of State Planning and Budgeting is required to publish an Annual Performance Report for the Department of Human Services by November 1 of each year. This report is to include a summary of the Department's performance plan and most recent performance evaluation. For consideration by the Joint Budget Committee in prioritizing the Department's budget request, the FY 2014-15 report dated October 2015 can be found at the following link:

<https://drive.google.com/file/d/0B8ztliGduUWbMmNOS19ZQUg0czA/view?pli=1>

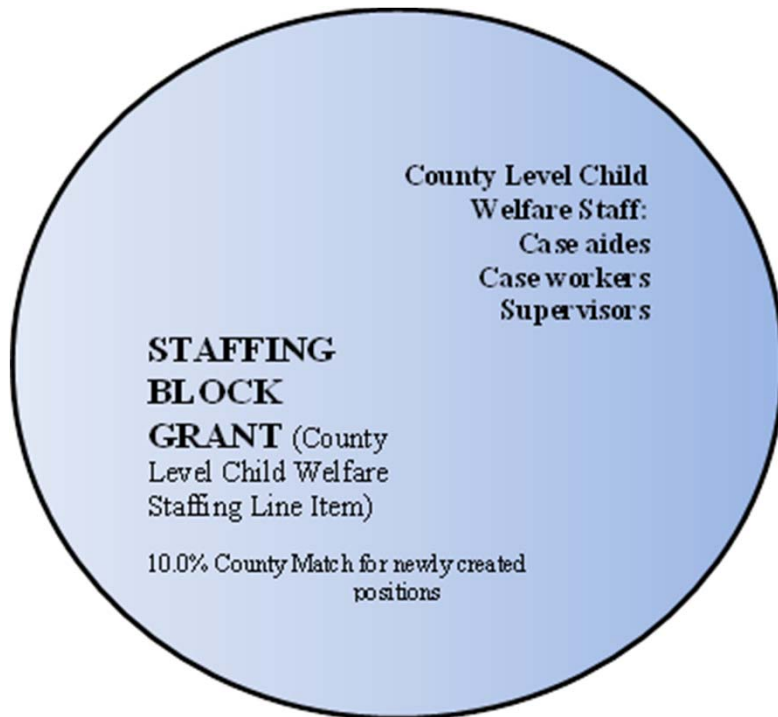
Pursuant to Section 2-7-204 (3) (a) (I), C.R.S., the Department of Human Services is required to develop a performance plan and submit that plan to the Joint Budget Committee and appropriate Joint Committee of Reference by July 1 of each year. For consideration by the Joint Budget Committee in prioritizing the Department's budget request, the FY 2015-16 updated plan dated October 28, 2015 can be found at the following link:

[https://doc-04-a0-apps-viewer.googleusercontent.com/viewer/secure/pdf/3nb9bdfcv3e2h2k1cmql0ee9cvc5l0le/01srhca4254j783goa40ksqaon3i9080/1447966200000/drive/\\*/ACFrOgDsIefR8h4kiTAWcunINGBRak8RdbtvzjX5uHQ9lQ\\_LDF3p6o-nVQWm5f0-7VXC9427-8pIy4dZToaCtN8sUs\\_LVAjZZKrEnpQaWnX\\_u--Y8QtefFXucetZ458=?print=true](https://doc-04-a0-apps-viewer.googleusercontent.com/viewer/secure/pdf/3nb9bdfcv3e2h2k1cmql0ee9cvc5l0le/01srhca4254j783goa40ksqaon3i9080/1447966200000/drive/*/ACFrOgDsIefR8h4kiTAWcunINGBRak8RdbtvzjX5uHQ9lQ_LDF3p6o-nVQWm5f0-7VXC9427-8pIy4dZToaCtN8sUs_LVAjZZKrEnpQaWnX_u--Y8QtefFXucetZ458=?print=true)



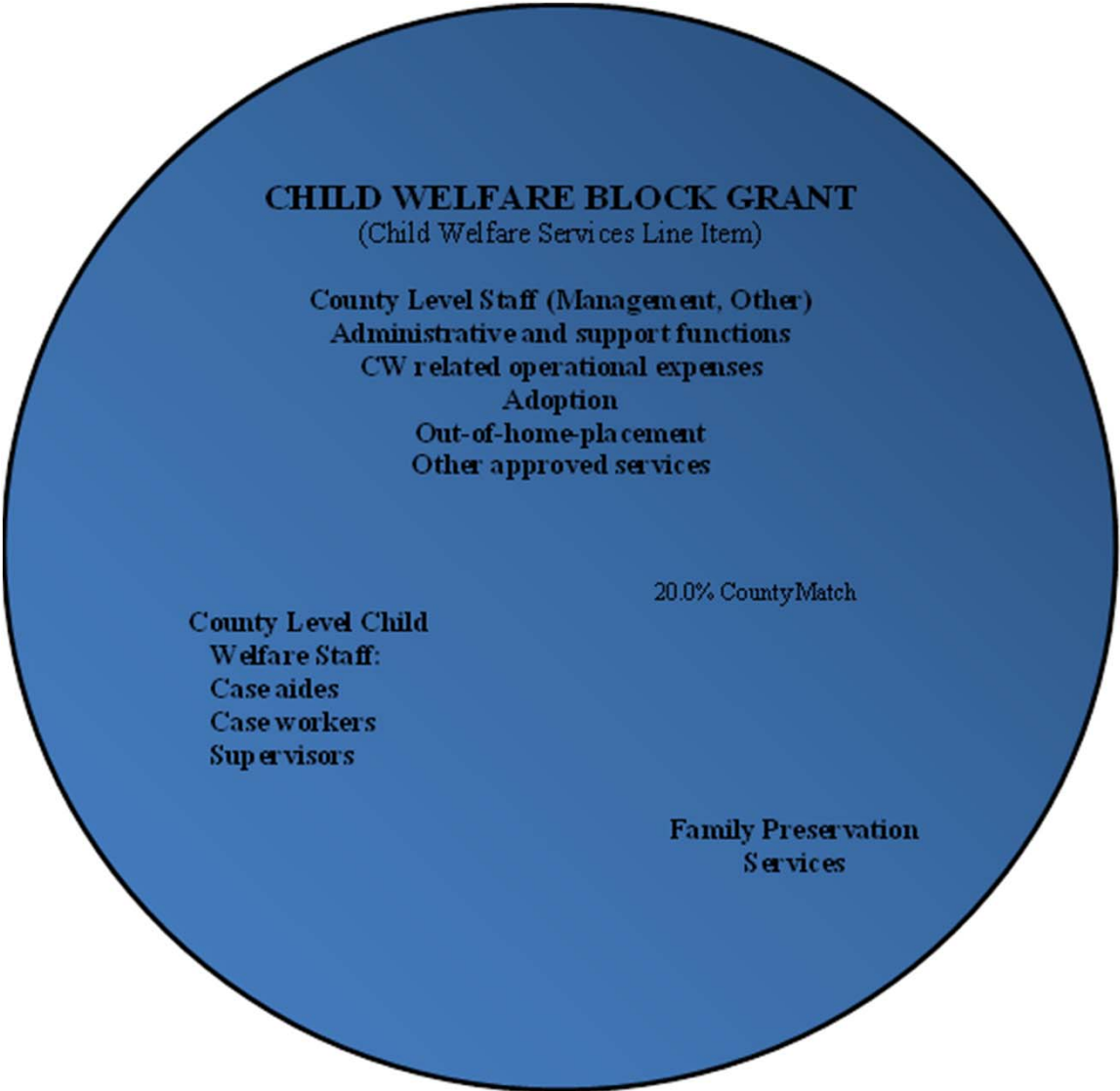
**JBC Staff FY 2016-17 Budget Briefing**  
**Department of Human Services**  
Division of Child Welfare  
**Funding for Child Welfare Staffing and Service Delivery**

# County Level Child Welfare Staffing

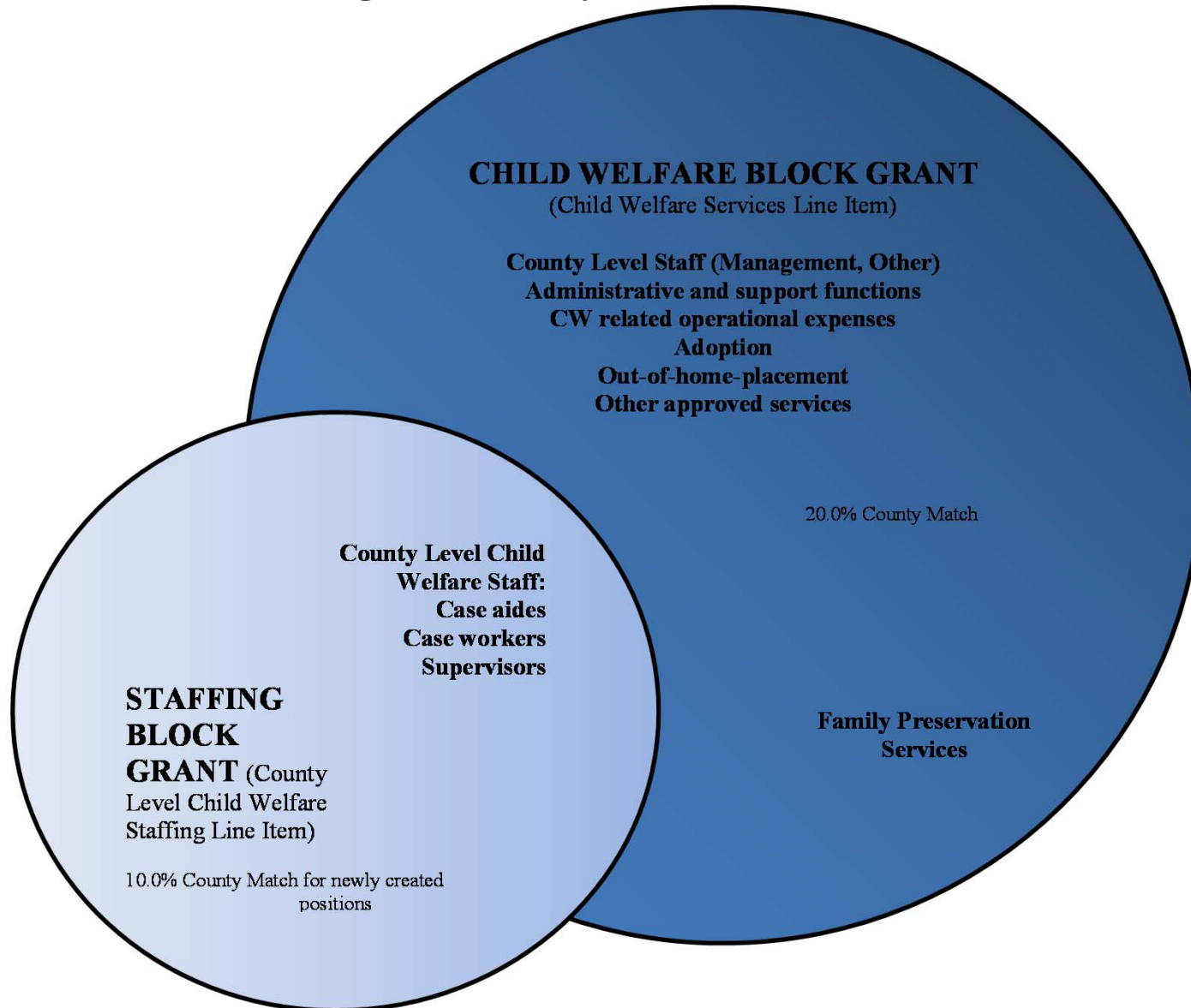




# Child Welfare Services



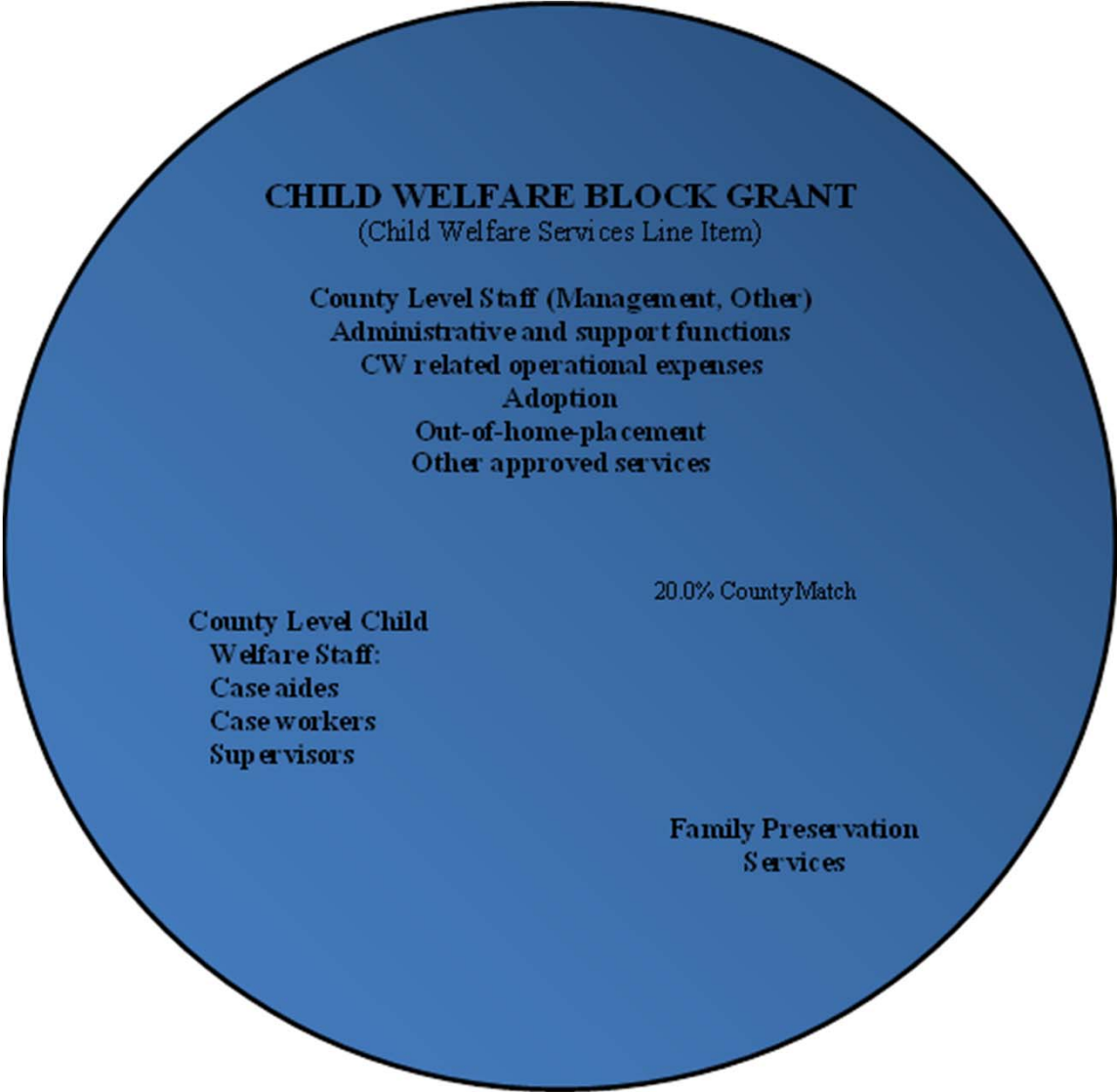
# Funding for County Level Child Welfare Staff



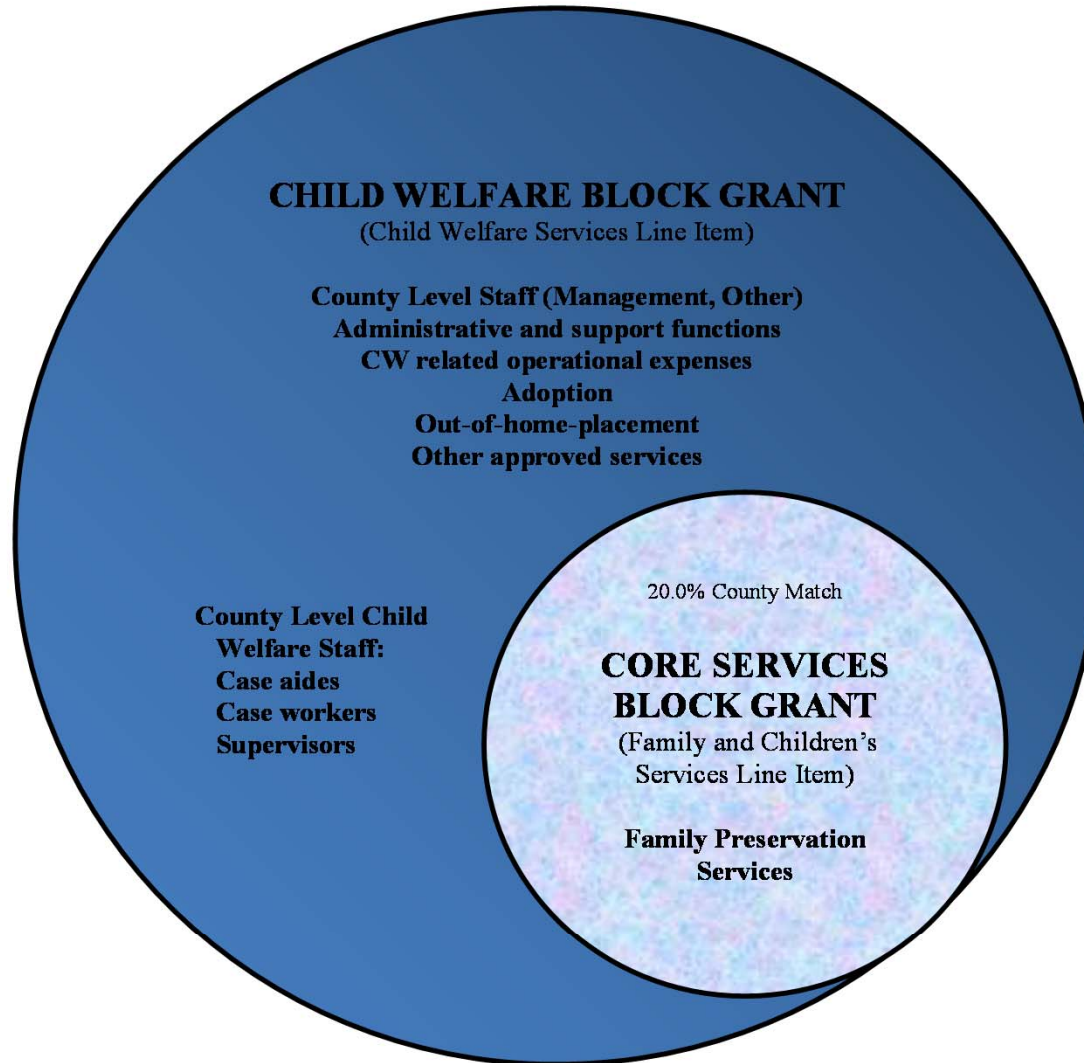
# Family and Children's Programs



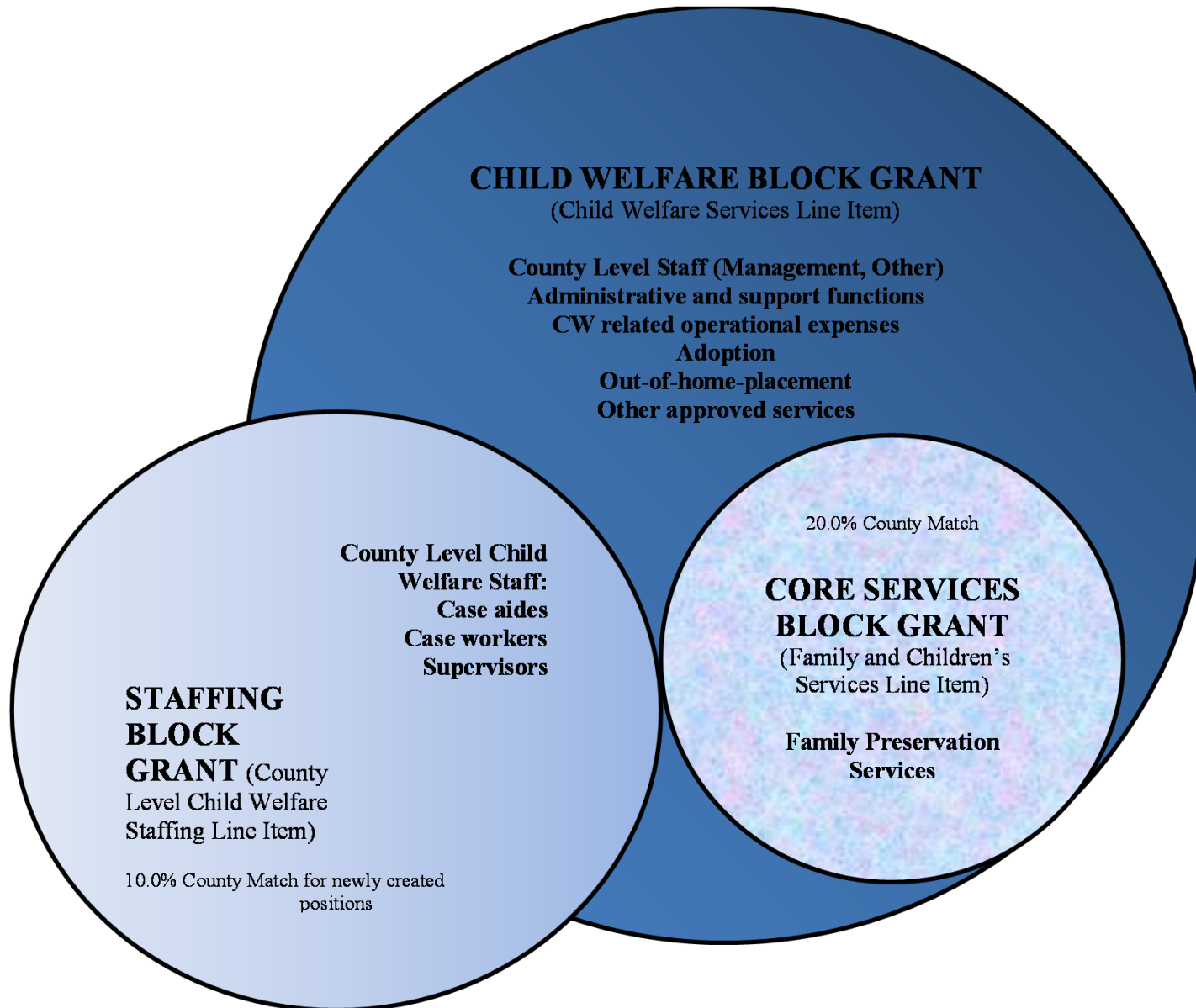
# Child Welfare Services



# Funding for Direct Services



# Current Funding for Child Welfare Staffing and Services



# Staff Recommendation

## STAFFING BLOCK GRANT

County Level Child Welfare Staff (Management,  
Other)  
County Level Child Welfare Staff (Case aides, Case  
workers, Supervisors  
Administrative and support functions  
CW related operational expenses  
15% County Match

## CHILD WELFARE SERVICES BLOCK GRANT

Family Preservation Services  
Other approved services  
Adoption  
Out-of-home-placement  
20.0 % County Match

