



Colorado General Assembly  
Joint Budget Committee

# Joint Budget Committee Staff FY 2016-17 Budget Briefing Summary

## Department of Human Services

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

The Department of Human Services is responsible for the administration and supervision of all non-medical public assistance and welfare programs in the state. The Office of Operations provides Department-wide facility maintenance and management, accounting, payroll, contracting, purchasing, and field audits. The Division of Child Welfare provides funding for programs that protect children from harm and assist families in caring for and protecting their children. The Office of Early Childhood is responsible for licensing and monitoring child care facilities; administering programs that are designed to improve the quality and availability of child care in the state; supervises the Colorado Child Care Assistance Program; and works with multiple stakeholders in the areas of Early Intervention, childhood mental health, and healthcare, to mitigate challenges that affect school readiness and academic success.

### FY 2015-16 Appropriation and FY 2016-17 Request

Department of Human Services						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
<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%

## Summary of Issues Presented to the Joint Budget Committee

**Expansive Issue: Child Welfare Staffing and Service Delivery:** Funding for county level child welfare staffing, direct services, administrative and supports functions, and operational expenses related to child welfare are allocated to counties in the form of three block grants funded through the Child Welfare Services, County Level Child Welfare Staffing, and Family and Children's Services line items in the Division of Child Welfare section of the Long Bill. This issue includes a discussion of four underlying issues that exist in the current funding structure for child welfare staffing and service delivery.

**Underlying Issue 1: County Child Welfare Staff, Phase 2:** The Department is requesting an increase of \$6.8 million total funds, including \$6.0 million General Fund, and 2.7 FTE in FY 2016-17 to: increase funding to counties for new child welfare case aide, case worker, and supervisor positions; increase Department staff by 3.0 FTE; and increase education stipends for students pursuing a degree in social work.

**Underlying Issue 2: Block Funding for County Staff and Child Welfare Related Administrative and Support Functions:** Two block grants are allocated to counties that may be used for staffing. The County Level Staffing block allocation is more restricted than the Child Welfare block allocation.

**Underlying Issue 3: Block Funding for Direct Service Delivery:** Two block grants are allocated to counties that may be used to pay for services for children and families at-risk of involvement with or involved in the child welfare system. The Core Services block allocation is more restricted than the Child Welfare block allocation.

**Underlying Issue 4: Provider Rate Increases and Decreases:** The Department is requesting a Department-wide reduction of \$7.0 million total funds, including \$4.7 million General Fund, for a 1.0 percent provider rate decrease. This reduction is intended to address a projected budget deficit in FY 2016-17 and will decrease appropriations to line items that fund contracts with direct service providers. This reduction will be applied to the Child Welfare Services and the Family and Children's Programs line items in the Division of Child Welfare and will impact Child Welfare and Core Services block allocations to counties.

**Early Intervention Services Caseload Growth:** The Department is requesting an increase of \$3.8 million total funds, including \$2.2 million General Fund, to fund a 6.0 percent caseload growth in early intervention case management and services.

**Nurse Home Visitor Program – Tobacco Master Settlement Agreement Funding:** 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. FY 2014-15 MSA funds appropriated to the program were not fully expended, however the MSA annual report provides no explanation as to why.

## For More Information

**JBC Staff Analyst:** Robin J. Smart  
(303) 866-4955  
[robin.smart@state.co.us](mailto:robin.smart@state.co.us)

**To read the entire briefing:** [http://www.tornado.state.co.us/gov\\_dir/leg\\_dir/jbc/2015-16/humbrf3.pdf](http://www.tornado.state.co.us/gov_dir/leg_dir/jbc/2015-16/humbrf3.pdf)