DEPARTMENT OF HUMAN SERVICES
FY 2023-24 JOINT BUDGET COMMITTEE HEARING AGENDA

Monday, December 19, 2022
9:00 am – 3:00 pm

9:00-9:20 INTRODUCTIONS AND DEPARTMENT OVERVIEW

Main Presenters:
- Michelle Barnes, Executive Director
- Telly Belton, Recovery Officer
- Clint Woodruff, Chief Financial Officer

9:20-9:45 ADMINISTRATIVE SOLUTIONS

Main Presenters:
- Pedro Almeida, Deputy Executive Director for Administrative Solutions
- Misgana Tesfaye, Director of Business Innovation, Technology, and Security

Supporting Presenters (if needed):
- Jamie Smith, Human Resources Officer
- Michele Cottingham, Human Resources Officer

Topics:
- Staffing Challenges/Ongoing Actions: Slides 15-17
- R-05 Reforming IT Project Ownership: Pages 3-5, Questions 4-6, Slides 18-21

9:45-10:10 OFFICE OF ECONOMIC SECURITY

Main Presenters:
- Ki'i Powell, Office Director
- Kevin Neimond, Director of Policy and Legislative Affairs

Supporting Presenters (if needed):
- Clint Woodruff, Chief Financial Officer

Topics:
- Public Assistance Caseload: Pages 5-8, Question 7, Slides 27-28
- R-07 Improve SNAP Delivery: Pages 8-11, Questions 8-9, Slides 29, 31
- R-13 Sustain ReHire Colorado: Page 11, Questions 10, Slides 32-33
- R-11 Aid for Parents to Make Child Support Payments: Pages 11-13, Questions 11-13, Slides 34-36

10:10-10:35 OFFICE OF ADULT, AGING, AND DISABILITY SERVICES

Main Presenters:
- Yolanda Webb, Office Director

Supporting Presenters (if needed):
- Kara Harvey, Director of the Division of Aging & Adult Services
- Carrie Hse, Budget Director

Topics:
- R-03 County Adult Protective Services: Pages 13-14, Questions 14-15, Slides 48 and 50
- Medicaid: Page 14-15, Questions 16, Slides 61

10:35-12:00 OFFICE OF CHILDREN, YOUTH AND FAMILIES

Main Presenters:
- Minna Castillo Cohen, Office Director

Supporting Presenters:
- Mollie Bradlee, Deputy Office Director

Topics:
- Caseload: Pages 15-18, Questions 17-19, Slides 71-72
- R-06 DYS Security Equipment Upgrades: Page 18, Questions 20, Slides 78
- R-02 Preventing Youth Homelessness: Pages 18-24, Questions 21-28, Slides 85-86, 94
- R-04 Improving Medicaid Access for Child Welfare Youth: Pages 24-25, Questions 29-31, Slides 87-81
- R-17 Realign Hotline Budget: Pages 26, Questions 32, Slide 89
- Wendy's Wonderful Kids: Pages 26-28, Questions 33-34, Slide 94
- County Staffing: Pages 28-29, Questions 35-36, Slides 93
- S.B. 21-277 Funding Model Update: Pages 29-30, Questions 37-38, Slides 90 and 94
- Funding Overview: Pages 29-30, Questions 38, Slides 90 and 94

12:00-1:30 BREAK

1:30-3:00 OFFICE OF CIVIL AND FORENSIC MENTAL HEALTH

Main Presenters:
- Leora Joseph, Office Director

Supporting Presenters:
- Samantha Garrett, Policy Advisor
- Jagruti Shah, Deputy Director for Office of Civil and Forensic Mental Health
- Kristin Weissinger, Director for Policy, Budget, and Communications

Topics:
- Forensic Services and Competency: Pages 30-40, Questions 39-43, Slides 98-99, 102-113
- State Mental Health Hospitals: Pages 40-41, Question 44, Slides 104-105, 108

DEPARTMENT OF HUMAN SERVICES

FY 2023-24 JOINT BUDGET COMMITTEE HEARING AGENDA

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DEPARTMENT OVERVIEW

1. ***[Sen. Bridges]*** **Please provide a briefly description of the implementation for any bills for which $0 was expended through FY 2021-22, as shown in the tables contained within the JBC staff briefing issue. Please identify any significant challenges the Department has encountered in implementing these bills.** ***(Slide 10)***

Administrative Solutions: Not applicable.

Office of Economic Security: All of the highlighted bills in the briefing document within OES' purview were effective as of July 1, 2022. The appropriations for both H.B. 22-1259 and H.B. 22-1380 were for the 2022-23 fiscal year. Thus, no dollars would have been spent in FY 2021-22.

Office of Adult, Aging and Disability Services: OAADS does not have any bills for which $0 was expended through FY 2021-22.

Office of Children, Youth and Families: Not applicable.

Office of Civic and Forensic Mental Health: The tables in the previous response regarding one-time funding summarize OCFMH's ARPA funding and spending. The only funds appropriated or allocated to OCFMH that had zero spending through FY 2021-22 were those that were not authorized until Spring 2022, so spending was not planned to begin before the end of FY 2021-22.

GENERAL QUESTIONS – FUNDING OVERVIEW

2. ***[Rep. Bird]*** **Please describe the indirect cost increase for OCYF. What accounts for the increase included in the request?** ***(Slide 11)***

Indirect costs utilize cash, reappropriated, and federal funds to support central department costs that would otherwise require General Fund. Indirect costs support services such as human resources, facilities management, accounting, and primarily, common policies, including Payments to OIT. Increases to common policies represent the most significant driver of indirects, though staffing levels and building costs (such as utilities) also impact changes to indirect costs.

At CDHS, indirect costs are calculated based on a complex, federally approved cost allocation plan. This plan specifies different calculations and allocation methods (over 100) based on the type of expenditure. In total, the

cost allocation plan totals over 400 pages and is annually approved by nine federal agencies. The table below indicates the totals charged to each office, by fund source.

Indirect Costs by Office for FY 2021-22				
	Cash Funds	Federal Funds	Reappropriated Funds	Total Funds
Central Programs	$ 191,851.05	0	0	$ 191,851.05
OAADS	$ 4,461,428.69	$ 527,461.30	$ 11,073,205.00	$ 16,062,094.99
OES	$ 108,726.85	$ 17,728,522.69	$ 61,839.67	$ 17,899,089.21
OEC	$ 1,555,619.86	$ 4,529,869.63	0	$ 6,085,489.49
OCYF	$ 68,574.67	$ 12,590,332.28	$ 8,961.72	$ 12,667,868.67
OCFMH	$ 1,687,553.01	$ 1,012,634.59	$ 1,519,464.00	$ 4,219,651.60
HCPF	0	0	$ 2,673,338.98	$ 2,673,338.98
	$ 8,073,754.13	$ 36,388,820.49	$ 15,336,809.37	$ 59,799,383.99

Please note that General Fund is not included in these tables, as any General Fund is directly appropriated in impacted lines (for instance, the Workers' Compensation appropriation is split between General Fund and reappropriated funds/indirect costs, as shown in the Long Bill below).

	ITEM & SUBTOTAL	TOTAL	GENERAL FUND	GENERAL FUND EXEMPT	CASH FUNDS	REAPPROPRIATED FUNDS	FEDERAL FUNDS
	$	$	$	$	$	$	$
			PART VIII				
			DEPARTMENT OF HUMAN SERVICES				
(1) EXECUTIVE DIRECTOR'S OFFICE							
(A) General Administration							
Workers' Compensation	9,494,018		5,856,262			3,637,756[b]	

R-10 COMMUNITY PROVIDER RATES

3. ***[Rep. Bird]*** **For providers of medical services, the Department of Health Care Policy and Financing receives recommendations from the Medicaid Provider Rate Review Advisory Committee (MPRRAC) concerning the adequacy of the rates. Is there a similar body or process to evaluate any of the rates paid to various community providers involved in programs administered by DHS?**

For providers who do not receive Medicaid funding, the department does not have a specific process or similar body to the MPRRAC to review rates. Since there are non-Medicaid providers in multiple departments across diverse programs the provider rate for non-Medicaid providers is set as a common policy so the increase is consistent for providers. The programs within the child welfare, child care, and county administration

areas which receive the provider rate increase have an impact on local and federal funds as those programs are state funded, county administered programs and are funded by state, local and federal funds. Any providers which receive Medicaid funding and are impacted by the targeted provider rate adjustments reflected in the HCPF request will be reflected in the department's request.

The 3% provider rate is set on a statewide basis and is not set by CDHS.

ADMINISTRATIVE SOLUTIONS (AS)

R-05 REFORMING IT PROJECT OWNERSHIP (SLIDES 18-21)

4. *[Sen. Zenzinger]* **Please provide the rationale for the proposed shift in IT project ownership and management responsibilities.** *(Slide 20)*

In line with HB21-1236 (State Information Technology), DHS is looking to take more ownership and accountability of the outcomes of technology initiatives that impact the programs under DHS authority. In order for DHS to be accountable for these initiatives, DHS requires skilled internal staff who are accountable to the agency itself and can guide the technology initiatives and own the outcomes of these initiatives. ***Having these resources in house will provide DHS the necessary control over these initiatives in order to take more accountability for their outcomes.*** DHS is requesting to redirect funds currently budgeted to Payments to OIT for project management and non-technical services. These funds will be used to hire non-technical contract managers, budget analysts, business analysts and program managers to lead the technology efforts. OIT supports this initiative and provided a letter of support for this request. DHS will continue to partner with OIT for the technical support required for successful technology projects and initiatives.

- **Will this shift affect all department IT systems, or a specific subset of systems? If the latter, please provide a list of those systems.**

  This shift will impact most large agency wide systems which include the following:

  - State ID Module (SIDMOD - Identity Management for all major systems)
  - Kronos Dimensions
  - UKG Pro
  - Salesforce
  - CDHS iNotify (Incident Reporting)
  - Technology Hardware & Infrastructure (HP/Verizon)
  - Google Workspace
  - Voice & Virtual Services (Lumen, Video, Hybrid Meetings)
  - MS Access Modernization (CDHS wide)
  - Joint Agency Interoperability (JAI)
  - Smart Home (Regional Centers)
  - Web Services (NIC/SIPA, Accessibility)

  The following small-scale, critical and essential systems will be reviewed for feasibility to include in centralized technology management. BITS is working to engage with Colorado Digital Services (CDS), a branch of OIT, to study whether or not these systems meet the maintenance volume threshold for Agile Product Management. Currently, these smaller applications are in the general CDHS portfolio

and supported by either vendors or OIT. That will not change. However, the business management of these applications (such as license management, maintenance backlog management, or contract management) may change if the application is deemed to have enough work volume.

- 24/7 MARS Reports
- AccessIC-2K
- Action Log
- Ancillary Web Application
- Cbord
- CCAR/Encounter
- Cerner Millennium HER
- CMHIFL Employee Infection Response
- Dentrix
- Intellirad/PRG PAC
- Legacy Cube
- Methadone Registry
- OPENLink
- PrimeroEdge
- Roche Glucometer
- Special Connections
- SSA Disability Determination Electronic processing

Other large scale CDHS systems will have the following dispositions:

- TRAILS - Product Management within Program Unit (dotted line reporting to BITS)
- ACSES - Product Management within Program Unit (dotted line reporting to BITS)
- CBMS - Product Management within BITS (dotted line reporting to Executive Steering Committee chaired by the Executive Directors of CDHS and HCPF).

- **How will making DHS responsible for IT project ownership and management affect project development and systems management efficiency?**

  Projects will be managed by a group of in-house technology professionals that will consistently interact with CDHS programs. This will ensure that our projects meet the needs of our programs, as these in-house professionals are accountable to the same Executive Management team. This also allows Program Areas to have consistent points of contact and paths to escalation within their agency for added accountability and efficiency.

- **How will this proposal affect counties and end-users?**

  With accountability for technology efforts held within CDHS, counties and end-users will have one agency to deal with when requesting help or solving issues with systems that they are interacting with. In essence this creates a single point of escalation, thereby reducing confusion for counties and end users that are looking for answers regarding technology issues. This results in better delivery of technology solutions to the people we serve.

5. [Sen. Bridges] How will this proposal address the Department's technical debt? *(Slide 21)*

This proposal will help fund a team that is dedicated to reviewing and prioritizing tech debt for CDHS programs specifically. This will ensure that the most urgent aging systems are proactively addressed and prioritized from a business need perspective, rather than just a technical perspective. This will ensure the most effective use of

time and resources to address this issue by giving CDHS the autonomy and resources to make these decisions based on program focused needs.

6. *[Sen. Zenzinger]* **Please provide a list and description of the requested contract staff and their responsibilities.** *(Slide 21)*

- Product Manager
    - Supervises a portfolio of technology products
    - Point of escalation for prioritization decisions
    - Product Owners report to Product Manager
- Product Owner
    - Direct point of contact for technology products
    - Stakeholder management (i.e., vendors, CDHS programs, external stakeholders)
    - Product or component implementation project management
    - "Big Picture" oversight of products to ensure proper agency wide value
    - Agile Team Leader
- Scrum Master (existing OIT- based FTE paid for through Common Policy)
    - Ensures Agile process is followed
    - Schedules and leads meetings
    - Documents backlog and roadmap progress (including implementation projects)
    - OIT liaison for assigned product portfolio
    - Roadblock remover
    - ***This position/role is not part of this request or proposal and will remain an OIT position and report through OIT. However, this will be an integral part of the BITS team and will be fully embedded with agency staff.***
- Business Analyst
    - Requirements gathering
    - User acceptance testing (UAT)
    - Process Mapping
    - ID & Access Management
    - Asset Management
    - Software License Tracking
    - New Project Intake

OFFICE OF ECONOMIC SECURITY (OES)

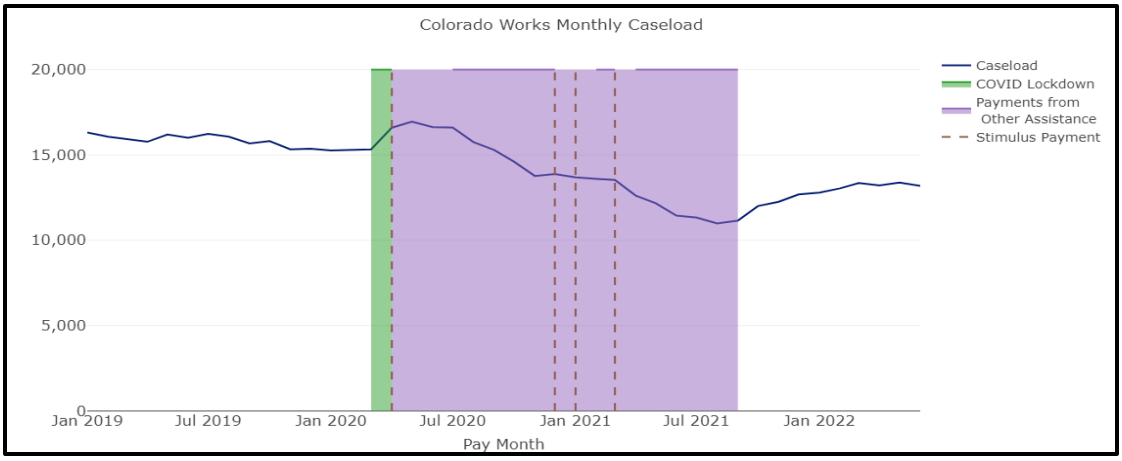
PUBLIC ASSISTANCE CASELOAD

7. *[Reps. Bird and Sirota]* **Please provide a detailed discussion on the causes of declining caseload for the following programs.** *(Slide 27-28)*

- *Temporary Assistance for Needy Families (TANF)*

Caseload declines in the Temporary Assistance for Needy Families (TANF) program between July 2020 and September 2021 are most likely attributed to the COVID-19 pandemic and the infusion of financial support to households during that period.

Chart 1: TANF Caseload



As Chart 1 details, the TANF caseload increased at the outset of the Pandemic. This initial increase was likely due to many people losing their incomes amid the lockdown and needing benefits. As federal financial supports (e.g. extended unemployment benefits, stimulus checks, child tax credit, and rent and heat moratoriums) were available to households (purple area), many households no longer qualified for TANF and/or chose not to apply given the increased resources from the stimulus. When the unemployment benefits extension and other protections ended, the TANF caseload began to grow. Thus, the availability of other federal assistance is likely related to the TANF caseload dynamics, including both the decline and subsequent rebound.

- *Old Age Pension Program*

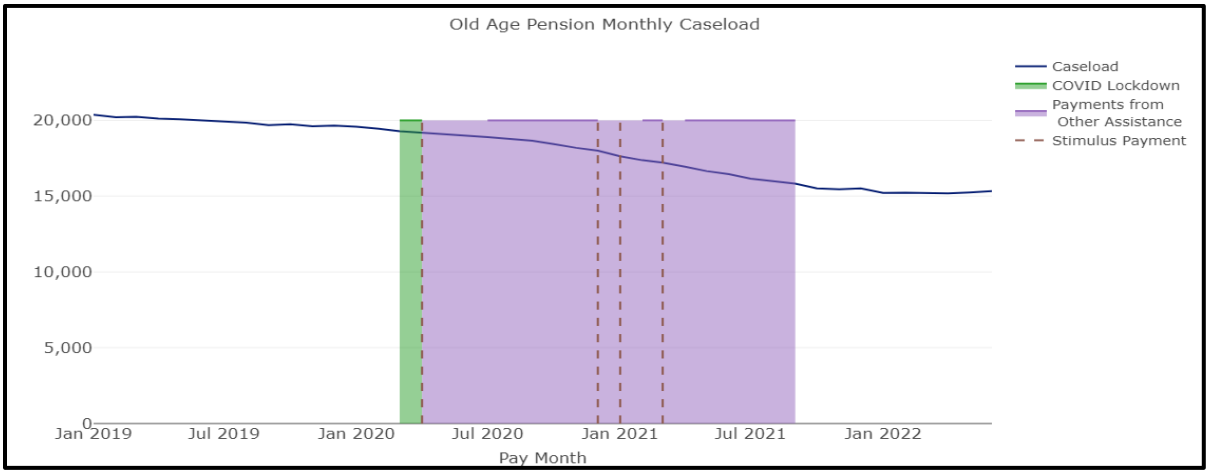
  The Old Age Pension (OAP) program caseload has been declining since January 2015. The Department has investigated the reasons behind the decline, including researching population demographics and discussing the dynamics with counties. While the Department cannot determine the exact reason for the caseload decline, we expect the following factors likely contribute to this situation:

  - Outdated approach: Colorado's OAP program was created in 1937 to address growing concern about caring for aging individuals without income, especially amid the economic shift from intergenerational families deriving income from farming to nuclear families deriving income from industry, resulting in fewer families being able to care for their aging relatives. However, trends in retirement have changed since OAP began. Many Coloradans now have retirement benefits or pensions offered through their employers. Additionally, women make up a much larger share of the workforce than in the 1930s, and many do not need income support in their old age. Furthermore, many Coloradans are able to work past the age of 60 today than in the 1930s, resulting in more income and delayed retirement. Thus, current societal and economic dynamics may partially explain the root of the OAP caseload decline.

- Asset and income eligibility standards: It is likely that the OAP income (no higher than $952/month, effective 1/1/23) and asset ($2,000 or $3,000 if married) standards render many seniors ineligible and are too low to sustain a steady caseload. The OAP benefit is the difference between the grant standard and the person's countable income. For example, if a person has $800 of countable income, they would receive $152 ($952 - $800) in OAP each month. It is likely that a number of potentially eligible Coloradans conclude that the benefit amount is not worth the effort to apply.

- Virtual application processes: As Chart 2 shows, the OAP caseload decline rate steepened during the pandemic, when many county offices were operating virtually. The Department suspects that some OAP clients had difficulty applying for the program as county offices reduced in-person hours, compounded by many seniors' lack of access to the internet, a computer, or a smartphone to apply online. Additionally, applying for Social Security benefits is a requirement of the OAP program. Thus, SSA's reduced in-person appointment availability also likely made it difficult for potential OAP clients to apply.

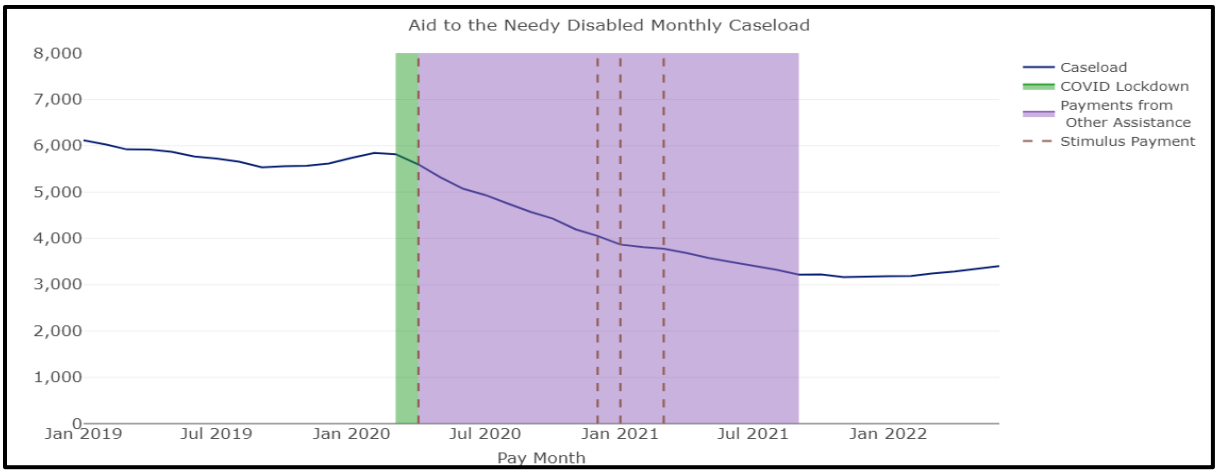
Chart 2: OAP Caseload



- *Aid to the Needy Disabled*

The Aid to the Needy Disabled (AND) program caseload has been declining for several years. That decline became steeper during the pandemic, as detailed in Chart 3.

Chart 3: AND Caseload



While the Department cannot determine the exact reason for the caseload decline, we suspect that the pandemic and demographic trends pre-dating the pandemic contribute to this situation:

- Decrease in disability incidence: A 2019 SSA study found that disability incidence has decreased since 2010, nationwide. This trend is likely due to multiple factors, including improved economic conditions, fewer jobs requiring physical labor, expanded health coverage under the Affordable Care Act, and a backlog of determinations. These same factors could partially explain why fewer Coloradans are applying for AND benefits.
- Virtual application processes: A survey of AND clients in June 2022 found that many clients have difficulty accessing a phone, computer, or the internet. This lack of technology likely made it difficult for potential AND clients to apply for benefits online and/or remain on the caseload as many county human services offices went virtual during the pandemic. Furthermore, AND benefits require the client to complete an interview for SSI/SSDI with SSA staff. The limited in-person availability of SSA staff to complete these processes likely made it difficult for AND clients to complete the required application.

R-07 IMPROVE SNAP DELIVERY

8. ***[Rep. Sirota]*** **Please provide a description of the work and responsibilities of the additional FTE requested for the State's supervision of the Supplemental Nutrition Assistance Program (SNAP).** ***(Slides 29, 31)***

The Department intends the six additional FTE included in the R-07 budget request will assume the following critical responsibilities:

- 2.0 SNAP Program Specialists who will be the primary point of contact for county staff seeking policy guidance and assistance with complex SNAP cases. These staff will also be responsible for addressing client escalations and will generally support SNAP policy analysis, interpretation, and protocol development based on federal guidance.

- 1.0 Program Analyst to mitigate client benefit theft and prevent card cloning and skimming, which has become a significant problem in Colorado and across the nation. Additionally, the position will support counties and clients to access benefits.

- 1.0 Automated Systems Specialist to implement automated processes to reduce burdens on county workers and increase case accuracy. This position will recommend enhanced CBMS functionality, within federal parameters, and recognize and address system defects.

- 1.0 CBMS Help Desk Technician to answer the volume of calls (33% higher than in 2019) from clients who are temporarily out-of-state and need to verify their identity and other requirements to access their benefits. Additionally, this position will update clients' addresses and ensure a new EBT card is mailed to the correct address.

- 1.0 SNAP Data Analyst to map the origins of data used to populate client and case files within CBMS and compile a data dictionary to define and map data variables, which is critical to achieving cross-system integration, like JAI. Additionally, this position will create structured datasets (including demographics, case information, and benefits issuance) to facilitate independent research that increases program usage and removes barriers.

9. *[Sen. Bridges]* **Please provide answers to the following questions:** *(Slides 29, 31)*

   - **If there is an increase in state staff workload, is there a corresponding increase in county staff workload? If so, is the Department pursuing or requesting additional resources for counties?**

     Typically, county and State workloads grow in tandem. However, the types of work are very different. County workers are responsible for the hands-on work to process the increased volume of applications for assistance, while State staff are required to provide the infrastructure and tools to accommodate the volume of work and are accountable to the federal government for timely and accurate benefits. Since the outset of the pandemic, the State has provided $18.44 million of additional funds to counties to cover their increased workloads:

     - In FY 2019-20, $2.4 million of federal CARES Act funds were added to County Administration.

     - In FY 2020-21, $4.4 million from the Colorado Rescue Fund was allocated for County Administration; another $1 million of County Tax Base Relief was transferred to County Administration.

     - In FY 2021-22, the Department secured a $6.5 million Supplemental for County Administration to cover counties' over-expenditures related to increased cases. An additional $1 million of the Department's direct SNAP ARPA award plus $589K of its Third Party Income Verification grant was passed directly to counties to cover administrative expenses.

     - In FY 2022-23, the Department has allocated $850K of its direct SNAP ARPA funds to counties. Additionally, the remaining $1.7 million balance of the Third Party Income Verification grant has been passed directly to counties.

     - The Community Provider Rate increase was applied to County Administration annually.

Additionally, the State is engaged in a number of projects that are specifically targeted to reducing county worker burden through automation.

- Implementing shared resources, jointly operated with the Department of Health Care Policy and Financing, to reduce county workloads, including a) the Consolidated Returned Mail Center to sort and track addresses for clients for whom case correspondence is returned, and b) the Overflow Processing Center to help counties process backlogged cases.
- Standardizing systems across the State, including advancing the Joint Agency Interoperability (JAI) project, expanded with ARPA funds (H.B. 22-1380), which is exploring implementing a shared, statewide Work Management System.
- Investing in automation, including a) integrating the Work Number into CBMS for Medicaid programs, b) implementing Intelligent Character Recognition into CBMS (which was nationally recognized by the American Council for Technology and Industry), and c) launching an Automated Call Center to handle the doubled volume of calls from clients with questions about their SNAP benefits.
- Undertaking a study (per S.B. 22-235) of technological, policy, practice, and workforce solutions to improve access to and delivery of public and medical assistance benefits.

- **If the workload increase was related to COVID, what is the Department's justification for requesting additional resources on an ongoing basis?**

  State SNAP administration was significantly understaffed prior to the Pandemic, as evidenced in two separate, independent studies. A 2015 external assessment of the Department's food programs identified critical deficiencies in SNAP operations, including findings that the Division was understaffed and that existing staff were supporting a range of activities outside their formal job responsibilities and expertise. The study recommended the division reorganize and add 11-15 new positions. During FY 2016-17 figure setting, four staff were added to help address the recommendations. However, a gap of seven to eleven positions remains over the recommended staffing level. This gap created lean circumstances in "normal" operations and was exacerbated by the public health emergency and other extreme circumstances.

  For instance, the strain of the staffing gaps was evident during the 2019 government shutdown, followed by a major system upgrade and transition to the cloud, both of which drastically impacted workloads and taxed the State's capacity to respond quickly and effectively to maintain Coloradans' benefits. And the COVID-19 Pandemic further magnified these gaps as caseloads increased significantly and remain high.

  The historical understaffing of the State SNAP program could lead to performance issues both in "normal" and "extreme" circumstances. These issues will be exacerbated in the short term and amid any extreme events that may emerge. However, the R-07 request seeks two years of increased State SNAP resources. During this time, the Public Health Emergency is likely to end, so the Department will assess the implications of that change to determine if ongoing funding will be required to oversee the SNAP program.

- **Does Colorado receive fewer federal funds relative to other states because state-supervised, county-administered model for SNAP in the State?**

  Colorado does not receive fewer federal administrative dollars because it is a county administered State. Per the U.S. Department of Agriculture, Food & Nutrition Service (FNS), a state's administrative

funding is roughly based on the state's average expenditures over the past five years as a relative proportion to the nationwide administrative funding over the same period. For instance, if Colorado's spending is 3% of the total administrative funding across the nation, Colorado's share of the federal appropriation would be 3%. States are required to bring a non-federal matching dollar to the table to access each federal dollar allotted. Colorado's administrative funding includes County Administration, State Administration, CBMS/PEAK, Quality Assurance (SNAP-QA), and Electronic Benefits Transfer (EBT). County Administration is 52.5% of Colorado's total administrative funding and State Administration is 2.7% of the total.

On average, a State-administered model is 30% less expensive than a county-administered model. In fact, Colorado receives a larger administrative allotment than many other states our size.

R-13 SUSTAIN REHIRE COLORADO

10. ***[Rep. Sirota]*** **How will the additional $102,904 General Fund affect the wage subsidies provided through the ReHire Colorado program?** ***(Slides 32-33)***

ReHire Colorado serves approximately 300 participants annually, including placing participants in a job with a wage subsidy for up to a maximum of 30 weeks of employment. The additional $102,904 will allow the ReHire program to increase the average wage subsidy for participants who are interested in occupations within a Colorado key industry, such as manufacturing, information technology, or healthcare. This increase is aligned with the wages offered for entry level positions in those key industries, which generally begin around $17/hour. Increasing the wage subsidy will ensure that participants can be placed in high-demand jobs and will earn the skills and credentials to grow in a key industry career pathway.

R-11 AID FOR PARENTS TO MAKE CHILD SUPPORT PAYMENTS

11. ***[Rep. Bird]*** **Please discuss the efficacy of the Improved Payments and Child Success (IMPACS) program that supports the extension of the program for an additional four fiscal years.** ***(Slides 34-35)***

Since the IMPACS program was officially launched in February 2021, it has received 238 referrals across three program sites (Goodwill Industries, serving Denver and Jefferson counties; Hilltop Family Resource Center, serving Delta and Montrose counties; and Employment Services of Weld County, serving Weld County) with 148 of these individuals engaged in services. Referred parents have had an average monthly support obligation of $440 and an average arrears balance of $13,539. Since participating in IMPACS, 61% of participants have achieved employment milestones and 56% have made a child support payment, often within four to six weeks. In fact, paying child support is a condition of program participation. In order to successfully graduate, IMPACS participants must demonstrate consistent monthly child support payments for a period of three to six consecutive months at the full monthly support ordered (MSO). In addition to securing long-term employment, 81 program participants (55%) have received an array of supportive services, including short-term housing assistance, transportation assistance, parenting resources, and support to enhance connections with their children. These services are important foundations of stability in their lives and their children's lives.

However, the COVID-19 pandemic delayed the launch of IMPACS by more than a year, which delayed enrollment. Thus, this request will fully leverage the program's original appropriation, which has simply returned to the TANF Long-term Reserve each year it was not spent, in order to maximize the number of parents served and evaluate the efficacy of the program. During IMPACS four-year authorization, a total of $3.5 million is expected to be reverted to the TANF Long-term reserve (including $952,669 in FY 2019-20,

$1.6 million in FY 2020-21, $960K in FY 2021-22, and an estimated $904K in FY 2022-23). The R-11 decision item is requesting to spend $4.5 million over the next four years.

Approving this extension will enable the Department to engage with additional county partners, extend these services to more Colorado parents in more communities, and ensure the completion of a robust evaluation.

12. *[Sen. Zenzinger]* **Does the Department's IMPACS program include non-custodial parents who are currently incarcerated?** *(Slide 35)*

The IMPACS program does not target non-custodial parents who are currently incarcerated. Because IMPACS is funded with TANF dollars, federal eligibility requirements prohibit the program from working with currently incarcerated parents. Furthermore, IMPACS' model delivers services in the community, meaning parents must be able to complete job search activities and be eligible for community-based employment. However, IMPACS does serve parents who are re-entering the community following incarceration. In fact, 45% of participants have a history of incarceration. Given employment challenges among formerly incarcerated individuals, each IMPACS program site has identified services and partners to support parents with criminal records, including one-on-one case management, the HOPE (Helping Offenders Pursue Employment) workshop, and targeted job search efforts with employers who hire justice-involved parents. Additionally, IMPACS provides resources to parents to address past criminal charges that are eligible for expungement through free lawyer clinics and referrals to the self-help center in their local judicial districts. If a parent's criminal background is a barrier to successful employment, IMPACS case managers work with those parents individually to address their needs, including providing a current background check to the parent, free of charge.

- **What other efforts does the Department engage in to increase child support payments from incarcerated non-custodial parents?**

  The Department has an existing automated interface with the Department of Corrections to identify incarcerated parents and issue administrative liens to collect child support from their inmate accounts. When parents are identified as incarcerated, the Department utilizes Administrative and Judicial Modification to adjust the monthly support obligation to a minimal order based on the duration of their sentence. Upon release from the Department of Corrections, parents who are referred to IMPACS receive intensive, one-on-one case management and assistance to build their skills and knowledge to successfully gain long-term and sustainable employment. Additionally, automated enforcement remedies, such as driver's license suspension, may be suppressed while a parent is incarcerated in order to support their employment goals upon release. Lastly, the Department's Division of Child Support Services has been proactively working to enhance its relationship with pre-release programs within the Department of Corrections. Fostering positive working relationships between child support and Corrections helps to ensure that parents understand their child support obligation(s) upon release and know what resources are available to them to successfully meet those obligations.

13. *[Sen. Bridges]* **Are counties using their TANF funds differently in response to the caseload decline, shifting resources from basic cash assistance to other types of programs (e.g., workforce assistance and services to improve the ability of certain individuals to pay child support enforcement)?** *(Slide 36)*

Total county TANF spending has declined, from $146.4 million in FY 2018-19 to $141.4 million in FY 2021-22. As TANF caseloads declined, county spending shifted from Basic Cash Assistance (BCA) to case management and employment and training activities. In FY 2018-19, BCA spending represented 55.8% of total TANF expenditures. By FY 2021-22, BCA spending decreased to 48.1% of total county TANF expenditures.

Among the supportive services spending, federal reports show that Colorado counties' spending on work supports (e.g. transportation support or work uniforms and tools) increased by $4.7 million, from 5.4% of total spending in FY 2018-19 to 8.9% in FY 2021-22. Over the same period, county spending on case management grew by $3.0 million, increasing from 23.3% of total county spending to 26.4%. Spending categories on the federal reports are very broad, so it is impossible to know how much counties spent on helping individuals to pay child support or other interventions to help low-income households become more self-sufficient without polling each county.

OFFICE OF ADULT, AGING AND DISABILITY SERVICES (OAADS)

R3 COUNTY ADULT PROTECTIVE SERVICES SUPPORT

14. *[Sen. Bridges]* **Adult Protective Services Program expenditure data for last four fiscal years show over expenditures, which are covered by county revenue. Given the 80/20 cost sharing between the State and counties, a portion of the requested cash funds could be considered a true-up to actual county contributions to APS funding.** *(Slide 48)*

    - **Will counties be able to generate enough new revenue to fully access the additional funding, particularly small and rural counties?**

      The Department believes that County Departments of Human Services, including those that are small and rural, will have sufficient local funds to match additional funds they receive from this funding request for the APS Program.

      County Department of Human Services are required to operate the APS Program in accordance with statutes, rules and policies set forth by the Department. Each county is responsible for establishing its budgets and its revenues and expenditures. For counties that overspent their APS Program allocation in prior years, the increased funds in FY 2023-24 and beyond will make a significant difference in that they will only need to support 20% of the additional cost as opposed to the full amount (which they are required to cover if they overspend).

      County Departments that spent less than their allocation amount in prior years will not be impacted by the additional funds since they are not required to spend their full allocation amount. Those counties would simply not access their full allocation amount.

      The funding allocated for APS is separate from the County Administration allocation. The APS full allocation amount is derived from the APS Allocation funding formula for APS Administration and Client Services funding.

      <u>APS Administration</u>:

        - Ten large counties: 50% Demographics, 50% Workload data, no floor, no minimum allocation
        - Balance of state counties: 55% Demographics, 45% Workload data, no floor, no minimum allocation

      <u>APS Client Services</u>:

        - Ten large counties: $2,000 minimum base, 50% Demographics, 50% Workload data
        - Balance of state counties: $2,000 minimum base, 55% Demographics, 45% Workload data

Note: Workload data is from the CAPS data system related to the "Number of Days Cases are Open" for a 12-month period; Demographic data is from the American Community Survey containing both population and poverty level information for the most recent five-year band (Persons age 65+ with incomes < 300% FPL and Persons age 18-64 with incomes < 200% FPL)

15. *[Sen. Zenzinger]* **Please provide a copy of the final workload study regarding the Adult Protective Services program. Copies of this study should be electronically distributed to the Joint Budget Committee and its relevant staff.** *(Slide 50)*

The Department will share the Study with the Joint Budget Committee members in February 2023. While the Department originally anticipated an earlier delivery of the report, conducting the first ever Workload Study of the APS Program has proven to be time consuming and complex, which has delayed the delivery of the report from the contractor.

MEDICAID

16. *[Rep. Sirota]* **For Regional Centers, Medicaid pays a daily rate based on the actual cost of services and the cost of operating the facilities where services are provided. Why is this different from other Medicaid rates that generally do not cover actual costs?** *(Slide 61)*

The Regional Centers serve as Colorado's safety net provider for those individuals requiring a higher level of care, who may be dually diagnosed or have complex medical needs that cannot be met in other least restrictive settings. This care often comes with the need for higher and more intense treatment stabilization.

Colorado statute directs that Medicaid reimbursements to the Regional Centers are based upon actual costs. Specifically, section 25.5-6-204(1)(b), C.R.S., states, "[s]tate-operated [ICF/IIDs] shall be reimbursed based on the actual costs of administration, property, including capital-related assets, and room and board, and the actual costs of providing health care services…." and that "such costs shall be projected by such facilities and submitted to [HCPF] by July 1 of each year for the ensuing 12-month period." "Reimbursement to State-operated [ICF/IIDs] shall be adjusted retrospectively at the close of each 12-month period."

Approximately 96% of the Regional Centers appropriations are composed of Medicaid funds, one-half from federal funds and the other one-half from State General Funds. In addition to the Regional Centers' direct cost of operations, indirect costs are allocated to the Executive Director's office, workers' compensation, facilities, risk management, and other department-level administrative costs.

All Regional Centers provide services to Medicaid-eligible clients. The Centers operate as either: (1) Intermediate Care Facility for Individuals with Intellectual Disabilities (ICF/IID), or (2) Home and Community Based Residential Home license, (waiver-funded homes). Our Grand Junction Regional Center operates under both license types.

ICF/IDD programs are reimbursed based on the actual costs of administration, property, including capital-related assets, and room and board, and the actual costs of providing health-care services in accordance with Section 25.5-6-204(1)(b), C.R.S.

Home and Community Based Services - Developmental Disabilities (HCBS-DD) waiver programs are reimbursed Fee for Services (FFS) for each waiver service they provide: Residential Habilitation (Group Residential Services and Supports), Day Program, Supported Employment, and Behavior Services.

- Residential Habilitation is a per-diem rate negotiated by HCPF and the CDHS Division for Regional Center Operations in order to recognize the specialized needs of the higher-risk population they serve.

These individuals have complex mental health and/or behavioral needs, a history of a sex offense, and/or are medically fragile. The per-diem rate is cost based and is determined by audited cost reports.

- Day Program, Supported Employment, and Behavior Services are reimbursed at the FFS rate listed on HCPF's HCBS-DD Rate Schedule.

The type of Medicaid license determines the services that the Regional Center can provide to residents, the required staff expertise, Center costs, and how Medicaid-allowable costs are reimbursed.

The Regional Centers are licensed as follows: The Wheat Ridge Regional Center operates community-based group homes, all of which are licensed under ICF/IID licenses. The population served includes those who are dually diagnosed, behaviorally challenged, and those with problematic sexual behaviors.

The Pueblo Regional Center operates community-based group homes exclusively under the HCBS licenses for waiver-funded homes.

The Grand Junction Regional Center operates an on-campus dorm and community-based group homes under both an ICF/IID license and an HCBS waiver licenses for waiver-funded homes.

In November 2013, the Office of the State Auditor (OSA) conducted a Performance Audit of the Regional Centers for People with Developmental Disabilities. OSA found that:

- HCPF was not reimbursing Regional Center ICF-IID and HCBS-DD Residential Habilitation services at a rate that reimbursed the cost for service delivery.

- The cost to serve clients in the Regional Centers was higher than the cost of serving similar clients through private providers.

OSA recommended that HCPF improve monitoring and analysis of Regional Center costs to ensure public funds are used efficiently and ensure the Regional Centers align with costs. To comply with the audit findings and recommendations, July 1, 2014 HCPF implemented new cost reporting, analysis, and reimbursement measures for the Regional Centers.

This 2013 OSA (Office of State Auditor) audit also recommended the following:

- Ensure the Regional Centers that are Intermediate Care Facilities for Individuals with Intellectual Disabilities are fully reimbursed by Medicaid for service costs.

- Work with the Department of Health Care Policy and Financing (HCPF) to ensure reimbursements to the Regional Centers for the Home and Community-Based Services for Persons with Developmental Disabilities (HCBS-DD) waiver align with costs.

OFFICE OF CHILDREN, YOUTH AND FAMILIES (OCYF)

DIVISION OF YOUTH SERVICES

Caseload

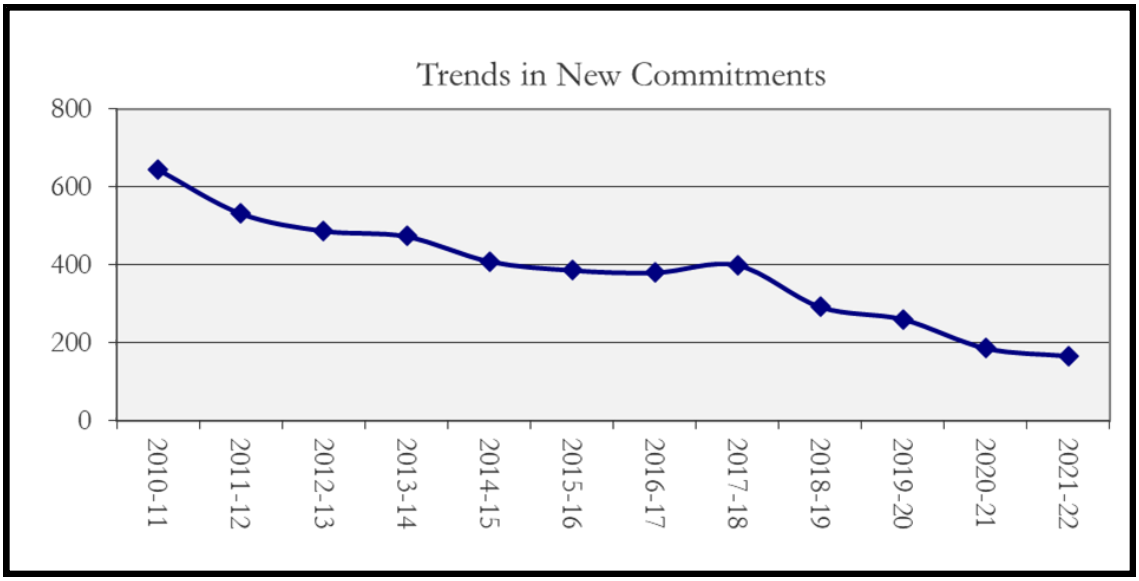
17. [Rep. Bird] Why has DYS caseload decreased over the last ten years? *(Slide 71)*

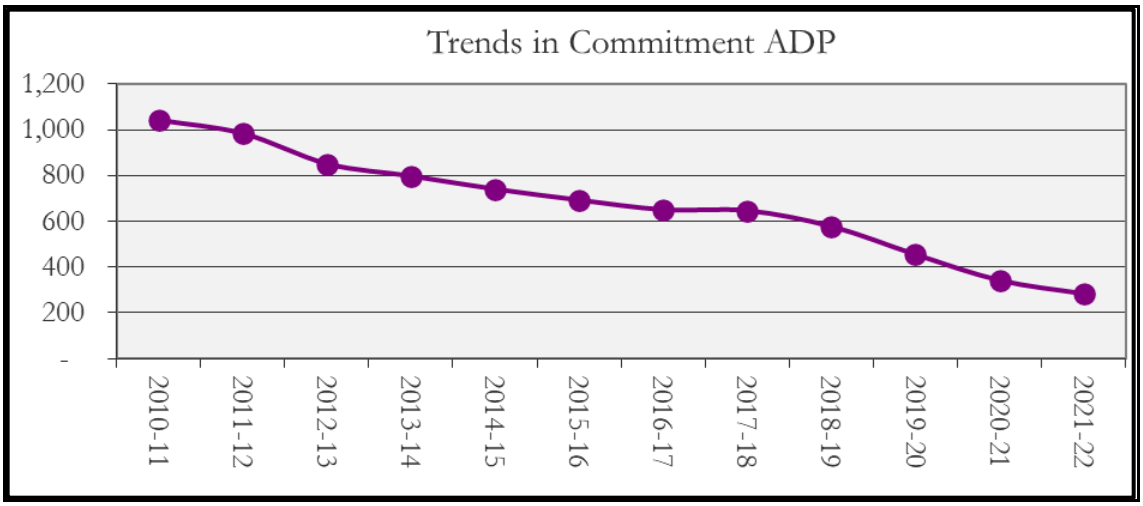
DYS has experienced, and continues to experience, declines in commitment and parole caseload numbers. The reduction in juvenile justice and juvenile corrections populations is a national phenomenon and is in no way restricted to Colorado (Pew Charitable Trusts, 2017). There have been a myriad of theories (including the

emphasis on rehabilitation, system reform, evidence-based practices, community-based programs, expansion of diversion, etc.) attempting to explain this reduction; however, a definitive, causal relationship between potential factors and the reduction has not been established. The charts below show the declines in the number of newly committed youth and the average daily population of committed youth, highlighting that these reductions have occurred steadily over at least the past 10 years. The decrease in caseloads in Colorado may be related to the theories noted above, as substantial improvements and reforms have occurred in the juvenile justice system in Colorado over the past two decades.

The reduction in average daily population is closely related to declines in other areas, such as the youth population itself in Colorado, juvenile arrests, and new probation cases. More recently, COVID may also have impacted the population of youth in the commitment system, as school districts have often operated on a virtual basis (school incidents often serve as a conduit for juvenile justice involvement), and law enforcement policing practices shifted. Another potential factor in the reduction of caseloads may lie in the decrease in youth being served in out of home placements through county departments of human services. This is a national and Colorado phenomenon (OJJDP, 2022). Youth in out-of-home placement are more likely to experience deeper system involvement, including possible commitment, as an artifact of acquiring new charges while in placement and running away from placement.

The reduction in the average daily population of youth on parole coincides with the reduction in commitment. Fewer youth serving a commitment sentence results in fewer youth transitioning on to juvenile parole.





Sources:

- 2022 April OJJDP Bulletin: "The 2019 Census of Juveniles in Residential Placement (CJRP) shows that the number of youth in placement continues to decline. Between 1997 and 2019, the number of youth in residential placement decreased 65% to 36,479, its lowest level since the data collection began in 1997 when 105,055 youth were held in out-of-home placement." https://ojjdp.ojp.gov/publications/juveniles-in-residential-placement-2019.pdf

- 2017 September PEW Charitable Trusts article: "Over the past decade, the nation's juvenile commitment rate—the share of adjudicated youths in residential facilities—dropped by half, falling to the lowest level since the federal government began tracking it in 1997, according to a new analysis by The Pew Charitable Trusts." "Data from the federal Office of Juvenile Justice and Delinquency Prevention indicate that between February 2006 and October 2015, the rate declined from 201 per 100,000 juveniles to 100 per 100,000. A total of 24 states reduced their commitment rates by at least 50 percent during that period. Connecticut saw the largest drop, a decline of 83 percent. Since 1997, the national rate has decreased by a total of 61 percent." https://www.pewtrusts.org/en/research-and-analysis/articles/2017/09/18/juvenile-commitment-rate-falls-by-half-nationally-in-10-years

18. ***[Sen. Zenzinger]*** **Please describe DYS diversion programs and the funding for diversion programs.** ***(Slide 72)***

The Department has a few grant programs such as Tony Grampsas Youth Services Program and the Collaborative Management Program that do support youth diversion, but it does not oversee diversion programs for the state as a whole. Likewise, DYS does not have specific diversion programs. Any questions related to diversion can be referred to the Department of Public Safety Division of Criminal Justice (DCJ).This question should be referred to the Department of Public Safety (CDPS), Division of Criminal Justice (DCJ), as this division oversees diversion programming at the statewide level. Questions could also be posed to the Colorado District Attorney's Council (CDAC).

19. *[Sen. Kirkmeyer]* **What are the impacts of DYS detention bed caps on counties and child welfare services?** *(Slide 72)*

SB 21-071 statutorily set the statewide detention bed cap at 215 (a reduction from 327 to 215). An allocation model voted on by a statutorily assigned body (Colorado Youth Detention Continuum Advisory Board) is utilized to distribute the detention beds throughout the state. The 215 beds are specifically allocated to Judicial Districts (JD) within catchment areas (not to counties). JDs are able to borrow outside of catchment areas, when possible, as beds are available. The detention average daily population (ADP) and daily maximum counts from FY2022 and FY2023 to date are displayed in the figures that follow. For the first time in seven (7) years, detention admissions are increasing. Similarly, detention screens, detention youth served, ADP, daily maximum counts, and client loads are all increasing as well.

FY 2021-22			FY 2022-23 (Oct YTD)		
ADP	Daily Maximum	Client Load	ADP	Daily Maximum	Client Load
158.5	181	180.9	169.3	196	184.4

R-06 DYS SECURITY EQUIPMENT UPGRADES

20. *[Sen. Zenzinger]* **Please describe existing security resources at DYS and their efficacy. Please describe if this request relates to facility improvement requests that were approved in recent years, or requests that were initially approved but removed for budget balancing in 2020.** *(Slide 78)*

The FY20-21 Request (Department priority #R-05) for $1,016,000 in total funds included funding for six drug detection wands, drug detection canines, and ten FTE. This request was part of the set of requests that were preempted by COVID and were not ultimately funded.

R-02 PREVENTING YOUTH HOMELESSNESS

21. *[Sen. Zenzinger]* **Please describe the structure of the request, why it was conceived in three parts, and why each component was conceived in the way it is.** *(Slide 83, 86)*

The request consists of three different components, each designed to address a specific opportunity to prevent homelessness at different points in time based on the typical trajectory of a child and family. These three components are designed to work together to address different needs and provide a comprehensive approach to child and family wellbeing.

1. *Preventing Child/Family Homelessness:* The first component of this package is focused on preventing youth homelessness as it relates to unmet family needs. Similar to root causes of child abuse, often the underlying issues relate to a family's unfilled economic, mental health, or treatment need, which in turn leads to negative outcomes for the family. The greatest opportunity for expansion of these community-based services and supports is through designated program intermediaries, or agencies that specialize in

delivery of one or more evidence-based services to prevent negative outcomes. These are organizations like Invest in Kids and the Kempe Center who help providers deploy services to fidelity. By ensuring intermediaries have the resources to 1) collect data around child outcomes and program fidelity, and 2) build capacity for evidence-based programs, programs provide the most upstream opportunity to tackle the drivers of family instability. The requested amount of $512,000 was determined following conversations with intermediary organizations to determine the necessary resources to add capacity in the above determined spaces.

2. *Addressing Youth Risk Factors:* The second component of this proposal focuses on addressing youth risk factors that correlate with homelessness later in life. According to the National Foster Care Institute, approximately 50% of the homeless population has spent time in foster care. Research has isolated several factors that impact a foster youth's likelihood of becoming homeless, including a lack of support from relatives (instability of connections), mental and behavioral health needs, and juvenile justice involvement. Therefore, the second opportunity for intervention is to prevent future homelessness by providing youth-specific restorative services to address these risk factors. The requested amount of $1.25 million represents an initial recurring investment to start up services where they do not exist, for example, launching several new Multisystemic Therapy teams in rural areas of Colorado. As start-up costs are a frequent barrier to starting up services, these funds would help under-resourced communities actually build capacity and begin drawing on sources like Medicaid to sustain services.

3. *Preventing Homelessness for Youth in Transition:* The final component of this package is related to addressing the risk of homelessness at the point a youth transitions out of foster care to independence. Based on county feedback around the need for additional housing resources, this component includes a new voucher program to provide approximately 100 vouchers to youth in transition. This amount was determined based on an extrapolation of National Youth in Transition survey data around Colorado youth in transition who report being homeless within a few years of leaving care. In addition, because vouchers themselves do not carry requirements of intensive case management, the Department also proposes to link voucher receipt to participation in the State's Chafee and Foster Youth Successful Transition to Adulthood grant programming. The Department requests $1,440,000 to supplement the State Foster Youth Successful Transition to Adulthood grant appropriation (established with HB21-1094) to support this case management component. This amount represents an infusion of additional resources to counties to expand county capacity to serve young people aging out of or emancipating from foster care. This portion of the request is directly responsive to county feedback on how to better serve youth in transition.

22. [Sen. Bridges]* Why is the Department proposing this specific solution to the housing challenge? Did the Department consider other alternatives? *(Slide 86)

The Department compiled a wealth of research to better understand the links between child and family risk factors and homelessness as an outcome. As noted in the response above, the Department identified three specific opportunities where deployment of resources and prevention services would have, based on evidence available, a strong likelihood of increasing child, youth and family stability and preventing housing instability. Each of these components were refined through conversations with county partners, prevention service intermediary organizations like Rocky Mountain MST Services, the Department of Local Affairs' Division of Housing, and subject matter experts focused on supporting youth in transition. Further, the Department pulled information from the Family First Prevention Services Clearinghouse, the American Association of Pediatrics,

the National Foster Youth Institute, Think of Us, and American Journal of Public Health to inform recommendations around prevention services.

Finally, in development of this request, the Department focused both on filling gaps in community services while also building on existing infrastructure and momentum. Notably, the passage of HB 21-1094 created the Foster Youth in Transition program to supplement Federal Chafee funds with General Fund resources to better equip counties to serve young people aging out of care. The third component of this request proposes to increase funding to the existing Foster Youth in Transition Program to support case management for voucher recipients rather than establishing an entirely new program. The Department has structured the proposal this way in recognition that, if resourced appropriately, the counties are best equipped to support this population. Similarly, component two of this request capitalizes on the existing network of intermediary organizations that specialize in expanding prevention services by increasing resources to this part of the continuum.

23. [Sen. Bridges] **The second part of the request refers to providing start-up support before providers are in a position to drawdown federal funds. What federal funds does the request anticipate are available, and what amount of federal funds are anticipated to be leveraged based on the amount of State support provided in the request?** *(Slide 85)*

This request supports drawdown of federal funds under Title IV-E of the Social Security Act, specifically available through the Family First Prevention Services Act. With regards to prevention, Family First creates a new federal funding opportunity in the form of a 50% reimbursement stream to fund services to keep families together safely. Those services and intermediaries included in the first two components of our proposal are the same services supported through Family First. While the expenses in the request themselves are not necessarily reimbursable because they relate to building infrastructure to deploy services (e.g. hiring therapists, setting up data collection mechanisms) rather than paying the cost of services themselves, investing in infrastructure and capacity building creates the environment to deploy services, and therefore generates downstream federal funding that can come into our state and ultimately be reinvested into our communities.

The exact amount of federal drawdown will depend on the exact services deployed and whether the population served is an eligible IV-E population. As some services are eligible for Medicaid as well, the State would access Medicaid funding first and Title IV-E second as required by federal law. As one example of the financing, if Colorado spent a one-time investment of $1 million to build five new Multisystemic Therapy (MST) teams, these teams could serve approximately 300 families a year, including 150 families who are Medicaid-eligible, and 150 who are not. Using the average MST cost of $3,000/family, this would generate claimable expenditures of $900,000 annually. $450,000 of these expenses would be covered by Medicaid (50% or $225,000 would be federal Medicaid drawdown), and the remaining $450,000 would be claimable under Title IV-E (50% or $225,000 would be federal IV-E drawdown). Over five years, a one-time investment of $1 million in infrastructure would yield downstream collections of $1.125 million in Title IV-E and $1.125 million in federal Medicaid. **Additively, a $1 million investment in MST would generate more than a 1:2 return on federal funds in just five years.** While the exact services expenditures and populations served vary, this request brings services to regions where it does not exist, introducing this new opportunity for families to both access services and for Colorado to benefit from corresponding federal funding where possible.

24. [Rep. Bird] **Please describe the landlord incentive fund included in the request. How is the State appropriately placed to create a guaranteed fund. Can the State guarantee an individual's or program's indebtedness?** *(Slide 86)*

The landlord incentive fund would be implemented as a larger benefit for this and other housing incentive programs operated by DOLA/DOH and they would take lead in directing this element of the program. The Department does not include additional funds in this request as the program would benefit more than recipients

of the proposed youth in transition voucher program. If necessary, funding for this specific population to benefit from the incentive fund could be considered by the HB21-1094 allocation workgroup as a carveout from the distribution formula. The intended impact of the landlord incentive fund is to increase the likelihood that a landlord will take the risk of renting to youth who do not have a co-signer and who may not have the same support networks as other young people the same age. The program will operate in the same general manner as any housing voucher program funded through state or federal dollars. The program does not guarantee the debt, instead it provides financial assistance to the voucher recipient through direct payments to the landlord. If the voucher recipient stops paying their portion of the rent, the government agency or program does not take on the voucher recipient's portion that was unpaid. Some programs do have mitigation funds that can, in some circumstances, help with arrears, but in those instances access to the mitigation fund is not a guarantee for the landlord.

25. *[Sen. Kirkmeyer]* **What is the Department requesting funds for a new program rather than increasing funding for the existing Chafee program that has proven success in this area? Local agencies have a good handle on the problem but need more funding. Why does the request include funding for additional State FTE rather than funding to serve kids directly?** *(Slide 86)*

The Department is requesting an **expansion** of the existing Chafee and Foster Youth in Transition program to support young people transitioning out of foster care. The Department's request of $1,440,000 would directly supplement the State Foster Youth Successful Transition to Adulthood grant appropriation (established with HB21-1094) to support this case management component. This amount represents an infusion of additional resources to counties to expand county capacity to serve young people aging out of or emancipating from foster care. **This portion of the request is directly responsive to county feedback on how to better serve youth in transition.**

The new component of this program is the request for youth-specific vouchers at a cost of approximately $10,668 per voucher for 100 vouchers. This request is also directly responsive to counties, whose Chafee workers frequently report having inadequate tools to actually place youth in housing due to the long waitlists associated with existing Federal and State voucher programs. Thus, the request both 1) increases funding to counties to support case management needs, and 2) provides an additional tool to county workers to support housing. The associated request for State FTE is to support distribution of vouchers and determine youth eligibility; the majority of funds support increasing county staff to support administration of support directly to youth.

26. *[Sen. Kirkmeyer]* **The request and staff briefing provided research from other states and national statistics. What data is available about the outcomes for Colorado foster youth specifically? Data points may include the number of youth who re-enter foster care, the number of youth receiving transition support, the number of youth who experience homelessness immediately upon exiting child welfare or DYS, and the number of youth that experience homelessness within a few years of transition.** *(Slide 86)*

The Department has collected several data points around HB21-1094 and the number of youth benefiting from the Foster Youth in Transition program. Those data points include:

- The number of youth who re-entered foster care after exiting: 68 since June 2021.
- A total of 327 youth have used the FYiT program since June 2021.
    - Just 2.5% of the 327 youth enrolled in FYiT have discharge reasons that would indicate a negative outcome (e.g. detention, services not effective).
- As of November 2022, 257 youth were currently engaged with the FYiT program.

With regards to housing, according to Colorado data from the National Youth in Transition Database (NYTD), approximately 30% of respondent Colorado youth between the ages of 17 and 21 report being homeless. In the past 12 months, 282 Colorado youth have transitioned from child welfare custody to adulthood. Applying a 30% rate would indicate that approximately 85 of those Colorado youth will become homeless within two years. An additional 95 youth who would be eligible for this program exited Division of Youth Services custody to adulthood in the past 12 months and applying the same homelessness rate indicates that an additional 29 of those youth will experience homelessness in the next two years, for a total estimated population of 114 youth. DHS conducted outreach to Chafee workers and Mile High United Way's Bridging the Gap program to determine the scope of workers waiting on vouchers for youth. Mile High United Way indicated approximately 200 Colorado youth are waiting in their community queue for housing resources.

The Department collects a wealth of data on foster youth while in care and would be happy to provide additional information if the Committee requests additional specific data points.

27. [Sen. Kirkmeyer] **How many of the youth targeted by the request are expected to be high acuity that are hard to place? What is the relationship between the requested funds, how counties may utilize child welfare block grant funds, and how the block grant is allocated? Will the request free up block funds for counties or drawdown additional federal funds?** *(Slide 86)*

This request helps serve youth with acute behavioral health needs in two ways. First, the targeted prevention services in the second component of this budget request address youth risk factors and help meet the needs of our young people before they escalate into a space of crisis. Often, escalation results from many years of having mental and behavioral health needs inadequately treated. This request helps ensure more services are available earlier to prevent mental health crises before they happen. Second, youth most at risk of experiencing homelessness upon aging out are those youth who have complex, co-occurring needs, multiple placement changes, and a lack of ongoing support. While the Foster Youth in Transition and the voucher program can benefit all young people transitioning out of care, those who have additional risk factors are particularly vulnerable to poor outcomes and need this type of safety net and support as they transition to adulthood. While there is no methodology to determine what proportion of voucher recipients could be considered "high acuity," vouchers would be available to approximately 100 youth at high risk of homelessness annually.

The third component of this request includes an infusion of $1.4 million in Foster Youth in Transition (HB 21-1094) funds to counties, which could relieve pressure on the block where child welfare block funds currently support provision of services to youth aging out of care. Provision of prevention services is likely to have a larger impact. As prevention services are designed to reduce downstream involvements and out-of-home placements and given that out-of-home placements is the largest driver of expenditures in the child welfare block, deployment of prevention services reduces downstream block expenditures and frees up funding for other purposes. For example, certain prevention services related to youth in conflict behaviors have been found to reduce out-of-home placements by more than 50% in an 18-month window. As the typical population of youth receiving these services is most likely to be placed in residential care, 100 youth served could result in a decrease of 50 out-of-home placements in residential care. At a residential child care facility rate of $310.63/day, serving just 100 youth could generate savings of $5.7 million annually for the child welfare block.

Details on federal drawdown are provided in the response to Senator Bridges' question, noted above.

28. [Rep. Sirota] **Please comment on the Colorado Sun adoption series.** *(Slide 94)*

Hundreds of children and youth are adopted each year and find permanency, often in families where they were cared for as children and youth in foster care. Despite the incredible amount of therapeutic and other material

needs (e.g. car seats, cribs, transportation, school activities) that children, youth and families may have as they join a new family and make their way through Colorado's adoption process through a Dependency and Neglect case, the vast majority of these adoptions are successful and families are able to access what they need in order to support their family and thrive. As noted by the Colorado Sun's series, around 13% of these adoptions, however, are disrupted for a myriad of reasons. CDHS and Colorado counties continue to partner and strive to find ways to provide services for families that are served by the child welfare system, and the first step to preventing disrupted adoptions is to reduce the number of children/youth in need of adoption by keeping families safely together. Notably, the rate of removal per 1000 children in Colorado was 3.8 in December 2018. This decreased to 2.4 as of Oct. 31, 2022 (Data extracted from the Department's Results Oriented Management [ROM] system on 11/10/2022). Furthermore, the count of children and youth entering foster care has decreased over time. Five years ago in December 2018, the total number of children and youth entering out-of-home care was 336; this decreased to 199 in October 2022. This is equal to a 41% decrease in the entering population in this timeframe (Data extracted from ROM on 11/10/2022).

Our responsibilities as a Human Services Department related to adoption services are many, including: 1. To make sure that counties have appropriate technical support and guidance, 2. To ensure adequate funding and processes to maintain needed monthly support throughout the childhood and adolescence of the children and youth who are adopted, 3. To assess for need and make available services and supports through permanency and post-permanency programs for county departments and families, and 4. Intervene as appropriate to support situations where difficulty and/or disagreement arises. Throughout the past several years, our Permanency team has led an effort to enhance the adoption subsidy negotiation tool and process, to support implementation of the Relative Guardianship Assistance Program (RGAP), SB18-254 and its provisions for a 90/10 funding split, and to support families and counties regarding any difficulties in this process. Finally, in addition to the above points made about reducing unnecessary out of home care, as of November 2022 46.5% of all children and youth who are removed from their family of origin are placed in kinship care as the initial placement.

- **The series comments on effective services that are receiving funding decreases, such as Trust-Based Relational Intervention (TBRI). Why have State resources for TBRI been decreasing?**

  TBRI is an attachment-based trauma informed intervention that is designed to meet the complex needs of vulnerable children and youth. The state has been using the Adoption Incentives to fund Post-Permanency Services through the organization Raise the Future and TBRI is part of the post permanency services that this organization provides. To date this Fiscal Year, the state has allocated adoption funds to support several post-permanency services, including TBRI. As the total adoption funds distributed this year to date are less than annual totals allocated in previous years, the to-date amount TBRI has also decreased. However, the state received additional adoption incentive funds from the federal government earlier this fall and will be allocating these funds out via a Request for Proposal process. The state (through the RFP process) will be focused on funding a comprehensive array of services to provide more support to post-permanency families. Organizations can choose to apply for these funds, which could result in an increase to TBRI for the remainder of the fiscal year.

- **How is the Department supporting adoptive families to achieve permanency?**

  CDHS supports permanency first and foremost through the adoption/RGAP line, 90% of which is General Fund/Federal funds to support county adoption and relative guardianship activities. Counties can use funds for a variety of services and supports to best promote permanency and post-permanency based on the specific needs of families.

  In addition to this dedicated line item, the Division of Child Welfare (DCW) funds several contractors for permanency and post-permanency services, including:

- Project 127, which provides training and support for metro families;
- FosterSource, which develops respite networks, support for foster and adoptive families and children, and needed items like cribs and car seats; and
- Raise the Future, which provides online and in-person training as well as Post Permanency Supports & Services (PPSS), including TBRI.

CDHS and counties also know that a child and family's experience in foster care is a major determinant of whether and how a family engages during adoption, and counties have localized and responsive services that are built up to meet needs of kinship and foster families. Resources to support permanency include Core funding, grief and loss therapy, non-profit services, and kinship and/or RGAP access and support. While most families feel comfortable moving on and not maintaining involvement with the system, counties also have their own post-permanency teams, and families can reach out to counties if needed and re-open involvement if case management services and/or Core services are needed.

- **Why is the Department prioritizing this request instead of investing resources to support adoptive youth and families and prevent placement disruption?**

The Department has developed requests this year based on prominent areas of need. With 30% of all youth transitioning out of care experiencing homelessness, the Department has identified and put forth a set of proposals to prevent this devastating outcome. The Department simultaneously seeks to support adoptive youth and families and is positioned to do so through the array of strong, supportive services already provided through excellent county casework practices, dedicated funding in the adoption/RGAP line item, and additional adoption savings and incentive funds allocated to contractors to support this work. Additional supports around post-permanency are detailed in the response to question 28 above.

DIVISION OF CHILD WELFARE

R-04 IMPROVING MEDICAID ACCESS FOR CHILD WELFARE YOUTH

29. [Sen. Zenzinger] **Will the request improve access to behavioral health screenings, particularly for foster youth?** *(Slide 87)*

Yes, the Child Welfare Medicaid Specialist team will be tasked with building capacity between the Division of Child Welfare, counties, HCPF, and Regional Accountability Entities (RAEs) to ensure all children and youth are enrolled in Health First Colorado (Colorado's Medicaid program), have smooth and continuous access to care, and receive the care they need to achieve reunification or permanency.

Specifically, these positions will facilitate coordination between Health First Colorado and counties to ensure that Child Welfare children and youth, particularly foster care children and youth, are meeting their Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) requirements, which includes mental and behavioral health screenings.

30. [Rep. Bird] **Please describe the out-year costs associated with the request. What is included in the increase for FY 2024-25?** *(Slide 88)*

This request includes 2.7 FTE that will jointly report (matrix) between CDHS and Health Care Policy and Financing (HCPF). This consists of a Child Welfare Medicaid Specialist team (2.0 FTE) that will provide the needed subject matter expert navigation between Child Welfare and Medicaid systems to ensure efficient Medicaid enrollment, facilitate access to care, remove systematic barriers, and offer recommendations for lasting improvement. Those positions will be ongoing and are included in the out-year costs. This request also

includes a business analyst that will define and align business requirements across Trails, CBMS, and the Colorado interChange, three of the largest systems in Colorado. This ongoing position is needed to ensure the technology accurately reflects the business processes and does not become a barrier to access to care.

Additionally, this request includes funding for contract IT services, including one full-time developer starting in FY 2023-24 and one full-time quality assurance testing specialist beginning in FY 2024-25.

The increase in FY 2024-25 is due to adding contracted services around quality assistance and testing. The need for these services will begin in FY 2024-25, after CDHS establishes increased technical capacity with the business analyst and contract development services.

31. *[Sen. Kirkmeyer]* **Please provide additional information about the eligibility disruptions and what the requested staff will do specifically. Why are additional State staff requested when services are implemented at the county level, and the core issue may be with the RAEs or a need for additional county staffing.** *(Slide 88)*

CDHS, HCPF, and OIT identified 13 root causes and five systematic issues that created eligibility disruptions for children and youth. This root cause analysis and recommendations to solve those issues was vetted and supported by the Delivery of Child Welfare Services Taskforce and their Medicaid Subcommittee.

The cross-agency project team identified that roughly 49.8% of eligibility disruptions were caused by issues in program, policy, and business processes and 36.5% were caused by technical systems issues. Program, policy, and business process issues include mismatched processes between systems to open and close eligibility in systems depending on which household maintains care and custody of the child/youth, inconsistent data entry and reporting within Trails, and disruptions caused by placement transitions. The Child Welfare Medicaid Specialist team will work to create centralized, specialized expertise that will allow the state to standardize processes, provide technical assistance to counties across the state, and align business processes between Child Welfare and Medicaid systems. The positions would provide a single, central point of contact for county staff, families, and providers to help prevent and resolve any Medicaid-related barriers to care. **These positions are crucial to have at the state as counties have requested dedicated subject matter experts and support from the state in Child Welfare Medicaid.**

Given the systemic nature of the program, policy, and business process root causes, state staff are needed to identify and implement solutions. Currently, counties have developed functional short-term workarounds, but without centralized state support each county develops their own solutions, many of which jeopardize long-term technical functionalities and puts an additional burden on counties to individually solve these issues. Additionally, state staff can facilitate policy and rule changes, provide technical assistance across the state, and ensure policy and business process changes are properly updated in the technology.

Additionally, only state staff can implement technical solutions to Trails, CBMS, and the Colorado interChange. The technical staff provided in this request will align technical functionality between Trails, CBMS, and the Colorado interChange to reduce the risk for eligibility disruptions and lay the groundwork for future IT innovation. Contract developers and quality assurance testers will ensure that this work is translated accurately into functionality.

R-17 REALIGN HOTLINE BUDGET

***32. [Sen. Kirkmeyer]* Do all counties utilize the hotline? Please describe how the hotline functions, and how it is funded, for the State and counties.** *(Slide 89)*

Since Colorado's statewide child abuse and neglect hotline's inception in 2015, all 64 Colorado counties use the hotline system platform currently provided through the vendor Lumen which allows all incoming hotline calls to be recorded and uploaded to our Trails database system. The Hotline County Connection Center (HCCC) based in Lamar, CO is our state hotline vendor through the Prowers County Department of Human Services. The HCCC currently provides 24/7 call coverage for 45 counties and after-hours call coverage (nights, weekends, and holidays) for 10 counties. These 55 counties have entered into call coverage paid agreements with the HCCC. The remaining 9 counties utilize the HCCC as a call taking back-up so that no call into any county goes unanswered. The hotline itself is 100% funded with General Fund; however, this does not include staffing for call coverage. As noted above, counties have the option to pay Prowers County Department of Human Services to provide call coverage on their behalf.

Wendy's Wonderful Kids

***33. [Rep. Sirota]* What is the rationale for not continuing support for the Wendy's Wonderful Kids program?** *(Slide 94)*

Findings from the Wendy's Wonderful Kids evaluation report, as commissioned by the Social Work Research Center at Colorado State University and the Kempe Center, demonstrated no statistical difference was found in permanency outcomes for those Colorado youth that received the WWK intervention and those that did not receive the intervention. The study compared kids with similar levels of acuity through a matched comparison design (propensity score matching methodology).

While an earlier evaluation performed in 2011 in Washington DC did indicate differences between the treatment and control group, this evaluation compared WWK to "typical practice" over a decade ago. The 2011 evaluation was a randomized study (by its nature more rigorous but potentially more disruptive) done across multiple states and did not include Colorado. As county practices overall in supporting adoption stability have matured, it is possible the observable differences between WWK and standard county supportive practices have diminished.

Based on the evaluation and the current strength of county practice, the Department does not feel there are sufficient observable differences between county permanency supports and WWK to request General Fund for this program. Given limited General Fund, the Department has prioritized programs that have a high degree of evidence and have demonstrated impact achieving the desired outcomes for kids and families in its overall budget request. Further, there remain other sources of funding to support WWK, including Adoption Savings and Adoption Incentives, which are allocated through the Request for Proposal process. Further, counties that wish to contract with WWK can continue to do so with child welfare funds provided.

- **Please describe the youth that are served by the program.**

  Each county department who was involved in the program was able to select the youth that were served by the program. Typically, counties chose those youth who were difficult to connect with permanent caregivers and who had been waiting for permanency for a number of years. Under the evaluation, those youth were all matched with similar, non-participating youth through a propensity score matching methodology. This methodology allowed all youth regardless of differing characteristics to be matched with a non-participating youth in a "control" group who most closely resembles their "intervention" counterpart. The program was offered to any youth that was referred

by a county department of human services and is still available to counties who wish to participate should they want to partner with WWK.

- **What services are available to youth targeted by this program without the services provided by WWK?**

  Colorado will continue its rigorous practices to help all children and youth achieve permanency efficiently and effectively. Caseworkers will continue to provide information to the Colorado Heart Gallery that features Colorado's waiting children and youth, and all counties are required by rule to register children and youth that are free for Adoption with the Colorado Adoption Registry. All counties also conduct an ongoing comprehensive search of the child(ren)/youth's record for possible permanent placement(s) or other permanent connections unless the child/youth meets the family search and engagement requirements. Any possible resources should be interviewed/contacted as to their willingness and/or availability as a placement for the child/youth. Available resources for adoption shall be assessed and a recruitment plan developed if there is no adoptive family identified.

  Recruitment efforts begin when a Court orders a permanency goal of adoption and should use all resources available. The county department shall document, in the Family Services Plan, efforts to recruit and locate a permanent home for any child/youth whose parental rights have been terminated and who is in the guardianship of the county department with the right to consent to adoption.

- **What will happen to youth served by WWK without ongoing state funding for the program?**

  These youth will continue to be served by the county caseworkers and we expect the same level of service and outcomes that our system has been developed to deliver. Further, WWK may continue to receive funding through the Request for Proposal process that allocates Adoption Incentive Funding. Finally, counties may elect to use child welfare block funding to contract for WWK services if needed.

- **Can WWK continue services in the state without a budget request?**

  Yes. County departments of human/social services may choose to leverage child welfare block funding to contract for the WWK program if localities determine WWK's interventions provide benefit above and beyond standard case work activities. WWK may also apply for and could receive funding through the Department's procurement processes used to allocate Adoption Incentive Funding.

34. *[Sen. Kirkmeyer]* **The Department should be ensuring that youth don't return to foster care, not just placement. How did the program evaluation consider that distinction? The Program did not evaluate for that. What resources does the Department provide to reduce the number of youth that re-enter foster care?** *(Slide 94)*

This particular study did not focus on post-finalization or re-entry (known as post-permanency), only the initial acquisition of permanency. The Department provides several resources to avoid re-entry after adoption, including an array of post-permanency services funded through Adoption Savings and Adoption Incentives, as well as those provided through the Adoption/RGAP line item. Further, CDHS has been monitoring re-entry into foster care after reunification through its performance management system (CSTAT) since 2018. Since receipt of services prior to reunification decreases the likelihood of re-entry later, Colorado also has two lead measures in this space, including completing a safety assessment and holding a family engagement meeting prior to children and youth returning home. The Division of Child Welfare further staffs a subject matter expert who tracks the process counties use at reunification to identify strengths and areas for improvement. The subject matter expert has also met individually with Division of Child Welfare County Intermediaries (staff assigned to support county departments directly) of underperforming counties and ask for commitment from

counties around the development of a stronger reunification process to prevent re-entry in the future. CDHS has further developed a contact note template for children/providers that promotes placement stability, statistically identifying whether counties are completing new safety assessments on re-entries.

County Staffing

35. *[Rep. Bird]* **Please describe the factors contributing to county workforce challenges. Explain the Department's plans to support counties to hire new staff and retain existing employees.** *(Slide 93)*

Contributing factors to workforce turnover are complex; county leadership overwhelmingly cite the difficulty of the job and a staff's re-evaluation of their personal and professional goals as two current factors. Turnover, in return, creates higher workload for remaining staff, which then creates a higher risk for burnout (25% of 1000 caseworkers surveyed by Kempe in 2021 indicated a high level of stress). National studies on this topic cite similar factors such as high secondary trauma/stress, impact of turnover on existing workload, and an increase in client needs during the COVID 19 pandemic. Some studies cite worker salary as a factor that exacerbates, rather than drives, turnover.

The Division of Child Welfare is using the following strategies to recruit new staff and retain existing staff, and is available to consult with any county department of human services to identify needs and approaches to ensuring the availability and development of quality caseworkers and supervisors:

- Educational waivers for workers who are working towards their degree and child welfare stipends for BSW and MSW candidates.
- Advertising open positions across the state on the Department's CO4Kids.org website and the Child Welfare Scholars Consortium website, as well as developing recruitment strategies such as recruitment through out of state programs and leveraging local benefits specific to their community.
- Created a Workforce Recruitment and Retention group, which meets monthly and is made up of a variety of stakeholders, to look at research and employ strategies to minimize turnover.
- With the support of Colorado State University's Applied Research in Child Welfare, the Division of Child Welfare, and several county departments, the Quality Improvement Center on Workforce Development led a 6-month process of evaluating recruitment and hiring practices as well as how to retain staff.
- Strategies specific to retention include expansion of coaching and in-person support, available through Kempe and DCW, and at no cost to counties. In-person mentoring and technical support for new staff can build confidence and skills during a crucial time when each additional case assigned provides a higher risk for turnover.

36. *[Sen. Kirkmeyer]* **The community provider rate increases applied for county staffing have not kept pace with inflation or state compensation, contributing to county staffing challenges. Please comment on the Department's request to only include the common policy 3% provider rate increase while the state employee salary survey request is 5%.** *(Slide 93)*

Provider rates are set on a statewide basis, rather than being an increase specifically requested by CDHS.

The common policy 3% provider rate increase is funding allocated to the child welfare services block to support increases to 24/7 residential providers when children/youth are placed out-of-the home. As the provider rate increase is added to the larger child welfare services block, counties who place few children/youth with residential providers can use these funds for other purposes. However, the state does not determine the salaries

of county employees and does not provide funding outside of the 242 Staffing Block to support specific salary increases. Counties, at the discretion of their commissioners, may choose to provide more or less than the 5% increase in the budget for state employees.

Through conversations with counties, the Department is aware that some counties have instead chosen to provide a 10% increase to their staff this year. This is determined based on county assessment of funds without state input.

Finally, as the state's Office of Children, Youth and Families predominantly administers programs, it does not frequently compete with counties for casework or direct care staff. For comparable positions related to program administration or management, the State frequently finds that counties are able to compensate at higher rates than the Department. Over the past year, the State has lost several candidates for positions due to the top candidate being a county employee and being unable to match or raise the employee's current compensation.

S.B. 21-277 Funding Model Update

37. [Sen. Zenzinger] **Please describe delays with the updated funding model study pursuant to S.B. 21-277, concerns with meeting the March 31, 2023 deadline, and the Department's proposed timeline for providing a funding model report to the Committee.** *(Written only)*

Under SB21-277, the Department is required to contract with a vendor to update the funding model originally developed by Berry Dunn. Despite a lack of response to the initial requests for bids published in Fall 2021 and Winter 2022, the Department was able to identify and contract with a vendor in July 2022. At this time, the Department has convened county stakeholders to make recommendations on changes to the model, including recommendations around outcomes/performance incentives as required by the Delivery of Child Welfare Services Task Force. Due to the complexity of factors present in the formula and numerous stakeholder concerns associated with the original Berry Dunn model, the Department anticipates that providing recommendations to the vendor, updating the formula, and vetting the new changes with stakeholders could require additional time. However, the Department does anticipate having a new model finalized and available for the Committee in advance of Committee action for FY24-25, which would allow for the current implementation timeline outlined in law to still be met.

GENERAL QUESTIONS – FUNDING OVERVIEW

38. [Sen. Kirkmeyer] **Please provide all of the funds, appropriated and non-appropriated, that OCYF has received and expended by fund source and amount since FY 2020-21 (including appropriations, custodial funds, ARPA, and other non-appropriated federal funds). Please indicate as soon as possible if the question needs to be refined in order to provide the data following the intent of this question.** *(Slides 90, 94)*

OCYF will provide the requested information no later than close of business December 23. In an effort to provide as much data for the requested information as possible by 12/15/22, year-to-date FY 2022-23 direct federal awards and ARPA funding for Child Welfare, except funding appropriated in the FY 2022-23 Long Bill, is as follows:

- CAPTA Substance Exposed Newborn (SEN) - $1,000.000,
- CAPTA ARPA - $1,708,243
- Child Justice Act (CJA) - Approximately $292,500

- Family First Transition Funds - $7,723,580
- Residential Placement of Children and Youth Pilot (SB 21-137) - $5,000,000
- Residential Beds (Gov's IA) - $11,891,605
- Respite Beds (HB 22-1283) - $11,628,022
- Chafee Independent Living Supplemental - $4,302,679
- Chafee Education and Training Voucher (ETV) Program Supplemental - $625,389

OFFICE OF CIVIL AND FORENSIC HEALTH (OCFMH)

FORENSIC SERVICES AND COMPETENCY

39. [Sen. Zenzinger] **The issue brief beginning on page 21 of the JBC Staff Budget Briefing for behavioral health services discusses the increasing workload for competency services and the growing waitlist for those services. Please explain the drivers behind the increasing caseload for competency. Potential drivers might include:** *(Slides 103-107)*

- **How has the acuity of patients in the system changed over time and how does that impact the Department's workload? Please discuss the role of acuity on the decision to reduce the number of beds in the RISE program.**

  The length of the waitlist has affected the acuity of patients entering inpatient restoration treatment. As patients wait longer in jail for services, we are seeing an increase in those who were stable at the time of evaluation but then decompensate while waiting in jail and have additional need for inpatient psychiatric services. This causes a domino effect: As patients decompensate, they move to the top of the waitlist for admission to a hospital, in turn causing others on the list to wait even longer and increasing the possibility that those waiting may decompensate. Patients who have decompensated generally have a higher acuity level, meaning that they have more psychiatric symptoms such as paranoia, delusions, hallucinations, aggression, etc.

  While RISE offers restoration treatment and can provide psychiatric care, they are not a psychiatric hospital who can treat patients in need of inpatient hospitalization and stabilization and cannot provide all services available at a hospital (e.g., involuntary medications, more intensive staff monitoring, closer medical monitoring). As the overall acuity of referred clients has increased, there is a growing demand for some of these specific services that a jail-based program cannot provide.

  A lower census at RISE may allow for higher acuity clients to be served. The lower census allows the program to avoid putting higher acuity clients in a shared cell with other clients when it may not be safe to do so, and also allows for more intensive care from staff for these clients due to the reduced staff-to-client ratio. However, a large number of factors contributed to the decision to reduce the census at RISE, including COVID-19 concerns and improved outcomes at the lower census. The decision was not primarily related to increased acuity of clients.

- **Please provide data on the trends in the number of individuals that are referred for competency evaluations or services *more than* once (i.e., how much of the caseload is an increase in the number of individuals and how much is repeated services for individuals)?**

  During the Fiscal Years 2020, 2021, and 2022, 696 individuals received multiple orders for competency evaluations but never received restoration services.[1] Of these, 337 received orders twice for different cases, 43 received orders three times for different cases, 3 received four orders for different cases, and 313 received multiple orders for competency evaluations on the same case. Over the same three-year time period, 507 individuals received multiple orders for restoration services following the initial competency evaluation. Of these, 348 were ordered to restoration services after each of two different competency evaluations on multiple cases, 56 were ordered to restoration services after three different competency evaluations over multiple cases, 4 were ordered to restoration services after four different competency evaluations over multiple cases, and 99 received multiple restoration orders after competency was addressed more than once on the same case.

  These numbers reflect orders for both inpatient and outpatient services, so not everyone represented in this data will have been on the waitlist or contributed to consent decree fines. This is new data that we have very recently gathered and have not yet had the opportunity to further analyze, including separating inpatient and outpatient orders or determining which clients returned to the competency system after being opined fully restored. Because the data is new, we are unable to draw conclusions yet regarding the significance of these numbers.

- **Please describe any trends in the average *length of time* required to restore competency. How much of the growing waitlist is associated with additional individuals in the system and how**

[1] There are several reasons a client might receive multiple evaluation orders and not restoration. The primary reason would be that the evaluations found the client to be competent, so no restoration was necessary, but then later the client came back into the justice system and another evaluation was ordered. It could also be that the charges were dropped before the evaluation was completed or before restoration could be ordered, and then later other charges were filed and another evaluation was ordered. Very occasionally, a client who was incompetent could stabilize in jail and become competent before receiving restoration services, continue with the criminal justice process, and then later come back into the system. If there are multiple orders for the same case, it could be that an attorney requested another evaluation for a defendant who was deemed competent after the reevaluation window, or that a client violated the terms of bond or probation and came back into the system on the same charge and was evaluated again. Likewise, a client who was ordered to restoration more than once may or may not have been opined restored after the first order and there are several reasons a client might receive multiple evaluation orders and not restoration. The primary reason would be that the evaluations found the client to be competent, so no restoration was necessary, but then later the client came back into the justice system and another evaluation was ordered. It could also be that the charges were dropped before the evaluation was completed or before restoration could be ordered, and then later other charges were filed and another evaluation was ordered. Very occasionally, a client who was incompetent could stabilize in jail and become competent before receiving restoration services, continue with the criminal justice process, and then later come back into the system. If there are multiple orders for the same case, it could be that an attorney requested another evaluation for a defendant who was deemed competent after the reevaluation window, or that a client violated the terms of bond or probation and came back into the system on the same charge and was evaluated again. Likewise, a client who was ordered to restoration more than once may or may not have been opined restored after the first order and before the next. Instead, something similar to above may have happened without the client successfully completing restoration services. We don't yet have nuanced enough data to know how often each of these scenarios happens.

much is associated with each individual requiring more time for services once they are referred on average?

The average length of time required to restore competency is increasing across all settings, but not significantly. One significant driver to this fact is that the Criminal Justice System is also experiencing staffing issues. The jails are having a difficult time recruiting and retaining deputies, psychiatrists, nurses, mental health clinicians, and other medical staff. As a result of these staffing shortages, clients have less and sometimes no access to mental health and medical care before they are admitted for inpatient restoration. The longer clients experience mental health symptoms and lack access to care the longer it takes them to stabilize. Additionally, clients experiencing mental health symptoms cannot be housed with the general population and as a result are placed in isolation, which can exacerbate mental health symptoms. Finally, some clients experiencing these symptoms become assaultive or express their symptoms through yelling, hyperactivity, and troubling hygiene practices which sometimes result in significant medical concerns. The jails' inability to meaningfully engage these clients in basic mental health, medical, and psychiatric care compounds the clients' already fragile conditions. Ultimately, the result is that patients admitted for inpatient restoration are arriving with a significant degree of need.

The average length of time required to restore competency specifically for outpatient restoration treatment is more noticeably increasing. This change is directly related to changes in acuity of outpatient clients. As we have improved the system's capacity to order outpatient services and serve clients out of custody, higher acuity clients can be served successfully within the community. For this reason, the average length of time for a client to successfully complete outpatient restoration has increased in the past year. This issue affects the capacity issues facing the Forensic Services Division, as they are not only managing a rapid increase in referrals but also an increase in the length of intensity of services necessary to provide to referred clients.

The landscape of factors affecting the workload in the competency system is complex and nuanced. The number of orders has increased dramatically in recent years. This is a major factor in the increasing waitlist, but it is not the only factor. Acuity and length of stay are also factors, as is the issue of clients returning to the system as well as several factors related to system capacity. Furthermore, wait times affect acuity and length of stay, just as acuity and length of stay affect wait times; it is impossible to suss out the cause-and-effect relationship. We cannot pinpoint one of these factors as the single cause of the increase in wait times for clients and workload for our staff. Instead, we are working to understand and address as many drivers as possible and to continue to serve clients in the face of increasing need.

40. [Sen. Kirkmeyer] **Please provide additional and updated information on the competency waitlist. For example:** *(Slides 98, 102, 107)*

- **How many people are on the waitlist now (the JBC Staff briefing document noted that there were 404 in November)?**

  As of December 13, 2022, there are 438 people on the waitlist for admission to the Mental Health Hospitals for inpatient competency evaluations or restoration services. Please note that waitlist numbers only include clients waiting for admission to the state hospitals (see Part B, below, for discussion of those who are included in waitlist numbers).

- **Please identify what services they are waiting for. How many are waiting for evaluations vs. restoration services?**

- *Inpatient evaluations:* 5 clients are currently in jail awaiting hospital admission for an inpatient evaluation.
- *Inpatient restoration treatment:* 433 clients are currently in jail awaiting hospital admission for inpatient restoration treatment.
- *Outpatient evaluations:* Clients awaiting outpatient evaluations are not considered part of the waitlist because they are not waiting for admission to the hospital before they can be evaluated. In total, there are 466 clients waiting for outpatient evaluations. Of these, there are currently 137 clients in jail awaiting outpatient evaluations. The evaluations could take place in jail, or if the client is bonded they could take place in the community. They are not considered inpatient because the evaluation does not need to take place in a Mental Health Hospital. There are currently 329 clients waiting in the community for outpatient evaluations.
- *Outpatient restoration treatment:* There is no wait for outpatient restoration services. So far all clients referred to outpatient restoration services have been able to be served without a wait, barring any administrative delays related to release on bond. It is possible there is a ceiling on the number of clients that can be served outpatient at one time, but that has not been reached.

- **How many of those on the waitlist are waiting for inpatient services, jail-based, outpatient?**

  Please see the above responses to clarify which clients are represented on the waitlist and how many clients are awaiting outpatient competency exams and restoration services.

  The Jail-Based Restoration Program does not keep its own waitlist, but rather pulls clients off of the waitlist for inpatient restoration treatment according to which clients meet the requirements for the program and their position on the waiting list. In this way, a single waitlist can be used to triage and prioritize clients waiting for inpatient restoration services regardless of the setting in which they ultimately receive treatment.

- **What level of services would be necessary to eliminate the waitlist?**

  There are two categories of needs to eliminate the waitlist. First, Colorado's mental health hospitals need staff to re-open inpatient units for those who truly need that level of care. Second, Colorado needs enhanced community-based behavioral health services to meet the needs of clients in the community.

  <u>Staffing:</u>

  The mental health hospitals have a total staff vacancy rate of more than 40%. Nursing specific vacancies tip over into the 55-65% range, with the primary vacant positions being RNs. Psychiatric hospitals are staffed 24/7 with medical staff, primarily nursing staff. Hiring RN's and other nursing positions has become difficult as a result of the healthcare workforce shortages. Salaries have become extremely competitive, and current state salaries for these categories are not at market rate.

  Likewise, the vacancy rate for psychiatrists, nurse practitioners, and physician assistants in the Mental Health Hospitals is roughly 38%. For psychiatrists specifically, the rate is more than 50%. While nurses are the professionals who keep the hospital running minute to minute, a hospital cannot stay open without physicians to oversee medical care, and a mental health hospital cannot operate without psychiatrists. The current salaries for these positions are below market rate. Filling vacancies for medical staff, doctors and nurses alike, is necessary in order to reduce the waitlist, and providing competitive salaries will be key to filling those vacancies.

Community-based supports:

Colorado needs a better approach to responding to individuals in crisis. Currently individuals in crisis might be arrested, or they may be taken to a crisis center where they are assessed, have access to speak with a clinician, and are referred for services. While this intervention may work for some, referrals do not mean immediate care, in some instances individuals have to wait 6 to 8 weeks to be seen by a community provider and maybe longer if they are in need of medication. When families and individuals experience an acute crisis, their only options are to go to an emergency room that is already overburdened or to call law enforcement. Sometimes when individuals are in acute crisis, they can be both physically and verbally assaultive and sometimes make threats to harm others resulting in an arrest or charges. Often emergency departments will stabilize individuals as quickly as they can and then are forced to release them because there are limited placement options for individuals who have a history of assaults or serious threats. Without a robust system of support for individuals in crisis and their families, these individuals will continue to find their way into the criminal justice system and, as a result, onto our waitlist.

In another vein, without supportive housing resources, courts currently do not have viable alternatives to jail or inpatient restoration for a majority of individuals on the waitlist. According to information collected by our Forensic Support Team in FY 22, prior to arrest, 54% of incarcerated competency individuals were homeless, 25% reported living with a relative or a friend, 14% reported living on their own, .05% previously resided in assisted living, less than 2% resided in a host home or some type of supportive living, and 5% were homeless with shelter. Supportive housing, including solutions at the intersection of the housing crisis and the mental health crisis, will be necessary to move individuals out of custody and into the community safely and ensure the resources necessary to maintain psychiatric stability after that transition.

Finally, individuals need a means and place to have their medications provided and monitored. Currently, once forensic clients are stabilized on medication and restored to competency, they are on their own to follow through with managing their medications in the community. If clients lose, forget, or cannot access their medications, they are likely to decompensate and need intensive stabilization services, possibly entering or reentering the criminal justice system in the process. Community medication support—in the context of supportive housing and otherwise—is key to supporting a client's long-term success in the community.

41. *[Sen. Zenzinger]* **With the increased focus on addressing mental health concerns outside of the criminal justice system, how have the policy discussions and policy changes over the past several years impacted the Department's competency-related workload? Has the State's focus on mental health lead to this increase in referrals for competency evaluations? Are we trying to treat mental health issues through the competency system? Please discuss.** *(Slide 106)*

There is not evidence that any specific policy changes have contributed to the increased number of referrals to the competency system. In fact, recent policy changes appear to be contributing to the reduction of referrals to inpatient competency services. For example, work with our partners in the judicial system has helped create dedicated competency dockets in some jurisdictions, where the enhanced understanding of the purpose of the competency system helps reduce the number of unnecessary referrals for evaluation. Recent changes in policy to encourage outpatient competency services over inpatient seem to be working: our outpatient restoration caseload has grown by 237% in the past year. Without effective changes such as these, our inpatient waitlist would be even longer right now.

However, an increased awareness of mental health issues will inevitably lead to increased referrals to the mental health system in general, including the competency system. Furthermore, an increased focus on mental health paired with the time necessary to build a robust community-based mental health and safety net system could be leaving us in a place where people are more likely to refer for mental health services and see the competency system as the most immediate place to procure those services.

It is worth noting, however, that nationwide there has been a dramatic increase in all mental health needs since 2020. The Coronavirus (COVID-19) fostered feelings of fear, uncertainty, and loneliness due to increased risk of morbidity and death; public health measures meant to curb virus transmission, such as physical distancing, lockdowns, or quarantines; risk of or actual unemployment or housing insecurity; and other concerns. These factors, either alone or in combination, in turn translated into higher levels of psychological distress. National studies found that the percentage of Americans reporting serious mental health symptoms doubled between March and June of 2020. Evaluators and Forensic Navigators with OCFMH have reported either deteriorations in self-reported mental health or heightened levels of specific symptoms—such as post-traumatic stress symptoms (PTSS), stress, anxiety, and depression—among their general populations since the start of the pandemic.

Additionally, the pandemic has had particularly noticeable mental health effects on specific sub-populations. Individuals with pre-existing mental health disorders, for instance, have reported increases in their symptoms, which have likely been additionally exacerbated for some due to disruption of in-person psychiatric care to accommodate public health measures. The economic effects of the pandemic have exacerbated the issue of homelessness nationwide, which has led both to new mental health effects on those who are unhoused and decreased stability for those with mental health disorders whose housing is lost or in jeopardy. Given this context, an increase in referrals to the competency system is not unexpected, and specific state mental health policies need not be a primary cause for the increase.

42. *[Sen. Zenzinger]* **The issue brief beginning on page 31 of the JBC Staff briefing document for behavioral health programs discusses the Department's five decision items in the Office of Civil and Forensic Mental Health (R1 – State Hospital Quality Assurance Funding, R8 – Forensic Services Division Capacity Expansion, R9 – Salary Increase for Hospital Medical Staff, R12 – Momentum Program Funding, and R14 – OCFMH Data Management and Reporting). The General Assembly has taken many actions in recent years in an effort to increase capacity in the forensic behavioral health system as well as policy changes to divert more people out of the inpatient system***(Slides 108-114)***

    - **Please provide an update on system capacity, including projections that incorporate the changes enacted in 2021 and 2022.**

Hospital Capacity: All Beds

Category	Beds Available		
	Capacity when fully staffed	Current capacity with staff vacancies	Current Occupancy*
CMHHIP: total	516	422	386
CMHHIFL: total	138	104	82
Contract beds: total	84	84	67
HOSPITAL TOTAL	**828**	**700**	**535**

Inpatient Restoration Capacity

Category	Beds Available		
	Capacity when fully staffed	Current capacity with staff vacancies	Current Occupancy*
CMHHIP: Restoration	271	189	158
CMHHIFL: Restoration	44	22	7
Contract beds: Restoration	59	59	52
Jail-Based Restoration	90	90	84
RESTORATION TOTAL	464	360	301

Bed Capacity Expansion Through ARPA

Source	Number	Type	Status
HB 22-1303 Mental Health Transition Homes (ARPA→GF)	125	transitional/ step-down	$43.6M to the Department of Human Services to create, develop, or contract for group homes. The Department tentatively hopes to open the first 20 contracted step-down beds by March of 2023. Our goal is to have contracts executed for 50% of the beds by June of 2023.
HB 22-1303 Fort Logan Expansion (ARPA→GF)	16	forensic now, civil later	$13.5M ($7M for renovations; $6.5M for operations). The expansion is in the early stages of development.
HB 22-1386 Private Hospital Contract Beds (ARPA)	74	forensic	$28.5M for contract beds. We are currently contracted for 74 beds through private hospitals. We are actively working to bring in additional contracts and hope to increase this capacity.
HB 22-1283 Neuro-psych facility Fort Logan (ARPA)	16-32	residential, youth	$539k for Fort Logan operations; $35M for capital construction. These beds will be housed at our facility but will not expand our programs or services as they are outside of the scope of our office.

- **How do the one-time investments by both the General Assembly and the Governor's Office fit into the Department's overall efforts to reduce the competency waitlist, including the forensics-related decision items in the FY 2023-24 request. How do these pieces fit together?**

  Investments in OCFMH over the past two years have been primarily to increase bed capacity. This capacity is necessary to completing our work and we are excited to see capacity grow. However, what we have learned this year is that we cannot increase bed capacity without also increasing our capacity to hire staff to care for the patients in those beds. Right now, our inability to fully staff our facilities is preventing us from utilizing all of the beds that have been funded because we have had to close units in Pueblo and delay opening new units in Fort Logan.

  Furthermore, we need to supplement our inpatient treatment capacity with the capacity to better serve outpatient clients. Diverting clients who do not need inpatient treatment to outpatient services is also essential to reducing the waitlist for inpatient admissions. As our outpatient census grows dramatically, we need to support the system in order to keep up with this growth.

  Budget requests for this year are not centered on further expanding the capacity that the state has faithfully invested in over the past several years, but rather with supplementing those investments by investing in inpatient staff, outpatient programs and supports, quality assurance across our programs, and an information management infrastructure adequate to support all of this growth.

  Finally, our experience with expanding capacity through state funding the past year has helped us to see how essential the state Mental Health Hospitals are to supporting the most vulnerable Coloradans with the highest level of mental health needs. As we have been partnering with private hospitals

through funding provided in HB 22-1386 to supplement our capacity, we have found that these hospitals do not have the capacity to take on our most vulnerable and acute patients. While the additional capacity from these partnerships has been extremely valuable in moving through the waitlist, it still falls to the state hospitals to serve the most vulnerable, highest acuity clients. For this reason, it will always be essential to ensure that the state is equipped to staff our hospitals that are able to serve Coloradans who need mental healthcare the most.

- **Please discuss the Department's ongoing efforts to work cooperatively with local providers and stakeholders within the criminal justice system to implement community-based competency restoration services that are integrated with locally available behavioral health services as required by S.B. 17-012.**

  The Forensic Navigators have worked with each judicial district to establish competency dockets and diversion dockets. Additionally, the Navigators are engaging community stakeholders to ensure longer term care for clients is in place before recommending community placement.

  The Forensic Services Team (FST) identifies individuals who may be better suited for outpatient restoration services. In these instances, the FST makes referrals to and collaborates with programs such as Bridges - Court liaisons, Momentum, Colorado Coalition for the Homeless, Community Mental Health Centers, and other community stakeholders to build community transition plans. These plans are presented to the court for consideration for community transition.

  The FST is currently involved in eleven different Competency Diversion Dockets, at present four of these dockets are serving clients, the other seven are in various stages of implementation. Recently, the FST has partnered with Embark, Gateway to Success, and Mile High Behavioral Health Care to provide community-based services and treatment to competency involved individuals diagnosed with a moderate to severe substance use disorder and co-occurring serious mental illness. Utilizing a day reporting model, FST hopes to transition low acuity competency involved individuals from jails to the community. Not to be confused with traditional community supervision day reporting models, the focus will not be on compliance monitoring but treatment engagement and support.

  Clients participating in day reporting will have access to sober living through Embark Recovery Residences, Summit Healing, Ananeo, and Tribe Recovery; however, individuals who already have housing or prefer alternative living arrangements will still be eligible to participate.

  Between September 1, 2021, and June 30, 2022 FST assisted 268 individuals in transition to outpatient restoration. Of those 268, 72 returned to jail (26%). For comparison, according to the Colorado District Attorneys' Council, the recidivism rate in Colorado is 50%.

- **Please discuss any additional policy and/or budgetary options that the General Assembly should consider to allow the State to achieve compliance with the consent decree and provide competency services in a timely manner.**

  Based on our survey of competency waitlists and services in other states, informal observations raise several hypotheses on the impact of state policy on competency waitlists, particularly the positive impacts of a strong mental health system. In general, states with greater access to mental health services in the community seem to have lower recidivism and fewer people on the waitlist. For example, the following policies and practices appear to be correlated with reduced or no waitlists:

  - Restrictions on which defendants can enter the competency system, such as certain misdemeanors always or usually being diverted to the civil mental health system.

        - Colorado law does not currently have a clear or effective path for individuals to be diverted to community-based mental health services or civil voluntary or involuntary commitment under Title 27 Article 65. This is partially a statutory issue: our laws currently don't have a clear or linear path for individuals to transition from the criminal justice system to the civil mental health system. But more fundamentally, this is a problem of timing and network adequacy. The safety net of community-based behavioral health services envisioned in HB 22-1278 is currently in development and will go into effect on July 1, 2024, as required by law. For the safety net to be effectively implemented, it requires the promulgation of provider standards and funding to build out network adequacy. Community-based provider networks that constitute the safety net will be essential to preventing individuals from entering the competency system or needing higher levels of care if they do enter that system.

        - Colorado's HB 22-1386 is a small step in this direction by establishing a clear preference for bond and outpatient services individuals who have committed lower-level misdemeanors and petty offenses. In this way, the bill aims to reduce the waitlist for inpatient services. However, Colorado law only prefers a less restrictive involvement in the competency system for these individuals; it does not require it or divert these individuals directly to the civil system.

    - Firm timelines on dismissal, i.e., if a defendant is not restored in a certain amount of time, the criminal case is dismissed.

        - Colorado has timelines on dismissal that are tied to the maximum sentence for the alleged offenses. These may be extended for good cause. Colorado's laws in this area are aligned with typical practices across other states. Two exceptions are California and New York, where timelines tend to be applied more rigidly.

    - Limitations on court orders for inpatient restoration. In one state, incompetent defendants in "victimless crime" cases begin receiving restoration services in the community for the first 90 days, after which they may be ordered to inpatient if they did not comply or need greater services.

A robust continuum of care (from inpatient to outpatient) is critical. The Department's budget requests for R-12 Momentum Program Funding and R-8 Forensic Services Division Capacity Expansion both directly impact the ability for Colorado to safely serve more clients in the community. The two requests work in tandem: first, the 6.0 FTE for additional Navigators from the Forensic Services request will support individuals transitioning into the community from jails and individuals in outpatient restoration, primarily by coordinating the continuity of care until Momentum or another community agency starts services. Second, the Momentum request allows that particular program to serve additional clients. At the requested funding amount, we anticipate Momentum will serve 76 outpatient restoration clients in FY 2023-24.

Additionally, it seems that a policy or practice of court-ordered involuntary medication is correlated with lower or no waitlist. This is because defendants who adhere to their prescribed medications are more likely to be found competent in a shorter period of time, which reduces the waitlist for others.

43. *[Sen. Zenzinger]* **Please discuss the anticipated budgetary implications of the lack of compliance with the consent decree. The JBC Staff briefing document states that the Department has indicated that it expects $12.0 million General Fund to be sufficient for fines and costs under the consent decree in FY 2023-24, with no change from the FY 2022-23 appropriation, as a result of the decree's cap on fines. For context, please provide an estimate of the fines and costs that would be required without that limit.** *(Slide 99)*

Adjusted for inflation, the estimated fines cap for FY 2023-24 is $11.6M with estimated fees of $390K, for a total of approximately $12M. FY 2022-23 fines are capped at $10,790,000 with estimated fees of $363,000, for a total estimated cost of $11,153,000. Without the cap on fines, FY 2021-22, fines would have been approximately $45.8M. For FY 2022-23, fines through the end of November totaled $25,408,000. Annualized for the entire fiscal year, that would be an estimated $60.1M by the end of the year. The department continues to do everything in its power to communicate to the special masters and the court that sufficient progress is being achieved and to prevent the cap from being lifted.

STATE HOSPITALS AT PUEBLO AND FORT LOGAN

44. *[Senator-elect Pelton]* **The JBC Staff briefing document discusses staffing challenges, ongoing vacancies, and closed units at the state hospitals at Pueblo and Fort Logan.** *(Slides 104, 105, 108)*

- **Please describe the factors affecting the Department's ability to recruit, hire, and retain staff at the hospitals. For example, how are salary, lack of appropriate skills, and/or interstate license reciprocity affecting the situation?**

  Salary is the main reason we are not able to recruit direct care staffing, especially given national healthcare workforce shortages. Also, the time constraints required for state government onboarding processes have been found to be an issue. We have not experienced issues with licensure reciprocity or the interstate compact. When we get out of state applicants, reciprocity has not been a barrier. Skills have not been a concern, as any staff we hire go through a comprehensive training program.

- **What actions is the Department taking to address those challenges and successfully recruit and retain staff to keep the hospitals open (and look toward opening additional units)?**

  Starting 9/21/22, CDHS began offering sign on incentives up to $7000, and employee referral incentives of $1000.

  During CY 2022, Human Resources attended 80 career fairs, 37 of which were directly focused on healthcare, three of which were out of state. Prior to attending, out of state residency waivers for numerous hard-to-fill positions were obtained.

  There has also been a social media emphasis with advertising encompassing Facebook, Instagram, WhatsApp, LinkedIn, Instagram, Twitter, including stories, highlights, posts, and livestream features. There have also been a number of community outreach partnerships established.

  Job postings were enhanced by reducing the number of supplemental questions included on applications and Fort Logan featured a "Life Inside Fort Logan" video to educate prospective applicants.

  We have established a partnership with DORA (Department of Regulatory Agencies) to email the 16,000 licensed professionals in their database, making them aware of opportunities with CDHS. This has occurred twice since August of 2022, and DORA has agreed to continue allowing us to contact these individuals every eight weeks.

Human Resources has also joined three nursing associations: American Nurses Association, Colorado Nurses Association, and National Black Nurses Association, and utilizes these platforms to advertise vacancies and email those registered with these associations.

There are also a number of partnerships with colleges and universities throughout Colorado in an effort to build a pipeline of Nurses and to provide internship opportunities.

We have explored loan repayment options through CDPHE and have found that RNs are eligible for the Nursing Education Loan Repayment Program. We are working to add information about this program to our job postings to aid recruitment. Additionally, we will work to share this information with current employees who may want to apply for this benefit.

- **If the General Assembly funds the requests associated with the hospitals, will the Department be able to staff the hospitals, maintain the existing units, reopen closed units, etc.? Please explain.**

  We cannot solve the consent decree without solving our staffing crisis. This proposal gets us closer to market rate for direct care staff. The closer we get to market rate, the less difficulty we will have recruiting and retaining staff. This is part of a national workforce shortage in health care.

  We recognize that we are in competition with the private sector which is constantly shifting and increasing salaries and sign-on bonuses at a rapid pace.

  Given these complications, we cannot guarantee that we will be able to reopen closed units with these funds. It is impossible to see how the market will change in the future. However, we can guarantee that we will not be able to reopen closed units without increasing salaries for medical staff.

COMMON QUESTIONS FOR DISCUSSION AT DEPARTMENT HEARINGS

1. **Please describe the implementation plan for new programs added to the Department from one-time stimulus funds (such as the CARES Act, ARPA, and one-time General Fund), as well as any challenges or delays to program implementation.** *(Slides 9-10)*

Administrative Solutions (AS):

CDHS successfully implemented a project to award bonuses to vaccinated/boosted staff working in our 24/7 facilities. These payments increased the safety of our staff as well as the patients, clients, residents, and youth in our care. This $6 million project was completed and fully spent in FY 2021-22. The Department is currently implementing a project to use $8.4 million of Staff Retention funding to pay hiring, retention, and referral bonuses to address staffing challenges in our 24/7 facilities. These efforts are ongoing.

Office of Economic Security (OES):

Pandemic-EBT:

The Families First Coronavirus Response Act (FFCRA) authorized P-EBT in March 2020 to provide resources for families whose children received free or reduced lunch/breakfast at schools that were closed and/or operating in a hybrid manner amid the public health emergency. Benefits are 100% federal funds and are provided to families on an Electronic Benefit Transfer card (similar to their SNAP benefits.) However, no administrative funds were provided to states to create and implement the program for the 2019-20 school year. In Colorado, this complex undertaking was completed through an extraordinary effort among the Department

of Human Services and Department of Education staff, who invested hundreds of hours above their typical work weeks, along with pro-bono support from Deloitte, that enabled Colorado to implement P-EBT and issue benefits to households in 2020.

The Consolidated Appropriations Act extended P-EBT through September 2021, making benefits available to eligible households affected by school closures in the 2020-21 school year due to COVID-19. P-EBT benefits were expanded to include eligible children, under age six, in childcare facilities. Additionally, states received federal funds to administer the program beginning in 2021. The American Rescue Plan Act (ARPA) provided additional resources to states to extend P-EBT through the summer of 2022. Most recently, the Food and Nutrition Service (FNS) updated its P-EBT guidance to states in September 2022 and extended benefits through the 2022-23 school year and has indicated that as long as the Public Health Emergency is in place in the summer of 2023, P-EBT benefits can be provided to eligible households. However, it is unlikely that Colorado will meet the complex requirements to extend benefits through the summer of 2023. To date, there have been no reported school closures due to COVID-19 outbreaks in the 2022-23 school year.

Water Assistance Program:

The Consolidated Appropriations Act created the Low-income Household Water Assistance Program (LIHWAP) to help low-income households afford water and wastewater services amid the COVID-19 Pandemic. The American Rescue Plan Act (ARPA) expanded the program, providing additional funds to states to help low-income households pay their water bills and avoid shutoffs.

Colorado launched its LIHWAP program in November 2021. The program uses the Low-income Energy Assistance Program (LEAP) infrastructure to issue benefits. Specifically, Colorado households that qualify for LEAP are offered LIHWAP funds if they are struggling with water bill arrearages. Similar to LEAP, the benefit is issued directly to the vendors. Even though LIHWAP used the LEAP infrastructure, implementing the program required the Department to initiate hundreds of vendor agreements with water and wastewater providers, and more vendors continue to be added every week. Colorado's program will continue through the 2022-23 LEAP season (November 2022 through April 2023) and all funds are expected to be liquidated at that time. However, the federal funds are available through September 2023.

Food Pantry Assistance Grants:

During the 2020 special legislative session, H.B. 20B-1003 appropriated $5 million in General Fund to award grants to food pantries and food banks across Colorado to increase the volume of food available to Coloradans seeking food resources. During the compressed six-month period, 181 grants were awarded to food pantries/banks across the State. Those funds expired as of June 30, 2021. Subsequently, S.B. 21-027 appropriated $5 million ARPA funds to extend the program through June 2022 and allowed the Department to contract with a third-party to administer the program. During this period, 141 grants were awarded to food pantries/banks across the State. Finally, H.B. 22-1364 appropriated $3 million of General Fund to extend the program for another year, through FY 2022-23.

Heat & Eat

H.B. 21-1105 (amended by H.B. 22-1042) created the Heat & Eat program which enables SNAP households who do not have a qualifying energy bill, resulting in increased SNAP benefits, to unlock these additional SNAP benefits every month through receipt of a $21 fuel assistance benefit. Beginning in July 2024, the fuel assistance benefit will be paid with funds collected by Energy Outreach Colorado through a new surcharge on Coloradans' utility bills. H.B. 21-1105 provided processes for creating the program through two distinct scenarios: a) if an interface is created between the Low-income Energy Assistance Program (LEAP) and the Colorado Benefits Management System (CBMS) systems, the fuel assistance benefit will be provided only to households who do

not receive LEAP (i.e. pay an energy bill); or b) in the absence of an interface, the fuel assistance benefit will be provided to the entire SNAP caseload. Subsequently, H.B. 22-1380 appropriated $2 million of ARPA funds to build the LEAP-CBMS interface. Because the interface will promote the Heat & Eat program, it needs to be designed in tandem with the Heat & Eat program. The Department will not receive funds from Energy Outreach Colorado until March 2023 to begin creating the program. Thus, the Heat & Program and the LEAP-CBMS interface will be scheduled for a CBMS build after March 2023.

Double-up Food Bucks

H.B. 22-1380 provided $1 million of ARPA funds to pay for the front-end programmatic development to automate the Healthy Food Incentives program, known as the Double-Up Food Bucks, in Colorado. Double-Up Food Bucks is a USDA grant-funded program that allows SNAP participants to earn a penny-for-penny match incentive when they use SNAP benefits to buy qualifying fruits and vegetables from participating SNAP retailers, farmers markets, and other authorized vendors. Currently, this program is managed through paper vouchers and store-printed receipts. Ultimately, these programming changes will enable EBT retailers to deposit incentive funds provided to consumers for qualifying purchases into the recipients' SNAP accounts, thus eliminating the need for paper vouchers or receipts that are easy to lose or be damaged. The majority of this ARPA funding will be used to build this functionality with the Department's contracted Electronic Benefits Transfer (EBT) vendor and in the Colorado Benefits Management System (CBMS); 10% of the funds will pay for the administrative support to manage the project and oversee a business plan. Completing the project is contingent on the staff being hired and the project being scheduled into both CBMS and EBT system builds.

Office of Adult, Aging and Disability Services (OAADS): SB21-290 created the Security for Colorado Seniors grant program for the Area Agencies on Aging (AAAs) from the general fund totaling $15M and 67 distinct projects. The purpose of the grant program was to provide awards to finance various projects across the state intended to assist and support older Coloradans. As it was a one-time grant, there was an emphasis on infrastructure, vehicles, technology upgrades, material aid vouchers and other one-time funding.

Challenges/delays: One challenge faced by those AAA's seeking funding for construction projects has been the rise in cost. Construction cost from contractors and sub-contractors, for materials, labor and real estate presented as a challenge/barrier to some AAA grant projects.

This grant program is the first of its kind for the State Unit on Aging as well, and both internal and external processes needed to be created, which also posed challenges and funding delays.

Office of Children, Youth and Families (OCYF):

SB21-137, Residential Placement for Youth with High Acuity Needs

This project will create a new pilot program that will be initiated by the Division of Child Welfare for residential placement of children and youth with high acuity physical, mental, or behavioral health needs. This pilot will establish a residential treatment facility that will have higher levels of direct care medical and behavioral health care staff that will be able to meet the needs of this population. The intended outcome of this program is to maintain children in treatment services in Colorado and close to their home communities. Specifically, increase residential children's treatment capacity and the reduction of out-of-home placement.

Challenges/delays: The Department published two RFPs in Fall of 2021. The contract for PRTF beds was awarded to Devereux. Due to Devereux's performance challenges with the SB 21-288 funds (mentioned below), this contract was never initiated. The RFP searching for a vendor for QRTP beds received no proposals. The Department received feedback from providers about the failed RFP that they objected to the "no eject/reject" policy, meaning they could not discharge a child/youth due to acuity or anything short of completing the

treatment goals and that the provider could not refuse a placement. Providers also did not favor the State having control of the admissions. The Department engaged in competitive negotiation with QRTP providers and contracted with Third Way Centers.

SB21-288, Residential Youth Beds

This project funds an additional estimated 37 state-contracted specialized residential beds for children and youths with complex behavioral health needs. The COVID-19 pandemic negatively affected the health outcomes for children with complex behavioral health needs and created a demand for additional bed capacity for children. This project will add residential bed capacity in the state including specialized residential beds, psychiatric residential treatment facilities beds, and a 21-day residential assessment program. The intended outcome of this project is to transition a portion of youth to lower levels of care upon discharge. The intended outcome of the State's behavioral and mental health investments is to ensure and improve Coloradans' access to quality care.

Challenges/delays: Negotiations were made through the Governor's Office with Southern Peaks and Devereux for residential beds. The contract with Devereux was terminated upon mutual agreement due to non-performance driven by staffing issues. Execution of the 21-day residential assessment program was delayed due to negotiations with Douglas County, Savio House, and Shiloh taking longer than expected, as well as the coordination between Douglas County and the other partnering counties.

SB21-292, Anti-Domestic Violence

This project will provide funding for gender-based violence organizations including stand-alone anti-sexual assault organizations to offset funding shortfalls and additional costs related to the COVID-19 pandemic so the organizations can maintain essential services for survivors. This will be blended with non-SLFRF ARPA-originated anti-sexual assault funds that will be distributed to States by the Family Violence Prevention and Services Act.

This pilot project seeks to partner with community-based anti-domestic violence organizations to find innovative solutions to keep survivors of domestic violence– and their pets – safe. This may include modifying shelters to accommodate both survivors and their pets, facilitating access to animal boarding facilities as needed and providing for pets' basic food and care needs, or having other flexible financial support for pets.

The purpose of the DVP Flex Funds Project is to respond to and mitigate the negative impacts of COVID-19 on survivors' safety and well-being by assisting with survivors' most immediate and emergent needs. The intended outcome of this project is to ensure that 65% of clients who receive flex funds will report that the funds assisted with the financial and/or housing stability of the household and will report an increased awareness of the financial impacts of victimization by 12/31/2025

Challenges/delays: Slow to move forward due to request for proposal. Should have additional contracts this fiscal year to spend the funds as intended.

SB22-183, Additional Funding to Anti-Domestic Violence

These funds will braid into projects initiated under SB21-292 and will also support new projects.

This project will provide additional funding, braided with SB21-292 funds, for gender-based violence organizations including anti-domestic violence and stand-alone anti-sexual assault organizations.

This project will provide additional funding, braided with SB21-292 funds, for the DVP Flex Funds Project which responds to and mitigates the negative impacts of COVID-19 on survivors' safety and well-being by assisting with survivors' most immediate and emergent needs.

This project will provide funding for targeted training and technical assistance (TTA) to ensure high quality service delivery by non-profit organizations in Colorado that provide no-cost confidential advocacy services to survivors of domestic and sexual violence. Specific focus regarding best practices with Accessible, Culturally Responsive, and Trauma-Informed (ACRTI) service delivery, flexible financial assistance programming, and creating a culture of evaluation will be prioritized. The contracted TTA vendors will build resource materials, facilitate webinars, offer additional training opportunities and one-on-one assistance, and the TTA will be tailored to anti-Domestic Violence and anti-Sexual Assault service delivery. The intended outcome of the State's public health investments is to ensure and improve Coloradans' access to quality health care.

This project will enhance the network of supportive services for survivors of domestic and sexual violence through capacity-building partnerships with grassroots and culturally specific organizations. This project will develop new survivor support capacity by supporting organizational growth in administrative tasks and service delivery at grassroots and culturally specific organizations not currently funded by the Domestic Violence Program. The outcome of this project will be improved access for survivors of domestic and sexual violence and enhanced service provision to survivors and their children.

Challenges/delays: The first three project areas are moving forward timely. The fourth project is slow to move forward due to establishing new community partnerships. Should have additional contracts this fiscal year to spend the funds as intended.

HB22-1283, Respite and Residential Programs

This project intends to create a system of respite options for children and youth involved in the foster care system. The Department will meet with stakeholders to include residential providers, foster care providers, and county departments of human and social services to determine best practice methodologies and opportunities. The Department will utilize a request for proposal to access three levels of respite support services: short term emergency stays in congregate care settings, short term emergency stays in foster care settings, and services which can provide substitute care and support in the child's home environment. The Department will contract with providers for these services in order to establish this continuum of available bed space and services. The intended outcome is to provide emergency respite options for children and youth in the foster care system, to reduce disruption of placement.

Challenges/delays: The Department has issued two RFPs for respite care - one for RCCF respite beds and one for in-home and residential respite care services. The RFP for in-home respite did not receive any responses so the RFP deadline has been extended to the end of December.

Child Abuse Prevention and Treatment Act (CAPTA)

This project will use the CAPTA ARPA funds to identify barriers to mitigating risks and preventing child abuse and neglect especially for black, brown, indigenous, and LGBTQ+ children and families in underserved and over-represented communities. The work is an expansion of the Division's existing equity, diversity and inclusion work plan.

Challenges/delays: The hiring of a time-limited EDI position has been delayed due to the position needing to be posted twice. The funding for BOS counties to develop family voice feedback and capacity building projects for underserved and overrepresented populations has received lower interest than anticipated.

Office of Civil and Forensic Health (OCFMH):

Source	SB 21-288 (SLFRF IAs)
Amount	$26,950,000 (competency services); $1,785,368 (MHHs)
Purpose	**Summary** Forensic services: work related to forensic services (including competency evaluations), one psychiatrist to provide consultation to jail-based medical providers, one additional psychiatrist, expanded jail-based restoration services, additional Momentum program funding, 40 additional behavioral health competency beds, and 30 beds at psychiatric facilities Mental Health Hospitals: contracted medical staff to address critical COVID-19 related functions **CMHHIP Quality Assurance** 6.5 FTE were created on an emergency basis, and therefore funded with ARPA funding. However, the positions were never intended to be temporary. Despite their emergency origins, they will be necessary on an ongoing basis to prevent future emergencies. For this reason, we are requesting in R-01 to make these FTE permanent now at the first opportunity for annual budget requests since their inception as emergency positions. **FSDV Pre-restoration Education** OCFMH is piloting a jail-based pre-restoration education program with 11 temporary staff. The program has not been tried before in Colorado, and while we are hopeful it will lead to positive outcomes, because the program is new we are still gathering data with respect to its efficacy. We are not requesting to make this program permanent at this time. As the program continues, we will have better information as to how effective the program is and how necessary it will be as other efforts work to reduce the number of individuals waiting in jail for restoration treatment. At that time, we will more effectively evaluate whether it would be beneficial to continue the program and, if so, consider options for continued funding. **Hospital Infection Control** With extremely complicated COVID-19 protocols necessary at the hospital, these Epidemiology and Laboratory Capacity (ELC) funded positions were hired specifically to implement infection control related to the pandemic. The **23** temporary FTE for these needs were initially funded with federal funds from the CARES Act (FY 2020-21) and ARPA (FY 2021-22); these funds were spent by the end of FY 2021-22. Now, there are **eight temporary positions currently** filled in these roles. The number of temporary positions related to this work is decreasing as the pandemic slows, and we will not need all of these positions long term. CMHHIP does estimate that if testing requirements remain they will need 3-4 staff ongoing to fill this role. We will determine whether and how to support the ongoing positions once we have better information about what testing requirements will be ongoing.
Updates	The Department is forecasting to have ~90% expended by the end of FY 2022-23, primarily for contracted civil and restoration beds, as well as jail-based restoration services. Remaining funds will be rolled forward to spend down in FY 2023-24. The money for the mental health hospitals was fully expended in FY 2021-22.

Source	HB 22-1283
Amount	$35,539,000
Purpose	Neuro-psych facility
Updates	The neuro-psych facility at the Colorado Mental Health Hospital in Fort Logan is in the early stages of development and is being managed by the Division of Facilities Management. $539k is budgeted to the Fort Logan Operating line item; $35M to the CDHS Capital line item for capital construction.

Source	HB 22-1303
Amount	$57,116,189 as follows: • $43.6 million and 21.8 FTE to create, develop, or contract for group homes; • $7.0 million for the renovation costs associated with the additional inpatient beds at the Colorado Mental Health Institute at Fort Logan; and • $6.5 million from the Behavioral and Mental Health Cash Fund and 59.2 FTE for the operating costs associated with the addition
Purpose	Creation of 125 step-down mental health transition beds; 16 additional beds at CMHHIFL initially for competency services
Updates	16 additional beds at Fort Logan and 18 transitional beds in Pueblo and Broomfield are in the early stages of development and being managed by the Division of Facilities Management. A director has been hired for the transitional step-down program. OCFMH will publish an RFP for 107 contracted step-down residential beds in December 2022. 84.3 ongoing FTE and 5 contract staff for the transition (group) homes were part of HB22-1303, which is initially ARPA-funded. While it includes a large number of ongoing FTE, we currently only have two of those positions filled. The bill was designed to transition funding for its programs from ARPA to General Fund over time, so there will not need to be special arrangements to make these FTE ongoing.

Source	HB 22-1386
Amount	$28,562,828
Purpose	Purchased psychiatric bed capacity
Updates	The Department will begin spending down in January 2023. The Department anticipates full spend-down by 12/30/2024

2. **Please identify how many rules you have promulgated in the past year (FY 2021-22). With respect to these rules, have you done any cost-benefit analyses pursuant to Section 24-4-103 (2.5), C.R.S., regulatory analyses pursuant to Section 24-4-103 (4.5), C.R.S., or any other similar analysis? Have you conducted a cost-benefit analysis of the Department's rules as a whole? If so, please provide an overview of each analysis.**

The Department has one Type I entity that regularly promulgates rules, the State Board of Human Services (SBHS). When promulgating rules, the SBHS follows the requirements set forth in the Colorado Administrative

Procedure Act (APA) concerning posting, noticing, and preparing regulatory analyses, to include an analysis of expected costs and benefits or a proposed rule, for each rule proposed for adoption. The proposed rule combined with the regulatory analyses constitutes a rule "packet."

The SBHS meets on a monthly basis to conduct business, including rulemaking. Prior to the rule-making session, stakeholder input and feedback are sought on all proposed new rules, modifications to existing rules, and repeal of outdated or redundant rules.

The SBHS promulgated 44 permanent rule packets between July 1, 2021 and June 30, 2022. There were an additional 15 emergency/temporary rule packets within this same time frame that were subsequently promulgated as permanent rule packets.

Cost-benefit analyses are completed for individual rule packets upon request through the Department of Regulatory Agencies. For FY 2021-22 there were 3 requests, which necessitated two responses. (*Note:* One request was withdrawn prior to a response being submitted.)

For FY 2021-22, no cost-benefit analysis of the Department's rules as a whole has been conducted. The Colorado Secretary of State's website has a search tool that can be utilized to search for rules by entity.

3. **How many temporary FTE has the Department been appropriated funding in each of the following fiscal years: FY 2019-20, FY 2020-21, FY 2021-22, and FY 2022-23? For how many of the temporary FTE was the appropriation made in the Long Bill? In other legislation? Please indicate the amount of funding that was appropriated. What is the department's strategy related to ensuring the short-term nature of these positions? Does the department intend to make the positions permanent in the future?**

The Department is unable to provide temporary FTE counts. Temporary FTE are not included in the statutory definition of FTE pursuant to Section 24-75-112(1)(d)(II), C.R.S. which states that FTE does not include contractual, temporary, or permanent season positions. The department has provided as part of the November 1 request the Schedule 14A and 14B which provides actual expenditures. For the upcoming years, the department manages the dollar appropriation which has been affirmed by two Supreme Court cases (Colorado GA vs Owens and Anderson v Lamm).

The Department was allocated 28 term-limited FTE through ARPA funds to support the implementation of stimulus projects as outlined above. The Department does not intend to make those positions permanent because the projects are term-limited; however, the Department intends on encouraging term-limited staff to apply for existing permanent positions created due to vacancies.

4. **Please provide a description, calculation, and the assumptions for the fiscal impact of implementing the provisions of the Partnership Agreement, including but not limited to changes in annual leave accrual, holiday pay, and paid family and medical leave. If your department includes employees who are exempt from the Partnership Agreement, please indicate whether or not you intend to implement similar benefit changes as those required for covered employees. Please provide a breakdown of the fiscal impact of implementing the provisions of the Partnership Agreement for: a) employees who are subject to the Agreement, and b) employees who are exempt from the Agreement.**

The cost to departments for employees using the paid family medical leave was requested and approved last year (DPA FY 2022-23 R-02). For FY 2023-24 the cost is part of the POTS appropriation called Temporary Employees Related to Authorized Leave. The adjustment to annual leave and the additional holiday, as noted in the fiscal note for the bill (S.B. 22-139) were expected to be minimal and if necessary will be addressed

through the annual budget process. The Governor's November 1, 2022 budget included funding for the economic articles of the Partnership Agreement, including funding for paid family medical leave. The department is working with OSPB and DPA to submit a January budget amendment if necessary to seek additional adjustments related to the Partnership Agreement. In addition, OSPB will provide the JBC with a breakdown of the fiscal impact of implementing the Partnership Agreement by department.

COLORADO
Department of Human Services

"We are the people who help people"

FY 2023-24

Joint Budget Committee Hearing

December 19, 2022

Michelle Barnes

Executive Director

Email: Michelle.Barnes@state.co.us

Phone: 303.866.5091

Agenda

Dec. 19, 9:00-noon

- Department Overview
- Administrative Solutions
- Office of Economic Security
- Office of Adult, Aging and Disability Services
- Office of Children, Youth and Families

Dec. 19, 1:30-3:00

- Office of Civil and Forensic Mental Health*

  *Behavioral Health Administration hearing, presented by BHA Commissioner Dr. Morgan Medlock, to follow the conclusion of the Office of Civil and Forensic Mental Health.

OUR MISSION

Together, we empower Coloradans to thrive.

OUR VISION

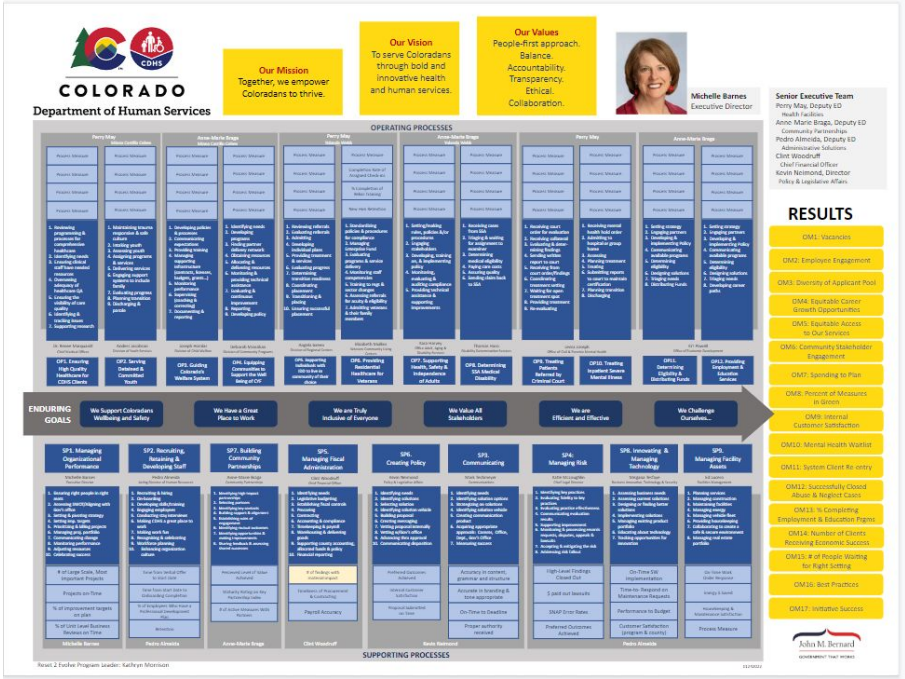
To serve Coloradans through bold and innovative health and human services.

OUR VALUES

A People-First Approach
Balance Creates Quality of Life
We Hold Ourselves Accountable
Transparency Matters
We Are Ethical
Collaboration Helps Us Rise Together

Reset to Evolve

Reset to Evolve - R2E - is a commitment CDHS has made to strengthen how we run the organization in order to fulfill our vision.



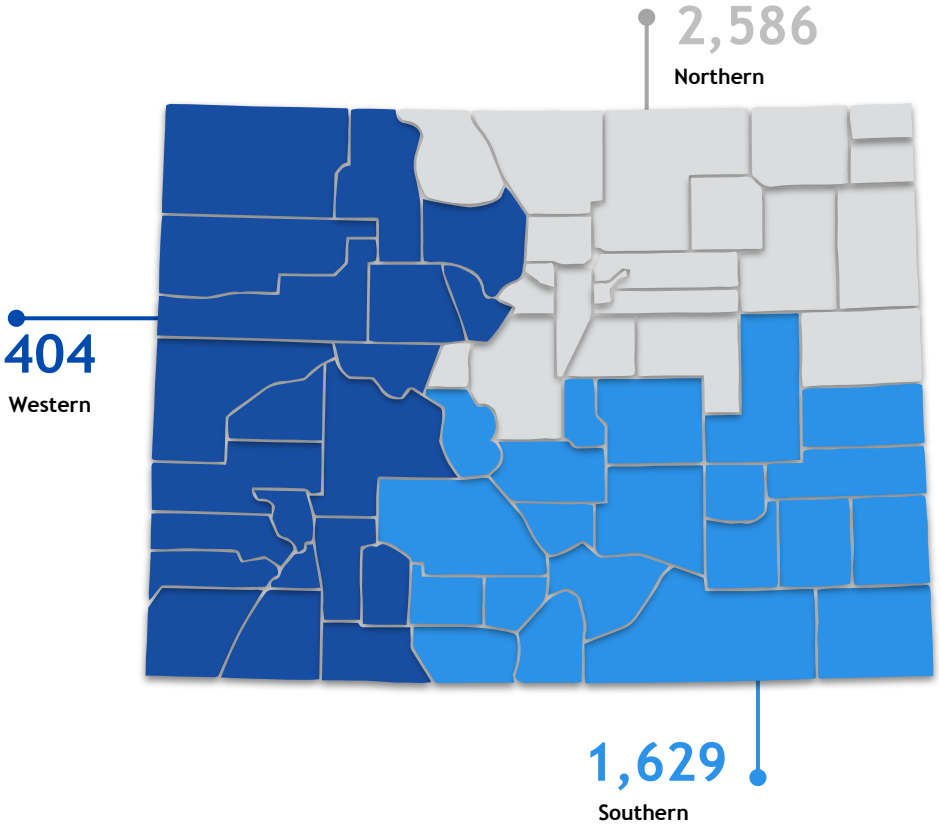
Our Team

4,619

employees across the state
over 60% work in direct care

CDHS Team Members by Region

- Northern: 2,586
- Southern: 1,629
- Western: 404

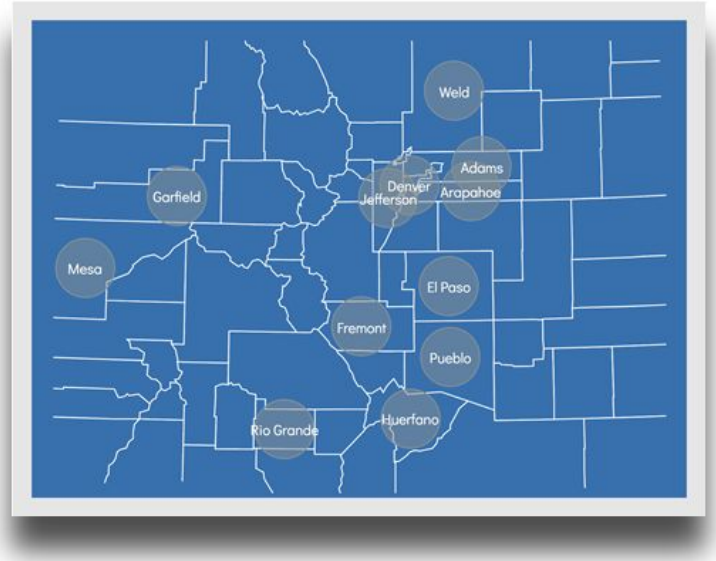


Our Care Centers

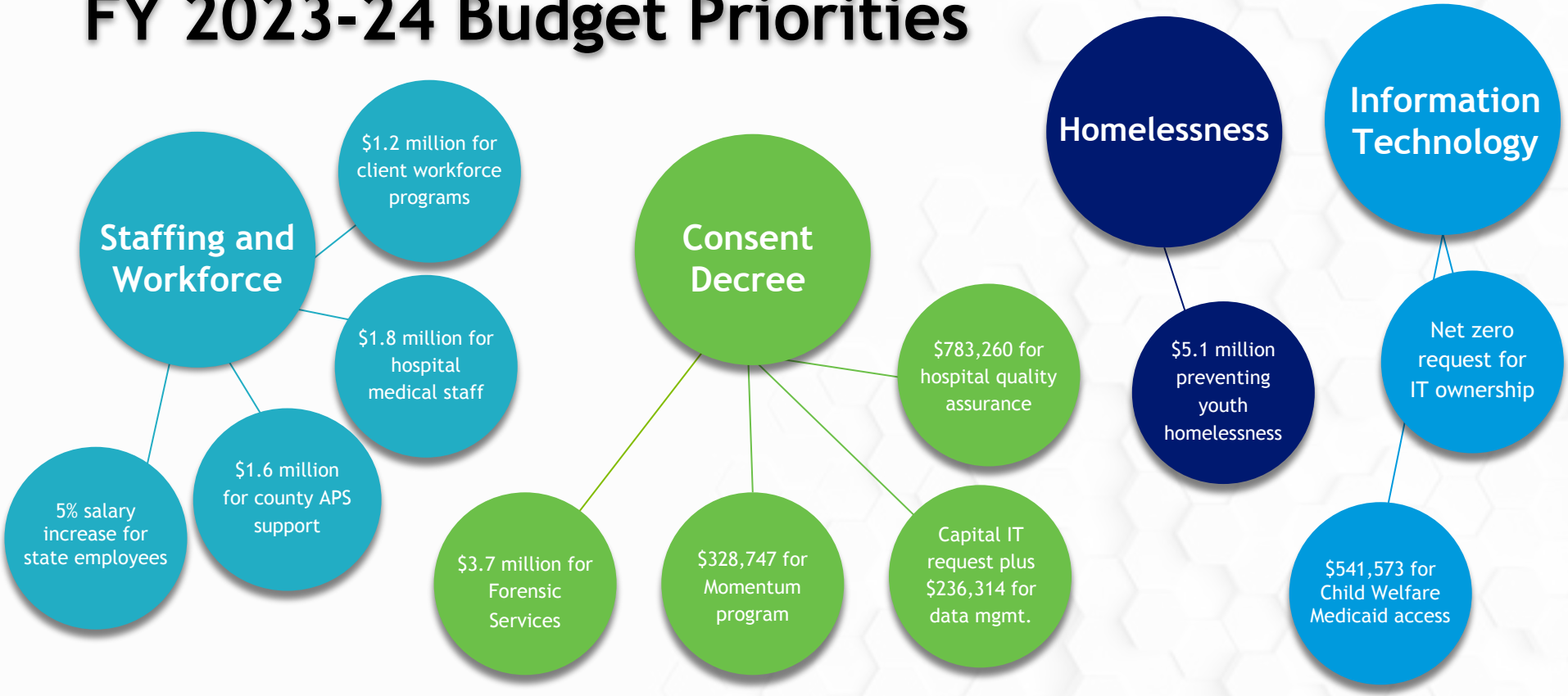
We provide almost 2,000 beds across the state to serve our clients.

339 buildings in 13 counties

- 3 Regional Centers
- 40 Group Homes
- 11 Leased Properties
- 15 Youth Service Centers
- 2 Mental Health Hospitals
- 5 Veterans Community Living Centers



FY 2023-24 Budget Priorities

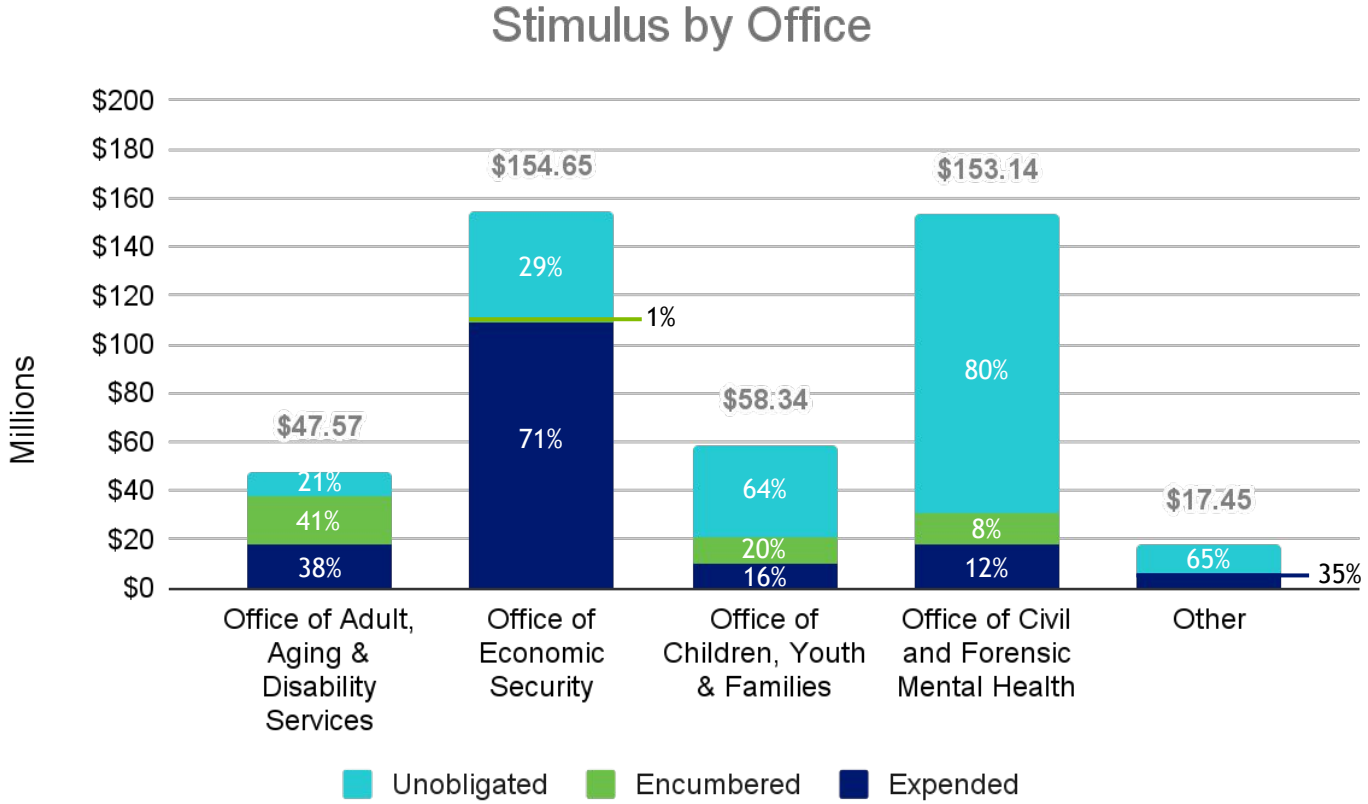


Other Priorities

- Equity, Diversity and Inclusion
- Ongoing impacts of the pandemic
- ARPA State and Local Federal Recovery Funds

Stimulus Spending Snapshot (Common Q1, pg. 41)

CDHS Total Awarded: $431.16M*



* Does not include $1.2b in stimulus-related entitlements

Stimulus Efforts (Common Q1, pg. 41) (Q1, pg. 1)

Prep work to getting money out the door:

- Engage stakeholders in accessing current needs
- Align our projects and initiatives with federal guidelines to ensure our spending is compliant
- Created the administrative structure(s) for those projects

Impacts to the spend rate:

- Program design of new projects take a bit longer
- Capital construction and IT projects takes a lot of planning before
- Workforce shortages both internally and with our community partners

Indirect Costs (Q2, pg. 1)

Indirect costs are used to fund central CDHS services, such as:

Utilizes cash, reappropriated, and federal funds to support central costs that would otherwise be General Fund.

Indirect Costs

- Represents **less than 5%** of total revenue.
- CDHS indirects are calculated based on a complex, federally approved cost allocation plan.
- Indirect costs at the office level are primarily driven by changes to common policies, staffing levels, and building costs (such as utilities).

Administrative Solutions

COLORADO
Department of Human Services

Topics

- Staffing Challenges/Ongoing Actions
- Business Innovation, Technology & Security (BITS) Decision Item

Vacancy and Turnover Rates

	Valid Positions	Vacancies (a/o Dec. 5, 2022)	Turnover (Dec 2021 - Nov 2022)
24/7 Facilities	4,063	981	41.97%
Non-24/7 Facilities	1,857	320	22.32%
TOTAL	5,920	1,301	

DEPARTMENTAL STAFFING IMPACTS

1. Competency waitlist at the Mental Health Hospitals
2. Contract staffing
3. Programming and morale within facilities

Addressing the Vacancies

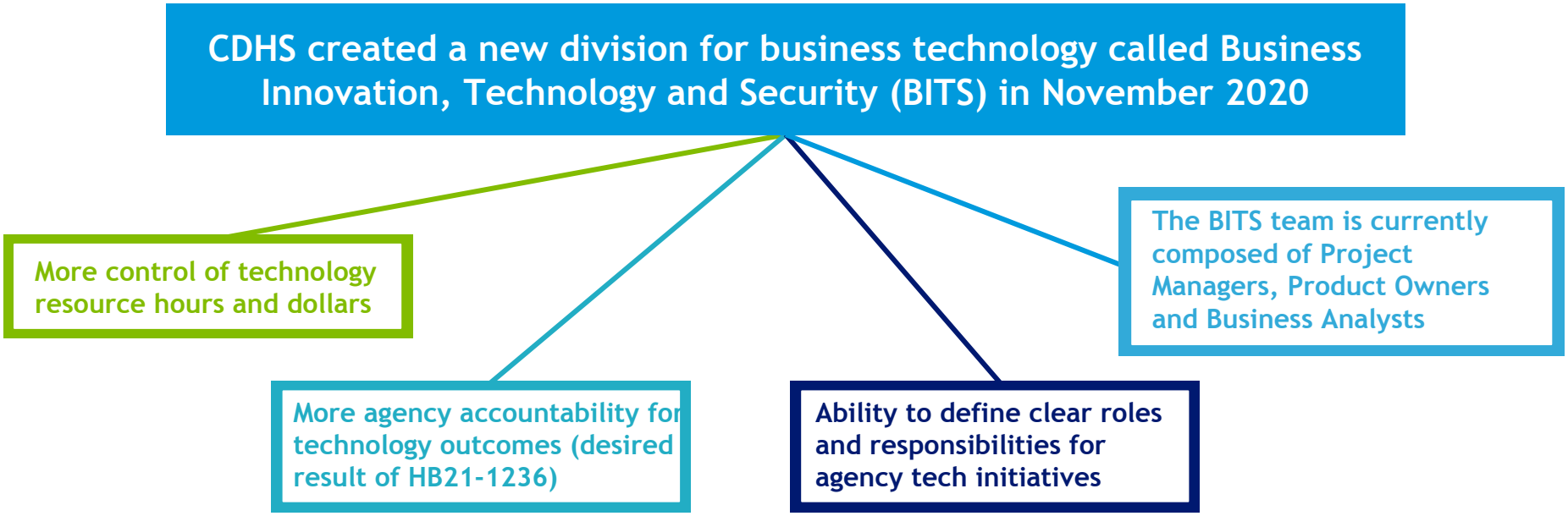
Recruitment

- Compensation
  - Incentives
  - Wage Adjustments
- Referrals
- Marketing

Retention

- Compensation
  - Incentives
  - Wage Adjustments
- Employee Engagement
- Leader Development

Business Innovation, Technology & Security



Current - OIT and BITS Roles

OIT Roles

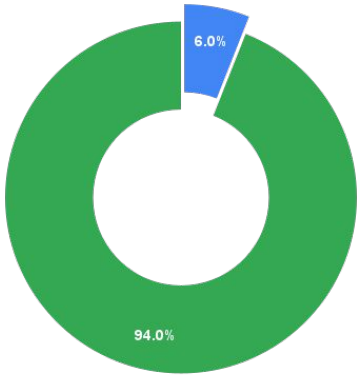
- Technical Support
- ID & Access Management
- Software development
- IT Project Management
- Enterprise Application Support
- IT infrastructure (Network/Data centers)
- Hardware Support
- User Acceptance Testing (UAT)
- >95% of overall technology related needs

BITS Roles

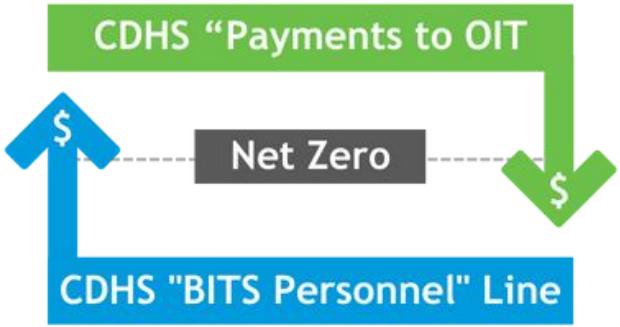
- Product ownership (Non-Agile)
- Asset management
- Data governance and security compliance
- Financial and contract management
- <5% of overall technology related needs

R5-REFORMING IT PROJECT OWNERSHIP (Q4, pg. 3)

Requesting to shift $3.7 million in payments from OIT (Common Policy) funds to fund internal BITS technology management staffing.



- Request is approximately **6%** of total FY23-24 Payments to OIT budget line (~$59MM), and less than **3%** of all CDHS technology spending (~$100MM+).



Proposed funding mechanism leads to a net zero dollar request, using currently allocated dollars in a more effective way.

Will result in a partial workload shift from OIT to BITS

- OIT DI/non-prioritized request - reduces OIT spending authority from CDHS

Post DI - OIT and BITS Roles (Q5, pg. 4) (Q6, pg. 5)

OIT Roles

- Technical support
- Software development
- Enterprise Application Support
- IT infrastructure (Network/Data centers)
- Hardware Support
- ***Scrum masters (Agile)****
- ~90% of overall technology related needs

**New Roles*

BITS Roles

- Product ownership ***(Agile)****
- Asset management
- Data governance and security compliance
- Financial and contract management
- ***Technology management****
- ***ID & Access Management****
- ***Software implementation****
- ***User acceptance testing****
- ~10% of overall technology related needs

THANK YOU

Questions?

COLORADO
Department of Human Services

Office of Economic Security

COLORADO
Department of Human Services

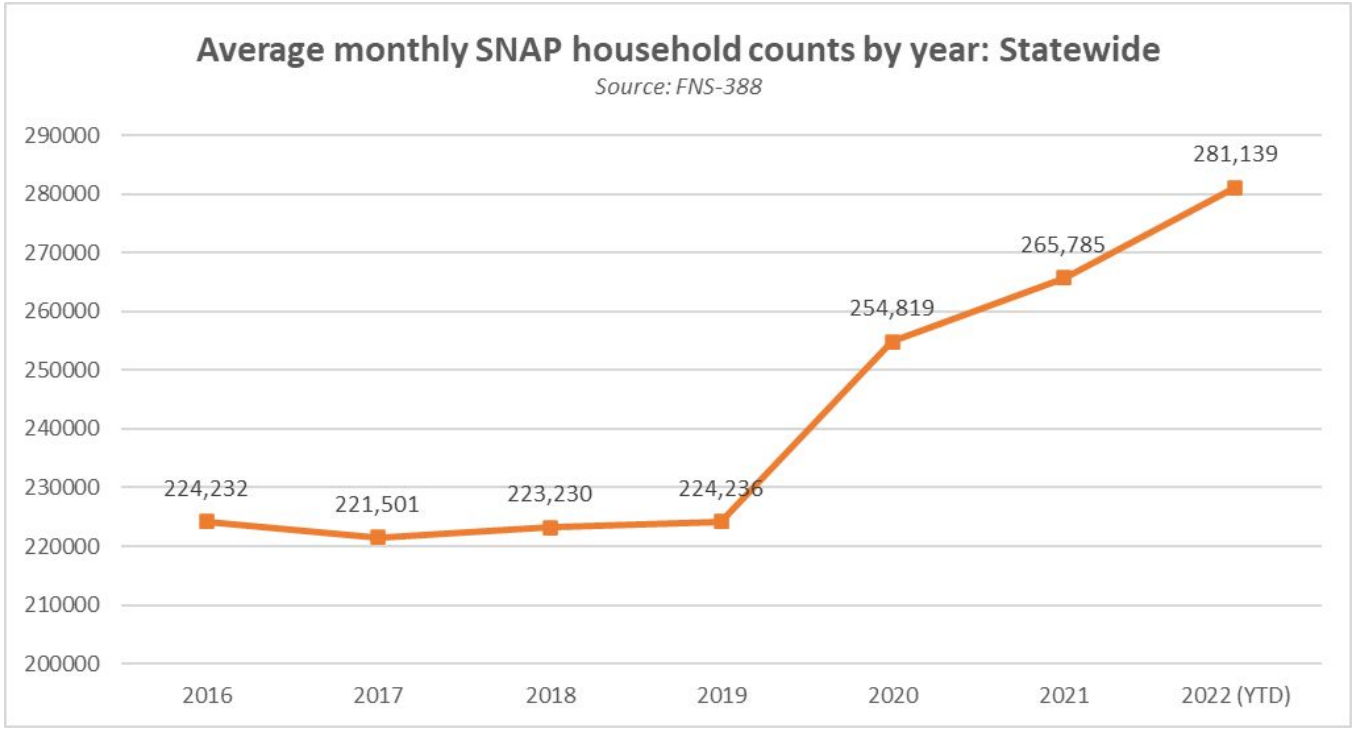
About the Office

Food and Energy Assistance Division	Present
Supplemental Nutrition Assistance Program (SNAP)	538,171 people (281K households) monthly average; $ 1.5 B in benefits in FFY 2022
The Emergency Food Assistance Program (TEFAP)	955,508 cases of USDA Food distributed + 3 million meals served
Commodity Supplemental Food Program (CSFP)	13,010 monthly average older adults served
National School Lunch Program- Commodities (NSLP-C)	$33 Million annual entitlement
Pandemic - Electronic Benefits Transfer (P-EBT)	380,000 students and 80,000 children under 6; $194 M School Year + 21-22 and Summer 2022
Low-Income Energy Assistance Program (LEAP)	84,100 households annually
Child Support Division	
Child Support Services (CSS)	**128,537 cases, monthly average** **$325 million collected for families in FY 2022**

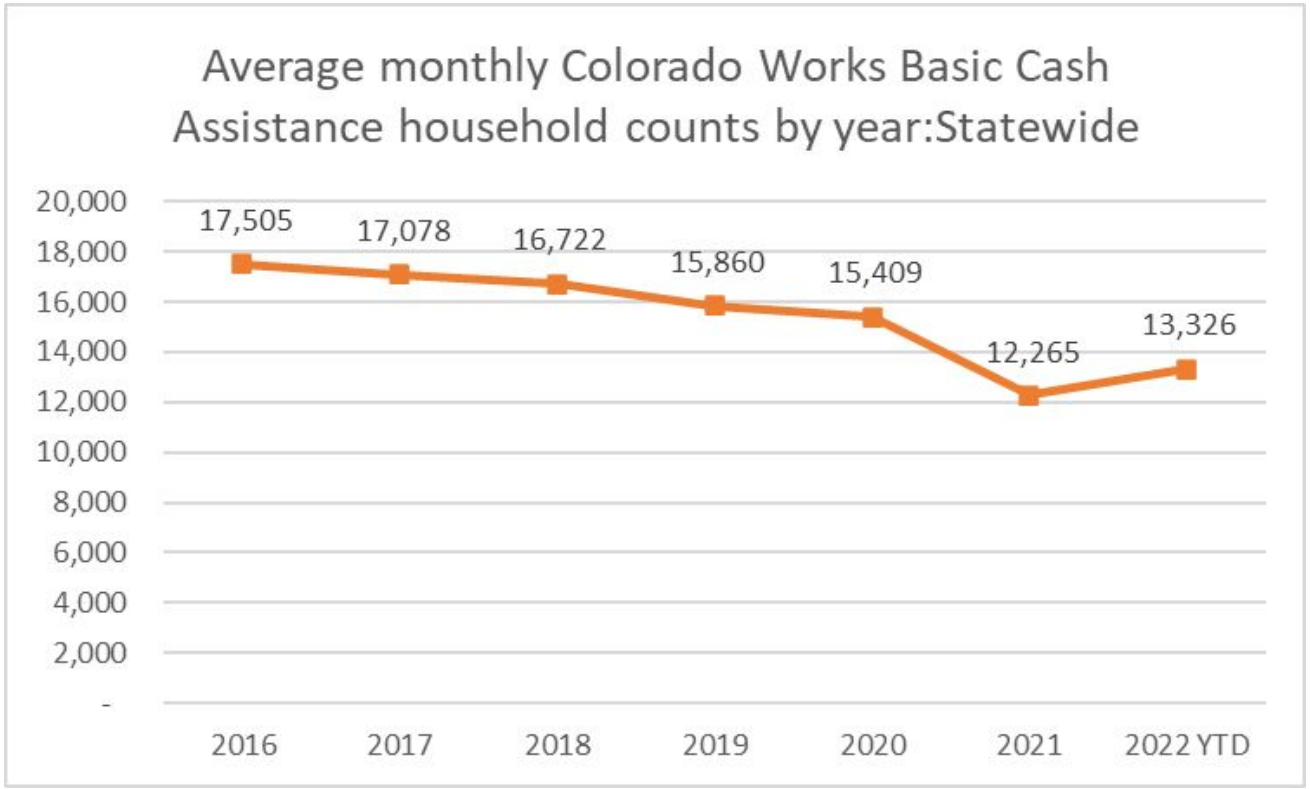
About the Office

Division of Economic and Workforce Strategies	Present
Colorado Works - Basic Cash Assistance (BCA)	12,411 average monthly caseload $469.17 average grant amount
Adult Financial (AF) Aid to the Needy Disabled (AND) Old Age Pension (OAP)	19,515* average monthly caseload 3,362 cases - $248 maximum grant amount 15,491 cases - $952 maximum grant amount
Employment Programs (Colorado Works Workforce Development, ReHIRE, STEP, Employment First)	12,820 average monthly caseload *Monthly average caseload includes individuals co-enrolled in multiple employment programs
Refugee Services	5,774 arrivals since August 2021
Staff Development Division	
Eligibility technician training	1,343 workers trained, monthly average

Large Increases to the SNAP caseload



Why is TANF spending decreasing? (Q7, pg. 5)



Caseload Influences (Q7, pg. 5)

SNAP & LEAP  **OAP & AND**  **TANF** 

Entitlements
SNAP & Old Age Pension

Can serve all that are eligible
Expand and contract based on need

Block Grants
TANF, LEAP, &
Aid to the Needy Disabled

Limited or no growth
Larger caseload ≠ additional funding

Market Dynamics
All Programs

Recession
Job market

Societal Changes
Old Age Pension

Women in the workforce
Retirement accounts

Additional Supports
TANF

Child Care Tax Credit
New forms of Unemployment Insurance
Rent and Heat Moratoriums

Efforts Toward Efficient Eligibility

(Q8, pg. 8)
(Q9, pg. 9)

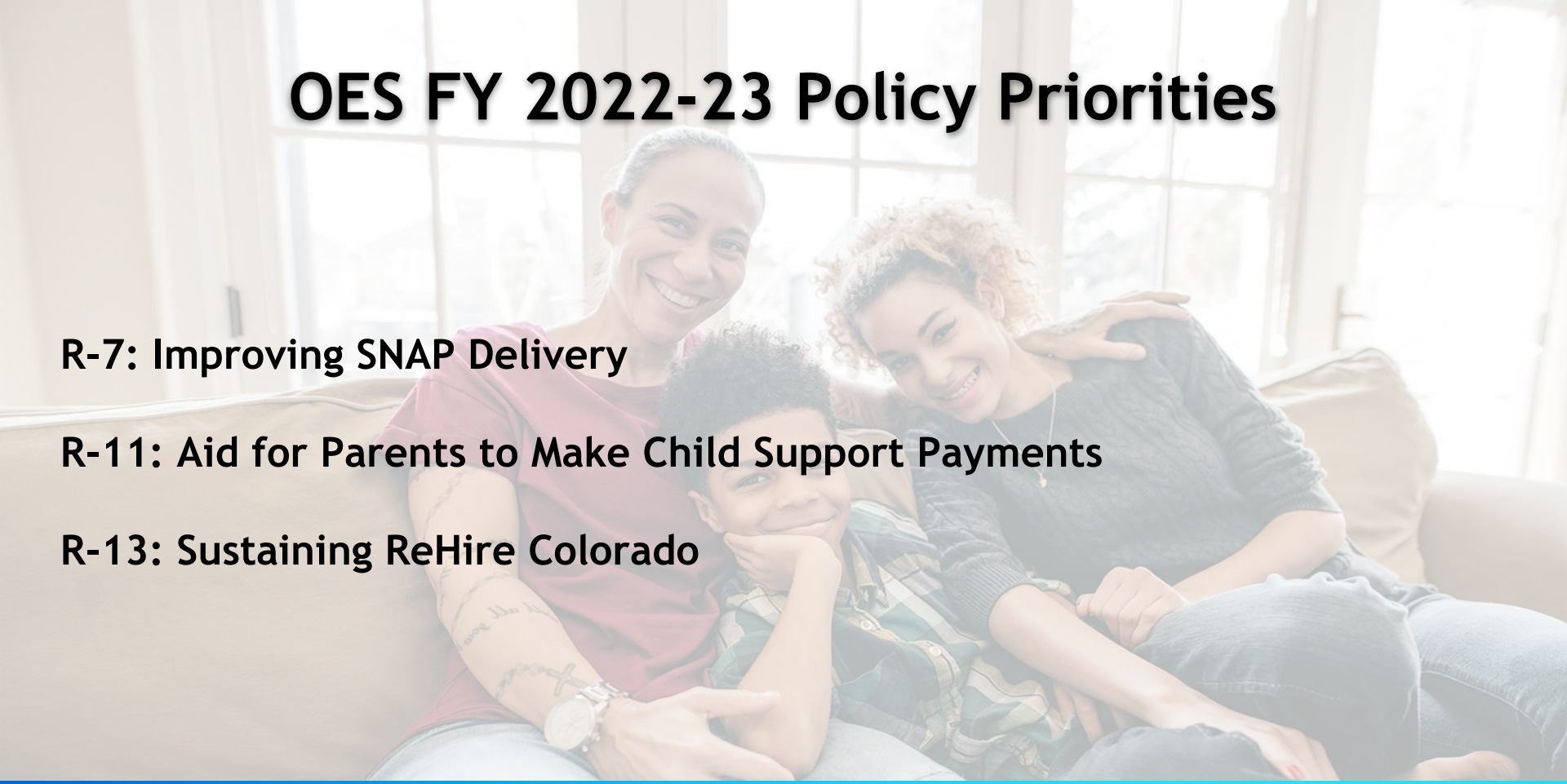
01 **Share resources**
Returned mail center
Overflow processing center

02 **Create more standardization across counties**
HB22-1380 Joint Agency Interoperability (ARPA)
One work management system

03 **Invest in automation**
WorkNumber for Medicaid
Intelligent Character Recognition
Automated Call Center

04 **Maximize efficiencies**
SB22-235 Study technological, workforce, practice and policy enhancements

OES FY 2022-23 Policy Priorities



R-7: Improving SNAP Delivery

R-11: Aid for Parents to Make Child Support Payments

R-13: Sustaining ReHire Colorado

Questions from JBC R-7 (Q8, pg. 8) (Q9, pg. 9)

Long standing need

- 2008 to 2015 CDHS paid over $15M in SNAP related sanctions
- Two independent studies - understaffed
- Creating challenges to implement and comply with federal changes

Rapid change and growth

- From 2019 to 2022 CO's SNAP caseload increased 25%
- Client calls doubled
- Application process drastically changed over the course of several years
- About half of the county workforce is new
- Impending end of the Public Health Emergency

Two-Year Request

- Continue to manage large caseload
- Help counties and clients get through the end of the Public Health Emergency
- Help operationalize new technologies
- Implement new federal guidance
- See Page 8 & 9

ReHIRE Colorado (Q10, pg. 11)

Mission: Use subsidized employment as a bridge between underemployed Coloradans and local businesses

Priority Populations: Veterans, Individuals over age 50, and Non-Custodial Parents with income below 150% FPL

Counties currently served: Pueblo, Fremont, Las Animas, Huerfano, El Paso, Teller, Douglas, Jefferson, Denver, Arapahoe, Adams, Boulder, Broomfield, Larimer and Weld county

Strong Evidence Base: Randomized control trial

- 35% increase in employment
- $1,800 increase in income compared to control group members

ReHIRE (Q10, pg. 11)

Julie is a Colorado native and U.S. Veteran

- After 5 years active duty in the Army, Julie was medically retired in 2017
- Tried to find an employer willing to be flexible with her schedule and doctor's appointments became impossible
- She was referred to Goodwill's ReHire program.
  - employed at Who Gives a Scrap
  - earning $17.73 an hour
  - Business of Retail Certification

For people like Julie, the $102,904 request means an hourly wage increase from approximately $15 to $17.

Questions from JBC R-11- IMPACS (Q11, pg. 11)

Mission: Serve low-income Colorado parents with an active child support case

- employment supports
- individualized case management
- parenting and relationship support

Goals:

- Increase child support payment
- Improve employment outcomes (attainment, wages, retention)
- Improve parent-child relationships

Counties served: Delta, Denver, Jefferson, Montrose, Weld

Fiscal Year	Appropriation	Actual Expenditures	Remaining
FY 2019-20	$952,669	$0	$952,669
FY 2020-21	$1,820,720	$188,215	$1,632,505
FY 2021-22	$1,820,720	$859,256	$961,464
FY 2022-23	$1,820,720	$915,972	$904,748

Total Underspend (FY 2019-20 thru FY 2021-22) = $3,546,638, R-11 (4 years) = $4,561,096

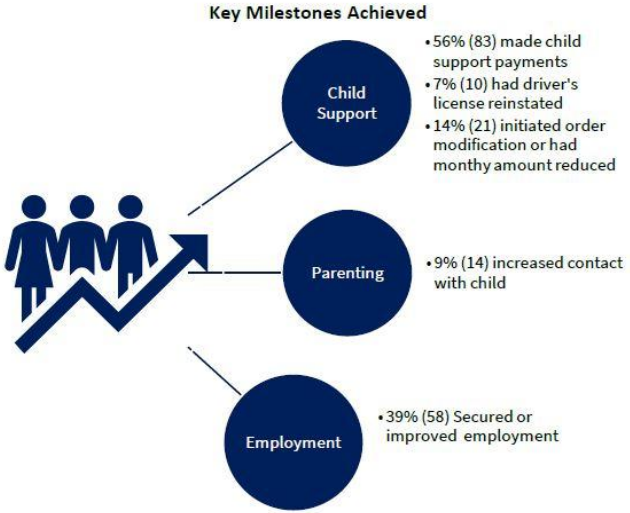
Questions from JBC R-11- IMPACS (Q11, pg. 11) (Q12, pg. 12)

Barriers

- 66% had annual income of $20,000 or less
- 45% history of incarceration
- 60% transportion barriers
- 46% do not have secure housing

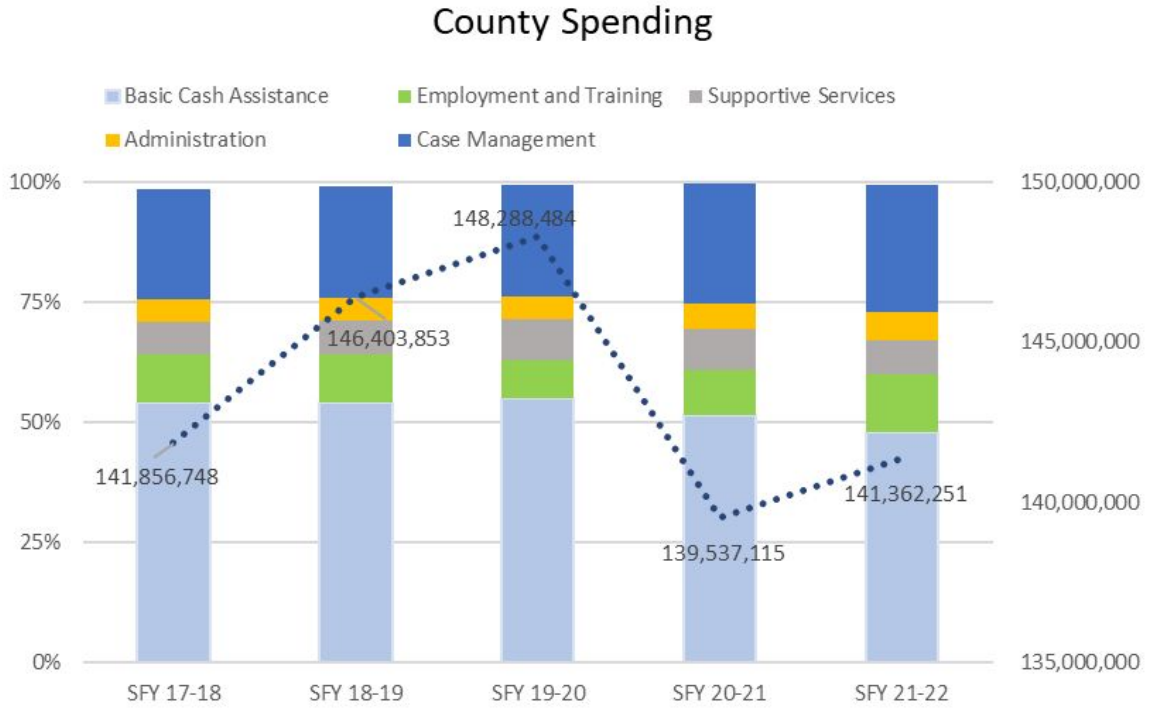
Services

- Transportation support provided
- Housing support/services initiated
- Essential personal documents obtained
- Health/Substance use treatment initiated



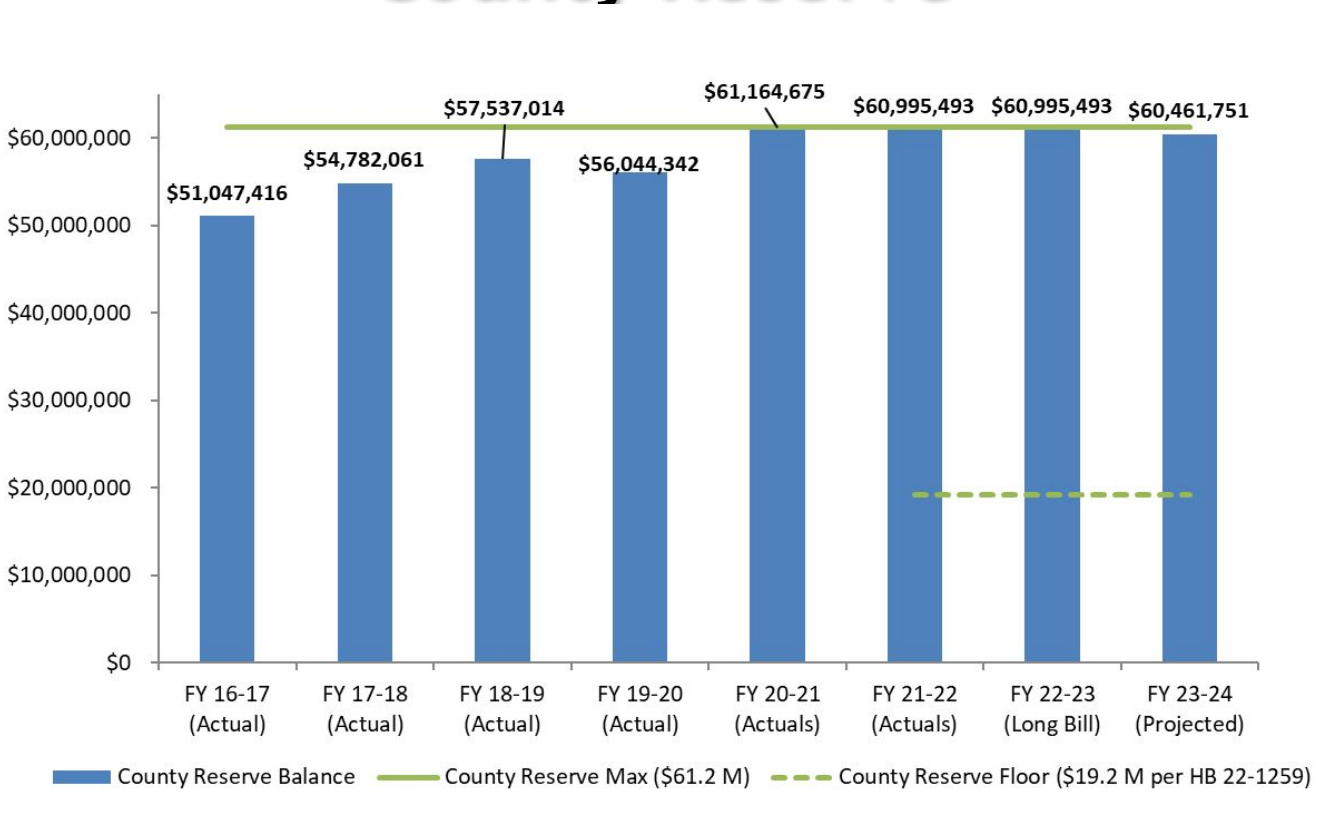
Questions from the JBC (Q13, pg. 12)

If the TANF caseload has declined, has spending shifted to more employment or child care assistance services?

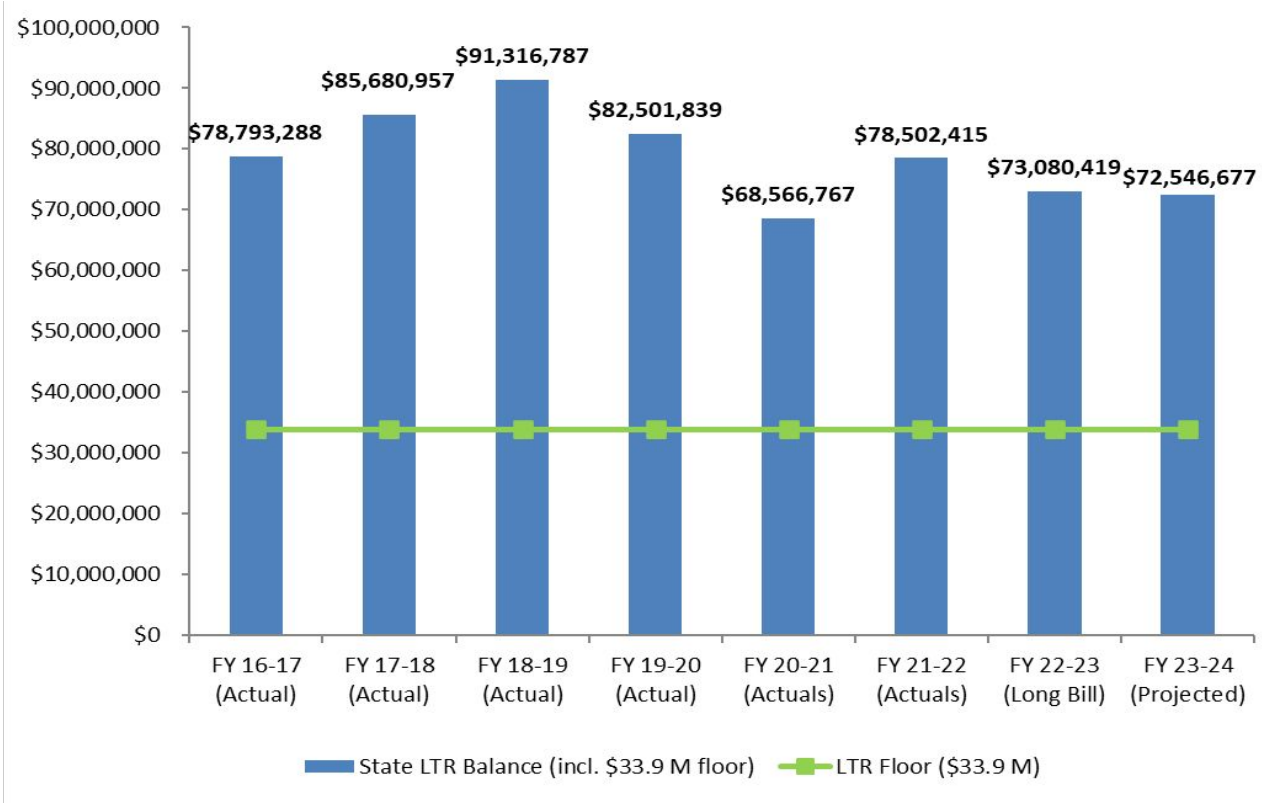


Source: ACF 196R

County Reserve



State Long Term Reserve




Thank You
Questions?

Office of Adult, Aging and Disability Services

COLORADO
Department of Human Services

Office of Adult, Aging and Disability Services (OAADS)

Divisions:

- Aging and Adult Services - **Services for Older Adults**
- Disability Determination Services - Our Partnership with the Social Security Administration
- **Division of Regional Centers** - For Individuals with Intellectual and Developmental Disabilities
- Veterans Community Living Centers - **Services for our nation's veterans**

Programs:

- Colorado Commission for the Deaf, Hard of Hearing and Deafblind
- MINDSOURCE **Brain Injury Network**

Division of Aging and Adult Services

COLORADO
Department of Human Services

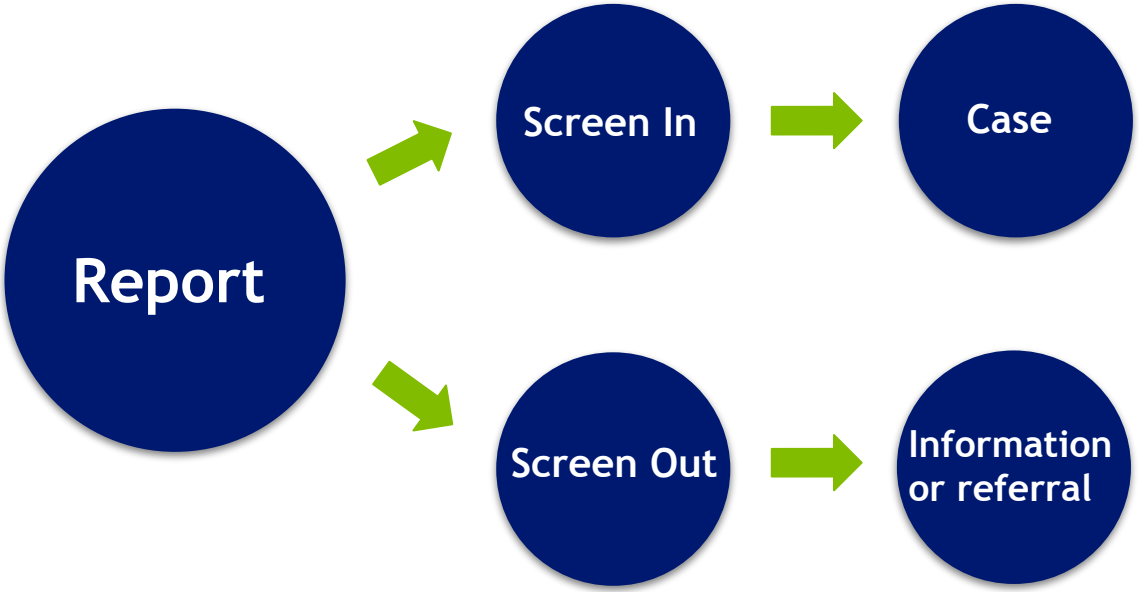
Did you know?

APS by the numbers for FY 2021-22

- Number of caseworkers: 193
- Number of reports: 26,641
- Number of cases: 8,864

Aging and Adult Services Division

Adult Protective Services



Colorado's Growing Aging Population

Colorado is projected to have an 86% increase in the 65+ population by 2050.

R-03
County Adult Protective Services Support

R-03 County Adult Protective Services Support

$1.6 M total funds, including $1.3 M General Fund and $300,000 cash funds from local county matching funds, and 1.0 FTE in FY 2023-24 and beyond.

Over the past decade, the Colorado APS Program has evolved into a more robust program to support at-risk adults in Colorado. Consequently, the program has grown considerably in size and scope.

This request will enable the Department and county departments to continue to do the quality and quantity of APS casework that has been achieved in recent years and fulfill statutory requirements to effectively operate the APS Program.

Funding Need and Impact on Counties (Q14, pg. 13)

The Department believes that County Departments of Human Services, including those that are small and rural, will have sufficient local funds to match additional funds they receive from this funding request for the APS Program.

Impact on Small and Rural Counties

"In Gilpin County, 25 percent of the population is over age 60. We have to do the work with or without funding. We have to continue to provide the services. The population is getting older, we don't have enough funding due to the increase in the population. It takes time and money to find the right services for people, especially those with a high level of need."

- Laura Solomon, Gilpin County DHS Director

Adult Protective Services County Workload Study (Q15, pg. 14)

The Department has contracted with a vendor to conduct the **first ever** Workload Study of the APS Program.

The results of this study will be available to the Joint Budget Committee Members and the general public in **February 2023**

State Unit on Aging

The **State Unit on Aging** oversees programs funded by the federal Older Americans Act and State Funding for Senior Services

Did you know?

State Funding For Senior Services and Older Americans Act funding supported over 54,000 older Coloradans in FY 2021-22

Annual Funding
$52 million in SFSS and OAA
COVID 19 Stimulus Funding
$42 million to expand OAA services

Congregate meals served: 571,414
Home delivered meals: 1,463,645
Transportation (one-way rides): 204,347

Update on Senate Bill 21-290
Strategic Investments in Aging

- **Amended by SB 22-185**
- $14,550,000 Total Amount Awarded
- 24 Total Grant Awards - two rounds of applications
- Funds received 7/1/21

Division of Veterans Community Living Centers

COLORADO
Department of Human Services

#1 Nursing Home in Colorado

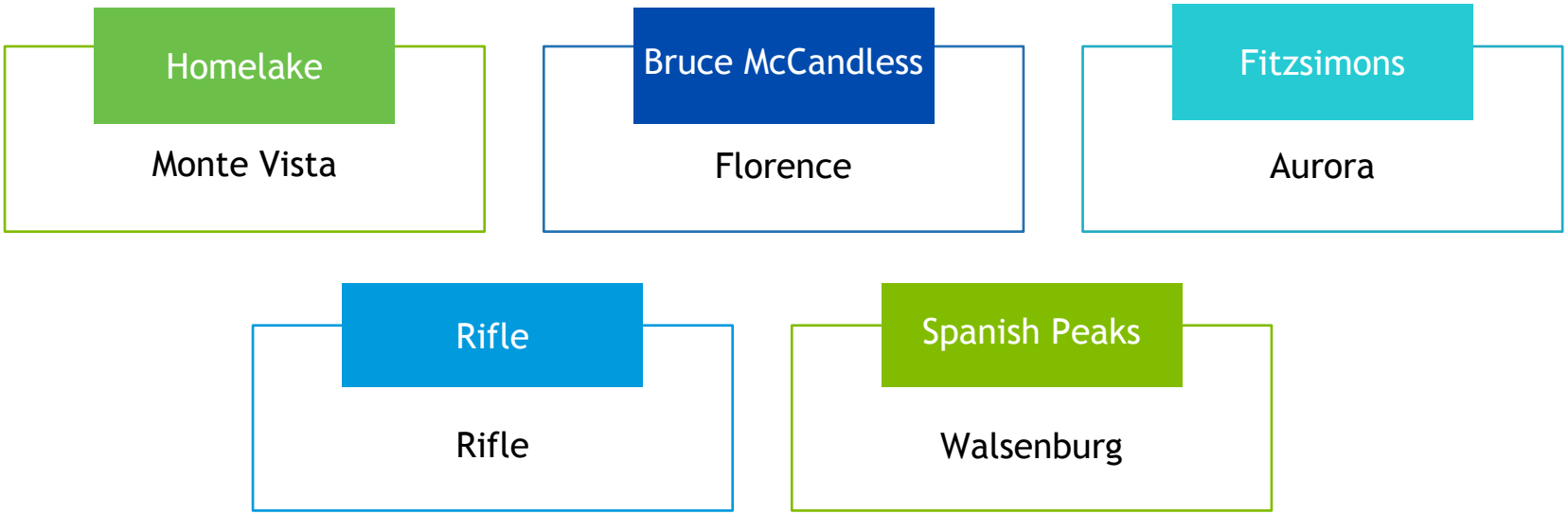
Fitzsimons veterans home named *#1 Nursing Home in Colorado* by *Newsweek* magazine and ranked in top 25 in U.S. based on quality and Covid response metrics.

Did you know?

- Total Census - 310
- Total Staff - 448
- Enterprise Fund
- Only veterans, veteran spouses/widows and Gold star parents can be admitted.

Veterans Community Living Centers

OAADS operates skilled nursing centers for honorably discharged veterans, veteran spouses and Gold Star parents.



Did you know?

- Total Census - 310
- Total Staff - 448
- Enterprise Fund
- Only veterans, veteran spouses/widows and Gold star parents can be admitted.

Division of Regional Centers

COLORADO
Department of Human Services

Did you know?

Regional Center Residential Services

41 community based group homes

- Wheat Ridge - 19 total homes / 76 residents
- Pueblo - 11 total homes / 41 residents
- Grand Junction - 11 total homes / 56 total residents

Day Habilitation Programs

- Supported Employment
- Behavioral Services
- Therapy Services

Regional Center Cost Reimbursement

(Q16, pg. 14)

For Regional Centers, Medicaid pays a daily rate based on the actual cost of services and the cost of operating the facilities where services are provided. Why is this different from other Medicaid rates that generally do not cover actual costs?

- ICF/IID programs are reimbursed based on the actual costs of administration, property, including capital-related assets, and room and board, and the actual costs of providing health-care services in accordance with C.R.S. 25.5-6-204(1)(b).

- HCBS-DD waiver programs are reimbursed Fee for Services (FFS) for each waiver service they provide: Residential Habilitation (Group Residential Services and Supports), Day Program, Supported Employment, and Behavior Services.

From Institutions to Community

The Regional Centers deliver RELEVANT and INNOVATIVE approaches that support successful outcomes for Individuals with Intellectual and Developmental Disabilities.

1970's: Long Term Care
Institutional Settings, Medical Model

2013
IDD Definition Change
RC Short Term Model
Major change in the IDD System

2014
Transition Policies
Transition Readiness, TRAT, Transition Processes

2015
HB 14-1338
Regional Center Task Force
Strategic plan for transition and planning

2019-2022
Stabilization Treatment
Data driven, person centered, complex medical and behavioral needs

Our new homes in Grand Junction

Capital Requests: Regional Center Upgrades

Requesting $920,826 for capital improvements at the Regional Centers

- Accessible Kitchens
- Accessible Bathrooms
- Therapeutic pools at Pueblo and Wheat Ridge Regional Centers

MINDSOURCE - Brain Injury Network

One Million

Approximate number **of Coloradans** living with a history of brain injury, half of whom are also living with a disability.

MINDSOURCE strives to enhance the quality of life for everyone in Colorado living with or affected by brain injury.

Colorado Commission for the Deaf Hard of Hearing and Deaf Blind

755,569

Deaf, Hard of Hearing or Deafblind individuals call Colorado home.


Thank You
Questions?

Office of Children, Youth & Families

COLORADO
Department of Human Services

Office of Children, Youth & Families

Our vision is to ensure children, youth, and families across Colorado are safe and thriving.

Child Welfare

Over **34,000** maltreatment assessments. **8,598** children currently with open cases.
Foster Care: 3,643 in out-of-home placement.
Adoption: 399 children awaiting adoption.

Pay for Success

Over 500 individuals and families served to date.

Youth Services

553 youth served each day in detention, commitment or parole.

Implementation Science Unit

Increasing capacity to engage in program implementation, scaling, replication, and evaluation. And leveraging research findings to aid decision making and process improvement efforts.

Community Programs

Domestic Violence Program funds served **18,174** individuals in FFY 21.

3,075 youth and **1,180** adults were served by the **Colorado Sexual Health Initiative** in FFY 22.

212 youth parole hearings plus **37** violation hearings from Dec. 2021 to Dec. 2022.

Tony Grampsas Youth Services current grant funding of ≈$10.5 million provides funding to 97 programs serving 48 counties, the Southern Ute Tribe, and Ute Mountain Ute Tribe.

Office of Children, Youth & Families

Division of Youth Services

COLORADO
Department of Human Services

DYS Population Trends (Q17, pg. 15)

2,555

Number of Unique Youth Served in FY 21/22

This includes detention, commitment and parole

FY 2015

First Increase in the Number of New Detention Admissions Since FY 2015

17.0 yrs

Average Age for Committed Youth

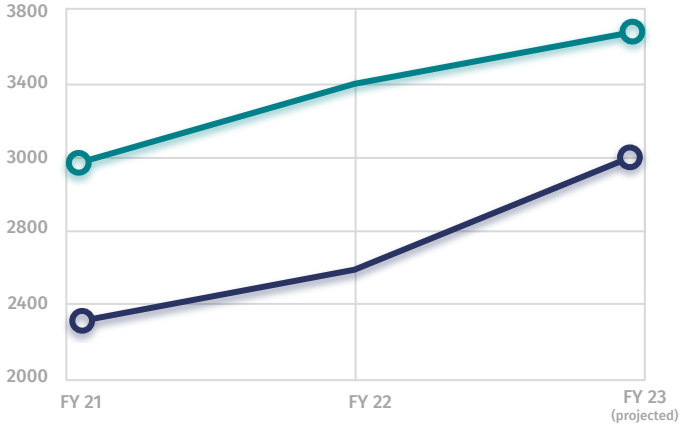
(at the time of commitment)

16.1 yrs

Average Age for Detained Youth

(at the time of detention)

DYS Detention Population Trends (Q18, pg. 17) (Q19, pg. 18)



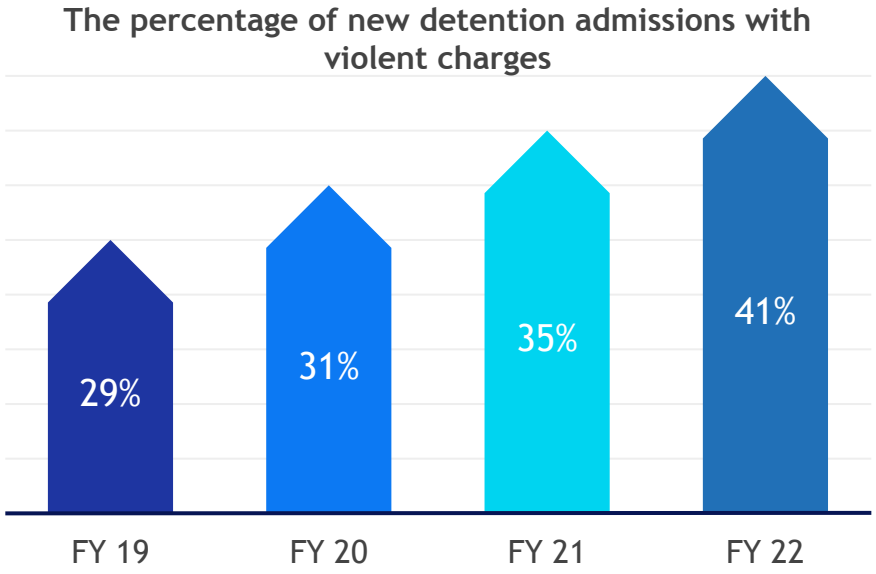
- **Secure Detention Screening** — This was a 13.4% increase from 21-22 and a projected 8% increase for 22-23.
- **Secure Detention Admissions** — This was a 10% increase from 21/22 and a projected 20% increase for 22/23

13% Increase in the number of detention youth served from FY21 to FY22

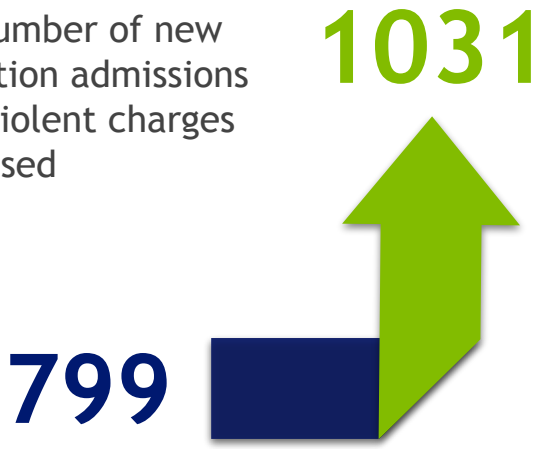
Trending Upward
Detention trending upward results in commitment and parole increases

15.4% Percentage increase in juvenile delinquency filings in FY22

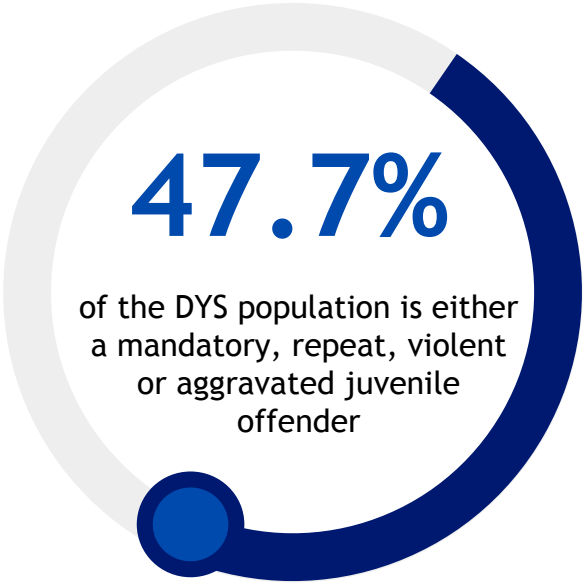
Youth Detention Complexities



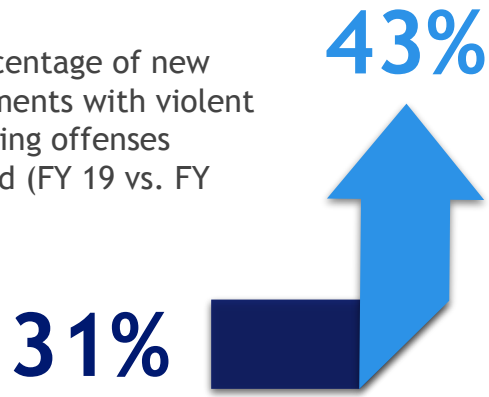
The number of new detention admissions with violent charges increased

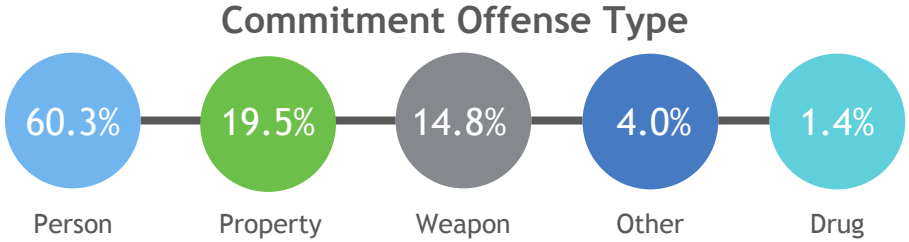


Youth Commitment Complexities



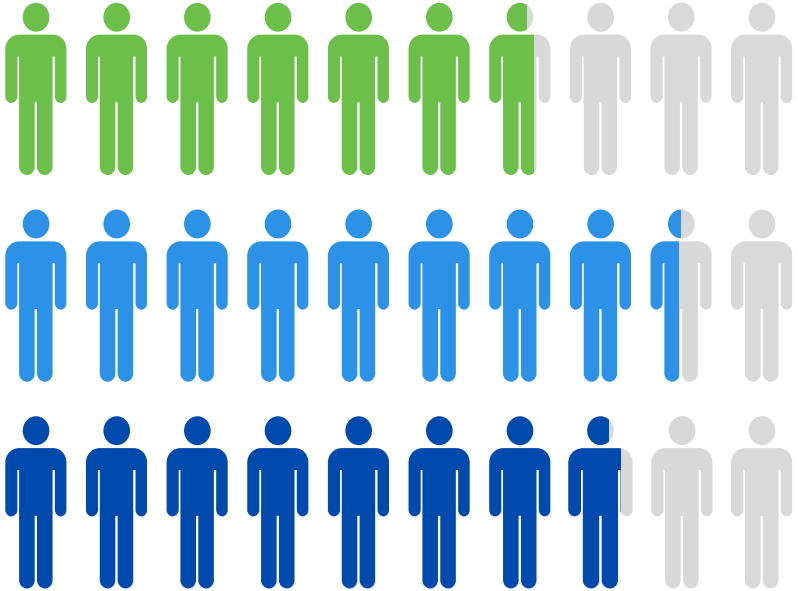
The percentage of new commitments with violent committing offenses increased (FY 19 vs. FY 22)





"The total DYS population experienced the third year of growth in person crime population, resulting in an 21% overall increase in two fiscal years."

Treatment Complexities of Newly Committed Youth



67% Have co-occurring treatment needs (both mental health & substance abuse).

84% Require formal mental health intervention services.

78% Require treatment level services for substance abuse.

DYS Awards and Certifications

National Commission on Correctional Health Care Program of the Year

The Division of Youth Services Behavioral Health Services and programming was named the 2022 program of the year by the National Commission on Correctional Health Care (NCCHC)

"All Colorado DYS youth centers are accredited by NCCHC, which puts Colorado at the forefront of integrated and comprehensive healthcare services for the youth in care."

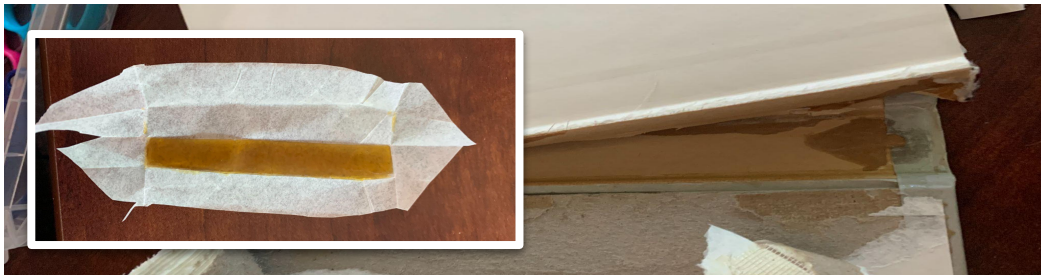
Sanctuary Certification

Increased Sanctuary Certification to 6 locations with a goal of 3 additional sites a year through 2027

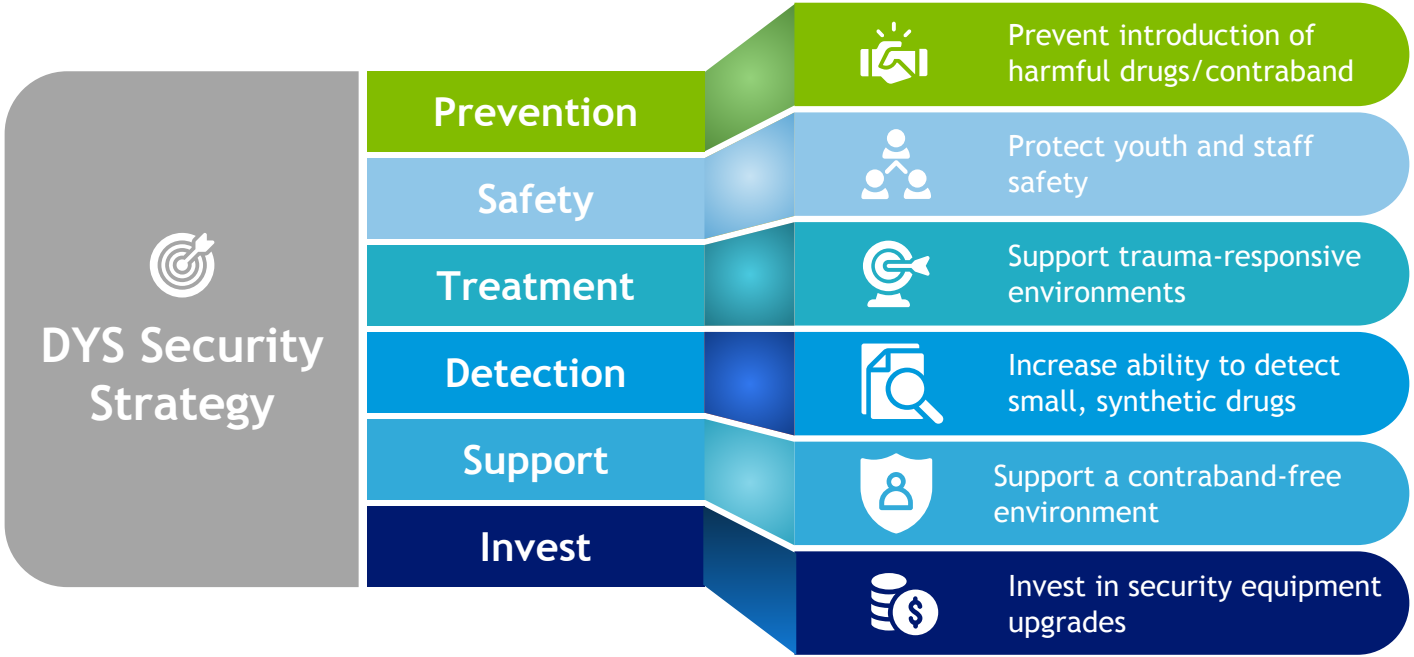
Prevention

New drugs and contraband items are consistently evolving requiring the need for cutting edge deterrents and detection systems

"The Cheeseburger"
Micro-mini cell phone
Highly concentrated marijuana wax (dabs), wax in book binding



R-06 DYS Youth Service Center Security Modernization (Q20, pg. 18)



Division of Child Welfare

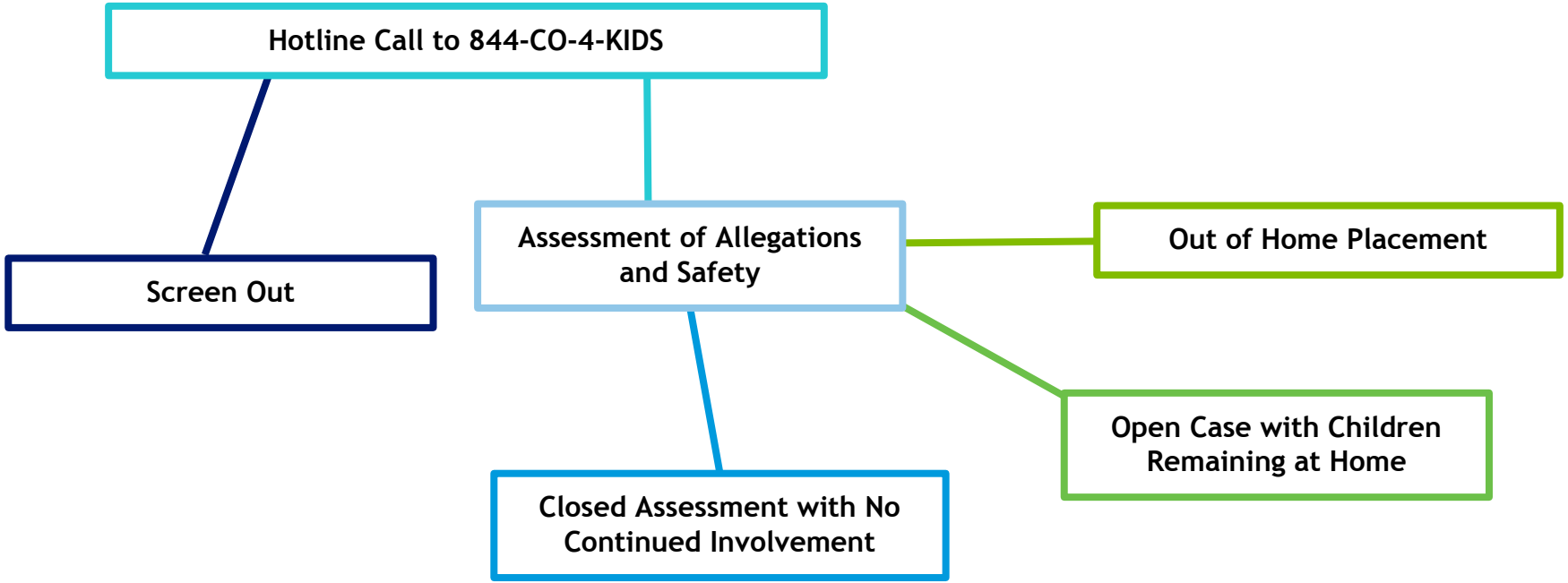
COLORADO
Department of Human Services

Division of Child Welfare

What are Child Welfare Services?

- Assessments
- Prevention
- Out-of-home care placement
- Case management and support with housing
- Adoption

Child Welfare Services Overview



Continuum of Care

Our goal is to ensure Colorado children, youth and families have access to the right service at the right place and time.

In-home	Family-like settings	Specialized group settings	Short-term stabilization	Treatment focused settings
• Community-based, prevention-focused services aimed at keeping families together. • Services include mental health, substance abuse prevention and treatment, and parent skill-based	• Family foster homes • Professional foster parents • Therapeutic foster homes • Treatment foster homes • Kinship placements (certified or non-certified)	• Supervised independent living settings • Residential care and support services to survivors or those at risk of sex trafficking • Settings providing prenatal, postpartum or parenting supports	• Assessment and stabilization • Respite, foster • Respite, transitioning from facility	• Qualified Residential Treatment Programs (QRTPs) • Psychiatric Residential Treatment Facilities (PRTFs) • Division of Youth Services Facilities

R-02 Preventing Youth Homelessness (Q21, pg. 18)

Three components:

Prevent future homelessness by providing youth-specific restorative services to address these risk factors

Prevent childhood homelessness through the provision of critical services that support family stability

Prevent homelessness among youth in transition

R-02 Preventing Youth Homelessness

Opportunity 1: Prevent childhood homelessness through the provision of critical services that support family stability.

Similar to root causes of child abuse, often the underlying issues of family homelessness relate to a family's unfilled economic, mental health, or treatment need.

R-02 Preventing Youth Homelessness (Q23, pg. 20)

Opportunity 2: Prevent future homelessness by providing youth-specific restorative services to address these risk factors.

Approximately 50%

of people experiencing homelessness have spent time in foster care. (According to the National Foster Care Institute)

Factors that impact a foster youth's likelihood of becoming homeless:

- Lack of support from relatives (instability of connections)
- Mental and behavioral health needs
- Juvenile justice involvement

R-02 Preventing Youth Homelessness (Q21, pg. 18) (Q22, pg. 19) (Q24, pg. 20) (Q25, pg. 21) (Q26, pg. 21) (Q27, pg. 22)

Opportunity 3: Prevent homelessness among former foster youth through enhanced housing-specific resources.

Between the ages of 19 and 21, former foster youth experience the following:

- **48%** Unemployment
- **26%** Incarceration
- **36.4%** Homelessness
- **18%** Report having children

R-04 Improving Medicaid Access for Child Welfare Youth
(Q29, pg. 24)

In 2021 there were **1,396** eligibility disruption events, impacting at least **1,000** children & youth

Root cause analysis found:

- **49.8%** - program/policy/business process problems
- **36.5%** - technical/systems issues

Fix and prevent disruptions:

- Establishment of a **Child Welfare Medicaid Specialists** team
- Increase the **technical capacity** for sustainable systems enhancements
- Enhance **quality assurance functions** between Trails, CBMS, and the Colorado interChange

Outcome: No child in Colorado is prevented from accessing Medicaid services as a result of technical deficits.

R-04 Improving Medicaid Access for Child Welfare Youth
(Q30 pg. 24) (Q31, pg. 25)

FY 2023-2024:
Total of 2.7 State FTE & Contract services are requested for $553,291 for DHS

1.8 FTE Child Welfare Medicaid Specialist at $190,704

0.9 FTE Business Analyst at $112,587

Contracted Services at $250,000

FY 2024-2025:
Total of 2.7 State FTE & Contract services at $784,391 for DHS

1.8 FTE Child Welfare Medicaid Specialist at $178,104

0.9 FTE Business Analyst at $106,287

Contracted Services at $500,000

R-17 Realign Child Welfare Hotline Budget
(Q32, pg. 26)

Part of line item flexibility in close-out (Training, Recruitment & Retention, Core Services, Block)

Cost efficiencies realized in FY 2020-21 in Training program

No critical need for modifications to the hotline this year

Will not jeopardize operations of the calling system

Hotline for Child Abuse and Neglect: One-time reduction of $535,787

OCYF Total Budget $741,431,761 (Q38, pg. 29)

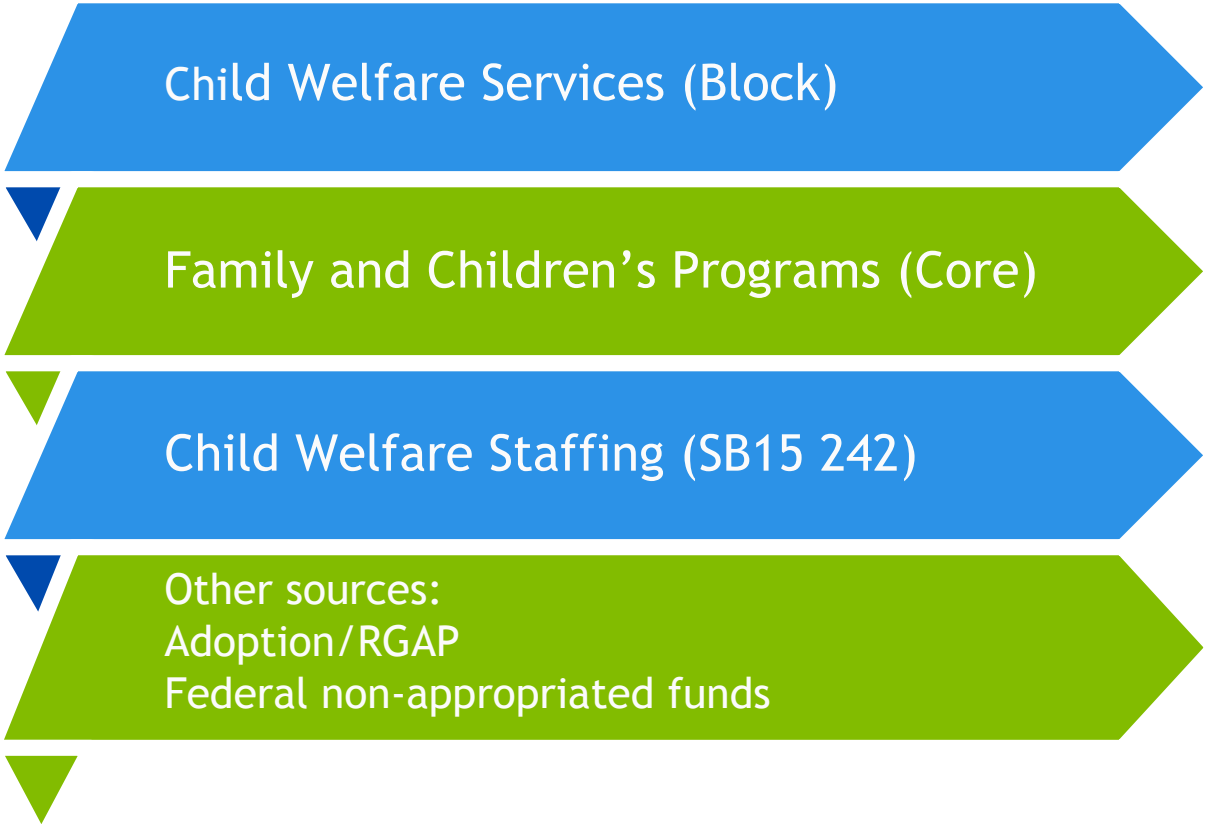
DYS
$135,535,150

DCW
$577,003,557

DCP
$14,810,483

Indirect
$14,082,571

How We Resource Child Welfare Services



Child Welfare Services (Block)

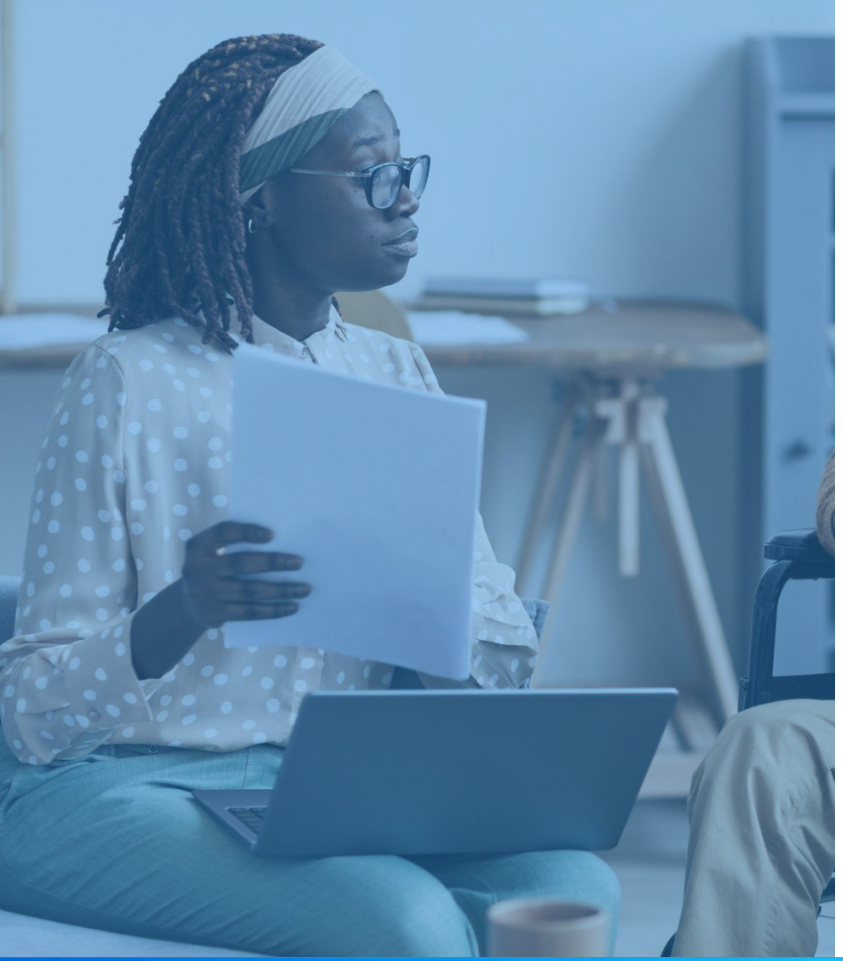
$393,539,156 total funds

Largest of the three block allocations and can be used for administration, out-of-home placements, and other child welfare-related services and activities.

Family & Children's Programs (Core)

$57,818,369 total funds

Provides funding for services for children and families to allow children to remain in their home, or return home, or stay in the least-restrictive placement possible.



242 Staffing Block

(Q35, pg. 28) (Q36, pg. 28)

$27,683,668 total funds

Provides funding for counties to hire additional staff and was developed in SB 15-242 as a result of a workload study that indicated the state needed hundreds of new caseworkers.

Adoption/RGAP (Q28, pg. 22) (Q33, pg. 26) (Q34, pg. 27) (Q38, pg. 29)

- $42,773,830 total funds
- This funding was removed from the Child Welfare Services Block in SB18-254 for the purpose of providing adoption and relative guardianship assistance. This appropriation is exempt from the county close-out process.

ARPA & Non-Appropriated Sources

Chafee	**ARPA** American Rescue Plan Act of 2021	**CAPTA** Child Abuse Prevention and Treatment Act	Child Justice Act

Thank you
Questions?

Office of Civil and Forensic Mental Health

COLORADO
Department of Human Services

Office of Civil and Forensic Mental Health

Mental Health Hospitals

Provide inpatient behavioral health services for civil and forensic patients

Forensic Services

Provide evaluation, treatment and case management to the forensic population statewide

Mental Health Transitional Living Homes

Provide a less restrictive setting for individuals with severe mental health conditions

FY 2023-24 Budget Priorities (Q40, pg. 32)

With this package of budget requests, we're focused on building strong foundations to support the core, essential work that we do.

- Salary Increases for Medical Staff
- Forensic Services Capacity
- Momentum Program Funding
- State Hospital Quality Assurance
- Information Management Systems and Data Reporting

The Consent Decree (Q43, pg. 40)

- CDHS was sued in 2011 for failure to provide timely competency evaluations and restoration treatment which has created a significant waitlist of pretrial detainees. The delays in services violate their constitutional rights.
- CDHS has been subject to requirements resulting from the lawsuit since then and is currently under a 2019 consent decree.
- CDHS currently pays up to $12 million/year in fees and fines for non-compliance and has paid a **total of $28M so far.**
  - **If the fines were not capped at $12M:**
    - In FY 2021-22, fines would have been approximately $45.8M
    - For FY 2022-23, fines would be on track for about $60M

What is Competency?

Competency is a legal construct that refers to an individual's current capacity to function meaningfully and knowingly in a legal proceeding.

Competency services are about due process in criminal cases, *not* about holistic mental health treatment.

Competency and Court Orders

When any party raises the question of competency, the judge orders:

1. **Competency Evaluation:** Evaluating an individual to see if the client has the capacity to function meaningfully and knowingly in a legal proceeding.

Then, if found incompetent, the judge orders:

2. **Restoration Services:** Mental healthcare, case management, and educational programs provided to psychiatrically stabilize a defendant and improve their understanding of legal proceedings.

The judge determines whether individuals are served in or out of custody.

Competency and the Consent Decree
(Q40, pg. 32)

The **consent decree** requires OCFMH to, **within defined timelines…**

Complete inpatient competency evaluations

Until recently, we were in compliance with 21-day timeframe for completing competency evaluations.
Current waitlist is ~10

Admit pretrial defendants for restoration services

We *are not* in compliance with timeframes for admitting clients to restoration services.
Current waitlist is ~440

Why is the waitlist growing? (Q39, pg. 30)

1. **Nursing and physician staff shortages** are at a crisis level due to salaries well below market rates

2. **Dramatic increase in referrals** for competency services.

Why is the waitlist growing? (Q39, pg. 30) (Q44, pg. 40)

1. Nursing and physician staff shortages are at a crisis level due to salaries well below market rates
   - Efforts thus far have included recruitment and retention bonuses, recruitment fairs, and marketing campaigns. These efforts have resulted in "clicks" and page views for job postings, but not applications.

   Solution: Increasing salaries, in addition to incentives and marketing efforts
   - Salary Increases for Nurses and Care Staff (through DPA)
   - R-09 Salary Increases for Hospital Medical Staff

Mental Health Hospital Beds: Largest Barrier

(Q39, pg. 30) (Q44, pg. 40)

Why is hospital staffing so important?

- **Understaffing = closed units**
- Open units are unsustainably reliant on contract staff
- Hospitals cannot recruit with salaries significantly below market
  - CMHHIP: Capacity for 271 adult restoration beds, but 3 units (84 beds) are closed
  - Fort Logan: 22 of 44 new beds cannot open
  - 106 beds or 318 individuals not served per year

We cannot comply with the consent decree unless we solve for staffing

Solution: R-09 Salary Increases for Hospital Medical Staff

Increase salaries > recruit staff > open 106 beds > serve ~318 more patients/yr

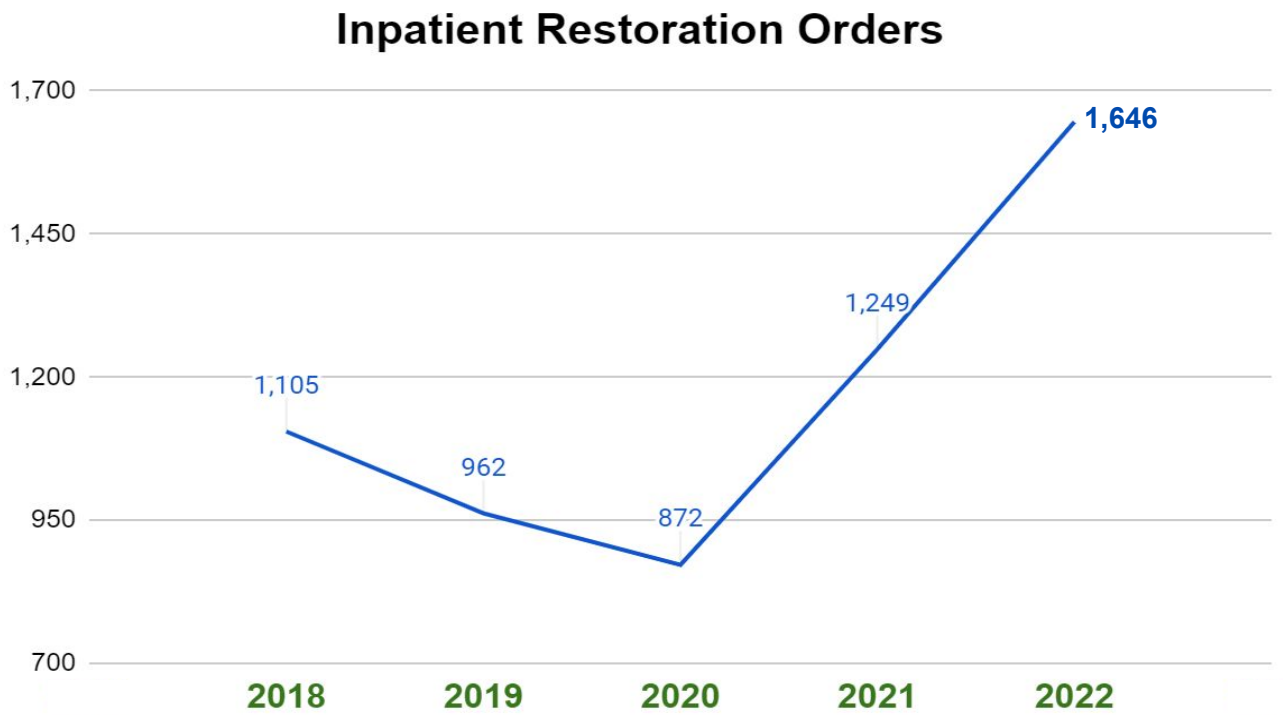
Why is the waitlist growing? (Q39, pg. 30) (Q41, pg. 34)

2. **Dramatic increase in referrals** for competency services. From FY 2017-18 to FY 2021-22:
   - **44.17%** increase in competency evaluation orders
   - **49% increase** in inpatient restoration treatment court orders
   - **1,026% increase** in outpatient restoration orders

   Solution: Decrease inpatient referrals by increasing capacity and efficacy of outpatient; increase capacity to keep up with evaluations
   - R-08 Forensic Services Division Capacity Expansion
   - R-12 Momentum Program Funding

(Q39, pg. 30)
(Q40, pg. 32)

49% increase in inpatient restoration orders from FY 2018 to FY 2022



In the past year, **1082 individuals** have moved off of the waitlist.
In the same amount of time, **1153 individuals** have been added.

Bed Capacity (Q40, pg. 32) (Q42, pg. 35) (Q44, pg. 40)

Hospital Capacity: All Beds (Civil and Forensic)

Category	Beds Available		
	Capacity when fully staffed	Current capacity with staff vacancies	Current Occupancy*
CMHHIP: total	516	422	386
CMHHIFL: total	138	104	82
Contract beds: total	84	84	67
HOSPITAL TOTAL	**828**	**700**	**535**

Inpatient Restoration Capacity

Category	Beds Available		
	Capacity when fully staffed	Current capacity with staff vacancies	Current Occupancy*
CMHHIP: Restoration	271	189	158
CMHHIFL: Restoration	44	22	7
Contract beds: Restoration	59	59	52
Jail-Based Restoration	90	90	84
RESTORATION TOTAL	464	360	301

*Occupancy numbers pulled between December 7 and December 12, 2022

Bed Capacity Expansion Through ARPA (Q42, pg. 35)

Source	Number	Type	Status
HB 22-1303 Mental Health Transition Homes (ARPA→GF)	125	transitional/ step-down	$43.6M to the Department of Human Services to create, develop, or contract for group homes. The Department tentatively hopes to open the first 20 contracted step down beds by March of 2023. Our goal is to have contracts executed for 50% of the beds by June of 2023.
HB 22-1303 Fort Logan Expansion (ARPA→GF)	16	forensic now, civil later	$13.5M ($7M for renovations; $6.5M for operations). The expansion is in the early stages of development.
HB 22-1386 Private Hospital Contract Beds (ARPA)	74	forensic	$28.5M for contract beds. We are currently contracted for 74 beds through private hospitals. We are actively working to bring in additional contracts and hope to increase this capacity.
HB 22-1283 Neuro-psych facility at Fort Logan campus (ARPA)	16-32	residential, youth	$539k for Fort Logan operations; $35M for capital construction. These beds will be housed at our facility, but will not expand our programs or services as they are outside of the scope of our office.

FY 2023-24 Budget Priorities (Q42, pg. 35)

With this package of budget requests, we're focused on building strong foundations to support the core, essential work that we do.

- Salary Increases for Medical Staff
- Forensic Services Capacity
- Momentum Program Funding
- State Hospital Quality Assurance
- Information Management Systems and Data Reporting

R-09 Salary Increases for Hospital Medical Staff

(Q42, pg. 35)

Problem	Salaries for medical staff have not kept up with the market rates. The hospitals are struggling to recruit and retain medical professionals to serve patients. As a result, units are closed and the hospitals are serving fewer patients.
Request	$1.8M to increase salaries for medical staff contracted through CU. The increases would bring physicians and mid-level practitioners closer to market rates.

R-08 Forensic Services Division Capacity (Q42, pg. 35)

Problem	Colorado has experienced dramatic increases in the total number of court orders for competency evaluations and court orders for competency restoration services over the last few years. The Forensic Services Division needs additional staff to keep up with this demand, including for clinical services and quality assurance to ensure client and community safety.
Request	$3.7M to add 25 staff to serve competency clients. Increases capacity for evaluations and restoration services and helps reduce length of stay. • 6 evaluators (including 1 supervisor) • 6 navigators • 6 quality assurance staff • 3 social workers • 2 administrative support staff • 1 masters-level clinician for jail-based restoration • 1 deputy director

R-12 Momentum Program Funding (Q42, pg. 35)

Problem	Many outpatient restoration clients are referred to the Momentum program for individualized support to successfully and safely live in the community. The growing need for these services has outpaced the funding available.
Request	$328k/yr to expand the Momentum program and serve more outpatient restoration clients safely in the community. With this additional funding, the program could serve an estimated 76 outpatient restoration clients next year.

R-01 State Hospital Quality Assurance (Q42, pg. 35)

Problem	Patient safety is our top priority. These funds are needed in order to continue to mitigate future safety risks to patients, especially as our population has a high risk of self-harm.
Request	Addresses the ongoing needs for compliance with that plan and mitigates future safety risks to patients. It has two components: • Continue quality improvement services with a company with national expertise, which will support both of the MHHs to identify and correct problem areas ($248,000 per year for the next two years) • 6.5 FTE staff for CMHHIP to meet quality assurance regulatory and licensing requirements. ($535,260 in 2023-24).

R-14 Information Management Systems & Data Reporting

Problem	Current data systems are disconnected, outdated, and require significant staff time for manual entry and duplicative work. This has resulted in problems with communication gaps, compliance, and data reporting. Time spent on data entry and management would be better spent on direct patient care.
Request	This request has two parts: • CC-IT-01: Capital IT Project - $5.9M over 3 years *(before JTC)* • **R-14 Ongoing system maintenance and support - 3.0 FTE, $234k/yr** These requests are for multiple sub-projects to enhance information management systems, which will be more effective if they can be developed as part of a coherent strategic plan.


Thank You
Questions?