

**DEPARTMENT OF HUMAN SERVICES**

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**TO:** Joint Budget Committee Members

**FROM:** Robin J. Smart, Joint Budget Committee Staff, 303-866-4955

**SUBJECT:** Staff Comebacks, Department of Human Services, Division of Child Welfare, Community-based Child Abuse Prevention Services

**DATE:** March 16, 2015

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This memo contains update on the information provided in the staff comeback memo dated March 13, 2015 for the Community-based Child Abuse Prevention Services line item. This line item provides funding for three specific programs, including:

- SafeCare – an in-home prevention services program for parents that includes child behavior management, planned activities training, home safety training, and child health care skills, designed to stabilize families and prevent child maltreatment. Funding is used to implement the SafeCare model at twelve specific sites throughout the state;
- Nurse Family Partnership Augmentation Program – delivering support to first-time moms. Funding is used to establish a bridge between program nurses and county caseworkers to ensure the mothers-to-be have access to county-provided assistance programs; and
- Community Response Program – a promising practice for preventing child maltreatment and strengthening family functioning by increasing the family’s protective capacities. Funding will be used to implement the program model at 18 sites throughout the state.

On Friday afternoon, March 13, 2015, staff was notified by the analyst from the Governor’s Office of State Planning and Budgeting that the Department did not request the annualization that would have increased the General Fund appropriation for this line item by \$2.5 million. The OSPB chose not to submit a comeback on this error; however, did provide staff with the draft comeback document. This document identified SafeCare and Community Response Program as the programs requiring an annualization. However, the document did not request a reduction in funding for the Nurse Family Augmentation Program (as described in staff’s memo dated May 13, 2015), though the Department was aware that funding was no longer needed. The unnecessary funding for the Nurse Family Augmentation Program totaled \$1.5 million General Fund.

The programs funded through this line item are pilots; and FY 2015-16 is the final year of approval for funding. The Committee has already approved an appropriation of \$7.4 million for this the line item, including funding for the augmentation program. Staff’s recommendation in the comeback memo dated March 13, 2015 is for the Committee to approve the utilization of the funding for this program in the two other programs funded in this line item. With approval to utilize the \$1.5 million that is allocated to the Nurse Home Visitor Augmentation Program for expanding SafeCare and the Community Response Program, the remaining deficit is \$1.0 million. Given that this level of funding was approved at the time the original budget request

was submitted, staff recommends that the Committee approve \$1.0 million in addition to what was approved on March 2, 2015, to fully fund the pilot programs through completion. The following table provides the General Fund breakdown.

<b>FY 2015-16 General Fund Appropriation Community-based Child Abuse Prevention Services</b>				
	<b>SafeCare</b>	<b>Community Response Program</b>	<b>Nurse Family Partnership Augmentation Program</b>	<b>Total</b>
FY 2014-15 Appropriation	3,865,142	2,093,143	1,450,023	7,408,308
FY 2015-16 Annualization	5,446,241	2,993,143	0	8,439,384
<b>Over/(Under) allocation</b>	<b>(1,581,099)</b>	<b>(900,000)</b>	<b>1,450,023</b>	<b>(1,031,076)</b>

**Recommendation:** Staff recommends that the Committee approve a total appropriation of \$8,439,384 to fund the SafeCare and Community Response Pilot Programs in FY 2015-16. The above table provides the allocation for each program.

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**TO:** Joint Budget Committee Members

**FROM:** Robin J. Smart, Joint Budget Committee Staff, 303-866-4955

**SUBJECT:** Staff Comebacks, Department of Human Services, Division of Child Welfare, Office of Early Childhood and HCPF Division 7

**DATE:** March 13, 2015

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The following line items in the Department of Human of Services figure setting are addressed in this memo:

- Division of Child Welfare
  - Community-based Child Abuse Prevention Services
- Office of Early Childhood
  - Division of Early Care and Learning
    - Promoting Safe and Stable Families Program
  - Division of Community and Family Support
    - Colorado Children’s Trust Fund
    - Family Support Services
    - Early Intervention Services
    - Early Intervention Services Case Management
- HCPF (7) Department of Human Services Medicaid Funded Programs
  - Division of Community and Family Support, Early Intervention Services

In addition, Staff has included three (3) requests for information at the Committee’s request. These requests concern the following:

- Child welfare workload study metrics;
- County child welfare staffing, recruitment, and retention; and
- Department progress in addressing audit findings.

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### **(5) Division of Child Welfare**

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#### **→ Staff-Initiated Funding Use Adjustment: Nurse Family Partnership Augmentation Program**

The Community-based Child Abuse Prevention Services line item was established in FY 2013-14 to fund a series of new or expanded programs focused on prevention, with the intent of keeping families from entering or further penetrating the child welfare system. The programs identify families that will benefit from prevention services and connect those families to resources designed to increase their protective capacity. Because the majority of referrals to

child protective services involve concerns about basic care and parental resources, these programs focus on building connections to cornerstone community services and supports. The line funds three specific programs:

- SafeCare is an in-home prevention services program for parents that includes child behavior management, planned activities training, home safety training, and child health care skills, designed to stabilize families and prevent child maltreatment. Funding is used to implement the SafeCare model at twelve specific sites throughout the state;
- Nurse Family Partnership Augmentation Program delivers support to first-time moms. Funding is used to establish a bridge between program nurses and county caseworkers to ensure the mothers-to-be have access to county-provided assistance programs; and
- Community Response Program is a promising practice for preventing child maltreatment and strengthening family functioning by increasing the family's protective capacities. Funding will be used to implement the program model at 18 sites throughout the state.

The Committee approved continuation appropriation of \$7,403,969 General Fund and 3.0 FTE for this line item at staff figure setting. Of this appropriation, \$3,865,142 and 1.0 FTE is related to the ongoing implementation of SafeCare; \$1,450,023 and 1.0 FTE is related to the augmentation of the Nurse Family Partnership program, and \$2,093,143 and 1.0 FTE is related to the Community Response Program.

According to Invest in Kids, the contractor that implements the Nurse Family Partnership Augmentation Program, this program has been very successful but is intended to sunset on June 30, 2015, and will not require a continuation contract in FY 2015-16. Both SafeCare and the Community Response Program will continue. Given this, there are two options Staff requests the Committee consider: 1) leave the appropriation for this line item at the amount that was approved at staff figure setting, and allow the Department to use the \$1.4 million and 1.0 FTE that is allocated to the Nurse Family Partnership Augmentation Program to fund the expansion of SafeCare and the Community Response Program; or 2) reduce the line item appropriation by \$1,450,023 General Fund and 1.0 FTE.

**Staff recommends that the Committee approve the Department's use of the \$1.4 million General Fund and 1.0 FTE to expand SafeCare and the Community Response Program that are currently funded through this line item.**

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## **(6) Office of Early Childhood**

### **→ Staff-Initiated Line Item Adjustments: Family Resource Centers**

On March 2, 2015, the Joint Budget Committee voted to create a new line item in the Office of Early Childhood, Division of Community and Family Support called Family Support Services; and to appropriate \$750,000 General Fund and 0.5 FTE to the line. The purpose of this line item is provide funding from which to award competitive grants to Family Resource Centers or similar entities that meet the statutory requirements of Section 26-18-101, C.R.S. regarding the delivery of evidence based coordinated and integrated community based family support services; and help families achieve stability and economic and educational success.

Currently, Family Resource Centers receive funding through two existing line items in the Office of Early Childhood’s budget, including: the Promoting Safe and Stable Families Program line item in the Division of Early Care and Learning; and the Colorado Children’s Trust Fund line item in the Division of Community and Family Support. Staff recommends that the Committee approve the transfer of funding for Family Resource Centers from each of these line items into the newly created Family Support Services line item to appropriately reflect all funding for these programs. The following table provides a breakdown of the staff recommended fund transfers.

<b>Family Resource Centers Funding Joint Budget Committee Action and Staff Recommendation New Line Item - Family Support Services</b>					
<b>Line Item</b>	<b>Total</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
Promoting Safe and Stable Families Program	\$4,475,142	\$54,882	\$1,064,160	\$3,356,100	2.0
Transfer to Family Support Services line item	(263,093)	0	0	(263,093)	0.0
<b>New Line Item Totals:</b>	<b>4,212,049</b>	<b>54,882</b>	<b>1,064,160</b>	<b>3,093,007</b>	<b>2.0</b>
Colorado Children's Trust Fund	1,118,048	0	474,448	643,600	1.5
Transfer to Family Support Services line item	(22,500)	0	(22,500)	0	0.0
<b>New Line Item Totals:</b>	<b>1,095,548</b>	<b>0</b>	<b>451,948</b>	<b>643,600</b>	<b>1.5</b>
<b>Family Support Services (New Line Item)</b>	<b>1,035,593</b>	<b>750,000</b>	<b>22,500</b>	<b>263,093</b>	<b>0.5</b>

Note: Federal funds are from Title IV-B, Subpart 2, of the Social Security Act; cash funds are from the Colorado Children’s Trust Fund created in Section 19-3.5-106 (1), C.R.S.

**→ R-2: Early Intervention Caseload Growth**  
**→ BA-1: Early Intervention Funding Adjustment**

On November 3, 2014 in its R2 budget request, the Department requested an increase of \$2.5 million total funds, including \$1.2 million General Fund for FY 2015-16 for early intervention direct services and service coordination to cover the cost of the anticipated 5.3 percent caseload growth. In addition, on January 2, 2015, the Department submitted an S1 supplemental request for FY 2014-15 to cover the cost of an unanticipated caseload growth during the current fiscal year. The Department’s FY 2015-16 R2 budget request contained a gap between the calculated total funding need and the base appropriation in each of these line items, as identified in the staff briefing on December 4, 2014. This gap is equivalent to the amount requested in the S1 supplemental request.

In addition to the FY 2014-15 supplemental request, the Department submitted a BA1 budget amendment for FY 2015-16. This budget amendment contained an adjustment in fund splits to account for a miscalculation in the amount of funding anticipated to be received from the federal Part C Individuals with Disabilities Education Improvement Act. The Department’s budget amendment did not include a request for continuation funding of the FY 2014-15 S1 supplemental request; and as a result, these funds were annualized in the FY 2015-16 staff figure setting recommendation. The error resulted in shifting the funding deficiency for the

unanticipated growth from FY 2014-15 to the FY 2015-16 budget, and assumes a stable caseload in FY 2015-16. It does not provide funding to the Community Centered Boards to address the 5.3 percent caseload growth expected in FY 2015-16. **The solution to this funding gap is: eliminate the annualization of the S1 request and apply that increase ongoing; and fully fund the FY 2015-16 R2 request (as previously approved by the Committee).**

If the FY 2014-15 S1 supplemental increase is not applied to FY 2015-16 and ongoing, there will continue to be a funding deficit in FY 2015-16 in both the early intervention services and early intervention services case management line items. **Staff recommends that the Committee approve the elimination of the FY 2014-15 supplemental annualization.** Updated line item tables for each affected line are provided below.

**Department request for Early Intervention Services line item:** The Department requests an appropriation of \$38,734,925 total funds, including \$19,101,052 General Fund, and 6.5 FTE. This request reflects an increase of \$723,174 total funds, including \$26,601 General Fund, to cover costs associated with caseload growth and a 1.0 percent provider rate increase; and the annualization of the FY 2014-15 supplemental request.

**Staff Recommendation for Early Intervention Services line item:** Staff recommends an appropriation of \$40,634,511 total funds, including \$20,839,829 General Fund, \$11,592,502 cash funds from local funds and the Early Intervention Services Trust Fund (indicated for informational purposes only), and \$8,202,180 federal funds from Part C of the federal Individuals with Disabilities Education Improvement Act, and 6.5 FTE. This recommendation includes an increase of \$2,622,760 total funds, including \$1,765,378 General Fund, \$696,602 cash funds, and \$160,780 federal funds, to cover costs associated with caseload growth and a 2.7 percent provider rate increase.

<b>Office of Early Childhood, Division of Community and Family Support, Early Intervention Services</b>					
	<b>Total Funds</b>	<b>General Fund</b>	<b>Cash Funds</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2014-15 Appropriation</b>					
HB 14-1336 (Long Bill)	\$36,495,892	\$17,558,592	\$10,895,900	\$8,041,400	6.5
Supplemental bill (S.B. 15-149)	<u>1,515,859</u>	<u>1,515,859</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>TOTAL</b>	<b>\$38,011,751</b>	<b>\$19,074,451</b>	<b>\$10,895,900</b>	<b>\$8,041,400</b>	<b>6.5</b>
<b>FY 2015-16 Recommended Appropriation</b>					
FY 2014-15 Appropriation	\$38,011,751	\$19,074,451	\$10,895,900	\$8,041,400	6.5
R2 Early intervention caseload	2,013,312	1,411,332	601,980	0	0.0
R20 Community provider rate	<u>609,448</u>	<u>354,046</u>	<u>94,622</u>	<u>160,780</u>	<u>0.0</u>
<b>TOTAL</b>	<b>\$40,634,511</b>	<b>\$20,839,829</b>	<b>\$11,592,502</b>	<b>\$8,202,180</b>	<b>6.5</b>
<b>Increase/(Decrease)</b>	\$2,622,760	\$1,765,378	\$696,602	\$160,780	0.0
Percentage Change	6.9%	9.3%	6.4%	2.0%	0.0%
<b>FY 2015-16 Executive Request:</b>	<b>\$38,734,925</b>	<b>\$19,101,052</b>	<b>\$11,532,925</b>	<b>\$8,100,948</b>	<b>6.5</b>
Request Above/(Below) Recommendation	(\$1,899,586)	(\$1,738,777)	(\$59,577)	(\$101,232)	0.0

**Department request for Early Intervention Services Case Management line item:** The Department requests an appropriation of \$9,051,621 total funds, including \$3,439,297 General

Fund. This request reflects a net increase of \$114,473 total funds, including \$53,004 General Fund, to cover costs associated with caseload growth and a 1.0 percent provider rate increase; and the annualization of the FY 2014-15 supplemental request.

**Staff Recommendation for Early Intervention Services Case Management line item:** Staff recommends an appropriation of \$10,002,112 total funds, including \$4,024,282 General fund and \$5,977,830 reappropriated funds of which \$2,941,775 is Medicaid General Fund. The net General Fund impact of this recommendation is \$6,966,057. This recommendation includes an increase of \$1,064,964 total funds, including \$637,989 General Fund and \$426,975 reappropriated funds, to cover costs associated with caseload growth and a 2.7 percent provider rate increase.

<b>Office of Early Childhood, Division of Community and Family Support, Early Intervention Services Case Management</b>				
	<b>Total Funds</b>	<b>General Fund</b>	<b>Reappropriated Funds</b>	<b>FTE</b>
<b>FY 2014-15 Appropriation</b>				
HB 14-1336 (Long Bill)	\$8,113,972	\$2,845,073	\$5,268,899	0.0
Supplemental bill (S.B. 15-149)	<u>823,176</u>	<u>541,220</u>	<u>281,956</u>	<u>0.0</u>
<b>TOTAL</b>	<b>\$8,937,148</b>	<b>\$3,386,293</b>	<b>\$5,550,855</b>	<b>0.0</b>
<b>FY 2015-16 Recommended Appropriation</b>				
FY 2014-15 Appropriation	\$8,937,148	\$3,386,293	\$5,550,855	0.0
R2 Early intervention caseload	862,758	568,480	294,278	0.0
R20 Community provider rate	202,206	69,509	132,697	0.0
FMAP adjustment	0	0	0	0.0
Annualize prior year budget actions	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
<b>TOTAL</b>	<b>\$10,002,112</b>	<b>\$4,024,282</b>	<b>\$5,977,830</b>	<b>0.0</b>
<b>Increase/(Decrease)</b>	\$1,064,964	\$637,989	\$426,975	0.0
Percentage Change	11.9%	18.8%	7.7%	0.0%
<b>FY 2015-16 Executive Request:</b>	<b>\$9,051,621</b>	<b>\$3,439,297</b>	<b>\$5,612,324</b>	<b>0.0</b>
Request Above/(Below) Recommendation	(\$950,491)	(\$584,985)	(\$365,506)	0.0

## **HCPF (7) Department of Human Services Medicaid Funded Programs**

### **(E) OFFICE OF EARLY CHILDHOOD - MEDICAID FUNDING**

#### **Division of Community and Family Support, Early Intervention Services**

**Department Request for Office of Early Childhood, Medicaid Funding, Division of Community and Family Support, Early Intervention Services line item:** The Department requests \$5,612,324 total funds, including \$2,763,559 General Fund, for FY 2015-16. This request reflects an increase of \$61,469 total funds, including \$30,185 General Fund, for: an increase to account for early intervention caseload growth and a 1.0 percent provider rate

increase; adjustments to account for the change in the FMAP rate for FFY 2015-16; and the annualization of the FY 2014-15 supplemental request.

**Staff Recommendation for Office of Early Childhood, Medicaid Funding, Division of Community and Family Support, Early Intervention Services line item:** : Staff recommends an appropriation of \$5,977,830 total funds, including \$2,941,775 General Fund and \$3,036,055 Medicaid federal funds. This reflects an increase of \$426,975 total funds, including \$208,401 General Fund, for: an increase to account for early intervention caseload growth and a 2.7 percent provider rate increase; and adjustments to account for the change in the FMAP rate for FFY 2015-16.

<b>Department of Human Services Medicaid-Funded Programs, Office of Early Childhood - Medicaid Funding, Division of Community and Family Support, Early Intervention Services</b>				
	<b>Total Funds</b>	<b>General Fund</b>	<b>Federal Funds</b>	<b>FTE</b>
<b>FY 2014-15 Appropriation</b>				
HB 14-1336 (Long Bill)	\$5,268,899	\$2,594,539	\$2,674,360	0.0
SB 15-147 (Supplemental)	<u>281,956</u>	<u>138,835</u>	<u>143,121</u>	<u>0.0</u>
<b>TOTAL</b>	<b>\$5,550,855</b>	<b>\$2,733,374</b>	<b>\$2,817,481</b>	<b>0.0</b>
<b>FY 2015-16 Recommended Appropriation</b>				
FY 2014-15 Appropriation	\$5,550,855	\$2,733,374	\$2,817,481	0.0
FMAP change	0	(1,713)	1,713	0.0
Human Services programs	<u>426,975</u>	<u>210,114</u>	<u>216,861</u>	<u>0.0</u>
<b>TOTAL</b>	<b>\$5,977,830</b>	<b>\$2,941,775</b>	<b>\$3,036,055</b>	<b>0.0</b>
<b>Increase/(Decrease)</b>	\$426,975	\$208,401	\$218,574	0.0
Percentage Change	7.7%	7.6%	7.8%	0.0%
<b>FY 2015-16 Executive Request:</b>	<b>\$5,612,324</b>	<b>\$2,763,559</b>	<b>\$2,848,765</b>	<b>0.0</b>
Request Above/(Below) Recommendation	(\$365,506)	(\$178,216)	(\$187,290)	0.0

## Requests for Information

### LEGISLATIVE REQUESTS FOR INFORMATION

1. **Department of Human Services, Division of Child Welfare, Child Welfare Workload Study** – The Department is requested to provide to the Joint Budget Committee by January 1 a plan that identifies strategies to improve operational efficiencies in the child welfare process; and ensures ongoing monitoring of uniform measures for county child welfare staff workload as identified in the August 2014 Colorado Child Welfare County Workload Study.
2. **Department of Human Services, Division of Child Welfare, Child Welfare Workload Study** – The Department is requested to provide to the Joint Budget Committee by November 1 information on county child welfare worker hiring practices, including county data on: (1) appropriate minimum staffing levels; (2) actual staffing



levels; (3) new hires funded by child welfare block grant; (4) new hires funded through new county child welfare staffing funding (new legislation); (5) new hires that were previously employed and trained by another county; (6) training hours provided to each new and existing employee; (7) staff turnover, totals and reasons for vacating position.

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