

COLORADO GENERAL ASSEMBLY JOINT BUDGET COMMITTEE



FY 2014-15 STAFF FIGURE SETTING DEPARTMENT OF HUMAN SERVICES

**(Executive Director's Office, Developmental Disability Council,
Colorado Commission for the Deaf and Hard of Hearing, and
Services for People with Disabilities)**

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

**Prepared By:
Megan Davisson, JBC Staff
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For Further Information Contact:

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

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DEPARTMENT OF HUMAN SERVICES

Executive Director's Office, Developmental Disability Council, Colorado Commission for the Deaf and Hard of Hearing, and Services for People with Disabilities

Department Overview

The Department of Human Services is responsible for the administration and supervision of all non-medical public assistance and welfare activities of the State including assistance payments, the Supplemental Nutrition Assistance Program (food stamps), child welfare services, vocational rehabilitation programs, alcohol and drug treatment programs, and programs for the aging. The Department is responsible for inspecting and licensing child care facilities and operation of institutional facilities for individuals who are mentally ill, intellectually and developmentally disabled, or juvenile offenders. The Department operates two mental health institutes, three regional centers for persons with intellectual and developmental disabilities, and ten institutions for juvenile delinquents. The Department provides funding for the care of indigent mentally ill individuals and contracts for the supervision and treatment of delinquent juveniles.

This Joint Budget Committee staff budget briefing document includes the following offices and division with the Department of Human Services.

Executive Director's Office

The Executive Director's Office is the central administrative office responsible for general department policy, budgeting, public information, human resources, internal audits, and outreach to county departments of human services (field administration). The Executive Director's Office also includes appropriations for various boards and commissions and for entities that provide separate quality assurance, oversight, or policy direction for human services programs, such as the Food Stamp Quality Assurance Unit, the Administrative Review Division (responsible for federally-required case review and quality assurance for child welfare and some youth corrections placements), and the Juvenile Parole Board, among others. Two of these specialized programs within the Executive Director's Office are included in this packet and the other programs will be covered in other staff briefings. This document includes the following two specialized programs:

- *Developmental Disabilities Council* provides coordination, planning, and advice on the best direction for developmental disabilities services in Colorado.
- *Colorado Commission for the Deaf and Hard of Hearing* has three primary responsibilities: (1) ensure hearing impaired persons have access to general government services, (2) distribute assistive telecommunications equipment to hearing impaired persons, and (3) ensure the availability of legal interpreters in the courts for hearing impaired individuals.

Services for People with Disabilities

This division includes the following four programs. Note that community based services for people with intellectual and developmental disabilities is moved to the Department of Health Care Policy and Financing on March 1, 2014.

- *Regional Centers* operate group homes in Grand Junction, Wheat Ridge, and Pueblo. The Division also operates the campus facilities at Wheat Ridge and Grand Junction. The Regional Centers are intended for individuals with intellectual and developmental disabilities who have complex medical and/or behavioral needs, or require short-term stabilization so they can safely return to the community.
- *Work Therapy Program* provides sheltered training and employment workshops for individuals receiving services at the Colorado Mental Health Institute at Fort Logan and the Regional Centers at Grand Junction and Wheat Ridge. Work opportunities arise from contracts with area businesses and organizations for custodial services, printing, packaging, mailing, and other types of manual processing that can be performed by program clients.
- *Vocational Rehabilitation Programs* oversees vocational rehabilitation programs designed to enable individuals with any type of disability to participate in the general work force. Specific programs include:
 - The School-to-Work Alliance Program which provides job development, on-the-job training, and job-site support to students with disabilities in a school setting;
 - The Business Program for Individuals Who Are Blind assists blind or visually-impaired individuals in operating vending and food service businesses in state and federal buildings;
 - Providing services to individuals suffering from traumatic brain injuries; and
 - Providing funding to Independent Living Centers and the Independent Living Council for services that enable individuals with intellectual and disabilities to live independently in the community.
- *State Veterans Nursing Homes* subdivision manages and operates five state Veterans Nursing Homes with a total of 554 nursing home beds spread across the Fitzsimons, Florence, Homelake, Rifle, and Walsenburg campuses and a forty-eight bed domiciliary (assisted living facility) on the Homelake campus. Services include long-term care, short-term rehabilitation for individuals seeking to return home following a qualifying hospital stay, memory care services for individuals with dementia, short-term respite care, and end-of-life/hospice services.

GENERAL NOTES ABOUT THIS PACKET

Document Organization

In order to provide the Committee with a clear picture of the funding changes from FY 2013-14 to FY 2014-15 and in light of the Committee's action in denying the Department's requested Long Bill reorganization, this document is rewritten to reflect those actions. For the purpose of the numbers pages, staff removed the movement of funds from the FY 2013-14 line items to the requested FY 2014-15 line items in so that the Committee could easily compare the request to the recommendation.

Additionally, new for this year, staff incorporated at the end of each division the associated appropriation in the Department of Health Care Policy and Financing Division 6 for Medicaid funds in that Division. The intent is to provide both staff, the Committee, and the Department with a clear path for tracking how the Medicaid appropriation for Department of Human Services programs changed as a result of recommendations made in the Department of Human Services.

FMAP Change

Since the Department receives Medicaid funds, the General Fund/Medicaid federal fund mix will change as a result of the change in the State's FMAP rate. All the funds in the Department of Human Services for Medicaid are reappropriated so there is no dollar or fund source impact to the Department of Human Services. The FMAP change will impact the associated appropriations in the Department of Health Care Policy and Financing, Division 6 because that is where the originating General Fund and Medicaid federal funds appropriations are made.

Informational Funds Adjustment

Informational funds adjustment - for any funds which are reflected in the Long Bill for informational purposes only, staff adjusted these funds to reflect the most recent actual expenditures rounded to the nearest hundred. Since these funds are informational and it is not possible to know the specific amount that will be received in FY 2014-15, staff's recommendation is intended to approximate what will be received in FY 2014-15 based on what was received in the most recent actual year.

➔ R-12: Community Provider Rate Increase

Request: The Department requested a 1.5 percent community provider rate increase for FY 2014-15. None of the line items set in this document had the requested 1.5 percent provider rate increase.

Recommendation: Staff recommends the Colorado Commission for Individuals who are Deaf or Hard of Hearing and the Independent Living Centers receive the 3.0 provider rate increase. The amount of the increase is based on the Committee's action to approve a 3.0 percent community provider rate increase. The following table summarizes the fiscal impact of staff's recommendation.

Summary of Recommended Provider Rate Increases			
Program	Total	GF	RF
Legal Auxiliary Program	\$16,649	\$3,463	\$13,186
Independent Living Centers	69,993	69,993	0
Total	\$86,642	\$73,456	\$13,186

Analysis:

Legal Auxiliary Services Program

The Legal Auxiliary Services Program (Program) is required by federal and state law, and provides qualified legal sign language interpreters, Communication Access Real-time

Translation (CART), and assistive listening systems to individuals who are deaf or hard of hearing and involved with the state courts system. Since these are contractor costs which, if not provided by contractors, would have to be provided by state employees, staff is recommending the community provider rate increase. Since funding is for community providers of required sign language interpretation for individuals involved with the courts system, staff recommends the 3.0 percent community provider rate increase be applied to the Legal Auxiliary Services Program. The following table outlines how the recommendation was calculated.

Service	Legal Auxiliary Program					
	FY 2012-13 Actual Expenditure			3.0 Provider Rate		
	Total Funds	GF	RF	Total	GF	RF
Contract Costs	\$460,588	\$95,802	\$364,786	\$13,818	\$2,874	\$10,944
Purchase of Other Services	94,367	19,628	74,739	2,831	589	2,242
Total	\$554,955	\$115,430	\$439,525	\$16,649	\$3,463	\$13,186

Independent Living Centers

Historically, funding for Independent Living Centers has received the community provider rate increase because independent living grants help train and assist disabled individuals to live and function outside of an institution. As shown by the transitions of individuals out of institutional facilities into community facilities under the Colorado Choice Transitions Program, transition services are critical to ensuring the transitions is successful. It is likely that without the support services provided by Independent Living Centers the rate of unsuccessful transitions would increase. Since funding is for community providers, staff recommends the 3.0 percent community provider rate increase be applied to the Independent Living Centers. The following table outlines how the recommendation was calculated.

Independent Living Centers Provider Rate Calculation	
General Fund	
FY 2014-15 Base	2,333,115
3.0 Percent Provider Rate	69,993
Total	2,403,108

➔ Department Indirect Cost Assessments

Request: The Department did not request this change. The Department did provide staff with the information needed to make the recommendation.

Recommendation: **Staff recommends the creation of a new subdivision (C) in the (1) General Administration division titled Indirect Cost Assessments.** The staff recommendation for the appropriation is pending Committee action on all the common policy line items.

Analysis: The work of the 2012 Interim Workgroup on Indirect Costs resulted in a Committee approved statewide standard Long Bill appropriation structure for indirect costs and S.B. 13-109. The statewide standard Long Bill appropriation structure approved by the Committee includes the following components:

- indirect cost assessment line items for each program or division from which indirect costs are to be recovered;
- reappropriated fund letter notes specifying the amount of departmental indirect cost recoveries that offset General Fund in central administration divisions; and
- a standardized letter note reference providing potential access to funds from the Indirect Costs Excess Recovery Fund pursuant to S.B. 13-109 and created in Section 24-75-1401 (2), C.R.S., for all departments.

The Department of Human Services' FY 2013-14 Long Bill did not include indirect cost assessment, and after inquiries from staff, the Department provided the following proposal for how to treat departmental indirect costs:

- one line item in the (1) (B) Special Purpose subdivision; and
- inclusion of the (I) notation on the appropriation in the event indirects were over earned on specific fund sources.

Staff does not recommend the inclusion of the (I) notation on the appropriation because of the creation of the Indirect Cost Excess Recovery Fund, which departments can use during the fiscal year if indirect costs are over collected from one source, and, if needed, to pay for indirect costs if another fund source generates lower indirect costs than budgeted for.

While the recommendation and Department proposal do not fully comply with the Committee policy on indirect costs, staff is recommending for FY 2014-15 to have one line item for the whole department as an initial step in fully implementing the Committee's indirect cost policy. Staff is also recommending the creation of a new subdivision to keep indirect cost assessments separate from the other programs within the Special Purpose Division because the indirect cost assessment is on all department programs not just the programs in the Special Purpose section.

To calculate the appropriation for the Department indirect cost assessment, staff is recommending the following line items be used to determine the Department's total indirect cost pool:

Department of Human Services Indirect Cost Pool	
Division, Line Items	When is appropriation set?
(1) (A) General Administration	
Personal Services	Set in this document
Health, Life, and Dental	Set via personal services common policy
Short-term Disability	Set via personal services common policy
S.B. 04-257 Amortization Equalization Disbursement	Set via personal services common policy
S.B. 06-235 Supplemental Amortization Equalization Disbursement	Set via personal services common policy
Salary Survey	Set via personal services common policy

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Department of Human Services Indirect Cost Pool	
Division, Line Items	When is appropriation set?
Merit Pay	Set via personal services common policy
Shift Differential	Set via personal services common policy
Workers' Compensation	Set via operating common policy
Operating Expenses	Set in this document
Legal Services for 18,439 hours	Set via legal services rate
Administrative Law Judge Services	Set via operating common policy
Payment to Risk Management and Property Funds	Set via operating common policy
(1) (B) Special Purpose	
The following sections with Employment and regulatory Affairs line item:	
Audit Section	Set in this document
Human Resources Section	Set in this document
Health Insurance Portability and Accountability Act of 1996	Set in this document
(2) (A) Information Technology	
Operating Expenses	Set by JBC staff with Division (2)
Microcomputer Lease Payments	Set by JBC staff with Division (2)
Purchase of Services from Computer Center	Set via OIT common policies
Colorado State Network	Set via OIT common policies
Management and Administration of OIT	Set via OIT common policies
Communication Services Payments	Set via OIT common policies
COFRS Modernization	Set via OIT common policies
Information Technology Security	Set via OIT common policies

Once all the line items in the pool are set, staff will work with the Department to determine the appropriation for the indirect cost assessment line item. Staff's recommendation is pending Committee action on the outstanding centrally appropriated line items. Once those line items are set, **staff requests permission to adjust the Departmental Indirect Cost line item.**

(1) Executive Director's Office

DIVISION SUMMARY AND RECOMMENDATION

General Administration						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2013-14 Appropriation						
SB 13-230 (Long Bill)	\$76,973,218	\$45,598,783	\$2,698,451	\$18,979,368	\$9,696,616	21.4
Other legislation	0	0	0	0	0	0.0
H.B. 14-1238 (Supplemental Bill)	0	0	0	0	0	0.0
TOTAL	\$76,973,218	\$45,598,783	\$2,698,451	\$18,979,368	\$9,696,616	21.4
FY 2014-15 Recommended Appropriation						
FY 2013-14 Appropriation	\$76,973,218	\$45,598,783	\$2,698,451	\$18,979,368	\$9,696,616	21.4
R1 Child care licensing staff	0	0	0	0	0	0.0
BA Purchase of contract placements	0	0	0	0	0	0.0
R11 MHIs electronic health record system	0	0	0	0	0	0.0
NP BA Mail, postage, and envelope request	735	445	177	0	113	0.0
Annualize prior year budget actions	(22,554)	(9,735)	(2,839)	(8,010)	(1,970)	0.0
Centrally appropriated line items	5,121,770	4,640,711	54,556	(420,048)	846,551	0.0
Annualize HB 13-1314 IDD transfer	(448,930)	(35,942)	0	(412,988)	0	0.0
Informational funds adjustment	(18,071)	0	(18,071)	0	0	(6.1)
TOTAL	\$81,606,168	\$50,194,262	\$2,732,274	\$18,138,322	\$10,541,310	15.3
Increase/(Decrease)	\$4,632,950	\$4,595,479	\$33,823	(\$841,046)	\$844,694	(6.1)
Percentage Change	6.0%	10.1%	1.3%	(4.4%)	8.7%	(28.5%)
FY 2014-15 Executive Request						
Request Above/(Below)	\$77,815,768	\$48,080,590	\$2,674,549	\$17,096,156	\$9,964,473	21.4
Recommendation	(\$3,790,400)	(\$2,113,672)	(\$57,725)	(\$1,042,166)	(\$576,837)	6.1

(A) EXECUTIVE DIRECTOR'S OFFICE

Personal Services

Description: This line funds the personnel costs of the Executive Director's Office.

Request: The Department requests an appropriation of \$1,941,400 total funds, of which \$639,686 is General Fund and \$193,073 is Medicaid reappropriated funds, and 21.4 FTE.

Recommendation: Staff recommends an appropriation of \$1,941,400 total funds, of which \$639,686 is General Fund and \$193,073 is Medicaid reappropriated funds and 15.3 FTE calculated in accordance with Committee policy. The reduction of FTE is recommended because over the past two fiscal years the Department has utilized 15.0 FTE in FY 2011-12 and 15.3 FTE in FY 2012-13.

Health, Life, and Dental

Description: This line funds the Department's share of the state's group health, life and dental insurance plans for state employees.

Request: The Department requests an appropriation of \$29,582,595 total funds, of which \$18,804,951 is General Fund and \$5,676,842 is Medicaid reappropriated funds. The request includes the following changes:

- \$18,216 General Fund for additional child care licensing staff;
- \$22,105 General Fund for additional staff related to the development of an electronic health record system for the Mental Health Institutes;
- \$78,578 total funds for additional staff for the child abuse and neglect hotline;
- \$4,421 General Fund for additional staff for the child welfare public awareness campaign; and
- \$39,789 General Fund for additional youth corrections staff.

Recommendation: Staff recommends an appropriation of \$29,616,816 total funds, of which \$18,661,350 is General Fund and \$6,072,175 is Medicaid reappropriated funds in accordance with Committee policy. Regardless of whether requests for additional FTE are approved, staff does not recommend associated increases for centrally-appropriated line items because Committee policy states that such increases will only be approved if the FTE increase is more than 20.0 FTE. Since the increases do not exceed that 20.0 FTE threshold, staff does not recommend these increases.

Short-term Disability

Description: This line item funds the Department's share of the state's short-term disability program which is administered by the Department of Personnel and Administration (DPA).

Request: The Department requests an appropriation of \$477,498 total funds, of which 307,928 is General Fund and \$83,795 is Medicaid reappropriated funds. The request includes the following changes:

- \$363 General Fund for additional child care licensing staff;
- \$528 General Fund for additional staff related to the development of an electronic health record system for the Mental Health Institutes;
- \$1,939 total funds for additional staff for the child abuse and neglect hotline;
- \$101 General Fund for additional staff for the child welfare public awareness campaign; and
- \$846 General Fund for additional youth corrections staff.

Recommendation: Staff recommends an appropriation of \$479,641 total funds, of which \$305,984 is General Fund and \$105,254 is Medicaid reappropriated funds in accordance

with Committee policy. Regardless of whether requests for additional FTE are approved, staff does not recommend associated increases for centrally-appropriated line items because Committee policy states that such increases will only be approved if the FTE increase is more than 20.0 FTE. Since the increases do not exceed that 20.0 FTE threshold, staff does not recommend these increases.

S.B. 04-257 Amortization Equalization Disbursement

Description: This line funds the costs associated with S.B. 04-257, which requires additional state contributions for employees in PERA. The Committee approved rates for CY 2014 and CY 2015 are 3.8 percent and 4.2 percent of the FY 2014-15 estimated base salaries.

Request: The Department requests an appropriation of \$8,901,461 total funds, of which \$5,751,089 is General Fund and \$1,511,821 is Medicaid reappropriated funds. The request includes the following changes:

- \$6,607 General Fund for additional child care licensing staff;
- \$9,602 General Fund for additional staff related to the development of an electronic health record system for the Mental Health Institutes;
- \$35,246 total funds for additional staff for the child abuse and neglect hotline
- \$1,840 General Fund for additional staff for the child welfare public awareness campaign; and
- \$15,383 General Fund for additional youth corrections staff.

Recommendation: **Staff recommends an appropriation of \$8,956,975 total funds, of which \$5,717,274 is General Fund and \$1,605,842 is Medicaid reappropriated funds** in accordance with Committee policy. Regardless of whether requests for additional FTE are approved, staff does not recommend associated increases for centrally-appropriated line items because Committee policy states that such increases will only be approved if the FTE increase is more than 20.0 FTE. Since the increases do not exceed that 20.0 FTE threshold, staff does not recommend these increases.

S.B. 06-235 Supplemental Amortization Equalization Disbursement

Description: Senate Bill 06-235 created a mechanism to increase the state's effective PERA rate beginning on January 1, 2008. The Committee approved rates for CY 2014 and CY 2015 are 3.5 percent and 4.0 percent of the FY 2014-15 estimated base salaries.

Request: The Department requests an appropriation of \$8,345,121 total funds, of which \$5,391,647 is General Fund and \$1,360,785 is Medicaid reappropriated funds. The request includes the following changes:

- \$6,194 General Fund for additional child care licensing staff;
- \$9,002 General Fund for additional staff related to the development of an electronic health record system for the Mental Health Institutes;
- \$33,043 total funds for additional staff for the child abuse and neglect hotline
- \$1,725 General Fund for additional staff for the child welfare public awareness campaign; and
- \$14,422 General Fund for additional youth corrections staff.

Recommendation: **Staff recommends an appropriation of \$8,397,165, of which \$5,359,944 is General Fund and \$1,505,478 is Medicaid reappropriated** fund in accordance with Committee policy. Regardless of whether requests for additional FTE are approved, staff does not recommend associated increases for centrally-appropriated line items because Committee policy states that such increases will only be approved if the FTE increase is more than 20.0 FTE. Since the increases do not exceed that 20.0 FTE threshold, staff does not recommend these increases.

Salary Survey

Description: This line item funds the recommended salary adjustments pursuant to DPA's annual compensation report done to determine if the state salary structure is comparable to general market conditions.

Request: The Department requests an appropriation of \$3,441,819 total funds, of which \$2,208,670 is General Fund and \$612,582 is Medicaid reappropriated funds.

Recommendation: **Staff recommends an appropriation of \$7,102,204 total funds, of which \$4,530,808 is General Fund and \$1,249,591 is Medicaid reappropriated funds** in accordance with Committee policy.

Merit Pay

Description: This line item provides funds to enable salary raises for classified employees according to a formula that rewards performance and gives greater percentage increases to employees at the lower end of the pay range.

Request: The Department requests an appropriation of \$3,465,270 total funds, of which \$2,183,133 is General Fund and \$295,498 is Medicaid reappropriated funds.

Recommendation: **Staff recommends an appropriation of \$3,469,434 total funds, of which \$2,185,730 is General Fund and \$616,478 is Medicaid reappropriated funds** in accordance with Committee policy.

Shift Differential

Description: This line item provides additional funds for employees working outside the typical work hours of 8am to 5pm.

Request: The Department requests an appropriation of \$5,115,275 total funds, of which \$3,366,252 is General Fund and \$1,474,377 is Medicaid reappropriated funds.

Recommendation: **Staff recommends an appropriation of \$5,115,275 total funds, of which \$3,366,252 is General Fund and \$1,474,377 is Medicaid reappropriated funds** in accordance with Committee policy.

Workers' Compensation

Description: This line item is used to pay the Department's share of the state's workers' compensation program run by the Department of Personnel.

Request: The Department requests an appropriation of \$12,248,834 total funds, of which \$6,741,758 is General Fund and \$3,177,540 is Medicaid reappropriated funds.

Recommendation: **The staff recommendation for this line item is pending the approval of a Committee policy**, and staff requests permission to adjust the line once Committee policy is established. For this and other pending line items, the amount included in the recommendation column in the numbers pages is a place-holder.

Operating Expenses

Description: This line funds the operating expenses of the Executive Director's Office.

Request: The Department requests an appropriation of \$496,015 total funds, of which \$139,626 is General Fund and \$149,988 is Medicaid reappropriated funds.

Recommendation: **Staff recommends the Department's request for an appropriation of \$496,015 total funds, of which \$139,626 is General Fund and \$149,988 is Medicaid reappropriated funds.**

Legal Services

Description: This line item is used to pay the Department of Law for the provision of legal services to all divisions.

Request: The Department requests an appropriation of \$1,679,424 total funds, of which \$1,417,169 is General Fund. There are no changes from the FY 2013-14 appropriation.

Recommendation: **Staff recommendation 18,439 hours and the dollar amount is pending Committee policy on the legal services rate.** Staff requests permission to adjust the line item once Committee policy is established.

Administrative Law Judge Services

Description: This line item funds the cost of purchasing administrative law judge services from the Department of Personnel.

Request: The Department requests an appropriation of \$546,119 total funds, of which \$341,893 is General Fund. The request includes a common policy reduction of \$177,412 total funds from the FY 2013-14 appropriation.

Recommendation: **The staff recommendation for this line item is pending the approval of a Committee policy**, and staff requests permission to adjust the line once Committee policy is established.

Payment to Risk Management and Property Funds

Description: This line item is used to reimburse the Department of Personnel for the Department's share of the state's liability and property insurance.

Request: The Department requests an appropriation of \$1,437,097 total funds, of which \$786,797 is General Fund and \$169,750 is Medicaid reappropriated fund. The request includes the following changes from the FY 2013-14 appropriation:

- Reduction of \$22,554 total funds for annualization of the FY 2013-14 employee engagement survey (which staff would note was not funded through indirect costs in FY 2013-14); and
- Reduction of \$3,468 total funds for the common policy adjustment.

Recommendation: **The staff recommendation for this line item is pending the approval of a Committee policy**, and staff requests permission to adjust the line item once Committee policy is established.

Staff Training

Description: This line item reflects the funds received from non-department employees who participate in staff training programs provided by the Mental Health Institute at Fort Logan and the Grand Junction Regional Center.

Request: The Department requests an appropriation of \$31,870 cash funds. There are no changes from the FY 2013-14 appropriation.

Recommendation: **Staff recommends the Department's request for an appropriation of \$31,870 cash funds.**

Injury Prevention Program

Description: This line item provides funding for employee injury prevention, loss control initiatives, and compliance with mandatory safety requirements. Funds are primarily used for activities designed to reduce the number of workers' compensation claims across all Department programs.

Request: The Department requests an appropriation of \$105,970 Medicaid reappropriated funds. The request does not include any changes from the FY 2013-14 appropriation.

Recommendation: **Staff recommends the Department's request for an appropriation of \$105,970 Medicaid reappropriated funds.**

(B) SPECIAL PURPOSE

→ R-8: Talent Development and Training

Request: The Department requests \$357,501 General Fund to expand the existing training programs within the Department and for new training software licensed for all Department employees. Specifically the request is for:

- \$211,235 to acquire 5,700 SkillSoft training licenses to support the majority of the workforce within the Department;
- \$62,500 for external consultants to provide any additional training or services; and
- \$86,766 to update and modernize its inventory of canned training sessions.

Recommendation: **Staff recommends the Committee deny the request.**

Analysis: Training for new employees is an integral part of every job, and the number and type of jobs that fall within the Department of Human Services range from service providers at state run group homes to youth corrections officers, to child care licensing inspectors. Staff is not convinced that purchasing a single software system will result in documentable improvements in job performance, work completed, or employee satisfaction.

Staff visited the Grand Junction Regional Center this fall and learned about the challenges that facility has with finding the time to provide continuing training to staff because of the 24/7 needs of the individuals served. Staff is concerned that adding another training requirement for employees who have difficulty finding time during their standard work hours for existing training requirements will result in training that is not beneficial to any party involved.

Finally, the funding source for this request should be departmental indirect cost recoveries not General Fund. General Fund is not an appropriate source of funding for this request because these costs are allowable indirect costs since the costs are directly attributable to employees' work on programs. General Fund should not be used to pay for a cost that is incurred by a cash funded program. If the employee's time is not directly tied to the program they work, staff would question why the Department would require the training.

Employment and Regulatory Affairs

Description: This line item funds the following sections within this program:

- **Audits:** The Audit Section conducts audits to ensure that state and federal funds have been properly distributed and is responsible for ensuring federal and state funds are used for the purposes specified in contract agreements.
- **Supplemental Nutritional Assistance Program (SNAP) Quality Assurance Section:** This Section is responsible for ensuring the State is appropriately allotting SNAP funds to eligible individuals. It conducts monthly reviews looking at the error rate, assisting with corrective action and payment accuracy strategies, and establishing the State's eligibility for enhanced federal funds, or liability for payment error rates in excess of the national tolerance level.

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- Human Resources: The activities of this section include: employee recruitment and testing, orientations, benefits administration, workers' compensation case management, performance management, and personnel records maintenance.
- State Board Staff: This section provides support for the State Board of Human Services and coordinates all State Board rules.

Request: The Department requests an appropriation of \$5,230,312 total funds, of which \$2,019,051 is General Fund and \$690,471 is Medicaid reappropriated funds. The request includes an increase of \$146,266 General Fund for the talent development and training request, and \$757 for the non-prioritized envelope and postage request.

Recommendation: **Staff recommends an appropriation of \$5,084,046 total funds, of which \$1,872,785 is General Fund and \$692,574 is Medicaid reappropriated funds.** The recommendation is calculated in accordance with Committee policy and is outlined in the following table. The recommendation on the non-prioritized request is pending and staff requests permission to adjust the line item based on the Committee's action. The recommendation is outlined in the following table.

Executive Director's Office, Special Purpose, Employment and Regulatory Affairs						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2013-14 Appropriation						
SB 13-230 (Long Bill)	\$4,946,848	\$1,816,828	\$270,442	\$685,312	\$2,174,266	66.1
Other legislation	0	0	0	0	0	0.0
H.B. 14-1238 (Supplemental Bill)	0	0	0	0	0	0.0
TOTAL	\$4,946,848	\$1,816,828	\$270,442	\$685,312	\$2,174,266	66.1
FY 2014-15 Recommended Appropriation						
FY 2013-14 Appropriation	\$4,946,848	\$1,816,828	\$270,442	\$685,312	\$2,174,266	66.1
Centrally appropriated line items	150,208	55,576	7,511	21,029	66,092	0.0
NP BA Mail, postage, and envelope request	757	381	42	0	334	0.0
R8 Talent development and training	0	0	0	0	0	0.0
Annualize HB 13-1314 IDD transfer	(13,767)	0	0	(13,767)	0	(0.2)
TOTAL	\$5,084,046	\$1,872,785	\$277,995	\$692,574	\$2,240,692	65.9
Increase/(Decrease)	\$137,198	\$55,957	\$7,553	\$7,262	\$66,426	(0.2)
Percentage Change	2.8%	3.1%	2.8%	1.1%	3.1%	(0.3%)
FY 2014-15 Executive Request:	\$5,230,312	\$2,019,051	\$277,995	\$692,574	\$2,240,692	65.9
Request Above/(Below) Recommendation	\$146,266	\$146,266	\$0	\$0	\$0	(0.0)

Developmental Disabilities Council

Description: This line item funds the Developmental Disabilities Council, which consists of twenty-four appointed representatives responsible for providing advice and direction on public policy decisions regarding developmental disability services in Colorado.

Request: The Department requests an appropriation of \$671,267 federal funds and 6.0 FTE. The request includes the annualization of FY 2013-14 salary survey and merit pay increases.

Recommendation: **Staff recommends an appropriation of \$888,500 federal funds and 6.0 FTE.** The recommendation includes an increase in informational federal funds to align the FY 2014-15 Long Bill with recent actual expenditures. The recommendation is calculated in accordance with Committee policy and outlined in the following table.

Executive Director's Office, Special Purpose, Developmental Disabilities Council				
	Total Funds	General Fund	Federal Funds	FTE
FY 2013-14 Appropriation				
SB 13-230 (Long Bill)	\$655,900	\$0	\$655,900	6.0
TOTAL	\$655,900	\$0	\$655,900	6.0
FY 2014-15 Recommended Appropriation				
FY 2013-14 Appropriation	\$655,900	\$0	\$655,900	6.0
Centrally appropriated line items	15,367	0	15,367	0.0
Informational funds adjustment	217,233	0	217,233	0.0
TOTAL	\$888,500		\$888,500	6.0
Increase/(Decrease)	\$232,600	\$0	\$232,600	0.0
Percentage Change	35.5%	0.0%	35.5%	0.0%
FY 2014-15 Executive Request:	\$671,267	\$0	\$671,267	6.0
Request Above/(Below) Recommendation	(\$217,233)		(\$217,233)	0.0

Colorado Commission for Individuals Who Are Deaf and Hard of Hearing

Description: This line item funds the Colorado Commission for the Deaf and Hard of Hearing, which was created in FY 2000-01. The Commission has the following three responsibilities:

- distribution of assistive telecommunications equipment to individuals who are deaf and hard of hearing;
- facilitation of the provision of general government services to persons who are deaf and hard of hearing; and
- administration of the Legal Services Auxiliary Program which provides legal interpreters for individuals involved with the court system.

JBC Staff Figure Setting – FY 2014-15
Staff Working Document – Does Not Represent Committee Decision

Request: The Department requests an appropriation of \$1,134,525 total funds, of which \$130,498 is General Fund, and 6.3 FTE. The request includes the annualization of FY 2013-14 salary survey and merit pay increases.

Recommendation: Staff recommends an appropriation of \$1,151,174 total funds, of which \$133,961 is General Fund, and 6.3 FTE. The recommendation includes \$16,649 total funds, of which \$3,463 is General Fund for the 3.0 percent community provider rate increase. The recommendation is calculated in accordance with Committee policy and outlined in the table below.

Executive Director's Office, Special Purpose, Colorado Commission for the Deaf and Hard of Hearing				
	Total Funds	General Fund	Reappropriated Funds	FTE
FY 2013-14 Appropriation				
SB 13-230 (Long Bill)	<u>\$1,124,532</u>	<u>\$129,398</u>	<u>\$995,134</u>	<u>6.3</u>
TOTAL	\$1,124,532	\$129,398	\$995,134	6.3
FY 2014-15 Recommended Appropriation				
FY 2013-14 Appropriation	\$1,124,532	\$129,398	\$995,134	6.3
R12 Community provider rate	16,649	3,463	13,186	0.0
Centrally appropriated line items	<u>9,993</u>	<u>1,100</u>	<u>8,893</u>	<u>0.0</u>
TOTAL	\$1,151,174	\$133,961	\$1,017,213	6.3
Increase/(Decrease)	\$26,642	\$4,563	\$22,079	0.0
Percentage Change	2.4%	3.5%	2.2%	0.0%
FY 2014-15 Executive Request:	\$1,134,525	\$130,498	\$1,004,027	6.3
Request Above/(Below) Recommendation	(\$16,649)	(\$3,463)	(\$13,186)	0.0

Colorado Commission for Individuals Who Are Blind or Visually Impaired

The Colorado Commission for Individuals who are Blind or Visually Impaired sunset in FY 2012-13 and appears in the numbers pages for informational purposes.

Developmental Disabilities and Behavioral Health Services Gap Analysis

Description: This line item was added in FY 2013-14 and provided funding for an analysis of service gaps between behavioral health services and mental health services for individuals with intellectual and developmental disabilities.

Request: The Department requests no appropriation, reflecting a reduction of \$50,000 General Fund.

Recommendation: Staff recommends the Department's request for no appropriation.

(9) Services for People with Disabilities

DIVISION REQUEST AND RECOMMENDATION SUMMARY

Services for People with Disabilities						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2013-14 Appropriation						
SB 13-230 (Long Bill)	\$617,175,999	\$43,842,696	\$79,367,782	\$434,672,015	\$59,293,506	1,719.3
Other legislation	(43,330,444)	(19,811,181)	(10,895,900)	(4,581,963)	(8,041,400)	(6.5)
H.B. 14-1238 (Supplemental Bill)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
TOTAL	\$573,845,555	\$24,031,515	\$68,471,882	\$430,090,052	\$51,252,106	1,712.8
FY 2014-15 Recommended Appropriation						
FY 2013-14 Appropriation	\$573,845,555	\$24,031,515	\$68,471,882	\$430,090,052	\$51,252,106	1,712.8
Informational funds adjustment	5,517,570	0	3,485,200	0	2,032,370	44.3
Centrally appropriated line items	2,364,919	178,117	9,331	1,524,171	653,300	0.0
Annualize prior year legislation	185,269	185,269	0	0	0	0.5
R12 Community provider rate	69,993	69,993	0	0	0	0.0
Annualize prior year budget actions	0	0	0	0	0	0.0
Annualize HB 13-1314 IDD transfer	(425,105,833)	(16,758,941)	(30,802,357)	(377,544,535)	0	(34.0)
Regional Center Changes	<u>(1,190,776)</u>	<u>0</u>	<u>0</u>	<u>(1,190,776)</u>	<u>0</u>	<u>0.0</u>
TOTAL	\$155,686,697	\$7,705,953	\$41,164,056	\$52,878,912	\$53,937,776	1,723.6
Increase/(Decrease)	(\$418,158,858)	(\$16,325,562)	(\$27,307,826)	(\$377,211,140)	\$2,685,670	10.8
Percentage Change	(72.9%)	(67.9%)	(39.9%)	(87.7%)	5.2%	0.6%
FY 2014-15 Executive Request:	\$149,767,663	\$7,451,957	\$37,054,610	\$53,353,371	\$51,907,725	1,185.6
Request Above/(Below) Recommendation	(\$5,919,034)	(\$253,996)	(\$4,109,446)	\$474,459	(\$2,030,051)	(538.0)

ISSUE DESCRIPTIONS

Information funds adjustment: The recommendation includes an adjustment to informational funds in the appropriations to the State Veterans Nursing Homes based on projected FY 2014-15 costs.

Centrally appropriated line items: The recommendation includes the annualization of merit pay and salary survey appropriated in FY 2013-14.

Annualize prior year legislation: The recommendation includes the annualization of S.B. 13-040 which provided funding for expansion of the Homelake Cemetery.

R12 Community provider rate: The recommendation includes the 3.0 percent provider rate for the Legal Auxiliary Program and the Independent Living Centers.

Annualize prior year legislation: There is no fiscal impact from annualization of prior year budget actions.

Annualize HB 13-1314 IDD transfer: The recommendation includes the transfer of the appropriations for the intellectual and developmental disabilities (IDD) waiver to the Department of Health Care Policy and Financing.

Regional Center changes: The recommendation includes adjustments to the appropriations for the Regional Centers based on the projection methodology used for the FY 2014-15 appropriation recommendations.

(A) REGIONAL CENTERS FOR PEOPLE WITH DEVELOPMENTAL DISABILITIES

Regional Centers are state operated facilities for individuals with developmental disabilities. Regional Centers provide residential services, medical care, and active treatment programs based on individual assessments and habilitation plans. Services are provided in one of two settings: large congregate residential settings on the Regional Center campus; or group homes which serve four to six individuals in a community setting.

The Grand Junction and Wheat Ridge campuses are licensed as Intermediate Care Facilities for Individuals with Intellectual Disabilities (ICF/IID), with the exception of the groups homes at Wheat Ridge, which are licensed as ICF/IID. Group homes are licensed as comprehensive developmental disability waiver homes (waiver), which is the same license used by community-run group homes. The following table shows the type of licensure at each of the Regional Centers.

Regional Center Bed Setting and License Type					
	Setting	Number of Group Homes	License Type	Total Beds	Percent of Total Beds
Grand Junction	Campus		ICF/IID	38	12.6%
	Community	10 Group Homes	Waiver	60	21.2%
Wheat Ridge					41.7%
	Campus*	5 Group Homes	ICF/IID	126	
	Community	14 Group Homes			
Pueblo	Community	11 Group Homes	Waiver	74	24.5%

*The five group homes on the campus are known as Kipling Village and serve men, in secure settings, who are intellectually and developmentally disabled and who exhibit problematic sexual behaviors.

Medicaid pays a daily rate based on the actual cost of services for individuals in ICF/IID beds. In community based group homes, services provided to individuals in waiver beds are paid based on the individual's level of need and corresponding fee-for-service level. The level of services

offered for individuals in ICF/IID beds is more extensive than services offered directly through the HCBS-DD waiver, as shown in the following table. Individuals on the waiver who require additional services will receive those services through the State Medicaid Plan.

Only a portion of costs associated with the Regional Centers are appropriated in the line items below. Costs associated with the physical plant maintenance and housekeeping, among other components of the Regional Centers, are distributed out through the centrally appropriated line items in the Office of Operations, Executive Director's Office, and the Office of Information Technology Services.

→ Staff Initiated: Regional Centers Budget Methodology

Request: The Department did not request these changes.

Recommendation: **Staff recommends a change in the methodology used to set the appropriation for the three Regional Centers to: (1) appropriate the amount of the funds that represent a realistic expectation of the cost of the Regional Centers; and (2) address, via the General Assembly's power of appropriation, a number of the issues identified in the 2013 performance audit of the Regional Centers.**

Long Bill Appropriation - differentiating ICF/IID beds from HCBS-DD beds

Since the appropriation for the ICF/IID beds is driven by different factors than the HCBS-DD waiver beds, staff recommends a change to the Long Bill structure in order to separate the cost of each type of bed, by adding subsections to the Wheat Ridge and Grand Junction subdivisions for ICF/IID beds and HCBS-DD waiver beds. The following graphic illustrates how the Long Bill structure would expand:

Staff Recommended Long Bill Structure Changes	
Current Structure	New Structure
Grand Junction Regional Center	Grand Junction Regional Center
Personal Services	ICF/IID Beds
Operating Expenses	Personal Services
Capital Outlay	Operating Expenses
Physician Services	Capital Outlay
Provider Fee	Physician Services
	Provider Fee
	Comprehensive Services Waiver Funding

Staff Recommended Long Bill Structure Changes	
Current Structure	New Structure
Wheat Ridge Regional Center Personal Services Operating Expenses Capital Outlay Provider Fee	Wheat Ridge Regional Center ICF/IID Beds Personal Services Operating Expenses Capital Outlay Provider Fee Comprehensive Services Waiver Funding Comprehensive Services
Pueblo Regional Center Personal Services Operating Expenses Capital Outlay Leased Space	Pueblo Regional Center Comprehensive Services Waiver Funding Leased Space

Appropriation Methodology

- Start by differentiating the ICF/IID beds and HCBS-DD beds because of how these beds are funded.
- For the ICF/IID beds at each Regional Center;
 - Using the most recent actuals, project the cost for that Regional Center ICF/IID beds for the year;
 - Appropriate the total cost for each Regional Center ICF/IID beds using the same line items in the FY 2013-14 Long Bill;
 - Bottom-line fund the ICF/IID beds appropriation; and
 - Eliminate the Regional Center Depreciation line item in the Department of Health Care Policy and Financing because staff is unable to verify what this line item is used for.
- For HCBS-DD Beds:
 - appropriate funds based on the total number of beds, multiplied by a weighted average of level six and seven community-based costs; and
 - Appropriate the funds for the HCBS-DD beds as new line items in the applicable Regional Centers.
- Clarify the 5.0 percent footnote only applies to the ICF/IID beds to eliminate the use of revenue from the HCBS-DD beds to be used for the ICF/IID beds.

The Analysis section provides a detailed discussion of each recommended change. This document is written to reflect the recommended structure. Within each Regional Center section is a description of how the appropriation is calculated.

Staff Analysis:

To understand why staff is recommending these changes, it is important to recap the significant findings of the audit conducted by the State Auditor's Office at the request of the Joint Budget Committee. In summary, the audit identified the following problems:

- Reimbursement rates for the HCBS-DD beds were being set too high without justification and being used to subsidize the ICF/IDD beds;
- The Department failed to comply with statute by not ensuring the full Medicaid cost of the ICF/IDD beds were paid for;
- The Department, even after suspending the provider fee, failed to comply with State statute and federal Medicaid rules by not charging a uniform provider fee;
- The Department does not have standard staffing requirements for the ICF/IDD beds at the two applicable Regional Centers, resulting in significant cost differences; and
- There is substantial infrastructure costs included in the cost per day of the Regional Centers.

In order to address one of the most concerning audit findings, the one relating to HCBS-DD bed reimbursement rates being set artificially high to offset the cost of the ICF/IDD beds, staff recommends, as a first step, breaking out the cost of the HCBS-DD beds in the Long Bill. This will clearly identify the cost per HCBS-DD bed, but also begin a process for documenting how much these beds cost and why. **Staff also recommends, similar to the community-based waiver beds, a footnote be added to identify the cost per enrollment and number of enrollments and FPE used to calculate the appropriation.** If there are required changes in the future, it will be very clear why the cost is changing and what if any issues need to be addressed.

Recommendation #1: Start by differentiating the ICF/IDD beds and HCBS-DD beds because of the different ways these beds are funded. Similar to the recommendation to break apart the Long Bill, this recommendation will provide greater transparency and accountability for how much each bed is costing. Since the General Assembly does not have access to the Supports Intensity Scale (SIS) scores of individuals at Regional Centers, staff assumed for the purposes of calculating the appropriation that individuals were a mix of level fives and sixes. Staff selected these levels because if these individuals are transitioned to community setting (the Governor has requested 30 enrollments to transition individuals) these individuals will receive a SIS score which will most likely be a five or a six.

Recommendation #2a: The intent is to set the appropriation as the best approximation of what the costs will be for the ICF/IDD beds. Since the funding for these beds is based on the actual services provided, it is not possible to know the specific amount that will be expended in the upcoming fiscal year. Therefore the General Assembly should be aware that the appropriation is based on recent actuals and is a projection of the next fiscal year's costs. **Staff is recommending that the Department submit a supplemental each year to true up the appropriation for the ICF/IDD beds because of the retrospective nature of how the costs for those beds are determined.** This will ensure that issues identified in the audit are addressed, including ensuring the Regional Centers ICF/IDD beds are being reimbursed for all their Medicaid eligible expenses.

Recommendation #2b: Eliminate the Regional Center Depreciation line item in the Department of Health Care Policy and Financing. Staff was unable to determine from either the Department of Human Services or the Department of Health Care Policy and Financing what this line item is used for. It is unclear if this line item was used to supplement the appropriation or if it was used as intended to draw down additional federal funds related to the depreciation of campus buildings. **Staff recommends the appropriation for this line be eliminated because of uncertainty about the purpose and use of the line item.**

Recommendation #3. Appropriate funds for HCBS-DD beds based on the total number of beds, multiplied by the weighted average of community costs of levels six and seven. Since all of the beds at the Pueblo Regional Center and a portion of the beds at the Grand Junction Regional Center are licensed as HCBS-DD beds, they are funded the same as the community based HCBS-DD residences. The primary difference is that the staff at the Regional Center HCBS-DD beds are state employees. Prior to FY 2009-10, the community based beds at the Wheat Ridge Regional Center were licensed as HCBS-DD beds, but due to staffing and funding issues the Department converted these beds to be licensed as ICF/IID. The audit did not explore why the State has licensed some community-based state operated beds as ICF/IID and others as HCBS-DD beds. Since the Department has consistently said that once an individual enters the Regional Center they do not have a SIS performed, staff assumed the individuals in Regional Centers were a mixture of a level six and seven. Without any additional information on which to base a recommendation, staff assumed the individuals required the most costly services. Additionally since the HCBS-DD beds are subject to the same Medicaid rules, staff used the same methodology to calculate the funding for each bed, since in essence the funding is paid in the same manner.

Recommendation #4. Appropriate the funds for the HCBS-DD beds as one line item in a new subdivision. Separating the HCBS-DD from the ICF/IID beds is appropriate in light of the number of questions, audit concerns, and different funding requirements. This will also ensure there is better expenditure and budgetary information on the cost of Regional Centers in future years.

Recommendation #5: Clarify the 5.0 percent footnote only applies to the ICF/IID beds. In order to ensure the Department has a little flexibility to meet the funding and appropriation limitations the Long Bill imposes, for at least the next year staff is recommending the 5.0 percent footnote be applicable only to the ICF/IID beds. It is staff's hope that within a couple of years the footnote will not be needed because the Department will be able to better project what the ICF/IID beds will cost.

Limiting the footnote will eliminate the use of revenues for HCBS-DD beds being used for the ICF/IID beds. As noted, not only by the audit findings but also by the personal services reversion in prior years, and the FY 2013-14 supplemental to use excess revenue from one Regional Center for capital improvements to another Regional Center, staff believes it is important for accountability purposes that the funds appropriated for the HCBS-DD homes only be used for that purpose.

➔ **Regional Center Footnotes**

Footnote #33 - Regional Centers

33 Department of Human Services, Services for People with Disabilities, Regional Centers for People with Developmental Disabilities -- The Department may transfers up to 5.0 percent of the total appropriation FOR INTERMEDIATE CARE FACILITIES FOR INTELLECTUAL AND DEVELOPMENTAL DISABILITIES in the Wheat Ridge Regional Center, and the Grand Junction Regional Center and ~~Pueblo Regional Center~~.

Recommendation: Clarifying the 5.0 percent footnote only applies to the ICF/IID beds will eliminate the use of revenues for HCBS-DD beds being used for the ICF/IID beds. In order to ensure the Department has a little flexibility to meet the funding and appropriation limitations the Long Bill imposes, for at least the next year staff is recommending the 5.0 percent footnote be applicable only to the ICF/IID beds.

Footnote #33a - Regional Centers

33a Department of Human Services, Services for People with Disabilities, Regional Centers for People with Developmental Disabilities -- The Department may transfer up to \$420,000 of the total appropriation between the Wheat Ridge Regional Center, the Grand Junction Regional Center and the Pueblo Regional Center. \$420,000 of the total appropriation may roll forward for expenditure in FY 2014-15.

Recommendation: Staff recommends this footnote be discontinued. The initial request from the Department was to add a new line item titled Capital Outlay for improvements to state-owned group homes. That request was overridden by a FY 2013-14 supplemental request which resulted in this footnote. Part of the reason there were additional funds available at the Pueblo Regional Center to pay for improvements to Wheat Ridge group homes is due to the Department's practice of setting rates higher than needed at Pueblo to offset the costs of ICF/IID beds. There is no request from the Department for additional funds for improvements to state-owned group homes in FY 2014-15. Additionally staff recommends for future fiscal years, if the General Assembly wishes to appropriate funds for capital improvements to state owned buildings the appropriation either be in its own line item, or appropriated through the capital construction section of the Long Bill.

SUBDIVISION REQUEST AND RECOMMENDATION SUMMARY

Regional Centers for People with Developmental Disabilities					
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	FTE
FY 2013-14 Appropriation					
SB 13-230 (Long Bill)	\$49,645,237	\$85,809	\$2,060,389	\$47,499,039	887.6
Other legislation	522	0	0	522	0.0

JBC Staff Figure Setting – FY 2014-15
Staff Working Document – Does Not Represent Committee Decision

Regional Centers for People with Developmental Disabilities					
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	FTE
H.B. 14-1238 (Supplemental Bill)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
TOTAL	\$49,645,759	\$85,809	\$2,060,389	\$47,499,561	887.6
FY 2014-15 Recommended Appropriation					
FY 2013-14 Appropriation	\$49,645,759	\$85,809	\$2,060,389	\$47,499,561	887.6
Centrally appropriated line items	1,451,933	0	0	1,451,933	0.0
Regional Center Changes	<u>(1,190,776)</u>	<u>0</u>	<u>0</u>	<u>(1,190,776)</u>	<u>0.0</u>
TOTAL	\$49,906,916	\$85,809	\$2,060,389	\$47,760,718	887.6
Increase/(Decrease)	\$261,157	\$0	\$0	\$261,157	0.0
Percentage Change	0.5%	0.0%	0.0%	0.5%	0.0%
FY 2014-15 Executive Request	\$50,382,013	\$86,447	\$2,060,389	\$48,235,177	394.4
Request Above/(Below) Recommendation	\$475,097	\$638	\$0	\$474,459	(493.2)

(1) WHEAT RIDGE REGIONAL CENTER

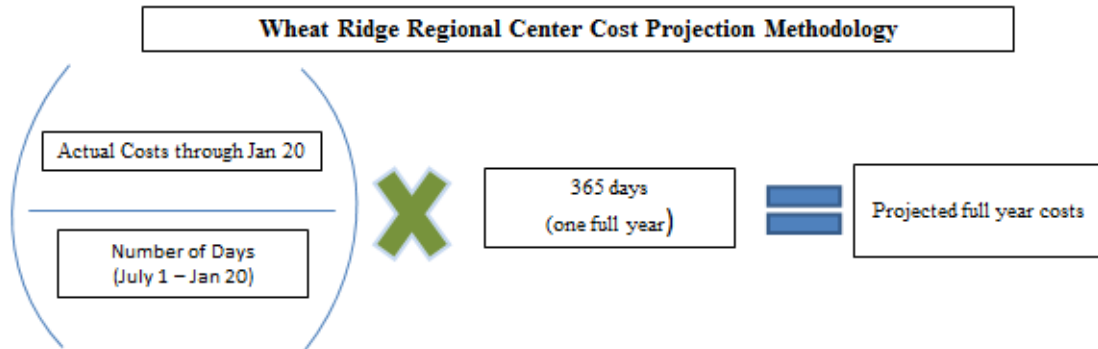
➔ Wheat Ridge Regional Center Appropriations Methodology

Request: The Department did not request this change.

Recommendation: Staff recommends the use of actual expenditures for the first part of FY 2013-14 to set the appropriation for the FY 2014-15 Wheat Ridge Regional Center. Since the funds are booked according to Long Bill line item, staff is recommending maintaining the existing line item structure for the Wheat Ridge Regional Centers. All beds are licensed as ICF/IID beds and therefore are funded on an actual cost basis. The following table summarizes actual expenditures through January 20, 2014, and how, if expenditures remain constant, staff projects the total FY 2013-14 cost. Staff recommends this become the FY 2014-15 appropriation. The Committee should anticipate a supplemental true up of the FY 2014-15 appropriation because of the retroactive nature of the billing and reimbursement methodology used for the ICF/IDD beds.

Wheat Ridge Regional Center Medicaid Appropriation Recommendation		
Line Item	Actual Medicaid Costs through January 20, 2014	Projected FY 2013-14 Medicaid Costs
Wheat Ridge Regional Center Personal Services	\$13,122,925	\$20,469,519
Wheat Ridge Regional Center Operating Expenses	655,000	1,171,936
Provider Fee	711,180	1,272,454
Resident Incentive Allowance	17,050	30,506
Total	\$14,506,154	\$25,954,639

Analysis: The following graphic illustrates the methodology used to calculate the FY 2014-15 appropriation:



Wheat Ridge Regional Center Personal Services

Description: This line item funds the personal services costs of the ICF/IID licensed beds at the Wheat Ridge Regional Center. The cash funds are from two sources of client cash revenues: (1) room and board paid by clients, and (2) patient pay from ICF/ID clients who receive benefits and/or earn wages. Room and board rates reflect the SSI allocation less the monthly allowance for personal spending. Patient pay is any funds a client earns above \$50 per month.

Request: The Department requested \$21,077,380, of which \$20,227,587 is Medicaid reappropriated funds and 393.9 FTE. The request includes the annualization of FY 2013-14 salary survey and merit pay.

Recommendation: **Staff recommends an appropriation of \$21,319,312 total funds, of which \$20,469,519 is Medicaid reappropriated funds, and 393.9 FTE.** The recommendation includes an increase of \$241,932 Medicaid reappropriated funds due to utilizing a projection methodology to set the appropriation. The recommendation is calculated in accordance with Committee policy and outlined in the following table.

Services for People with Disabilities, Regional Centers for People with Developmental Disabilities, Wheat Ridge Regional Center Personal Services					
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	FTE
FY 2013-14 Appropriation					
SB 13-230 (Long Bill)	\$20,476,199	\$0	\$849,793	\$19,626,406	393.9
TOTAL	\$20,476,199	\$0	\$849,793	\$19,626,406	393.9
FY 2014-15 Recommended Appropriation					
FY 2013-14 Appropriation	\$20,476,199	\$0	\$849,793	\$19,626,406	393.9

JBC Staff Figure Setting – FY 2014-15
Staff Working Document – Does Not Represent Committee Decision

Services for People with Disabilities, Regional Centers for People with Developmental Disabilities, Wheat Ridge Regional Center Personal Services					
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	FTE
Centrally appropriated line items	601,181	0	0	601,181	0.0
Regional Center Changes	<u>241,932</u>	<u>0</u>	<u>0</u>	<u>241,932</u>	<u>0.0</u>
TOTAL	\$21,319,312		\$849,793	\$20,469,519	393.9
Increase/(Decrease)	\$843,113	\$0	\$0	\$843,113	0.0
Percentage Change	4.1%	0.0%	0.0%	4.3%	0.0%
FY 2014-15 Executive Request:	\$21,077,380	\$0	\$849,793	\$20,227,587	393.9
Request Above/(Below) Recommendation	(\$241,932)		\$0	(\$241,932)	0.0

Wheat Ridge Regional Center Operating Expenses

Description: This line item funds the operating expenses of the Wheat Ridge Regional Center.

Request: The Department requested \$1,361,728 Medicaid reappropriated funds. The request did not include any changes from the FY 2013-14 appropriation.

Recommendation: **Staff recommends an appropriation of \$1,171,936 Medicaid reappropriated funds, of which \$577,091 is net General Fund.** The recommendation includes a reduction of \$189,792 Medicaid reappropriated funds due to utilizing a projection methodology to set the appropriation. The recommendation is calculated in accordance with Committee policy and outlined in the following table.

Services for People with Disabilities, Regional Centers for People with Developmental Disabilities, Wheat Ridge Regional Center Operating Expenses				
	Total Funds	General Fund	Reappropriated Funds	FTE
FY 2013-14 Appropriation				
SB 13-230 (Long Bill)	\$1,361,728	\$0	\$1,361,728	0.0
H.B. 14-1238 (Supplemental Bill)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
TOTAL	\$1,361,728	\$0	\$1,361,728	0.0
FY 2014-15 Recommended Appropriation				
FY 2013-14 Appropriation	\$1,361,728	\$0	\$1,361,728	0.0
Regional Center Changes	<u>(189,792)</u>	<u>0</u>	<u>(189,792)</u>	<u>0.0</u>
TOTAL	\$1,171,936	\$0	\$1,171,936	0.0
Increase/(Decrease)	(\$189,792)	\$0	(\$189,792)	0.0
Percentage Change	(13.9%)	0.0%	(13.9%)	0.0%
FY 2014-15 Executive Request:	\$1,362,366	\$638	\$1,361,728	0.0

JBC Staff Figure Setting – FY 2014-15
Staff Working Document – Does Not Represent Committee Decision

Services for People with Disabilities, Regional Centers for People with Developmental Disabilities, Wheat Ridge Regional Center Operating Expenses				
	Total Funds	General Fund	Reappropriated Funds	FTE
Request Above/(Below) Recommendation	\$190,430	\$638	\$189,792	0.0

Resident Incentive Allowance

Description: This line item provides funding for the resident incentive allowance and patient needs capital outlay for the Wheat Ridge Regional Center.

- The resident incentive allowance is paid to clients for their work services which include washing vehicles, food preparation, and janitorial services.
- The patient needs capital outlay is used for the purchase of equipment used by or on behalf of the residents, including therapeutic, medical, and adaptive equipment; program equipment and technical aids; health and safety repairs and equipment; and furnishings and environmental improvements.

Request: The Department requested an appropriation of \$59,000 Medicaid reappropriated funds. The request did not include any changes from the FY 2013-14 appropriation.

Recommendation: **Staff recommends an appropriation of \$30,506 Medicaid reappropriated funds, of which \$15,022 is net General Fund.** The recommendation includes a reduction of \$28,494 Medicaid reappropriated funds due to utilizing a projection methodology to set the appropriation. The recommendation is calculated in accordance with Committee policy and outlined in the following table.

Services for People with Disabilities, Regional Centers for People with Developmental Disabilities, Resident Incentive Allowance				
	Total Funds	General Fund	Reappropriated Funds	FTE
FY 2013-14 Appropriation				
SB 13-230 (Long Bill)	<u>\$59,000</u>	<u>\$0</u>	<u>\$59,000</u>	<u>0.0</u>
TOTAL	\$59,000	\$0	\$59,000	0.0
FY 2014-15 Recommended Appropriation				
FY 2013-14 Appropriation	\$59,000	\$0	\$59,000	0.0
Regional Center Changes	<u>(28,494)</u>	<u>0</u>	<u>(28,494)</u>	<u>0.0</u>
TOTAL	\$30,506		\$30,506	0.0
Increase/(Decrease)	(28,494)	\$0	(28,494)	0.0
Percentage Change	(48.3%)	0.0%	(48.3%)	0.0%
FY 2014-15 Executive Request:				
Request Above/(Below)	\$59,000	\$0	\$59,000	0.0
Recommendation	\$28,494		\$28,494	0.0

Wheat Ridge Regional Center Provider Fee

Description: This line item is for the Wheat Ridge Regional Center portion of the ICF/IID provider fee.

Request: The Department requests an appropriation of \$1,213,636 Medicaid reappropriated funds. The request does not include any changes from the FY 2013-14 appropriation.

Recommendation: **Staff recommends an appropriation of \$1,420,396 Medicaid reappropriated funds.** Staff is concerned that the Department did not adjust the provider fee in the request despite the auditors determining that the Department did not comply with state and federal regulations. The recommendation is based on the FY 2012-13 provider fee assessed by the Department of Health Care Policy and Financing at a \$32.37 daily provider fee rate.

Services for People with Disabilities, Regional Centers for People with Developmental Disabilities, Wheat Ridge Regional Center Provider Fee				
	Total Funds	General Fund	Reappropriated Funds	FTE
FY 2013-14 Appropriation				
Other legislation	<u>\$1,213,636</u>	<u>\$0</u>	<u>\$1,213,636</u>	<u>0.0</u>
TOTAL	\$1,213,636	\$0	\$1,213,636	0.0
FY 2014-15 Recommended Appropriation				
FY 2013-14 Appropriation	\$1,213,636	\$0	\$1,213,636	0.0
Regional Center Changes	<u>207,060</u>	<u>0</u>	<u>207,060</u>	<u>0.0</u>
TOTAL	\$1,420,696		\$1,420,696	0.0
Increase/(Decrease)	\$207,060	\$0	\$207,060	0.0
Percentage Change	17.1%	0.0%	17.1%	0.0%
FY 2014-15 Executive Request:	\$1,213,636	\$0	\$1,213,636	0.0
Request Above/(Below) Recommendation	(\$207,060)		(\$207,060)	0.0

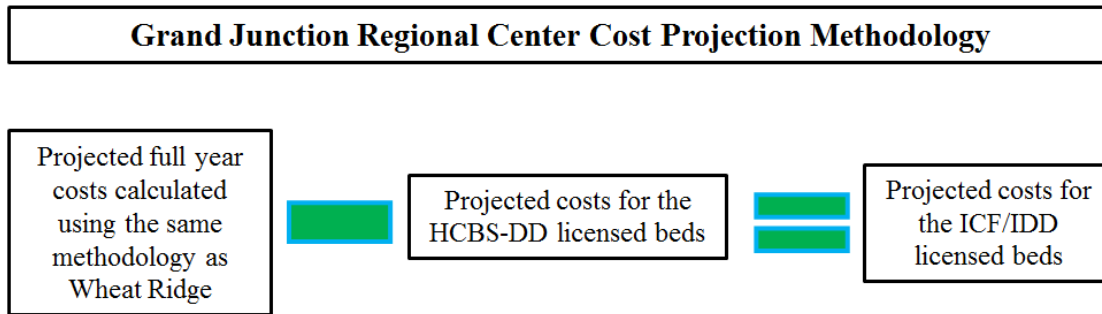
(2) GRAND JUNCTION REGIONAL CENTER

→ Grand Junction Regional Center Methodology

Request: The Department did not request this change.

Recommendation: The Grand Junction Regional Center methodology is a hybrid of the methodology used to set the Wheat Ridge Regional Center appropriation and the Pueblo Regional Center appropriation because the Grand Junction Regional Center has both ICF/IID beds and HCBS-DD licensed beds.

In summary, the methodology works as illustrated in the following graphic:



Step 1: Calculate the projected full year costs using the actual expenditures through January 20, 2014:

Grand Junction Regional Center Full Year Total Medicaid Cost			
Line Item	Actual Medicaid Costs through January 20, 2014	Projected FY 2013-14 Medicaid Costs Based on Actual Expenditures	Percent of Total Costs
Wheat Ridge Regional Center Personal Services	\$9,804,461	\$15,293,283	96.4%
Wheat Ridge Regional Center Operating Expenses	295,015	527,845	3.3%
Resident Incentive Allowance	23,757	42,506	0.3%
Total	\$10,123,233	\$15,863,635	100.0%

Step 2: Calculate the distribution of the level of need of the individuals in Grand Junction Regional Center HCBS-DD beds based on the need levels of individuals in the community.

Step 2. Level of Needs of Regional Center Individuals		
Total Individuals	Individuals with a Level 6	Individuals with a Level 7
60	55	5

Step 3: Calculate a full year funding cost for the HCBS-DD beds based on the FY 2012-13 average cost to serve an individual with a similar needs level in the community.

Step 3. Calculation of Pueblo Regional Center Appropriation			
	Individuals with a Level 6	Individuals with a Level 7	Total
Beds	55	5	60
Cost for 1 bed*	\$101,322	\$124,570	
Cost for all beds	\$5,572,737	\$622,849	\$6,195,586

*The cost for 1 bed is equal to the FY 2012-13 cost plus the 4.05 FY 2013-14 provider rate and the 3.0% FY 2014-15 provider rate increase.

Step 4: Calculate the cost of ICF/IDD beds by subtracting the HCBS-DD beds from the total Regional Center cost projection.

Step 4: Calculation of the ICF/IDD beds Appropriation	
Total Cost	\$15,863,635
HCBS-DD Cost	6,195,586
ICF/IDD Cost	\$9,668,049

Step 5: Staff distributed the projected cost for the ICF/IDD beds to the personal services, operating expenses and resident incentive allowance line items based on the how much each line item accounted for the total projected costs. Staff requests permission to adjust the line items if necessary to properly reflect the projected costs for each line item.

Step 5: Calculation of the Appropriation for Each Line item		
Line Item	Percent of total costs (from Table 1)	Appropriation based on percent of total costs
Personal Services	96.40%	\$9,319,999
Operating Expenses	3.30%	319,046
Resident Incentive Allowance	0.30%	29,004
Total	100.00%	\$9,668,049

Grand Junction Regional Center Personal Services

Description: This line item funds the personal services costs of the Grand Junction Regional Center. The cash funds are from two sources of client cash revenues: (1) room and board paid by clients, and (2) patient pay from ICF/ID clients who receive benefits and/or earn wages. Room and board rates reflect the SSI allocation less the monthly allowance for personal spending. Patient pay is any funds a client earns above \$50 per month.

Request: The Department requested an appropriation of \$16,884,365 total funds, of which \$16,228,682 is Medicaid reappropriated funds and 311.4 FTE. The request includes an increase for the annualization of the FY 2013-14 salary survey and merit pay increases.

Recommendation: **Staff recommends an appropriation of \$9,975,682 total funds, of which \$9,319,999 is Medicaid reappropriated funds, and 203.4 FTE.** The recommendation includes a reduction of \$6,908,683 Medicaid reappropriated funds and 108.0 FTE due to utilizing a projection methodology to set the appropriation. Note the majority of these funds and FTE are recommended to be appropriated to the new Grand Junction Regional Center Waiver Beds line item. The recommendation is calculated in accordance with Committee policy and outlined in the following table.

JBC Staff Figure Setting – FY 2014-15
Staff Working Document – Does Not Represent Committee Decision

Services for People with Disabilities, Regional Centers for People with Developmental Disabilities, Grand Junction Regional Center Personal Services					
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	FTE
FY 2013-14 Appropriation					
SB 13-230 (Long Bill)	\$16,353,908	\$0	\$655,683	\$15,698,225	311.4
TOTAL	\$16,353,908	\$0	\$655,683	\$15,698,225	311.4
FY 2014-15 Recommended Appropriation					
FY 2013-14 Appropriation	\$16,353,908	\$0	\$655,683	\$15,698,225	311.4
Centrally appropriated line items	530,457	0	0	530,457	0.0
Regional Center Changes	(6,908,683)	0	0	(6,908,683)	(108.0)
TOTAL	\$9,975,682		\$655,683	\$9,319,999	203.4
Increase/(Decrease)	(\$6,378,226)	\$0	\$0	(\$6,378,226)	(108.0)
Percentage Change	(39.0%)	0.0%	0.0%	(40.6%)	(34.7%)
FY 2014-15 Executive Request:	\$16,884,365	\$0	\$655,683	\$16,228,682	0.0
Request Above/(Below)					
Recommendation	\$6,908,683		\$0	\$6,908,683	(203.4)

Grand Junction Regional Center Operating Expenses

Description: This line item funds the operating expenses of the Grand Junction Regional Center.

Request: The Department requested an appropriation of \$790,500 Medicaid reappropriated funds. The request does not include any changes from the FY 2013-14 appropriation.

Recommendation: **Staff recommends an appropriation of \$319,046 Medicaid reappropriated funds.** The recommendation includes a reduction of \$471,454 Medicaid reappropriated funds due to utilizing a projection methodology to set the appropriation. Note the majority of these funds are recommended to be appropriated to the new Grand Junction Regional Center Waiver Beds line item. The recommendation is calculated in accordance with Committee policy and outlined in the following table.

Services for People with Disabilities, Regional Centers for People with Developmental Disabilities, Grand Junction Regional Center Operating Expenses				
	Total Funds	General Fund	Reappropriated Funds	FTE
FY 2013-14 Appropriation				
SB 13-230 (Long Bill)	\$790,500	\$0	\$790,500	0.0
H.B. 14-1238 (Supplemental Bill)	0	0	0	0.0
TOTAL	\$790,500	\$0	\$790,500	0.0

JBC Staff Figure Setting – FY 2014-15
Staff Working Document – Does Not Represent Committee Decision

Services for People with Disabilities, Regional Centers for People with Developmental Disabilities, Grand Junction Regional Center Operating Expenses				
	Total Funds	General Fund	Reappropriated Funds	FTE
FY 2014-15 Recommended Appropriation				
FY 2013-14 Appropriation	\$790,500	\$0	\$790,500	0.0
Regional Center Changes	<u>(471,454)</u>	<u>0</u>	<u>(471,454)</u>	<u>0.0</u>
TOTAL	\$319,046		\$319,046	0.0
Increase/(Decrease)	(\$471,454)	\$0	(\$471,454)	0.0
Percentage Change	(59.6%)	0.0%	(59.6%)	0.0%
FY 2014-15 Executive Request:				
Request Above/(Below) Recommendation	\$471,454		\$471,454	0.0

Resident Incentive Allowance

Description: This line item provides funding for the resident incentive allowance which is paid to clients for their work services which include washing vehicles, food preparation, and janitorial services.

Request: The Department requested an appropriation of \$59,176 Medicaid reappropriated funds. The request did not include any changes from the FY 2013-14 appropriation.

Recommendation: **Staff recommends an appropriation of \$29,004 Medicaid reappropriated funds.** The recommendation includes a reduction of \$30,172 Medicaid reappropriated funds due to utilizing a projection methodology to set the appropriation. The recommendation is calculated in accordance with Committee policy and outlined in the following table.

Services for People with Disabilities, Regional Centers for People with Developmental Disabilities, Resident Incentive Allowance				
	Total Funds	General Fund	Reappropriated Funds	FTE
FY 2013-14 Appropriation				
SB 13-230 (Long Bill)	<u>\$59,176</u>	<u>\$0</u>	<u>\$59,176</u>	<u>0.0</u>
TOTAL	\$59,176	\$0	\$59,176	0.0
FY 2014-15 Recommended Appropriation				
FY 2013-14 Appropriation	\$59,176	\$0	\$59,176	0.0
Regional Center Changes	<u>(30,172)</u>	<u>0</u>	<u>(30,172)</u>	<u>0.0</u>
TOTAL	\$29,004		\$29,004	0.0
Increase/(Decrease)	(\$30,172)	\$0	(\$30,172)	0.0
Percentage Change	(51.0%)	0.0%	(51.0%)	0.0%

JBC Staff Figure Setting – FY 2014-15
Staff Working Document – Does Not Represent Committee Decision

Services for People with Disabilities, Regional Centers for People with Developmental Disabilities, Resident Incentive Allowance				
	Total Funds	General Fund	Reappropriated Funds	FTE
FY 2014-15 Executive Request:	\$59,176	\$0	\$59,176	0.0
Request Above/(Below)				
Recommendation	\$30,172		\$30,172	0.0

General Fund Physician Services

Description: This line item funds the costs of employing physicians who have specific areas of expertise to treat rare and/or complicated diseases. This line item was added to the FY 2006-07 Long Bill due to the difficulty in finding physicians who are willing to treat these individuals at Medicaid rates.

Request: The Department requests an appropriation of \$85,809 General Fund and 0.5 FTE. The request does not include any changes from the FY 2013-14 appropriation.

Recommendation: **Staff recommends the Department's request for an appropriation of \$85,809 General Fund and 0.5 FTE.**

Grand Junction Regional Center Provider Fee

Description: This line item funds the Grand Junction Regional Center portion of the ICF/IID provider fee.

Request: The Department requests an appropriation of \$653,497 Medicaid reappropriated funds. The request does not include any changes from the FY 2013-14 appropriation which was included in S.B. 13-167.

Recommendation: **Staff recommends an appropriation of \$446,738 Medicaid reappropriated funds.** Staff is concerned that the Department did not adjust the provider fee in the request despite the auditors determining that the Department did not comply with state and federal regulations. The recommendation is based on the FY 2012-13 provider fee assessed by the Department of Health Care Policy and Financing of \$32.37 daily provider fee rate.

Services for People with Disabilities, Regional Centers for People with Developmental Disabilities, Grand Junction Regional Center Provider Fee				
	Total Funds	General Fund	Reappropriated Funds	FTE
FY 2013-14 Appropriation				
Other legislation	<u>\$653,497</u>	<u>\$0</u>	<u>\$653,497</u>	<u>0.0</u>
TOTAL	\$653,497	\$0	\$653,497	0.0
FY 2014-15 Recommended Appropriation				
FY 2013-14 Appropriation	\$653,497	\$0	\$653,497	0.0
Regional Center Changes	<u>(206,759)</u>	<u>0</u>	<u>(206,759)</u>	<u>0.0</u>

JBC Staff Figure Setting – FY 2014-15
Staff Working Document – Does Not Represent Committee Decision

Services for People with Disabilities, Regional Centers for People with Developmental Disabilities, Grand Junction Regional Center Provider Fee				
	Total Funds	General Fund	Reappropriated Funds	FTE
TOTAL	\$446,738		\$446,738	0.0
Increase/(Decrease)	(\$206,759)	\$0	(\$206,759)	0.0
Percentage Change	(31.6%)	0.0%	(31.6%)	0.0%
FY 2014-15 Executive Request:	\$653,497	\$0	\$653,497	0.0
Request Above/(Below)				
Recommendation	(\$206,759)		(\$206,759)	0.0

Grand Junction Regional Center Waiver Funding

***NEW LINE ITEM RECOMMENDED FOR FY 2014-15**

Description: This line item would fund the cost of the 60 HCBS-DD licensed beds at the Grand Junction Regional Center. The cash funds are from two sources of client cash revenues: (1) room and board paid by clients, and (2) patient pay from ICF/ID clients who receive benefits and/or earn wages. Room and board rates reflect the SSI allocation less the monthly allowance for personal spending. Patient pay is any funds a client earns above \$50 per month.

Request: The Department did not request this line item.

Recommendation: **Staff recommends an appropriation of \$6,195,586 Medicaid reappropriated funds and 108.0 FTE.** The FTE recommendation is based on the per client average reported in the November 2013 audit for the HCBS-DD beds in Grand Junction of 1.8 FTE to each bed. The recommendation is calculated in accordance with Committee policy and outlined in the following table.

Services for People with Disabilities, Regional Centers for People with Developmental Disabilities, Grand Junction Regional Center Waiver Funding				
	Total Funds	General Fund	Reappropriated Funds	FTE
FY 2013-14 Appropriation				
SB 13-230 (Long Bill)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>0.0</u>
TOTAL	\$0	\$0	\$0	0.0
FY 2014-15 Recommended Appropriation				
FY 2013-14 Appropriation	\$0	\$0	\$0	0.0
Regional Center Changes	<u>6,195,586</u>	<u>0</u>	<u>6,195,586</u>	<u>108.0</u>
TOTAL	\$6,195,586		\$6,195,586	108.0
Increase/(Decrease)	\$6,195,586	\$0	\$6,195,586	108.0
Percentage Change	0.0%	0.0%	0.0%	0.0%

Services for People with Disabilities, Regional Centers for People with Developmental Disabilities, Grand Junction Regional Center Waiver Funding				
	Total Funds	General Fund	Reappropriated Funds	FTE
FY 2014-15 Executive Request:	\$0	\$0	\$0	0.0
Request Above/(Below)				
Recommendation	(\$6,195,586)		(\$6,195,586)	(108.0)

(3) PUEBLO REGIONAL CENTER

➔ Pueblo Regional Center Methodology

Recommendation: Staff recommends the appropriations for the Pueblo Regional Centers be realigned to reflect one line item for the waiver beds and one line item for the leased spaced costs of the Pueblo Regional Center campus. This recommendation would align the funding for the Pueblo Regional Center similar to how the funding for community HCBS-DD beds is appropriated. Additionally, staff recommends a footnote be added to the Pueblo Regional Center line item similar to the footnote added to the waiver line items in the FY 2013-14 supplemental.

Analysis:

Funding Methodology

The November 2013 state audit report found that "HCBS-DD waiver reimbursement rates do not clearly comply with federal guidance for administering the HCBS-DD waiver for the Pueblo Regional Center."¹ The audit continued to say "the combined Regional Center reimbursements for FY 2011-12 exceeded costs by \$1.3 million." The Department was unable to provide the auditors with analysis or documentation showing that the costs were reasonable or to support how the Department ensured that reimbursements did not exceed costs. The second concern the audit found was that the reimbursement rates do not reflect the costs of the Regional Centers, and the Department's reimbursements resulted in an over collection for Pueblo Regional Center and an under collection for the Grand Junction Regional Center. The following table shows how the Department has reimbursement rates that do not align with costs.²

Table 15. Medicaid Costs Compared to Medicaid Revenue for Services Provided by the Pueblo and Grand Junction Regional Centers to Clients Residing in HCBS-DD Waiver-Funded Group Homes Fiscal Year 2012	
Medicaid Reimbursements	\$24,839,055
Aggregate Regional Center Costs for Waiver-Funded Services	\$23,537,203
Excess of Reimbursements Over Costs	\$1,301,852
Source: Office of the State Auditor's analysis of Department cost reports and revenue recorded in the Colorado Financial Reporting System (COFRS).	

¹ Page 49 of the November 2013 Colorado State Auditor's Regional Centers for People with Developmental Disabilities Performance Audit report.

² Statements are taken from pages 50 and 51 of the Colorado State Auditor's November 2013 audit report on the Regional Centers for People with Developmental Disabilities.

The Centers for Medicaid and Medicare do not require the same reimbursement rate for state and private providers as long as the rates are based on the determination of reasonable provider costs or the Department of Human Services has a mechanism to identify and recoup excess payments. Based on the audit findings, and historical lack of adjustments to the appropriation, the Department has used higher reimbursement rates for HCBS-DD beds to offset the cost of ICF/IID beds or for other administrative purposes.

As part of the November 1 request, the Department is seeking funding to transition 30 individuals from the Regional Center ICF/IID who can be served in less restrictive community settings and for individuals with co-occurring disorders residing in the Colorado Mental Health Institutes at Ft. Logan and Pueblo whose treatment is completed and who no longer require institutional level of care. These individuals are ready for transition to a community setting through the Home and Community Based Services (HCBS) IDD waivers. The Department is requesting \$65,632 total funds per person to serve those individuals in the community who are currently residing in the Regional Centers. Based on the projected per client cost, the Department of Human Services reimbursement rates for these individuals on average is \$171,754³. The General Assembly has a vested interest in ensuring the appropriations for the Regional Centers are reflected of the anticipated costs of the Regional Centers. **Therefore staff recommends the use of the following methodology to more accurately project the cost of the Pueblo Regional Center.**

Step 1: Calculate the total level 6 and Level 7 served by the community in FY 2011-12 and FY 2012-13, and the percent each level is of the combined total.

Step 1. Percent of Level 6 and Level 7 Served in the Community				
Level	FY 11-12		FY 12-13	
	Number	Percent	Number	Percent
Level 6	550	91.8%	535	91.8%
Level 7	49	8.2%	48	8.2%
Total	599	100.0%	583	100.0%

Step 2: Calculate the distribution of the level of needs of the individuals in Pueblo Regional Center HCBS-DD beds based on the need levels of individuals in the community.

Step 2. Level of Needs of Regional Center Individuals		
Total Individuals	Individuals with a Level 6	Individuals with a Level 7
74	68	6

Step 3: Calculate a full year funding cost for the HCBS-DD beds based on the FY 2012-13 average cost to serve an individual with a similar needs level in the community.

³ Page 31 of the audit report states in Table 11, average daily cost of one individual at Pueblo Regional Center is \$470.56. Therefore \$470.56 x 365 days = \$171,754.

Step 3. Calculation of Pueblo Regional Center Appropriation			
	Individuals with a Level 6	Individuals with a Level 7	Total
Beds	68	6	74
Cost for 1 bed*	\$101,322	\$124,570	
Cost for all beds	\$6,889,929	\$747,419	\$7,637,348

*The cost for 1 bed is equal to the FY 2012-13 cost plus the 4.0% FY 2013-14 provider rate and the 3.0% FY 2014-15 provider rate increase.

Pueblo Regional Center Waiver Funding

***NEW LINE ITEM RECOMMENDED FOR FY 2014-15**

Description: This line item would fund the cost of the 74 HCBS-DD licensed beds at the Pueblo Regional Center. The cash funds are from two sources of client cash revenues: (1) room and board paid by clients, and (2) patient pay from ICF/ID clients who receive benefits and/or earn wages. Room and board rates reflect the SSI allocation less the monthly allowance for personal spending. Patient pay is any funds a client earns above \$50 per month.

Request: The Department did not request this line item. The following table summarizes the net request for the Pueblo Regional Center, less leased space, based on the FY 2014-15 request for the existing Pueblo Regional Center line items.

FY 2014-15 Department Request for Pueblo Regional Center			
Line Item	Total Funds	Cash Funds	Medicaid Reappropriated Funds
Personal Services	\$8,364,655	\$554,913	\$7,809,742
Operating Expenses	485,126	0	485,126
Resident Incentive Allowance	20,000	0	20,000
Total	\$8,869,781	\$554,913	\$8,314,868

The personal services request includes the annualization of the FY 2013-14 salary survey and merit pay appropriations. There were no other changes to the appropriations.

Recommendation: **Staff recommends an appropriation of \$8,869,781 total funds, of which \$7,637,348 is Medicaid reappropriated funds, and 181.8 FTE.** The recommendation includes a reduction of \$122,607 Medicaid reappropriated funds due to utilizing a projection methodology to set the appropriation. The recommendation is calculated in accordance with Committee policy and outlined in the following table.

Services for People with Disabilities, Regional Centers for People with Developmental Disabilities, Pueblo Regional Center Waiver Funding				
	Total Funds	Cash Funds	Reappropriated Funds	FTE
FY 2013-14 Appropriation				
SB 13-230 (Long Bill)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>0.0</u>

JBC Staff Figure Setting – FY 2014-15
Staff Working Document – Does Not Represent Committee Decision

Services for People with Disabilities, Regional Centers for People with Developmental Disabilities, Pueblo Regional Center Waiver Funding				
	Total Funds	Cash Funds	Reappropriated Funds	FTE
TOTAL	\$0	\$0	\$0	0.0
FY 2014-15 Recommended Appropriation				
FY 2013-14 Appropriation	\$0	\$0	\$0	0.0
<u>Regional Center Changes</u>	<u>8,869,781</u>	<u>554,913</u>	<u>8,314,868</u>	<u>181.8</u>
TOTAL	\$8,869,781	\$554,913	\$8,314,868	181.8
Increase/(Decrease)	\$8,869,781	\$554,913	\$8,314,868	181.8
Percentage Change	100.0%	100.0%	100.0%	100.0%
FY 2014-15 Executive Request:	\$0	\$0	\$0	0.0
Request Above/(Below)				
Recommendation	(\$8,869,781)	(\$554,913)	(\$8,314,868)	(181.8)

Pueblo Regional Center Personal Services

***RECOMMENDED TO BE DISCONTINUED IN FY 2014-15**

Description: This line item funds the personal services costs of the Pueblo Regional Center. The cash funds are from two sources of client cash revenues: (1) room and board paid by clients, and (2) patient pay from ICF/ID clients who receive benefits and/or earn wages. Room and board rates reflect the SSI allocation less the monthly allowance for personal spending. Patient pay is any funds a client earns above \$50 per month.

Request: The Department requested an appropriation of \$8,364,655 total funds, of which \$7,809,742 is Medicaid reappropriated funds and 181.8 FTE. The request includes the annualization of the FY 2013-14 salary survey and merit pay appropriations.

Recommendation: **Staff recommends no appropriation for this line item** in accordance with the recommendation to implement a new budgeting methodology for the Pueblo Regional Center.

Pueblo Regional Center Operating Expenses

***RECOMMENDED TO BE DISCONTINUED IN FY 2014-15**

Description: This line item funds the operating expenses of the Pueblo Regional Center.

Request: The Department requests an appropriation of \$485,126 Medicaid reappropriated funds. The request does not include any changes from the FY 2013-14 appropriation.

Recommendation: **Staff recommends no appropriation for this line item** in accordance with the recommendation to implement a new budgeting methodology for the Pueblo Regional Center.

Resident Incentive Allowance

***RECOMMENDED TO BE DISCONTINUED IN FY 2014-15**

Description: This line item provides funding for the resident incentive allowance which is paid to Wheat Ridge Regional Center clients for their work services which include washing vehicles, food preparation, and janitorial services.

Request: The Department requests an appropriation of \$20,000 Medicaid reappropriated funds. The request does not include any changes from the FY 2013-14 appropriation.

Recommendation: *Recommendation:* **Staff recommends no appropriation for this line item** in accordance with the recommendation to implement a new budgeting methodology for the Pueblo Regional Center.

Leased Space

Description: This line item provides funding for leased space for regional center administration, maintenance shop, and the program at Pueblo West.

Request: The Department requests \$42,820 Medicaid reappropriated funds, of which \$21,410 net General Fund. The request does not include any changes from the FY 2013-14 appropriation.

Recommendation: **Staff recommends the Department's request for an appropriation of \$42,820 Medicaid reappropriated funds.**

DEPARTMENT OF HEALTH CARE POLICY AND FINANCING (6) DEPARTMENT OF HUMAN SERVICES MEDICAID-FUNDED PROGRAMS (F) SERVICES FOR PEOPLE WITH DISABILITIES – MEDICAID FUNDING
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Regional Center Depreciation and Annual Adjustments

Description: Federal rules allow states to draw Medicaid for some capital costs related to facilities for people with developmental disabilities using a depreciation method. Depreciation amounts are included in the daily rates the Department of Human Services charges to the Department of Health Care Policy and Financing for regional center consumers. However, because depreciation is associated with a past expenditure, it is not an operating expense that is included in the Department of Human Services operating budget.

This line item enables the State to capture depreciation payments from federal authorities associated with regional centers of the Department of Human Services (DHS). The line item was added through the FY 2003-04 Supplemental Bill (HB 04-1320) to reflect historic department practice. DHS is required to conduct annual depreciation calculations as part of its federal cost reporting. Depreciation amounts, allowed by federal authorities, have been included in the daily rates DHS charges to the Department for regional center consumers (all of whom are Medicaid eligible). However, because depreciation is associated with a past expenditure and is not an operating expense that is included in the DHS operating budget, DHS has never had the authority

to spend these moneys. Instead, the depreciation amounts paid by the Department (which are based on a standard 50% federal financial participation) may be reverted at the end of the year.

Request: The Department requests an appropriation of \$1,187,825 total funds, of which \$593,913 is General Fund and \$593,912 is federal funds. The request does not include any changes from the FY 2013-14 appropriation.

Recommendation: Staff is concerned that there has not been any adjustment to the line item since at least FY 2011-12 implying the depreciation costs of the Regional Centers have not changed since FY 2011-12. Staff is not convinced this is true because over those fiscal years the Regional Centers would have continued to depreciate. Staff was unable to obtain information about the projected FY 2014-15 depreciation costs, and as a result **staff recommends this line item not be funded for FY 2014-15** to prevent any issues that might require the State to repay improperly collected Medicaid funds. Staff will work with the Department to identify the appropriate costs for the FY 2015-16 budget.

Alternative: The General Assembly could choose to instruct the Departments not to build depreciation into Regional Center rates. In this case, this line item would not be necessary. The advantage of this would be that \$593,912 in General Fund would not be "tied up" each year in a depreciation appropriation that will never be used. The disadvantage is that the State forgoes an opportunity to convert matching federal funds to General fund through the reversion process and to then appropriate these funds the subsequent year.

(C) WORK THERAPY PROGRAM

Program Costs

Description: This line item funds the Work Therapy Program which provides sheltered training and employment workshops for individuals receiving services at the Colorado Mental Health Institute at Fort Logan and the Regional Centers at Grand Junction and Wheat Ridge. The Work Therapy Cash Fund receives revenue from contracts with area businesses and organizations for custodial services, printing, packaging, mailing, and other types of manual processing that can be performed by program clients. Enrolled clients are paid from funds received in proportion to the work performed.

Request: The Department requests an appropriation of \$467,116 cash funds and 1.5 FTE. The request does not include any changes from the FY 2013-14 appropriation.

Recommendation: **Staff recommends the Department's request for an appropriation of \$467,116 cash funds and 1.5 FTE.**

(D) DIVISION OF VOCATIONAL REHABILITATION

The Division of Vocational Rehabilitation assists individuals, whose disabilities result in barriers to employment or independent living with attaining and maintaining employment and/or independent living. At any of the forty-three field and satellite offices located throughout the state, rehabilitation counselors work with clients to assess their needs and identify appropriate vocational rehabilitation services. The Division also administers state and federal and state grants to independent living centers working to enable individuals with disabilities to live independently and for programs that provide assistant to elderly blind individuals.

Division of Vocational Rehabilitation						
	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FTE
FY 2013-14 Appropriation						
SB 13-230 (Long Bill)	\$52,232,637	\$6,107,308	\$4,085,320	\$5,117,803	\$36,922,206	231.2
H.B. 14-1238 (Supplemental Bill)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
TOTAL	\$52,232,637	\$6,107,308	\$4,085,320	\$5,117,803	\$36,922,206	231.2
FY 2014-15 Recommended Appropriation						
FY 2013-14 Appropriation	\$52,232,637	\$6,107,308	\$4,085,320	\$5,117,803	\$36,922,206	231.2
R12 Community provider rate	69,993	69,993	0	0	0	0.0
Centrally appropriated line items	<u>834,891</u>	<u>171,869</u>	<u>9,331</u>	<u>391</u>	<u>653,300</u>	<u>0.0</u>
TOTAL	\$53,137,521	\$6,349,170	\$4,094,651	\$5,118,194	\$37,575,506	231.2
Increase/(Decrease)	\$904,884	\$241,862	\$9,331	\$391	\$653,300	0.0
Percentage Change	1.7%	4.0%	0.2%	0.0%	1.8%	0.0%
FY 2014-15 Executive Request						
Request Above/(Below)						
Recommendation	(\$67,046)	(\$69,365)	\$0	\$0	\$2,319	(0.0)

Rehabilitation Programs - General Fund Match

Description: This line item appropriated the General Fund Match portion of the federal vocational rehabilitation grant. For every \$1 of General Fund the Program it receives \$3.69 federal funds up to the total federal grant. The General Fund and grant are used to operate the state's vocational rehabilitation programs which provide vocation services for individuals with disabilities (not just developmental disabilities). Services include: counseling and guidance, job development or placement, mental restoration services, occupational licenses, tools and equipment, physical restoration services, assistive technology, specialized services for a specific disability, telecommunications services, and training. Since the focus of these programs is employment and independent living, services generally do not include medical treatment or rehabilitation.

Request: The Department requests an appropriation of \$20,058,762 total funds, of which \$4,272,517 is General Fund, and 212.7 FTE. The request includes the annualization of the FY 2013-14 salary survey and merit pay appropriations.

Recommendation: **Staff recommends the Department's request for an appropriation of \$20,058,762 total funds, of which \$4,272,517 is General Fund, and 212.7 FTE.** Currently there are 6,055 individuals waiting for these services. Additional information was not available to staff at the time this document was prepared on the amount of federal funds remaining the State's federal account. Additional General Fund could be appropriated to pull down those federal funds which can be used for services for a number of individuals waiting for services.

Rehabilitation Programs - Local Match

Description: This line item contains matching funds for the federal funds from non-General Fund sources including:

- private donations, shown as cash funds;
- cash funds from local governments interested in extending vocational rehabilitation services to qualified participants in the Temporary Assistance to Needy Families program
- reappropriated funds transferred from the Department of Education on behalf of school districts participating in the School-to-Work Alliance Program, which provides job development, on-the-job training, and job-site support to students with disabilities; and
- reappropriated funds from the Mental Health Institutes for services to their clients.

Request: The Department requests an appropriation of \$24,191,741 total funds and 11.0 FTE. The request includes the annualization of the FY 2013-14 salary survey and merit pay appropriations.

Recommendation: **Staff recommends the Department's request for an appropriation of \$24,191,741 total funds and 11.0 FTE.**

Business Enterprise Program for People who are Blind

Description: The Business Enterprise Program assists blind or visually-impaired individuals in operation of vending and food service businesses in approximately forty-five state and federal buildings. The Program is the result of the federal Randolph-Sheppard Vending Facility, which gives priority to blind and visually impaired individuals who wish to operate and manage food and vending services in federal and state government office buildings and facilities. The Program utilizes funding from this line item to support site development, initial merchandise and supply inventory, purchasing equipment, and providing technical support to vendors. After initial set-up is established, managers operate the facility with revenue from food sales. All operators pay a certain percentage of their profits, up to 13.0 percent, to support the Program. This revenue is deposited into the Business Enterprise Cash Fund. Moneys in the Fund are used to match federal funds, which cover most associated Program expenditures at a rate of \$1 cash funds to \$3.69 federal funds (78.7 percent federal match rate).

Request: The Department requests an appropriation of \$1,203,912 total funds and 6.0 FTE. The request includes the annualization of the FY 2013-14 salary survey and merit pay appropriations.

Recommendation: Staff recommends the Department's request for an appropriation of \$1,203,912 total funds and 6.0 FTE.

Business Enterprise Program - Program Operated Stands, Repair Costs, and Operator Benefits

Description: This line item pays for costs associated with the Business Enterprise Program that are not eligible for the federal match including: costs associated with temporary state operation of vending facilities when a vendor leaves the program; equipment maintenance and repair during this interim period; and payments to operators to support their health insurance, IRA contributions, and vacation pay (operators are not state employees). Revenues from the operation of the vending stands and payments by the vendors support this program. Expenses and revenues in this line item are highly unpredictable, as they are dependent upon whether one or more operators abandon sites during the year.

Request: The Department requests an appropriation of \$429,000 cash funds. The request does not include any changes from the FY 2013-14 appropriation.

Recommendation: Staff recommends the Department's request for an appropriation of \$429,000 cash funds due to the unpredictable nature of the need for this funding.

Independent Living Centers and State Independent Living Council

Description: This line item funds the Independent Living Council, grants, and contracts with independent living centers. The Division contracts with the ten independent living centers that provide services to individuals with disabilities that enable these individuals to live independently. Grants are used to assist individuals with significant disabilities in living independently outside of institutions.

Request: The Department requests an appropriation of \$2,333,115 total funds, of which \$2,007,288 is General Fund. The request does not include any changes from the FY 2013-14 appropriation.

Recommendation: Staff recommends an appropriation of \$2,403,108 total funds, of which \$2,077,281 is General Fund. The recommendation includes an increase associated with 3.0 percent community provider rate increase. The recommendation is calculated in accordance with Committee policy and outlined in the following table.

Services for People with Disabilities, Division of Vocational Rehabilitation, Independent Living Centers and State Independent Living Council					
	Total Funds	General Fund	Cash Funds	Federal Funds	FTE
FY 2013-14 Appropriation					
SB 13-230 (Long Bill)	<u>\$2,333,115</u>	<u>\$2,007,288</u>	<u>\$29,621</u>	<u>\$296,206</u>	<u>0.0</u>
TOTAL	\$2,333,115	\$2,007,288	\$29,621	\$296,206	0.0

JBC Staff Figure Setting – FY 2014-15
Staff Working Document – Does Not Represent Committee Decision

Services for People with Disabilities, Division of Vocational Rehabilitation, Independent Living Centers and State Independent Living Council					
	Total Funds	General Fund	Cash Funds	Federal Funds	FTE
FY 2014-15 Recommended Appropriation					
FY 2013-14 Appropriation	\$2,333,115	\$2,007,288	\$29,621	\$296,206	0.0
R12 Community provider rate	<u>69,993</u>	<u>69,993</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
TOTAL	\$2,403,108	\$2,077,281	\$29,621	\$296,206	0.0
Increase/(Decrease)	\$69,993	\$69,993	\$0	\$0	0.0
Percentage Change	3.0%	3.5%	0.0%	0.0%	0.0%
FY 2014-15 Executive Request:	\$2,333,115	\$2,007,288	\$29,621	\$296,206	0.0
Request Above/(Below)					
Recommendation	(\$69,993)	(\$69,993)	\$0	\$0	0.0

Older Blind Grants

Description: This line item provides independent living services to persons age 55 or older who are blind or visually impaired, independent living centers and community agencies. Most of the individuals served through these grants have become blind older in life, and are provided assistance in learning new strategies for accomplishing daily tasks and participating in community and family activities.

Request: The Department requests an appropriation of \$450,000 total funds. The request does not include any changes from the FY 2013-14 appropriation.

Recommendation: **Staff recommends the Departments request for an appropriation of \$450,000 total funds.**

Traumatic Brain Injury Trust Fund

Description: The Traumatic Brain Injury Trust Fund receives revenue from a \$20 surcharge for DUI and related convictions, a \$15 surcharge for speeding violations, and a \$10 surcharge for helmet convictions. The Traumatic Brain Injury Board may also accept gifts, grants, and donations, although none have been forthcoming. At least 55.0 percent of the money must be spent for direct services for people with traumatic brain injuries, at least 25.0 percent for research, and at least 5.0 percent for education. The Board has discretion over the remaining 10.0 percent.

Request: The Department requests an appropriation of \$3,300,721 cash funds and 1.5 FTE. The request includes the annualization on FY 2013-14 salary survey and merit pay appropriations.

Recommendation: **Staff recommends the Department's request for an appropriation of \$3,300,721 cash funds and 1.5 FTE.**

Federal Social Security Reimbursement

Description: This line item funds the purchase of services outlined in a consumer's individualized plan for employment including training and assistive technology. The federal funds in this line item represent incentive payments from the federal Supplemental Security Income Program (SSI Program) when vocational rehabilitation programs successfully remove people from the SSI Program.

Request: The Department requests an appropriation of \$1,103,224 federal funds. The request does not include any changes from the FY 2012-13 appropriation.

Recommendation: **Staff recommends the Department's request for an appropriation of \$1,103,224 federal funds.**

(E) HOMELAKE DOMICILIARY AND STATE VETERANS NURSING HOMES

The Colorado State and Veterans Nursing Homes are state owned nursing homes that provide skilled nursing care primarily to honorably discharged veterans and their spouses, widows and in some instances, parents of deceased veterans. The five homes are located throughout the state in Aurora (Fitzsimons), Florence (McCandless), Monte Vista (Homelake), Rifle, and Walsenburg. Each facility is Medicare and Medicaid-certified and licensed by the Colorado Department of Public Health and Environment. Additionally, the homes are certified by the US Department of Veterans Affairs to receive federal funds in support of the care of veterans. The Homelake Domiciliary and Nursing Homes are designated as enterprises, have continuous spending authority, and appropriated in the Long Bill for informational purposes only.

Homelake Domiciliary and State and Veterans Nursing Homes					
	Total Funds	General Fund	Cash Funds	Federal Funds	FTE
FY 2013-14 Appropriation					
SB 13-230 (Long Bill)	\$46,372,730	\$986,130	\$31,056,700	\$14,329,900	558.5
Other legislation	99,575	99,575	0	0	0.0
H.B. 14-1238 (Supplemental Bill)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
TOTAL	\$46,472,305	\$1,085,705	\$31,056,700	\$14,329,900	558.5
FY 2014-15 Recommended Appropriation					
FY 2013-14 Appropriation	\$46,472,305	\$1,085,705	\$31,056,700	\$14,329,900	558.5
Annualize prior year legislation	185,269	185,269	0	0	0.5
Informational funds adjustment	<u>5,517,570</u>	<u>0</u>	<u>3,485,200</u>	<u>2,032,370</u>	<u>44.3</u>
TOTAL	\$52,175,144	\$1,270,974	\$34,541,900	\$16,362,270	603.3
Increase/(Decrease)					
	\$5,702,839	\$185,269	\$3,485,200	\$2,032,370	44.8
Percentage Change	12.3%	17.1%	11.2%	14.2%	8.0%
FY 2014-15 Executive Request					
Request Above/(Below)	\$45,848,059	\$1,085,705	\$30,432,454	\$14,329,900	558.5
Recommendation	(\$6,327,085)	(\$185,269)	(\$4,109,446)	(\$2,032,370)	(44.8)

Administration

Description: This line item funds the Division's administrative costs of the state veteran's nursing homes.

Request: The Department requests an appropriation of \$1,010,800 cash funds and 5.0 FTE. The request does not include any changes from the FY 2013-14 appropriation.

Recommendation: **Staff recommends an appropriation of \$1,038,800 cash funds and 5.0 FTE based on the Department's projection of FY 2014-15 costs.**

JBC Staff Figure Setting – FY 2014-15
Staff Working Document – Does Not Represent Committee Decision

Services for People with Disabilities, Homelake Domiciliary and State and Veterans Nursing Homes, Administration				
	Total Funds	General Fund	Cash Funds	FTE
FY 2013-14 Appropriation				
SB 13-230 (Long Bill)	\$1,010,800	\$0	\$1,010,800	5.0
H.B. 14-1238 (Supplemental Bill)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0.0</u>
TOTAL	\$1,010,800	\$0	\$1,010,800	5.0
FY 2014-15 Recommended Appropriation				
FY 2013-14 Appropriation	\$1,010,800	\$0	\$1,010,800	5.0
Informational funds adjustment	<u>28,000</u>	<u>0</u>	<u>28,000</u>	<u>0.0</u>
TOTAL	\$1,038,800		\$1,038,800	5.0
Increase/(Decrease)	\$28,000	\$0	\$28,000	0.0
Percentage Change	2.8%	0.0%	2.8%	0.0%
FY 2014-15 Executive Request:	\$384,239	\$0	\$384,239	5.0
Request Above/(Below) Recommendation	(\$654,561)		(\$654,561)	0.0

Fitzsimons State Veterans Nursing Home

Description: This line item appropriates for information purposes, the operational costs of the Fitzsimons State Veterans Nursing Home.

Request: The Department requests an appropriation of \$20,234,500 total funds and 249.0 FTE. The request does not include any changes from the FY 2013-14 appropriation.

Recommendation: **Staff recommends an informational appropriation of \$22,248,000 total funds and 238.4 FTE.** The recommendation includes an information adjustment to the cash and federal funds and FTE to align the FY 2014-15 appropriation with estimated expenditures for this Home. The recommendation was calculated in accordance with Committee policy and outlined in the following table.

Services for People with Disabilities, Homelake Domiciliary and State and Veterans Nursing Homes, Fitzsimons State Veterans Nursing Home					
	Total Funds	General Fund	Cash Funds	Federal Funds	FTE
FY 2013-14 Appropriation					
SB 13-230 (Long Bill)	<u>\$20,234,500</u>	<u>\$0</u>	<u>\$13,444,700</u>	<u>\$6,789,800</u>	<u>249.0</u>
TOTAL	\$20,234,500	\$0	\$13,444,700	\$6,789,800	249.0

JBC Staff Figure Setting – FY 2014-15
Staff Working Document – Does Not Represent Committee Decision

Services for People with Disabilities, Homelake Domiciliary and State and Veterans Nursing Homes, Fitzsimmons State Veterans Nursing Home					
	Total Funds	General Fund	Cash Funds	Federal Funds	FTE
FY 2014-15 Recommended Appropriation					
FY 2013-14 Appropriation	\$20,234,500	\$0	\$13,444,700	\$6,789,800	249.0
Informational funds adjustment	<u>2,013,500</u>	<u>0</u>	<u>2,013,500</u>	<u>0</u>	<u>(10.6)</u>
TOTAL	\$22,248,000		\$15,458,200	\$6,789,800	238.4
Increase/(Decrease)	\$2,013,500	\$0	\$2,013,500	\$0	(10.6)
Percentage Change	0.0%	0.0%	0.0%	0.0%	(4.3%)
FY 2014-15 Executive Request:	\$20,234,500	\$0	\$13,444,700	\$6,789,800	249.0
Request Above/(Below)					
Recommendation	(\$2,013,500)		(\$2,013,500)	\$0	10.6

Florence State Veterans Nursing Home

Description: This line item appropriates for information purposes, the operational costs of the Florence State Veterans Nursing Home.

Request: The Department requests an appropriation of \$9,936,300 total funds and 112.0 FTE. The request does not include any changes from the FY 2013-14 appropriation.

Recommendation: **Staff recommends an informational appropriation of \$11,264,500 total funds and 140.0 FTE.** The recommendation includes an information adjustment to the cash and federal funds and FTE to align the FY 2014-15 appropriation with estimated expenditures for this Home. The recommendation was calculated in accordance with Committee policy and outlined in the following table.

Services for People with Disabilities, Homelake Domiciliary and State and Veterans Nursing Homes, Florence State Veterans Nursing Home					
	Total Funds	General Fund	Cash Funds	Federal Funds	FTE
FY 2013-14 Appropriation					
SB 13-230 (Long Bill)	<u>\$9,936,300</u>	<u>\$0</u>	<u>\$6,915,800</u>	<u>\$3,020,500</u>	<u>112.0</u>
TOTAL	\$9,936,300	\$0	\$6,915,800	\$3,020,500	112.0
FY 2014-15 Recommended Appropriation					
FY 2013-14 Appropriation	\$9,936,300	\$0	\$6,915,800	\$3,020,500	112.0
Informational funds adjustment	<u>1,328,200</u>	<u>0</u>	<u>1,328,200</u>	<u>0</u>	<u>28.0</u>
TOTAL	\$11,264,500		\$8,244,000	\$3,020,500	140.0
Increase/(Decrease)	\$1,328,200	\$0	\$1,328,200	\$0	28.0
Percentage Change	0.0%	0.0%	0.0%	0.0%	25.0%

JBC Staff Figure Setting – FY 2014-15
Staff Working Document – Does Not Represent Committee Decision

Services for People with Disabilities, Homelake Domiciliary and State and Veterans Nursing Homes, Florence State Veterans Nursing Home					
	Total Funds	General Fund	Cash Funds	Federal Funds	FTE
FY 2014-15 Executive Request:	\$9,936,300	\$0	\$6,915,800	\$3,020,500	112.0
Request Above/(Below) Recommendation	(\$1,328,200)		(\$1,328,200)	\$0	(28.0)

Homelake State Veterans Center

Description: This line item, renamed in FY 2013-14, funds all costs of the Homelake State Veterans Center. The Center includes the state veterans nursing home and domiciliary. The Homelake Domiciliary is a 46-bed facility in Monte Vista that serves residents who do not require continuous nursing or medical care, but may need assistance with meals, housekeeping, personal care, laundry, and access to a physician. Residents, who are veterans or their relatives, pay rental fees that are subsidized by U.S. Veteran's Administration per diem payments. The General Fund is used to subsidize resident fees at the Homelake Domiciliary.

Request: The Department requests an appropriation of \$6,169,874 total funds, of which \$470,974 is General Funds. The request includes an increase of \$185,269 General Fund and 0.5 for the annualization of S.B. 13-040, Complete Cemetery Expansion at Homelake Center.

Recommendation: **Staff recommends an appropriation of \$7,917,400 total funds, of which \$186,130 is General Fund and 102.8 FTE.** The recommendation does not include the funding appropriation for S.B. 13-040 because the appropriation clause specifically states the appropriation is to the Homelake Military Veterans Cemetery line item. The recommendation includes an information adjustment to the cash and federal funds and FTE to align the FY 2014-15 appropriation with estimated expenditures for this Home. The recommendation was calculated in accordance with Committee policy and outlined in the following table.

Services for People with Disabilities, Homelake Domiciliary and State and Veterans Nursing Homes, Homelake State Veterans Nursing Home and Domiciliary					
	Total Funds	General Fund	Cash Funds	Federal Funds	FTE
FY 2013-14 Appropriation					
SB 13-230 (Long Bill)	<u>\$5,885,030</u>	<u>\$186,130</u>	<u>\$3,429,300</u>	<u>\$2,269,600</u>	<u>70.5</u>
TOTAL	\$5,885,030	\$186,130	\$3,429,300	\$2,269,600	70.5
FY 2014-15 Recommended Appropriation					
FY 2013-14 Appropriation	\$5,885,030	\$186,130	\$3,429,300	\$2,269,600	70.5
Informational funds adjustment	<u>2,032,370</u>	<u>0</u>	<u>0</u>	<u>2,032,370</u>	<u>32.3</u>
TOTAL	\$7,917,400	\$186,130	\$3,429,300	\$4,301,970	102.8
Increase/(Decrease)	\$2,032,370	\$0	\$0	\$2,032,370	32.3
Percentage Change	0.0%	0.0%	0.0%	0.0%	45.8%

JBC Staff Figure Setting – FY 2014-15
Staff Working Document – Does Not Represent Committee Decision

Services for People with Disabilities, Homelake Domiciliary and State and Veterans Nursing Homes, Homelake State Veterans Nursing Home and Domiciliary					
	Total Funds	General Fund	Cash Funds	Federal Funds	FTE
FY 2014-15 Executive Request:	\$5,887,345	\$186,130	\$3,431,615	\$2,269,600	70.5
Request Above/(Below)					
Recommendation	(\$2,030,055)	\$0	\$2,315	(\$2,032,370)	(32.3)

Homelake Military Veterans Cemetery

Description: This line item funds the expansion of the Homelake Center veterans cemetery and was added by S.B. 13-040.

Request: The Department did not request this line, and requested the funding for the cemetery expansion be combined into the Homelake Center line item.

Recommendation: Staff recommends the appropriation for the cemetery expansion be kept separate because of the specific statutory requirements the funds are implementing. Additionally keeping the funds separate will enable the General Assembly to track the cost of cemetery expansion. **Staff recommendations an appropriation of \$284,844 General Fund and 0.5 FTE.**

Services for People with Disabilities, Homelake Domiciliary and State and Veterans Nursing Homes, Homelake Military Veterans Cemetery			
	Total Funds	General Fund	FTE
FY 2013-14 Appropriation			
Other legislation	<u>\$99,575</u>	<u>\$99,575</u>	<u>0.0</u>
TOTAL	\$99,575	\$99,575	0.0
FY 2014-15 Recommended Appropriation			
FY 2013-14 Appropriation	\$99,575	\$99,575	0.0
Annualize prior year legislation	<u>185,269</u>	<u>185,269</u>	<u>0.5</u>
TOTAL	\$284,844	\$284,844	0.5
Increase/(Decrease)	\$185,269	\$185,269	0.5
Percentage Change	186.1%	186.1%	0.0%
FY 2014-15 Executive Request:	\$99,575	\$99,575	0.0
Request Above/(Below) Recommendation	(\$185,269)	(\$185,269)	(0.5)

Rifle State Veterans Nursing Home

Description: This line item appropriates for information purposes, the operational costs of the Rifle State Veterans Nursing Home.

JBC Staff Figure Setting – FY 2014-15
Staff Working Document – Does Not Represent Committee Decision

Request: The Department requests an appropriation of \$8,326,200 total funds and 121.0 FTE. The request does not include any changes from the FY 2013-14 appropriation.

Recommendation: Staff recommends an informational appropriation of \$8,414,200 total funds and 115.6 FTE. The recommendation includes an information adjustment to the cash and federal funds and FTE to align the FY 2014-15 appropriation with estimated expenditures for this Home. The recommendation was calculated in accordance with Committee policy and outlined in the following table.

Services for People with Disabilities, Homelake Domiciliary and State and Veterans Nursing Homes, Rifle State Veterans Nursing Home					
	Total Funds	General Fund	Cash Funds	Federal Funds	FTE
FY 2013-14 Appropriation					
SB 13-230 (Long Bill)	<u>\$8,326,200</u>	<u>\$0</u>	<u>\$6,076,200</u>	<u>\$2,250,000</u>	<u>121.0</u>
TOTAL	\$8,326,200	\$0	\$6,076,200	\$2,250,000	121.0
FY 2014-15 Recommended Appropriation					
FY 2013-14 Appropriation	\$8,326,200	\$0	\$6,076,200	\$2,250,000	121.0
Informational funds adjustment	<u>88,000</u>	<u>0</u>	<u>88,000</u>	<u>0</u>	<u>(5.4)</u>
TOTAL	\$8,414,200		\$6,164,200	\$2,250,000	115.6
Increase/(Decrease)	\$88,000	\$0	\$88,000	\$0	(5.4)
Percentage Change	0.0%	0.0%	0.0%	0.0%	(4.5%)
FY 2014-15 Executive Request:	\$8,326,200	\$0	\$6,076,200	\$2,250,000	121.0
Request Above/(Below) Recommendation	(\$88,000)		(\$88,000)	\$0	5.4

Walsenburg State Veterans Nursing Home

Description: This line item appropriates for information purposes, the state administrative costs of the Walsenburg State Veterans Nursing Home.

Request: The Department requests an appropriation of \$179,900 cash funds and 1.0 FTE. The request does not include any changes from the FY 2013-14 appropriation.

Recommendation: Staff recommends an informational appropriation of \$207,400 total funds and 1.0 FTE. The recommendation includes an information adjustment to the cash and federal funds and FTE to align the FY 2014-15 appropriation with estimated expenditures for this Home. The recommendation was calculated in accordance with Committee policy and outlined in the following table.

JBC Staff Figure Setting – FY 2014-15
Staff Working Document – Does Not Represent Committee Decision

Services for People with Disabilities, Homelake Domiciliary and State and Veterans Nursing Homes, Walsenburg State Veterans Nursing Home				
	Total Funds	General Fund	Cash Funds	FTE
FY 2013-14 Appropriation				
SB 13-230 (Long Bill)	<u>\$179,900</u>	<u>\$0</u>	<u>\$179,900</u>	<u>1.0</u>
TOTAL	\$179,900	\$0	\$179,900	1.0
FY 2014-15 Recommended Appropriation				
FY 2013-14 Appropriation	\$179,900	\$0	\$179,900	1.0
Informational funds adjustment	<u>27,500</u>	<u>0</u>	<u>27,500</u>	<u>0.0</u>
TOTAL	\$207,400		\$207,400	1.0
Increase/(Decrease)	\$27,500	\$0	\$27,500	0.0
Percentage Change	0.0%	0.0%	0.0%	0.0%
FY 2014-15 Executive Request:	\$179,900	\$0	\$179,900	1.0
Request Above/(Below)				
Recommendation	(\$27,500)	0	(\$27,500)	0.0

Nursing Home Indirect Costs AND Subsidy

***RECOMMENDED LINE ITEM NAME CHANGE**

Description: This line item was added to the FY 2007-08 Long Bill to reflect the state support for the state veterans nursing homes. The appropriation is reappropriated to the Office of Operations and covers a portion of the indirect costs associated with Department services to the nursing homes.

Request: The Department requests an appropriation of \$800,000 General Fund. The request does not include any changes from the FY 2013-14 appropriation.

Recommendation: **Staff recommends the line item name be changed to reflect what the appropriation actually is, and an appropriation of \$1,600,000 total funds of which \$800,000 is General Fund.** The recommendation includes an increase of \$800,000 cash funds which is a portion of the cost of the State Veterans indirect costs. The recommended line item name reflects the purpose of the line item.

Program Costs

This line item was discontinued in FY 2012-13 pursuant to breaking out the appropriations for each state veterans nursing homes into new line items for each state veterans nursing home. The line item appears only in the numbers pages for informational purposes only and will not appear in the FY 2014-15 Long Bill.

Consulting Services

Description: This line item was discontinued in FY 2013-14 and is included in the numbers pages for informational purposes only. Prior to FY 2013-14 line item funds for consulting

services used by the Homes for the following purposes: (1) identifying and correcting service issues; (2) increasing resident census, where appropriate; (3) providing an independent and regular assessment of the performance of each home, based on selected key performance indicators; and (4) regularly reporting this performance data to the appropriate oversight entities. These costs are included in the appropriation for each Home.

Homelake Domiciliary State Subsidy

Description: This line item was combined with other funding for the Homelake State Veterans Center in FY 2013-14.

JBC Staff Staff Figure Setting - FY 2014-15
Staff Working Document - Does Not Represent Committee Decision

Appendix A: Number Pages

	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
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DEPARTMENT OF HUMAN SERVICES
Reggie Bicha, Executive Director

(1) EXECUTIVE DIRECTOR'S OFFICE

(A) General Administration

Personal Services	<u>1,945,902</u>	<u>1,775,883</u>	<u>1,895,788</u>	<u>1,941,400</u>	<u>1,941,400</u>
FTE	15.0	15.3	21.4	21.4	15.3
General Fund	99,798	129,079	611,956	639,686	639,686
Cash Funds	651,279	614,246	97,523	99,680	99,680
Reappropriated Funds	111,205	140,032	293,791	298,102	298,102
Federal Funds	1,083,620	892,526	892,518	903,932	903,932
Health, Life, and Dental	<u>22,901,617</u>	<u>26,007,194</u>	<u>29,147,559</u>	<u>29,582,595</u>	<u>29,616,816</u> *
General Fund	14,477,939	15,637,178	17,669,591	18,804,951	18,661,350
Cash Funds	466,125	502,985	609,233	538,968	538,968
Reappropriated Funds	4,921,946	6,594,805	6,940,436	6,312,226	6,494,690
Federal Funds	3,035,607	3,272,226	3,928,299	3,926,450	3,921,808
Short-term Disability	<u>365,224</u>	<u>356,844</u>	<u>417,329</u>	<u>477,498</u>	<u>479,641</u> *
General Fund	221,234	220,492	259,563	307,928	305,984
Cash Funds	7,531	6,928	9,412	9,697	9,742
Reappropriated Funds	82,194	76,025	85,167	87,616	91,438
Federal Funds	54,265	53,399	63,187	72,257	72,477

JBC Staff Staff Figure Setting - FY 2014-15
Staff Working Document - Does Not Represent Committee Decision

	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
S.B. 04-257 Amortization Equalization					
Disbursement	<u>5,613,157</u>	<u>6,524,620</u>	<u>7,726,678</u>	<u>8,901,461</u>	<u>8,956,975</u> *
General Fund	3,388,549	3,747,523	0	5,751,089	5,717,274
Cash Funds	91,975	247,144	179,431	177,385	178,217
Reappropriated Funds	1,306,019	1,560,540	1,622,310	1,650,444	1,735,175
Federal Funds	826,614	969,413	1,200,333	1,322,543	1,326,309
S.B. 06-235 Supplemental Amortization					
Equalization Disbursement	<u>4,561,313</u>	<u>5,566,477</u>	<u>6,960,305</u>	<u>8,345,121</u>	<u>8,397,165</u> *
General Fund	2,782,092	3,265,085	4,250,101	5,391,647	5,359,944
Cash Funds	73,184	181,935	161,986	166,299	167,079
Reappropriated Funds	1,042,450	1,286,772	1,464,585	1,547,291	1,626,727
Federal Funds	663,587	832,685	1,083,633	1,239,884	1,243,415
Salary Survey	<u>0</u>	<u>0</u>	<u>5,950,587</u>	<u>3,441,819</u>	<u>7,102,204</u>
General Fund	0	0	3,521,881	2,208,670	4,530,808
Cash Funds	0	0	158,634	70,050	144,260
Reappropriated Funds	0	0	1,330,200	663,935	1,353,950
Federal Funds	0	0	939,872	499,164	1,073,186
Merit Pay	<u>0</u>	<u>0</u>	<u>3,339,994</u>	<u>3,465,270</u>	<u>3,469,434</u>
General Fund	0	0	1,945,332	2,183,133	2,185,730
Cash Funds	0	0	83,797	61,852	61,781
Reappropriated Funds	0	0	753,376	664,526	666,224
Federal Funds	0	0	557,489	555,759	555,699

JBC Staff Staff Figure Setting - FY 2014-15
Staff Working Document - Does Not Represent Committee Decision

	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
Shift Differential	<u>3,259,235</u>	<u>4,089,727</u>	<u>4,566,588</u>	<u>5,115,275</u>	<u>5,115,275</u>
General Fund	2,179,629	2,696,363	3,010,588	3,366,252	3,366,252
Cash Funds	0	6,284	0	8,486	8,486
Reappropriated Funds	1,074,975	1,380,983	1,556,000	1,728,870	1,728,870
Federal Funds	4,631	6,097	0	11,667	11,667
Workers' Compensation	<u>9,986,978</u>	<u>12,601,993</u>	<u>12,469,196</u>	<u>12,248,834</u>	<u>12,248,834</u>
General Fund	5,452,845	6,509,067	6,440,437	6,741,758	6,741,758
Cash Funds	906,288	999,887	987,436	1,104,845	1,104,845
Reappropriated Funds	3,091,254	4,508,946	4,464,327	3,629,330	3,629,330
Federal Funds	536,591	584,093	576,996	772,901	772,901
Operating Expenses	<u>162,906</u>	<u>460,867</u>	<u>495,280</u>	<u>496,015</u>	<u>496,015</u>
General Fund	162,906	308,243	139,181	139,626	139,626
Cash Funds	0	71,129	119,393	119,570	119,570
Reappropriated Funds	0	81,495	160,504	160,504	160,504
Federal Funds	0	0	76,202	76,315	76,315
Legal Services	<u>1,361,615</u>	<u>1,334,463</u>	<u>1,679,424</u>	<u>1,679,424</u>	<u>1,547,400</u>
General Fund	1,225,527	1,210,070	1,417,160	1,417,160	1,417,160
Cash Funds	136,088	124,393	189,885	189,885	130,240
Reappropriated Funds	0	0	14,802	14,802	0
Federal Funds	0	0	57,577	57,577	0
Administrative Law Judge Services	<u>773,370</u>	<u>922,776</u>	<u>723,531</u>	<u>546,119</u>	<u>546,119</u>
General Fund	729,255	866,966	438,068	341,893	341,893
Cash Funds	44,115	55,810	43,760	15,747	15,747
Federal Funds	0	0	241,703	188,479	188,479

JBC Staff Staff Figure Setting - FY 2014-15
Staff Working Document - Does Not Represent Committee Decision

	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
Payment to Risk Management and Property Funds	<u>1,159,905</u>	<u>1,692,827</u>	<u>1,463,119</u>	<u>1,437,097</u>	<u>1,437,097</u>
General Fund	651,843	1,036,223	1,170,321	786,797	786,797
Cash Funds	62,553	68,834	26,091	80,215	80,215
Reappropriated Funds	136,717	222,020	187,900	232,540	232,540
Federal Funds	308,792	365,750	78,807	337,545	337,545
Staff Training	<u>475</u>	<u>13,800</u>	<u>31,870</u>	<u>31,870</u>	<u>13,799</u>
General Fund	0	1	0	0	0
Cash Funds	475	13,799	31,870	31,870	13,799
Injury Prevention Program	<u>104,217</u>	<u>96,141</u>	<u>105,970</u>	<u>105,970</u>	<u>105,970</u>
General Fund	104,217	0	0	0	0
Reappropriated Funds	0	96,141	105,970	105,970	105,970
SUBTOTAL - (A) General Administration	52,195,914	61,443,612	76,973,218	77,815,768	81,474,144
FTE	<u>15.0</u>	<u>15.3</u>	<u>21.4</u>	<u>21.4</u>	<u>15.3</u>
General Fund	31,475,834	35,626,290	45,598,783	48,080,590	50,194,262
Cash Funds	2,439,613	2,893,374	2,698,451	2,674,549	2,672,629
Reappropriated Funds	11,766,760	15,947,759	18,979,368	17,096,156	18,123,520
Federal Funds	6,513,707	6,976,189	9,696,616	9,964,473	10,483,733

(B) Special Purpose

Employment and Regulatory Affairs	<u>4,798,592</u>	<u>4,947,607</u>	<u>4,946,848</u>	<u>5,230,312</u>	<u>5,084,046</u> *
FTE	64.2	66.1	66.1	65.9	65.9
General Fund	1,790,833	1,817,587	1,816,828	2,019,051	1,872,785
Cash Funds	268,453	270,442	270,442	277,995	277,995
Reappropriated Funds	680,940	685,312	685,312	692,574	692,574
Federal Funds	2,058,366	2,174,266	2,174,266	2,240,692	2,240,692

JBC Staff Staff Figure Setting - FY 2014-15
Staff Working Document - Does Not Represent Committee Decision

	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
Administrative Review Unit	<u>1,972,125</u>	<u>2,085,377</u>	<u>2,256,581</u>	<u>2,336,482</u>	<u>2,336,482</u> *
FTE	22.1	22.1	26.1	26.2	26.2
General Fund	1,316,794	1,381,249	1,502,133	1,881,512	1,881,512
Federal Funds	655,331	704,128	754,448	454,970	454,970
Records and Reports of Child Abuse or Neglect	<u>515,324</u>	<u>494,119</u>	<u>577,448</u>	<u>595,155</u>	<u>595,155</u> *
FTE	7.9	7.1	7.5	7.5	7.5
Cash Funds	515,324	494,119	577,448	595,155	595,155
Child Protection Ombudsman Program	<u>849,015</u>	<u>738,585</u>	<u>370,000</u>	<u>375,550</u>	<u>375,550</u> *
General Fund	369,170	368,585	370,000	375,550	375,550
Cash Funds	479,845	370,000	0	0	0
Juvenile Parole Board	<u>227,524</u>	<u>242,932</u>	<u>278,314</u>	<u>287,760</u>	<u>287,760</u>
FTE	2.9	2.9	3.2	3.2	3.2
General Fund	183,491	202,199	202,200	208,906	208,906
Reappropriated Funds	44,033	40,733	76,114	78,854	78,854
Developmental Disabilities Council	<u>655,935</u>	<u>846,725</u>	<u>655,900</u>	<u>671,267</u>	<u>888,500</u>
FTE	4.7	5.0	6.0	6.0	6.0
Federal Funds	655,935	846,725	655,900	671,267	888,500
Colorado Commission for the Deaf and Hard of Hearing	<u>1,069,453</u>	<u>1,262,071</u>	<u>1,124,532</u>	<u>1,134,525</u>	<u>1,151,174</u>
FTE	4.1	5.8	6.3	6.3	6.3
General Fund	124,654	115,562	129,398	130,498	133,961
Reappropriated Funds	866,618	986,327	995,134	1,004,027	1,017,213
Federal Funds	78,181	160,182	0	0	0

JBC Staff Staff Figure Setting - FY 2014-15
Staff Working Document - Does Not Represent Committee Decision

	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
Colorado Commission for Individuals who are Blind or Visually Impaired	<u>81,915</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.9	0.0	0.0	0.0	0.0
Reappropriated Funds	81,915	0	0	0	0
Health Insurance Portability and Accountability Act of 1996 - Security Remediation	<u>350,902</u>	<u>325,058</u>	<u>374,505</u>	<u>377,543</u>	<u>377,543</u> *
FTE	1.0	1.0	1.0	1.0	1.0
General Fund	255,832	231,616	277,931	277,931	277,931
Cash Funds	0	0	334	334	334
Reappropriated Funds	72,437	71,168	73,358	73,358	73,358
Federal Funds	22,633	22,274	22,882	25,920	25,920
CBMS Emergency Processing Unit	<u>148,139</u>	<u>151,029</u>	<u>216,233</u>	<u>219,680</u>	<u>219,537</u> *
FTE	3.0	2.8	4.0	4.0	4.0
General Fund	47,935	54,293	74,206	74,957	74,910
Cash Funds	0	0	17,350	17,360	17,350
Federal Funds	100,204	96,736	124,677	127,363	127,277
Developmental Disabilities and Behavioral Health Services Gap Analysis	<u>0</u>	<u>0</u>	<u>50,000</u>	<u>0</u>	<u>0</u>
General Fund	0	0	50,000	0	0
SUBTOTAL - (B) Special Purpose	10,668,924	11,093,503	10,850,361	11,228,274	11,315,747
FTE	<u>110.8</u>	<u>112.8</u>	<u>120.2</u>	<u>120.1</u>	<u>120.1</u>
General Fund	4,088,709	4,171,091	4,422,696	4,968,405	4,825,555
Cash Funds	1,263,622	1,134,561	865,574	890,844	890,834
Reappropriated Funds	1,745,943	1,783,540	1,829,918	1,848,813	1,861,999
Federal Funds	3,570,650	4,004,311	3,732,173	3,520,212	3,737,359

JBC Staff Staff Figure Setting - FY 2014-15
Staff Working Document - Does Not Represent Committee Decision

	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
TOTAL - (1) Executive Director's Office	62,864,838	72,537,115	87,823,579	89,044,042	92,789,891
<i>FTE</i>	<u>125.8</u>	<u>128.1</u>	<u>141.6</u>	<u>141.5</u>	<u>135.4</u>
General Fund	35,564,543	39,797,381	50,021,479	53,048,995	55,019,817
Cash Funds	3,703,235	4,027,935	3,564,025	3,565,393	3,563,463
Reappropriated Funds	13,512,703	17,731,299	20,809,286	18,944,969	19,985,519
Federal Funds	10,084,357	10,980,500	13,428,789	13,484,685	14,221,092

JBC Staff Staff Figure Setting - FY 2014-15
Staff Working Document - Does Not Represent Committee Decision

	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
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(9) SERVICES FOR PEOPLE WITH DISABILITIES

This section includes funding for Community Services for People with Developmental Disabilities, Regional Centers for People with Developmental Disabilities, the Work Therapy Program, the Division of Vocational Rehabilitation, and Homelake Domiciliary and the State and Veterans Nursing Homes.

(A) Community Services for People with Developmental Disabilities

(1) Administration

Personal Services	<u>2,739,222</u>	<u>2,183,895</u>	<u>2,821,868</u>	<u>0</u>	<u>0</u>
FTE	32.5	25.8	34.0	0.0	0.0
General Fund	90,146	207,097	226,958	0	0
Cash Funds	80,307	79,485	0	0	0
Reappropriated Funds	2,568,769	1,897,313	2,594,910	0	0
Operating Expenses	<u>133,984</u>	<u>144,528</u>	<u>148,523</u>	<u>0</u>	<u>0</u>
Cash Funds	2,349	4,364	0	0	0
Reappropriated Funds	131,635	140,164	148,523	0	0
Community and Contract Management System	<u>75,214</u>	<u>130,393</u>	<u>137,480</u>	<u>0</u>	<u>0</u>
General Fund	38,160	34,157	41,244	0	0
Reappropriated Funds	37,054	96,236	96,236	0	0
Support Level Administration	<u>69,101</u>	<u>55,741</u>	<u>57,368</u>	<u>0</u>	<u>0</u>
Reappropriated Funds	69,101	55,741	57,368	0	0
SUBTOTAL - (1) Administration	3,017,521	2,514,557	3,165,239	0	0
FTE	<u>32.5</u>	<u>25.8</u>	<u>34.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	128,306	241,254	268,202	0	0
Cash Funds	82,656	83,849	0	0	0
Reappropriated Funds	2,806,559	2,189,454	2,897,037	0	0

JBC Staff Staff Figure Setting - FY 2014-15
Staff Working Document - Does Not Represent Committee Decision

	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
(2) Program Costs					
Adult Comprehensive Services	<u>297,831,986</u>	<u>292,632,713</u>	<u>329,907,455</u>	<u>0</u>	<u>0</u>
General Fund	1,212,832	0	0	0	0
Cash Funds	30,798,715	30,798,715	30,798,715	0	0
Reappropriated Funds	265,820,439	261,833,998	299,108,740	0	0
Adult Supported Living Services	<u>44,551,551</u>	<u>44,737,237</u>	<u>46,728,721</u>	<u>0</u>	<u>0</u>
General Fund	7,520,973	7,463,574	7,920,712	0	0
Reappropriated Funds	37,030,578	37,273,663	38,808,009	0	0
Early Intervention Services	<u>13,161,802</u>	<u>17,210,023</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	13,161,802	17,210,023	0	0	0
Family Support Services	<u>2,173,002</u>	<u>2,168,232</u>	<u>3,255,842</u>	<u>0</u>	<u>0</u>
General Fund	2,173,002	2,168,232	3,255,842	0	0
Children's Extensive Support Services	<u>7,335,731</u>	<u>7,015,707</u>	<u>13,201,051</u>	<u>0</u>	<u>0</u>
Reappropriated Funds	7,335,731	7,015,707	13,201,051	0	0
Case Management	<u>23,874,498</u>	<u>25,840,569</u>	<u>25,717,760</u>	<u>0</u>	<u>0</u>
General Fund	4,224,963	3,995,998	2,298,639	0	0
Reappropriated Funds	19,649,535	21,844,571	23,419,121	0	0
Eligibility Determination and Waiting List Management	<u>908,455</u>	<u>967,490</u>	<u>2,987,431</u>	<u>0</u>	<u>0</u>
General Fund	908,455	948,392	2,948,701	0	0
Reappropriated Funds	0	19,098	38,730	0	0

JBC Staff Staff Figure Setting - FY 2014-15
Staff Working Document - Does Not Represent Committee Decision

	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
Preventive Dental Hygiene	<u>63,051</u>	<u>63,051</u>	<u>64,239</u>	<u>0</u>	<u>0</u>
General Fund	59,409	59,409	60,597	0	0
Cash Funds	3,642	3,642	3,642	0	0
SUBTOTAL - (2) Program Costs	389,900,076	390,635,022	421,862,499	0	0
FTE	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	29,261,436	31,845,628	16,484,491	0	0
Cash Funds	30,802,357	30,802,357	30,802,357	0	0
Reappropriated Funds	329,836,283	327,987,037	374,575,651	0	0
(3) Early Intervention Services					
Early Intervention Services	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.0	0.0	0.0	0.0	0.0
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0
Early Intervention Services Case Management	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
SUBTOTAL - (3) Early Intervention Services	0	0	0	0	0
FTE	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	0	0	0	0	0
Cash Funds	0	0	0	0	0
Reappropriated Funds	0	0	0	0	0
Federal Funds	0	0	0	0	0

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	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
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(3) Other Community Programs

Federal Special Education Grant for Infants, Toddlers, and Their Families (Part C)	<u>7,988,552</u>	<u>9,916,498</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	5.9	6.7	0.0	0.0	0.0
Federal Funds	7,988,552	9,916,498	0	0	0
Custodial Funds for Early Intervention Services	<u>10,895,854</u>	<u>7,937,120</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Funds	10,895,854	7,937,120	0	0	0
SUBTOTAL - (3) Other Community Programs	18,884,406	17,853,618	0	0	0
FTE	<u>5.9</u>	<u>6.7</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
Cash Funds	10,895,854	7,937,120	0	0	0
Federal Funds	7,988,552	9,916,498	0	0	0

SUBTOTAL - (A) Community Services for People with Developmental Disabilities	411,802,003	411,003,197	425,027,738	0	0
FTE	<u>38.4</u>	<u>32.5</u>	<u>34.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	29,389,742	32,086,882	16,752,693	0	0
Cash Funds	41,780,867	38,823,326	30,802,357	0	0
Reappropriated Funds	332,642,842	330,176,491	377,472,688	0	0
Federal Funds	7,988,552	9,916,498	0	0	0

(B) Regional Centers for People with Developmental Disabilities

(1) Wheat Ridge Regional Center

Wheat Ridge Regional Center Personal Services	<u>0</u>	<u>0</u>	<u>20,476,199</u>	<u>21,077,380</u>	<u>21,319,312</u> *
FTE	0.0	0.0	393.9	393.9	393.9
Cash Funds	0	0	849,793	849,793	849,793
Reappropriated Funds	0	0	19,626,406	20,227,587	20,469,519

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	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
Wheat Ridge Regional Center Operating Expenses	<u>0</u>	<u>0</u>	<u>1,361,728</u>	<u>1,362,366</u>	<u>1,172,574</u> *
General Fund	0	0	0	638	638
Reappropriated Funds	0	0	1,361,728	1,361,728	1,171,936
Resident Incentive Allowance	<u>0</u>	<u>0</u>	<u>59,000</u>	<u>59,000</u>	<u>30,506</u> *
Reappropriated Funds	0	0	59,000	59,000	30,506
Wheat Ridge Regional Center Provider Fee	<u>0</u>	<u>0</u>	<u>1,213,636</u>	<u>1,213,636</u>	<u>1,420,696</u> *
Reappropriated Funds	0	0	1,213,636	1,213,636	1,420,696
SUBTOTAL - (1) Wheat Ridge Regional Center	0	0	23,110,563	23,712,382	23,943,088
FTE	<u>0.0</u>	<u>0.0</u>	<u>393.9</u>	<u>393.9</u>	<u>393.9</u>
General Fund	0	0	0	638	638
Cash Funds	0	0	849,793	849,793	849,793
Reappropriated Funds	0	0	22,260,770	22,861,951	23,092,657
(2) Grand Junction Regional Center					
Grand Junction Regional Center Personal Services	<u>0</u>	<u>0</u>	<u>16,353,908</u>	<u>16,884,365</u>	<u>9,975,682</u> *
FTE	0.0	0.0	311.4	0.0	203.4
Cash Funds	0	0	655,683	655,683	655,683
Reappropriated Funds	0	0	15,698,225	16,228,682	9,319,999
Grand Junction Regional Center Operating Expenses	<u>0</u>	<u>0</u>	<u>790,500</u>	<u>790,500</u>	<u>319,046</u> *
Reappropriated Funds	0	0	790,500	790,500	319,046
Resident Incentive Allowance	<u>0</u>	<u>0</u>	<u>59,176</u>	<u>59,176</u>	<u>29,004</u> *
Reappropriated Funds	0	0	59,176	59,176	29,004

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	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
Physician Services	<u>0</u>	<u>0</u>	<u>85,809</u>	<u>85,809</u>	<u>85,809</u> *
FTE	0.0	0.0	0.5	0.5	0.5
General Fund	0	0	85,809	85,809	85,809
Grand Junction Regional Center Provider Fee	<u>0</u>	<u>0</u>	<u>653,497</u>	<u>653,497</u>	<u>446,738</u> *
Reappropriated Funds	0	0	653,497	653,497	446,738
Grand Junction Regional Center Waiver Funding	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>6,195,586</u>
FTE	0.0	0.0	0.0	0.0	108.0
Reappropriated Funds	0	0	0	0	6,195,586
SUBTOTAL - (2) Grand Junction Regional Center					
	0	0	17,942,890	18,473,347	17,051,865
FTE	<u>0.0</u>	<u>0.0</u>	<u>311.9</u>	<u>0.5</u>	<u>311.9</u>
General Fund	0	0	85,809	85,809	85,809
Cash Funds	0	0	655,683	655,683	655,683
Reappropriated Funds	0	0	17,201,398	17,731,855	16,310,373
(3) Pueblo Regional Center					
Pueblo Regional Center Personal Services	<u>0</u>	<u>0</u>	<u>8,044,360</u>	<u>8,364,655</u>	<u>0</u> *
FTE	0.0	0.0	181.8	0.0	0.0
Cash Funds	0	0	554,913	554,913	0
Reappropriated Funds	0	0	7,489,447	7,809,742	0
Pueblo Regional Center Waiver Funding	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>8,869,781</u>
FTE	0.0	0.0	0.0	0.0	181.8
Cash Funds	0	0	0	0	554,913
Reappropriated Funds	0	0	0	0	8,314,868

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	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
Pueblo Regional Center Operating Expenses	<u>0</u>	<u>0</u>	<u>485,126</u>	<u>485,126</u>	<u>0</u> *
Reappropriated Funds	0	0	485,126	485,126	0
Capital Outlay - Patient Needs	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Reappropriated Funds	0	0	0	0	0
Leased Space	<u>0</u>	<u>0</u>	<u>42,820</u>	<u>0</u>	<u>42,820</u> *
Reappropriated Funds	0	0	42,820	0	42,820
Resident Incentive Allowance	<u>0</u>	<u>0</u>	<u>20,000</u>	<u>0</u>	<u>0</u> *
Reappropriated Funds	0	0	20,000	0	0
SUBTOTAL - (3) Pueblo Regional Center	0	0	8,592,306	8,849,781	8,912,601
FTE	<u>0.0</u>	<u>0.0</u>	<u>181.8</u>	<u>0.0</u>	<u>181.8</u>
Cash Funds	0	0	554,913	554,913	554,913
Reappropriated Funds	0	0	8,037,393	8,294,868	8,357,688

(1) Medicaid-funded Services

Personal Services	<u>41,147,575</u>	<u>41,917,783</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	864.9	830.6	0.0	0.0	0.0
General Fund	0	635,184	0	0	0
Cash Funds	870,928	1,215,522	0	0	0
Reappropriated Funds	40,276,647	40,067,077	0	0	0
Operating Expenses	<u>2,418,209</u>	<u>2,442,563</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Reappropriated Funds	2,418,209	2,442,563	0	0	0

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Capital Outlay - Patient Needs	<u>72,115</u>	<u>72,126</u>	<u>0</u>	<u>0</u>	<u>0</u>
Reappropriated Funds	72,115	72,126	0	0	0
Leased Space	<u>38,642</u>	<u>39,394</u>	<u>0</u>	<u>0</u>	<u>0</u>
Reappropriated Funds	38,642	39,394	0	0	0
Resident Incentive Allowance	<u>97,302</u>	<u>102,545</u>	<u>0</u>	<u>0</u>	<u>0</u>
Reappropriated Funds	97,302	102,545	0	0	0
Provider Fee	<u>0</u>	<u>3,734,265</u>	<u>0</u>	<u>0</u>	<u>0</u>
General Fund	0	0	0	0	0
Reappropriated Funds	0	3,734,265	0	0	0
SUBTOTAL - (1) Medicaid-funded Services	43,773,843	48,308,676	0	0	0
FTE	<u>864.9</u>	<u>830.6</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	0	635,184	0	0	0
Cash Funds	870,928	1,215,522	0	0	0
Reappropriated Funds	42,902,915	46,457,970	0	0	0
(2) Other Program Costs					
General Fund Physician Services	<u>83,659</u>	<u>84,367</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	0.6	0.5	0.0	0.0	0.0
General Fund	83,659	84,367	0	0	0
SUBTOTAL - (2) Other Program Costs	83,659	84,367	0	0	0
FTE	<u>0.6</u>	<u>0.5</u>	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
General Fund	83,659	84,367	0	0	0

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SUBTOTAL - (B) Regional Centers for People with Developmental Disabilities	43,857,502	48,393,043	49,645,759	51,035,510	49,907,554
<i>FTE</i>	<u>865.5</u>	<u>831.1</u>	<u>887.6</u>	<u>394.4</u>	<u>887.6</u>
General Fund	83,659	719,551	85,809	86,447	86,447
Cash Funds	870,928	1,215,522	2,060,389	2,060,389	2,060,389
Reappropriated Funds	42,902,915	46,457,970	47,499,561	48,888,674	47,760,718

(C) Work Therapy Program

Program Costs	<u>346,808</u>	<u>388,999</u>	<u>467,116</u>	<u>467,116</u>	<u>467,116</u> *
FTE	0.3	0.5	1.5	1.5	1.5
Cash Funds	344,970	388,999	467,116	467,116	467,116
Reappropriated Funds	1,838	0	0	0	0
SUBTOTAL - (C) Work Therapy Program	346,808	388,999	467,116	467,116	467,116
<i>FTE</i>	<u>0.3</u>	<u>0.5</u>	<u>1.5</u>	<u>1.5</u>	<u>1.5</u>
Cash Funds	344,970	388,999	467,116	467,116	467,116
Reappropriated Funds	1,838	0	0	0	0

(D) Division of Vocational Rehabilitation

Rehabilitation Programs - General Fund Match	<u>18,938,612</u>	<u>23,808,414</u>	<u>19,248,920</u>	<u>20,058,762</u>	<u>20,058,762</u> *
FTE	218.7	225.9	212.7	212.7	212.7
General Fund	4,057,195	5,276,781	4,100,020	4,272,517	4,272,517
Federal Funds	14,881,417	18,531,633	15,148,900	15,786,245	15,786,245

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	FY 2011-12 Actual	FY 2012-13 Actual	FY 2013-14 Appropriation	FY 2014-15 Request	FY 2014-15 Recommendation
Rehabilitation Programs - Local Funds Match	<u>25,371,366</u>	<u>24,038,075</u>	<u>24,189,906</u>	<u>24,191,741</u>	<u>24,191,741</u> *
FTE	8.5	10.9	11.0	11.0	11.0
General Fund	0	0	0	0	0
Cash Funds	0	27,641	34,647	34,647	34,647
Reappropriated Funds	5,406,721	5,117,803	5,117,803	5,118,194	5,118,194
Federal Funds	19,964,645	18,892,631	19,037,456	19,038,900	19,038,900
Business Enterprise Program for People who are Blind	<u>782,066</u>	<u>890,609</u>	<u>1,182,527</u>	<u>1,203,912</u>	<u>1,203,912</u> *
FTE	5.3	6.0	6.0	6.0	6.0
Cash Funds	163,641	175,854	251,107	0	255,662
Reappropriated Funds	2,939	13,846	0	0	0
Federal Funds	615,486	700,909	931,420	948,250	948,250
Business Enterprise Program - Program Operated Stands, Repair Costs, and Operator Benefits	<u>171,879</u>	<u>118,847</u>	<u>429,000</u>	<u>429,000</u>	<u>429,000</u> *
Cash Funds	171,879	118,847	429,000	0	429,000
Independent Living Centers and State Independent Living Council	<u>1,860,291</u>	<u>1,654,832</u>	<u>2,333,115</u>	<u>2,333,115</u>	<u>2,403,108</u> *
General Fund	1,457,604	1,457,604	2,007,288	0	2,077,281
Cash Funds	29,621	0	29,621	29,621	29,621
Federal Funds	373,066	197,228	296,206	0	296,206
Older Blind Grants	<u>729,944</u>	<u>430,463</u>	<u>450,000</u>	<u>450,000</u>	<u>450,000</u> *
Cash Funds	0	0	45,000	0	45,000
Federal Funds	729,944	430,463	405,000	405,000	405,000

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Traumatic Brain Injury Trust Fund	<u>2,788,163</u>	<u>2,199,359</u>	<u>3,295,945</u>	<u>3,300,721</u>	<u>3,300,721</u> *
FTE	1.5	2.0	1.5	1.5	1.5
Cash Funds	2,755,329	2,199,359	3,295,945	0	3,300,721
Reappropriated Funds	32,834	0	0	0	0
Federal Social Security Reimbursements	<u>3,197,737</u>	<u>1,719,940</u>	<u>1,103,224</u>	<u>1,103,224</u>	<u>1,103,224</u> *
Federal Funds	3,197,737	1,719,940	1,103,224	1,103,224	1,103,224
American Recovery and Reinvestment Act - Vocational Rehabilitation Funding	<u>819,233</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Federal Funds	819,233	0	0	0	0
SUBTOTAL - (D) Division of Vocational Rehabilitation	54,659,291	54,860,539	52,232,637	53,070,475	53,140,468
FTE	<u>234.0</u>	<u>244.8</u>	<u>231.2</u>	<u>231.2</u>	<u>231.2</u>
General Fund	5,514,799	6,734,385	6,107,308	6,279,805	6,349,798
Cash Funds	3,120,470	2,521,701	4,085,320	4,094,651	4,094,651
Reappropriated Funds	5,442,494	5,131,649	5,117,803	5,118,194	5,118,194
Federal Funds	40,581,528	40,472,804	36,922,206	37,577,825	37,577,825
(E) Homelake Domiciliary and State and Veterans Nursing Homes					
Administration	<u>0</u>	<u>0</u>	<u>1,010,800</u>	<u>384,239</u>	<u>1,038,800</u> *
FTE	0.0	0.0	5.0	5.0	5.0
Cash Funds	0	0	1,010,800	384,239	1,038,800
Consulting Services	<u>174,644</u>	<u>166,061</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Funds	174,644	166,061	0	0	0

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Fitzsimmons State Veterans Nursing Home	<u>0</u>	<u>19,111,660</u>	<u>20,234,500</u>	<u>20,234,500</u>	<u>22,248,000</u> *
FTE	0.0	0.0	249.0	249.0	238.4
Cash Funds	0	14,308,951	13,444,700	0	15,458,200
Federal Funds	0	4,802,709	6,789,800	6,789,800	6,789,800
 Florence State Veterans Nursing Home	 <u>0</u>	 <u>9,601,068</u>	 <u>9,936,300</u>	 <u>9,936,300</u>	 <u>11,264,500</u> *
FTE	0.0	0.0	112.0	112.0	140.0
Cash Funds	0	6,834,006	6,915,800	6,915,800	8,244,000
Federal Funds	0	2,767,062	3,020,500	0	3,020,500
 Homelake State Veterans Nursing Home and Domiciliary	 <u>0</u>	 <u>5,534,119</u>	 <u>5,885,030</u>	 <u>5,887,345</u>	 <u>7,919,715</u> *
FTE	0.0	0.0	70.5	70.5	102.8
General Fund	0	0	186,130	0	186,130
Cash Funds	0	3,701,644	3,429,300	3,431,615	3,431,615
Federal Funds	0	1,832,475	2,269,600	2,269,600	4,301,970
 Homelake Military Veterans Cemetery	 <u>0</u>	 <u>0</u>	 <u>99,575</u>	 <u>99,575</u>	 <u>284,844</u> *
FTE	0.0	0.0	0.0	0.0	0.5
General Fund	0	0	99,575	0	284,844
 Homelake Domiciliary State Subsidy	 <u>214,502</u>	 <u>1,428,462</u>	 <u>0</u>	 <u>0</u>	 <u>0</u>
General Fund	186,130	186,130	0	0	0
Cash Funds	0	903,830	0	0	0
Reappropriated Funds	28,372	23,936	0	0	0
Federal Funds	0	314,566	0	0	0

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Rifle State Veterans Nursing Home	<u>0</u>	<u>7,720,472</u>	<u>8,326,200</u>	<u>8,326,200</u>	<u>8,414,200</u> *
FTE	0.0	0.0	121.0	121.0	115.6
Cash Funds	0	5,635,945	6,076,200	0	6,164,200
Federal Funds	0	2,084,527	2,250,000	2,250,000	2,250,000
Walsenburg State Veterans Nursing Home	<u>0</u>	<u>155,861</u>	<u>179,900</u>	<u>179,900</u>	<u>207,400</u> *
FTE	0.0	0.0	1.0	1.0	1.0
Cash Funds	0	155,861	179,900	0	207,400
Nursing Home Indirect Costs Subsidy	<u>800,000</u>	<u>1,600,001</u>	<u>800,000</u>	<u>800,000</u>	<u>800,000</u> *
General Fund	800,000	800,000	800,000	0	800,000
Cash Funds	0	800,001	0	0	0
Program Costs	<u>48,119,017</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
FTE	531.0	0.0	0.0	0.0	0.0
Cash Funds	33,258,217	0	0	0	0
Federal Funds	14,860,800	0	0	0	0
SUBTOTAL - (E) Homelake Domiciliary and State and Veterans Nursing Homes	49,308,163	45,317,704	46,472,305	45,848,059	52,177,459
FTE	<u>531.0</u>	<u>0.0</u>	<u>558.5</u>	<u>558.5</u>	<u>603.3</u>
General Fund	986,130	986,130	1,085,705	1,085,705	1,270,974
Cash Funds	33,432,861	32,506,299	31,056,700	30,432,454	34,544,215
Reappropriated Funds	28,372	23,936	0	0	0
Federal Funds	14,860,800	11,801,339	14,329,900	14,329,900	16,362,270

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TOTAL - (9) Services for People with Disabilities	559,973,767	559,963,482	573,845,555	150,421,160	155,692,597
<i>FTE</i>	<u>1,669.2</u>	<u>1,108.9</u>	<u>1,712.8</u>	<u>1,185.6</u>	<u>1,723.6</u>
General Fund	35,974,330	40,526,948	24,031,515	7,451,957	7,707,219
Cash Funds	79,550,096	75,455,847	68,471,882	37,054,610	41,166,371
Reappropriated Funds	381,018,461	381,790,046	430,090,052	54,006,868	52,878,912
Federal Funds	63,430,880	62,190,641	51,252,106	51,907,725	53,940,095
TOTAL - Department of Human Services	622,838,605	632,500,597	661,669,134	239,465,202	248,482,488
<i>FTE</i>	<u>1,795.0</u>	<u>1,237.0</u>	<u>1,854.4</u>	<u>1,327.1</u>	<u>1,859.0</u>
General Fund	71,538,873	80,324,329	74,052,994	60,500,952	62,727,036
Cash Funds	83,253,331	79,483,782	72,035,907	40,620,003	44,729,834
Reappropriated Funds	394,531,164	399,521,345	450,899,338	72,951,837	72,864,431
Federal Funds	73,515,237	73,171,141	64,680,895	65,392,410	68,161,187

MEMORANDUM

TO: Joint Budget Committee Members

FROM: Megan Davisson, JBC Staff (x2062)

SUBJECT: Additional Division of Vocational Rehabilitation Information

DATE: February 11, 2014

Additional information was provided to staff after the printing deadline regarding the amount of Division of Vocational Rehabilitation federal funds remain in the State's federal account that are not being matched. This relates to page 44 of the Department of Human Services February 11, 2014 figure setting document.

Number of Individuals Receiving and Waiting for Services

As of February 4, 2014 there are 4,828 individuals receiving services. As of February 1, 2014 there are 6,097 individuals waiting for vocational rehabilitation services; of which:

- 4,386 are individuals with a most significant disability
- 1,430 are individuals with a significant disability;
- 281 are individuals who have a disability that is neither significant nor most significant.

Excess Federal Funds

For FY 2014-15 there remains federal funds in the State's federal Division of Vocational Rehabilitation account which could be used to service individuals waiting for services. The following table summarizes how much federal funds remain in the State's account.

Division of Vocational Rehabilitation Funding				
	General Fund	Cash Funds	Reapprop. Funds	Federal Funds
General Fund Match	\$4,272,517	\$0	\$0	\$15,786,245
Local Funds	0	34,647	5,118,194	19,038,900
Total	\$4,272,517	\$34,647	\$5,118,194	\$34,825,145
Total Available Federal Funds				\$54,255,901
Unmatched Federal Funds				\$19,430,756

Options to Serve Additional Individuals

To pull down all federal funds in the account the General Assembly would have to appropriation \$5,258,896 General Fund. Based on the weighted average cost of \$2,525 to provide vocational rehabilitation services to an individual, if the total amount of federal funds were matched an additional 9,898 individuals could be served. This number exceeds the number on the waiting list and for the Committee's consideration the following table summarizes, based on average cost of services how much it would cost to serve additional individuals.

Div. of Vocational Rehabilitation Figure Setting Memo

Page 2

February 11, 2014

Number of Individuals	Division of Vocational Rehabilitation Funding				Difference from Available Funds
	Most Significant (72%)	Significant (23%)	Other (5%)	Total	
1,000	\$1,677,600	\$702,880	\$144,150	\$2,524,630	(\$22,165,022)
2,000	3,355,200	1,405,760	288,300	5,049,260	(19,640,392)
3,000	5,032,800	2,108,640	432,450	7,573,890	(17,115,762)
4,000	6,710,400	2,811,520	576,600	10,098,520	(14,591,132)
4,828	8,099,453	3,393,505	695,956	12,188,914	(12,500,738)
5,000	8,388,000	3,514,400	720,750	12,623,150	(12,066,502)
6,000	10,065,600	4,217,280	864,900	15,147,780	(9,541,872)
6,097	10,228,327	4,285,459	878,883	15,392,669	(9,296,983)
7,000	11,743,200	4,920,160	1,009,050	17,672,410	(7,017,242)
8,000	13,420,800	5,623,040	1,153,200	20,197,040	(4,492,612)
9,000	15,098,400	6,325,920	1,297,350	22,721,670	(1,967,982)
10,000	16,776,000	7,028,800	1,441,500	25,246,300	556,648

Regardless of whether or not the Committee decides to appropriate additional General Fund, staff recommends the following request for information be included with the FY 2014-15 Long Bill.

Department of Human Services, Services for People with Disabilities, Division of Vocational Rehabilitation -- The Department is requested to provide quarterly reports on the number of individuals receiving vocational rehabilitation services including: a break down by category of the number of individuals receiving services; the average cost by category of services; the projected fiscal year expenditures, and the projected balance of the State's federal vocational rehabilitation account.

The General Assembly has a vested interest in ensuring the Program is properly managing the appropriation, and the November 2013 audit discovered significant financial issues. This request for information will enable the General Assembly to maintain oversight on the use of the appropriation and ensure if, additional problems arise, and they can be addressed as soon as possible.