DEPARTMENT OF HUMAN SERVICES
FY 2015-16 JOINT BUDGET COMMITTEE HEARING AGENDA

Friday, December 12, 2014
9:00 am – 10:25 pm

9:00-9:10 INTRODUCTIONS AND OPENING COMMENTS

9:10-10:00 REGIONAL CENTERS

Questions for the Department of Human Services

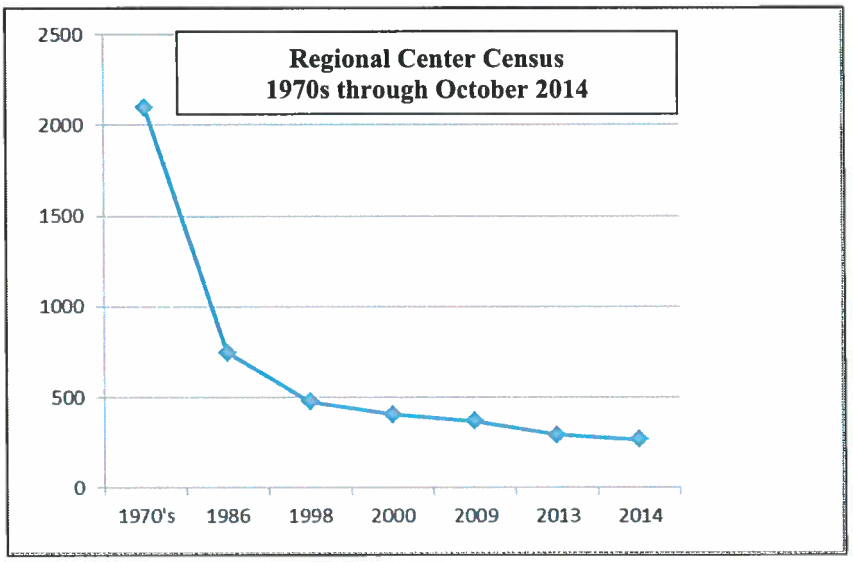
1. **Please discuss the reasons for the vacancy rates at each Regional Center.**

   As of December 8, 2014, the Regional Centers have 356 licensed beds with 87 vacant (25%). This is an increase from 5 years ago when the average annual census was 333 with 23 vacant beds (6%). In part, the vacancy rates have increased over time as a result of this Administration's commitment to providing the right services; in the right place; at the right time; which has increased focus towards ensuring choice in the individual's living environment.

   Other factors contributing to vacancies in the Regional Centers are: (1) The number of individuals successfully transitioning to the community, and (2) the number of individuals being referred to the Regional Centers. There are several items that have impacted these factors:

   a. The Department has focused on short term programming and treatment. The Department no longer has "long term" admissions, instead admitting individuals for short term treatment and stabilization with a focus on treatment that prepares the individual for maximum independence.
   b. The Community has increased capacity and now serves individuals who have previously only been able to be served in the Regional Centers.
   c. The Department of Health Care Policy and Financing has streamlined the process for making adjustments to support levels to provide for increased funding for individuals who need more intensive services and supports.

   Additionally, in keeping with the Olmstead decision and overall de-institutionalization, residential services for individuals with disabilities have been trending toward community-based services. Community based services (as offered through the Home and Community Based Services waiver for individuals with developmental disabilities - HCBS-DD waiver) offer more community integration and individualized choices for individuals with developmental disabilities. Over time, this move has led to increased capacity in the community to provide services and decreased the demand for care in the Regional Centers. Specifically, the following table shows trends in census at the Regional Centers since the 1970s.



2. **Please discuss how many individuals will transition from Regional Centers to the community in FY 2014-15, and what impact these transitions will have on the vacancy rates.**

The Department operates under three principles for transition. In order to transition to the community an individual (1) must be clinically ready, (2) choose to transition to the community, and (3) have an appropriate community provider available. When these three variables have been met, the Department in partnership with the Community Centered Boards has been highly successful in transitioning individuals to the community.

As of September 30, 2014, of the 266 individuals living in the Regional Centers, 85 have been assessed as clinically able to live in a community setting. Of these 85 individuals assessed as ready, 67 have guardians that have not agreed to transition. Until the guardians have authorized a placement in the community or until an Imposition of Legal Disposition (ILD) restricting the individual's right to choose their living environment ends, these 67 individuals do not meet the criteria.

Determining the number of individuals that will transition out of the Regional Centers in Fiscal Year 2014-15 is difficult. The Department remains committed to person-centered planning, along with working individually with family members, guardians and care providers to find the best home in the community. The Regional Centers currently have 21 people clinically able to live in a community setting who have made the choice (guardians have approved) to move. For those not yet determined clinically able to live in a community setting, we estimate that 19 of those individuals will become able and leave the Regional Center within FY 2014-15. The estimate for those not yet determined clinically able to move to a community setting was obtained by looking at the average length of stay for the last 25 individuals admitted to the Regional Centers, whom, on average stayed for 277 days. In total we estimate 40 transitions in FY 2014-15. This is compared to total average admissions over

the past two years of 37 per year. Therefore, we estimate the number of transitions would exceed the number of admissions, thus increasing the vacancy rate.

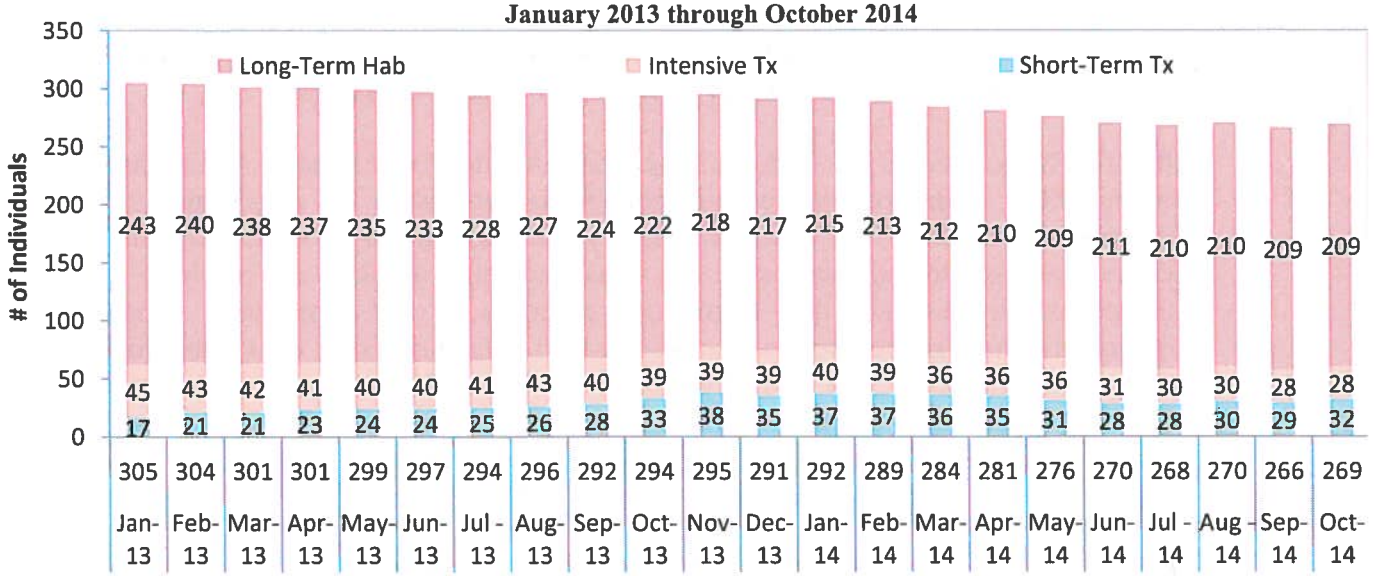
3. **Please discuss the evolution of the Regional Center admission policy. How does the admission policy impact the number of Regional Center vacancies?**

After the November 2013, Office of the State Auditor Performance Audit, the Regional Centers (RCs) examined policies, procedures and processes for consistency, equity and alignment with federal and state laws, rules, and regulations. In examining the Regional Centers processes for admissions, it was discovered that the RCs did not have formalized Admissions Policies and that admissions practices at the three RCs varied widely. Additionally, the practices were not consistent with federal and state laws, rules and licensing requirements. In early 2014, the Department of Public Health and Environment cited the Regional Centers with licensure deficiencies for having individuals who do not meet the federal Medicaid/Medicare treatment criteria for admission to an Intermediate Care Facility for Individuals with Intellectual and Developmental Disabilities (ICF/IID).

In order to address the concerns cited above, the Department drafted and proposed a new Admissions Policy in April 2014. The draft policy was distributed for public comment to stakeholder groups via the Department's Weebly site (an online forum used by the Department to communicate with stakeholders), shared through the Community Centered Board (CCB) Director's meetings, and with advocacy organizations. Feedback from public comment was incorporated and the new policy was implemented in May 2014 with a deliberately planned short-term review date of August 2014. The policy was revised and again sent out for public comment in September 2014. The Department responded to stakeholder comments by adding a process for emergency admissions. The Department also requested the Regional Center Task Force develop a subcommittee to review the Admissions Policy and make recommendations for additional revision. The subcommittee has been working since October to review the policy and plans to present revised draft admissions policies in January 2015.

Figure 1 below provides data on Regional Center census for the period January 2013 through October 2014.

Figure 1
Regional Census by Model
January 2013 through October 2014



Between implementation of the new policy in May 2014 and November 30, 2014 there have been 13 requests for admission and of those 10 individuals were admitted. For the three individuals who were not admitted; one went to the Colorado Mental Health Institute at Ft. Logan for a psychiatric stabilization prior to being placed in the community; one went to a sex offender treatment provider in the community; and one moved into an individualized setting in the community because this person did not meet ICF/IID treatment criteria (individual has an IQ of 73-76, can drive, has a college degree and is very high functioning).

4. **Please discuss the criteria for emergency placements and the need for stabilization services. Please include a discussion about how the Regional Centers determine when an individual no longer requires stabilization services.**

The Regional Center's Admission Policy allows for emergency admission if an individual has been determined eligible for the HCBS-DD program by the Community Centered Board (CCB) and is incarcerated, in a hospital or in a nursing facility.

Upon admission, the Interdisciplinary Team (IDT) develops an individualized plan with goals and objectives related to stabilization and transition back to the community. Each IDT includes Regional Center staff specialists such as medical, OT, PT, and dietary; community integration coordinators; and advocates, guardians and family members. The IDT reviews each resident on a monthly basis to evaluate progress towards plan goals and objectives to determine the clinical-readiness of the individual. Once the individual is determined clinically able to live in the community, and the individual and their parent/guardian have chosen to transition to the community, Regional Center staff coordinate with the Community Centered Boards (CCBs) to begin the process of looking for an appropriate community provider.

5. **Please discuss the relationship between the judicial system and housing individuals in jail with serving individuals at Regional Centers. Who determines where individuals will be served and what criteria is used in the determination? If more Regional Center beds were available would judges send individuals to Regional Centers rather than to jail?**

   If an individual who is getting services through a CCB gets arrested, ultimately the decision would be up to the court/judge as to whether the individual is sent to jail. Once in jail, it is up to the court system to determine if the individual should remain in jail and if not, the CCB would be responsible for making a referral to the Department for Regional Center placement if the individual cannot return to their community placement.

   As of December 8, 2014 the Regional Centers have 87 open beds. There is no evidence to suggest judges are choosing to send individuals to jail as a result of a shortage of Regional Center beds. The Regional Centers have existing capacity to serve individuals, and the revised Admissions Policy allowing emergency admissions from jail further eliminates any concern that judges may need to house individuals with developmental disabilities in jail.

6. **Please discuss how the Department defines as a successful transition. How has this definition changed over the past five years?**

   A successful transition is defined as an individual who has chosen to move from a Regional Center to a home in the community and whose services and supports are chosen by the individual and their guardian and being provided in the community. Initially in C-Stat, the Department considered an individual not readmitted within 90 days to be successful. However, we have broadened the review of the data, beginning in March 2014 to review *all* readmissions. Between January 1, 2012 and October 31, 2014 there have been 110 transitions with 103 individuals remaining in the community. Seven individuals were readmitted and one individual died of a terminal illness after 9 months in the community. Of the 7 readmitted individuals, 4 were readmitted in less than 90 days, one was readmitted after 470 days and two were readmitted after more than 630 days following transition.

7. **Please discuss Community Support Teams including:**
   a. **What Community Support Teams are;**
   b. **How quickly Community Support Teams respond to situations; and**
   c. **How effective Community Support Teams are in resolving crisis situations.**

   a. **What Community Support Teams are;**
      The Community Support Team (CST) was developed as a means of supporting community providers to stabilize individuals in the community, avoid a more restrictive placement than their current home, and provide individualized care to a client in their place of residence and avoid a disruptive move. The CST model, similar to models used in the health care system to prevent over-utilization of emergency room services, is based on the premise that preventative care in the community is consistent with the Department's strategic plan for helping individuals to thrive in the community. The CST has only been

fully implemented since May 2014 and is showing promise as a tool for supporting community providers and collaborating and sharing expertise between the Regional Center and community caregivers, in addition to preventing the disruptive and costly institutionalization of individuals. CST teams only respond if requested by a CCB.

Once requested by a CCB, a specialized team of Regional Center staff are selected for each CST to respond to the request for intervention, evaluation and provide recommendations to meet the needs of individuals and their community providers. After the initial meeting with the individual and the community provider team, the CST makes recommendations and develops a support plan in collaboration with the community provider and the CCB case manager. CSTs continue to offer assistance for at least 90 days. If the individual transitions to a different community provider, the 90 day support will begin again with the new provider if requested by the provider. When an emergency request involves cases where individuals are in imminent danger to themselves or others, the referring party is directed to call 911 immediately. CST was not developed to be a 24 hour emergency response team; it was developed as a stabilization team.

b. How quickly the Community Support Teams respond to situations;
Following a request by a CCB, the Regional Center Transition Coordinator reaches out to the CCB case manager within 2 business days to obtain key details regarding the concerns and issues that the CCB is seeking help to address. This process allows the Regional Center Transition Coordinator to assign staff with appropriate expertise to the CST. The CST then makes arrangements to meet with the CCB case manager to develop an action plan for support.

Of the thirty referrals received between May 1, 2014 and October 31, 2014, 28 or 93% had initial CST contact with the requestor within the two business days described in policy. For the remaining two, the longest was six days as a result of scheduling conflicts on the CCB side. The average length of time for the CST to meet with the individual and service provider is 9 days.

c. How effective the Community Support Teams are for resolving crisis situations;
As noted, CST was not developed to be a 24 hour emergency response team; it was developed as a stabilization team. Of the 30 individuals that have received CST services between May 2014 and October 31, 2014, 21 remain in the community and 9 were admitted to a Regional Center.

Upon completion of each CST process, the Regional Centers survey CCB staff, community service provider staff, parents and guardians. Survey results submitted demonstrate the CST teams are effective in stabilizing individuals in their home and avoiding a move to a more-restrictive setting. The following further describes the survey results:

- 59% percent of twenty-two survey respondents felt that the recommendations suggested by the Community Support Team were useful and appropriate.

- 52% responded that the Community Support Team provided necessary services to support the individual.
- 57% responded that the Community Support Team's involvement resulted in a positive outcome for the individual.
- 63% responded that the Community Support Team was beneficial for both the individual and staff involved.

While these preliminary findings are encouraging, this process has only been in place for seven months so the Department continues to learn and make modifications to the service.

8. **Are individuals in crisis served better by remaining in the community or moving into a Regional Center for stabilization services and why?**

The community provides residential services to nearly 4,800 persons with disabilities, or 99% of all individuals in the long term services and supports system. These community individuals experience crises and community providers have systems and supports available to deal with the majority of those crises. The CST was developed to assist community providers with support and stabilization for individuals when additional support is needed, in hopes of allowing individuals to remain in the most integrated and individualized settings as well as to prevent transitions from a community provider that may prove unnecessarily disruptive.

9. **Please discuss the Department's plans regarding the provision of vocational rehabilitation services at the Regional Centers. Can the vocational rehabilitation services offered at Regional Centers be provided in the community instead? Why or why not?**

If the question is asking whether Regional Center residents receive integrated vocational services in the community:

The Regional Centers provide vocational training and day programming services to both ICF and HCBS-DD waiver residents. Some of the individuals work for external private employers in the community, and others perform jobs on the Regional Center campuses. Vocational services for ICF residents are covered as part of the ICF reimbursement rate and services for HCBS-DD residents are covered services in the waiver. These services are not part of the Vocational Rehabilitation Program provided by the Division of Vocational Rehabilitation. The Department plans to continue to offer these services as included in the long-term care program regulations for services provided in the ICF and HCBS-DD waiver programs.

If the question is asking whether the Regional Centers could provide vocational services to individuals served through the HCBS-DD waiver in the community:

Conceptually, yes, the Regional Centers could provide vocational services to the community. However, the Regional Centers would have to explore what would be needed to accomplish this, including any changes to appropriation, rules and an evaluation of federal regulations.

If the question is asking whether the Regional Center vocational services could be provided by the community instead of by the Regional Centers:

In order for Regional Center vocational services to be provided by the community, the Regional Centers would have to explore the Constitutional provisions related to outsourcing State classified personnel and the associated impacts.

Specialized Adaptive Equipment

10. Please discuss how H.B. 14-1211 (Ensuring Access to Complex Rehabilitation Medicaid) applies to the availability specialize adaptive equipment made by the Regional Centers.

HB 14-1211 does not affect services for individuals in the ICF/IID Regional Centers (Wheat Ridge and Grand Junction) because those services are covered by the ICF/IID reimbursement rates. Individuals receiving services in the Regional Center HCBS-DD waiver homes can benefit from the services provided under HB 14-1211 as those individuals receive Medicaid State Plan services.

The expansion of services available in the community that promote mobility in the home or prevent hospitalization or institutionalization would reduce the need for the Regional Centers to provide such specialized services as stated in the legislation.

11. Please discuss the following related to specialized adaptive equipment:

a. If a workload study and/or a cost-benefit analysis has been done on the provision of adaptive equipment through public sector verses private contractors, and if so, what were the results;

b. The number of staff at Wheat Ridge and Grand Junction Regional Centers providing this service; and

c. The number of pieces of equipment that has been produce at each Regional Center over the past ten years.

a. If a workload study and/or a cost-benefit analysis has been done on the provision of adaptive equipment through public sector verses private contractors, and if so, what were the results;

The Department has not completed a workload study or cost/benefit analysis. However, in FY 2013-14 there were 8 manufacturers of custom fabricated wheelchair cushions that provided services through the Medicaid State Plan. These 8 providers are located in the Denver/Metro Area, Colorado Springs, Grand Junction, and Loveland.

b. The number of staff at Wheat Ridge and Grand Junction Regional Centers providing this service; and

At Wheat Ridge Regional Center there are 3 Full Time Employees (FTE) and at Grand Junction Regional Center there are 2.7 FTEs who have these activities included as a portion of their overall job duties.

Currently, the Regional Centers are limited to manual wheelchairs because we lack the expertise to perform maintenance/repairs on electric wheelchairs. Manual wheelchairs can be limiting to individual mobility. As a result, the Department is evaluating these internal processes and programming, as well as whether this is a viable service to continue since these services are covered benefits of the Medicaid State Plan.

c. **The number of pieces of equipment that has been produce at each Regional Center over the past ten years.**
The Regional Centers do not have records for 10 years. Below, is the information based on the available data.
   - Since 2008, Wheat Ridge Regional Center has performed 662 fabrications of custom specialized equipment, wheelchairs, or adaptive living skill devices.
   - Since 2007, Grand Junction Regional Center has performed a total of 385 fabrications of custom specialized equipment, wheelchairs, or adaptive living skill devices.

12. **Please discuss what would be required (e.g. statutory changes, funding, and staff resources) to expand the availability of specialized adaptive equipment to all individuals with intellectual and developmental disabilities receiving services.**

For the Regional Centers to be able to provide Complex Rehabilitation Technology (CRT), including wheelchairs and supportive devices, to individuals in the community under the Medicaid State Plan, the following requirements have to be met:

The Regional Center would have to be enrolled as CRT provider. To be enrolled as a CRT provider the Regional Centers would have to:

- Be accredited by a recognized accrediting agency as a supplier of CRT
- Meet the supplier and quality standards established for DME suppliers under the Medicare or Medicaid program
- Employ at least one qualified CRT professional at each location
- Have CRT professionals present during client evaluation to:
    - Assist in selecting the appropriate CRT items for such needs and capacities
    - Provide the client technology- related training in the proper use and maintenance of the selected CRT items
    - Maintain a reasonable supply of parts, adequate physical facilities, and qualified services or repair technicians to provide clients with prompt service and repair of all CRT it sells or supplies: and
    - Provide the client written information at the time of sale as to how to access service and repair

Clients in certain circumstances have to receive specialty evaluations done by PT, OT or other qualified health providers alongside CRT professionals hired by the CRT supplier.

Additionally, the Regional Centers would need a cash-fund operating line item appropriation to collect Medicaid funds billed to the Medicaid State Plan. At this time the Regional Centers would not meet the qualifications stated above. Creating this function in the Regional Centers would also place the Department in a position of competing with the private sector for these services.

13. **Please discuss how services are provided if there is not an employed provider for Regional Center medical and behavioral services. What has the Department done to modify licensure requirements to enable individuals to receive the services they need if a provider is not available?**

The Department has not needed to modify any licensure requirements to get services to residents. For ICF residents, care is provided either by facility or contracted staff. For Waiver licensure services, the needed care is provided in the community via Medicaid State Plan or the capitated mental health service system.

As an example, a Regional Center psychologist resigned raising concerns for one CCB because the CCB had been receiving direct services from the Regional Center staff person. In this case, the Department worked with the Department of Health Care Policy and Financing, as well as the Community Mental Health Provider in the area to establish services for this CCB through the Medicaid capitated mental health system. Individuals served by CCBs are covered by the Medicaid capitated mental health system for psychiatric care. As a result, this move brought Regional Center practice into compliance with existing federal and state law and resulted in services for these individuals in the community. Additionally, this multi-Department approach has resulted in the Community Mental Health Provider offering services at the CCB site, making appointments easier on clients.

Capital Construction

14. **Please discuss why the Department is requesting spending authority in the operating budget for capital construction costs for Regional Center group homes.**

The Department is requesting authority to spend depreciation revenues earned as part of its reimbursement rates. The Department is allowed to include the costs of wear and tear on its facilities in the costs used to develop the reimbursement rates for the Regional Centers. The intent is for the Department to use these funds to maintain and repair the homes. The Department proposes using these depreciation revenues to pay for capital outlay or maintenance types of costs that do not rise to the level of a capital construction request. For example, the Department plans to eliminate islands and dividing walls in some homes to improve line of sight supervision and create a more open living space for the residents. As another example, these funds will be used to remodel bathrooms for additional safety, privacy, and functionality. The Department submitted a separate capital construction request through the normal process for projects that do rise to the level of a capital construction projects.

15. Please provide information on Regional Center group home capital construction costs over the past ten years and include an explanation for years when there was no request.

Attachment A provides a list of all capital construction and controlled maintenance requests over the past 10 years. The Department developed capital construction or controlled maintenance requests for each of the past 10 years, however, in some years, the requests were not funded due to either a shortage of resources or competing priorities.

16. Please discuss how many vacant group homes there are at each Regional Center and what the Department is planning to do with them. Please discuss why individuals were not moved to vacant group homes in each Regional Center so the capital improvements could be avoided since not all group homes are occupied.

The Department is not investing in repairs/modifications at the vacant homes. Currently, there are 4 homes offline across the three Regional Centers, with 3 of those homes being at Grand Junction (two on campus and one in the community) and one at Pueblo. The homes that are vacant are also in need of modifications and repairs, so moving individuals to vacant homes would not eliminate the request for funding to maintain/repair the occupied homes. The Department could consolidate more homes; however, it would mean filling homes to their maximum occupancy of 8 residents, which, in some cases is less than ideal from a person-centered perspective especially when mixing medically fragile and behavioral residents. The Department is awaiting the recommendations of the Regional Center Task Force created in HB 14-1338 before taking any actions on the vacant homes.

Regional Center Questions for both Department of Human Services and Department of Health Care Policy and Financing

17. Please discuss how the Department defines "provider of last resort" for intellectual and developmental disability services. Has this definition changed over the years? If so, how?

Colorado has been developing community-based services for 50 years. Over that period of time, more capacity has developed in the community and the reliance on institutional care has significantly diminished. While there is no federal or state regulations defining "the provider of last resort," a culture has developed in our State where institutional care, such as that provided by the Regional Centers, is often considered the "provider of last resort."

18. Please provide a summary of the number of individuals served at each Regional Center and in the community for the past five years.

The following tables summarize the number of people served by the Regional Centers and by the Home and Community Based Services waiver for individuals with developmental disabilities (HCBS-DD).

Department of Human Services Division for Regional Center Operations Average Annual Census at the Regional Centers Fiscal Years 2009-10 through 2013-14				
	Wheat Ridge	**Grand Junction**	**Pueblo**	**Total**
FY 2009-10	136	130	72	**338**
FY 2010-11	110	100	71	**281**
FY 2011-12	122	100	74	**296**
FY 2012-13	127	100	74	**301**
FY 2013-14	126	90	69	**285**

Department of Health Care Policy and Financing Division for Intellectual and Developmental Disabilities Unduplicated Client Count of Individuals Served in the Home and Community Based Services Waiver for Individuals with Developmental Disabilities (HCBS-DD) Fiscal Years 2009-10 through 2013-14	
	HCBS-DD Waiver
FY 2009-10	4,492
FY 2010-11	4,404
FY 2011-12	4,391
FY 2012-13	4,496
FY 2013-14	4,859

19. Please discuss how the Colorado Community Living Plan (Olmstead Plan) is designed to transition individuals from Regional Centers to the community. What occurs when an individual would like to transition to the community but there is not sufficient capacity?

Please note the following response was provided by the Department of Health Care Policy and Financing.

The Colorado Community Living Plan makes general recommendations that the departments work together to identify best practices in transitioning individuals from long-term care facilities. This collaborative effort ensures people in long-term care facilities are informed

about their options and working towards an appropriate network of services and supports for individuals transitioning to the community from long-term care facilities. Once these recommendations are operationalized, the departments will have specific activities and operations that local community-based agencies will implement to support transitions from long-term facilities, including Regional Centers.

The inability to find providers for individuals wanting to transition from a Regional Center happens infrequently. When this situation arises, the Department works collaboratively with the Community Centered Board (CCB) case manager, the community Home and Community Based Services provider(s) and Division of Regional Center Operations (DRCO) staff within the Department of Human Services (DHS). The Department ensures that the CCB case manager has discussed with the individual and/or family/guardian all service provider options and sends a statewide Request for Proposal (RFP) to find a provider. The Department also works with the case manager to conduct a Support Level Review to ensure a person transitions with the appropriate supports to be successful.

20. Please discuss the implementation of the December 2013 audit recommendations. Please include:

a. How many individuals identified in the audit that wanted to transition are still at the Regional Center;

b. How many individuals have transitioned;

c. How many individuals have transitioned successfully; and

d. How many have not transitioned successfully and why.

The Office of State Audit (OSA) performance audit of the Regional Centers had 11 recommendations, including 24 subparts addressed to the Departments of Human Services and Health Care Policy and Financing. Of these 24 subparts, the Department of Human Services was responsible for implementing 17. The Department has implemented all 17 audit recommendation subparts by the implementation due date.

a. How many individuals identified in the audit that wanted to transition are still at the Regional Center;

As of July 2013, the audit identified 110 individuals deemed as being clinically able to live in the community. As of December 6, 2014 the following is the status for the 110 individuals included in the audit:

a. 31 individuals have transitioned to the community.

b. 79 individuals remain at the Regional Centers. The status of these 79 follows:

i. 67 remain because the individual's parent/guardian has not chosen to transition.

ii. 8 have regressed and are no longer considered ready to transition.

iii. 2 have providers available and will be transitioning within the next few months.

iv. 2 are awaiting provider interest (i.e., a community provider has not yet been identified).

b. How many individuals have transitioned;
31 of the 110 identified in the audit have transitioned.

c. How many individuals have transitioned successfully; and
31 of the individuals transitioned successfully.

d. How many have not transitioned successfully and why.
0 of the 31 who transitioned have been readmitted.

21. Do the Departments consider the current scope of the Regional Center Taskforce sufficient to answer the questions about Regional Center and community based services? If not, what changes would the Departments like to see to the scope?

Yes, the Departments consider the scope, as stated in HB14-1338 sufficient to answer the questions about Regional Center and community-based services.

22. How do the Departments ensure adequate services are available and provided in the community to allow for safe and successful transitions?

Please note the first portion of this response was provided by the Department of Health Care Policy and Financing.

The Department of Health Care Policy and Financing ensures adequate services in the community using several strategies. When reimbursement for services to meet a person's needs for support are greater than the standardized Support Levels (Support Levels 1-6), an individualized Support Level (Support Level 7) is determined based on additional information provided through the case manager by the individual, family and other significant people in the person's life. Individuals transitioning from a Regional Center (RC) to the community, undergo a Support Level (SL) review to determine if a higher SL is warranted. When warranted, the SL is increased which helps ensure the case manager and individual are able to find appropriate services and providers for a successful transition. Once the SL is determined, the case manager sends a statewide Request for Proposal (RFP) to provide the individual maximum choice in who provides their services.

In addition to SL reviews, each individual develops an Individualized Plan (IP) with their case manager, family, guardian and/or authorized representative and others. The IP is identifies the needs of the person receiving services or family, the specific services and supports appropriate to meet those needs, the projected date for initiation of services and supports, and the results to be achieved by receiving the services and supports (10 CCR 2505-10, 8.600.4).

An individual who transitions from a RC also has transition support from a case manager. The case manager is responsible for providing service and support coordination, pursuant to 10 CCR 2505-10, 8.607.3.

The services an individual can access when they transition from the RC and into the Home and Community Based Services-Developmental Disabilities (HCBS-DD) waiver are varied. Not only can the person access the waiver services, such as Behavioral Services, Day Habilitation Services and Supports, Prevocational Services, Dental, Residential Habilitation Services and Supports (RHSS), Supported Employment, and others (10 CCR 2505-10, 8.500.5.A) they also have access to all State Plan Medicaid services, which includes physical and mental health services.

The case manager is also responsible for providing monitoring as set forth in 10 CCR 2505-10, 8.607.6. At minimum, the case manager monitors the delivery and quality of services and supports identified in the IP, the health, safety, and welfare of individuals, the satisfaction with services and choice in providers, and that the Community Centered Board (CCB) and service agency practices promote a person's ability to engage in self-determination, self-representation, and self-advocacy.

At any time the individual, family (when appropriate), guardian and/or authorized representative are not satisfied with the services and/or providers, they can work with the case manager to revise the IP and add or change services and/or providers.

The Department of Human Services has put the following protocols in place to ensure adequate services are available for individuals transitioning to the community from the Regional Centers.

- **Transition Support Teams (TST)**— The TST was developed and implemented by the Department to provide support to individuals and who are currently living in a Regional Center (both ICF/IID and HCBS-DD), but who are clinically able to move to a provider in the community. The TSTs are integral in assisting in the development of an appropriate transition plan and for providing support for up to 90 days following the individual's transition to the community. During this time, the goal is to have members of the TST transfer knowledge to the community provider about how to best serve the individual, provide assistance to the individual and their guardian during the transition, etc. The TSTs interaction and level of support is customized to the needs of the individual and the new provider agency.

- **Transition Checklist**—The Department is implementing a new, detailed Transition Checklist of action items the must be completed prior to transition to the community to ensure that all necessary supports are in place prior to the transition. The checklist ensures, among other things, that physician and psychology appointments are scheduled with the new providers that the individual has day programming services behavioral services in place.

23. Please discuss the Departments' response to the average annual expenditures for Regional Centers and community based services (this information was provided on page 17 of the JBC Staff December 5, 2014 Department of Health Care Policy and Financing briefing document).

Please note the following response was provided by the Department of Health Care Policy and Financing.

During the briefings for both the Department of Health Care Policy and Financing (HCPF) and the Department of Human Services (DHS), JBC staff raised several issues concerning the cost difference between serving an individual at a Regional Center and serving an individual in the community through the HCBS-DD waiver. This response discusses the referenced table and associated issues raised by JBC staff in depth, including those issues related to the cost-based reimbursement for Regional Centers.[1]

First, the departments note that the referenced table compares dissimilar populations, and thus presents a skewed comparison. The average annual amount in the table for the HCBS waiver clients is the average cost of all clients across all Support Levels. While HCBS Regional Center clients have varying scores according to the Supports Intensity Scale (SIS), all of these clients have been deemed to have a Support Level need of 7 (highest Support Level). HCBS services provided in the Regional Centers are limited to only those with complex mental health and/or behavioral needs, a history of sex offense, and/or those who are medically fragile. The clients served in the Regional Centers are most comparable to clients who have been determined to have a Support Level 7 that are served by community providers. The average annual expenditures for a Support Level 7 client in the community is over $123,000. While still not of the same magnitude as expenditures for Regional Center clients, this group of clients is much closer in terms of service need and expenditures.

Second, the departments believe that it is appropriate to pay Regional Centers based on their cost, even if community providers are paid a set rate. In the DHS briefing document, JBC staff questioned "...how both departments are able to justify... the decision to pay more for Regional Center waiver services than is paid to community providers for the same services." Electing to pay the Regional Centers less than cost would increase the overall cost to the General Fund. Regardless of the rate, the Regional Centers require a certain amount of funding to operate. If HCPF pays rates that are below the Regional Centers' cost, then the Regional Centers would have a funding shortfall, and thus require an additional appropriation from the General Fund (or another state cash fund) to continue operations. By paying Regional Centers a cost-based rate, the state is able to maximize the amount of federal funding it receives and minimize the burden to the General Fund.

Third, the departments note that the methodology of paying a cost-based rate is not new and was in place prior to the 2013 Performance Audit by the Office of the State Auditor. Due to the recommendations from the audit, the departments created and revised certain policies and

[1] In the CDHS briefing packet, JBC staff presented issues on beginning on page 17.

procedures to assure the Regional Centers were not being reimbursed in excess of reasonable costs. However, the departments did not make any decision to pay Regional Centers more than community providers as the result of the audit.

Fourth, the departments do not agree the assertion that the paying the Regional Centers based on cost "contradict[s] the work of groups like the Community Living Advisory Group (CLAG)." While the Department agrees that as many clients should be served in the community as possible, cost-based reimbursement for Regional Centers serves a financing purpose for the state; General Fund costs would increase if the rate was reduced. Increasing General Fund costs reduces the State's flexibility to serve clients in the community, which would truly contradict the work of groups such as the CLAG.

24. Please discuss how often an individual's support level is reevaluated. Please include information for individuals served in the Regional Centers and the community.

Please note the following response was provided by the Department of Health Care Policy and Financing.

Support Level determination includes the Supports Intensity Scale (SIS) assessment and additional factors. Support Level is redetermined upon request or when a Supports Intensity Scale (SIS) assessment is conducted. SIS assessments are conducted when an individual enrolls into the Home and Community Based-Supported Living Services (HCBS-SLS) waiver or the HCBS-Developmental Disabilities (HCBS-DD waiver). SIS assessments are conducted by a SIS Interviewer who is certified according to the standards set forth by the American Association on Intellectual and Developmental Disabilities (AAIDD). Each Interviewer is required to pass an Inter-rater Reliability and Qualification Review (IRQR) before being certified as a SIS Interviewer. SIS assessments are conducted with the person enrolling in a waiver and Respondents who have known the individual for at least three months.
SIS assessments are completed at the time of enrollment or when an individual experiences one of three criteria situations: There has been a change in the client's life circumstances or condition resulting in the significant change to the amount of services and supports needed to keep the client safe, the client or his or her legal guardian, authorized representative, family member or case manager as appropriate, has reason to believe that the results of the most recent SIS assessment do not accurately reflect his or her current support needs, or the Department deems it necessary to complete a new assessment in order to ensure its accuracy (10 CCR 2505-10, 8.612.1.H.) This process is followed for individuals served in the Regional Center (RC) and in the community.

25. Please discuss the guidelines for reevaluating support levels and transitioning individuals back to community services after they have been stabilized at the Regional Center.

Please note the following response was provided by the Department of Health Care Policy and Financing.

For Regional Center residents who are transitioning to the community, the Regional Centers act as a liaison between the individual, parent, guardian, authorized representative, prospective service provider and the Community Centered Boards (CCB) when a Support Level redetermination may be needed.

Pursuant to 10 CCR 2505-10, 8.612.4, a Support Level review can occur when the case manager, with the client and/or guardian, conclude the client's circumstances and needs have changed, and the current Support Level is no longer meeting the individual's needs. At this time a review of the client's Support Level may be requested. This request is submitted to the Department at which time the Department convenes a panel to review the Support Level request. The panel examines the information submitted by the Case Management Agency and determines if the individual's circumstances warrant a higher Support Level. The process for individuals served in either the Regional Center or community is the same.

When reimbursement for services to meet a person's needs for support are greater than the standardized Support Levels (Support Levels 1-6), the Department utilizes the process described above in question 22.

10:00-10:10 CENTERS FOR INDEPENDENT LIVING

26. Please discuss the Department's five year plan for Centers for Independent Living including:
   a. What the Department will need to do to achieve this plan;
   b. How the Department sees Centers for Independent Living interacting with the other programs for individuals with disabilities; and
   c. What the Department views as appropriate funding sources for the Centers and why.

The Centers for Independent Living (Centers) provide living and employment services to enable people with disabilities to work and live independently within the community. These services include items such as: information and referral to other programs, advocacy, independent living skills training, peer counseling, housing, mobility training, interpretative services and transportation.

The Department does not have a five year plan. However, per federal regulation 364.11, a three year plan (State Plan for Independent Living – SPIL) is cooperatively developed by the Division of Vocational Rehabilitation (DVR) and the Statewide Independent Living Council (SILC). DVR and SILC share responsibility for monitoring the achievement of the SPIL goals with the 10 Independent Living Centers.

The current plan was last updated in June 2014 and covers the Federal Fiscal period from October 2014 through September 2016. The plan has three goals:

1. Improve the Centers' outreach to people with disabilities.

2. Increase capacity of the Centers to provide services in their areas.
3. Expand involvement of youth in independent living programs.

These goals will be accomplished through the following actions:

1. Improving the Centers' outreach:
    - Targeting outreach in rural and urban areas.
    - Surveying communities to identify gaps in services provided versus services required.
    - Expanding partnerships with local support groups and service providers.

2. Increasing the Centers' service capacity:
    - Improving the content and frequency of staff training.
    - Conducting an annual survey of the Centers' clients to assess the effectiveness and quality of services.

3. Expand involvement of youth in independent living programs:
    - Developing an SILC youth advisory committee and youth training programs.
    - Conducting an annual comparison of youth served from the base year of 2012.

Interaction between the Centers and the Department is a two way street. The Centers refer their clients with vocational rehabilitation needs to the Department for appropriate services; and conversely, during the course of the DVR client assessments, the Department refers individuals to the Centers they could benefit from the array of services they offer.

The Centers receive both Federal and State General Fund. The Department has not researched any other sources of funding for the Centers, and therefore does not have information to suggest there are more appropriate sources.

27. Please discuss the pros and cons of implementing a funding formula for the Centers in statute vs. by department rule.

The current funding formula is required by statute and implemented by department rule, which is optimal. It distributes the General Fund appropriation for the Centers for Independent Living by dividing the appropriation by the total number of Centers (10) and distributing an equal amount to each Center.

The current formula can lead to differences in year over year funding; which complicates planning for the Centers and can lead to imbalances in service capacity versus demand. Therefore, a "pro" to implementing a different funding formula in Department rule is that funding may be more consistent with the needs of the Centers and that it may allow the Department to more quickly address funding concerns. However, having a funding formula in statute allows for consistency in long term planning purposes.

28. Please discuss if the Department supports a funding formula for the Centers, and what factors should be included in the funding formula.

The Department would support the establishment of a statutory directive to the Department to have a process for developing a funding formula.

The Department supports a funding formula subject to the following provisions:

- Participation by the SILC and DVR in developing the cost elements of the formula to ensure all costs are properly accounted for.
- Side by side comparison of each Center's funding before and after the formula before implementing.
- A base year hold harmless clause in the first year of implementation.

Key factors to be included in a proposed formula should be: fixed operating costs, projected personnel costs and per capita service costs.

10:10-10:30 VOCATIONAL REHABILITATION PROGRAMS

29. Please discuss the Department's response to the issues raised in the JBC Staff December 5, 2014 briefing issue about the Vocational Rehabilitation Programs.

In the summer of 2012, through the C-Stat performance management system, the Department identified concerns in DVR performance that did not match explanations and actions presented to the management team. Later that year, the Office of the State Auditor (OSA) during the Statewide Single Audit identified errors in DVR eligibility determinations in 100% of the cases reviewed. In addition, the Division of Vocational Rehabilitation presented to the Executive Director in December 2012 a need to establish an "Order of Selection" or waitlist as they were running out of funding. When asked the full dollar amount needed to avoid a waitlist, the causes for running out of funding, or what it would take to reduce our costs, management was unable to receive reliable answers to these questions. Therefore, the Department called for a full performance audit by the Office of the State Auditor, which was released in 2013 that further documented 20 years of unaddressed issues with the program.

The Department took the audit findings seriously and implemented 62 of the 64 recommendation subparts, on time. The remaining 2 subparts will be implemented, on time, by the end of December 2014. Staff have been re-trained, a new management team has been put in place and the DVR Program as a whole has a vastly improved system of internal controls, documentation of eligibility determinations and services provided as well as an improved focus on customers and relationships. As each audit recommendation is implemented, all new policies and training materials are reviewed by Division, Office, and Department management as well as the Department's internal audit team, to ensure the audit recommendations have been addressed thoroughly. The Division has put quality assurance processes in place to evaluate the success of the newly implemented controls and processes.

More importantly, the Department was able to help an additional 1,705 individuals become employed during Federal Fiscal Year 2014. In addition, 6,457 people have been moved off of the waitlist since the Department started its efforts to reduce the waitlist in February 2014. There is a difference between the annual number of people moved off the waitlist and the number employed. Potential clients may have already found employment or otherwise declined services; and those receiving services require time in the program for the following services: a comprehensive client assessment (which identifies strengths, abilities, capabilities, resources, priorities, concerns, interests); creation of an individualized plan for employment (which includes specified employment outcomes, necessary vocational rehabilitation services, providers for each necessary service and timelines for implementation of the plan) and the ultimate employment outcome. The Department expects to have the waitlist eliminated by June 2015 without requesting any new funds.

The JBC briefing document refers to many issues that occurred prior to and leading up to the December 2013 OSA Performance Audit. The Department agrees that prior to the audit, DVR had a significant history of problems and is concerned the briefing paper dismisses all of the work done by the Department to implement those recommendations and improve the programs. Detailed information on audit recommendations implementation will be provided in later answers.

The Department believes we are only months away from reversing two decades of poor fiscal and operational service management of the program. While the Department remains open to exploring good ideas that will improve an individuals' ability to obtain employment, we believe the program is appropriately situated in the Department of Human Services.

30. Please discuss the following about each vocational rehabilitation specialty program:

a. The current cost for each program;

b. The unmet demand for the services provided by each program;

c. The cost to meet the unmet demand; and

d. Issues preventing the provision of services by each program.

The School to Work Alliance Program (SWAP) is designed to provide employment related assistance to youth and young adults who are experiencing mild to moderate barriers to employment. The program serves approximately 2500 people in 131 school districts. Projected state fiscal year (SFY) expenditures are $9,122,200. The waitlist is the primary detriment to expanded services because the severity of disabilities of SWAP clients generally puts them in a lower service priority.

The mission of the Business Enterprise Program (BEP) is to provide persons with blindness business opportunities in food vending and food service. Currently, 18 people are served by this program and SFY expenditures are projected to be $1.2 million. The constraints in this Program are related to constraints on the cash fund appropriation spending authority. Specifically, the BEP has more revenue earnings that could be reinvested and spent in the program. The Department has submitted a decision item for more spending authority.

The Centers for Independent Living (CFI) serves approximately 539 clients and is projected to spend $305,000 from the General Fund in the SFY. The purpose of the CFI is to provide independent living and employment services to enable people with disabilities to work and live independently within the community. Additional funding for the acquisition and training of staff could expand the reach of the CFI program.

The Traumatic Brain Injury Program (TBI) provides services and supports to help individuals with traumatic brain injuries and their families connect to service providers and community resources. The program serves 862 clients, but a breakout of program costs is not available. Additional funding for the hiring, training and development of counselors would expand the ability of the TBI Program to service additional clients.

In summary:

a. The current cost of each program is as follows:
   i. SWAP: $9,122,200
   ii. BEP: $1.2 million
   iii. CFI: $305,000
   iv. TBI: No data available

b. The current demand for each program is estimated to be:
   i. SWAP: 3320
   ii. BEP: 90
   iii. CFI: No data available
   iv. TBI: 1262

c. The estimated costs to meet the unmet demand for each program and the programs' funding sources are:
   i. SWAP: $2,070,500 (Reappropriated and Federal)
   ii. BEP: Decision item submitted requesting an increase of $300,000 in total spending authority (Cash and Federal).
   iii. TBI: $1,010,000 (Cash and Federal)
   iv. CFI: N/A (General Fund and Federal)

d. The issues preventing provision of services by each program are:
   i. SWAP: The waitlist. The severity of SWAP client disabilities generally puts them in a lower service priority.
   ii. BEP: Insufficient cash fund spending authority.
   iii. TBI: Funding for hiring and training counselors.
   iv. CFI: Funding for hiring and training support staff.

31. Please discuss the Department's overall plan to address the issues within the Vocational Rehabilitation Programs.

The Department is dedicated to ensuring that people with disabilities become employed in a well-paying job that enables them to develop careers and obtain financial independence. Since the release of the OSA audit, the Department has rapidly implemented audit findings and has driven process improvements; and through the use of the Department's monthly C-Stat meetings, has provided oversight and ensured accountability within DVR. Over the last year, notable results have included:

- Reducing the waitlist. Since February 2014, 6,457 clients have been moved off the waitlist and DVR projects elimination of the waitlist by June 2015.
- Increasing the rate of successful closures. Over the last six months, the rate has increased from 37.5% to 50.6%.
- Generating employment outcomes with meaningful wages. Despite a decline in the average Colorado hourly wage, over the last two years DVR Client wages have maintained steady at 46% over the minimum wage. [$11.69 per hour]
- Developing processes to provide lead indicators of successful client service delivery. One of the most meaningful is the percentage of clients with open cases contacted on a monthly basis by their counselor. From the onset of measurement in November 2013, the rate of contacts has increased from 45% to 94%.

Given the above, the Department believes that the emphasis on performance measures pays off because behind every improved number, there are people being better served by DVR.

Implementing the audit recommendations was just the starting point. The Department now looks to expand on these successes by using Lean principles to improve the efficiency and effectiveness of operations; focusing on developing management and staff; expanding relations with employers to broaden the base of potential jobs and improve the quality of the jobs provided to the participants.

32. Please discuss how the funding mechanism work for the Vocational Rehabilitation Programs and what occurs when the funds are not spent.

Vocational Rehabilitation funding is 78.7% federal funds and 21.3% matching funds, with matching funds comprised of 50% General Fund, 20% SWAP and 30% other funds. The federal funds are awarded to the Department with two years to expend the funds of which expire on September 30 of the grant award period. While there are certain federal requirements for all VR programs, each state agency has autonomy in determining the specific services provided and how they are delivered.

Per statute, when funds are not spent, the General Fund state match reverts to the General Fund and re-appropriated funds are received as deferred revenue and utilized as expenditures are incurred. Federal funds not spent within two years of the award date revert to the federal

government. The Department believes that the maximum risk for reversion is $5.3 million, with the likelihood that this amount will be spent down.

33. Please discuss the Department's response to each of the following options for changes to the Vocational Rehabilitation Programs presented on page 37 of the December 5, 2014 JBC staff briefing document:

a. Redesign the Programs based on models in other states which function effectively.

b. Move the Programs to another department within the Executive Branch, possibly the Department of Labor and Employment.

c. Move the Program to another Department and delegate the administration of the Program to the counties.

d. Create new independent non-profits, similar to Community-Centered Boards, and delegate the responsibility for administering the Programs to them.

e. Expand the responsibilities of Centers for Independent Living to include providing vocational rehabilitation services through the Vocational Rehabilitation Program.

f. Split apart the line items in the budget to separate out the general Vocational Rehabilitation Programs from the specialized programs.

g. Leave the Program as is and hope the Department works through the audit funding and resolves the issues identified in the response to the request for information.

Vocational Rehabilitation programs are organized and structured in many different ways across the country. Each state has identified their priorities and philosophical approach to implementation of the federal Rehabilitation Act.

Before recommending changes on how the Program is structured, the Department requests the General Assembly to consider the philosophical direction of the program: Should it be primarily an employment program for people with disabilities; or should it be part of a more robust community support program for people with disabilities, of which one aspect is employment readiness skills? The former may lend credence to some of the above options; and the latter is consistent with the Department's mission to "design and deliver high quality human services and health care that improve the safety, independence, and well-being of the people of Colorado" and supports the argument to keep DVR within the Department.

In the context of the General Assembly's review, they should also consider the ramifications of the Workforce Innovation and Opportunity Act (WIOA), signed into law July 2014 and required to be implemented by July 2015. Although supporting regulations are still being developed, this legislation supersedes the Workforce Investment Act of 1998 and amends the Adult Education and Family Literacy Act, the Wagner-Peyser Act, and the Rehabilitation Act of 1973. Therefore it is likely to generate significant changes in the way DVR does business. While presenting challenges, WIOA will also provide a great framework for considering alternatives to the vocational rehabilitation program.

The list provided in the JBC briefing presents eight possibilities in what could be an expansive list of other options. Because these options were not communicated before release of the

briefing document, the Department has not been able to complete a comprehensive review; but offers the following responses:

a. **Redesign the Programs based on models in other states which function effectively.** DVR has kept current on best practices through its participation in the Council of State Administrators of Vocational Rehabilitation (CSAVR); a program that supports education and interaction among the nation's DVR programs. DVR believes that its service model, supported by the audit-based improvements, generally conforms to best practices. The main difference is that some states have a separate agency serving only people with blindness and visual impairments, while DVR has these services incorporated. Additionally, at the moment, no other state is compliant with WIOA and as such, modeling any program after another state's program is premature.
b. **Move the Programs to another department within the Executive Branch, possibly the Department of Labor and Employment.** Vocational rehabilitation is done by many different departments in other states, ranging among the Departments of Education, Labor, and Human Services, to name the most common. The Department is committed to fix and has fixed the problems that exist and believes an organizational change would divert DVR's focus from mission critical tasks such as waitlist reduction and WIOA implementation; while reducing the momentum of DVR's improvements, without adding significant value to the audit-based improvements already implemented.
c. **Move the Program to another Department; delegate administration of the Program to the counties.** Aside from the transitional and control issues cited in other options, this option is likely to violate federal regulations:
    a. DVR must be part of a state agency (CFR 361.13(a)).
    b. DVR must be located at an organizational level and have comparable status to other programs within a state agency (Section 101(a)(2)(B)(ii)(IV) of the Rehabilitation Act and 34 CFR 361.13(b))
    c. There are some program responsibilities that DVR is prohibited from delegating including:
        i. The determination of eligibility, the nature and scope of services, and the provision of those services (34 CFR 361.13(c)(1)(i));
        ii. The determination that individuals have achieved employment outcomes (34 CFR 361.13(c)(1)(ii));
        iii. Policy formulation and implementation (34 CFR 361.13(c)(1)(iii));

    Further study would be required to confirm the feasibility of this option.
d. **Create new independent non-profits, similar to Community-Centered Boards, and delegate the responsibility for administering the Programs to them.** Comments in (c) apply here.

e. **Expand the responsibilities of Independent Living Centers to include providing vocational rehabilitation services through the Vocational Rehabilitation Program.** Comments in (c) apply here.

f. **Split apart the line items in the budget to separate out the general Vocational Rehabilitation Programs from the specialized programs.** The Department concurs with the JBC briefing comment that this option would not address the operational issues of the program but could provide another framework for addressing the issues regarding services for individuals who are blind or visually impaired. However, budget implementation would remain the broader issue when considering this option in order to ensure there are no unintended consequences.

g. **Leave the Program as is and hope the Department works through the audit funding and resolves the issues identified in the response to the request for information.** For the following reasons, the Department believes the best option is to retain oversight of DVR:

   i. In the last twelve months, the Department has implemented 62 of the 64 OSA audit recommendations and will have the final two implemented by the end of December. All recommendations have been implemented on time.

   ii. The Department has demonstrated a commitment to do business differently and their ability drive change while delivering results.

   iii. The Department requires stability to maintain their performance trajectory and implement the next phases of the performance improvement plan.

   iv. DVR continues to be a strategic fit with the Department's mission. One of the Department's FY 2014-15 strategic objectives is focused on improving successful employment outcomes.

   v. The Department would like to retain this platform of progress and stability within the system, while the implications of the federal law changes are considered as well as allowing for time for all options to be fully considered and an informed choice made prior to moving DVR to any different structure.

34. Please provide an update of the implementation of the December 2013 audit recommendations.

From the release of the OSA audit findings in December 2013, through the end of December 2014, DVR will have addressed each of the findings; implementing all 20 audit recommendations and 64 subparts. This rapid implementation while developing processes to provide lead indicators of successful client service delivery, combined with the oversight and accountability of C-Stat, has led to the results previously discussed:

- Reducing the waitlist, with estimated elimination of the waitlist by June 2015.
- Increasing the rate of successful closures.

- Generating employment outcomes with meaningful wages far above the minimum wage.
- Developing processes to provide lead indicators of successful client service delivery.

"Success breeds success" . . . and the Department believes that the progress of the last twelve months provides a solid foundation for building a stronger DVR in the next twelve months.

Attachment A
Regional Center Capital Construction and Controlled Maintenance Requests
Fiscal Years 2005-06 through 2014-15

Fiscal Year	Type of Request	Description of Request	Requested	Appropriated
FY 2005 -06				
	CC		$0	$0
	CM*	Repair/Replace mechanical systems, Steam lines, Chillers, & AHUs - Grand Junction Regional Center (GJRC)	$807,071	$807,071
FY 2006 -07				
	CC	Pueblo Regional Center (PRC) Group Home Remodel	$448,205	$448,205
	CM*	Repair/Replace Roofs, PRC	$334,810	$334,810
	CM*	Repair/Replace Roofs, GJRC Phase 1 of 2	$481,240	$481,240
FY 2007 -08				
	CC		$0	$0
	CM*	Heat Plant Repair and Equipment Replacement, GJRC	$811,010	$811,010
	CM*	Replace Fire and Intrusion Alarms PRC, Phase 1 of 2	$212,796	$212,796
	CM*	Repair / Replace HVAC Systems at GJRC and Group Homes, Phase 1 of 3	$642,675	$0
FY 2008 -09				
	CC	Kipling Village Remodel	$400,340	$400,340
	CM*	Replace Fire and Intrusion Alarms PRC, Phase 2 of 2	$226,171	$226,171
	CM*	Repair/Replace Roofs, GJRC Phase 2 of 4	$820,970	$0
	CM*	Replace HVAC Systems, GJRC Group Homes and Porter HVAC	$952,600	$0
FY 2009 -10				
	CC		$0	$0
	CM*	Replace HVAC Systems, GJRC Group Homes and Porter HVAC Phase 1 of 2	$875,497	$875,497
	CM*	Repair/Replace Roofs, GJRC Phase 2 of 4	$505,690	$0
	CM*	Heat Plant Repair and Equipment Replacement, GJRC (appropriation frozen & reverted)	$0	-$667,122
FY 2010 -11				
	CC		$0	$0
	CM*	Replace Domestic Water System, WRRC	$978,194	$0
	CM*	Install / Replace Fire Alarm Systems, GJRC Phase 1 of 1 (Previous Project M3036F)	$249,160	$0
	CM*	Heat Plant Steam Generator and Roof Repair, GJRC, Phase 1 of 1	$162,800	$0
FY 2011 -12				
	CC		$0	$0
	CM*	Replace Domestic Water System, WRRC **Subsequent to this request the City of Arvada provided the needed changes to the water system.	$1,121,535	$0
	CM*	Install / Replace Fire Alarm Systems, GJRC Phase 1 of 1 (Previous Project M3036F)	$249,160	$0
FY 2012 -13				
	CC		$0	$0
	CM*	Repair/Replace Roofs, GJRC, Phase 1 of 2	$635,670	$0
FY 2013 -14				
	CC		$0	$0
	CM*	Repair/Replace Roofs, GJRC, Phase 1 of 2	$635,670	$0
FY 2014 -15				
	CC		$0	$0
	CM*	Repair/Replace Roofs and HVAC, GJRC, Phase 1 of 3	$838,423	$0
	CM*	Repair /Replace HVAC Systems at GJRC, Phase 1 of 1 Group Homes, Bldg. 2, Zuni, DC	$801,514	$0

CM* - DHS Submits 14 detailed requests to OSA each year, the number of requests are based on the department square footage.

COLORADO
Department of Human Services

FY 2015-16
Joint Budget Committee Hearing:

Executive Director's Office, Services for People with Disabilities

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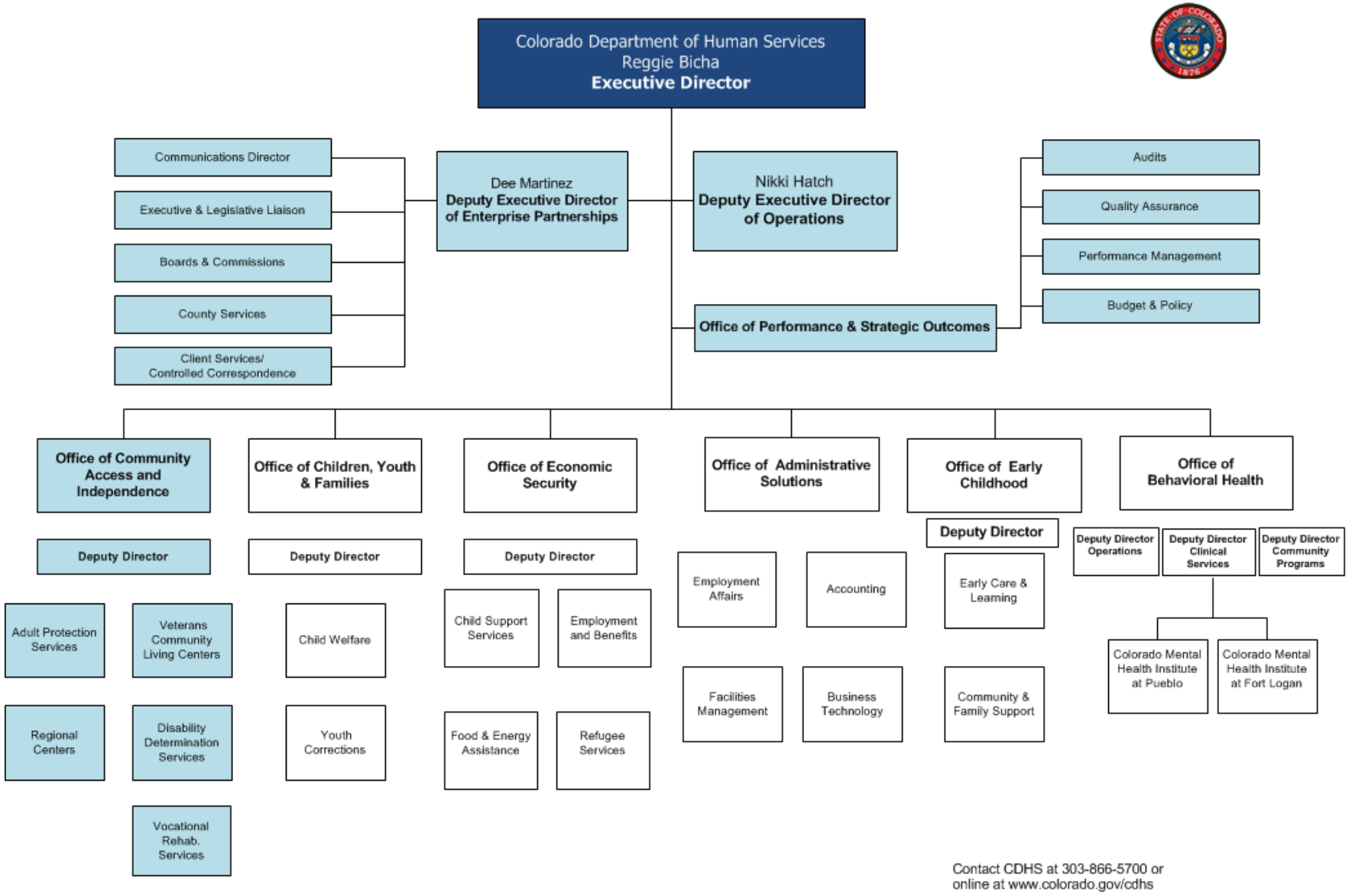
Colorado Department of Human Services
December 12, 2014



Contact CDHS at 303-866-5700 or online at www.colorado.gov/cdhs

Updated: November 2014

Strategic Priorities

Three Strategic Priorities make it clear that CDHS will strive for every Coloradan to have the opportunity to:

Thrive in the community of their choice

- To expand community living options for all people served by the Department.
- To ensure child safety through improved prevention, access and permanency.

Achieve economic security through meaningful work

- To achieve economic security for more Coloradans through employment and education.

Prepare for educational success throughout their lives

- To improve kindergarten readiness through quality early care and learning options for all Coloradans.
- To return youth committed to the Division of Youth Corrections (DYC) to the community better prepared to succeed through education received while in the custody of the Department.

COLORADO
Department of Human Services

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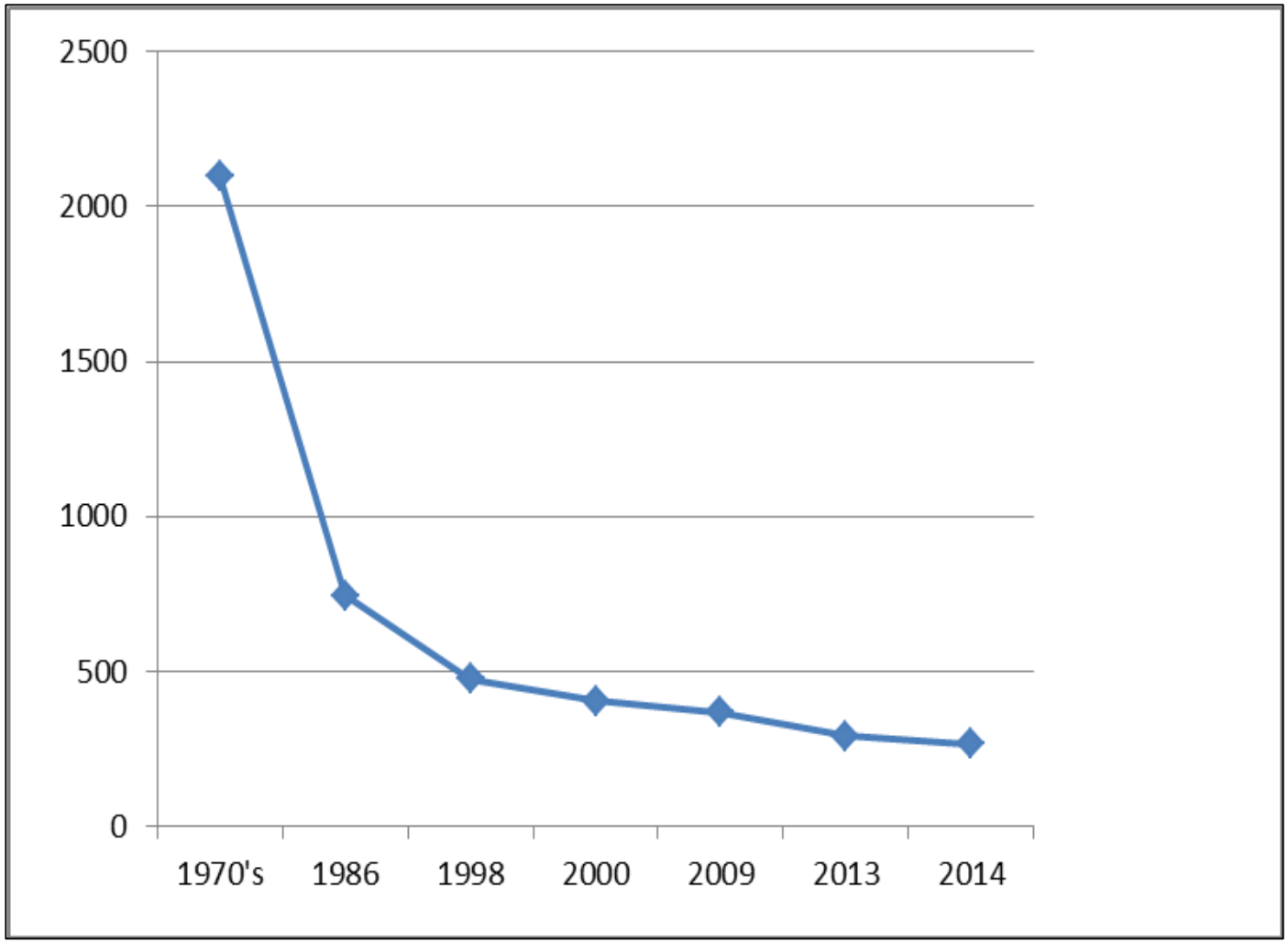
Department of Human Services

Office of Community Access and Independence

Regional Center Census
1970s through October 2014



COLORADO
Department of Human Services

Regional Center Vacancies

(Question 1)

- Factors contributing to vacancy rates:
  - **Admissions**
    - Community capacity increased substantially
    - HCPF streamlined process for support level determination
    - Community Support Teams
  - **Length of stay**
    - Short term programming
    - Focus on stabilization and active treatment
  - **Discharges**
    - Transition Support Teams
    - More frequent clinical reviews
    - Improved collaboration with Community Centered Boards
    - Emphasis on consumer choice
    - Aging population

COLORADO
Department of Human Services

Community Transitions FY 2014-15

(Question 2)

- Three Principles For Transition
  - Must be clinically ready
  - Individual/guardian choose to live in the community
  - Appropriate community provider available

- 269 individuals assessed as of December, 2014
  - 89 clinically ready to transition to a community setting
    - 70 have guardians who have not agreed to transition
- As of December 5, 2014
  - 21 individuals are able to, and have chosen to live in the community
  - 19 individuals are **estimated** to be ready to transition to the community in FY 2014-15 based on the average length of stay for the last 25 discharges
  - 37 admissions per year on average
- Transitions are outpacing admissions, increasing the vacancy rate

COLORADO
Department of Human Services

Regional Center Admission Policy

(Question 3)

- November 2013, Office of the State Auditor Performance Audit
  - Audit directed CDHS to review policies and procedures
  - Identified a lack of a formalized Admissions Policies
- April 2014, drafted and proposed a new Admissions Policy to share for feedback
  - Draft was distributed for public comment
  - Shared with CCB directors and advocacy organizations
- May 2014, policy revised based on feedback and implemented
  - Review date for August 2014
- September 2014, Department added process for emergency admissions, requested Regional Center Task Force to develop a subcommittee
- January 2015, Subcommittee recommendations expected

COLORADO
Department of Human Services

Admission Policy Impact on Vacancy Rates
(Question 3)

- Admissions from May-November 2014
  - 13 requests for admission
  - 10 admitted

- We do not believe there is a strong correlation between the Admissions Policy and the vacancy rate

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Emergency Placement & Stabilization

(Questions 4, 5)

- Emergency Admission Criteria
  - Determined eligible for the HCBS-DD program by the Community Centered Board (CCB)
  - Incarcerated, in a hospital, or in a nursing facility
- A person is determined stabilized once they have met their individual treatment goals
- Individuals involved in the Judicial System:
  - Judge determines if individual should remain in jail
  - If CCB makes a referral, *and* individual meets eligibility criteria, *and* a placement is available, judge would have to agree
  - No empirical evidence to suggest judges are choosing to send individuals to jail as a result of a shortage of Regional Center beds
  - Revised Admissions Policy allowing emergency admissions from jail further reduces this concern

Successful Community Transition

(Question 6)

- Successful transition =
  - Individual (and guardian) has chosen to move to the community;
  - Whose services and supports are chosen by the individual (and their guardian); and
  - Community services and supports are meeting the needs of the individual

- In March 2014 definition for successful transition broadened from “not readmitted within 90 days” to maintained in the community without further readmission to the Regional Center

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Successful Transitions

(Question 6)

- 110 transitions between January 2012 and October 2014
  - 103 remain in community
  - 7 readmitted
    - 4 returned to the RC in less than 90 days
    - 1 returned after 470 days
    - 2 returned after more than 630 days

Community Support Teams

(Question 7)

Community Support Teams

- Means of supporting community providers to stabilize individuals in the community
- At the request of the CCB for intervention, evaluation, and to provide recommendations
- CST remains involved for 90 days as requested by the CCB/individual
- CST responds within two business days
- Average length of time to meet with the individual is nine days

Early Results:
70% were successful in remaining in the community

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Serving Individuals in Crisis

(Question 8)

- Vast majority of individuals are successfully supported in their own communities when in crisis

- When individuals cannot be safely served in the community, we need to ensure that options are available to provide services and supports

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Offering VR Services in Community

(Question 9)

- Regional Center residents receive vocational services at the Regional Centers and in the community.
- If services were to be provided by community providers *instead* of state staff, constitutional issues could arise and modifications to the business model would be needed.
- Vocational Services provided by the Regional Centers *could* be provided to the community, with modifications to the business model, appropriations and so forth.

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Specialized Adaptive Equipment

(Questions 10 and 11)

- Specialized Adaptive Equipment includes fabricated wheelchairs and cushions, customized seating, and adaptive living skill devices
- For Regional Center residents we have staff who deliver these services (3 FTE at WRRC and 2.7 at GJRC)
  - 385 fabrications at GJRC since 2007
  - 662 fabrications at WRRC since 2008
- Cost of these services is included in the daily rate for ICF
- HB 14-1211 does not affect individuals in the ICF/IID Regional Centers

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Expanding Complex Rehabilitation Technology
(Question 12)

- To provide CRT to the community;
  - Change in business model
  - Regional Center would need to enroll as a Complex Rehabilitation Technology Medicaid provider
  - May require business start up supports such as space, equipment, and technology

- Expanding Regional Center CRT operations would compete with the eight existing private providers in Colorado.

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Delivery of Health Services

(Question 13)

- When a healthcare provider is not available due to a vacancy, leave or other factors, the Department seeks a contracted community provider to fulfill these responsibilities

- No licensure modifications are needed

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Capital Construction

(Questions 14 and 15)

- Regional Centers are home for the individuals who live in them
- Need a cost effective way to maintain safe and homelike environments
- Waiting 20-30 years to replace or remodel them is unacceptable
- Funding requested to address line of sight issues, bathrooms, safety
- Request authority to spend depreciation revenues earned as part of reimbursement rates

Vacant Homes

(Question 16)

- 4 homes offline:
  - 3 Grand Junction homes
  - 1 Pueblo home
- No modifications to vacant homes
- The Department is awaiting the recommendations of the Regional Center Task Force created in HB 14-1338 before taking any actions on the vacant homes

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Provider of Last Resort

(Question 17)

- No federal or state regulations defining “the provider of last resort”
- Colorado has developed a culture where institutional care, such as that provided by the Regional Centers, is often considered the “provider of last resort”

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Average Annual Census at the Regional Centers

(Question 18)

	Wheat Ridge	Grand Junction	Pueblo	Total
FY 2009-10	136	130	72	**338**
FY 2010-11	110	100	71	**281**
FY 2011-12	122	100	74	**296**
FY 2012-13	127	100	74	**301**
FY 2013-14	126	90	69	**285**

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Unduplicated Client Count of Individuals Served in the Home and Community Based Services Waiver for Individuals with Developmental Disabilities (HCBS-DD)

(Question 18)

	HCBS-DD Waiver
FY 2009-10	4,492
FY 2010-11	4,404
FY 2011-12	4,391
FY 2012-13	4,496
FY 2013-14	4,859

Department of Health Care Policy and Financing
Division for Intellectual and Developmental Disabilities

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Regional Center Audit Findings

(Question 20)

- Released December 2013
- DHS agreed with all findings
- All recommendations fully implemented, on time
- As of July 2013, the audit identified 110 individuals deemed as being clinically able to live in the community

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Regional Center Audit Findings

(Question 20)

- As of December 6, 2014 the following is the status for the 110 individuals
  - 31 individuals have transitioned to the community
    - None have been readmitted
  - 79 individuals remain at the Regional Centers
    - 67 remain because the individual's parent/guardian has chosen not to move to community
    - 8 have regressed and are no longer considered ready to transition
    - 2 have providers available and will be transitioning within the next few months
    - 2 are awaiting provider availability

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Regional Center Taskforce

(Question 21)

- The Departments consider the scope, as stated in HB14-1338 sufficient to answer the questions about Regional Center and community-based services.

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Transition Support Teams (TST)

(Question 22)

- Support individuals who are currently living in a Regional Center (both ICF/IID and HCBS-DD) and who are clinically able and have chosen to move to a provider in the community
- Assist in the development and implementation of an appropriate transition plan
- Provide support for up to 90 days following the individual's transition to the community
  - Transfer knowledge to the community provider about how to best serve the individual
  - Provide assistance to the individual and their guardian during the transition

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Centers for Independent Living

(Question 26)

- Provide living and employment services to enable people with disabilities to work and live independently within the community

- Provide mutual referrals to other programs for individuals with disabilities
  - Advocacy
  - Independent living skills training
  - Peer counseling
  - Housing
  - Interpretative services
  - Transportation and mobility training

Centers for Independent Living

(Question 26)

- Current plan was last updated in June 2014
- Improve the Centers' outreach to people with disabilities
  - Targeting outreach in rural and urban areas
  - Surveying communities to identify gaps in services
  - Expanding partnerships with local support groups and service providers
- Increase capacity of the Centers to provide services in their areas
  - Improving the content and frequency of staff training
  - Conducting an annual survey of the Centers' clients to assess the effectiveness and quality of services
- Expand involvement of youth in independent living programs
  - Developing an SILC youth advisory committee and youth training programs
  - Conducting an annual comparison of youth served from the base year of 2012

Funding Allocation Formula Approaches (Question 27)

Formula in rule

- May be more consistent with the needs of the Centers
- May allow the Department to more quickly address funding concerns
- Can lead to differences in year over year funding

Formula in statute

- Allows for consistency in long term planning
- Statutory change could be cumbersome and lengthy

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Funding Allocation Formula

(Questions 27 and 28)

- Current approach:
  - funding formula is required by statute C.R.S. 26-8.1-103(2) and implemented by department rule 12 CCR 2513-1,9.200
  - evenly divides the appropriation by the total number of Centers (10)

- Consider support of the establishment of a statutory directive subject to the following provisions:
  - Participation by the SILC and CDHS in developing the formula cost elements
  - Comparison of each Center's funding before and after the formula
  - A base year hold harmless clause in the first year of implementation

Vocational Rehabilitation Audit

CDHS:

- Identified issues through C-Stat and budget analysis
- Requested the audit, which identified 20 years of problems
- Has implemented all of the findings, on time
- Has taken people off of the waitlist in a cost effective manner
- Plans to end the waitlist by the end of this fiscal year within existing resources
- Over the last six months, the rate of successful closures has increased from 37.5% to 50.6%
- 1,705 individuals employed in FFY 2014

Vocational Rehabilitation Audit

(Question 34)

- Department implemented 62 of the 64 recommendation subparts by July 1, 2014
  - Remaining 2 subparts will be implemented, on time, by the end of December 2014

- Changes include:
  - Staff have been re-trained
  - Improved system of internal controls
  - Improved documentation of eligibility determinations and services provided
  - Improved focus on customers and relationships
  - All new policies and training materials are reviewed by Division, Office, and Department management as well as the Department's internal audit team
  - New quality assurance processes, and relocation to Office of Performance and Strategic Outcomes

Vocational Rehabilitation Improvements

(Question 29)

- Employment Outcomes: 1,705 individuals employed in FFY 2014
- Waitlist Reduction: Since February 2014, 6,457 clients have been moved off the waitlist
  - Anticipated elimination of the waitlist by June 2015
- Case Closures: Over the last six months, the rate of successful closures has increased from 37.5% to 50.6%
- Hourly Wages: Over the last two years, DVR client wages are 46% over the minimum wage. [$11.69/hour]
- Client Engagement: Since November 2013, the rate of monthly contacts has increased from 45% to 94%.

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DVR Specialty Programs

(Question 30)

School to Work Alliance Program (SWAP)

- Employment assistance to youth and young adults with mild to moderate barriers to employment
- Serves ~2,500 people in 131 school districts
- Projected SFY expenditures: $9,122,200
  - Cost to meet unmet demand: $2.1 million
- The waitlist is the primary detriment to expanded services because the severity of disabilities of SWAP clients generally puts them in a lower service priority

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DVR Specialty Programs

(Question 30)

Business Enterprise Program (BEP)

- Provides persons with blindness business opportunities in food vending and food service
- 18 people served
- SFY expenditures: $1.2 million
  - Costs to meet unmet demand: $300,000
- Decision item submitted for additional spending authority to:
  - Develop 1 to 2 new locations per year
  - Upgrade 3 to 4 locations per year
  - Increase the licensed operator base by 1 to 2 individuals per year

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DVR Specialty Programs

(Question 30)

Traumatic Brain Injury Program

- Services and supports for individuals with traumatic brain injuries and their families
- Connects service providers and community resources
- Serves 862 clients
- Cost to meet unmet need: $1 million
- Additional funding for the hiring, training and development of counselors would expand program to serve additional clients

Overall DVR Improvement Plan

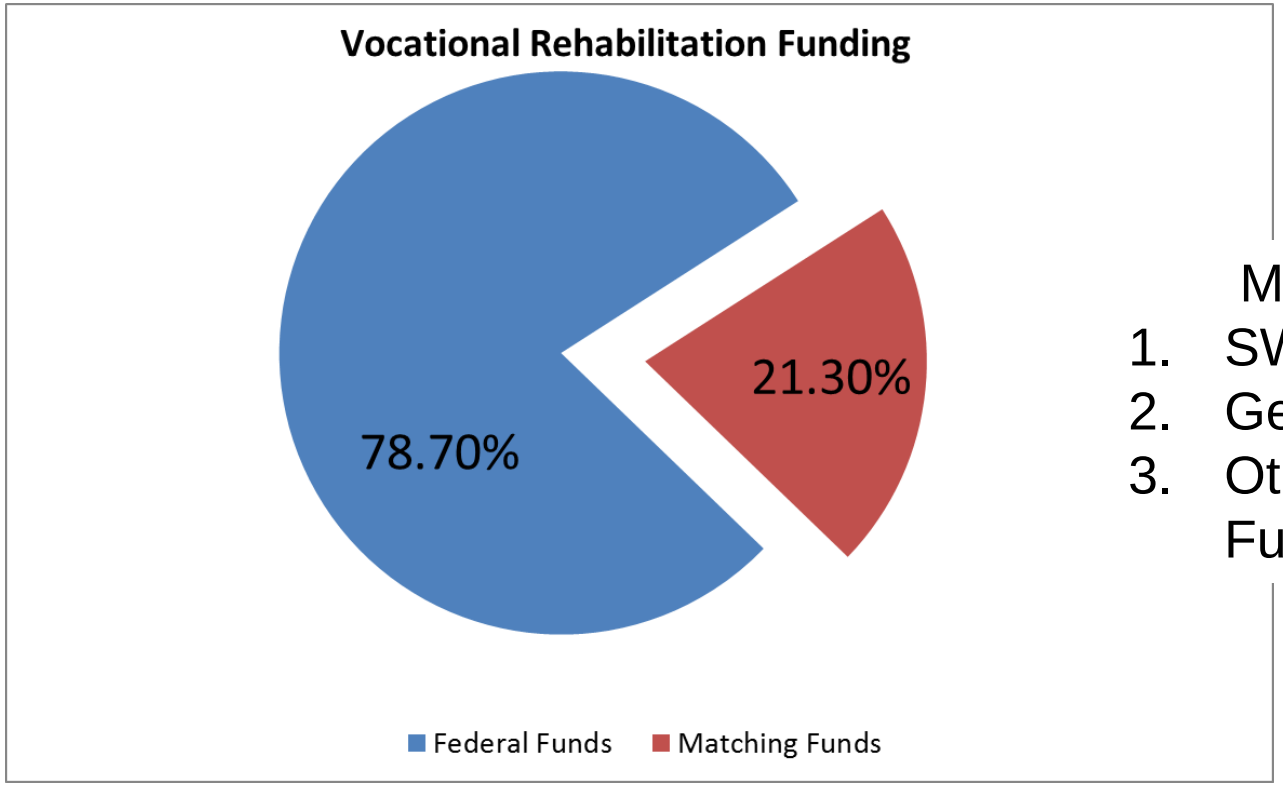
(Question 31)

- **Increase accountability**
  - Improve internal controls
  - Develop management and staff
  - Improve relationships with employers
  - Improve the quality of jobs for participants

- **Improve Outcomes**
  - Reduce (and eliminate) waitlist
  - Increase rate of successful case closures
  - Jobs with meaningful wages
  - Identify lead indicators for successful client service delivery

DVR Funding Mechanism

(Question 32)



Matching Funds:

1. SWAP
2. General Fund
3. Other Reappropriated Funds

Unspent federal funds after two years are reverted to the federal government

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DVR Options

(Question 33)

- Before determining best course of action for DVR, need to address the fundamental nature of the program:
  - Primarily an *employment program* for people with disabilities

    OR
  - Part of a more robust *community support program* for people with disabilities, with a work element?

- Changing federal landscape
  - Workforce Innovation and Opportunity Act may provide framework for considering alternatives

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Follow up to infrastructure discussion re: Grand Junction Campus

- CDHS contracted with Oz Architecture, Inc. for thorough assessment of campus
  - Engineering, code, real estate, roof, mechanical experts
  - Coordinated with local land use authorities

- Conclusions
  - While the campus is no longer ideal for programming, there is no evidence that the care of individuals is compromised.
  - Of 28 buildings:
    - 5 are “dry closed” (ready for demolition, but no threat to residents or the public)
    - 4 are “wet closed” (not in use, is heated)
  - 14 buildings reviewed in detail
    - All have deficiencies consistent with average age of 62 years, including accessibility and code compliance, security, energy efficiency and comfort
  - Operation costs high (~ $1.4 million/year)

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Follow-up to infrastructure discussion re: Grand Junction Campus

Broad Options, presented by the architect:

- Continue current maintenance approach: $1.4 million/year
- Remediate deficiencies: $32 million
- Lease appropriate space in community: $600,000/year

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Colorado Department of Human Services
Campus at Grand Junction
Facilities Assessment Report

DRAFT

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APPROACH:

The Colorado Department of Human Services (CDHS) Office of Administrative Solutions (OAS) selected OZ Architecture to conduct the assessment of the Campus at Grand Junction and buildings in late January 2014. The needs of CDHS and the associated scope of services required were discussed and finalized in early February.

A specialist team was assembled based on the requirements of the scope of the assessment, including: Cator Ruma and Associates for mechanical, electrical and plumbing issues, S. A. Miro Inc for structural and civil issues, Rooftech for roofing issues, Ryder Levett Bucknall for cost issues and C-West (hired under a separate contract) for code issues.

Pertinent existing documentation on the campus buildings, including building audit reports, drawings and capital requests were collected and reviewed in March, and a contract for services was negotiated.

Site visits by the specialists were conducted first in mid-April. The team toured the facilities to assess and photo document the conditions. Interviews were also conducted with the CDHS Campus at Grand Junction (GJC) Facilities Management staff to collect additional information. The team discussed conditions and brainstormed various future site and building options.

The local Grand Junction real estate conditions were researched and analyzed to inform the demand and feasibility of potential campus uses. Meetings were held during the month of May to discuss the options and develop a short list for further analysis.

Improvements to each building were defined to bring the facilities up to life safety requirements and costs for various upgrades to the campus and buildings were generated. During the months of June and July 2014, drafts of the assessment report were submitted for CDHS review and comment to ensure appropriate content to meet the intended purpose of the report.

EXECUTIVE SUMMARY

The Colorado Department of Human Services Campus at Grand Junction is an approximate 45 acre campus which has had the capacity to house hundreds of intellectually and developmentally disabled clients. The current number of clients has declined to approximately thirty, because of attrition, changes in demographics and the general movement of these clients to smaller local community living settings. This change over time leaves a campus that is oversized for the current demand and although well maintained, has aged to a point where decisions need to be made about the future of the facility.

This assessment was undertaken first, to understand the existing conditions of the campus infrastructure and its individual buildings. As could be expected of buildings with an average age of sixty two years, deficiencies were found in life safety, accessibility and code compliance, security, energy efficiency and occupant comfort. Operational costs were found to be very high, (approximately 1.46 million dollars per year) in relation to the number of clients served.

The second phase of the assessment was conducted to consider the magnitude of capital costs, 1) to renovate the entire facility to correct these deficiencies, 2) to maintain the current program on site through downsizing, which will involve either renovation of a few existing buildings or new construction, or 3) to vacate the campus and lease or sell the property. Vacating the campus requires the absorption of residents into the community, other facilities or the consideration of a new "build-to-suit" option.

The renovation of existing campus and fourteen buildings to remediate the gross deficiencies could be expected to cost in the order of magnitude of over $32 million. This would allow the campus to function with a capacity for more clients, however, this cost figure does not serve as a budget to address new programmatic requirements or contemporary design expectations for the needed quality of the facilities.

Operations and maintenance costs can be significantly reduced by consolidating the current program on site into a smaller footprint of just two or three buildings of perhaps 30,000 square feet on approximately five acres. This option would allow the central plant, some maintenance and laundry buildings to be shut down for efficiency. The cost of renovation for this option would be in the order of magnitude of over $7 million to functionally accommodate the current program, but without introducing new standards of quality.

Alternatively, a new facility could be constructed on site for the current number of clients, also of approximately 30,000 square feet for an order of magnitude cost of over $12 million, which would address current best practices and quality standards for this type of facility.

If the Campus at Grand Junction were to be vacated, a new offsite facility could be constructed using a custom "build-to-suit" delivery method and the capital costs of property procurement and construction could be borne by the developer and owner in a lease back arrangement.

Land values of the current industrial zone of Grand Junction range from one to three dollars per square foot, which would place the basic land value of the campus between $1 ½ million and 5 million. Values could be

expected to go up with the realization of the proposed mixed use city master plan to the east of the property. The buildings on site may also be of some value to a future owner such as a senior care facility.

While consolidating the program campus to five acres, renovating the remaining buildings to a Class C office occupancy could also be considered. However, the Grand Junction commercial real estate market has been slow in recent years. An investment of perhaps $26 million in the renovation of approximately 140,000 square feet could yield as much as approximately $1 ½ million per year, if fully leased based on a market rate of $10 per square foot.

Rough order of magnitude unit costs for renovation, new construction, lease rates and land values are included in the report as tools for the exploration of other combinations of options based on current markets. More accurate estimates would be required at a future time after an option direction and program of requirements is defined.

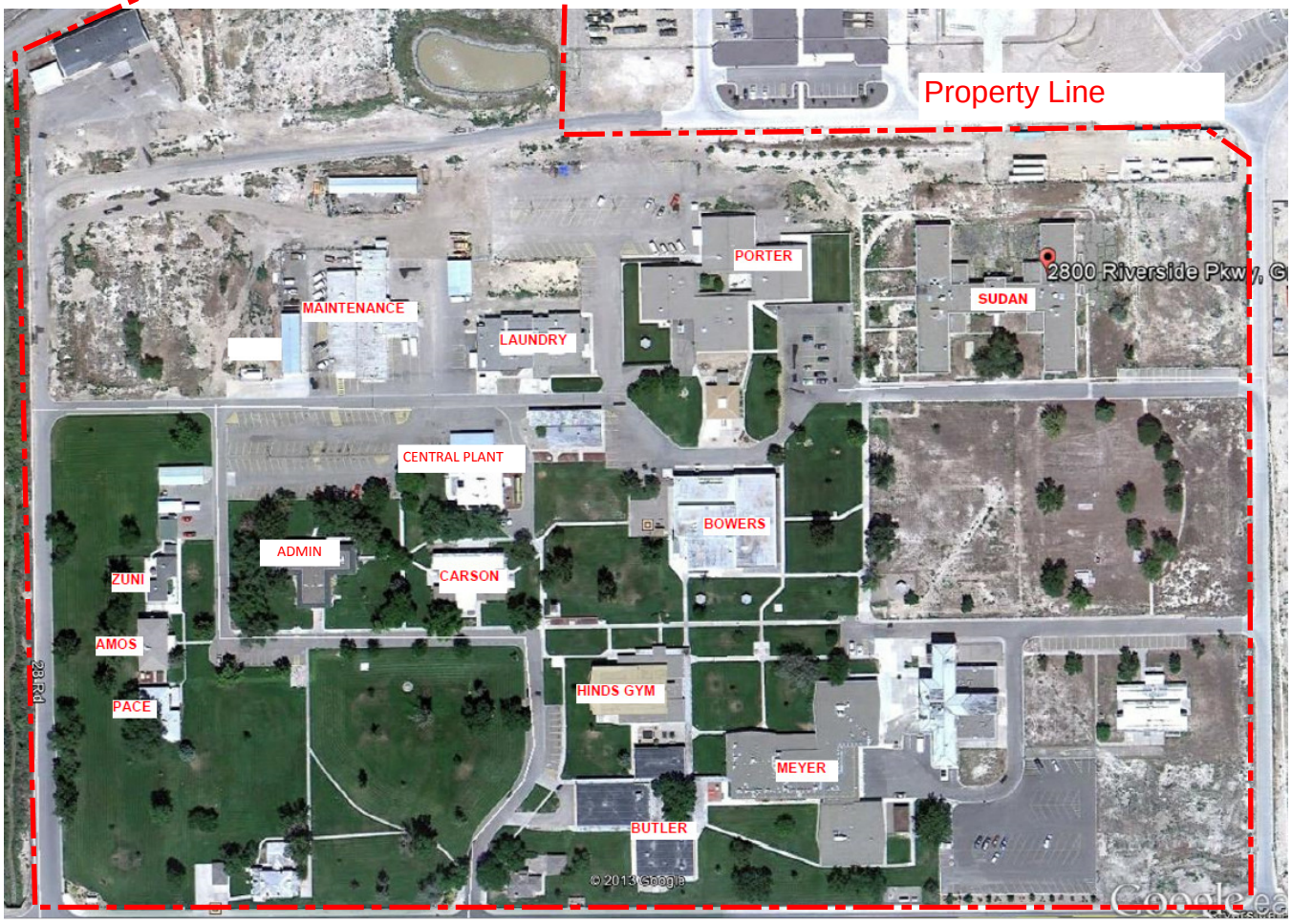
OVERVIEW

The Colorado Department of Human Services (CDHS) Office of Administrative Solutions (OAS) engaged OZ Architecture, Inc. and a team of sub consultants to perform a site/facilities assessment of the Campus at Grand Junction (GJC). The assessment includes Architectural, Civil, Mechanical, Electrical, Roofing and Code Compliance analysis.

The assessment involved two options. The first option includes an assessment of the current conditions of the site and buildings as they exist at the time of this report, as well as an analysis of the renovations necessary to bring the facilities up to functional and life safety requirements for its continued use as an Intermediate Care Facility (ICF). The second option includes identification of alternate use options for the site and analysis of those options.

The 14 buildings assigned to be assessed were:

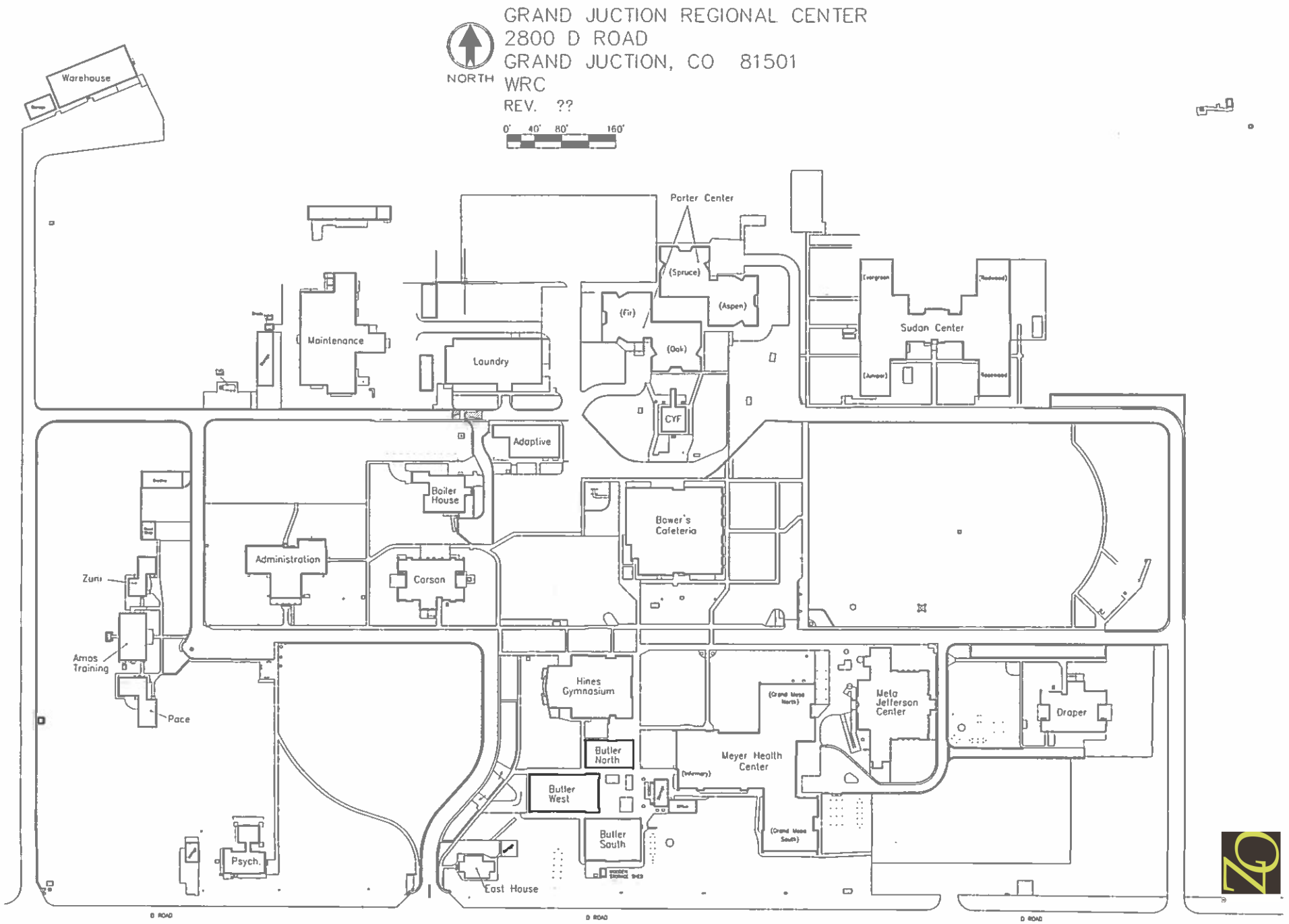
Administration (WRC001)
Carson (WRC002)
Bowers (WRC006)
Hinds (WRC007)
Butler (WRC008)
Meyer (WRC011)
Sudan (WRC016)
Porter (WRC018)
Laundry (WRC019)
W District Admin/Shops (WRC020)
Zuni (WRC025)
Amos (WRC026)
Pace (WRC027)
Central Plant (WRC003)



Total Site area: 46 acres
Building area: 192,813 square feet (14 Buildings in Assessment)
Currently serves: 30 clients
Capacity to serve: Up to 900 clients
Number of Buildings in Assessment: 14
Number of Buildings on Campus: 28

BUILDING AREAS

Building #	Building Name	Bldg in Assessment SF	Bldg Not in Assessment SF
WRC001	ADMINISTRATION	13125	
WRC002	CARSON BUILDING	7963	
WRC003	CENTRAL BOILER PLANT	6245	
WRC004	ADAPTIVE EQUIPMENT BLDG		4014
WRC005	BRODINE STORAGE		1457
WRC006	BOWERS KITCHEN	17668	
WRC007	HINDS RECREATION CENTER	10782	
WRC008	BUTLER LEARNING CENTER	13835	
WRC009	EAST HOUSE - GARAGE		580
WRC010	EAST HOUSE		2605
WRC011	MEYER HEALTH CENTER	27752	
WRC012	MJC BUILDING		21987
WRC013	DRAPER BUILDING		7723
WRC016	SUDAN CENTER	26953	
WRC017	CYF TRAINING LAB		1720
WRC018	PORTER CENTER	20459	
WRC019	LAUNDRY/HOUSEKEEPING	9753	
WRC020	W DISTRICT ADMIN./SHOPS	14109	
WRC021	MAINTENANCE STORAGE		2440
WRC022	WAREHOUSE		6250
WRC024	GARAGE/STORAGE		535
WRC025	ZUNI COTTAGE	1492	
WRC026	AMOS	5619	
WRC027	PACE COTTAGE	2258	
WRC029	WEST HOUSE		2563
WRC030	WEST HOUSE GARAGE		560
WRC20A	MAINTENANCE STORAGE		1953
WRC22A	WAREHOUSE STORAGE		981
	TOTAL SF	**178013**	**55368**


GRAND JUCTION REGIONAL CENTER
2800 D ROAD
GRAND JUCTION, CO 81501
WRC
REV. ??
NORTH
0' 40' 80' 160'
Warehouse
Maintenance
Laundry
Porter Center
(Spruce)
(Aspen)
(Fir)
(Oak)
CYF
Sudan Center
(Evergreen)
(Redwood)
(Juniper)
Adaptive
Boiler House
Bower's Cafeteria
Administration
Carson
Zuni
Amos Training
Pace
Hines Gymnasium
Butler North
Butler West
Butler South
Meyer Health Center
Meta Jefferson Center
Draper
Psych.
East House
D ROAD

ASSESSMENT OF CURRENT CONDITIONS

The team of specialists reviewed existing record documentation, drawings and reports of the buildings, and visited the site for verification, observation and photo documentation of existing conditions. In summary, site inspections of the buildings, review of existing audit reports, review of current operating costs provided by CDHS and order of magnitude cost estimates indicate the following:

Average Age of the Buildings Inspected
The age of the buildings in this assessment range from 1936 – 1975 with an average age of 62 years.

Average Condition of the Buildings Inspected
The average condition of the buildings is poor. Almost all buildings have fire and life safety, egress or bathroom code deficiencies, single pane windows that do not meet current energy code requirements nor security requirements, housing facilities without required security doors, a presence of lead paint and asbestos containing materials, as well as outdated floor, wall, casework and ceiling finishes.

Current Operating Costs
The operating costs to maintain the Campus at Grand Junction with an estimated square footage of 192,813 was $1,461,523 in FY 2013-14, based on average direct cost of square footage for the entire department of $7.58 per square foot. This does not include costs such as depreciation and indirect overhead charges associated with the existing property and support of the functions. In addition, controlled maintenancefor the past decade included:

- Replacing the fire alarm system for $300,300- FY 03-04
- Replacing mechanical equipment and steam lines for $807,071- FY 05-06
- Roof replacement for $481,240- FY 06-07
- Heat plant repair and equipment replacement for $811,010- FY 07-08
- Replacing HVAC equipment for $875,497- FY 09-10
- Heat plant repair and equipment replacement for $667,122 de-appropriated ($143,888 spent of original $811,010, FY07-08) FY 09-10

Total controlled maintenance of $2,607,996
Note: this does not take into account programmatic costs.

Cost to Renovate Buildings and Site
The order of magnitude cost estimate to renovate the buildings and site of 170,000 square feet is $32,300,000. This estimate is based on the deficiencies identified in the report; this estimate does not include programmatic analysis to bring program needs to contemporary standards of the users and clients.

The following five buildings, totaling 36,335 square feet, are currently vacant and in need of demolition. Based on a demolition cost of $12/square foot, including a $5/square foot allowance for abatement, the demolition requirement would cost $436,000.
Old adaptive equipment building (WRC004)
MJC Building (WRC012)
Westhouse (WRC029)
Easthouse (WRC010)
Draper (WRC013)

Initial Options Under Consideration:

The team analyzed the site and building conditions first to determine deficiencies that needed to be corrected for estimating, then to identify alternative options for the future use of the buildings based on market conditions and CDHS future space requirements. The options first under consideration were to:

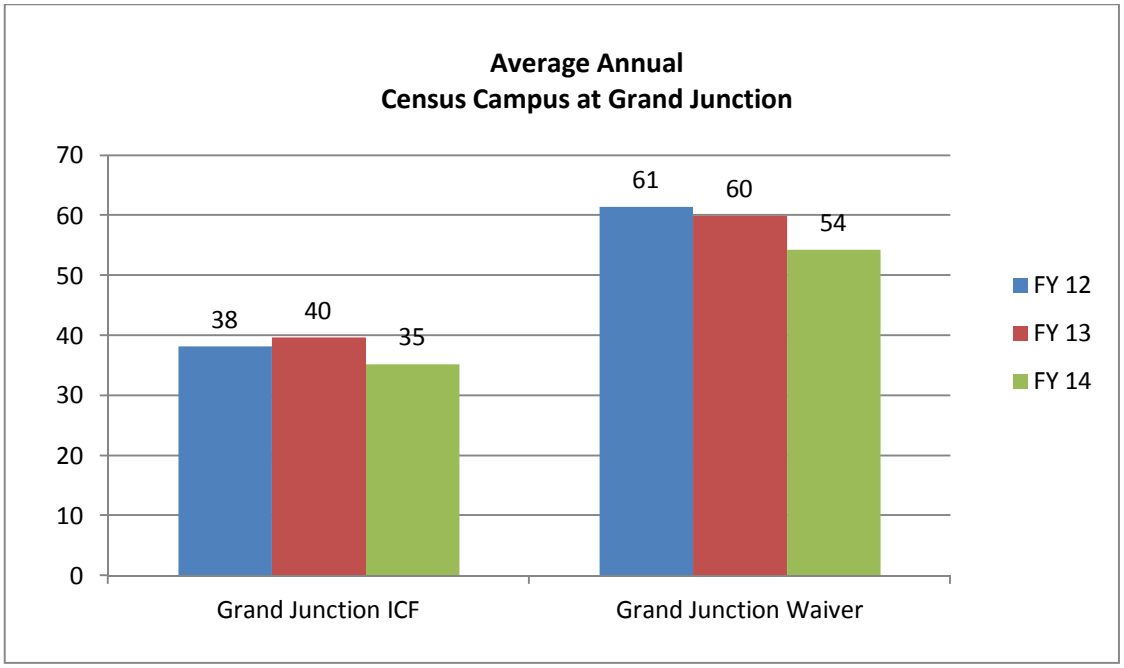
- Shrink CDHS operations at the GJC site to accommodate clients, this includes Intermediate Care Facility (ICF) / Intellectual and Developmental Disability (IDD) clients, and sell the remaining land. This would include taking the buildings off the central plant, eliminating the laundry facility operations, and minimizing the facilities management operations.
- Shrink the CDHS operations at the GJC site to accommodate clients, this includes ICF / IDD clients, and renovate select other buildings for leasing to other agencies. This would include taking the buildings off the central plant, eliminating the laundry facility operations, and minimizing the facilities management operations.
- Renovate the buildings as office space and lease to private sector or other agencies.
- Partner with a developer in developing land for higher value.
- Partner with the City of Grand Junction to rezone the land based on the new comprehensive plan for the area and its suggested land use as Business Mixed use:
    - Shut down the site and go through annexation and rezoning to sell at a greater value
    - RFP partnership with developer to bring higher land value to the deal.
    - Shrink CDHS use on site, rezone the remaining land and sell off that parcel.
- Partner with Senior care, PACE adult daycare, or a similar non-profit to provide an all-inclusive health care facility for elderly adults. This facility or campus could share a campus with a reduced CDHS facility. Local providers include:
    - Rocky Mountain Health Care Services
    - InnovAge Greater Colorado
    - Senior CommUnity Care

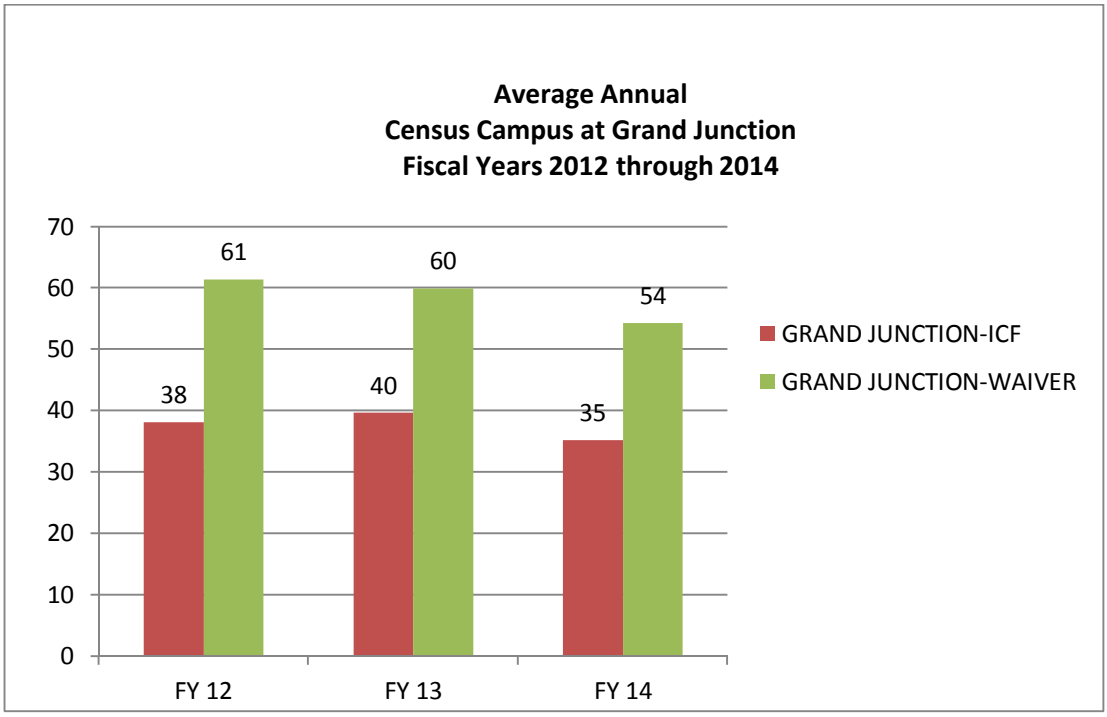
Based on analysis of the above options, the following were identified as move forward options for the second phase of the assessment:

1. Reduce footprint of CDHS operations on site
    a. Sell off remaining land
    b. Renovate remaining buildings and lease space to tenants
    c. Sell off specific buildings for senior living facilities
2. Vacate site
    a. Renovate buildings and lease space to tenants
    b. Sell land
    c- i. Sell land and lease space back from the new owner
    c-ii. Maintain reduced CDHS operations in a “build to suit” lease from a private owner in the Grand Junction area

ALTERNATIVE SITE OPTIONS

The objective of the second phase of the assessment is to identify potential best use options for the GJC site. The OZ team utilized the current GJC site and buildings assessment, with an initial investigation of the City of Grand Junction planning and future land use map, real estate data for the City of Grand Junction, preliminary investigation of private sector demand in Grand Junction and initial investigation of other potential institutional uses.





The assumption for this report is the population will continue to decline. Clients are currently housed in three of the existing buildings on site; Porter, Zuni and Meyer. Other buildings that are in operation on site provide ancillary services to support the approximately 30 clients, maintain the site and buildings and support the local offsite community homes. Those buildings are:

Administration – Houses GJC staff including the Director, Program Director, Mid-level supervisors, and Social Workers, along with the following departments: Time Keeping, Accounting, Procurement, Psychology, IT/Phone Hub, Copy/Printer room, and Public visitor check in.

Hinds Gymnasium – The gymnasium space is utilized by developmentally disabled clients for day programs, it includes a game room for developmentally disabled client use, and clients are always supervised by staff. Additionally the gymnasium provides storage for client use.

Butler Learning – The north building is primarily used for staff training. The west building is used for client day and vocational programs, staff meetings, and includes a staff break room, an office, a training room, and contains the mechanical room for all three Butler Learning buildings. The south building provides gross motor skills space for more physically handicapped developmentally disabled clients, it houses the Adaptive Equipment department, and has one vocational space.

W District Admin/Shops– Houses the maintenance staff, metal, wood, electrical, and paint shops required to support maintenance of the site and buildings. The GJC W District Admin/Shops also houses an auto/fleet repair shop that maintains all CDHS/GJC vehicles as well as vehicles for other local state agencies. Colorado Department of Transportation, Department of Military and Veterans Affairs, Colorado State Patrol (fueling station), Department of Corrections Parole and Judicial use the fleet garage services from time to time.

Laundry – The laundry facility houses a commercial laundry operation for developmentally disabled clients from the GJC and some group homes, including Grand Mesa Youth Services Center, and outside private sector companies. Some of the higher functioning developmentally disabled clients work at the laundry facility as part of a vocational program. Housekeeping offices are also in this building.

Central Plant – The GJC buildings are all connected to the central plant. The central plant houses the boiler that provides steam and hot water for the heating systems to all buildings on site.

Based on the current assessment of the buildings, planned future demand, and GJC operational (maintenance and housekeeping) costs of $1.46 million, covering a total of 233,381 sf and serving only approximately 30 residents in a facility designed to provide services for 600 to 900 clients is inefficient. Moreover, the majority of the building facilities are outdated, do not meet fire safety, accessibility and code requirements and do not effectively meet the programmatic needs of the clients.

The team met with CDHS OAS management and performed an assessment of the site and buildings, collecting and reviewing operation costs. A preliminary investigation including demand by other agencies, cost and demand for private sector class C office space and industrial space, industrial zoned land values was conducted. Options selected for analysis recommended either reducing the size of the GJC operation or eliminating the operations and vacating the site.

COST ASSUMPTIONS UTILIZED IN OPTION ANALYSIS

Renovation and New Construction Costs

Renovation and New Construction costs are based on Rider Levett Bucknall (RLB) cost estimates. See Renovation and New Construction cost matrixes below. Based on results from phase one assessment of the existing buildings on site, the following assumptions are used for the scope of building renovation.

Demolish the interior and renovate the buildings to meet occupant needs and code requirements, replace all windows and repair roofs, provide an allowance for hazardous material abatement, place buildings on their own mechanical, electrical and plumbing systems, and provide site work improvements.

Estimated Renovation Costs Per Square Foot = $190/square foot (excluding Central Plant, $206/square foot including Central Plant).

Estimated New construction costs per square foot = $356/square foot.

Estimated Site Infrastructure Improvements per acre = $300,000/acre.

COLORADO DEPARTMENT OF HUMAN SERVICES - GJC
ASSESSMENT OF PROPOSED CAMPUS OPTIONS - ROM $/SF

RLB | Rider Levett Bucknall

	Program Area bgsf	Renovation $ / bgsf	Design & Engineering Fees 12%	Permitting & Commissioning 5%	FF&E Allowance $/sf	Existing Building Demolition $/sf	Allowance for Hazmat Abatement $/sf	TOTAL $ / bgsf	
RENOVATION OF EXISTING FACILITIES									
Administration - office	13,125	165	20	8	7	0	5	***205***	***$ 2,696,810***
Carson - residence	7,963	138	17	7	2	0	5	***168***	***$ 1,341,400***
Bowers - kitchen	17,668	166	20	8	25	0	5	***224***	***$ 3,964,950***
Hinds Gym - recreation	10,782	138	17	7	10	0	5	***176***	***$ 1,896,461***
Butler - education	13,835	166	20	8	7	0	5	***207***	***$ 2,857,635***
Meyer - health	27,752	171	20	9	15	0	5	***220***	***$ 6,095,206***
Sudan - residence	26,953	135	16	7	2	0	5	***165***	***$ 4,443,595***
Porter - residential	20,459	134	16	7	2	0	5	***164***	***$ 3,349,937***
Laundry - laundry	9,753	139	17	7	10	0	5	***178***	***$ 1,735,198***
W District Admin/shop	14,109	136	16	7	10	0	5	***174***	***$ 2,452,681***
Zuni - residence	1,492	153	18	8	2	0	5	***186***	***$ 276,864***
Amos - education	5,619	172	21	9	7	0	5	***213***	***$ 1,197,788***
Pace - residence	2,258	145	17	7	2	0	5	***177***	***$ 398,778***
Central Plant - CUP	6,245	536	64	27	2	0	5	***634***	***$ 3,960,079***
Allowance for civil/site development									
RENOVATION OF EXISTING FACILITIES	***178,013***							***206***	***36,667,383***

Average $/SF excluding Central Plant = 190

COLORADO DEPARTMENT OF HUMAN SERVICES - GJC
ASSESSMENT OF PROPOSED CAMPUS OPTIONS - ROM $/SF

RLB | Rider Levett Bucknall

	Program Area bgsf	New Construction $ / bgsf	Design & Engineering Fees 12%	Permitting & Commissioning 5%	FF&E Allowance $/sf	Existing Building Demolition $/sf	Allowance for Hazmat Abatement $/sf	Total Estimated Construction Cost $ AT JUNE 2014
BUILD NEW COST FOR NEW CONSTRUCTION								
Administration - office	13,125	250	30	13	15	7	5	$ 4,193,438
Carson - residence	7,963	200	24	10	5	7	5	$ 1,998,713
Bowers - kitchen	17,668	250	30	13	50	7	5	$ 6,263,306
Hinds Gym - recreation	10,782	200	24	10	20	7	5	$ 2,868,012
Butler - education	13,835	275	33	14	15	7	5	$ 4,824,956
Meyer - health	27,752	275	33	14	30	7	5	$ 10,094,790
Sudan - residence	26,953	200	24	10	5	7	5	$ 6,765,203
Porter - residential	20,459	200	24	10	5	7	5	$ 5,135,209
Laundry - laundry	9,753	200	24	10	20	7	5	$ 2,594,298
W District Admin/shop	14,109	200	24	10	20	7	5	$ 3,752,994
Zuni - residence	1,492	200	24	10	5	7	5	$ 374,492
Amos - education	5,619	275	33	14	15	7	5	$ 1,959,626
Pace - residence	2,258	200	24	10	5	7	5	$ 566,758
Central Plant -CUP	6,245	800	96	40	5	7	5	$ 5,951,485
Allowance for civil/site development								$ 6,000,000
BUILD NEW COST FOR NEW CONSTRUCTION	***178,013***	***356***						***$ 63,343,280***

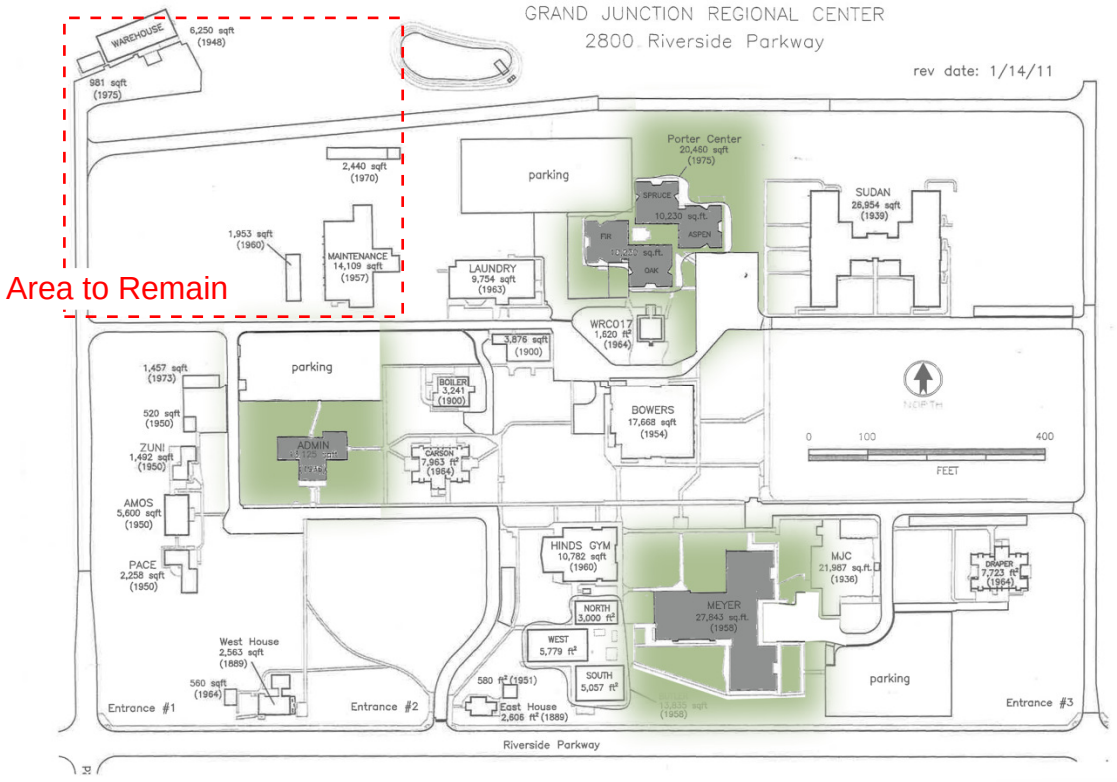
OPTION 1 – OVERVIEW – Reduce CDHS on Site Operations

The three goals for reducing the footprint of the CDHS operations on the GJC site are to reduce the operational costs of the facilities, provide more efficient and effective facilities to suit the needs of the residents and staff, and to provide future funding of CDHS needs through either the sale of land or leasing of land to other tenants.

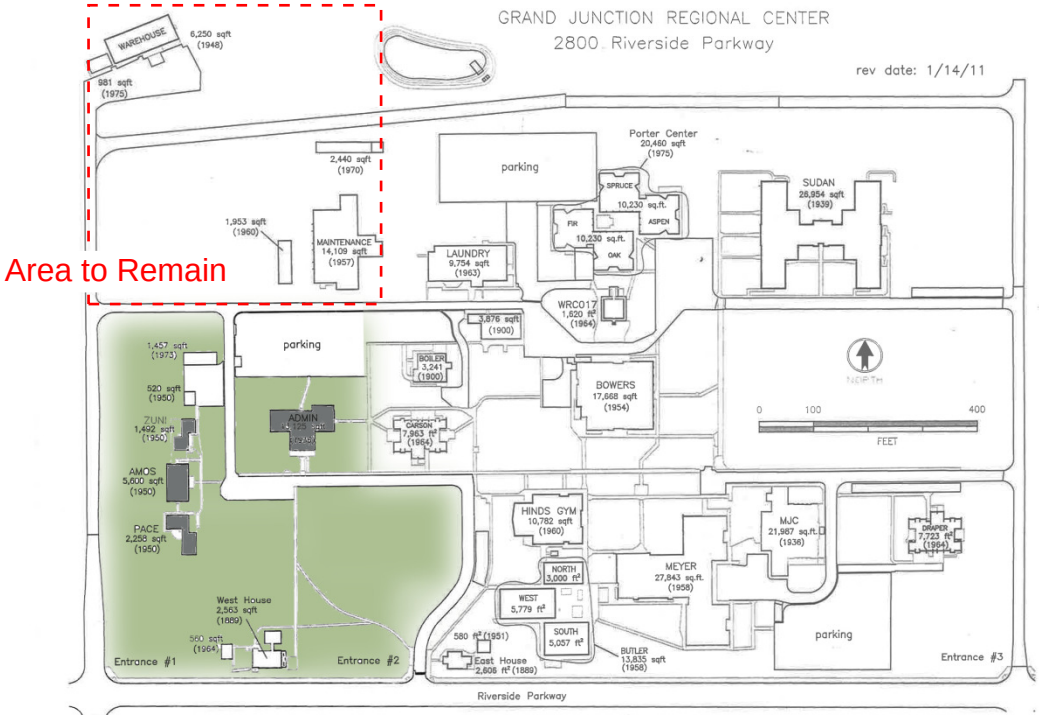
Option 1 has three alternatives with the CDHS objective to reduce the CDHS footprint and operations on the GJC campus and provide better facilities.

Reducing CDHS operations on site would include taking the central plant and all vacant buildings offline, outsource laundry services and take laundry building offline, streamline maintenance and facilities management services and staff, consolidate all clients and staff into two to three buildings, and either remodel the existing buildings or build new buildings.

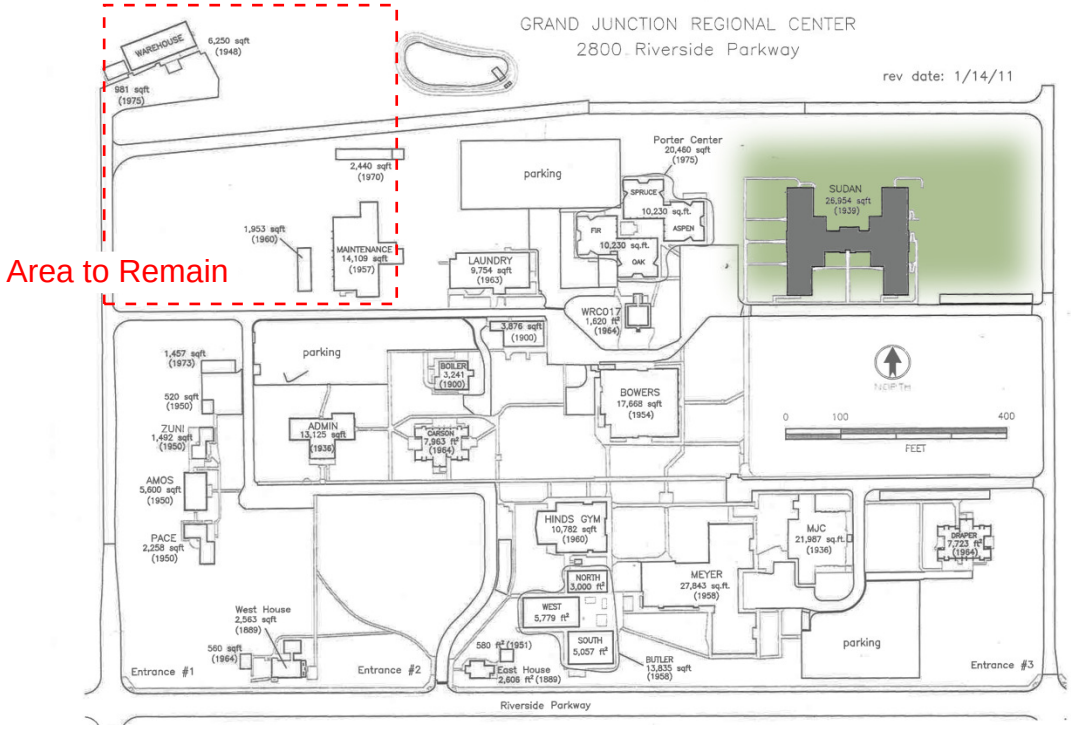
The following site plans provide three potential options for reducing the footprint of CDHS operations on the site.



Renovate and add 30,000 SF at various locations on Site



Renovate and add 30,000 SF at southwest corner to yield east portion of the Site for other uses.



Renovate and add 30,000 SF at northeast corner to yield south portion of Site to other uses.

The following estimated renovation and new construction costs apply to all **OPTION 1** sub options.

For analysis of this option a 30,000 square feet space of building on five acres of land is assumed, to maintain operations for 10 – 20 clients and supporting staff for the clients and regional community homes.

Cost analysis for reduced size of CDHs operation on site to 30,000 square feet on five acres of land

Estimated Renovation Costs
Renovation would allow the campus to function with a capacity for more clients, however, this cost figure does not serve as a budget to address new programmatic requirements or contemporary design expectatopns for the needed quality of the facilities.
The average cost of renovation for existing buildings on site is estimated at $190/square foot (excluding the Central Plant).
Based on a requirement of 30,000 square feet, the estimated cost of renovation would be $5,700,000
Site infrastructure improvements are estimated at $300,000/acre, totaling $1,500,000
Total renovation cost = $7,200,000

Estimated New Construction Costs
Cost of new construction on site is estimated at $356/square foot.
Based on a requirement of 30,000 square feet of new buildings on 5 acres, the estimated cost of new buildings would be $10,680,000
Site infrastructure improvements are estimated at $300,000/acre, totaling $1,500,000
Total new construction cost = $12,180,000

OPTION 1.a. – Reduce CDHS Operations on Site and Sell Remaining Land

Shrink CDHS Footprint and Operations on Site
Approximate Renovation Cost = $7,200,000
Approximate New Construction Cost = $12,180,000

Estimated Sale Price of Land
Based on information from Coldwell Banker Commercial Real Estate, current Industrial land values are estimated at $1.00/square foot - $3.00/square foot (See Appendix, Exhibit C). Based on 40 acres and land “as-is”, zoned industrial, the estimated value is $1,742,400 - $5,227,200.

OPTION 1.b. – Reduce CDHS Operations on Site and Renovate Remaining Buildings to Lease Space to Tenants

Shrink CDHS Footprint and Operations on Site
Approximate Renovation Cost = $7,200,000
Approximate New Construction Cost = $12,180,000

Estimated Cost to Renovate Existing Buildings for Lease

There is approximately 170,000 square feet of space on site. Based on using 30,000 square feet for continuing CDHS operations, approximately 140,000 square feet of renovation would be required to renovate existing buildings for lease. Based on an estimated renovation cost of $190/square foot (excluding the Central Plant), total renovation cost for preparing buildings for lease is approximately $26,600,000

Lease Renovated Buildings on Site

Approximately 140,000 square feet of space would be available for lease. Based on $10/square foot for class C office space, potential rental income would equate to $1,400,000/year.

OPTION 1.c. – Reduce CDHS Operations on Site and Sell Off the Remaining Land and Buildings to a Senior Care Operator

Option 1.c. proposes reducing the CDHS footprint on the GJC site to 30,000 square feet, selling the Butler and Meyer buildings to a senior care operator, since the existing building and layout is suited for this type of occupancy, and selling the remaining land.

Shrink the CDHS Footprint and Operations on Site

Approximate Renovation Cost = $7,200,000
Approximate New Construction Cost = $12,180,000

Sell Specific Buildings to a Senior Care Operator

The assumption is that the Butler and Meyer buildings are most desirable for a senior care operator, the associated land required to be sold with these buildings is 10 acres. Based on information from Coldwell Banker Commercial Real Estate, land with existing buildings on site would be valued at $3.00/square foot (See Appendix, Exhibit C). Based on 10 acres at $3.00/square foot, the potential sale price would be $1,306,800.

Sell off Remaining Land

After reducing CDHS operations on site and selling off the Butler and Meyer buildings and associated land to a senior care operator there would be 30 acres remaining for sale.
Based on 30 acres at $1.00/square foot, the potential sale price would be $1,306,800.

OPTION 2 - OVERVIEW

Option 2 has three alternatives that CDHS would decommission all CDHS operations on the GJC campus.

OPTION 2.a. Decommissioning CDHS Operations on Site and Renovate Buildings for Lease

Renovation Cost
Renovate approximately 170,000square feet at $190/square foot = $32,300,000

Lease Analysis
Lease approximately 170,000square feet at $10/square foot = $1,700,000

OPTION 2.b. Decommissioning CDHS Operations on Site and Sell Land

Estimated Sale Price of Land
Based on information from Coldwell Banker Commercial Real Estate, current Industrial land values are estimated at $1.00/square foot - $3.00/square foot (See Appendix, Exhibit C). Based on 45 acres and the land "as-is", zoned industrial, the estimated value is $1,960,200 - $5,880,600.

OPTION 2.c-i and 2.c-ii. Decommissioning CDHS Operations on Site, Sell Land, and Lease 30,000square feet either on site or in Grand Junction for continued reduced CDHS operations.

Estimated Sale Price of Land
Based on information from Coldwell Banker Commercial Real Estate, current Industrial land values are estimated at approximately $1.00/square foot - $3.00/square foot (See Appendix, Exhibit C). Based on 45 acres and the land "as-is", zoned industrial, the estimated value is $1,960,200 - $5,880,600.

Lease 30,000 square feet for CDHS Operations
Lease approximately 30,000 square feet at $20/square foot = $600,000/year
Note: A specialty use facility that would meet CDHS operational needs for ICF/IDD clients will require a long-term, likely 20 year lease. This is with an assumed $20/square foot lease rate requiring a 20 year return on investment on a $12,180,000 capital investment.

Long-Term Considerations

Based on conversations with the City of Grand Junction Planning Department, the Future Land Use Plan for 2800 Riverside Parkway indicates future favored zoning as Business Mixed Use. The city has invested substantial capital into realigning and improving Riverside Parkway, developing a green belt, installing new civil infrastructure, with plans for significant improvements to the area. See Exhibit B in the appendix for the City of Grand Junction Future Land Use Map. If the economy is favorable so that development in the area of the GJC site unfolds as planned, the GJC site has potential to increase in value.

DEPARTMENT OF HUMAN SERVICES
FY 2015-16 JOINT BUDGET COMMITTEE HEARING AGENDA

Friday, December 12, 2014
9:00 am – 10:25 pm

9:00-9:10 INTRODUCTIONS AND OPENING COMMENTS

9:10-10:00 REGIONAL CENTERS

Questions for the Department of Human Services

1. Please discuss the reasons for the vacancy rates at each Regional Center.

2. Please discuss how many individuals will transition from Regional Centers to the community in FY 2014-15, and what impact these transitions will have on the vacancy rates.

3. Please discuss the evolution of the Regional Center admission policy. How does the admission policy impact the number of Regional Center vacancies?

4. Please discuss the criteria for emergency placements and the need for stabilization services. Please include a discussion about how the Regional Centers determine when an individual no longer requires stabilization services.

5. Please discuss the relationship between the judicial system and housing individuals in jail with serving individuals at Regional Centers. Who determines where individuals will be served and what criteria is used in the determination? If more Regional Center beds were available would judges send individuals to Regional Centers rather than to jail?

6. Please discuss how the Department defines as a successful transition. How has this definition changed over the past five years?

7. Please discuss Community Support Teams including:
   a. What Community Support Teams are;
   b. How quickly Community Support Teams respond to situations; and
   c. How effective Community Support Teams are in resolving crisis situations.

8. Are individuals in crisis served better by remaining in the community or moving into a Regional Center for stabilization services and why?

9. Please discuss the Department's plans regarding the provision of vocational rehabilitation services at the Regional Centers. Can the vocational rehabilitation services offered at Regional Centers be provided in the community instead? Why or why not?

Specialized Adaptive Equipment

10. Please discuss how H.B. 14-1211 (Ensuring Access to Complex Rehabilitation Medicaid) applies to the availability specialize adaptive equipment made by the Regional Centers.

11. Please discuss the following related to specialized adaptive equipment:
    a. If a workload study and/or a cost-benefit analysis has been done on the provision of adaptive equipment through public sector verses private contractors, and if so, what were the results;
    b. The number of staff at Wheat Ridge and Grand Junction Regional Centers providing this service; and
    c. The number of pieces of equipment that has been produce at each Regional Center over the past ten years.

12. Please discuss what would be required (e.g. statutory changes, funding, and staff resources) to expand the availability of specialized adaptive equipment to all individuals with intellectual and developmental disabilities receiving services.

13. Please discuss how services are provided if there is not an employed provider for Regional Center medical and behavioral services. What has the Department done to modify licensure requirements to enable individuals to receive the services they need if a provider is not available?

Capital Construction

14. Please discuss why the Department is requesting spending authority in the operating budget for capital construction costs for Regional Center group homes.

15. Please provide information on Regional Center group home capital construction costs over the past ten years and include an explanation for years when there was no request.

16. Please discuss how many vacant group homes there are at each Regional Center and what the Department is planning to do with them. Please discuss why individuals were not moved to vacant group homes in each Regional Center so the capital improvements could be avoided since not all group homes are occupied.

Regional Center Questions for both Department of Human Services and Department of Health Care Policy and Financing

17. Please discuss how the Department defines "provider of last resort" for intellectual and developmental disability services. Has this definition changed over the years? If so, how?

18. Please provide a summary of the number of individuals served at each Regional Center and in the community for the past five years.

19. Please discuss how the Colorado Community Living Plan (Olmstead Plan) is designed to transition individuals from Regional Centers to the community. What occurs when an individual would like to transition to the community but there is not sufficient capacity?

20. Please discuss the implementation of the December 2013 audit recommendations. Please include:
    a. How many individuals identified in the audit that wanted to transition are still at the Regional Center;
    b. How many individuals have transitioned;
    c. How many individuals have transitioned successfully; and
    d. How many have not transitioned successfully and why.

21. Do the Departments consider the current scope of the Regional Center Taskforce sufficient to answer the questions about Regional Center and community based services? If not, what changes would the Departments like to see to the scope?

22. How do the Departments ensure adequate services are available and provided in the community to allow for safe and successful transitions?

23. Please discuss the Departments' response to the average annual expenditures for Regional Centers and community based services (this information was provided on page 17 of the JBC Staff December 5, 2014 Department of Health Care Policy and Financing briefing document).

24. Please discuss how often an individual's support level is reevaluated. Please include information for individuals served in the Regional Centers and the community.

25. Please discuss the guidelines for reevaluating support levels and transitioning individuals back to community services after they have been stabilized at the Regional Center.

10:00-10:10 CENTERS FOR INDEPENDENT LIVING

26. Please discuss the Department's five year plan for Centers for Independent Living including:
    a. What the Department will need to do to achieve this plan;
    b. How the Department sees Centers for Independent Living interacting with the other programs for individuals with disabilities; and
    c. What the Department views as appropriate funding sources for the Centers and why.

27. Please discuss the pros and cons of implementing a funding formula for the Centers in statute vs. by department rule.

28. Please discuss if the Department supports a funding formula for the Centers, and what factors should be included in the funding formula.

10:10-10:30 VOCATIONAL REHABILITATION PROGRAMS

29. Please discuss the Department's response to the issues raised in the JBC Staff December 5, 2014 briefing issue about the Vocational Rehabilitation Programs.

30. Please discuss the following about each vocational rehabilitation specialty program:
    a. The current cost for each program;
    b. The unmet demand for the services provided by each program;
    c. The cost to meet the unmet demand; and
    d. Issues preventing the provision of services by each program.

31. Please discuss the Department's overall plan to address the issues within the Vocational Rehabilitation Programs.

32. Please discuss how the funding mechanism work for the Vocational Rehabilitation Programs and what occurs when the funds are not spent.

33. Please discuss the Department's response to each of the following options for changes to the Vocational Rehabilitation Programs presented on page 37 of the December 5, 2014 JBC staff briefing document:
    a. Redesign the Programs based on models in other states which function effectively.
    b. Move the Programs to another department within the Executive Branch, possibly the Department of Labor and Employment.
    c. Move the Program to another Department and delegate the administration of the Program to the counties.
    d. Create new independent non-profits, similar to Community-Centered Boards, and delegate the responsibility for administering the Programs to them.
    e. Expand the responsibilities of Centers for Independent Living to include providing vocational rehabilitation services through the Vocational Rehabilitation Program.
    f. Split apart the line items in the budget to separate out the general Vocational Rehabilitation Programs from the specialized programs.
    g. Leave the Program as is and hope the Department works through the audit funding and resolves the issues identified in the response to the request for information.

34. Please provide an update of the implementation of the December 2013 audit recommendations.