



May 1, 2023

Anne Marie Braga | Colorado Department of Human Services
Kim Bimestefer | Colorado Health Care Policy and Financing

Dear Directors,

Thank you for soliciting input from Colorado Counties Inc. (CCI) on our budget priorities for the Departments' SFY24-25 budget year. CCI's members appreciate the opportunity to work in collaboration with the Departments in identifying county budget needs.

Counties are the front door for services for Coloradans in need. Our workers help their neighbors in some of the darkest and most uncertain moments of their lives. The strength of our shared financial partnership with the state equates to better services for those who need supports to thrive.

With the help of our directors and staff, we have identified the following funding priorities for the SFY24-25 budget year. Additional details are available in the accompanying letter from the Colorado Human Services Directors Association (CHSDA).

1. Meeting the needs identified by the County Administration, Adult Protective Services, and Child Welfare Workload Studies --
 - Continue the increased funding in County Administration that was included in this year's SFY 2023-24 budget;
 - Fund the findings in the Child Welfare Funding Model & address the underfunded liability in the 242 Child Welfare Staffing line;
 - Invest in Collaborative Management Programs
2. Funding to support behavioral health and prevention services in all parts of the state (the short-term funding in HB23-1269 is unsustainable and insufficient);
3. Ongoing county priorities --
 - Investments in the state's human services technology systems;
 - Recruitment and retention strategies for all county human services employees; and
 - Full funding for all tiers of the County Tax Base Relief Fund;

We appreciate your partnerships and the collaboration between our organizations. Thank you for the opportunity to engage in your budget process.

Sincerely,

Janet Rowland
Mesa County Commissioner
Chair, Health & Human Services Steering Committee

Wendy Buxton-Andrade
Prowers County Commissioner
Vice Chair, Health & Human Services Steering Committee

CC: --Anthony Neal-Graves, Director, Office of Information Technology
--Members of Joint Budget Committee (JBC)
--Tom Dermody, Analyst, JBC
--Emily Hansen, Analyst, JBC
--Craig Harper, Analyst, JBC
--Lauren Larson, Director, Office of State Planning and Budgeting (OSPB)
--Geoff Alexander, Senior Analyst, OSPB

April 26, 2023

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To: Colorado Counties, Inc. (CCI)
From: Colorado Human Services Directors Association (CHSDA)
Regarding: SFY 2024-2025 Budget Recommendations

We appreciate the opportunity to share the areas of need and recommended program funding priorities to best inform and guide the discussion you, as Commissioners, will be having with the Colorado Department of Human Services (CDHS), the Behavioral Health Administration (BHA), Colorado Department of Health Care Policy and Financing (HCPF), Colorado Department of Early Childhood CDEC), the Governor's office, including its Office of Information Technology (OIT), Joint Budget Committee (JBC), and State legislators.

Through the ongoing committee work of CHSDA, strategic planning conversations, and a review of year- to-date allocation spending, the following budget priorities were identified that best represent the challenges, issues, and priorities of Colorado human services directors.

1. Close monitoring and support for many County Human Services Programs:

Consistent with our priorities last year, we continue to learn more about the fiscal needs in several key program areas as workload studies have been completed or are still underway, and as many significant changes are implemented in several program areas. We appreciate the recognition that many of our funding streams are inadequate to support our programs, and now ask CDHS, HCPF, CDEC and the JBC to advocate for and realize the needs identified in those studies. Those include a County Administration Workload Study, an Adult Protective Services Workload Study, and a Child Welfare Workload Study. At the same time, the implementation of enormous changes to the Colorado Works Program and Universal Preschool (and its impact on the Colorado Child Care Assistance Program) leave the fiscal landscape of these programs in a state of flux.

First, we are immensely grateful that the JBC provided the counties an increase of \$16.67 million total funds -- approximately \$5 million General Fund, \$8.34 million federal funds, and \$3.33 million county match funds – in the CDHS County Administration line for the current fiscal year SFY22-23 and for the upcoming fiscal year SFY23-24. Counties request that CDHS prioritize making this critical increase permanent. County Administration funding, which supports access to the essential direct assistance that helps Colorado's most vulnerable children, families, and individuals obtain health, food, and financial self-sufficiency benefits, has historically been underfunded. While we do not yet have the results of the County Administration workload study, we fully anticipate it will support this important investment. We also anticipate that the funding model developed through SB22-235 will establish a funding model that will support future adjustment to the appropriation.

Similarly, while CDHS is still reviewing and finetuning the Child Welfare Workload Study and drawing conclusions from the Adult Protection Workload Study, some obvious conclusions can be drawn now that should inform budget requests in the coming year. The Child Welfare Workload Study found that across the entire State, Colorado continues to be significantly understaffed in the caseworkers, supervisors, and case aide and support staff needed to do foundational child welfare casework. We ask CDHS to prioritize implementation and full funding of the child welfare funding

model for SFY24-25 developed pursuant to SB21-277 and informed by the most recent child welfare workload study. The child welfare funding model will determine the appropriate level of funding required to fully meet all state and federal requirements concerning the comprehensive delivery of child welfare services. In addition, while we recognize that there continue to be vacancy savings in the Child Welfare Block in the most recent year, we anticipate that trend to shift as counties continue to hire and invest in retaining staff. At the same time, we continue to see significant overspending in the 242 staffing line item and ask CDHS and the JBC to consider the insufficiency of this appropriation. We also know that our Collaborative Management Programs (CMPs) are underfunded to meet the demand on these critical programs that serve multisystem-involved youth. As new counties establish CMPs, funding does not expand but instead is spread more thinly across all programs. At a time when we know Colorado's youth are facing profound crises post-pandemic, we ask the State to prioritize this important funding stream.

The Adult Protection Workload Study did not present funding needs in the way we have come to expect from a workload study. It did, however, clearly establish that workload exceeds resources, both at the county and state level. It pointed to increased referral and caseload volumes and increased case complexities, in addition to insufficient supports and services, as reasons why the APS program needs significantly more financial investments. While we are thankful for CDHS's budget request and the JBC's approval of an additional \$1,609,266 total funds to support Adult Protective Services, we anticipate that the ongoing work from this study will indicate even greater need.

Counties also ask CDHS to closely monitor the spending and financial trends in the Colorado Works Program. Colorado Works spending has increased throughout the State, and we anticipate that trend to continue as HB22-1259 is fully implemented. We ask you to dedicate attention and resources to tracking that spending and be prepared to ask for additional state resources when those become necessary under the expectations of the law. In fact, projections shared by CDHS at the most recent Works Allocation Committee indicate the need for nearly \$11 million in General Funds in SFY 2024-25, as well as \$2 million in General Funds in SFY 2023-24.

There is also an incredible amount of change occurring in the Colorado Child Care Assistance Program (CCCAP). As the CDEC explores how to align the Universal Preschool Program (UPK) with CCCAP, UPK gets underway, and the ARPA dollars that have helped expand CCCAP come to an end, Counties ask the CDEC to carefully monitor the need for additional CCCAP dollars to shore up existing enrollment and expand the number of families who can participate. Additionally, while it may appear that CCCAP funding is underspent, we believe this is merely a reflection of CDEC's ability to code expenditures to the ARPA funding and not a true indication of need. This uncertainty makes it difficult for counties to plan, but we hope that as the landscape of child care programs begins to stabilize, the CDEC will prioritize the CCCAP program.

2. Funding for Statewide Services

Our second priority is one not meant to provide funding for counties directly, but to provide critical supports that children, families, and individuals desperately need in our communities. Counties find it unacceptable that members of our communities regularly enter our systems—the child welfare system or the adult protection system—because of an inability to access quality services locally and affordably. Colorado must continue to increase our investments in behavioral health—both mental health and substance abuse—and prevention services in all parts of the state.

In the child welfare space, we know far too many children and youth end up engaged in child welfare not due to caregiver abuse or neglect, but because families cannot access the services their

children need. This reality holds true for intensive and specialized community-based and in-home services, as well as therapeutic residential treatment facilities. Families in these scenarios by and large are unable to navigate access to services for their children. Devoted and loving caregivers feel unsafe bringing a child home from the hospital without any additional supports in place. Families are unable to access residential treatment on their own through Medicaid or private insurance. Clinical assessments are not conducted early to identify the best treatment services that could have been offered in the community and prevented an escalation of need. In addition to community-based in-home services, we are lacking outpatient substance use services, and out-of-home behavioral health and substance use services. It is critical that the following service array is available for all Colorado children and families in need and especially the child welfare population, regardless of insurance-type: biopsychosocial assessments, crisis services, comprehensive care coordination, and peer support services. Similarly, we also know that far too many children enter the child welfare system due to the substance abuse or behavioral health needs of their parents. A lack of access to services should not lead to children being removed from their families. The Delivery of Child Welfare Task Force, Medicaid subcommittee continues to explore these issues and as recommendations move forward, resources will be needed to implement solutions.

Counties are proud of the progress we have made in Colorado so that fewer children and youth than ever are placed out of the home. We also know, however, that despite our declining numbers of children in out of home settings, Colorado's continuum of care is unable to adequately and safely serve children and youth with the most complex medical and behavioral health needs due to workforce and economic challenges. Counties continue to elevate the fact that children are temporarily staying in county offices and hotels or placed out of state or held in detention and hospitals longer than necessary because we have too few providers who are willing to serve children in the greatest need. This crisis is not unique to children in the child welfare system. While Colorado has been incredibly fortunate to utilize Federal ARPA stimulus dollars to begin trying out different strategies to address the crisis, we have a long road ahead of us to reform the way our behavioral health system serves children and youth, especially equitably in all communities. We still need to expand access to a variety of clinicians and child maltreatment prevention services, and to increase our capacity to serve those children and youth who truly need child welfare intervention and therapeutic treatment services in residential settings. We cannot continue to fail our most vulnerable citizens.

Additionally, the recent Adult Protection Workload Study also highlighted the need to invest in and increase the capacity of services through the state of Colorado for our vulnerable and aging adult populations. The Study noted that a lack of available services may lead to clients developing increasingly severe issues with isolation, mental illness, physical disability, or substance use. It also recognized that staff consistently note a lack of medical services, housing services, financial services, in-home and community resources, legal services, case management and evaluation services.

While counties do not have all the answers to the question of how to grow service capacity, we would encourage you to look at successful models in other states, including the New Jersey System of Care for children and youth and even consider establishing state-run services where they otherwise do not exist.

Ongoing County Priorities:

Counties continue to ask all state agencies, including the Governor's Office of Information Technology, to invest in vital improvements in our technology systems. We are at the point where we consider the growing list of necessary changes, in addition to the tenuous state of the Mainframe, to be serious vulnerabilities in all our systems. For instance, when we bring forth

requests for improvements to the Colorado Benefits Management System (CBMS), we are informed that the backlog of changes is so long, we cannot expect our requests to be prioritized for a considerable amount of time. This is particularly concerning as HCPF is likely to be directed by the General Assembly to pursue a waiver to offer continuous Medicaid eligibility for specific populations. Counties will not be able to implement these policies without the necessary CBMS changes being made first and we ask HCPF to prioritize funding to implement these changes. Similarly, it is unacceptable that child welfare caseworkers continue to have to toggle between two systems (Trails MOD and Trails Legacy). And a recent study by the Joint Agency Interoperability project of the Child Care Automated Tracking System (CHATS) produced dozens of pain points in the system that need to be resolved.

We also continue to ask the State to invest in recruitment and retention strategies for all county human services employees. Human services positions are highly complex, emotionally taxing, and absolutely critical to our communities. Many counties have implemented strategies, including hiring bonuses and increased salaries, but several others do not have the allocation or county general fund match to do so. We ask you to consider increased funding across all county allocations (without the imposition of additional expectations or workload) or other creative approaches that will help counties sustain their current staffing levels and fill vacant positions.

In addition to our top funding priorities listed above, it is our assumption that full funding for all three tiers of the County Tax Base Relief Fund will continue to be a statewide priority in SFY 2023-2024. This critical funding helps assure that counties that are most economically disadvantaged are better able to match the state and federal funding to provide services to their constituents.

X

Mary C. Berg

Mary C. Berg

CHSDA President
Executive Director, Jefferson County Human Services