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**Presentation to the Joint Technology Committee**  
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# KEY TAKEAWAYS RE IT CAPITAL BUDGET REQUESTS

1

The constrained fiscal outlook increases importance of reimagining state government through technology

2

The strategic proposals before the Committee will help Colorado thrive in a “new normal”



# Reimagining State Government

## Governor's Goals

- Reduce our physical footprint
- Responsibly reduce the state budget
- Increase access to virtual services



<https://operations.colorado.gov/reimagine-state-government>

# Reimagining IT in the State of Colorado



## Reimagining IT Priorities

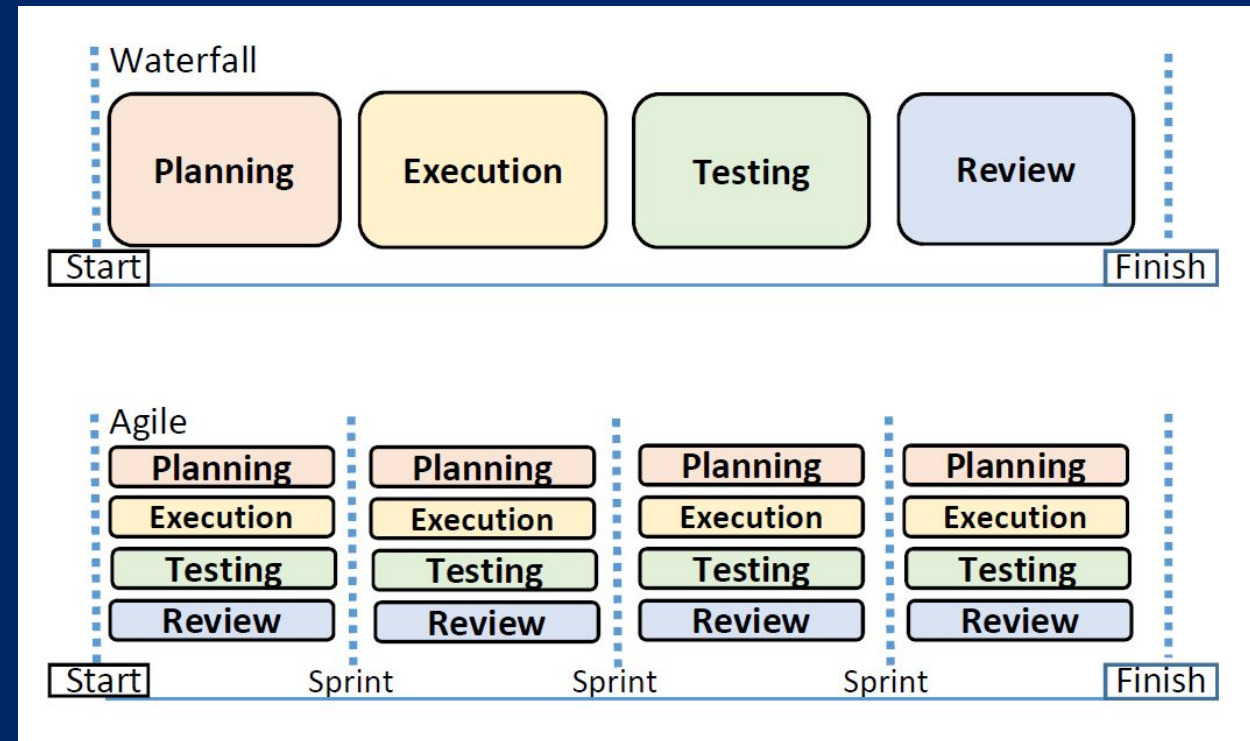
- Customer Satisfaction
  - Agency leadership of IT business decisions
  - Agency accountability over spend and outcomes
- Transparency
  - Align IT resources with agency priorities
  - Agency oversight of OIT services and rates
- Efficiency
  - Greater IT and agency flexibility
  - Enhanced IT financial management

More information on Reimagine IT can be found at <https://reimagineit.state.co.us>

# Agile and the Scrum Framework & Funding



- A framework where people can adaptively address complex problems, while productively and creatively delivering products of the highest value.
- Goes hand in hand with Lean principles. Constantly takes account of customer input. Focuses on adapting to change and hitting short term milestone over following a multi-year plan.
- Provides the ability to regularly redefine the project direction by breaking larger projects into smaller sprints. These sprints can be discreetly and individually funded by the legislature.



# IT Capital Key Feature in Recovery Package

Economic Stimulus and Recovery Package (\$ in millions)		
Bridge to Recovery	Benefits for low- and mid-income earners with job loss	\$168
	Winter support for small businesses hit by capacity restrictions	\$105
	Housing and rental assistance, direct benefits	\$50
	Sustainability payments for early childhood centers during low capacity	\$50
Building Back Stronger	Create jobs by investing in shovel ready public works and infrastructure projects, including transportation, new "outdoor" economy	\$220
	Package of broadband investments for our new normal to give Colorado a competitive edge, including telehealth and education investments	\$160
	Upskilling and investment	\$140
	Strengthen wildfire response and reduce risks of climate change	\$78
	Investing in Behavioral Health, Promoting Social Equity, and Disease Response	\$38
	Capital	\$48
Other Stimulus in FY 2021-22 budget		\$23
Funding for one-time stimulus legislative priorities		\$200
<b>TOTAL</b>		<b>\$1,280</b>

- ✓ THANK YOU to the General Assembly for your leadership on stimulus in the special session
- Several proposals in the stimulus and recovery package include transformational IT components



# FY 2021-22 IT CAPITAL REQUEST OVERVIEW

IT Capital Request by Fund Source		
Description	\$	%
General Fund	\$21,561,817	24%
Cash Funds	\$9,422,240	10%
Federal Funds	\$5,416,200	6%
Total	\$36,400,257	100%

- Total Funds \$36.4 million
- General Fund Requests
  - *IT Capital: \$21.6 million*



# FY 2021-22 IT Capital Requests



*IT Capital for FY 2021-22 (TF \$36.4 million, GF \$21.6 million)*

- Integrated reportable disease data management system
- Health connectivity for rural communities
- Infrastructure investments in behavioral health
- Unemployment Insurance-Modernizing the system for employers



# Integrated reportable disease data management system



- \$10M is requested to partially replace CEDRS. This funding is intended to cover:
  - product planning
  - system architecture and design
  - infrastructure provisioning and validation
  - quality assurance surveillance planning processes and tools procurement;
  - systems integration processes and tools provisioning;
  - initial data conversion and interface
- The Department requests multi-year spending authority to use an agile approach that completes the project in phases

# FY 2021-22 Behavioral Health



## Address recommendations from the Governor's Behavioral Health Task Force

- *IT Capital request:* CDHS technology investment to improve the effectiveness of tele-behavioral health services (\$10.5M GF)
- *Related Operating request:* Streamline the eligibility and claims payment systems for as many as 75 separate behavioral health programs by integrating them into HCPF's existing systems. This \$7.5M GF proposal (R-23) has been submitted to JBC.

# Health connectivity for rural communities



- This initiative invests \$1.1M of state dollars to draw down \$5.4M in Federal Medicaid dollars.
- These funds enable rural safety-net providers to connect their data systems with Colorado's Health Information Exchanges (HIEs).
  - Investments to improve these providers' internal IT systems
  - Defray the cost of these providers' access to the HIE platform
  - Improve clinical decision making and reduce unnecessary costs (e.g., duplicative diagnostic testing)

# Modernizing Unemployment Insurance



- Modernized benefits system went live January 11th
- Request would replace the 30-year old Employer Self Service system and complete modernization of the UI system
- Related to legislation that would fund the request from cash funds without increasing employer premiums
- If funded, plan to use internal controls to align spending to Agile methodology



Questions?

# NAVIGATOR to Improve Budget Transparency and Engagement

 <p><b>Tax Reform &amp; Economic Development</b> Fiscal reform that serves hard-working Coloradans</p>	 <p><b>Energy &amp; Renewables</b> Set Colorado on a path to 100% renewable energy by 2040</p>
 <p><b>Health</b> Reduce the cost of healthcare</p>	 <p><b>Education &amp; Workforce</b> Implement free full-day kindergarten for all and expand preschool</p>

[www.colorado.gov/ospb](http://www.colorado.gov/ospb)

 <b>EDUCATION AND WORKFORCE</b>	
RESTORE FUNDING FOR K-12	CDE R-01 State Share of Total Program Increase
RESTORE AND TRANSFORM HIGHER ED	CDHE R-01 State Operating Funding for Public Higher Education CDHE R-08 RISE Higher Education Innovation Fund
EXPAND ACCESS TO EDUCATION	CDE R-03 State Match for Colorado Imagination Library CDHE R-07 Continue Open Educational Resources
EXPAND EDUCATION LOAN FORGIVENESS	CDHE R-10 Loan Forgiveness for Early Childhood Educators
ENHANCE SUPPORT FOR EARLY CHILDHOOD EDUCATORS	CDHS R-03 Supports for Early Childhood Educator Workforce CDHS R-12 CCCAP Early Childhood Educator Salary Increase
 <b>ENERGY AND RENEWABLES</b>	
REDUCE WILDFIRE RISK	DNR R-01 Wildfire Risk Mitigation and Watershed Restoration
PROTECTING PUBLIC SAFETY AND WILDLIFE	DNR R-08 Habitat Connectivity and Transportation Coordinator
HELPING IMPACTED COMMUNITIES	CDLE R-01 Launching Colorado's Just Transition
ADAPTING TO CLIMATE CHANGE	CDA R-01 Agriculture Climate Resilience Office
ACCELERATE ELECTRIC VEHICLE USE IN STATE FLEET	DPA R-06 Annual Fleet Request
 <b>ECONOMIC DEVELOPMENT &amp; TAX REFORM</b>	
	DOR R-01 Lottery Re-imagined for Beneficiaries OEDIT R-02 Cannabis Opportunity Program CDA R-02 Industrial Hemp Enforcement FTE
CAPITAL INVESTMENTS	For complete list, please see the capital submission to the CDC
 <b>HEALTH</b>	
SAVING PEOPLE MONEY ON HEALTHCARE	DORA R-01 Colorado Option Health Insurance DORA R-02 Prescription Drug Affordability HCPF R-07 Nurse Advice Line
INVESTMENTS IN BEHAVIORAL HEALTH	CDHS R-01 Behavioral Health Services for Children in Crisis
RURAL COLORADO ACCESS TO HEALTHCARE	GOV/OeHi/HCPF CC-IT-02 Colorado Rural Connectivity
SERVING VULNERABLE COLORADANS	HCPF R-08 Supported Living Services Flexibility

