

August 2nd, 2022

President:
Mary Berg
Jefferson County

Vice President:
Katie McDougal
Adams County

Treasurer:
Cheryl Ternes
Arapahoe County

Secretary:
Dan Makelky
Douglas County

Past President:
Janeen McGee
Lake County

Largest County:
Jay Morein
City and County of
Denver

At Large:
Donna Rohde
Otero County

Northwest Region:
Megan Burch
Eagle County

Northeast Region:
Kara Hoover
Yuma County

Metro Region:
Katie McDougal
Adams County

Southeast Region:
Kim Mauthe
Teller County

Southwest Region:
Jill Calvert
Mesa County

San Luis Valley Region:
Jody Kern
Rio Grande/Mineral
County

To: Colorado Counties, Inc. (CCI)
From: Colorado Human Services Directors Association (CHSDA)
Regarding: SFY 2023-2024 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), including the Behavioral Health Administration (BHA), Colorado Department of Health Care Policy and Financing (HCPF), Colorado Department of Early Childhood (CDEC), 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.

Close monitoring and support for the results of several workload studies:

In recognition that many of our funding streams are inadequate to support our programs, Colorado, with the JBC's support, has begun to evaluate several appropriations through multiple workload studies. Those include a County Administration Workload Study, an Adult Protective Services Workload Study, and a Child Welfare Workload Study. Counties hope that the State and JBC continue to monitor the funding needs of each of these appropriations and consider offering additional support, where appropriate, as the studies are in progress.

In particular, the 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. This is especially true of the HCPF funding line which supports the administration of Medicaid. As we await the results of the recently approved workload study in this area, we also anticipate the end of the Public Health Emergency (PHE) is likely to occur in the upcoming fiscal year, which will result in a workload and financial strain to counties. We request that CDHS and HCPF continue the commitment to collaborate and be flexible in the County Administration effort to address the work that results from the PHE end. This additional workload will most certainly pose a challenge to the counties' current capacity and jointly exploring creative ways to address this workload is most likely to result in transitioning back to a non-PHE operational environment. Our request is to monitor the allocation devoted to this work and potential need for targeted funding to address the end of the PHE workload.

Similarly, our Adult Protection program is undergoing a much-needed workload study, which should better illuminate the funding needs in this program. We know, however, that Colorado has an aging population that increasingly needs additional services. Projections based on spending through February 2022 indicate adult protection administration will be underfunded by approximately \$1.79 million for SFY21-22. This overspending is also not reflective of all the vacancies within the Adult Protection Services which, if filled, could lead us to be even more overspent. The adult protective services program has undergone considerable programmatic enhancements with the implementation of the CAPS background check and finding of mistreatment appeals process that began in July 2018, new administrative reviews, statute changes with HB21-1302, the OSA audit, and DORA bills that have been passed recently. All these changes have increased casework/workload and program expectations. While the State is using Elder Justice Act Funding to complete a workload study, additional funding for this program is becoming increasingly necessary.

The Child Welfare Block (which is also undergoing a workload study right now) is in a different position than the other county funding streams we have already discussed. Counties are not currently asking for an increase in the overall appropriation (due to vacancy savings because of workforce shortages, the block is projected to be underspent), but instead hope the JBC will help correct a structural problem with the block. Thanks to positive changes in county child welfare practice, which has led to fewer out of home placements and fewer placements of children and youth in residential settings, Colorado is drawing down fewer federal IV-E dollars than anticipated. This is also due, in part, to federal Family First Prevention Services legislation that was implemented in October 2021. While these changes are good for families in Colorado, they have had negative effects on the funding of the Child Welfare Block.

During SFY 2021-2022 the Child Welfare Block appropriation was overstated by approximately \$19 million dollars. Given the appropriation was overstated and reimbursements to counties would not match the total appropriation level, the Child Welfare Allocation Committee was forced to reduce allocations to counties in SFY 2021-22. This structural issue with the appropriation continues into SFY 2022-23 and the Child Welfare Allocation Committee plans to reduce the allocations to counties by almost \$12.5 million below the appropriation level in the Long Bill. In order to ensure Counties are receiving the appropriate funding to support our ongoing workforce and to continue prevention services, especially as workforce shortages turnaround and vacancies are filled, counties are requesting a fix of the structural issues within the existing appropriation.

Funding to Support the Retention and Recruitment of County Employees

County front line staff are the conduit to critical services and supports for children, families, and communities throughout Colorado. The well-being of our county staff is at the forefront of the administration of human services. Counties, like so many other industries across the state, have faced a dire hiring and retention situation. This crisis spans all programs offered by the counties—from child welfare to adult protection, child support, and the administration of benefits. Many counties have implemented strategies, including hiring bonuses, increased salaries, etc., but several others do not have the allocation or county general fund match to do so. As the Joint Budget Committee and state leadership explore ways to address the state employee hiring challenges, we hope you will also 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 countless vacant positions.


Notably, several counties today struggle to meet their county match, yet do not qualify for the County Tax Base Relief Fund. This approach would only have an impact for many counties if the additional funding were accompanied by some modifications to the county tax base relief formula, were funded at 100%, or were accomplished through another creative approach.

Ongoing County Priorities:

As has been the case for several years, counties believe that investments need to be made on an ongoing basis to all of our technology systems, including TRAILS, CBMS, CHATS, ACSES, etc. Every system outage, even one for just a few minutes, has an effect on counties' abilities to timely process cases effectively and efficiently, as well as to help ensure the safety of children in our communities. Furthermore, counties continue to operate our child welfare programs out of two systems (Trails MOD and Trails Legacy). Counties would also like to reiterate our request made last year to provide funding for CDHS to incorporate the work number into CBMS, which would allow all counties to access this important service and ideally free up funding in County Administration.

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.

Finally, there is not currently any funding for ongoing emergency management funding for ESF6. Counties hope the Joint Budget Committee and CDHS will explore the possibility of a steady funding stream to support counties in this important work.



Mary C. Berg
CHSDA President
Executive Director, Jefferson County Human Services