



September 20, 2021

Michelle Barnes, Executive Director
Colorado Department of Human Services (CDHS)
1575 Sherman St. 8th Floor
Denver, CO 80203-1714

Kim Bimestefer, Executive Director
Colorado Health Care Policy and Financing (HCPF)
1570 Grant Street
Denver, CO 80203-1818

Dear Director Barnes & Bimestefer,

Thank you for soliciting input from Colorado Counties Inc on our budget priorities for the Department's SFY22-23 budget year. CCI's members appreciate the opportunity to work in collaboration with the Departments in identifying county budget needs.

With the help of our staff, we have identified our funding priorities for the SFY22-23 budget year. Those include additional funding for county administration, to hire additional child welfare caseworkers, support IT infrastructure, as well as ongoing funding for emergency services. Additionally, we hope funding for all three tiers of the County Tax Base Relief Fund and funding to increase access to the CCCAP program will continue to be state priorities in SFY2022-23. These priorities outlined here and in the attached letter do not address the ongoing transition and planning of the [new early childhood department](#), creation of the Behavioral Health Administration, or the crucial need to address [high acuity child welfare placements](#). It is imperative that the work continue also on those efforts and that analysis be included to ensure that those efforts do not create other funding gaps.

The enclosed memo from the Colorado Human Service Director's Association speaks to these priorities in greater detail.

Thank you, again, for this opportunity and for including us in your budget process.

Sincerely,

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

Sue Hansen
Montrose 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

September 20, 2021

To: Colorado Counties, Inc. (CCI)
From: Colorado Human Services Directors Association (CHSDA)
Regarding: SFY 2022-2023 Budget Recommendations

We appreciate the opportunity to share the areas of need and our recommended program funding priorities to best inform and guide the discussions you, as Commissioners, will be having with the Colorado Department of Human Services (CDHS), Colorado Department of Health Care Policy and Financing (HCPF), 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.

Priority #1 – County Administration Funding and Workload Study

County Administration funding 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. Adequate county administration funding is critical to ensure counties have enough staff to efficiently and effectively administer public assistance programs. Historically, the county administration line has been underfunded, especially for medical assistance caseload work in the HCPF funding line. Over the last 18 months, a second-order effect of the pandemic has been an impact to the administration of assistance programs, with instability and variability in workload and with an increase in caseload, particularly for medical assistance. For SFY20-21, the county administration line was underfunded by approximately \$6.7M total funds (\$1.1 million general funds) for CDHS, and approximately \$12.8M total funds (\$4 million general fund) for HCPF. Additionally, 43 of the 64 counties overspent their allocations. It is essential for counties to have reliable funding in order to hire the workforce to comply with federal and state laws on public assistance and to ensure timely and efficient access to critical assistance programs for the people we serve. It is critical to fund the current gap in the county administration line, for both CDHS and HCPF.

While a onetime infusion of funds to the County Administration line will help address our deficit in the short term, counties believe we need a workload study that not only helps us better understand the overall need, but also helps us 1) create a methodology to better predict what our system will need in the future (one that is also malleable enough to reflect changes in rules, process and technology); 2) identify efficiencies in the system that would allow for greater productivity and return on investment; 3) recognize the need to better compensate our staff who handle complex cases but are often paid wages that would qualify them for the very benefits they help administer due to a lack of funding.

Priority #2 – Child Welfare Caseworkers

The 2014 County Child Welfare Workload Study indicated that funding equivalent to 722 full time employees was necessary to ensure counties could have the appropriate number of case aides, caseworkers, and supervisors to fulfill federal and state requirements. While we are deeply appreciating of the funding commitments the Joint Budget Committee has made over the past several years, we remain a little less than \$15 million total underfunded, which includes about \$10.8 million in general funds. Given the impending implementation of the Family First Prevention Services Act (FFPSA) and increased challenges serving children and youth who have been severely affected by circumstances related to COVID, having counties fully staffed in their child welfare programs is more important than ever.

Additionally, while originally this funding was intended to be enough to hire 231 full time employees (including 184.8 caseworkers, 9.2 case aides, and 37 supervisors), we know that this amount of funding is likely to fall short of hiring the necessary number of staff. The formula used to determine the costs of each staffer has not been adjusted for inflation and also fails to account for the severe shortage of qualified applicants' counties are currently contending with. Counties recognize that those who serve on the front lines and face incredibly challenging circumstances in their jobs are being lured by higher paying, less stressful opportunities outside of child welfare practice. We are hopeful that not only can we finally reach the level of funding the 2014 study indicated we need, but that we build into that funding additional supports that meet the current realities of our workforce and the demands of the work.

Priority #3 – Technology Infrastructure

Option 2 counties who rely on OIT and Istonish for all equipment (routers, switches, etc.) and repairs are largely operating on equipment that is ten years old. As Colorado has and continues to undergo larger transformation of both programs and the systems that support them (Trails, CBMS, etc.), these counties need upgrades to the infrastructure that will allow them to reliably serve their clients. Without them, counties currently face technological disruptions that also disrupt their ability to timely and accurately serve their clients and communities.

Priority #4 – Ongoing Emergency Management Funding for County Departments of Human Services

Unlike other county and state departments, county departments of human services do not currently receive any dedicated funding stream to support the work they do in preparation for and implementation of emergency services and protocols. Counties hope the Joint Budget Committee and CDHS will explore the possibility of a steady funding stream to support counties in this important work. At the local level, County Emergency Managers and Human Services Directors are the primary coordinators for ESF6 and have a lead role in planning, response, and recovery for disasters. Local human service departments are responsible for staffing emergency operations centers, providing response coordination to organizations providing emergency assistance, and providing long term recovery support for impacted households.

ESF6 services and supports do not receive funding, like other emergency support functions (for example ESF8) do. This kind of unfunded mandate is challenging, to say the least. County human services staff have variable capacity to perform emergency work, based on staff size, budget, and other responsibilities. Many of our most at-risk communities have the fewest

resources available to support mass care needs in a disaster. With emergencies occurring at a greater frequency, on top of COVID needs, many Human Service Directors are overwhelmed by work related to disasters. A reliable source of funding to counties would allow them to develop comprehensive ESF6 plans; fund local or regional staff positions to support ESF6 functions; provide training opportunities to local staff to prepare for future disasters; support local and regional resource assessment and mapping; conduct capability assessments; encourage and facilitate relationship building and information sharing with local and regional stakeholders; provide assistance with emergency housing needs; purchase equipment such as cell-phone boosters, tablets and laptops; and purchase supplies such as PPE, equipment and food.

Ongoing County Priorities:

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 2022-23.

Similarly, it is our assumption that CDHS will continue to request new general funds, or dedicate existing stimulus funds, to realize the goals of HB18-1335. Specifically, counties continue to prioritize increasing access to the Colorado Child Care Assistance Program (CCCAP) so that low-income families have comparable access to high quality licensed childcare to that of the general population. CDHS has concluded, in the Request for Information submitted to the JBC, that each additional 1% increase in access to the CCCAP program costs an additional \$11.2 million. Counties are hopeful that the State and General Assembly will invest \$11.2 million, at a minimum, into the program to begin to take steps towards realizing parity between low-income Coloradans and the broader population of families that rely on childcare.