



Districting FAQ - Version 1 (1/5/2026)

Definitions	1
Scope	2
Shared Services vs Districts	3
Customer Experience	4
Timeline	4
Specific Program Related	5
TANF	5
SNAP	5
Medicaid	7
Roles and Responsibilities	8
Districts	8
Hubs	9
Performance Based Contracts	10
Staffing	11
Liability	12
Fiscal Framework	12
Funding Request	12
County Allocations	13
Cost Modeling	14
Overspend/Closeout	15
County Administration	16
Fiscal Processes	17
Supporting Evidence	17
Research & Other State Experience	17
Technology	18
Wisconsin Conversation - 12/11/25	19
State/Consortia Structure	19
Timeline/Implementation	19
Performance Based Contracts	19
Staffing	20
Technology	21

Relevant Budget Links

[Serving Coloradans via Districts: Background Information](#)


[BA-03 Driving Efficiencies in Benefits Service Delivery via Districts](#)

[R-05 Reducing Financial Pressure on the Colorado Works Program](#)

[R-07 Driving Efficiencies in Benefit Service Delivery - Shared Services](#)

Definitions and Acronyms

- **H.R. 1** - US federal budget reconciliation bill; July 1, 2025 (One Big Beautiful Bill).
- **District** - A defined group of counties that pool administrative allocations to manage eligibility determination, case processing, appeals, and general case oversight for SNAP, Medical Assistance (including Health First Colorado, CHP+, Adult Financial-Medical, Cover All Coloradans), Adult Financial, Old Age Pension, and Temporary Assistance for Needy Families (TANF) eligibility and case management functions, and Employment First case management.
- **District agreement** - An agreement approved and signed by the State and counties within the District that defines the District's operations through the hub county, including pooling of resources and allocating those local shares.
- **Hub county/District Hub** - Each district will be anchored by a county department of human/social services, serving as the District Hub. This hub county will serve as the fiscal and managerial agent for the District.
- **Member counties** - Counties that make up the District.
- **Regionalization/Regions** - The proposal/concept to administer public and medical assistance programs via districts, as allowed by Section 26-2-115(2), C.R.S. In this model, each district would be anchored by a county hub, and governed by a performance-based contract.
- **CCI** - Colorado Counties Incorporated
- **CHSDA** - Colorado Human Services Directors Association
- **DI** - Decision Item
- **MOE** - Maintenance Of Effort
- **IGA** - Intergovernmental Agreement
- **PER** - Payment Error Rate
- **PERM** - Payment Error Rate Measurement
- **JAI** - Joint Agency Interoperability

 indicates questions still need to be answered. The State team is either working to gather the answers and/or these will need to be answered in future phases of the planning process.

Scope

1. What is the rationale for the districting concept? Simply, what is the problem and what is the solution?

Problem or Opportunity

Ensuring Colorado can continue to improve government efficiencies in the years to come is at odds with a continuous pattern of funding instability at the federal and State level. Decisive action is required to ensure the combined effects of federal changes to safety net programs with Colorado's fiscal constraints are minimized in order to serve Coloradans as effectively as possible. Specifically, H.R. 1 significantly changes delivery and funding of public and medical assistance programs, state and local revenue, and risk of federal



non-performance clawbacks and cost shares. These changes combined with Colorado's structural limitations to raise revenue makes maintaining the status quo a significant risk.

Proposed Solution

Colorado will modernize its public and medical assistance eligibility benefit services delivery model, similar to the actions already taken by other states, to preserve access to vital public benefits and services within a framework that emphasizes high quality services, recognizes current and emerging budget limitations, and aligns with Colorado's values. To this end, the Departments of Human Services (CDHS) and Health Care Policy and Financing (HCPF) will lead an inclusive effort to re-design eligibility benefit service delivery, maintain a localized approach, contain costs, ensure federal performance criteria are met to preserve a continuous safety net, and avoid future federal penalties. This joint effort between CDHS and HCPF has been conceived as a companion to leverage efficiencies from HCPF's FY 2026-27 R-07 Shared Services request.

2. Is the concept fully baked or can counties have actual input?
 - a. The 'what' has been established; a consolidated model concept will be presented to the General Assembly as a Budget Amendment in early January.
 - b. The Departments held three, four-hour conversations in December 2025 with the Colorado State/County Districting Advisory Group, which included nine county representatives selected by the Colorado Human Services Directors Association (CHSDA), and nine CDHS and HCPF representatives. The purpose of this group was for the State to explain the high-level district concept and understand the biggest areas of concern from county partners including timeline, technology, legal, and financial risk considerations. We appreciate the openness by CHSDA and Colorado Counties Incorporated (CCI) to work through these conversations and acknowledge changes and improvements are needed, and we are committed to partnering with those organizations.
 - c. The next phases of the concept will incorporate the key elements CCI and CHSDA have asked for such as finalizing foundational elements, via Workgroups (training, staffing, fiscal, legal, accountability); planning for structural change-management, stakeholder engagement, and operational readiness assessments; working through eligibility business processes; and finally, drafting and negotiating individual District agreements.
 - d. Final legislative changes and budget decisions will go through the legislative process and the Departments will include counties throughout this process.
3. Is Colorado planning on consolidating SNAP and Med in one department, similar to the WI model?
 - a. No. There are no plans to merge Medicaid (HCPF) and SNAP (CDHS) at the State level.



Shared Services vs Districts

4. Why can't shared services and districting be combined? If we are moving shared services, why districting and vice versa.
 - a. Shared services need to be statewide versus what other services could be included in the districts. Other states who have regionalized have both shared services and a regionalized approach. The Departments have heard county concerns about the timelines and desire for some shared services to be incorporated into Regionalization, especially scanning, fraud, and quality assurance and are exploring how this could be incorporated.
5. Considering if a county would be able to bid for a shared service while also standing up to be a hub. What would be the recommendation?
 - a. The Departments are reviewing the proposed timelines in relation to shared services and districts implementation. A revised timeline may allow for a county to focus on bidding for shared services before implementation of districts.
6. Would individual counties contract with shared services counties or would the hub county contract with shared services counties on behalf of counties in their hub?
 - a. The call center, central scanning and fraud need to be statewide shared services. With the QA shared service being specific to Medical Assistance, HCPF is open to the quality assurance being part of each district's work.
7. Wouldn't a hub county want to do their own QA and fraud? This seems split.
 - a. HCPF is analyzing nesting the QA shared service within the districts. However, the Member Case Integrity shared service will continue to be the single, centralized contract as proposed in R-07.
8. Shared services and districting seem very interdependent—QA, call centers, scanning, etc. are critical for meeting performance-based contracts under districting. How much flexibility is there to roll these into a more integrated initiative between the two state departments? Are you open to brainstorming integrated approaches with counties, or are these on two separate tracks?
 - a. Both shared services and districting are running simultaneously. They are intended to be complementary, not competing. One prioritizes cost/efficiency (shared services). The other prioritizes risk mitigation and performance for future cost containment and avoidance (districting). HCPF and CDHS leadership are working "in lockstep" on these proposals. The separation in timing is driven by budget mechanics, not a desire to silo.

Customer Experience

9. We are worried about the customer experience since we are the ones with the trusted relationships. How can we confirm our customers will still have a good experience?
 - a. Customer experience is a top priority. Both districting and shared services performance metrics and agreements will emphasize the client experience. District agreements will address customer concerns and support regional differences.



Timeline

10. Is there an alternative timeline we could look at to slow down?
 - a. Yes, the timeline was adjusted based on feedback.
11. With the July 1st proposed launch date for some districts and hubs, it will be hard for those counties to think about bidding for a shared service. Is there a way to find out what counties may be interested in both or either?
 - a. The timeline for districts was adjusted based on feedback.
12. Could the shared services bidders roll out later in the implementation phases of districting?
 - a. There can be more conversation for this. There will be a blackout period to accommodate the implementation of some H.R. 1 requirements.
13. Since some of this depends on the legislature appropriating funds, what is the backup plan if: 1) The legislature doesn't approve the DI(s)?
 - a. For planning purposes, the State must proceed under the assumption the Legislature will act, but recognizes this is not guaranteed. Counties will still be able to submit bids for shared services, but if that request is not approved (decision expected roughly March-May), the State will cancel the procurement. Because these are local government contracts, State procurement code allows more flexibility (a "condensed hybrid" approach rather than a full RFP). If both proposals fail, work continues as it is currently done by counties.

Specific Program Related

TANF

14. Will TANF case management and Employment First (EF) be part of the districting?
 - a. Yes, these programs are included in the proposed model.
15. It appears the Hub counties will get allocations for Admin, including Colorado Works...if so, will the HUB county be the retainer of the 40% reserve cap for the counties within their district or will the cap remain w/ the individual counties?
 - a. This is a district decision on how to manage reserves, and would be negotiated within District agreements.
16. Why would the county continue to pay the MOE if they are not directly paying for staff? The state said it would be taken at closeout, but how would that be if the county does not get an allocation?
 - a. This is still to be determined, and would be negotiated within District agreements.
17. Is funding for TANF case management included in what will go to the hub county?
 - a. Yes, funds can be pooled together, and would be negotiated within District agreements.
18. How do the TANF DI components change/impact the HUB district model?
 - a. They do not change. R-05/L-03 can be implemented with districting in the future.
19. What is the role of the hub when a county within the district experiences a disaster and TANF/AF funds are needed for disaster response/supportive services?

- a. This would be negotiated within District agreements. These funds would continue to be used for allowable expenses (benefits/supportive services).

SNAP

PER

20. I thought we were focusing on SNAP Payment Error Rate (PER). This will cause a distraction and potentially affect our error rate.
 - a. The current measurement period is active, and will continue each year thereafter. Planning for the changes now helps Colorado to lay the foundation to be more nimble and be more proactive in addressing errors. We have seen in the FNS published data on SNAP PER rates by states and which states are state-administered or county-administered. We do see states with regionalized models have generally lower PERs.
21. Can we get a current PER and PERM rate for our county?
 - a. The latest PER rates, based on the FNS sample, are available [here](#).
 - b. Colorado's last PERM review was conducted in 2023, with an overall error rate of 5.4% across both eligibility and claims payments. That information is available [here](#); however, PERM error rates are not calculated for each county by the federal review contractor. Each county's accuracy rates, as calculated by HCPF's Eligibility Quality Assurance (EQA), both Incorrect Eligibility Determinations and Errors that do not impact Eligibility, are available on the county's MAP Dashboard and can be accessed directly by each county. These error rates serve as proxies for PERM.
22. If 1/3 errors are caused by CBMS & 1/3 errors are caused by clients, what steps has CDHS/HCPF made to correct those errors out of county control?
 - a. CDHS is working with the PER County Advisory group and established [this implementation timeline](#) of specific initiatives and efforts to address PER.
 - b. HCPF's review of audit findings, including those issued by PERM, have found that the greatest root cause of errors is insufficient documentation to support the eligibility determination. Budget actions, such as the Central Document Scanning Center and support for Joint Agency Interoperability (JAI), are in response to those errors. Additionally, HCPF has implemented measures such as the Eligibility Quality Assurance quarterly meetings to share error trends with counties and provide technical support. HCPF also continuously reviews audits for eligibility errors caused by policy and systems and addresses those through system builds and policy guidance.
23. Have under-performing counties been identified, and if so, what steps have been taken by CDHS/HCPF to assist in improving those error rates?
 - a. Due to the sample data available, CDHS has first focused on global interventions. A new county-by-county dashboard, similar to that established for Application Processing Time (APT), will be available in early 2026.
 - b. HCPF already includes error rate monitoring as part of existing performance-based contracts through HCPF's County Incentives Program. Error



rates above thresholds impact payments. As the transition to the District performance-based contracts occur, error rate monitoring would be expanded upon, leveraging the existing MAP Dashboard performance management process.

24. Will the state, hub county or districts be responsible for paying sanctions, i.e. PER rate cost share if over 6% PER?
- The State's ability to pass sanctions related to PER to comply with statute would depend on the formation and outcomes of a workgroup. More information to come.
 - For HCPF, the passthrough of federal sanctions to counties is restricted by statute; however, State-level sanctions would be negotiated within District agreements.

Other

25. Do we have any control of the actual SNAP or MA applications themselves - or are they federally generated?
- The applications are federally mandated and reviewed line by line for what can or can't be on the application. We are exploring additional ways to help clients understand and navigate the applications within these federal constraints.
26. Is there potential to make the application less confusing for clients - but with the approval of the Feds?
- Technically yes, we could revise the application to make it less confusing. The federal review process is long and oversight agencies provide conflicting feedback. The last big application change took three years before we received approval.
27. For SNAP Employment First (EF) case management, will that become a required program? If not, how will that impact services available within a district model if only some of the counties in that district provide/require to offer that resource and other counties do not? Counties are subsidizing that program SIGNIFICANTLY today and how will that be accounted for in this model?
- SNAP EF is not moving to a mandatory model. Similar to today, where individual counties can choose to operate the program, districts will have the ability to opt-in to operate an EF program and structure it based on their needs. Third party partners already operate on a regional level, and districts would be able to do the same.
28. What about Electronic Benefit Transfer (EBT)? How will EBT card issuance be expected to be provided?
- Cards issuance would remain the same. Cards can still be mailed via the district per the clients requests, and clients will still be able to receive cards when they visit a local office in person.

Medicaid

29. How will this impact MA sites? Do other states also use MA sites and how does that impact your research?



- a. The use of other sites to conduct Medical Assistance initial application eligibility is common in other states and will continue to be part of Colorado's existing processes. However, as part of both R-07 Shared Services and the Districts proposal, HCPF is exploring changes to Eligibility Application Partner (EAP) sites, as well as MA Sites, to determine their future role in the benefits services delivery ecosystem.

Training

30. What role will the Staff Development Division (SDD) play in training Hub counties so that they can implement a uniform training plan within their region?
 - a. The State's current training model is uniform for eligibility processing. We recognize that modifications do happen at the local level. The SDD will continue to serve as Colorado's training authority, maintaining training materials, providing new eligibility technician training and over the shoulder support by region. Current SDD Region assignment would likely shift to align with districts. To address any additional needs, the SDD will work with counties in the future phases of District planning.

Roles and Responsibilities

Districts

31. What are the responsibilities of the district?
 - a. The responsibilities of the District are to operationalize and administer public and medical assistance benefit service delivery through performance-based contracts with the State. These contracts include the District Hub, who acts as the administrative and fiscal agent of the district, the county participants of the district, CDHS and HCPF.
32. As a county within a district, will I be required to participate? What if I do not agree?
 - a. Every county will be required to become part of a district; there will be no opt-outs. However, counties can provide feedback on their proposed district hub. This does not need to be formalized in the Budget Amendment, but will be broadly mapped out. We agree there should be flexibility in future years to accommodate shifts in district configurations as needed, and would not propose that this is defined in statute.
33. How were the districts and hubs determined?
 - a. A variety of factors, such as performance, compliance, workload and fiscal stewardship were considered as part of the initial draft of districts and proposed hubs. Additionally, the State considered other regional maps such as the BHASOs, RAEs, workforce centers, case management agencies and others. As the State has specified to counties, the initial draft map and selection of District hubs are drafts and still open to change.
34. What percent of the eligibility population falls within each district?
 - a. This varies on the initial draft map. Districts do not need to have a specific eligibility population within each district.



35. Are there any non-negotiables with changes to the map?
 - a. Every county has to be in a district and paired with at least one another county. Districts don't have to be contiguous, and we appreciate that counties have already been responsive in discussing and proposing changes.
36. Who handles or would have final say on a dispute between the counties and the hub?
 - a. The District agreement would include provisions for dispute resolution and escalation if counties within a district encounter such issues. The expectation would be for the county to work with the District hub to resolve any disputes; if that is unsuccessful, the county can escalate to the State.
37. Is the state considering that if the early pilot counties are successful that they would potentially swallow up some of the districts that are set to transition later or is the state set on these 11 districts once implementation begins?
 - a. The 11 districts in the initial proposed draft are not final and are subject to change; changes to the district map may occur through the first phase of implementation. Once implementation begins, the district map will be finalized. However, the District agreement may also include language that allows for counties, in the future, to request to move to different districts.
38. Every county has a different pay scale, benefits, leave policies, remote work policies, and other HR issues. How would those be implemented in a district model?
 - a. The District agreement would work through the specifics of these HR components because the State does not have authority over county personnel policies. There will be specific State expectations in the District agreements that would influence these processes. The specifics of these will be determined in an HR workgroup that would be part of the district implementation.

Hubs

39. What is the advantage or incentive of being a hub county? If there is no increase in funding, it seems the only thing HUB counties are getting is an increased administrative burden.
 - a. Through the pooling of resources, funding may be used differently to address the administrative work that District hubs would be responsible for. The advantage of being a hub county includes the ability to implement that county's best practices District-wide, being a collaborative, supporting partner to peers within the district, and driving consistency in processes throughout the district.
40. If a county was to consider being a hub, what workload data could they see before accepting the hub responsibility? Understanding the volume of work they'd be taking on is helpful to understand capacity.
 - a. The State can provide different data sets that would help potential County hubs, such as application or renewal volume or overall caseload. Any other data that would be helpful, and is accessible, can be provided.
41. What if an identified HUB county refuses to be the HUB, and no other counties in that region want to be a HUB, what happens then?
 - a. The State would intervene in this case.

42. Should there be consideration for a contingency hub?
 - a. The State would intervene in this case.
43. At what point do we bring together the hub county commissioners?
 - a. We plan to engage directly with County Commissioners individually or in a smaller or larger group. The next phases of the concept would incorporate the key elements CCI and CHSDA have asked for such as finalizing foundational elements, via Workgroups (training, staffing, fiscal, legal, accountability); planning for structural change-management, stakeholder engagement, and operational readiness assessments; working through eligibility business processes; and finally, drafting and negotiating individual districts. CDHS and HCPF leadership are in the process of confirming dates with CCI.
44. Can we get clarification on the responsibilities of the HUB as it pertains to performance management of all counties in the district?
 - a. The District hub would be responsible for performance management as a whole, but the performance expectations would be negotiated within District agreements.
45. What support will be available for the initial districts that are set to "go live" in July 2026?
 - a. The timeline for implementation was shifted to begin in July 2027.
46. Specifically, how will success be measured?
 - a. Performance and success metrics will be defined in the District agreements.
47. If the HUB is doing all the processing, and a client lives in county A, but it is being processed in County B, does the client call there, the HUB, have to go to County B for questions answered? Who will know where it is being processed and assigned?
 - a. This may vary by district and would be negotiated within District agreements.
48. Would the Hub be responsible for all management evaluation audits? And creating and maintaining up to date policies and procedures for all counties in the district?
 - a. Yes. The policies and procedures will be defined in the District agreements and managed by the Hub county.

Performance Based Contracts

49. Do we know which counties already have IGAs with each other?
 - a. We need more information from counties to complete a comprehensive list.
50. Who is the contract with the hub, districts and CDHS and/or HCPF?
 - a. One agreement would include signatures from each county in the district, the Hub, CDHS and HCPF. Therefore, if there are 11 districts in the final iteration, there would be 11 District agreements. Within these District agreements, CDHS would retain the responsibility for oversight of CDHS programs, while HCPF would retain responsibility for Medical Assistance programs.
51. Would each hub have the same agreement?
 - a. There would be standardized templates that would be provided for the District agreements that would include the minimum State requirements, including performance metrics, human resources issues, cost sharing, etc. However, there could potentially be minor differences between District agreements if



counties choose to add local provisions above and beyond the minimum State requirements.

52. Would county attorneys or boards of commissioners require separate agreements?
 - a. For HCPF programs, federal regulation requires that the state enter into one agreement with any political subdivision to which eligibility determination has been delegated. A political subdivision cannot then delegate that duty to another. Therefore, there would have to be one, single contract between the State, the district hub, and the counties in that district. Otherwise, that may be viewed as a delegation of eligibility determination by a county, is federally unallowed. Given the Medicaid regulation, CDHS would align with the requirement to have a single contract across each district.
53. If a Hub does not meet its performance-based contract, would the hub county be responsible for any penalties or would it be distributed to counties within the hub?
 - a. This would be negotiated within District agreements.
54. Is the HUB leader directly accountable to the state?
 - a. Yes.

Staffing

The next phases of the concept would incorporate the key elements CCI and CHSDA have asked for such as finalizing foundational elements, via Workgroups (training, staffing, fiscal, legal, accountability); planning for structural change-management, stakeholder engagement, and operational readiness assessments; working through eligibility business processes; and finally, drafting and negotiating individual District agreements.

55. Will one Director have to hold their peer Director accountable through an IA or contract? Are there examples of how peer counties do this in other states?
 - a. Standardized templates would be provided for the District agreements that would include the minimum State requirements, including performance metrics, human resources issues, cost sharing, etc. However, there could potentially be some minor differences between District agreements if counties choose to add local provisions above and beyond the minimum State requirements. Examples of how peer counties do this in other states can be shared as they are acquired as we get into this phase of the work.
56. What is the plan for county human services directors (that are not the hub) moving forward? Will those jobs be eliminated?
 - a. Districts do not include all duties of Human Services Directors, thus needs for human services directors will remain in counties.
57. There is a fear of losing talented and trained staff. How can you assure us we won't lose staff because of districting?
 - a. The State can not assure counties that they won't lose staff due to districting. The intent is to keep as much of the trained talent as possible in order to more efficiently and effectively spread the workload throughout each district.
58. How will supervisors and managers be addressed in counties?
 - a. These details would be outlined in the District agreement and districts would



determine these staffing roles.

59. What will happen to front desk staff within the counties who are not a hub?
 - a. We want each county to still maintain front desk staff where it makes sense.
60. If we have 2 towns within the county that are 56 miles apart, we need 2 front desk staff. Will the state be paying for both of those front desk persons?
 - a. These details would be negotiated in the District agreement.

The following unanswered questions will be determined during this phase:

61. How does this reduce staff turnover?
62. Would the hub need to increase staffing?
63. When can we bring in our CFOs to the conversation?
64. When can we include our HR directors?
65. Does the hub then determine the number of FTE each county "needs"?
66. How does a county employee within a district, be a HUB employee and work at the county under a sub contract?
67. How will the districts work with unions?
68. If a HUB county has unionized workers, how will that affect other county's employees in that region?
69. How would Collective Bargaining work?

Liability

The next phases of the concept would incorporate the key elements CCI and CHSDA have asked for such as finalizing foundational elements, via Workgroups (training, staffing, fiscal, legal, accountability); planning for structural change-management, stakeholder engagement, and operational readiness assessments; working through eligibility business processes; and finally, drafting and negotiating individual District agreements.

70. When can we bring in our attorneys?
 - a. In this next phase, attorneys will be critical to the conversation.

The following unanswered questions will be determined during this phase:

71. Hubs are concerned about the liability associated with being the hub. How do we envision they supervise, provide direction to, set performance metrics and hold accountable staff that aren't theirs?
72. Would the hub be responsible for providing any legal representation in appeals, ALJ hearings, etc?
73. Who pays legal costs for attorneys to participate in appeals, ALJ hearings?
74. Does the state anticipate more legal costs because of contracts and IGAs?

Fiscal Framework

The next phases of the concept would incorporate the key elements CCI and CHSDA have



asked for such as finalizing foundational elements, via Workgroups (training, staffing, fiscal, legal, accountability); planning for structural change-management, stakeholder engagement, and operational readiness assessments; working through eligibility business processes; and finally, drafting and negotiating individual District agreements.

Funding Request

75. Share more about the funding request and what the state is thinking as far as FTE to support this.
 - a. These details will be published in the Budget Amendment in January 2026.
76. Is the full funding request negotiable or is there flexibility?
 - a. The details of the State's request will be published in the Budget Amendment in January 2026.
77. How will the State account for these potential costs that are not included in any county's 2026 budget?
 - a. There will not be an impact on the counties' calendar year 2026 budget.
78. Counties that already have IGAs in place will have to re-do those IGAs to ensure that all services continue to be provided. This will take additional time and legal expertise, increasing the implementation costs. Has this been factored into the budget request?
 - a. No.
79. I anticipate that the hub will need to add at least one staff member to act as the District Lead as well as add dedicated staff in the Finance department to manage these complicated finances. How will those additional positions be funded?
 - a. This would be negotiated within District agreements.
80. If the decision is made to include QA, scanning, the call center, and/or fraud in the Districts, additional staff will also need to be added to fulfill those requirements. How will those new positions be funded?
 - a. The costs for the shared services proposed in R-07 are funded through the budget request; any staffing, whether centralized or through "nesting" a shared service in a district, would be funded by the budget for that shared service. No additional staffing beyond what the shared services budgets supports will be paid for by the federal government or the State.

County Allocations

81. Will the state or the hub determine the county allocations within their district?
 - a. All county allocations will be determined by existing individual county allocation methodologies and committees. Then, those individual county allocations will be pooled into the district and redistributed by the District Hub, as defined in the District agreement.
82. When the state says allocations will go to the hub, does this mean county admin AND TANF allocations?
 - a. Yes.
83. By pooling resources does this mean the allocations go to the hub county or the individual counties are pitching in money as well?
 - a. All allocations will go to the district; redistribution to the counties would be



negotiated within District agreements.

84. How would we identify each county's share?

- a. This would follow existing county allocation methodologies, formulas and procedures.

85. Are counties still receiving their own allocations?

- a. Yes, but they would be pooled at the District Hub.

86. Will there be incentive payments made to districts?

- a. Not for CDHS programs; for HCPF, a determination is still being made on the future of the County Incentives Program based on the proposed Districts.

87. Who determines the amount of funding needed to implement the hub? The hub? The State? The district?

- a. This would be negotiated within District agreements.

88. Will there be a decrease in county administration in SFY26-27?

- a. No, assuming the Legislature approves the R-03 budget request for CDHS county administration, which seeks to address the adjustment of the State administrative share for SNAP per H.R. 1.

89. Is the state looking at a statutory change so that counties will not have to pay the increased 20% share for admin?

- a. Current statute (Sec. 26-1-122) requires that counties are responsible for 20% of the total share of the administrative appropriation. Assuming R-03 is approved, the county share will remain at 20% of the total while the federal share is reduced and State share increased to match the federal reduction.

Cost Modeling

90. If this concept is cost savings, where do the cost savings come from?

- a. The goal is cost avoidance and cost containment. Through the preliminary cost modeling some potential savings have been identified, but there are several factors and variables that are included in the modeling and the figures are an estimate.

91. What is the timeframe for cost savings? Assumption on cost savings should be zero cost savings the first year, and then modest savings after that.

- a. This timeframe has yet to be identified due to the phased approach and with some districts launching before others.

92. Can we see this for the next 5 years with realistic attrition?

- a. Once the timelines, policies, and phased approach has been decided, we can use the model to project costs for the next 5 years.

93. Define how the "Shared Services" savings were calculated; do not believe these will be realized to this level

- a. There were not "savings" calculated for shared services. Within R-07, the State explicitly says that some of these functions were not performed by counties because they were not funded by HCPF, or were not supported adequately at the State level. Rather, shared services are a nearly \$49 million investment to address specific areas of concern, with a concurrent goal of future cost containment by gaining statewide efficiencies.



94. The shared services piece isn't going into effect until 27-28 and it is being shown as an immediate cost savings. Can we update the model to reflect this timeline?
- This has been addressed on the summary tab within the fiscal modeling spreadsheet to illustrate the true timeline of when we might see shared services impacts.
95. Cost control doesn't make sense, because of inflation, the cost of people, etc. How are we talking about this and what is the analysis to back this up?
- Cost control does not necessarily mean that costs won't increase in the future, and that those costs would not be supported by the State through the regular budget process. Rather, cost control in this instance is to control the overall rate of growth in the county administration lines. For instance, HCPF's county administration line has increased an average of 14.2% each year over the past 10 years. Moving certain functions to shared services will aim to bring that growth under control while maintaining service levels for clients, by gaining statewide efficiencies.
96. Does this cost modeling include any HR1 work the counties will have to take on?
- The model accounts for the current state. We do not have a way to estimate the new work, but the concepts of shared services and Districting were built to address this.

Overspend/Closeout

97. Are expense overages the responsibility of the hub?
- The responsibility for district allocation overexpenditure will be defined in the District agreement and will be jointly decided by the counties within the district, with approval from the State.
98. Commissioners' philosophy regarding spending more than the allocation will likely change if they do not have control. Is it assumed there will be negotiation between county and Hub on contract amounts?
- The District agreement will determine how pooled resources will be distributed and how any potential overexpenditure of the district allocation will be shared among the counties.
99. How does the Hub account for county admin over/under expenditures for counties within their region. Can they shift money between the counties in their region?
- County administration allocations will still be determined at the individual county level; however, those allocations will then be pooled and made accessible to the District hub. The District agreement will then specify the amount of pooled resources made available to each county, based on that individual county's decision on local staffing beyond the core eligibility workers and lead workers.
100. Counties use different financial systems and payroll systems as well as being on different payroll cycles. How would those be integrated to the hub county to be the sole reporting entity to CFMS, if that is the expectation? This is likely to be a significant time commitment for the hub county, increasing those costs. Or, could the individual counties upload information into CFMS and the hub county post it?



- a. The District Hub is the fiscal and administrative agent of the District, and the Hub would be responsible for management of pooled resources. This includes complying with all existing federal and state requirements, including Uniform Guidance, state fiscal rule and operational guidance. However, the District agreement would specify accounting and financial processes for each district that would address the differing systems counties within each district use.
- 101. For counties that have local tax dollars that go to pay for human services, what would that now be used for?
 - a. That is a decision for those individual counties.
- 102. How does a county match come into play? Would the county pay their 20% match to the hub?
 - a. Counties would continue to pay their local share, based on the individual program requirements. Those dollars, plus the federal and state match dollars, would then be funneled to the District Hub and be pooled to pay for district expenses, including those related to local staffing in each county.

We appreciate the availability of the fiscal group to view the initial model and work with us to accurately reflect the realities and nuances of Districting. In the next phase, CFOs will be critical. The following unanswered questions below will be determined during the next phases:

- 103. What are the projections of the decrease in federal funding? And how will that gap be funded? Can we tie our conversations to a specific dollar amount?
 - a. HCPF hospital provider fee
 - b. SNAP admin portion
 - c. Prop MM projections
- 104. Attrition rates make more sense for large counties, but not for medium and small counties. Can we look at a change in the model to factor in the smaller and medium county nuances? Maybe instead of looking at the hub county, look across all small counties for this model?
- 105. Was the cost of living factored into the cost modeling?
- 106. Could the state do a weighted average of the county's cost per case instead of using the hub county's cost per case?
- 107. If the assumption is to reduce staff by 50% in small and medium counties (based on the economies of scale assumption), who picks up that added workload?
- 108. What data was used for 50% economy of scale? The county fiscal group believes it should be less. What other research can we see done for a better number?
- 109. What analysis has the state done for the hub fiscal impact in taking on so much additional work?
- 110. How did you get the average wages for these positions and from what year because it is already off. Could this include updated wage data?
- 111. Where did the average caseload come from? Does it include all the applications that come in or just those who received benefits because they were determined eligible?



County Administration

112. How will counties maintain APS, CPS, CSS, CCCAP and common staff plus related expenses when half of our funding is going to the hub?
113. What about programs that have some linked funding sources-- one under the discretion of the hub and the other program under discretion of the individual county (TANF vs CCCAP)?
114. Will I receive more or less money as a county in a district, not a hub in a district?
115. If personnel are staff members of the hub and they stay in their home county, then we still have building, equipment, computers etc. How will these costs be covered?
116. How do the district counties withhold part of their allocation to keep the “front desk” presence the state is requiring?
117. Did you all consider how counties are charging to CFMS? For example (Direct charging vs. charging to cost pools). Is this inclusive of all expenses charged or does it just include salaries/ benefits? Does this include costs for support staff, accounting, scanning EBT etc?
118. How will TANF be included in the modeling?
119. How would the removal of the Medicaid incentives affect the administrative spending?
120. How will RMS play into this?
121. How is Equifax impacted?

Fiscal Processes

122. Will counties upload personnel expenditures for eligibility staff into CFMS and then get reimbursed by the Hub?
123. Will the HUB county need to upload individual FTE payroll data to CFMS?
124. Any concerns with counties reporting 100% vs county share?
125. Budgets for HUB counties- county share or 100% budgeting?
126. How would closeout work?
127. What does Case Migration to Hub County mean?
128. What does FTE migration to the HUB county mean?
129. What data is being used to show that case and fte migration shows a cost saving? How do you come up with \$32 million? \$6 million equates to how much in Federal Funding?
130. How do we account for duplicated/unduplicated cases with this model?

Supporting Evidence

Research & Other State Experience

131. Do all 4 states integrate SNAP and Medicaid both in technology and eligibility staffing?
 - a. Wisconsin is the most consolidated and will be able to share more in the smaller group meetings.



132. When these states moved to the new model was it just eligibility programs or all traditional human services programs (Child Welfare, APS, etc.)?
 - a. Most of the programs were only eligibility programs.
133. How long did it take for the other states to design and then fully implement their new model?
 - a. Wisconsin began with an initial proposal for full state takeover. They then spent 1 year to negotiate between the state and the counties and to create the consortia structure and then another year to build.
134. Who is the employer of North Dakota's regional manager?
 - a. In the North Dakota model, the human services zone director is employed by the host county; the regional manager is employed by the State.
135. For the Wisconsin model, who shares what? Are there elements of shared services that are part of their consortias?
 - a. The call center in Wisconsin is centralized at the state level, not at the district level.
136. What is the cost of living in other regionalized states in comparison to the cost of living in CO? Does that drive the cost per case - rather than it being our county administered system?
 - a. On average, Colorado's weighted average administrative spending is 60 percent higher than among the four states (Ohio, North Carolina, North Dakota, and Wisconsin) with regionalized service delivery models. While cost of living is generally higher in Colorado than in these four states (averaging 14.9 percent higher¹), it accounts for only a quarter of the cost difference.
137. Subrecipient Monitoring - how do other states meet federal requirements?
 - a. This would be negotiated within District agreements.

Technology

The State appreciates the counter proposal provided in CHSDA's letter and will provide an updated timeline that accounts for the ability to consider JAI and the Unified County System. This addresses the following two questions.

138. What is the timeline for JAI? Can we overlay it with all the other decision items also?
139. Will the Unified County System be ready in time for districts?

The next phases of the concept would incorporate the key elements CCI and CHSDA have asked for such as finalizing foundational elements, via Workgroups (training, staffing, fiscal, legal, accountability); planning for structural change-management, stakeholder engagement, and operational readiness assessments; working through eligibility business processes; and finally, drafting and negotiating individual District agreements. These questions would be addressed then.

¹ <https://www.mylifeelsewhere.com/cost-of-living/united-states>



140. Who is responsible when there is a cybersecurity threat?

141. Could EBT and choice forms (VR) be integrated into the IT developments?



Wisconsin Conversation - 12/11/25

 indicates questions still need to be answered. The State team is working to gather the answers.

State/Consortia Structure

1. At the state level, SNAP and Medicaid are housed within one state department in WI. Correct?
 - a. Yes, that is correct.
2. Does the consortia include TANF eligibility and workforce development?
3. Was your Protective services in a separate agency compared to your SNAP, Medicaid, TANF etc.
4. In Wisconsin were the EA programs in the same agency as the Protective Services agencies?
5. What do you get out of being a lead county in a consortia? What do you get out of being a member of the consortia? Conversely, what are the challenges to being a lead and a member?
 - a. Some counties stood up to the challenge first and some counties have more resources. Lead counties have to want to collaborate with folks on a shared goal.
6. What was the main issue that resulted in WI deciding that this was needed?
 - a. It was no longer an efficient process to negotiate with 72 counties and also when workers left counties, no one was left to do the work. Also to address inequities across the state to better serve clients.
7. If I'm understanding correctly, it sounds like the regionalization was a compromise to having WI centralize all services. Are you able to speak to whether counties believe improvements, efficiencies and consistency could have been achieved through individual contracts with the state versus moving to regionalization? Are you able to speak directly to any drawbacks of regionalization versus having a county administered system?
 - a. No, they would say they didn't think they could make it happen through performance based contracts at the time.

Timeline/Implementation

8. How long was the planning and implementation for the regionalization?
 - a. Wisconsin's initial state proposal was for full state administration. After a year debating the concept, it took a year to build and implement.

Performance Based Contracts

9. How do the performance based contracts work in WI?
 - a. We have performance metrics in the contract, but no incentives for doing well. We do have a corrective action plan process that starts more with a collaborative monthly conversation first, before escalating. Still have not had to force a written formal corrective action plan ever.
10. How is performance shared across consortias?



- a. There are dashboards and everyone sees how each other are doing. Call times for instance are real time and everyone can see daily data.
11. WI's food share on demand waiver that you credit to your high timeliness?
 - a. Can send follow-up information on this.
12. What was your cost per SNAP case prior to districting? What is your SFY 24-25 data for that?
 - a. WI is on the low end and will follow-up later.
13. Is this a voluntary process for counties to join consortia?
 - a. It's voluntary for which consortia they join, but mandatory to be part of a consortia or part of the state administered model.
14. What strategy did you utilize to process backlog from counties within the consortium?
 - a. We don't have a backlog and are able to share work across the state. Can't speak to how this worked when first implementing consortias.
15. It sounds like QA and fraud investigations are a responsibility of the consortia. Did I hear that accurately?
 - a. They are both part of the consortia and administered at the state, so both.
16. Have you seen an increase in Fraud investigations or referrals?
 - a.
17. What type of services or supports are provided to customers who don't have transportation, internet or smart phones?
 - a. WI provides minimum requirements for lobby service presence and must be able to serve people who come into their lobbies. This includes translation services, workers and staff available to meet with someone.
18. How were the base contract amounts determined?
 - a.
19. What was Wisconsin's data prior to moving to regionalization? What is their data now?
 - a.
20. Can any improvements be directly tracked to being caused by regionalization?
 - a.
21. What was the PER, PERM and other data prior to moving to the regional model? What is the data now? Did other things change during that time that may have contributed to any changes in data?
 - a.
22. If a region doesn't meet its performance-based contract, what are the consequences and who experiences them?
 - a.

Staffing

23. Was there strong buy-in between the state and counties?
 - a. With the set-up of multiple committees with state and county representatives, this has helped with the buy-in and trust building. The consortias work really well together to stay as consistent as possible across consortia.
24. Do counties pay the same rates in the consortia or not?
 - a. For staff, no.
25. How did you address the pay differential between counties within the consortium?
 - a.
26. I want to clarify what I thought I heard: the consortia determines the number of FTE's each county needs; does that mean that a county might need to hire more employees

than they originally had? And on the other side, might a county need to lay off a certain number of FTEs to come down to the agreed level?

a.

27. Did any counties lose staff during/after the transition to the consortias?

a. Don't have the answer to this.

28. Kathy if you don't report to a county Director who is your supervisor or what does that structure look like?

a. Kathy reports to a county director and reports out to all the directors quarterly.

29. For manager movement, where is the cost savings coming from? What type of stuff reductions did you make?

a. The goal was not cost savings. The goal was effectiveness and efficiency. For example having 1 CFO per consortia vs 72 CFOs. Pay is now more equitable across consortia. The agreements across consortia truly sort this out.

30. You said there are 10 counties in your consortia and 135 staff doing eligibility work. How many staff did those 10 counties lose when the consortia formed?

a.

31. How did your staffing line worker to supervisor change when you went to this system?

a.

Technology

32. Did Wisconsin already have the same document and workflow system across the state?

a. Already had CARES and still have that now. Just because I am a small county worker, doesn't mean I'm only handling my county's cases unless a client comes into the office. Everyone pools cases.

33. Can you talk about 1) WI's PCR tool that is embedded into your eligibility system that catches payment errors in the system before benefits are issued and how you are trying to adapt it to be more effective?

a. PCR tool basically looks at any case within one worker and asks it to pull out errors.

34. Is CARES a document management system/workflow management system as well as the eligibility determination system?

a. It's everything including eligibility and prompts notices coming out from the state.

35. What does the workflow process look like in the smaller counties such as Menominee, Florence, Iron, or Pepin?

a.

36. Do you think WI could have made this transition before all counties were on the same document/workflow management system? Is that a prerequisite?

a.