

Department of Health Care Policy and Financing

Funding Request for the FY 2024-25 Budget Cycle

Request Title

R-13 Convert Contractor Resources to FTE

Dept. Approval By: Erin Doherty Supplemental FY 2023-24

OSPB Approval By: Adrian Leiter Budget Amendment FY 2024-25

X

Change Request FY 2024-25

Summary Information	Fund	FY 2023-24		FY 2024-25		FY 2025-26
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$208,234,728	\$0	\$189,168,235	\$372,793	\$315,241
	FTE	741.0	0.0	732.1	12.6	13.0
Total of All Line Items Impacted by Change Request	GF	\$58,817,580	\$0	\$61,693,295	(\$6,606)	(\$13,826)
	CF	\$31,868,876	\$0	\$17,256,176	(\$3,951)	(\$8,416)
	RF	\$3,147,185	\$0	\$4,456,567	\$394,074	\$359,823
	FF	\$114,401,087	\$0	\$105,762,197	(\$10,724)	(\$22,340)

Line Item Information	Fund	FY 2023-24		FY 2024-25		FY 2025-26
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$68,472,030	\$0	\$68,122,067	\$822,716	\$850,066
	FTE	741.0	0.0	732.1	12.6	13.0
01. Executive Director's Office, (A) General Administration, (1)	GF	\$25,204,598	\$0	\$26,276,162	\$169,365	\$177,843
General Administration - Personal Services	CF	\$7,546,836	\$0	\$6,115,966	\$104,177	\$109,375
	RF	\$2,674,462	\$0	\$2,881,078	\$276,287	\$276,287
	FF	\$33,046,134	\$0	\$32,848,861	\$272,887	\$286,561
	Total	\$10,436,584	\$0	\$12,628,886	\$139,899	\$143,429
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A) General Administration, (1)	GF	\$4,144,398	\$0	\$5,369,355	\$26,627	\$27,721
General Administration - Health, Life, and Dental	CF	\$753,615	\$0	\$822,903	\$16,392	\$17,064
	RF	\$221,797	\$0	\$221,797	\$53,985	\$53,985
	FF	\$5,316,774	\$0	\$6,214,831	\$42,895	\$44,659
	Total	\$98,551	\$0	\$118,120	\$1,165	\$1,204
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A) General Administration, (1)	GF	\$38,706	\$0	\$50,471	\$240	\$252
General Administration - Short-term Disability	CF	\$7,097	\$0	\$6,635	\$147	\$155
	RF	\$1,911	\$0	\$1,911	\$391	\$391
	FF	\$50,837	\$0	\$59,103	\$387	\$406
	Total	\$0	\$0	\$362,760	\$3,278	\$3,387
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A) General Administration, (1)	GF	\$0	\$0	\$154,853	\$674	\$709
General Administration - Paid Family and Medical Leave Insurance	CF	\$0	\$0	\$26,394	\$415	\$436
	RF	\$0	\$0	\$0	\$1,101	\$1,101
	FF	\$0	\$0	\$181,513	\$1,088	\$1,141
	Total	\$3,290,125	\$0	\$3,943,068	\$36,420	\$37,630
	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A) General Administration, (1)	GF	\$1,292,773	\$0	\$1,682,899	\$7,497	\$7,872
General Administration - Amortization	CF	\$237,090	\$0	\$224,338	\$4,611	\$4,842
Equalization	RF	\$62,817	\$0	\$62,817	\$12,231	\$12,231
Disbursement	FF	\$1,697,445	\$0	\$1,973,014	\$12,081	\$12,685

Line Item Information	Fund	FY 2023-24		FY 2024-25		FY 2025-26
		Initial Appropriation	Supplemental Request	Base Request	Change Request	Continuation
	Total	\$3,290,125	\$0	\$3,943,067	\$36,420	\$37,630
01. Executive Director's Office, (A) General Administration, (1)	FTE	0.0	0.0	0.0	0.0	0.0
General Administration - Supplemental	GF	\$1,292,773	\$0	\$1,682,899	\$7,497	\$7,872
Amortization	CF	\$237,090	\$0	\$224,338	\$4,611	\$4,842
Equalization	RF	\$62,817	\$0	\$62,817	\$12,231	\$12,231
Disbursement	FF	\$1,697,445	\$0	\$1,973,013	\$12,081	\$12,685
	Total	\$3,703,098	\$0	\$2,922,539	\$100,555	\$9,555
01. Executive Director's Office, (A) General Administration, (1)	FTE	0.0	0.0	0.0	0.0	0.0
General Administration - Operating Expenses	GF	\$1,424,388	\$0	\$1,231,171	\$19,436	\$1,847
	CF	\$461,677	\$0	\$239,086	\$11,962	\$1,136
	RF	\$40,724	\$0	\$22,515	\$37,848	\$3,597
	FF	\$1,776,309	\$0	\$1,429,767	\$31,309	\$2,975
	Total	\$62,877,160	\$0	\$34,123,691	(\$500,000)	(\$500,000)
01. Executive Director's Office, (A) General Administration, (1)	FTE	0.0	0.0	0.0	0.0	0.0
General Administration - General Professional Services and Special Projects	GF	\$13,811,567	\$0	\$12,477,539	(\$155,000)	(\$155,000)
	CF	\$16,155,462	\$0	\$2,665,692	(\$95,000)	(\$95,000)
	RF	\$81,000	\$0	\$81,000	\$0	\$0
	FF	\$32,829,131	\$0	\$18,899,460	(\$250,000)	(\$250,000)
	Total	\$56,067,055	\$0	\$63,004,037	(\$267,660)	(\$267,660)
01. Executive Director's Office, (C) Information Technology Contracts and Projects, (1)	FTE	0.0	0.0	0.0	0.0	0.0
Information Technology Contracts and Projects - Colorado Benefits	GF	\$11,608,377	\$0	\$12,767,946	(\$82,942)	(\$82,942)
Management Systems, Operating & Contracts	CF	\$6,470,009	\$0	\$6,930,824	(\$51,266)	(\$51,266)
	RF	\$1,657	\$0	\$1,122,632	\$0	\$0
	FF	\$37,987,012	\$0	\$42,182,635	(\$133,452)	(\$133,452)

Auxiliary Data			
Requires Legislation?	NO		
Type of Request?	Health Care Policy and Financing Prioritized Request	Interagency Approval or Related Schedule 13s:	Impacts Other Agency



Department Priority: R-13
Convert Contractor Resources to FTE

Summary of Funding Change for FY 2024-25			
		Incremental Change	
	FY 2023-24 Appropriation	FY 2024-25 Request	FY 2025-26 Request
Total Funds	\$208,234,728	\$372,793	\$315,241
FTE	741.0	12.6	13.0
General Fund	\$58,817,580	(\$6,606)	(\$13,826)
Cash Funds	\$31,868,876	(\$3,951)	(\$8,416)
Reappropriated Funds	\$3,147,185	\$394,074	\$359,823
Federal Funds	\$114,401,087	(\$10,724)	(\$22,340)

Summary of Request

The Department requests to convert contractor funding to Department FTE to enhance the administration of payment reform efforts, substance use disorder (SUD) benefits, and the Program Eligibility and Application Kit (PEAK) call center. Enhancing these administrative functions would support the Department’s lead measure to expand value-based payments (VBPs), its pillars of Operational Excellence and Customer Service and Health First Colorado Value, and its equity efforts for members and staff. To accomplish this, the Department requests an increase of 12.6 FTE and \$372,793 total funds comprised of a reduction of General Fund, cash funds, and federal funds and an increase of reappropriated funds in FY 2024-25, and an increase of 13.0 FTE and \$315,241 total funds comprised of a reduction of General Fund, cash funds, and federal funds and an increase of reappropriated funds in FY 2025-26 and ongoing to permanently convert funding for contractor resources to Department FTE. This request represents less than a 0.5% change to the Department’s budget for FY 2024-25 and subsequent years.

Requires Legislation	Equity Impacts	Impacts Another Department?	Statutory Authority
No	Positive	Yes (OIT, DHS, DPHE, DEC)	25.5-1-108 (1), C.R.S.

Current Program

The Department is responsible for fulfilling many critical administrative functions as the single state agency responsible for administration of Colorado’s Medicaid program, known as Health First Colorado, and Colorado’s Children’s Health Insurance Program, known as Child Health Plan Plus or CHP+. The Department is also responsible for the administration of several other statewide programs and for providing health care policy guidance and leadership to the executive branch, legislative branch, and other stakeholders in the state. Administrative duties include policy development, data analysis of health care claims and provider quality measures, modifying programs to comply with changing state and federal requirements, providing comprehensive customer service assistance to members and prospective members of the Department’s programs, and more. The Department fulfills these administrative duties with a combination of contractor resources and FTE resources depending on available funding, state and federal requirements, and other factors that influence the appropriateness of a contractor versus FTE solution.

Problem or Opportunity

The Department has identified an opportunity to enhance several administrative functions by repurposing funding already appropriated for contractor resources to hire FTE to perform the duties instead. While the appropriated contractor resources would allow the Department to continue making progress in these areas, the Department could make more progress and provide more ongoing support by using the funding for in-house staffing resources. This could be done without additional General Fund for the Department and would build in-house expertise and institutional knowledge, thereby accomplishing more of the Department’s, Governor’s, and General Assembly’s goals.

For many of the Department’s administrative functions, using in-house FTE is a more cost-effective solution than relying on outside vendors. This is often the case for ongoing, permanent administrative functions that do not require highly specialized expertise or broad national experience with health care initiatives. In many cases, the Department pays hourly rates to vendors that exceed the amount that would be paid for equivalent work by Department FTE. Additionally, using outside vendors often adds workload to existing FTE who must absorb duties such as overseeing the contractor, processing invoices and payments, managing budgets, drafting contract documents, initiating corrective actions, and more. Furthermore, the Department has a difficult time maintaining continuity of subject matter knowledge when work is transitioned

between vendors due to federal re-procurement requirements, business closures and buyouts, and other reasons. Vendor transitions often result in delays in deliverables as one vendor closes out and another vendor ramps up, which does not occur at such a large scale with in-house FTE, since FTEs are generally only lost one at a time when turnover occurs instead of entire teams or companies as with vendors.

Proposed Solution and Anticipated Outcomes

The Department requests an increase of \$372,793 total funds, including a reduction of \$6,606 General Fund and an increase of 12.6 FTE in FY 2024-25; and an increase of \$315,241 total funds, including a reduction of \$13,826 General Fund and an increase of 13.0 FTE in FY 2025-26 and ongoing to permanently convert existing funding for contractor resources to Department FTE. This would create internal efficiencies, develop institutional knowledge, and enhance administrative support for payment reform efforts, SUD benefits, and the PEAK call center without additional General Fund for the Department. The Department requests to move funding that has already been appropriated for contractor resources to its personal services-related line items which would permit the hiring of additional staff. Cash funds are from the Healthcare Affordability and Sustainability (HAS) Fee Cash Fund and the Children’s Basic Health Plan (CBHP) Trust. Reappropriated funds are from the Department of Human Services (DHS), the Department of Public Health and Environment (DPHE), and the Department of Early Childhood (DEC).

Payment Reform

The Department requests to convert funding for contractor resources approved in the Department’s FY 2019-20 R-7 “Primary Care Alternative Payment Models” to hire two FTE at the Rate/Financial Analyst IV classification. In the Department’s FY 2019-20 R-7 budget request, \$175,000 was approved for an actuarial contractor and \$75,000 was approved for a contractor to provide data visualization of clinical gaps on an ongoing basis. Funding for the actuarial contractor was needed for initial analysis and per-member per-month (PMPM) payment calculations required in gaining CMS approval of a section 1115 demonstration waiver to implement new alternative payment methodologies (APMs).¹ Funding was approved for the actuarial contractor on an ongoing basis to develop required budget neutrality calculations for the 1115 waiver and ongoing PMPM payment calculations. Contractor funding for software tools that provide data visualization of clinical gaps was approved to assist providers in identifying gaps in care and to move away from claims-based measures toward performance- and outcome-based measures in evaluating practice performance.

¹ “Section 1115 of the Social Security Act gives the Secretary of Health and Human Services authority to approve experimental, pilot, or demonstration projects that are found by the Secretary to be likely to assist in promoting the objectives of the Medicaid program. The purpose of these demonstrations, which give states additional flexibility to design and improve their programs, is to demonstrate and evaluate state-specific policy approaches to better serving Medicaid populations.” Medicaid.gov, U.S. Centers for Medicare & Medicaid Services, accessed June 11, 2023, www.medicaid.gov/medicaid/section-1115-demo/about-1115/index.html

As payment reform efforts have evolved since the Department's FY 2019-20 R-7 budget request and approval of the 1115 waiver, the Department has determined that it can enhance administration of these efforts by converting the contractor funding discussed above to two permanent FTE. One FTE would be responsible for managing VBPs for Federally Qualified Health Centers (FQHCs). This analyst would be necessary as the Department expands VBP programs to FQHC providers due to the unique constraints around the federally mandated FQHC rate-setting methodology. This analyst would manage the enrollment and operations of FQHCs into the Department's VBP programs including APM 1, APM 2, the Maternity Bundled Payment, and the Prescriber Tool Shared Savings APM. This analyst would explain the programs to and work with interested providers, including managing data requests to review payment rates. This analyst would query and analyze claims data within the Business Intelligence Data Management System (BIDM) to monitor FQHC performance in existing APMs including the primary care, maternity, and prescriber tool. The analysis performed by this FTE would also be used for stakeholder engagement purposes with FQHCs to develop and improve the Department's VBP programs. Based on FQHC stakeholder feedback on the technical analysis, this FTE would be responsible for coordinating with program leads to make improvements to VBP programs and monitor the impact of changes to report to Department leadership and stakeholders. The second FTE would be responsible for facility cost and quality analysis and would assist in designing the facility cost and quality payment reform program. This would include researching what other states are doing to help members get access at the highest quality facilities, analyzing facility cost and quality metrics for facilities across the state, and analyzing episode of care methodologies to ensure the appropriate services are included. This FTE would utilize the research and analysis performed to support Department stakeholder engagement resources by presenting data at meetings with facilities across the state.

SUD Benefit

The Department requests to convert funding for contractor resources approved in the Department's FY 2020-21 R-11 "Patient Placement and Benefit Implementation - Substance Used Disorder" to hire two FTE at the Administrator IV classification. In the Department's FY 2020-21 R-11 budget request, \$1,368,000 in contractor funding was approved to implement a patient placement tool on an ongoing basis. Funding for the tool was approved to fulfill federal requirements for providers to utilize evidence-based, SUD-specific patient placement criteria to ensure clients are appropriately evaluated for the correct level of care and utilization of services. A standardized tool was required to receive federal approval of a section 1115 demonstration waiver to implement an inpatient and residential substance use disorder benefit. Since approval of the budget request and 1115 waiver, needs of the program have progressed from an initial vision of an automated, state-wide patient placement software tool toward a greater emphasis on supporting and training individual providers and Regional Accountable Entities (RAEs) in evaluating patients and determining appropriate levels of care. This support and training are based on the American Society of Addiction Medicine (ASAM) Criteria, which is a standardized SUD-specific, multi-dimensional assessment tool that reflects evidence-based clinical treatment guidelines.

As the SUD benefit has evolved since the Department's FY 2020-21 R-11 budget request and approval of the 1115 waiver, the Department has determined that it can enhance administration of the program by converting a portion of the contractor funding discussed above to two permanent FTE. One FTE would be responsible for managing the implementation of the fourth edition of the ASAM Criteria, which will be published in November 2023, and which must be implemented in the Department's SUD Benefit to retain the 1115 waiver.² This implementation would take up to two years and would require ongoing efforts to expand the continuum of care at each new ASAM level. Implementation would involve supporting providers to ensure they have access to ASAM-related training; helping providers incorporate the assessment tool and documentation into their workflows; stakeholder engagement and collaboration with the Behavioral Health Administration (BHA); and managing the remaining contractor resources from the Department's FY 2020-21 R-11 budget request, which would be utilized to conduct provider and RAE education and training. The second FTE would be responsible for continuing to build out recovery supports for individuals with mental health and substance use disorders to help ensure the success of the 1115 waiver. This would involve the development of recovery supports such as health-related social need services and a network of Peer Service Providers and Community Health Workers that support SUD and Dual Diagnosis members. This FTE would develop the behavioral health scope of work for Peer Service Providers and Community Health Workers and would support members being served in their communities in high intensity outpatient programs.

PEAK Call Center

The Department requests to convert funding for contractor resources originally approved in the Governor's Office of Information Technology's (OIT's) FY 2016-17 R-2 "CBMS/PEAK Annual Base Adjustment" to hire eight FTE at the Administrator I classification and one FTE at the Administrator IV classification. In OIT's FY 2016-17 R-2 budget request, contractor funding was approved to create a call center that assists users of the PEAK online benefit portal. This portal allows Colorado residents to apply for and manage benefits across multiple public assistance programs and is funded jointly by DHS, DPHE, DEC, and the Department. Funding for the call center was placed in OIT's long bill and comprised of reappropriated funds from the participating agencies, which share costs based on PEAK usage statistics for each agency's assistance programs.

More recently, OIT's FY 2022-23 R-4 "PEAK Call Center Staffing" was approved to convert the contracted staff in the PEAK call center to OIT FTE. However, this conversion did not occur because a realignment of CBMS resources from OIT to the participating agencies began to be considered in mid-FY 2022-23 and the conversion was postponed as a potential component of the realignment. As part of this realignment strategy, the Department now requests to convert the contracted staff in the PEAK call center to FTE that work for the Department instead of OIT. Hiring these FTE to work for the Department instead of OIT would be administratively efficient because the current contracted staff already work within the Department's Member Contact Center (MCC) alongside Department employees and can utilize shared resources. Converting

² "4th Edition Development," American Society of Addiction Medicine, accessed June 11, 2023, www.asam.org/asam-criteria/4th-edition-development

these contracted staff to FTE would align these positions with the MCC staffing model so that all MCC staff are Department employees with equitable pay, benefits, and opportunities for advancement.

The Department requests to hire eight FTE at the Administrator I classification who would serve as PEAK call center agents. These FTE would support members through phone calls, email, and chat to address issues with applying for benefits, reporting changes, understanding application status, using PEAK, and other technical problems or questions. The Department also requests to hire one FTE at the Administrator IV classification who would serve as the supervisor of the PEAK call center agents. This FTE would manage the call center agents, including hiring, training, work assignment, work quality review, process improvement, and any corrective action or coaching needed. The supervisor would also monitor calls and agent responses to member email or chat questions and produce call center metrics including calls received, call duration, worker productivity, call wait time, response quality, and caller satisfaction. Although the current contract is for ten total positions (nine agents and one supervisor), the call center has been able to operate effectively with only nine of the positions filled at any given time and therefore the Department is only requesting nine in-house FTE to perform the work.

Currently, the contracted PEAK call center agent positions earn a starting pay as low as \$18 per hour, equivalent to \$37,440 per year. The Department is requesting to convert these contracted staff to in-house FTE at the Administrator I classification which earns a minimum salary of \$47,472 per year according to the FY 2024-25 Compensation Plan. Therefore, unlike the other initiatives in this request, hiring these FTE would cost more than the current contractor resources. However, the Department anticipates this would significantly benefit the program because it has had difficulty retaining the current contracted staff at the current starting pay that is offered. A recent search of comparable Helpdesk Technician jobs in the Denver Metro area indicates an average starting pay of \$57,653 per year. Thus, with better-paying helpdesk jobs available in the area, the current contracted staff in the PEAK call center often leave for significantly better paying positions that have similar job requirements. This frequent turnover is detrimental to maintaining knowledge and expertise in critical, member-facing roles that require knowledge of not only the Department's programs, but also DHS, DPHE, and DEC public assistance programs. Furthermore, these roles are especially critical currently because the Department is expecting higher call and chat volume with complex eligibility questions as the federal Public Health Emergency (PHE) unwinds.

Anticipated Outcomes

The Department seeks to improve all areas of operations associated with the administrative functions included in this request. If approved, the Department anticipates this request would provide positive return to the State by developing efficiencies and institutional knowledge on complex subject matter without additional General Fund on an ongoing basis. The Department anticipates this request would enhance administrative functions by using in-house FTE that can be more responsive to Department priorities and more ingrained in the Department culture and operations. The Department anticipates a reduction in redundant overhead work required for outside vendors including reviewing vendor work, implementing corrective action plans,

determining financial adjustments to contracts, lengthy solicitations, annual contract renewals processes, and invoice processing and payment.

Department Goals and Pillars

If approved, this request would directly support the Department's Performance Goals described in the FY 2023-24 Department Performance Plan.³ Specifically, this request would support

- The Department's lead measure for expanding VBPs, by helping to increase the number of primary care practice sites participating in the adult primary care APM 2 through better supporting the administration of the program with the conversion of contractor resources to FTE; this would reduce the time spent on contract oversight duties and build in-house expertise that would help to further develop and improve the program,
- The Operational Excellence and Customer Service pillar by realizing operational efficiencies from converting contracted administrative functions to FTE, improving customer service quality in the PEAK call center through reduced turnover, and ensuring the Department's SUD benefit complies with the latest ASAM criteria,
- The Health First Colorado Value pillar by improving support and training for providers and RAEs in implementing the 4th edition of ASAM criteria to help ensure members seeking SUD treatment receive the appropriate level of care and avoid under- and over-utilization of services.

Consequences If Not Funded

If this request is not approved, the Department would be unable to realize the benefits of converting the contracted administrative functions included in this request to FTE. These benefits include greater efficiency, greater line of sight into the work, better ability to rapidly adjust to changes in priorities, and the building of institutional knowledge and best practices. In addition, the Department would continue to utilize contracts to fulfill these administrative functions, which are generally a less efficient method due to contracted staff often costing more than state FTE and the additional state oversight role required for contracts. This oversight includes reviewing contractor work, taking corrective actions or financial adjustments, and procurement processes such as solicitations, annual contract renewals, negotiations, and invoice processing.

³ Colorado Department of Health Care Policy and Financing, *Fiscal Year 2023-24 HCPF Performance Plan*, July 1, 2023, <https://hcpf.colorado.gov/sites/hcpf/files/HCPF%20Department%20Performance%20Plan%20FY23-24.pdf>

Supporting Evidence and Evidence Continuum

Program Objective	Multiple programs with different objectives would be affected by this request; however, the overall program objective of this request is to enhance the administration of targeted programs by converting contractor resources to Department FTE.
Outputs being measured	Multiple programs with different outputs are included in this request; however, the overall outputs being measured in this request are related to the conversion of contractor resources to FTE such as reducing contractor needs, hiring additional staff, retaining staff and therefore subject matter knowledge, and reducing administrative contractor oversight duties.
Outcomes being measured	N/A
Type and Result of Evaluation	N/A
S.B. 21-284 Evidence Category and Evidence Continuum Level	Theory-informed, Step 2

The Department considers this request to align with Step 2 on the Office of State Planning and Budget (OSPB) continuum of evidence. This request affects multiple programs that each have their own program objectives including moving away from traditional fee-for-service payment methodologies to improve cost and quality outcomes, ensuring appropriate and consistent SUD patient placement to ensure proper utilization of services, and providing technical assistance and excellent customer service to PEAK users. These programs each have their own outputs and outcomes being measured and may fall into different steps on the OSPB continuum of evidence. However, the overall program objective of this request is to enhance the administration of these programs through the conversion of contractor resources to FTE, which aligns with Step 2 on the OSPB continuum of evidence because it is theory-informed based on previous success with similar budget requests. These requests include the Department’s FY 2020-21 BA-11, FY 2021-22 R-10, FY 2022-23 R-12, and FY 2023-24 R-14 requests, all named “Convert Contractor Resources to FTE.” These requests all converted contractor resources to FTE across various administrative functions of the Department and have resulted in greater effectiveness of these programs while saving or requiring minimal additional General Fund.

Recent examples of the success of previous contractor to FTE conversions include the conversion of provider field representatives in the Department’s FY 2021-22 R-10 budget request, the conversion of Medicaid Management Information System (MMIS) training functions in the Department’s FY 2022-23 R-12 budget request, and the conversion of long-term care (LTC) utilization management (UM) functions in the Department’s FY 2022-23 R-12 budget request. These successes, described in more detail below, inform the Department’s theory of change,

which is that specific administrative functions can be enhanced by utilizing in-house FTE to perform the work instead of contractor resources.

- The conversion of provider field representatives was done with no additional General Fund and the Department successfully recruited, hired, and trained five FTE in a short amount of time to transition duties from the contractor. The Department has had zero turnover in these positions since the new FTE started in January 2022, which has allowed for greater development of institutional knowledge compared to the prior contractor solution. These positions serve as the face of Colorado Medicaid to many new providers and converting this function to Department FTE has allowed for better alignment with the Department's culture and pillar of Operational Excellence and Customer Service. So far, the conversion has been very successful as evidenced by the positive feedback the Department has received from providers since the new FTE started.
- The conversion of MMIS training functions was done with no additional General Fund (except in the first year for initial capital outlay) and the Department successfully recruited, hired, and trained two FTE in FY 2022-23 to transition duties from the contractor. The Department was able to hire staff with extensive backgrounds in adult learning, training methodologies, and technical writing that surpasses the experience possessed by the original contractor. Although these staff have only been with the Department a short time, their practical experience combined with better integration into Department culture and priorities will enable them to deliver much more focused and effective training presentations to providers and internal Department staff that use the MMIS.
- The conversion of LTC UM functions was done with no additional General Fund (except in the first year for initial capital outlay) and the Department successfully recruited, hired, and trained four FTE in FY 2022-23 to transition duties from the contractor. This has allowed more flexibility to adapt, adjust and be proactive to the changing needs of the program. For instance, when an issue is identified that changes the scope of a UM review, these FTE have been able to schedule meetings and pivot their work within the same day, whereas the previous contractor solution would often run into scheduling conflicts and sometimes require contractual changes that would cause significant delays in work. Additionally, these FTE are better embedded than contractors in the Department's broader work efforts and have been able to inform other processes and suggest improvements, such as assisting with end-to-end and report testing for the Department's new Care and Case Management system.

Promoting Equitable Outcomes

If approved, this request would have a positive impact on the Department's equity efforts for members and staff. By enhancing the administration of payment reform efforts through the conversion of contractor resources to FTE, this request would help address inequities in the current fee for service system. Moving Colorado Medicaid towards a system of value-based care allows the Department to address economic and legal inequities by tying provider payments to patient outcomes. The maternity bundle also focuses on health equity and improving the patient

experience for people of color through targeted policy interventions. Additionally, call center job opportunities frequently attract employees who are typically underserved and unrepresented in state government positions such as Spanish-speaking individuals. By converting low-paid, contracted PEAK call center agents to permanent Department FTE, this request would help enhance diversity and equity in state government.

Assumptions and Calculations

The Department has made several assumptions in calculating the costs associated with this request. Detailed calculations can be found in the tables of the attached appendix. Table 1 provides a summary of the request by line item, while table 2 provides a summary of the request by initiative. Tables 3, 4, and 5 provide detailed calculations for the cost of the requested FTE for payment reform efforts, SUD benefits, and the PEAK call center, respectively. Table 6 provides detailed calculations for the requested reduction in funding for contractor costs. Additionally, a summary of the requested FTE and corresponding job duties is provided in the FTE Description table below.

For the requested FTE, the Department assumes all positions included in this request would be full-time, permanent positions. For the payment reform and SUD benefit FTE, the Department has included the standard four-week hiring period delay from the start of the fiscal year, so the assumed start date for these FTE is approximately August 1, 2024. For the PEAK call center FTE, the Department has not included the standard four week hiring period delay to avoid the need for a short-term contract to continue running the call center for a four-week period at the beginning of FY 2024-25. Thus, the Department assumes a start date for the PEAK call center FTE of July 1, 2024 and will plan accordingly to ensure these FTE are hired without any delay if this request is approved. For all requested FTE, the Department has included the cost of salaries, benefits, and operating costs. The Department has not included leased space for these positions because duties can be performed effectively in a remote work environment.

For the requested reduction in contractor funding, the Department has made several assumptions. For payment reform efforts, the Department assumes contractor funding approved in the Department's FY 2019-20 R-7 budget request for the actuarial contractor and data visualization of clinical gaps would be eliminated. For the SUD benefit, the Department contractor funding approved in the Department's FY 2020-21 R-11 budget request would be reduced, but not eliminated because contractor funding is still required to support 1115 waiver requirements, provide ASAM criteria education and training for providers and RAEs, and to support conversion to services for expanded levels of care such as partial hospitalization as requested in the Department's FY 2024-25 R-7 "Behavioral Health Continuum" budget request. For the PEAK call center, the Department assumes contractor funding for the current contracted call center positions would be eliminated and assumes this would equal the FY 2023-24 purchase order amount. Due to changes in pay strategy to bring the contracted staff closer to fair market rates over the last several years given their skills, abilities, and job duties, the FY 2023-24

purchase order amount has increased approximately 7% over the \$550,000 in contractor funding referenced in OIT's FY 2022-23 R-4 budget request.

For the requested fund splits used for payment reform and SUD benefits, the Department assumes a federal match rate of 50% for standard Medicaid administrative costs and assumes the state fund source would be a combination of General Fund and HAS Fee cash funds, reflecting the ratio of the non-expansion Colorado Medicaid population to the expansion Medicaid population. For the requested fund splits used for the PEAK call center, the Department assumes contractor funding for the current contract would be eliminated from the Department's CBMS Operating and Contract Expenses line item. Likewise, the Department assumes that the current reappropriated funding for the contract in OIT's long bill from the Department, DHS, DPHE, and DEC would also be eliminated. For the requested PEAK call center FTE, the Department assumes funding for the positions would be placed in the Department's personal services-related line items and would contain reappropriated funding from DHS, DPHE, and DEC for their share of the costs. The splits between departments are based on the March 2023 cost allocation model. The Department assumes corresponding non-prioritized budget requests would be required by OIT to eliminate the current contractor funds from the OIT long bill, and by DHS, DPHE, and DEC to increase funding for this function to support the increased pay to call center agents at the Administrator I classification.

For the PEAK call center FTE, most of the requested reappropriated funds from DHS, DPHE, and DEC to the Department would come from previously approved funding for the PEAK call center staffing contract. This previously approved funding is currently reappropriated from DHS, DPHE, and DEC to OIT to pay for the staffing contract. This request would reappropriate that funding to the Department instead of OIT to pay for the requested FTE. However, a portion of the requested reappropriated funds from DHS, DPHE, and DEC to the Department would require additional funding to be appropriated to DHS, DPHE, and DEC. This additional funding would be required to support the increased pay to call center agents at the Administrator I classification. This additional funding would be comprised of various fund sources including General Fund and therefore the net impact of this request across all agencies would require minimal additional General Fund.

FTE Descriptions

Position Title	Classification	Number of FTE	Job Duties
Payment Reform FQHC Analyst (Payment Reform)	Rate/Financial Analyst IV	1.0	<ul style="list-style-type: none"> • Manage the APM 1 rate change process contract for FQHC providers in APM 1 and validate contractor results before sending provider performance notification letters. • Manage APM 2 for FQHCs including enrolling providers into the program and explaining the rate setting methodology and how the program operations work to interested FQHC providers. • Manage the rate-setting process for FQHCs in APM 2 including the calculations of FQHC specific payment rates on an annual basis. • Monitor FQHC provider utilization in the Department's APM 2 program to ensure that FQHC PCMPs are maintaining appropriate member access to care. • Help interested FQHCs become enrolled in the Department's maternity bundled payment program, including explaining the rate setting methodology and how program operations work to interested FQHC providers. • Calculate quality metric performance for FQHC providers enrolled in the maternity bundle, APM 1, APM 2, and the prescriber shared savings model. • Perform ad-hoc data analysis to support stakeholder engagement for FQHCs in the maternity bundle, APM 1, APM 2, and the prescriber tool shared savings model.
Facility Cost and Quality Analyst (Payment Reform)	Rate/Financial Analyst IV	1.0	<ul style="list-style-type: none"> • Analyze facility performance for 3 distinct test episodes of care and create a statistical risk adjustment methodology to compare facility performance to other facilities. • Query claims information to research episode service inclusion and work with Department clinical staff to determine clinical relevance. • Work with Department policy staff to support engaging stakeholders to design the facility cost and quality program. • Design a methodology to share facility cost and quality performance with Medicaid members to

			help them make informed decisions about their care.
ASAM 4 Coordinator (SUD Benefit)	Administrator IV	1.0	<ul style="list-style-type: none"> • Collaborate with BHA to review and draft changes to rules and regulations to ensure compliance with the fourth edition of ASAM criteria and coordinate the adoption of these changes by the State Board of Human Services. • Integrate new ASAM criteria into the policies and contracts of Managed Care Organizations (MCOs) and RAEs, together known as Managed Care Entities (MCEs), including facilitating training on the new criteria for MCEs. • Facilitate training for SUD providers on new ASAM criteria including managing contractors to provide trainings. • Revise provider types and code modifications for the Behavioral Health Billing manual to comply with new ASAM criteria. • Assist the Department's rates staff to analyze the financial impact of changes to the SUD program required to comply with new ASAM criteria.
Recovery Services Provider Liaison (SUD Benefit)	Administrator IV	1.0	<ul style="list-style-type: none"> • Facilitate forums for providers regarding SUD, Peer Support Professionals, and other recovery-focused benefits such as health-related social needs as they evolve. • Manage content and coordinate communications through newsletters, webpages and technical assistance office hours for SUD, Peer Support Professionals, and other health-related social need benefits as they evolve. • Liaise with BHA teams including Recovery Support, Peer Work Force Development, and Adult and Youth SUD teams to coordinate unified messaging and content. • Develop strategies for the integration of health-related social need services into behavioral health managed care and fee-for-service delivery. • Manage the coordination of Recovery Services policy content with the Department's Accountable Care Collaborative team and support technical assistance for MCEs.

<p>PEAK Call Center Supervisor (PEAK Call Center)</p>	<p>Administrator IV</p>	<p>1.0</p>	<ul style="list-style-type: none"> • Manage the PEAK Call Center Agents, including day to day oversight, scheduling, work assignment, work quality review, process improvement, and any corrective action or coaching needed. • Monitor calls and agent responses to client email or chat and produce call center metrics including calls received, call duration, worker productivity, call wait time, response quality, and caller satisfaction. • Work closely with other managers to provide input on new functionality for PEAK, keep the call center agents trained on new or changed functionality, report issues to the service desk, and share call center metrics to drive operational or functional improvements.
<p>PEAK Call Center Agent (PEAK Call Center)</p>	<p>Administrator I</p>	<p>8.0</p>	<ul style="list-style-type: none"> • Support PEAK clients through phone calls, emails, and online chat service demonstrating excellent communication and interpersonal skills. • Resolve client questions and issues regarding applying for benefits, reporting changes, understanding application status, accessing and using PEAK, and any other technical problems or questions. Escalate client issues that may require further investigation. • Be able to utilize all available knowledge base guidance and follow standard documented processes to gather additional information and provide information to PEAK clients. As senior experience is gained, suggest new knowledge base articles to improve current processes or address unique client issues. • As senior experience is gained, handle routine client issues quickly and be capable of handling unique client situations using a solid understanding of the PEAK system navigation and functionality.
<p>Total Requested FTE</p>		<p>13.0</p>	

R-13 Convert Contractor Resources to FTE
Appendix A: Assumptions and Calculations

Table 1.1 Summary by Line Item FY 2024-25									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(1) Executive Director's Office; (A) General Administration; Personal Services	\$822,716	12.6	\$169,365	\$104,177	\$276,287	\$272,887	33%	Sum of Tables 3, 4, and 5, Personal Services
B	(1) Executive Director's Office; (A) General Administration; Health, Life, and Dental	\$139,899	0.0	\$26,627	\$16,392	\$53,985	\$42,895	31%	Sum of Tables 3, 4, and 5, HLD
C	(1) Executive Director's Office; (A) General Administration; Short-term Disability	\$1,165	0.0	\$240	\$147	\$391	\$387	33%	Sum of Tables 3, 4, and 5, STD
D	(1) Executive Director's Office; (A) General Administration; Paid Family and Medical Leave Insurance	\$3,278	0.0	\$674	\$415	\$1,101	\$1,088	33%	Sum of Tables 3, 4, and 5, FMLI
E	(1) Executive Director's Office; (A) General Administration; S.B. 04-257 Amortization Equalization Disbursement	\$36,420	0.0	\$7,497	\$4,611	\$12,231	\$12,081	33%	Sum of Tables 3, 4, and 5, AED
F	(1) Executive Director's Office; (A) General Administration; S.B. 06-235 Supplemental Amortization Equalization Disbursement	\$36,420	0.0	\$7,497	\$4,611	\$12,231	\$12,081	33%	Sum of Tables 3, 4, and 5, SAED
G	(1) Executive Director's Office; (A) General Administration; Operating Expenses	\$100,555	0.0	\$19,436	\$11,962	\$37,848	\$31,309	31%	Sum of Tables 3, 4, and 5, Operating Expenses
H	(1) Executive Director's Office; (A) General Administration; General Professional Services and Special Projects	(\$500,000)	0.0	(\$155,000)	(\$95,000)	\$0	(\$250,000)	50%	Table 6.1, Sum of Rows A and B
I	(1) Executive Director's Office; (C) Information Technology Contracts and Projects; CBMS Operating and Contract Expenses	(\$267,660)	0.0	(\$82,942)	(\$51,266)	\$0	(\$133,452)	50%	Table 6.1, Row C
J	Total Request	\$372,793	12.6	(\$6,606)	(\$3,951)	\$394,074	(\$10,724)	N/A	Sum of Rows A through I

R-13 Convert Contractor Resources to FTE
Appendix A: Assumptions and Calculations

Table 1.2 Summary by Line Item FY 2025-26 and Ongoing									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(1) Executive Director's Office; (A) General Administration; Personal Services	\$850,066	13.0	\$177,843	\$109,375	\$276,287	\$286,561	34%	Sum of Tables 3, 4, and 5, Personal Services
B	(1) Executive Director's Office; (A) General Administration; Health, Life, and Dental	\$143,429	0.0	\$27,721	\$17,064	\$53,985	\$44,659	31%	Sum of Tables 3, 4, and 5, HLD
C	(1) Executive Director's Office; (A) General Administration; Short-term Disability	\$1,204	0.0	\$252	\$155	\$391	\$406	34%	Sum of Tables 3, 4, and 5, STD
D	(1) Executive Director's Office; (A) General Administration; Paid Family and Medical Leave Insurance	\$3,387	0.0	\$709	\$436	\$1,101	\$1,141	34%	Sum of Tables 3, 4, and 5, FMLI
E	(1) Executive Director's Office; (A) General Administration; S.B. 04-257 Amortization Equalization Disbursement	\$37,630	0.0	\$7,872	\$4,842	\$12,231	\$12,685	34%	Sum of Tables 3, 4, and 5, AED
F	(1) Executive Director's Office; (A) General Administration; S.B. 06-235 Supplemental Amortization Equalization Disbursement	\$37,630	0.0	\$7,872	\$4,842	\$12,231	\$12,685	34%	Sum of Tables 3, 4, and 5, SAED
G	(1) Executive Director's Office; (A) General Administration; Operating Expenses	\$9,555	0.0	\$1,847	\$1,136	\$3,597	\$2,975	31%	Sum of Tables 3, 4, and 5, Operating Expenses
H	(1) Executive Director's Office; (A) General Administration; General Professional Services and Special Projects	(\$500,000)	0.0	(\$155,000)	(\$95,000)	\$0	(\$250,000)	50%	Table 6.1, Sum of Rows A and B
I	(1) Executive Director's Office; (C) Information Technology Contracts and Projects; CBMS Operating and Contract Expenses	(\$267,660)	0.0	(\$82,942)	(\$51,266)	\$0	(\$133,452)	50%	Table 6.1, Row C
J	Total Request	\$315,241	13.0	(\$13,826)	(\$8,416)	\$359,823	(\$22,340)	N/A	Sum of Rows A through I

R-13 Convert Contractor Resources to FTE
Appendix A: Assumptions and Calculations

Table 2.1 Summary by Initiative FY 2024-25									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
Payment Reform									
A	FTE Costs	\$220,389	1.8	\$68,320	\$41,872	\$0	\$110,197	50%	Table 3, FTE Calculation
B	Contractor Cost Reductions	(\$250,000)	0.0	(\$77,500)	(\$47,500)	\$0	(\$125,000)	50%	Table 6.1, Row A
C	Subtotal	(\$29,611)	1.8	(\$9,180)	(\$5,628)	\$0	(\$14,803)	N/A	Sum of Rows A and B
SUD Benefit									
D	FTE Costs	\$195,235	1.8	\$60,522	\$37,093	\$0	\$97,620	50%	Table 4, FTE Calculation
E	Contractor Cost Reductions	(\$250,000)	0.0	(\$77,500)	(\$47,500)	\$0	(\$125,000)	50%	Table 6.1, Row B
F	Subtotal	(\$54,765)	1.8	(\$16,978)	(\$10,407)	\$0	(\$27,380)	N/A	Sum of Rows D and E
PEAK Call Center									
G	FTE Costs	\$724,829	9.0	\$102,494	\$63,350	\$394,074	\$164,911	23%	Table 5, FTE Calculation
H	Contractor Cost Reductions	(\$267,660)	0.0	(\$82,942)	(\$51,266)	\$0	(\$133,452)	50%	Table 6.1, Row C
I	Subtotal	\$457,169	9.0	\$19,552	\$12,084	\$394,074	\$31,459	N/A	Sum of Rows G and H
J	Total Request	\$372,793	12.6	(\$6,606)	(\$3,951)	\$394,074	(\$10,724)	N/A	Sum of Rows C, F, and I

Table 2.2 Summary by Initiative FY 2025-26 and Ongoing									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
Payment Reform									
A	FTE Costs	\$224,207	2.0	\$69,504	\$42,600	\$0	\$112,103	50%	Table 3, FTE Calculation
B	Contractor Cost Reductions	(\$250,000)	0.0	(\$77,500)	(\$47,500)	\$0	(\$125,000)	50%	Table 6.1, Row A
C	Subtotal	(\$25,793)	2.0	(\$7,996)	(\$4,900)	\$0	(\$12,897)	N/A	Sum of Rows A and B
SUD Benefit									
D	FTE Costs	\$196,865	2.0	\$61,027	\$37,406	\$0	\$98,432	50%	Table 4, FTE Calculation
E	Contractor Cost Reductions	(\$250,000)	0.0	(\$77,500)	(\$47,500)	\$0	(\$125,000)	50%	Table 6.1, Row B
F	Subtotal	(\$53,135)	2.0	(\$16,473)	(\$10,094)	\$0	(\$26,568)	N/A	Sum of Rows D and E
PEAK Call Center									
G	FTE Costs	\$661,829	9.0	\$93,585	\$57,844	\$359,823	\$150,577	23%	Table 5, FTE Calculation
H	Contractor Cost Reductions	(\$267,660)	0.0	(\$82,942)	(\$51,266)	\$0	(\$133,452)	50%	Table 6.1, Row C
I	Subtotal	\$394,169	9.0	\$10,643	\$6,578	\$359,823	\$17,125	N/A	Sum of Rows G and H
J	Total Request	\$315,241	13.0	(\$13,826)	(\$8,416)	\$359,823	(\$22,340)	N/A	Sum of Rows C, F, and I

R-13 Convert Contractor Resources to FTE
Appendix A: Assumptions and Calculations

Table 3 Payment Reform FTE						
Personal Services						
Position Classification	FTE	Start Month	End Month (if Applicable)	FY 2024-25	FY 2025-26 and Ongoing	Notes
RATE/FINANCIAL ANALYST IV	2.0	Jul 2024	N/A	\$168,765	\$183,440	Payment Reform FQHC Analyst, Facility Cost and Quality Analyst
Total Personal Services (Salary, PERA, Medicare)	2.0			\$168,765	\$183,440	
Centrally Appropriated Costs						
Cost Center	FTE Year 1	FTE Year 2+	Cost or Percentage	FY 2024-25	FY 2025-26 and Ongoing	Notes
Health, Life, Dental	1.8	2.0	\$11,033	\$20,301	\$22,066	
Short-Term Disability	-	-	0.16%	\$239	\$260	
Amortization Equalization Disbursement	-	-	5.00%	\$7,471	\$8,120	
Supplemental Amortization Equalization Disbursement	-	-	5.00%	\$7,471	\$8,120	
Paid Family and Medical Leave Insurance	-	-	0.45%	\$672	\$731	
Centrally Appropriated Costs Total				\$36,154	\$39,297	
Operating Expenses						
Ongoing Costs	FTE Year 1	FTE Year 2+	Cost	FY 2024-25	FY 2025-26 and Ongoing	Notes
Supplies	2.0	2.0	\$500	\$1,000	\$1,000	
Telephone	2.0	2.0	\$235	\$470	\$470	
Other	2.0	2.0	\$0	\$0	\$0	
<i>Subtotal</i>				<i>\$1,470</i>	<i>\$1,470</i>	
One-Time Costs (Capital Outlay)	FTE		Cost	FY 2024-25	FY 2025-26 and Ongoing	Notes
Furniture	2.0		\$5,000	\$10,000	\$0	
Computer	2.0		\$2,000	\$4,000	\$0	
Other	2.0		\$0	\$0	\$0	
<i>Subtotal</i>				<i>\$14,000</i>	<i>\$0</i>	
Total Operating				\$15,470	\$1,470	
Leased Space						
	FTE Year 1	FTE Year 2+	Cost	FY 2024-25	FY 2025-26 and Ongoing	Notes
Leased Space	2.0	2.0	\$0	\$0	\$0	

R-13 Convert Contractor Resources to FTE
Appendix A: Assumptions and Calculations

Table 4 SUD Benefit FTE						
Personal Services						
Position Classification	FTE	Start Month	End Month (if Applicable)	FY 2024-25	FY 2025-26 and Ongoing	Notes
ADMINISTRATOR IV	2.0	Jul 2024	N/A	\$145,771	\$158,446	ASAM 4 Coordinator, Recovery Services Provider Liaison
Total Personal Services (Salary, PERA, Medicare)	2.0			\$145,771	\$158,446	
Centrally Appropriated Costs						
Cost Center	FTE Year 1	FTE Year 2+	Cost or Percentage	FY 2024-25	FY 2025-26 and Ongoing	Notes
Health, Life, Dental	1.8	2.0	\$11,033	\$20,301	\$22,066	
Short-Term Disability	-	-	0.16%	\$206	\$224	
Amortization Equalization Disbursement	-	-	5.00%	\$6,453	\$7,014	
Supplemental Amortization Equalization Disbursement	-	-	5.00%	\$6,453	\$7,014	
Paid Family and Medical Leave Insurance	-	-	0.45%	\$581	\$631	
Centrally Appropriated Costs Total				\$33,994	\$36,949	
Operating Expenses						
Ongoing Costs	FTE Year 1	FTE Year 2+	Cost	FY 2024-25	FY 2025-26 and Ongoing	Notes
Supplies	2.0	2.0	\$500	\$1,000	\$1,000	
Telephone	2.0	2.0	\$235	\$470	\$470	
Other	2.0	2.0	\$0	\$0	\$0	
<i>Subtotal</i>				<i>\$1,470</i>	<i>\$1,470</i>	
One-Time Costs (Capital Outlay)	FTE		Cost	FY 2024-25	FY 2025-26 and Ongoing	Notes
Furniture	2.0		\$5,000	\$10,000	\$0	
Computer	2.0		\$2,000	\$4,000	\$0	
Other	2.0		\$0	\$0	\$0	
<i>Subtotal</i>				<i>\$14,000</i>	<i>\$0</i>	
Total Operating				\$15,470	\$1,470	
Leased Space						
	FTE Year 1	FTE Year 2+	Cost	FY 2024-25	FY 2025-26 and Ongoing	Notes
Leased Space	2.0	2.0	\$0	\$0	\$0	

R-13 Convert Contractor Resources to FTE
Appendix A: Assumptions and Calculations

Table 5 PEAK Call Center FTE						
Personal Services						
Position Classification	FTE	Start Month	End Month (if Applicable)	FY 2024-25	FY 2025-26 and Ongoing	Notes
ADMINISTRATOR I	8.0	Jul 2024	N/A	\$428,957	\$428,957	PEAK Call Center Agent
ADMINISTRATOR IV	1.0	Jul 2024	N/A	\$79,223	\$79,223	PEAK Call Center Supervisor
Total Personal Services (Salary, PERA, Medicare)	9.0			\$508,180	\$508,180	
Centrally Appropriated Costs						
Cost Center	FTE Year 1	FTE Year 2+	Cost or Percentage	FY 2024-25	FY 2025-26 and Ongoing	Notes
Health, Life, Dental	9.0	9.0	\$11,033	\$99,297	\$99,297	
Short-Term Disability	-	-	0.16%	\$720	\$720	
Amortization Equalization Disbursement	-	-	5.00%	\$22,496	\$22,496	
Supplemental Amortization Equalization Disbursement	-	-	5.00%	\$22,496	\$22,496	
Paid Family and Medical Leave Insurance	-	-	0.45%	\$2,025	\$2,025	
Centrally Appropriated Costs Total				\$147,034	\$147,034	
Operating Expenses						
Ongoing Costs	FTE Year 1	FTE Year 2+	Cost	FY 2024-25	FY 2025-26 and Ongoing	Notes
Supplies	9.0	9.0	\$500	\$4,500	\$4,500	
Telephone	9.0	9.0	\$235	\$2,115	\$2,115	
Other	9.0	9.0	\$0	\$0	\$0	
<i>Subtotal</i>				<i>\$6,615</i>	<i>\$6,615</i>	
One-Time Costs (Capital Outlay)	FTE		Cost	FY 2024-25	FY 2025-26 and Ongoing	Notes
Furniture	9.0		\$5,000	\$45,000	\$0	
Computer	9.0		\$2,000	\$18,000	\$0	
Other	9.0		\$0	\$0	\$0	
<i>Subtotal</i>				<i>\$63,000</i>	<i>\$0</i>	
Total Operating				\$69,615	\$6,615	
Leased Space						
	FTE Year 1	FTE Year 2+	Cost	FY 2024-25	FY 2025-26 and Ongoing	Notes
Leased Space	9.0	9.0	\$0	\$0	\$0	

R-13 Convert Contractor Resources to FTE
Appendix A: Assumptions and Calculations

Row	Item	Total Funds	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	Payment Reform Analysis	(\$250,000)	(\$77,500)	(\$47,500)	\$0	(\$125,000)	50%	Eliminate ongoing contractor funding from FY 2019-20 R-7 originally for Actuarial Contractor and Data Visualization of Clinical Gaps
B	SUD Benefit Development	(\$250,000)	(\$77,500)	(\$47,500)	\$0	(\$125,000)	50%	Reduce ongoing contractor funding from FY 2020-21 R-11 originally for SUD Patient Placement Tool
C	PEAK Call Center Staffing	(\$267,660)	(\$82,942)	(\$51,266)	\$0	(\$133,452)	50%	Table 6.2, Row A
D	Total	(\$767,660)	(\$237,942)	(\$146,266)	\$0	(\$383,452)	N/A	Sum of Rows A through C

R-13 Convert Contractor Resources to FTE
 Appendix A: Assumptions and Calculations

Table 6.2 PEAK Call Center Staffing Contract Departmental Allocation				
Row	Department	Percent	Dollar Amount	Notes/Calculations
A	HCPF	45.63%	\$267,660	March 2023 PEAK Usage Statistics
B	DHS	49.58%	\$290,804	March 2023 PEAK Usage Statistics
C	DPHE	1.16%	\$6,829	March 2023 PEAK Usage Statistics
D	DEC	3.63%	\$21,267	March 2023 PEAK Usage Statistics
E	Total	100.00%	\$586,560	Sum of Rows A through D, equal to FY 2023-24 contract amount