



OPERATIONAL MEMO

TITLE:	FY 2021-22 BA-10 BUDGET AMENDMENT (PHE LOCKED-IN) ALLOCATIONS AND EXPENDITURES
SUPERSEDES NUMBER:	HCPF IM 21-031
EFFECTIVE DATE:	JULY 1, 2021
DIVISION AND OFFICE:	COMMUNICATIONS AND GOVERNMENT RELATIONS; POLICY, COMMUNICATIONS AND ADMINISTRATION
PROGRAM AREA:	COUNTY RELATIONS AND ADMINISTRATION
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Purpose and Audience:

The purpose of this Operational Memo is to inform county human/social services leadership and financial staff of the Colorado Department of Health Care Policy and Financing's FY 2021-22 County Budget Amendment (BA)-10 for the Public Health Emergency (PHE) Locked-In, including allocations for enhanced and non-enhanced funding and expenditure codes for the County Financial Management System (CFMS). This funding is available only to manage Medical Assistance (MA) workload related to the COVID-19 PHE and the associated federal continuous coverage provisions.

Information:

For FY 2021-22, the Joint Budget Committee (JBC) approved JBC staff recommendations regarding the BA-10 budget amendment submitted to address resource needs resulting from the projected December 2021 end of the Public Health Emergency (PHE).

The JBC appropriated approximately \$13 million dollars for Enhanced and Non-Enhanced county administration funding for county departments of human/social

services, which will become available starting July 1, 2021. See Table 1 FY 2021-22 BA-10 budget allocation for Enhanced vs. Non-Enhanced breakdown of the funding. The approved funding is available to add additional staff capacity for PHE eligibility reviews, appeals and customer service, or to continue and/or expand existing staffing supports, such as overtime, the Intercounty Workforce Initiative and other innovative solutions as approved by the Department.

Enhanced funding, or approximately \$12.7 million dollars, must be spent per the county's approved Staffing Plan, as described in HCPF [Operational Memo 21-036](#). Non-enhanced funding, or approximately \$204,415, will be available by coding eligible expenditures to the appropriate non-enhanced CFMS codes. For the purposes of BA-10 PHE funding, eligible expenditures relate closely to PHE eligibility review appeals.

Please note that the funding allocated to each county does not require a local match; the appropriation is 100% federal and state funds.

Each county should refer to the attached document, FY 2021-22 BA-10 Budget Allocation – Enhanced and FY 2021-22 BA-10 Budget Allocation – Non-Enhanced for further information on funding amounts available for each county. The funding allocation methodology was approved by the Finance Sub-PAC in April 2021.

Table: 1 FY 2021-22 BA-10 Budget Amendment: Appropriation

Item	Total Funds	General Fund	Cash Funds - HAS	Cash Funds - Local	Federal Funds
County Administration	\$ 13,002,670	\$ 2,512,308	\$ 789,463	\$ -	\$ 9,700,899
<i>Enhanced Match</i>	\$ 12,798,255	\$ 1,154,713	\$ 765,025	\$ 1,279,826	\$ 9,598,691
<i>Non-Enhanced Match</i>	\$ 204,415	\$ 36,886	\$ 24,438	\$ 40,883	\$ 102,208
<i>County Local Fund GF Offset</i>	\$ -	\$ 1,320,709	\$ -	\$ (1,320,709)	\$ -

Coding Expenditures in the County Financial Management System

The coding of eligible expenditures must occur in CFMS using the appropriate codes listed below.

BA-10 Enhanced Match: **M216.5405**

BA-10 Non-Enhanced Match: **M215.5400**

Activities Eligible for Enhanced and Non-Enhanced Funding

Further information regarding activities that are eligible for enhanced or non-enhanced funding can be found in [HCPF Agency Letter 15-006 Enhanced Match Funding](#)

Information. The Department has also clarified, for the purposes of BA-10 PHE funding, that:

- Laptops, software, telephone and related operational expenditures are considered indirect costs, and therefore should be coded as non-enhanced activities.
- Training is also considered an indirect cost per federal guidance and should be coded as a non-enhanced activity; this should reflect the time spent for the eligibility technician(s) to be trained as well as the cost of the trainer providing the training.
- Federal Regulations require that only those employees that are part of a merit based hiring system may determine financial eligibility for Medicaid. The county can access both enhanced and non enhanced funds if term limited employees are used for the purposes of the PHE locked in report. Term limited employees meet the following criteria:
 - Are actual county staff hired through the same process as other county staff. (Job posting and competitive selection process.)
 - During the hiring process it is clearly noted (in the posting and interview) that the position is term limited (by funding and/or by time) and is not a permanent position.
 - During employment the employee has access to the same benefits as other county employees (vacation, sick, retirement, etc).
 - The position ends when the specialized funding for the position ends and/or the project is completed.
 - The employee can compete for other posted positions with the county as an internal candidate.
- Operational Readiness costs concern State-level preparations and do not apply to counties; therefore, activities listed as such are not an eligible for reimbursement under the PHE BA-10 funds.

Attachment(s):

FY 2021-22 BA-10 Budget Allocation – [Enhanced](#)

FY 2021-22 BA-10 Budget Allocation – [Non-Enhanced](#)

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