



## OPERATIONAL MEMO

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<b>TITLE:</b>	<b>FY 2022-23 HCPF COUNTY ADMINISTRATION ALLOCATIONS AND SPENDING PLANS</b>
<b>SUPERSEDES NUMBER:</b>	N/A
<b>EFFECTIVE DATE:</b>	<b>JULY 1, 2022</b>
<b>DIVISION AND OFFICE:</b>	<b>COMMUNICATIONS AND GOVERNMENT RELATIONS; POLICY, COMMUNICATIONS AND ADMINISTRATION OFFICE</b>
<b>PROGRAM AREA:</b>	<b>COUNTY RELATIONS AND ADMINISTRATION</b>
<b>KEY WORDS:</b>	<b>FY 22-23, COUNTY ADMINISTRATION, ALLOCATIONS, SPENDING PLANS</b>
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<b>APPROVED BY: RACHEL REITER</b>	

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### **Purpose and Audience:**

The purpose of this Operational Memo is to inform county human/social services departments (counties) of the Colorado Department of Health Care Policy and Financing's FY 2022-23 County Administration Allocation based on enhanced and non-enhanced Medicaid administration funding split. In addition, this Operational Memo provides information relating to the county administration appropriation related to the COVID-19 Public Health Emergency (PHE) funding provided to counties to manage the Continuous Coverage workload resulting from the PHE.

### **Information:**

For State Fiscal Year (FY) 2022-23, the Colorado General Assembly has appropriated \$123.62 million dollars in HCPF administrative funding for county departments of human/social services. This is an increase in state, federal and local funding from the FY 2018-19 HCPF County Administration funding. Of the total appropriation:

- Approximately \$74,167,233 million is allocated to counties for eligible administrative expenses, which is split between \$49,753,707 million for federal

enhanced match expenditures and \$24,413,526 for federal non-enhanced match expenditures. This represents a nearly 30% increase in the annual allocation from FY 2021-22 to FY 2022-23 and includes the standard local share requirement;

- \$8,224,384 million is for performance incentives through the County Incentives Program, which is state funds-only and reimburses the county for local share expended during the fiscal year;
- \$1 million is for County Grant Program, split between competitive and targeted grants and is federal and state funds-only with no local share;
- \$15,310,123 is for work relating to the Continuous Coverage provisions resulting from the COVID-19 PHE; this funding is term-limited and is scheduled to sunset by June 30, 2023; starting in FY 2022-23, this includes the standard local share requirement, as the General Assembly did not authorize additional state funding to cover the local share;
- The remaining \$24,222,148 million is in excess federal and local funds spending authority that is available to help cover county costs when state funds have been exhausted.

Each county should refer to the attached document, FY 2022-23 County Administration Allocations for further information on funding amounts and the changes in allocations from FY 2021-22 to FY 2022-23.

Federal, State and Local Share Percentages for County Administration Funding

The approved funding splits between federal, state and local shares for county administration funding are:

<b>Table 2.2 FY 2022-23 Enhanced vs. Non-Enhanced Percentages</b>				
<b>Label</b>	<b>Total Funds</b>	<b>State Funds</b>	<b>Local Funds</b>	<b>Federal Funds</b>
Enhanced	100.00%	15.00%	10.00%	75.00%
Non-Enhanced	100.00%	30.00%	20.00%	50.00%

### Eligible Expenditures and Enhanced vs. Non-Enhanced Activities

Eligible expenditures are limited to those that are necessary for the county to fulfill its role in the Medicaid State Plan, which is the state's agreement with the federal government. The county's role in the Medicaid State Plan is limited to functions relating to eligibility, enrollment and supporting functions, including customer service, program integrity, and other required functions that support eligibility and enrollment. Expenditures that are not related to the county's role in the Medicaid State Plan, that are duplicative of federal and state spending or that the Department has determined are not eligible expenditures may not draw down federal and state funds. If the county is unsure whether an expenditure is eligible for federal and state reimbursement, please contact the Department contact listed below.

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](#). For questions regarding FY 2022-23 allocations, or whether an expense is eligible for federal and state reimbursement, please contact the Department at the below e-mail address.

### County Administration Spending Plans

Because the overall county administration allocation increased by nearly 30% from FY 2021-22 to FY 2022-23, counties that will receive a funding increase greater than twenty percent (20%) in their HCPF allocation will be required to submit or provide a spending plan that details how the county plans to spend the increased funding, whether the increased funding makes up for previous funding shortfalls, and how the increased funding will support improved outcomes in customer service, performance and accuracy. Counties should reference the [FY 2022-23 R8 County Administration, Oversight and Accountability](#) request for the operational areas where funding should be dedicated to improve outcomes.

Spending plans can be a standalone document on the county's letterhead or can be included in the county's annual budget submission. Whether the spending plan is included in the county's final budget as approved by the Board of County Commissioners, or is a standalone document, the county must submit the necessary information by January 1, 2023, as required per 10 CCR 2505-5 1.010.3.4.

### Public Health Emergency County Administration Funding

To manage the workload related to the Continuous Coverage provisions resulting from the COVID-19 PHE, the Joint Budget Committee has approved a term-limited appropriation for additional county administration funding to be passed onto counties.

The \$15.3 million appropriation should be utilized per [Operational Memo 21-084](#), Revised Guidance for BA-10 funding.

**Attachment(s):**

FY 2022-23 HCPF County Administration County Allocations

FY 2022-23 Public Health Emergency County Administration County allocations

FY 2022-23 County Administration Spending Plans – Counties required to submit Plans

**Department Contact:**

[County Relations webform](#) or [HCPF\\_CountyRelations@state.co.us](mailto:HCPF_CountyRelations@state.co.us)