

**Schedule 13**

**Funding Request for the FY 2024-25 Budget Cycle**

**Health Care Policy and Financing**

**Request Title**

**S-06 PHE Unwind Resources**  
**BA-06 PHE Unwind Resources**

Dept. Approval By:  X **Supplemental FY 2023-24**

OSPB Approval By:  X **Budget Amendment FY 2024-25**

Summary Information	Fund	FY 2023-24		FY 2024-25		FY 2025-26
		Initial Appropriation	Supplemental Request	Base Request	Budget Amendment	Continuation Request
	<b>Total</b>	<b>\$288,303,302</b>	<b>(\$9,193,786)</b>	<b>\$241,464,091</b>	<b>\$12,646,279</b>	<b>\$0</b>
	FTE	741.0	0.0	732.1	4.9	0.0
<b>Total of All Line Items Impacted by Change Request</b>	GF	\$71,686,328	(\$2,188,376)	\$68,838,731	\$3,209,498	\$0
	CF	\$52,813,828	(\$588,336)	\$36,197,387	\$1,293,458	\$0
	RF	\$3,184,377	\$0	\$3,372,784	\$0	\$0
	FF	\$160,618,769	(\$6,417,074)	\$133,055,189	\$8,143,323	\$0

Line Item Information	Fund	FY 2023-24		FY 2024-25		FY 2025-26
		Initial Appropriation	Supplemental Request	Base Request	Budget Amendment	Continuation Request
	<b>Total</b>	<b>\$3,290,125</b>	<b>\$0</b>	<b>\$3,943,068</b>	<b>\$22,686</b>	<b>\$0</b>
01. Executive Director's Office, (A) General Administration, (1)	FTE	0.0	0.0	0.0	0.0	0.0
General Administration, Amortization	GF	\$1,292,773	\$0	\$1,682,899	\$5,430	\$0
Equalization	CF	\$237,090	\$0	\$224,338	\$5,912	\$0
Disbursement	RF	\$62,817	\$0	\$62,817	\$0	\$0
	FF	\$1,697,445	\$0	\$1,973,014	\$11,344	\$0
	<b>Total</b>	<b>\$62,877,160</b>	<b>\$0</b>	<b>\$34,123,691</b>	<b>\$2,731,302</b>	<b>\$0</b>
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	\$846,703	\$0
	CF	\$16,155,462	\$0	\$2,665,692	\$518,947	\$0
	RF	\$81,000	\$0	\$81,000	\$0	\$0
	FF	\$32,829,131	\$0	\$18,899,460	\$1,365,652	\$0
	<b>Total</b>	<b>\$10,436,584</b>	<b>\$0</b>	<b>\$12,628,886</b>	<b>\$84,517</b>	<b>\$0</b>
01. Executive Director's Office, (A) General Administration, (1)	FTE	0.0	0.0	0.0	0.0	0.0
General Administration, Health, Life, and Dental	GF	\$4,144,398	\$0	\$5,369,355	\$20,385	\$0
	CF	\$753,615	\$0	\$822,903	\$21,873	\$0
	RF	\$221,797	\$0	\$221,797	\$0	\$0
	FF	\$5,316,774	\$0	\$6,214,831	\$42,259	\$0
	<b>Total</b>	<b>\$3,925,908</b>	<b>\$0</b>	<b>\$3,711,808</b>	<b>\$35,620</b>	<b>\$0</b>
01. Executive Director's Office, (A) General Administration, (1)	FTE	0.0	0.0	0.0	0.0	0.0
General Administration, Leased Space	GF	\$1,477,587	\$0	\$1,470,812	\$8,591	\$0
	CF	\$448,474	\$0	\$348,876	\$9,219	\$0
	RF	\$38,849	\$0	\$38,849	\$0	\$0
	FF	\$1,960,998	\$0	\$1,853,271	\$17,810	\$0
	<b>Total</b>	<b>\$3,703,098</b>	<b>\$0</b>	<b>\$2,922,539</b>	<b>\$40,427</b>	<b>\$0</b>
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	\$11,249	\$0
	CF	\$461,677	\$0	\$239,086	\$8,964	\$0
	RF	\$40,724	\$0	\$22,515	\$0	\$0
	FF	\$1,776,309	\$0	\$1,429,767	\$20,214	\$0
	<b>Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$362,760</b>	<b>\$2,042</b>	<b>\$0</b>

Line Item Information	Fund	FY 2023-24		FY 2024-25		FY 2025-26
		Initial Appropriation	Supplemental Request	Base Request	Budget Amendment	Continuation Request
01. Executive Director's Office, (A) General Administration, (1) General Administration, Paid Family and Medical Leave Insurance	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$0	\$0	\$154,853	\$489	\$0
	CF	\$0	\$0	\$26,394	\$533	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$0	\$0	\$181,513	\$1,020	\$0

<b>Total</b>		<b>\$68,472,030</b>	<b>\$0</b>	<b>\$68,122,067</b>	<b>\$512,487</b>	<b>\$0</b>
--------------	--	---------------------	------------	---------------------	------------------	------------

	FTE	741.0	0.0	732.1	4.9	0.0
01. Executive Director's Office, (A) General Administration, (1) General Administration, Personal Services	GF	\$25,204,598	\$0	\$26,276,162	\$122,670	\$0
	CF	\$7,546,836	\$0	\$6,115,966	\$133,573	\$0
	RF	\$2,674,462	\$0	\$2,881,078	\$0	\$0
	FF	\$33,046,134	\$0	\$32,848,861	\$256,244	\$0

<b>Total</b>		<b>\$98,551</b>	<b>\$0</b>	<b>\$118,120</b>	<b>\$726</b>	<b>\$0</b>
--------------	--	-----------------	------------	------------------	--------------	------------

	FTE	0.0	0.0	0.0	0.0	0.0
01. Executive Director's Office, (A) General Administration, (1) General Administration, Short-term Disability	GF	\$38,706	\$0	\$50,471	\$175	\$0
	CF	\$7,097	\$0	\$6,635	\$189	\$0
	RF	\$1,911	\$0	\$1,911	\$0	\$0
	FF	\$50,837	\$0	\$59,103	\$362	\$0

<b>Total</b>		<b>\$3,290,125</b>	<b>\$0</b>	<b>\$3,943,067</b>	<b>\$22,686</b>	<b>\$0</b>
--------------	--	--------------------	------------	--------------------	-----------------	------------

01. Executive Director's Office, (A) General Administration, (1) General Administration, Supplemental Amortization Equalization Disbursement	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$1,292,773	\$0	\$1,682,899	\$5,430	\$0
	CF	\$237,090	\$0	\$224,338	\$5,912	\$0
	RF	\$62,817	\$0	\$62,817	\$0	\$0
	FF	\$1,697,445	\$0	\$1,973,013	\$11,344	\$0

<b>Total</b>		<b>\$132,209,721</b>	<b>(\$9,193,786)</b>	<b>\$111,588,085</b>	<b>\$9,193,786</b>	<b>\$0</b>
--------------	--	----------------------	----------------------	----------------------	--------------------	------------

01. Executive Director's Office, (D) Eligibility Determinations and Client Services, (1) Eligibility Determinations and Client Services, County Administration	FTE	0.0	0.0	0.0	0.0	0.0
	GF	\$22,999,538	(\$2,188,376)	\$18,442,570	\$2,188,376	\$0
	CF	\$26,966,487	(\$588,336)	\$25,523,159	\$588,336	\$0
	RF	\$0	\$0	\$0	\$0	\$0
	FF	\$82,243,696	(\$6,417,074)	\$67,622,356	\$6,417,074	\$0

**Auxiliary Data**

**Requires Legislation?** NO

**Type of Request?** Health Care Policy and Financing Prioritized Request      **Interagency Approval or Related Schedule 13s:** DPA

**Auxiliary Data**

**Requires Legislation?** NO

<b>Type of Request?</b>	Health Care Policy and Financing Prioritized Request	<b>Interagency Approval or Related Schedule 13s:</b>	None
-------------------------	---	--	------



**Department Priority: S-06/BA-06**  
**PHE Unwind Resources**

Summary of Funding Change for FY 2023-24			
		Incremental Change	
	FY 2023-24 Appropriation	FY 2023-24 Request	FY 2024-25 Request
Total Funds	\$288,303,302	(\$9,193,786)	\$12,646,279
FTE	741.0	0.0	4.9
General Fund	71,686,328	(\$2,188,376)	\$3,209,498
Cash Funds	\$52,813,828	(\$581,336)	\$1,293,458
Reappropriated Funds	\$3,184,377	\$0	\$0
Federal Funds	\$160,618,769	(\$6,417,074)	\$8,143,323

**Summary of Request**

The Department has identified several critical needs for completing the unwind process for the public health emergency (PHE) due to unforeseen issues that have emerged over recent months. These include: an unprecedented level of escalations and appeals related to renewals for members eligible for long-term care (LTC), new Centers for Medicare and Medicaid Services (CMS) guidance on the Department’s process for ex parte (automatic) renewals, increased CMS scrutiny of the Department’s appeals timeliness, and a lag in county renewal processing timelines. The Department needs additional resources to address each of these issues; otherwise, there is the risk that members, particularly members utilizing long-term care services, will have a gap in care that could be detrimental to their health and well-being. There is also a financial risk that CMS will disallow or withhold federal financial participation (FFP) if the Department does not adequately implement the new requirements, including providing direct outreach to LTC members, changing the ex parte process to adhere to CMS’ guidance, and complying with timeliness standards for appeals. Due to the immediate need for long-term care services supports, the Department was able to implement many of these changes in FY 2023-24 using existing ARPA spending authority and a like kind transfer, and requests continued funding in FY 2024-25.

Requires Legislation	Equity Impacts	Impacts Another Department?	Statutory Authority
No	Positive	Yes - Department of Personnel and Administration	25.5-4-205, C.R.S.

### *Current Program*

On January 30, 2023, the Biden Administration announced its intent to end the national emergency and PHE declarations on May 11, 2023, related to the COVID-19 pandemic. These emergency declarations have been in place since early 2020 and gave the federal government flexibility to waive or modify certain requirements in a range of areas, including in the Medicare, Medicaid, and CHIP programs, and in private health insurance, as well as to allow for the authorization of medical countermeasures and to provide liability immunity to providers who administer services, among other things. In addition, Congress also enacted legislation - including the Families First Coronavirus Response Act (FFCRA), the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the American Rescue Plan Act (ARPA), the Inflation Reduction Act (IRA), and the Consolidated Appropriations Act, 2023 (CAA) - that provided additional flexibilities tied to one or more of these emergency declarations, and as such, they too are scheduled to expire when (or at a specified time after) the emergency period(s) expires.

Following that announcement, Health First Colorado and CHP+ have returned to normal eligibility renewal processes. Noticing began in March of 2023 for renewals due May 2023. The Department is taking 12 months (14 months including noticing) to complete renewals for each of the approximately 1.7 million people currently enrolled.

Throughout the budget cycle up through June 2023, CMS praised the planning and structure of the Colorado operations as one of the top 10 in the country. The Department sought input into its ex parte process from a CMS-recommended consultant in April 2022. That consultant provided technical assistance and did not find issues with the ex parte process. The Department based its planning and budgeting on that feedback and expectations that the Department was prepared to process the renewals timely. In addition, the Department's approach included a comprehensive outreach solution and the resiliency of its operations, county and internal, to meet those plan objectives. Since that time, specifically with the new guidance provided by CMS regarding ex parte, the goalposts of a successful renewal process have substantially changed.

### *Problem or Opportunity*

Data on how the Department's renewal process was going was not available until June 2023. Over the following months, as more data became available, concern from members, providers, and advocacy groups began to increase. Data showed that 26% of individuals renewed in the May cohort received a procedural denial (62% of all denials were procedural). That percentage grew to 35% for the June cohort (70% of all denials were procedural) and has remained at those levels.

On July 28, 2023, CMS released publicly through its “Unwinding and Returning to Regular Operations after COVID-19” landing page state-reported data providing a window into how the unwinding of the federal Medicaid continuous coverage requirement is progressing. The new unwinding data from CMS indicates that, among the 18 states that reported at least one full cohort of unwinding-related renewals due on April 30, 2023, close to half (46%) of people that were due for renewal had their coverage successfully renewed. About one third (32%) of the 2.2 million people that were due for renewal lost coverage; and the remainder of cases were still pending. Most terminations (almost 80%) happened for procedural reasons. Due to the high number of procedural denials, CMS began to heavily scrutinize how states were utilizing ex parte processing and required states to cease procedural denials or implement mitigation strategies to reduce procedural denials.

At that time, the Department began to formulate a process to delay procedural denials for long-term care members, including Home & Community Based Services (HCBS) waivers and for members on the Medicaid Buy-In for Working Adults Program (Buy-In). The Department determined that this population was the most vulnerable due to the loss or disruption in Medicaid coverage. On August 24, 2023, CMS approved the Department’s request with the condition that the Department must perform targeted outreach to each impacted member. The Department does not have resources available to accomplish the required mitigation strategies, as it was an unforeseen requirement.

### ***Long-term Care Outreach and Escalations***

The Department did not expect the increase in long-term care (LTC) escalations from members, stakeholders, and advocates. These parties have been vocal in their concerns that LTC members are losing benefits during the renewal process. The Department’s measures show that LTC renewals are not out of line with historical metrics, but the number of escalations is significant, unexpected, and continues to grow. From March to October 2023, the Department saw a significant increase in LTC escalations from 17 to 161. Further, overall escalations increased during this time period from 87 to 369. With each of these cases taking approximately 2-3 hours to resolve, the Department and counties are severely understaffed to manage the volume. Outreach from providers and stakeholders suggests that these numbers are expected to continue to increase with one organization submitting over 40 cases for escalation and identifying over 100 more that may need to be escalated soon. In addition, the advocates are encouraging members to appeal and teaching them how to appeal their cases, which will further increase the number of escalations and fair hearings.

In recent months, CMS started threatening to withhold FFP based on these escalations and is now bringing these escalations from stakeholders directly to the Department. The Department did not

foresee that it would need to develop an internal escalation process and team to handle the number of escalations, nor to be required to outreach each LTC member through its call center. The Department did not expect that it would need to set up an internal processing unit to process member's renewals in order to address the renewal backlog and escalations.

***New Guidance on Ex Parte Renewals and Reducing Procedural Denials***

CMS issued new guidance on ex parte (automated) enrollments, which is causing the Department to focus on emergency system changes and reinstatements. Such work, in combination with the increase in LTC renewal escalations and the work to delay procedural denials by 60 days, is overwhelming resources at the Department. Had the Department known about the intensification of ex parte requirements, the expectation to process at the individual rather than household level, and the desire for states to outperform pre-pandemic churn rates, the Department would have included that in the initial plans and would have communicated the strategic delays for other CBMS projects and cost implications within the budget cycle, or as soon as known.

The Department is committed to the goal of keeping Coloradans covered, including renewing Medicaid members who qualify and connecting disenrolled members to other forms of affordable health coverage. This massive, united effort in place across Colorado care providers, partners, counties, advocates, and the state is impressive and supported through significant systems improvements, communications, tools, and outreach in advance of and during the unwind renewal process of the Public Health Emergency.

All states, including Colorado, received guidance from CMS on August 30, 2023, that requires a change to the ex parte (automated) process for renewals. Then on September 23, 2023, CMS issued a list of states out of compliance with their new guidance. The Department identified and reported 7,510 affected individuals (about 0.4% of Medicaid members), compared to the 1.8 million Coloradans covered by Medicaid and CHP+ who began going through the eligibility redetermination period beginning with May 2023 renewals. Within two weeks of receiving the new CMS guidance, the Department developed a mitigation plan to come into compliance and submitted it to CMS on September 13, 2023.

Instead of the renewal process releasing a renewal packet including all members of the household, as has been done for the last decade, CMS is requiring states to perform ex parte (automated) eligibility reviews on an individual basis. While the revised CMS guidance will increase automation and efficiencies over the long term, this new guidance will require significant changes to the state's shared eligibility system that will need to be completed through a phased approach.

Due to the new ex parte direction, the Department had to make unexpected changes to the implementation schedule for CBMS projects to accommodate the necessary expedited system changes. As a result of the reprioritization of projects, the Department has to extend temporary federal waivers that were implemented for the unwind transition period. The Department had planned to end those flexibilities in June 2024, but now the related system changes cannot be implemented until June 2025. The Department is seeking CMS approval to have those waivers



extended for an additional year through 2025, and to make some of those waivers permanent. Further, the Department is not expected to implement the required long term system changes for ex parte until June 2025.

With these unexpected changes, the Department needs additional resources to manage the long term ex parte change and undoing of the CMS waivers through June 2025. The Department escalated the request to extend CMS waivers and even make several of them permanent through a letter to the White House (through a request from a Senior Advisor and Assistant to the President; and the Domestic Policy Advisor) and CMS on September 18, 2023. To support the work through June 2025, the Department needs staffing resources, as well as an additional resource to assist with coordination between the Department and the Exchange for individuals who are currently receiving coverage through the Exchange, but have their Medicaid reinstated and now have dual coverage.

### *CMS Scrutiny of Appeals Timeliness*

CMS is threatening to withhold FFP based on the Department's appeals not being resolved within a 90 day timeframe, which was not expected since the Department has been out of compliance with this standard but has not been cited by CMS. In May 2023 the number of appeals outside of the timely standards set by federal regulations was 274. This figure grew to 413 (51%) by August 2023. Based on this, the Department has requested a waiver from CMS to extend benefits to all members who appeal an eligibility decision. By utilizing this waiver and process, CMS should not seek any withhold of FFP, however, the Department's current staffing levels do not support this new activity.

On September 18, 2023, the Department submitted a formal waiver to allow more time to complete eligibility and benefit appeals. CMS approved the Department's request, which extends the 90-day period and keeps CMS from taking any formal action to reduce Medicaid FFP to Colorado (potentially reducing our federal funds by hundreds of millions of dollars). During this transition period, Colorado is requesting that CMS provide the authority under section 1902(e)(14)(A) of the Social Security Act for Colorado to implement the strategies outlined below to protect beneficiaries from inappropriate terminations and reduce state administrative burden. Colorado requests to temporarily extend the timeframe permitted for the state to take final administrative action on fair hearing requests, excluding requests for an expedited fair hearing in accordance with 42 C.F.R. § 431.224(a) and any fair hearing request where benefits cannot be provided pending the outcome of the fair hearing. As part of this request, Colorado assures that it will:

- Not delay resolving expedited fair hearings described in 42 C.F.R. § 431.224(a);
- Provide benefits pending the outcome of a fair hearing decision to all beneficiaries who request a fair hearing within the reasonable time provided by the state under 42 C.F.R. § 431.221(d) and regardless of whether the beneficiary has requested benefits pending the outcome of their fair hearing;
- If a beneficiary requests a fair hearing after the date of action and within the reasonable time provided by the state, reinstate benefits back to the date of action;

- Reinstatement of benefits back to the date of action for all fair hearing requests in process as of the effective date of this authority, and provide notice to the beneficiary describing the reinstatement of benefits;
- Take final administrative action within the maximum 90 days permitted under the regulations for fair hearing requests where benefits cannot be provided pending the outcome of the fair hearing, such as a fair hearing challenging a denial of eligibility for an applicant;
- Not recoup from the beneficiary the cost of benefits provided pending final administrative action, even if the agency's action is sustained by the hearing decision;
- Update communications to beneficiaries regarding fair hearing rights covered by this authority to remove any mention of the possibility of recoupment or recovery of benefits provided while the fair hearing is pending; and
- Not use this authority as a justification to delay taking final action, and only exceed the 90 days permitted for taking final agency action under 42 CFR 431.244(f)(1) to the extent to which the state is unable to take timely final agency action on a given fair hearing request.

### ***County Renewal Processing Timeline***

The Department did not expect the counties to have a backlog beyond the June 2024 date of the end of PHE, and the counties will no longer have PHE specific funding after July 2024. Due to the term-limited nature of the funding, it has been exceptionally difficult for counties to keep term-limited staff hired. This is especially true for counties that have existing permanent vacancies, which are more attractive for staff to transfer into. It has also been challenging to keep term-limited county staff throughout the PHE and unwind period as the funding was approved one year at a time through supplemental appropriations. The uncertain nature of funding year to year has made it difficult to keep positions filled.

In May 2023 the number of renewals outside of the timely standards set by federal regulations was 2,282. This figure grew to 7,171 (214%) by August 2023. As of July 2023, 9 out of the largest 11 counties have renewal backlogs that exceed the Department's performance standards. In January 2023, the renewal backlog in the largest 11 counties was 250. As of July 2023, the renewal backlog had increased to 2,177. Although this represents a large increase, much of the increase is focused on specific counties.

### ***Proposed Solution and Anticipated Outcomes***

The Department requests a reduction of \$9,193,786 total funds (including \$2,188,376 General Fund) in FY 2023-24 and an increase of \$12,646,279 total funds (including \$3,209,498 General Fund) and 4.9 FTE in FY 2024-25 to continue the mitigation strategies it has put in place to address escalations and appeals related to renewals for members eligible for long-term care (LTC), comply with new CMS guidance on the Department's process for ex parte (automatic) renewals, comply with timeliness of appeals to meet CMS expectations, and account for a lag in county renewal processing timelines.

### ***Long-term Care Outreach and Escalations***

The Department did not expect the increase in long-term care (LTC) escalations from members, stakeholders and advocates, nor that CMS would start threatening to withhold FFP based on these escalations. When the Department was made aware of this, it took action to develop an internal escalation process and team to handle the number of escalations and provide outreach to each LTC member through a call center. The Department also created a back office LTC eligibility processing unit and has leveraged EAP sites to process member renewals to also help address the renewal backlog and escalations.

#### Outbound Contact Center for LTC

During FY 2023-24, the Department created an Outbound Contact Center (OBCC), in which each LTC member that is overdue for their renewal is contacted to confirm that they have received a renewal, returned the renewal, and if any other assistance is needed. The Department believes this is crucial for members in LTC programs, as they typically represent the highest need participation in terms of additional services (such as home and community-based services). Because the additional services frequently mean the difference between a member being able to remain in their own home and hospitalization and/or a nursing facility, it is especially significant that they do not have a disruption in coverage. Additionally, there can be confusion with this population of members in whether they are responsible to return their renewals and if so, when they may be due. There is typically also confusion as to whether they will lose services and coverage if the renewal is not completed on time. By conducting outreach to these members, the Department aims to ensure they are educated on the renewal process and the significance of completing and returning their renewal on time, with the necessary documentation. Based on the immediate need for LTC outreach, the Department implemented the OBCC in FY 2023-24, but requests continued funding in FY 2024-25.

#### Back Office Eligibility Processing Unit for LTC and Leveraging EAP Sites

While outreach is an important part of the renewal process, the Department also requires additional resources to process the LTC member renewals, backlog, and escalations. LTC renewals are complex and require a level of knowledge and training beyond the regular member application process. The Department and counties were not equipped to handle the level of escalated LTC renewals it received and therefore, the Department created a back-office eligibility processing unit for LTC members.

This unit assists with applications, eligibility processing, and Colorado Benefits Management System (CBMS) for long-term care members. It allows the Department to have a dedicated and streamlined processing unit to facilitate and expedite the processing of LTC applications and renewals. This unit also identifies and resolves roadblocks in processing LTC applications and renewals to improve the experience for members and keep members connected to life-saving services.

Concurrently, the Department has contracted with two Eligibility Assistance Partner (EAP) sites, Colorado Access and Express Eligibility Connections (EEC), which have LTC application experience and can provide immediate assistance for members needing help to complete renewals. Each site has provided two trained eligibility workers that the Department has leveraged to address the

immediate member needs. The Department requests an additional 6 months of funding in FY 2024-25 for the EAP sites to continue to provide assistance with LTC renewal processing. While the EAP sites can provide immediate assistance, they cannot cover the LTC capacity need for the entire state, which is why the Department is also relying on the back-office eligibility processing unit to help with LTC renewals.

#### Escalations Resolution Unit

The Department has seen the number of grievances grow significantly and unexpectedly, most of them being specific to members of LTC services. With each of these cases taking approximately 2-3 hours to resolve, the Department and counties are severely understaffed to manage the increased volume. The Department took action to manage the large number of escalations and grievances by creating an Escalations Resolution team of six contracted staff. The Department requests continued funding in FY 2024-25 for these contractors.

The Department contracted for a Case Management Eligibility Escalations Coordinator during FY 2023-24 and requests continued funding for FY 2024-25. This position is crucial within the escalation resolutions unit because it focuses on HCBS member eligibility escalations and coordinates with the Department, community partners and case managers to assist members with both functional and financial eligibility escalations. This position helps gather data related to eligibility escalations and informs the Department of root causes, trends, and makes recommendations for improved customer service. They provide training and guidance to CMAs regarding PHE Unwind to promote improved customer service to members navigating financial redeterminations and PHE Unwind requirements.

The Department requests continued contractor funding in FY 2024-25 for the complaints and escalations staffing hired to respond to the high volume of complaints and escalations received through the Customer Relationship Management system (CRM), which is the Department's Salesforce system used to report complaints and escalations to county and EAP sites. These complaints and escalations are not just for LTC members but encompass all medical assistance programs. This funding includes three contracted employees as well as a supervisor tasked with managing the escalation employees and operational outcomes. The volume of complaints received is beyond the capacity of existing staff. For example, with an estimated 250 tickets to work in a month, at an average of 2.5 hours per ticket to achieve resolution, the anticipated workload is equivalent to four FTEs. The complexity of the complaints and escalations that are received demands employees committed to person-centered member experience for the duration of the project. The County Relations and Member Escalations inboxes have been flooded with questions, concerns, and complaints requiring coordination with both internal and external stakeholders, including county departments of human services, eligibility sites, case management agencies and nursing facilities.

Communications and outreach are increasing to members and community partners to submit complaints and escalations via the internal webform and email, and the anticipation is the number of tickets submitted requiring research and response to resolution will only increase as use of the webform is more widely utilized. By hiring these staff, complaints and escalations will

be addressed in a timely manner to ensure members stay connected to coverage for which they qualify. A robust complaints and escalations team will create stability and consistency in daily operations, as well as tracking outcomes.

Lastly, the Department requests continued contractor funding for a second Medicaid Eligibility Inbox staff to research and respond to eligibility worker policy and processing questions. Since the start of COVID Unwind, the Medicaid Eligibility Inbox has seen a dramatic increase in the number of questions received and have been inundated with policy and processing inquiries and escalations from eligibility sites. A large portion of the workforce is new to the renewal process, having been hired during the PHE, which has added to the volume of inquiries. Additionally, with every change made to the process in response to CMS and unwind outcomes, more questions are generated to the Medicaid Eligibility Inbox. This is especially true for LTC questions as those cases can be complex and require a level of knowledge and training beyond the regular member application process. Delays in responding to questions can delay member approval and renewal.

#### ***New Guidance on Ex Parte Renewals and Reducing Procedural Denials***

Due to the high number of procedural denials, CMS began to heavily scrutinize how states were utilizing ex parte processing and required states to cease procedural denials or implement mitigation strategies to reduce procedural denials. The Department needs additional resources to manage the long-term ex parte change and undoing of the CMS waivers through June 2025.

#### **Ex Parte Contractors**

In FY 2023-24, the Department contracted temporary staff: two project coordinators and two business analysts (BAs) to provide support to implement and monitor the ex parte in the various phases (mitigation, short-term, and long-term plans). The Department requests continued funding for these contractors in FY 2024-25. These resources are required to continue to support the planning and implementation of eligibility policy, systems, and operations components to the long-term ex parte project to be fully in compliance of CMS guidance.

The project coordinators will be responsible to coordinate all of the various connections needed for implementation such as meetings with federal technical assistance and internal planning. They will be responsible for document management, development of project charters and schedules, and keeping the teams on tasks based on identified timeline milestones. The BAs will be responsible for understanding the program requirements and translating to system requirements. BAs have the responsibility of understanding the current state of the system, mitigating downstream impacts with the implementation of the new requirements, and ensuring appropriate integration. BAs are critical in pre-implementation testing as well post-implementation testing of the system projects.

Both project coordinators and BAs are also critical to providing support in undoing the CMS flexibility waivers which also includes policy, systems, and operations components. As monitoring of procedural terminations continues, this staff will also be responsible to help with additional projects and initiatives to mitigate specific circumstances contributing to procedural

terminations. There is significant collaboration required internally within the Department as well as externally (eligibility workers and stakeholders) to ensure success of these projects.

#### Communications Contractor

In FY 2023-24, the Department leveraged a term limited staff member to coordinate stakeholder outreach, improve eligibility communications, and develop and publish toolkits, Frequently Asked Questions (FAQs) and other member facing materials to support the unwind. The Department requests funding in FY 2024-25 so this position can continue to work through June 2025. This staff resource is critical to gather and implement stakeholder feedback into the Department's renewals communication and to coordinate with our regional accountable entities (RAEs) and counties on outreach to members. A recent audit of member correspondence indicates an ongoing need to improve the Department's member eligibility communications. The Department created three communications toolkits with stakeholder input that have been the primary source of content to communicate with members about the eligibility process. These toolkits will need to be refined based on new guidance and process improvements given federal changes related to ex parte. Outreach to members remains critical to ensure that people know when and how to act to retain their coverage. We have received member feedback that current outreach levels and modalities will continue to be an expectation of HCPF moving forward post-PHE unwind. Without a dedicated staff resource, the Department would be unable to continue the elevated level of member outreach and engagement that has been conducted since the PHE began unwinding.

#### *CMS Scrutiny of Appeals Timeliness*

To avoid CMS withholding FFP based on the Department's appeals not being resolved timely, the Department requests continued resources in FY 2024-25 in order to allow the Department to process appeals within the timeframes mandated by CMS. While the Department has requested a waiver from CMS to extend benefits to all members who appeal an eligibility decision, the Department's current staffing levels in FY 2024-25 do not support the anticipated level of appeals activity.

#### HCPF Appeals Staff

Due to the backlog of member applications and renewals, coupled with increased scrutiny of CMS over timeliness of appeals processing, the Department requests continued resources in FY 2024-25 so that it has adequate staff to process appeals within the timeframes set forth by CMS.

The Department was approved funding for appeals staff in its FY 2023-24 BA-06 PHE Funding request. However, this funding expires in July 2024, and the Department requests funding for one position to remain term limited through June 2025 to assist with additional appeals related to the PHE unwind the Department will continue to process throughout the PHE Unwind period. The Department also submitted the FY 2024-25 R-08 Eligibility Compliance budget request that would provide the Department with an additional permanent Administrative Law Judge (ALJ) position, which is essential in bringing the Department within compliance CMS appeals processing timeframes during the PHE Unwind and ongoing.

#### Office of Administrative Courts

Due to compliance issues with CMS, the Department has requested that the Office of Administrative Courts (OAC) increase its turnaround times for all Medicaid related cases, to include opening new case files within 24 business hours of the date the appeal is received by OAC, scheduling and holding the hearings within 25-30 days from the appeal is received, and transmittal of the completed case file to the Department no later than 60 days from the date the appeal is filed.

In order to schedule hearings within 25-30 days, the OAC has added hearing dockets to its existing schedule and is currently utilizing a combination of temporary (3.0 FTE) and permanent (3.0 FTE) ALJs to hear these cases. The current permanent ALJs are also assigned to hear other public benefits cases and cases involving professional licensing disputes and education cases, both of which are scheduled for multiple days, and could involve the Department of Human Services, which can also lead to multi-day hearings. In order to sustain this truncated turnaround time, the OAC would like to create a Medicaid Unit with additional Technicians and ALJs.

The OAC estimates that it needs continued funding for 3.0 FTE during FY 2024-25 to support Medicaid appeals. This is based on the current understaffing noted and based on the following: 2.0 Technician II FTE who are case managers and are tasked with the general administrative work required for a case or hearing, and 1.0 ALJ II FTE to review and provide the final ruling of member appeals.

#### ***County Renewal Processing Timeline***

The Department requests to move \$9,193,786 total funds from its FY 2023-24 county administration appropriation to the FY 2024-25 appropriation. This would be a net \$0 impact to General Fund. The Department has a budget of \$21,010,078 total funds for county administration PHE activities. Based on current projections, the Department expects county administration PHE related expenditures to be around \$10,266,675 total funds in FY 2023-24. Additionally, the Department anticipates using \$1,072,889 total funds in a like kind transfer to cover FY 2023-24 PHE Unwind related expenditures in the Personal Services and General Professional Services appropriations.

By moving the anticipated reversion of County Administration PHE funding from FY 2023-24 into FY 2024-25, the Department expects that counties will be able to retain much of the current term-limited staff they've hired through June 2025. This allows for an additional year of elevated staffing and paying for overtime so that counties can reduce backlog and help transition to normal operations. It will help the counties that have high renewal backlogs to reduce those numbers, while simultaneously assisting counties that are maintaining their performance to continue to do so through FY 2024-25. Because of the significant impact on county workload created from the increased number of Medicaid renewals, it is essential to both the Department and other public assistance programs that county administration funding is adjusted into FY 2024-25 to retain the term-limited staff that was hired to manage this workload.

With these resources, the Department anticipates that counties would be able to minimize disruption to member coverage. Without these resources, the Department expects county

backlogs to grow dramatically, as there would be a sudden drop in the available workforce to process an increasing number of renewals.

***Supporting Evidence and Evidence Continuum***

This request falls under Step 3 (Assess Outcomes) on the Evidence Continuum. Under the S.B. 21-284 definitions, this program would be characterized as “Theory-Informed”.

The Department tracks the number of LTC and other Medicaid member renewal escalations. From March to August 2023, the Department saw a significant increase in LTC escalations from 17 to 118. Further, overall escalations increased during this time period from 87 to 245. The Department also tracks the backlog of member renewals at the county level. In May 2023 the number of renewals outside of the timely standards set by federal regulations was 2,282. This figure grew to 7,171 or by 214% by August 2023. As of July 2023, 9 out of the largest 11 counties have renewal backlogs that exceed the Department’s performance standards. In January 2023, the renewal backlog in the largest 11 counties was 250. As of July 2023, the renewal backlog had increased to 2,177. Lastly, the Department and OAC track the number of days that elapse from the time an appeal is filed by a member until the Department issues a Final Agency Decision, and the appeal is closed. Currently, the Department averages 180 days.

If funded, this request would add several resources to help with member renewal escalations, county backlog, and appeals processing. The Department would be able to measure the results in the long term by seeing how many renewals are being escalated, timeliness of county renewal processing, and assessing how many days on average it takes to close an appeal.

Program Objective	Decrease LTC and Medicaid member application renewal escalations, reduce county renewal backlog, and decrease the number of days to process member appeals.
Outputs being measured	The number of renewal escalations, the number of renewals at the county processed outside the Department’s performance standards, the number of appeals that have a Final Agency Decision issued within 90 days of the appeal being filed.
Outcomes being measured	The change in the number (or percentage) of escalations, county backlog and appeals decisions that are completed.
Type and Result of Evaluation	N/A
S.B. 21-284 Evidence Category and Evidence Continuum Level	Theory-Informed, Step 3



## *Promoting Equitable Outcomes*

The Department believes this request to be equity-positive.

Medicaid members, and especially LTC members, are losing benefits during the renewal process and the Department is seeing a significant increase in escalations. This population is highly vulnerable, and any overlap in coverage can result in devastating impacts for the member. Many components of this request are helping to reduce renewal escalations and increase outreach so that LTC members receive additional support and can continue with their benefit coverage uninterrupted.

## *Assumptions and Calculations*

Detailed calculations can be found in Appendix A

### *FY 2023-24 Implementation*

Based on the several unforeseen immediate critical needs for completing the unwind process for the PHE, the Department has begun implementation of several of the initiatives described in the request and has hired or contracted staff. Addressing each of these issues was imperative, otherwise there was the risk that members, particularly members utilizing LTC services, may have a gap in care that could be detrimental to their health and well-being. Additionally, there was also a financial risk that CMS would disallow or withhold FFP if the Department did not adequately implement the new requirements, including providing direct outreach to LTC members and changing the ex parte process to adhere to CMS' guidance. While the Department is able to absorb these costs using existing ARPA spending authority and a like kind transfer in FY 2023-24, it is unable to do so in FY 2024-25 and requests the proper appropriations.

### *ARPA Funding*

The Department anticipates leveraging ARPA funding where appropriate and available. Where identified appropriate, ARPA funds can be drawn down for either 85% or 100% of the costs. The Department identified through case data analysis that 85% of LTC related initiatives are ARPA eligible while the remaining 15% are nursing facility related activities that are not reimbursable through ARPA. Currently, all ARPA funding ends after December 2024.

### *Outbound Contact Center (OBCC)*

The Department plans to staff the OBCC with contracted staff rather than term-limited staff. The Department assumes that the minimum average handle time would be 12 minutes, allowing each agent to take around 5 calls per hour. However, this population of members may require more time and attention to explain processes, business operations and policies, which could result in longer handle times. The Department established a daily call goal of 500 calls based on the average handle time per call (12 minutes) multiplied by the average number of agents staffed (13.3 staff) working an average of 7.5 hours per day.

Based upon volume of calls per month and average handle time per call, the Department arrived at the need for an average of 13 contracted staff. The Department also anticipates that agents will need to leave messages and have members call back. This could produce approximately 150 inbound calls per day, meaning agents will also need to answer an average of 12 calls per day. Additionally, the Department has accounted for shrinkage (allowing for an average number of callouts per day such as sick and vacation time) as well as attrition, which occurs at a much higher percentage in call centers.

The Department assumes that the staff for the OBCC would be funded with state funds with 50% FFP through June 2025. The Department anticipates it will leverage ARPA funds through December 2024. The Department calculated an hourly pay rate applied for training, standard agents and bilingual agents. The Department then used the number of working days in the year and average agents to calculate the overall cost.

#### *Back Office Eligibility Processing Unit*

The Department requests term-limited staff for the back-office eligibility processing for LTC members through June 2025. The Department estimates that an LTC eligibility worker can process 5-6 LTC cases in a day. The Department established a monthly LTC case processing goal of 270 cases based on guidance from the counties on the average processing time required to repair an incomplete member account. The Department assumes that the back-office staff would be funded by state funds with 50% FFP through June 2025. The Department anticipates it will leverage ARPA funds through December 2024.

#### *EAP Site Processing*

The Department calculated the costs to contract with two EAP sites for 6 months in FY 2024-25, assuming that each site would provide two fully trained staff to process LTC member applications. The Department assumes that the EAP Site contracts would be funded by state funds with 50% FFP through December 2024. The Department anticipates it will leverage ARPA funds for this contract through December 2024.

#### *Escalations Resolution Unit*

The Department would contract for the six positions that would make up the escalations resolution unit. The rate of pay was determined by identifying the midpoint salary, in addition to benefits and operating costs, of the state equivalent of the position classifications. The Department assumes these positions would be funded by state funds with 50% FFP, through June 2025. The Department anticipates it will leverage ARPA funds for one position, the Case Management Eligibility Escalations Coordinator, through December 2024.

#### *HCPF Appeals Staff*

The Department requests the term limited HCPF appeals staff through June 2025, funded with state funds with 50% FFP. This position currently exists, as it was approved in the FY 2023-24 BA-06 PHE Funding budget request and is set to terminate July 2024. The Department requests funding to continue for this position through the end of FY 2024-25.

### *OAC Staff*

The Department requests extending the OAC staff through June 2025, funded with state funds with 50% FFP. Assuming a 50% resolution rate prior to hearing results, approximately 75 hearings would proceed monthly. For each case, a total of 12 hours of ALJ time is estimated: 1.0 hour for reviewing the file and preparing for the hearing, 3.0 hours for attending the hearing, and 8.0 hours for writing the decision. At 12 hours per appeal, with around 75 hearings per month, a total of 10,800 annual hours of ALJ time is needed.

Based on 1,850 annual hours an ALJ works, which are the number of planned annual billable hours established by the OAC, the OAC would need 1 additional ALJ FTE to meet the anticipated need of ALJ time.

With an average of 150 incoming appeals per month, each appeal also requires 5.0 hours of administrative work completed by a technician. Over 12 months, this equates to 9,000 hours of technician time. OAC assumes the standard 2,080 annual hours of work for a technician position. 2.0 additional Technician FTE would allow the OAC to meet its anticipated needs of administrative work for appeals.

### *Ex Parte and Communications Contractors*

The Department is procuring contracts for a total of five positions for communications and ex parte change implementation initiatives. The hourly rate of pay was determined using established vendor rates for the work each position will be doing. The Department assumes these positions would be funded by state funds with 50% FFP, through June 2025.

### *Salesforce Licenses*

The Department estimates an annual cost of \$1,699 per salesforce license, allowing for user access to the escalation tracking system so staff can manage escalations. Where applicable, license costs have been included for term limited FTE and contractors requiring access to the escalations tracking system.

Position Name	Position Classification	Number of FTE	Description
<b>Back Office Eligibility Unit</b>			
Back Office Eligibility Processing Agent	Policy Advisor III	3.0 Term Limited	These positions will independently assess the needs and determine eligibility of individuals for medical assistance programs. The positions collaborate and communicate clearly and effectively with all parties necessary to determine eligibility, including internally and externally across multiple partners and citizens. The positions must have expertise in long-term care, home and community-based services, nursing homes, adult programs and general Medicaid eligibility criteria, state and federal regulations. The positions will be conducting activities necessary to complete

			applications and determine eligibility for long-term care benefits. This may include, but is not limited to, phone calls, email, text messages, in-person appointments, data entry, reviewing, researching and interpreting rules, policy and procedures.
Back Office Eligibility Processing Supervisor	Policy Advisor IV	1.0 Term Limited	This position will supervise the Policy Advisor III positions, ensuring all work performed is of high quality and high volume. The position must have expertise in long-term care, home and community-based services, nursing homes, adult programs and general Medicaid eligibility criteria, state and federal regulations. The position will be establishing procedures, processes and reports to enable staff to process and determine eligibility on long-term care applications with efficiency and accuracy. Position will create and ensure proper agent training and support, create evaluation tools and conduct regular quality reviews on applications, implement corrective action plans when necessary, establish and evaluate reports and dashboards to benchmark and evaluate team performance.
<b>HCPF Appeals Staff</b>			
Appeals Clerk	Administrator II	1.0 Term limited	This position would serve as an appeals clerk, ensuring timely processing and completion of the federally mandated state fair hearing process. The appeals clerk processes new appeals, tracks appeal types, and is responsible for sending out Initial Decisions as well as any exceptions or transcripts and Final Agency Decisions, the last step in the state fair hearing process. Other duties may include answering questions and responding to issues that may arise in individual cases as well as providing backup support to the other Appeals Office staff.
<b>Office of Administrative Courts Staff</b>			
Appeals Officer	Administrative Law Judge II	1.0 Term limited	This position exists to preside over and govern the conduct of hearings, resolve evidence issues, rule on motions, and write formal decisions pursuant to statutes, rules of evidence and procedures. For each appeal, the position will preside over and conduct impartial hearings, issue oral and written rulings by holding pretrial hearings, resolve disputed factual and legal issues by composing written decisions after weighing and evaluating evidence, determine relevant legal and factual issues using critical thinking, legal research, reviewing legal briefs and determining applicable law.

Appeals Clerk	Technician II	2.0 Term limited	These positions assist the Office of Administrative Courts by processing and analyzing documents and pleadings for the Denver Administrative Law Judges. The work performed includes reviewing and analyzing incoming documents, including requests for hearing (or appeals), motions, requests for ADA accommodations, and other communications from customers to determine how they should be handled. The position data enters the incoming documents and otherwise processes them by routing to an ALJ or other appropriate personnel as well as scheduling hearings and issuing notices of hearing. This position supports the ALJs with issuance of a variety of orders, rescheduling hearings, and communication with the litigants.
---------------	---------------	------------------------	---

***Supplemental***

This request meets supplemental criteria as it addresses unforeseen circumstances that had not yet surfaced until recently. The Department has identified several critical needs for completing the PHE unwind process due to unforeseen issues that have emerged over recent months.

S-06/BA-06 PHE Unwind Resources  
Appendix A: Assumptions and Calculations

Table 1.0 Summary by Line Item FY 2023-24									
Row	Line Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
A	(1) Executive Director's Office, (D) Eligibility Determinations and Client Services, County Administration	(\$9,193,786)	0.0	(\$2,188,376)	(\$588,336)	\$0	(\$6,417,074)	Blended	Table 2.0 Row A
B	<b>Total Request</b>	<b>(\$9,193,786)</b>	<b>0.0</b>	<b>(\$2,188,376)</b>	<b>(\$588,336)</b>	<b>\$0</b>	<b>(\$6,417,074)</b>		Sum: Row A

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
<b>Department of Health Care Policy and Financing</b>									
A	(1) Executive Director's Office; (A) General Administration; Personal Services	\$512,487	4.9	\$122,670	\$133,573	\$0	\$256,244	50.00%	Table 6 and table 9- FTE and Operating
B	(1) Executive Director's Office; (A) General Administration; Health, Life, and Dental	\$84,517	0.0	\$20,385	\$21,873	\$0	\$42,259	50.00%	Table 6 and table 9- FTE and Operating
C	(1) Executive Director's Office; (A) General Administration; Short-term Disability	\$726	0.0	\$175	\$189	\$0	\$362	50.00%	Table 6 and table 9- FTE and Operating
D	(1) Executive Director's Office; (A) General Administration; S.B. 04-257 Amortization Equalization Disbursement	\$22,686	0.0	\$5,430	\$5,912	\$0	\$11,344	50.00%	Table 6 and table 9- FTE and Operating
E	(1) Executive Director's Office; (A) General Administration; S.B. 06-235 Supplemental Amortization Equalization Disbursement	\$22,686	0.0	\$5,430	\$5,912	\$0	\$11,344	50.00%	Table 6 and table 9- FTE and Operating
F	(1) Executive Director's Office; (A) General Administration; Paid Family and Medical Leave Insurance	\$2,042	0.0	\$489	\$533	\$0	\$1,020	50.00%	Table 6 and table 9- FTE and Operating
G	(1) Executive Director's Office; (A) General Administration; Operating Expenses	\$40,427	0.0	\$11,249	\$8,964	\$0	\$20,214	50.00%	Table 6 and table 9- FTE and Operating
H	(1) Executive Director's Office; (A) General Administration; Leased Space	\$35,620	0.0	\$8,591	\$9,219	\$0	\$17,810	50.00%	Table 6 and table 9- FTE and Operating
I	(1) Executive Director's Office; (A) General Administration; General Professional Services	\$2,731,302	0.0	\$846,703	\$518,947	\$0	\$1,365,652	50.00%	Table 2.1 Row A + Row B + Row E + Row F + Row G + Row L + Row M
J	(1) Executive Director's Office, (D) Eligibility Determinations and Client Services, County Administration	\$9,193,786	0.0	\$2,188,376	\$588,336	\$0	\$6,417,074	Blended	Table 2.1 Row I
K	<b>Total Request- HCPF</b>	<b>\$12,646,279</b>	<b>4.9</b>	<b>\$3,209,498</b>	<b>\$1,293,458</b>	<b>\$0</b>	<b>\$8,143,323</b>	<b>NA</b>	Sum: Row A through Row J
<b>Department of Personnel and Administration</b>									
L	(6) Administrative Courts, Personal Services	\$233,977	2.7	\$0	\$0	\$233,977	\$0		Table 2.1 Row P
M	(6) Administrative Courts, Operating Expenses	\$35,783	0.0	\$0	\$0	\$35,783	\$0		Table 2.1 Row Q
N	<b>Total Request- DPA</b>	<b>\$269,760</b>	<b>2.7</b>	<b>\$0</b>	<b>\$0</b>	<b>\$269,760</b>	<b>\$0</b>		Sum: Row L + Row M
O	<b>Total Request</b>	<b>\$12,916,039</b>	<b>7.7</b>	<b>\$3,209,498</b>	<b>\$1,293,458</b>	<b>\$269,760</b>	<b>\$8,143,323</b>		Total: Row K + Row N

Table 2.0 Summary by Initiative FY 2023-24									
Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
<b>True Up County Admin Funding</b>									
A	True Up County Admin Appropriation	(\$9,193,786)	0.0	(\$2,188,376)	(\$588,336)	\$0	(\$6,417,074)	NA	Sum: Rows A.1 through A.3
A.1	Enhanced Match	(\$7,280,734)	0.0	(\$1,384,973)	(\$435,211)	\$0	(\$5,460,550)	75.00%	Table 8 Row H
A.2	Non-Enhanced Match	(\$2,985,941)	0.0	(\$1,135,997)	(\$356,974)	\$0	(\$1,492,970)	50.00%	Table 8 Row H
A.3	Like Kind Transfer	\$1,072,889	0.0	\$332,594	\$203,849	\$0	\$536,446	50.00%	Funding utilized in FY 23-24 for Like-Kind Transfer to Personal Services and GPS
B	<b>Total Request</b>	<b>(\$9,193,786)</b>	<b>0.0</b>	<b>(\$2,188,376)</b>	<b>(\$588,336)</b>	<b>\$0</b>	<b>(\$6,417,074)</b>	<b>NA</b>	<b>Sum: Row A</b>
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
<b>Department of Health Care Policy and Financing</b>									
<b>Long Term Care Focus</b>									
A	Outbound Contact Center for LTC	\$529,457	0.0	\$164,131	\$100,597	\$0	\$264,729	50.00%	Sum: Row A.1 + A.2
A.1	Contractor Costs	\$920,795	0.0	\$164,131	\$296,266	\$0	\$460,398	50.00%	85% of costs are ARPA funded through Dec 2024 Table 3.3 Row M
A.2	Utilize Existing ARPA Spending Authority	(\$391,338)	0.0	\$0	(\$195,669)	\$0	(\$195,669)	50.00%	85% of costs are ARPA funded through Dec 2024
B	EAP Site Processing for LTC	\$31,500	0.0	\$9,765	\$5,985	\$0	\$15,750	50.00%	Sum: Row B.1 + B.2
B.1	Contractor Costs	\$210,000	0.0	\$9,765	\$95,235	\$0	\$105,000	50.00%	85% of costs are ARPA funded through Dec 2024 Table 4.1 Row G
B.2	Utilize Existing ARPA Spending Authority	(\$178,500)	0.0	\$0	(\$89,250)	\$0	(\$89,250)	50.00%	85% of costs are ARPA funded through Dec 2024
C	Back Office Eligibility Processing Unit for LTC	\$373,044	4.0	\$66,495	\$120,027	\$0	\$186,522	50.00%	85% of costs are ARPA funded through Dec 2024 Table 6: FTE and Operating Back Office
C.1	FTE- Personal Services	\$274,766	4.0	\$48,977	\$88,406	\$0	\$137,383	50.00%	Table 6: FTE and Operating Back Office
C.2	FTE- POTS	\$69,942	0.0	\$12,467	\$22,504	\$0	\$34,971	50.00%	Table 6: FTE and Operating Back Office
C.3	FTE- Operating, Leased Space, Licenses	\$28,336	0.0	\$5,051	\$9,117	\$0	\$14,168	50.00%	Table 6: FTE and Operating Back Office
D	<b>Subtotal</b>	<b>\$934,001</b>	<b>4.0</b>	<b>\$240,391</b>	<b>\$226,609</b>	<b>\$0</b>	<b>\$467,001</b>	<b>50.00%</b>	<b>Sum: Row A + B + C</b>
<b>Long Term Care Escalations Resolution Unit</b>									
E	Case Management Eligibility Escalations Coordinator Contractor Costs	\$65,394	0.0	\$20,272	\$12,425	\$0	\$32,697	50.00%	100% of costs are ARPA funded through Dec 2024 Sum: Row E.1 + E.2
E.1	Contractor Costs	\$130,788	0.0	\$20,272	\$45,122	\$0	\$65,394	50.00%	Table 7.1 Row A
E.2	Utilize Existing ARPA Spending Authority	(\$65,394)	0.0	\$0	(\$32,697)	\$0	(\$32,697)	50.00%	100% of costs are ARPA funded through Dec 2024
F	Partner Relations County Services Resolution Unit Contractor Costs	\$534,334	0.0	\$165,644	\$101,523	\$0	\$267,167	50.00%	Table 7.1 Row B through Row D
F.1	Contractor Costs	\$534,334	0.0	\$165,644	\$101,523	\$0	\$267,167	50.00%	Table 7.1 Row B through Row D
G	Medicaid Eligibility Inbox Support	\$110,817	0.0	\$34,353	\$21,055	\$0	\$55,409	50.00%	Table 7.1 Row E
G.1	FTE- Personal Services	\$110,817	0.0	\$34,353	\$21,055	\$0	\$55,409	50.00%	Table 7.1 Row E
H	<b>Subtotal</b>	<b>\$710,545</b>	<b>0.0</b>	<b>\$220,269</b>	<b>\$135,003</b>	<b>\$0</b>	<b>\$355,273</b>	<b>50.00%</b>	<b>Sum: Row E + F + G</b>
<b>True Up County Admin Funding</b>									
I	True Up County Admin Appropriation	\$9,193,786	0.0	\$2,188,376	\$588,336	\$0	\$6,417,074	NA	Sum: Rows I.1 through I.2
I.1	Enhanced Match	\$7,280,734	0.0	\$1,384,973	\$435,211	\$0	\$5,460,550	75.00%	Table 2.0 Row A.1
I.2	Non-Enhanced Match	\$1,913,052	0.0	\$803,403	\$153,125	\$0	\$956,524	50.00%	Table 2.0 Row A.2 + A.3

S-06/BA-06 PHE Unwind Resources  
Appendix A: Assumptions and Calculations

Row	Item	Total Funds	FTE	General Fund	Cash Funds	Reappropriated Funds	Federal Funds	FFP Rate	Notes/Calculations
<b>Mitigate CMS Risks/ Reduce Procedural Denials</b>									
J	HCPF Ongoing Appeals Work	\$78,387	0.9	\$24,300	\$14,893	\$0	\$39,194	50.00%	Sum: Row J.1 through Row J.3
J.1	FTE- Personal Services	\$51,523	0.9	\$15,972	\$9,789	\$0	\$25,762	50.00%	Table 9: FTE and Operating Appeals Staff
J.2	FTE- POTS	\$14,936	0.0	\$4,630	\$2,838	\$0	\$7,468	50.00%	Table 9: FTE and Operating Appeals Staff
J.3	FTE- Operating, Leased Space	\$11,928	0.0	\$3,698	\$2,266	\$0	\$5,964	50.00%	Table 9: FTE and Operating Appeals Staff
K	OAC Appeals Staffing	\$269,760	0.0	\$83,624	\$51,255	\$0	\$134,881	50.00%	Sum: Row K.1 through Row K.3
K.1	FTE- Personal Services	\$186,198	0.0	\$57,721	\$35,378	\$0	\$93,099	50.00%	Table 9: FTE and Operating Appeals Staff
K.2	FTE- POTS	\$47,779	0.0	\$14,811	\$9,078	\$0	\$23,890	50.00%	Table 9: FTE and Operating Appeals Staff
K.3	FTE- Operating, Leased Space, Licenses	\$35,783	0.0	\$11,092	\$6,799	\$0	\$17,892	50.00%	Table 9: FTE and Operating Appeals Staff
L	Communications Contractor	\$165,000	0.0	\$51,150	\$31,350	\$0	\$82,500	50.00%	Table 10.1 Row C
L.1	Contractor Costs	\$165,000	0.0	\$51,150	\$31,350	\$0	\$82,500	50.00%	Table 10.1 Row C
M	Ex Parte Change Contractor Costs	\$1,294,800	0.0	\$401,388	\$246,012	\$0	\$647,400	50.00%	Table 10.1 Row A + Row B
M.1	Contractor Costs	\$1,294,800	0.0	\$401,388	\$246,012	\$0	\$647,400	50.00%	Table 10.1 Row A + Row B
N	Subtotal	\$1,807,947	0.9	\$560,462	\$343,510	\$0	\$903,975	50.00%	Sum: Row J + K + L + M
O	Total Request- HCPF	\$12,646,279	4.9	\$3,209,498	\$1,293,458	\$0	\$8,143,323	NA	Sum: Row D + H + I + N
<b>Department of Personnel and Administration</b>									
<b>Office of Administrative Courts</b>									
P	Staffing Costs	\$233,977	2.7	\$0	\$0	\$233,977	\$0	NA	Row K.1 + K.2
Q	Operating Costs	\$35,783	0.0	\$0	\$0	\$35,783	\$0	NA	Row K.3
R	Total Request- DPA	\$269,760	2.7	\$0	\$0	\$269,760	\$0	NA	Sum: Row P + Q
S	Total Request	\$12,916,039	7.7	\$3,209,498	\$1,293,458	\$269,760	\$8,143,323	NA	Sum: Row O + R



S-06/BA-06 PHE Unwind Resources  
Appendix A: Assumptions and Calculations

Row	Item	Amount	Notes
A	Minimum Average Handle Time	12 minutes	Dept. estimate
B	Calls per Hour	5	60 minutes / Row A
C	Call Time per Shift (in hours)	7.5	Dept. estimate
D	Calls per Daily Shift	37.5	Row B * Row C
E	Daily Call Goal	500	Dept. estimate
F	Subtotal: Number of Agents Needed	13.33	Row E / Row D
G	Attrition and Shrinkage %	50%	Dept. estimate
H	Total: Number of Agents Needed	20.00	Row E + (Row E * Row G)

Row	Item	Daily Pay	Number of Working Days	Average Agents	Cost	
FY 2024-25						
A	OBCC Agent Pay- Regular	\$232	249	8.3	\$479,474	Based on temp rate of \$29 per hour
B	OBCC Agent Pay- Bilingual	\$237.84	249	5	\$296,111	Based on temp rate of \$29.73 per hour
C	OBCC Agent- Training	\$220.40	19	5	\$20,938	Based on temp rate of \$27.55 per hour
D	Total: Staff Costs				\$796,523	Sum Row A through Row C

Row	Item	Cost per Unit	Quantity	Frequency	FY 2024-25	Notes
Staff						
A	OBCC Agent Pay	NA	13.3	Annual	\$796,523	Table 3.2 Row D
Licenses						
B	VCC Agent Seat	\$1,419.77	20.0	Annual	\$28,395	Department estimate
C	VCC GEO- Redundancy	\$135.20	20.0	Annual	\$2,704	Department estimate
D	VCC 100% Call Recording	\$338.06	20.0	Annual	\$6,761	Department estimate
E	VCC Call Log Storage (24 Months)	\$143.14	20.0	Annual	\$2,863	Department estimate
F	Salesforce Adapter	\$135.20	20.0	Annual	\$2,704	Department estimate
G	Salesforce License	\$1,698.62	20.0	Annual	\$33,972	Department estimate
H	Autodialer	\$6,300	1	Annual	\$6,300	Department estimate
I	Additional Outbound Lines	\$405.72	100	Annual	\$40,572	Department estimate
J	Subtotal: Licenses				\$124,272	Subtotal: Rows B through I
K	Total Costs				\$920,795	Total: Row A + J

S-06/BA-06 PHE Unwind Resources  
Appendix A: Assumptions and Calculations

Table 4.1 EAP Site Processing for LTC Costs					
Row	Item	Cost per Unit	Quantity	FY 2024-25 (6 months) <sup>1</sup>	Notes
<b>Staff</b>					
A	EAP LTC Agent Pay	\$101,400	4	\$202,800	Dept. estimate, pay includes benefits
B	Subtotal: Staff			\$202,800	Sum: Row A
<b>Operating</b>					
C	Equipment	\$1,500	4	\$3,000	Dept. estimate
D	Licensing	\$2,100	4	\$4,200	Dept. estimate
E	Subtotal: Operating			\$7,200	Subtotal: Row C + Row D
F	<b>Total Costs</b>			<b>\$210,000</b>	<b>Row B + Row E</b>

<sup>1</sup>FY 2024-25 annual costs are prorated for 6 months (Jul. 2024- Dec. 2024).

S-06/BA-06 PHE Unwind Resources  
Appendix A: Assumptions and Calculations

Table 5.1 Back Office Eligibility LTC Staff Needed			
Row	Item	Amount	Notes
A	Average LTC Cases Processed per 8 Hour Work Day by 1 LTC Eligibility Worker	5	Dept. assumption
B	Average Number of Work Days per Month	21.7	2080 hours per year / 12 months / 8 hours
C	Number of LTC Cases Processed per Month by 1 LTC Eligibility Worker	108.3	Row A * Row B
D	Department Monthly LTC Case Processing Goal	270	Dept. assumption
E	Subtotal: Number of LTC Eligibility Staff Needed to Reach Dept. Goal	2.5	Row D / Row C
F	Attrition and Shrinkage %	20%	Dept. estimate
G	<b>Total: Number of LTC Eligibility Staff Needed to Reach Dept. Goal</b>	<b>3.0</b>	<b>Row E + (Row E * Row F)</b>
H	Back Office Eligibility LTC Unit Supervisor	1.0	Dept. assumption
I	<b>Total Staff Needed for Back Office Eligibility LTC Unit</b>	<b>4.0</b>	<b>Row G + Row H</b>

S-06/BA-06 PHE Unwind Resources  
Appendix A: Assumptions and Calculations

Table 6 FTE Calculations- Back Office Eligibility Processing Unit									
Personal Services									
Position Classification	FTE	Start Month	End Month (if Applicable)	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	Notes
POLICY ADVISOR III	3.0	Dec 2023	Jun 2025	\$195,543	\$0	\$0	\$0	\$0	Back Office Eligibility Processing Unit for Long Term Care
POLICY ADVISOR IV	1.0	Dec 2023	Jun 2025	\$79,223	\$0	\$0	\$0	\$0	Back Office Eligibility Processing Unit Supervisor for Long Term Care
<b>Total Personal Services (Salary, PERA, Medicare)</b>	<b>4.0</b>			<b>\$274,766</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
Centrally Appropriated Costs									
Cost Center	FTE Year 1	FTE Year 2+	Cost or Percentage	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	Notes
Health, Life, Dental	2.3	4.0	\$11,033	\$44,132	\$0	\$0	\$0	\$0	
Short-Term Disability	-	-	0.16%	\$389	\$0	\$0	\$0	\$0	
Amortization Equalization Disbursement	-	-	5.00%	\$12,163	\$0	\$0	\$0	\$0	
Supplemental Amortization Equalization Disbursement	-	-	5.00%	\$12,163	\$0	\$0	\$0	\$0	
Paid Family and Medical Leave Insurance	-	-	0.45%	\$1,095	\$0	\$0	\$0	\$0	
<b>Centrally Appropriated Costs Total</b>				<b>\$69,942</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
Operating Expenses									
Ongoing Costs	FTE Year 1	FTE Year 2+	Cost	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	Notes
Supplies	2.3	4.0	\$500	\$2,000	\$0	\$0	\$0	\$0	
Telephone	2.3	4.0	\$235	\$940	\$0	\$0	\$0	\$0	
Other- Salesforce Licenses	2.3	4.0	\$1,699	\$6,796	\$0	\$0	\$0	\$0	
<b>Subtotal</b>				<b>\$9,736</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
One-Time Costs (Capital Outlay)	FTE		Cost	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	Notes
Furniture	4.0		\$5,000	\$0	\$0	\$0	\$0	\$0	
Computer	4.0		\$2,000	\$0	\$0	\$0	\$0	\$0	
Other	4.0		\$0	\$0	\$0	\$0	\$0	\$0	
<b>Subtotal</b>				<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
<b>Total Operating</b>				<b>\$9,736</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
Leased Space									
	FTE Year 1	FTE Year 2+	Cost	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	Notes
Leased Space	2.3	4.0	\$4,650	\$18,600	\$0	\$0	\$0	\$0	

S-06/BA-06 PHE Unwind Resources  
Appendix A: Assumptions and Calculations

Table 7.1 Escalations Resolution Unit Costs						
Row	Item	Annual Salary	Quantity	% of Year Employed	FY 2024-25 Cost	Notes
A	Case Management Eligibility Escalations Coordinator	\$130,788	1	100%	\$130,788	Based on Compliance Specialist IV midpoint equivalent costs + \$1,699 for Salesforce license
B	Partner Relations County Services Resolution Supervisor	\$161,941	1	100%	\$161,941	Based on Administrator V midpoint equivalent costs + \$1,699 for Salesforce license
C	Partner Relations County Services Resolution Agent	\$130,788	2	100%	\$261,576	Based on Administrator IV midpoint equivalent costs + \$1,699 for Salesforce license
D	Partner Relations County Services Resolution Agent	\$110,817	1	100%	\$110,817	Based on Administrator III midpoint equivalent costs + \$1,699 for Salesforce license
E	Medicaid Inbox Eligibility Agent	\$110,817	1	100%	\$110,817	Based on Policy Advisor III midpoint equivalent costs + \$1,699 for Salesforce license
F	<b>Total Costs</b>		<b>6</b>	<b>100%</b>	<b>\$775,939</b>	<b>Sum Rows A through E</b>

S-06/BA-06 PHE Unwind Resources  
Appendix A: Assumptions and Calculations

Table 8: FY 2023-24 County Administration PHE Expenditures					
Row	Item	Amount- Enhanced	Amount- Non-Enhanced	Total Amount	Notes
A	FY 2023-24 PHE Expenditures (Jul. 2023-Nov. 2023)	\$3,593,961	\$312,731	\$3,906,692	Data from CFMS for 5 Periods
B	Avg. Expenditure per Month	\$718,792	\$62,546	\$781,338	Row A / 5 months
C	Anticipated PHE Expenditures from Dec. 2023 - Jun. 2024	\$5,031,545	\$437,823	\$5,469,369	Row B * 7 months
D	Contingency for Increased Hiring and Overtime	25%	25%	25%	Dept. assumption
E	Contingency Amount	\$1,257,886	\$109,456	\$1,367,342	Row C * Row D
F	<b>FY 2023-24 Anticipated PHE Unwind Expenditures</b>	<b>\$9,883,393</b>	<b>\$860,010</b>	<b>\$10,743,403</b>	<b>Row A + Row C + Row E</b>
G	FY 2023-24 BA-6 PHE Funding	\$17,164,127	\$3,845,951	\$21,010,078	Amount approved in FY 2023-24 BA-6
H	<b>Remaining PHE Funding to Move to FY 2024-25</b>	<b>\$7,280,734</b>	<b>\$2,985,941</b>	<b>\$10,266,675</b>	<b>Row G - Row F</b>

S-06/BA-06 PHE Unwind Resources  
Appendix A: Assumptions and Calculations

Table 9 FTE Calculations- Appeals Staff									
Personal Services									
Position Classification	FTE	Start Month	End Month (if Applicable)	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	Notes
ADMINISTRATOR II	1.0	Aug 2024	Jun 2025	\$51,523	\$0	\$0	\$0	\$0	HCPF Appeals
ADMIN LAW JUDGE II	1.0	Aug 2024	Jun 2025	\$97,167	\$0	\$0	\$0	\$0	OAC Appeals
TECHNICIAN II	2.0	Aug 2024	Jun 2025	\$89,031	\$0	\$0	\$0	\$0	OAC Appeals
<b>Total Personal Services (Salary, PERA, Medicare)</b>	<b>4.0</b>			<b>\$237,721</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	

  

Centrally Appropriated Costs									
Cost Center	FTE Year 1	FTE Year 2+	Cost or Percentage	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	Notes
Health, Life, Dental	3.7	0.0	\$11,033	\$40,385	\$0	\$0	\$0	\$0	
Short-Term Disability	-	-	0.16%	\$337	\$0	\$0	\$0	\$0	
Amortization Equalization Disbursement	-	-	5.00%	\$10,523	\$0	\$0	\$0	\$0	
Supplemental Amortization Equalization Disbursement	-	-	5.00%	\$10,523	\$0	\$0	\$0	\$0	
Paid Family and Medical Leave Insurance	-	-	0.45%	\$947	\$0	\$0	\$0	\$0	
<b>Centrally Appropriated Costs Total</b>				<b>\$62,715</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	

  

Operating Expenses									
Ongoing Costs	FTE Year 1	FTE Year 2+	Cost	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	Notes
Supplies	3.7	0.0	\$500	\$1,831	\$0	\$0	\$0	\$0	
Telephone	3.7	0.0	\$235	\$860	\$0	\$0	\$0	\$0	
Other	3.7	0.0	\$0	\$0	\$0	\$0	\$0	\$0	
<b>Subtotal</b>				<b>\$2,691</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
One-Time Costs (Capital Outlay)	FTE		Cost	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	Notes
Furniture	4.0		\$5,000	\$20,000	\$0	\$0	\$0	\$0	
Computer	4.0		\$2,000	\$8,000	\$0	\$0	\$0	\$0	
Other	4.0		\$0	\$0	\$0	\$0	\$0	\$0	
<b>Subtotal</b>				<b>\$28,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	
<b>Total Operating</b>				<b>\$30,691</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	

  

Leased Space									
	FTE Year 1	FTE Year 2+	Cost	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	Notes
Leased Space	3.7	0.0	\$4,650	\$17,020	\$0	\$0	\$0	\$0	

S-06/BA-06 PHE Unwind Resources  
Appendix A: Assumptions and Calculations

Table 10.1 Ex Parte and Communications Contractor Costs						
Row	Item	Hourly Rate	Number of Positions	FY 2024-25 Hours of Work	FY 2024-25 Cost	Notes
A	Ex Parte Eligibility Project Coordinator	\$160	2.0	1,992	\$637,440	Based on vendor (Treinon Associates) rate. Funding for all of FY 2024-25.
B	Ex Parte Eligibility Senior Business Analyst	\$165	2.0	1,992	\$657,360	Based on vendor (Treinon Associates) rate. Funding for all of FY 2024-25.
C	Eligibility Communications Specialist	\$165	1.0	1,000	\$165,000	Based on vendor (Treinon Associates) rate. Funding from January 2025- June 2025.
D	Total: Contractor Costs		5.0	NA	\$1,459,800	Sum: Row A through Row C