

Weekly SSAD County Director Meeting: Fiscal Modeling

February 10, 2026



COLORADO
Department of Health Care
Policy & Financing



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Agenda

- Welcome and SSAD Meeting Structure
 - Roles and Responsibilities
 - Meeting Shared Commitments
- Revisit any hold-over items from previous meetings
- Preliminary Fiscal Modeling
 - Overview of modeling
 - Policy decisions affecting the model
- Open discussion
- Next steps



Welcome and SSAD Meeting Structure



Roles and Responsibilities from Charter

Facilitator (State):

- Manage calendar invite and the [Shared Services and Districts Weekly Meeting spreadsheet](#)
- Guide discussion, manage time, and ensure balanced participation with rollcall taken at each meeting.
- Identify known constraints, timelines, and decision points.
- Provide legislative updates, policy interpretation, and implementation considerations.
- Summarize key takeaways, decisions, and next steps.

County Participants:

- Share local perspectives, implementation considerations, and emerging impacts.
- Coordinate across regions to elevate questions, risks, and resource needs.
- Manage participation in weekly SSAD meetings and call attention to non-elected regional representatives' engagement if needed.
- If county representatives are not able to make a meeting or there is a staff person who may be better able to speak to a topic, the county representative may choose a designee to fill their seat.
- When topics require a deeper subject matter expertise, county workgroup representatives are able to join and participate in the conversation. I.e. fiscal, human resources and legal conversations.



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Meeting Shared Commitments

Participants agree to the following principles to ensure productive, respectful, and effective meetings:

1. Collaboration & Respect
2. Transparency & Accuracy
3. Preparation & Participation
4. Communication Norms
5. Time Management



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Hold Over Items from Last Meeting



Outstanding & Follow Up Items Due This Week

Deliverable	Task	Lead	Due	Complete
County Poll on Program Integration	Jamie Ulrich and regional representatives to poll the CHSDA membership during the February 4 Executive Meeting to determine if there is a consensus to integrate SNAP, TANF, and CCCAP into MCI shared service; report back by February 10.	Counties	2/10/2026	<input type="checkbox"/>
RFP Feedback Strategy	County leads to define and communicate a standardized process for how all 64 counties will compile and submit their formal feedback on the draft RFPs to the state leads.	Counties	2/10/2026	<input checked="" type="checkbox"/>
Fraud Repayment Accountability	Ensure the RFP and memo reflect that the Shared Service Contractor—not individual districts—is responsible for the entire repayment lifecycle (agreements, tracking, and collections)	Josh Aric	2/3/2026	<input checked="" type="checkbox"/>
Data and Math Transparency	Aric Bidwell and HCPF to provide the specific spreadsheets and assumptions used for the 291 FTE (Call Center) and 40 FTE (MCI) calculations for review during the February 10 session.	Aric Melinda	2/10/2026	<input type="checkbox"/>
Program Launch Scope Confirmation	CDHS and HCPF to confirm whether the MCI unit will investigate SNAP and TANF fraud on day one or if these programs will be phased in later.	Shelley Josh Abby Ian	2/10/2026	<input type="checkbox"/>
Prioritization ROI Thresholds	HCPF to provide the specific Return on Investment (ROI) criteria used to guide fraud investigation prioritization (e.g., prioritizing high-dollar nursing facility cases over smaller capitation cases).	Josh Aric Melinda	2/10/2026	<input type="checkbox"/>
Travel and Testimony Logistics	Aric Bidwell to verify if the fraud investigator travel budget specifically accounts for physical appearances and testimony at judicial district court hearings.	Aric Melinda	2/10/2026	<input type="checkbox"/>
Subcontracting Feasibility Query	State team to determine if a county awarded a shared service contract can independently contract with other counties to perform their CDHS-specific fraud investigations (SNAP/TANF) if the state does not formally integrate them.	Shelley Ian Abby	2/10/2026	<input type="checkbox"/>

Outstanding & Follow Up Items Being Tracked

Deliverable	Task	Lead	Due	Complete
System Capacity Verification	OIT to verify if the CBMS and Peak platforms can support a unified statewide fraud repayment queue without technical degradation or data silos	Nina Josh	2/17/2026	<input type="checkbox"/>
Performance Conflict Resolution	State leads to draft a policy defining the dispute resolution process for instances where a local county (Employer of Record) and a Shared Service Hub disagree on a subcontracted employee's performance.	Josh	3/3/2026	<input type="checkbox"/>
CMS Guidance Follow-up	HCPF to seek a definitive retroactive date from CMS regarding administrative recoupment to reduce the current reliance on Administrative Law Judges.	Josh	2/17/2026	<input type="checkbox"/>
DA Association Outreach	Joshua Montoya to continue formal outreach to the District Attorneys' Association to secure their input on the centralized fraud investigation model.	Josh	2/17/2026	<input type="checkbox"/>



Preliminary Fiscal Modeling



History of Fiscal Analysis

Goals of the analysis

- Illustrate cost containment and potential cost shifts shift once a District model is implemented

Considerations and limitations of the analysis

- The preliminary analysis is rooted in spending. Thus, the core assumptions reflect what FY24-25 would have looked like with Districts. Agreed-upon methodology can be applied to project future.
- Data limitations preclude projecting future costs or including current salary information.
- Multiple assumptions could have been used to develop the model - this group needs to agree on the methodology, including addressing key policy questions.

Next steps

- Address [Districting Fiscal Modeling Policy Questions](#) with county subject matter experts.
- Agree on a methodology.
- Develop solutions to address policy issues, including indirect costs.
- Explore how efficiencies may be realized across Districts.

How Funding Will Work Under Districting

GOAL = COST CONTAINMENT

How Funding Will Work Under Districting

What stays the same?

- County allocations will continue to be *calculated* individually based on the current Allocation Committees' processes.
- There are no planned reductions to the county administration appropriation for HCPF or CDHS in SFY 2026-27.

What changes under districting?

- Counties will be configured into districts. Allocations for administering programs will be pooled in order to share work and enable all counties to benefit from economies of scale.
- Indirect cost reimbursements could be impacted in some counties.
- District Agreements will guide program-specific operations, enabling counties in each district to organize work accordingly.

What the Preliminary Analysis Does/Does Not Include

Program Funding

Included:

- Supplemental Nutrition Assistance Program (SNAP) and Adult Financial
- Medicaid and Medical Assistance programs administered through CBMS

Needs to be incorporated:

- Temporary Assistance for Needy Families (TANF)
- Old Age Pension

Focus of these meetings

Policy Considerations

Included:

- Base level understanding of how districts will implement.

Needs to be incorporated:

- Where the workload will live in the final model.
- Timing for implementation.
- How FTE will truly shift within these continuums.
- Discussion around indirect impacts.

Fiscal Analysis

Included:

- We have a baseline fiscal analysis that can be adjust to ongoing discussions.

Needs to be incorporated:

- Agreement on methodology and policy decisions
- A year by year breakout and not just a snapshot of FY 2024-25.
- Agreed methodology on how changes will impact funding.

Fiscal Policy Questions

- County engagement is necessary to answer outstanding questions, finalize methodology, and agree on policies
- Resolve identified [Districting Fiscal Modeling Policy Questions](#)
- The SSAD Fiscal-focused group will work through these issues, ultimately agreeing on the methodology/parameters in order to create a robust fiscal model
- We'll begin with the foundational elements of the model

Fiscal Policy Questions

Most Critical Policy Decisions for Modeling:

- ❖ Methodology for Cost per Case Calculations
- ❖ Assumptions of economies of scale (e.g. attrition rates, FTE migration)
- ❖ Agreement on the proxy for county workloads (e.g. caseload, applications, other data)

Fiscal Policy Questions: **Cost per Case**

Methodology for Cost per Case Calculations

Suggestions for consideration:

- Spending versus allocations?
- Statewide average? District average? Other considerations?
- Other suggestions?

Fiscal Policy Questions: Economies of Scale

Methodology to Assume Economies of Scale

Suggestions for Consideration:

- Attrition rates (smaller versus large county differences)
- FTE migration to Hub
- Would some specialists (e.g. claims) shift to other roles?
- Assumptions for managers and supervisors per caseworkers?
- How to assume pay scales per FTE types across counties?
- Other considerations?

Fiscal Policy Questions: **Workloads**

Proxy for County Workloads

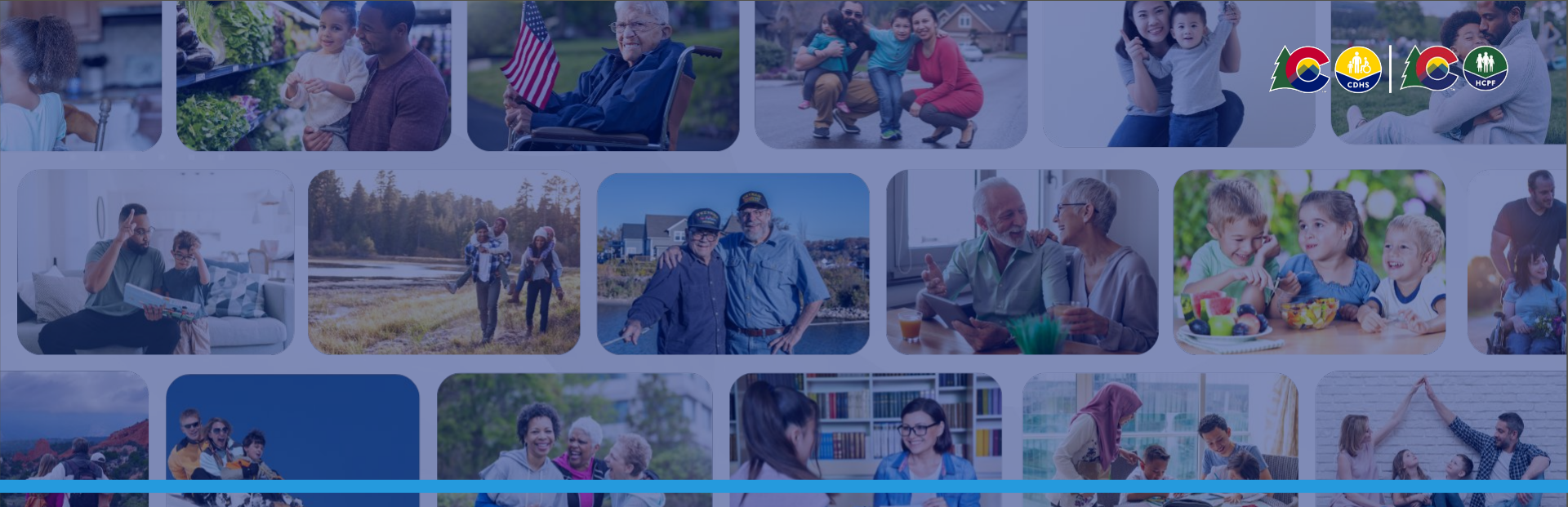
Suggestions for Considerations:

- Caseload?
- Applications (despite small county data suppressed)?
- SB 235 workload modeling (time/task)?
- Other considerations?

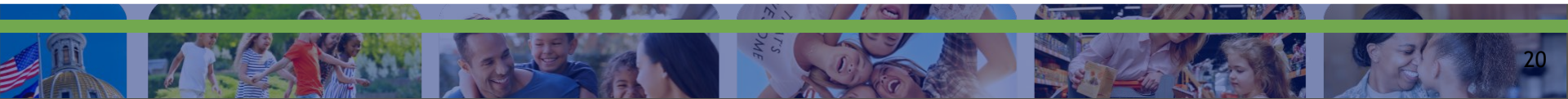
Future Fiscal Policy Questions

Future Critical Policy Decisions:

- ❖ How RMS factors into the model
- ❖ Indirect rate modeling
- ❖ Addressing overspending
- ❖ Modeling TANF
- ❖ Timing and assumptions for out-year costs



Next Steps for Fiscal-focused Meetings



Fiscal Policy Questions: Next Steps

- Confirm agreements
- Agree to any needed off-meeting work to build consensus
- Agree on next set of policy questions to address

Questions?



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Appendix



What Our Initial Analysis Examines

TOTAL FUNDING & ASSOCIATED SPENDING AS OF FY24-2025	
FUNDING ANALYSIS COMPONENT	DOLLARS
CDHS & HCPF BASE ALLOCATION	\$ 184,309,856
CDHS & HCPF BASE SPENDING	\$ 230,819,362
TOTAL CURRENT SPENDING	\$ (46,509,506)
TOTAL COST REDUCTIONS FROM REDISTRICTING	
FUNDING ANALYSIS COMPONENT	DOLLARS
CASE MIGRATION TO HUB COUNTY	\$ 26,384,676
FTE MIGRATION TO HUB COUNTY	\$ 5,785,126
TOTAL REDUCTION	\$ 32,169,802
*TOTAL SHIFTING OF WORKLOAD/DOLLARS	
FUNDING ANALYSIS COMPONENT	DOLLARS
COUNTY INDIRECT SHIFTS	\$ 12,146,289
SHARED SERVICES ADJUSTMENT	\$ 24,946,840
TOTAL SHIFTING OF DOLLARS	\$ 37,093,129
*THIS LINE REPRESENTS A SHIFT IN FUNDS AND NOT TRUE COST REDUCTION	

The initial analysis uses

- Actual county spending rather than allocations
- Current caseloads (it does not assume future caseload growth or policy-driven workload increases)

The initial analysis projects

- Cost per case impacts
- County indirect impacts
- FTE impacts

How the Analysis Works: Cost Per Case (North East District Example)

The math

		CDHS/SNAP County Admin			
	County	FY 24-25 Allocation	FY 24-25 Spending	FY 24-25 Avg. Caseload	Cost/Case- Spending
	Phase 1				
North East	Weld County	\$5,845,387	\$7,635,805	18,415	\$414.65
North East	Cheyenne County	\$86,576	\$88,407	136	\$650.05
North East	Kit Carson County	\$150,623	\$138,157	386	\$357.92
North East	Lincoln County	\$118,375	\$219,212	378	\$579.93
North East	Logan County	\$487,262	\$676,210	1,517	\$445.75
North East	Morgan County	\$666,414	\$588,524	1,736	\$339.01
North East	Phillips County	\$86,576	\$81,480	250	\$325.92
North East	Sedgwick County	\$86,576	\$75,645	226	\$334.71
North East	Washington County	\$93,308	\$160,898	284	\$566.54
North East	Yuma County	\$189,534	\$312,316	577	\$541.28
North East	Totals & Analysis	\$7,810,631	\$9,976,654	23,905	\$24,060.34
					\$9,912,241

1. The **hub county's cost per case** (\$414.65*) is used as a proxy for how efficiently work could be processed when resources and work is pooled.

2. To calculate the potential spending "need" of the district, multiply the **total avg. caseload for the district** (23,905) by **hub county's cost per case** (\$414.65*).

$$23,905 \times \$414.65 = \$9,912,241^*$$

The **potential spending "need" of the district** is \$9,912,241*.

* reflects numbers that have been rounded

How districts are structured

Counties are grouped into districts anchored by a hub county.

County administrative funding is pooled at the hub level.



How the Analysis Works: Cost Per Case (North East District Example, Continued)

		CDHS/SNAP County Admin			
County		FY 24-25 Allocation	FY 24-25 Spending	FY 24-25 Avg. Caseload	Cost/Case- Spending
Phase 1					
North East	Weld County	\$5,845,387	\$7,635,805	18,415	\$414.65
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The math, continued

3. The **potential spending need of the district** (\$9,912,241) is compared to the district's actual **FY 24-25 spending** (\$9,976,654) to assess whether projected district spending can be fully covered.

$$\$9,912,241 < \$9,976,654$$

Need

Spending

Result: In this example, the **potential spending need of the district** is less than the district's actual **FY 24-25 spending**, indicating efficiency and potentially less spending under a districting model.

$$\$9,976,654 - \$9,912,241 \approx \$64k$$

Spending

Need

Difference

How the Analysis Works: Indirects

What are indirects

- Costs that support the overall operations of a county (e.g., executive director, human resources specialist, etc.)

How Indirects are Impacted

- Shifting of workload adjusts the amount of administrative cost or indirects a county can be reimbursed. Any shortfalls in indirect costs will need to be funded in a different way. This is where we need to start discussions regarding impacts on small and medium-sized counties.

CDHS County Admin Indirect Analysis

Indirect Rate	Indirect per Case	Shortfall	FY 24-25 Avg. Caseload
32.82%	\$246	\$35,236	1,116
11.81%	\$298	\$66,814	800
43.52%	\$293	\$54,499	694
5.01%	\$920	\$11,284	16
15.92%	\$259	\$11,430	256
15.62%	\$286	\$16,637	231
Totals		\$195,900	3,779

The Math

- Calculated the indirect costs supported by county admin funding on a per case basis.
- We have the math showing impacts on those counties. This is a discussion point that needs to be discussed in policy conversations.

Example

100 cases at \$1,000 per case = \$100,000
(100 x 1,000 = 100,000)

Indirect rate of 30% = \$30,000



How the Analysis Works: FTE Migration

How FTE Migration is Calculated

- Used SB 22-235 Funding Model wage and staff data
- All associated FTE in the SNAP space for large, medium and small counties
- These reductions are currently illustrated using a **50 percent attrition** for non-eligibility workforce proxy
- All staff in this category are assumed in the fiscal modeling to increase to a large county model. This can be refined to the local hub, but the state will need that data.

Impacted Staff Classification

- Supervisors
- Managers
- Customer Service
- QA
- Program Integrity
- Fraud
- Claims
- Support Staff
- Finance
- EBT

Supervisors Example:

Average cost for small and medium counties staff increases to a large county salary

Small & Medium	\$60,000
Large	\$90,000

Difference	\$30,000 more to employee
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Managers reduce from 10 FTE to 5 FTE

$\$600,000 - \$300,00 = \$300,000$

$\$30,000 \text{ increase to 5 FTE} = \$150,000$

$\$300,000 - \$150,000 = \text{\textbf{\$150,000 final assumption}}$