



OPERATIONAL MEMO

TITLE:	COUNTY ADMINISTRATION FUNDING – COVID-19 PUBLIC HEALTH EMERGENCY
SUPERSEDES NUMBER:	N/A
EFFECTIVE DATE:	APRIL 1, 2021
DIVISION AND OFFICE:	POLICY, COMMUNICATIONS AND ADMINISTRATION AND MEDICAID OPERATIONS
PROGRAM AREA:	COUNTY RELATIONS AND ADMINISTRATION/ ELIGIBILITY
KEY WORDS:	COUNTY ADMINISTRATION, PHE, FUNDING, ALLOCATIONS, STAFFING PLANS, INTERGOVERNMENTAL AGREEMENTS
OPERATIONAL MEMO NUMBER: HCPF OM 21-036	
ISSUE DATE: APRIL 15, 2021	
APPROVED BY: RACHEL REITER	

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Purpose and Audience:

The purpose of this Operational Memo is to communicate operational expectations from the Department of Health Care Policy and Financing (HCPF or Department) for accessing county administration funding available to manage Medical Assistance (MA) workload related to the COVID-19 Public Health Emergency (PHE). The Memo also includes guidelines for submitting staffing plans and intergovernmental agreements required to access funding.

Information:

Continuous coverage is a condition of federal funding included as part of the Families First Coronavirus Response Act (FFCRA) and ensures that MA members are not disenrolled due to changes in circumstance during the PHE. At the conclusion of the PHE, which is determined solely by the federal government, an eligibility review will be required for all MA members, some of which may be processed by the Colorado Benefits Management System (CBMS), while some will require processing by the member's county of residence. As of April 2021, the Department is projecting an

estimated 500,000 individuals, across all 64 counties and certain MA Sites, will be locked-in to coverage because of the PHE by December 2021. These individuals will require an eligibility review to be completed by the county when the PHE is ended by the federal government. Each county's current percentage share of locked-in members is available on the COVID Locked-In Report SharePoint site, which all counties have been granted access to; the data used to generate the projection will continue to be updated throughout calendar year 2021.

To manage the expected increase in county workload as a result of the COVID Locked-In population, the Department submitted the [BA-10](#) budget amendment request to the Joint Budget Committee (JBC). The budget amendment requests funding for resource needs resulting from the projected December 2021 end of the PHE workload. As we have previously communicated to county directors and staff, workload for eligibility reviews, appeals and customer service will increase alongside changing federal expectations around the anticipated end of the PHE.

On March 09, 2021, the JBC approved JBC staff recommendations regarding the BA-10 supplemental. With the JBC's approval, and upon signature of the annual Long Bill by the Governor, additional county administration funding will become available starting July 1, 2021 to add additional staff capacity for PHE eligibility reviews, appeals and customer service, or to continue and/or expand existing staffing supports, such as overtime, the Intercounty Workforce Initiative and other innovative solutions as approved by the Department.

Total Funding Available

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

Please note that the JBC approved General Fund dollars to cover the total amount of local share (Cash Funds – Local); as a result, no local share is required for this appropriation.

Additionally, rollover authority for this appropriation was **not** approved, so funding expires June 30, 2022.

Allocation of Funding

At the April 8, 2021 Finance Sub-PAC meeting, the Department presented to counties two different funding allocation models to distribute the appropriation. The first allocation model used each county's percentage of CBMS activity minutes from FY 2020-21 HCPF county administration allocation; this is the traditional process for annual allocations. The second model used each county's percentage of COVID locked-in members to allocate funding to each county. Finance Sub-PAC requested revisions to the funding model, which will be shared with counties during a follow-up call scheduled for April 21, 2021.

The final county-by-county allocations will be shared via Operational Memo once approved by the members of Finance Sub-PAC.

Tracking of Expenditures

Guidance received from the Centers for Medicare and Medicaid Services (CMS) requires states to separately track all Medical Assistance expenditures related to the PHE. Therefore, a separate set of codes for the County Financial Management System (CFMS) will be created and shared with counties. Guidance on CFMS codes will be issued in the same Operational Memo as county-by-county allocations.

None of the approved funding will be available outside of the specific CFMS codes approved for PHE expenditure tracking.

Enhanced vs. Non-Enhanced Match and Expenditures

BA-10 requested a funding increase in the enhanced and non-enhanced county administration line-items. Refer to [Agency Letter 15-006](#), "Enhanced Match Funding Information," which broadly details which expenditures qualify for the different match rates.

Approved Expenditures

Approved expenditures for this appropriation must be directly tied to the workload related to the PHE; costs not directly incurred because of the PHE will not be allowed. Examples of approved expenditures include processing PHE eligibility reviews, customer service costs to manage increased calls, or additional support for county-level appeals.

Examples of unapproved expenditures for the purposes of this funding include program integrity, operational expenditures that impact regular business operations (example: the purchase of a new workload management system) or expenditures not directly related to the PHE workload. Expenditures of these types will be disallowed.

The Department may review expenditures charged to the approved CFMS codes and may require any unapproved expenditure to be charged to regular operational funding streams through county administration.

Staffing Plans

No later than Friday, May 14, 2021, each county will submit a Staffing Plan to the Department that addresses the county's PHE workload. The Department continues to report this data to each county.

The Staffing Plan should be documented on the county's letterhead and must address all required elements. Once completed, the document should be sent to HCPFCountyRelations@state.co.us. Required elements of the Staffing Plan must be addressed in the county's submission and include:

- Is your county hiring new staff?
 - **If yes, specify -**
 - # of new processing staff to be hired
 - # of new LTSS processing staff to be hired
 - # of new appeals staff to be hired
 - # of new customer service staff to be hired
 - # of new administrative support staff to be hired
 - # of other staff to be hired
 - Include role/purpose
 - What is your timeline for hiring?
 - What considerations have been put in place for Staff Development Center (SDC) and county-specific training?
 - Example: if hiring multiple staff, will hiring and training be phased? Or will you have one cohort?
 - If the county is hiring generalists that work multiple programs, how will the county pay for the non-MA portion of the staff?
 - Cost allocation requirements have not been rescinded by the federal government; therefore, only Medical Assistance-specific costs can be reimbursed.
 - **If no?**
 - What staffing plans are you putting in place to manage the PHE workload? Are you:
 - Using the Inter-County Workforce Initiative?
 - Contracting with other county workers?
 - Mandating Overtime?
 - Re-allocating existing positions to PHE-only work

- Are you hiring new staff to cover these types of reallocations?
- Other innovative staffing solutions?
 - Specify
 - If relying solely on overtime, how will you ensure that staff attrition is not impacted? What supports will be put in place for staff working high-levels of overtime?
- The following data points are required for each Staffing Plan:
 - Describe what data was used, in addition to the latest COVID locked-in percentage data by county provided by HCPF, for the county to base the Staffing Plan on?
 - Describe how the county's latest call center metrics were used to determine the customer service needs for the Staffing Plan data
 - The data must include the following specific call center metrics:
 - Average Speed to Answer (ASA)
 - Average Abandonment Rate
 - One Call Resolution
 - Daily Call Demand
 - Daily Calls Handled
 - This requirement only applies to the following counties: Adams, Arapahoe, Boulder, Denver, El Paso, Jefferson, Larimer, Mesa, Pueblo and Weld

Intergovernmental Agreements, Timelines and Due Dates

Staffing Plans, which will be subject to Department review and approval, are due to HCPFCountyRelations@state.co.us no later than **Friday, May 14, 2021**. If revisions are required, the Department will notify the county to complete the necessary revisions. Department-approved Staffing Plans will be an Exhibit within the Medical Assistance Public Health Emergency Intergovernmental Agreement (MA PHE IGA), which will then be sent to the county for e-signature. Signatures on the IGAs will be due by June 30, 2021. If the e-signature deadline cannot be met, the county should notify the Department Contact below. Additional guidance on the contract e-signature process can be found in [HCPF OM 20-041](#) "Electronic Signatures for all State contracts with Counties."

Once the county is notified that the submitted Staffing Plan has been approved, hiring of positions can begin. Counties should endeavor to have completed the hiring process, or have other necessary staffing supports in place, no later than September 30, 2021.

Guidance for the end of the PHE

The Department will issue additional guidance particular to the workload surrounding the end of the PHE at a later date.

Attachment(s):

None

Department Contact:

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