Schedule 13
Change Request for FY 08-09 Budget Request Cycle
Governor Ritter's FY 2008-09 Recidivism Reduction Package

Decision Item FY 08-09 ☑ Base Reduction Item FY 08-09 ☐ Supplemental FY 07-08 ☐ Budget Request Amendment FY 08-09 ☐

Request Title: Earned Incentive Funds and Program Evaluation for Collaborative Management Program

Department: Human Services

Priority Number: 3B

Dept. Approval by: Reynald Jeffers **Date:** 10/17/07

OSPB Approval: [illegible] **Date:** 10/25/07 for 11/1/07

	Fund	1 Prior-Year Actual FY 06-07	2 Appropriation FY 07-08	3 Supplemental Request FY 07-08	4 Total Revised Request FY 07-08	5 Base Request FY 08-09	6 Decision/ Base Reduction FY 08-09	7 November 1 Request FY 08-09	8 Budget Amendment FY 08-09	9 Total Revised Request FY 08-09	10 Change from Base (Column 5) FY 09-10
Total of All Line Items	Total	11,789,315	14,038,282	0	14,038,282	16,386,889	622,372	17,009,261	0	17,009,261	626,262
	FTE	109.5	115.2	0.0	115.2	115.2	1.8	117.0	0.0	117.0	2.0
	GF	8,765,988	9,270,318	0	9,270,318	10,870,392	122,372	10,992,764	0	10,992,764	126,262
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	94,302	130,152	0	130,152	118,360	0	118,360	0	118,360	0
	CFE	2,430,078	3,856,979	0	3,856,979	4,390,479	500,000	4,890,479	0	4,890,479	500,000
	FF	498,947	780,833	0	780,833	1,007,658	0	1,007,658	0	1,007,658	0
	MCF	338,237	573,300	0	573,300	1,066,950	0	1,066,950	0	1,066,950	0
	MGF	168,962	283,619	0	283,619	532,696	0	532,696	0	532,696	0
	NGF	8,934,950	9,553,937	0	9,553,937	11,403,088	122,372	11,525,460	0	11,525,460	126,262
(11) DIVISION OF YOUTH CORRECTIONS (C) Community Programs Personal Services	Total	7,877,089	7,393,280	0	7,393,280	7,738,542	111,220	7,849,762	0	7,849,762	122,078
	FTE	109.5	115.2	0.0	115.2	115.2	1.8	117.0	0.0	117.0	2.0
	GF	7,533,530	7,053,404	0	7,053,404	7,394,547	111,220	7,505,767	0	7,505,767	122,078
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	53,802	48,728	0	48,728	48,850	0	48,850	0	48,850	0
	CFE	39,757	41,148	0	41,148	44,520	0	44,520	0	44,520	0
	FF	250,000	250,000	0	250,000	250,625	0	250,625	0	250,625	0
	MCF	39,757	41,148	0	41,148	44,520	0	44,520	0	44,520	0
	MGF	19,879	20,575	0	20,575	22,261	0	22,261	0	22,261	0
	NGF	7,553,409	7,073,979	0	7,073,979	7,416,808	111,220	7,528,028	0	7,528,028	122,078
(11) DIVISION OF YOUTH CORRECTIONS (C) Community Programs Operating Expenses	Total	338,733	342,240	0	342,240	342,240	8,810	351,050	0	351,050	1,900
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	336,285	339,792	0	339,792	339,792	8,810	348,602	0	348,602	1,900
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	2,448	2,448	0	2,448	2,448	0	2,448	0	2,448	0
	CFE	0	0	0	0	0	0	0	0	0	0
	FF	0	0	0	0	0	0	0	0	0	0
	MCF	0	0	0	0	0	0	0	0	0	0
	MGF	0	0	0	0	0	0	0	0	0	0
	NGF	336,285	339,792	0	339,792	339,792	8,810	348,602	0	348,602	1,900

Schedule 13
Change Request for FY 08-09 Budget Request Cycle
Governor Ritter's FY 2008-09 Recidivism Reduction Package

Decision Item FY 08-09 ☑ Base Reduction Item FY 08-09 ☐ Supplemental FY 07-08 ☐ Budget Request Amendment FY 08-09 ☐

Request Title: Earned Incentive Funds and Program Evaluation for Collaborative Management Program

Department: Human Services

Priority Number: 3B

Dept. Approval by: **Date:**

OSPB Approval: **Date:**

	Fund	1	2	3	4	5	6	7	8	9	10
		Prior-Year Actual FY 06-07	Appropriation FY 07-08	Supplemental Request FY 07-08	Total Revised Request FY 07-08	Base Request FY 08-09	Decision/ Base Reduction FY 08-09	November 1 Request FY 08-09	Budget Amendment FY 08-09	Total Revised Request FY 08-09	Change from Base (Column 5) FY 09-10
(1) EXECUTIVE DIRECTOR'S OFFICE (A) General Administration S.B. 04-257 Amortization Equalization Disbursement	Total	1,498,493	2,631,937	0	2,631,937	3,875,868	1,595	3,877,463	0	3,877,463	1,740
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	896,173	1,592,902	0	1,592,902	2,372,913	1,595	2,374,508	0	2,374,508	1,740
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	38,052	65,360	0	65,360	51,179	0	51,179	0	51,179	0
	CFE	315,321	531,031	0	531,031	876,399	0	876,399	0	876,399	0
	FF	248,947	442,644	0	442,644	575,377	0	575,377	0	575,377	0
	MCF	298,480	450,698	0	450,698	774,253	0	774,253	0	774,253	0
	MGF	149,083	224,919	0	224,919	386,484	0	386,484	0	386,484	0
	NGF	1,045,256	1,817,821	0	1,817,821	2,759,397	1,595	2,760,992	0	2,760,992	1,740
(1) EXECUTIVE DIRECTOR'S OFFICE (A) General Administration Supplemental Amortization Equalization Disbursement	Total	0	482,075	0	482,075	1,241,489	747	1,242,236	0	1,242,236	544
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	0	284,220	0	284,220	763,140	747	763,887	0	763,887	544
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	13,616	0	13,616	15,883	0	15,883	0	15,883	0
	CFE	0	96,050	0	96,050	280,810	0	280,810	0	280,810	0
	FF	0	88,189	0	88,189	181,656	0	181,656	0	181,656	0
	MCF	0	81,454	0	81,454	248,177	0	248,177	0	248,177	0
	MGF	0	38,125	0	38,125	123,951	0	123,951	0	123,951	0
	NGF	0	322,345	0	322,345	887,091	747	887,838	0	887,838	544
(5) DIVISION OF CHILD WELFARE Performance-based Collaborative Management Incentives	Total	2,075,000	3,188,750	0	3,188,750	3,188,750	500,000	3,688,750	0	3,688,750	500,000
	FTE	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	GF	0	0	0	0	0	0	0	0	0	0
	GFE	0	0	0	0	0	0	0	0	0	0
	CF	0	0	0	0	0	0	0	0	0	0
	CFE	2,075,000	3,188,750	0	3,188,750	3,188,750	500,000	3,688,750	0	3,688,750	500,000
	FF	0	0	0	0	0	0	0	0	0	0
	MCF	0	0	0	0	0	0	0	0	0	0
	MGF	0	0	0	0	0	0	0	0	0	0
	NGF	0	0	0	0	0	0	0	0	0	0

Schedule 13
Change Request for FY 08-09 Budget Request Cycle
Governor Ritter's FY 2008-09 Recidivism Reduction Package

Decision Item FY 08-09 ☑ Base Reduction Item FY 08-09 ☐ Supplemental FY 07-08 ☐ Budget Request Amendment FY 08-09 ☐

Request Title: Earned Incentive Funds and Program Evaluation for Collaborative Management Program

Department: Human Services **Dept. Approval by:** **Date:**

Priority Number: 3B **OSPB Approval:** **Date:**

	Fund	1	2	3	4	5	6	7	8	9	10
		Prior-Year Actual FY 06-07	Appropriation FY 07-08	Supplemental Request FY 07-08	Total Revised Request FY 07-08	Base Request FY 08-09	Decision/ Base Reduction FY 08-09	November 1 Request FY 08-09	Budget Amendment FY 08-09	Total Revised Request FY 08-09	Change from Base (Column 5) FY 09-10

Letternote revised text: a. Shall be from the contractor for the Ridge View facilty pursuant to Section 19-2-411.5 (2) (e), C.R.S. (2007); b. Shall be from Medicaid funds transferred from the Department of Health Care Policy and Financing.; c. Shall be from Title IV-E of the Social Security Act.

Cash Fund name/number, Federal Fund Grant name: Title IV-E, Performance-based Collaborative Management Incentive Cash Fund created in Section 24-1.9-104 C.R.S. (2007)

IT Request: ☐ Yes ☑ No

Request Affects Other Departments: ☐ Yes ☑ No **If Yes, List Other Departments Here:**

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CHANGE REQUEST for FY 08-09 BUDGET REQUEST CYCLE
Governor Ritter's FY 2008-09 Recidivism Reduction Package

Department:	Human Services
Priority Number:	3B
Change Request Title:	Earned Incentive Funds and Program Evaluation for Collaborative Management Program

SELECT ONE (click on box):

☒ Decision Item FY 08-09
☐ Base Reduction Item FY 08-09
☐ Supplemental Request FY 07-08
☐ Budget Request Amendment FY 08-09

SELECT ONE (click on box):

Supplemental or Budget Request Amendment Criterion:

☒ Not a Supplemental or Budget Request Amendment
☐ An emergency
☐ A technical error which has a substantial effect on the operation of the program
☐ New data resulting in substantial changes in funding needs
☐ Unforeseen contingency such as a significant workload change

Short Summary of Request:

The total request for this decision item is **$622,372**. The amount of $500,000 will be added to the Collaborative Management Program (CMP) Performance-based Collaborative Management Incentive Cash Fund (PCMICF), which will increase spending authority by $500,000 for incentives. The addition of $500,000 (cash fund exempt) per year will create a yearly incentive fund base of $3.7M. The PCMICF is used to provide funds to counties departments of social services who have entered into Memorandums of Understandings (MOU) with the local judicial district, including probation, health department, school district(s), community mental center, Division of Youth Corrections, family advocates, and each county behavioral health organization. The MOU is designed to promote a collaborative system of local-level interagency oversight groups and individualized service and support teams to coordinate and manage the provision of services to children and families who would benefit from integrated multi-agency services.

The funding will be used to provide incentive funds to counties that meet performance measures approved by the State Board of Human Services. In SFY 2007, 10 counties had joined and in SFY 2008 an additional eight have joined the CMP. It is expected that additional counties will join in SFY 2008-2009. The request also includes $122,372 General Fund and 2.0 FTE (H.B. 04-1451 Regional Coordinators) for Division of Youth Correction Community Services line.

Background and Appropriation History:

The Collaborative Management Program has grown significantly since July 2005 to number eighteen county participants. The growth of the CMP has exceeded expectations and was not anticipated in the funding structure of the Performance-based Collaborative Management Incentive Cash Fund (PCMICF). Continued CMP growth on top of a static incentive fund base will result in a reduction of available incentive funding, discouraging counties from participating in the CMP unless this request is approved.

The number of Collaborative Management Programs created under H.B. 04-1451 has grown significantly over the last several years. As of July 2007, there are 18 counties participating in these programs. The Division of Youth Corrections acknowledges the benefit these programs provide in improving the provision of services to children and families. However, while the number of H.B. 04-1451 programs has increased significantly over the last several years, the resources available in DYC to support these programs have remained constant. As a result, the Division's four regional management offices are often unable to allocate staff time to participate in the ongoing and periodic workload requirements these programs demand. DYC regional directors and other regional staff are not able to participate in all of these efforts given other job duties, the number of H.B. 04-1451 programs, and the travel time required in the rural areas of the State. The challenge is to ensure participation and partnering with each local Interagency Oversight Group (IOG) through meeting attendance, providing liaison to each of the counties, fully understanding the goals and objectives of each county's project (as they all differ) participation in planning sessions, and ensuring that DYC is partnering with the local Counties and contributing valuable human resources. DYC believes it is important

to fully participate in these local meetings and planning sessions to continue to be a partner in this ongoing process.

General Description of Request:

The Collaborative Management Program is designed to reduce duplication and eliminate fragmentation of services provided; increase the quality, appropriateness and effectiveness of services provided; encourage cost-sharing among service providers; and ultimately lead to better outcomes and cost reduction for services provided to multi-agency children and families. A hallmark of the CMP is the development of performance-based measures in the areas of child welfare (Child and Family Service Review/CFSR related), education, juvenile justice system, and health/mental health. Incentive funding is connected to successfully meeting performance-based measures that are developed by the locally based Interagency Oversight Group.

The IOG is a major strength of the program, permitting governance responsibilities to be shared between representatives of local agencies and family participants. Local agency resources are committed to the IOG; the IOG oversees, provides resources to, and supports the Individualized Service and Support Teams (ISSTs) that serve as a single primary point of entry for families and children. The family participates as the hub of the ISST as services are integrated to respond to their needs.

Data from the Child Welfare League of America show that nationally over 35% of children involved in the child welfare system enter into the juvenile justice system. Over 50% of the children in DYC commitment facilities possess a DSM-IV mental health diagnosis. This system integration effort is designed to reduce these numbers and to provide community based intervention at an earlier stage, creating opportunities for reducing system recidivism.

Spending authority for the Performance-based Collaborative Management Incentive Cash Fund (PCMICF) should be increased to provide a sufficient incentive for new counties to implement and for existing counties to maintain participation. Potential participating counties will be discouraged from implementation as the earned incentive base decreases as county participation proportionately increases. These participating counties must

currently invest in and support Program start-up and implementation. Earned incentive funds are available only after successfully meeting outcomes, 18 months after initial Program implementation.

The "Colorado Promise" addresses, among other priorities, education and health care. The H.B. 04-1451 program, through its systems integration efforts, brings service organizations, communities, and families to the table to work towards a supportive and stable educational environment for multi-system children. This systems integration effort also supports the creation and availability of physical and mental health care for multi-system children, contributing to the safety, well being, and permanent living situations that these Colorado children need to thrive. The H.B. 04-1451 systems integration program also focuses on economies for the state, in reducing duplicative efforts, and focuses on economies for multi-system families, in simplifying and streamlining access to needed services. This program is consistent with the "Colorado Promise"; full implementation will result in a legacy of cutting edge best practices state wide for multi-system children and families.

The DYC portion of this request is for 2.0 FTE General Professional IV H.B. 04-1451 Regional Coordinators to provide assistance and support to the Division's management regions in actively participating in the several H.B. 04-1451 programs across the state. The duties and responsibilities of these positions would include:

1) Working with the other H.B. 04-1451 participating agencies in each county to develop collaborative management processes;
2) Identifying, monitoring, and reporting on performance based measures related to the juvenile justice goals of each local H.B. 04-1451 program;
3) Assisting in the development and operation of individualized service and support teams to meet the needs of children and families;
4) Representing the Division at Interagency Oversight Group (IOG) meetings; and,
5) Serving as the Division's liaison and contact person to each of the participating counties.

Consequences if Not Funded:

Consequences include a limitation on the number of counties implementing the Collaborative Management Program due to a lack of incentives. This system integration and system reform initiative will not reach potential in reaching additional multi-agency families and children that would benefit from implementation. Community agencies will continue to conduct business as usual to the detriment of families and children. Families and children will continue to penetrate and to rotate through the system; the "child welfare system to juvenile justice system to adult corrections pipeline" will continue unabated. The Collaborative Management Program promise will remain unfilled for many children and families.

If the DYC request for $122,372 and 2.0 FTE is not funded, the Division will not be able to actively participate in the growing number of H.B. 04-1451 programs across the State. As a result, the ability of these programs to fully provide collaborative management of multi-agency programs providing services to juveniles served by DYC and their families will be restricted. As a result, the cost benefit (discussed below) realized from interagency coordination of services to juveniles will not be fully realized.

Calculations for Request:

Summary of Request FY 2008-09	Total Funds	General Fund	Cash Funds	Cash Funds Exempt	Federal Funds	FTE
Total Request	$622,372	$122,372	$0	$500,000	$0	1.8
Earned incentive funds	$500,000	$0	$0	$500,000	$0	0.0
H.B. 04-1451 Regional Coordinators	$122,372	$122,372	$0	$0	$0	1.8

Summary of Request FY 2009-10	Total Funds	General Fund	Cash Funds	Cash Funds Exempt	Federal Funds	FTE
Total Request	$626,262	$126,262	$0	$500,000	$0	2.0
Earned incentive funds	$500,000	$0	$0	$500,000	$0	0.0
H.B. 04-1451 Regional Coordinators	$126,262	$126,262	$0	$0	$0	2.0

Assumptions for Calculations:

The amount of $500,000 increase in the spending authority will support implementation by additional counties for FY 2008-09 given the current fund balance.

FTE and Operating Costs				GRAND TOTAL	
Fiscal Year(s) of Request		**FY 2008-09**	**FY 2009-10**	**FY 2008-09**	**FY 2009-10**
PERSONAL SERVICES	**Title:**	**General Professional IV**			
Number of PERSONS / class title		2	2		
Number of months working in FY 2008-09 and FY 2009-10		12	12		
Number months paid in FY 2008-09 and FY 2009-10*		11	12		
Calculated FTE per classification		**1.8**	**2.0**	1.8	2.0
Annual base salary		$54,360	$54,360		
Salary		$99,660	$108,720	$99,660	$108,720
PERA	**10.15%**	$10,115	$11,035	$10,115	$11,035
Medicare	**1.45%**	$1,445	$1,576	$1,445	$1,576
Prior Year SAED	**N/A**	$0	$747	$0	$747
Subtotal Personal Services at Division Level		**$111,220**	**$122,078**	**$111,220**	**$122,078**
Subtotal AED at EDO Long Bill Group Level	**1.60%**	**$1,595**	**$1,740**	**$1,595**	**$1,740**
Subtotal SAED at EDO Long Bill Group Level	**Varies**	**$747**	**$544**	**$747**	**$544**
OPERATING EXPENSES					
Supplies @ $500/$500***	**$500**	$1,000	$1,000	$1,000	$1,000
Computer @ $900/$0	**$900**	$1,800	$0	$1,800	$0
Office Suite Software @ $330/$0	**$330**	$660	$0	$660	$0
Office Equipment @ $2,225 /$0	**$2,225**	$4,450	$0	$4,450	$0
Telephone Base @ $450/$450***	**$450**	$900	$900	$900	$900
Subtotal Operating Expenses		**$8,810**	**$1,900**	**$8,810**	**$1,900**
GRAND TOTAL ALL COSTS		**$122,372**	**$126,262**	**$122,372**	**$126,262**

Impact on Other Government Agencies:

The CMP performance based measures include education, juvenile justice, and health / mental health. Meeting these outcomes in each of these areas will benefit multi-agency families and children as well as positively impact on the outcomes achieved in these state and local agencies. Successful outcomes will support permanence, safety, and improved family functioning for participating families.

Cost Benefit Analysis:

In 2004, the Washington State Institute for Public Policy identified that for every dollar spent on interagency coordination for programs provided to juveniles and their families, a benefit of $13.58 is created.

Counties that enter into the CMP must wait until their performance-based outcomes are evaluated before they are eligible for any earned incentive funds. These funds are generally available sixteen months after CMP implementation. The CMP counties are dependent upon direct and in-kind contributions by the identified partners, particularly in the first year of operation.

Counties active in the program since SFY 2005-2006 have cumulatively reported a reduction in children entering out of home care, a reduction of children dropping out of school and being reported as truant, a reduction in hospitalization and/or residential treatment placement, and an increase in youth successfully completing probation. Counties have not cumulatively reported a reduction in the number of children served. These counties estimate a 12-month reinvestment of savings of $2.9 million.

The participating counties have had difficulty definitively determining reinvestment savings due to the Collaborative Management Program, as evaluation resources have not been made available to conduct a thorough evaluation of the program. The evaluation would provide valuable program information and report on the data gathered by the many local agency CMP partners using resources from diverse areas, such as Medicaid, juvenile justice, county-only programs, and local school districts.

Counties are reporting unforeseen benefits from their participation in the Collaborative Management Program. Two adjacent participating CMP counties have reported that due

to increased collaboration between their Interagency Oversight Groups they were jointly awarded a five year, $5 million dollar grant that will permit the development of joint residential and transitional services for families recovering from methamphetamine addiction as well as the development and expansion of family drug courts in both counties. The collaboration and engagement of the county IOGs were instrumental in this award.

Implementation Schedule:

Task	Month/Year
FTE Hired	July 1, 2008

Statutory and Federal Authority:

Section 24-1.9-102 C.R.S. (2007), Memorandum of understanding - local-level interagency oversight groups - individualized service and support teams - coordination of services for children and families - requirements – waiver.

(1) (a) Local representatives of each of the agencies specified in this paragraph (a) and county departments of social services may enter into memorandums of understanding that are designed to promote a collaborative system of local-level interagency oversight groups and individualized service and support teams to coordinate and manage the provision of services to children and families who would benefit from integrated multi-agency services. The memorandums of understanding entered into pursuant to this subsection (1) shall be between interested county departments of social services and local representatives of each of the following agencies:

(I) The local judicial districts, including probation services;

(II) The health department, whether a county, district, or regional health department;

(III) The local school district or school districts;

(IV) Each community mental health center; and

(V) Each mental health assessment and service agency.

(b) The general assembly strongly encourages the agencies specified in paragraph (a) of this subsection (1) to enter into memorandums of understanding that are regional.

(c) Notwithstanding the provisions of paragraph (b) of this subsection (1), the agencies specified in paragraph (a) of this subsection (1) may enter into memorandums of understanding involving only one or more county departments of social services, not necessarily by region, as may be appropriate to ensure the effectiveness of local-level interagency oversight groups and individualized service and support teams in the county or counties.

(d) In developing the memorandums of understanding, the general assembly strongly encourages the parties to the memorandums of understanding specified in paragraph (a) of this subsection (1) to seek input, support, and collaboration from key stakeholders in the private and non-profit sector, as well as parent advocacy or family advocacy organizations that represent family members or caregivers of children who would benefit from multi-agency services.

(e) Nothing shall preclude the agencies specified in paragraph (a) of this subsection (1) from including parties in addition to the agencies specified in paragraph (a) of this subsection (1) in the memorandums of understanding developed for purposes of this section.

(2) (a) Each memorandum of understanding entered into shall include, but is not limited to, the requirements specified in paragraphs (b) to (j) of this subsection (2). On or before October 1, 2004, utilizing moneys in the performance incentive cash fund created in section 26-5-105.5 (3.2) (a), C.R.S. (2007), the state department of human services, in conjunction with the judicial department, shall develop and make available to the parties specified in paragraph (a) of subsection (1) of this section, a model memorandum of understanding based on the requirements specified in paragraphs (b) to (j) of this subsection (2).

(b) **Identification of services and funding sources.** The memorandum of understanding shall specify the legal responsibilities and funding sources of each party to the

memorandum of understanding specified in paragraph (a) of subsection (1) of this section as those responsibilities and funding sources relate to children and families who would benefit from integrated multi-agency services, including the identification of the specific services that may be provided. Specific services that may be provided may include, but are not limited to: Prevention, intervention, and treatment services; family preservation services; family stabilization services; out-of-home placement services; services for children at imminent risk of out-of-home placement; probation services; services for children with mental illness; public assistance services; medical assistance services; child welfare services; and any additional services which the parties deem necessary to identify.

(c) **Definition of the population to be served.** The memorandum of understanding shall include a functional definition of "children and families who would benefit from integrated multi-agency services".

(d) **Creation of an oversight group.** The memorandum of understanding shall create a local-level interagency oversight group and identify the oversight group's membership requirements, procedures for selection of officers, procedures for resolving disputes by a majority vote of those members authorized to vote, and procedures for establishing any necessary subcommittees of the interagency oversight group. Each interagency oversight group shall include a local representative of each party to the memorandum of understanding specified in paragraph (a) of subsection (1) of this section, each of whom shall be a voting member of the interagency oversight group. In addition, the interagency oversight group may include, but is not limited to, the following advisory nonvoting members:

(I) Representatives of interested local private sector entities; and

(II) Family members or caregivers of children who would benefit from integrated multi-agency services or current or previous consumers of integrated multi-agency services.

(e) **Establishment of collaborative management processes.** The memorandum of understanding shall require the interagency oversight group to establish collaborative management processes to be utilized by individualized service and support teams

authorized pursuant to paragraph (f) of this subsection (2) when providing services to children and families served by the parties to the memorandum of understanding. The collaborative management processes required to be established by the interagency oversight group shall address risk-sharing, resource-pooling, performance expectations, outcome-monitoring, and staff-training, and shall be designed to do the following:

(I) Reduce duplication and eliminate fragmentation of services provided to children or families who would benefit from integrated multi-agency services;

(II) Increase the quality, appropriateness, and effectiveness of services delivered to children or families who would benefit from integrated multi-agency services to achieve better outcomes for these children and families; and

(III) Encourage cost sharing among service providers.

(f) **Authorization to create individualized service and support teams.** The memorandum of understanding shall include authorization for the interagency oversight group to establish individualized service and support teams to develop a service and support plan and to provide services to children and families who would benefit from integrated multi-agency services.

(g) **Authorization to contribute resources and funding.** The memorandum of understanding shall specify that each party to the memorandum of understanding specified in paragraph (a) of subsection (1) of this section has the authority to contribute time, resources, and funding to solve problems identified by the local-level interagency oversight group in order to create a seamless, collaborative system of delivering multi-agency services to children and families, upon approval by the head or director of each agency or department specified in paragraph (a) of subsection (1) of this section.

(h) **Reinvestment of moneys saved to serve additional children and families.** (I) The memorandum of understanding shall require the interagency oversight group to create a procedure, subject to approval by the head or director of each agency or department specified in paragraph (a) of subsection (1) of this section, to allow any moneys resulting from waivers granted by the federal government and any state general fund savings

realized as a result of the implementation of the collaborative system of management of multi-agency services provided to children and families related to the funding sources specified by the parties to the memorandum of understanding pursuant to paragraph (b) of this subsection (2) to be reinvested by the parties to the memorandum of understanding to provide appropriate services to children and families who would benefit from integrated multi-agency services, as such population is defined by the memorandum of understanding pursuant to paragraph (c) of this subsection (2).

(II) A county that has implemented a collaborative management process for services to children and families, which services are not included as services to be provided to children and families who would benefit from integrated multi-agency services in the memorandum of understanding pursuant to paragraph (b) of this subsection (2), and that under spends the general fund portion of its capped or targeted allocation may use the general fund portion of its capped or targeted allocation for provision of existing services for such children and families in the county.

(i) **Performance-based measures.** The memorandum of understanding shall include a provision stating whether the parties to the memorandum of understanding will attempt to meet performance measures specified by the department of human services and elements of collaborative management, as defined by rule of the state board of human services. If the parties to the memorandum of understanding agree to attempt to meet the performance measures and elements of collaborative management, the memorandum of understanding shall require the interagency oversight group to create a procedure, subject to the approval of the head or director of each agency or department specified in paragraph (a) of subsection (1) of this section, to allow any incentive moneys received by the department of human services and allocated pursuant to section 24-1.9-104 C.R.S. (2007) to be reinvested by the parties to the memorandum of understanding to provide appropriate services to children and families who would benefit from integrated multi-agency services, as such population is defined by the memorandum of understanding pursuant to paragraph (c) of this subsection (2).

(j) **Confidentiality compliance.** The memorandum of understanding shall include a provision specifying that state and federal law concerning confidentiality shall be

followed and that records used or developed by the interagency oversight group or its members or the individualized service and support teams that relate to a particular person are to be kept confidential and may not be released to any other person or agency except as provided by law.

(3) Each department or division, section, unit, or agency within a department that is a party to the memorandum of understanding shall enter into the memorandum of understanding and all revisions to the memorandum. Revisions to the memorandum shall be developed as necessary to reflect department reorganizations or statutory changes affecting the departments that are parties to the memorandum.

(4) The departments and agencies that provide oversight to the parties to the memorandum of understanding specified in paragraph (a) of subsection (1) of this section are authorized to issue waivers of any rules to which the departments and agencies are subject and that would prevent the departments from effective implementation of the memorandums of understanding, however, the departments and agencies are prohibited from waiving a rule in violation of federal law or that would compromise the safety of a child.

Section 24-1.9-104 C.R.S. (2007) **Cash fund - creation - grants, gifts, and donations.** (1) On July 1, 2005, there shall be created in the state treasury the performance-based collaborative management incentive cash fund, which shall be referred to in this section as the "fund". The moneys in the fund shall be subject to annual appropriation by the general assembly to the department of human services for state fiscal year 2005-06 and each fiscal year thereafter. On July 1, 2006, the state treasurer shall transfer the moneys in the performance incentive cash fund created pursuant to section 26-5-105.5 (3.2) (a), C.R.S. (2007), to the fund. In addition, on July 1, 2006, the state treasurer shall transfer the moneys remaining in the family stabilization services fund created pursuant to section 19-1-125, C.R.S. (2007), to the fund. The fund shall also consist of moneys received from docket fees in civil actions as specified in section 13-32-101 (1) (a), C.R.S. (2007).

(2) The executive director of the department of human services is authorized to accept and expend on behalf of the state any grants, gifts, or donations from any private or public source for the purposes of this section. All private and public funds received through grants, gifts, or donations shall be transmitted to the state treasurer, who shall credit the same to the fund in addition to moneys credited pursuant to subsection (1) of this section and any moneys that may be appropriated to the fund directly by the general assembly. All investment earnings derived from the deposit and investment of moneys in the fund shall remain in the fund and shall not be transferred or revert to the general fund of the state or any other fund at the end of any fiscal year.

(3) (a) On and after July 1, 2005, the executive director of the department of human services shall allocate the moneys in the fund to provide incentives to parties to a memorandum of understanding who have agreed to performance-based collaborative management pursuant to section 24-1.9-102 (2) (i) C.R.S. (2007), and who have successfully implemented the elements of collaborative management specified by rule of the state board and also met or exceeded the performance measures specified by the department of human services. The incentives shall be used to provide services to children and families who would benefit from integrated multi-agency services, as such population is defined by the memorandum of understanding pursuant to section 24-1.9-102 (2) (c) C.R.S. (2007).

(b) For purposes of allocating incentive moneys in the fund pursuant to this subsection (3), the executive director of the department of human services shall submit an accounting of moneys in the fund available for incentives and a proposal for the allocation of incentive moneys to the state board of human services for review and approval prior to the allocation of the moneys. The state board of human services shall approve the proposal not later than thirty days after receipt of the proposal from the executive director of the department of human services.

Performance Measures:

Completion of program evaluation by February 2009.

Technical assistance provided to implementing and ongoing counties: SFY 2008, SFY 2009.

Addition of participating counties and regions: July 2008 and July 2009.
Counties will receive earned incentive funds for meeting outcomes in areas of child welfare, juvenile justice, education, and health / mental health: November 2008 and November 2009.

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