

Policy Priority

**Invest in the Colorado Behavioral Health Workforce**

Non-profit, community-based providers need to maintain a highly trained, stable workforce that can provide the safety-net services upon which Coloradans depend to keep our state healthy. Over the past 21 years, community provider inflationary increases have fallen so far behind that providers have lost more than 36.7% of their spending power as compared to the inflation rate across our state. Additionally, compared to State employee salary survey increases, community providers have lagged by 33.5%. **Without adequate rate increases, providers in the safety net system cannot compete with the growing healthcare industry, especially at a time when Colorado communities expect more services by the providers whose mission it is to serve all Coloradans regardless of their ability to pay.**

***For these reasons, we are proposing a 5% targeted increase in behavioral health workforce salaries, at a cost of $12.06M in General Funds.***

**The Facts**

In FY ’20, the Department of Human Services requested a 22% salary increase over two fiscal years in their Veterans Centers and Youth Services facilities because they believed that direct care salaries were too low and are resulting in unacceptable levels of staff turnover. As can be seen below, things are as bad or far worse in the community:

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| **Turnover Rates** | **State** | **CMHCs** |
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| Direct Care Staff | 26% | 26% |
| Nurses | 12%-28% | 30% |
| Social Work/Counselors | 0%-25% | 30% |

In terms of annual salaries, the differences are striking:

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| **Average Annual Salary** | **State** | **CMHCs** | **% Difference** |
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| Clinical Therapists | $53,512 | $48,233 | 10% |
| Psychologists | $98,938 | $73,032 | 26% |
| Social Work/Counselors | $63,435 | $54,772 | 14% |

Why are the increases for providers so low? Perhaps the following facts will show where the money has gone:

* Over the past 7 fiscal years, the State’s salary base has increased by 38.2%.
* Over the past 9 fiscal years, State health, life, and dental appropriations have increased by 101.4%.
* Over the past 9 fiscal years, State amortization payment appropriations to PERA have increased by 342.3%.
* For FY ’21, the Governor is requesting a 7.8% General Fund increase in all State payments to PERA.

**Policy Implications**

The State and its community-based providers are at an important crossroads in terms of our behavioral healthcare system. With the move from BHOs to RAEs, the State is taking significant steps in the integration of physical and behavioral health treatment. The community is committed to this policy as well, but without adequate resources, community-based safety net providers are unable to compete for dedicated, competent, and passionate employees. Our workforce is rapidly becoming one in which, due to inadequate salaries and significant turnover, we are finding it impossible to attract and retain the kind of workforce that the State envisions for its move toward integrated care.

**An Update on Our Workforce Issue**

Last fiscal year the General Assembly appropriated funds for a 2% targeted behavioral health workforce increase. Despite this action, we continue to be 31.9% below the salary survey data, and 35.4% below the CPI data. This year we are 33.5% below the salary survey data, and 36.7% below the CPI data. In other words, **despite the targeted 2% workforce increase, we continue to lose ground compared to State salaries as well as the cost of living. This will worsen even further given the Governor’s request for a 2% salary survey increase vs. a community provider rate increase of only 0.5%.**

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| **Cost to Operationalize CBHC Policy Priority to Invest in the Colorado Behavioral Health Workforce** | | | |
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| **FY ’20 Long Bill Group Base** | **General Funds** | **Cost of a 5% Increase** |
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| OBH Community-Based MH Services | $47,081,699 |  |
| SUD Total Appropriation | $16,195,886 |  |
| Behavioral Health Crisis Response System Services | $28,079,269 |  |
| Community Transition Services | $7,311,134 |  |
| Criminal Justice Diversion Programs | $1,552,124 |  |
| Jail-Based Behavioral Health Services | $2,250,400 |  |
| Circle Prog. & Rural Co-Occurring Disorder Services | $3,090,019 |  |
|  |  |  |
| Total DHS Behavioral Health Appropriations | $105,560,531 | $5,278,027 |
| Multiplied by 71.4% as that is the % of all CMHC costs for employee compensation | | **3,768,511** |
|  |  |  |
| HCPF Behavioral Health Community Programs | $232,219,820 | $11,610,991 |
| Multiplied by 71.4% as that is the % of all CMHC costs for employee compensation | | **$8,290,248** |
|  | |  |
| **Total General Fund Amount Needed** | | **$12,058,759** |