

Invest in the Colorado Behavioral Health Workforce

State-contracted, 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 22 years, community provider inflationary increases have fallen so far behind that providers have lost more than 30.1% 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 27.8%. **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.**

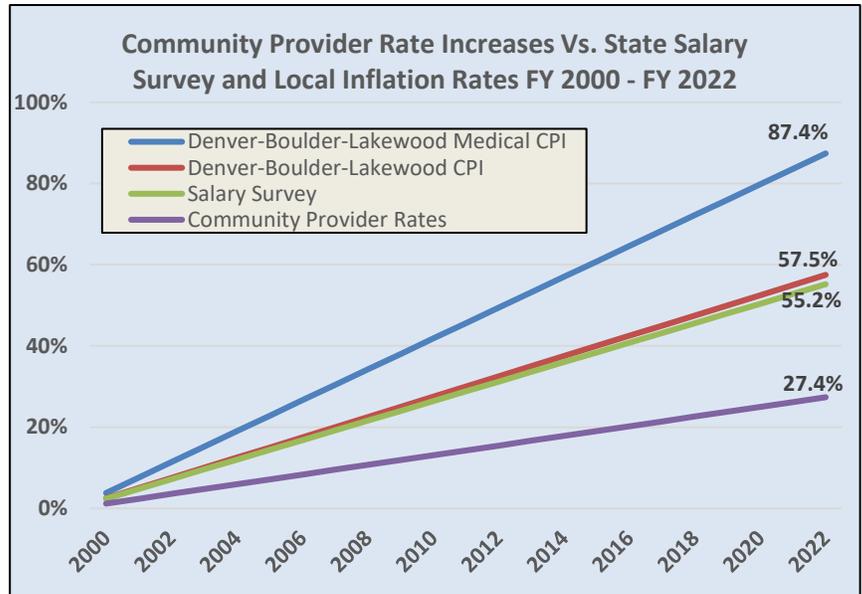
For these reasons, we are proposing a 5% targeted rate increase in behavioral health workforce salaries, at a cost of \$10.48M in General Funds.

The Facts

In FY '20, the Community Mental Health Centers received a 1% statewide community provider rate increase, along with just under \$2.0M as a targeted rate increase. For FY '22, the Centers received a 2.5% rate increase. The additional funding has helped improve wages over the past couple years; however, the Centers need additional State investment in order to maintain a highly trained, stable workforce.

Below are Center turnover rates compared to Health Care Services in the Office of Behavioral Health (data from CDHS' multi-department RFI #1):

FY '21 Turnover Rates	CMHCs	State
Direct Care Staff	26%	-
Social Work/Counselors	30%	-
OBH, Health Care Services	-	17%



Turnover rates are considerably high for CMHC direct care staff, social workers, and counselors. High turnover rates at CMHCs result in increased costs associated with hiring and training their workforce. If the Centers are able to pay a more competitive wage, more resources would be available for improving timely access to services for communities. In terms of annual salaries, the differences between the State and CMHCs are striking:

Average Annual Salary	State	CMHCs	% Difference
Mental Health Clinicians	\$45,604	\$43,513	5%
Psychologists	\$103,863	\$90,798	13%
Social Work/Counselors	\$66,032	\$49,913	24%

Policy Implications

The State and its community-based providers are at an important crossroads. Colorado has taken significant steps in reforming its behavioral health system and providers are committed to collaborating with the State to help reach shared policy goals. Without rates that have simply tracked inflation, however, Colorado's community-based safety net providers are at a disadvantage when it comes to competing for licensed professionals and other experienced 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 Coloradans need now more than ever due to the impact of the COVID pandemic.

Cost to Operationalize CBHC Policy Priority to Invest in the Colorado Behavioral Health Workforce		
FY '23 Long Bill Group Base Request	General Funds	Cost of a 5% Increase
OBH Community-Based MH Services	\$48,250,638	
Substance Use Disorder Services	\$16,302,936	
Behavioral Health Crisis Response System Services	\$25,123,310	
Community Transition Services	\$7,443,069	
Jail-Based Behavioral Health Services	10,577,447	
Circle Prog. & Rural Co-Occurring Disorder Services	\$595,608	
Total DHS Behavioral Health Request	\$117,440,506	\$5,872,025
Multiplied by 71% as that is the % of all CMHC costs for employee compensation		4,169,138
HCPF Behavioral Health Capitation Program	\$256,073,133	\$8,885,738
Multiplied by 71% as that is the % of all CMHC costs for employee compensation		\$6,308,874
Total General Fund Amount Needed		\$10,478,012

The table below reflects the General Fund cost of various targeted rate increases, following the same methodology as above.

Targeted Rate Increase	General Fund Cost
<i>1% increase</i>	\$2,095,602
<i>2% increase</i>	\$4,191,205
<i>3% increase</i>	\$6,286,807
<i>4% increase</i>	\$8,382,409
<i>5% increase</i>	\$10,478,012
<i>6% increase</i>	\$12,573,614
<i>7% increase</i>	\$14,669,216
<i>8% increase</i>	\$16,764,819
<i>9% increase</i>	\$18,860,421
<i>10% increase</i>	\$20,956,023

Sources

Inflation Data:

- Bureau of Labor and Statistics, https://www.bls.gov/regions/mountain-plains/data/consumerpriceindexhistorical_selectedareas_table.htm
- JBC Memorandum regarding *Targeted Rate Increase for Behavioral Health Providers* prepared by Carolyn Kampman and presented on March 5, 2019.

Salary Survey and Community Provider Rates:

- JBC Memorandum regarding *Targeted Rate Increase for Behavioral Health Providers* prepared by Carolyn Kampman and presented on March 5, 2019.
- Department of Personnel & Administration Annual Compensation Reports, <https://dhr.colorado.gov/dhr-resources/annual-compensation-reports>

Turnover and Salary Data:

- CMHC surveys conducted by Colorado Behavioral Healthcare Council
- State turnover data came from Colorado Department of Human Services' multi-departmental RFI #1, <https://drive.google.com/drive/folders/1kkIzbCFh18driH8y76PKp9ey6T--NZt8>
- State salary data came from Colorado Department of Human Services' FY23 Schedule 14a for OBH, <https://drive.google.com/drive/folders/1bIES5otODsCcoNKx1zvV0ObMpYfQsbkT>

State Budget Data:

- All budget figures come from the Department of Human Services' FY23 Governor's Budget Request, <https://drive.google.com/drive/folders/1bIES5otODsCcoNKx1zvV0ObMpYfQsbkT>