



FOR IMMEDIATE RELEASE

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**COMMUNITY MENTAL HEALTH CENTER IMPLEMENTS WORKFORCE REDUCTION
FOLLOWING A SIGNIFICANT RISE IN THE NUMBER OF PEOPLE WITHOUT INSURANCE
NEEDING CARE AND CHANGES IN MEDICAID REIMBURSEMENT.**

Wheat Ridge, CO — October 2, 2024— Jefferson Center has announced a workforce reduction impacting 25 employees, about 3% of total staff, from their administrative and clinical teams. This difficult decision comes after months of efforts to mitigate the impact of severe revenue challenges caused by a decline in Medicaid enrollment and the steep rise in uncompensated care to the increasing number of individuals without insurance. The added strain of a new Medicaid reimbursement model introduced by the State of Colorado has compounded revenue issues.

The recent end of continuous coverage and resulting Medicaid disenrollments have significantly impacted communities across Colorado, with 38% of Medicaid enrollees losing their health insurance. This has dramatically impacted people’s ability to address their healthcare needs and has led to uncompensated care for thousands of individuals without insurance at Jefferson Center.

Jefferson Center’s CEO, Kiara Kuenzler, has been raising concerns since last November about the alarming decline in disenrollments and the high number of people who have lost coverage and are now struggling to address their healthcare and basic needs.

“While we anticipated and prepared for the Medicaid unwind, the number of disenrollments in our communities and the financial impact to providers like us was much more significant than the State had projected,” said Kiara Kuenzler, CEO and President at Jefferson Center.

At the start of the 2024-25 fiscal year, Jefferson Center faced a \$10 million shortfall between projected revenue and ongoing operational expenses. To address these financial challenges, Jefferson Center initially implemented several cost-saving measures, such as improving billing tools and workflows, administrative efficiencies and postponing non-urgent expenses, selling property, and providing targeted support to help uninsured individuals navigate the complex process of applying for Medicaid. Other non-workforce expense reduction and new revenue

generating initiatives are also underway. Additionally, the organization eliminated several vacant positions and consolidated teams to maximize resources.

Jefferson Center is also grateful for the generosity and commitment of several key community partners, foundations, and municipal and county governments who provided an additional \$2.75 million in financial support to address these challenges. The cost-saving measures and emergency funding helped reduce their budgetary gap and allowed the Center to reduce the extent of the workforce reduction.

“At a time when our communities need behavioral healthcare more than ever, when we are struggling in Colorado with some of the highest levels of suicide and overdose deaths, it is heartbreaking to reduce capacity and access to clinical care,” said Kiara Kuenzler, CEO and President at Jefferson Center. “Staff reductions was a last resort measure, after implementing all other options to balance our budget. We have taken this step now to ensure our financial sustainability and to guarantee that we can continue providing the vital mental health and crisis care, and substance use services that so many people in our community rely on.”

Focusing on Client Care

Jefferson Center prioritizes client care and is focused on supporting clients who may be affected. Their clinical teams are working closely with clients to facilitate transitions to new providers, prioritizing their clinical needs and ensuring continuity of care.

The organization has established protocols for handling transitions when a clinician leaves for any reason and is using these best practices to assess when clients may benefit from a transitional session with their clinician, a conversation with their care manager, or other personalized approaches. Whenever appropriate, departing staff will have the opportunity to meet with their clients for a final conversation, ensuring a compassionate and meaningful closure.

People with the highest need are surrounded by a dedicated team of care professionals—case managers, peer specialists, medical providers, therapists, and others. These team members are already reaching out to make sure those clients feel supported and cared for during this transition.

Caring for Released Staff

Affected staff will receive 30 days of additional pay through Nov. 1, 2024, in lieu of severance, an extension of health insurance benefits for 2 months through the end of November, and access to mental health support and job transition resources.

“We are grateful for the dedication and hard work of our staff and will support them as they transition during this challenging time,” Kuenzler added. “Our focus remains on our mission and ensuring that we have the financial sustainability to be here for the people who need us now and in the future.”

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About Jefferson Center for Mental Health

Jefferson Center for Mental Health has served their communities for more than 66 years and provides quality care and support through a whole-person approach to mental health and wellness.

As a community mental health provider, Jefferson Center is founded on the belief that quality mental health and wellness care should be accessible to all regardless of age, creed, background, or financial means. With an exceptional, dedicated team of more than 600 licensed professional care providers, Jefferson Center supports its communities both daily and in their times of greatest need, as a willing partner and resource for anyone and everyone. For more information, visit JCMH.org.