

HOUSE APPROPRIATIONS COMMITTEE  
HEALTH AND HUMAN RESOURCES  
SUBCOMMITTEE

Department of Social Services  
Governor's Budget Amendments  
Margaret Ross Schultze, Commissioner

January 14, 2014

# Presentation Highlights

2

- Department Overview
- The DSS Budget
- Governor's Budget Amendments
- Questions/Summary

# Department Overview

3

- State Supervised/Locally Administered
  - ▣ Child Welfare
  - ▣ SNAP
  - ▣ TANF
  - ▣ Unemployed Parent
  - ▣ Child Care
  - ▣ Medicaid
  - ▣ Energy Assistance
- State Administered
  - ▣ Child Support Enforcement
  - ▣ Licensing

# The DSS Budget

4

- One of the five largest in State Government
- Funding for the Department's budget consists of state, federal, special and local funds
- During SFY13, Department funding drew upon 38 different federal funding streams
- The statewide economic impact from Department funding and programs for which the Department determines eligibility exceeds \$9.1 B annually

# The DSS Budget

5

## SFY13 Spending By Fund Source

□ Federal block grants	\$ 431M	21%
□ Federal entitlements	\$ 312M	15%
□ CSE	\$ 682M	33%
□ General	\$ 378M	18%
□ Local Match	\$ 222M	11%
□ <u>Special/Other</u>	\$ 38M	<2%
□ Total Spending	\$2.062B	100%

# The DSS Budget

6

## SFY13 Spending By Program Area

□ Child Support Enforcement	\$744M	36%
□ Local Department Operations	\$573M	28%
□ Self-Sufficiency	\$269M	13%
□ Child Welfare Services	\$169M	8%
□ Supplemental Assistance	\$ 93M	5%
□ Administration and Support*	\$ 89M	3%
□ Adult Programs	\$ 40M	2%
□ Non-state entities	\$ 35M	2%
□ Program Management	\$ 33M	2%
□ Licensing/ Facility Regulation	\$ 15M	<1%

\*includes \$40M in VITA service payments

# The DSS Budget

7

## SFY13 General Fund Spending By Program Area

□ <b>Local Department Operations</b>	<b>\$115M</b>	<b>30%</b>
□ <b>Child Welfare Services</b>	<b>\$ 90M</b>	<b>24%</b>
□ <b>Self-Sufficiency</b>	<b>\$ 83M</b>	<b>22%</b>
□ <b>Administration and Support*</b>	<b>\$ 34M</b>	<b>9%</b>
□ <b>Adult Programs</b>	<b>\$ 23M</b>	<b>6%</b>
□ <b>Program Management</b>	<b>\$ 16M</b>	<b>4%</b>
□ <b>Child Support Enforcement</b>	<b>\$ 7M</b>	<b>2%</b>
□ <b>Non-state entities</b>	<b>\$ 4M</b>	<b>1%</b>
□ <b>Licensing/Facility Regulation</b>	<b>\$ 4M</b>	<b>1%</b>
□ <b>Supplemental Assistance</b>	<b>\$ &lt;1M</b>	<b>&lt;1%</b>
□ <b>Totals</b>	<b>\$ 378M</b>	<b>100%</b>

\*includes ~\$17M in VITA service payments

# Governor's Budget Amendments

## Adjust Eligibility Operations Funding

8

□ GF Savings from Enhanced Medicaid Funding	FY 15	FY 16
□ General Funds	(\$8.2M)	(\$8.2M)
□ Non-General Funds	\$19.4M	\$19.4M
□ Computer Operating Costs		
□ General Funds	\$3.4M	\$1.7M
□ Non-General Funds	\$8.8M	\$3.2M
□ Software Development Change Orders		
□ General Funds	\$ -	\$3.1M
□ Non-General Funds	\$ -	\$4.3M



# Governor's Budget Amendments

## Adjust Eligibility Operations Funding (cont.)

9

□	Transfer of FAMIS Caseload to LDSSs		
□	General Funds	\$1.8M	\$2.0M
□	Non-General Funds	\$ 2.9M	\$3.2M
□	Non-Medicaid Call Center		
□	General Funds	\$500K	\$500K
□	Non-General Funds	\$500K	\$500K
□	Net Cost/(Savings)		
□	General Funds	(\$2.5M)	(\$0.9M)
□	Non-General Funds	\$31.6M	\$30.5M

# Governor's Budget Amendments

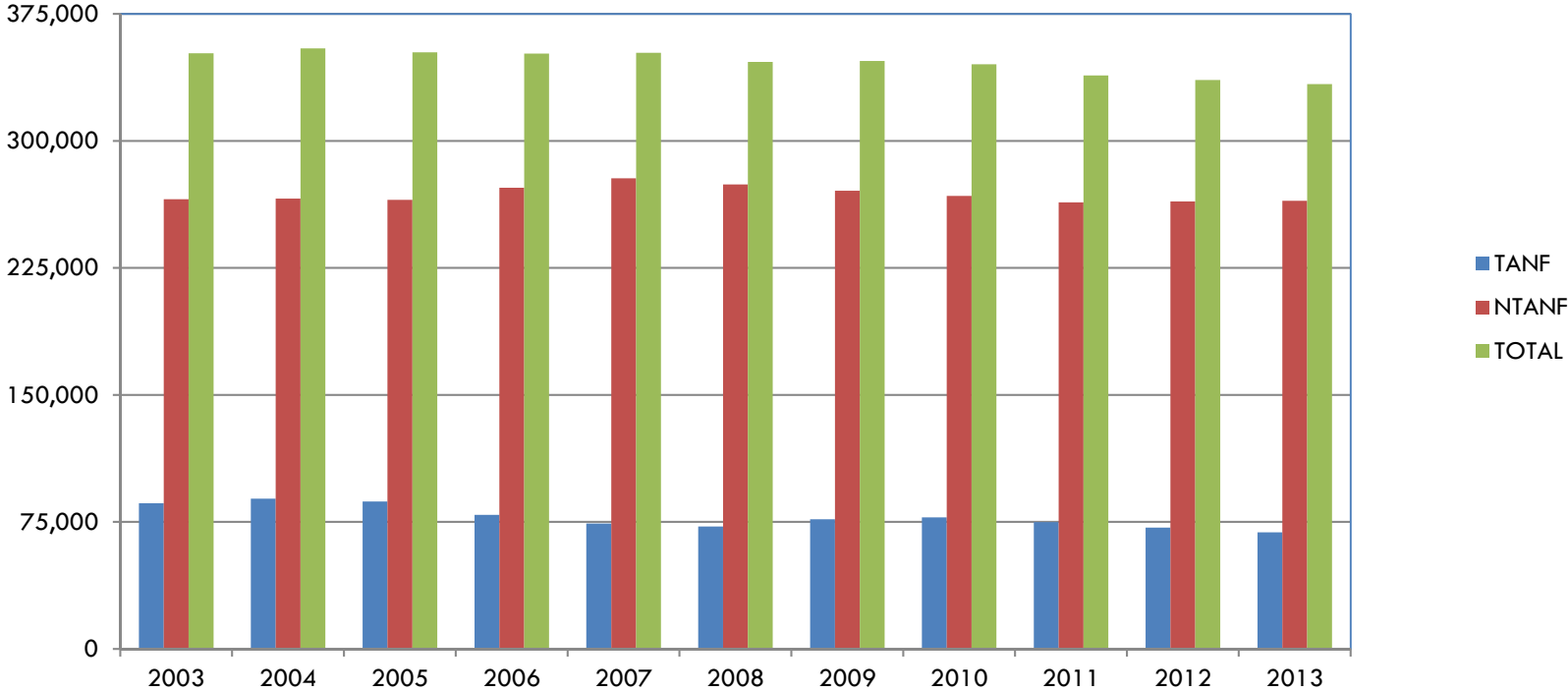
## TANF & Child Support Enforcement

10

	FY 15	FY 16
□ Forecast of TANF Mandated Expenses		
□ Non-General Funds	(\$18.6M)	(\$13.8M)
□ Offset NGF Reductions to Domestic Violence		
□ Non-General Funds	\$1.3M	\$1.3K
□ Offset Sequestration Cut to Child Welfare		
□ Non-General Funds	\$ 2.0M	\$2.0M
□ Child Support Enforcement Revenue Decrease		
□ General Funds	\$ 2.9M	\$ 2.9M
□ Non-General Funds	(\$ 2.9M)	(\$ 2.9M)

# Child Support Enforcement Caseload

2003 to 2013 Number of Child Support Cases



# Child Support Enforcement Program Efficiencies

12

- Move to all electronic case files.
- Create on-line application process.
- Centralize all mailing and scanning.
- Reduce call center usage by improving on-line customer access to case records.
- Continue to work with employers to encourage direct deposit of collections.

# Governor's Budget Amendments

## Child Welfare Services

<ul style="list-style-type: none"> <li>□ Fund Foster Care &amp; Adoptions Forecast</li> </ul>	<table border="0"> <tr> <td></td> <td style="text-align: right;">FY 15</td> <td style="text-align: right;">FY 16</td> </tr> </table>		FY 15	FY 16	
	FY 15	FY 16			
<ul style="list-style-type: none"> <li>□ General Funds</li> <li>□ Non-General Funds</li> </ul>	<table border="0"> <tr> <td style="text-align: right;">\$3.2M</td> <td style="text-align: right;">\$3.2M</td> </tr> <tr> <td style="text-align: right;">\$2.9M</td> <td style="text-align: right;">\$2.9M</td> </tr> </table>	\$3.2M	\$3.2M	\$2.9M	\$2.9M
\$3.2M	\$3.2M				
\$2.9M	\$2.9M				
<ul style="list-style-type: none"> <li>□ 3% COLA for Adoptions/FC Assistance</li> </ul>	<table border="0"> <tr> <td></td> <td style="text-align: right;">FY 15</td> <td style="text-align: right;">FY 16</td> </tr> </table>		FY 15	FY 16	
	FY 15	FY 16			
<ul style="list-style-type: none"> <li>□ General Funds</li> <li>□ Non-General Funds</li> </ul>	<table border="0"> <tr> <td style="text-align: right;">\$ 1.2M</td> <td style="text-align: right;">\$1.2M</td> </tr> <tr> <td style="text-align: right;">\$ 829K</td> <td style="text-align: right;">\$829K</td> </tr> </table>	\$ 1.2M	\$1.2M	\$ 829K	\$829K
\$ 1.2M	\$1.2M				
\$ 829K	\$829K				
<ul style="list-style-type: none"> <li>□ Negotiate Adoption Subsidies for LDSSs</li> </ul>	<table border="0"> <tr> <td></td> <td style="text-align: right;">FY 15</td> <td style="text-align: right;">FY 16</td> </tr> </table>		FY 15	FY 16	
	FY 15	FY 16			
<ul style="list-style-type: none"> <li>□ General Funds</li> <li>□ Non-General Funds</li> </ul>	<table border="0"> <tr> <td style="text-align: right;">\$358K</td> <td style="text-align: right;">\$226K</td> </tr> <tr> <td style="text-align: right;">\$342K</td> <td style="text-align: right;">\$216K</td> </tr> </table>	\$358K	\$226K	\$342K	\$216K
\$358K	\$226K				
\$342K	\$216K				
<ul style="list-style-type: none"> <li>□ FC &amp; Adoption Payments to Age 21</li> </ul>	<table border="0"> <tr> <td></td> <td style="text-align: right;">FY 15</td> <td style="text-align: right;">FY 16</td> </tr> </table>		FY 15	FY 16	
	FY 15	FY 16			
<ul style="list-style-type: none"> <li>□ General Funds</li> <li>□ Non-General Funds</li> </ul>	<table border="0"> <tr> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$4.8M</td> </tr> <tr> <td style="text-align: right;">\$ -</td> <td style="text-align: right;">\$8.4M</td> </tr> </table>	\$ -	\$4.8M	\$ -	\$8.4M
\$ -	\$4.8M				
\$ -	\$8.4M				

# FC & Adoption Payments to Age 21 Proposal

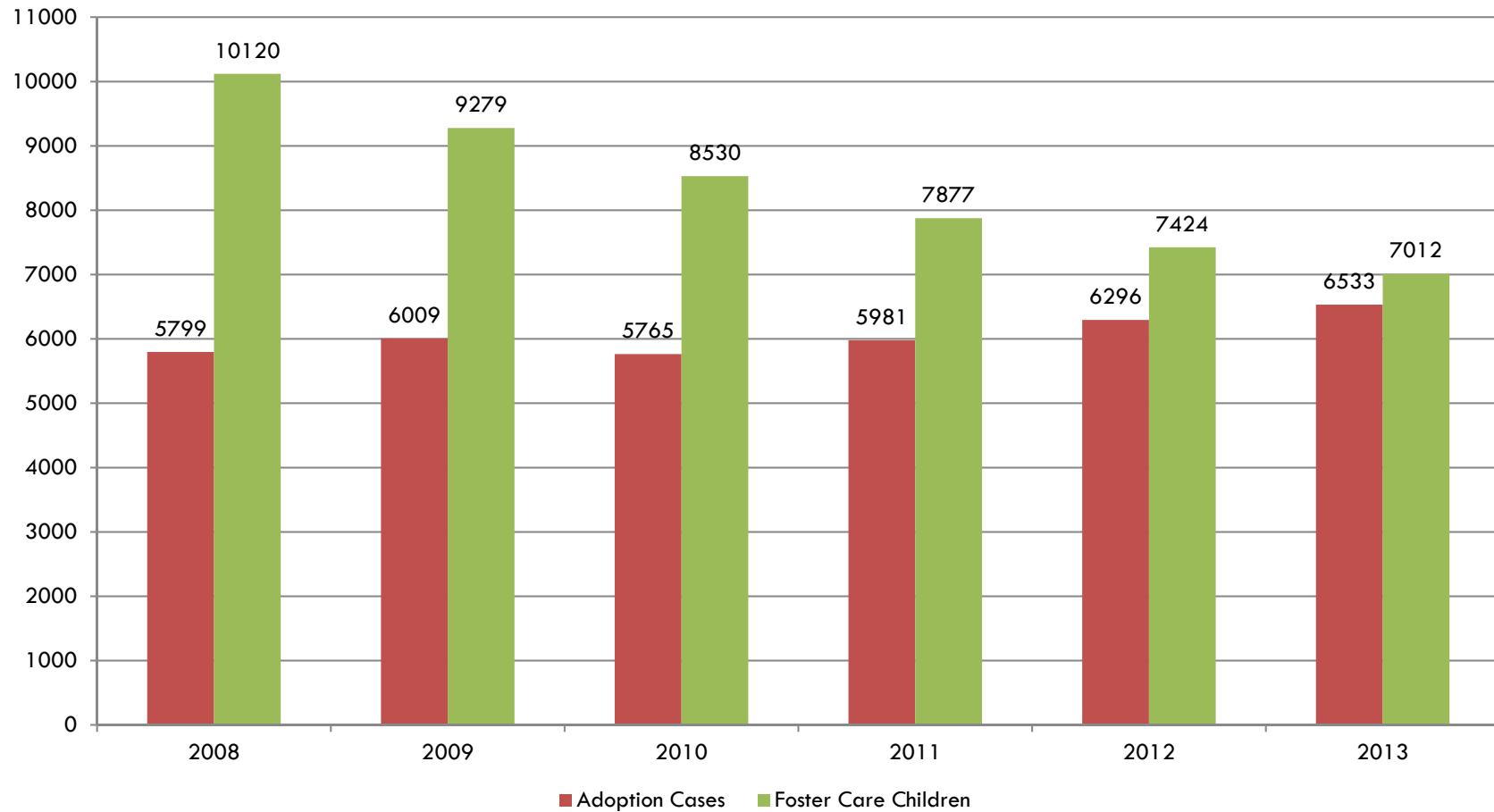
14

- Major Provisions of the Foster Connections Act (FCA)
  - ▣ Foster care: Youth who turn 18 while in foster care can continue to receive support and services until age 21.
  - ▣ Adoption Assistance: Individuals adopted at age 16 or older can continue to receive assistance age 21.
  - ▣ Youth in either program must also meet educational and work requirements, such as working on a degree or working at least 80 hours per month.

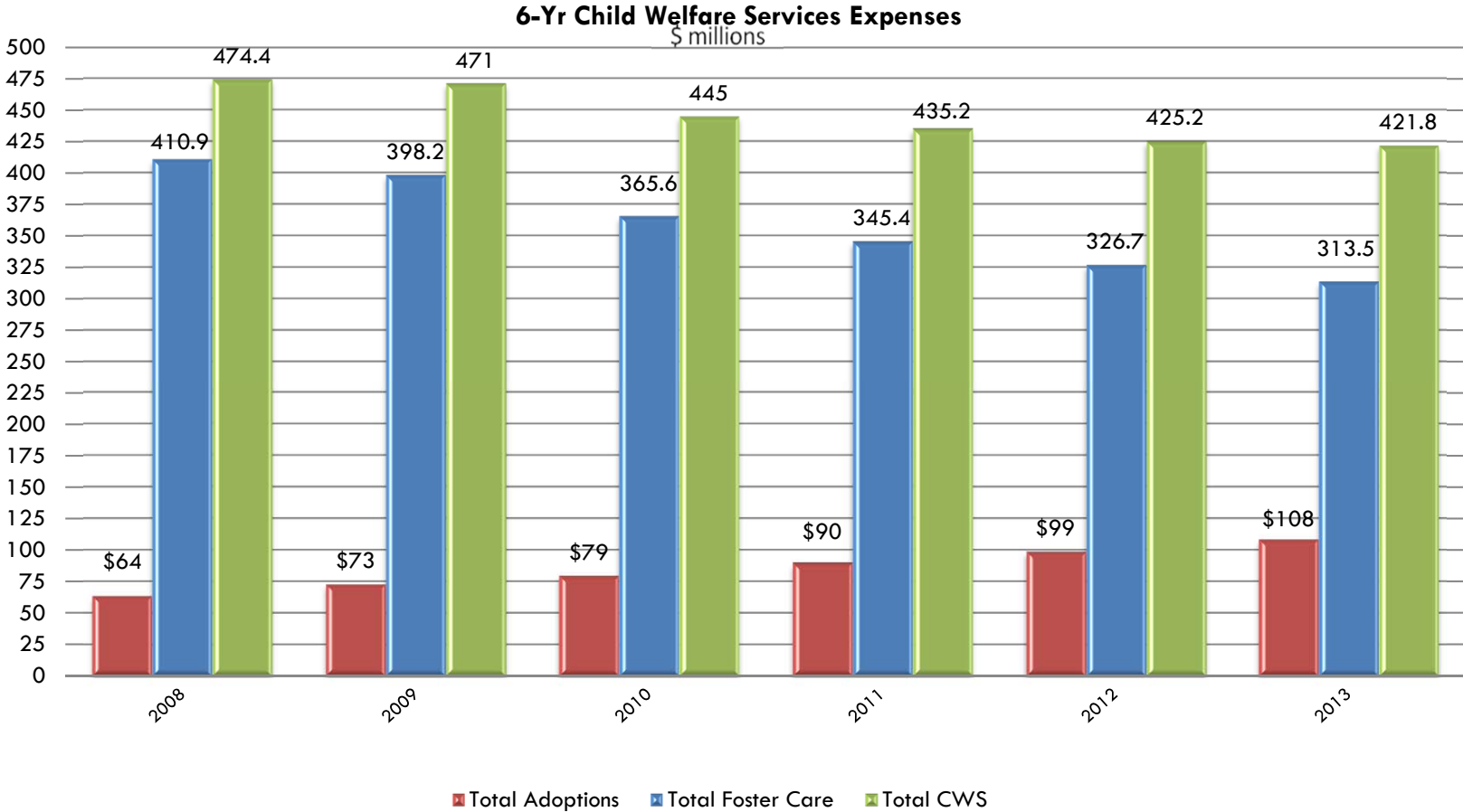
# Child Welfare Services Trends

## Total Children Receiving Services

15



# Child Welfare Services Expenditure Trends





# Governor's Budget Amendments

## Caboose Bill Actions

17

- Adjust Forecast of TANF Mandated Expenses FY 14
  - Non-General Funds (\$18.6M)
- Child Support Enforcement Revenue Decrease
  - General Funds \$ 2.9M
  - Non-General Funds (\$ 2.9M)
- Auxiliary Grant Underspending
  - General Funds (\$2.0M)
- Fund Foster Care & Adoptions Forecast
  - General Funds \$3.4M
  - Non-General Funds \$3.0M

# Summary

18

- Questions, Comments or Observations?
- Thank You!