



EMPLOYMENT &  
HUMAN SERVICES

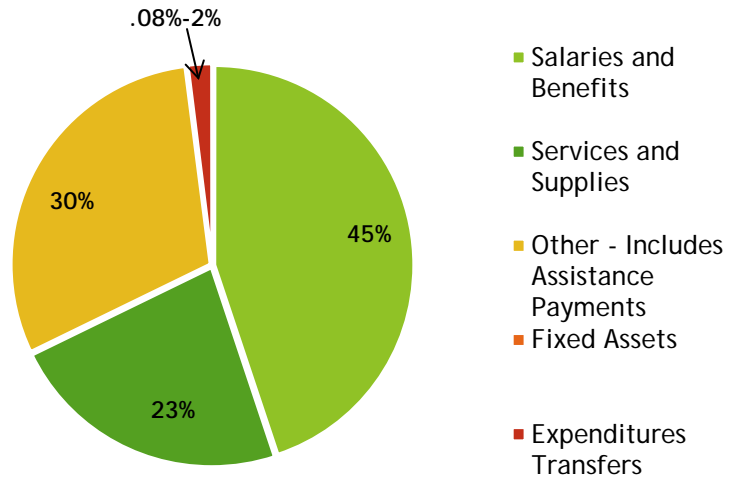
# Budget Presentation

## April 18, 2017

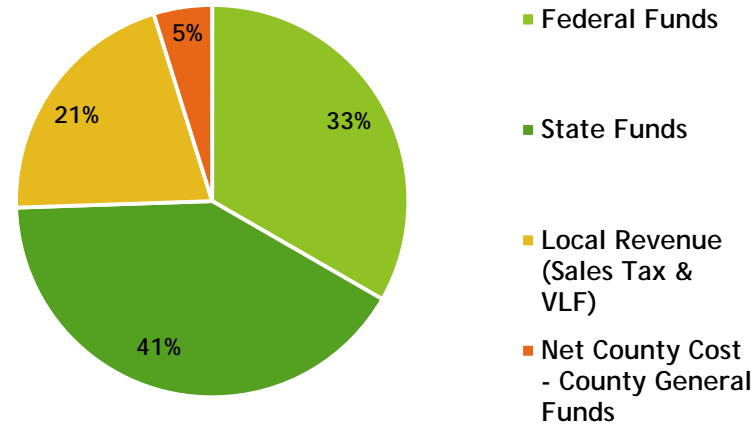
**Highlights for Fiscal Year 17/18**

# FY 17/18 Budget

FY 17/18 Budgeted Expenditures



FY 17/18 Budgeted Revenues



	FY 17/18 Budget
Expenditures	470,536,473
Revenues	447,878,473
Net County Cost	22,658,000
	FY 17/18 Budget
Allocated Positions (FTEs)	2,009

# EHSD FY 17/18 Funding Reductions

- ▶ CalWORKs reduction based on Governor's January Proposal
  - ▶ Projected at \$5.4M - \$2.7M reduction included in 17/18 Budget, future budget adjustments may be required
- ▶ CalFresh reduction of \$2.3M based on Governor's January Proposal
- ▶ WIOA reduction of \$395k based on FY 17/18 revenue projection
- ▶ Net County General Fund reduction of \$1M - \$23.7M to \$22.7M
- ▶ This budget absorbs \$3.3M for the Governor's IHSS MOE changes as no additional county funds were allocated to cover the potential full cost increase of \$12M

# EHSD FY 17/18 Positions Impact

- ▶ Funding Reductions Resulted in the Loss of Vacant Positions
  - ▶ Workforce Services Bureau - 71.6
  - ▶ General Assistance - 1
  - ▶ Information Technology - 2
  - ▶ Workforce Development Board - 2
- ▶ Added Positions - 2011 Realignment Funding
  - ▶ Adult Protective Services - Added 10 Positions
- ▶ Net Loss of 66.6 Positions
- ▶ 17/18 Budget includes 2011 Realignment revenue that continues to fund Child Welfare caseworker positions added in FY 16/17

# EHSD FY 17/18 Major Expenditure Reductions

- ▶ Reduced CalWORKs contracted expenditures by \$960k
- ▶ Reduced the CalWORKs direct supportive services costs by \$668k
- ▶ Reduced Workforce Development Board contracts by \$184k and participant wages by \$100k
- ▶ Deferred Information Technology Enhancements of \$1.2M

# EHSD Provides Aid to Low-Income Families

- ▶ 17,000 adults and children receive cash aid through CalWORKs each month
  - *Down 11% from previous year. Forecast is level*
  - *EHSD processes about 800 applications each month*
- ▶ 70,000 people receive nutritious food through CalFresh (formerly Food Stamps) each month
  - *Down 6% from previous year. Forecast is level*
  - *EHSD processes over 3,000 applications each month*
- ▶ 271,000 residents receive health coverage through Medi-Cal (i.e., Medicaid) each month
  - *Up 20% from previous year. Forecast is level*
  - *EHSD processes 4,000 applications each month*

# EHSD Protects Children, Disabled, & Elderly

- ▶ Around 900 residents receive help through General Assistance each month
  - *Figure is down 20% from previous year. Forecast is level*
  - *EHSD processes around 900 applications each month*
  - *Increased General Assistance is an early indicator of an economic downturn*
- ▶ 9,100 households with seniors and disabled residents receive in-home care through IHSS each month
  - *Over 9.6M hours of in-home care are provided annually to seniors and disabled residents*
  - *Hours up 7% from previous year. Forecast is another 8% increase*
  - *Over 8,000 IHSS providers provide services to seniors and disabled residents each month*

# EHSD Protects Children, Disabled, & Elderly

- ▶ 7,350 child abuse referrals each year
  - *Down 5% from previous year. Forecast is level*
- ▶ Over 2,000 children/families served by the Child Welfare System each month
  - *Steady from previous year. Forecast is level*
- ▶ Over 120 children adopted into loving families each year
  - *Up 3% from previous year. Forecast is level*
- ▶ 3,100 elderly and disabled adults served by Adult Protective Services each year
  - *Up 25% from previous year. Forecast is a smaller increase for upcoming year*



# EHSD Educates and Trains

- ▶ 3,350 children participating in Head Start programs each month
  - *Down 3% from previous year. Forecast is level*
- ▶ Over 24,500 individuals receive services from Workforce Development Board each year
  - *Decrease of 20% from previous year. Forecast is a continuing decline*
- ▶ 2,250 businesses receive assistance from Small Business Development Center each year
  - *Up 25% from previous year. Forecast is for smaller increase, despite similar funding level*
- ▶ 382 professional development trainings were offered to EHSD staff and 190 online trainings were available through our SMART learning management system

# Some Accomplishments of Note

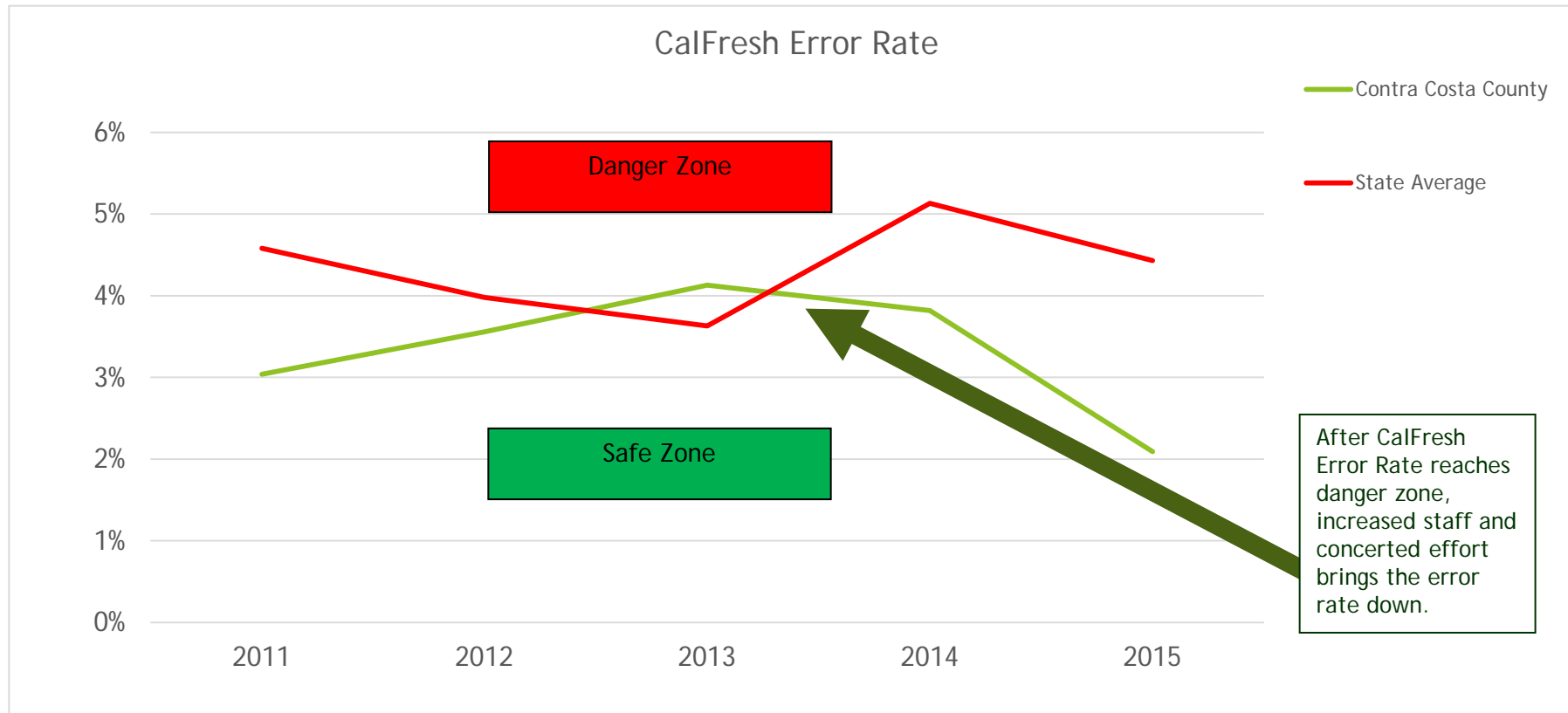
- ▶ Awarded \$1.5 million by the Cal-Office of Emergency Services to establish an elder abuse Multi-Disciplinary Team and Forensic Center
- ▶ All Head Start centers were rated at highest level of quality (QRIS)
- ▶ Acknowledged by State CalFresh administrators as a “best practice” county for our innovative use of technology in service delivery
- ▶ Successfully implemented the Continuum of Care Reform (foster care system) in collaboration with Behavioral Health and Probation. Work continues as we develop Resource Family homes to replace group home placements

# Compliance Mandates for Benefit Programs

PROGRAM	MANDATED TIMEFRAME FOR PROCESSING APPLICATIONS
CalWORKs	45 days
CalWORKs Immediate Need (IM)	1 day
CalFresh	30 days
CalFresh Expedited Services (ES)	3 days
Medi-Cal	45 days

PROGRAM	MANDATED TIMEFRAME FOR REDETERMINATION AND RECERTIFICATION
CalWORKs	30 days
CalFresh	30 days
Medi-Cal	45 days

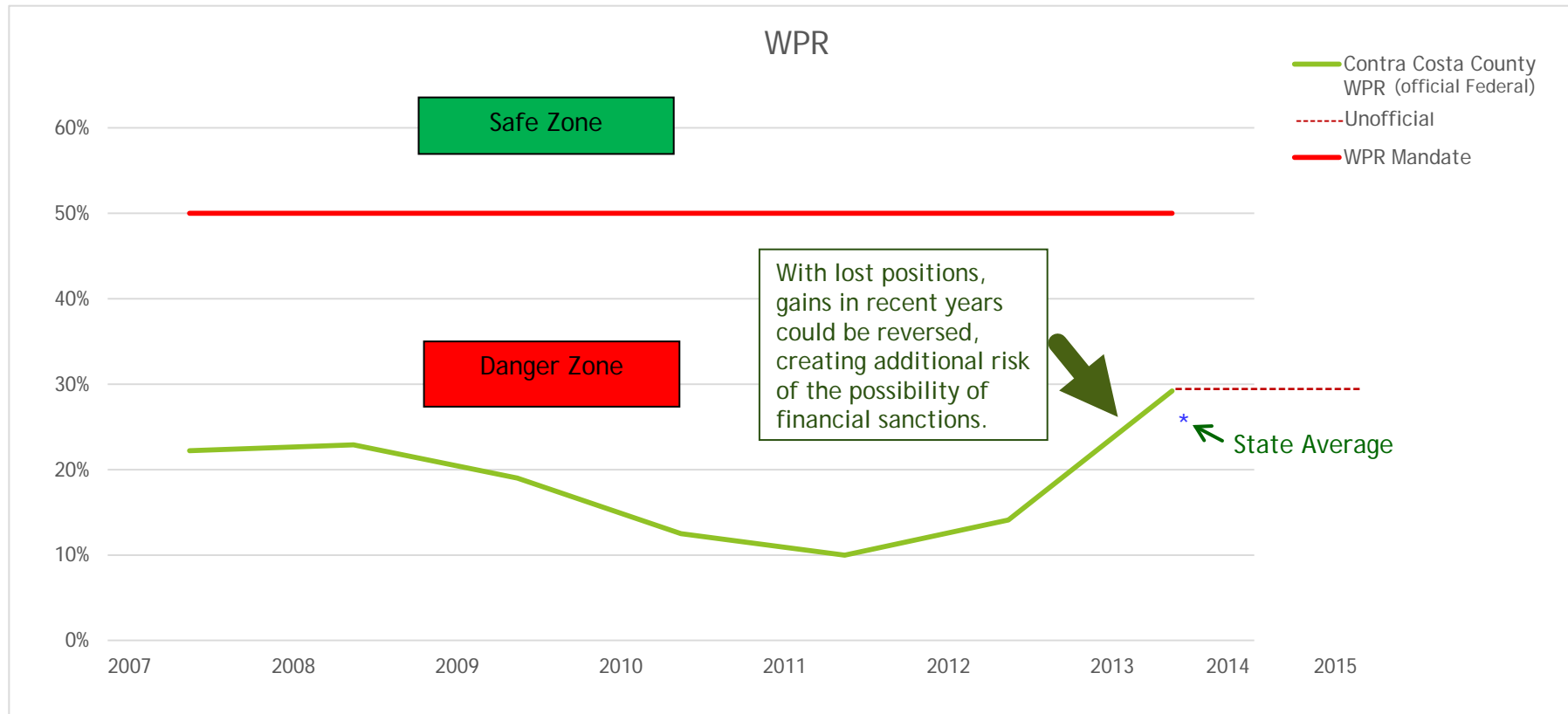
# CalFresh Error Rate Reduction



# CalFresh Error Rate

- ▶ If the California CalFresh error rate rises above the national average, a sanction/penalty can be imposed on the state, to be paid by low performing counties
- ▶ In 2013, EHSD was in danger of sanctions, but a concerted effort and increased staffing ended the risk
- ▶ Loss of positions could lead to more cases per worker, increased errors, and increase the possibility of sanctions

# Work Participation Rate (WPR)



# Work Participation Rate - WPR Improvements

- ▶ EHSD is at risk for sanctions due to low Work Participation Rate (WPR)
- ▶ The WPR is the percentage of Welfare-to-Work participants engaged in allowable work and training activities
- ▶ If sanctioned, the lower our WPR is, the more money we will owe
- ▶ Level staffing has helped EHSD increase the WPR
- ▶ Our recent performance is above the state average and we are now one of the top ten best performing counties
- ▶ However, loss of positions may curb our efforts and could lead to a reduced WPR and potential sanctions

# IHSS MOE - Governor's Proposal

- ▶ MOE - Maintenance of Effort or expenditures by the county
- ▶ The IHSS Maintenance of Effort (MOE) limits the county costs to a base year calculation of 2011-12 costs plus an annual 3.5% inflator. All costs above the MOE are funded with state and federal funds
- ▶ The IHSS MOE is set to expire June 30, 2017 and will revert to a county share percentage of all IHSS expenditures
- ▶ The IHSS program grows roughly 8% a year, mostly due to demographics and an aging population
- ▶ Negotiations are occurring between CSAC and the Governor's office to agree on an alternative cost sharing model that will mitigate the impact on counties



# IHSS MOE – Governor’s Proposal

- ▶ Under the current MOE financing structure, the county share of cost for the IHSS program in FY 2017-18 would be roughly \$22.9 million. The county share with the new financing structure after the dismantlement of the MOE is estimated to be as much \$12 million higher for a total county share of \$35.3 million

<b>FY 17/18 Forecast</b>	<b>County Share*</b>
IHSS County Share with MOE Structure	\$22,898,317
IHSS County Share Increase w/out MOE	\$12,441,022
<b>Total IHSS County Share w/out MOE</b>	<b>\$35,339,339</b>

\*Funded by a combination of 1991 Realignment revenues and county general funds.

# Top Strategic Initiatives for 2017

- ▶ Maximize drawdown of budgeted revenue by coordinating closely with Human Resources to fill vacancies earlier in the budget cycle
- ▶ Leverage technology and automation to increase efficiencies
- ▶ Community partnerships to support the enhancement of resource networks and promote whole family services in our systems
- ▶ Implement and maintain successful customer service strategies
- ▶ Address the growth in elder abuse reports and establish the new Forensic Center
- ▶ Systems analysis and development under the Continuum of Care Reform (foster care system)
- ▶ Replace Brookside Head Start Center
- ▶ Monitor federal activities and assess impacts

# EHSD Federal Watchlist

- ▶ ACA revision or rewrite as it impacts Medicaid
- ▶ Medicaid block grant and/or financing changes
- ▶ Medicaid Expansion work requirements for recipients
- ▶ Medicaid funding for IHSS
- ▶ Immigration/documentation changes
- ▶ LIHEAP program elimination
- ▶ Community Services Block Grant (CSBG) elimination
- ▶ Community Development Block Grant (CDBG) elimination
- ▶ SNAP (CalFresh) block grant and/or financing changes
- ▶ Child Welfare Services (Title IVB and IVE) block grant
- ▶ Families First Act impacting child welfare and foster care
- ▶ Older Americans Act program elimination and funding reductions
- ▶ Senior Community Service Employment Program (SCSEP) elimination
- ▶ Workforce Development Board funding reductions
- ▶ Threats to withdraw Dept. of Justice federal grants
- ▶ Cancellation of prior administration waivers of California penalties in CalWorks and CalFresh
- ▶ Technology regulation changes affecting human services automated systems

# Questions?