

# Department of Human Services

FY 2013 Revised, FY 2014 and Capital Budgets

House Finance Committee

March 27, 2013



# Department of Human Services

- Provides programs and services to meet the needs of
  - Children and parents
  - Adults with disabilities
  - Elderly
  - Veterans

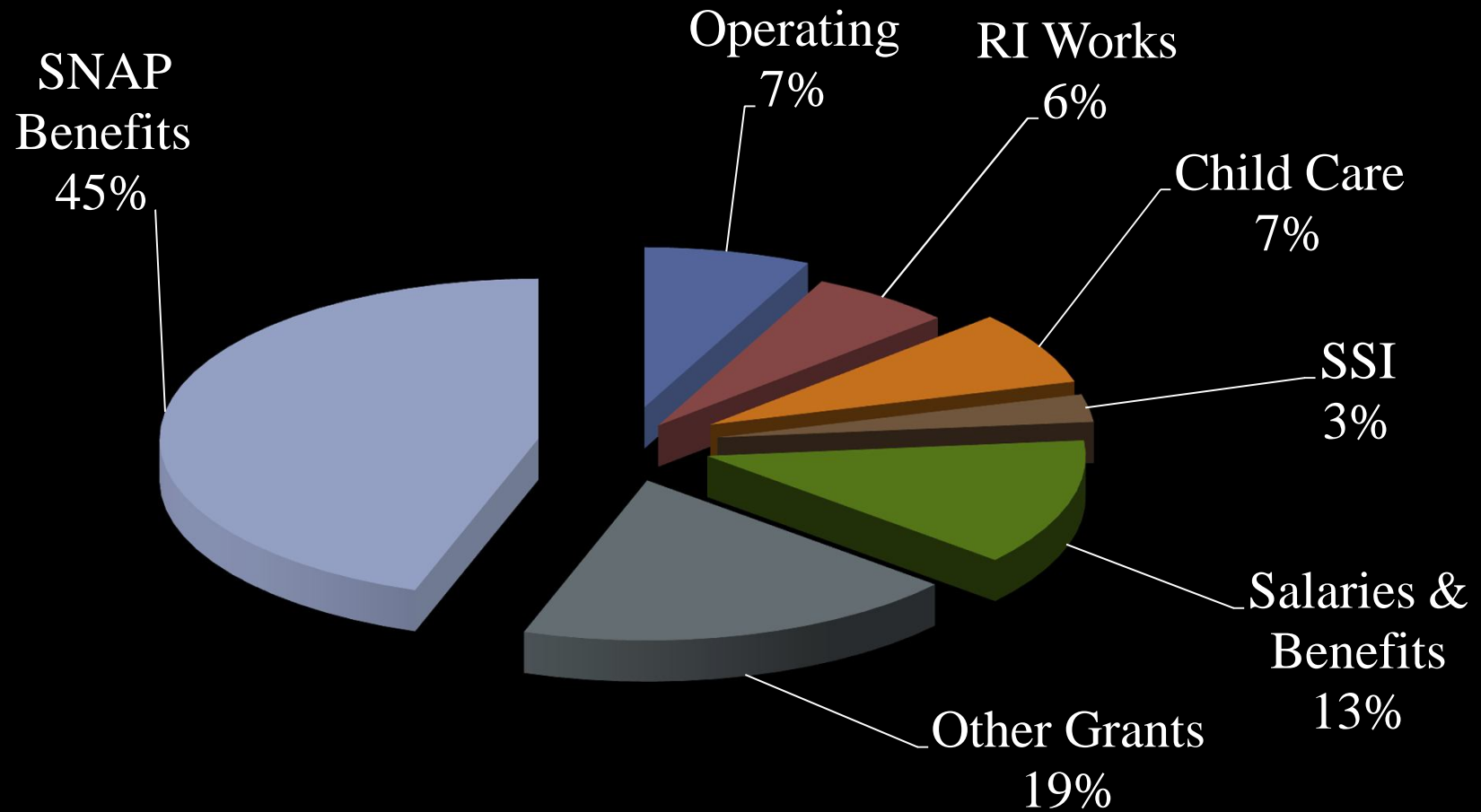
# Department Programs / Functions

- Cash Assistance
- Individual and Family Support
- Health Care Eligibility (formerly Health Care, Quality, Financing and Purchasing)
- Child Support Enforcement
- Veterans' Affairs
- Elderly Affairs
- Central Management

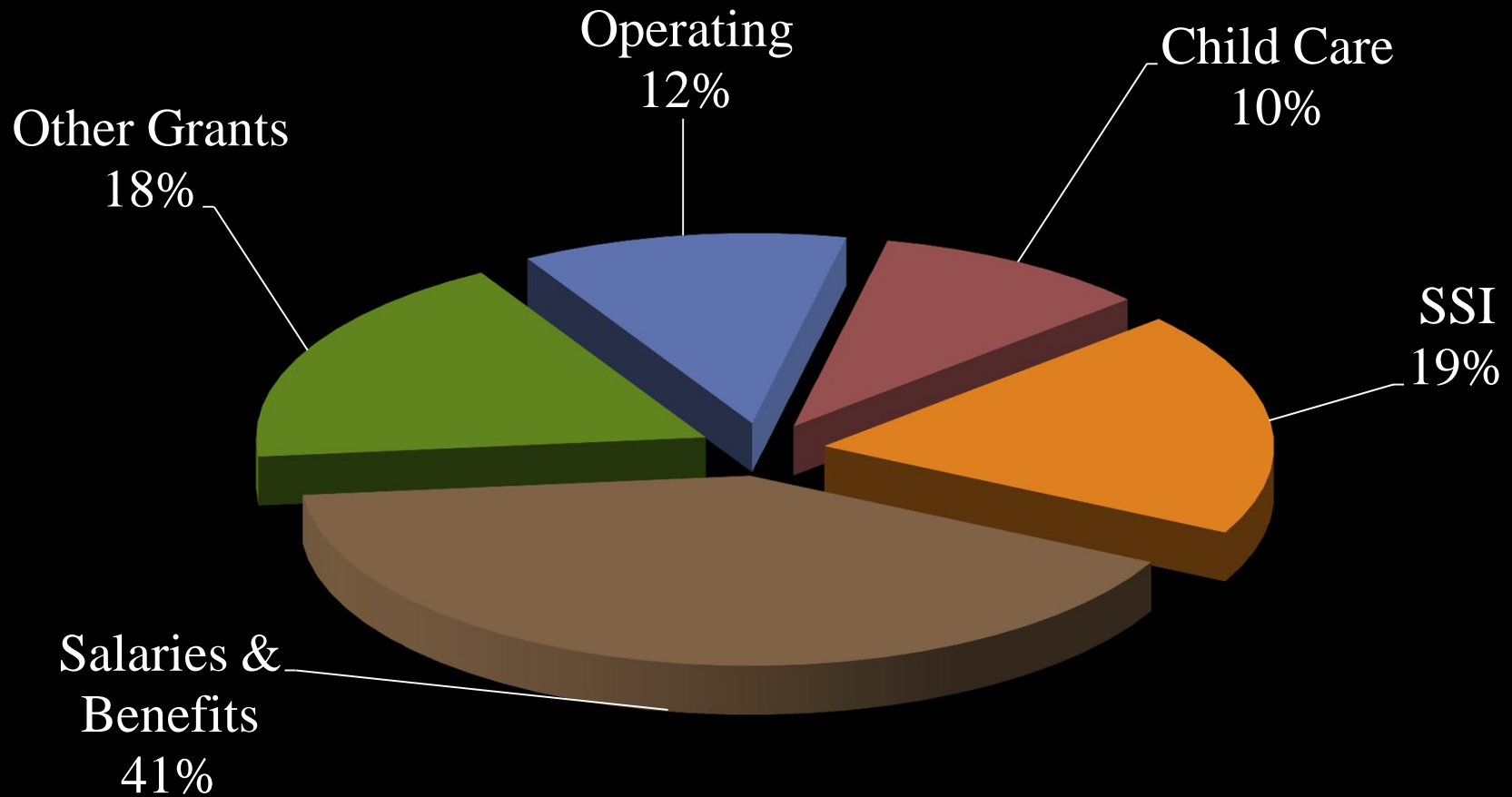
# Governor's FY 2013 Revised Budget

	Enacted	Governor	Change
General Revenues	\$97.0	\$96.8	(\$0.2)
Federal Funds	539.7	553.0	13.3
Restricted Receipts	9.11	12.2	3.1
Other Funds	4.4	4.6	0.2
Total ( <i>in millions</i> )	\$650.3	\$666.6	\$16.4

# FY 2013 Gov. Revised - All Funds



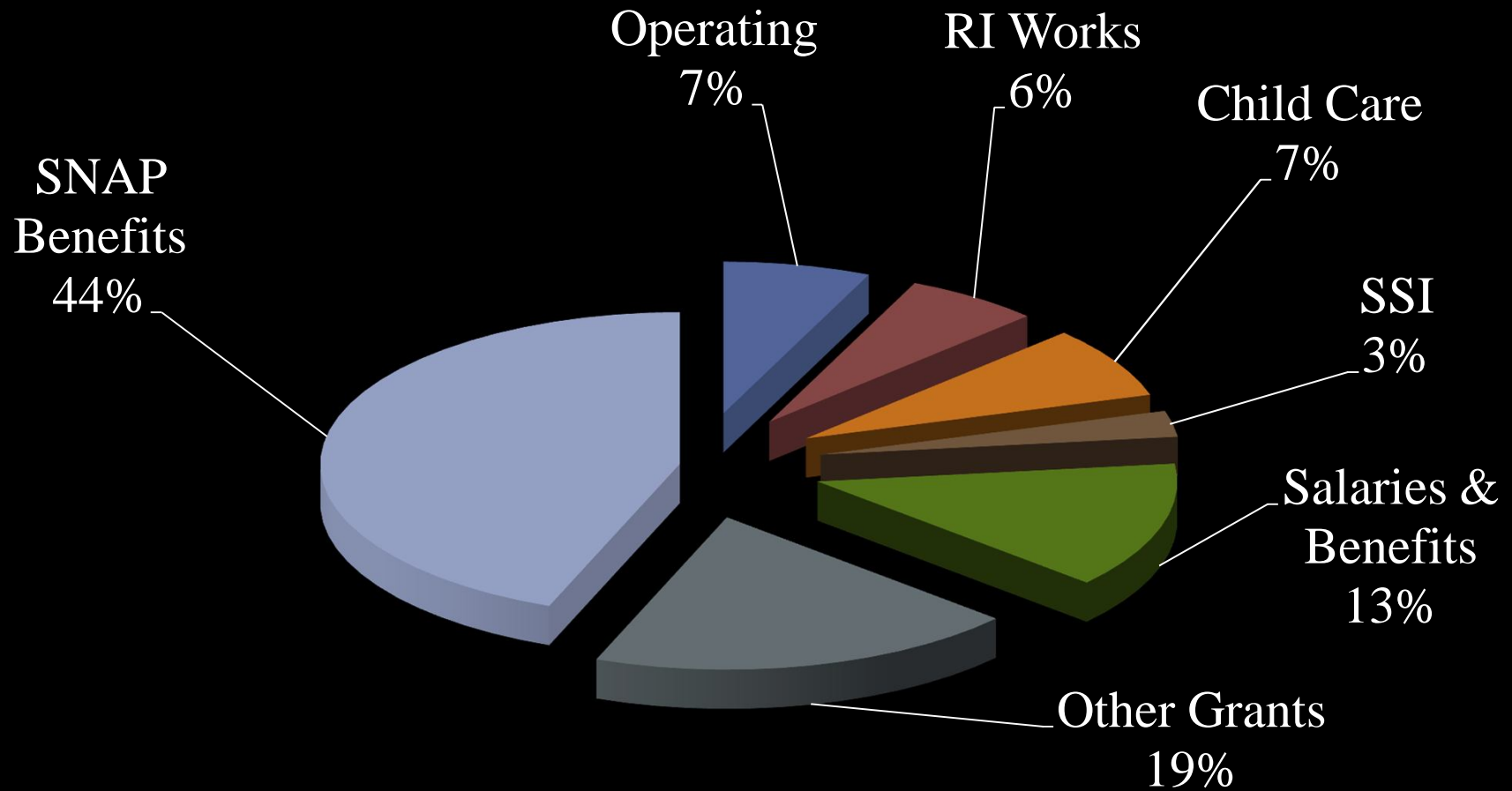
# FY 2013 Gov. Revised - Gen. Rev.



# Governor's FY 2014 Budget

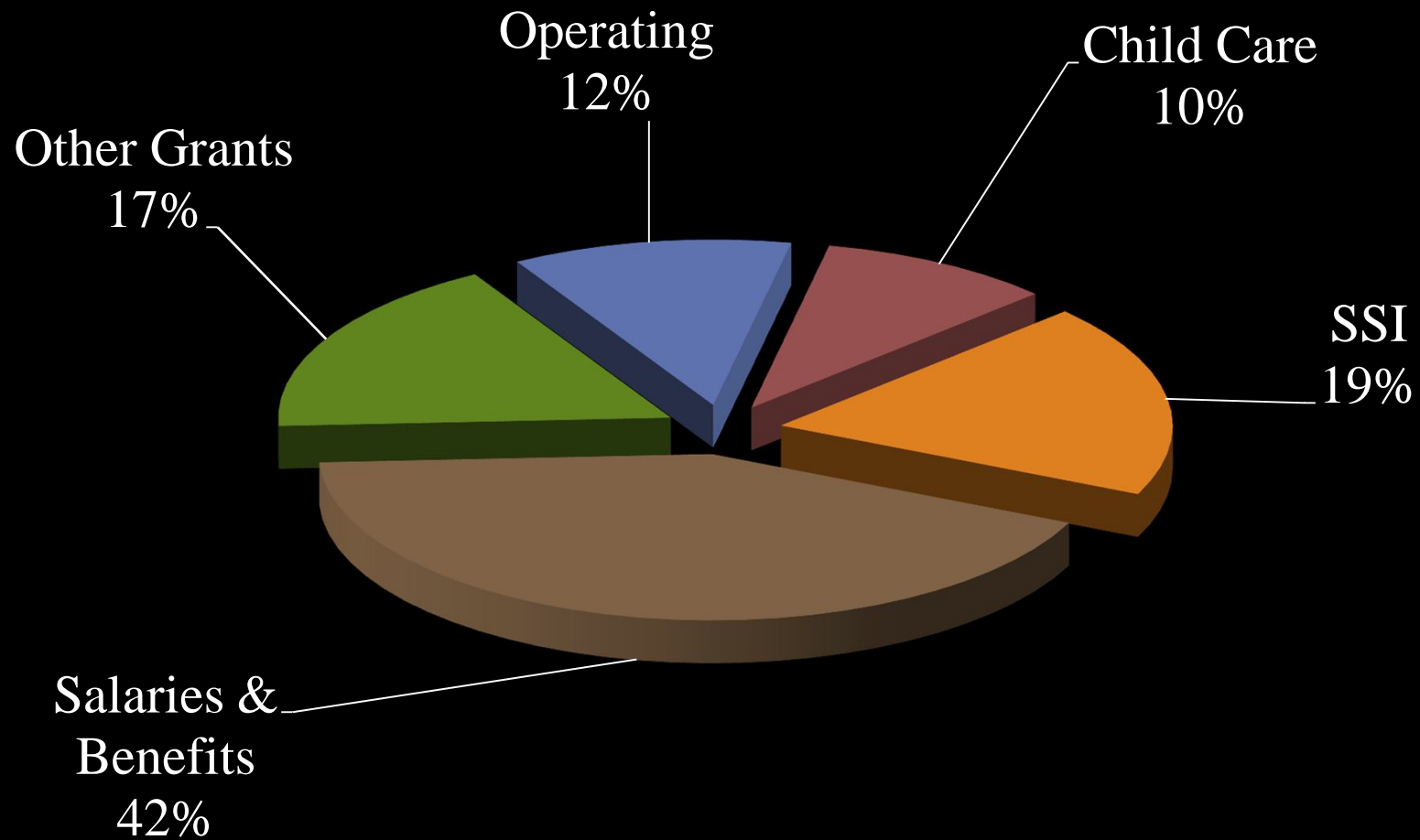
	Enacted	Governor	Change
General Revenues	\$97.0	\$99.5	\$2.5
Federal Funds	539.7	562.8	23.0
Restricted Receipts	9.1	9.6	(0.5)
Other Funds	4.4	4.5	0.1
Total ( <i>in millions</i> )	\$650.3	\$676.4	\$26.1

# FY 2014 Governor – All Funds

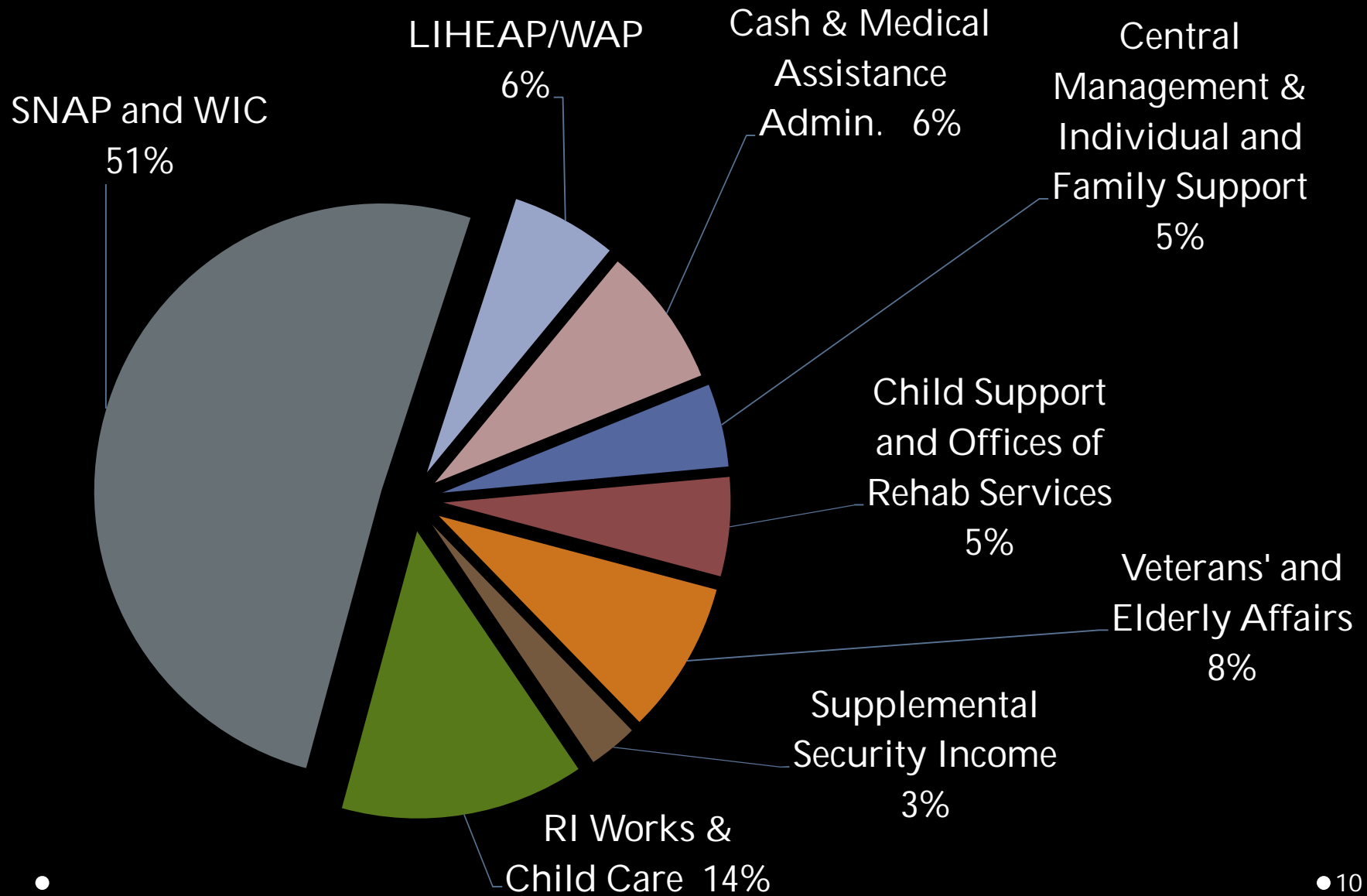




# FY 2014 Governor – General Revenues



# FY 2014 Governor – All Funds by Program



# Current Services & Constrained Requests

- Agencies were given current services budget levels to adhere to in their FY 2014 request
  - \$100.6 million total, \$3.6 million above enacted
  - Request was \$0.6 million above the target
- Also instructed to submit a budget that offers a 7 percent reduction
  - \$6.8 million reduction to current services
  - DHS's met \$6.5 million of this “constrained” target through a series of proposals

# Statewide Savings

- FY 2013 Revised: \$178,701
  - Medical benefit savings – benefit holiday
- FY 2014: \$319,602
  - Medical benefit savings – reduced rate
  - Retiree health
  - Dental
  - State fleet insurance

# Affordable Care Act

- Allows states to extend Medicaid benefits to non-disabled, childless adults ages 19 through 64 at or below 138% of poverty
- Governor includes Article 19 to add population
- Assumes savings of \$2.6 million, all sources
  - Including \$1.2 million from general revenues
  - Assumes a portion of individuals receiving Medicaid matched services, but not eligible for Medicaid, will be eligible for 100% federally funded Medicaid as of Jan. 2014

# Possible Effects of Sequestration

- Approx. \$5.4 million in reductions in DHS
- Includes grants and administration
- Does not effect:
  - RI Works and TANF block grant funds
  - Supplemental Nutrition Assistance (SNAP)
  - General Public Assistance
  - Division of Veterans' Affairs
  - Office of Child Support Services

# Possible Effects of Sequestration

<b>Program or Service</b>	<b>Reduction</b>
Low Income Home Energy Assistance, Weatherization	\$1.9
Women, Infant and Children Nutrition Program	1.3
Office of Rehabilitation Services (voc. rehab, others)	0.6
Division of Elderly Affairs (food, preventive, justice)	0.5
Low Income Child Care	0.3
Community Services Block Grant (8 CAP agencies)	0.3
Social Services Block Grant (homeless and domestic violence prevention, housing, elderly transportation)	0.3
All Others (refugee assist., violence prevention, food)	0.2
<b>Total (in millions)</b>	<b>\$5.4</b>

# Governor's Major Changes to the Enacted Budget

	<b>FY 2013</b>	<b>FY 2014</b>
Cash Assistance & Admin	\$1.4	\$5.5
Other Benefits & Admin	15.1	15.2
Medical Assistance Admin	(1.1)	1.7
Veterans' Affairs	0.02	1.1
Elderly Affairs	(0.9)	(2.1)
Child Support Enforcement	0.1	0.1
Other Programs & Capital	1.8	4.6
<b>Total</b> <i>(all sources, in millions)</i>	<b>\$16.4</b>	<b>\$26.1</b>



# Full-Time Equivalent Positions

FY 2013 Enacted	940.7
FY 2013 Revised Governor	946.6
<i>Change to Enacted</i>	5.9
FY 2014 Governor	974.6
<i>Change to Enacted</i>	33.9
<i>Change to Revised</i>	28.0
Filled positions; 3-23-13	819.1
Filled positions vs. enacted level	(121.6)
FY 2012 average filled	806.1

# Staffing Changes

Positions	FY 2013	FY 2014
Unified Health Infrastructure Project	6.0	18.0
Eligibility Technicians (RIW, Child Care, SNAP, Medicaid)	(7.0)	10.0
New Grants, Race to the Top	3.5	3.5
Elderly Affairs	1.0	1.0
Finance transfer to OHHS	-	(1.0)
All Other Changes	2.4	2.4
<i>Total FTE changes to enacted</i>	<i>5.9</i>	<i>33.9</i>

# Cash Assistance

- Rhode Island Works
- Child Care
- SSI
- SSI Transition/Bridge

# TANF Federal Block Grant

- Used primarily for RI Works and child care benefits and administration
- State must spend \$60.4 million general revenues to receive the \$95.0 million grant
  - Assuming work participation rates are met
  - Separate rates for 1 and 2 parent families
  - States receive a penalty if either rate is not met
- RI must spend \$64.4 million general revenues to receive the \$95.0 million grant; \$4.0 million penalty
  - Has not met two-parent work participation rate

# TANF Federal Block Grant

- Work participation rate is percent of qualified parents participating in work or work preparation activities for all required hours each month
- Almost all families receiving RI Works must enter into employment plans immediately
  - job search and readiness, vocational and adult education, on-the-job training, and subsidized employment

# TANF Federal Block Grant

- In 2-parent households, rules & regulations require 1 parent engage in 35 hours of work activities/week
- Including RI, 7 states did not meet 2-parent rate
  - Programs are similar to Rhode Island
  - Federal rules make it difficult to meet the rate
- Other states operate separate programs for parents who do not meet the work participation rate

# Work Participation Rate

Work Participation Rate	Federal Target	Caseload Reduction Credits	State's Target	February 2013	Change from State Target
2-Parent	90%	0%	90%	5.1%	(84.9%)
All Families	50%	(50%)	0%	8.0%	8.0%

- Four-week cycle starts on a certain date each month and can only miss one day per cycle
- If comply for four consecutive weeks, but in 2 different cycles, does not count in work participation rate
- Department does not make everyone start on the first day of each monthly cycle

# TANF Federal Block Grant

- Rules and regulations call for individuals and families to be sanctioned (have benefits reduced or eliminated) when not in compliance
- Can be in non-compliance from: employment plan, missed appointments, refuse or quit employment



# TANF Federal Block Grant

- When sanctioned, the parent's portion of benefit reduced, child's portion continues
- Up to 3 months of sanctions, consecutive or not
- Entire case is closed and all benefits lost if a fourth month of sanction is determined
- Parent must again enter into and comply with employment plan for 2 weeks and cash assistance is reinstated the next month, with continued compliance

# Sanctions

<b>February 2013</b>	<b>Applicable Cases</b>	<b>Sanctioned</b>	<b>Percentage</b>
1-Parent	3707	264	7.12
2-Parent	515	29	5.63

- At least one quarter of total cases are not applicable
- Sanctioned months count towards the time limits
- Department cannot determine the number in non-compliance that are or are not being sanctioned

# Rhode Island Works – Performance Measurements

- Vocational training: private vendor does training
  - DHS keeps 25% of fee until trainee has an appropriate job for 90 days
  - Approximately 40 percent of contracts were paid in full
  - Goal of 50% of those who start program in job placement
- Work services: on-the-job training, subsidized employment
  - Evaluated on: employment outcomes, site visits, record reviews, responsiveness in reporting parent's activities
  - In FY 2012: 2 programs were terminated, 2 granted conditional status and 14 continued as successful

# Rhode Island Works

- Cash assistance program for families
- Receive a maximum of 24 months of assistance in any 60 month period
  - Lifetime limit of 48 months
- Parents must develop an employment plan
  - Training, job search, vocational education, etc.

# Rhode Island Works

	FY 2013 Enacted	FY 2013 Gov./CEC	Change to Enacted	FY 2014 Gov./CEC	Change to Revised
Persons	16,100	16,195	95	16,300	105
Monthly Cost per Person	\$192.00	\$190.00	(\$2.00)	\$191.00	1.00
Annual Cost*	\$40.8	\$40.8	\$-	\$41.3	\$0.5

\* *millions*

# Child Care

- Provides child care to Rhode Island Works recipients and low income families at or below 180 percent of poverty
  - families in approved training or employment programs who need child care to participate
- Over three-quarters of participants are low income families who do not receive cash assistance payments
  - “Working poor” with income over 100% but at or below 180% of federal poverty level

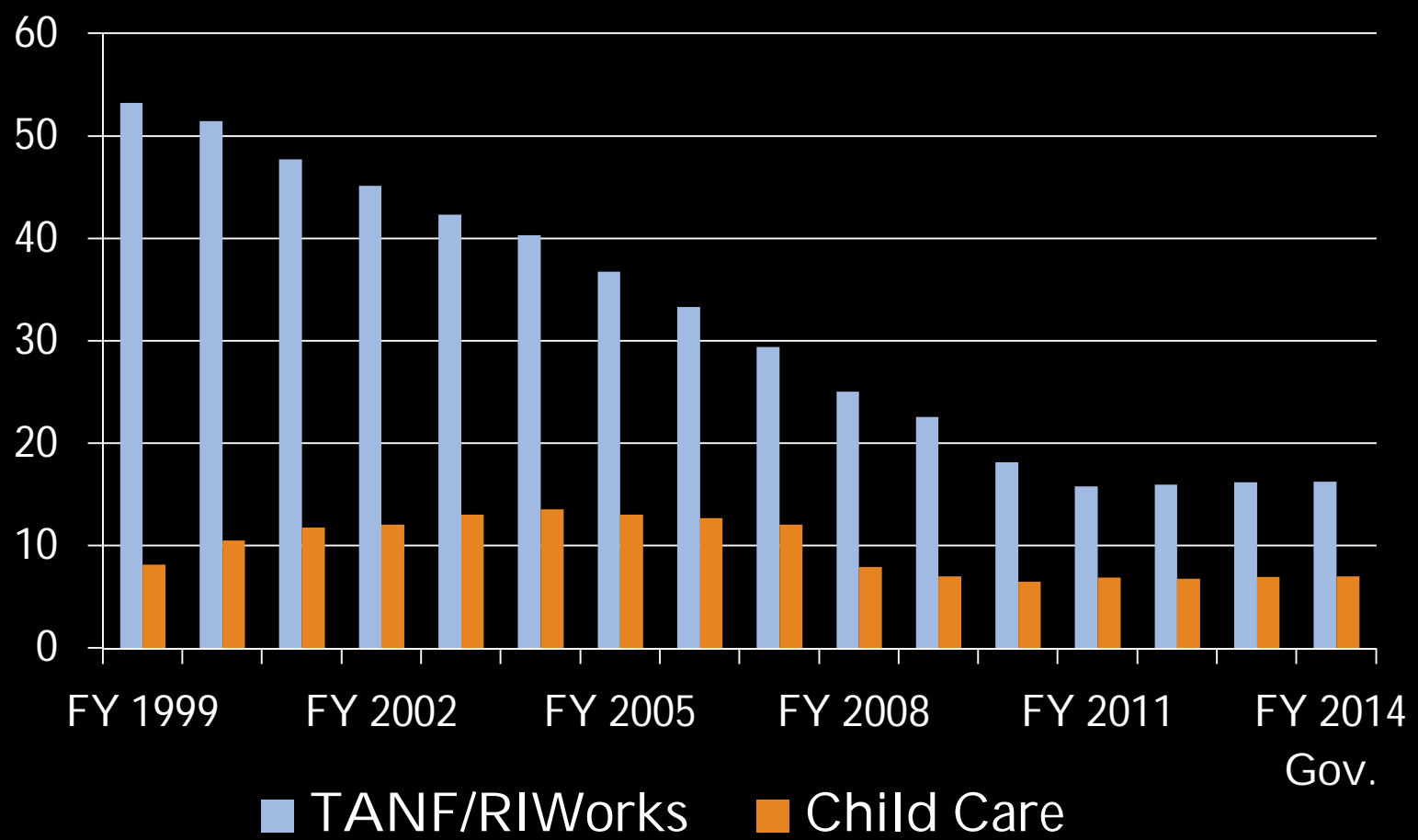
# Child Care Expenditures

	Enacted	FY 2013 Gov. /CEC	Change	FY 2014 CEC	FY 2014 Gov.	Change to CEC
Subsidies	6,840	6,985	145	7,055	7,055	-
Annual cost per subsidy	\$7,150	\$7,070	(\$55)	\$7,077	\$7,289	\$212
Total Cost *	\$49.0	\$49.4	\$0.4	\$49.9	\$51.4	\$1.5

\* *millions*

# Caseload History

Persons (in Thousands)



Gov.

■ TANF/RIWorks ■ Child Care



# Subsidized Employment Program

- Governor includes new subsidized employment program for FY 2014
  - Individuals receiving RI Works cash assistance
- Includes \$3.0 million from federal TANF block grant funds
  - \$1.5 million for wage reimbursements to employers
  - \$1.5 million for additional subsidized child care
- Appears to be a pilot for up to 400 families

# Subsidized Employment Program

- Would provide participants with a pay check
  - In addition to cash assistance, though may be reduced because of earnings
- Employer would pay individual, get reimbursed
  - Wage requirements and rates yet to be determined
- Many details unknown, not yet developed
- No legislation submitted for this proposal
  - OHHS indicated amendments and possibly a resolution from Budget Office would come soon

# Supplemental Security Income

- Federal program for disabled individuals
- Physical or mental condition resulting in severe functional limitations that can be expected to last for a continuous period of not less than 12 months

# Supplemental Security Income

	FY 2013 Enacted	FY 2013 Gov./CEC	Change to Enacted	FY 2014 Gov./CEC	Change to Revised
Persons	33,800	33,260	(540)	33,677	417
Monthly Cost	\$44.75	\$46.35	\$1.60	\$46.35	-
Total Costs*	\$18.2	\$18.6	\$0.4	\$18.8	\$0.2

*\*millions*

# SSI – Additional State Supplement

- Governor includes enacted level of \$250,000 general revenues for additional state supplement
- \$206 monthly payment to individuals who:
  - receive the state SSI payment and
  - reside in state licensed assisted living residences not eligible for Medicaid
- 2012 Assembly included this payment because the 2011 assisted living payment reduction reflected a loss to these residences, while the loss was shifted to Medicaid for the other residences

# SSI Transition/Bridge Program

- Disabled individuals who have applied to Supplemental Security Income program
- State is reimbursed if a person's application is accepted

# SSI Transition/Bridge Program

	FY 2013 Enacted	FY 2013 Gov./CEC	FY 2014 CEC	FY 2014 Gov.	Change to CEC
Persons	650	575	585	585	-
Monthly Cost	\$109.40	\$109.00	\$109.03	\$109.03	-
Total Costs*	\$3.2	\$2.7	\$2.8	\$2.5	(\$0.3)

*\*millions*

# Hardship Payments

- Governor includes \$210,000 from general revenues for hardship payments
  - Consistent with enacted level
- Payment of up to \$100 per month for individuals not eligible for any other assistance



# Benefits Administration

	FY 2013 Gov. Rev.*		FY 2014 Gov.		
<i>* in millions</i>	General Revenues	Total	General* Revenues	Total*	FTEs
RI Works	\$4.4	\$23.7	\$4.3	\$25.3	102.0
Child Care	1.1	\$4.3	1.1	\$4.4	17.0
SSI	0.8	\$0.8	0.9	\$0.9	3.0
Total	\$6.3	\$28.8	\$6.2	\$30.6	122.0

# Other Benefit Programs

- Supplemental Nutrition Assistance Program
  - Benefits are federally funded, administration is both general revenues and federal sources
- Woman, Infants and Children Nutrition
  - Benefits and administration are federally funded
- Low Income Home Energy Assistance and Weatherization Assistance Programs
  - Benefits and administration are federally funded

# Other Benefits

<b>Federal Funds</b>	<b>FY 2013 Gov. Rev.</b>	<b>FY 2014 Gov.</b>
SNAP	\$298.2	\$298.2
WIC	19.4	19.4
LIHEAP/WAP	38.9	39.1
<b>Total</b> <i>(in millions)</i>	<b>\$356.5</b>	<b>\$356.7</b>

# Other Benefits Administration

	FY 2013 Gov. Rev.		FY 2014 Gov.		
<i>(millions)</i>	General Revenues	All Funds	General Revenues	All Funds	FTEs
SNAP	\$7.5	\$18.7	\$7.7	\$19.2	108.0
WIC	-	\$6.8	-	\$6.3	12.0
LIHEAP/WAP	-	\$1.3	-	\$1.1	10.0

# SNAP Penalty

- Because of claims error rates above the national average benchmark for two fiscal years, the state received a penalty of \$519,038
- Currently being assessed half; if satisfactory improvements made, not assessed the other half
- Must spend the amount of the penalty to improve the issues to stop further penalties
  - Must spend non-federal sources
  - Bonus funding saved from prior years qualifies

# SNAP Penalty

- DHS requested \$256,626 in FY 2014 from available bonus funding
  - Bonus funding was a reward for past improvements
  - Requested no funding in FY 2013
  - Allow time to develop plan to address the issues
- Governor includes \$259,000 in FY 2013 and \$150,000 in FY 2014 from bonus funding
- Department indicated it needed funding in current year to start improvements

# Division of Veterans' Affairs

- Provides programs and services through
  - Veterans' Affairs / Veterans' Assistance Office
  - Veterans' Home
  - Veterans' Cemetery

# Veterans' Affairs - Summary

	FY 2013 Enacted	FY 2013 Gov. Rev.	FY 2014 Gov. Rec.	Change to Enacted
General Revenues	\$19.6	\$19.6	\$21.2	\$1.6
Federal Funds	8.2	7.9	7.7	(0.6)
Restricted Receipts	1.0	3.8	1.5	0.4
<b>Total</b> ( <i>in millions</i> )	<b>\$28.9</b>	<b>\$31.3</b>	<b>\$30.3</b>	<b>\$1.4</b>
FTEs	239.2	238.6	238.6	(0.6)



# Veterans' Affairs - Summary

	FY 2013 Enacted	FY 2013 Gov. Rev.	FY 2014 Gov. Rec.	% of Total
Salaries & Benefits	\$22.7	\$22.4	\$24.1	80
Contracted Services	1.4	1.8	1.9	6
Operating Expenses	3.1	2.9	2.3	8
Capital	1.7	4.1	2.0	6
<b>Total</b> <i>(in millions)</i>	<b>\$28.9</b>	<b>\$31.3</b>	<b>\$30.3</b>	<b>100</b>

# Veterans' Home - Management Staff

	<b>Director</b>	<b>Associate Director</b>
FY 2012 Enacted	1.0, created position in state statute	-
FY 2013 Enacted	1.0; no hearing scheduled, position not filled	1.0; filled during FY 2013
DHS's Requests	-	1.0
Gov.'s Budgets	1.0, with turnover	1.0

# Veterans Home - Enacted Assumptions and Current Status

	<b>Enacted / Planned</b>	<b>Status</b>
Staffing	217.2 positions; 9 new & 26 temp. staff April 2013	216.6 positions; 9 new & 26 temp. staff ready to advertise/hire
Overtime & Contracted Nurses	Filling some vacant positions; still need more overtime and nurses	same
Census	175 - 190; no major increase until July 2013	175 - 190; no major increase until Mar. 2014
Renovate Wings 5, 6 & 7	Finish before July 2013	Start by Sept. 2013, finish by Mar. 2014

# Veterans' Home - Capital Projects

- Renovations of nursing wings 5, 6 & 7 were anticipated to be completed in FY 2012
  - Been one-year delays for several years
  - \$760,000 each wing, \$2.3 million total from restricted receipts
- Governor includes \$1.5 million in FY 2013 and \$0.8 million in FY 2014, all restricted sources

# Veterans' Home - Wings Renovations

- As of March 25, architectural and engineering is still not complete
  - Delays due to legal issues with awarded contract
- Construction not likely to start until September
- Once completed, can increase census
  - Will close wings to residents during renovations
  - Census increase estimated to start spring of 2014

# New Veterans' Home

- In November 2012, voters approved a referendum to issue general obligation bonds to build a new Veterans' Home
  - Up to \$94.0 million may be issued
  - Will be reduced if federal funds become available
  - Adjacent to the existing Veterans' Home

# New Veterans' Home

- Department requests \$1.7 million in FY 2013 and \$1.4 million in FY 2014 for architectural and engineering
  - Federal and restricted sources
- Governor includes \$8.0 million in FY 2014 from general obligation bond proceeds
  - Does not include any pay-go funds for new home

# Veterans' Cemetery

- Located on 338 acres in Exeter
  - Former Ladd School property
- About 29,500 people laid to rest in cemetery
  - maximum 43,000; master plan increases to 72,500
- Averages over 1,200 burials per year
  - Over 720 for veterans, 480 for spouses and children



# Veterans' Cemetery - Capital

	<b>FY 2012 Enacted</b>	<b>FY 2013 Rev. Req.</b>	<b>FY 2013 Gov.</b>	<b>FY 2014 Request</b>	<b>FY 2014 Gov.</b>
Maintenance vehicles	\$0.1	\$0.1	\$0.1	\$0.1	\$0.1
Federal Grant	0.8	0.8	0.8	0.4	0.4
New Columbarium	0.5	-	0.5	-	0.4
<b>Total</b> ( <i>in millions</i> )	<b>\$1.4</b>	<b>\$0.9</b>	<b>\$1.4</b>	<b>\$0.5</b>	<b>\$0.9</b>

# Division of Elderly Affairs

- Primary Functions of Elderly Affairs
  - Pharmaceutical Assistance
  - Home and Community Care
  - Adult Day Care
  - Home Care
  - “The Point”

# Elderly Affairs – Summary

	<b>FY 2013 Enacted</b>	<b>FY 2013 Gov. Rev.</b>	<b>FY 2014 Gov. Rec.</b>	<b>Change to Enacted</b>
General Revenues	\$10.7	\$10.5	\$10.7	-
Federal Funds	18.2	17.8	16.8	(\$1.3)
Restricted Receipts	0.8	0.5	0.1	(\$0.7)
<b>Total</b> <i>(in millions)</i>	<b>\$29.7</b>	<b>\$28.8</b>	<b>\$27.6</b>	<b>(\$2.1)</b>
FTEs	30.0	31.0	31.0	1.0

# Elderly Affairs – Summary

	<b>FY 2013 Enacted</b>	<b>FY 2013 Gov. Rev.</b>	<b>FY 2014 Gov. Rec.</b>	<b>Change to Enacted</b>
Salaries & Benefits	\$3.0	\$3.1	\$3.2	\$0.2
Contracted Services	0.05	0.2	0.2	0.14
Operating	0.8	0.5	0.4	(0.3)
Assistance & Grants	25.7	25.1	23.8	(1.9)
Capital Expenses	0.1	0.01	0.01	(0.08)
<b>Total</b> <i>(in millions)</i>	<b>\$29.7</b>	<b>\$28.8</b>	<b>\$27.6</b>	<b>(\$2.1)</b>
FTEs	30.0	31.0	31.0	1.0

# Staffing

- Temporarily adds an individual assigned to OHHS to assist Aging and Disability Resource Center (the Point) through the end of FY 2014
  - Federal Money Follows the Person grant
  - \$13,210 in both years, equivalent to about 2 months
- Also someone from elsewhere in DHS to fill a temporary position for senior Medicare patrol project through end of FY 2014
  - \$0.1 million federal funds in both years

# Pharmaceutical Assistance Program

	<b>General Revenues</b>	<b>Rebates</b>	<b>Total</b>
FY 2011 Spent	\$987,781	\$100,000	\$1,087,781
FY 2012 Spent	-	454,335	\$454,335
FY 2013 Enacted	-	436,903	\$436,903
FY 2013 Gov. Rev.	-	472,609	\$472,609
Spent through 3-11	-	214,114	\$214,114
FY 2014 Gov.	174,484	130,000	\$304,484
Gov. to Enacted	\$174,484	(\$306,903)	(\$132,419)

# Home & Community Care Medicaid Services

- Provides eligible seniors with options to help them remain in the community
- Adult Day: therapeutic, recreation, health services, respite for caregivers
- Home care: household chores, dressing, bathing, home delivered meals, ambulatory needs
- Waiver: home care services or placement into an assisted living facility
  - Average of 250 participants per month use waiver

# Home & Community Care Medicaid Services

- Low income elders who pay a portion of the costs for Adult Day and Home care services
- FY 2014 reductions are related to ACA

<i>(all sources, in millions)</i>	<b>Enacted</b>	<b>FY 2013 Gov. Rev.</b>	<b>FY 2014 Gov. Rec.</b>	<b>Change to Enacted</b>
<b>Adult Day Total</b>	<b>\$2.4</b>	<b>\$2.4</b>	<b>\$1.8</b>	<b>(\$0.6)</b>
<b>Home Care Total</b>	<b>\$2.9</b>	<b>\$2.9</b>	<b>\$2.2</b>	<b>(\$0.7)</b>
<b>Waiver Svcs Total</b>	<b>\$10.3</b>	<b>\$10.3</b>	<b>\$11.1</b>	<b>\$0.8</b>



# Home & Community Care Medicaid Services

- Enacted budget includes savings in OHHS from a clinical review of certain community based services
  - OHHS and DEA will use a new guide when authorizing services
  - No savings in Elderly Affairs' budget
- Medicaid benefits transferred to OHHS for FY 2013; these services remain in Elderly Affairs

# Other Elderly Affairs Services

	<b>Enacted</b>	<b>FY 2013 Gov. Rev.</b>	<b>FY 2014 Gov. Rec.</b>
Case Management	\$0.8	\$0.8	\$0.7
Older Americans Act	2.0	2.0	2.0
Medicare Outreach & Enrollment	0.2	-	-
Aging & Disability Resource Ctr	0.4	0.4	0.1
Nutrition and Meals on Wheels	3.2	3.0	2.8
All Other Services	3.3	3.1	2.9
<b>Total</b> ( <i>in millions</i> )	<b>\$9.9</b>	<b>\$9.3</b>	<b>\$8.5</b>

# Governor's FY 2014 Proposals

<i>Changes to Enacted Level</i>	<b>Gen. Rev.</b>	<b>All Funds</b>
Home Care	(\$321,216)	(\$710,678)
Adult Day Care	(262,895)	(581,645)
Case Management	(35,425)	(89,434)
<b>Total</b>	<b>(\$619,536)</b>	<b>(\$1,381,757)</b>

- These reductions are related to Affordable Care Act
  - Assumes a portion of the people receiving these services will be 100 percent Medicaid in Jan. 2014
  - Currently expenses matched at state's Medicaid rate
  - However, seniors are not included in ACA expanded population

# Constrained Proposals Governor Does Not Include

<b>Changes to Enacted Budget</b>	<b>Gen. Rev.</b>	<b>All Funds</b>
Assisted Living Medicaid Waiver	(\$0.04)	(\$0.2)
Home Care	(0.1)	(0.2)
Adult Day Care	(0.2)	(0.4)
Case Management	(0.02)	(0.04)
Volunteer Guardianship Program	(0.1)	(0.1)
RIPAE	-	(0.3)
Staff & operating to federal funds	-	0.2
Loss of federal Meals Funds - error	-	(0.4)
<b>Total</b> ( <i>in millions</i> )	<b>(\$0.5)</b>	<b>(\$1.4)</b>

# Indirect Cost Recovery

- Enacted budget assumes Elderly Affairs will coordinate with OHHS to negotiate a federal indirect cost recovery rate
  - Assumes \$0.4 million will be recovered
  - Used to offset state funded operating costs
- Governor removes the restricted receipts since the funds will not likely be recovered because rate not yet negotiated
  - Unclear why does not adjust general revenues

# Medical Assistance Administration

	<b>Enacted</b>	<b>FY 2013 Revised</b>	<b>FY 2014 Gov.</b>	<b>2014 to Enacted</b>
Salaries & Benefits	\$13.5	\$12.4	\$15.0	\$1.5
Contracted Services	1.6	1.6	1.8	0.2
Operating Expenses	2.6	2.7	2.7	0.1
Assistance & Grants	0.01	0.01	0.01	-
<b>Total</b> ( <i>in millions</i> )	<b>\$17.8</b>	<b>\$16.7</b>	<b>\$19.6</b>	<b>\$1.7</b>
FTEs	150.3	156.1	171.2	19.9

# Unified Health Infrastructure Project

- Partnership between OHHS/Medicaid, Human Services, Office of Health Insurance Commissioner and Health Benefits Exchange
- System developed to assist individuals enroll in either Medicaid or health insurance exchange
- Individual enters information once
- One place for all information needed for individual's determination

# Unified Health Infrastructure Project

- 90/10 federal match through Dec. 2015
- Governor includes \$0.3 million for 6.0 new positions in FY 2013
  - \$27,886 general revenues and \$278,852 fed. funds
- Governor includes \$1.8 million for 18 new positions in FY 2014
  - 12 positions above revised recommendation
  - \$0.2 million gen. rev. and \$1.6 million fed. Funds
- Positions will require more general revenues after 90/10 expires in December 2015



# Medical Assistance Staffing

<b>Funding</b> <i>(in millions)</i>	<b>UHIP</b>	<b>New Positions</b>	<b>Existing Positions</b>	<b>Total</b>
Enacted	-	-	\$13.5	\$13.5
FY 2013 Gov. Rev.	\$0.3	-	\$12.1	\$12.4
<i>Positions</i>	<i>6.0</i>	-	<i>145.6</i>	<i>151.6</i>
FY 2014 Gov. Rec.	\$1.8	\$0.4	\$12.8	\$15.0
<i>Positions</i>	<i>18.0</i>	<i>4.0</i>	<i>149.2</i>	<i>171.2</i>

# Other Programs and Services

- Child Support Enforcement
- Office of Rehabilitation Services
  - Statewide Blind Vending Facilities
- Race to the Top
- Paratransit Services for the Elderly
- All Other Programs and Services

# Child Support Services

- About 28% general revenues, rest is federal funds

	<b>Enacted</b>	<b>FY 2013</b>	<b>FY 2014</b>
Salaries & Benefits	\$4,911,066	\$4,908,940	\$4,956,308
Contracted Services	2,122,065	2,165,005	2,165,005
Operating Expenses	1,291,519	1,324,446	1,334,257
Capital	14,818	10,000	10,000
<b>Total</b>	<b>\$8,339,468</b>	<b>\$8,408,391</b>	<b>\$8,465,570</b>
Number of FTEs	61.0	61.0	61.0

# Child Support Services

- 61.0 positions in both years, but with turnover
  - Approx. 3 FTEs for FY 2013, 4.5 FTEs for FY 2014
- In both years, requests and Governor include:
  - \$55,000 for overtime, an increase of \$25,580
  - \$0.5 million for constable services, an increase of \$86,000

# Office of Rehabilitative Services

- About 15% general revenues, rest is federal funds

	<b>FY 2013 Enacted</b>	<b>FY 2013 Gov. Rev.</b>	<b>FY 2014 Gov. Rec.</b>	<b>2014 to Enacted</b>
Salaries & Benefits	\$13.1	\$12.3	\$12.1	(\$1.0)
Contracted Services	5.0	5.4	5.4	0.4
Operating Expenses	3.4	3.8	3.8	0.4
Assistance & Grants	8.1	7.3	7.1	(1.0)
<b>Total</b> ( <i>in millions</i> )	<b>\$29.6</b>	<b>\$28.8</b>	<b>\$28.4</b>	<b>(\$1.2)</b>

# Governor's FY 2014 Proposals - ORS

	<b>Enacted</b>	<b>FY 2014 Gov.</b>	<b>Change</b>
Home Modification	\$200,000	\$175,181	(\$24,819)
Personal Care Attendants	355,105	287,112	(67,993)
Social Svcs for the Blind	276,315	223,408	(52,907)
Total ( <i>all sources</i> )	\$831,420	\$685,701	(\$145,719)

- These reductions are related to Affordable Care Act
  - Assumes a portion of the people receiving these services will be 100 percent Medicaid in Jan. 2014
  - Currently expenses matched at state's Medicaid rate
  - Services not likely covered in ACA, awaiting more information

# Statewide Blind Vending Facilities

- Stores in state-occupied buildings, operated by blind and visually-impaired individuals
- Funding supports renovations, refurbishment and facility maintenance
- Supported by RICAP funds
- Includes \$165,000 per year FY 2013 - FY 2018
  - Consistent with enacted level and Department's requests

# Race to the Top

<b>Federal Funds</b>	<b>FY 2013 Enacted</b>	<b>FY 2013 Gov. Rev.</b>	<b>FY 2014 Gov. Rec.</b>
Salaries and Benefits	\$172,983	\$259,444	\$285,620
Contracted Services	127,960	174,960	227,960
Operating Expenses	52,410	54,044	55,234
Assistance and Grants	6,712,709	5,418,195	9,182,431
<b>Total</b>	<b>\$7,066,062</b>	<b>\$5,906,643</b>	<b>\$9,751,245</b>
FTEs	2.5	3.0	3.0



# Paratransit Services for the Elderly

	<b>FY 2013 Enacted</b>	<b>FY 2013 Gov. Rev.</b>	<b>FY 2014 Gov. Rec.</b>	<b>Change to Enacted</b>
General Revenues	\$1,793,695	\$1,793,695	\$1,918,674	\$124,979
Federal Funds	446,541	446,541	406,645	(39,896)
Gas Tax Funds	4,224,184	4,155,025	4,165,364	(58,820)
<b>Total</b> <i>(in millions)</i>	<b>\$6,464,420</b>	<b>\$6,395,261</b>	<b>\$6,490,683</b>	<b>\$2,263</b>

# Paratransit Services for the Elderly

- For FY 2014, request includes \$0.2 million more general revenues for increase in riders not Medicaid eligible
  - Governor concurs with this increase
- Governor also includes \$0.1 million reduction
  - Connected to the Affordable Care Act provisions
  - Assumes half the individuals receiving Medicaid services will be eligible for fully federally funded Medicaid in Jan. 2014

# Paratransit Services for the Elderly

- Constrained request includes eliminating services for:
  - Medicaid eligible seniors – use other available services
  - Non-Medicaid eligible elderly and disabled persons to non-Medicaid covered sites
  - \$2.4 million in savings, incl. \$2.0 million gen. rev.
- Gov. does not include the constrained proposal

# All Other Programs and Services

- Work Support Strategies
- Workforce Innovation Fund
- Head Start
- Community Health Centers
- Community Service Grants

# Work Support Strategies

- Governor includes \$0.4 million from general revenues in both years
  - Adds 2.0 new time-limited positions
- 1<sup>st</sup> award was for \$250,000 in FY 2012
  - Assess current operations, develop new and better ways to deliver services and benefits to families
- 2<sup>nd</sup> award is a 3-year, \$1.3 million grant
  - Implementation of state's plan for improving of child care, RI Works, SNAP and Medicaid

# Workforce Innovation Fund

- Requests include \$0.1 million from federal funds for 1.0 new Program Services Officer
- “On-Ramps to Career Pathways”
  - Work with DLT’s Governor’s Workforce Board
  - 1) Establish 3-4 career pathways; align/integrate a range of public funding streams and programs along these pathways
  - 2) Create on-ramps system to enable low-skilled, low-literacy and long-term unemployed workers to successfully gain access to these pathways

# Head Start

- Head Start serves about 2,500 children ages 3 to 5 at 8 locations across the state
- Federally funded program and state provides additional funding
- Governor includes enacted level of \$800,000 from general revenues for Head Start
- Department's constrained request proposed a 20 percent reduction = \$160,000
  - The Governor did not concur with the proposal

# Community Health Centers

	<b>Enacted</b>	<b>FY 2013 Gov. Rev.</b>	<b>FY 2014 Gov. Rec.</b>	<b>Change to Enacted</b>
Gen. Rev.	\$574,560	\$607,206	501,872	(\$105,334)
Federal Funds	625,440	644,249	509,967	(134,282)
Total	\$1,200,000	\$1,251,455	\$1,011,839	(\$239,616)

- This reduction is related to Affordable Care Act
  - Assumes a portion of the people receiving services at community health centers will be covered 100 percent by Medicaid in Jan. 2014



# Community Service Grants

- Governor recommends funding consistent with enacted level
- Grants to over 100 social service agencies and community organizations

	<b>FY 2014 Gov. Rec.</b>
Division of Elderly Affairs	\$944,200
Other Human Services	1,692,677
<b>Total</b>	<b>\$2,636,877</b>

# Department of Human Services

FY 2013 Revised, FY 2014 and Capital Budgets

House Finance Committee

March 27, 2013

