

Department of Human Services

FY 2016 Revised, FY 2017 and Capital Budgets

House Finance Committee

March 30, 2016

Department of Human Services

- 1 of 4 health and human service agencies under the umbrella of EOHHS
 - Human Services
 - Behavioral Healthcare, Developmental Disabilities and Hospitals
 - Children, Youth and Families
 - Health

Department of Human Services

- Governor appoints the directors of the 4 agencies under the EOHHS umbrella
- EOHHS is responsible for managing and providing strategic leadership and direction to the 4 departments
 - Directors retain statutory authority
 - Legal and Finance consolidated in EOHHS
- EOHHS is State Medicaid Agency
 - Medicaid expenses appear in 4 agencies
 - Other Medicaid programs - BHDDH & DCYF

Department Programs/Functions

- Cash Assistance
- Individual and Family Support
- Health Care Eligibility
- Child Support Enforcement
- Veterans' Affairs
- Elderly Affairs
- Central Management

Governor's FY 2016 Revised Budget

| | Enacted | Governor | Change |
|-----------------------|---------|----------|---------|
| General Revenues | \$98.3 | \$97.7 | (\$0.5) |
| Federal Funds | 517.5 | 549.9 | 32.4 |
| Restricted Receipts | 2.1 | 1.4 | (0.7) |
| Other Funds | 4.6 | 5.1 | 0.5 |
| Total | \$622.4 | \$654.1 | \$31.7 |
| FTEs | 959.1 | 959.1 | - |
| <i>\$ in millions</i> | | | |

Governor's FY 2016 Revised Budget

| | Gen Rev | All Funds |
|--|----------------|---------------|
| UHIP | \$- | \$1.7 |
| Reinvent Medicaid – Admin Savings | 0.5 | 1.0 |
| Cash Assistance Caseload | (0.4) | (0.8) |
| SNAP Benefits | - | 14.0 |
| LIHEAP & Weatherization | - | 12.8 |
| Race to the Top | - | 2.7 |
| All Other | (0.6) | 0.3 |
| Total (<i>\$ in millions</i>) | (\$0.5) | \$31.7 |

Governor's FY 2017 Budget

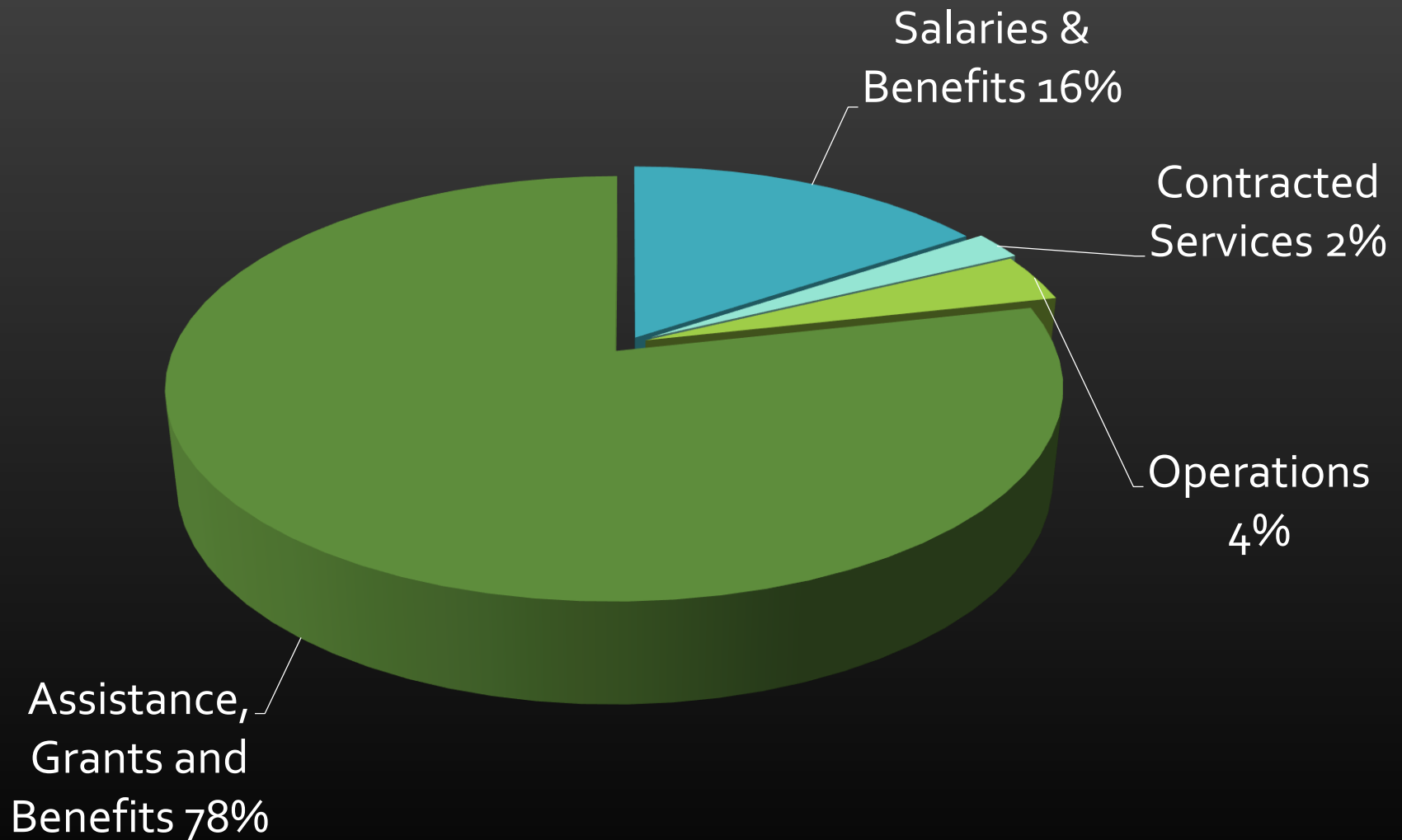
| | Enacted | Governor | Change |
|---------------------|---------|----------|----------|
| General Revenues | \$98.3 | \$103.3 | \$5.0 |
| Federal Funds | 517.5 | 487.9 | (29.6) |
| Restricted Receipts | 2.1 | 1.2 | (0.7) |
| Other Funds | 4.6 | 5.1 | 0.5 |
| Total | \$622.4 | \$597.5 | (\$24.9) |
| FTEs | 959.1 | 955.1 | (4.0) |

\$ in millions

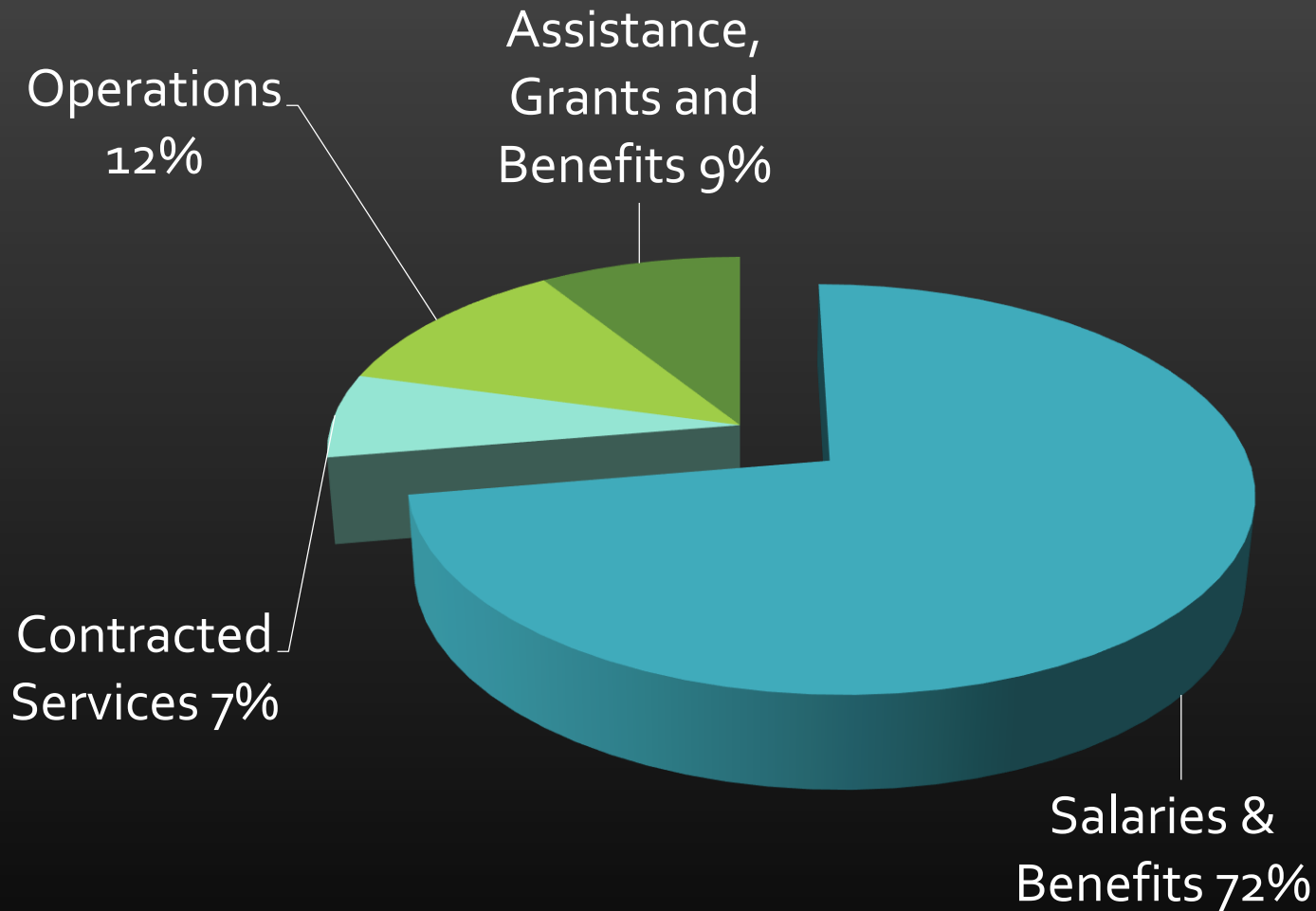
Governor's FY 2017 Recommended

| | Gen Rev | All Funds |
|------------------------------|---------|-----------|
| Cash Assistance Caseload | \$7.1 | \$8.3 |
| UHIP | (1.6) | (2.0) |
| UHIP Admin Savings/InRhodes | (1.3) | (3.5) |
| Reinvent Medicaid - Admin | 0.5 | 1.0 |
| LIHEAP & Weatherization | - | (13.3) |
| Race to the Top | 1.1 | (3.5) |
| WIC Transfer | - | (25.5) |
| SNAP & All Other | (0.6) | 13.6 |
| Total (<i>in millions</i>) | \$5.0 | (\$24.9) |

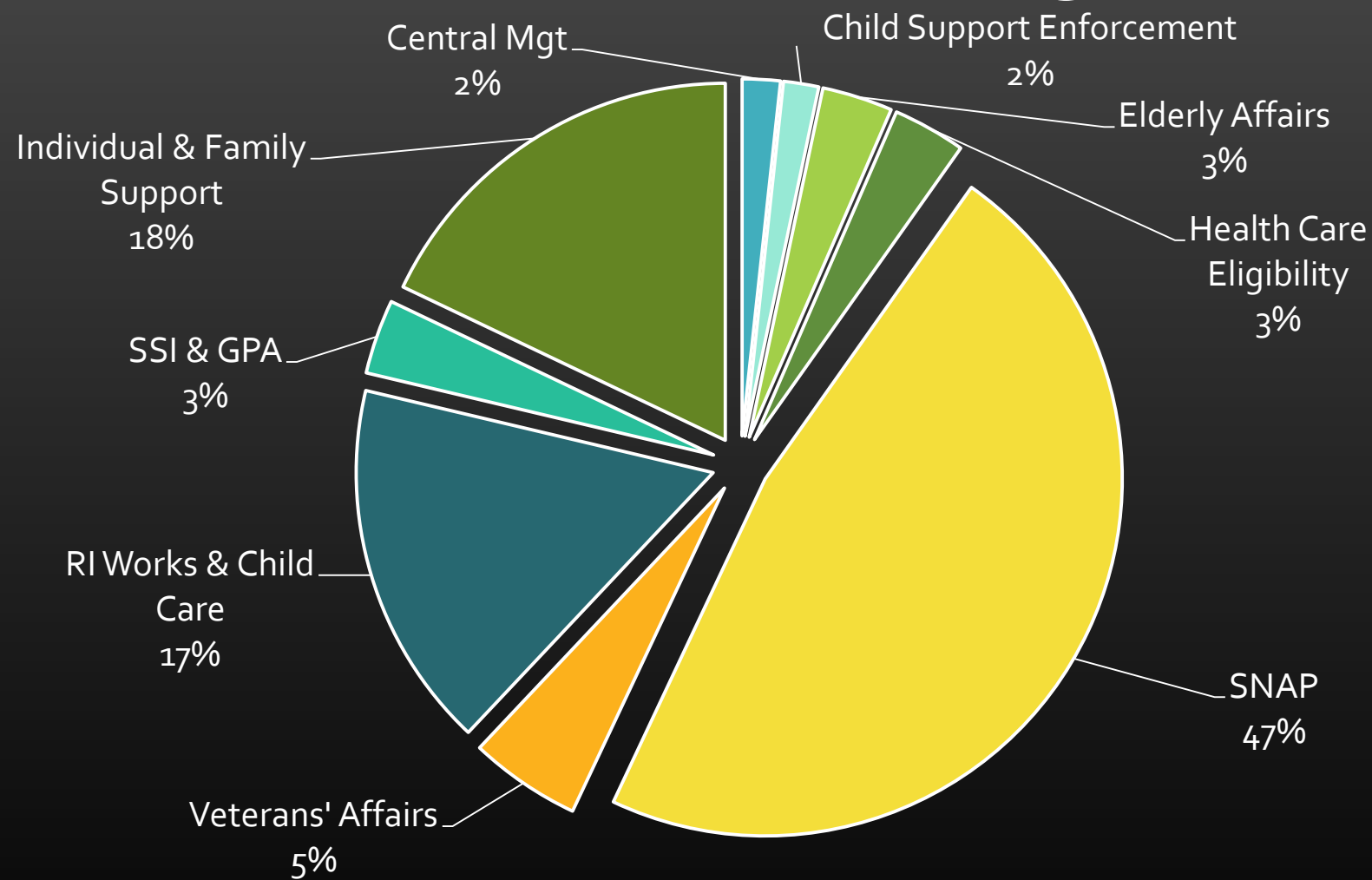
FY 2017 Governor – All Funds



FY 2017 Governor – General Revenues



FY 2017 Governor – Programs



Target Budget

- Budget Office provided a target of \$91.9 million
- Current service adjustments of \$0.7 million
 - Statewide Adjustments - \$0.6 million
 - Entitlements - \$0.2 million
 - Other expenses – \$0.1 million reduction
- 7.5% reduction of \$7.0 million
- Constrained request is \$2.3 million above the target
- Recommendation is \$11.4 million above

Staffing

| Full-Time Positions | FTEs | Chg. To Enacted |
|-------------------------|---------|-----------------|
| Enacted Authorized | 959.1 | - |
| FY 2016 Revised Request | 1,006.1 | - |
| FY 2016 Governor | 959.1 | - |
| FY 2017 Request | 960.1 | - |
| FY 2017 Governor | 955.1 | - |
| FY 2015 Average Filled | 856.5 | (102.6) |
| Filled as of March 19th | 875.1 | (84.0) |

Staffing

- Governor includes new Office of Internal Audits in DOA
 - Statewide fraud detection system
 - Accountability & compliance of state programs
 - Detecting & preventing fraud, waste, and program abuse
- Transfers 7.0 positions from DHS' Front End Detection and Fraud Unit

Staffing

- Governor adds 3 positions in the Division of Veterans' Affairs
 - Governor also creates Office of Veterans' Affairs, replacing the Division
- Also transfers Women, Infants & Children Program to the Department of Health
 - Adds 13 positions to DOH budget but does not reduce DHS authorization

Unified Health Infrastructure Project

- In coordination with HealthSource RI to implement ACA
- One system to apply for benefits
 - Replace existing InRhodes eligibility system
 - Process Medicaid, RI Works, child care & SNAP applications

Current Year: OHHS

- Is this the final cost for project?
 - July 2015 plan does not include child support enforcement function
 - Feasibility study completed
 - \$57.0 million/\$13.0 million from general revenues
- What is the net cost when only have one system?
 - Currently funded systems will not be needed
 - Gov includes \$2.6 million for InRhodes in FY 2017
 - \$1.0 million from general revenues

UHIP

| IAPD-U through CY 2020 | Gen Rev | All Funds |
|---|---------------|----------------|
| July 2013 | \$51.9 | \$209.4 |
| July 2014 | \$51.6 | \$221.9 |
| October 2014 | \$51.7 | \$229.6 |
| July 2015 | \$79.0* | \$363.7* |
| Increase: July 2015 to July 2013 | \$27.2 | \$154.3 |
| <i>\$ in millions</i> | | |
| <p><i>* Updated to reflect newer version of same plan from \$76.9 million and \$364.1 million</i></p> | | |

UHIP

| EOHHS/DHS | Gen Rev | All Funds* |
|-------------------------------|----------------------|-----------------------|
| FY 2016 Enacted | \$5.7 | \$38.4 |
| FY 2016 Gov Revised | \$15.7 | \$123.5 |
| <i>Revised to Enacted</i> | <i>\$10.0</i> | <i>\$85.1</i> |
| FY 2017 Governor | \$11.0 | \$59.0 |
| <i>Rec to FY 2016 enacted</i> | <i>\$5.2</i> | <i>\$20.6</i> |
| <i>Two-Year Total</i> | <i>\$15.2</i> | <i>\$105.7</i> |
| <i>\$ in millions</i> | | |

**use of IT funds in Governor's revised and recommended budgets*

Unified Health Infrastructure Project

| <i>DHS</i> | FY 2016 Enacted | FY 2016 Gov. Rev. | FY 2017 Gov. |
|-----------------------|--------------------|----------------------|-----------------|
| Salaries & Benefits | \$3.0 | \$4.3 | \$3.1 |
| Contracted IT | 4.2 | 4.9 | 2.3 |
| Operations | 0.3 | - | - |
| Total | \$7.5 | \$9.2 | \$5.4 |
| General Revenues | \$2.6 | \$2.6 | \$1.0 |
| Federal Funds | 4.9 | 6.6 | 4.4 |
| Total | \$7.5 | \$9.2 | \$5.4 |
| FTEs | 47.0 | 47.0 | 27.0 |
| <i>\$ in millions</i> | | | |

Cash Assistance

- Rhode Island Works
- Child Care
- SSI
- SSI Transition/Bridge
 - Also called General Public Assistance

Caseload Estimating Conference

- Twice a year – November & May
- To produce official estimates of anticipated medical & public assistance caseloads
- Consists of House Fiscal Advisor, Senate Fiscal Advisor and State Budget Officer
- Principals each develop estimates
 - Dept. testimony, data and assumptions along with economic forecast and data trends for estimate

Caseload Estimating Conference

- Consensus reached on each estimate
- Estimates form basis of Governor's budget (Nov.) and Enacted (May)
- Article 22 removes cash assistance from estimating purview of Caseload Estimating Conference
- Medical assistance would remain
 - Budgeted in OHHS
- Article hearing was February 24th

TANF Federal Block Grant

- RI has \$60.4 million maintenance of effort requirement to receive \$95.0 million grant
 - State funds or in-kind contribution
 - Assuming work participation rates are met
 - Separate rates for 1 and 2 parent families
- Held to higher MOE if either rate is not met
 - RI - \$4.0 million more general revenue maintenance of effort needed because RI has not met two-parent work participation rate

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 employment plan
 - Training, job search, vocational education

Rhode Island Works

| | FY 2016 Enacted | FY 2016 Gov./CEC | Change to Enacted | FY 2017 Gov./CEC | Change to Revised |
|-------------------------------|--------------------|---------------------|----------------------|---------------------|----------------------|
| Persons | 12,216 | 11,524 | (692) | 10,744 | (780) |
| Monthly Cost per Person | \$181.71 | \$180.40 | (\$1.31) | \$180.57 | \$0.17 |
| Annual Cost | \$29.2 | \$27.3 | (\$1.9) | \$25.5 | (\$1.8) |

\$ millions

Rhode Island Works – Pilot

- 2013 Assembly created pilot program: Article 18
- To promote innovation in TANF supported programs and test new ways of delivering services to low income individuals and families
- Included \$3.0 million from federal TANF block grant funds
 - Allocated \$1.5 million for RI Works portion
 - Also included \$1.5 million for child care expansion portion of pilot, discussed separately

Rhode Island Works – Pilot

- Made existing contracts with job readiness providers more outcome focused
 - added target benchmarks and increased incentives for increased performance
- A consultant evaluated current benefit delivery system; report presented to DHS late Feb. 2014
 - Action plan has 3 phases
 - Governor includes \$1.5 million in both years for RI Works portion, consistent with enacted level

Rhode Island Works – Pilot

- DHS expanding the number of options for RI Works participants, such as:
 - On-the-job training and other work experiences
 - Job readiness
 - Programs DLT promotes for the unemployed
- Plans to enter into contract to create & manage a transportation assistance program for RI Works clients

Child Care

- Provides child care to Rhode Island Works recipients & low income families at or below 180 percent of poverty
 - Families in approved training or employment programs who need child care to participate
- Over 80% of participants are low income families
 - Do not receive cash assistance payments
- Pilot program allows families to maintain eligibility if income increases to 225%
 - Must first be eligible at 180 percent of poverty

Child Care – Pilot Program

| FY | Timeframe | TANF Funds | # of children |
|------|-----------------------|------------|---------------|
| 2014 | 10/1/2013 – 6/30/2014 | \$0.1 | 18 |
| 2015 | 7/1/2014 -6/30/2015 | \$1.1 | 226 |
| 2016 | 7/1/2015 -6/30/2016 | \$1.5 | 310 |
| 2017 | 7/1/3016 – 9/30/2016 | \$0.4 | 350 |

\$ in millions

Child Care Expenditures

| | Enacted | FY 2016 Gov. /CEC | Chge | FY 2017 Gov. Rec | to Rev |
|-------------------------------|---------|----------------------|-------|---------------------|--------|
| Subsidies | 8,629 | 8,832 | 203 | 9,500 | 688 |
| Annual cost per subsidy | \$7,100 | \$7,100 | - | \$7,450 | \$350 |
| Total Cost | \$61.3 | \$62.7 | \$1.5 | \$73.0 | \$10.3 |

\$ in millions

FY 2017 Child Care Expenditures

- Governor's budget adds \$2.2 million from general revenues to CEC estimate
 - Intended to replace federal funds however federal funds were not reduced (technical error)
- Change made on interpretation of use of funds
 - Supporting documents suggest that TANF funds cannot be used for some child care activities
 - DHS now believes that cannot be used for some child care participants
 - Appears to be still be an open question on the need for general revenues

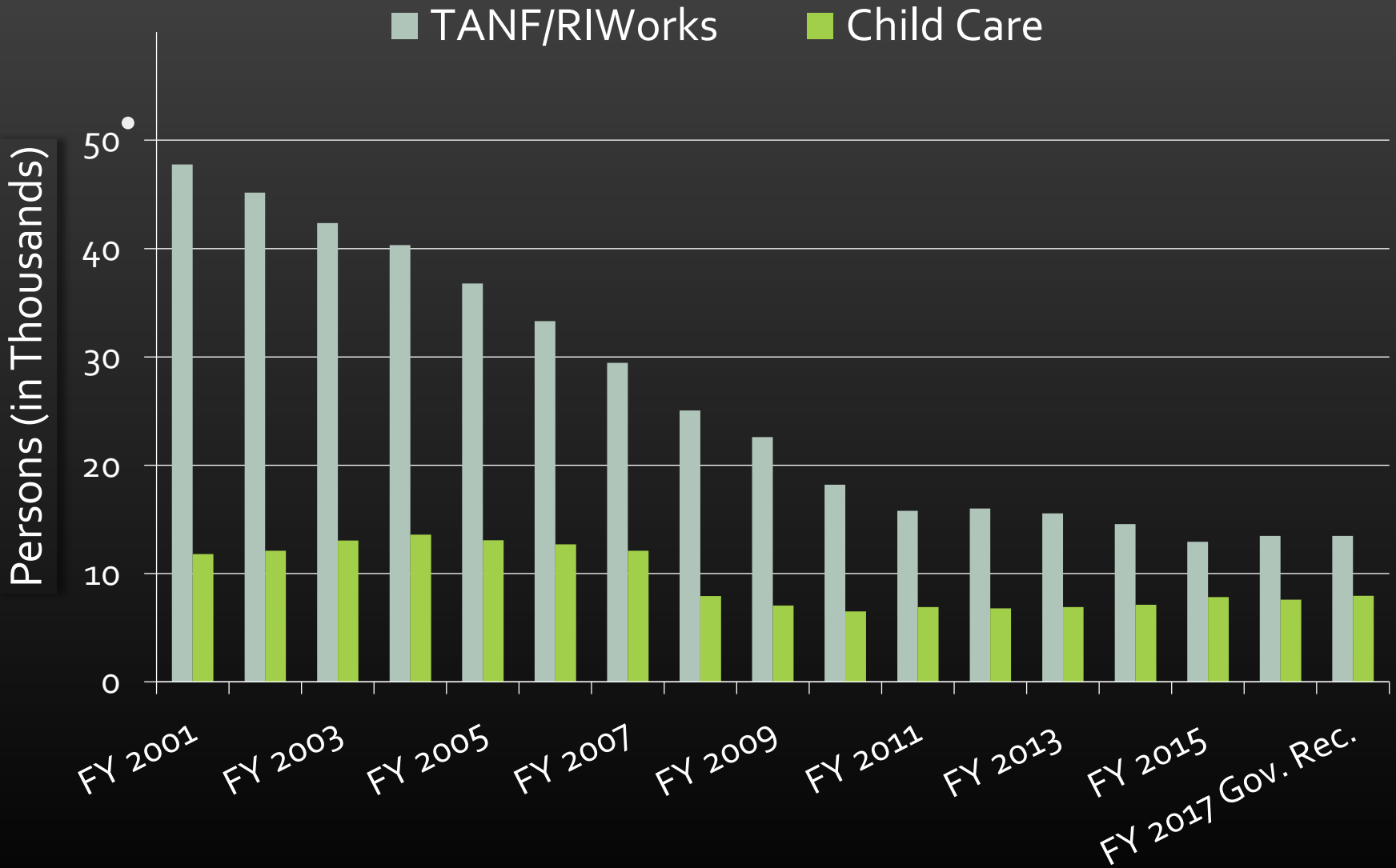
Child Care – Bargaining Agreement

- State entered into an agreement with SEIU District 1199NE
 - Child Care Assistance (CCAP) family child care providers
 - July 1, 2015 through June 30, 2017
- Agreement impacts providers rates which are part of caseload estimating conference
- Also includes other benefits separate from CEC process but part of budget process

Child Care – Bargaining Agreement

| Contract Benefit | FY 2016 Gov. Rev. | FY 2017 Gov. Rec. |
|-----------------------------|-------------------|-------------------|
| Family Training | \$125,000 | \$125,000 |
| Home Business Computers | 212,500 | - |
| Incentive Pool | - | - |
| Registration Fees | 113,200 | 113,200 |
| Direct Deposit Bonus | 50,000 | - |
| Orientation Payment | 7,500 | - |
| Certification Bonus Payment | 6,500 | - |
| Total | \$514,700 | \$238,200 |

Caseload History



Supplemental Security Income/Bridge Programs

- SSI - Federal program for elderly and disabled individuals
 - State provides a supplement to the federal payment
- Bridge Programs - individuals who have applied for SSI
 - State is reimbursed a portion of expenses if a person's application is accepted

Supplemental Security Income

| | FY 2016 Enacted | FY 2016 Gov./CEC | Change to Enacted | FY 2017 Gov./CEC | Change to Revised |
|-----------------|--------------------|---------------------|----------------------|---------------------|----------------------|
| Persons | 34,101 | 33,900 | (201) | 34,165 | 265 |
| Monthly Cost | \$45.59 | \$45.00 | (\$0.59) | \$45.00 | - |
| Total | \$18.7 | \$18.4 | (\$0.3) | \$18.5 | \$0.1 |

\$ millions

SSI Transition/Bridge Program

| | FY 2016 Enacted | FY 2016 Gov./CEC | Change to Enacted | FY 2017 Gov./CEC | Change to Revised |
|-----------------|--------------------|---------------------|----------------------|---------------------|----------------------|
| Persons | 434 | 395 | (39) | 395 | - |
| Monthly Cost | \$135.00 | \$135.00 | - | \$135.00 | - |
| Total | \$1.44 | \$1.37 | (\$0.07) | \$1.37 | - |

\$ in millions

Other Programs

| Program | FY 2016 Gov Rev & FY 2017 Gov Rec | | Benefit/Payment |
|---|-----------------------------------|-----------|---|
| Additional State Supplement - Assisted Living | \$359,198 | \$359,198 | \$206 payment made to certain individuals in assisted living facilities |
| Hardship | \$210,000 | \$210,000 | Discretion of DHS director |

Benefits Administration

| | FY 2016 Gov. Rev. | | FY 2017 Gov. | | |
|----------------|-------------------|-----------|------------------|-----------|-------|
| | General Revenues | All Funds | General Revenues | All Funds | FTEs |
| RI Works | \$2.3 | \$13.4 | \$2.2 | \$12.2 | 114.0 |
| Child Care | 1.0 | 1.1 | 1.1 | 1.1 | 20.0 |
| SSI | 0.6 | 0.6 | 0.5 | 0.5 | 4.0 |
| Total | \$3.9 | \$15.1 | \$3.8 | \$13.8 | 138.0 |
| \$ in millions | | | | | |

Other Benefits

| Program | FY 2016 Enacted | FY 2016 Gov. Rev. | FY 2017 Gov. |
|--|--------------------|----------------------|-----------------|
| Supplemental Nutrition Assistance (SNAP) program | \$268.0 | \$282.0 | \$282.0 |
| Women, Infants & Children (WIC)* | 18.8 | 18.8 | - |
| Low Income Home Energy Assistance (LIHEAP) & Weatherization Assistance Programs (WAP) | 24.9 | 37.3 | 11.5 |
| Federal Funds Total | \$311.6 | \$338.0 | \$293.5 |
| *transfers to Dept of Health | | | |

Other Benefits Administration

| Program | FY 2016 Gov. Rev. | | FY 2017 Gov. | | |
|------------|-------------------|-----------|------------------|-----------|-------|
| | General Revenues | All Funds | General Revenues | All Funds | FTEs |
| SNAP | \$7.6 | \$17.8 | \$6.6 | \$16.0 | 119.0 |
| WIC | - | \$6.5 | - | - | 13.0* |
| LIHEAP/WAP | - | \$1.1 | - | \$0.9 | 6.0 |

\$ in millions

* Governor's budget does not eliminate the positions in DHS but does adds 13 positions in DOH

Division of Veterans' Affairs

- Provides programs and services through
 - Veterans' Affairs/Veterans' Assistance Office
 - Veterans' Home
 - Veterans' Cemetery
- Governor includes Sections 16-18 of Article 4 to create Office of Veterans' Affairs
 - Director will report to the Governor
 - Funding remains in DHS for budgetary purposes
 - House Finance Committee held hearing March 3rd

Veterans' Affairs - Summary

| | FY 2016 Enacted | FY 2016 Gov. Rev. | FY 2017 Gov. Rec. | FY 2017 to Enacted |
|------------------------|--------------------|----------------------|----------------------|-----------------------|
| General Revenues | \$20.5 | \$20.3 | \$20.6 | \$0.1 |
| Federal Funds | 8.2 | 8.8 | 9.3 | 1.1 |
| Restricted Receipts | 0.7 | 0.2 | 0.2 | (0.4) |
| Total | \$29.4 | \$29.4 | \$30.1 | \$0.7 |
| FTEs | 239.6 | 240.1 | 243.1 | 3.5 |

\$ in millions

Veterans' Affairs - Summary

| | FY 2016 Enacted | FY 2016 Gov. Rev. | FY 2017 Gov. Rec. | FY 2017 to Enacted |
|----------------|--------------------|----------------------|----------------------|-----------------------|
| Sal & Ben | \$24.2 | \$24.5 | \$25.2 | \$1.1 |
| Contr Services | 2.3 | 2.3 | 2.3 | - |
| Operating | 2.8 | 2.5 | 2.5 | (0.4) |
| Capital | 0.1 | 0.1 | 0.1 | - |
| Total | \$29.4 | \$29.4 | \$30.1 | \$0.7 |

\$ in millions

- Governor adds three administrative positions
- Assist with application process, outreach and other admin duties

Veterans' Affairs – Summary

| | FY 2016 Enacted | FY 2016 Gov. Rev. | FY 2017 Gov. Rec. | FY 2017 to Enacted |
|------------------------|--------------------|----------------------|----------------------|-----------------------|
| Salaries & Benefits | \$23.0 | \$23.3 | \$24.1 | \$1.1 |
| Contracted Services | 2.3 | 2.3 | 2.3 | - |
| Operations | 2.5 | 2.2 | 2.2 | (0.3) |
| Total | \$27.8 | \$27.8 | \$28.6 | \$0.8 |
| FTE | 226.6 | 227.1 | 230.1 | 3.5 |

\$ in millions

Veterans' Affairs - Cemetery

| | FY 2016 Enacted | FY 2016 Gov Rev | FY 2017 Gov Rec | FY 2017 to Enacted |
|------------------------|--------------------|--------------------|--------------------|-----------------------|
| Salaries & Benefits | \$1.2 | \$1.2 | \$1.1 | (\$29,553) |
| Operations | 0.4 | 0.3 | 0.3 | (62,142) |
| Capital | 0.1 | 0.1 | 0.1 | - |
| Total | \$1.6 | \$1.6 | \$1.5 | (\$91,695) |
| FTE | 13.0 | 13.0 | 13.0 | |

\$ in millions

Veterans' Cemetery – Capital

- Budget Request includes 2 items
- Survey of certain cemetery land - \$75,000
- New vehicles - \$61,000 from restricted receipts

- Governor includes funding for vehicles but not inadvertently excludes \$75,000 for survey of burial fields

New Veterans' Home

- 2012 Voters approved a bond not to exceed \$94.0 million for construction of a new Veterans' Home and renovation to existing facilities
- Original plan was a 300-bed facility
 - 225 nursing beds & 75 assisted living ones
- Bond question required that any federal funding made available would reduce the amount of borrowed funds

New Veterans' Home

- Federal govt. issued new guidelines
- New design for 208-bed project costs \$120.5 million
 - 192 nursing beds & 16 dormitory
 - Community Living Center design with separate rooms around common areas

| Fund Sources | Original Est. | Revised Est. | Change |
|-----------------------|---------------|--------------|----------|
| State | \$72.0 | \$60.0 | (\$12.0) |
| Federal | 22.0 | 60.5 | 38.5 |
| Total | \$94.0 | \$120.5 | \$26.5 |
| <i>\$ in millions</i> | | | |

New Veterans' Home

- Governor includes Question 6 of Article 5 to allow the state to issue an additional \$27.0 million in bonds to complete the project
- Total borrowed by state would be approximately \$60 million
- Reflects the availability of \$60.6 million in federal reimbursements
- Cost to the state would be about \$12 million less than originally estimated
- Finance Committee hearing held on March 9th

New Veterans' Home Funding

| | Pre- FY 2016 | FY 2016 | FY 2017 | FY 2018 | FY 2019 - 2021 | Total |
|------------------------|-----------------|------------|------------|------------|-------------------|---------|
| Approved G.O. Bonds | \$6.6 | \$26.9 | \$- | \$- | - | \$33.5 |
| New G.O Bonds | - | - | - | 27.0 | - | 27.0 |
| Federal | - | 10.0 | 42.5 | 8.0 | - | 60.5 |
| Total | \$6.6 | \$36.9 | \$42.5 | \$35.0 | - | \$121.0 |
| \$ in millions | | | | | | |

Veterans' Affairs

- Governor includes \$1.5 million in FY 2016 revised & FY 2017 recommended budgets for new federal grant in Department of BHDDH
- Substance Abuse and Mental Health Services Administration (SAMSHA)
 - Cooperative Agreements to Benefit Homelessness (CABHI)
 - Includes Veterans – agreement with Rhode Island Housing
- To be discussed further at BHDDH hearing on April 12th

Division of Elderly Affairs

- Primary Functions of Elderly Affairs
 - Information and Referral, “The Point”
 - Home and Community Care Services
 - Elder Safety and Justice
 - Health Promotion
 - Nutrition
 - Pharmaceutical Assistance

Elderly Affairs – Summary

| | FY 2016 Enacted | FY 2016 Gov. Rev. | FY 2017 Gov. Rec. | Change to Enacted |
|---------------------|--------------------|----------------------|-------------------------|----------------------|
| General Revenues | \$6.6 | \$6.4 | \$7.0 | \$0.4 |
| Federal Funds | 12.2 | 11.8 | 11.9 | (0.2) |
| Restricted Receipts | 0.1 | 0.04 | 0.1 | - |
| Total | \$18.8 | \$18.3 | \$19.1 | \$0.2 |
| FTEs | 31.0 | 31.0 | 31.0 | - |
| \$ in millions | | | | |

Elderly Affairs – Summary

| | FY 2016 Enacted | FY 2016 Gov. Rev. | FY 2017 Gov. Rec. | Change to Enacted |
|---------------------|--------------------|----------------------|-------------------------|----------------------|
| Salaries & Benefits | \$3.3 | \$3.2 | \$3.3 | \$0.1 |
| Contr. Services | 0.1 | 0.1 | 0.1 | - |
| Operating | 0.3 | 0.3 | 0.3 | (0.1) |
| Assist & Grants | 15.3 | 14.7 | 15.4 | 0.1 |
| Total | \$18.9 | \$18.3 | \$19.1 | \$0.2 |
| FTEs | 31.0 | 31.0 | 31.0 | - |
| \$ in millions | | | | |

Pharmaceutical Assistance Program

| | Gen. Rev. | Rebates | Total |
|-------------------|-----------|-----------|-------------|
| FY 2011 | \$987,781 | \$100,000 | \$1,087,781 |
| FY 2012 | - | 454,335 | 454,335 |
| FY 2013 | - | 315,222 | 315,222 |
| FY 2014 | - | 127,012 | 127,012 |
| FY 2015 | 24,484 | 299,336 | 323,820 |
| FY 2016 Enacted | - | 137,026 | 137,026 |
| FY 2016 Gov. Rev. | - | 46,362 | 46,362 |
| FY 2017 Gov. | - | 120,693 | 120,693 |
| Gov. to Enacted | | (16,333) | (16,333) |

Medicaid Programs

- Provides eligible seniors with options to help them remain in the community
- CNOM programs for home care, adult day and case management services
- Low income elders pay a portion of the costs for these services
- State leverages Medicaid funds for these services through the global waiver

Medicaid Programs

- Low income elders pay a portion of the costs for these services
- State leverages Medicaid funds through the global waiver
- Governor includes Art 9 to increase home health & personal care attendants – does not add funds in DHS

| Program | FY 2015 Spent | FY 2016 Enacted | FY 2016 Gov. Rev. | FY 2017 Gov. Rec. | Rec. to Enacted |
|-----------|---------------|-----------------|-------------------|-------------------|-----------------|
| Adult Day | \$1.7 | \$2.8 | \$1.8 | \$1.9 | (\$0.9) |
| Home Care | \$3.3 | \$3.4 | \$3.8 | \$4.1 | \$0.7 |
| Case Mgt | \$0.4 | \$0.6 | \$0.5 | \$0.5 | (\$0.0) |

\$ in millions

Medicaid Programs

| CNOM | Income Level | Request | Article 7 (h) (1) |
|-------------------------------|--------------|---------|-----------------------|
| Adult Day | 200% | 250% | Not included |
| Home Care | 200% | 250% | Not included |
| Non-elderly adults w/dementia | Not covered | 250% | New coverage included |

Savings Proposals

| Proposal | General Revenues | All Funds |
|--------------------------------|------------------|-------------|
| Long Term Care Ombudsman | (\$45,000) | (\$90,000) |
| Volunteer Guardianship Program | (81,512) | (81,512) |
| Total | (\$126,512) | (\$171,512) |

- LTC Ombudsman – contract with Alliance for Long Term Care
- Volunteer Guardianship – contract with Cornerstone Adult Day
- Both proposed by the Department and accepted by the Governor

Other Elderly Affairs Services

| Program | FY 2016 Gov. Rev. | FY 2017 Gov. Rec. |
|-------------------------------|-------------------|-------------------|
| Nutrition and Meals on Wheels | \$2.6 | \$2.6 |
| Older Americans Act - Other | 2.7 | 2.7 |
| Medicaid Administration | 0.9 | 0.9 |
| Senior Companion Program | 0.4 | 0.5 |
| Health Info & Counseling | 0.4 | 0.4 |
| Protective Services | 0.4 | 0.4 |
| All Other Services | 0.9 | 0.9 |
| Total | \$8.3 | \$8.4 |
| \$ in millions | | |

Other Programs and Services

- Health Care Determination Administration
- Child Support Enforcement
- Office of Rehabilitation Services
 - Medical Services
 - Statewide Blind Vending Facilities
- Race to the Top
- Paratransit Services for the Elderly
- Community Service Grants

Health Care Determination Admin.

| | FY 2016 Enacted | FY 2016 Gov. Rev. | FY 2017 Gov. | Gov Rec to Enacted |
|---------------------|--------------------|----------------------|-----------------|-----------------------|
| Salaries & Benefits | \$16.6 | \$20.2 | \$18.0 | \$1.4 |
| Contracted Services | 1.0 | 0.9 | 0.5 | (0.5) |
| Operating Expenses | 1.9 | 1.2 | 1.2 | (0.7) |
| Capital | 0.1 | 0.1 | 0.1 | - |
| Total | \$19.5 | \$22.3 | \$19.7 | \$0.2 |
| General Revenues | \$8.1 | \$9.9 | \$8.8 | \$0.7 |
| <i>% of Gen Rev</i> | <i>41.5%</i> | <i>44.4%</i> | <i>44.7%</i> | |
| \$ in millions | | | | |

Child Support Enforcement

| | Enacted | FY 2016 Gov. Rev. | FY 2017 Gov. Rec. | Gov Rec to Enacted |
|---------------------|--------------|----------------------|----------------------|-----------------------|
| Salaries & Benefits | \$4.9 | \$5.1 | \$5.2 | \$0.3 |
| Contracted Services | 3.2 | 2.8 | 2.5 | (0.7) |
| Operating Expenses | 1.6 | 1.7 | 1.6 | - |
| Asst & Grants | - | 0.2 | 0.2 | 0.2 |
| Total | \$9.6 | \$9.8 | \$9.5 | (\$0.1) |
| Gen Rev | \$3.0 | \$3.0 | \$3.3 | \$0.3 |
| <i>% of Gen Rev</i> | <i>31.3%</i> | <i>30.6%</i> | <i>31.6%</i> | |
| \$ in millions | | | | |

Office of Rehabilitation Services

| | FY 2016 Enacted | FY 2016 Gov. Rev. | FY 2017 Gov. Rec. | FY 2017 to Enacted |
|---------------------|--------------------|----------------------|-------------------------|-----------------------|
| Salaries & Benefits | \$8.2 | \$8.4 | \$9.1 | \$0.9 |
| Contracted Services | 0.5 | 0.6 | 0.6 | 0.1 |
| Operating Expenses | 1.7 | 1.7 | 1.6 | - |
| Assistance & Grants | 11.1 | 11.1 | 10.5 | (0.6) |
| Total | \$21.5 | \$21.8 | \$21.9 | \$0.4 |
| General Revenues | \$3.4 | \$3.4 | \$3.3 | (\$0.1) |
| <i>% of Gen Rev</i> | <i>16.4%</i> | <i>16.4%</i> | <i>15.7%</i> | |
| \$ in millions | | | | |

ORS Medicaid CNOMs

- ORS leverages Medicaid for certain services to help individuals maintain independence
- Governor's budget includes DHS proposal to eliminate 2 programs but some funding remains

| CNOM Programs | Enacted/Gov Rev | FY 2017 Gov. | Change |
|---------------------------|-----------------|--------------|-------------|
| Home Modification | \$223,542 | \$5,339 | (\$218,203) |
| Personal Care Attendant | 414,977 | 9,911 | (405,066) |
| Social Services for Blind | 334,712 | 342,705 | 7,993 |
| Total (all sources) | \$973,231 | \$357,955 | (\$615,276) |

Statewide Blind Vending Facilities

- 15 stores in state-occupied buildings, operated by blind and visually-impaired individuals
- Typically funded by RICAP funds
 - Renovations, refurbishment and facility maintenance
- Governor includes \$165,000 per year from FY 2016 through FY 2021
 - Consistent with enacted level and request

Race to the Top

- State awarded \$50 million Dec. 2011; ended Dec. 2015
- DHS to receive \$25.5 million;
 - No funding spent in FY 2012
 - \$3.8 million spent in FY 2013 & FY 2014
 - \$10.8 million in FY 2015

Race to the Top

- Developed program plans thru FY 2013 with plans implemented in FY 2014 & FY 2015
 - Expand Bright Stars quality rating & improvement system
 - Professional center for community based technical support for providers to improve programs
 - Contract w/ CCRI to award experience credits for early childhood education workers to obtain relevant degree
 - Awards to providers: improve & maintain high care quality

Race to the Top

| | FY 2014 Spent | FY 2015 Spent | FY 2016 Gov. Rev. | FY 2017 Gov. Rec. |
|---------------------|------------------|------------------|----------------------|----------------------|
| Salaries & Benefits | \$0.5 | \$0.6 | \$0.6 | \$0.4 |
| Operating | 0.03 | 0.03 | 0.02 | - |
| Grants | 3.1 | 10.2 | 8.3 | 2.3 |
| Total | \$3.6 | \$10.8 | \$8.9 | \$2.7 |
| \$ in millions | | | | |

- Program ended Dec. 31, 2015
- FY 2017 Governor's recommended budget uses \$1.1 million from general revenues to replaces expiring federal funds

RACE TO THE TOP -

- FY 2017 Governor's budget includes \$1.6 million from remaining federal funds
 - Spent by September 30th
- Adds \$1.1 million from general revenues to continue in FY 2017
 - BrightStars/Quality Review
- Annualized cost to maintain this program with state funds - \$1.4 million

Paratransit Services for the Elderly

- Both Medicaid & non-Medicaid eligible elderly and disabled persons to:
 - Doctor visits, dialysis, cancer treatment, adult day care centers, senior meal sites, services for visually impaired

| | FY 2016 Enacted | FY 2016 Gov. Rev. | FY 2017 Gov. Rec. |
|------------------|--------------------|----------------------|----------------------|
| General Revenues | \$1.4 | \$1.4 | \$1.4 |
| Federal Funds | 2.8 | 2.6 | 2.8 |
| Gas Tax Funds | 4.3 | 4.4 | 4.4 |
| Total | \$8.7 | \$8.5 | \$8.7 |
| \$ in millions | | | |

Community Service Grants

- Grants to over 100 social service agencies and community organizations
- Governor adds \$600,000 for senior centers
 - Does not indicate how funding would be distributed

| | FY 2016 Enacted/Gov. Rev. | FY 2017 Gov. Rec. | Change |
|--------------------------------|------------------------------|----------------------|-----------|
| Division of Elderly Affairs | \$1,266,362 | \$1,866,362 | \$600,000 |
| Other Human Services | 2,715,670 | 2,715,670 | - |
| Total | \$3,982,032 | \$4,582,032 | \$600,000 |

Department of Human Services

FY 2016 Revised, FY 2017 and Capital Budgets

House Finance Committee

March 30, 2016