



**May 2020 Caseload Estimating Conference**  
**RI Department of Human Services**  
**April 24, 2020**

**Caseload Testimony**

**Gina M. Raimondo**  
**Governor**

**Courtney E. Hawkins**  
**Director**

## May 2020 Caseload Conference Rhode Island Department of Human Services

The members of the Caseload Estimating Conference have requested that the Executive Office of Health and Human Services (EOHHS) and the Department of Human Services (DHS) provide written answers to various questions in addition to the presentation of their estimates. These answers are provided throughout the document and highlighted in red text.

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## Rhode Island Works (RIW) Program

RI Works is Rhode Island's name for the federal Temporary Assistance to Needy Families (TANF) program. Authorized under Public Law 104-193 in 1996 (the welfare reform legislation "Personal Responsibility and Work Opportunity Reconciliation Act" or PRWORA), the TANF program is a block grant to states to achieve the following purposes:

- Assisting needy families so that children can be cared for in their own homes;
- Reducing the dependency of needy parents by promoting job preparation, work and marriage;
- Preventing out-of-wedlock pregnancies; and
- Encouraging the formation and maintenance of two-parent families.

States create their own programs within the parameters of TANF. RIGL § 40-5.2 authorizes RI Works, Rhode Island's TANF program. It was previously known as the Family Independence Program (FIP) when enacted in 1997. In 2008, it was revised as the RI Works program to align with TANF's employment goals and policies and to help recipient families become employed and self-sufficient. The goal of RI Works is to eliminate or reduce the harmful effects of poverty on families and children by fostering employment and opportunity as a means to economic independence (RIGL § 40-5.2-6 (a)); and to eliminate the stigma of welfare by promoting a philosophy and a perception that the purpose of welfare is to eliminate or reduce the harmful effects of poverty on families and children by promoting work opportunities for all Rhode Island residents (RIGL § 40-5.2-6 (c)).

All activities and services provided through the RI Works program are intended to promote economic progress for families through the provision of supportive services, the development of employment skills and intensive work readiness services. The RI Works Program supports adult family members to work by offering the following benefits and services:

- **Cash Assistance** is provided to needy families that meet certain guidelines
- **Comprehensive Assessment and Service Planning** for families receiving cash assistance
- **Child Care Assistance** is provided to support the family, when needed
- **Assistance with Job Training, Adult Education, and Finding Work**
- **Food Assistance** is provided by Supplemental Nutrition Assistance Program (SNAP)
- **Transportation:** reimbursement and/or bus passes are available to support preparation for employment
- Parents are strongly encouraged to apply for **Health Care** while on RI Works

The TANF Block Grant is the primary funding source for RI Works. In order to draw Rhode Island's approximately \$95-million-dollar federal grant, the State is required to maintain a historic level of investment in programs that serve low-income families. This investment is called maintenance of effort (MOE), these expenditures are calculated each fiscal year and must be at least 80 percent of historic "qualified" state expenditures under the former Aid to Families with Dependent Children (AFDC) Program. In Rhode Island, 80 percent MOE is approximately \$64-million-dollars.



### **DHS Rhode Island Work's Response to COVID-19**

The COVID-19 pandemic is expected to affect the RIW program. The FY2021 caseload projections for RIW are expected to increase by 2%. This is due to recent working RIW participants being laid off or furloughed; additionally, other parents, who do not qualify for other benefits or services, are expected to apply for the RIW benefits. In order to protect RIW parents from losing their benefits during the COVID-19 pandemic, cases have been held open to ensure parents can continue to receive the essential RIW benefits. The expected cost to keep RIW cases open during the COVID-19 pandemic will cost about \$40,000 which is assumed in the FY 2020 projections. This was calculated using case cost for parents who were "held open" due to COVID-19. Cases are considered "held open" due to DHS waiving the interim report requirement, moving the recertification dates forward six-months, lifting sanctions, and preventing cases that hit the 48 month time limit from closing. These four actions are expected to increase the caseload and cost the above mentioned \$40,000.

### **Profile of RI Works**

Household Breakdown	Household Breakdown	
	Households with 1 parent	57.22%
	Households with 2 parents	3.02%
	Households with child-only cases	39.76%

Race and Ethnicity	Race and Ethnicity	
	American Indian or Alaskan Native, Non-Hispanic	1.12%
	Asian, Non-Hispanic	0.54%
	Black or African American, Non-Hispanic	13.77%
	Native Hawaiian or Other Pacific Islander, Non-Hispanic	0.1%
	White, Non-Hispanic	21.36%
	Hispanic, including Mexican, Puerto Rican, and Cuban	21.80%
	Unable to Determine the Ethnicity or Race	41.31%

Age	Age	
	Adults ages 18 and older	27.36%
	Children under age 18	72.63%

Recipients per Household	Recipients per Household	
	1 individual	24.7%
	2 individuals	34.6%
	3 individuals	22.7%
	4+ individuals	18.01%



**Profile of RI Works (Continued)**

Literacy Levels	English Speaking Adults		
	1st Grade & Below	1.4%	41.8% Read below an 8 <sup>th</sup> Grade Reading Level
	2nd-3rd Grade	5.5%	
	4th-5th Grade	16.7%	
	6th-7th Grade	18.2%	
	8th-9th Grade	18.0%	
	10th-11th Grade	17.6%	
	12 <sup>th</sup> Grade & Above	22.6%	

Literacy Levels	Spanish Speaking Adults		
	1st Grade & Below	2.4%	64.9% Read in Spanish below an 8 <sup>th</sup> Grade Reading Level
	2nd-3rd Grade	29.9%	
	4th-5th Grade	23.8%	
	6th-7th Grade	8.8%	
	8th-9th Grade	9.5%	
	10th-11th Grade	0.5%	
	12 <sup>th</sup> Grade & Above	25.1%	

# *RI Works Cases by City/Town*

City/Town	City/Town	Cases	Individuals
	Barrington	5	10
	Bristol	32	74
	Burrillville	23	49
	Central Falls	162	369
	Charlestown	3	5
	Coventry	34	59
	Cranston	162	349
	Cumberland	32	88
	East Greenwich	14	27
	East Providence	105	240
	Exeter	2	3
	Foster	8	21
	Glocester	5	13
	Hopkinton	3	4
	Jamestown	4	5
	Johnston	68	148
	Lincoln	31	72
	Little Compton	2	4
	Middletown	47	122
	Narragansett	4	8
	New Shoreham	0	0
	Newport	124	313
	North Kingstown	29	74
	North Providence	71	166
	North Smithfield	6	17
	Pawtucket	439	1040
	Portsmouth	12	24
	Providence	1591	4090
	Richmond	2	4
	Scituate	7	16
	Smithfield	11	29
	South Kingstown	24	60
	Tiverton	37	89
	Warren	19	47
	Warwick	123	283
	West Greenwich	1	1
	West Warwick	106	251
	Westerly	17	32
	Woonsocket	365	900
	Undetermined	11	33
	Total	3741	9139



**Question:** Please provide a profile of current 1-parent, 2-parent, and child only cases by demographics (such as age and residence) and by duration of benefits.

**Question:** Please provide a profile of hardship cases by similar criteria as listed above.

**Answer:** Please see charts below.

Family Type		Months on RIW				
		0-24	25-48	49-60	>60	Total
	Single-Parent	932	512	147	550	2,141
	Two-Parent	62	31	4	16	113
	Total	994	543	151	566	2,254

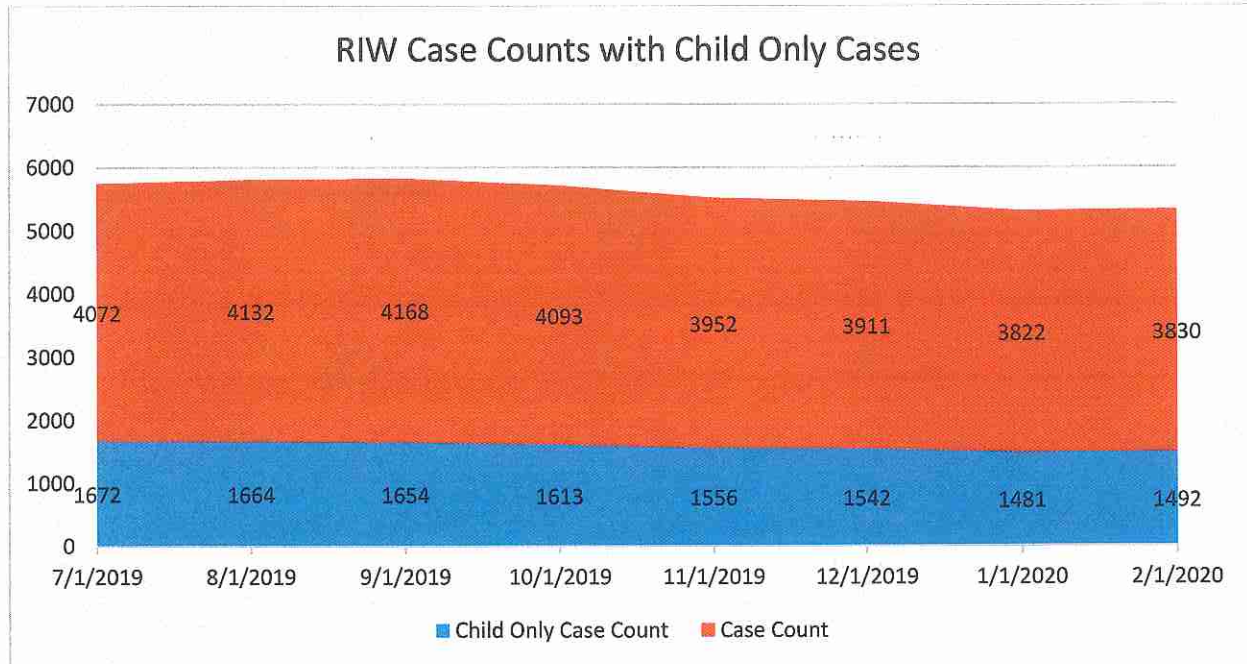
		Cases		
City/Town	City/Town	Child-Only	Single-Parent	Two-Parent
City/Town	Barrington	22	3	0
	Bristol	11	21	0
	Burrillville	9	14	0
	Central Falls	81	79	2
	Charlestown	2	1	0
	Coventry	16	18	0
	Cranston	64	92	6
	Cumberland	16	16	0
	East Greenwich	9	5	0
	East Providence	44	59	2
	Exeter	1	1	0
	Foster	4	4	0
	Glocester	2	2	1
	Hopkinton	2	1	0
	Jamestown	3	1	0
	Johnston	28	39	1
	Lincoln	12	18	1
	Little Compton	0	2	0
	Middletown	10	35	2
	Narragansett	2	2	0
	New Shoreham	0	0	0
	Newport	38	79	7
	North Kingstown	14	15	0
	North Providence	27	43	1

North Smithfield	0	5	1
Pawtucket	178	256	5
Portsmouth	4	8	0
Providence	604	932	55
Richmond	2	0	0
Scituate	4	3	0
Smithfield	3	7	1
South Kingstown	17	7	0
Tiverton	13	20	4
Warren	4	14	1
Warwick	49	71	3
West Greenwich	0	1	0
West Warwick	41	64	1
Westerly	12	4	1
Woonsocket	155	192	18
Undetermined	5	4	0
<b>Total</b>	<b>1,488</b>	<b>2,141</b>	<b>113</b>



**Question:** How many child-only cases are included in the estimate for FY2020 and FY2021? How many families receive the payment(s)?

**Answer:** 39% of the caseload is projected to be child only cases for FY2020 and FY2021. The percentage of child only cases were the highest in July 2019 at 41.1%, and lowest in January 2020 at 38.7% of the caseload. See chart below.



**Question:** How many parents are currently without a plan due to:

- a. exemption from employment planning

**Answer:** 300 cases are currently active with exemptions

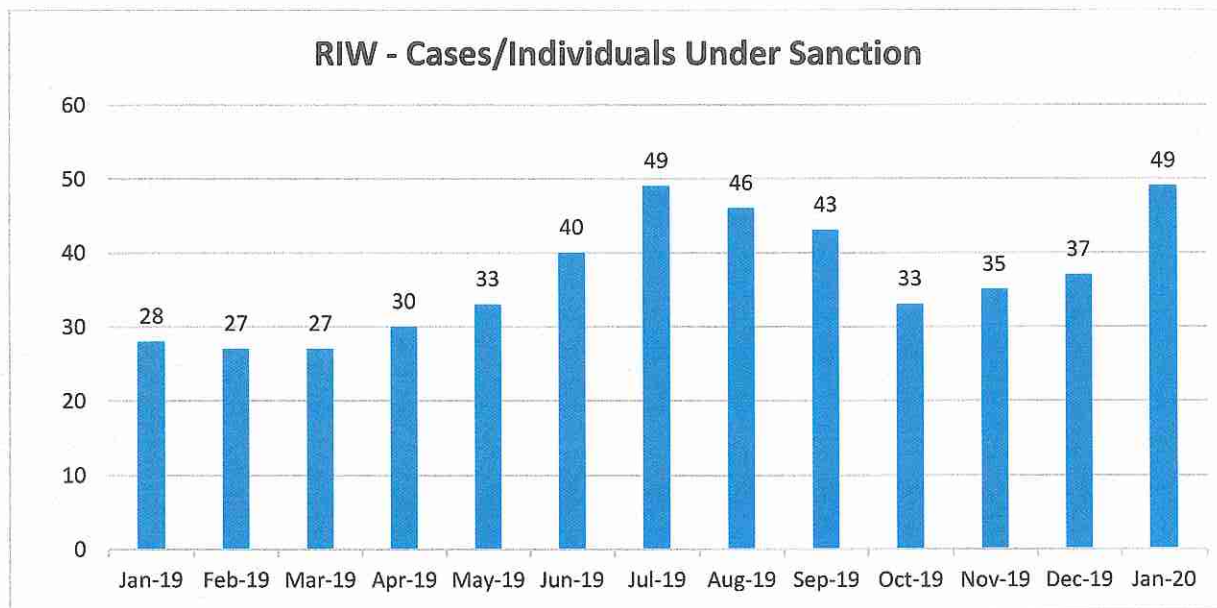
- b. being between plans

**Answer:** 78 cases are currently active without a plan

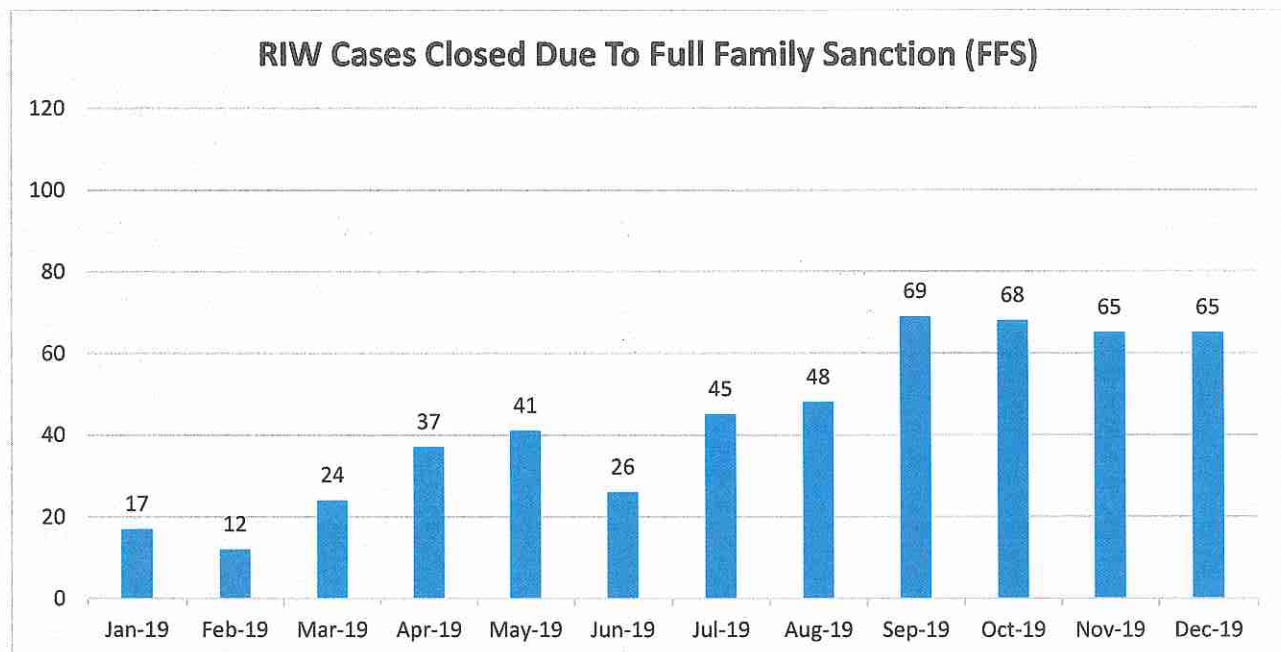
- c. sanction—by month, the number of parents sanctioned for not complying with work requirements in FY2020 –

**Answer:** Please see graphs below

A new report was implemented in FY2018 that allows RIW workers to be aware of the status of a participant's employment plan. This has improved the Department's ability to sanction participants for lack of engagement and has noticeably reduced periods when no plan is in effect.



**Changes from previous Caseload Conferences:** The DHS Information Management (IM) team, in conjunction with Deloitte, determined that the previous data for sanctions was being incorrectly counted, that data was looking at old sanctions that had actually been resolved or sanctions that were present when the individual was not actively receiving benefits. The above graphic has been completed with the new method for determining sanction numbers. For the methodology on the chart above, sanctions were only counted where the individual had either a child support sanction or RIW employment and training sanction for the identified month, **and** was receiving an active, reduced, RIW benefit from DHS.



*This chart does not represent the number of cases actively participating in RIW while receiving a FFS, but rather the number of non-compliant cases who closed due to a FFS.*

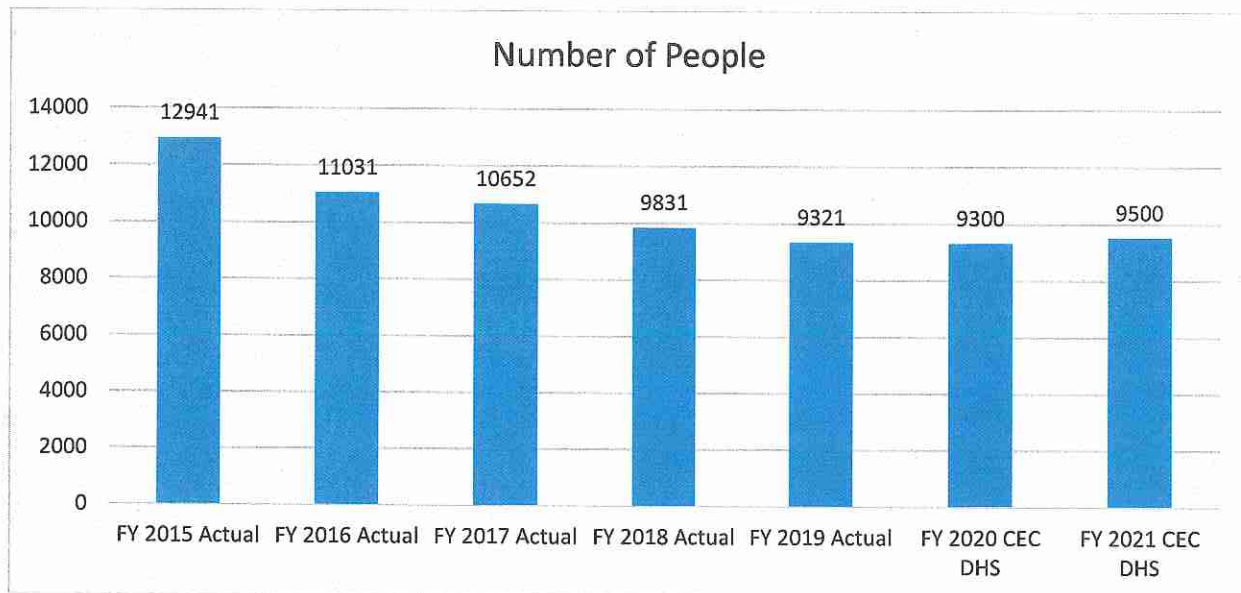


### ***RI Works Trends***

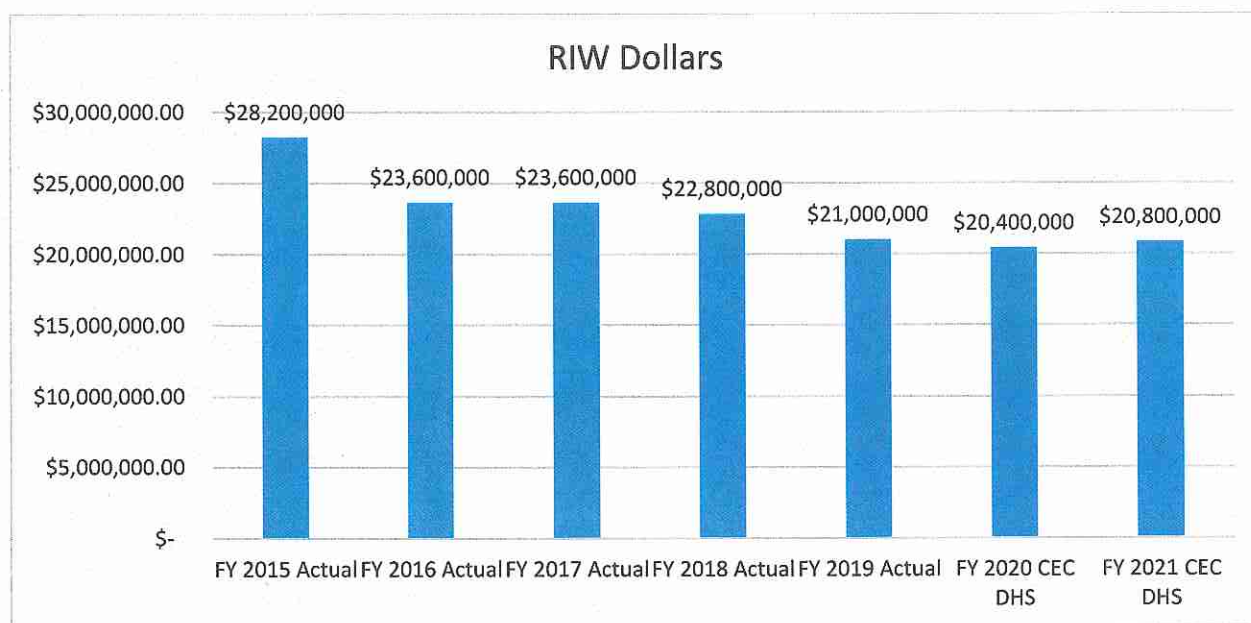
From 2008 until recently, the RI Works program tended to shrink as the economy improved and more Rhode Islanders went back to work. Today, due to the COVID-19 pandemic, the RI Works caseload is expected to increase. In March and early April 2020 DHS has seen an increase in applications by 30%. The Department estimates that in FY20 the population will remain constant and in FY21 the caseload will increase by 2%.

According to the 2020 Rhode Island Kids Count Factbook, over 18% of children in RI are living in poverty, and over 8% of children are living in extreme poverty, equaling over 16,500 children. The RI Works program is providing benefits to only 0.88% of the RI population.

RI Works families often require additional wraparound services, above and beyond the typical job seeker, to secure long-term employment. Families often face many barriers: including unstable housing, mental health and substance abuse challenges, low literacy levels and other challenges associated with living in poverty. DHS and RI Works providers take the necessary time to develop stabilization services and help residents access long-term employment on their pathway out of poverty.

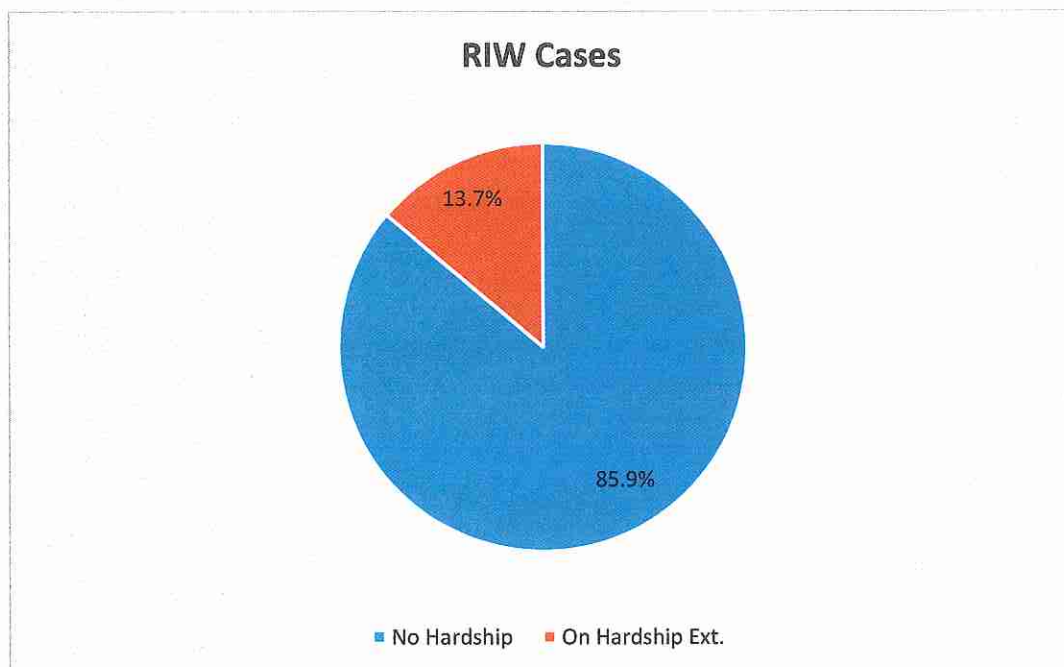


Total expenditures in FY2020 reflect the overall trend of a stability in in RI Works throughout FY2020; FY2021 has an expected 2% increase in FY2021 due to the COVID-19 pandemic.



### ***Hardships Extensions***

Hardship extensions are available for various reasons to families reaching time limits. Currently, hardship extensions are granted for an initial six months followed by additional six-month increments. Cases classified as “hardship” cannot have employment plan exemptions, cannot be “between plans,” and cannot be under sanction.



The number of hardships as a percent of total caseload remains below the federal statutory ceiling of 20 percent. Rhode Island’s hardship cases constitute approximately 13.7 percent of the current caseload.



**Question:** As of January 1, 2020, the constraint that only allows beneficiaries to receive cash assistance for 24 months within 60 continuous months was eliminated. How has this impacted the number of hardship extensions?

**Answer:** DHS has seen a decrease in the number of hardship cases since the 24 month timeclock was eliminated. In September of 2019, there were 633 cases receiving a hardship extension, representing 14.9% of all cases. As of March 2020, that number has been reduced to 534 cases, or 13.76% of all cases.

a. Please provide the profile and number of cases that were granted hardship extensions.

See chart on page 3.

b. How many individuals will cycle off because of the 24-month time limit?

100 Cases cycled off of hardship due to the change in time limits, about 228 individuals.

### ***Work Participation Rate Overview***

RI Works parents are required to participate in employment preparation activities and must do so for a minimum number of hours per week on average for the month, per Federal TANF regulations. Those required minimum hours differ based on the age of the youngest child and whether there is a second parent in the household.

- Parents whose youngest child is under the age of 6 must participate for a minimum of 20 hours per week.
- Parents whose youngest child is the age of 6 or older must participate for a minimum of 30 hours per week.
- Two-parent families must participate for a minimum of 35 hours per week.

Not all RI Works parents are required to participate in employment-related activities. Some are exempt for reasons including being disabled, caring for a child under one year old, caring for a disabled child or family member, or are in the third trimester of pregnancy and medically unable to work. Others are exempt because they are “child-only” cases in which the parents or caretaker relatives do not receive a cash payment for themselves (i.e. parent on SSI or children in kinship care).

Unless exempt, parents receiving a cash payment are required to comply with an employment plan. Parents can be sanctioned or closed if they are not meeting the minimum required employment plan hours without good cause. If parents can provide good cause for a failure to comply with their employment plans, then their case will not be sanctioned or closed. Occasionally parents have ended their planned activities without new employment plans, also referred to as “between plans.”

Federal Work Participation Rate (WPR) data is derived from a quarterly data interface that is reviewed by the Administration for Children and Families (ACF). The State cannot currently calculate WPR, instead, ACF provides the State with feedback based on data submissions.

**Question:** Please provide the “all families” and “two-parent families” work participation rate for FY2019 and FY2020, along with a work participation rate target.

**Answer:** WPR for 2014, 2015, 2016, 2017 and 2018.

- 2014: Required all families: Required 0.0% (met 12.1%)  
Required 2-parent families: Required 39.8% (not met 8.7%)
- 2015: Required all families: Required 0.9% (met 14.9%)  
Required 2-parent families: Required 40.9% (not met 11%)
- 2016: Required all families: Required 0.0% (met 14.9%)  
Required 2-parent families: Required 34.8% (not met 12.0%)
- 2017 Required all families: Required 0.0% (met 8.5%)  
Required 2-parent families: Required 29.5% (not met 5.8%)
- 2018 Required all families: Required 0.0% (met 8.2%)  
Required 2-parent families: Required 30.2% (not met 7.1%)
- FYs 2019 and 2020 are not yet available.

**Question:** Please provide an update on the status of current or potential federal penalties associated with the work participation rate.

**Answer:**

<u>Penalty Year</u>	<u>Reason</u>	<u>Status</u>	<u>Amount</u>
2013	Met overall WPR, did not meet 2-parent family WPR	Pending Appeal, Waiting on ACF	\$ 258,715.00
2014	Met overall WPR, did not meet 2-parent family WPR	Pending Appeal, Waiting on ACF	\$ 129,635.00
2015	Met overall WPR, did not meet 2-parent family WPR	Pending Appeal, Waiting on ACF	\$ 98,545.00
2016	Met overall WPR, did not meet 2-parent family WPR	Pending Appeal, Waiting on ACF	\$ 29,587.00
2017	Met overall WPR, did not meet 2-parent family WPR	Pending Appeal, Waiting on ACF	\$ 80,264.00
2018	Met overall WPR, did not meet 2-parent family WPR	Pending Appeal, Waiting on ACF	\$ 69,094.00



**TANF Balances By Quarter with Cumulative Unspent Amounts in column 4**

		col 1	col 2	col 3	col 4
Fiscal Year	TANF - by quarter	block grant award by quarter	Expended by quarter per RIFANS	Variance between block quarterly award and RIFANS quarterly expended: col (1) + col (2)	Cumulative Balance of TANF Block Grant: col (4) from prior quarter + col (3)
SFY 2012	Jul 11 - Sep 11	\$23,021,587	(\$16,209,467)	\$6,801,706	\$14,072,944
	Oct 11 - Dec 11	\$24,000,000	(\$22,359,051)	\$1,640,949	\$15,713,893
	Jan 12 - Mar 12	\$24,000,000	(\$24,635,879)	(\$635,879)	\$15,078,014
	Apr 12 - Jun 12	\$24,000,000	(\$32,211,321)	(\$8,211,321)	\$6,866,693
SFY 2013	Jul 12 - Sep 12	\$23,021,587	(\$15,951,471)	\$7,070,116	\$13,936,809
	Oct 12 - Dec 12	\$24,000,000	(\$24,834,236)	(\$834,236)	\$13,102,573
	Jan 13 - Mar 13	\$24,000,000	(\$23,902,931)	\$97,069	\$13,199,642
	Apr 13 - Jun 13	\$24,000,000	(\$31,767,812)	(\$7,767,812)	\$5,431,830
SFY 2014	Jul 13 - Sep 13	\$23,021,587	(\$15,596,110)	\$7,425,477	\$12,857,307
	Oct 13 - Dec 13	\$24,000,000	(\$22,040,670)	\$1,959,330	\$14,816,637
	Jan 14 - Mar 14	\$24,000,000	(\$23,065,806)	\$934,194	\$15,750,831
	Apr 14 - Jun 14	\$24,000,000	(\$36,913,927)	(\$12,913,927)	\$2,836,904
SFY 2015	Jul 14 - Sep 14	\$23,021,587	(\$11,556,481)	\$11,465,106	\$14,302,010
	Oct 14 - Dec 14	\$24,000,000	(\$20,357,905)	\$3,642,095	\$17,944,105
	Jan 15 - Mar 15	\$24,000,000	(\$27,997,206)	(\$3,997,206)	\$13,946,899
	Apr 15 - Jun 15	\$24,000,000	(\$32,428,839)	(\$8,428,839)	\$5,518,060
SFY 2016	Jul 15 - Sep 15	\$23,021,587	(\$11,905,861)	\$11,115,726	\$16,633,786
	Oct 15 - Dec 15	\$24,000,000	(\$21,551,457)	\$2,448,543	\$19,082,329
	Jan 16 - Mar 16	\$24,000,000	(\$23,992,811)	\$7,189	\$19,089,518
	Apr 16 - Jun 16	\$24,000,000	(\$36,570,789)	(\$12,570,789)	\$6,518,729
SFY 2017	Jul 16 - Sep 16	\$22,708,016	(\$11,717,901)	\$10,990,115	\$17,508,844
	Oct 16 - Dec 16	\$24,000,000	(\$20,373,670)	\$3,626,330	\$21,135,174
	Jan 17 - Mar 17	\$24,000,000	(\$25,003,535)	(\$1,003,535)	\$20,131,639
	Apr 17 - Jun 17	\$22,177,532	(\$35,539,958)	(\$13,362,426)	\$6,769,213
SFY 2018	Jul 17 - Sep 17	\$22,708,016	(\$13,109,314)	\$9,598,702	\$16,367,915
	Oct 17 - Dec 17	\$24,000,000	(\$22,426,027)	\$1,573,973	\$17,941,888
	Jan 18 - Mar 18	\$24,000,000	(\$25,923,996)	(\$1,923,996)	\$16,017,892
	Apr 18 - Jun 18	\$24,000,000	(\$31,597,343)	(\$7,597,343)	\$8,420,549
SFY 2019	Jul 18 - Sep 18	\$22,291,836	(\$13,034,617)	\$9,257,219	\$17,677,768
	Oct 18 - Dec 18	\$24,000,000	(\$27,560,602)	(\$3,560,602)	\$14,117,166
	Jan 19 - Mar 19	\$24,000,000	(\$19,318,464)	\$4,681,536	\$18,798,702
	Apr 19 - Jun 19	\$24,000,000	(\$33,015,702)	(\$9,015,702)	\$9,783,000
SFY 2020	Jul 19 - Sep 19	\$22,708,016	(\$11,938,420)	\$10,769,596	\$20,552,596
	Oct 19 - Dec 19	\$24,000,000	(\$21,495,258)	\$2,504,742	\$23,057,338
	Jan 20 - Mar 20	\$24,000,000	(\$20,167,601)	\$3,832,399	\$26,889,737
	Apr 20 - Jun 20 (est)	\$24,000,000	(\$44,898,722)	(\$20,898,722)	\$5,991,016
SFY 2021	Jul 20 - Sep 20 (est)	\$23,021,587	(\$13,446,627)	\$9,574,960	\$15,565,976
	Oct 20 - Dec 20 (est)	\$24,000,000	(\$22,555,431)	\$1,444,569	\$17,010,545
	Jan 21 - Mar 21 (est)	\$24,000,000	(\$23,778,692)	\$221,308	\$17,231,853
	Apr 21 - Jun 21 (est)	\$24,000,000	(\$38,719,250)	(\$14,719,250)	\$2,512,603
SFY 2022	Jul 21 - Sep 21 (est)	\$23,021,587	(\$13,446,627)	\$9,574,960	\$12,087,563
	Oct 21 - Dec 21 (est)	\$24,000,000	(\$22,555,431)	\$1,444,569	\$13,532,132
	Jan 22 - Mar 22 (est)	\$24,000,000	(\$23,778,692)	\$221,308	\$13,753,440
	Apr 22 - Jun 22 (est)	\$24,000,000	(\$38,719,250)	(\$14,719,250)	(\$965,810)
FY 2012		\$95,021,587	(\$95,415,718)	(\$394,131)	
FY 2013		\$95,021,587	(\$96,456,450)	(\$1,434,863)	
FY 2014		\$95,021,587	(\$97,616,513)	(\$2,594,926)	
FY 2015		\$95,021,587	(\$92,340,431)	\$2,681,156	
FY 2016		\$95,021,587	(\$94,020,918)	\$1,000,669	
FY 2017		\$92,885,548	(\$92,635,064)	\$250,484	
FY 2018		\$94,708,016	(\$93,056,680)	\$1,651,336	
FY 2019		\$94,291,836	(\$92,929,386)	\$1,362,450	
FY 2020		\$94,708,016	(\$98,500,000)	(\$3,791,984)	
FY 2021		\$95,021,587	(\$98,500,000)	(\$3,478,413)	
FY 2022		\$95,021,587	(\$98,500,000)	(\$3,478,413)	



2020 TANF Budget					
Line seq	Agency	Description	FY20 Budget	FY21 Budget	
			BR3 Governor's Recommended	BR3 Governor's Recommended	Description of the Services Funded by TANF
2018109	028	TANF-Child Care			
2725162	072	Project Opportunity	\$1,000,000	\$1,000,000	Adult Education (ABE, ESL, GED)
1710125	073	RI Works-TANF	\$1,010,168	\$1,010,168	DLT workforce board to support RIW families
2170182	075	DHS Home Visiting Coop	\$164,000	\$164,000	RIDOH for RIW parents in the Family Visiting
2025105	079	TANF/EA-CM Program-Federal Share	\$1,047,798	\$1,047,798	DCYF for TANF eligible youth to be served
2075105	075	TANF/EA - CW Admin-Federal Share	\$74,520	\$74,520	DCYF for TANF eligible youth to be served
2075106	079	TANF/EA-CW Program-Federal Share	\$7,066,591	\$7,066,591	DCYF for TANF eligible youth to be served
2075128	079	Nurse - Family Partnership TANF			DCYF for TANF eligible youth to be served
2075131	079	SSBG TANF Transfer			DCYF for TANF eligible youth to be served
2075145	079	TANF/SSBG Grant	\$2,500,000	\$0	DCYF for TANF eligible youth to be served
2275116	069	C-Job Opport & Basic Skills Jobs	\$6,965,000	\$6,965,000	Contracted vendors engaging in direct services for RIW parents
2275121	069	Assistance Payments Admin	\$7,851,213	\$8,106,532	Administrative funds for DHS
2275177	069	TANF- SUBSIDIZED EMPLOYMENT ENHANCEMENT	\$200,000	\$200,000	Crossroads contract to provided services to homeless families
2275186	069	UHIP - TANF FEDERAL ALLOCATION	\$347,880	\$347,880	Administrative funds for UHIP
2275187	069	UHIP - CHILD CARE FEDERAL ALLOCATION	\$0	\$0	
2275202	069	UHIP-Non lapd TANF Federal	\$1,440	\$640	Administrative funds for UHIP
2400101	069	Fop/TANF- Regular	\$21,447,365	\$21,687,365	Cost for TANF/RIW benefits to families
2400107	069	TANF/AFDC Catastrophic Aid	\$10,000	\$10,000	Costs for families who have experienced a catastrophic events like fire or flood
2400110	069	Child Care- Sab Reallocation	\$7,560,000	\$7,560,000	Funding of low income child care with TANF funds
2400111	069	TANF Transfer To CDC	\$0	\$0	
2400112	069	Child Care - TANF Funds	\$37,276,639	\$39,488,110	Funding of low income child care with TANF funds
2400114	069	RIPTA Transportation Benefit	\$1,636,110	\$1,636,110	Funding for bus passes for RIW parents
2400115	069	CHILD CARE ASSISTANCE ENHANCEMENT	\$936,544	\$936,544	Funding of low income child care with TANF funds
2400116	069	Governor's Workforce Training	\$411,586	\$411,586	DLT workforce board to support RIW families
Total			\$97,506,854	\$97,712,844	

**Question:** Please update FY2020 and FY2021 TANF block grant estimates. Include the balance of any unspent funds from prior years and report any plans for its use. Please include FY 2020 expenses and identify the other Departments that received funding and the amount.

**Answer:** See above

**Question:** How much of the TANF funding is being used for UHIP in FY2020 and FY2021?

**Answer:** The total UHIP federal TANF funding for FY2020 and FY2021 is \$347,880 and \$492,743

### COVID-19 Expenses

The COVID-19 pandemic is expected to affect the RIW program. The FY2021 caseload projections for RIW are expected to increase by 2%. This is due to recent working RIW participants being laid off or furloughed; additionally, other parents, who do not qualify for other benefits or services, are expected to apply for the RIW benefits. In order to protect RIW parents from losing their benefits during the COVID-19 pandemic, cases have been held open to ensure parents can continue to receive the essential RIW benefits. The expected cost to keep RIW cases open during the COVID-19 pandemic will cost about \$40,000 which is assumed in the



FY2020 projections. This was calculated using case cost for parents who were “held open” due to COVID-19.

**Question:** Please provide the underlying assumptions the department is utilizing to assess the impact of COVID-19 in terms of caseload and cost and the subsequent economic contraction will have on the RI Works program.

**Answer:** Please See Above.

- a. Please include any information the department has on the relationship between unemployment applications submitted and enrollment in the RI Works program.  
Typically, Unemployment Insurance (UI) is applied for prior to families applying for RIW. This is because UI's benefit is higher. If a parent applies for RIW and UI, the RIW is assessed once the parent received UI. If their UI benefit is high enough to disqualify them from RIW, their RIW case closes. If the UI is not high enough to disqualify them from RIW, they can receive both, RIW is reduced due to the amount of UI benefits.
- b. How is the department assuming COVID-19 will impact catastrophic expenses?  
Catastrophic expenses historically are reserved for either disasters like floods or things like house fires. At this time DHS has not seen an increase in requests for catastrophic payments. At this time, DHS has not decided to use catastrophic payments differently.

### ***TANF Maintenance-of-Effort (MOE)***

The TANF Maintenance-of-Effort (MOE) is a requirement that a state must spend at least a specified amount of state funds for benefits and services for families in need each year. A broad array of benefits and services for low-income families with children can count toward satisfying a state's MOE obligation. A state may count any state funds used for TANF program services or any funds that meet the federal TANF purposes as TANF MOE toward the required \$64M benchmark.

Federal Law allows six types of expenditures that can be counted toward MOE requirements:

1. Cash assistance;
2. Child care assistance;
3. Educational activities designed to increase self-sufficiency;
4. Job training and work;
5. Any other use of funds reasonably calculated to accomplish a TANF purpose; and
6. Administrative costs in connection with other allowable purposes.

The consequences for not meeting the MOE is that the TANF grant will be reduced the following year on a dollar-for-dollar basis, and the state will be required to expend additional state funds in its TANF program to the amount by which the state fell short of meeting the MOE.

The tables below show MOE expenditures by category and community organizations that receive TANF funding:



	FFY 2016 Reported to ACF	FFY 2017 Reported to ACF	FFY 2018 Reported to ACF	FFY 2019 Reported to ACF	FFY 2020 Projected to ACF
RIW Admin - DHS	\$1,095,485	\$1,634,276	\$941,339	\$1,656,013	\$1,500,000
Child Care MOE DHS	\$5,321,031	\$5,320,519	\$5,351,046	\$5,351,126	\$5,300,000
Emergency Assistance - DCYF Other (a)	\$23,957,763	see note (a)	see note (a)	see note (a)	\$0
Emergency Assistance - DCYF (a)	N/A	\$7,758,887	\$18,580,236	\$20,734,069	\$20,000,000
DCYF Other (a)	N/A	\$14,400,899	\$655,238	\$621,757	\$600,000
DEFRA (Child Support Pass-Thru)	\$357,368	\$376,985	\$305,986	\$277,647	\$275,000
RIDE Adult Ed	\$1,000,000	\$1,000,000	\$1,050,000	\$1,050,000	\$1,000,000
CAP Agencies (leg grants)	\$179,897	\$179,897	\$213,614	\$229,260	\$215,000
Head Start	\$800,000	\$800,000	\$1,190,000	\$1,190,000	\$1,190,000
SSI	\$4,026,125	-	\$2,758,468	\$2,654,551	\$2,500,000
GWB-DLT Youth Work Readiness	\$524,279	\$631,173	\$553,620	\$739,689	\$650,000
Earned Income Tax Credit	\$18,277,378	\$19,128,523	\$22,515,504	\$22,577,639	\$22,000,000
Property Tax Relief Program (Circuit Breaker)	\$223,704	-	\$189,099	\$137,718	\$130,000
DCYF Rsidential	\$23,911,202	\$17,745,797	\$13,688,409	\$12,694,648	\$12,000,000
Weatherization	\$2,692,750	\$2,585,750	\$6,320,988	\$7,835,733	\$7,300,000
Rhode Island Food Bank	\$3,401,525	\$3,042,643	\$3,401,525	\$3,523,303	\$3,400,000
Community Organizztions (Listed Below)	\$2,289,785	\$2,686,604	\$890,269	\$2,908,915	\$2,500,000
<b>Total</b>	<b>\$88,058,292</b>	<b>\$77,291,953</b>	<b>\$78,605,341</b>	<b>\$84,182,068</b>	<b>\$80,560,000</b>

(a) DCYF Other and EA DCYF are combined for FY15 and FY16

	FFY 2016 Reported to ACF	FFY 2017 Reported to ACF	FFY 2018 Reported to ACF	FFY 2019 Reported to ACF	FFY 2020 Projected to ACF
Roman Catholic Diocese of Providence	\$238,267	\$272,826	\$90,269	\$40,884	\$40,000
The Salvation Army	\$0	\$0	\$0	\$324,545	\$300,000
United Way of Rhode Island	\$814,598	\$1,055,928	\$0	\$1,355,336	\$1,250,000
Rhode Island Mentoring Partnership	\$236,920	\$455,066	\$0	\$0	\$0
Boys and Girls Club	\$1,000,000	\$800,000	\$800,000	\$800,000	\$800,000
Rhode Island Foundation	\$0	\$102,784	\$0	\$103,074	\$100,000
Sstarbirth	\$0	\$0	\$0	\$44,087	\$45,000
Crossroads	\$0	\$0	\$0	\$136,154	\$125,000
Dorcas International Institute	\$0	\$0	\$0	\$104,835	\$100,000
<b>Total</b>	<b>\$2,289,785</b>	<b>\$2,686,604</b>	<b>\$890,269</b>	<b>\$2,908,915</b>	<b>\$2,760,000</b>

**Question:** Please indicate how the State will meet its maintenance of effort (MOE) requirement and identify which MOE items are State costs and which are in-kind contributions.

**Answer:** DHS seeks MOE from both state agencies and other philanthropic agencies state wide. MOE is calculated using the methods provided by a previous vendor. DHS exceed the MOE requirement by \$19.8M in 2019.

State Costs: \$69,914,117

In-kind: \$14,267,951



### ***RI Works Redesign***

A Request for Proposals (RFP) was issued for Rhode Island Works services in June 2017. The RFP sought proposals from entities that would provide individualized and family support services, job readiness, job placement, employment and training and retention services, as well as integrated social and employment, childcare, transportation, and training services. The RFP looked for innovative and collaborative approaches that would improve the outcomes for families by developing new solutions to increase living-wage employment, providing a seamless customer experience, and strengthening performance strategies. The solicitation sought proposals covering four program components: Supportive Services, Youth Services, Vocational Training, and Job Readiness, Employment & Retention.

The main purpose of issuing the RFP was to establish an innovative approach to services for RI Works families that would unify as well as streamline services and programs. These programs are expected to result in more parents being engaged in work activities that would be reflected in higher wage and assist those parents in obtaining successful employment outcomes.

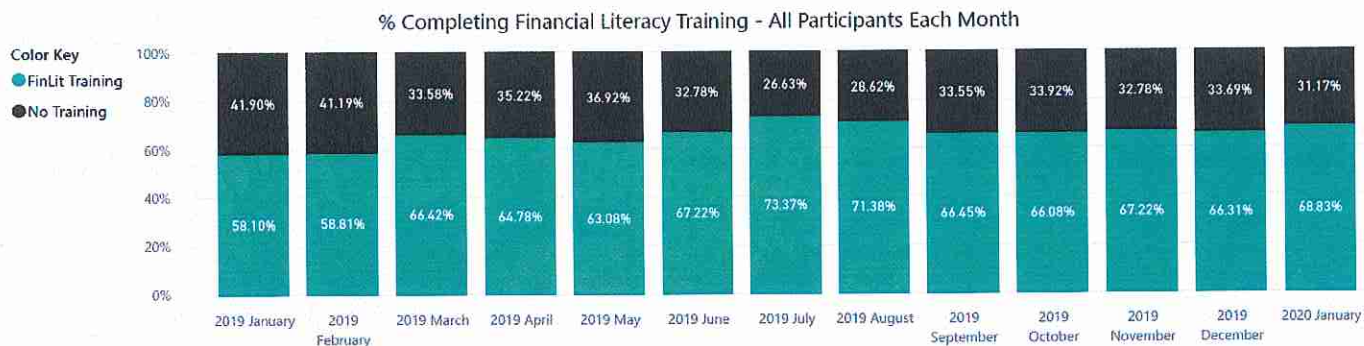
As a result of the RFP, four prime vendors were contracted to service RI Works families starting in March 2018. These contracts are based on Performance Metrics that incentivize the vendors to assist parents in obtaining long-term employment at a living-wage. The contracts are managed differently from prior years, with regular communication with vendors and analysis of program data that enables vendors to adjust and refine approaches to yield ongoing positive results.

October 1, 2019 vendors entered their second contract period under “active contract management.” Active contract management uses data to analyze vendor services for RI Works families, DHS requested our vendors provide extensive data to DHS on a monthly basis, so our progress and trends could be tracked, and changes could be put into effect as needed.

The structure of the new contracts is focused on long-term improvement to the work participation rate and a strict focus of effective services for families. An increased focus on supportive services to address barriers before parents look for employment, this ensures that once parents attain employment, they will be better-prepared and more likely to sustain it long-term employment. In general, hours spent in “supportive services” may not immediately increase the work participation rate, however, all hours engaging the families are received by ACF. Also, employment hours do count for work participation, so, having the parents more prepared to attain and retain employment when they start their employment will boost the WPR in the long run.

Since the roll-out of these new contracts, two very important new services have been implemented:

- ***Financial Literacy to ensure that*** RI Works families become more aware of financial issues on their path to self-sufficiency. DHS has required all of our service vendors to integrate Financial Literacy into their curriculums. As of January 2020, approximately 68.8% of the RI Works population attending one of our four providers’ programs has started or received Financial Literacy Training.

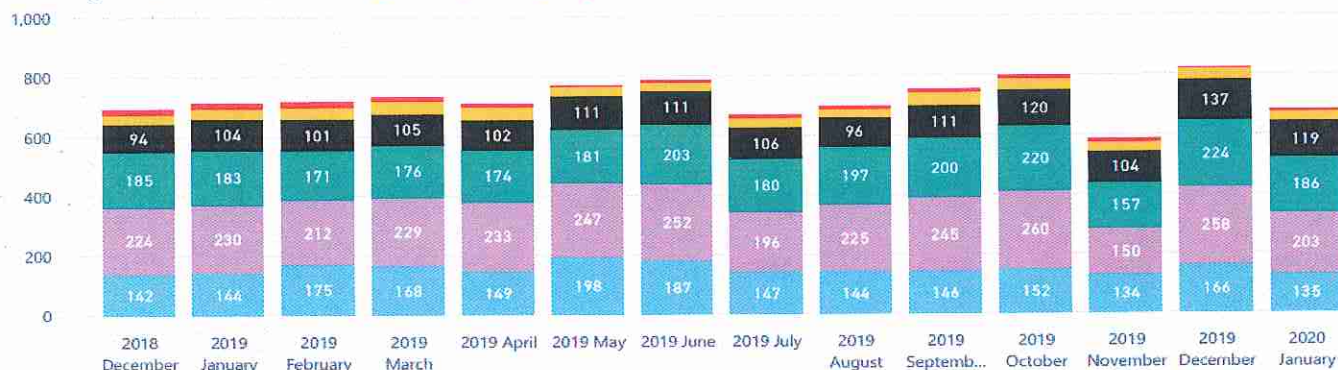


- **Supportive Services to assist** RI Works families in resolving barriers and issues that may be hindering them from becoming employed and on a path to self-sufficiency. The most common problems faced by RI Works customers include:

- Mental Health Challenges
- Unstable Housing/Homelessness
- Domestic Violence/Intimate Partner Violence
- Low Education Attainment
- Unaddressed Disabilities
- Substance Use Disorder

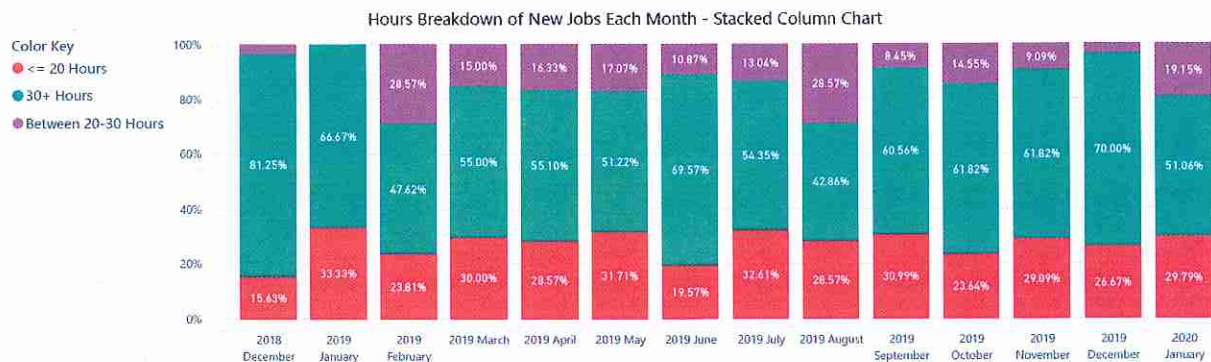
**Supportive Services Component: # of Distinct Clients w Barriers**

**Color Key - Total Number of Barriers** ● 0 ● 1 ● 2 ● 3 ● 4 ● 5



RI Works staff analyze vendor data monthly and can provide immediate feedback to vendors who are either struggling or being highly effective with working with RI Works families. A significant role in obtaining long-term, sustainable employment is the completion of vocational training programs. Since March 2019, over 600 RI Works parents have successfully completed vocational training programs. In the past year, independently of the trainings, RI Works prime vendors have placed over 550 parents into employment. Their wages vary from \$10 per hour to \$25 per hour. Of the jobs obtained, an average of 59% are employed for more than 30 hours per week.





**Question:** Please provide an update on the innovative proposals to test new approaches to improving work participation through the four vendors (Comprehensive Community Action, ResCare, Gateway, and SSTARbirth).

**Answer:** Please See Above.

- a. Please provide the metrics, data collected for FY2018 and FY2019, targets set for each of the four vendors.

DHS receives over 50 data elements for each parent engaged in services. Each component has a separate set of metrics. If these metrics are met, then performance payments are paid to the vendors. If they are not met, vendors are placed under a Corrective Action Plan.

Supportive Services requires 90% active attendance

Teen & Family Development requires GED or High School Credential obtainment

Vocational Training requires completed training where the parent earned a credential for employment

Work Readiness requires employment within 6 months of enrollment

- b. Specifically, please include how many Rhode Island Works participants entered and retained employment and, if available, provide wage/salary information.

Over 550 parents entered employment in the past year. Their wages vary from \$10 per hour to \$25 per hour. Of the jobs obtained, an average of 59% are employed for more than 30 hours per week.

- c. Please report the amount of TANF funding provided to each vendor.

Within FY20 the following funding has been provided to the RIW Vendors.

<u>Vendor</u>	<u>FY20 Payments</u>	<u>Total Payments Since 3/18</u>
ComCAP	\$2,141,075.50	\$6,024,141.39
ResCare/Arbor	\$1,506,347.55	\$2,882,530.11
Gateway	\$ 782,665.36	\$2,106,609.99
SStarbirth	\$ 131,947.43	\$ 391,659.56

### ***Potential Federal Law Changes***

TANF has again been temporarily authorized by a continuing resolution. There has been communication from federal partners that continuing resolutions will eventually lead to the replacement of the current TANF law. There are two bills that are attempting to gain approval, one bill each from the House and the Senate. These bills are still in draft form and no finalized language has been brought to either floor. Due to the climate in Washington D.C. and bipartisan disagreements, it is unlikely that either bill will pass the House and the Senate until after the 2020 election.

### ***State Law Changes***

In 2021 DHS is estimating an increase to the RI Works Clothing Allowance from \$30 to \$100 per child. Other New England States provide far greater clothing allowances; for instance, Massachusetts provides \$350 per child for clothing allowance in their TANF benefit, New Hampshire provides \$200 per child, and Vermont provides \$150 in clothing benefits per year.

In 2020, DHS paid \$146,370 for 4,879 school aged children at \$30 a child. DHS is seeking to increase the clothing allowance to \$487,900 to pay \$100 for clothing per child ( $4,879 * \$100$ ). This is an increase of \$341,530 above the cost for FY2019.



## **Child Care Assistance Program (CCAP)**

The Starting Right Child Care Assistance Program (CCAP) supports the dual purposes of promoting children's healthy development and school success and supporting low-income families who need child care to work or attend approved training. Eligibility for CCAP is comprised of two components: categorical eligibility for recipients of RI Works, and income-based eligibility for families working or enrolled in an approved training program.

Families receiving RIW benefits who need child care to comply with their employment and training plan receive child care with no co-payment requirements. Income-based eligibility for child care consists of a two-tiered eligibility structure, with initial eligibility available to families with incomes of up to 180 percent of the Federal Poverty Level (FPL), (48% of State Median Income (SMI), or \$40,276.00 for a family of 3). Families that are determined eligible at the first tier may then utilize Transitional Child Care to continue to access child care subsidies if their income rises above the initial eligibility threshold of 180% FPL, but remains under 225% of the federal poverty level, (60% of State Median Income (SMI), or \$50,345 for a family of 3). Income-eligible families are subject to a graduated co-payment based on family income, ranging between 0 (for those earning 100% FPL or less) to 14 percent of a family's income.

### ***DHS Office of Child Care's Response to COVID-19***

On March 29, 2020, Governor Gina Raimondo, in partnership with the RI Department of Human Services, mandated statewide closure of child care programs in response to concerns of potential COVID-19 community transmission. In anticipation of this closure, the State adopted a variety of CCAP payment practices to support child care programs in covering their operational costs during the closure period. DHS made the decision to modify its policies to ensure CCAP providers are well positioned to reopen their programs once deemed by the state safely to do so. DHS submitted three CCDF State Plan amendments on March 18, 2020 and one waiver to the Administration for Children and Families on April 3, 2020. The following payment practices were temporarily adopted to support CCAP providers during the mandated closure period:

- Reimburse CCAP services based on enrollment, not attendance (state is freezing provider's ability to add "new" enrollments during the mandated closure period)
- Waive the allowable absence policy for families
- Waive family copays (DHS to cover the cost of those copays in CCAP provider payments)

These decisions (and their financial impact) are detailed in DHS' caseload narrative.

Caseload projections and trends have been developed in consideration of these additional costs and are also represented in the narrative. Decisions regarding the longevity of these payment practices are being made by DHS, in close coordination with EOHHS and the Governor's Office, on a weekly basis.

**Question:** What underlying assumptions is the department utilizing to assess the impact that COVID-19 and the subsequent economic contraction will have on the CCAP program?

**Answer:** The Department is deeply concerned about the health and viability of child care providers during this time. The Department has made a commitment to continued funding for

CCAP programs to ensure providers have the resources they need to reopen once it is safe to do so. DHS also recognizes that RI families depend heavily on child care to attend work each day. RI is one of 23 states that has adopted these payment practices to support its subsidized child care provider community during COVID-19. Even prior to COVID-19, these payment practices with CCDF funds were allowable, as long as the state's rules and regulations supported it.

DHS has evaluated the cost of each decision and has budgeted these costs against the CARES funding dedicated to the CCDBG.

On April 9, 2020, DHS administered a survey to all licensed child care providers to understand their costs (and concerns) during the mandated closure period. The results of this survey are provided as an attachment to the caseload testimony.

### **Statistics**

In FY2020, through payment cycle 21, an average of 8,991 children were served in the Child Care Assistance Program each week. The number of children served is consistent with the number of children served last year at this time. The program has seen a slight increase in the number of children (169) served by center-based providers (primarily those CCAP children who are infant/toddler age.) Historically, center-based providers have served 76% of the children in care. During FY2020, we have seen this number increase to 79%, while children served in family home provider settings has decreased to 21%, serving 278 fewer children. It is also important to note, that of the 776 providers who have served CCAP children, an average of 660, or 86.1%, consistently bill for services every pay cycle. With the implementation of tiered reimbursement rates, center-based providers have demonstrated incentive to serve more CCAP children, particularly those who are infant/toddler-age where programs have seen the larger CCAP rate enhancements. State Prekindergarten enrollment might explain the lower enrollment numbers in preschool-age care which in turn increases the center-based providers' ability to deliver care to infant/toddlers. While the total number of providers has decreased across both provider-types, center-based providers are serving larger numbers of CCAP children. In FY2020 there are 35 fewer family child care providers and 15 fewer center-based providers as compared to FY2019.

Number of Children by Provider Type		
	# of Children	# of Providers
Family Based	1906	434
Center Based	7084	332
Total	8991	766

*Based on Average in FY20 through cycle 21*

In FY2020, through payment cycle 21, the average number of children serviced by category is as follows:



Number of Children by Age Grouping		
Category	# of Children	% of Total
Infant	838	9.3%
Toddler	1536	17.1%
Preschool	3605	40.1%
School Age	3012	33.5%
<b>Total</b>	<b>8991</b>	<b>100%</b>

*Based on Average in FY20 through cycle 21*

**Question:** Please provide the number and type (family-based/center-based) of child care providers within each tier established through the quality rating system and how estimated costs reflect those tiers. If possible, please provide a list of the providers who have changed tiers. Please provide the number of children enrolled in CCAP by provider type, age group, and star rating in the below format.

**Answer:** Please see attached appendices

**Question:** Please provide the percentage of children enrolled in CCAP (by age group, and star rating) that are full-time, half-time, quarter-time, and three-quarters time.

**Answer:** Please see attached appendices

### ***Office of Child Care/Office of Financial Management***

To ensure accurate payments are made to child care providers in a timely and efficient basis, the Department maintains a few key metrics to assess, track and report on potential payment discrepancies.

Key Performance Indicators of success include:

- Decrease in attendance records included in the off-cycle payments
- Reduction in Improper Payments through monthly reviews, weekly monitoring of CCAP recertifications and improved training across the field on obtaining proper documentation verifying eligibility
- Increase in portal usage by CCAP providers

Each week, the Office of Child Care and the Office of Financial Management meet with the State's technology vendor, Deloitte, to review metrics on recertification progress, enrollment data, supplemental payroll analysis and portal usage. These metrics provide the Department with information to adopt procedures to ensure CCAP is operating efficiently and effectively and measure performance to provide context for improvement. A metric is retired when the goal of the Department has been met and monitored for consistency for an appropriate period of time.

In FY2020, several adjustments were made to RI Bridges functionality and the batch payment schedule to ensure accurate, timely and efficient payment to CCAP Providers:

- 1- In June 2019, the Department launched functionality in RIBridges that links a child's eligibility to their enrollment. This allows the system to automatically generate a notice to providers when there is a change in a child's CCAP eligibility, requiring them to disenroll the child within 10 business days. After 10 days, if the provider does not disenroll the child, the system does so automatically.
- 2- In September 2019, the Department launched functionality in RIBridges to automate rate enhancements for providers who experience an increase (or decrease) in their quality rating. The DHS worker now updates the star rating of the providers on a monthly basis and the system automatically updates the rates associated with the star-rating shift.
- 3- On January 25, 2020, DHS adjusted the attendance generation date from a Monday to a Saturday to ensure all enrollments created during the attendance week are triggered for the batch payment. Prior to this adjustment, enrollments created after Monday were missed by the attendance generation process and required the DHS worker to manually create an attendance record for an off-cycle payment. This adjustment has reduced off-cycle payments dramatically. In December 2019, 1,807 attendance records were approved through an off-cycle payroll process. In March 2020, only 343 attendance records were approved through an off-cycle payroll process.
- 4- Effective March 1, 2020 the Department stopped mailing paper attendance sheets to center-based providers, requiring portal submission as the only option for CCAP reimbursement. The Department planned to stop mailing paper attendance sheets for family child care providers on May 1, 2020. Since COVID-19, this timeline is currently under redetermination.

To ensure accurate and timely payment to child care providers, the CCAP financial management team also conducts pre-payroll analysis of the data generated for biweekly payment. This information includes status of eligibility, number of records processed, and amounts for union, PAC, copay and net benefit. This information is validated across an average of the last ten batches and provides the Department with additional information to ensure payment integrity.

A summarized version of this report is shown below.

	Trial Run – Batch 09	Average from Last 10 Batches
Total Number Of Providers	659	676
Total Amount	\$2,584,681.17	\$2,567,169.28
Total Copay	\$164,632.29	\$168,464.99
Total Union amount	\$8,339.05	\$8,535.23
Total PAC amount	\$1,041.10	\$983.01
Total Recoupment amount	\$0.00	0
Total number of the provider paid with \$0 payments	2	0
Total amount paid to DCYF children	\$217,555.10	\$226,746.17
Total number of DCYF kids	673	698
Number of providers who have been paid with Checks	136	130
Number of providers who have been paid with Direct Deposits	522	536
Total Number of records processed	18728	19216



The Department continues to track CCAP Provider Portal usage for all child care providers on a monthly basis. In February 2020, 89% of family child care providers with an active enrollment in the system used the portal to submit their attendance. 95% of center-based providers with an active enrollment in the system used the portal to submit their attendance. This reflects a more than 10-point increase for both provider types from last Caseload Testimony.

**Question:** How many applications and/or attendance records are processed manually?

**Answer:** All CCAP applications are processed in RI Bridges

**Question:** Please indicate how many providers are being paid manually, including the percentage of total providers.

**Answer:** All CCAP providers are being paid through RI Bridges. 81% of providers receive payment through direct deposit.

**Question:** Please provide a monthly accounting of the offline payments for FY2020.

**Answer:** Please see chart below:

SFY20	Family Home Provider	Licensed Child Care Center	Total
Jul	\$ 24,557.20	\$ 29,672.80	\$ 54,230.00
Aug	\$ 55,355.30	\$ 302,953.80	\$ 358,309.10
SEP	\$ 61,781.75	\$ 169,162.11	\$ 230,943.86
Oct	\$ 46,792.40	\$ 258,228.87	\$ 305,021.27
Nov	\$ 67,105.81	\$ 164,199.15	\$ 231,304.96
Dec	\$ 26,082.64	\$ 123,460.77	\$ 149,543.41
Jan	\$ 40,158.09	\$ 148,941.25	\$ 189,099.34
Feb	\$ 55,364.89	\$ 155,567.01	\$ 210,931.90
Mar	\$ 42,894.70	\$ 119,312.48	\$ 162,207.18
Apr	\$ 8,874.48	\$ 37,369.31	\$ 46,243.79
Total to date	\$ 428,967.26	\$ 1,508,867.55	\$ 1,937,834.81

### ***Child Care Formal Reconciliation FY2017***

**Question:** Please provide an update on all anticipated reconciliation payments from the providers that were overpaid in FY2017. Are any reconciliation payments anticipated to be recouped in FY2021?

**Answer:** Please see section below

The Child Care Reconciliation process for FY2017 is close to completion and all Child Care Providers impacted by the reconciliation have received payment or notice of liability. Those providers who received notice of liability were given the opportunity to meet with the

Department's finance team individually to review the results of their reconciliation. To date, the Department has received repayment agreements and/or notice of recoupment for 265 providers. Providers were offered three repayment options:

- 1- Lump sum payment due immediately
- 2- Recoupment dollar amount with a minimum of \$25.00 deducted from each pay period
- 3- Recoupment percentage with a minimum of 10% deducted from each pay period

Seventeen percent of providers opted for lump sum payment and the Department has received \$44,132.48 to date. Eighty percent of providers have elected to have a minimum of \$25 recouped each pay period with 52 of these providers electing to have more than the minimum recouped per pay period. The rest have opted for recoupment percentage of 10%. The below table summarizes the current repayment agreements received.

Repayment Type	Number of Providers	Claim Amount	Percentage
Lumpsum	44	\$ 44,132.48	17%
Recoupment (Dollar Amount)	212	\$ 470,148.29	80%
Recoupment (Percentage)	9	\$ 22,208.13	3%
Total	265	\$ 536,488.90	

There are 78 providers with a total liability of \$92,073.64 who no longer serve CCAP children. As a result of the COVID-19 pandemic, these providers will be noticed of their liability at a later date. Those providers wishing to set up a repayment agreement will be referred to the Department of Revenue, Collection Unit. The Department has forgiven the liability for providers owing less than \$100.00 and there are 22 providers who requested an appeal.

Status	Number of Providers	Claim Amount
Forgiven	84	\$ 10,357.90
Provider Appeals	22	\$ 72,445.24

Biweekly recoupments have been entered into the RIBridges system but have been temporarily suspended while the State is in the midst of the COVID-19 pandemic.

As indicated above, many new policies and system-level changes have occurred to reduce the overall number of improper payments issued by the Department. This is documented in a Corrective Action Plan reviewed and approved by the Administration of Children and Families (ACF).

### ***Child Care Trends***

Prior to the COVID-19 pandemic, the Department estimated the growth rate of children serviced to be 1.5% by fiscal year end 2020. The Department has seen the growth rate decline in the last couple of years; however, in FY2021 the growth rate is expected to rise to 2%, based on pre COVID-19 estimates. The low unemployment rate has made a marginal impact on the number of families seeking child care assistance as they reenter the workforce. However, the implementation of reauthorization has helped families who would have lost child care due to a



number of factors continue to receive services through 12 month continuous eligibility and 3 months of job search.

The COVID-19 pandemic forced the Department to reevaluate its child care policies in order to ensure the stability of its child care workforce. On March 15, 2020, the Governor advised all child care providers to close for the week of 3/16/20 in response to COVID-19. At that time, the Department submitted three CCDF State Plan Amendments and one waiver to ACF requesting a temporary adjustment in three CCAP payment practices during COVID-19 closure:

- 1- Reimburse CCAP services based on enrollment, not attendance for CCAP Providers (temporarily freezing a provider's ability to add "new" enrollments during the mandated closure period)
- 2- Waive all family copays for CCAP families, state to cover the cost
- 3- Waive allowable absence policy for CCAP families (currently defined as 5 days/month)

The Department made the decision to reimburse all child care providers based on current enrollment and not attendance for two main reasons 1) it would ensure existing CCAP families could preserve their slots in child care during the closure period and 2) offers a retainer for programs to maintain a certain percentage of their payroll (personnel expenses) in addition to delivering direct support to CCAP families unable to access child care during the closure. This payment practice is currently utilized in a variety of states (even when not in an emergency state) and has been temporarily adapted by 26 states in response to COVID-19.

The Department has temporarily committed to waiving all copays for CCAP families during the COVID-19 closure period. Payments made to child care providers during this period will include copay costs the provider would have collected from families had they been open. This was to ensure families were not held accountable for the cost of their copay during the closure. It also supports the operational and personnel expenses for CCAP Providers who are forced to close in response to COVID-19. Currently, 11 states (in addition to RI) have adopted temporarily this payment practice to waive family copays during COVID-19.

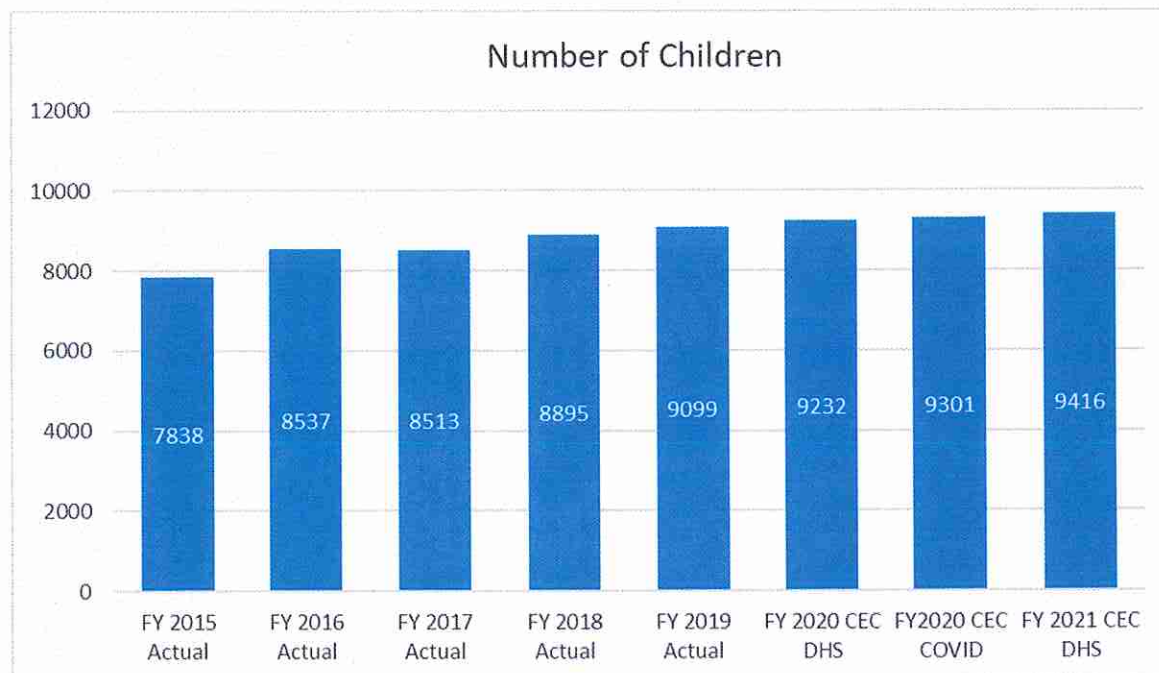
The Department made the decision to authorize CCAP payment during this time knowing our providers have made strong commitments to supporting continued wages for their workforce during this trying time. We also understand there are continued operating costs, regardless of delivering direct services, that need to be accounted for.

As the number of cases of COVID-19 continues to grow and in an effort to assist community mitigation strategies, the Department of Human Services suspended all child care licenses pursuant to RI General Laws § 42-12.5-1 et seq. This emergency suspension is in effect from March 30, 2020 through April 30, 2020, unless renewed or modified. The Department issued this emergency suspension pursuant to RI General Laws § 42-35-15(c). The Department finds that, at this time, suspending these child care licenses is imperative to protecting the public health, safety and welfare of Rhode Islanders against the spread of COVID-19.

Child care providers serving children in the Child Care Assistance Program (CCAP) will continue to be paid based on enrollment and not attendance through week ending 5/30/20. DHS will also continue to waive all copays for families during the state's mandated closure period through 5/30/20. Payment practices beyond May will need to be evaluated on a week to week basis and will be dependent upon the federal aid package and COVID-19 progress.

On average, 3.7% of CCAP enrollments are marked absent on a weekly basis. During the mandated closure period, the number of children paid for will increase by approximately 352 children per pay period.

The Department's decision to pay for CCAP services based on enrollment and not attendance through week ended May 30, 2020 increases the FY2020 estimated average number of children served from 9,232 to 9,301.



In FY2020, prior to COVID-19, costs for providing state subsidized child care seem to be stabilizing relative to caseload. The Department attributes this cost stabilization to a number of factors. There were no rate increases for center-based providers in FY2020. In July 2019, as part of SEIU1199's negotiated Collective Bargaining Agreement with the State, family home providers transitioned from a Step rate system to a Step/Star Tiered Reimbursement rate system for Infants and Toddlers. As part of this same Collective Bargaining Agreement, effective January 1, 2020, family home providers received a 1.5% increase to their current rates. These rate increases impacted Child Care Assistance Program direct service costs marginally.

The rate per child in FY2020, prior to COVID-19, is also somewhat static, increasing by a minimal .04%. This is also indicative of cost stabilization.

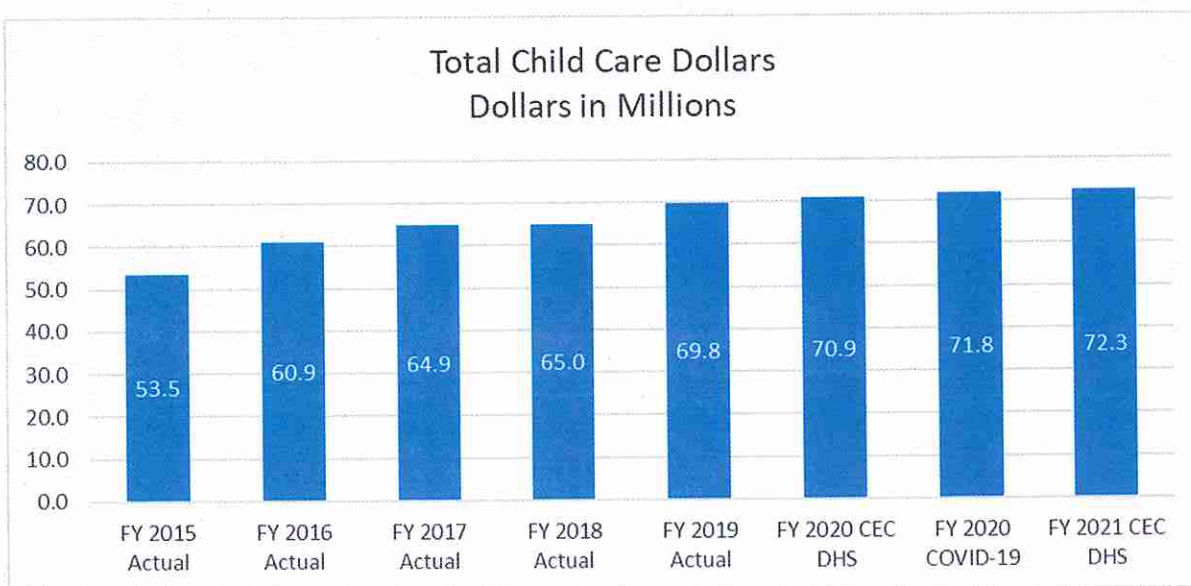


During the period of November 2019 through March 31, 2020, 34 programs increased their BrightStars rating while 3 programs experienced a decrease. These programs include family child care providers, center-based providers (including school age programs), and public school programs. The below chart represents the program increases.

Provider Type	# of Providers
Family Based Child Care Provider	11
Center Based Program	20
Public School Program	3
Total BrightStars Increase	34

The fiscal impact of these changes for a 12-month period is estimated to be \$9,559, which is consistent with last year's caseload testimony. CCAP enrollment numbers indicate 827 children were impacted by changes in BrightStars levels. However, only 357 of these enrollments impacted caseload costs due to their age category. Only infant/toddler and preschool age children are eligible for tiered reimbursement rates for center-based providers. Family home child care providers are only eligible for tiered reimbursement for their infant/toddler enrollments.

Costs related to COVID-19 have increased the FY2020 estimate by 1.4%, or \$966,182. The weekly cost associated with paying child care providers based on active enrollment and not attendance is estimated at \$28,000. The weekly cost of waiving all copays for families during the state's mandated closure period is estimated at \$91,902. As previously stated, the Department is committed to paying based on enrollment and not attendance and waiving all family copays through week ended May 30, 2020. The Department will reevaluate the payment practices under COVID-19 post-May as more information is made available on the federal aid package. Important to note: the Department has not extended certification periods (at this time) for CCAP children.



### **CCAP Caseload Projection**

FY2018 experienced a modest increase in the average number of children served, increasing 4.5% from FY2017. FY2019 saw a much smaller 2.3% increase in the average number of children served and FY2020 was expected to see an even smaller 1.5% increase. However, the COVID-19 pandemic and the Department's decision to pay child care providers based on active enrollments instead of attendance has increased this estimate of average number of children served by 2.2% to 9,301. Longitudinally, the number of children serviced since FY2015 has increased at a slower rate than previous years, with the percentage of increase from FY2015 to FY2019 being 16%. This rate of increase would have again fallen, with the percentage increase from FY2016 to FY2020 estimated to be at 8.1% pre COVID-19.

The smaller increases are reflective of a couple of factors. DHS often sees a discrepancy in the number of children enrolled in CCAP care with those who are deemed eligible. Roughly only 57% of children who are deemed eligible for CCAP end up enrolled with a CCAP Provider. With the increased access of State Prekindergarten placements, CCAP Providers are serving fewer preschool-age children.

FY2020 projections include the Department's response to the COVID-19 pandemic and the payment practices amended in the CCDF State Plan.

	FY 2020	
	Average # of Children	Amount
Base	9301	\$70,630,653
Infant/Toddler Step/Star Tiered Reimbursement	N/A	\$150,000
Family Based Union Increase	N/A	\$130,000
COVID-19 Enrollment vs. Attendance	N/A	\$225,627
COVID-19 Copays Waived	N/A	\$740,555
	9301	\$71,876,835

	FY 2021	
	Average # of Children	Amount
Base	9416	\$72,328,867
	9416	\$72,328,867



**Question:** Please provide FY 2020 and FY 2021 CCDF block grant estimates. Include the balance of any unspent funds from prior years and report any plans for its use.

**Answer:** Please see chart below:

Fiscal Year	Mandatory	Matching	Discretionary
FY2020 Enacted	\$ 6,633,774.00	\$ 4,593,226.00	\$ 13,066,079.00
FY2021 Based on Presidents Budget	\$ 6,633,774.00	\$ 5,388,226.00	\$ 13,066,079.00

**Question:** Please also provide the cost for each administrative component of the childcare providers contract including: one-time purchase of a home computer for a childcare provider, \$100 direct deposit bonus, \$500 bonus when receive license as a home provider, \$50 annual registration payment, if applicable.

**Question:** As part of the SEIU1199's Collective Bargaining Agreement, effective January 1st, 2020, family home providers received a rate increase of 1.5%. The negotiations also produced new annual registration fees, orientation bonuses, direct deposit bonuses, bonuses for providers who became licensed through DCYF, etc. Please provide the full cost of the amendments to the CBA through the date of the conference, and the department's projections for the remainder of FY2020 and FY2021.

**Answer:** Please see charts below

SFY19	# of Providers	Rate	Cost
License Exempt Bonus	0	\$ 500.00	\$ -
Orientation Bonus	31	\$ 75.00	\$ 2,325.00
Direct Deposit Bonus	46	\$ 100.00	\$ 4,600.00
Registration Fee (# of Children)	367	\$ 50.00	\$ 18,350.00
Sick Leave	18		\$ 3,454.00
Total Cost			\$ 28,729.00

SFY20 (through March)	# of Providers	Rate	Cost
License Exempt Bonus	1	\$ 500.00	\$ 500.00
Orientation Bonus	9	\$ 75.00	\$ 675.00
Direct Deposit Bonus	11	\$ 100.00	\$ 1,100.00
Registration Fee (# of Children)	170	\$ 50.00	\$ 8,500.00
Sick Leave	18		\$ 12,023.00
Total Cost			\$ 22,798.00

SFY21 Estimate	# of Providers	Rate	Cost
License Exempt Bonus	1	\$ 500.00	\$ 500.00
Orientation Bonus	10	\$ 75.00	\$ 750.00
Direct Deposit Bonus	10	\$ 100.00	\$ 1,000.00
Registration Fee (# of Children)	268	\$ 50.00	\$ 13,400.00
Sick Leave	20		\$ 18,000.00
Total Cost			\$ 33,650.00

The Department estimates SFY20 costs to be \$29,000.

**Question:** The Governor's Budget includes additional funding to expand childcare assistance to include families who require childcare in order to pursue an educational degree. Please identify the number of children that would be impacted by this proposal.

**Answer:** With an estimated annual cost for FT CCAP being \$7,000/child, we estimate the \$200,000 in pilot funding for CCAP for college will serve 28 families in FY21. Upon the Budget Article passing, the Department will promulgate Rules and Regulations to establish more detailed criteria for eligibility.

#### ***Family Based Union Increase***

There are no scheduled rate increases for family child care providers at this time. The State of RI's Collective Bargaining Agreement (CBA) expires on June 30, 2020. The Department of Human Services is currently in discussion with SEIU1199 about the next CBA.

#### ***Union Sick Time***

With the passage of S0290subB, all CCAP family child care providers were granted earned sick time, effective July 1, 2018. This law requires sick time to be issued at no less than the state minimum wage. Over the past three years, family child care providers will gradually earn more sick time as negotiated in their SEIU1199 Collective Bargaining Agreement. Earned sick leave will accrue at the following rates, on the specified dates:

Sick Leave	Hours	Hourly Rate
July 1, 2018	24.0 hrs	\$13.00
January 1, 2019	32.0 hrs	\$14.00
January 1, 2020	40.0 hrs	\$15.00

On July 1, 2018 (with the passage of S0290subB,) the Department operationalized a process for family child care providers to access paid sick time. Since its passage, 34 CCAP family child care providers have requested, and received payment for, paid sick time. The Department has 158 DHS-approved assistants in the RIFANS system who are authorized to provide sick-time coverage.



### ***Tiered Reimbursement***

The CCDF Reauthorization Act of 2014 requires states to consider quality when setting its payment rates for child care assistance. Additionally, states must set their payment rates based upon its most recent Market Rate Survey. In July of 2018, the Department, in partnership with University of Rhode Island, conducted a state-wide Market Rate Survey to assess the market-rate costs of child care. The survey had a 58.9% response rate, representing 57.2% of home care providers and 60.8% of center-based providers.

The ACF Office of Child Care placed Rhode Island on Corrective Action in February of 2019 for its CCAP base rates. For the provision of not meeting the equal access requirement of having sufficient rates, RI may be subject to penalty of up to 4% of the discretionary funding in FY20. ACF Office of Child Care requires states to have base rates at the 75<sup>th</sup> percentile of the most recent Market Rate Survey. DHS has introduced legislation to raise the infant/toddler base rates to the 25<sup>th</sup> percentile and move preschool CCAP base rates halfway to the 25<sup>th</sup> percentile to demonstrate Rhode Island's commitment to meeting ACF's requirement over a multi-year approach.

On July 1, 2018, DHS implemented a tiered reimbursement rate system for all center-based child care programs to ensure high quality programs (rated at a 5-Star) who serve infants and toddlers, receive payment rates at the 75<sup>th</sup> percentile of the most recent Market Rate Survey. A tiered reimbursement rate system is utilized in 38 states across the country and reflects evidence-based practice to reimburse child care providers according to their quality rating. Rates are differentiated based upon the program's quality, as evidenced by the State's Quality Rating Improvement System (QRIS,) BrightStars. BrightStars' uses a combination of standardized assessment tools and a formalized review of staff qualifications and credentials to award programs with a quality rating. Child care licensing (health and safety regulatory requirements as governed by the Department of Human Services) represent the first, foundational, building block of the state's QRIS.

This incentivizes providers to improve the quality of their program to better support children at a time when brain research indicates child development is at its most important, the first four years of life. Low rates of reimbursement (or rates that do not take quality into account) limits families' access to high quality care and limits the resources available to providers to maintain higher quality programming and employ highly qualified staff.

Attached is a complete listing of all programs (since November 2019) who have seen a shift in their BrightStars' rating and the reason. Important to note, not all programs represented necessarily serve children in the CCAP.

### ***Quality Investments***

The Administration of Children and Families requires states to allocate 12% of its funding to quality initiatives designed to support and advance the quality of early learning programs serving families in the Child Care Assistance Program.

To support providers in achieving a higher quality rating, the Department prioritized a complete redesign of the professional development and higher education coursework it funds through its quality set-aside dollars. These contracts fund community-based organizations and state institutions of higher education to deliver evidence-based professional development and coursework to the early learning workforce to improve their quality rating. All professional development and coursework are aligned to the QRIS, with 70% of offerings geared to 1- and 2-Star providers.

In March 2020, the Department of Human Services in coordination with RI Department of Education, RI Department of Health and the Executive Office of Health and Human Services released a cross-agency RFP for the state's Early Childhood Professional Development and Technical Assistance Hub. Responses are due back April 30, 2020.

**Question:** Please provide an update on the \$250,000 Family Child Care Training and Supports Benefit Fund that is jointly administered by the Department and the Union. What expenses have been made since FY 2016 when the fund was established?

**Answer:** The contract includes language that: "When the state's portion of the balance of such fund is less than \$100,000, the state shall make monthly contributions in the amount of 2% of gross CCAP reimbursement made to all bargaining unit family child care providers and shall be resumed if fund balance again is less than \$100,000. The State's contribution to the training fund shall not exceed \$300,000 in any fiscal year, unless by mutual agreement of the parties."

To date, SEIU 1199 has spent \$137,455.61 of the training fund. \$110,675.33 has been spent since the execution of the Service Agreement on July 1, 2019 (see explanation below.) Since the fund's balance has never dropped below \$100,000, no monthly contributions have yet been made. The table below details the expenditures (to date) of the Training Fund.

The State entered into a Service Agreement with SEIU 1199 on July 1, 2019 for the joint Training Fund for family child care providers. A requirement of this service agreement is for SEIU to propose a quarterly professional development calendar with coursework aligned to the state's QRIS, RIELDS and ECE Workforce, Knowledge and Competencies for state review and approval. SEIU is required to offer 5 professional development course offerings per quarter. Below is a breakdown of the monthly invoices processed by DHS under SEIU's Service Agreement:



Invoice Number	Amount
300	\$2,166.13
3639846-1-JUL19	\$8,151.33
3639846-1-AUG19	\$11,665.50
3639846-1-SEP19	\$13,123.45
3639846-1-OCT19	\$12,940.31
3639846-1-NOV19	\$22,715.33
3639846-1-DEC19	\$14,866.16
3639846-1-JAN20	\$25,047.12
<b>Total</b>	<b>\$110,675.33</b>

Attached to this testimony is the Training Fund's most recent Quarterly Report, detailing the deliverables achieved under the Service Agreement.

The CBA is slated to end June 30, 2020. The State and SEIU will negotiate the terms of the new contract, and its training fund in the next month.

**Question:** Please provide an updated on the transfer of the childcare licensing unit from DCYF. Is there a backlog of approvals for new licenses?

**Answer:** The Child Care Licensing Unit transitioned from DCYF to DHS on October 28, 2019. There is no backlog of new licenses and all unannounced monitoring visits have been conducted on schedule. The unit is fully staffed and operational.

## Supplemental Security Income (SSI) Program

Supplemental Security Income (SSI) is a Federal program that provides monthly cash payments to individuals in need. SSI is for people who are 65 or older as well as blind or individuals with a disability of any age, including children. To qualify for SSI, you must also have little or no income and few resources. Due to COVID-19, the projections for this program are expected to increase during the first few months of FY 2021 but level off by the end of the calendar year.

### **SSI Payments**

From FY 2017 to FY 2018, the number of SSI persons increased by 1,508 people - a four percent growth rate but dropped to FY 2017 levels in FY 2019. From FY 2018 to FY 2019, SSI participants dropped by 1,312 people, a four percent decline.

### **Impact of COVID-19**

Although the first nine months of FY 2020 show a slight decline, we are projecting a one percent increase in SSI for FY 2020 above the FY 2019 actual to 34,138. This slight increase is due to COVID-19 and the federal Social Security Administration (SSA) decision to suspended processing of Continued Disability Reviews thus allowing current SSI cases to remain on SSI. Because unemployment has risen drastically due to COVID-19 and unemployment is linked to increase SSI claims historically, we estimate that the SSI program will grow in FY 2021. By May 2020, the number of SSI applications are anticipated to increase and since on average, it takes 90 days to process a claim, we anticipate it will be August 2020 when the impact on SSI cases will increase. For August, September and October of FY 2021, the number of SSI cases are projected to increase by one percent per month but level off by the end of the calendar year as employment levels stabilize. The overall projected increase for FY 2021 is three percent above FY 2020 to 35,286. The administrative rate decreased slightly from \$70,000 to \$69,000 from FY 2018 to FY 2019. Based on notification from the Office of Social Security, the administrative fee will increase by 2.0% in FY 2020 to \$70,380 but remain at this level for FY 2021. The cost per person is calculated to include transaction fees.

	FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 November Adopted	FY 2020 May CEC DHS	FY 2021 May CEC DHS
<b>SSI</b>							
Persons	33,660	33,610	35,118	33,806	33,887	34,138	35,286
Cost / Person	\$ 46	\$ 46	\$ 48	\$ 47	\$ 47	\$ 46	\$ 46
Cash Payments	\$ 18,431,372	\$ 18,671,400	\$ 20,092,846	\$ 19,017,258	\$ 18,868,282	\$ 18,956,438	\$ 19,598,249
Transaction Fees	\$ 59,000	\$ 63,000	\$ 70,000	\$ 69,000	\$ 70,000	\$ 70,380	\$ 70,380
<b>Total Dollars</b>	<b>\$18,490,372</b>	<b>\$18,734,400</b>	<b>\$20,162,846</b>	<b>\$19,086,258</b>	<b>\$18,938,282</b>	<b>\$19,026,818</b>	<b>\$19,668,629</b>

The number of SSI recipients receiving their checks by mail continues to drop. For FY2019, the Department issued 22,336 checks by mail, a decline of 5,924 checks from FY 2018 and a \$3,258 savings for the cost per check. The FY 2020 projection, based on the first nine months of FY 2020 and the last three quarters of FY 2019, is 21,779 checks. Using the first nine months of FY 2020 to project for FY 2021, the number of checks show a slight increase to 21,972.



Month	# of Checks	Amount of Checks	# of Direct Deposits	Amount of Direct Deposits	Total # of Payments	Total Amount of Payments
Jul-18	1,991	\$74,831	\$33,301	\$1,332,244	\$35,292	\$1,407,075
Aug-18	2,035	\$76,649	\$33,165	\$1,327,160	\$35,200	\$1,403,809
Sep-18	1,895	\$71,204	\$33,094	\$1,324,217	\$34,989	\$1,395,421
Oct-18	1,957	\$73,028	\$33,335	\$1,334,590	\$35,292	\$1,407,617
Nov-18	1,927	\$72,152	\$32,900	\$1,317,050	\$34,827	\$1,389,201
Dec-18	1,854	\$70,402	\$32,894	\$1,317,309	\$34,748	\$1,387,711
Jan-19	1,757	\$66,144	\$33,131	\$1,326,209	\$34,888	\$1,392,353
Feb-19	1,807	\$68,701	\$32,564	\$1,303,838	\$34,371	\$1,372,539
Mar-19	1,810	\$68,905	\$32,792	\$1,312,610	\$34,602	\$1,381,516
Apr-19	1,836	\$69,743	\$32,946	\$1,319,147	\$34,782	\$1,388,891
May-19	1,719	\$65,791	\$32,960	\$1,319,592	\$34,679	\$1,385,382
Jun-19	1,748	\$66,267	\$32,820	\$1,312,912	\$34,568	\$1,379,179
Jul-19	1,780	\$67,269	\$92,946	\$1,319,311	\$94,726	\$1,386,581
Aug-19	1,763	\$37,361	\$33,084	\$1,324,020	\$34,847	\$1,361,381
Sep-19	1,710	\$65,271	\$33,245	\$1,330,090	\$34,955	\$1,395,361
Oct-19	1,816	\$69,516	\$33,035	\$1,322,741	\$34,851	\$1,392,257
Nov-19	1,698	\$64,407	\$33,118	\$1,325,995	\$34,816	\$1,390,402
Dec-19	1,962	\$76,227	\$33,578	\$1,345,672	\$35,540	\$1,421,899
Jan-20	1,842	\$71,345	\$32,988	\$1,320,800	\$34,830	\$1,392,145
Feb-20	1,945	\$76,052	\$33,225	\$1,330,716	\$35,170	\$1,406,768
Mar-20	1,960	\$64,802	\$33,207	\$1,331,167	\$35,167	\$1,395,969
<b>Total</b>	<b>38,812</b>	<b>\$1,436,067</b>	<b>\$754,328</b>	<b>\$27,797,389</b>	<b>\$793,140</b>	<b>\$29,233,455</b>
% of Total	4.9%	4.9%	95.1%	95.1%	100%	100%

	# of Checks	Cost per Check	Amount
SFY18	28,260	\$0.55	\$15,543
SFY19	22,336	\$0.55	\$12,285
SFY20 Estimate	21,779	\$0.55	\$11,978
SFY21 Estimate	21,972	\$0.55	\$12,085

### **Individuals receiving Assisted Living Payments**

Each month the Department issues cash payments of \$206 for individuals in assisted living facilities. The table below shows the projected FY 2020 cash payment using actual quarterly payments paid to each facility for the last quarter of FY 2019 and the first nine months of FY 2020. The total payments for FY 2019 were \$313,120. The projections for FY2020 are \$220,626. The FY 2021 projection of \$208,747 is based on extrapolating from the last three quarters of FY 2020. There has been a significant drop in the number residents at assistant living facilities receiving this supplemental payment because some individuals moved to other living arrangements and others became Medicaid LTSS eligible.

	FY 19 Q4	FY 19 Total	FY 20 Q1	FY 20 Q2	FY 20 Q3	FY 20 DHS Projected	FY 21 DHS Projected
A Better Day	\$7,004	\$28,428	\$8,034	\$8,034	\$7,210	\$30,282	\$31,037
Bristol Assisted Living	\$12,978	\$56,032	\$10,712	\$3,708	\$3,708	\$31,106	\$24,171
Charlesgate	\$13,390	\$71,070	\$7,828	\$6,180	\$4,120	\$31,518	\$24,171
Community Care Alliance	\$7,210	\$32,136	\$9,888	\$9,888	\$9,682	\$36,668	\$39,277
Daniel Child House	\$3,090	\$26,574	\$0	\$0	\$0	\$0	\$0
Forest Farm	\$6,180	\$26,162	\$5,562	\$5,768	\$6,180	\$23,690	\$23,347
Franciscan Missionaries	\$12,360	\$51,912	\$10,506	\$10,918	\$11,536	\$45,320	\$43,947
St. Elizabeth	\$4,944	\$20,806	\$5,356	\$5,768	\$5,974	\$22,042	\$22,797
<b>Total</b>	<b>\$67,156</b>	<b>\$313,120</b>	<b>\$57,886</b>	<b>\$50,264</b>	<b>\$48,410</b>	<b>\$220,626</b>	<b>\$208,747</b>

The number of quarterly cases in each facility is shown below. Our projections align with our methodology for the cash payments in both FY 2020 and FY 2021.

	FY 19 Q4	FY 19 Average	FY 20 Q1	FY 20 Q2	FY 20 Q3	FY 20 Average DHS Projected	FY 21 Average DHS Projected
A Better Day	11	12	13	13	12	12	13
Bristol Assisted Living	21	23	17	6	6	13	10
Charlesgate	22	29	13	10	7	13	10
Community Care Alliance	12	13	16	16	16	15	16
Daniel Child House	5	11	0	0	0	1	0
Forest Farm	10	11	9	9	10	10	9
Franciscan Missionaries	20	21	17	18	19	18	18
St. Elizabeth	8	8	9	9	10	9	9
<b>Total</b>	<b>109</b>	<b>127</b>	<b>94</b>	<b>81</b>	<b>78</b>	<b>91</b>	<b>84</b>



## SSI Questions

**Question:** Please provide the number of SSI recipients in each category (persons, personal needs allowance, assisted living).

**Answer:** See Appendix A

**Question:** Please provide a breakout by category. For category F, please break out the number of individuals in each cohort.

**Answer:** Category F -- Decline of 16 since November caseload (188 v. 172)

There are currently 172 beneficiaries receiving Category F for SSP. All are Medicaid LTSS beneficiaries. The average monthly SSP payment all beneficiaries = \$516. The breakdown of Category F beneficiaries is as follows:

- There are 99 beneficiaries receiving both SSI and Category F SSP. Average monthly SSP payment for these beneficiaries is \$ 754
- There are 73 beneficiaries receiving SSP Category F with no SSI payment. This is the so-called SSI lookalike category in which the beneficiary is ineligible for SSI cash assistance but has income at or below the limit for Category F. Average monthly SSP payment for members of this group is \$203
  - 25/73 receiving \$25 SSP per month or LESS (18 receiving \$0)
  - 27/73 receiving \$26 to \$200
- Remainder \$200 to \$532

**Question:** Since the estimate is based on current law, please provide an estimate assuming that the enhanced category F payment only applies to those in managed care.

**Answer:** The law requiring Category F beneficiaries to be enrollees in a LTSS managed care plan was amended in the FY2021 budget. Category F is now available to anyone who meets the income and clinical eligibility requirements established in statute without regard to service delivery method – i.e. fee for service v. managed care

- As March 1, 2020, there were 53 Category F beneficiaries enrolled in LTSS managed care through the dual demonstration.

**Question:** Please identify the number of individuals receiving the category F payment who are no longer enrolled in Rhody Health Options and are in the fee-for-service system.

- Are the individuals still receiving that higher payment?
- If not, in what month did the payment end?

**Answer:** As indicated above, since the change in statute, all Category F beneficiaries are Medicaid LTSS eligible and must meet the applicable income and clinical requirements for the enhanced payment irrespective of service delivery option.

There is no evidence that Category D Medicaid LTSS beneficiaries, who are eligible for the lower \$322 monthly payment, have been shifting to Category F. For example, the total number of Category F beneficiaries has declined since November caseload. By comparison, the total number of Medicaid LTSS beneficiaries receiving the Category D payment has remained relatively flat at about 229.

**Question:** Please also include the number of individuals receiving the State-only payment in each category.

**Answer:** See Appendix A

**Question:** Please provide the number of individuals receiving the additional \$206 payment for residing in a non-Medicaid funded assisted living facility along with a list of the facilities.

**Answer:** Please see page 38

**Question:** How many individuals receive the monthly payment by mail?

**Answer:** See SSI Section, page 36.

**Question:** What are the administrative costs?

**Answer:** See SSI Section, page 36.

**Question:** If receiving federal payment, would that be through a direct deposit?

**Answer:** People receiving the federal payment can also opt for a Direct Express Debit Card instead of direct deposit to a bank.

**Question:** How many receive only the State payment and not the federal payment?

**Answer:** There are 146 individuals that receive the state payment and do not receive the federal payment.

**Question:** What were the moving expenses paid in FY2019? What is the estimate for FY2020 and FY2021?

**Answer:** The moving costs were \$236,841 in FY2019. Our estimates are \$275,564 and \$290,568 for FY2020 and FY2021. We do anticipate a slight increase in moving costs in FY2021 due to COVID-19 and the economy impact.



**Question:** Please provide the underlying assumptions the department is utilizing to assess the impact of COVID-19 in terms of caseload and cost and the subsequent economic contraction will have on the SSI program.

**Answer:** See SSI Section

## General Public Assistance (GPA) Program

The General Public Assistance (GPA) program is intended as a program of last resort for the neediest individuals in the state. GPA provides a small cash benefit to adults age 18 and over who have very limited income and resources and have an illness or medical condition that keeps them from working while they await an SSI determination. To qualify, an individual must earn less than \$327 a month and cannot qualify for other federal assistance programs other than Supplemental Nutrition Assistance Program (SNAP). In addition, the program provides supplemental assistance for funerals and burials. The GPA Bridge and Burial program will both be impacted by COVID-19 because of the rise in unemployment and the increase in COVID-19 related deaths.

### ***GPA Projection***

The GPA Bridge numbers declined from 256 individuals in FY2018 to 159 in FY2019, a decrease of 61% and a decline of approximately 100 individuals each year since 2017. The Department has instituted improved eligibility review standards for the GPA Bridge program, thus reducing the number of applicants and the monthly bridge payment. The projections for FY2020 of 106 GPA Bridge individuals show a continued decline of nine percent from the November 2019 adopted number of 115.

### ***Impact of COVID-19***

Our GPA Bridge projections for FY2021 show a one percent increase from FY2020 to 107 individuals. This aligns with the projections for SSI applications expected due to COVID-19. Although FY2020 burial expenses were projected to be approximately \$600,000, due to COVID 19 impacts on the economy as well as the impact on the death rate, we anticipate additional GPA burial costs totaling \$420,000. These costs cover 300 deaths averaging \$1,400 per case for transport, funeral and cremation or burial. An additional GPA burial cost includes \$200 for the transportation of bodies to funeral homes as the Office of Medical Examiners has limited storage space. Based on COVID-19 deaths projected for FY2021, and the need to provide burial assistance, our projections for FY2021, are \$810,000, \$210,000 higher than the average annual burial cost of \$600,000. The cost for FY2021, are based on 150 GPA COVID-19 cases at an average cost of \$1,400.

	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Adopted November	FY 2020 Enacted	FY 2020 May CEC DHS	FY 2021 May CEC DHS
<b>GPA</b>							
Persons - Bridge	355	256	159	115	162	106	107
Cost / Person	\$ 119.70	\$ 153.11	\$ 144.84	\$ 151.00	\$ 150.00	\$ 150.35	\$ 150.35
Cash Payments - Bridge	\$ 509,912	\$ 470,348	\$ 276,356	\$ 208,380	\$ 291,600	\$ 189,700	\$ 193,049
Burials	\$ 661,370	\$ 611,169	\$ 595,863	\$ 581,000	\$ 615,000	\$ 1,020,000	\$ 810,000
Medical	\$ (114)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Dollars</b>	<b>\$1,171,168</b>	<b>\$1,081,517</b>	<b>\$872,219</b>	<b>\$789,380</b>	<b>\$906,600</b>	<b>\$1,209,700</b>	<b>\$1,003,049</b>



### General Public Assistance Questions

**Question:** Please provide the number of burials and the average cost per burial for FY2019. What is the estimate for FY2020 and FY2021?

**Answer:** There were 568 GPA burial cases in FY2019 totaling \$595,863 for an average cost of \$1,049. The costs for FY2020 and FY2021 are projected to be \$1,020,000 and \$810,000. The average cost per case increases to \$1,400 for COVID-19 related deaths.

**Question:** Please provide the underlying assumptions the department is utilizing to assess the impact of COVID-19 in terms of caseload and cost.

**Answer:** Based on 1,000 additional COVID-19 deaths with 30 percent eligible for GPA burial, costs will increase for FY2020 by \$420,000. Estimates of costs include transportation, funeral and/or cremation or burial. For FY2021, the projected number of GPA burials would be 150 at an increased cost of \$210,000. There is a possibility that these additional GPA COVID-19 costs will be eligible for reimbursement under stimulus funds.

#### IMPACT OF COVID-19 ON GPA BURIAL COSTS

IMPACT OF COVID 19 ON GPA BURIALS		FY 2020	FY 2021
Estimated COVID 19 Deaths		1,000	500
Percent GPA Funded Cases		30%	30%
Number GPA Funded Cases		300	150
% Cremation		50%	50%
% Burial		50%	50%
Transport \$200, Funeral \$900, Cremation Cost \$150 = \$1250			
Transport \$200, Funeral \$900, Burial Cost \$450 = \$1550			
Cremation Cost (\$1250 per # of cremations each FY)		\$187,500	\$ 93,750
Burial Cost (\$1550 per # of Burial cases each FY)		\$232,500	\$ 116,250
Projected Increased Cost Each Fiscal Year		\$420,000	\$ 210,000