

Department of Human Services

FY 2019 Revised, FY 2020 & Capital Budgets
House Finance Committee
April 2, 2019

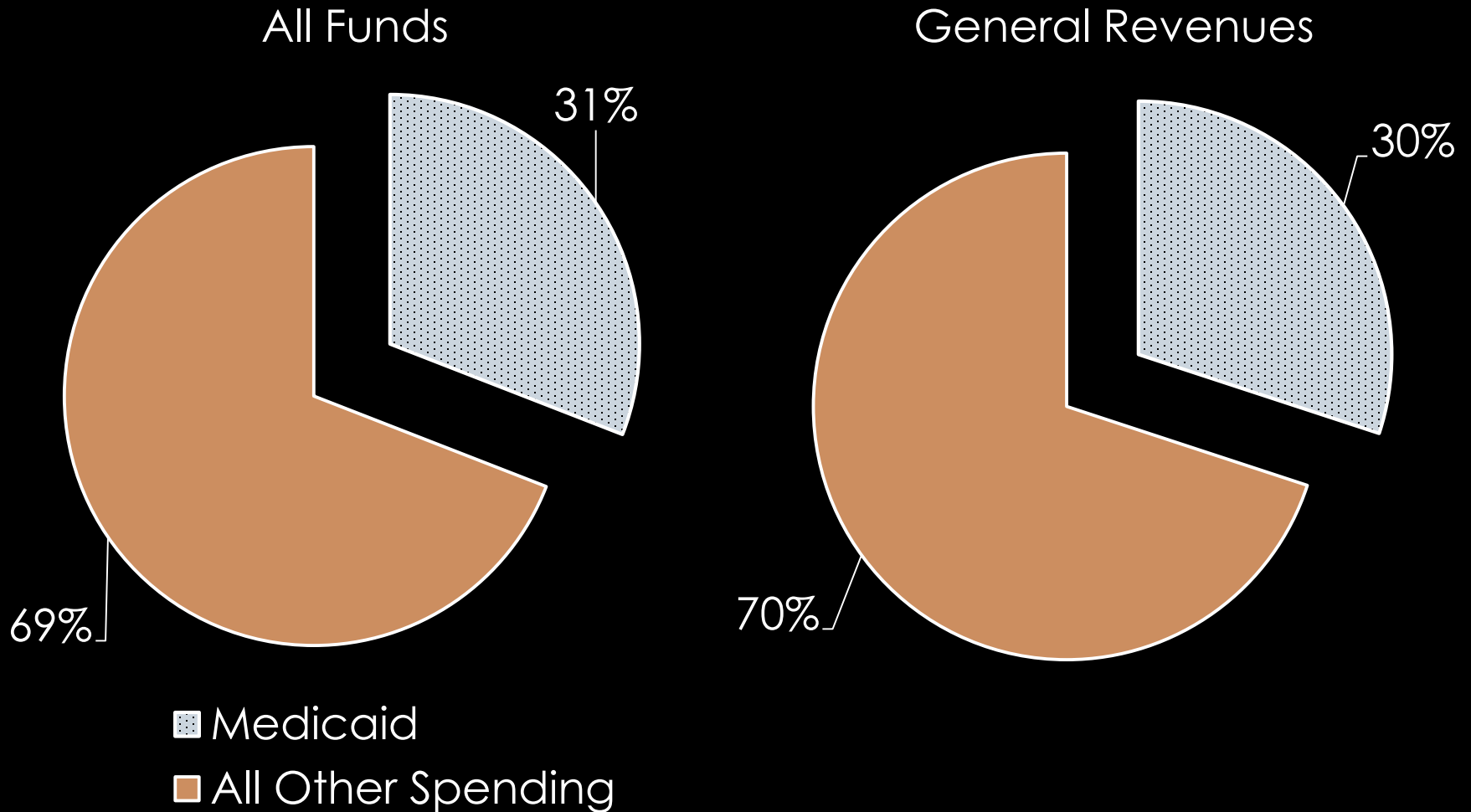
Executive Office of Health and Human Services

- DHS is 1 of 4 health and human service agencies under the EOHHS umbrella
 - Along with BHDDH/DOH/DCYF
- Governor appoints the directors of the 4 agencies
- EOHHS is responsible for managing & providing strategic leadership & direction to the 4 departments
 - Centralized financial management & legal

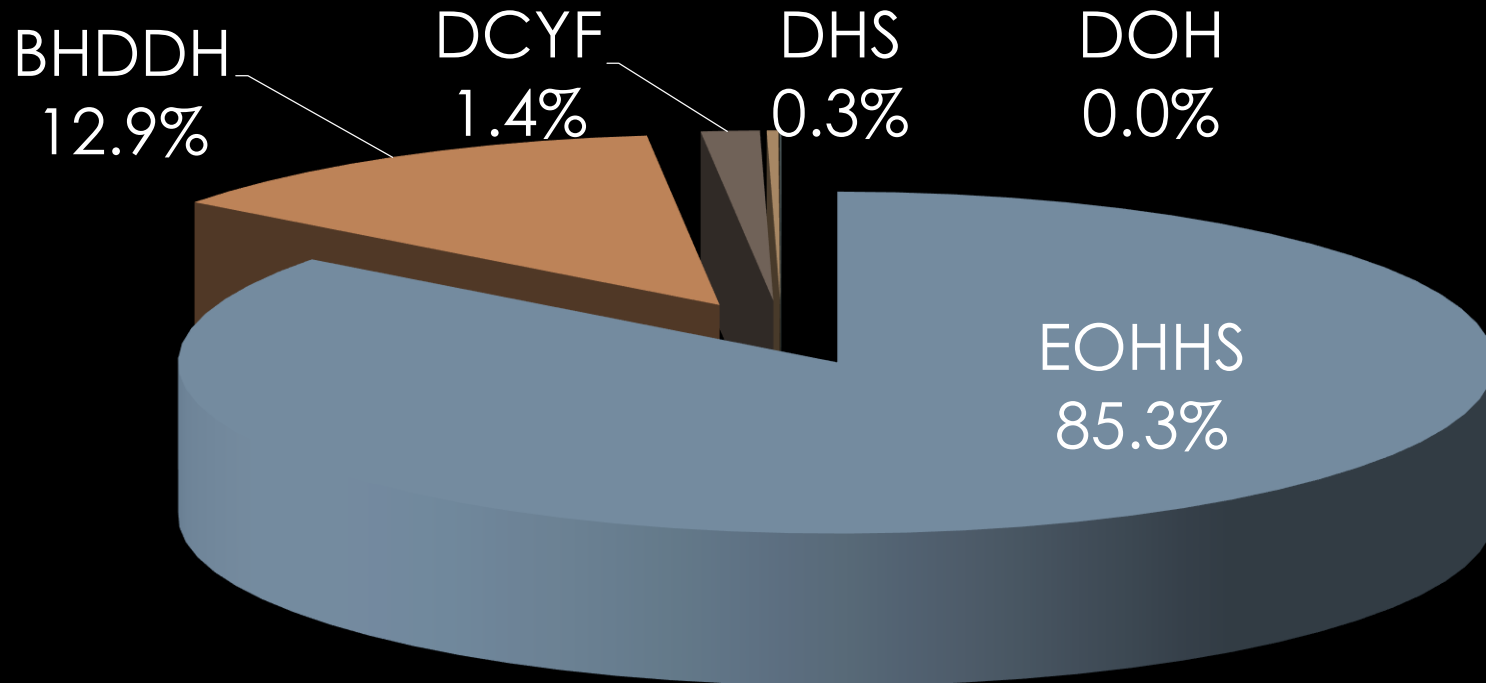
Executive Office of Health and Human Services

- Intended to improve the efficiency and coordination of health and human services policy, planning, budgeting and financing functions
- State Medicaid Agency
 - Medicaid expenses appear in 4 agencies
 - Other Medicaid programs in DHS, DCYF, and BHDDH

Medicaid - % of Total Budget



Medicaid Spending by Department



Medicaid Beneficiaries

Elderly & Disabled	EOHHS	DHS
Acute Care	X	
Mental Health Treatment	X	
Substance Abuse Treatment	X	
Long Term Care	X	
Other Community Supports	X	X
Other Residential	X	

DHS Programs/Functions

- Cash Assistance
- Individual and Family Support
- Health Care Eligibility
- Child Support Enforcement
- Central Management

Department of Human Services

	Enacted	FY 2019 Gov. Rev	FY 2020 Gov.
General Revenues	\$98.0	\$107.2	\$75.0
Federal Funds	521.1	503.0	494.1
Restricted Receipts	9.0	9.8	11.9
Other Funds	4.8	4.8	4.8
Total	\$632.8	\$624.9	\$585.7
FTE	1,020.1	1,030.1	755.0

\$ in millions; including Office of Veterans' Affairs & Division of Elderly Affairs

Department of Human Services

- Article 4 transfers the Office of Veterans' Affairs & Division of Elderly Affairs to EOHHS
 - Article 4 heard on February 14
 - Budgets for those entities will be covered at EOHHS hearing on April 23 (rise)

Veterans' Affairs

	Enacted	FY 2019 Gov. Rev	FY 2020 Gov.	FY 2020 to Enacted
General Revenues	\$23.6	\$26.7	\$25.8	\$2.3
Federal Funds	89.6	10.3	13.5	3.9
Restricted Receipts	1.3	1.0	1.0	(0.3)
Total	\$34.4	\$38.0	\$40.3	\$5.9
FTE	240.1	252.1	252.1	12.0

\$ in millions; transferred to EOHHS for FY 2020

Elderly Affairs

	Enacted	FY 2019 Gov Rev	FY 2020 Gov.	FY 2020 to Enacted
General Revenues	\$7.9	\$7.8	\$8.4	\$0.4
Federal Funds	12.9	13.3	13.5	0.7
Restricted Receipts	0.2	0.2	0.2	-
Total	\$20.9	\$21.2	\$22.1	\$1.1
FTE	31.0	31.0	31.0	31.0

\$ in millions; transferred to EOHHS for FY 2020

Governor's FY 2019 Revised Budget- DHS

	Enacted	Governor	Change
General Revenues	\$66.6	\$72.9	\$6.3
Federal Funds	498.7	479.4	(19.2)
Restricted Rec.	7.5	8.6	1.1
Other Funds	4.8	4.8	0.0
Total	\$577.5	\$565.8	\$(11.8)
FTE	749.0	747.0	(2.0)

\$ in millions; Excludes Office of Veterans' Affairs and Division of Elderly Affairs

Governor's FY 2019 Revised Budget Change to Enacted

	Gen Rev	All Funds
UHIP Related	\$(2.1)	\$4.5
Cash Assistance Caseload	(0.1)	(2.0)
Eligibility Program Admin.	5.6	6.5
Child Support Enforcement	0.8	(0.9)
Paratransit for the Elderly	1.1	1.3
SNAP Benefits	-	(17.0)
Office of Rehab Services	0.2	(5.9)
LIHEAP/Weatherization	-	1.1
Centralized Services	0.4	0.0
All Other	0.4	0.6
Total (in millions)	\$6.3	\$(11.8)

Unified Health Infrastructure Project

- One system to apply for benefits & process Medicaid, RI Works, child care & SNAP applications
 - Replaced InRhodes eligibility system
- Launched September 13, 2016
- Assumed new program would result in state savings
 - Still not working as intended
 - Future savings unclear

UHIP Development & Operations

EOHHS, DHS & HSRI	Gen Rev	All Funds
FY 2016 to FY 2018 Spent	\$28.5	\$194.5
FY 2019 Enacted	\$6.9	\$44.2
FY 2019 Governor Revised	\$3.7	\$100.3
FY 2020 Governor Rec.	\$2.1	\$99.1
FY 2016 to FY 2020 Gov. Rec.	\$34.3	\$393.9
July 2018 UHIP Planning Document (IAPDU)	\$138.2	\$647.7

\$ in millions; includes Information Technology Investment Funds & anticipated settlement funds

Unified Health Infrastructure Project - Expenses

EOHHS/DHS & HSRI	FY 2019 Enacted	FY 2019 Gov. Rev.	Chg.	FY 2020 Gov. Rec.	Chg.
Salaries & Benefits	\$16.6	15.7	\$(1.0)	\$15.5	\$(1.1)
Contracted Services	26.2	82.9	56.7	83.1	56.9
Other Operating	1.4	1.7	0.3	1.3	(0.1)
Total	\$44.3	\$100.3	\$56.0	\$99.9	\$55.6

\$ in millions

Unified Health Infrastructure Project – Fund Source

EOHHS/DHS & HSRI	FY 2019 Enacted	FY 2019 Gov. Rev	Chg.	FY 2020 Gov. Rec	Chg.
General Revenues	\$6.9	\$3.7	\$(3.1)	\$2.3	\$(4.6)
Federal Funds	30.4	78.4	48.0	75.1	44.7
Deloitte Recoveries	7.0	14.0	7.0	20.4	13.4
HSRI Receipts	-	4.1	4.1	2.1	2.1
Total	\$44.3	\$100.3	\$56.0	\$99.9	\$55.6

\$ in millions

Unified Health Infrastructure Project

Contractor	Activities: System Function
Deloitte	Design, development & implementation
Northrup Grumman	Support stabilization efforts, validate escalation efforts & prioritization support
KPMG	Implementation support & assistance to agencies managing ongoing system issues
IBM	IT staff/business analysis support & project mgt
DXC Tech.	UHIP & Medicaid payment system support, incl. tracking resolutions and identifying issues
Faulkner Consulting	Establish workarounds, identify gaps and determine solutions

Unified Health Infrastructure Project

Contractor	Enacted	FY 2019 Gov. Rev.	FY 2020 Gov. Rec.
Deloitte	\$ -	\$21.3	\$28.4
Northrup Grumman	4.1	6.4	3.4
KPMG	2.1	15.0	11.9
IBM	2.3	3.8	2.2
DXC Technology	-	2.0	1.1
Faulkner Consulting	2.1	3.4	3.0
<i>Subtotal - System Functionality</i>	\$10.6	\$51.9	\$50.0

\$ in millions

Unified Health Infrastructure Project

Contractor	Activities: Support & Compliance
Freedman Healthcare	Build compliance reports & assist operations team with validating fixes
CSG Solutions	Independent verification & validation
MWC Consulting	Assist w/IT issues for UHIP stabilization
Automated Health Solutions (AHS)	Call Center Operations & other system support
TBD	Maintenance and operating vendor All other unidentified activities

Unified Health Infrastructure Project

Contractor	Enacted	Gov. Rev.	Gov. Rec.
CSG Solutions	\$-	\$1.7	\$1.7
MWC Consulting	-	0.5	0.1
AHS	10.1	12.6	11.5
M & O Vendor (TBD)	-	9.3	15.6
Other TBD	-	5.7	3.9
<i>Subtotal - Support & Compliance</i>	\$10.1	\$29.8	\$32.8
<i>Subtotal- System Functionality</i>	10.6	51.9	50.0
Total	\$20.7	\$81.7	\$82.8

\$ in millions

Unified Health Infrastructure Project

DHS	FY 2019 Enacted	FY 2019 Gov. Rev.	FY 2020 Gov.
Salaries & Benefits	\$11.6	\$10.7	\$10.4
Contracted IT	2.6	8.5	11.4
Other Operating	1.2	0.8	1.3
Total	\$15.4	\$20.0	\$23.0
General Revenues	\$1.8	\$(0.3)	\$(0.6)
Federal Funds	6.7	12.0	12.3
Deloitte Receipts	7.0	8.3	11.4
Total	\$15.4	\$20.0	\$23.0

\$ in millions

Unified Health Infrastructure Project

- UHIP hiring:
 - 2018 enacted budget added 143 positions
 - 66 permanent & 77 time limited
 - Caseworkers & supervisors
 - Customer service aides
 - Eligibility technicians & supervisors
 - DHS reported all positions would be permanent in Q1 of FY 2018
- Gov. includes \$10.7 million in FY 2019 & \$10.4 million in FY 2020
 - \$2.6 million from general revenues both years

Unified Health Infrastructure Project – Deloitte Settlement

- Extend contract to June 2021
 - Continue development through the end of 2019 at no cost to the state
 - Fix what is broken
 - \$50.0 million cash payment
 - \$75.0 million in future credits and discounts
 - Prior credits include:
 - \$87.0 million for prior credits and no-charge services

Unified Health Infrastructure Project – Deloitte Settlement

- \$50.0 million cash payment
 - How much will state keep?
 - Federal government has funded nearly 80 percent of the work so far
 - When will we know?
- Prior Commitments
 - Pay SNAP fines associated with Deloitte-caused system issues

Unified Health Infrastructure Project – Deloitte Settlement

- New Credit/Supports
 - Assist with long term care services backlog
 - Operational support to continue to improve services for long term services and supports
 - Deliver transition services at no charge if/when the state hires a new provider
- Unclear how new credits align with expenditures in Governor's budget
 - Will they reduce state expenses?
 - Did budget account for all expenses?

Unified Health Infrastructure Project

- As of Jan. 1, 2019, the match rate reverts to prior rates place for each program for shared expenses
 - Only Medicaid programs can leverage 90%
 - SNAP programs would have a 50% match
 - Other state programs would be 100% general revenues
- State assumed a higher match rate than currently authorized
 - FY 2019 revised & FY 2020 budgets
 - May overstate match by \$3.0 million

Unified Health Infrastructure Project

Design, Development & Implementation Federal Cost Sharing

Program	Prior to 1/1/2019		Starting 1/1/2019	
	State	Federal	State	Federal
Medicaid	10%	90%	10%	90%
SNAP			50%	50%
State Supplemental Payment			100%	0%
General Public Assistance			100%	0%
Child Care			-	100%
RI Works			-	100%
HSRI			100%	-

Unified Health Infrastructure Project – Issues

- What does a fixed system look like?
 - Will EOHHS/DHS still need contractors?
 - What will DHS staffing look like?
- What are the impacts to FY 2019 revised & FY 2020 budgets?
 - What are the out-year costs of the system?
- Still making off-cycle or advanced payments for
 - Nursing homes & assisted living facilities
 - Childcare providers
 - Others

Governor's FY 2020 Budget

	Enacted	Governor	Change
General Revenues	\$66.6	\$74.9	\$8.3
Federal Funds	498.7	494.1	(4.5)
Restricted Receipts	7.5	11.9	4.4
Other Funds	4.8	4.8	-
Total	\$577.5	\$585.7	\$8.2
FTE	749.0	755.0	6.0

\$ in millions; excludes Office of Veterans' Affairs & Division of Elderly Affairs

Governor's FY 2020 Changes to Enacted

	Gen Rev	All Funds
Cash Assistance Caseload	\$1.1	\$5.3
Child Care Licensing Unit	0.2	0.8
New Preschool Development Grant	-	2.8
Eligibility Program Admin.	5.5	6.7
UHIP Personnel & Operating	(2.5)	7.4
SNAP Benefits	-	(17.0)
Child Support Enforcement	0.9	(0.3)
Paratransit for the Elderly	1.8	1.8
Centralized Services	0.6	0.5
All Other	0.7	0.3
Total	\$8.3	\$8.2

\$ in millions; excludes Office of Veterans' Affairs & Division of Elderly Affairs

Centralized Services

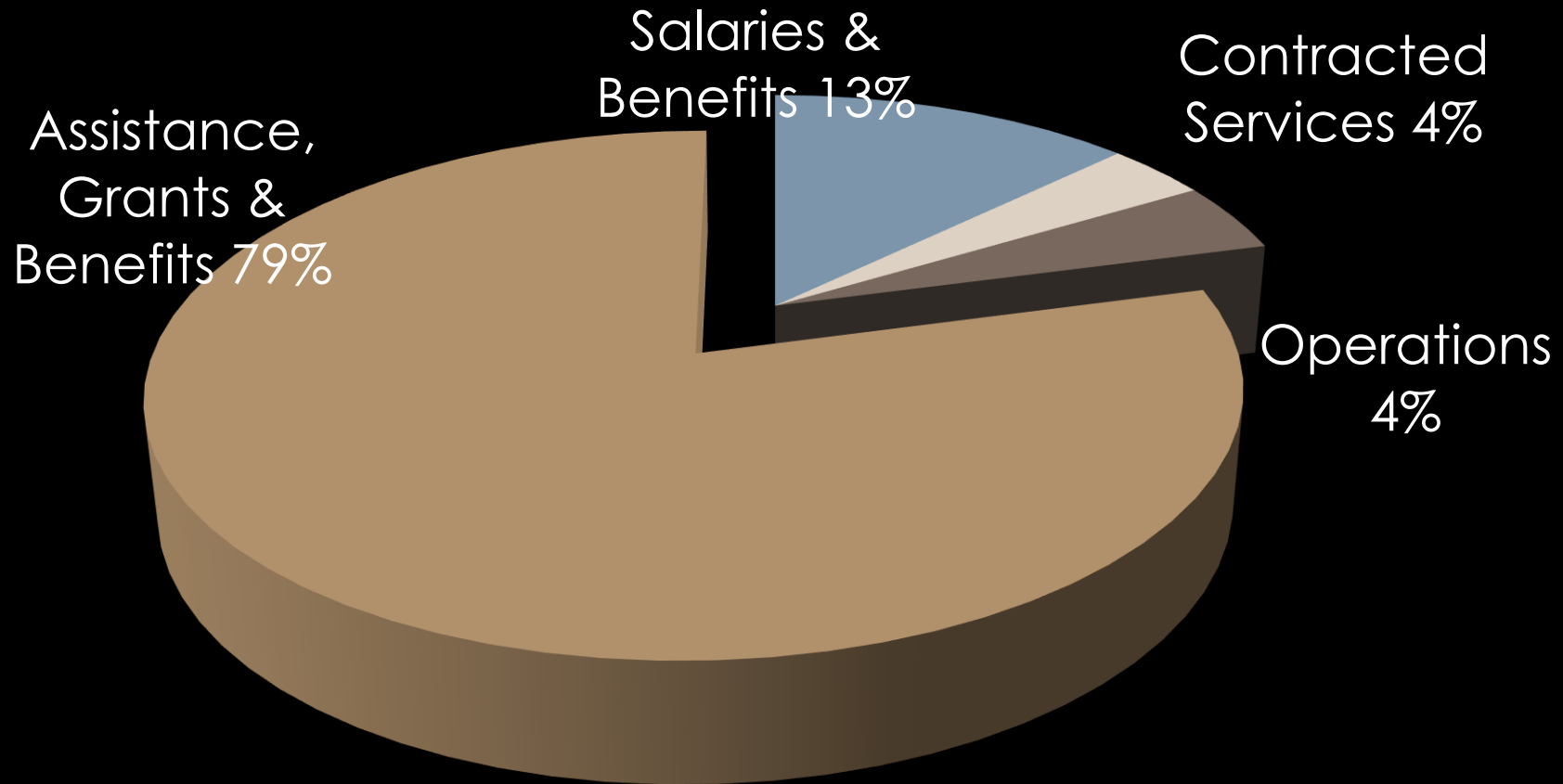
- 2017 Assembly authorized establishment of internal service funds for centralized services
 - Information technology, capital asset management & maintenance, & human resources
- Costs previously budgeted in DOA
 - 2018 Assembly included costs in user agency budgets
 - Final FY 2018 & FY 2019 budget

Centralized Services

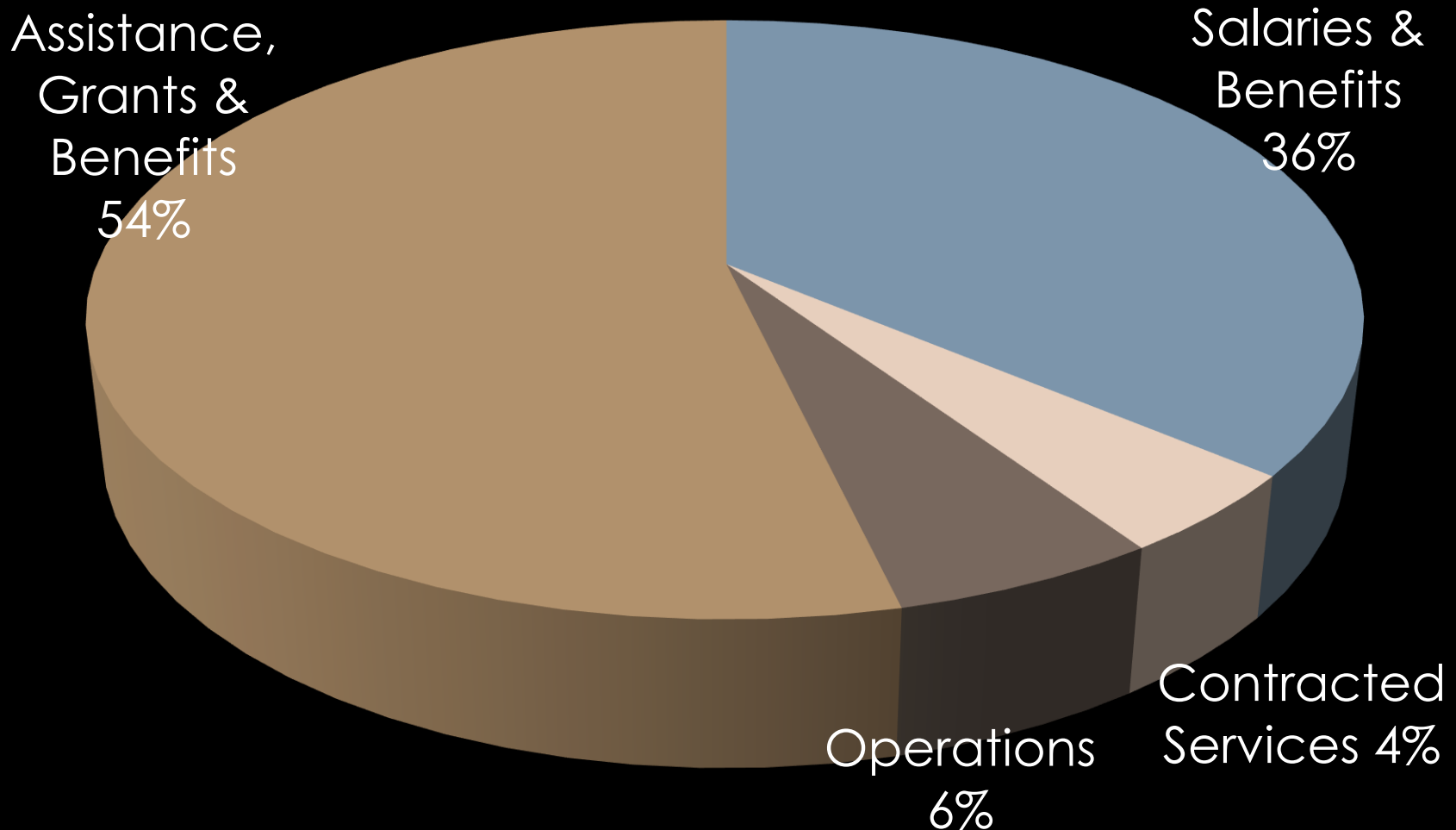
All Sources	FY 2019 Enacted	FY 2019 Revised	Chg. To Enacted	FY 2020	Chg. To Enacted
IT	\$2.3	\$2.9	\$0.7	\$2.9	\$0.7
Facilities	1.3	0.6	(0.7)	0.7	(0.7)
HR	0.4	0.4	-	0.4	-
Total	\$4.0	\$4.0	\$0.0	\$4.1	\$0.0
General Revenues	\$1.9	\$2.3	\$0.4	\$2.3	\$(0.4)

\$ in millions; excludes Office of Veterans' Affairs and Division of Elderly Affairs

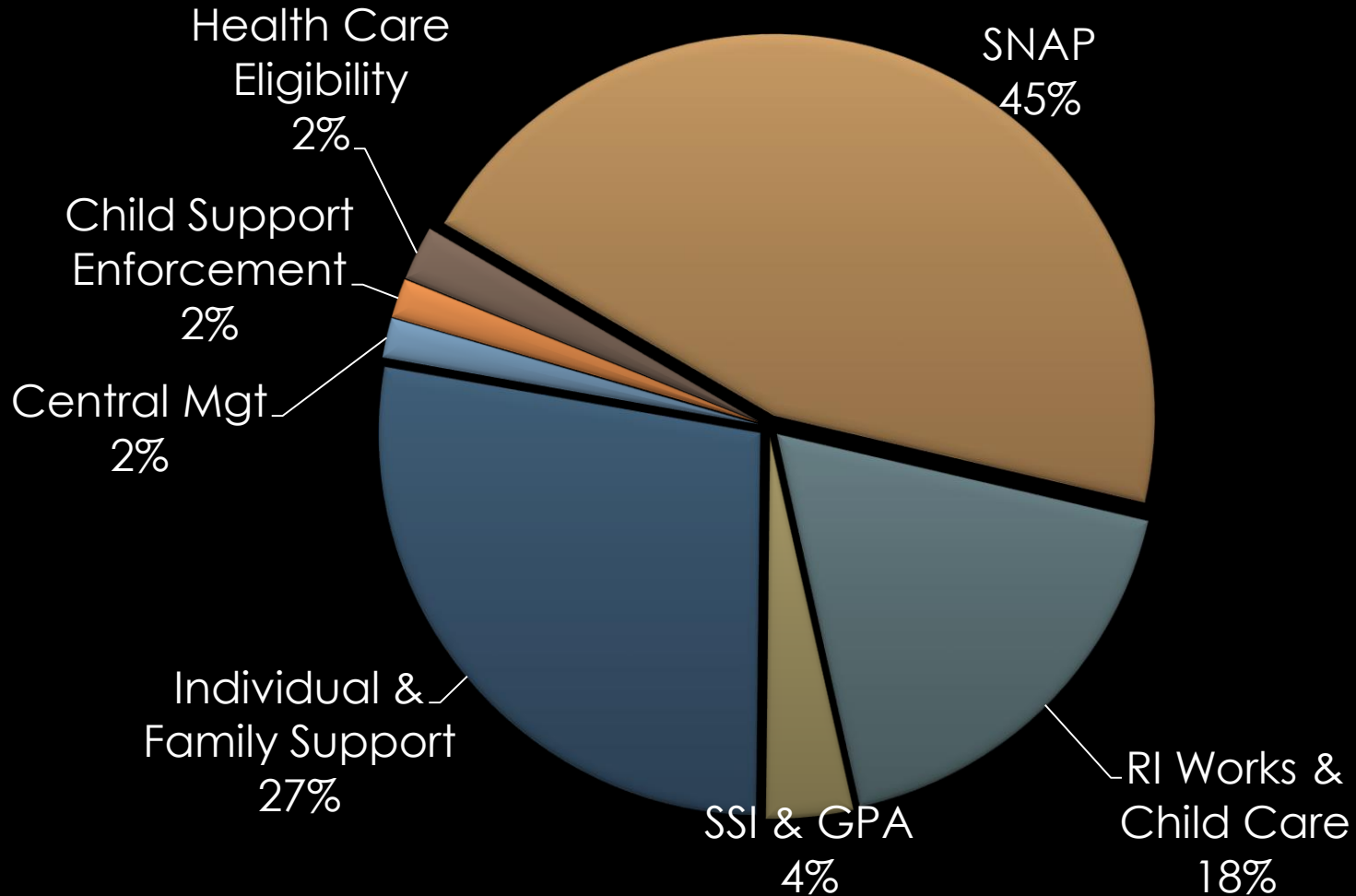
FY 2020 Governor – All Funds



FY 2020 Governor – General Revenues



FY 2020 Governor – Programs



Target Budget

- Budget Office provided a target of \$97.8M
 - After current services, provided with a 5% target reduction of \$5.0 million
 - Department proposed \$0.4 million of general revenue reductions
 - Governor includes \$0.2 million

Statewide Savings Initiatives

- Governor distributes statewide general revenue savings enacted for FY 2019 in the Department of Administration
 - Prompt Payment - \$0.4 million
 - Vendors voluntarily offer a discount if payments are received within an agreed upon date
 - Contracts - \$3.0 million
 - Effort to reduce costs of certain commodities
 - Food, maintenance, office equipment, telecommunications
 - Insurance - \$0.5 million
 - Reductions in policies for property & crime

Statewide Savings Initiatives

Initiative	FY 2019 Revised	FY 2020
Prompt Payment	\$(8,083)	\$(8,083)
Contract	(159,940)	(167,012)
Insurance	(1,920)	(2,042)
Total	\$(169,943)	\$(177,137)

Excludes Office of Veterans' Affairs & Division of Elderly Affairs

- Non general revenue savings are not reflected
 - Assumes savings on recently awarded transportation contract

Staffing

Full-Time Positions	FTE*	Chg. To Enacted
Enacted Authorized	749.0	-
FY 2019 Revised Req.	747.0	(2.0)
FY 2019 Governor	747.0	(2.0)
FY 2020 Request	747.0	(2.0)
FY 2020 Governor	755.0	6.0
FY 2018 Average Filled	627.7	(121.3)
Filled as of March 16	670.0	(94.0)

**Excludes Office of Veterans' Affairs & Division of Elderly Affairs*

Staffing

FY 2020 Governor Recommendation		
	DHS*	Statewide
Gross Salaries (in millions)	\$45.4	\$1,249.1
Turnover (in millions)	(2.2)	(42.9)
Turnover %	4.8%	3.4%
Turnover FTE	36.1	529.0
FY 2020 FTE recommended	755.0	15,413.1
Funded FTE	718.9	14,884.1
Filled as of March 16	670.0	14,096.3
Funded but not filled	(85.0)	787.8

**Reflects transfer of Office of Veterans' Affairs & Division of Elderly Affairs*

Staffing

Fiscal Year	Average Filled Positions
2018	627.7
2017	590.6
2016	632.2
2015	619.5

Excludes Office of Veterans' Affairs & Division of Elderly Affairs

Staffing

- Governor transfers:
 - 252.1 FTE for Vets Affairs to EOHHS
 - Includes 12.0 new positions
 - 31.0 FTE for Elderly Affairs to EOHHS
 - 2.0 FTE for BHDDH
- Governor adds:
 - 8.0 FTE for child care licensing
 - Article 4 shifts responsibilities but not people from DCYF
 - EOHHS also gains 1.0 FTE from transfer

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

Caseload Estimating Conference

- Principals each develop estimates
 - Dept. testimony, data & assumptions along with economic forecast & data trends
- Consensus reached on each estimate
- Estimates form basis of Governor's budget (November) and Enacted (May)

Cash Assistance

Program	Funding
Rhode Island Works	<ul style="list-style-type: none">• Temporary Assistance for Needy Families funds (TANF)
Child Care Assistance	<ul style="list-style-type: none">• Child Care Development Block Grant• TANF• Social Services Block Grant• General Revenues
Supplemental Security Income (SSI)	<ul style="list-style-type: none">• General Revenues
SSI Transition/Bridge	

TANF Federal Block Grant

- \$60.4 million maintenance of effort requirement to receive \$95.0 million
 - 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 rates not met
 - Maintenance of effort is \$4.0 million higher from not meeting two-parent work participation rate
 - Not actual cost to state currently

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
- Entirely funded by federal TANF block grant – any savings frees up funds for other uses
 - Potential general revenue savings

Rhode Island Works

- Benefits other than monthly payment
 - Monthly RIPTA bus passes
 - \$1.7 million for each FY 2019 & FY 2020
 - Based on # of families receiving assistance
 - Clothing allowance
 - \$150,000 for FY 2019
 - \$142,000 for FY 2020
 - Supportive & catastrophic expenses
 - \$255,000 for FY 2019
 - \$259,000 for FY 2020

Rhode Island Works

	FY 2019 Enacted	FY 2019 Gov.	Chg. to Enacted	FY 2020 Gov.	Chg. to Revised
Persons	10,025	9,700	(325)	9,700	-
Monthly Cost per Person	\$193.00	\$194.65	\$1.65	\$195.64	\$0.99
Total Cost	\$25.3	\$24.8	\$(0.5)	\$24.9	\$0.1

Total in millions

Rhode Island Works- Article 15

- Article 15 eliminates the 24-months of assistance in a 5-year period limitation
 - Retains lifetime limit of 48 months
 - Can apply to continue benefits under hardship provision
- Budget does not assume any impact to the caseload or cost
 - Nov CEC assumes 13% is for hardship
 - There will be an impact as cases do not time out
- Article heard on March 6

Child Care

- Provides child care to Rhode Island Works recipients & low income families at or below 180% 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

Child Care

- Pilot program launched in FY 2014 allows families to maintain eligibility if income increases to 225%
 - Must first be eligible at 180% of poverty
- 2017 Assembly made program permanent

Child Care Federal Block Grant Reauthorization

- Federal regulatory changes took effect October 1, 2018
 - 12-mo. recertification process
 - 3-mo. continued eligibility w/loss of job
 - Expanded outreach for homeless
 - Rhode Island received two one-year extensions of these provisions
 - Originally October 1, 2016

Child Care

	FY 2019 Enacted	FY 2019 Gov. Rev	FY 2020 Gov.	Chg. to Enacted	Chg. to Rev
Subsidies	9,300	9,125	9,517	217	392
Annual cost per subsidy	\$7,912	\$7,912	\$8,315	\$403	\$403
Total	\$73.6	\$72.1	\$79.1	\$5.6	\$7.0

Total in millions

Article 15 - Expansion

- Allows families enrolled at higher education institutions to receive subsidized child care
 - Still must meet 180% income threshold
 - FY 2020 budget includes \$200,000 general revenue
 - Would start July 1, 2019
- Similar to prior year proposal
 - Prior proposal limited to state schools & appropriation
 - Open-ended, though descriptions have suggested it would be more limited
 - Hearing held March 6

Article 15- Program Changes

- Increases state's liquid asset limitation for eligibility from \$10,000 to \$1.0 million
 - In 2014, federal government amended the Child Care Development Fund Block Grant
 - Limiting funds to those whose family assets do not exceed \$1.0 million
 - DHS changed its rules and regs to reflect this \$1.0 million liquid asset limitation prior to budget submission
 - Rules and regs currently conflict with state law

Article 15 – Program Changes

- Current law
 - To receive child care assistance, a family must cooperate with establishing paternity for all children in the family
- Article changes requirement so that paternity would only need to be established for those children who would receive the subsidized child care
- Governor's budget does not assume impact to caseload

Articles 10 & 15 – Child Care Rates

- Governor's recommendation adds \$1.0 million to increase rates paid
 - \$0.8 million for rates paid to child care centers for preschool age children
 - Part of universal pre-k initiative, Article 10
 - Includes funding for DCYF
 - \$150,000 to establish tiered reimbursement for family-based providers for infants & toddlers
 - Reflects labor agreement, Article 15

Child Care Rates - Centers

Preschool	Current Law	Article 10	Difference
1 Star	\$165.75	\$166.88	\$1.13
2 Star	\$169.80	\$171.09	\$1.29
3 Star	\$177.88	\$182.73	\$4.85
4 Star	\$182.73	\$185.97	\$3.24
5 Star	\$195.67	\$215.07	\$19.40

- Weekly Rates
- Article 10 5-star based on 75th percentile of 2015 market rate

Child Care Program

DHS Regulations	
Infant/Toddler	0-3
Preschool	3-6
School-aged	6 and older (age 5 if in Kindergarten)

- RIDE defines prekindergarten as 4-year olds
 - For the purpose of establishing eligibility for early childhood categorical funding

Article 10 - Universal Prekindergarten

- Governor's plan adds 540 high quality prekindergarten seats
 - 260 new seats
 - 200 from 10 new classrooms
 - 60 from increasing current class capacity limits
 - 280 existing seats upgraded to high-quality
 - 180 Head Start seats converted to full-day
 - Currently half-day; would increase from 4 hrs to 6 hrs/day
 - 100 preschool seats at child care providers
 - Improved quality of existing seats/providers

Head Start

- Primarily a federally funded program
 - Children age 3 to 5 at 8 locations
- State provides \$1.2 million
 - Supports 130 children
 - Governor includes an additional \$0.8 million in RIDE's budget to convert 180 existing seats to full-day
 - Part of universal prekindergarten initiative
 - Article 10 heard March 6

Child Care – Family-based Providers

- State entered into new agreement on April 3, 2017
 - Child Care Assistance (CCAP) family child care providers
 - July 1, 2017 through June 30, 2020
 - Agreement impacts providers rates
 - Also includes other benefits separate from CEC
- Subject to General Assembly approval included in the FY 2019 budget

Child Care – Family-based Providers

- Rate Increase:
 - 2.5% each January 1, 2018 & January 1, 2019
 - 1.5% January 1, 2020
- Review/revise Bright Stars by July 1, 2019
- Renewed funding for training & professional development fund
- Tiered reimbursement for infants and toddlers beginning July 1, 2019
 - Article 15 heard March 6

Child Care – Family-based Providers

- Family-based providers currently paid flat rate
- Article 15 would allow tiered reimbursement for infant/toddler & preschool
- Requested amendment removes preschool from tiered reimbursement
 - Consistent with labor agreement
- \$150,000 from general revenues

Child Care Rates- Family-based Providers

Infant/Toddler	Proposed Rates	Article Amendment*
Base Rate	\$178.55	\$180.34-\$185.69
1 Star	\$182.12	\$182.14-\$185.69
2 Star	\$187.48	\$187.55-\$187.58
3 Star	\$198.19	\$198.37-\$198.69
4 Star	\$203.55	\$203.78-\$204.26
5 Star	\$219.62	\$220.01-\$220.97

* Conform to current labor agreement that has steps

Quality Rating & Improvement System

Domain	Standard
1 - Health, Safety & Nutrition	Learning Environment
2 - Enrollment & Staffing	Staff Ratio/Group Size
3 - Staffing Qualifications & Ongoing Professional Development	Teacher Qualification & Leadership

Quality Rating & Improvement System

Domain	Standard
4 – Administration	Continuous Quality Improvement
5 – Early Learning & Development	Curriculum/ Child Assessment/Inclusive Classroom Practices
6 – Family Engagement	Family Communication and Involvement

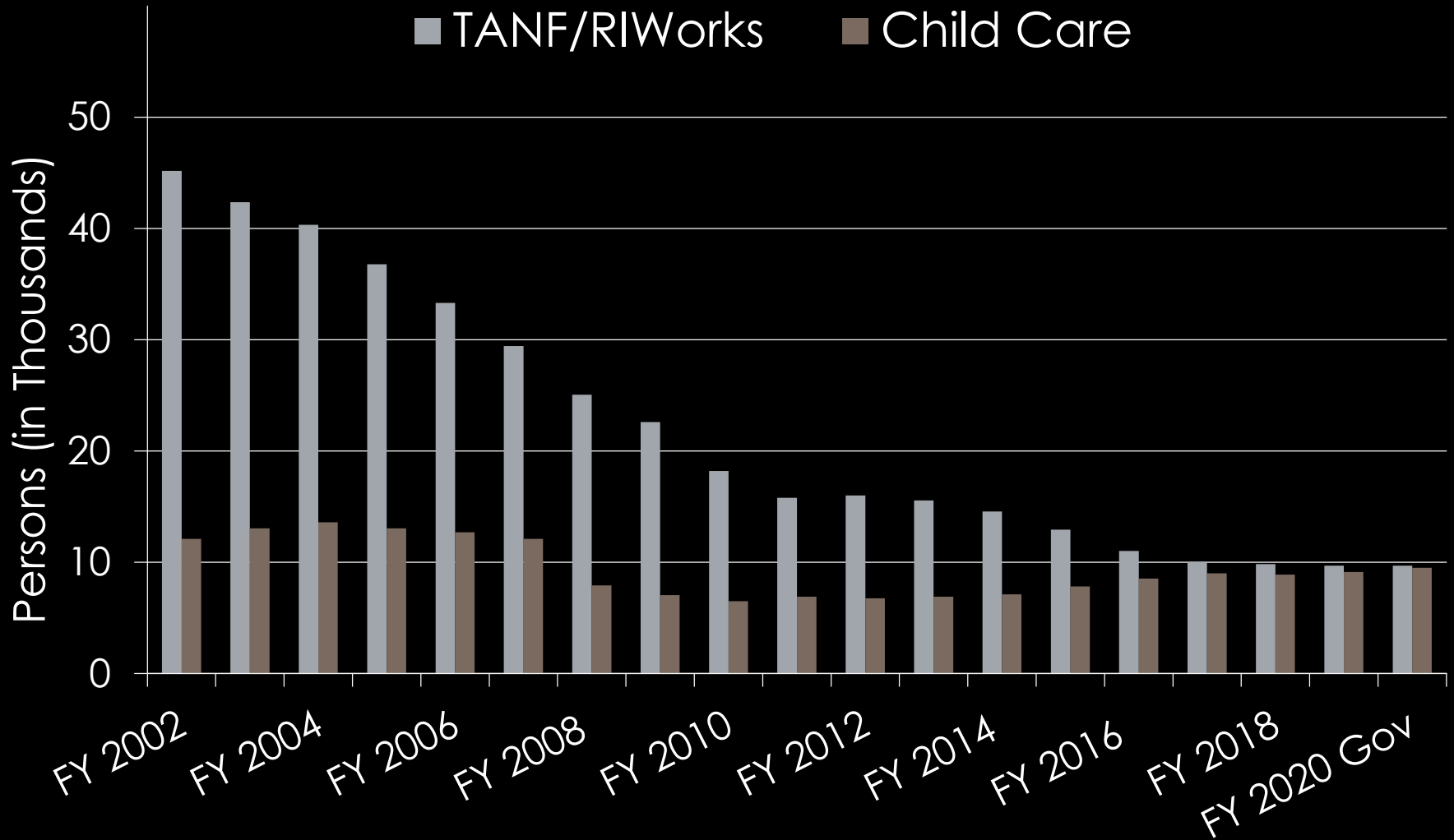
Subsidized Child Care

Type	# of Providers	# of Children Enrolled
Center Based	342	6,760
Family Based	485	2,135
Total	827	8,895

Child Care Licensing Unit

- Governor proposes shifting responsibilities for licensing child care providers from DCYF to DHS
 - \$0.8 million from all sources, \$0.2 million from general revenues
 - 8.0 new FTE
 - DCYF budget does not reduce FTE from this transfer
 - DCYF will retain its staff; DHS to hire new positions to start July 1, 2019
- Article 4 heard February 14

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 2019 Enacted	FY 2019 Gov.	Chg. to Enacted	FY 2020 Gov.	Chg. to Revised
Persons	35,000	34,500	(500)	34,838	383
Monthly Cost	\$47.50	\$48.00	\$0.50	\$48.00	-
Total	\$20.0	\$19.9	\$(0.1)	\$20.2	\$0.2
<i>Total in millions</i>					

Article 16 Sec 1,5 & 6: SSI/Assisted Living

- NHP contracts w/ long term care facilities to manage medical needs
 - Nursing homes and assisted living facilities
- In an assisted living facility, a resident may also qualify for Supplemental Security Income – pay for room & board
 - Payment made through DHS budget
 - Room and board & medical paid by 2 different agencies

Article 16 Sec 1,5 & 6: SSI/Assisted Living

- In FY 2016 the payment for assisted living facilities was increased for residents enrolled in RHO
 - To reduce nursing home placements

SSI Payment – Assisted Living (AL)	State	Federal	Total	Enrollees
Living in AL Facility (Cat D)	\$332.00	\$749.70	\$1,081.70	?
Living in AL enrolled in RHO – income <u>above</u> 120% (Cat F)	\$465.00	\$749.70	\$1,214.70	?
Living in AL enrolled in RHO – income <u>below</u> 120% (Cat F)	\$797.00	\$749.70	\$1,546.70	?

Article 16 Sec 1,5 & 6: SSI/Assisted Living

- Phase I – Unity – eliminated
 - Medicaid-only individuals went to fee-for-service & any dual eligible could enroll in Integrity
 - Those in assisted living who moved to fee-for-service retained the higher payment
 - Should have been reduced by DHS – it was not
 - This article change will allow them to continue to get the higher payment

Article 16 Sec 1,5 & 6: SSI/Assisted Living

- November CEC estimate includes the higher payment for 106 recipients
 - 19 providers at 20 facilities
- As of March 2019, continue to receive that higher payment
 - In conflict with state law

SSI Transition/Bridge Program

	FY 2019 Enacted	FY 2019 Gov.	Chg. to Enacted	FY 2020 Gov.	Chg. to Revised
Persons	270	210	(50)	210	-
Monthly Cost	\$137.00	\$164.00	\$27.00	\$164.00	-
Total	\$1.1	\$1.0	(\$0.1)	\$1.0	-

Total in millions

Other Programs

Program	FY 2019 Gov. Rev.	FY 2020 Gov. Rec.	Benefit/Payment
Additional State Supplement - Assisted Living	\$400,000	\$400,000	\$206 payment made to certain individuals in assisted living facilities
Hardship	\$90,000	\$90,000	Discretion of DHS director

Benefits Administration

Program	FY 2019 Gov. Rev.		FY 2020 Gov.	
	Gen. Rev.	All Funds	Gen. Rev.	All Funds
RI Works	\$5.4	\$12.4	\$5.9	\$14.1
Child Care	1.5	1.0	1.4	0.9
SSI	0.2	0.2	0.3	0.3
SNAP	14.8	31.2	14.5	30.2
Total	\$21.9	\$44.9	\$22.1	\$45.4

\$ in millions

Other Benefits

Program	FY 2019 Enacted	FY 2019 Gov. Rev.	FY 2020 Gov.
Supplemental Nutrition Assistance Program (SNAP)	\$282.1	\$265.1	\$265.1
Low Income Home Energy Assistance (LIHEAP) & Weatherization Assistance Programs (WAP)	30.1	31.3	32.7
Federal Funds Total	\$312.2	\$296.3	\$297.8

\$ in millions

Providence Field Office

Office Space Rental	FY 2018 Spent	FY 2019 Enacted	FY 2020 DHS Req	FY 2020 Gov Rec	Chg to Enacted
DHS Field Offices	\$3.1	\$2.8	\$3.4	\$3.4	\$0.7
Office of Rehab Services	1.1	1.1	1.1	1.1	-
Child Support Enforcement	0.5	0.5	0.5	0.5	-
Total Expenses	\$4.8	\$4.4	\$5.4	\$5.1	\$0.7
Gen. Rev. Share	\$2.0	\$1.6	\$2.1	\$1.9	\$0.3

\$ in millions

- Providence Field Office is \$2.2 million annually

Providence Field Office

- Governor assumes savings from moving Providence Field Office
 - \$0.3 million from all sources, \$0.2 million from general revenues
 - Assumes new leases start January 2020
 - Proposal included in constrained request
- Currently located at 206 Elmwood Ave
 - 2 smaller field offices
 - Office building for non direct-support staff

Preschool Development Grant

- New one-time, \$4.2 million grant awarded in December 2018 to support birth-5 early childhood system
 - \$1.4 million in FY 2019 & \$2.8 million in FY 2020
- Will work with DOH, RIDE, DCYF to:
 - Conduct needs assessment
 - Offer educational services and supports for providers
 - Create resources for families & promote family involvement
 - Improve overall quality of early childhood care and education programs

Preschool Development Grant

- Funding will be used to:
 - Conduct family, facility & workforce needs assessments
 - Develop a strategic plan for birth-5 education
 - Create a website & offer mini-grants to improve parent knowledge & engagement
 - Pilot a Family Child Care Network for providers to share best practices
 - Provide technical assistance & professional development to providers

Other Programs and Services

- Child Support Enforcement
- Health Care Determination Administration
- Office of Rehabilitation Services
 - Medical Services
 - Statewide Blind Vending Facilities
- Paratransit Services for the Elderly
- Direct Appropriations

Child Support Enforcement

	Enacted	FY 2019 Gov Rev	FY 2020 Gov	Chg to Enacted
Salaries & Benefits	\$5.8	\$5.2	\$5.7	\$(0.2)
Contracted Srv.	2.6	2.5	2.5	(0.1)
Operating Exp.	1.4	1.2	1.4	(0.0)
Asst. & Grants	0.2	0.2	0.2	-
Total	\$10.0	\$9.1	\$9.7	(\$0.3)
Gen. Rev. Share	\$2.0	\$2.7	\$2.8	\$0.9

\$ in millions

Child Support Enforcement

- Enacted budget includes \$1.0 million of general revenue savings
 - Establish paternity to improve collection of child support payments
 - Could in turn impact custodial parents eligibility for child care assistance and Medicaid
- Gov. budget restores funding for FY 2019 & FY 2020
 - Department did not implement
 - Article 15 proposes changes limiting establishment of paternity for child care assistance

Child Support Enforcement- Audit Findings

- January 1, 2019 & June 6, 2014 internal audits recommended improving:
 - Procedures to reconcile child support collection activity daily
 - Reconciliation between InRhodes & state accounting system is a manual process
 - Would require additional staff to complete
 - Procedure to reconcile escrow liability account with monthly cash balance
 - DHS identified five ongoing reasons for differences
 - Return unidentified funds, IRS reversals, Family Court escrow

Health Care Determination Administration

	Enacted	FY 2019 Gov Rev	FY 2020 Gov	Gov to Enacted
Salaries & Benefits	\$12.2	\$14.2	\$13.9	\$1.8
Contracted Srv.	0.3	0.6	0.6	0.3
Operating Exp.	3.0	(0.4)*	(1.1)*	(4.1)
Total	\$15.5	\$14.3	\$13.4	\$(2.1)
Gen. Rev.	\$6.1	\$3.0	\$2.6	\$(3.5)
% Gen. Rev. Share	39.3%	21.1%	19.5%	28.6%

\$ in millions

**Offsets UHIP increases in benefits administration*

Office of Rehabilitation Services

	Enacted	FY 2019 Gov.	FY 2020 Gov.	Chg. to Enacted
Salaries & Benefits	\$9.4	\$9.2	\$9.6	\$0.2
Contracted Srvs.	1.0	0.9	0.9	(0.1)
Operating Exp.	0.9	1.5	0.9	(0.0)
Asst. & Grants	12.9	6.7	13.0	0.1
Total	\$24.1	\$18.2	\$24.3	\$0.2
Gen. Rev. Share	\$4.7	\$4.8	\$5.1	\$0.4
% Gen. Rev. Share	19.6%	26.6%	21.0%	200%

\$ in millions

Office of Rehabilitation Services

- Part of Department of Justice Consent Decree to address integrated services for adults with developmental disabilities
 - With Department of BHDDH
- Pilot program started with several community based providers
 - \$1.8 million for FY 2019
 - \$2.0 million for FY 2020

ORS Medicaid CNOMs

- ORS leverages Medicaid for certain services to help individuals maintain independence

CNOM Programs	Enacted	FY 2019 Gov Rev	FY 2020 Gov. Rec	Chng. to Enacted
Home Modification	\$218,396	\$222,079	\$223,870	\$5,474
Personal Care Attendant	327,946	259,790	334,350	6,404
Social Services for Blind	326,979	332,465	335,174	8,195
Total	\$873,321	\$814,334	\$893,394	\$20,073

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 2019 through FY 2024
 - Consistent with enacted level

Paratransit Services for the Elderly

- Both Medicaid & non-Medicaid eligible elderly and disabled persons to:
 - Doctor visits, medical treatment, adult day care centers, services for visually impaired
- Not a DEA program, EOHHS holds contract

	FY 2019 Enacted	FY 2019 Gov. Rev.	FY 2020 Gov. Rec.
General Revenues	\$1.1	\$2.3	\$2.9
Federal Funds	0.5	0.6	0.4
Gas Tax Funds	4.4	4.5	4.4
Total	\$6.0	\$7.3	\$7.7

\$ in millions

Non-Profit Agency Appropriations

Agency	FY 2020
Crossroads	\$500,000
Community Action Agencies	520,000
RI Coalition Against Domestic Violence (Prevention Fund)	300,000
RI Alliance of Boys & Girls Clubs	250,000
Day One	217,000
Institute for the Practice & Study of Non- Violence	200,000
RI Community Food Bank	175,000
Total	\$2,162,000

Annual Reporting Requirements

- 2013 Assembly required OMB to prepare, review & inventory all reports filed w/ Assembly
 - Report to be presented to Assembly as part of budget submission annually
- DHS is required to submit 6 reports

Annual Reporting Requirements

Report	Date	Submitted/Filed
Monthly Caseload (EOHHS Medical/DHS cash assistance)	By 15 th of each month	<ul style="list-style-type: none"> • Medical – yes • Cash Assistance – February data
Public Health Access Beneficiary Employer Annual Report	Third week of January	March 18, 2019
Youth Pregnancy & At- Risk Prevention Services Annual Report	March 1	No
RI Works Annual Report	March 1	No
Administration of State Institutions	January	Obsolete
Schools in Institutes	July	Obsolete

Department of Human Services

FY 2019 Revised, FY 2020 & Capital Budgets
House Finance Committee
April 2, 2019
