

Department of Human Services

2018 Emergency Board Human Services Subcommittee DHS 2017-19 Second Rebalance

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DHS Net GF Rebalance Position

Program General Fund in Millions	2017-19 LAB	Rebalance Request	Proposed LAB
Aging and People with Disabilities	\$1,024.3	(\$5.6)	\$1,018.7
Child Welfare	\$580.6	\$19.0	\$599.6
Individuals with Developmental Disabilities	\$888.8	(\$8.3)	\$880.5
Self Sufficiency	\$391.2	\$4.0	\$395.2
Vocational Rehabilitation	\$29.5	0	\$29.5
Other	\$282.9	(\$1.7)	\$281.2
Total DHS General Fund Need	\$3,197.3	\$7.4	\$3,204.7

DHS Aging and People With Disabilities (APD)

There is a net savings of (\$5.6) million GF in APD:

Savings:

- Anticipated increase in Estates Recovery will bring in an additional \$3.50 million in revenue to offset (\$3.50) million GF.
- Higher than budgeted federal match rate related to medical eligibility, anticipated to save (\$2.34) million GF.

Needs:

- Other and Federal Funds limitation changes for the actions below, netting to \$3.5 million OF limitation increase and \$177k FF limitation increase.

Technical adjustments:

- APD shares portions of multiple technical adjustments that move positions to APD from other areas of the department or realigning the budget. While these actions cost APD \$234k GF they net to a \$0 GF and Total Fund impact agency wide.

DHS Child Welfare

Net GF Need of \$19.0 million in Child Welfare (CW)

Needs:

- Delivery Budget shortfall of \$12.4 million GF
 - Delivery Budget shortfall in Personal Services is \$1.61 million GF
 - Overtime and Temporary Appointment costs (\$1.61 million GF)
 - Delivery Budget shortfall in S&S of \$10.79 million GF, primary driven by projected costs in:
 - ORCAH (Oregon Child Abuse Hotline) (\$3 million GF)
 - SACWIS to CCWIS (CW Case management system) project to make ORKIDS system compliant with new federal government requirements (\$1 million GF)
 - Travel costs, telecommunications, professional services and facilities make up most of the other costs (\$6.79 million GF)
- Waiver block grant shortfall in Foster Care maintenance payments of \$1.1 million, as well as in other services, totaling \$1.51 million GF

DHS Child Welfare

- Design Personal Services Budget shortfall of \$3.51 million of GF:
 - Double Fills due to increased field workload and increase in complexity of issues. For example, additional staff are needed to support central office adoptions and interstate compact (ICPC), who have increased workload and have federally required timelines. These positions are not earned with other staff via the workload model.
- Design Budget -Services and Supplies shortfall of \$9.5 million of GF:
 - CW AAG line item. Over time fund splits in this category have gotten off course from actual expenditures which increases the GF need by \$5.67 million.
 - Shortfall in Professional services of \$3.77 million GF driven mainly by contracts hitting GF heavier than budgeted amount (management is bringing in a third party to review the contracts).
 - The remaining shortfall is spread across other S&S categories (\$0.06 million)

DHS Child Welfare

Savings:

- Enhanced Foster Care expenditures have been coded to regular Foster Care, these enhanced service costs are currently being recognized in the regular Foster Care cost per case. Resulting in a savings of (\$6.9) million GF.
- Permanency forecasted caseload is slightly down from the Spring 2018 forecast, resulting in a savings of (\$1.16) million GF.

Technical Adjustments:

- A series of technical adjustments that will realign the budget that while costs CW \$130k GF add to a net to \$0 GF and Total Fund impact agency wide.

DHS Intellectual and Developmental Disabilities

There is a net savings of (\$8.3) million GF:

Needs:

- Satisfy the remainder of the \$12 million GF reduction balance of \$4.7 million GF with savings earned via improved participation rate stated below.
- Slight increase in Fall 2018 forecast projected to cost \$896k GF.
- Other Funds, \$50k and Federal Funds, \$13.69 million limitation to meet the expenditure demands of a more favorable participation rate.

Savings:

- Concerted efforts by DHS management, CDDPs, and Brokerages to increase the participation rate of those eligible for Medicaid reimbursement. By being more diligent in assessing Medicaid eligibility there are anticipated savings of (\$10.01) million GF between case management and program services.
- Slight reductions in cost per case anticipate savings of (\$1.56) million GF.
- Higher than budgeted federal match rate related to SACU program activities is also expected to save (\$2.28) million GF.

Technical adjustments:

- One adjustment that saves (\$100k) GF in I/DD but net to \$0 GF and Total Fund impact agency wide.

DHS Self Sufficiency

There is a net GF need for Self Sufficiency of \$4.03 million

Needs:

- Increased TANF Basic and UN caseloads for Fall 2018 forecast \$2.0 million GF
- Maintenance and operations of the ONE system, adjusting over estimate of 90/10 match and under estimate of 75/25 match. \$2.3 million GF
- Limitation request of \$1.6 million OF related to Cover All Kids in the OHP, one time transfer into DHS from OHA for outreach services

Technical Adjustments

- While adding to a net \$0 agency wide impact these actions will save SSP (\$274k) GF

TANF Savings budget note HB 5006 (2017) – because there is a need, requested as TANF FF, no reinvestment of savings need to be addressed in this rebalance.

DHS Vocational Rehabilitation

There are no issues for 2017-19 rebalance and believe order of selection in 2017-19 can be avoided at this point.

DHS Central

There is a net need of \$246k GF due to a series of technical adjustments that add \$0 GF and TF agency wide.

DHS Shared Services

There are no rebalance cost/savings issues in exception to a limitation challenge of \$296k OF related to double booked other funds limitations needed for the transfer of a position from Self Sufficiency to the Office of Payment Accuracy and Recovery (OPAR).

DHS Statewide Assessments and Enterprise-wide Costs (SAEC)

There is a net savings of (\$1.99) million GF:

Savings

- Net Saving of (\$1.75) million GF mainly due to various savings and needs within the SAEC budget such as State Government Service Charges, Enterprise Technology Services, Information Technology Direct Services (computer replacements), Shared Services Funding, Facilities rent and projects, and other Statewide Assessments and Enterprise Wide costs

Technical Adjustments

- While Technical Adjustments net to \$0 GF and TF agency wide, SAEC has a savings (\$236k) GF

DHS Expenditure Limitation Need

All dollars in millions

Net Other Funds limitation by Program	2017-19	Rebalance Request	Proposed LAB
Aging and People with Disabilities	\$261.99	\$3.50	\$265.49
Child Welfare	\$36.00	(\$2.17)	\$33.82
Individuals with Developmental Disabilities	\$28.06	\$0.05	\$28.11
Self Sufficiency	\$100.24	\$1.60	\$101.84
Vocational Rehabilitation	\$2.34	0	\$2.34
Other	\$225.76	\$2.00	\$227.76
Total DHS Other Funds Need	\$654.39	\$4.97	\$659.37

Net Federal Funds limitation by Program	2017-19	Rebalance Request	Proposed LAB
Aging and People with Disabilities	\$2,254.66	\$0.18	\$2,254.83
Child Welfare	\$534.85	\$5.23	\$540.08
Individuals with Developmental Disabilities	\$1,796.71	\$13.69	\$1,810.40
Self Sufficiency	\$2,747.31	\$1.28	\$2,748.58
Vocational Rehabilitation	\$85.66	\$0.00	\$85.66
Other	\$369.31	(\$31.96)	\$337.35
Total DHS Federal Funds Need	\$7,788.50	(\$11.59)	\$7,776.91

Department of Human Services

Thank you!

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for all Oregonians***