

# Social Services

## RECOMMENDED BUDGET • FY 2020-21

### MISSION

The County of El Dorado Health and Human Services Agency (HHS), Social Services Department provides a range of programs to assist persons in attaining or maintaining their self-sufficiency, independence, safety and/or well-being. The mission is to respectfully serve all persons in a manner that improves the overall quality of life in El Dorado County.

### DEPARTMENT BUDGET SUMMARY

**DEPT : 51 SOCIAL SERVICES**

Description	Prior Year Actual	Current Year Adopted	CAO Recommended	Difference from Adopted
Rev Use Money/Prop	(778)	0	0	0
IG Rev - State	9,386,152	9,450,214	10,261,818	811,604
IG Rev - Federal	23,085,361	25,530,810	25,061,043	(469,767)
Other Gov Agency	15,303	5,000	15,000	10,000
Service Charges	2,992	0	0	0
Miscellaneous Rev	415,928	480,050	505,050	25,000
Other Fin Sources	22,331,094	25,048,662	27,248,640	2,199,978
<b>Total Revenue</b>	<b>55,236,051</b>	<b>60,514,736</b>	<b>63,091,551</b>	<b>2,576,815</b>
Salaries & Benefits	21,473,901	22,910,049	25,057,069	2,147,020
Services & Supplies	1,827,197	2,087,037	2,531,086	444,049
Other Charges	27,104,764	29,486,996	30,749,735	1,262,739
Other Fin Uses	0	0	100,000	100,000
Intrafund Transfers	7,354,103	8,558,350	7,826,752	(731,598)
<b>Total Appropriations</b>	<b>57,759,963</b>	<b>63,042,432</b>	<b>66,264,642</b>	<b>3,222,210</b>
<b>FUND 1000 GENERAL FUND TOTAL</b>	<b>2,523,912</b>	<b>2,527,696</b>	<b>3,173,091</b>	<b>645,395</b>

### MAJOR BUDGET CHANGES-SOCIAL SERVICES AND PUBLIC ASSISTANCE

Revenue

*State Intergovernmental*

- \$251,968      Increase to the State Medi-Cal administrative allocation for eligibility determination.
- \$443,971      Increase in State participation for CalWORKs Assistance due to recent grant increases and the discontinuance of the Maximum Family Grant.
- \$157,493      Increase in State participation in Foster Care and Adoptions Assistance due to recent rate increases.
- (\$156,270)    Decrease in the allocation for the CalFresh administrative activities for eligibility determination.

# Health and Human Services Agency

## RECOMMENDED BUDGET • FY 2020-21

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\$102,801 Other increases including for the administrative allocation for Child and Family Team activities required by AB 403 (\$56,845), for the IHSS Electronic Visit Verification implementation to help verify that personal care services were delivered to the beneficiary by the provider (\$20,000) and for other administrative allocations such as In Home Support Services Admin and Children's Case Record Review (\$25,956).

### *Federal Intergovernmental*

\$282,607 Increase in the CalWORKs Single Allocation primarily due to the new Outcomes and Accountability component.

\$414,077 Increase to the CalWORKs Housing Support Program targeting homeless prevention.

\$251,969 Increase to the Medi-Cal administration allocation for eligibility determination, this is the match to the State General Fund increase.

\$122,510 Increase to Foster Care eligibility determination Title IV-E federal revenue as match to Realignment, due to an increase in the allocation of 2011 Protective Services Realignment to this program.

(\$483,158) Decrease to the Child Welfare Services Title IV-E federal revenue as match to Realignment due to the projected decrease in available 2011 Protective Services Realignment.

\$30,589 Increase to the Title IV-E match for Children's Case Review related to the increase in State General Fund for this program.

\$74,515 Increase due to the Federal Adoption Incentive payments that are awarded to Child Welfare Agencies that increase adoptions of children who are in need of new permanent families.

\$60,000 Increase due to the In Home Support Services (IHSS) Electronic Visit Verification implementation, which is to help verify that personal care services were delivered to the beneficiary by the provider.

(\$1,212,222) Decrease in Title IV-E federal revenue for Foster Care and Adoption Assistance primarily due to a decline in federally eligible cases.

(\$10,654) Decrease in anticipated funding for other Child Welfare administrative activities such as Foster Parent Recruitment and the Title IV-B Block Grant for services.

### *Other Financing Sources*

\$2,542,789 Increase in revenue transferred in from the 1991 Realignment revenue special revenue fund due to redirected and accelerated growth received, and increased fund balance.

\$162,222 Increase in revenue transferred in from the CalWORKs Maintenance of Effort (MOE) and Child Poverty and Family Support special revenue funds due to assistance grant increases.

# Social Services

## RECOMMENDED BUDGET • FY 2020-21

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- (\$605,033) Decrease in revenue transferred in from the 2011 Protective Services special revenue fund primarily due to increased use of fund balance.
- \$100,000 Increase in revenue transferred in from Behavioral Health for children's parenting classes that are funded with Mental Health Services Act (MHSA) Prevention and Early Intervention (PEI) revenue.

### Appropriations

#### *Salaries and Benefits*

- \$863,024 Increase in salaries due to a reduction in the staffing vacancy rate for the Admin, Clerical Eligibility, Children and Adult Protective Services cost pools to 6%, to align with the agency wide attrition rate.
- \$498,907 Increase in Retirement Employer Share (CalPERS).
- \$789,221 Increase in Health Insurance Employer Share partially due to the decreased vacancy rate in addition to the increase in the cost of the health benefit packages.
- \$97,860 Increase in Unemployment insurance.
- \$150,000 Increase in Standby Pay associated with a change in the Manager Association labor agreement to require on-call pay for managers.
- (\$265,487) Decrease in Workers' Compensation premium charge to bring the program funding level to an acceptable confidence level, as provided by the Risk Management Division.

#### *Service and Supplies*

- \$678,058 Increase primarily due to allocating the appropriate space costs from the HHSA Administration and Finance Department to the benefiting programs; costs include Rent (\$523,821), Utilities (\$97,202), Janitorial Services (\$42,909) and Building Maintenance (\$14,126).
- \$12,464 Increase in printing and duplicating services due to planned outreach for the CalOES Victim Witness Grant for Elder Abuse.
- \$65,000 Increase in Professional Services due to contracting for Supplemental Security Income (SSI) application and appeal services for foster youth.
- \$37,000 Increase in Data Processing due to the estimated cost of the CalSAWS migration and implementation.
- \$133,892 Net increase in Minor Equipment primarily due to the necessary update of computer equipment for Income Maintenance programs to comply with State requirements (CalSAWS).
- (\$482,884) General Liability insurance premium charge recommended at \$0 to bring the program funding level to an acceptable confidence level, as provided by the Risk Management Division.

# Health and Human Services Agency

## RECOMMENDED BUDGET • FY 2020-21

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### *Other Charges*

\$685,409	Increase due to the final IHSS Maintenance of Effort (MOE) which includes a 4% annual inflator and an increase in provider wages in accordance with the labor agreement.
\$789,694	Increase to Child Care due to the State separating the Child Care component from the CalWORKs Single Allocation (CWSA) so that the savings can no longer cover the other CWSA components.
\$40,000	Increase to the Child Welfare Independent Living Program to align with prior year actual.
\$50,000	Increase in Housing costs for the Housing Support Program which assists families who are homeless or at risk of becoming homeless.
\$256,319	Increase in Ancillary Services and Expenses for supportive services to vulnerable populations.
(\$278,937)	Decrease in Health Services to align with prior year actual, as services have shifted more to ancillary supportive services.
(\$463,017)	Decrease in Foster Care Assistance payments to align with prior year actual, and the shift of costs to Kinship Foster Care.
\$300,000	Increase to Kinship Foster Care primarily due to the emphasis on finding family homes for foster youth to align with prior year actual.
(\$115,665)	Net decrease in Interfund Transfers primarily due to the final IHSS Maintenance of Effort (MOE) statute that discontinued the component that was historically transferred to the Public Authority.

### *Operating Transfers*

\$100,000	Increase in Operating Transfers to the Behavioral Health Substance Use Disorder (SUDS) Program for Child Welfare client access to the Drug Medi-Cal Organized Delivery System (ODS).
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### *Intrafund Transfers*

\$777,457	Increase in A-87 Cost plan charges for central government costs.
(\$1,510,025)	Decrease due to lower Internal Cost Rate (ICR) charges from the HHSA Administration and Finance Department.

DEPARTMENT BUDGET SUMMARY

**DEPT : 51 SOCIAL SERVICES**

Description	Prior Year Actual	Current Year Adopted	CAO Recommended	Difference from Adopted
Rev Use Money/Prop	919	120	306	186
IG Rev - Federal	126,579	250,000	250,000	0
Fund Balance	0	37,349	22,350	(14,999)
<b>Total Revenue</b>	<b>127,497</b>	<b>287,469</b>	<b>272,656</b>	<b>(14,813)</b>
Salaries & Benefits	12,485	20,113	18,048	(2,065)
Services & Supplies	0	7,045	0	(7,045)
Other Charges	130,131	257,556	254,608	(2,948)
Contingency	0	2,755	0	(2,755)
<b>Total Appropriations</b>	<b>142,616</b>	<b>287,469</b>	<b>272,656</b>	<b>(14,813)</b>
<b>FUND 1113 WRAPAROUND SB163 TOTAL</b>	<b>15,119</b>	<b>0</b>	<b>0</b>	<b>0</b>

MAJOR BUDGET CHANGES – WRAPAROUND SERVICES

Revenue

*Fund Balance*

(\$14,999) Decrease in Fund Balance for SB 163 Wraparound Services, using all remaining balance in FY 2020-21.

Appropriations

*Salaries and Benefits*

(\$2,065) Decrease in Extra Help for SB 163 Wraparound Services due to limited funding.

*Service and Supplies*

(\$7,045) Decrease in Software for SB 163 Wraparound Services due to limited funding.

*Interfund Transfers*

(\$2,948) Decrease due to lower Indirect Cost Rate (ICR) charges from the HHSA Administration and Finance Department.

*Contingency*

(\$2,755) Decrease in Appropriations for Contingency for SB 163 due to the budgeted fund balance use.

# Health and Human Services Agency

RECOMMENDED BUDGET • FY 2020-21

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## PROGRAM SUMMARIES

### *Social Services Administration and Public/Client Assistance*

Social Services Public Assistance Programs are designed to protect and meet the basic needs of El Dorado County's most vulnerable population groups, and are Federal and/or State mandated requiring that the County provide assistance to eligible applicants regardless of the availability of local resources. If the County does not comply with applicable regulations it can result in Federal and/or State fiscal sanctions and a resultant loss of funding. Public Assistance Programs include the California Work Opportunity and Responsibility to Kids (CalWORKs), Cal-Fresh, Homeless Assistance, Adoption Assistance, Foster Care Assistance, and Supportive General Assistance.

Social Services Administration staff determines eligibility for: CalWORKs, Medi-Cal, Cal-Fresh, Temporary Assistance for Needy Families (TANF), County Medical Services Program (CMSP) and General Assistance (GA). Protective services programs provided through Social Services Administration include Child Protective Services (CPS), Adult Protective Services (APS) and In-Home Supportive Services (IHSS).

Social Services programs, both administrative and assistance, operate mostly on a cost sharing basis where the County is required to expend a percentage of the non-federal share of costs for the provision of services. This percentage varies by program, and the County share is generally paid for with Realignment funding sources. The CalWORKs administrative program operates under a Maintenance of Effort (MOE) basis, where the County is required to contribute a minimum amount of funding toward the administration of the program, after which, the County is reimbursed with Federal and/or State funding up to a capped allocated amount. In addition to traditional funding, APS administers a grant from the California Office of Emergency Services for Elder Abuse. The grant was originally awarded in FY 2017-18 for a period of two years, but has been extended on a year yearly basis. Collaboration between the District Attorney's Office and Social Services will provide enhanced services and support to elderly victims of crime.

The FY 2020-21 Requested Budget includes a reduction in the budgeted vacancy factor for staffing from 14% to 6% in FY 2020-21. This is primarily related to savings from the reduction in the HHSA Admin Indirect Cost Rate (ICR). An increase in facility lease and associated space costs is related to the shift of these costs from the ICR to direct charges in the programs that benefit from the use of the space. Additionally, the Social Services budget continues to receive increasing cost in uncontrollable areas such as CalPERS Retirement costs and A-87 County Cost Allocation Plan charges. At the time this budget was submitted, the COVID-19 outbreak and subsequent economic changes were undetermined. In response to the outbreak, emergency federal and state funding was issued to the income eligibility programs to support the increase in clients applying for services, such as CalWORKs, Cal Fresh and Medi-Cal. During the last recession, these programs received additional funding to support the increased client base. If the economic downturn continues and additional funding becomes available to programs in FY 2020-21, HHSA will return to the Board with a request for budget transfers. Subsequently, the reduction in the vacancy rate may allow the Social Services programs some flexibility to hire additional staff to handle increased caseloads, as long as available funding can support the additional staff.

# Social Services

## RECOMMENDED BUDGET • FY 2020-21

### *In-Home Supportive Services Program*

The In-Home Supportive Services (IHSS) program provides personal care and domestic services to Medi-Cal eligible individuals to help them remain safely in their own homes and communities. Recipients are eligible to receive assistance with tasks such as bathing, dressing, housework, and meal preparation. The recipients are typically responsible for hiring and supervising a paid IHSS provider. Social Workers employed by the County conduct in-home IHSS assessments of an individual's needs in order to determine the amount and type of service hours to be provided, based on state guidelines. In recent years funding for this mandated service has been an issue for counties, as State funding has changed, increasing costs to counties. This is discussed further in the Pending Issues section below. The FY 2020-21 Recommended Budget includes an increase to the IHSS MOE which includes the 4% annual inflator and the estimated cost increase from the recent provider wage agreement allowing a fifty-cent supplemental increase above minimum wage.

### *SB 163 Wraparound Program*

The SB 163 Wraparound Program is designed to improve youth outcomes. Until June 30, 2009, County participation was funded by filling six slots for high-risk youth, with savings available for reinvestment to provide additional services to at-risk youth in the community. As of FY 2010-11, services provided in the community were funded entirely from use of the fund balance and interest earnings related to this program from prior years. Use of the remaining fund balance in FY 2020-21 is budgeted to pay for specialized staff to continue working with high-risk youth and their families.

### *CalOES Victim Services Grant*

El Dorado County administers a Victim Services Grant from the California Office of Emergency Services (CalOES). This grant provides enhanced funding to Court-Appointed Special Advocates (CASA) of El Dorado County for increased services and support to victimized youth in Foster Care. The grant was originally awarded in FY 2017-18 for a period of two years, but has been extended on a yearly basis.

## BUDGET SUMMARY BY PROGRAM

<b>Social Services Total</b>	<b>Appropriations</b>	<b>Revenues</b>	<b>Net County Cost</b>	<b>Staffing</b>
SB 163 Wraparound	\$ 22,656	\$ 22,656	\$ -	0.00
CalOES Elder Abuse Grant	\$ 206,069	\$ 206,069	\$ -	1.00
CalOES Victim Services Grant	\$ 250,000	\$ 250,000	\$ -	0.00
SS Admin & Public Assistance	\$ 66,058,573	\$ 62,885,482	\$ 3,173,091	271.15
<b>Social Services</b>	<b>\$ 66,537,298</b>	<b>\$ 63,364,207</b>	<b>\$ 3,173,091</b>	<b>272.15</b>

## PENDING ISSUES

The Social Services programs are subject to constant change by federal and state legislation. The following items concern the potential impact to the county due to increasing costs and volatile funding resources:

# Health and Human Services Agency

## RECOMMENDED BUDGET • FY 2020-21

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- **In Home Support Services (IHSS):** The redirected and accelerated Realignment Growth received from the State allowed HHSA to fully fund the current MOE obligations, but as Realignment Growth reverts back to the original distribution methods, IHSS funding continues to be a budgetary concern. HHSA has recently finalized a labor agreement with the United Domestic Workers union which represents the IHSS providers in labor negotiations. The negotiated wage increase of \$0.50 above minimum wage will increase the current and future MOE obligation, as will the annual statutory 4% increase, regardless of Realignment Growth. In addition to the MOE costs, Program Administration funding is now capped. As costs out of the Department's control rise, 1991 Realignment will be required to fill the gap. Realignment funding is dependent on a healthy economy; therefore, an economic downturn could affect the County's ability to fund these types of mandated obligations.
- **Foster Care Assistance:** As we enter the fifth year of the Continuum of Care Reform (CCR) implementation, Foster Care Assistance costs are beginning to stabilize. FY 2019-20 Foster Care Assistance is projected to increase by about 1.7% over the prior year compared to upwards of 14% in prior years. The lingering concern is that as California's minimum wage rises, fewer foster care cases are eligible for federal reimbursement. As the non-federal share of Foster Care Assistance and Children's Programs are mostly realigned to the County, the reduction of federally eligible cases puts an additional strain on limited Realignment funding sources.
- **Extended Foster Care (AB 12):** This program provides supports for young adults exiting foster care until the age of 22. The funding that supports this service is 2011 Realignment which is also impacted by Extended Foster Care and Adoptions assistance costs and is currently estimated to be \$1.4 million over the County's statutory obligation, according to AB 12, estimated at \$300,000. As a result, the use of 2011 and 1991 Realignment is required to meet the needs of the program as the program is treated as a mandatory service by all counties at this point. At this time, any changes will be subject to state legislative review.
- **Child Welfare Services:** The Family First Prevention Services Act, signed in the February 2018 Federal Spending Bill prioritizes the limited use of congregate foster care (group homes) and puts more money toward prevention services such as at-home parenting classes, mental health counseling and substance abuse treatment. This law places a two-week cap on the federal funding for group homes (currently, group home placements have open-ended federal funding for federally eligible cases). The new restrictions began in 2019, and California has requested a two-year delay to implement the group home provisions of the law. The delay will cause the State to be ineligible to receive federal funding for preventive services. If California does not delay implementation, counties will be reimbursed for services provided to families outlined in the Title IV-E Prevention Services Clearinghouse for up to 12 months with the goal of keeping families together. The challenge for states will be transitioning the child welfare process and provider base from placement to prevention. California AB 74, effective June 2019, gives authority for the State Finance Department to provide increased funding to the State Department of Social Services in the event of unanticipated costs due to Families First. It is unclear how this will translate to assisting counties should there be a significant reduction in federal revenue. Additionally, the cost of services aimed at prevention and family reunification has increased by over \$1 million annually over the past few years and it is uncertain how these services will be funded. The increase in costs is currently being funded with limited Realignment sources.
- **Realignment Revenues:** In 2011, the State shifted fiscal responsibility to counties by realigning the funding for traditional Children's Welfare Programs, Adult Protective Services and the cash benefits for CalWORKs, Foster Care, and Adoptions Assistance. These programs are supported



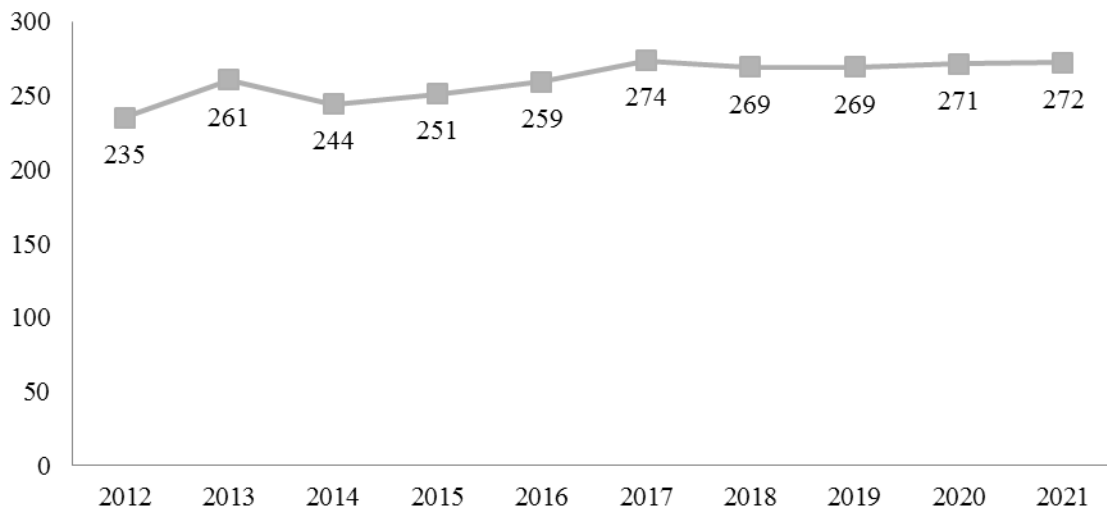
# Social Services

## RECOMMENDED BUDGET • FY 2020-21

mostly with Federal and Realignment funding. This is further impacted by the increasing IHSS MOE county share and increasing Children’s Welfare costs. As costs that are out of the Agency’s control increase at a faster rate than revenues are realized, the programs that compete for the same funding are at greater risk of requiring future County General Fund support to meet county match and program administration requirements. These are mandated entitlement programs for which we cannot deny eligible beneficiaries due to budgetary restrictions.

### STAFFING TREND

The recommended staff allocation for FY 2020-21 is 272.15 FTEs. The net change to Social Services is a decrease of .15 FTE and includes the transfer of .15 FTE Social Services Program Manager to the Community Services Department.



### RECOMMENDED BUDGET

The Social Services budget is recommended at \$66,537,298 (including Social Services at \$66,264,642 plus Wraparound Services and CalOES Victim Services Grant at \$272,656), which is an increase of \$3,207,397 (5%) when compared to the FY 2019-20 Adopted Budget. The General Fund provides 4.8% of the funding for the Department at \$3,173,091, an increase of \$645,395 (25.5%) when compared to the FY 2019-20 Adopted Budget.

In concept, the Department applies all State, federal, and Realignment funding to cover its operational costs, and considers the A-87 Cost Plan charges for Countywide central services to be largely unfunded. Total A-87 charges are recommended at \$3,409,325, an increase of \$777,457 from FY 2019-20. The Department has also budgeted a position vacancy rate of 6% for most cost pools, which is significantly lower than the FY 2019-20 budget, which ranged from 10% to 14% depending on employee cost pool. This results in higher General Fund cost. The 6% rate aligns more closely with FY 2017-18 budgeted vacancies. This is a conservative rate and may be adjusted upward to align with actual vacancy rates as the vacancy rates for positions with increased salaries are realized.

The increase in General Fund support is primarily attributed to an increase in A-87 costs (\$777,000), higher building costs for the new allocation of space utilized by department staff (\$675,000), and the

# Health and Human Services Agency

## RECOMMENDED BUDGET • FY 2020-21

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lower vacancy factor (\$863,000), offset by a reduction in costs from the lower ICR (\$1,510,000) and other reductions (\$160,000).

The Recommended Budget includes a request for \$133,892 for the purchase and replacement of 183 desktop computers, 446 monitors and 6 workstations (for South Lake Tahoe reception booths) due to the required system compatibility of the Self Sufficiency program to access State systems. This is a catch-up replacement from the last three years due to a pause in the computer refresh cycle attributed to the countywide implementation of Virtual Desktop Interface (VDI).

### CAO Adjustments

No CAO adjustments are recommended.

### Sources and Uses of Funds

The Social Services Department is funded by State, Federal and Realignment funding streams. Any non-reimbursable costs are charged to the County General Fund. In concept, the General Fund pays primarily for the A-87 Cost Plan charges for Countywide central services, since program service levels and costs exceed available Realignment and other funding streams.