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TANF OTHER DEPARTMENTS’ TANF MOE ELIGIBLE EXPENDITURES

ADDITIONAL TANF/MOE

General Fund Maintenance of Effort Adjustment

DESCRIPTION:

Public Law (P.L.) 104-193, the federal welfare reform legislation, established the Temporary Assistance for Needy Families (TANF) program and a TANF block grant to replace the Aid to Families with Dependent Children (AFDC) program. In any year in which the state meets the federal work participation rate (WPR) for the California Work Opportunity and Responsibility to Kids (CalWORKs) program the Maintenance of Effort (MOE) falls from 80 percent to 75 percent. In addition, adjustments are made to the MOE as a result of Tribal TANF. The state has not met the WPR since Federal Fiscal Year (FFY) 2007.

IMPLEMENTATION DATE:

This premise implemented on October 1, 1996.

METHODOLOGY:

To determine the General Fund (GF) MOE adjustment, projected state and county expenditures countable toward the MOE are compared to the state's MOE level. This determines the amount of expenditures necessary to meet the state's MOE level.

The specific methodology used to determine the GF MOE adjustment involves identifying projected California Department of Social Services' (CDSS) local assistance expenditures that are TANF-eligible and calculating their costs by total, federal, state, county, and reimbursement funds. Projected federal TANF expenditures for CDSS state support are then added to the total funds amount. Other state department expenditures for TANF eligibles, which meet the MOE requirements, are also added to the CDSS state and county TANF costs. This total is then compared to the state's MOE level. The amount of projected expenditures above or below the MOE level is shifted to or from federal TANF funds. The GF MOE adjustment does not change the total funding available.

Both the Current Year (CY) and the Budget Year (BY) projections include projected GF expenditures within other state departments that are assumed countable toward fulfilling the TANF MOE requirement. Separate premise descriptions for each of these items are provided in the "Estimate Methodologies" section of this binder.

FUNDING:

The GF MOE adjustment transfers costs to meet the state's base MOE level. The transfer is offset by a corresponding reverse adjustment to federal TANF funds. There is no change in the total funds available.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The slight increase in GF MOE needed from the Conference Budget for the CY is primarily due to a decrease in GF MOE Adjustment for the Tribal TANF program. The slight decrease in GF MOE needed for the BY is due primarily to an increase in other department MOE.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in the BY is the net result of the projected decrease in CalWORKs program expenditures (state and county) due to reduction proposals, a decrease in state and county spending in the Kin-GAP program, and an increase in the MOE adjustment for Tribal TANF.

General Fund Maintenance of Effort Adjustment

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – CalWORKs Assistance	Total	Federal	State	County	Reimb.
GF MOE Adjustment	$0	-$979,425	$979,425	$0	$0

FY 2011-12

Item 101 – CalWORKs Assistance	Total	Federal	State	County	Reimb.
GF MOE Adjustment	$0	-$1,115,687	$1,115,687	$0	$0

Two-Parent Families

DESCRIPTION:

A two-parent family is defined as an assistance unit (AU) that includes two aided nondisabled, natural or adoptive parents of the same aided or Supplemental Security Income/State Supplementary Payment minor child (living in the home), unless both parents are aided minors and neither is the head-of-household. Beginning in October 1999, two-parent families were funded with state maintenance of effort (MOE) funds. However, as a result of the federal Deficit Reduction Act of 2005, all MOE funded programs providing assistance are subject to inclusion in the federal Work Participation Requirement (WPR) calculation. Therefore, effective October 1, 2006, California Work Opportunity and Responsibility to Kids (CalWORKs) cash assistance, Welfare to Work (WTW) services, and administrative services for two-parent families are funded with Temporary Assistance for Needy Families (TANF) funds. Child care services will continue to be funded with General Fund (GF) as these families must participate for a minimum 55 hours per week in WTW activities in order to be eligible for federally funded child care.

IMPLEMENTATION DATE:

This premise implemented on October 1, 1999.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10553.
- The grant costs for two-parent families are based on the percentage of two-parent families in the Current Year (CY) and the Budget Year (BY) caseload projections.
- The employment services and Stage One child care costs for two-parent families are based on the most recent information.
- The ratio for two-parents participating in the CalWORKs Mental Health program is 14.49 percent and 17.16 percent in the Substance Abuse program and is based on the most recent CalWORKs Welfare-to-Work Monthly Activity Report (WTW 25/25A) caseload information.

METHODOLOGY:

The total cost or savings associated with two-parent families was determined by multiplying the appropriate percentage of two-parent families by the total cost or savings. Refer to the auxiliary table for the “Two-Parent Families” for more detailed information.

FUNDING:

CalWORKs grants for two-parent families are funded 97.5 percent TANF and 2.5 percent county funds.

Administration and employment services are funded with 100 percent TANF.

Child care is funded with 100 percent GF.

Two-Parent Families

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The CY increase for CalWORKs grant costs is due to a higher CalWORKs caseload.

The CY service costs decrease is due to a slightly lower ratio of two-parent expenditures.

The CY administrative costs decrease is due to a lower ratio of two-parent expenditures.

The BY increase for grants, services and administration is due to a projected increase in the CalWORKs caseload.

The BY decrease in Child Care is due to an adjustment to the base Child Care funding.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY decrease for CalWORKs grant costs, services and Child Care is due to the implementation of CalWORKs and Child Care reduction policies in the BY.

The increase in administrative costs are due to less costs shifted out of CalWORKs to Non-Assistance CalFresh and Medi-Cal.

CASELOAD:

The Fiscal Year 2010-11 average monthly caseload is 57,195.

The Fiscal Year 2011-12 average monthly caseload is 53,177.

EXPENDITURES:

(in 000's)

FY 2010-11

Two-Parent Families	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – CalWORKs Assistance	$444,424	$433,313	$0	$11,111	$0
Item 101 – CalWORKs Services	78,909	78,909	0	0	0
Item 101 – CalWORKs Administration	54,557	54,557	0	0	0
Item 101 – CalWORKs Stage One Child Care	25,027	0	25,027	0	0
Total	$602,917	$566,779	$25,027	$11,111	$0

FY 2011-12

Two-Parent Families	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – CalWORKs Assistance	$375,348	$365,964	$0	$9,384	$0
Item 101 – CalWORKs Services	74,824	74,824	0	0	0
Item 101 – CalWORKs Administration	54,968	54,968	0	0	0
Item 101 – CalWORKs Stage One Child Care	24,372	0	24,372	0	0
Total	$529,512	$495,756	$24,372	$9,384	$0

Unallocated Reduction

DESCRIPTION:

This premise reflects the Budget Action to make an unallocated General Fund (GF) reduction to the California Work Opportunity and Responsibility to Kids (CalWORKs) program in the Budget Act of 2010 of $365.9 million. The Budget Act requires the California Department of Social Services (CDSS) to request a corresponding advance of Temporary Assistance to Needy Families (TANF) Block Grant funds from the federal government for the June 2011 quarter in order to achieve one-time GF relief without adversely impacting the CalWORKs program. The CDSS will need to request the TANF Block Grant advance for the June quarter each year to maintain this one-time GF savings. The advance is equivalent to approximately ten percent of the next Federal Fiscal Year (FFY) TANF Block Grant.

IMPLEMENTATION DATE:

This premise implemented on October 8, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Budget Act of 2010.
- Assumes a $365.9 million unallocated GF reduction to the CalWORKs program in Fiscal Year (FY) 2010-11.
- Assumes a corresponding advance of the FFY 2012 TANF Block Grant funds in the June quarter of FY 2010-11.
- CDSS will need to apply for the advance of TANF Block Grant funds for the June quarter of FY 2010-11 and every subsequent FY.

METHODOLOGY:

The $365.9 million unallocated reduction to the CalWORKs program will be offset by a corresponding request of $365.9 million advance of the FFY 2012 TANF Block Grant to achieve one-time GF savings in FY 2010-11. The request for the advance will have to be made each subsequent fiscal year to avoid a GF shortfall of $365.9 million.

FUNDING:

Reduction – 100 percent GF

TANF Block Grant advance – 100 percent TANF

CHANGE FROM THE MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a Current Year only premise.

Unallocated Reduction

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – CalWORKs Assistance	**Total**	**Federal**	**State**	**County**	**Reimb.**
Unallocated Reduction	$0	$365,900	-$365,900	$0	$0

FY 2011-12

Item 101 – CalWORKs Assistance	**Total**	**Federal**	**State**	**County**	**Reimb.**
Unallocated Reduction	$0	$0	$0	$0	$0

CalWORKs – Basic Grants

DESCRIPTION:

This premise reflects the basic costs of providing cash aid to eligible families. Basic costs have been adjusted to reflect the annual cost-of-living adjustment (COLA) for Social Security (OASDI) benefits. The OASDI COLA increases the benefit level, reducing grant costs. The basic costs have also been adjusted for the impact of specific premises that are in the trend caseload but are also shown as separate premises. These adjustments are necessary in order to avoid budgeting the impact twice.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11450.
- For Fiscal Year (FY) 2010-11 a total of 13,159,279 All Other Families (AF) personmonths and 2,521,671 Two-Parent (TP) personmonths are anticipated. For FY 2011-12, 13,383,771 AF personmonths and 2,443,235 TP personmonths are projected.
- For both the Current Year (CY) and the Budget Year (BY), AF cases consist of 2.34 persons and TP cases consist of 3.74 persons.
- Adjustments are made for the estimated costs of current premises which are already included in the base period. These premises include: “Cal Learn Bonuses,” “Cal Learn Sanctioned Grants,” “Recent Noncitizen Entrants (RNEs),” “County Exemptions and Flexibility,” “Reduced CalWORKs Grant Impact” and “Proposition L.” Also, an adjustment is made for the costs associated with new tribes establishing Tribal Temporary Assistance for Needy Families (TANF) program.
- Costs are included for the Diversion Program. Based on the most recent California Work Opportunity and Responsibility to Kids (CalWORKs) Cash Grant Caseload Movement Reports (CA 237) and CalWORKs Expenditure Reports (CA 800D), the average monthly diversion caseload is estimated at nine cases for the CY and BY with, an average cost per case of $2,710.
- The estimated CalWORKs grant cost per person is based on an average of the actual cost per person from July 2010 to January 2011.
- The AF cost per person is $219.48 for the CY and the BY. The TP cost per person is $168.25 for the CY and the BY.
- The AF and TP basic costs are adjusted for the projected OASDI COLA change, effective January 1, 2012. Due to the negative Consumer Price Index (CPI) there is assumed to be no impact to OASDI payments in January 2011.
- The OASDI COLA adjustment reflects the impact of the projected CPI COLAs on the average Social Security Benefits received by CalWORKs cases, resulting in a reduction of $1,198,263 in FY 2011-12.
- The CY and the BY reflect a shift of funds from the Recent Noncitizen Entrants (RNE) program for persons in mixed cases that are TANF-eligible. The shift is reflected in the RNE premise.

CalWORKs – Basic Grants

METHODOLOGY:

The personmonths are multiplied by the cost per person to determine AF and TP basic costs.

AF and TP basic costs are reduced for the OASDI COLA adjustment.

Diversion costs are calculated by multiplying the average monthly caseload by the cost per case, and the annual Diversion costs are added to the basic grant costs.

The total AF and TP basic costs are reduced by the amounts of the costs for “Cal Learn Bonuses,” “Cal Learn Sanctioned Grants,” “RNE’s,” “County Exemptions and Flexibility,” “Reduced CalWORKs Grant Impact,” new tribes establishing Tribal TANF programs, and Proposition L. For the BY, “Cal Learn Sanctioned Grants” will not be reduced due to the suspension of the Cal Learn program.

DATA COMPARISON:

The FY 2010-11 projected personmonths for AF is 13,159,279 and 2,521,671 for TP.

The FY 2010-11 projected casemonths for AF is 5,634,962 and 674,020 for TP.

The FY 2010-11 persons per case for AF is 2.34 and 3.74 for TP.

The FY 2011-12 projected personmonths for AF is 13,383,771 and 2,443,235 for TP.

The FY 2011-12 projected casemonths for AF is 5,731,020 and 653,261 for TP.

The FY 2011-12 persons per case for AF is 2.34 and 3.74 for TP.

FUNDING:

The funding in the CY and the BY is 90.50 percent TANF, 7.0 percent General Fund (GF), and 2.50 percent county. Due to a federal audit exception, effective September 1, 2009, TANF hardship cases are funded with GF Maintenance of Effort (MOE) instead of TANF funds. In addition, GF MOE is used to fund persons in mixed cases in the RNE program that are TANF eligible.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The change is due to a slight increase in cost per person and an increase in the projected caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to an increase in caseload.

CASELOAD:

The FY 2010-11 average monthly caseload is 525,749 and the average monthly persons is 1,306,746.

The FY 2011-12 average monthly caseload is 532,023 and the average monthly persons is 1,318,917.

CalWORKs – Basic Grants

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 101 – CalWORKs Assistance	**Total**	**Federal**	**State**	**County**	**Reimb.**
CalWORKs – Basic Grants	$3,254,539	$2,944,815	$227,361	$82,363	$0

			FY 2011-12		
Item 101 – CalWORKs Assistance	**Total**	**Federal**	**State**	**County**	**Reimb.**
CalWORKs – Basic Grants	$3,287,426	$2,974,405	$229,821	$83,200	$0

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General Fund Above Basic MOE

DESCRIPTION:

This premise reflects the General Fund (GF) needed to fully fund the California Work Opportunity and Responsibility to Kids (CalWORKs) program costs that exceeded the available Temporary Assistance for Needy Families (TANF) funds and maintenance of effort (MOE) funds for Fiscal Year (FY) 2010-11.

IMPLEMENTATION DATE:

GF MOE is needed in FY 2010-11.

KEY DATA/ASSUMPTIONS:

- The total funds needed to fund the CalWORKs program in FY 2010-11 exceeded the available TANF/MOE funds due to caseload increases and the expiration of federal stimulus funds.
- As referenced in the Unallocated Reduction premise, included in the Budget Act of 2010 was a requirement that the California Department of Social Services (CDSS) request an advance of TANF funds from the federal government.
- Assumes the advance of TANF funds will be used to cover the CalWORKs program costs in excess of the available TANF/MOE funds in FY 2010-11.

METHODOLOGY:

The CalWORKs program costs that exceeded the available TANF/MOE will be funded with the requested TANF advance from the federal government.

FUNDING:

This funding is 100 percent GF.

CHANGE FROM THE MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a Current Year only premise.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – CalWORKs Assistance	**Total**	**Federal**	**State**	**County**	**Reimb.**
GF Above Basic MOE	$0	-$365,900	$365,900	$0	$0

FY 2011-12

Item 101 – CalWORKs Assistance	**Total**	**Federal**	**State**	**County**	**Reimb.**
GF Above Basic MOE	$0	$0	$0	$0	$0

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Subsidized Employment (AB 98)

DESCRIPTION:

This premise provides funding to counties outside of the California Work Opportunity and Responsibility to Kids (CalWORKs) program single allocation for the Assembly Bill (AB) 98 (Chapter 589, Statutes of 2007) Subsidized Employment (SE) program. Due to the implementation of the American Recovery and Reinvestment Act (ARRA) Emergency Contingency Fund (ECF) SE program, AB 98 activities were suspended through September 30, 2010. The AB 98 program resumed after the end of ARRA. In addition, this premise reflects changes made to the program as a result of the enactment of Senate Bill (SB) 72 (Chapter 8, Statutes of 2011), effective March 24, 2011. SB 72 increases the maximum amount of funding that will be provided to the counties for this program, expands the eligible population, and increases the duration of qualifying job placements.

Under AB 98, the state's contribution toward a participant's wage subsidy was limited to 50 percent of a CalWORKs recipient's wage subsidy, not to exceed 50 percent of the Maximum Aid Payment (MAP) for the Assistance Unit (AU). SB 72 increases the amount of SE costs that counties may claim up to 50 percent, less $56, of the total wage costs for the participant; not to exceed 100 percent of the computed grant for the Assistance Unit (AU) in the month prior to participation in SE. SB 72 also expands the program to participants who become ineligible for CalWORKs due to the SE income, individuals in Welfare-to-Work sanction status, and individuals who have exceeded the CalWORKs time limits and are receiving Safety Net benefits for their eligible children. However, wage subsidies may only be eligible for AB 98 funding only if the individuals are not otherwise employed at the time of entry into the SE position. The state's contribution to the wage subsidy is limited to a maximum of six months for each participant, but may be available for a total of 12 months if the county determines that a longer subsidy is necessary in order to mutually benefit the employer and the participant.

In addition, SB 72 states that the expansion of the SE program is intended to be cost neutral. As such, the California Department of Social Services in conjunction with representative and county welfare offices and their directors and the Legislative Analyst's Office (LAO) will assess and ensure the cost neutrality and testify regarding such during the Fiscal Year (FY) 2012-13 legislative budget hearings.

IMPLEMENTATION DATE:

This premise originally implemented on January 1, 2008. This premise reinstates AB 98 SE with the completion of ARRA as of September 30, 2010, and also expands the SE program with the passage of SB 72 (Chapter 8, Statutes of 2011) on March 24, 2011. The expanded SE program implemented immediately upon the enactment of SB 72.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11322.63.
- Based on county expenditure and survey information, it is assumed that the counties served, on average, approximately 690 cases monthly in the SE program for the December 2010 and March 2011 quarters. In addition, the counties are projected to serve approximately 1,440 cases monthly in the June 2011 quarter under the expanded SE program.
- For FY 2011-12, the counties are projected to serve approximately 2,120 cases monthly with the expanded SE program.

Subsidized Employment (AB 98)

KEY DATA/ASSUMPTIONS (CONTINUED):

- For FY 2010-11, the AB 98 services (wage subsidy) costs are estimated to be $1.44 million through March 2011 and $1.74 million in the June 2011 quarter under the expanded SE program.
- In FY 2011-12, the average wage subsidy is assumed to be $1,387 per month resulting in the maximum state contribution of $638.
- Due to the receipt of SE earnings the recipient's grant will be reduced, resulting in grant savings.
- For FY 2010-11, the grant savings is estimated to be $1.44 million through March 2011 and $1.50 million in the June 2011 quarter.
- It is assumed that under the expanded SE program, participants had no earned or unearned income prior to the SE and were receiving the maximum aid payment. Therefore, the average grant savings in FY 2011-12 is assumed to be the maximum aid payment of $638 per case (based on an AU of three).
- Based on historical SE data, it is assumed that approximately ten percent of SE cases will "income out" of CalWORKs as a result of earnings received during the SE program. The administrative savings associated with these cases is assumed to be $33.58 per month.

METHODOLOGY:

<u>Services</u>

The methodology for determining the services costs for the FY 2010-11 December 2010 and March 2011 quarters are consistent with the original AB 98 statute by taking 50 percent of the subsidized wages, up to 100 percent of MAP, then multiplying by the participating cases. Beginning with the enactment of SB 72 on March 24, 2011 and continuing in FY 2011-12, under the expanded SE program, the services costs are calculated by taking 50 percent of the total wage costs, less $56, up to 100 percent of the AU's grant amount prior to SE, and then multiplying by the cases per month.

Example: BY ($1,387 X 50% - $56 = $638 X 2,120 cases X 12 months = $16.2 million)

<u>Grants</u>

In determining the grant savings are calculated by determining the difference between the grant received during participation in SE compared to the grant received prior to participation in SE multiplied by the average number of cases per month.

Example: BY (2,120 cases X $638 monthly saving X 12 months = $16.2 million)

<u>Administration</u>

The administration savings for Current Year (CY) and Budget Year (BY) are calculated by multiplying the number of slots by the administration costs of $33.58.

Subsidized Employment (AB 98)

FUNDING:

The funding for the CalWORKs grant savings is 90.50 percent Temporary Assistance for Needy Families (TANF), 7.0 percent general fund (GF) and 2.5 percent county.

The funding for the services is 99 percent TANF and one percent GF.

The funding for the CalWORKs administrative costs is 94.34 percent TANF and 5.66 percent GF.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

Changes from the March 2011 Conference Budget in the CY and BY are due to updated expenditure information from the counties and the expansion of the SE program with the enactment of SB 72.

REASON FOR YEAR-TO-YEAR CHANGE:

The CY reflects three months of costs and savings associated with the SB 72 expansion of the SE program. The BY reflects a full year of costs and savings.

EXPENDITURES:

(in 000's)

FY 2010-11

Subsidized Employment (AB 98)	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – CalWORKs Assistance	-$2,938	-$2,659	-$206	-$73	$0
Item 101 – CalWORKs Services	3,182	3,150	32	0	0
Item 101 – CalWORKs Administration	-28	-27	-1	0	0

FY 2011-12

Subsidized Employment (AB 98)	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – CalWORKs Assistance	-$16,221	-$14,680	-$1,135	-$406	$0
Item 101 – CalWORKs Services	16,221	16,058	163	0	0
Item 101 – CalWORKs Administration	-86	-81	-5	0	0

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Emergency Contingency Fund (ECF) Expanded Basic Assistance Program

DESCRIPTION:

This premise reflects the expenditures for the ECF Expanded Basic Assistance (EBA) operated by Los Angeles County. The American Recovery and Reinvestment Act (ARRA) of 2009 allows states to access Temporary Assistance for Needy Families (TANF) ECF for increased expenditures in Basic Assistance. Due to high rents and the current economic crisis, Los Angeles County established the EBA to provide homeless families rental assistance (RA) to remain housed once they have secured permanent housing. Los Angeles County's EBA program provides a rental subsidy for up to eight months for California Work Opportunity and Responsibility to Kids (CalWORKs) program families in which the adult is participating in Welfare-to-Work activities. Under the RA program, families who qualify may receive a rental subsidy of up to $300 per family (based on family size) for up to eight months to assist them in sustaining their housing and avoid future homelessness. Eligible populations include CalWORKs and Kinship Guardianship Assistance Payment Program recipients.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare Institution Code 10545(b)(3).
- It is assumed that under ARRA, California will be reimbursed for 80 percent of increased expenditures for Basic Assistance above the base year expenditures.
- Los Angeles County will provide the 20 percent ECF match of the total expenditure through the use of the CalWORKs single allocation, fraud incentives, or other allowable third-party sources.
- It is assumed that the expenditures for Los Angeles County's EBA program in the fourth quarter of Federal Fiscal Year 2010 was approximately $255,050.
- Los Angeles County had no base year expenditures for this program.

METHODOLOGY:

For the Current Year, the ECF EBA funds are calculated by multiplying the expenditures by 80 percent ($255,050 x 0.80 = $204,040).

FUNDING:

This premise is funded with 100 percent ECF funds.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The decrease in the current year is due to updated expenditure information from the county.

REASON FOR YEAR-TO-YEAR CHANGE:

The ECF EBA funds are not available in the Budget Year due to the expiration of ARRA.

Emergency Contingency Fund (ECF) Expanded Basic Assistance Program

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – CalWORKs Assistance	**Total**	**Federal**	**State**	**County**	**Reimb.**
ECF Expanded Basic Assistance Program	$204	$204	$0	$0	$0

FY 2011-12

Item 101 – CalWORKs Assistance	**Total**	**Federal**	**State**	**County**	**Reimb.**
ECF Expanded Basic Assistance Program	$0	$0	$0	$0	$0

CalWORKs Short-Term Reform Efforts – County Exemptions and Flexibility

DESCRIPTION:

Chapter 4, Statutes of 2009 Fourth Extraordinary Session, Assembly Bill (AB) X4 4 includes short-term reforms to the California Work Opportunity and Responsibility to Kids (CalWORKs) program. Pursuant to language included in the bill, the county may provide time limit exemptions for individuals who have been granted good cause due to lack of supportive services and provide time limit exemptions and welfare-to-work (WTW) participation exemptions for families with young children (i.e., 12-23 months or if two or more children are under the age of six). These short-term reforms are effective August 1, 2009, and will remain in effect until June 30, 2012. In addition to these exemptions, Senate Bill (SB) 72 (Chapter 8, Statutes of 2011) allowed counties to expand the exemption to families with children between 24-35 months old for FY 2011-12 if they determine that they do not have sufficient cases to exempt under AB X4 4 to absorb their Single Allocation Reduction.

For cases that have young children, the premise also reflects the impact of restoring the adult portion of the grant in cases that otherwise would have been sanctioned for non-compliance with work requirements.

The statutory changes included in AB X4 4 provide the counties flexibility to address funding reductions included in the Budget Act of 2009 (which reduced the single allocation by $376.9) and in SB 72 (which increased the reduction to the single allocation to $426.9 million). The language allows the county flexibility to redirect mental health and substance abuse funding and to grant exemptions from welfare-to-work (WTW) participation as noted above. AB X4 4 also states that it is the goal of the Legislature to minimize disruption of WTW services for those clients already participating, and prioritize exemptions and good cause for new applicants. However, this does not preclude counties from granting these exemptions to current clients.

IMPLEMENTATION DATE:

August 1, 2009 for AB X4 4 (Chapter 4, Statutes of 2009) and July 1, 2011 for SB 72 (Chapter 8, Statutes of 2011).

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Section 11320.3 of the Welfare and Institutions Code, as implemented by AB X4 4 and SB 72.
- For cases that have young children, the premise also includes restoring the adult portion of the grant in cases that otherwise would have been sanctioned for non-compliance with work requirements.

Good Cause due to Lack of Supportive Services

- The estimate assumes that approximately 4,760 cases/families will receive an exemption and lose child care services because of reductions to the Single Allocation (see Reduction in Employment Services and Child Care premise) in the Current Year (CY) and 4,664 families will receive an exemption and lose child care in the Budget Year (BY). Of those families that lose child care, approximately 357 would otherwise be subject to reach their 60 month time limit in the CY and 350 would otherwise reach their time limit in the BY.

CalWORKs Short-Term Reform Efforts – County Exemptions and Flexibility

KEY DATA/ASSUMPTIONS (CONTINUED):

- Absent this policy, approximately 64 percent of cases/families subject to reach their 60 month time limit would have gone to the Safety Net and 36 percent would have left aid.
- The estimate assumes that the cases that otherwise would have gone to the Safety Net will have the adult portion of their grant restored (approximately 228 cases in the CY and 223 cases in the BY). The estimate further assumes that 26 percent of the cases that would have left aid upon reaching their 60 month time limit will remain in the program and receive their full grant (approximately 94 cases in the CY and 92 cases in the BY), and 10 percent of the cases will leave the program (approximately 35 cases in the CY and in the BY).

<u>Young Children Exemption</u>

- The estimate assumes that approximately 48,392 cases/families in the CY have young children that meet the exemption criteria from AB x4 4. In the BY, approximately 71,979 cases/families in the BY meet the exemption criteria as implemented by SB 72.
- Based on data from July 2008 to June 2009, approximately 965 cases time out each month. Of the cases that time out each month, approximately 8.25 percent in the CY and 12.13 percent in the BY meet the young child criteria, resulting in approximately 954 cases in the CY and 1,178 cases in the BY with young children that time out each month, assuming that counties implement the expanded exemption for the last six months of the BY. (CY: 965 x 8.25 percent x 12 months = 954).
- Absent this policy, approximately 64 percent of cases/families subject to reach their 60 month time limit would have gone to the Safety Net and 36 percent would have left aid.
- The estimate assumes that the cases that otherwise would have gone to the Safety Net will have the adult portion of their grant restored (approximately 609 cases in the CY and 752 cases in the BY). The estimate further assumes that 26 percent of the cases that would have left aid upon reaching their 60 month time limit will remain in the program and receive their full grant (approximately 250 cases in the CY and 309 cases in the BY), and 10 percent of the cases will leave the program (approximately 95 cases in the CY and 118 in the BY).
- The estimate assumes that cases that would have transferred to the Safety Net will cost an additional $133 per month in the CY and $122 per month in the BY, which is the cost of adding the adult back to the Assistance Unit. Cases that would have left the program will cost $561 per month in the CY and $516 in the BY, which is the maximum family grant for an Assistance Unit of 2 in CalWORKs.

<u>Sanction Cases</u>

- The estimate assumes that 6,287 cases/families in the CY and 9,351 cases in the BY are in sanction status (assuming the percentage of cases required to participate that are in sanction status is approximately 13 percent).
- The estimate assumes that the counties will provide a “blanket” exemption to all families/cases in sanction and that the adult portion of the grant will be restored.
- The estimate assumes that cases that would have otherwise been sanctioned will cost an additional $133 per month in the CY and $122 per month in the BY, which is the cost of adding the adult back to the Assistance Unit.

CalWORKs Short-Term Reform Efforts – County Exemptions and Flexibility

KEY DATA/ASSUMPTIONS (CONTINUED):

Administrative Costs

- The estimate assumes administrative costs ($33.58 per case) due to time limit exemptions for lack of supportive services or for families with young children.

METHODOLOGY:

Good Cause due to Lack of Supportive Services
For cases that otherwise would have left aid after 60 months, the full grant is restored. Costs are calculated by multiplying the number of case months by the full grant (BY: 1,248 case months x $516 = $643,968).

For cases that otherwise would have gone to the Safety Net, the adult portion of the grant is restored. Costs are calculated by multiplying the number of case months by the additional grant amount (BY: 2,964 case months x $122 = $361,608).

Young Children Exemption
For cases that otherwise would have left aid after 60 months, the full grant is restored. Costs are calculated by multiplying the number of case months by the full grant (BY: 3,666 case months x $516 = $1,891,656).

For cases that otherwise would have gone to the Safety Net, the adult portion of the grant is restored. Costs are calculated by multiplying the number of case months by the additional grant (BY: 8,892 case months x $122 = 1,084,824).

Sanction Cases
Cases in sanction that qualify for the young children exemption are calculated by multiplying the total number of exempted families by the sanction rate (BY: 71,979 x 0.13 = 9,351 cases). Costs are calculated by multiplying the average monthly number of cases by 12 months by the additional grant amount (9,351 x 12 months x 122 = $13,689,864).

Administrative Costs
Administrative costs are calculated by adding the number of cases that would have left aid and multiplying by the average administrative cost per case (BY: 92 + 309 = 401; 401 x $33.58 x 12 = $161,587).

FUNDING:

Grant Costs: The funding is 90.5 percent Temporary Assistance for Needy Families (TANF), 7.0 percent General Fund (GF), and 2.50 percent county.

Administrative Costs: The funding is 94.34 percent TANF and 5.66 percent GF.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The net decrease in grant and administrative costs for the CY and BY is due primarily to updated assumptions about the number of exempted cases that would otherwise reach their 60 month time limit and/or otherwise be in sanction status.

CalWORKs Short-Term Reform Efforts – County Exemptions and Flexibility

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in grant and admin costs is due to the expansion of the exemption to include families with children between 24-35 months old, which offsets the 8 percent grant reduction.

EXPENDITURES:

(in 000's)

FY 2010-11

CalWORKs County Exemptions and Flexibility	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – CalWORKs Assistance	$14,123	$12,781	$989	$353	$0
Item 101 – CalWORKs Administration	139	131	8	0	0

FY 2011-12

CalWORKs County Exemptions and Flexibility	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – CalWORKs Assistance	$17,672	$15,993	$1,237	$442	$0
Item 101 – CalWORKs Administration	162	153	9	0	0

Prospective Budgeting

DESCRIPTION:

This premise reflects the administrative savings and grant/coupon costs associated with implementing a quarterly reporting system using prospective budgeting in determining benefits based on projected income over a three-month period for the California Work Opportunity and Responsibility to Kids (CalWORKs), CalFresh, California Food Assistance Program (CFAP) and Refugee Cash Assistance (RCA) programs.

Assembly Bill (AB) 444 (Chapter 1022, Statutes of 2002) required the replacement of the current monthly reporting/retrospective budgeting system with a Quarterly Reporting/ Prospective Budgeting (QR/PB) system for the CalWORKs program. This bill also required the state to adopt the QR/PB system in the CalFresh program to the extent permitted by federal law, regulations, waivers, and directives. The Code of Federal Regulations (7 CFR) Section 273.21 requires states to determine CalFresh eligibility using either a prospective or retrospective budgeting methodology consistent with the state's Temporary Assistance for Needy Families (TANF) program unless a waiver is granted by the United States Department of Agriculture (USDA) Food and Nutrition Services (FNS).

Under the QR/PB system, recipients' eligibility and benefits for a three-month period are based on information provided on the Quarterly Eligibility Report Form (QR 7) and are determined using prospective budgeting and income averaging rules. Recipients have mandatory mid-quarter reporting requirements during the quarter. All CalWORKs recipients with earnings are required to report: income that exceeds the Income Reporting Threshold (IRT) which is the greater of the CalWORKs eligibility limit, or 130 percent of the Federal Poverty Level (FPL) for the family size; drug felony convictions; fleeing felon status; parole/probation violations; and address changes. CalFresh recipients are only required to report address changes in mid-quarter. Certain Non-Assistance CalFresh (NACF) recipients are also required to report changes in work hours that could affect eligibility.

Recipients have the option to report changes that would result in increased grant/coupon benefits when they occur. To determine whether the change results in increased benefits mid-quarter, currently reported income and reasonably expected income for the rest of the quarter will be averaged for the current and the remaining months and subsequent benefits are adjusted accordingly.

Households that are currently not required to submit monthly reports may have their benefits determined on either a prospective or retrospective basis at the state agency's option, unless specifically excluded from retrospective budgeting.

IMPLEMENTATION DATE:

The implementation of this premise varied by counties between November 1, 2003 and June 30, 2004.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: 7 CFR Section 273.21(b), and Welfare and Institutions Code sections 11265.1-11265.3 and 11450.1-11450.3.
- The California Department of Social Services received a USDA-FNS waiver approval to implement QR/PB for the CalFresh program.

Prospective Budgeting

KEY DATA/ASSUMPTIONS (CONTINUED):

- The estimated grant/coupon costs and administrative savings are based on comparing statistical information from the previous Monthly Retrospective Reporting Budgeting (MRRB) system to the current QR/PB reporting system.
- The Current Year (CY) costs and savings are based on 7,043,044 CalWORKs casemonths; 13,436,991 NACF casemonths; and 174,230 CFAP casemonths.
- The Budget Year (BY) costs and savings are based on 7,125,937 CalWORKs casemonths; 16,103,919 NACF casemonths; and 199,938 CFAP casemonths.
- It is assumed that 10.4 percent of the total NACF/CFAP cases are currently subject to non-monthly/change reporting based on the CalFresh Characteristics Survey. The remaining cases, 12,039,544 NACF cases and 156,110 CFAP cases in the CY; and 14,429,111 NACF cases and 179,144 CFAP cases in the BY, are subject to quarterly reporting.
- Based on actual caseload and expenditure data, the cost for on-going activities for CalWORKs cases under monthly reporting was $42.75 per month per case and $25.01 per month per case for NACF.
- The CalWORKs eligibility worker cost per hour is $57.57.
- Based on county time study data collected during October and November 2005, the amount of time needed for CalWORKs continuing case activities under QR/PB is 26 minutes per month at a cost of $24.95 per case.
- Based on county time study data collected during October and November 2005, the amount of time needed to process CalWORKs mid-quarter activities averages nine minutes per month per case at a cost of $8.63 per case.
- Based on county time study data collected during March 2005, the NACF/CFAP on-going case activities under QR/PB are at a cost of $39.33 per case.
- Based on county time study data collected during March 2005, the NACF/CFAP mid-quarter case activities under QR/PB are estimated to cost $28.23 per case.
- Mid-quarter administrative activities for CalWORKs and NACF/CFAP cases include voluntary and mandatory mid-quarter reporting and county initiated contact.
- CalWORKs mid-quarter activities also include IRT reporting.
- The current cost for mailing a monthly report form to a recipient is $0.78. It is assumed that the cost for mailing the quarterly report is $0.78 per household/case.
- It is assumed that only one-third of the total CalWORKs, NACF, CFAP, and RCA cases will report each month under QR/PB. The remaining two-thirds of the cases will only report outside their normal quarterly report month in certain circumstances. Based on the CalWORKs Report on Reasons for Discontinuances of Cash Grant, (CA 253 CW), 8.73 percent of CalWORKs cases are discontinued each month, and 12.39 percent of the cases are discontinued due to income exceeding CalWORKs eligibility limits under MRRB. Under QR/PB some of these cases will experience a delay in being discontinued until their quarterly report month.

Prospective Budgeting

KEY DATA/ASSUMPTIONS (CONTINUED):

- CalWORKs recipients with unearned income only are exempt from mid-quarter reporting when their income exceeds the IRT. This group of recipients accounts for 0.55 percent of the CalWORKs caseload under MRRB. It is assumed that 50 percent of these cases will receive one month of additional benefits and 50 percent will receive two months of additional benefits before being discontinued when their quarterly report is filed.
- Due to the difference in income level between the CalWORKs eligibility limit and the IRT, it is assumed that 40.04 percent of the CalWORKs cases currently are discontinued due to excess earned income. It is assumed that 50 percent of these cases will receive one month of additional benefits and 50 percent will receive two months of additional benefits before being discontinued when a quarterly report is filed.
- Based on data from the Fraud Investigation Activity Report (DPA 266) for Fiscal Year (FY) 2007-08, fraud cases account for 2.46 percent of total CalWORKs cases. Fifty percent of the cases will result in an overpayment for one month and 50 percent of the cases will result in a two-month overpayment. Based on fraud overpayment collection experience, it is assumed that 50 percent of the overpayments will be recovered after a six-month period.
- Based on the Employment Development Department wage data, prior to becoming ineligible due to excess income, the average CalWORKs case receives a grant of $177.50 and the average CFAP household receives a benefit of $85.00.
- Based on a county survey regarding Reduced Income Supplemental Payments (RISPs) applications, it is estimated that 2.72 percent of the total caseload will have decreased earnings and will report the decrease during the non-quarterly report months.
- Under monthly reporting rules recipients may receive supplemental payments equal to 80 percent of the grant increase. Under QR/PB, CalWORKs recipients will receive a grant adjustment equal to 100 percent of the grant increase associated with reported decrease in income. The average CalWORKs grant impact for cases that would report decreased income in non-quarterly report months is estimated at $112.
- CFAP cases will receive a supplemental payment equal to the increase; under monthly reporting, these cases do not receive a supplemental payment. The average CFAP benefit for cases that would report decreased income in non-quarterly report months is $53.03. Based on the CA 253, FY 2007-08, 0.86 percent of CalWORKs monthly cases would become ineligible for the following reasons: no eligible child, excess resources, and no deprivation. It is assumed that 50 percent of these cases will continue to receive one additional full month of the grant and 50 percent will continue to receive two additional months of the full grant before being discontinued.
- Based on data from the CA 253, FY 2002-03 reports, 4.73 percent of CalWORKs and CFAP cases were discontinued each month for not submitting a Monthly Eligibility Report (CW 7) under the monthly reporting system. It is assumed that 25 percent of these cases now delay discontinuance for one or two months under the quarterly reporting system. It is assumed that 50 percent of the remaining cases will continue to receive one additional full month of grant and 50 percent will continue to receive two additional full months of grant before being discontinued.

Prospective Budgeting

KEY DATA/ASSUMPTIONS (CONTINUED):

- The average CalWORKs monthly grant is $518.58 based on the CA 800 CalWORKs expenditure reports for the period from July 2010 to December 2010.
- The average CFAP benefit per case is $297.13 based on the average coupon benefit per case for the period from July 2010 to January 2011.
- It is estimated that six CFAP cases per month in the CY and seven CFAP cases per month in the BY that otherwise would have discontinued due to income exceeding eligibility limits will not be discontinued until their quarterly report month. It is assumed that 50 percent of these cases will continue to receive one additional full month of grant and 50 percent will continue to receive two additional full months of grant before being discontinued.
- It is estimated that 38 CFAP cases per month in the CY and 43 CFAP cases per month in the BY that would have otherwise had their benefits discontinued due to increased income will continue to receive additional benefits. It is assumed that 50 percent of these cases will continue to receive one month of increased benefits and 50 percent will continue to receive two additional months of increased benefits.
- The costs and savings under QR/PB are compared to MRRB. Assuming one-third of the income increases occur in each month, the result is one month of costs, one month of savings, and one month of no cost or savings to the CalWORKs and CFAP programs. The net effect is zero in those cases with increased income of all ranges of non-reporting.
- Based on a county survey, 4.47 percent of the NACF/CFAP caseload will report a change of address, change in household composition, or shelter cost that will result in mid-quarter administrative activity. An additional 0.69 percent of the NACF/CFAP caseload will be subject to a county initiated action during mid-quarter months.
- Effective October 1, 2008, Able-Bodied Adults Without Dependents (ABAWDs) are exempt from meeting the work requirements.

METHODOLOGY:

Administration

The CalWORKs, NACF, CFAP, and RCA prospective budgeting administrative costs are calculated by adding the administrative costs to process the quarterly reports and mid-quarter changes.

The CalWORKs administrative savings associated with continuing case activities under monthly reporting are calculated by multiplying the monthly continuing case cost by the total casemonths. CalWORKs BY: ($42.75 x 7,125,937)

The CalWORKs administrative costs associated with continuing case activities under QR/PB are calculated by multiplying the monthly continuing case cost by the casemonths of those required to report on a quarterly basis. CalWORKs BY: ($24.95 x 7,125,937)

The CalWORKs administrative costs to process mid-quarter changes are calculated by multiplying the casemonths by the cost per month. CalWORKs BY: ($8.63 x 7,125,937)

Prospective Budgeting

METHODOLOGY (CONTINUED):

The NACF and CFAP administrative savings associated with no longer processing monthly reports are calculated by multiplying the monthly cost to process a continuing case by the total casemonths. NACF BY: ($25.01 x 16,103,919)

The NACF and CFAP administrative costs to process quarterly reports are calculated by multiplying the quarterly cost to process a continuing case by the casemonths of those required to report on a quarterly basis. NACF BY: ($39.33 x 16,103,919 x 33 percent)

The NACF and CFAP administrative costs to process a change resulting in increased benefits are calculated by multiplying the number of cases that would report their reduced earnings outside the quarterly reporting months by the cost per case. NACF BY: (16,103,919 x 2.72 percent x $28.23)

The NACF and CFAP administrative costs to process a change of address, change in household composition, or shelter costs during non-quarterly report months are calculated by multiplying the number of cases that would report the changes outside the quarterly reporting months by the cost per case. NACF BY: (16,103,919 x 4.47 percent x $28.23)

The NACF and CFAP administrative costs to process a county initiated actions is calculated by multiplying the number of cases that would report the changes outside the quarterly reporting months by the cost per case. NACF BY: (16,103,919 x 0.69 percent x $28.23)

The CalWORKs, NACF, and CFAP administrative cost to mail quarterly reports is calculated by multiplying the annual casemonths by one-third to determine the number of cases in a quarter; then multiplying by the mailing cost which is determined based on the monthly number of mid-quarter reports x $0.78. NACF BY: (16,103,9193 x 33 percent x $0.78), for CalWORKs BY: (7,125,937 x 33 percent x $0.78)

The CalWORKs, NACF, and CFAP administrative savings due to not mailing monthly reports is calculated by multiplying the number of cases reporting monthly by the mailing cost. NACF BY: (16,103,919 x $0.78), for CalWORKs BY: (7,125,937 x $0.78)

CalWORKs grant and CFAP coupon costs associated with noncompliance cases who do not submit their monthly reports are calculated by multiplying the average monthly grant/coupon per case by the impacted casemonths, assuming 50 percent receive one month of additional grant and 50 percent receive two months of additional grant. CalWORKs BY: ($518.58 x 88,503 x 50 percent) + (($518.58 x 88,503 x 50 percent x 2)

CalWORKs grant and CFAP coupon costs associated with not discontinuing ineligible cases until the quarterly report month are calculated by multiplying the monthly average grant/coupon per case by the impacted casemonths, assuming 50 percent receive one month of additional grant and 50 percent receive two months of additional grant. CalWORKs BY: ($518.58 x 47 x 50 percent) + ($518.58 x 47 x 50 percent x 2)

<u>Grants/Benefits</u>

CalWORKs grant costs for not discontinuing cases with income over the CalWORKs eligibility limit but under the IRT until the quarterly report are calculated by multiplying the impacted casemonths by the average grant per case assuming 50 percent receive one month of additional grant and 50 percent receive two months of additional grant. CalWORKs BY: ($177.50 x 660 x 50 percent) + ($177.50 x 660 x 50 percent x 2)

Prospective Budgeting

METHODOLOGY (CONTINUED):

CalWORKs grant costs for those cases exempt from reporting when their income exceeds the IRT because they have unearned income only, are calculated by multiplying the impacted casemonths by the associated average grant per case, assuming 50 percent receive one month of additional grant and 50 percent receive two months of additional grant. CalWORKs BY: ($177.50 x 16,104 x 50 percent) + ($177.50 x 16,104 x 50 percent x 2)

CalWORKs grant costs for increasing the benefits of those cases reporting a decrease in income during mid-quarter months are calculated by multiplying the impacted casemonths by the average grant increase of $112. CalWORKs BY: ($112.00 x 193,608 x 50 percent) + ($112.00 x 193,608 x 50 percent x 2)

Overpayments for those cases that will not report income exceeding the IRT are calculated by multiplying the average grant per case by the impacted casemonths of those that will not report, assuming that 50 percent receive one additional monthly grant and 50 percent receive two additional monthly grants, and 50 percent of the overpayments will be recovered after a six-month period. CalWORKs in BY: [($177.50 x 36 x 50 percent) x 50 percent] + ($177.50 x 36 x 50 percent x 2 x 50 percent)

Under QR/PB CFAP coupon costs for not discontinuing cases with income over the eligibility limit are calculated by multiplying the impacted casemonths by the average grant per case assuming 50 percent receive one month of additional grant and 50 percent receive two months of additional grant. CFAP BY: ((43 + 7) x 50 percent x $85.00) + ((43 + 7) x 50 percent x $85.00 x 2 months)

CFAP coupon costs for those cases reporting a decrease in income during mid-quarter months are calculated by multiplying the impacted casemonths by the average coupon increase. CFAP BY: (4,867 x 50 percent x $53.03) + (4,867 x 50 percent x $53.03 x 2 months)

CFAP coupon costs for not decreasing benefits for cases that have an increase in income are calculated by multiplying the impacted casemonths by the average increased coupon amount times two months. CFAP BY: ($53.03 x 4,867 x 2)

FUNDING:

<u>CalWORKs</u>

The funding for CalWORKs grants for the CY and the BY is 90.50 percent TANF, 7.0 percent General Fund (GF), and 2.50 percent county.

The funding for CalWORKs administration for the CY and the BY is 94.34 percent TANF and 5.66 percent GF.

<u>NACF and CFAP</u>

For the CY and the BY, the CalFresh funding is 50 percent federal, 35 percent GF, and 15 percent county funds. CFAP costs are 100 percent GF with 18.37 percent being Maintenance of Effort (MOE) eligible in the CY and 16.29 percent MOE eligible in the BY.

Prospective Budgeting

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

CalWORKs

The increase to the CalWORKs grant costs and administrative savings in the CY is a result of a slightly higher caseload growth than previously projected.

NACF and CFAP

In the CY, the NACF and CFAP administrative savings were held to the 2010 Budget Act Appropriation. The decrease in the CY for CFAP grant costs is associated with a lower caseload growth than previously projected.

REASON FOR YEAR-TO-YEAR CHANGE:

The CalWORKs grant costs and administrative savings reflect an increase to the CalWORKs caseload over the CY.

The BY increase in NACF and CFAP grant costs reflect an increase in projected caseload over the CY. The decrease in CFAP administrative savings is due to a slight decrease in projected caseload over the CY.

EXPENDITURES:

(in 000's)

FY 2010-11

Prospective Budgeting	Total	Federal	State	County	Reimb.
Item 101 – CalWORKs Assistance	$104,632	$94,838	$7,178	$2,616	$0
Item 101 – CalWORKs Administration	-68,289	-64,540	-3,749	0	0
Item 101 – CFAP	1,792	0	1,792	0	0
Item 141 – CalFresh Administration	-124,305	-62,153	-43,507	-18,645	0
Item 141 – CFAP Administration	-1,716	0	-1,716	0	0

FY 2011-12

Prospective Budgeting	Total	Federal	State	County	Reimb.
Item 101 – CalWORKs Assistance	$105,875	$95,965	$7,236	$2,647	$0
Item 101 – CalWORKs Administration	-69,092	-65,299	-3,793	0	0
Item 101 – CFAP	2,057	0	2,057	0	0
Item 141 – CalFresh Administration	-148,220	-74,110	-51,877	-22,233	0
Item 141 – CFAP Administration	-1,840	0	-1,840	0	0

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Recent Noncitizen Entrants

DESCRIPTION:

This premise reflects the cost of providing aid to Recent Noncitizen Entrants (RNEs). The federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), Public Law 104-193, excluded most legal immigrants entering the United States (U.S.) after the date of enactment (August 22, 1996) from receiving Temporary Assistance for Needy Families (TANF) program benefits for the first five years they are in the country. PRWORA does provide exceptions for certain noncitizens:

1. Refugees, asylees, or those granted withholding of deportation for their first five years in the U.S.
2. Veterans, current military personnel, spouses, and dependents.
3. Cuban-Haitian noncitizens: Cuban-Haitian entrants are eligible for Refugee Assistance and Refugee Education Assistance.

The California Work Opportunity and Responsibility to Kids (CalWORKs) program continued aid to certain groups of noncitizens that became ineligible with the implementation of PRWORA. These include: (1) Parolees; (2) Conditional Entrants; (3) Legal Permanent Residents; (4) Permanently Residing in the U. S. Under Color of Law; and, (5) Battered Noncitizens.

IMPLEMENTATION DATE:

This premise implemented in September 1996.

KEY DATA/ASSUMPTIONS:

- The child care and services costs were held to the Fiscal Year (FY) 2009-10 Appropriation in the Current Year (CY).
- Based on the Summary Report of Assistance Expenditures (CA 800L and CA 800M) for January - December 2010, the projected average monthly persons that are not TANF eligible is 22,223 for the CY and 22,579 for the Budget Year (BY).
- The overall RNE caseload is projected to increase by 1.0 percent from Calendar Year 2010 to the BY.
- Based on the CA 800L and CA 800M reports for January - December 2010, the average grant per person is $157.49.
- Cal Learn Bonuses and Sanctioned grant costs for RNE recipients is projected to be $73,879 in the CY based on actual caseload and expenditure data from January - December 2010. Cal Learn Sanctioned grants are suspended for the BY, per Senate Bill 72 (Chapter 8, Statutes of 2011). Cal Learn Bonuses for the BY are projected to be $28,834. See the “Cal Learn” Premise for more detail.
- Based on claims from the counties for January - December 2010, the administration cost for RNEs was approximately $5.99 million.
- The percentage of persons that are TANF eligible (in mixed households) is 49.5 percent.
- The funds associated with persons that are TANF eligible are reflected in the Basic premises for grants, child care, and administration and employment services.

Recent Noncitizen Entrants

KEY DATA/ASSUMPTIONS (CONTINUED):

- RNE services costs are based on the ratio of FY 2008-09 actual RNE services expenditures to CalWORKs Basic Employment Services expenditure data (1.66 percent).
- The projected base expenditures for CalWORKs Basic Employment Services in the BY are $1,045.8 million.
- The total RNE services amount is multiplied by the percent of TANF eligible persons and shifted to the state-funded portion of the "CalWORKs Basic Employment Services" premise (refer to that premise for more detailed information regarding RNE services for mixed households).
- RNE child care costs are based on the ratio of FY 2008-09 actual RNE child care expenditures to CalWORKs Stage One Child Care expenditure data (0.46 percent).
- The projected base expenditures for Stage One CalWORKs Child Care in the BY are $681.4 million.
- The total RNE child care amount is multiplied by the percent of TANF eligible persons and shifted to state-funded portion of the "Stage One CalWORKs Child Care" premise (refer to that premise for more detailed information regarding RNE child care for mixed households).

METHODOLOGY:

The child care and services costs were held to the FY 2009-10 Appropriation in the CY.

The grant costs were calculated by multiplying the projected monthly recipients by the average grant per person by 12 months and then added to the projected Cal-Learn bonuses and sanctioned grants (BY: 22,579 x $157.49 x 12 + $28,834 = $42.7 million).

The administration costs for the RNEs are based on actual expenditures from January - December 2010 that have been adjusted for projected caseload growth. Of the total costs, 49.5 percent represent federal households and remains in the CalWORKs basic administration, funded with General Fund (GF). The remaining portion of RNEs is reflected in this premise. ($6 million x 1.01 percent x 50.5 percent = $3.1 million)

The services costs for the BY were calculated by multiplying the RNE services expenditure ratio by the projected CalWORKs Employment Services base expenditures for the BY and then multiplied by the percent of non-TANF eligibles (1.66 percent x $1,045.8 million x 50.5 percent = $8.8 million)

The child care costs for the BY were calculated by multiplying the RNE child care expenditure ratio by the projected CalWORKs Stage One Child Care expenditures for the BY and then multiplied by the percent of non-TANF eligibles (0.46 percent x $681.4 million x 50.5 percent = $1.6 million).

FUNDING:

The grant costs are funded with 95 percent GF and 5 percent county funds. The administrative costs, employment services, and child care costs are 100 percent GF. The total funding is countable toward the state's TANF maintenance of effort requirement.

Recent Noncitizen Entrants

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The slight decrease in grant and administration costs is primarily due to lower caseload projections than assumed in the Conference Budget. There is no change for services and child care in the CY as the costs were held to the Appropriation. The increase in services and child care for the BY is due to an increase in the proportion of RNE recipients in non-federally eligible households.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in grant and administration costs reflects projected caseload growth. The increase in services is due to an overall increase in Employment Services funding of 6.6 percent. The change in child care is due to a decrease in the RNE child care expenditure ratio (from 0.48 percent to 0.46 percent).

EXPENDITURES:

(in 000's)

FY 2010-11

Recent Noncitizen Entrants	Total	Federal	State	County	Reimb.
Item 101 – CalWORKs Assistance	$42,084	$0	$39,980	$2,104	$0
Item 101 – CalWORKs Services	7,654	0	7,654	0	0
Item 101 – CalWORKs Administration	3,009	0	3,009	0	0
Item 101 – CalWORKs Stage One Child Care	1,554	0	1,554	0	0

FY 2011-12

Recent Noncitizen Entrants	Total	Federal	State	County	Reimb.
Item 101 – CalWORKs Assistance	$42,700	$0	$40,565	$2,135	$0
Item 101 – CalWORKs Services	8,761	0	8,761	0	0
Item 101 – CalWORKs Administration	3,054	0	3,054	0	0
Item 101 – CalWORKs Stage One Child Care	1,592	0	1,592	0	0

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Safety Net/Child Only Grant Reduction

DESCRIPTION:

This premise reflects the implementation of Incremental Grant Reductions (IGRs) for certain California Work Opportunity and Responsibility to Kids (CalWORKs) Child-Only cases after the receipt of 60, 72, and 84 months of aid as a result of the passage of Senate Bill (SB) 72 (Chapter 8, Statutes of 2011) on March 24, 2011.

The Child-Only cases will be subject to IGRs based on the total cumulative number of months of aid received by the member of the current Assistance Unit (AU) who has received aid for the longest period of time, going back to January 1, 1998. All months of aid received by that AU member shall be counted toward the IGR time-limit for that case, including months of aid received by an adult on behalf of a child in the Safety Net Program. Each individual child will now be assigned a time clock based on the total cumulative number of months in which they have been aided, and this time clock will follow the child until they reach age 18.

Cases in which the parent is undocumented, a drug/fleeing felon, a non-needy caretaker, in sanction status or timed-out and receiving Safety Net program benefits for their eligible children are subject to this policy. Child-Only cases not subject to this policy are cases in which the caretaker relative of the aided child is receiving Social Security Income/State Supplemental Payment (SSI/SSP) benefits.

IMPLEMENTATION DATE:

The premise implements on July 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11450.025.
- It is assumed the Child-Only cases subject to this policy will have the time-on-aid (TOA) determined based on total cumulative months of aid received by the member of the current AU who has received aid for the longest period, going back to January 1, 1998.
- Based on the Medi-Cal Eligibility Data System Longitudinal Data Base and matched to Federal Fiscal Year (FFY) 2010 Research and Development Enterprise Project data, it is assumed that in Fiscal Year (FY) 2011-12 an estimated 155,300 Child-Only cases have received aid for 60 months or longer and will be impacted by this new policy:
  - 75,700 Child-only cases (cases in which the parent is undocumented, a drug/fleeing felon, or a non-needy caretaker),
  - 60,800 Safety Net cases (which includes approximately 9,900 new Safety Net cases due to the 48 Month Time Limit),
  - 18,800 Sanction cases (in which the adult is in sanction status).

Safety Net/Child Only Grant Reduction

KEY DATA/ASSUMPTIONS (CONTINUED):

- For cases reaching the 61st month of aid, it is assumed a five percent reduction will be computed on the Child-Only grant. Of the estimated 155,300 Child-Only cases, it is assumed the following cases will reach the 61st month of aid in Fiscal Year 2011-12:
  - 11,800 Child-Only cases
  - 12,100 Safety Net cases (which includes approximately 4,000 new Safety Net cases from the 48 Month Time Limit),
  - 3,500 Sanction cases.
- For cases reaching the 73rd month of aid, it is assumed a ten percent reduction will be computed on the Child-Only grant. Of the estimated 155,300 Child-Only cases, it is assumed the following cases will reach the 73rd month of aid in Fiscal Year 2011-12:
  - 8,000 Child-Only cases
  - 9,600 Safety Net cases (which includes approximately 2,300 new Safety Net cases from the 48 Month Time Limit),
  - 2,400 Sanction cases.
- For cases reaching the 85th month of aid, it is assumed a 15 percent reduction will be computed on the Child-Only grant. Of the estimated 155,300 Child-Only cases, it is assumed the following cases will reach the 85th month of aid in Fiscal Year (FY) 2011-12:
  - 55,900 Child-Only cases
  - 39,100 Safety Net cases (which includes approximately 3,600 new Safety Net cases from the 48 Month Time Limit),
  - 12,900 Sanction cases.
- It is assumed the IGRs will be calculated after the eight percent July 1, 2011, Maximum Aid Payment (MAP) reduction has been applied and after the eligible grant amount has been calculated for the Child-Only case.
- For purposes of computing the next level of IGR, the prior IGR shall be removed prior to taking the next IGR for all Child-Only cases so that the reduction is a full five, ten or 15 percent of the Child-Only grant for which the AU is eligible.
- Based on an average grant amount of $429.58 (after the eight percent grant reduction), the grant savings for Child-Only and Sanction cases are assumed to be:
  - $21.48 for the five percent reduction
  - $42.96 for the ten percent reduction
  - $64.44 for the 15 percent reduction

Safety Net/Child Only Grant Reduction

KEY DATA/ASSUMPTIONS (CONTINUED):

- Based on an average grant amount of $304 for cases with earnings and $440 for those without earnings (after the eight percent MAP reduction and the earned income disregard for cases with earnings), the grant savings for the Safety Net cases are assumed to be:
  - $15 and $22 for the five percent reduction (for cases with and without earnings, respectively)
  - $30 and $44 for the ten percent reduction (for cases with and without earnings, respectively)
  - $46 and $66 for the 15 percent reduction (for cases with and without earnings, respectively).
- It is assumed that 34 percent of Safety Net cases have earnings and 66 percent have no earnings.
- The IGR is recalculated when the child who has been on aid the longest, and was the basis for determining the AU's TOA, exits (e.g. the child reaches 18 years of age and becomes ineligible to receive aid). The recalculation is based on the next child who has been aided the longest.
- Approximately 1,500 cases in FY 2011-12 will have the IGR reduced, or the grant fully reinstated to the pre-IGR level, resulting in a reduction to the grant savings of approximately $890,000.
- Counties will need to manually review and identify Child-Only cases that will be subject to the IGRs. See the CalWORKs Reduction Time Limit Reviews premise for more information.
- It is assumed that written notifications will be provided in the Current Year (CY) to inform all CalWORKs recipients of this policy change. See the CalWORKs Reduction Mailing/Notifications premise for more information.
- It is assumed that counties must provide a 30-day Notice of Action (NOA) to notify impacted recipients. The savings associated with this new policy will be achieved beginning August 2011.
- It is assumed there are no administrative or services savings associated with this policy.

METHODOLOGY:

The grant savings are calculated by multiplying the number of cases that have received 60, 72, and 84 months of aid by the applicable five, ten, or 15 percent grant reduction, then by 11 months.

Example: Child-Only cases with 61 months of aid

11,800 cases ($21.48)(11 months)= $2.79 million

The savings are netted against the loss in savings due to IGRs that have been recalculated as a result of cases where the child that is the basis of the TOA determination has aged out.

Safety Net/Child Only Grant Reduction

FUNDING:

The Child-Only and Sanction grants are funded 90.50 percent federal funds, seven percent general funds (GF) and 2.5 percent county funds.

Safety Net grants are funded with 97.5 percent GF and 2.5 percent county funds.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The change in CY and Budget Year (BY) is due to delay in implementation as a result of a late enactment date. Additionally, the BY reflects one month of erosion of savings due to the timing of counties issuance of the NOAs.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements in the BY.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – CalWORKs Assistance	Total	Federal	State	County	Reimb.
Safety Net/Child Only Grant Reduction	$0	$0	$0	$0	$0

FY 2011-12

Item 101 – CalWORKs Assistance	Total	Federal	State	County	Reimb.
Safety Net/Child Only Grant Reduction	-$88,541	-$48,772	-$37,555	-$2,214	$0

Grant Reduction (8 Percent)

DESCRIPTION:

This premise reflects the impact of an eight percent Maximum Aid Payment (MAP) reduction to the California Work Opportunity and Responsibility to Kids (CalWORKs) program as a result of the passage of Chapter 8, Statutes of 2011, Senate Bill (SB) 72 on March 24, 2011. This premise assumes the eight percent MAP reduction will be implemented on July 1, 2011.

IMPLEMENTATION DATE:

This premise implements on July 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11450.02(b).
- The MAP levels for non-exempt and exempt Assistance Units (AUs) are reduced by eight percent. The reduced MAP levels will be used to calculate the grant amount for CalWORKs recipients.
- Depending on the amount of grant each CalWORKs case currently receives, the actual percentage of reduction to their grant would be different. Based on CalWORKs Characteristic Survey (Q5) Data, the percentage of reduction to the CalWORKs average cost per case is approximately nine percent.
- It is assumed the impacted caseload that will be subject to the grant reductions is approximately 592,016 in the Budget Year (BY).
- It is assumed that all cases will receive the grant reduction beginning July 1, 2011.
- For Fiscal Year (FY) FY 2011-12, approximately 700 CalWORKs cases will lose eligibility and become discontinued as a result of this MAP reduction.
- Administrative costs for mid-quarter activities are $8.63 per case per month and for quarterly activities is $24.95 per case per month.
- For FY 2011-12, approximately 400 adult cases will be removed from the Employment Services caseload as a result of becoming discontinued due to this MAP reduction.
- As a result of the grant reduction, public assistance California Food Assistance Program (CFAP) cases will receive increased coupon benefits.

METHODOLOGY:

The grant savings is calculated by multiplying the decrease in the average CalWORKs grant by the total CalWORKs caseload.

The services savings is calculated by removing the impacted caseload from the Employment Services caseload.

The administrative savings is calculated by multiplying the average monthly number of cases expected to lose eligibility by the average monthly cost per case.

Grant Reduction (8 Percent)

FUNDING:

The CalWORKs grants are 90.50 percent Temporary Assistance for Needy Families (TANF), seven percent General Fund (GF) and 2.5 percent county funds.

The CalWORKs services savings are 99 percent TANF and one percent GF.

The CalWORKs administrative savings are 94.34 percent TANF funds and 5.66 percent GF.

CFAP benefits are 100 percent GF. The Public Assistance portion of the costs is eligible to be counted towards the Maintenance of Effort (MOE) requirement.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The reason for change in the Current Year (CY) is due to a delay in implementation to the (BY). The change to the BY is due to a projected increase in caseload growth and reflects the grant reduction affecting all cases immediately.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due a delay in implementation to July 1, 2011.

EXPENDITURES:

(in 000's)

FY 2010-11

Grant Reduction (8 Percent)	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – CalWORKs Assistance	$0	$0	$0	$0	$0
Item 101 – CalWORKs Services	0	0	0	0	0
Item 101 – CalWORKs Administration	0	0	0	0	0
Item 101 – CFAP	0	0	0	0	0

FY 2011-12

Grant Reduction (8 Percent)	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – CalWORKs Assistance	-$320,470	-$290,025	-$22,433	-$8,012	$0
Item 101 – CalWORKs Services	-1,558	-1,543	-15	0	0
Item 101 – CalWORKs Administration	-280	-264	-16	0	0
Item 101 – CFAP	922	0	922	0	0

48-Month Time Limit

DESCRIPTION:

This premise reflects the impact of a new 48-month time limit for aided adult recipients in the California Work Opportunity and Responsibility to Kids (CalWORKs) program as a result of the passage of Senate Bill (SB) 72 (Chapter 8, Statues of 2011), on March 24, 2011. This new time limit replaces the 60-month CalWORKs time clock. Effective July 1, 2011, adults will only be eligible to receive CalWORKs for a maximum of 48 countable months. All countable months of aid received since January 1, 1998, will be considered in determining the recipient's time-on-aid. Months of aid received prior to 1998, months that were previously exempted from the CalWORKs time clock, and months in which the adults were not aided due to a Welfare-to-Work sanction will continue to not count toward the 48-month time limit. When the adult reaches the new time limit, the adult will be removed from the Assistance Unit (AU), unless the adult meets time limit extension criteria, and the grant to the AU will be reduced accordingly.

IMPLEMENTATION DATE:

This premise implements July 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code 11454.
- Based on the Welfare Data Tracking Implementation Project (WDTIP) data, it is assumed that in Fiscal Year (FY) 2011-12 an estimated 20,310 adult cases have been on CalWORKs for 48 months or longer and will have the adult removed from aid as a result of this new policy.
- Of the 20,310 adult cases, it is assumed that once the adult(s) is removed from the AU approximately 65 cases will exceed the income eligibility threshold and will be discontinued. The remaining 20,245 cases (22,500 total all family and two-parent adults) will have the adult portion of their grant removed, but will continue to receive benefits in the Safety Net for their children.
- The grant savings are assumed to be $478.66 per month for cases with an adult that will be discontinued.
- The 22,500 aided adult will have their portion of the grant removed will result in a grant savings of approximately $122.00 per month.
- The estimate assumes services savings for the 20,310 CalWORKs adult cases.
- The estimate assumes administrative savings for cases that will be discontinued. Administrative costs for mid-quarter activities are $8.63 per case per month and for quarterly activities is $24.95 per case per month for a total of $33.58.
- It is assumed that written notifications will be provided in the Current Year (CY) to inform all CalWORKs recipients of this policy change. See the CalWORKs Reduction Mailing/Notifications premise for more information.
- It is assumed that counties must provide a 30-day Notice of Action (NOA) to notify impacted recipients and the savings associated with this new policy will be achieved beginning August 2011.

48-Month Time Limit

METHODOLOGY:

Grants

For the Budget Year (BY), monthly grant savings are calculated by multiplying the average monthly cases that are discontinued by the cost per case plus the adults removed from aid multiplied by the adult grant savings. The grant savings are multiplied by 11 months.

Services

The services savings are calculated by subtracting the CalWORKs cases that have reached the 48-month time limit from the caseload used to determine Employment Services Basic costs.

Administration

The administration savings for the BY are calculated by multiplying the cases assumed to be discontinued by the on-going monthly administration costs. The administration savings are multiplied by 11 months.

FUNDING:

The funding for the grant savings is 90.50 percent federal Temporary Assistance to Needy Families (TANF), seven percent General Fund (GF) and 2.5 percent county in the BY.

The funding for the services savings is 99 percent TANF and one percent GF in the BY.

The funding for the administration savings is 94.34 percent TANF and 5.66 GF in the BY.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The change in CY and BY is due to the delay in implementation as a result of a late enactment date. Additionally, the change in the BY reflects updated information from the WDTIP database and reflects one month of erosion of savings due to the timing of counties issuance of the NOAs.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements in the BY.

EXPENDITURES:

(in 000's)

			FY 2010-11		
48-Month Time Limit	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – CalWORKs Assistance	$0	$0	$0	$0	$0
Item 101 – CalWORKs Services	0	0	0	0	0
Item 101 – CalWORKs Administration	0	0	0	0	0

48-Month Time Limit

EXPENDITURES (CONTINUED):

(in 000's)

			FY 2011-12		
48-Month Time Limit	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – CalWORKs Assistance	-$30,477	-$27,582	-$2,133	-$762	$0
Item 101 – CalWORKs Services	-73,776	-72,979	-797	0	0
Item 101 – CalWORKs Administration	-24	-23	-1	0	0

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Earned Income Disregard Reduction

DESCRIPTION:

This premise reflects the grant and administrative savings to the California Work Opportunity and Responsibility to Kids (CalWORKs) Program as a result of reducing the earned income disregard, pursuant to Senate Bill (SB) 72 (Chapter 8, Statutes of 2011). Under current rules, the Net Nonexempt Income (NNI) is calculated by disregarding the first $225 of Disability-Based Unearned Income (DBI) and/or any earned income and 50 percent of any remaining earned income.

As a result of SB 72, the new income disregard structure retains the $225 disregard for DBI, but limits the earned income disregard to any unused remainder of the $225 disregard or $112, whichever is less. The disregards and exemptions for other categories of unearned income are unchanged. Also reflected in this premise are the increased coupon costs in the California Food Assistance Program (CFAP) associated with cases whose CalWORKs grant is decreased by this policy.

IMPLEMENTATION DATE:

This premise implements July 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&I Code section 11451.5, as implemented by SB 72 (Chapter 8, Statutes of 2011).
- This policy will result in savings for all cases with earnings of $113 or more. There are approximately 137,461 cases with earnings of $113 or more, based on data from Federal Fiscal Year (FFY) 2010 Research and Development Enterprise Project Data (RADEP) Data.
- The average amount of grant savings per month is $53.35.
- As a result of this policy, approximately 1,906 cases will become ineligible for CalWORKs due to income ineligibility and their case will be discontinued, based on RADEP data from FFY 2010.
- Assuming that recipients will not be impacted until their Quarterly Reporting month, the number of monthly cases is phased-in over the first three months of implementation, which averages the number of cases receiving the earned income disregard in the Budget Year (BY) to approximately 126,005 per month.
- Assuming that recipients will not be impacted until their Quarterly Reporting month, the number of monthly cases is phased-in over the first three months of implementation, which reduces the average number of cases discontinued in the Budget Year (BY) from 1,906 to 1,747.
- The estimate assumes administrative savings for cases that will be discontinued. Administrative costs for mid-quarter activities are $8.63 per case per month and for quarterly activities is $24.95 per case per month for a total of $33.58.
- Approximately 56.7 percent of the discontinued cases, or 991 cases, were assumed to receive CalWORKs services.
- The estimate accounts for an increase of approximately $213,000 in coupon benefits for cases in the CFAP program who have earned income of $113 or more.

Earned Income Disregard Reduction

METHODOLOGY:

For CalWORKs grant savings, the number of cases with earnings over $113 is multiplied by the average amount of grant savings per case (126,005 cases x $53.35 x 12 months = $80.7 million).

For CalWORKs admin savings, the number of cases that will be discontinued is multiplied by the average administrative savings per case (1,747 cases x $33.58 x 12 months = $703,971).

For CalWORKs services savings, the number of cases assumed to receive services are subtracted from the caseload used to determine Employment Services Basic costs.

FUNDING:

CalWORKs grant costs: The funding is 90.5 percent Temporary Assistance for Needy Families (TANF), 7.0 percent General Fund (GF), and 2.50 percent county.

CalWORKs services costs: The funding is 99.0 percent TANF and 1.0 percent GF.

CalWORKs administrative costs: The funding is 94.34 percent TANF and 5.66 percent GF.

CFAP Costs: The funding is 100 percent GF. The Public Assistance portion of the costs is eligible to be counted towards the Maintenance of Effort (MOE) requirement.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The decrease in savings in the Current Year and BY is due to the delayed implementation.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements in the BY.

EXPENDITURES:

(in 000's)

FY 2010-11

Earned Income Disregard Reduction	Total	Federal	State	County	Reimb.
Item 101 – CalWORKs Assistance	$0	$0	$0	$0	$0
Item 101 – CalWORKs Services	0	0	0	0	0
Item 101 – CalWORKs Administration	0	0	0	0	0
Item 101 – CFAP	0	0	0	0	0

FY 2011-12

Earned Income Disregard Reduction	Total	Federal	State	County	Reimb.
Item 101 – CalWORKs Assistance	-$80,676	-$73,012	-$5,647	-$2,017	$0
Item 101 – CalWORKs Services	-3,928	-3,889	-39	0	0
Item 101 – CalWORKs Administration	-704	-664	-40	0	0
Item 101 – CFAP	213	0	213	0	0

Reassessment Eligibility Relief - AB 1905

DESCRIPTION:

Currently, state law mandates that there must be annual reassessments of foster family homes for both relative and nonrelative extended family members. Anytime a foster family is in the process of undergoing an annual reassessment visit that may result in a late reassessment completion, families with Aid to Families with Dependent Children-Foster Care (AFDC-FC) payments are suspended until reassessment is completed. While their AFDC-FC payments are suspended, foster families have no other recourse except to file for California Work Opportunity and Responsibility to Kids (CalWORKs) aid. Counties must then process CalWORKs applications, enroll families in the program, and then disenroll them once AFDC-FC payments are restored after the home reassessment is complete.

Pursuant to the provisions of Assembly Bill (AB) 1905, this premise reflects the requirement that the California Department of Social Services (CDSS) allow foster family relative or nonrelative extended family member to continue to receive AFDC-FC payments during their annual home reassessment process. This bill requires that payments to foster family relative or nonrelative extended family member will not be delayed or terminated due to late completion in the annual home reassessment process. The existing approval shall remain in force. This bill eliminates the need for counties to enroll these foster families in the CalWORKs program, and then disenroll them once AFDC-FC payments are restored.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2011.

KEY DATA/ASSUMPTIONS:

Authorizing statute: Welfare and Institutions Code (W&IC) section 11402.4 (AB 1905 Chapter 562, Statutes of 2010)

<u>Foster Care – 101</u>

- This premise assumes implementation in January 2011 which will result in six months of cost to AFDC-FC in Fiscal Year (FY) 2010-11 and a full year of cost in FY 2011-12.
- This AFDC-FC estimate reflects costs for only the 56 non-Title IV-E Waiver counties. Title IV-E Waiver costs are reflected in the Title IV-E Waiver premise. For more information please see the Title IV-E Waiver premise write-up.
- The AFDC-FC caseload presumed to be eligible is 7.5 percent of the Child Welfare Service (CWS) services-only cases based on a six month period ending December 2010.
- Federally eligible cases are projected to account for 100 percent of total CWS services-only placements.
- This AFDC-FC estimate assumed that a total of 343 AFDC-FC relative cases per month will have a late home reassessment, of which 148 cases per month will impact the 56 non-Title-IV-E Waiver counties. The remaining cases are reflected in the item 153 Title IV-E Waiver premise.

Reassessment Eligibility Relief - AB 1905

KEY DATA/ASSUMPTIONS (CONTINUED):

- Federal average grant computations utilized caseload and expenditure data reported by the non-Title IV-E Waiver counties on the CA 237 FC during the most recent 17 month period ending November 2010. The projected federal grant is $711.63.
- Based on actual Foster Care (FC) expenditure data the projected administrative grant is $95.31 per case.

CalWORKs – 101

- This bill eliminates the need for counties to enroll foster families in the CalWORKs program while processing an annual reassessment in foster care. As a result, it will generate administrative and grant savings to CalWORKs.
- This premise assumes implementation in January 2011 which will result in six months of savings to CalWORKs in FY 2010-11 and a full year of savings in FY 2011-12.
- It is assumed that approximately 343 cases per month will not enter CalWORKs as a result of those cases staying in foster care during their annual reassessment.
- It is assumed that the average CalWORKs grant savings is approximately $382 per case in FY 2010-11 and approximately $351 per case in FY 2011-12 (which reflects the CalWORKs grant reduction that implements on July 1, 2011).
- It is assumed that the monthly CalWORKs administrative savings is $33.58 per case.

METHODOLOGY:

Foster Care – 101

The FC assistance payments for this premise is the product of projected federal case months multiplied by the average grant, as identified above.

FY 2010-11: ($711.63 per case x 148 cases x 6 months = $0.634 million)
FY 2011-12: ($711.63 per case x 148 cases x 12 months = $1.27 million)

Foster Care – 141

The FC administrative cost for this premise is the product of projected federal case months multiplied by the average grant, as identified above.

FY 2010-11: ($95.31 per case x 148 cases x 6 months = $0.084 million)
FY 2011-12: ($95.31 per case x 148 cases x 12 months = $0.167 million)

CalWORKs – 101

The total CalWORKs grant savings as a result of AB 1905 is calculated by multiplying the average grant by projected cases impacted.

FY 2010-11: ($382 per case x 343 cases x 6 months = $0.7 million)
FY 2011-12: ($351 per case x 343 cases x 12 months = $1.4 million)

Reassessment Eligibility Relief - AB 1905

METHODOLOGY (CONTINUED):

The total CalWORKs administrative savings as a result of AB 1905 is calculated by multiplying the projected cases impacted by the average administrative cost.

FY 2010-11: ($33.58 EW x 343 cases x 6 months = $0.07 million)
FY 2011-12: ($33.58 EW x 343 cases x 12 months = $0.13 million)

FUNDING:

Foster Care – 101

Federal funding is provided for by Title IV-E of the Social Security Act, with the amount of Federal Financial Participation (FFP) based on the 50 percent Federal Medical Assistance Percentage (FMAP) for those cases meeting eligibility criteria. Funding for the federal program costs is 40 percent General Fund (GF) and 60 percent county.

The Title IV-E FMAP rate temporarily increased by 6.2 percent effective October 1, 2008, through December 31, 2010. This increase was approved by the federal government to extend until June 30, 2011. This extension of the American Recovery and Reinvestment Act 2009 (ARRA) results in an increase of 3.2 percent for the third quarter of FY 2010-11 and an increase of 1.2 percent for the fourth quarter of FY 2010-11. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

Foster Care – 141

Costs for FC administrative activities are shared at 50 percent FFP with the remainder split at 70 percent GF and 30 percent county.

CalWORKs – 101

Funding for CalWORKs grants are 97.5 percent federal Temporary Assistance for Needy Families (TANF) funds and 2.5 percent county share. Funding for CalWORKs administration are 100 percent federal TANF funds.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

FC - There is no change for Current Year (CY) and Budget Year (BY). For CalWORKs, the change in the CY and BY is due to an increase in projected cases impacted by this policy and updated grant amounts.

REASON FOR YEAR-TO-YEAR CHANGE:

FC - This change reflects a full year of implementation. For CalWORKs, the change reflects a full year of implementation.

Reassessment Eligibility Relief - AB 1905

EXPENDITURES:

(in 000's)

FY 2010-11

Reassessment Eligibility Relief – AB 1905	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – Foster Care Assistance	$634	$317	$127	$190	$0
Item 141 – Foster Care Administration	84	42	29	13	0
Item 101 – CalWORKs Assistance	-787	-767	0	-20	0
Item 101 – CalWORKs Administration	-69	-67	-2	0	0

FY 2011-12

Reassessment Eligibility Relief – AB 1905	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – Foster Care Assistance	$1,266	$633	$253	$380	$0
Item 141 – Foster Care Administration	167	84	58	25	0
Item 101 – CalWORKs Assistance	-1,446	-1,410	0	-36	0
Item 101 – CalWORKs Administration	-138	-135	-3	0	0

Employment Training Fund

DESCRIPTION:

This premise reflects the Employment Training Fund (ETF) amount used to offset the cost of providing employment services to recipients of the California Work Opportunity and Responsibility to Kids (CalWORKs) program.

ETF funds are derived from employer contributions and administered by the Employment Development Department. The ETF funds meet federal criteria to be counted toward the Temporary Assistance for Needy Families program maintenance of effort (MOE) requirements.

IMPLEMENTATION DATE:

This premise originally implemented on July 11, 1994. No funding was appropriated for Fiscal Years (FY) 1997-98 through FY 1998-99. This premise re-implemented on July 1, 1999.

KEY DATA/ASSUMPTIONS:

It is assumed that this funding is not available in FY 2010-11 or in FY 2011-12.

METHODOLOGY:

Once the total cost of providing CalWORKs employment services is calculated, it is reduced by the ETF amount appropriated to the California Department of Social Services by the Legislature.

FUNDING:

This premise is funded with ETF funds, which are MOE countable.

CHANGE FROM THE MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – CalWORKs Assistance	**Total**	**Federal**	**State**	**County**	**Reimb.**
Employment Training Fund	$0	$0	$0	$0	$0

FY 2011-12

Item 101 – CalWORKs Assistance	**Total**	**Federal**	**State**	**County**	**Reimb.**
Employment Training Fund	$0	$0	$0	$0	$0

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California Work Opportunity and Responsibility to Kids (CalWORKs) Program Basic

DESCRIPTION:

This premise reflects the cost of providing employment and training services to individuals in the CalWORKs Welfare-to-Work (WTW) program. Employment services provided to WTW participants include a wide variety of work, educational, and training activities designed to assist individuals in obtaining and retaining employment.

IMPLEMENTATION DATE:

This premise implemented on January 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 15204.3(a), amended by Assembly Bill (AB) 1111, Senate Bill (SB) 1104, and SB 68.
- The basic funding for these areas has been held to the Appropriation for the Current Year (CY).
- The basic funding for these areas in the Budget Year (BY) is based on the following assumptions:
  - The base funding for CalWORKs Services Basic is $981.2 million for Fiscal Year (FY) 2010-11 based on the Appropriation.
  - The FY 2011-12 employment services caseload is projected to grow 6.58 percent above the FY 2010-11 budgeted caseload.
  - Staff development costs are $5.3 million, based on FY 2008-09 actual expenditures.
  - The Wagner-Peyser reimbursement amount is $2.7 million.
  - An ongoing augmentation of $90 million is subtracted and reflected in the “Previous CalWORKs Reform Efforts” premise.
  - Time limit savings are $161.1 million.
  - The CalWORKs Services Basic expenditures for Recent Noncitizen Entrants (RNEs) are $17.4 million for the BY. Of this amount, $8.6 million reflects the General Fund (GF) costs for RNE recipients in mixed households (who are eligible to receive Temporary Assistance for Needy Families [TANF] funds).
  - Services for Cal Learn RNEs are no longer reflected in this premise, as the Cal Learn program was suspended for FY 2011-12 by SB 72 (Chapter 8, Statutes of 2011).
  - Hardship cases are $1.2 million of the total Employment Services caseload, based on county claims from Calendar Year 2010.
  - Contract costs are projected to be $3.9 million.
  - A Single Allocation adjustment amount of $191.9 million (previously budgeted in a separate premise) is now included in this premise for both the CY and the BY.

California Work Opportunity and Responsibility to Kids (CalWORKs) Program Basic

METHODOLOGY:

The amount of CalWORKs Program Basic for employment services has been held to the Appropriation for the CY.

The expected caseload was computed based on actual caseload data from FY 2008-09 and projected for the BY. The savings due to individuals who receive the young children exemption are accounted for in the Reduction to Employment Services premise. The projected growth between the budgeted caseload from FY 2010-11 and the expected caseload for FY 2011-12 is applied to the base funding from FY 2010-11 to arrive at a new base funding for FY 2011-12:
$981.2 x 1.0658 = $1,045.8 million

The base funding for the BY was increased for Staff Development expenditures, the Single Allocation adjustment, RNE services costs (from TANF eligible households), and contract costs:
$1,045.76 + 5.26 + 191.89 + 8.59 + 3.89 = $1,255.39

The base funding for the BY was also decreased for time limit savings, Previous CalWORKs Reform Efforts, the Wagner-Peyser reimbursement, and the total amount of RNE services:
$1,255.39 - 161.1 - 90 - 2.73 – 17.35 = $984.2

$1.2 million of the total Employment Services Basic is shifted from TANF to GF for services for Hardship cases.

FUNDING:

The costs for RNE families and Hardship cases are 100 percent GF. All other costs are 100 percent TANF.

The GF is countable toward the state's maintenance of effort requirement.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the CY. The BY decrease is due to the suspension of Cal Learn services expenditures associated with RNE cases and to the increase in the number of non-federally eligible RNE households who receive employment services.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase from CY to BY is due primarily to the 6.58 percent caseload increase.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – CalWORKs Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
CalWORKs Basic	$923,864	$915,846	$8,018	$0	$0

FY 2011-12

Item 101 – CalWORKs Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
CalWORKs Basic	$984,192	$974,428	$9,764	$0	$0

Reduction in Employment Services and Child Care

DESCRIPTION:

This premise reflects the Budget Action to reduce the California Work Opportunity and Responsibility to Kids (CalWORKs) program funding for child care and employment services commensurate with the Budget Act of 2009-10 and Chapter 8, Statutes of 2011, Senate Bill (SB) 72. Due to the significant General Fund (GF) revenue decline in recent years, the county single allocation funding was reduced for the CalWORKs program by $376.9 million in Temporary Assistance for Needy Families (TANF) funds for FY 2009-10 and FY 2010-11, and by $426.9 million for FY 2011-12. The reduction to the county single allocation and increased caseload for CalWORKs will result in insufficient resources to provide the full range of welfare-to-work (WTW) services for the affected fiscal years. Therefore, statutory changes were enacted which allow counties the flexibility to redirect mental health and substance abuse funding, grant exemptions from WTW participation, and grant time limit exemptions to address funding constraints (see the CalWORKs County Exemptions and Flexibility premise). This premise also reflects increased grant costs in anticipation that counties will not be able to provide child care services and employment services to all WTW recipients as a result of the reduction discussed above.

IMPLEMENTATION DATE:

Enactment date was July 28, 2009 and the implementation date was August 1, 2009 for the Budget Act of 2009; enactment date was March 24, 2011 and implementation date was July 1, 2011 for SB 72 (Chapter 8, Statutes of 2011).

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11329.5, as implemented by the Budget Act of 2009 and SB 72.
- The CalWORKs Budget Action includes a reduction of $376.9 million in TANF funds for FY 2010-11 and $426.9 million for FY 2011-12. For the Current Year (CY), the reduction is split $215.34 million to child care services and $161.51 million to employment services. For the Budget Year (BY), the reduction is split $243.91 million to child care services and $182.94 million to employment services.
- Based on current average child care costs, it is assumed in the CY that approximately 12,809 cases/families will lose child care/employment services as a result of the reduction discussed above. Of the 12,809 cases/families, approximately 5,420 are families with young children. In the BY, it is assumed that approximately 15,202 families will lose child care/employment services and, of those, approximately 7,963 are families with young children.
- The estimate assumes that of those cases/families participating 30 hours or more, 100 percent will continue to work and receive child care services.
- The estimate assumes that of those cases/families participating at some level, the following will occur: those participating one to nine hours, 100 percent will lose child care/employment services and will discontinue their participation; those participating 10-19 hours, 50 percent will lose child care/employment services and will discontinue their participation while the remaining 50 percent will continue to voluntarily participate; those participating 20-29 hours, 25 percent will lose child care/employment services and will discontinue their participation while the remaining 75 percent will continue to voluntarily participate.

Reduction in Employment Services and Child Care

KEY DATA/ASSUMPTIONS (CONTINUED):

- Based on FFY 2009 data, 64 percent of those who do not meet work participation requirements are in paid activities.

METHODOLOGY:

For the CY, the additional grant cost per month for a family that was participating 10-19 hours is $163.54 and for a family participating 20-29 hours is $347.56. There is no additional cost for a family that was participating less than 10 hours.

For the BY, the initial earned income disregard amount of $225 decreases to $112 (see Earned Income Disregard premise). This changes the additional grant cost per month for a family that was participating 10-19 hours to $220.04 and for a family participating 20-29 hours to $404.06. Families participating less than 10 hours have an additional grant cost of $36.01.

Approximately 15,202 cases/families will lose child care/employment services in the BY as a result of the reduction discussed above. Consequently fewer families will work resulting in increased grant costs of approximately $9.9 million as noted below.

Work Participation	Additional Grant Cost (per month)	Cases with Young Children	All Other Cases	Total Cases	Increased Grant Costs (12 months)
1-9 hours	$36.01	2,811	4,664	7,474	$3,230,060
10-19 hours	$220.04	1,517	0	1,517	$4,005,900
20-29 hours	$404.06	553	0	553	$2,681,344
30 hours or more		0	0	0	$0
Total cases that lose child care – paid activities		4,881	4,664	9,545	$9,917,303
Total cases that lose child care – non paid activities		3,082	2,575	5,657	$0
Total cases that lose child care		7,963	7,239	15,202	$9,917,303

FUNDING:

Reduction – the funding is 100 percent TANF funds.

Grant Costs – the funding is 90.5 percent TANF, 7.0 percent GF, and 2.5 percent county.

Reduction in Employment Services and Child Care

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change to the Employment Services and Child Care Reduction.

For the CY and the BY, the decrease in grant costs is due to a decrease in the percentage of families who are not meeting work requirements but are in paid activities.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in the reductions to Stage One Child Care and Employment Services is due to the increased reduction to the single allocation.

The increase in the resulting grant costs is due to the increase in families who will be exempted from Child Care to absorb the increased reduction to the single allocation, as well as due to the decrease in the earned income disregard.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – CalWORKs Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
Reduction in Employment Services	-$161,507	-$161,507	$0	$0	$0
Item 101 – CalWORKs Child Care					
Reduction in Child Care	-$215,343	-$215,343	$0	$0	$0
Item 101 – CalWORKs Assistance					
Reduce CalWORKs Budget (Grant Impact)	$3,597	$3,255	$252	$90	$0

FY 2011-12

Item 101 – CalWORKs Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
Reduction in Employment Services	-$182,936	-$182,936	$0	$0	$0
Item 101 – CalWORKs Child Care					
Reduction in Child Care	-$243,914	-$243,914	$0	$0	$0
Item 101 – CalWORKs Assistance					
Reduce CalWORKs Budget (Grant Impact)	$9,917	$8,975	$694	$248	$0

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Employment Services Ramp-Up

DESCRIPTION:

This premise reflects the employment services costs, including case management, of preparing for the expiration of the short-term reform exemptions in the Temporary Assistance for Needy Families (TANF)/California Work Opportunity and Responsibility to Kids (CalWORKs) program enacted with Assembly Bill (AB) X4 4. The CalWORKs program had a mandated reduction in funding of $376 million ($161 million from employment services and $215 million from child care) in Fiscal Year (FY) 2009-10 and FY 2010-11. The short-term reforms provided counties the flexibility to exempt clients from participation when the county could not provide supportive services or in cases where parents had young children. AB x4 4 required the exemptions to become inactive on June 30, 2011, at which time the clients that qualified for these exemptions will be required to participate in the CalWORKs program. AB x4 4 also mandated counties to implement re-engagement strategies for these clients to insure that previously exempted clients began participating after the expiration of the temporary exemptions. The California Department of Social Services (CDSS) proposed that counties be restored a portion of the reduction in funding in FY 2010-11 to meet this goal.

IMPLEMENTATION DATE:

The funding for this premise was included in the Budget Act of 2010.

KEY DATA/ASSUMPTIONS:

AB x4 4 mandated that counties begin the process of re-engaging clients in the six months prior to the expiration of the temporary exemptions.

METHODOLOGY:

This premise is held to the Budget Act of 2010 Appropriation.

FUNDING:

This proposal is funded with 100 percent TANF.

CHANGE FROM THE MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a Current Year only proposal.

Employment Services Ramp-Up

EXPENDITURES:
(in 000's)

FY 2010-11

Employment Services Ramp-Up	Total	Federal	State	County	Reimb.
Item 101 – CalWORKs Services	$46,678	$46,678	$0	$0	$0
Item 101 – CalWORKs Child Care	-46,678	-46,678	0	0	0

FY 2011-12

Employment Services Ramp-Up	Total	Federal	State	County	Reimb.
Item 101 – CalWORKs Services	$0	$0	$0	$0	$0
Item 101 – CalWORKs Child Care	0	0	0	0	0

Previous CalWORKs Reform Efforts

DESCRIPTION:

This premise reflects the impact associated with Senate Bill (SB) 1104 (Chapter 229, Statutes of 2004), and the Temporary Assistance for Needy Families (TANF) Reauthorization premise associated with the implementation of Assembly Bill (AB) 1808 (Chapter 75, Statutes of 2006). The implementation of these two bills has significantly changed the California Work Opportunity and Responsibility to Kids (CalWORKs) Welfare-to-Work (WTW) program from its original structure mandated by AB 1542 (Chapter 270, Statutes of 1997). Changes to the CalWORKs WTW program were intended to further increase self-sufficiency and personal responsibility by increasing the number of individuals who work or participate in work-related activities while maintaining critical services, and to also meet the federal work participation rate (WPR) and other requirements in the federal Deficit Reduction Act (DRA) of 2005.

Pursuant to AB 1808, the Budget includes $90 million in federal TANF block grant funds for the CalWORKs program to assist counties in improving their WPR.

IMPLEMENTATION DATE:

SB 1104 implemented on December 1, 2004 and AB 1808 implemented on July 12, 2006.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 10533, 10534, 10540.6,10544, 11322.8, 11325.21.
- Pursuant to AB 1808, the Budget includes an additional $90 million in federal TANF block grant funds in the Current Year and in the Budget Year.

METHODOLOGY:

Pursuant to AB 1808, the Budget includes $90 million in employment services.

FUNDING:

The funding is 100 percent TANF.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Previous CalWORKs Reform Efforts

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – CalWORKs Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
Previous CalWORKs Reform Efforts	$90,000	$90,000	$0	$0	$0

FY 2011-12

Item 101 – CalWORKs Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
Previous CalWORKs Reform Efforts	$90,000	$90,000	$0	$0	$0

CalWORKs Safety Net Program

DESCRIPTION:

This premise reflects the cost of continued assistance and services for the Safety Net program. The California Work Opportunity and Responsibility to Kids (CalWORKs) program, established by Assembly Bill 1542 (Chapter 270, Statutes of 1997), mandates that an adult may only receive a maximum of 60 months of CalWORKs assistance, but that children may continue to receive aid until they reach 18 years of age. In accordance with Welfare and Institutions Code (W&IC) section 11320.15, adults who have received aid for a total of 60 months are removed from the assistance unit for the purpose of calculating aid. At county option, however, these adults may continue to receive post 60-month time limit employment services which may include, but are not limited to, transportation, ancillary, and case management services. In addition, former recipients who are working or participating in an approved welfare-to-work (WTW) activity after leaving aid are eligible for up to two years of transitional child care.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2003.

KEY DATA/ASSUMPTIONS:

- Authorizing Statute: W&IC sections 11320.15, 11450.13, and 11454.5.
- Individuals began reaching their CalWORKs 60-month time limit in January 2003.
- The data sources used to determine the impacted caseload for the Current Year (CY) and the Budget Year (BY) are the CA 237 for grants, WTW 25/25A for services, and the CW 115/115A for child care.
- The cases that reach the time limit and are working or participating in WTW activities are eligible to receive up to 24 months of transitional child care and, at county option, up to 12 months of job retention services.

<u>Grants</u>

- The average monthly grant ($440.82) for Safety Net cases is calculated using actual data reported on the January - December 2010 CA 800 and CA 237 reports.
- The average monthly Safety Net caseload is 50,223 in the Current Year (CY) and 50,856 in the Budget Year (BY).

<u>Services</u>

- The funding for the CY is being held to the Fiscal Year (FY) 2009-10 Budget Act Appropriation.
- The funding for the BY reflects an expected 4.86 percent growth in the Safety Net services caseload from FY 2008-09 to FY 2011-12.
- Safety Net services expenditures from FY 2008-09 were $5,023,902.

<u>Administration</u>

- The Safety Net caseload was approximately 8.66 percent of the CalWORKs All Family caseload for Calendar Year 2010 and the Safety Net share of expenditures from the January to December 2010 County Expense Claims (CEC) totaled $22.2 million.

CalWORKs Safety Net Program

KEY DATA/ASSUMPTIONS (CONTINUED):

- The CY and the BY are based on actual expenditures plus caseload growth for FY 2010-11 and FY 2011-12.
- It is assumed that the Safety Net caseload will increase 1.7 percent from Calendar Year 2010 to FY 2010-11 and 1.26 percent from FY 2010-11 to FY 2011-12.

Child Care

- The funding for the CY is held to the FY 2009-10 Budget Act Appropriation.
- The funding in the BY is $3.5 million.

METHODOLOGY:

Grants

For the CY and the BY, Safety Net grant costs are calculated by multiplying the average monthly Safety Net cases by the cost per case (BY: 50,856 x $440.82 x 12 = $269 million).

Services

Safety Net services costs for the BY are calculated by multiplying prior expenditures by expected caseload growth ($5 million x 1.0486 = $5.3 million).

Administration

For the CY and the BY, Safety Net administration costs are based on actual expenditures for the period January - December 2010 plus caseload growth for FY 2010-11 and FY 2011-12.
(BY: $22.2 million x 1.017 x 1.0126 = $22.9 million).

Child Care

Safety Net child care costs for the BY are calculated by multiplying the expected monthly caseload times the cost per case times twelve months (1,736 x $168.04 x 12 = $3.5 million).

FUNDING:

The Safety Net cost associated with CalWORKs grants is 97.5 percent General Fund (GF)/Maintenance of Effort and 2.5 percent county funds. The Safety Net costs associated with employment services, administration, and child care are 100 percent GF.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The decrease in grant and administrative costs in the CY and BY is due to lower caseload growth than anticipated in the Conference Budget. There is no change to services and child care costs in the CY. The decrease to services and child care costs in the BY is due to lower caseload growth than anticipated in the Conference Budget.

CalWORKs Safety Net Program

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in grant and administrative costs is due to caseload growth.

The decreases in services and child care costs are due to a decrease in actual expenditures during FY 2008-09 than had been originally projected for the FY 2010-11 Appropriation and slower caseload growth for Safety Net than previously projected.

EXPENDITURES:

(in 000's)

FY 2010-11

Safety Net (Post 60 Months)	Total	Federal	State	County	Reimb.
Item 101 – CalWORKs Assistance	$266,108	$0	$259,455	$6,653	$0
Item 101 – CalWORKs Services	6,714	0	6,714	0	0
Item 101 – CalWORKs Administration	22,566	0	22,566	0	0
Item 101 – CalWORKs Child Care	4,245	0	4,245	0	0

FY 2011-12

Safety Net (Post 60 Months)	Total	Federal	State	County	Reimb.
Item 101 – CalWORKs Assistance	$269,022	$0	$262,296	$6,726	$0
Item 101 – CalWORKs Services	5,268	0	5,268	0	0
Item 101 – CalWORKs Administration	22,850	0	22,850	0	0
Item 101 – CalWORKs Child Care	3,522	0	3,522	0	0

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Substance Abuse Services

DESCRIPTION:

This premise reflects the cost to provide substance abuse services for California Work Opportunity and Responsibility to Kids (CalWORKs) Welfare-to-Work program participants. Assembly Bill (AB) 1542 (Chapter 270, Statutes of 1997) mandated the implementation of the CalWORKs program. In addition, the bill mandated counties to provide for the treatment of substance abuse that may limit or impair a participant's ability to make the transition from welfare to work or retain long-term employment. The county welfare departments and county alcohol and drug departments are required to collaborate to ensure an effective system is available to provide evaluations and substance abuse treatment.

IMPLEMENTATION DATE:

This premise implemented on January 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 11322.6 and 11325.8.
- Total Substance Abuse expenditures for Fiscal Year (FY) 2006-07 were $47,451,438.
- Total Substance Abuse expenditures for FY 2007-08 were $50,791,544.
- Total Substance Abuse expenditures for FY 2008-09 were $48,131,605.

METHODOLOGY:

The Current Year (CY) amount was held to the Appropriation of $49 million.

Due to the flexibility given to counties to redirect funding allotted for Substance Abuse Services to and from CalWORKs Employment Services funding in FY 2009-10, the methodology for the Budget Year (BY) funding will not consider actual expenditures for that year.

The BY amount is calculated by increasing the FY 2010-11 funding amount by the average annual percentage growth rate of Substance Abuse expenditures from FY 2006-07 to FY 2008-09.

- The percentage increase in expenditures from FY 2006-07 to FY 2007-08 was 7.04 percent.
- The percentage decrease in expenditures from FY 2007-08 to FY 2008-09 was 5.23 percent.
- The average annual increase from FY 2006-07 to FY 2008-09 was 0.90 percent.

The FY 2011-12 budgeted amount is calculated as follows:

- $49 million (FY 2010-11 funding) x 1.0090 (percent increase) = $49.4 million

FUNDING:

Funding for this premise is 100 percent General Fund and countable toward the TANF maintenance of effort requirement.

Substance Abuse Services

CHANGE FROM THE MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change reflects an anticipated growth in Substance Abuse services spending.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 101 – CalWORKs Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
Substance Abuse Services	$49,003	$0	$49,003	$0	$0

			FY 2011-12		
Item 101 – CalWORKs Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
Substance Abuse Services	$49,444	$0	$49,444	$0	$0

Mental Health Services

DESCRIPTION:

This premise provides necessary mental health services, including case management and treatment, to the California Work Opportunity and Responsibility to Kids (CalWORKs) program Welfare-to-Work participants in need of these services to obtain or retain employment. Assembly Bill 1542 (Chapter 270, Statutes of 1997) mandated the implementation of the CalWORKs program. In addition, it mandated that counties provide a plan for the treatment of mental or emotional difficulties that may limit or impair a participant's ability to make the transition from welfare to work or retain long-term employment.

IMPLEMENTATION DATE:

This premise implemented on January 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11322.6.
- Total Mental Health expenditures for Fiscal Year (FY) 2006-07 were $60,901,989.
- Total Mental Health expenditures for FY 2007-08 were $63,711,214.
- Total Mental Health expenditures for FY 2008-09 were $66,181,699.

METHODOLOGY:

The Current Year (CY) expenditures were held to the Appropriation of $71.9 million.

The estimate is calculated by using the average annual percentage change for the previous two fiscal years to project the Budget Year (BY) expenditures.

Due to the flexibility given to counties to redirect funding allotted for Mental Health Services to and from CalWORKs Employment Services funding in FY 2009-10, the methodology for the BY funding will not consider actual expenditures for that year.

The BY amount is calculated by increasing the FY 2010-11 funding amount by the average annual percentage growth rate of Mental Health expenditures from FY 2006-07 to FY 2008-09.

- The percentage increase in expenditures from FY 2006-07 to FY 2007-08 was 4.61 percent.
- The percentage increase in expenditures from FY 2007-08 to FY 2008-09 was 3.88 percent
- The average annual increase from FY 2006-07 to FY 2008-09 was 4.25 percent.

The FY 2011-12 budgeted amount is calculated as follows:

- $71.9 million (FY 2010-11 funding amount) x 1.0425 (percent increase) = $75 million

FUNDING:

The funding for this premise is 100 percent General Fund and is countable toward the TANF maintenance of effort requirement.

Mental Health Services

CHANGE FROM THE MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change in the BY reflects an anticipated growth in expenditure levels.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – CalWORKs Services	Total	Federal	State	County	Reimb.
Mental Health Services	$71,920	$0	$71,920	$0	$0

FY 2011-12

Item 101 – CalWORKs Services	Total	Federal	State	County	Reimb.
Mental Health Services	$74,973	$0	$74,973	$0	$0

Mental Health and Substance Abuse Services Reduction

DESCRIPTION:

This premise reflects the funding reduction in FY 2011-12 to Mental Health and Substance Abuse supportive services for the California Work Opportunity and Responsibility to Kids (CalWORKs) program (see Substance Abuse and Mental Health Services premises) as assumed in the March 2011 Conference Budget.

IMPLEMENTATION DATE:

This premise implements on July 1, 2011.

KEY DATA/ASSUMPTIONS:

The March 2011 Conference Budget assumed a reduction of $5 million to the funding for Mental Health and Substance Abuse services.

METHODOLOGY:

The Mental Health and Substance Abuse services allocations are assumed to be reduced by $5 million.

FUNDING:

The savings for this premise are 100 percent General Fund.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a Budget Year premise only.

EXPENDITURES:

(in 000’s)

FY 2010-11

Item 101 – CalWORKs Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
Mental Health and Substance Abuse Reduction	$0	$0	$0	$0	$0

FY 2011-12

Item 101 – CalWORKs Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
Mental Health and Substance Abuse Reduction	-$5,000	$0	-$5,000	$0	$0

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Mental Health/Substance Abuse Services for Indian Health Clinics

DESCRIPTION:

This premise reflects the cost to provide mental health and/or substance abuse services to Native Americans by providing a clinician in each of the 36 Indian health clinics. Services provided are necessary to obtain or retain employment, or to participate in county or Tribal Temporary Assistance to Needy Families (TANF) welfare-to-work (WTW) activities.

The services may include: (a) outreach and identification of individuals who are receiving, or may be eligible for, California's Work Opportunity and Responsibility to Kids (CalWORKs) program assistance; (b) screening of individuals for substance abuse and/or mental health issues; (c) ensuring that individuals have transportation to the county welfare department (CWD) to apply for CalWORKs or to participate in WTW activities; (d) accompanying individuals to the evaluation for mental health and/or substance abuse services; (e) providing individual or group services, or making referrals to more intensive treatment services offered by the CWD; and (f) facilitating the integration of individuals into the CalWORKs WTW program.

IMPLEMENTATION DATE:

Twenty-seven clinics implemented this program in Fiscal Year (FY) 2001-02. Nine additional clinics implemented in FY 2002-03.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11322.6.
- The Legislature appropriated $1.9 million for mental health and substance abuse services in 36 Indian health clinics.
- Each mental health and substance abuse services clinic receives approximately $53,972.
- There are 31 clinics operating in FY 2010-11.
- There are 36 clinics anticipated to operate in FY 2011-12.

METHODOLOGY:

The estimate is calculated by multiplying the cost per clinic by the number of clinics participating.

FUNDING:

This premise is funded with 100 percent General Fund, which is countable toward the TANF maintenance of effort requirement. These funds will remain with the California Department of Social Services for distribution.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

Mental Health/Substance Abuse Services for Indian Health Clinics

REASON FOR YEAR-TO-YEAR CHANGE:

It is anticipated that all 36 Indian Health Clinics will be participating in the Budget Year.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – CalWORKs Services	Total	Federal	State	County	Reimb.
Substance Abuse/Mental Health Services for Indian Health Clinics	$1,673	$0	$1,673	$0	$0

FY 2011-12

Item 101 – CalWORKs Services	Total	Federal	State	County	Reimb.
Substance Abuse/Mental Health Services for Indian Health Clinics	$1,943	$0	$1,943	$0	$0

American Recovery and Reinvestment Act of 2009 Emergency Contingency Funds Subsidized Employment

DESCRIPTION:

The American Recovery and Reinvestment Act (ARRA) of 2009 was a multi-year, federal economic stimulus program. With respect to programs under the purview of the California Department of Social Services (CDSS), the purposes of the funds are to:

- Preserve and create jobs and promote economic recovery
- Assist those impacted by the recession
- Stabilize state and local government budgets

The ARRA included a provision which provided $5 billion in funding for basic assistance, subsidized employment and non-recurring short term benefits. Temporary Assistance for Needy Families (TANF) Emergency Contingency Funds (ECF) were available in Federal Fiscal Year (FFY) 2009 and FFY 2010 to states with 1) Caseload Increases, 2) Increased Expenditures for Non-Recurrent Short Term Benefits, and/or 3) Increased Expenditures for Subsidized Employment. Through the ECF, a state could be reimbursed for 80 percent of expenditures in FFY 2009 and FFY 2010 that exceeded the state's expenditures in each of these areas in FFY 2007 or FFY 2008, whichever had the lower expenditures in each of these areas. States were eligible for up to 50 percent of the state's TANF block grant over the two-year period. The maximum amount that California was eligible for was $1.8 billion; however, this amount was not guaranteed since ECF was dispersed on a first come first serve basis.

Subsidized employment includes payments to employers or third parties to cover the costs of employee wages, benefits, supervision, and training. In California, both county welfare departments (CWD) and California community colleges (CCC) administer programs that qualify for ECF subsidized employment reimbursement.

KEY DATA/ASSUMPTIONS:

Authorizing statute: Section 403 (c) of the Social Security Act.

<u>ECF-Subsidized Employment</u>

- This premise includes ECF funds for increased subsidized employment only. Separate premise items are included for increased cost in Basic Assistance and Non-Recurrent Short Term Benefits.
- California used FFY 2007 as the base year for ECF subsidized employment.
- FFY 2007 September quarter base expenditures for subsidized employment are $9 million ($6.1 million from CWD expenditures and $2.9 million from CCC work study and job development programs).
- Expenditures for the FFY 2010 September quarter reflect actual expenditures as reported by the county welfare departments and the California Community Colleges (CCC). . The amount is subject to revision based on updated information reported by the counties.

American Recovery and Reinvestment Act of 2009 Emergency Contingency Funds Subsidized Employment

KEY DATA/ASSUMPTIONS (CONTINUED):

- FFY 2010 September quarter expenditures for subsidized employment were approximately $278.2 million ($273.6 million from CWD expenditures and $4.6 million for CCC work study and job development programs).
- The FFY 2007 September base quarter expenditures were compared to the projected September quarter FFY 2010 expenditures.
- ARRA ECF Subsidized Employment funds are only available for expenses incurred through September 30, 2010

Subsidized Employment – Grant Savings/Administrative Savings

- Due to subsidized employment opportunities, some cases are working more resulting in reduced grants and/or case discontinuance. In FY 2010-11, the premise assumes grant savings of approximately $11 million and $115,000 in administrative savings.

Subsidized Employment – Funding

- Pursuant to language included in Assembly Bill (AB) X4 4, Statutes of 2009 Fourth Extraordinary Session, AB 98 activities were suspended through September 30, 2010 and allowed for AB 98 resources to be used to fund the subsidized employment base year costs of the county.
- For FY 2010-11, the counties will receive approximately $3 million to meet subsidized employment base expenditures.

METHODOLOGY:

The subsidized employment ECF included in this premise reflects actual county expenditures reported on the County Expense Claims and expenditures from the CCC.

Of the $215.3 million total amount of subsidized employment ECF, $15 million is used to offset General Fund (GF) dollars above the base Maintenance of Effort requirement that otherwise would have been used to fund the California Work Opportunity and Responsibility to Kids (CalWORKs) program.

FUNDING:

For the Current Year (CY), the ARRA program funds are 100 percent ECF funds. The grant savings are 97.50 percent TANF, and 2.50 percent county. The administrative savings are 100 percent TANF.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The increased savings are reflective of actual expenditures as reported by the counties and CCC.

REASON FOR YEAR-TO-YEAR CHANGE:

ARRA funds are not available in the Budget Year.

American Recovery and Reinvestment Act of 2009 Emergency Contingency Funds Subsidized Employment

EXPENDITURES:

(in 000's)

FY 2010-11

Subsidized Employment (ARRA)	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – TANF ECF	$215,348*	$215,348*	$0	$0	$0
Item 101 – CalWORKs Assistance	-11,268	-10,986	0	282	0
Item 101 – CalWORKs Services	3,009	1,518	1,491	0	0
Item 101 – CalWORKs Administration	-115	-115	0	0	0

FY 2011-12

Subsidized Employment (ARRA)	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – TANF ECF	$0	$0	$0	$0	$0
Item 101 – CalWORKs Assistance	0	0	0	0	0
Item 101 – CalWORKs Services	0	0	0	0	0
Item 101 – CalWORKs Administration	0	0	0	0	0

* $200.3 million ECF will be provided to the counties to reimburse subsidized employment expenditures and the remainder will be used to offset GF in the CalWORKs program.

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American Recovery and Reinvestment Act of 2009 Emergency Contingency Funds Diversion Base

DESCRIPTION:

This premise reflects additional funding to fully meet the diversion base expenditures of the counties. Pursuant to Chapter 4, Statutes of 2009 Fourth Extraordinary Session, Assembly Bill (AB) X4 4 authorized the California Department of Social Services to apply for American Recovery and Reinvestment Act (ARRA) Emergency Contingency Funds (ECF). In addition, the statute requires the state to pay counties for the base year costs of the counties needed to qualify for ECF, not to exceed the amount budgeted for purposes of Section 11322.63 in the Fiscal Year (FY) 2008-09 and the associated grant savings.

KEY DATA/ASSUMPTIONS:

- For Federal Fiscal Year (FFY) 2007, county California Work Opportunity and Responsibility to Kids (CalWORKs) diversion expenditures were $1,585,000 (an average of $396,250 per quarter).
- For the September 2010 quarter of FY 2010-11, the projected CalWORKs diversion expenditures are approximately $93,750.

METHODOLOGY:

The amount of funding required in FY 2010-11 to meet the diversion base expenditures is $303,000 ($396,250 less $93,750).

FUNDING:

This premise is funded with 100 percent General Fund.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There are no funds in the Budget Year due to the expiration of ARRA.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – CalWORKs Services	Total	Federal	State	County	Reimb.
Diversion Base	$303	$0	$303	$0	$0

FY 2011-12

Item 101 – CalWORKs Services	Total	Federal	State	County	Reimb.
Diversion Base	$0	$0	$0	$0	$0

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County Performance Incentives

DESCRIPTION:

This premise reflects the costs to provide fiscal incentive payments to counties for case exits due to employment, grant reductions due to earnings, and the diversion of applicants, as specified by the California Work Opportunity and Responsibility to Kids (CalWORKs) legislation, Assembly Bill (AB) 1542 (Chapter 270, Statutes of 1997), and AB 2876 (Chapter 108, Statutes of 2000). The counties receive an annual performance incentive allocation beginning Fiscal Year (FY) 1997-98, subject to the amounts appropriated in the annual Budget Act. The California Department of Social Services (CDSS) began advancing incentive payments to counties as they were earned, but prior to their expenditure. The incentive allocations to counties are for use in either the federal Temporary Assistance for Needy Families (TANF) program or the CalWORKs program.

In 2001, the United States Department of Health and Human Services advised CDSS that the advancement of performance incentives was inconsistent with the federal Cash Management Improvement Act regulations, and that the unexpended funds must be recouped for redistribution. By June 30, 2002, CDSS had recouped the unspent performance incentive funds from the counties in accordance with the federal Cash Management Improvement Act. In view of the pressures to California's TANF block grant in FY 2002-03 and beyond, CDSS used part of the recoupment to fund the CalWORKs program in FY 2002-03. The remainder of the recouped funding was allocated to the counties in FY 2003-04. Unexpended funds as of June 30, 2007, are reappropriated in the Current Year (CY).

IMPLEMENTATION DATE:

This premise implemented January 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing Statute: Welfare and Institutions Code sections 10544.1 and 10544.2.
- Section 10544.2 provides that incentive funds shall be available for encumbrance and expenditure by counties without regard to fiscal year until all funds are expended. Based on the latest expenditure information reported by the counties, the unexpended performance incentive balance was $2.69 million.

METHODOLOGY:

It is anticipated that the balance available in FY 2010-11 will be $2.69 million. There will be no remaining funds available in FY 2011-12.

FUNDING:

This premise is funded with 100 percent TANF block grant funds.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The 2011 May Revision reflects the current balance based on updated expenditure information from the counties.

REASON FOR YEAR-TO-YEAR CHANGE:

It is projected that there will be no remaining funds available in FY 2011-12.

County Performance Incentives

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – CalWORKs Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
County Performance Incentives	$2,687	$0	$2,687	$0	$0

FY 2011-12

Item 101 – CalWORKs Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
County Performance Incentives	$0	$0	$0	$0	$0

Effect of EDD Wagner-Peyser Reimbursement

DESCRIPTION:

This premise reflects the amount of the Wagner-Peyser funds provided by the state Employment Development Department (EDD) to offset the California Work Opportunity and Responsibility to Kids (CalWORKs) program. As required in Assembly Bill 2580 (Chapter 1025, Statutes of 1985), 50 percent of the available federal Wagner-Peyser funds are directed to provide for job services for CalWORKs Welfare-to-Work program participants.

IMPLEMENTATION DATE:

This is an ongoing premise based on an annual appropriation.

METHODOLOGY:

Funding amounts are identified and provided by EDD.

FUNDING:

EDD receives federal funds for this program and transfers a portion to the California Department of Social Services (CDSS) as a funding source for the CalWORKs program. The availability of these federal funds reduces CDSS' cost of the CalWORKs program.

CHANGE FROM THE MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – CalWORKs Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
Effect of EDD Wagner-Peyser Reimbursement	$2,735	$0	$0	$0	$2,735

FY 2011-12

Item 101 – CalWORKs Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
Effect of EDD Wagner-Peyser Reimbursement	$2,735	$0	$0	$0	$2,735

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Base Veto

DESCRIPTION:

This premise reflects the Governor's veto of $60 million from the CalWORKs' Single Allocation reflected in the 2008 Budget Act.

IMPLEMENTATION DATE:

This premise implemented with the passage of the 2008 Budget Act.

KEY DATA/ASSUMPTIONS:

The State’s current fiscal situation necessitates a $60 million reduction to the CalWORKs' Single Allocation.

METHODOLOGY:

Fiscal Year (FY) 2010-11 and FY 2011-12: Reduction of $60 million to the CalWORKs' Single Allocation.

FUNDING:

The funding is 100 percent Temporary Assistance for Needy Families (TANF).

CHANGE FROM THE MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000’s)

FY 2010-11

Item 101 – CalWORKs Services	Total	Federal	State	County	Reimb.
Base Veto	-$60,000	-$60,000	$0	$0	$0

FY 2011-12

Item 101 – CalWORKs Services	Total	Federal	State	County	Reimb.
Base Veto	-$60,000	-$60,000	$0	$0	$0

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TANF Pass-Through for State Agencies

DESCRIPTION:

This premise reflects the cost to provide Temporary Assistance for Needy Families (TANF) program block grant funds to other state agencies that provide employment and educational services to California Work Opportunity and Responsibility to Kids (CalWORKs) Welfare-to-Work (WTW) program participants.

These state agencies include the California Community Colleges (CCC), the California Department of Education (CDE), and the California Department of Public Health (CDPH).

The purpose of the CCC pass-through is to reimburse CCC for the federal share of costs of educational services provided to participants of the WTW program. The purpose of the CDE pass-through is to reimburse CDE for the federal share of costs of average daily attendance hours, including CalWORKs WTW hours that exceed each school district's cap. The CDPH pass-through is for Community Challenge Grant projects aimed at reducing adolescent and unwed pregnancies, and encouraging father-child involvement by linking community-based organizations, schools, health educators, social service providers, parents, and youth.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1992. Beginning in FY 1997-98, these contracts were funded under TANF rather than Title IV-F funds.

KEY DATA/ASSUMPTIONS:

The contracted amounts of TANF funds provided to these agencies are:

- For FY 2010-11, CCC is $8.39 million, CDE is $9.98 million, and CDPH is $20.00 million.
- For FY 2011-12, CCC is $8.39 million, CDE is $$9.98 million, and CDPH is $0.00 million.

METHODOLOGY:

The California Department of Social Services (CDSS) entered into interagency agreements that specified the amounts of TANF funds to be transferred from CDSS to the contracting departments.

The Community Challenge Grant funding was assumed to be eliminated for FY 2011-12 by the March 2011 Conference Budget.

FUNDING:

This premise is funded with TANF.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year (CY).

The contract amounts for the Budget Year (BY) decreased by $20 million due to the assumed elimination of funding for the Community Challenge Grants.

TANF Pass-Through for State Agencies

REASON FOR YEAR-TO-YEAR CHANGE:

The contract amounts for the Budget Year (BY) decreased by $20 million due to the elimination of funding for the Community Challenge Grants.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – CalWORKs Services	Total	Federal	State	County	Reimb.
TANF Pass-Through for State Agencies	$38,375	$38,375	$0	$0	$0

FY 2011-12

Item 101 – CalWORKs Services	Total	Federal	State	County	Reimb.
TANF Pass-Through for State Agencies	$18,375	$18,375	$0	$0	$0

Cal Learn

DESCRIPTION:

This premise reflects the cost of providing intensive case management, supportive services, and fiscal incentives and disincentives to eligible teen recipients who are pregnant or parenting and participating in the Cal Learn program. The Cal Learn program was authorized by Senate Bill (SB) 35 (Chapter 69, Statutes of 1993) and SB 1078 (Chapter 1252, Statutes of 1993). Assembly Bill 2772 (Chapter 902, Statutes of 1998) changed the status of the Cal Learn program from a five-year federal demonstration project to a permanent program.

The Cal Learn program provides services to encourage teen parents to stay in high school or an equivalent program and earn a diploma. Case management activities must meet the standards and scope of the Adolescent Family Life program. Those standards include case management activities such as arrangement and management of supportive services, development and review of the report card schedule, exemption and deferral recommendations, and recommendations for bonuses and sanctions.

This premise includes the identification of cases, initial informing notices, and referrals to orientation. Also included is the administrative time to process supportive services payments and county mandated activities performed by the county welfare department. Those required activities include the final determination of deferrals, exemptions, bonuses and sanctions, good cause determinations, and activities associated with fair hearings.

Effective March 31, 1999, the federal waivers for the Cal Learn program expired. Without waiver authority, sanctioned Cal Learn teen parents are not Temporary Assistance for Needy Families (TANF) program-eligible. This sanctioned caseload is funded with General Fund (GF).

The Cal Learn program is suspended for FY 2011-12 pursuant to SB 72 (Chapter 8, Statutes of 2011), except for bonuses paid for satisfactory progress and high school graduation.

IMPLEMENTATION DATE:

This premise implemented on April 1, 1994. The Cal Learn suspension implements July 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11331.7.
- The projected average monthly caseload for Cal Learn is 11,545 in Fiscal Year (FY) 2010-11.
- Cal Learn incentives include a $100 bonus per report card period for satisfactory progress and a $500 bonus upon graduation. The disincentive is a $100 sanction per report card period for failure to submit a report card or to make adequate progress.
- The sanctioned caseload (450 in FY 2010-11) represents 3.9 percent of the projected Cal Learn caseload. This is based on the actual sanctioned caseload compared to the total Cal Learn caseload as reported on the monthly Stat 45 Reports from Calendar Year 2010.
- The sanctioned grant cost for the Current Year (CY) is $561 per month. These rates are based on the Maximum Aid Payment (MAP) for an assistance unit (AU) of two.
- Based on the actual Calendar Year 2010 caseload, as reported on the Stat 45 Reports, it is assumed that 5.8 percent of the Cal Learn participants receive the $100 bonus and 1.3 percent receives the $500 bonus.

Cal Learn

KEY DATA/ASSUMPTIONS (CONTINUED):

- The average hourly eligibility worker (EW) cost is $57.57.
- It is assumed the EW requires one hour of administrative time per month for each case.
- The case management cost for the CY is $2,716 per case per year for all activities performed by the case manager. The rate is based on FY 2009-10 case management expenditures divided by the total Cal Learn caseload.
- In the CY it is assumed that 17.8 percent of the total Cal Learn caseload will utilize transportation services at a cost of $39.42 per month per participant. The utilization rate is based on Calendar Year 2010 caseload as reported on the monthly Stat 45 Reports. The cost is based on FY 2009-10 county transportation expenditure claims.
- In the CY it is assumed that 3.0 percent of the total Cal Learn caseload will utilize ancillary services at a cost of $79.88 per month per participant. The utilization rate is based on CY 2010 caseload as reported on the monthly Stat 45 Reports. The cost is based on FY 2009-10 county ancillary expenditure claims.
- Subsidized child care is available for Cal Learn participants attending high school. Please refer to the “CalWORKs Child Care - Stage One Services and Administration” premise for the assumptions and methodology used to develop the estimate.
- The funding for FY 2010-11 for services and administration costs are based on the following key data/assumptions:
    - Automation costs for Cal Learn tracking is approximately $185,650.
    - The Recent Noncitizen Entrants (RNE) caseload of 180 in FY 2010-11 represents 1.6 percent of the projected Cal Learn caseload and is funded with GF.
    - The sanctioned caseload of 450 in FY 2010-11 represents 3.9 percent of the projected Cal Learn caseload and is funded with GF.
- The Cal Learn program is suspended in the Budget Year (BY) with the exception of the bonuses.

METHODOLOGY:

For FY 2010-11, the case management cost was multiplied by the projected Cal Learn caseload to determine the annual cost.

The EW cost of $57.57 per hour was multiplied by the Cal Learn caseload, and then multiplied by 12 months to determine the annual county administration cost.

The transportation cost was determined by multiplying the Cal Learn caseload by the transportation utilization rate of 17.80 percent, multiplied by the transportation cost per case of $39.42, and then multiplied by 12 months to determine the annual cost.

The ancillary service cost was determined by multiplying the Cal Learn caseload by the ancillary utilization rate of 3.00 percent, multiplied by ancillary cost per case of $79.88, and then multiplied by 12 months to determine the annual cost.

Cal Learn

METHODOLOGY (CONTINUED):

The utilization rates for the $100 (5.8 percent) and $500 (1.3 percent) bonuses were each multiplied by the total caseload, then multiplied by 12 to determine the annual costs. The 1.6 percent of bonuses for RNE cases are backed out and displayed in a separate premise. For FY 2011-12, the bonuses are based on the projected caseload of the former Cal Learn teens being served in the CalWORKs program.

The state-only (sanctioned) rate was multiplied by the total caseload to determine the sanctioned caseload, multiplied by the MAP for an AU of two minus $100 to determine the sanctioned grant costs.

FUNDING:

Cal Learn costs are 100 percent TANF, except for grants and services for the sanctioned caseload and the costs associated with the RNE caseload, which are 100 percent GF and are countable toward the TANF maintenance of effort requirement.

CHANGE FROM THE MARCH 2011 CONFERENCE BUDGET:

The decrease in grant bonus is due to the decrease in percentage of those receiving the $100 and $500 bonus along with a decreased Cal Learn caseload.

The decrease in sanction costs is due to a decrease in the projected caseload as well as a slight decrease in the percentage of those individuals being sanctioned.

The CY services and administration costs decrease is related to a decrease in caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The Cal Learn program will be suspended for FY 2011-12, therefore all case management, administration, automation, transportation, ancillary and sanction grant costs have been eliminated.

The BY decrease in bonuses is due to a caseload decrease.

CASELOAD:

The FY 2010-11 average monthly caseload is 11,545.

The FY 2011-12 average monthly caseload is 0.

Cal Learn

EXPENDITURES [1]:

(in 000's)

FY 2010-11

Item 101 – CalWORKs Assistance	Total	Federal	State	County	Reimb.
Cal Learn Bonuses	$1,677	$1,677	$0	$0	$0
Cal Learn Sanctioned Grants	2,489	0	2,489	0	0
Item 101 – CalWORKs Services					
Cal Learn	$40,507	$38,603	$1,904	$0	$0

FY 2011-12

Item 101 – CalWORKs Assistance	Total	Federal	State	County	Reimb.
Cal Learn Bonuses	$1,817	$1,817	$0	$0	$0
Cal Learn Sanctioned Grants	0	0	0	0	0
Item 101 – CalWORKs Services					
Cal Learn	$0	$0	$0	$0	$0

[1] - The recent noncitizen entrant costs are a subset of these expenditures and are displayed in the "Recent Noncitizen Entrants" premise.

TANF/CalWORKs Administrative Costs – Basic

DESCRIPTION:

This premise reflects the administrative costs for the Temporary Assistance for Needy Families (TANF)/California Work Opportunity and Responsibility to Kids (CalWORKs) program. The basic costs include the costs for general administration, coordination and overhead for the programs such as the salaries and benefits of staff performing activities related to eligibility determination, preparation of budgets, monitoring programs, fraud units, services related to accounting, litigation, payroll and personnel, and costs for the goods and services required for the administration of the program such as supplies, equipment, utilities, and rental and maintenance of office space.

Historically, the budget for county administration was based on counties' administrative budget requests made through a Proposed County Administrative Budget (PCAB) process, modified by a cost containment system consistent with Welfare and Institutions Code (W&IC) section 14154. Beginning with Fiscal Year (FY) 2001-02, the PCAB process was suspended and the last PCAB process, FY 2000-01, established the base from which future year costs are established. Adjustments for caseload changes and other factors are made during each subvention process.

IMPLEMENTATION DATE:

This premise implemented on January 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 14154.
- The CalWORKs caseload is projected to increase by 6.07 percent in FY 2010-11 and 1.18 percent in FY 2011-12.
- The CalWORKs Administrative base funding is projected to be $772.6 million in FY 2010-11 and $819.5 million in FY 2011-12.
- For FY 2010-11 and FY 2011-12, staff development costs are projected to be $11.8 million based on actual expenditures in FY 2009-10.
- Statewide Automated Welfare System (SAWS) development and testing interface costs are $129,000.
- Administrative costs related to the Merced Automated Global Information Control (MAGIC) automation system are $272,000.
- Electronic Benefit Transfer (EBT) savings is $10.6 million.
- Homeless Assistance costs are projected to be approximately $47,000 in FY 2010-11 and FY 2011-12.
- Time limit savings are $27.4 million in FY 2010-11 and $27.1 million in FY 2011-12.
- Legacy Systems savings are $12.1 million.
- Contract costs are $4.1 million.
- For FY 2010-11 and FY 2011-12, $6.0 million of the CalWORKs Administrative Basic expenditures are for Recent Noncitizen Entrants (RNE). Of the $6.0 million, $3.0 million reflects the federally eligible recipients in mixed households.

TANF/CalWORKs Administrative Costs – Basic

METHODOLOGY:

The basic funding for FY 2010-11 and FY 2011-12 is adjusted to reflect the projected change in caseload, staff development expenditures, savings for EBT, Homeless Assistance, time limits, Legacy Systems, the MAGIC system, the SAWS development and testing, and contract costs. Funds for TANF ineligible RNEs were subtracted and shifted to the RNE premise. (For more information see separate RNE premise.)

FUNDING:

For FY 2010-11 and FY 2011-12, the costs for RNE families are 100 percent General Fund (GF).

For FY 2010-11 and FY 2011-12, contract costs are 100 percent TANF.

For FY 2010-11 and FY 2011-12, all other costs are 94.34 percent TANF and 5.66 percent state Maintenance of Effort (MOE). Due to a federal audit exception, TANF hardship cases will be funded with MOE instead of TANF funds effective September 1, 2009.

The GF is countable toward the state's MOE.

Note: W&IC section 15204.4 requires an MOE from the counties based on expenditures during FY 1996-97. Please reference the "County MOE Adjustment" premise.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The increase in the Current Year (CY) and Budget Year (BY) is due to projected caseload growth.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase from CY to BY is due to projected caseload growth.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – CalWORKs Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
TANF/CalWORKs Administrative Costs – Basic	$781,989	$734,788	$47,201	$0	$0

FY 2011-12

Item 101 – CalWORKs Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
TANF/CalWORKs Administrative Costs – Basic	$792,475	$744,642	$47,833	$0	$0

Restore California Work Opportunity and Responsibility to Kids (CalWORKs) Administration Costs

DESCRIPTION:

This premise reflects the restoration of $140 million for county CalWORKs administration pursuant to Assembly Bill 1801, (Chapter 47, Statutes of 2006) which restores funding to the actual Fiscal Year (FY) 2005-06 spending level. The counties will utilize these funds consistent with single allocation spending.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2006.

KEY DATA/ASSUMPTIONS:

The county CalWORKs single allocation will be increased by $140 million in Temporary Assistance for Needy Families (TANF) funds.

METHODOLOGY:

The funding for CalWORKs Administration will be increased by $140 million to restore funding to the actual FY 2005-06 spending level.

FUNDING:

The funds are 100 percent TANF.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – CalWORKs Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
Restore CalWORKs Administration Costs	$140,000	$140,000	$0	$0	$0

FY 2011-12

Item 101 – CalWORKs Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
Restore CalWORKs Administration Costs	$140,000	$140,000	$0	$0	$0

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Work Verification

DESCRIPTION:

This premise provides an ongoing allocation to counties to comply with enhanced documentation and verification of work participation data mandated by the federal Deficit Reduction Act (DRA) of 2005. One of the key goals of the DRA is to improve work participation information for the Temporary Assistance for Needy Families (TANF) program through the uniform and consistent collection of data. The DRA also requires improved verification and oversight of work participation. Each state is required to establish and maintain work verification procedures and internal controls to ensure compliance with the procedures. The verification and oversight procedures are described in California's federally-approved Work Verification Plan (WVP), which explains procedures for:

- Determining whether activities may be counted as work activities
- Counting and verifying reported hours of work
- Determining who is a work-eligible individual
- Establishing internal controls to ensure compliance with the procedures

The WVP requires counties to document and verify all reported hours of participation, as well as hours that are counted as excused absences. Counties must also document and verify disability and school attendance, if applicable. In addition to increasing verification requirements, the DRA requires California to collect, document, and verify participation data on individuals that were previously excluded from federal reporting requirements in the calculation of participation rates. These changes pose a significant additional workload for county staff.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2008.

KEY DATA/ASSUMPTIONS:

- The Current Year (CY) and the Budget Year (BY) funding have been held to the Budget Act of 2009 Appropriation.
- Funding may be used by counties to hire additional staff, retrain existing staff, and/or pay for staffs' additional workload to document and verify work participation required by federal law. Clearly documenting and verifying an individual's participation will enhance California's ability to meet the federal work participation rates and avoid penalties associated with inadequate documentation and verification of the data used in calculating the rates.
- Based on information from the County Welfare Directors Association of California, 80 percent of cases have pay stubs that fulfill work verification requirements (documented hours for which the individual was paid); 20 percent of cases will require additional documentation by the county.
- It is assumed that 100 percent of the cases that participate through non-work activities will require additional documentation by the county.
- Per Q5 data, 41.6 percent of the total pre-60 month cases that are subject to work participation (including sanction cases) are participating at some level.

Work Verification

KEY DATA/ASSUMPTIONS (CONTINUED):

- Of the cases that participate at some level, 56 percent participate either partially or fully through work activities. 44 percent fully participate through non-work activities.
- Per Q5 survey data, 26 percent of the Safety Net caseload is projected to participate either partially or fully through work activities. Five percent are projected to fully participate through non-work activities.
- The average hourly eligibility worker (EW) cost is $57.57. It is assumed that it will take ten minutes ($9.60) of administrative time per month to verify participation for cases that participate through work, and 15 minutes ($14.39) of administrative time per month for cases that participate through non-work activities.

METHODOLOGY:

The CY and BY funding have been held to the Budget Act of 2010 Appropriation.

The pre-60 month cases that are subject to work participation requirements are multiplied by 41.6 percent to determine the number of cases that are participating at some level. The participants are multiplied by 56 percent to determine the number of cases that will participate through work activities and multiplied by 44 percent to determine the cases that will participate in non-work activities.

- Of the cases that participate through work activities, 80 percent have pay stubs and do not require work verification, the remaining 20 percent will require work verification at a cost of $1.5 million (10 minutes per case).
- The cases that participate in non work activities will require work verification at a cost of $8.7 million (15 minutes per case).

The Safety Net cases that will participate through work activities will require work verification at a cost of $1.6 million (ten minutes per case).

The Safety Net cases that participate in non-work activities will require work verification at a cost of $0.5 million (15 minutes per case).

FUNDING:

This premise is 100 percent TANF for TANF eligible cases. Safety Net cases are 100 percent General Fund.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Work Verification

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – CalWORKs Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
Work Verification	$12,240	$8,336	$3,904	$0	$0

FY 2011-12

Item 101 – CalWORKs Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
Work Verification	$12,240	$8,336	$3,904	$0	$0

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Be Vu v. Mitchell

DESCRIPTION:

This premise reflects the local assistance costs associated with complying with the terms of the settlement agreement in the *Be Vu v. Mitchell* court case.

As a result of the settlement of this court case, the CalFresh Program (CFP) forms and joint CFP/California Work Opportunity and Responsibility to Kids (CalWORKs) forms must be translated into eight additional languages. The settlement agreement specifies that in addition to Chinese, Russian, Spanish, and Vietnamese; the California Department of Social Services will translate CFP forms and forms jointly used with the CalWORKs program into Arabic, Armenian, Cambodian, Farsi, Hmong, Korean, Lao, and Tagalog. In compliance with Be Vu, the following additional eight languages will now require translation: Cushite, Formosan, Japanese, Mien, Punjabi, Portuguese, Syriac, and Ukrainian.

IMPLEMENTATION DATE:

The premise implemented with the settlement agreement effective December 4, 2006.

KEY DATA/ASSUMPTIONS:

- Federal Supplemental Nutritional Assistance Program Regulations Title 7, Code of Federal Regulations sections 272.4 (b)(2)(i), (ii), and (iii).
- The amount for CalWORKs Administration and CFP Administration in Fiscal Year (FY) 2010-11 was held to the Budget Act of 2010 Appropriation.
- Automation reprogramming is not scheduled for the final eight languages; therefore, additional staff time is necessary for form translation.
- For FY 2011-12, it is assumed the base cost for CalWORKs is $71,987 and the base cost for the CFP is $81,697, based on actual caseload growth in FY 2009-10 and projected growth for FY 2010-11.
- It is assumed the CalWORKs caseload will increase by 1.2 percent in FY 2011-12.
- It is assumed the CFP caseload will increase by 18.4 percent in FY 2011-12.

METHODOLOGY:

The funding for CalWORKs Administration in FY 2010-11 has been held to the Budget Act of 2010 Appropriation.

Total costs associated with the manual completion of the translated forms are calculated by multiplying the base cost by the caseload increase and adding the growth to the base cost.

FY 2011-12

CalWORKs: (Base cost X caseload growth)

($71,987 X 1.2%) + $71,987 = $72,851

CalFresh: (Base cost X caseload growth)

($81,697 X 18.4%) + $81,697 = $96,729

Be Vu v. Mitchell

FUNDING:

The CalWORKs share is funded with 94.34 percent federal Temporary Assistance for Needy Families (TANF) and 5.66 percent General Fund (GF) Maintenance of Effort (MOE). The CFP share is funded 50 percent federal Food and Nutrition Services (FNS) funds, 35 percent GF, and 15 percent county.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The change in the Budget Year (BY) is due to increase in projected caseload growth from March 2011 conference.

REASON FOR YEAR-TO YEAR CHANGE:

The increase in CalWORKs Administration and CalFresh Administration in the BY is due to projected caseload growth.

EXPENDITURES:

(in 000's)

FY 2010-11

Be Vu v. Mitchell	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – CalWORKs Administration	$91	$90	$1	$0	$0
Item 141 – CalFresh Administration	91	45	32	14	0

FY 2011-12

Be Vu v. Mitchell	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – CalWORKs Administration	$73	$69	$4	$0	$0
Item 141 – CalFresh Administration	97	49	34	14	0

Fraud Recovery Incentives

DESCRIPTION:

This premise reflects the incentive payments made annually to counties for the detection of fraud. Assembly Bill (AB) 1542 (Chapter 270, Statutes of 1997) provided that each county shall receive 25 percent of the actual share of savings, including federal funds under the Temporary Assistance for Needy Families (TANF) block grant, that results from the detection of fraud. This statute, amended by AB 444 (Chapter 1022, Statutes of 2002), now provides that each county shall receive 12.5 percent of the actual amount of aid repaid or recovered by a county resulting from the detection of fraud. These savings/recoveries have been defined as the amounts collected on client-caused (non-administrative error) overpayments. County incentives paid with TANF monies must be used for purposes prescribed under the federal Personal Responsibility and Work Opportunity Act of 1996 (Public Law 104-193).

IMPLEMENTATION DATE:

This premise implemented on January 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11486(j).
- Based on the FNS 209 Status of Claims Against Households for Fiscal Year (FY) 2009-10, client-caused overpayments represent a statewide average of 62.2 percent of all collections for the Current Year (CY) and the Budget Year (BY).
- The total overpayment collections for FY 2009-10 were $58.0 million, which are used to calculate the CY collections.
- The total estimated overpayment collections for FY 2010-11 are $55.5 million, which are used to calculate the BY collections.
- Based on the amount of overpayment collections, incentive payments are made annually to the counties in arrears.
- Effective with the passage of AB 444, the counties receive 12.5 percent of the savings due to client-caused overpayments.
- Overpayments are assumed to be funded 97.5 percent TANF/maintenance of effort and 2.5 percent county.

METHODOLOGY:

The county incentive payment is the product of the total collections multiplied by the TANF share of collections (97.5 percent), multiplied by the percentage of client-caused errors (62.2 percent), and multiplied by the county incentive (12.5 percent).

FUNDING:

The costs are 100 percent TANF.

Fraud Recovery Incentives

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the CY. The change in the BY is due to lower collections reported in FY 2010-11 than previously projected.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease is associated with an overall decreasing trend in overpayment collections over the last three years.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – CalWORKs Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
Fraud Recovery Incentives	$4,399	$4,399	$0	$0	$0

FY 2011-12

Item 101 – CalWORKs Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
Fraud Recovery Incentives	$4,207	$4,207	$0	$0	$0

TANF and NACF Programs – PA to NA Fund Shift

DESCRIPTION:

This premise reflects an allocation of costs to CalFresh (CF) administration for CF recipients receiving California Work Opportunity and Responsibility to Kids (CalWORKs) benefits. Eligibility and ongoing costs for CF recipients that receive CalWORKs are charged as CalWORKs administrative costs. The federal share of administrative costs for CF activities for Temporary Assistance for Needy Families (TANF) program cases is funded by the United States Department of Agriculture, Food and Nutrition Service (USDA-FNS).

The federal Department of Health and Human Services Division of Cost Allocation directed the California Department of Social Services to distribute costs for the eligibility determination activity among the benefiting programs.

IMPLEMENTATION DATE:

This premise implemented in March of 1984.

KEY DATA/ASSUMPTIONS:

- The budgeted amount for Fiscal Year (FY) 2010-11 is held to the Budget Act of 2010 Appropriation.
- In FY 2009-10, the continuing administrative costs were approximately $147.8 million.
- Based on prior year expenditures, CalWORKs eligibility expenditures increased at approximately 31.85 percent of the actual caseload increase. The CalWORKs caseload is projected to increase by 6.1 percent in FY 2010-11. Assuming expenditures continue to increase at 31.85 percent caseload of the projected caseload growth, the CalWORKs eligibility expenditures are projected to increase by 1.93 percent in FY 2010-11.
- The CalWORKs caseload is projected to increase by 1.2 percent in FY 2011-12. Assuming expenditures continue to increase at 31.85 of the projected caseload growth, the CalWORKs eligibility expenditures are projected to increase by approximately 0.37 percent in FY 2011-12.
- It is assumed that continuing administrative costs increase at the same rate as total eligibility costs, and the estimated continuing administrative costs shall serve as base for determining the next year's projected continuing administrative costs.
- It is assumed that the common cost total will be approximately $63.5 million in FY 2010-11 and $63.7 million in FY 2011-12 (please refer to Medi-Cal Services Eligibility premise for more information).
- The eligibility worker common intake administrative costs are divided equally among CalWORKs, Public Assistance CalFresh (PACF), and Medi-Cal.

TANF and NACF Programs – PA to NA Fund Shift

METHODOLOGY:

The budgeted amount for Fiscal Year (FY) 2010-11 is held to the Appropriation.

The Public Assistance (PA) to Non Assistance (NA) fund shift is calculated as follows:

- The projected continuing activity cost is calculated by multiplying the base continuing activity cost by the projected expenditure increase.

  ($147.8 million x 1.93 percent + $147.8 million = $150.6 million for FY 2010-11)
  ($150.6 million x 0.37 percent + $150.6 million = $151.2 million for FY 2011-12)

- The total PA to NA fund shift is calculated by adding the anticipated continuing case activity costs and the common intake costs.

  ($151.2 million + $63.7 million = $214.9 million total PA to NA fund shift for FY 2011-12)

FUNDING:

Non-Assistance CalFresh (NACF) costs are shared 50 percent federal funds (USDA-FNS), 35 percent General Fund, and 15 percent county funds. The CalWORKs costs shifted are 100 percent federal funds.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

For the Current Year (CY), there is no change. The change in the Budget Year (BY) is due to a projected caseload increase, resulting in higher costs than previously estimated.

REASON FOR YEAR-TO-YEAR CHANGE:

The CY was held to the Budget Act of 2010 Appropriation. The change in the BY reflects the updated estimate, resulting in a decrease of costs shifted compared to the Budget Act of 2010 Appropriation.

EXPENDITURES:

(in 000's)

			FY 2010-11		
PA to NA Fund Shift	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – CalWORKs Administration TANF	-$236,524	-$236,524	$0	$0	$0
Item 141 – CalFresh Administration	236,524	118,262	82,783	35,479	0

			FY 2011-12		
PA to NA Fund Shift	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – CalWORKs Administration TANF	-$214,940	-$214,940	$0	$0	$0
Item 141 – CalFresh Administration	214,940	107,470	75,229	32,241	0

Medi-Cal Services Eligibility/Common Costs

DESCRIPTION:

This premise reflects the savings associated with shifting eligibility costs from the California Work Opportunity and Responsibility to Kids (CalWORKs) program to the Medi-Cal program. The Medi-Cal Services Eligibility program was authorized by Welfare and Institutions Code section 14154, which mandates the California Department of Social Services to instruct counties to modify the eligibility determination process so that eligibility for Medi-Cal is determined prior to eligibility for the Temporary Assistance for Needy Families (TANF) program.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1998.

KEY DATA/ASSUMPTIONS:

- In Fiscal Year (FY) 2009-10, the total CalWORKs eligibility expenditures were approximately $597.3 million.
- Based on prior year expenditures, CalWORKs eligibility expenditures increased at approximately 31.85 percent of the actual caseload increase. The CalWORKs caseload is projected to increase by 6.1 percent in FY 2010-11. Assuming expenditures continue to increase at 31.85 percent caseload of the projected caseload growth, the CalWORKs eligibility expenditures are projected to increase by 1.93 percent in FY 2010-11.
- The CalWORKs caseload is projected to increase by 1.2 percent in FY 2011-12. Assuming expenditures continue to increase at 31.85 of the projected caseload growth, the CalWORKs eligibility expenditures are projected to increase by approximately 0.37 percent in FY 2011-12.
- It is assumed that the total estimated CalWORKs eligibility expenditures in FY 2010-11 shall serve as base for determining the FY 2011-12 total eligibility expenditures.
- In FY 2009-10, the Medi-Cal common costs were approximately $62.3 million, which represents approximately 10.43 percent of the $597.3 million total CalWORKs eligibility expenditures. It is assumed that the Medi-Cal common costs will continue to represent the same proportion of total eligibility expenditures in FY 2010-11 and FY 2011-12.

METHODOLOGY:

For FY 2010-11, the Medi-Cal Services Eligibility/Common Costs are calculated as follows:

- Determine the projected CalWORKs eligibility expenditures in FY 2010-11 by multiplying the base expenditure amount of $597.3 million from FY 2009-10 by the percentage of expenditure increase projected for FY 2010-11.

  ($597.3 million x 1.93 percent + $597.3 = $608.8 million)

- Assuming the Medi-Cal common costs represent 10.43 percent of the total CalWORKs eligibility expenditures, the FY 2010-11 Medi-Cal common cost expenditures are calculated by multiplying the total projected CalWORKs eligibility expenditures for FY 2010-11 by 10.43 percent.

  ($608.8 million x 10.43 percent = $63.5 million)

Medi-Cal Services Eligibility/Common Costs

METHODOLOGY (CONTINUED):

- For FY 2011-12, the Medi-Cal Services Eligibility/Common Costs are calculated as follows:
- Determine the total projected CalWORKs eligibility expenditures for FY 2011-12 by multiplying the FY 2010-11 expenditures by the percentage of projected expenditure increase for
- FY 2011-12.
  ($608.8 million x 0.37 percent + $608.8 million = approximately $611.0 million)
- Assuming the Medi-Cal common costs represent 10.43 percent of the total CalWORKs eligibility expenditures, the FY 2011-12 Medi-Cal common cost expenditures are calculated by multiplying the total projected CalWORKs eligibility expenditures for FY 2011-12 by 10.43 percent.
- ($611.0 million x 10.43 percent = $63.7 million)

FUNDING:

The funds are 100 percent TANF.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The Current Year actual base Medi-Cal Common costs expenditures are higher than previously projected. The Budget Year (BY) change is due to a projected growth in caseload, resulting in an anticipated increase in common cost expenditures in relation to the total CalWORKs expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

The change in the BY is due a projected growth in caseload, resulting in an anticipated increase in common cost expenditures in relation to the total CalWORKs expenditures.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – CalWORKs Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
Medi-Cal Services Eligibility/Common Costs	-$63,494	-$63,494	$0	$0	$0

FY 2011-12

Item 101 – CalWORKs Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
Medi-Cal Services Eligibility/Common Costs	-$63,732	-$63,732	$0	$0	$0

CalWORKs Administrative Cap Adjustment

DESCRIPTION:

This premise reflects an adjustment to ensure California does not exceed the 15 percent administrative cap required under the Temporary Assistance for Needy Families (TANF) program. Under TANF, states may not spend more than 15 percent of either their federal TANF funds or state maintenance of effort (MOE) dollars on administrative costs. Administrative costs are defined as costs necessary for the proper administration of the TANF or separate state programs. Expenditures in excess of the 15 percent federal cap are considered a misuse of funds which may result in a reduction of federal TANF funds.

IMPLEMENTATION DATE:

This premise implemented October 1, 1999.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Title 45, Code of Federal Regulations, sections 263.0 and 263.13.
- The administrative cap is applied on a statewide basis rather than county specific.
- Administrative activities include, but are not limited to, eligibility determinations, administrative costs incurred by contractors, automation costs not related to tracking and monitoring of TANF requirements, preparation of program plans, procurement, property management, and costs of fraud and abuse units.

METHODOLOGY:

Actual state and federal administrative expenditures from the first three quarters of Federal Fiscal Year (FFY) 2010 were added to a projected final quarter and then compared to the net annual TANF grant and the required state MOE for FFY 2010.

Administrative expenditures were adjusted between federal TANF (8.95 percent) and state MOE (8.66 percent) until the administrative cost percentages were at the lowest common rate.

FUNDING:

The administrative cap adjustment consists of a shift from federal funds to the General Fund (GF) or GF to federal funds, whichever is necessary to keep the percentages at the lowest common rate.

CHANGE FROM THE MARCH 2011 CONFERENCE:

Administrative expenditures claimed by the counties in FFY 2010 were higher than originally anticipated.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

CalWORKs Administrative Cap Adjustment

EXPENDITURES:

(in 000's)

FY 2010-11					
Item 101 – CalWORKs Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
Administrative Cap Adjustment	$0	-$169,500	$169,500	$0	$0

FY 2011-12					
Item 101 – CalWORKs Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
Administrative Cap Adjustment	$0	-$169,500	$169,500	$0	$0

Court Cases

DESCRIPTION:

This premise reflects settlement costs and attorney fees relating to the Temporary Assistance for Needy Families (TANF), Foster Care (FC), CalFresh, and Adoption Assistance Program (AAP). The costs result from the settlement of lawsuits related to local assistance in accordance with Budget Letter 98-22, and instructions from the Department of Finance.

KEY DATA/ASSUMPTIONS:

Item 101 – TANF Administration

- A total of $605,177 is budgeted in Fiscal Year (FY) 2010-11 for attorney fees and settlement costs associated with small court cases expected to be resolved in the Current Year (CY).
- A total of $645,000 is budgeted in FY 2011-12 for attorney fees and settlement costs associated with small court cases expected to be resolved in the Budget Year (BY).

Item 141 – FC, AAP, and CalFresh Administration

- A total of $5,630,000 is budgeted in FY 2010-11 for attorney fees and settlement costs associated with small court cases expected to be resolved in the Current Year (CY).
- A total of $3,106,000 is budgeted in FY 2011-12 for attorney fees and settlement costs associated with small court cases expected to be resolved in the Budget Year (BY).

METHODOLOGY:

Item 101 – TANF Administration

The estimate is based on actual and projected attorney fees, settlement costs, and miscellaneous writs to be paid in FY 2010-11 and FY 2011-12.

Item 141 – FC, AAP, and CalFresh Administration

The estimate is based on actual and projected attorney fees, settlement costs, and miscellaneous writs to be paid in FY 2010-11 and FY 2011-12.

FUNDING:

Item 101 –TANF Administration

The funding is 100 percent TANF.

Item 141 – FC, AAP, and CalFresh Administration

Attorney fees associated with federally-eligible cases are shared 50 percent federal and 50 percent General Fund (GF). Attorney fees associated with nonfederally-eligible cases are funded 100 percent GF. Court settlement costs are shared at the same ratios as the respective programs (i.e. AAP and Aid to Families with Dependent Children-Foster Care [AFDC-FC]).

Court Cases

CHANGE FROM THE MARCH 2011 CONFERENCE BUDGET:

The change in the CY TANF administration is a result of decreased court case costs. The increase in the BY is a result of increased court case costs.

The change in FC, AAP, and CalFresh is due to decreased costs of cases that are expected to settle.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in the BY TANF administration court case costs is due to increased costs associated with a court case from FC to TANF.

The decrease in the BY FC, AAP, and CalFresh court costs is due to decreased costs of cases that are expected to settle in the BY.

EXPENDITURES:

(in 000's)

FY 2010-11

Court Cases	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – CalWORKs TANF Administration	$605	$605	$0	$0	$0
Item 141 – FC, AAP, and CalFresh Administration	5,630	2,815	2,815	0	0

FY 2011-12

Court Cases	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – CalWORKs TANF Administration	$645	$645	$0	$0	$0
Item 141 – FC, AAP, and CalFresh Administration	3,106	1,553	1,553	0	0

State/County Peer Reviews

DESCRIPTION:

This premise reflects the costs associated with the provisions in Assembly Bill (AB) 1808 that require the California Department of Social Services (CDSS) to conduct a pilot of State/County Peer Reviews in Fiscal Year (FY) 2006-07 with statewide implementation by July 1, 2007. CDSS staff and staff from two county welfare departments (CWDs) will visit other CWDs to review their California Work Opportunity and Responsibility to Kids (CalWORKs) program policies, procedures, and data to improve performance outcomes. The primary purpose of these collaborative visits is to identify and share best practices between the CWDs and provide an opportunity for the identification of potential obstacles that may prevent CWDs from achieving the outcomes required by federal law. Since the Peer Reviews are mandatory under AB 1808, it is necessary to provide CWDs with appropriate funding to participate in these visits. This premise reflects the costs associated with backfilling, travel, and per diem costs for the participating county staff.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10533.
- Funding for this premise was suspended for FY 2010-11.
- Senate Bill (SB) 72 (Chapter 8, Statutes of 2011) suspended the program for FY 2011-12.
- The program is scheduled to be implemented no later than July 1, 2014.

METHODOLOGY:

The program is suspended for FY 2010-11, FY 2011-12.

FUNDING:

This premise is funded with 100 percent Temporary Assistance for Needy Families funds.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

State/County Peer Reviews

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – CalWORKs Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
State/County Peer Reviews	$0	$0	$0	$0	$0

FY 2011-12

Item 101 – CalWORKs Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
State/County Peer Reviews	$0	$0	$0	$0	$0

Research and Evaluation

DESCRIPTION:

This premise reflects the costs to develop a research design to ensure a thorough evaluation of the direct and indirect effects of the California Work Opportunity and Responsibility to Kids (CalWORKs) program. Research and evaluation of the CalWORKs program was authorized by Welfare and Institutions (W&I) Code sections 11520 through 11521.7. The statute specifies that an independent evaluator or evaluators shall conduct the statewide evaluation and that the outcomes derived from these evaluations will be provided through discrete reports issued at regular intervals and will include information regarding process, impacts, and analyses of the costs and benefits of the CalWORKs program.

In addition, the statute specifies that the California Department of Social Services will ensure that county demonstration projects and other innovative county approaches to the CalWORKs program implementation are rigorously evaluated and that the findings are reported to the Legislature in a timely fashion. The evaluation of a county-specific program shall be developed in conjunction with the county and other appropriate agencies responsible for the local program.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1997.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&I Code sections 11520 through 11521.7.
- Assembly Bill 1542 (Chapter 270, Statutes of 1997) mandated the evaluation of the CalWORKs program and county demonstration projects.

METHODOLOGY:

The funding in Fiscal Year (FY) 2010-11 and FY 2011-12 has been held to the 2010 Budget Act Appropriation level.

FUNDING:

This premise is funded with 100 percent Temporary Assistance for Needy Families funds.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Research and Evaluation

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 101 – CalWORKs Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
Research and Evaluation	$4,000	$4,000	$0	$0	$0

			FY 2011-12		
Item 101 – CalWORKs Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
Research and Evaluation	$4,000	$4,000	$0	$0	$0

County Maintenance of Effort Adjustment

DESCRIPTION:

This premise reflects the costs counties are required to expend from their general funds or from the social services account of the County Health and Welfare Trust Fund to support the administration of programs providing services to needy families, and the administration of food stamps. Welfare and Institutions Code (W&IC) section 15204.4 authorized the county maintenance of effort (MOE).

IMPLEMENTATION DATE:

This premise implemented on July 1, 1997.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 15204.4.
- The individual county requirement for spending is equal to that amount which was expended by the county for comparative activities during Fiscal Year (FY) 1996-97. Failure to meet this required level will result in a proportionate reduction in funds provided as part of the California Work Opportunity and Responsibility to Kids (CalWORKs) program single allocation.
- Actual county expenditures in FY 1996-97 were $140,540,757. This amount represents the ongoing county MOE requirement. In FY 1996-97, county expenditures were made in the following programs: Temporary Assistance for Needy Families (TANF); Non-Assistance CalFresh; Greater Avenues for Independence (GAIN); Cal Learn, Health & Safety (for child care); Transitional Child Care Administration; and Non-GAIN Education & Training program.
- It is assumed that counties will meet 100 percent of MOE with CalFresh Administration cost in FY 2010-11 and FY 2011-12. Therefore, the counties will not be required to spend any funds in the CalWORKs program.

FUNDING:

This is a shift from federal to county funds.

CHANGE FROM THE 2011 MARCH CONFERENCE:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

County Maintenance of Effort Adjustment

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – CalWORKs Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
County Maintenance of Effort Adjustment	$0	$0	$0	$0	$0

FY 2011-12

Item 101 – CalWORKs Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
County Maintenance of Effort Adjustment	$0	$0	$0	$0	$0

CalWORKs Reductions – Mailing/Notifications

DESCRIPTION:

This premise reflects the cost to notify California Work Opportunity and Responsibility to Kids (CalWORKs) recipients of the CalWORKs reduction proposals enacted by Senate Bill (SB) 72 (Chapter 8, Statutes of 2011). This premise also reflects the cost to notify CalWORKs recipients who are receiving Stage One Child Care of reductions in the Stage One Child Care programs administered by the California Department of Social Services and changes to other subsidized child care programs administered by California Department of Education pursuant to SB 70 (Chapter 7, Statues of 2011).

IMPLEMENTATION DATE:

This premise implemented on March 24, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code 11454.2.
- A general notification will be provided to all CalWORKs recipients in Fiscal Year (FY) 2010-11 to inform them of the CalWORKs reductions.
- A separate notification will be provided to all recipients in FY 2010-11 that are impacted by the reductions to Stage One Child Care and other subsidized child care programs.

METHODOLOGY:

The total cost of the mailers is estimated to be $571,000 for FY 2010-11.

FUNDING:

The funding is 94.34 percent Temporary Assistance for Needy Families and 5.66 General Fund.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a Current Year only item.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 101 – CalWORKs Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
Reduction - Mailing/Notifications	$571	$539	$32	$0	$0

			FY 2011-12		
Item 101 – CalWORKs Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
Reduction – Mailing/Notifications	$0	$0	$0	$0	$0

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CalWORKs Reduction - Time Limit Reviews

DESCRIPTION:

This premise reflects funding needed for county staff to identify cases subject to the passage of Senate Bill (SB) 72 (Chapter 8, Statutes of 2011) for the California Work Opportunity and Responsibility to Kids (CalWORKs) reduction proposal to implement Incremental Grant Reductions to Child-Only cases after 60, 72, and 84 months of receipt of aid. The county worker will identify cases that will be subject to the reductions.

IMPLEMENTATION DATE:

This premise implemented on March 24, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11450.025(c).
- The Safety Net/Child-Only Grant Reduction premise assumes an implementation date of July 1, 2011.
- With the exception of the Child-Only cases (undocumented, drug/fleeing felon, and non-needy caretakers), the present automated system is able to track cases subject to the time limit.
- The Child-Only cases will require a manual review to identify cases that will be subject to this policy (approximately ten minutes of county worker time to complete).
- It is assumed the hourly cost for a county Eligibility Worker is $57.57 ($9.59 for 10 minutes).
- Approximately 164,400 Child-Only cases will require a manual review.

METHODOLOGY:

The administrative costs are calculated by multiplying the number of cases by the county worker cost Fiscal Year (FY) 2010-11: 164,400 x $9.59 = $1.58 million).

FUNDING:

The funding is 94.34 percent Temporary Assistance for Needy Families and 5.66 percent General Fund.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The caseload projection in the Current Year increased from the March 2011 Conference Budget to accurately reflect the cases impacted by this policy.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a Current Year only item.

CalWORKs Reduction - Time Limit Reviews

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – CalWORKs Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
Reduction – Time Limit Reviews	$1,577	$1,487	$90	$0	$0

FY 2011-12

Item 101 – CalWORKs Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
Reduction – Time Limit Reviews	$0	$0	$0	$0	$0

CalWORKs Child Care - Stage One Services and Administration

DESCRIPTION:

This premise reflects the cost for Stage One Child Care to the California Work Opportunity and Responsibility to Kids (CalWORKs) program families who are working or participating in work activities while on aid, former CalWORKs recipients who are unable to transfer to Stage Two due to the lack of available slots, and eligible teen parents participating in the Cal Learn program. Child care services are available to CalWORKs families with children under 13 years of age.

Assembly Bill (AB) 1542 (Chapter 270, Statutes of 1997) authorized CalWORKs Stage One Child Care. Child care services for Cal Learn participants were authorized by Senate Bill (SB) 35 (Chapter 69, Statutes of 1993) and SB 1078 (Chapter 1252, Statutes of 1993).

The CalWORKs Child Care program is administered in three stages. Stage One is administered by the California Department of Social Services (CDSS). Stage Two is administered by the California Department of Education (CDE), and serves individuals determined to be in a more stable situation, either working or participating in work activities while on aid, and participants transitioning off of aid. Stage Three is also administered by CDE and serves participants who have been off of aid for two years.

As a result of the Temporary Assistance for Needy Families (TANF) Reauthorization, two-parent families will no longer be funded with Maintenance of Effort (MOE) for CalWORKs Grants, Services, and Administration. However, CalWORKs child care for two-parent families will continue to be funded with General Fund (GF) as these families must work or participate a minimum of 55 hours per week in welfare-to-work activities to be eligible for federally funded child care.

IMPLEMENTATION DATE:

This premise implemented on January 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Education Code sections 8350, 8351, 8352 and Welfare and Institutions Code section 11331.7.
- The cost of providing CalWORKs child care for Fiscal Year (FY) 2010-11 is held to the Budget Act of 2010 Appropriation.
- The cost of providing CalWORKs child care for FY 2011-12 is based on the following assumptions:
  - The projected monthly caseload (children) for the Budget Year (BY) is 66,718 based on a projection using actual caseload from FY 2008-09 as reported on the Child Care Monthly Report – CalWORKs Families (CW 115) and Child Care Monthly Report – Two Parent Families (CW 115A). Families granted good cause from work participation due to lack of supportive services or due to the inclusion of young children (i.e., one child between 12-23 months or two children under the age of six.) are thus included in the base Child Care funding and the savings due to these exemptions are accounted for in the Reduction to Child Care premise.

CalWORKs Child Care - Stage One Services and Administration

KEY DATA/ASSUMPTIONS (CONTINUED):

- Ratios and percentages for Stage One expenditures in the BY are taken from FY 2008-09, which was the last year of data prior to the policy change which granted good cause to not participate as a result of having young children or lack of supportive services, with the exception of sharing ratios, which are taken from January – December 2010 actual data.
- The base monthly cost of CalWORKs child care services for the BY is $690.56 per child, which was held to the FY 2009-10 Appropriation. This base cost was adjusted to $764.00 for increased cost of doing business based on the Consumer Necessities Index (1.53 percent for FY 2009-10, 1.57 percent for FY 2010-11, and 1.92 percent for FY 2011-12). This cost per case is based on child care expenditures and caseload as reported on the County Expense Claims and on the CW 115 and CW 115A reports.
- The CalWORKs child care administrative ratio is 11.40 percent and is based on the actual administrative expenditures compared to services expenditures for FY 2008-09.
- The child care cost for two parent families and Recent Noncitizen Entrant (RNE) families in mixed households is 3.85 percent, based on Stage One expenditures from January - December 2010.
- The child care cost for RNEs is 0.46 percent of the total Stage One child care cost, based on expenditures from FY 2008-09. Non-mixed RNE households (those with no federally eligible members) equal 50.5 percent of the RNE caseload.
- State Only Cal Learn child care costs are no longer shown separately for the BY, due to the suspension of the Cal Learn program for FY 2011-12, but the costs for these cases are still included in Stage One Child Care Services and Administration as these cases will continue to receive child care services through the CalWORKs program.
- The BY net need for CalWORKs Child Care after adjustments for RNE is approximately $679.8 million.
- It is assumed $158 million in the Current Year (CY) and $162.4 million in the BY in TANF funds are transferred to Title XX and used to fund Stage One.

METHODOLOGY:

The Stage One child care services costs are calculated by multiplying the caseload by the cost per child multiplied by 12 months (66,718 cases x $764 x 12 = $611.7 million).

The Stage One child care administrative costs are calculated by multiplying the services costs by the administrative ratio ($611.7 million x 11.40 percent = $69.7 million).

RNE child care expenditures in non-mixed households are subtracted from the total Stage One services and admin expenditures and represented on the “Recent Noncitizen Entrants Services/Administration” premise ($681.4 million x 0.46 percent x 50.5 percent = $1.6 million)

The state portion of Stage One child care costs are calculated by multiplying the remaining Stage One child care costs by the ratio of two-parent and mixed-household RNE families from January - December 2010 expenditures (Services: $610.2 million x 3.85 percent = $23.5 million).

CalWORKs Child Care - Stage One Services and Administration

FUNDING:

Stage One Child Care for single parents is funded with 100 percent TANF. Child Care for two-parent families and RNEs is funded with 100 percent GF, which is countable toward the state's TANF MOE requirement.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET

There is no change in the CY. The increase in the BY is due to removing the phase-in impact of ending the Short-Term Reform exemptions.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY is updated for current caseload trends, which are lower than assumed for the Budget Act of 2010 Appropriation used for the CY.

CASELOAD:

The average monthly children count for Fiscal Year 2010-11 is 76,423 and for FY 2011-12 is 66,718.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – CalWORKs Child Care	Total	Federal	State	County	Reimb.
Stage One Services	$674,245	$653,555	$20,690	$0	$0
Stage One Administration	74,523	72,272	2,251	0	0

FY 2011-12

Item 101 – CalWORKs Child Care	Total	Federal	State	County	Reimb.
Stage One Services	$610,239	$586,730	$23,509	$0	$0
Stage One Administration	69,549	66,870	2,679	0	0

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Exempt Care Reduction to 80 Percent

DESCRIPTION:

This premise reflects the impact of reducing the rate at which Licensed-Exempt child care providers are reimbursed. Regional Market Rate (RMR) ceilings are the maximum amount child care providers can be reimbursed from the state for subsidized child care. Due to legislative action taken in the Fiscal Year (FY) 2010-11 Budget Act the licensed-exempt provider reimbursement rate ceilings were lowered from 90 percent to 80 percent of the 85th percentile of the RMR established by the 2005 RMR survey (Education Code section 8357) for a Family Child Care Home (FCCH). Current and prior California Work Opportunity and Responsibility to Kids (CalWORKs) participants that are receiving CalWORKs Stage One Child Care, as well as recipients of Stage Two, Stage Three, and Alternate Payment Program (APP) child care, will be affected by this update.

IMPLEMENTATION DATE:

The authorizing legislation was enacted October 8, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Education Code sections 8357 and 8447, as implemented by the FY 2010-11 Budget Act.
- The Licensed-Exempt Providers Reimbursement Rate Ceilings will be 80 percent of the current law RMR ceiling for FCCH.
- The newly established Licensed-Exempt Provider Rate will impact the Stage One, Stage Two, Stage Three, and APP child care programs.
- For Stage One Child Care it is estimated that 56.7 percent of the expenditures are dedicated to license exempt providers, based on January – December 2010 data from the CW 115 and CW 115A reports.
- The impact of this premise will result in a savings of 4.26 percent of the license exempt expenditures based on the Results Group 1999 Child Care Survey data.
- The base Stage One Child Care program funding impacted by this proposal for Fiscal Year (FY) 2010-11 is $492.7 million and for FY 2011-12 is $441 million.
- The savings for the Current Year (CY) are multiplied by 58.3 percent to account for a partial year implementation.

METHODOLOGY:

Savings for the CY are calculated by multiplying the base funding by the percent of licensed-exempt expenditures by the percent of savings from licensed-exempt expenditures by the partial-year implementation ratio
($492.7 million x 0.567 x 0.0426 x 0.583 = $6.9 million)

Savings for the Budget Year (BY) are calculated by multiplying the base funding by the percent of licensed-exempt expenditures by the percent of savings from licensed-exempt expenditures
($441 million x 0.567 x 0.0426 = $10.6 million)

Exempt Care Reduction to 80 Percent

FUNDING:

This proposal will result in Temporary Assistance for Needy Families and General Fund savings.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET

There is no change in the CY. The increased savings in the BY are due primarily to increased Stage One Child Care base funding.

REASON FOR YEAR-TO-YEAR CHANGE:

The increased savings reflect a full year of the rate reduction.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – CalWORKs Child Care	**Total**	**Federal**	**State**	**County**	**Reimb.**
Exempt Care Reduction to 80 Percent	-$6,912	-$6,660	-$252	$0	$0

FY 2011-12

Item 101 – CalWORKs Child Care	**Total**	**Federal**	**State**	**County**	**Reimb.**
Exempt Care Reduction to 80 Percent	-$10,644	-$10,234	-$410	$0	$0

Exempt Care Reduction to 60 Percent

DESCRIPTION:

This premise reflects the impact of reducing the rate at which Licensed-Exempt child care providers are reimbursed. Regional Market Rate (RMR) ceilings are the maximum amount child care providers can be reimbursed from the state for subsidized child care. Due to legislative action taken in Senate Bill (SB) 70 (Chapter 7, Statutes of 2011), the licensed-exempt provider reimbursement rate ceilings were lowered from 80 percent to 60 percent of the 85th percentile of the RMR established by the 2005 RMR survey (Education Code section 8357) for a Family Child Care Home (FCCH). Current and prior California Work Opportunity and Responsibility to Kids (CalWORKs) participants that are receiving CalWORKs Stage One Child Care, as well as recipients of Stage Two, Stage Three, and Alternate Payment Program (APP) child care, will be affected by this update.

IMPLEMENTATION DATE:

This premise implements July 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Education Code sections 8357 and 8447, as implemented by SB 70.
- The Licensed-Exempt Providers reimbursement rate ceilings will be 60 percent of the current law RMR ceiling for FCCH.
- The newly established Licensed-Exempt Provider Rate will impact the Stage One, Stage Two, Stage Three, and APP child care programs.
- For Stage One Child Care it is estimated that 56.7 percent of the expenditures are dedicated to license exempt providers, based on January – December 2010 data from the CW 115 and CW 115A reports.
- The impact of this premise will result in a savings of 12.257 percent of the license exempt expenditures based on Results Group 1999 Child Care Survey data.
- The base Stage One Child Care program funding impacted by this proposal for Fiscal Year (FY) 2011-12 is $441 million.

METHODOLOGY:

Savings are calculated by multiplying the base funding by the percent of licensed-exempt expenditures by the percent of savings from licensed-exempt expenditures
($441 million x 0.567 x 0.12257 = $30.6 million)

FUNDING:

This proposal will result in Temporary Assistance for Needy Families and General Fund savings.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

This premise implements in the Budget Year (BY). The increase in savings is due to increased Stage One Child Care base funding.

Exempt Care Reduction to 60 Percent

REASON FOR YEAR-TO-YEAR CHANGE:

This is a BY premise only.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – CalWORKs Child Care	Total	Federal	State	County	Reimb.
Exempt Care Reduction to 60 Percent	$0	$0	$0	$0	$0

FY 2011-12

Item 101 – CalWORKs Child Care	Total	Federal	State	County	Reimb.
Exempt Care Reduction to 60 Percent	-$30,624	-$29,444	-$1,180	$0	$0

Lower Age Eligibility Limit for Traditional Care

DESCRIPTION:

This premise reflects the savings to California Work Opportunity and Responsibility to Kids (CalWORKs) Stage One Child Care associated with de-prioritizing child care services for children ages 11 and 12 who receive care during "traditional" hours between 6am to 6pm on weekdays, as enacted by Senate Bill (SB) 70 (Chapter 7, Statutes of 2011). Children who are 11 and 12 years old receiving care during "non-traditional" hours (evenings and weekends) will continue to be eligible to receive child care subsidies. Current and prior CalWORKs participants that are receiving Stage One Child Care, as well as recipients of Stage Two, Stage Three, the Alternate Payment Program (APP) and General Child Care (GCC) programs, will be affected by this policy change.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Education Code section 8447, as implemented by SB 70 (Chapter 7, Statutes of 2011).
- Subsidized child care will be de-prioritized for children in child care programs, including those in Stage One, Stage Two, Stage Three, APP, and GCC child care programs who are over ten years old and who receive care during "traditional" hours.
- It is assumed that approximately two-thirds of subsidized child care cases receive their care during "traditional" hours.
- According to information from a 1999 Results Group survey, approximately three percent of the Stage One Child Care expenditures were from child care payments from 11 year olds.
- According to information from a 1999 Results Group survey, approximately two percent of the Stage One Child Care expenditures were from child care payments from 12 year olds.
- After removing the impacts of the Regional Market Rate (RMR) and Single Allocation reductions, the Stage One Child Care funding potentially impacted by this proposal is $527.5 million for Fiscal Year (FY) 2011-12.

METHODOLOGY:

The Stage One Child Care funding is multiplied by the approximate percentage of child care payments from 11 and 12 year olds and multiplied by two-thirds to get the savings amount for lowering the age limit for child care eligibility for those who receive care during "traditional" hours. ($527.5 million x 0.04956 x 0.667 = $17.3 million)

FUNDING:

This premise reflects 100 percent Temporary Assistance for Needy Families savings.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

This premise implements in the Budget Year (BY). The increase in savings is due to increased Stage One Child Care base funding.

Lower Age Eligibility Limit for Traditional Care

REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements in the BY.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 101 – CalWORKs Child Care	**Total**	**Federal**	**State**	**County**	**Reimb.**
Lower Age Eligibility Limit for Traditional Care	$0	$0	$0	$0	$0

			FY 2011-12		
Item 101 – CalWORKs Child Care	**Total**	**Federal**	**State**	**County**	**Reimb.**
Lower Age Eligibility Limit for Traditional Care	-$17,302	-16,635	-$667	$0	$0

State-Only Cal Learn Child Care

DESCRIPTION:

This premise reflects the costs of providing child care services to sanctioned teen parents participating in the Cal Learn program. The Cal Learn program, including child care services, was authorized by Senate Bill (SB) 35 (Chapter 69, Statutes of 1993) and SB 1078 (Chapter 1252, Statutes of 1993). Assembly Bill 2772 (Chapter 902, Statutes of 1998) changed the status of the Cal Learn program from a five-year federal demonstration project to a permanent program.

Federal law (Public Law 104-193) prohibits the use of Temporary Assistance for Needy Families (TANF) funds to teen parents who do not participate in school or another approved activity. Cal Learn teen parents who do not attend school, do not turn in a report card, or receive poor grades are subject to a $100 sanction. Because the Cal Learn program operated under a five-year federal waiver as a California Work Pays Demonstration Project, the program was not affected by the federal rules. However, effective March 31, 1999, the federal waivers for the Cal Learn program expired. In order to provide support services to sanctioned teens, the cost for the State-Only Cal Learn Child Care program is funded with General Fund (GF).

IMPLEMENTATION DATE:

This premise implemented on April 1, 1999.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11331.7.
- The Current Year (CY) funding for State Only Cal Learn Child Care was held to the Appropriation.
- The Cal Learn program was suspended for the Budget Year (BY) by SB 72 (Chapter 8, Statutes of 2011). Cases that would have been represented in this premise will still receive Stage One Child Care and the costs are included in the Stage One Child Care Services and Administration premise.

METHODOLOGY:

The CY funding was held to the Appropriation.

FUNDING:

This premise is funded with 100 percent GF and is countable toward the state’s maintenance of effort under the TANF federal requirements.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the CY. The decrease in funds for the BY is due to assuming the costs for former Cal Learn cases in the Stage One Child Care Services and Administration premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease in BY is due to the suspension of the Cal Learn program.

State-Only Cal Learn Child Care

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – CalWORKs Child Care	Total	Federal	State	County	Reimb.
State-Only Cal Learn Child Care	$149	$0	$149	$0	$0

FY 2011-12

Item 101 – CalWORKs Child Care	Total	Federal	State	County	Reimb.
State-Only Cal Learn Child Care	$0	$0	$0	$0	$0

Child Care – Trustline

DESCRIPTION:

This premise reflects the costs for providing a state-mandated registration program that includes fingerprinting of certain child care providers and applicants as well as searching the California Criminal History System and the California Child Abuse Central Index. The Trustline program was authorized by Assembly Bill (AB) 2053 (Chapter 898, Statutes of 1994), AB 2560 (Chapter 1268, Statutes of 1994), and AB 1542 (Chapter 270, Statutes of 1997). Senate Bill (SB) 933 (Chapter 311, Statutes of 1998) mandated that a second set of fingerprints is required to search the records of the Federal Bureau of Investigation (FBI). In addition, SB 933 required fingerprint and search requirements to be funded for certain fee-exempt providers. AB 1659 (Chapter 881, Statutes of 1999) added certain categories of licensed fee-exempt providers for FBI background checks.

The Trustline registration is required for child care providers in Stage One Child Care compensated by the California Work Opportunity and Responsibility to Kids (CalWORKs) program. This premise also includes the reimbursement cost for processing applications referred by the California Department of Education (CDE).

The California Department of Social Services (CDSS) Community Care Licensing Division (CCLD) is responsible for processing the applications pursuant to AB 753 (Chapter 843, Statutes of 1997). CCLD contracts with the Department of Justice (DOJ) and the California Child Care Resource and Referral (R&R) Network to process the fingerprint and index search file activities. Additionally, CCLD contracts with L-1 Enrollment Services Division, LLC, a private vendor, for the Live Scan fingerprinting. The Live Scan fingerprint process is an electronic technology that transfers images of fingerprints and personal information to the DOJ.

IMPLEMENTATION DATE:

The initial program implemented on September 1, 1995. The implementation for the FBI clearance was January 1, 1999.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Health and Safety Code sections 1596.60 through 1596.68, Health and Safety Code section 1596.67, and Welfare and Institutions Code section 11324.
- Providers for CalWORKs participants who are currently licensed, or who are an aunt, uncle or grandparent of the child, are exempt from Trustline requirements.
- Voluntary applicants pay fees to cover all costs associated with their Trustline registration.
- For voluntary applicants using Live Scan, this premise includes only the R&R Network costs. These applicants pay a fee directly to L-1 Enrollment Services Division to cover Live Scan and DOJ charges.
- The R&R Network application fee is $35.
- Included in the L-1 Enrollment Services Division contract is a $35,000 maintenance fee for the Live Scan machines.
- The funding for Trustline was held to the FY 2009-10 Appropriation for the Current Year (CY).

Child Care – Trustline

KEY DATA ASSUMPTIONS (CONTINUED):

- For Fiscal Year (FY) 2011-12, the cost of providing Trustline for CDSS, CDE, and voluntary applicants is based on the following key data and assumptions:
  - The CDSS Trustline application caseload and expenditures were adjusted to reflect a $243.9 million reduction to Stage One Child Care (which is an additional $28 million reduction from the $215.3 million reduction taken in FY 2009-10 and FY 2010-11).
  - The total projected number of Trustline applications for CDSS, CDE, and voluntary is 20,925. The number of CDSS applications is based on a projection using actual data from January - December 2010 and adjusted for the reduction. The number of CDE and voluntary applications is based on a projection using actual data from January - December 2010. This estimate assumes that 0.50 percent of CDSS and CDE caseloads use Cardscan and 99.50 percent use Live Scan.
  - This estimate assumes that 100 percent of voluntary cases use Live Scan.
  - The county administration cost per case is $123 based on actual county administration expenditures divided by the number of CDSS applications for FY 2008-09.

- The Trustline Automated Registration Process (TARP) pilot implemented in October 2006, with statewide implementation completed in 33 counties as of June 1, 2010. The projected number of TARP applications for the Budget Year (BY) is 16,081. TARP costs ($5 per application) are reflected in the L-1 Enrollment Services Division contract. The fees for the contracted services are as follows:

	FY 2010-11	FY 2011-12
DOJ Fingerprinting/Criminal History File	$32	$32
DOJ California Child Abuse Central Index	$15	$15
DOJ FBI Fingerprints	$19	$19
R&R Network Application Fee	$35	$35
R&R Network Incomplete Application Fee	$15	$15
L-1 Enrollment Services Division Cardscan Fee[1]	$10	$10
L-1 Enrollment Services Division Live Scan[1]	$16	$16
TARP	$5	$5

[1] The Cardscan Fee is not charged for the cases utilizing Live Scan.

METHODOLOGY:

The cost of each contract was calculated by multiplying the projected number of Trustline applications by the cost per activity.

The county administration cost was calculated by multiplying the projected number of CDSS Trustline applications by the county administration cost per case.

Child Care – Trustline

METHODOLOGY (CONTINUED):

The breakout of funding is as follows:

	FY 2010-11	FY 2011-12
DOJ	$1,969,638	$1,228,392
R&R Network	$1,182,545	$744,373
L-1 Enrollment Services Division [2]	$653,373	$412,638
County Administrative Costs	$1,696,676	$1,441,087

[2] TARP costs are included in the L-1 contract.

The total funding for Trustline/Self-Certification was reduced by $1.6 million in the CY and by approximately $1.9 million in the BY to account for the Reduction to Stage One Child Care.

FUNDING:

The state's share reflects the percentage of child care costs for two-parent families, safety net, state portion of recent noncitizen entrants, and state-only Cal Learn and is countable toward the state's maintenance-of-effort requirement. The federal Temporary Assistance for Needy Families (TANF) program share reflects the cost for all other families. All costs associated with services to applicants referred by CDE are funded by reimbursements from CDE. Costs for voluntary applicants are paid from the General Fund.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the CY. The decrease in the BY is due to a lower caseload projection and an adjustment for the $243 million reduction to Stage One Child Care.

REASON FOR YEAR-TO-YEAR CHANGE:

The decline in Trustline funding is due to fewer expected applications as a result of the increased reduction to Stage One Child Care.

CASELOAD:

The Fiscal Year 2010-11 average monthly CDSS Trustline caseload is 1,297, the average monthly CDE Trustline caseload is 693, and the average monthly voluntary Trustline caseload is 210.

The Fiscal Year 2011-12 average monthly CDSS Trustline caseload is 974, the average monthly CDE Trustline caseload is 577, and the average monthly voluntary Trustline caseload is 193.

Child Care – Trustline

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – CalWORKs Child Care	Total	Federal	State	County	Reimb.
Trustline	$5,033	$3,799	$261	$0	$973

FY 2011-12

Item 101 – CalWORKs Child Care	Total	Federal	State	County	Reimb.
Trustline	$3,826	$2,776	$209	$0	$841

Self-Certification

DESCRIPTION:

This premise reflects the administrative costs associated with assuring that license-exempt child care providers self-certify that they meet the minimum health and safety standards required by Assembly Bill (AB) 2053 (Chapter 898, Statutes of 1994), AB 2560 (Chapter 1268, Statutes of 1994), and AB 1542 (Chapter 270, Statutes of 1997). Effective October 1, 1998, license-exempt providers must also meet the following minimum standards: the prevention and control of infectious diseases, building and physical premises standards, and minimum health and safety training appropriate to the provider setting. License-exempt child care providers who are aunts, uncles, and grandparents are excluded from these requirements.

IMPLEMENTATION DATE:

This premise implemented on October 1, 1996.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Health and Safety Code sections 1596.60 through 1596.68, Health and Safety Code section 1596.67, and Welfare and Institutions Code section 11324.
- Self-Certification funding for the Current Year (CY) is held to the Appropriation.
- The projected cost of self-certification for Fiscal Year (FY) 2011-12 is based on the following key data and assumptions:
  - The CDSS Trustline application caseload and expenditures were adjusted to reflect a $243.9 million reduction to Stage One Child Care (which is an additional $28 million from the $215.3 million reduction in FY 2009-10 and FY 2010-11).The projected number of CDSS Trustline applications is 11,688 in the BY, based on actual data from January - December 2010 and adjusted for the additional $28 million reduction.
  - The statewide cost of self-certification ($213) is based on actual county expenditures from January - December 2010 ($2.49 million) divided by total Trustline applications processed in January - December 2010 (12,525).

METHODOLOGY:

The administrative costs for notification of new recipients were developed utilizing the average statewide cost of self-certification multiplied by the total number of Trustline fingerprinting applications.

For the BY: $213 x 11,688 = $2.49 million

FUNDING:

The state share reflects the percentage of child care costs for two-parent families, Safety Net, state portion of Recent Noncitizen Entrants, and state-only Cal Learn and is countable toward the state’s maintenance of effort requirement. The federal Temporary Assistance for Needy Families (TANF) program share reflects the cost for all other families.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the CY. The decrease in the Budget Year is due to adjusting the application caseload for the additional $28 million Stage One Child Care reduction.

Self-Certification

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease in the BY is due to fewer expected applications as a result of the $243 million reduction to Stage One Child Care offset by an increased cost-per-case.

CASELOAD:

The average annual caseload is 15,563 in Fiscal Year 2010-11 and 11,688 in Fiscal Year 2011-12.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 101 – CalWORKs Child Care	**Total**	**Federal**	**State**	**County**	**Reimb.**
Self-Certification	$2,957	$2,772	$185	$0	$0

			FY 2011-12		
Item 101 – CalWORKs Child Care	**Total**	**Federal**	**State**	**County**	**Reimb.**
Self-Certification	$2,488	$2,379	$109	$0	$0

Tribal TANF

DESCRIPTION:

This premise reflects the General Fund (GF) cost to operate Tribal Temporary Assistance for Needy Families (TANF) programs in California. Assembly Bill (AB) 1542 (Chapter 270, Statutes of 1997) allowed GF to be provided for tribes to administer a Tribal TANF program. The California Department of Social Services has established a memorandum of understanding (MOU) with the following: 1) California Tribal TANF Partnership (CTTP), representing the tribal members in Amador, Butte, Colusa, Del Norte, Glenn, Humboldt, Lake, Lassen, Modoc, Napa, Plumas, Solano, San Joaquin, Sutter, Trinity, and Yuba counties; 2) The Federated Indians of Graton Rancheria, representing Marin and Sonoma counties; 3) Hoopa, representing tribal members in Humboldt County; 4) Karuk Tribe representing Siskiyou and Humboldt counties; 5) Morongo, representing tribal members in Riverside County; 6) North Fork Rancheria (NFR), representing the tribal members in Fresno, Madera, Mariposa, and Merced counties; 7) Owens Valley Career Development Center (OVCDC), representing the tribal members in Fresno, Inyo, Kern, Kings, and Tulare counties; 8) Round Valley Indian Tribe representing Mendocino county; 9) Tule Reservation Scott's Valley, representing the tribal members in Contra Costa County; 10) Southern California Tribal Chairman Association (SCTCA), representing tribal members in Santa Barbara and San Diego counties; 11) Shingle Springs, representing El Dorado, Placer, and Sacramento counties; 12) Soboba, representing tribal members in Riverside County; 13) Torres-Martinez Tribal TANF (TMTT), representing tribal members in Los Angeles and Riverside counties; 14) Washoe Tribe of Nevada and California (WTNC), representing tribal members in Alpine, Alameda, Nevada, San Francisco, San Joaquin, San Mateo, Santa Clara, and Santa Cruz counties; and 15) Yurok, representing tribal members in Del Norte and Humboldt counties.

Federal welfare reform legislation allows for each Indian tribe that has an approved Tribal Family Assistance Plan to receive a Tribal Family Assistance Grant (TFAG) based on Federal Fiscal Year (FFY) 1994 actual expenditures. The administrative authority to operate a TANF program is transferred to the tribes, together with federal and state funding based on FFY 1994 levels. Transferred funds include monies to meet grant costs and administrative costs related to cash aid and Welfare to Work (WTW) services. The GF costs are based on the estimated participation rates of reimbursement for the counties during FFY 1994, in which the tribal organizations are located.

Previously under Senate Bill 1104 (Chapter 229, Statutes of 2004) state funding for existing tribal TANF programs was based on actual program caseloads, including assistance and service only cases effective July 1, 2005, through June 30, 2006. The state funding did not exceed the original state share designated for the tribal TANF program in the original negotiation of 1994 caseload counts. Those programs that had received funding for less than three years did not have their state funding adjusted.

Pursuant to AB 1808 (Chapter 75, Statutes of 2006) beginning July 1, 2006, state funding for tribal TANF programs is based on the caseload used to develop the TFAG negotiated with the federal Administration for Children and Families and the state. The state funding will not exceed the original state share designated for the tribal TANF program in the original negotiation of 1994 caseload counts.

Tribal TANF

IMPLEMENTATION DATE:

- The original CTTP tribes implemented in July 2003. CTTP Phase II consisting of tribes in Amador, Butte, Colusa, Del Norte, Humboldt, Lake, Modoc, and Trinity counties implemented in July 2004. One Tribe in Butte County withdrew in August 2006 and another withdrew in October 2006. One Tribe in Humboldt County and another in Lake County withdrew in May 2007. In July 2008, CTTP closed their program in Napa County and no longer serves Tribes. One Tribe in Amador County withdrew and transferred to another program in October 2008. CTTP Phase III-A in San Joaquin County implemented in June 2006. CTTP Phase III-B in Calaveras, Tehama, and Yolo counties are pending approval of a MOU for their September 2011 implementation date.
- The Graton tribe that represents tribal members from Marin and Sonoma counties implemented in May 2008.
- The original Hoopa tribe in Humboldt implemented in October 2004.
- The Hopland Band of Pomo Indians is seeking approval of an MOU for a September 2011 implementation in Mendocino County.
- The Karuk tribe that represents tribal members from Siskiyou and Humboldt implemented in December 2008. The Karuk expansion of Siskiyou is seeking approval of an MOU for their April 2011 implementation.
- The Manchester Point Arena Reservation Tribe is seeing approval of an MOU for a September 2011 implementation in Mendocino County. The Morongo Band of Mission Indians in Riverside County implemented in March 2006.
- The original tribes in NFR implemented in August 2003. NFR-Phase II in Fresno County implemented in July 2007.
- The original OVCDC tribes in Inyo and Kern implemented in May 2001 and October 2001, respectively. The OVCDC tribe expansion in Tule River Reservation and Tulare County implemented in July 2002. Additional OVCDC tribes in Fresno and Kings counties implemented in January 2004 with a portion of Fresno Cases withdrawing in July 2007. Mono and Ventura counties are seeking approval of an MOU for their September 2011 implementation.
- The Pechanga tribe that represents tribal members from Riverside County is seeking approval for an MOU for their May 2011 implementation.
- The Pinoleville Band of Indians that represents tribal members from Sonoma, Lake, Mendocino and Napa counties is seeking approval of an MOU for their September 2011 implementation.
- The Pit River tribe represents tribal members from Modoc and Shasta counties and is seeking approval of an MOU for their September 2011 implementation.
- The Redding Rancheria Band of Indians that represents tribal members from Shasta and Trinity counties is seeking approval of an MOU for their September 2011 implementation.
- The Round Valley Band of Indians that represents tribal members from Mendocino County implemented in January 2009.
- The Shingle Springs tribe represents tribal members from El Dorado, Placer and Sacramento counties implemented in June 2010.

Tribal TANF

IMPLEMENTATION DATE (CONTINUED):

- The Smith River tribe represents tribal members from Del Norte and Humboldt counties and is seeking approval of an MOU for their September 2011 implementation.
- The Tule Reservation Scott's Valley Band of Pomo Indians that represents tribal members from Contra Costa County implemented in January 2008.
- The original SCTCA tribes implemented in March 1998. Seventeen additional tribes in San Diego County implemented in May 1999. Another tribal expansion in San Diego County implemented in June 2006.
- The Shingle Springs Tribe of Miwok Indians that represents tribal members from El Dorado, Placer and Sacramento counties is seeking approval of an MOU for their June 2010 implementation. These counties withdrew from Washoe.
- The Soboba Band of Luiseno Indians in Riverside County implemented in October 2005.
- The original TMTT tribes in Los Angeles and Riverside counties implemented in May 2001. The TMTT tribal service area expansion in nine additional cities in Riverside implemented in April 2002. One Tribe in Riverside County withdrew in April 2002 and implemented their own program in October 2005. Two additional Riverside County Tribes withdrew in May 2004 and one began their own program in March 2006. Additional TMTT tribes in Imperial, Orange, and San Bernardino counties are seeking approval of an MOU for their January 2012 implementation.
- The original Washoe tribe implemented in January 2003. Washoe Phase II implemented in July 2005. Washoe Phase III was not implemented in California because it included two counties in the State of Nevada and was therefore negotiated with Nevada. Phase IV was not implemented because it included counties that were already covered by other Tribes and were not available to Washoe. Washoe Phase V implemented Amador County in October 2008. Additionally, they are seeking approval of an MOU for their September 2011 implementation for Monterey, San Benito, San Luis Obispo, and Sierra counties. El Dorado, Placer and Sacramento counties will be withdrawn from Washoe and shifted to Shingle Springs beginning June 2010.
- The Yurok tribe in Del Norte and Humboldt counties implemented on August 1, 2006.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10553.25.
- TANF transferred directly to the tribes and the state participation rates for FFY 1994 are estimated based on the following:
    - The average monthly cash aid cost of $211.34 per person is based on the average cash aid expenditure amount per person for FFY 1994.
    - The average monthly number of cash aid cases is 18,087 in the Current Year (CY) and 21,313 in the Budget Year (BY).
    - The average persons per case is 2.9.

Tribal TANF

KEY DATA/ASSUMPTIONS (CONTINUED):

- The average monthly number of cases receiving WTW services is 1,751 in the CY and 2,000 in the BY.
- The average monthly WTW services cost per person is $206.36.
- The average monthly administrative cost per case is $50.73.

METHODOLOGY:

TANF transferred directly to the tribes and the state participation rates for FFY 1994 are calculated as follows:

- The grant costs were derived by multiplying the average number of persons per case by the number of cases to determine the total number of persons. The total number of persons was then multiplied by the cash aid cost per person.
- The WTW services costs were derived by multiplying average monthly number of persons receiving WTW services by the average monthly WTW services cost per person.
- The administrative costs were derived by multiplying the average number of cash aid cases by the average monthly administrative cost per case.

The state funded grants, county admin and WTW services for Tribal TANF are as follows:

- The Fiscal Year 2010-11 grants is $63,255, the WTW services is $1,662, and the county admin is $4,156.
- The Fiscal Year 2011-12 grants is $74,539, the WTW services is $1,896, and the county admin is $4,091.

FUNDING:

The GF amount will be counted toward the state's maintenance of effort (MOE) requirement. The GF share of grant costs is 47.5 percent. The GF share of administrative and WTW services costs is based on the applicable state percentage that was reimbursed during FFY 1994 in those counties in which the tribal organizations are located. The counties are not funding their normal 2.5 percent share of grant costs of their MOE share of the costs. The direct distribution of TANF funds to the tribal organizations reduces both the TANF block grant available to the state and the state's MOE requirement. The state's MOE has been reduced in the same proportion as the reduction in the block grant.

CHANGE FROM THE MARCH 2011 CONFERENCE BUDGET:

The CY costs were updated to reflect revised implementation dates and updated caseload figures.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY costs were updated to reflect revised implementation dates and updated caseload figures.

Tribal TANF

EXPENDITURES:

(in 000's)

FY 2010-11					
Item 101 – Other TANF Items	**Total**	**Federal[1]**	**State**	**County**	**Reimb.**
Tribal TANF	$69,073	$0	$69,073	$0	$0

FY 2011-12					
Item 101 – Other TANF Items	**Total**	**Federal[1]**	**State**	**County**	**Reimb.**
Tribal TANF	$81,336	$0	$81,336	$0	$0

[1] -The federal share of the above costs was deducted from the TANF block grant to show the transfer of funds to the tribal organizations, a total of $74.2 million in FY 2010-11 and $87.4 million in FY 2011-12.

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American Recovery and Reinvestment Act of 2009 Emergency Contingency Funds Non-Recurrent Short Term Benefits

DESCRIPTION:

The American Recovery and Reinvestment Act (ARRA) of 2009 was a multi-year, federal economic stimulus program. With respect to programs under the purview of the California Department of Social Services (CDSS), the purposes of the funds were to:

- Preserve and create jobs and promote economic recovery
- Assist those impacted by the recession
- Stabilize state and local government budgets

The ARRA included a provision which provided $5 billion in funding for basic assistance, subsidized employment, and non-recurring short term benefits. Temporary Assistance for Needy Families (TANF) Emergency Contingency Funds (ECF) were available in Federal Fiscal Year (FFY) 2009 and FFY 2010 to states with 1) Caseload Increases, 2) Increased Expenditures for Non-Recurrent Short Term Benefits (NRSTB), and/or 3) Increased Expenditures for Subsidized Employment. Through the ECF, a state could be reimbursed for 80 percent of expenditures in FFY 2009 and FFY 2010 that exceeded the state's expenditures in each of these areas in FFY 2007 or FFY 2008, whichever had the lower expenditures in each of these areas. States were eligible for up to 50 percent of the state's TANF block grant over the two-year period. The maximum amount that California was eligible for was $1.8 billion; however, this amount was not guaranteed since ECF was dispersed on a first come first serve basis.

NRSTB are designed to deal with a specific crisis situation or episode of need, that are not intended to meet recurrent or ongoing needs, and that will not extend beyond four months. These benefits include those provided directly to a family and those paid to others on behalf of a family, such as a payment to a landlord. Families receiving other forms of assistance, and families that do not otherwise receive ongoing assistance, may receive NRSTB.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Section 403 (c) of the Social Security Act.
- CDSS collaborated with the County Welfare Directors Association (CWDA) to determine the amount of ECF funds the state may be eligible to receive for NRSTB. This premise item is for NRSTB only. Premise items for basic assistance and subsidized employment are separately budgeted.
- The base year is the lesser of FFY 2007 or FFY 2008 NSTB expenditures.
- Based on discussion with the counties, expenditures include payments that address a specific crisis or episode of need (i.e. utility vouchers, food vouchers, housing relocation assistance, moving assistance, security deposit assistance, eviction prevention, emergency shelter, etc.)
- The base quarterly expenditures were compared to the projected quarterly expenditures for FFY 2009 and FFY 2010.

American Recovery and Reinvestment Act of 2009 Emergency Contingency Funds Non-Recurrent Short Term Benefits

KEY DATA/ASSUMPTIONS (CONTINUED):

- ARRA ECF funds are only available for expenses incurred before September 30, 2010.
- California earned $8.45 million ECF for expenditures associated with the Emergency Drought Assistance, which was designed to aid with emergency food needs in Fresno County in the wake of California's drought disaster (Executive Order S-11-09). These ECF will be used to offset General Fund (GF) dollars above the base Maintenance of Effort requirement that otherwise would have been used to fund the California Work Opportunity and Responsibility to Kids (CalWORKs) program.
- CDSS also collaborated with the California Public Utilities Commission, the Salvation Army, and the four major California utility providers to develop the Temporary Energy Assistance for Families (TEAF) program to assist needy families in California at risk of utility disconnections.

METHODOLOGY:

The NRSTB ECF included in this premise reflects actual expenditure information as received from the counties and the Salvation Army. The amount is subject to revision based on updated information reported by the counties.

FUNDING:

This premise is funded with 100 percent ECF funds.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The decrease in NRSTB funds claimed in the Current Year is primarily due to the delayed implementation of the TEAF program as a result of the complexity of eligibility determination and program processes, time needed to train staff, and delayed marketing efforts by the utility companies. NRSTB expenditures in general are also lower than projected due to delays caused by complicated and unexpected federal guidance, as well as the difficulty in meeting the 20 percent state spending requirement in light of the economy and state's budget concerns.

REASON FOR YEAR-TO-YEAR CHANGE:

ARRA ECF funds are not available for the Budget Year.

American Recovery and Reinvestment Act of 2009 Emergency Contingency Funds Non-Recurrent Short Term Benefits

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – Other TANF Items	Total	Federal	State	County	Reimb.
ARRA Non-Recurrent Short Term Benefits	$27,225*	$27,225*	$0	$0	$0

FY 2011-12

Item 101 – Other TANF Items	Total	Federal	State	County	Reimb.
ARRA Non-Recurrent Short Term Benefits	$0	$0	$0	$0	$0

*$18.775 million ECF will be provided to the counties to reimburse non-recurrent short term benefit expenditures and the remainder will be used to offset GF in the CalWORKs program.

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TANF Transfer for Student Aid Commission

DESCRIPTION:

This premise reflects a shift of federal Temporary Assistance for Needy Families (TANF) program funds from the California Work Opportunity and Responsibility to Kids (CalWORKs) program to the California Student Aid Commission (CSAC) to fund Cal Grants.

Cal Grants are awarded through CSAC to assist students with paying college expenses. The Cal Grants awards are paid with state funded grants for students attending public or private colleges and universities. The CSAC is the principal state agency responsible for administering financial aid programs for students attending public and private universities, colleges, and vocational schools in California. The Cal Grants awards have been used to help middle-and low-income students finance their unmet financial needs for college.

There are two components of the Cal Grants awards used for this premise:

Cal Grant A can be used for tuition and fees at public and private colleges as well as some occupational and career colleges.

Cal Grant B provides low-income students with a living allowance and assistance with tuition and fees.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Title 45, Code of Federal Regulations, sections 260.20 and 260.31.
- The following criteria were applied to the Cal Grant expenditures:
  - Federally funded expenditures were excluded
  - State expenditures used as federal match were excluded
  - TANF ineligible expenditures were excluded (namely Cal Grant B Access grant and Cal Grant C)
  - Expenditures that met TANF criteria were included (unmarried students age 25 or younger and has annual parental/student income at or below $50,000 threshold).

METHODOLOGY:

For Fiscal Year 2011-12, the estimate reflects the amount of TANF-eligible expenditures that will be funded by TANF in order to achieve General Fund savings.

FUNDING:

This program is 100 percent federally funded.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The decrease in the Budget Year (BY) is due to a decrease in surplus TANF block grant available to transfer.

TANF Transfer for Student Aid Commission

REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements in the BY.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – Other TANF Items	**Total**	**Federal**	**State**	**County**	**Reimb.**
TANF Transfer for Student Aid Commission	$0	$0	$0	$0	$0

FY 2011-12

Item 101 – Other TANF Items	**Total**	**Federal**	**State**	**County**	**Reimb.**
TANF Transfer for Student Aid Commission	$171,935	$171,935	$0	$0	$0

Kinship Guardianship Assistance Payment Program

DESCRIPTION:

This premise reflects the costs associated with the Kinship Guardianship Assistance Payment (Kin-GAP) program. The Kin-GAP program is authorized by Senate Bill 1901 (Chapter 1055, Statutes of 1998) and modified by Assembly Bill (AB) 1111 (Chapter 147, Statutes of 1999).

The Kin-GAP program is intended to enhance family preservation and stability by recognizing that many foster children are in long-term, stable placements with relatives and that these placements are the permanent plan for the child. Accordingly, a dependent child who has been living with a relative for at least 12 months may receive a subsidy if the relative assumes guardianship and the dependency is dismissed. Once dependency is dismissed, there is no need for continued governmental intervention in the family life through ongoing, scheduled court and social services supervision of the placement.

Kin-GAP rates are equal to 100 percent of the basic Foster Care (FC) rate for children placed in a licensed or approved home as specified in Welfare and Institutions Code (W&IC) section 11461, subdivisions (a) through (d). In addition, when a child is living with a minor parent for whom a Kin-GAP payment is made, the payment shall include an amount for the care and supervision of the child. AB 1111 changed the effective date of the Kin-GAP program to January 1, 2000.

Pursuant to AB 1808 (Chapter 75, Statutes of 2006), enhanced benefits to the Kin-GAP program became effective October 1, 2006. Provisions of AB 1808 increased the basic Kin-GAP rate to include all clothing allowances and specialized care increments (SCI) the child would have been eligible for while in FC.

Pursuant to AB 12 (Chapter 351, Statutes of 2010), cases that are federal Title IV-E eligible will convert to the Federal Kin-GAP (Fed-GAP) program upon annual redetermination, effective January 1, 2011. Prospective federally eligible cases that would have entered the Kin-GAP program on or after January 1, 2011, will now enter the Fed-GAP program.

IMPLEMENTATION DATE:

The Kin-GAP program implemented on January 1, 2000.

Kin-GAP enhancements implemented on October 1, 2006.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC sections 11360 through 11380.
- The Kin-GAP rate equals 100 percent of the basic FC rate for children placed in a licensed or approved foster family home, including all clothing allowances and SCIs received while in FC, as specified in statute.
- Federal and nonfederal caseloads are based on actual cases reported on the CA 800 KG, Summary Report of Expenditures for the Kin-GAP program, from January 2010 through December 2010.
- A State-Only Kin-GAP program is available for those cases that are not eligible for the Fed-GAP program but would be eligible for the Kin-GAP program. This would include cases that transferred from the California Work Opportunity and Responsibility to Kids (CalWORKs) program and Permanent Residence under Color of Law cases. Based on the caseload reported on the CA 237 KG Caseload Movement Report, nonfederal cases represent approximately 5 percent of the total caseload.

Kinship Guardianship Assistance Payment Program

KEY DATA/ASSUMPTIONS (CONTINUED):

- It is projected that on December 31, 2010, there will be 12,656 federally eligible Kin-GAP cases that will convert to the Fed-GAP program. The conversion will occur on the date of the annual redetermination. Assuming the date of the redetermination is spread out evenly over the course of one year, 1,055 cases will leave Kin-GAP each month for 12 months.
- The average Kin-GAP basic grant payments are based on the most recent actual expenditures and cases reported on the CA 800 KG from January 2010 through December 2010. The average Kin-GAP basic grant payment is $615.84.
- The impact of the California Foster Parent Association, et al vs. John A. Wagner court decision that increases the Foster Family Home (FFH) basic rate will be displayed in the FFH Rate Increase – FFH Impact premise.
- The average Temporary Assistance for Needy Families (TANF) portion of the Kin-GAP rate is $347; however, effective January 1, 2011, will no longer be used for the Kin-GAP program.
- Based on actual expenditures through December 2010, the cost of ongoing county Kin-GAP administrative functions is $40.67 per case per month.
- State and county expenditures associated with all cases are considered to be eligible for the State's TANF maintenance of effort requirement.
- This estimate assumes no Title IV-E funding.
- Based on data from all counties, the average initial clothing allowance provided to new cases is $220 and $99 annually thereafter.
- All cases will also receive an annual supplemental clothing allowance of $100.

METHODOLOGY:

To estimate the cost of the basic Kin-GAP program, the total number of casemonths is multiplied by the average Kin-GAP rate. Kin-GAP administrative costs are calculated by multiplying the projected casemonths by the monthly administrative cost per case.

FUNDING:

Prior to January 1, 2011, the Kin-GAP basic rate was paid utilizing the applicable regional per-child CalWORKs grant which was funded with General Fund (GF). The balance of the Kin-GAP basic and SCI rate was paid with 50 percent GF and 50 percent county funds. Effective January 1, 2011, the Kin-GAP basic rate will be paid with 79 percent GF and 21 percent county funds.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The Current Year (CY) and Budget Year (BY) grant increase is based on federally eligible cases exiting the Kin-GAP program and transferring to the Fed-GAP program, offset by less prospective federally eligible cases entering the Fed-GAP program. For the administration costs, there was no change in the CY. The BY decrease is based on a lower administrative cost per case and fewer new cases entering the Kin-GAP program than was projected in the prior subvention

Kinship Guardianship Assistance Payment Program

REASON FOR YEAR-TO-YEAR CHANGE:

This grant and administration decreases are due to the remaining federally eligible Kin-GAP cases transferring to the Fed-GAP program.

CASELOAD:

The average monthly caseload is 11,481 in Fiscal Year 2010-11 and 1,984 in Fiscal Year 2011-12.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – Kin-GAP Program	**Total**	**Federal**	**State**	**County**	**Reimb.**
Kin-GAP Basic Costs	$84,756	$0	66,534	$18,222	$0
Kin-GAP Administration	6,277	0	6,271	6	0

FY 2011-12

Item 101 – Kin-GAP Program	**Total**	**Federal**	**State**	**County**	**Reimb.**
Kin-GAP Basic Costs	$14,665	$0	$11,585	$3,080	$0
Kin-GAP Administration	968	0	961	7	0

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Extend Foster Care, Kin-GAP, and AAP Benefits (AB 12)

DESCRIPTION:

The premise will require the California Department of Social Services (CDSS) to amend its current Title IV-E state plan to extend benefits up to age 21 for youth in the Foster Care (FC), Kinship Guardianship Assistance Payment (Kin-GAP) program, Federal Kinship Guardianship Assistance Payment (Fed-GAP) program, and Adoption Assistance Program (AAP) who meet one of the five specified criteria. This premise will implement the provisions of Assembly Bill (AB) 12 (Chapter 559, Statutes of 2010), which exercises the federal option of extending FC benefits detailed in the Fostering Connections to Success and Increasing Adoptions Act of 2008, Public Law (P.L.) 110-351. This premise will create a new population of dependent youth, referred to as non-minor dependents. This premise will extend the age limit to receive benefits in order to provide longer support to assist these youth in learning how to be self-sufficient while still having the security of a supervised living placement with the goal of improving outcomes for this population when they transition to self-sufficiency.

Eligibility for extended benefits up to age 21 will be available to youth who meet at least one of the five following criteria.

- Is completing secondary education or a program leading to an equivalent credential.
- Is enrolled in an institution which provides postsecondary or vocational education.
- Is participating in a program or activity designed to promote, or remove barriers to employment.
- Is employed for at least 80 hours a month.
- Is incapable of doing any of the above due to a medical condition which is documented regularly in the child's case plan.

In addition to the above criteria, for the AAP, Kin-GAP, and Fed-GAP programs, the non-minor dependent had to have entered one of these programs at age 16 or older.

AB 12 also authorizes Kin-GAP cases that are determined to have a disability to receive extended benefits up to age 21; regardless of the age these cases were upon entering Kin-GAP. Extending benefits for disabled cases was effective as of January 1, 2011

The extension of benefits up to age 19 will implement on January 1, 2012. On January 1, 2013, the extension of benefits will increase to age 20. On January 1, 2014, if CDSS determines that there are sufficient funds available; benefits may be extended up to age 21.

IMPLEMENTATION DATE:

Extending benefits for disabled Kin-GAP cases beyond age 18 become effective on January 1, 2011.

The extension of benefits beyond age 18 for all other qualified cases will implement on January 1, 2012.

Extend Foster Care, Kin-GAP, and AAP Benefits (AB 12)

KEY DATA/ASSUMPTIONS:

Authorizing statute: AB 12 and P.L. 110-351.

Kin-GAP Caseload

- Assumes two Kin-GAP cases will extend beyond age 18 due to a disability. This is based on the number of Kin-GAP Dual Agency cases, by age, as of March 31, 2010.
- Assumes nine cases will enter the Kin-GAP program annually at the age of 16 or older. This is based on entrances into the Kin-GAP program, by age, as of April 1, 2010. Five percent of these entrances will either enter or remain in the Kin-GAP program, 95 percent will either enter or transfer to the Fed-GAP program. This includes the impact of Kin-GAP Interstate Compact for the Placement of Children (ICPC) cases residing outside of California.
- Data from the Urban Institute Report was used to determine how many cases will continue to receive Kin-GAP benefits beyond age 18. See “Foster Care Caseload” for more information.
- Effective January 1, 2012, it is projected that one Kin-GAP case per month will receive extended benefits beyond age 18, resulting in an average monthly caseload of two cases in Fiscal Year (FY) 2011-12.

Foster Care Caseload

- The FC estimate reflects costs and caseload data for the 56 non-Title IV-E Waiver counties and the Title IV-E Waiver counties.
- Data from the Urban Institute Report on extending FC benefits to 21 years of age indicated that 60.6 percent of foster youth that would normally emancipate at age 17, will continue to receive FC benefits until age 19 as a result of AB 12. This data assumes a four percent re-entry rate.
- Non-minors who are FC “Services Only” cases or California Work Opportunity and Responsibility to Kids (CalWORKs) "Child Only" cases will be eligible to receive FC benefits as a result of AB 12 and elect to stay in the program at the same rate as the FC caseload. Further assumptions and data listed under “CalWORKs Child Only”.
- Starting January 1, 2012, it is projected that an additional 104 FC non-minor dependents 18 years of age (dependents and wards) will be phased into the program each month. As a result of this phase in, FY 2011-12 will have an average monthly caseload of 361 FC non-minor dependents 18 years of age receiving extended benefits.

Foster Care Placement Options

- FC Placement options reflect data that was used in the California Fostering Connections Webinar. Adjustments were made to the Group Home (GH) and the Transitional Housing Program – Plus (THP-Plus) placements options.
- Assumes that of the additional FC youths served, relative placements will account for 22 percent of the total FC placements in AB 12 or an average of 80 monthly cases for FY 2011-12. Federal cases are projected to account for 100 percent of total relative placements.

Extend Foster Care, Kin-GAP, and AAP Benefits (AB 12)

KEY DATA/ASSUMPTIONS (CONTINUED):

- Assumes that of the additional FC youths served, Non-Dependent Non Related Legal Guardians (NDNRLG) placements will account for 15 percent of the total FC placements in AB 12 or an average of 54 monthly cases for FY 2011-12. Nonfederal cases are projected to account for 100 percent of total NDNRLG placements.
- Assumes that of the additional FC youths served, Foster Family Home (FFH) placements will account for eight percent of the total FC placements in AB 12 or an average of 29 monthly cases for FY 2011-12. Federal cases are projected to account for 67.0 percent of total FFH placements.
- Assumes that of the additional FC youths served, Supervised Independent Living (SIL) placements will account for 15 percent of the total FC placements in AB 12 or an average of 54 monthly cases for FY 2011-12. Federal cases are projected to account for 67.0 percent of total SIL placements.
- Assumes that of the additional FC youths served, Foster Family Agency (FFA) placements will account for 15 percent of the total FC placements in AB 12 or an average of 54 monthly cases for FY 2011-12. Federal cases are projected to account for 73.4 percent of total FFA placements.
- Assumes that of the additional FC youths served, GH placements will account for five percent of the total FC placements in AB 12 or an average of 18 monthly cases for FY 2011-12. Federal cases are projected to account for 48.5 percent of total GH placements.
- Assumes that of the additional FC youths served, THP-Plus FC placements will account for 20 percent of the total FC placements in AB 12 or an average of 72 monthly cases for FY 2011-12. Based on information from the John Burton Foundation, the federal cases are projected to account for 61.4 percent of total THP-Plus FC placements. The estimate assumes that the total cost for the additional FC youths served in the THP-Plus FC will be absorbed through the existing THP – Plus program by way of a funding shift.

<u>CalWORKs “Child Only” Caseload</u>

- FC “services only” cases that are ineligible to receive Title IV-E FC payments instead receive a cash-aid grant at the “exempt” MAP level from the CalWORKs program, but case management services from Child Welfare Services (CWS). They are referred to in CalWORKs as a “child only” case.
- CalWORKs program rules currently allow any child to continue receiving a CalWORKs grant after turning 18 if the child is attending high school and is anticipated to graduate before or by their 19th birthday. The CalWORKs program is currently serving 64.3 percent of all Child Only cases living with a non-needy caretaker relative that turn 18 years old. These cases are eligible to be funded by TANF/Maintenance of Effort (MOE) and thus are excluded from this estimate.
- Non-minors who choose to remain with their non-needy caretaker relatives and continue receiving a CalWORKs grant will not be subject to the Welfare-to-Work requirements and thus will not receive any supportive services.
- This additional CalWORKs population is not eligible to fund with TANF/MOE; grant costs and administrative funds are funded solely through a state-only program.

Extend Foster Care, Kin-GAP, and AAP Benefits (AB 12)

KEY DATA/ASSUMPTIONS (CONTINUED):

- Assumes that 361 FC cases and 42 probation cases will turn 18 each month in FY 2011-12 and can qualify for extended benefits if otherwise eligible as of January 1, 2012.
- Assumes that 3.6 percent of FC cases on probation are in relative homes and could qualify for a CalWORKs child only grant, resulting in a total of 363 FC cases per month that could possibly qualify for a CalWORKs child only grant.
- Based on a point-in-time caseload distribution from April 2010, it is assumed that 3.82 percent
- of the FC caseload is a CalWORKs child only case, and that 35.7 percent of those cases are 18 year olds that are not already currently receiving a CalWORKs grant under current policy.
- As with the FC caseload, this estimate assumes that 60.6 percent of FC cases with a CalWORKs child only grant that would normally emancipate will instead have extended benefits through AB 12.
- Assumes that 32 percent of Child Only cases will choose to leave their non-needy caretaker relative, upon turning 18. This action will make them eligible for Title IV-E FC benefits; they will receive their benefit payments under the FC program. The remaining 68 percent of the child only cases will continue to remain with their non-needy caretaker relative and receive a CalWORKs child-only grant.
- The extension of benefits past age 18, starting January 1, 2012, thus results in an additional two cases per month for the CalWORKs program.

<u>Fed-GAP Caseload</u>

- Assumes that 151 cases will enter the Fed-GAP program annually at the age of 16 or older. This is based on entrances into the Kin-GAP program, by age, as of April 1, 2010. 95 percent of these entrances will either enter or transfer to the Fed-GAP program, five percent will either enter or remain in the Kin-GAP program. This includes the impact of Fed-GAP ICPC cases residing outside of California.
- Data from the Urban Institute Report was used to determine how many cases will continue to receive Fed-GAP benefits beyond age 18. See “Foster Care Caseload” for more information.
- Effective January 1, 2012, it is projected that seven Fed-GAP cases per month will receive extended benefits beyond age 18, resulting in an average monthly caseload of 25 cases in FY 2011-12.

<u>AAP Caseload</u>

- Assumes that 198 cases will enter AAP annually at age 16 or older. This is based on entrances into AAP, by age, during FY 2008-09.
- Assumes that 75 percent of cases that enter AAP at age 16 or older will continue to receive benefits beyond age 18.
- Effective January 1, 2012, it is projected that nine AAP cases per month will receive extended benefits beyond age 18, resulting in an average monthly caseload of 33 cases in FY 2011-12.

Extend Foster Care, Kin-GAP, and AAP Benefits (AB 12)

KEY DATA/ASSUMPTIONS (CONTINUED):

CalWORKs Cost Avoidance Caseload

- Assumes that a portion of FC youth whose benefits are extended by AB 12 would have otherwise enrolled in the CalWORKs program after emancipating. This estimate includes cost avoidance to CalWORKs because these cases receive extended FC benefits.
- Based on the CDSS Foster Care Emancipation Exit Outcomes Report (SOC 405 E) from January - December 2009, it is assumed that 5.4 percent of emancipated FC youth would have otherwise enrolled in the CalWORKs program. This percentage is applied to the total FC caseload and CalWORKs Child Only caseload expected to continue receiving benefits as a result of AB 12 (364 cases per month).
- Assumes that FC non-minors with a child who emancipate at age 18 while living in a GH (33 percent of FC cases) will elect to enroll in the CalWORKs program rather than extend their FC benefits, resulting in cost avoidance for 67 percent of the caseload.
- The extension of benefits through AB 12 thus results in cost avoidance to the CalWORKs program for an average of 13 cases per month, beginning January 1, 2012.

CalFresh Caseload

- Assumes that cases that stay in FC that would otherwise have been eligible for CalFresh under AB 719 and would be reflected as cost avoidance to the Transitional CalFresh for Foster Youth Program.
- Based on an average of 104 cases per month that will receive extended foster care benefits under AB 12, it is assumed that 7.27 percent will not be eligible for CalFresh benefits due to Social Security Income (SSI) benefits. Additionally, approximately 20 percent of the 104 cases will not be eligible for CalFresh benefits due to student status. This results in CalFresh and administrative and grant savings for approximately 75 new cases per month in FY 2011-12.

Kin-GAP Grants

- The projected Kin-GAP grant will be $683.20 for FY 2011-12. This is a combination of the basic grant for ages 15-19, based on the FC FFH schedule of basic rate, at $627, in addition to estimated additional Kin-GAP benefits of $56.20.
- The impact of the California Foster Parent Association, et al vs. John A. Wagner court decision that increases the FFH basic rate will be displayed in the FFH Rate Increase – FFH Impact premise.

Foster Care Grants

- The grants used for the FC placement options of relatives, NDNRLG, and FFH were calculated by adding estimated additional FC benefits of $283.63 to the basic grant for ages 15-19 of $627. The projected federal and/or nonfederal grant for the relatives, NDNRLG, and FFH placements is $910.63 for FY 2011-12.
- The impact of the *California Foster Parent Association, et al vs. John A. Wagner* court decision that increases the FFH basic rate will be displayed in the FFH Rate Increase – FFH Impact premise.

Extend Foster Care, Kin-GAP, and AAP Benefits (AB 12)

KEY DATA/ASSUMPTIONS (CONTINUED):

- The federal and nonfederal grants used for the SIL placement were calculated by adding estimated additional FC clothing allowance benefits of $14.80 to the basic grant for ages 15-19 of $627. The projected federal and nonfederal grant for SIL placements is $641.80 for FY 2011-12.
- The FFA grant is established through the normal budgeting process. The projected federal grant is $1,530.20 and the projected nonfederal grant is $2,002.63 for FFA placements in FY 2011-12. The impact of the ten percent FFA rate reduction is reflected in this grant.
- The GH and THP-Plus grants are established through the normal budgeting process. The projected federal grant is $6,866.12 and the projected nonfederal grant is $8,203.03 for GH placements in FY 2011-12. The projected federal and nonfederal grant is $2,906.89 for THP Plus placements in FY 2011-12.
- GH and THP-Plus grants have been adjusted to include a 32 percent rate increase and California Necessities Index (CNI) increases starting in FY 2010-11 through FY 2011-12. The CNI projections are 1.57 percent for FY 2010-11 and 1.92 percent FY 2011-12.

CalWORKs Child Only Grants

- The projected Child Only grant will be $351 (the maximum aid payment for an assistance unit of one, exempt status, in CalWORKs) for FY 2011-12.

Fed-GAP Grants

- The projected Fed-GAP grant is $750.18 for FY 2011-12. This is a combination of the basic grant for ages 15-19, based on the FC FFH schedule of basic rate, at $627, in addition to estimated additional Fed-GAP benefits of $123.18.
- The impact of the *California Foster Parent Association, et al vs. John A. Wagner* court decision that increases the FFH basic rate will be displayed in the FFH Rate Increase – FFH Impact premise.

AAP Grants

- The projected AAP grant is $926.15 for FY 2011-12. This is a combination of the basic grant for ages 15-19, based on the FC FFH schedule of basic rate, at $627, in addition to estimated additional AAP benefits of $299.15.
- The impact of the *California Foster Parent Association, et al vs. John A. Wagner* court decision that increases the FFH basic rate will be displayed in the FFH Rate Increase – FFH Impact premise.

CalWORKs Cost Avoidance Grants

- The projected grant cost avoidance for FC youth who would have otherwise enrolled in CalWORKs is $516, which is the maximum aid payment for an assistance unit of two.

CalFresh Grants

- The maximum aid benefit for emancipated foster youth receiving Transitional CalFresh benefits is assumed to be $200 per month for the first 12 months in CalFresh in accordance with AB 719.

Extend Foster Care, Kin-GAP, and AAP Benefits (AB 12)

KEY DATA/ASSUMPTIONS (CONTINUED):

- Based on historic California Food Assistance Program (CFAP) and CalFresh caseloads, the CFAP caseload/benefits are approximately one percent of the CalFresh caseload/benefits.

Kin-GAP Administration

- Based on actual Kin-GAP expenditure data, the projected average monthly administrative grant is $40.67 per case for FY 2011-12.

Foster Care Administration

- Based on actual FC expenditure data from Calendar Year 2010, the projected average monthly administrative grant is $95.31 per case for FY 2011-12. The total FC administrative cost is $207,000 for FY 2011-12.
- Assumes that ICPC cases residing outside of California will create a savings to the FC administration. The total FC administrative savings as a result of ICPC cases is $519,000 for FY 2011-12.

CalWORKs Child Only Administration

- The monthly CalWORKs administration cost is $33.58 per case.

Fed-GAP Administration

- Based on actual Kin-GAP expenditure data, the projected average monthly administrative grant is $40.67 per case for FY 2011-12.

AAP Administration

- Based on actual AAP expenditure data from Calendar Year 2010, the projected administrative grant is $16.85 per case for FY 2011-12.

CWS Administration

- Assumes a caseload of 156 dependents and 30 wards will receive extended benefits up to age 19 in FY 2011-12.
- Assumes a workload standard of 31 cases per social worker at a cost of $129,074 per social worker.
- Assumes additional social worker costs for the increased caseloads for the following premises: Group Home Monthly Visits, Caregiver Court Filing, Child Relationships, Increase Funding for Case Worker Visits, Health Oversight and Coordination, Criminal Background Checks, and Personalized Transition Plans.

CalWORKs Cost Avoidance Administration and Services

- The projected administrative cost avoidance for FC youth who would have otherwise enrolled in CalWORKs is a one-time $197.75 fee per new case for intake costs and $33.58 per case per month for ongoing administrative costs.
- The projected employment services cost avoidance is $26,848. Representing a loss of 0.003 percent of the employment services caseload.

Extend Foster Care, Kin-GAP, and AAP Benefits (AB 12)

METHODOLOGY:

The projected child care cost avoidance is $786.51 per child per month. The estimate assumes the normal child care utilization rate for CalWORKs, which is 25.58 percent based on Calendar Year 2010 actual data.

CalFresh Administration

It is assumed that the intake cost is $51 per case.

It is assumed that quarterly reporting requirements do not apply in the first 12 months under Transitional CalFresh under AB 719.

The CFAP impact is adjusted to reflect the recent change in the CFAP caseload trend.

Automation

It is assumed that the costs for automation are estimated to be $2 million in the Budget Year (BY) and will be split evenly among the programs that are impacted by AB 12.

Kin-GAP

To estimate the cost of the extending Kin-GAP benefits, the total number of casemonths is multiplied by the average Kin-GAP rate. Kin-GAP administrative costs are calculated by multiplying the projected casemonths by the monthly administrative cost per case.

Foster Care 101

The basic costs for Relative, NDNRLG, FFH, SIL, FFA, GH, and THP-Plus placements are the product of federal and/or nonfederal monthly caseloads multiplied by the average grants, as identified above.

CalWORKs Child Only

The grant and admin costs are calculated by multiplying the caseload by the average grant cost per case per month and average admin cost per case per month, respectively.

Fed-GAP

To estimate the cost of the extending Fed-GAP benefits, the total number of casemonths is multiplied by the average Fed-GAP rate. Fed-GAP administrative costs are calculated by multiplying the projected casemonths by the monthly administrative cost per case.

AAP

To estimate the cost of the extending AAP benefits, the total number of casemonths is multiplied by the average AAP rate. AAP administrative costs are calculated by multiplying the projected casemonths by the monthly administrative cost per case.

Foster Care 141

The FC administrative cost for this premise is the product of projected monthly caseloads multiplied by the average grant, as identified above.

CalWORKs Cost Avoidance

Grant cost avoidance is calculated by multiplying the maximum aid payment for an assistance unit of two by the number of months that a case would have been on aid.

Extend Foster Care, Kin-GAP, and AAP Benefits (AB 12)

METHODOLOGY (CONTINUED):

Admin cost avoidance is calculated by multiplying the intake costs by the number of new cases and added to the ongoing monthly admin cost multiplied by the number of case-months.

Services cost avoidance is calculated by removing the cost avoidance caseload from the Employment Services Basic estimate and calculating the difference in estimated expenditures.

Child Care cost avoidance is calculated by multiplying case-months by the cost per case for child care and by the utilization rate.

CWS Administration

Basic costs are calculated by dividing the increased caseload by the workload standard, then multiplying by the annual cost of a social worker.

Social worker costs for additional premises are also included, based on increased caseload.

CalFresh

CalFresh administrative savings are calculated by multiplying the number of CalFresh eligible cases remaining in foster care per month by the CalFresh intake cost. The CFAP benefit savings are calculated by multiplying the cumulative number of new CalFresh eligible cases remaining in foster care per month by the maximum CalFresh benefits, then by one percent.

FUNDING:

The AB 12 costs/savings are shared at the same ratios as in their respective programs. Extended benefits through CalWORKs for FC Services Only cases are 100 percent state-funded and not MOE countable. Cost avoidance for CalWORKs grants are 97.5 percent TANF and 2.5 percent county funded. Administration, services and child care cost avoidance are 100 percent TANF.

Funding for automation for FC and AAP is split 50 percent federal fund and 50 percent General Fund (GF). Kin-GAP and CalWORKs state-only program costs are 100 percent GF.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

For CalWORKs Cost Avoidance, the decrease in the (Budget Year) BY is due to a decrease in the Child Care cost per case and utilization rate, as well as the 8% MAP reduction to CalWORKs grants.

For FC, the increase in the BY is due to increases in the overall FC grant, slightly offset by a shift of cases moving from federal to non-federal cases.

For Kin-GAP, there is no change.

For Fed-GAP, the increase in the BY is due to increases in the Fed-GAP grant.

For AAP, the increase in the BY is due to increases in the AAP grant.

For CalFresh, the slight decrease in BY is due to an adjustment to CFAP costs to reflect the CFAP caseload which is not increasing as much as previously projected.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase is due to the impact of extending all the qualified cases beyond age 18.

Extend Foster Care, Kin-GAP, and AAP Benefits (AB 12)

EXPENDITURES:

(in 000's)

			FY 2010-11		
Extend Foster Care, Kin-GAP, and AAP Benefits AB 12	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – CalWORKs Grant Cost Avoidance	$0	$0	$0	$0	$0
Item 101 – CalWORKs Services Cost Avoidance	0	0	0	0	0
Item 101 – CalWORKs Admin. Cost Avoidance	0	0	0	0	0
Item 101 – CalWORKs Child Care Cost Avoidance	0	0	0	0	0
Item 101 – Kin-GAP Grant Impact	8	0	6	2	0
Item 101 – Kin-GAP Admin. Impact	1	0	1	0	0
Item 101 – Foster Care Grant Impact	0	0	0	0	0
Item 101 – Fed-GAP Grant Impact	0	0	0	0	0
Item 101 – AAP Grant Impact	0	0	0	0	0
Item 101 – California Food Assistance Program Grant Impact	0	0	0	0	0
Item 101 – CalWORKs Grant Impact	0	0	0	0	0
Item 101 – CalWORKs Admin. Impact	0	0	0	0	0
Item 141 – Foster Care Admin. Impact	0	0	0	0	0
Item 141 – AAP Admin. Impact	0	0	0	0	0
Item 141 – Fed-GAP Admin. Impact	0	0	0	0	0
Item 141 – CalFresh Admin. Impact	0	0	0	0	0
Item 141 – Automation	0	0	0	0	0
Item 151 – THP-Plus Shift to FC	0	0	0	0	0
Item 151 – CWS/CMS Automation	0	0	0	0	0
Item 151 – CWS Administration	0	0	0	0	0

Extend Foster Care, Kin-GAP, and AAP Benefits (AB 12)

EXPENDITURES (CONTINUED):

(in 000's)

	FY 2011-12				
Extend Foster Care, Kin-GAP, and AAP Benefits AB 12	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – CalWORKs Grant Cost Avoidance	-$42	-$41	$0	-$1	$0
Item 101 – CalWORKs Services Cost Avoidance	-27	-27	0	0	0
Item 101 – CalWORKs Admin. Cost Avoidance	-7	-7	0	0	0
Item 101 – CalWORKs Child Care Cost Avoidance	-16	-16	0	0	0
Item 101 – Kin-GAP Grant Impact	21	0	17	4	0
Item 101 – Kin-GAP Admin. Impact	1	0	1	0	0
Item 101 – Foster Care Grant Impact	2,832	643	876	1,313	0
Item 101 – Fed-GAP Grant Impact	114	57	45	12	0
Item 101 – AAP Grant Impact	184	92	69	23	0
Item 101 – California Food Assistance Program Grant Impact	-3	0	-3	0	0
Item 101 – CalWORKs Grant Impact	14	0	14	0	0
Item 101 – CalWORKs Admin. Impact	1	0	1	0	0
Item 141 – Foster Care Admin. Impact	-312	-92	-154	-66	0
Item 141 – AAP Admin. Impact	4	2	1	1	0
Item 141 – Fed-GAP Admin. Impact	6	3	3	0	0
Item 141 – CalFresh Admin. Impact	-22	-11	-11	0	0
Item 141 – Automation	2,000	500	1,500	0	0
Item 151 – THP-Plus Shift to FC	-876	0	-876	0	0
Item 151 – CWS/CMS Automation	800	437	363	0	0
Item 151 – CWS Administration	938	301	461	176	0

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FFH Rate Increase

DESCRIPTION:

This premise is a result of the court decision *California Foster Parent Association, et al vs. John A. Wagner*. This lawsuit challenged the adequacy of California's Foster Family Home (FFH) rates. The summary judgment in the court case required that California develop a systematic method for meeting its federal obligations in regards to Foster Care maintenance payments. The court ordered the state to take the enumerated cost factors contained in the Child Welfare Act into consideration when determining a new FFH rate structure. This new rate structure should not fall too far out of line with providing those items. The court order provides authority to change the rate-setting methodology in current statue, it is expected that statutory and regulatory change will ultimately be needed. The Department contracted with The Center for Public Policy Research (CPPR) at University of California, Davis to conduct a study to develop alternative methodologies for setting the FFH rate in California.

The new FFH rate structure developed by the CPPR will impact only current FFH cases excluding Non-Related Legal Guardians (NRLG). It will also impact prospective Kinship Guardianship Assistance Payment (Kin-GAP) cases, prospective NRLG cases, prospective federal Kinship Guardianship Assistance Payment (Fed-GAP) program cases and prospective Adoption Assistance Program (AAP) cases.

IMPLEMENTATION DATE:

This premise implements on July 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: *California Foster Parent Association, et al vs. John A. Wagner* court decision.
- This estimate reflects costs for all the 56 non-Title IV-E Waiver counties and the Title IV-E Waiver counties.
- The new statewide FFH rate structure is based on the enumerated cost factors such as food, shelter, school supplies, daily supervision, clothing, personal incidentals, liabilities insurance, home/court transportation and 50 percent cost of providing. The cost of providing factor is based on transportation cost to and from extracurricular, childcare, recreational and cultural activities.
- Beginning in Fiscal Year (FY) 2012-13, the new rate structure will be adjusted annually according to the Consumer Price Index (CPI) cost of living indicator.
- The rate changes by age range are as follows:
  - Current basic rate for age range 0-4 is $446; this increases to $609.
  - Current basic rate for age range 5-8 is $485; this increases to $660.
  - Current basic rate for age range 9-11 is $519; this increases to $695.
  - Current basic rate for age range 12-14 is $573; this increases to $727.
  - Current basic rate for age range 15-19 is $627; this increases to $761.

FFH Rate Increase

KEY DATA/ASSUMPTIONS (CONTINUED):

- The new rate structure contains additional monies for clothing, so the State Supplemental Clothing Allowance Program will be discontinued for all FFH cases, beginning July 1, 2011. The clothing allowance provided by counties will continue and will not be impacted by this new rate. The State Supplemental Clothing Allowance includes the 56 non-Title IV-E Waiver counties and the Title IV-E Waiver counties. For more information, please see the Supplemental Clothing Allowance premise description.
- Current FFH cases and prospective permanent placements (Kin-GAP, Fed-GAP and AAP) will be subject to the new rate structure. Existing permanent placements including NRLGs will remain under the existing rate structure and will not be subject to the rate increase.
- <u>FFH -</u> The estimate assumes an average monthly caseload of 18,378 current FFH cases (excluding NRLG's) and 163 current FFH Assembly Bill (AB) 12 cases will be impacted by the FFH rate increase. The percentage of children ages 0-4 is estimated to be 43.5 percent, the children ages 5-8 is estimated to be 14.5 percent, the children ages 9-11 is estimated to be 9.1 percent, the children ages 12-14 is estimated to be 11.6 percent and the children ages 15-19 is estimated to be 21.3 percent. It is estimated that 77 percent of FFH cases (excluding NRLG's) are federally eligible.
- <u>Tribal State-Title IV-E -</u> The estimate assumes an average monthly caseload of 17 current Tribal State-Title IV-E FFH cases will be impacted by the FFH rate increase. The percentage of children ages 0-4 is estimated to be 43.5 percent, the children ages 5-8 is estimated to be 14.5 percent, the children ages 9-11 is estimated to be 9.1 percent, the children ages 12-14 is estimated to be 11.6 percent and the children ages 15-19 is estimated to be 21.3 percent. It is estimated that 100 percent of Tribal State-Title IV-E FFH cases are federally eligible.
- <u>NRLG -</u> The estimate assumes an average monthly caseload of 59 prospective NRLG cases and 1 prospective NRLG AB 12 case will be impacted by the FFH rate increase. The percentage of children ages 0-4 is estimated to be 7.8 percent, the children ages 5-8 is estimated to be 14.3 percent, the children ages 9-11 is estimated to be 16.3 percent, the children ages 12-14 is estimated to be 23.7 percent and the children ages 15-19 is estimated to be 37.9 percent. It is estimated that 100 percent of NRLG cases are State only.
- <u>AAP -</u> The estimate assumes an average monthly caseload of 3,470 prospective AAP cases and 14 prospective AAP AB 12 cases will be impacted by the FFH rate increase. The percentage of children ages 0-4 is estimated to be 43.5 percent, the children ages 5-8 is estimated to be 14.5 percent, the children ages 9-11 is estimated to be 9.1 percent, the children ages 12-14 is estimated to be 11.6 percent and the children ages 15-19 is estimated to be 21.3 percent. It is estimated that 84 percent of AAP cases are federally eligible.
- <u>Kin-GAP -</u> The estimate assumes an average monthly caseload of 45 prospective Kin-GAP cases and 2 prospective Kin-GAP AB 12 cases will be impacted by the FFH rate increase. The percentage of children ages 0-4 is estimated to be 43.5 percent, the children ages 5-8 is estimated to be 14.5 percent, the children ages 9-11 is estimated to be 9.1 percent, the children ages 12-14 is estimated to be 11.6 percent and the children ages 15-19 is estimated to be 21.3 percent. It is estimated that 100 percent of Kin-GAP cases are State only.

FFH Rate Increase

KEY DATA/ASSUMPTIONS (CONTINUED):

- Fed-GAP - The estimate assumes an average monthly caseload of 853 prospective Fed-GAP cases and 25 prospective Fed-GAP AB 12 cases will be impacted by the FFH rate increase. The percentage of children ages 0-4 is estimated to be 43.5 percent, the children ages 5-8 is estimated to be 14.5 percent, the children ages 9-11 is estimated to be 9.1 percent, the children ages 12-14 is estimated to be 11.6 percent and the children ages 15-19 is estimated to be 21.3 percent. It is estimated that 100 percent of Fed-GAP cases are federally eligible.

METHODOLOGY:

The costs associated with the FFH Rate Increase are the product of average monthly caseloads within the categorized ages multiplied by the difference between the current basic rate and the increased basic rate, as identified above.

FUNDING:

The FFH Rate Increase costs are shared at the same ratios as in their respective programs.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year reflects a full year of cost.

EXPENDITURES:

(in 000's)

	FY 2010-11				
Item 101 – Kin-GAP Program	**Total**	**Federal**	**State**	**County**	**Reimb.**
FFH Rate Increase – Kin-GAP Impact	$0	$0	$0	$0	$0
Item 101 – Foster Care					
FFH Rate Increase – Supp. Clothing Impact	0	0	0	0	0
FFH Rate Increase – Tribal Impact	0	0	0	0	0
FFH Rate Increase – FFH Impact	0	0	0	0	0
FFH Rate Increase – NRLG Impact	0	0	0	0	0
FFH Rate Increase – Fed-GAP Impact	0	0	0	0	0
Item 101 – Adoption Assistance Program					
FFH Rate Increase – AAP Impact	0	0	0	0	0
Total	$0	$0	$0	$0	$0

FFH Rate Increase

EXPENDITURES (CONTINUED):

(in 000's)

			FY 2011-12		
Item 101 – Kin-GAP Program	**Total**	**Federal**	**State**	**County**	**Reimb.**
FFH Rate Increase – Kin-GAP Impact	$87	$0	$69	$18	$0
Item 101 – Foster Care					
FFH Rate Increase – Supp. Clothing Impact	-2,345	-786	-1,559	0	0
FFH Rate Increase – Tribal Impact	32	16	7	9	0
FFH Rate Increase – FFH Impact	35,154	13,534	8,648	12,972	0
FFH Rate Increase – NRLG Impact	109	0	44	65	0
FFH Rate Increase – Fed-GAP Impact	1,648	824	651	173	0
Item 101 – Adoption Assistance Program					
FFH Rate Increase – AAP Impact	6,622	2,781	2,881	960	0
Total	$41,307	$16,369	$10,741	$14,197	$0

Title IV-E Child Support Collections/Recovery Fund

DESCRIPTION:

This premise reflects the estimated federal share of Foster Care (FC) child support collections as determined by the California Department of Child Support Services (DCSS). The DCSS is responsible for transferring to the Recovery Fund the federal share of FC collections as reported to the federal government. The FC child support collections offset the Title IV-E share of FC expenditures.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing Statute: Social Security Act section 457(6)(e)(1).
- The estimated federal share of FC collections is provided by DCSS based on the most recent budget process.
- The level of federal financial participation is assumed to be 50 percent based on the Federal Medical Assistance Percentage rate.

METHODOLOGY:

The estimates are provided by DCSS.

FUNDING:

The FC child support collections will offset the Title IV-E share of FC expenditures.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The Current Year and Budget Year increase in collections reflects updated actual FC collections.

REASON FOR YEAR-TO-YEAR CHANGE:

This increase in collections reflects updated actual FC collections.

Title IV-E Child Support Collections/Recovery Fund

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 101 – Foster Care	**Total**	**Federal**	**State**	**County**	**Reimb.**
Offset Collections	-$9,876	-$9,876	$0	$0	$0
Recovery Fund	9,876	9,876	0	0	0

			FY 2011-12		
Item 101 – Foster Care	**Total**	**Federal**	**State**	**County**	**Reimb.**
Offset Collections	-$10,190	-$10,190	$0	$0	$0
Recovery Fund	10,190	10,190	0	0	0

Foster Family Home – Basic Costs

DESCRIPTION:

This premise reflects expenditures associated with children eligible for foster care payments that are placed in foster family homes (FFHs) for the 56 non-Title IV-E Waiver counties. Funds for the Waiver counties are included in Item 153, Title IV-E Waiver.

The federal Aid to Families with Dependent Children-Foster Care (AFDC-FC) program provides funds for out-of-home care on behalf of otherwise eligible children removed from the custody of a parent or guardian as a result of a judicial order with requisite findings or a voluntary placement agreement. The state AFDC-FC program also provides out-of-home care on behalf of otherwise eligible children, including those who are residing with a nonrelated legal guardian, relinquished for the purposes of adoption, or placed pursuant to the Indian Child Welfare Act.

FFHs provide 24-hour care and supervision in a family environment for children who cannot live in their own home. FFHs have a capacity of six or less and are either homes licensed by state or county community care licensing agencies or are approved homes of relatives or nonrelated legal guardians. FFH reimbursement rates are based on the age of the child in placement and range from $446 to $627 per month. A specialized care increment may be paid to a family home in addition to the basic rate on behalf of an AFDC-FC child requiring specialized care because of health and/or behavioral problems. A clothing allowance may also be paid in addition to the basic rate on behalf of an AFDC-FC eligible child.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11461.
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- The caseload presumed to be eligible for federal and nonfederal Foster Care (FC) program benefits is based on the 17 month period, ending November 2010 as reported by the counties on the FC Caseload Movement and Expenditures Report (CA 237 FC). Federal cases are projected to account for 65.30 percent of total FFH placements.
- Federal and nonfederal average grant computations utilized caseload and expenditure data reported by the non-Title IV-E Waiver counties on the CA 237 FC during the most recent 17 month period ending November 2010. The projected federal grant is $711.63 and the nonfederal grant is $832.44.
- The impact of the *California Foster Parent Association, et al vs. John A. Wagner* court decision that increases the FFH basic rate will be displayed in the FFH Rate Increase – FFH Impact premise.
- The percentage of federally-eligible expenditures is based on actual county expenditure data.
- The amount of federal financial participation (FFP) is based on the Federal Medical Assistance Percentage (FMAP) rate of 50 percent.
- This premise will benefit from the American Recovery and Reinvestment Act of 2009 (ARRA). Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

Foster Family Home – Basic Costs

METHODOLOGY:

FFH basic costs are the product of projected federal and nonfederal case months and average grant, as identified above.

FUNDING:

Federal funding is provided for by Title IV-E of the Social Security Act, with the amount of FFP based on the FMAP for those cases meeting eligibility criteria. Funding for the nonfederal program and the nonfederal share of federal program costs is 40 percent General Fund and 60 percent county.

The Title IV-E FMAP rate temporarily increased by 6.2 percent effective October 1, 2008, through December 31, 2010. This increase was approved by the federal government to extend until June 30, 2011. This extension of the ARRA results in an increase of 3.2 percent for the third quarter of FY 2010-11 and an increase of 1.2 percent for the fourth quarter of FY 2010-11. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The Current Year increase is the net impact of a projected caseload increase of 1.8 percent and a slight decrease in the federal grant and a 3.3 percent increase in the non-federal grant. The Budget Year increase is a result of higher caseload than was projected in the November 2010 Subvention.

REASON FOR YEAR-TO-YEAR CHANGE:

This decrease reflects a projected caseload decline of 14.2 percent.

CASELOAD:

The Fiscal Year 2010-11 average monthly caseload is 17,768, of which 11,603 is the federal caseload and 6,165 is the nonfederal caseload.

The Fiscal Year 2011-12 average monthly caseload is 15,240, of which 9,952 is the federal caseload and 5,288 is the nonfederal caseload.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – Foster Care	**Total**	**Federal**	**State**	**County**	**Reimb.**
FFH - Federal	$99,086	$44,164	$21,969	$32,953	$0
FFH - Nonfederal	61,582	0	24,633	36,949	0
Total	$160,668	$44,164	$46,602	$69,902	$0

FY 2011-12

Item 101 – Foster Care	**Total**	**Federal**	**State**	**County**	**Reimb.**
FFH - Federal	$84,993	$37,880	$18,849	$28,264	$0
FFH - Nonfederal	52,820	0	21,128	31,692	0
Total	$137,807	$37,880	$39,971	$59,956	$0

Group Home – Basic Costs

DESCRIPTION:

This premise reflects the costs associated with children eligible for foster care payments who are placed in Group Homes (GH) for the 56 non-Title IV-E Waiver counties. Funds for the Waiver counties are included in Item 153, Title IV-E Waiver.

The federal Aid to Families with Dependent Children-Foster Care (AFDC-FC) program provides funds for out-of-home care on behalf of otherwise eligible children removed from the custody of a parent or guardian as a result of a judicial order with requisite findings or a voluntary placement agreement. The state AFDC-FC program also provides out-of-home care on behalf of otherwise eligible children, including those who are residing with a nonrelated legal guardian, relinquished for the purposes of adoption, or placed pursuant to the Indian Child Welfare Act.

GHs are private, nonprofit, non-detention facilities that provide services in a group setting to children in need of care and supervision. GHs are the most restrictive out-of-home placement alternative for children in foster care, providing an option for children with significant emotional or behavioral problems who would otherwise require more restrictive environments. GH programs are reimbursed based on classification levels within a standardized schedule of rates. The reimbursement for rate classification levels (RCL) 1 through 14 ranges from $1,486 to $6,694 per month.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11462.
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- The caseload presumed to be eligible for federal and nonfederal Foster Care (FC) program benefits is based on an 17 month period, ending November 2010, as reported by the counties on the FC Caseload Movement and Expenditures Report (CA 237 FC). Federal cases are projected to account for 51.80 percent of total GH placements.
- The federal and nonfederal average grant computations utilized caseload and expenditure data reported on the CA 237 FC during a 17 month period from July 2008 to November 2009. The projected federal grant is $5,122.80 and the nonfederal grant is $5,516.51. The projected federal and nonfederal grants were held to the 2010-11 Appropriation to reflect GH expenditure data before the GH and Seriously Emotionally Disturbed (SED) Rate Increase was implemented on December 14, 2009.
- The impact of the *California Alliance of Child and Family Services v. Cliff Allenby* court decision will be displayed in the Group Home and SED Rate Increase premise.
- The percentage of federally-eligible expenditures is based on actual county expenditure data.
- The amount of Federal Financial Participation (FFP) is based on the Federal Medical Assistance Percentage (FMAP) rate of 50 percent.
- This premise will benefit from the American Recovery and Reinvestment Act of 2009 (ARRA). Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

Group Home – Basic Costs

METHODOLOGY:

The basic costs are the product of federal and nonfederal casemonths and average grant, as identified above. Federal, state and county sharing ratios are based on county expenditure data.

FUNDING:

Federal funding is provided by Title IV-E of the Social Security Act, with the amount of FFP based on the FMAP for those cases meeting eligibility criteria. Funding for the nonfederal program and the nonfederal share of federal program costs is 40 percent General Fund and 60 percent county.

Title IV-E FMAP rate temporarily increased by 6.2 percent effective October 1, 2008, through December 31, 2010. This increase was approved by the federal government to extend until June 30, 2011. This extension of the ARRA results in an increase of 3.2 percent for the third quarter of FY 2010-11 and an increase of 1.2 percent for the fourth quarter of FY 2010-11. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The Current Year decrease is due to a projected caseload decline of 1.6 percent. The Budget Year decrease is a result of lower caseload than was projected in the November 2010 Subvention.

REASON FOR YEAR-TO-YEAR CHANGE:

This decrease reflects a further projected caseload decline of 9.7 percent.

CASELOAD:

The Fiscal Year 2010-11 average monthly caseload is 5,452, of which 2,824 is the federal caseload and 2,628 is the nonfederal caseload.

The Fiscal Year 2011-12 average monthly caseload is 4,923, of which 2,550 is the federal caseload and 2,373 is the nonfederal caseload.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – Foster Care	**Total**	**Federal**	**State**	**County**	**Reimb.**
GH - Federal	$173,597	$77,375	$38,489	$57,733	$0
GH - Nonfederal	173,963	0	69,585	104,378	0
Total	$347,560	$77,375	$108,074	$162,111	$0

FY 2011-12

Item 101 – Foster Care	**Total**	**Federal**	**State**	**County**	**Reimb.**
GH - Federal	$156,758	$69,869	$34,756	$52,133	$0
GH - Nonfederal	157,088	0	62,835	94,253	0
Total	$313,846	$69,869	$97,591	$146,386	$0

Foster Family Agency – Basic Costs

DESCRIPTION:

This premise reflects the costs associated with children eligible for foster care payments who are placed with foster family agencies (FFAs) for the 56 non-Title IV-E Waiver counties. Funds for the waiver counties are included in Item 153, Title IV-E Waiver.

The federal Aid to Families with Dependent Children-Foster Care (AFDC-FC) program provides funds for out-of-home care on behalf of otherwise eligible children removed from the custody of a parent or guardian as a result of a judicial order with requisite findings or a voluntary placement agreement. The state AFDC-FC program also provides out-of-home care on behalf of otherwise eligible children, including those who are residing with a nonrelated legal guardian, relinquished for the purposes of adoption, or placed pursuant to the Indian Child Welfare Act.

FFAs are nonprofit agencies licensed to recruit, certify, train and support foster parents for children needing placement. FFAs primarily serve children who would otherwise require group home care. FFA treatment rates are established by using a basic rate similar to the foster family home rate plus a set increment for the special needs of the child, an increment for social work activities, and a percentage for administration, recruitment, and training. Treatment rates are based on the age of the child in placement and range from $1,589 to $1,865 per month. Reimbursement rates for FFAs participating in the Intensive Treatment Foster Care Program are based on the level of services provided to the child and range from $2,985 to $4,476. A clothing allowance may also be paid in addition to the FFA rate for an AFDC-FC eligible child.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 11463 and 18358.3.
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- The caseload presumed to be eligible for federal and nonfederal Foster Care (FC) program benefits are based on a 12 month period ending November 2010, as reported by the counties on the FC Caseload Movement and Expenditures Report (CA 237 FC). Federal cases are projected to account for 80.37 percent of total FFA placements.
- Federal and nonfederal average grant computations utilized caseload and expenditure data reported by the counties on the CA 237 FC during the most recent 12 month period ending November 2010. The projected federal grant is $1,521.52 and the nonfederal grant is $2,138.60.
- The percentage of federally-eligible expenditures is based on actual county expenditure data.
- The amount of federal financial participation (FFP) is based on the Federal Medical Assistance Percentage (FMAP) rate of 50 percent.
- This premise will benefit from the American Recovery and Reinvestment Act of 2009 (ARRA). Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

METHODOLOGY:

The basic costs are the product of federal and nonfederal casemonths and average grant, as identified above. Federal, state and county sharing ratios are based on county expenditure data.

Foster Family Agency – Basic Costs

FUNDING:

Federal funding is provided by Title IV-E of the Social Security Act, with the amount of FFP based on the FMAP for those cases meeting eligibility criteria. Funding for the nonfederal program and the nonfederal share of federal program costs is 40 percent General Fund and 60 percent county.

The Title IV-E FMAP rate temporarily increased by 6.2 percent effective October 1, 2008, through December 31, 2010. This increase was approved by the federal government to extend until June 30, 2011. This extension of the ARRA results in an increase of 3.2 percent for the third quarter of Fiscal Year (FY) 2010-11 and an increase of 1.2 percent for the fourth quarter of FY 2010-11. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The Current Year decrease is an overall impact of a projected caseload decrease of 3.0 percent and a decrease in the non-federal grant and federal grant based on actual expenditures. The Budget Year decrease is a result of a lower caseload than was projected in the November 2010 Subvention.

REASON FOR YEAR-TO-YEAR CHANGE:

This decrease reflects a projected caseload decline of 5.6 percent.

CASELOAD:

The Fiscal Year 2010-11 average monthly caseload is 10,534, of which 8,466 is the federal caseload and 2,068 is the nonfederal caseload.

The Fiscal Year 2011-12 average monthly caseload is 9,947, of which 7,994 is the federal caseload and 1,953 is the nonfederal caseload.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – Foster Care	**Total**	**Federal**	**State**	**County**	**Reimb.**
FFA - Federal	$154,571	$68,895	$34,270	$51,406	$0
FFA - Nonfederal	53,072	0	21,229	31,843	0
Total	$207,643	$68,895	$55,499	$83,249	$0

FY 2011-12

Item 101 – Foster Care	**Total**	**Federal**	**State**	**County**	**Reimb.**
FFA - Federal	$145,958	$65,056	$32,361	$48,541	$0
FFA - Nonfederal	50,110	0	20,044	30,066	0
Total	$196,068	$65,056	$52,405	$78,607	$0

Seriously Emotionally Disturbed Basic Costs

DESCRIPTION:

This premise reflects the out-of-home board and care costs associated with children placed in accordance with the Seriously Emotionally Disturbed (SED) program. Assembly Bill (AB) 3632 (Chapter 1747, Statutes of 1984) and AB 882 (Chapter 1274, Statutes of 1985) authorized the SED program as a separate out-of-home care component. Eligible participants are children designated as SED by the California Department of Education (CDE).

Senate Bill 485 (Chapter 722, Statutes of 1992) modified the program by eliminating any California Department of Social Services participation in funding “for profit" facilities, shifting responsibility for the cost of children in those facilities to CDE and local education agencies.

Payments may be made on behalf of SED children placed in privately operated residential facilities licensed in accordance with the Community Care Facilities Act, and shall be based on foster care rates established in accordance with Welfare and Institutions Code (W&IC) sections 11460 to 11467, inclusive. Most SED children are placed in group home psychiatric peer group Rate Classification Levels 12 through 14; however, some children are placed in foster family homes or foster family agencies. As there is no court adjudication, these children are eligible only for nonfederal foster care program benefits.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1987.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC sections 18350-18356.
- Case months are based on trend caseload projections.
- Average grants are based on actual expenditure and caseload data for a 12 month period from January 2009 to December 2009. The projected average grant for Los Angeles County is $5,564.66. The projected average grant for the remaining counties is $5,825.75. The projected average grants were held to the 2010-11 Appropriation to reflect SED expenditure data before the Group Home and SED Rate Increase was implemented on December 14, 2009.
- The impact of the *California Alliance of Child and Family Services v. Cliff Allenby* court decision will be displayed in the Group Home and SED Rate Increase premise.

METHODOLOGY:

SED costs are the product of projected case months and the computed average grant. Program costs are the aggregate of separate projections for Los Angeles County and the remaining 57 counties.

FUNDING:

SED costs are shared 40 percent General Fund and 60 percent county funds.

Seriously Emotionally Disturbed Basic Costs

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The Current Year and Budget Year decrease reflects slower caseload growth than projected for the November 2010 Subvention.

REASON FOR YEAR-TO-YEAR CHANGE:

This decrease reflects projected caseload decline.

CASELOAD:

The Fiscal Year 2010-11 average monthly caseload is 1,797.

The Fiscal Year 2011-12 average monthly caseload is 1,768.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 101 – Foster Care	**Total**	**Federal**	**State**	**County**	**Reimb.**
Seriously Emotionally Disturbed	$123,878	$0	$49,551	$74,327	$0

			FY 2011-12		
Item 101 – Foster Care	**Total**	**Federal**	**State**	**County**	**Reimb.**
Seriously Emotionally Disturbed	$121,862	$0	$48,745	$73,117	$0

Eliminate State Funding for SED

DESCRIPTION:

This premise reflects savings associated with the elimination of state funding from the California Department of Social Services budget for the Seriously Emotionally Disturbed (SED) cases. This reduction was included as part of the 2010-11 Appropriation, and reflects saving for the Current Year (CY) only. The SED program is a separate out-of-home care component of the Foster Care system. Eligible participants are children designated as SED by the California Department of Education. For more information, please see the SED Basic Cost premise description.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Senate Bill 870, Chapter 712, Statue of 2010
- Average grants are based on actual expenditure and caseload data for a 12 month period from January 2009 to December 2009. The projected average grant for Los Angeles County is $5,564.66. The projected average grant for the remaining counties is $5,825.75.
- The projected average grants were held to the 2010-11 Appropriation to reflect SED expenditure data before the Group Home and SED Rate Increase was implemented on December 14, 2009.
- This estimate also impacts the Group Home and SED Rate Increase premise which reflects a 32 percent increase to SED grants and a California Necessities Index increase of 1.57 percent in the CY. For more information, please see the Group Home and SED Rate Increase premise description.
- The average monthly caseload for the SED program is 1,797 for the CY.

METHODOLOGY:

SED savings are the product of projected case months and the computed average grant. Program costs are the aggregate of separate projections for Los Angeles County and the remaining 57 counties.

FUNDING:

SED savings are shared at 100 percent General Fund.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The CY loss of savings reflects slower caseload growth than projected in the November 2010 Subvention.

REASON FOR YEAR-TO-YEAR CHANGE:

The SED savings are a CY item only.

Eliminate State Funding for SED

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – Foster Care	**Total**	**Federal**	**State**	**County**	**Reimb.**
Eliminate State Funding for SED	-$49,551	$0	-$49,551	$0	$0
Eliminate State Funding for SED – Impact to Rate Increase	-16,883	0	-16,883	0	0

FY 2011-12

Item 101 – Foster Care	**Total**	**Federal**	**State**	**County**	**Reimb.**
Eliminate State Funding for SED	$0	$0	$0	$0	$0
Eliminate State Funding for SED – Impact to Rate Increase	0	0	0	0	0

Shift Seriously Emotionally Disturbed Responsibility to CDE (Prop - 98)

DESCRIPTION:

This premise reflects savings associated with shifting the responsibility of Seriously Emotionally Disturbed (SED) cases to the California Department of Education (CDE). This reduction was included as part of the 2011 May Revision, and reflects saving for the Budget Year (BY) only. The SED program is a separate out-of-home care component of the Foster Care system. Eligible participants are children designated as SED by the CDE. For more information, please see the SED Basic Cost premise description.

IMPLEMENTATION DATE:

This premise implements on July 1, 2011.

KEY DATA/ASSUMPTIONS:

- Average grants are based on actual expenditure and caseload data for a 12 month period from January 2009 to December 2009. The projected average grant for Los Angeles County is $5,564.66. The projected average grant for the remaining counties is $5,825.75.
- The projected average grants were held to the 2010-11 Appropriation to reflect SED expenditure data before the Group Home and SED Rate Increase was implemented on December 14, 2009.
- This estimate also impacts the Group Home and SED Rate Increase premise which reflects a 32 percent increase to SED grants and a California Necessities Index increase of 1.57 percent in the Current Year and 1.92 percent for the BY. For more information, please see the Group Home and SED Rate Increase premise description.
- The average monthly caseload for the SED program is 1,768 for the BY.
- The estimate assumes a SED administrative savings at a cost of $95.31 per case.

METHODOLOGY:

SED savings are the product of projected case months and the computed average grant. Program costs are the aggregate of separate projections for Los Angeles County and the remaining 57 counties.

FUNDING:

The item 101 SED assistance savings is shared 40 percent General Fund (GF) and 60 percent county funds. The item 141 SED administrative savings is shared 70 GF and 30 percent county.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The SED savings is a BY item only.

Shift Seriously Emotionally Disturbed Responsibility to CDE (Prop - 98)

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – Foster Care	**Total**	**Federal**	**State**	**County**	**Reimb.**
Shift SED Responsibility to CDE (Prop - 98)	$0	$0	$0	$0	$0
Shift SED Responsibility to CDE (Prop - 98) – Rate Increase	0	0	0	0	0
Item 141 – County Administration					
Shift SED Responsibility to CDE (Prop 98)	0	0	0	0	0

FY 2011-12

Item 101 – Foster Care	**Total**	**Federal**	**State**	**County**	**Reimb.**
Shift SED Responsibility to CDE (Prop - 98)	-$121,862	$0	-$48,745	-$73,117	$0
Shift SED Responsibility to CDE (Prop - 98) – Rate Increase	-44,658	0	-17,863	-26,795	0
Item 141 – County Administration					
Shift SED Responsibility to CDE (Prop 98)	-2,022	0	-1,415	-607	0

Supplemental Clothing Allowance

DESCRIPTION:

This premise reflects expenditures associated with an augmentation of $100 per child to the existing clothing allowance program for children placed in Foster Family Homes (FFHs) or certified family homes of Foster Family Agencies (FFAs) for 56 non-Title IV-E Waiver counties. Funds for the waiver counties are included in Item 153, Title IV-E Waiver.

Currently, counties have the authority to provide a clothing allowance, in addition to the basic foster care rate paid on behalf of eligible foster children. This premise reflects an augmentation to the current program funding level, allowing for an annual supplemental clothing allowance of $100 per child with no county share of cost.

Counties that currently have clothing allowance expenditures are expected to maintain their current level of funding in the program. The additional state and federally funded clothing allowance is intended to supplement not supplant current spending levels.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 11461(f) (4) and 11463(g).
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- The statewide annual supplemental clothing allowance will be $100 per child.
- All FFH and FFA placements are eligible for the clothing allowance. The average monthly projected caseload is 28,302 for Fiscal Year (FY) 2010-11, and 25,186 for FY 2011-12.
- The State Supplemental Clothing Allowance Program will be discontinued for all FFH cases in all 58 counties, beginning July 1, 2011, as a result of the FFH Rate Increase. For more information, please see the FFH Rate Increase premise description.
- All cases shifting to the Kinship Guardianship Assistance Payment program are presumed to receive the clothing allowance prior to exiting foster care.
- The amount of federal financial participation (FFP) is based on the Federal Medical Assistance Percentage (FMAP) rate of 50 percent.
- This premise will benefit from the American Recovery and Reinvestment Act of 2009 (ARRA). Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

METHODOLOGY:

The counties expenditures for the statewide supplemental clothing allowance are a product of the projected cases and the $100 allowance.

Supplemental Clothing Allowance

FUNDING:

Federal funding is provided by Title IV-E of the Social Security Act for those cases meeting eligibility criteria, with the amount of FFP based on the FMAP rate. Funding for the nonfederal share of federal program costs and for those cases not meeting federal eligibility criteria is 100 percent General Fund.

The Title IV-E FMAP rate was temporarily increased by 6.2 percent effective October 1, 2008, through December 31, 2010. This increase was approved by the federal government to extend until June 30, 2011. This extension of the ARRA results in an increase of 3.2 percent for the third quarter of FY 2010-11 and an increase of 1.2 percent for the fourth quarter of FY 2010-11. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The Current Year change is a net impact of a slight increase in caseload offset by a projected decrease in the foster care federal discount rate. The Budget Year decrease is a result of lower caseload than was projected in the November 2010 Subvention.

REASON FOR YEAR-TO-YEAR CHANGE:

This decrease reflects a decline in projected caseloads.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 101 – Foster Care	**Total**	**Federal**	**State**	**County**	**Reimb.**
Supplemental Clothing Allowance	$2,830	$1,003	$1,827	$0	$0

			FY 2011-12		
Item 101 – Foster Care	**Total**	**Federal**	**State**	**County**	**Reimb.**
Supplemental Clothing Allowance	$2,518	$897	$1,621	$0	$0

Title XX Funding

DESCRIPTION:

This premise reflects the Title XX Social Services Block Grant awarded to the state as well as the Temporary Assistance for Needy Families (TANF) funds that are transferred to Title XX. This funding is provided under Title XX of the federal Social Security Act as amended by the federal Omnibus Budget Reconciliation Act of 1981. Federal funding for social services has been given to states under Title XX since October 1981. In order to qualify for these funds, a state must prepare an expenditure plan prior to the start of the state fiscal year that is consistent with the five Title XX goals:

1. Achieving or maintaining economic self-support to prevent, reduce, or eliminate dependency.
2. Achieving or maintaining self-sufficiency, including reduction or prevention of dependency.
3. Preventing or remedying neglect, abuse or exploitation of children or adults unable to protect their own interests; or preserving, rehabilitating or reuniting families.
4. Preventing or reducing inappropriate institutional care by providing for community-based care, home-based care, or other forms of less intensive care.
5. Securing referral or admission for institutional care when other forms of care are not appropriate or providing services to individuals in institutions.

Through Fiscal Year (FY) 1992-93, Title XX funds were used exclusively to fund the In-Home Supportive Services (IHSS) program. With the implementation of the Title XIX Personal Care Services Program in 1993, a portion of the Title XX funds was shifted to other eligible programs. Those funds now support the following programs:

- Foster Care services (goal 3);
- Child Welfare Services (CWS) (goals 3 and 4); and
- Deaf Access Program (goals 1 and 2);

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 13000 through 13008.
- State legislation permits Title XX funds to be used in CWS and Foster Care to supplant the state share without affecting county funds.
- The Title XX funding awarded to California is $150.9 million for Federal Fiscal Year (FFY) 2010 and FFY 2011. $366 million in TANF grant dollars in FY 2010-11 and $364.6 million in TANF grant dollars in FY 2011-12 will be transferred to Title XX.
- The FFY awards are adjusted to conform to FY funding needs.

METHODOLOGY:

In the Current Year (CY) $32.9 million in TANF grant dollars will be transferred into the Title XX Block Grant to fund services for children residing in group homes in non-Title IV-E Waiver counties. The funds decrease to $30.3 million in the Budget Year (BY) for the non-Title IV-E Waiver counties.

Title XX Funding

METHODOLOGY (CONTINUED):

In the CY, $21.5 million in TANF grant dollars will be transferred into the Title XX Block Grant to fund services for children residing in group homes in the Title IV-E Waiver counties. The funds decrease to $21.5 million in the BY for the Title IV-E Waiver counties. The estimated available Title XX to transfer to TANF grant dollars assumes the impact of the Group Home and Seriously Emotionally Disturbed (SED) Rate Increase.

In the CY and the BY, $147.9 million in Title XX funds are being shifted to the Department of Developmental Services (DDS).

TANF funds are transferred to Title XX for the following purposes: $42.2 million in the CY and $39.2 million in the BY for non-Title IV-E Waiver counties, and $24.2 million for the CY and BY for the Title IV-E Waiver counties to supplant a portion of the state share of CWS eligible expenditures in the California Department of Social Services (CDSS), and $77.2 million for the CY and BY are added to the Title XX funds shifted to DDS.

In the Deaf Access Program, $3.0 million in Title XX block grant funds for both the CY and the BY will reduce the General Fund (GF) share in an otherwise 100 percent GF program.

In the CY and the BY, $20.0 million of TANF funds may be transferred to Title XX for child care: $10 million for CDSS' Stage One Child Care program and $10 million for the California Department of Education's child care programs, in order to broaden access to Child and Adult Care Food Program (CACFP) benefits for low-income children in proprietary child care centers. The CY and the BY reflect an additional TANF Title XX amount of $158 million and $162.4 million respectively to fund Stage One Child Care.

FUNDING:

Title XX is a federal block grant that does not require a state or county match.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The Title XX transfer from TANF for Foster Care in the CY and the BY has decreased to reflect actual expenditures and estimated premise impacts. The Title XX transfer from TANF to Stage One Child Care has increased due to a decrease in needed Tribal TANF funds, which in turn, increases the amount of TANF available to transfer to Title XX.

REASON FOR YEAR-TO-YEAR CHANGE:

The overall decrease in TANF funds transferred to Title XX is due to increased Tribal TANF costs in the BY. The overall increase in the amount of TANF transferred to Stage One Child Care through Title XX is due to a decrease in Title XX-eligible costs for CWS and Foster Care in the BY.

Title XX Funding

EXPENDITURES:
(in 000's)

	FY 2010-11
Title XX Social Services Block Grant	**Federal Funds**
Item 151 – CWS Grant Transfer to DDS	$147,903
Item 151 – Deaf Access (Access Assistance/Deaf Access Program) Grant[1]	2,996
Total	$150,899
TANF Transfer to Title XX	
Item 101 – FC TANF Transfer[1]	$32,927
Item 153 – Title IV-E California Well-Being Project TANF Transfer[1]	21,477
Item 151 – CWS TANF Transfer to DDS	77,157
Item 151 – CWS TANF Transfer[1]	42,221
Item 153 – Title IV-E California Well-Being Project TANF Transfer[1]	24,150
Item 101 – Stage One Child Care Transfer to Title XX[2]	-168,029
Total	$365,962

	FY 2011-12
Title XX Social Services Block Grant	**Federal Funds**
Item 151 – CWS Grant Transfer to DDS	$147,903
Item 151 – Deaf Access (Access Assistance/Deaf Access Program) Grant[1]	2,996
Total	$150,899
TANF Transfer to Title XX	
Item 101 – FC TANF Transfer[1]	$30,303
Item 153 – Title IV-E California Well-Being Project TANF Transfer[1]	21,473
Item 151 – CWS TANF Transfer to DDS	77,157
Item 151 – CWS TANF Transfer[1]	39,160
Item 153 – Title IV-E California Well-Being Project TANF Transfer[1]	24,150
Item 101 – Stage One Child Care Transfer to Title XX[2]	-172,402
Total	$364,645

[1] This is a non-add line.

[2] This is added as a positive value to tie to the total.

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Supportive Transitional Emancipation Program

DESCRIPTION:

This premise reflects the cost to provide financial support to emancipating foster youth up to age 21 if participating in an educational or training program or any activity consistent with their "transitional independent living plan." These payments are authorized by Assembly Bill 427 (Chapter 125, Statutes of 2001) which added Section 11403.1 to the Welfare and Institutions Code (W&IC). This premise also reflects the administrative costs for updating the Transitional Independent Living Plan and determining the eligibility of applicants for the Supportive Transitional Emancipation Program.

IMPLEMENTATION DATE:

This premise was effective on January 1, 2002; however no counties have implemented the program.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 11403.1
- There are no counties planning to participate in the program at this time.
- Trailer bill language limits participation in this program subject to the availability of funds in the current Budget Act.

METHODOLOGY:

There are no counties planning to participate in the program at this time.

FUNDING:

There are no counties planning to participate in the program at this time.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Supportive Transitional Emancipation Program

EXPENDITURES:

(in 000's)

FY 2010-11

Supportive Transitional Emancipation Program	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – Foster Care	$0	$0	$0	$0	$0
Item 141 – County Administration	0	0	0	0	0
Item 151 – CWS Administration	0	0	0	0	0

FY 2011-12

Supportive Transitional Emancipation Program	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – Foster Care	$0	$0	$0	$0	$0
Item 141 – County Administration	0	0	0	0	0
Item 151 – CWS Administration	0	0	0	0	0

Emergency Assistance Program

DESCRIPTION:

This premise reflects the costs associated with the Emergency Assistance (EA) Foster Care (FC) programs, which provide funding for benefits and services granted to children and families in emergency situations. Eligibility is restricted to one episode in any 12-month period. The EA-FC Welfare program provides support payments for dependents and voluntary FC placements not otherwise eligible for federal Title IV-E benefits. The "Child Welfare Services-Emergency Assistance" premise discusses additional program components.

Public Law (P.L.) 104-193 eliminated Title IV-A funding for the EA program but permitted use of Temporary Assistance for Needy Families (TANF) dollars for EA funding. Although P.L. 104-193 allowed TANF funding for this portion of the EA program, the Budget Act of 1997 replaced the TANF funding with General Fund (GF). Based on interpretation of the final TANF regulations, that EA GF expenditures are not countable towards the TANF maintenance of effort requirement, effective October 1, 1999, the GF was replaced with TANF funding.

IMPLEMENTATION DATE:

The EA-FC Welfare program became effective September 1, 1993.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10101.
- Based on actual expenditure and caseload data through December 2010, the projected average grant for EA-FC cases is $1,444.61
- EA case months are projected using a five-month linear trend forecast based on actual caseload data.
- The Current Year (CY) EA administrative costs have been updated based on actual claims.
- Foster children receiving EA benefits are eligible to receive the $100 supplemental clothing allowance.

METHODOLOGY:

<u>Item 101</u> – EA-FC costs are the product of projected case months and the computed average grant, plus the cost of the supplemental clothing allowance for each case.

<u>Item 141</u> – Costs for administrative activities performed by County Welfare Department staff are based upon actual expenditures and adjusted for caseload growth in Fiscal Year (FY) 2010-11 and FY 2011-12. Administrative costs also include $35,000 added to the federal share for reimbursements to the California Department of Health Services for data processing activities associated with the Assistance to Children in Emergency System, which enables tracking of EA cases currently receiving assistance.

FUNDING:

EA funding was used in the TANF block grant calculation and, therefore, is part of the TANF funding schedule.

Effective October 1, 1999, the EA-FC component is funded 70 percent TANF, 30 percent county, and the EA administrative costs are funded 85 percent TANF and 15 percent county.

Emergency Assistance Program

FUNDING (CONTINUED):

The supplemental clothing allowance component is funded 100 percent with TANF.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The CY and Budget Year (BY) Item 101 increase is the result of higher caseload than was projected in the November 2010 Subvention.

The CY administrative cost was held to Appropriation. The BY administrative costs increase is based on actual expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

The Item 101 change reflects a projected increase in caseload.

The administrative costs are updated based on actual expenditures.

CASELOAD:

The Fiscal Year 2010-11 average monthly caseload is 3,770.

The Fiscal Year 2011-12 average monthly caseload is 3,815.

EXPENDITURES:

(in 000's)

FY 2010-11

Emergency Assistance Program	Total	Federal	State	County	Reimb.
Item 101 – Foster Care	$65,730	$0	$46,124	$19,606	$0
Item 141 – County Administration	6,328	0	5,384	944	0

FY 2011-12

Emergency Assistance Program	Total	Federal	State	County	Reimb.
Item 101 – Foster Care	$66,512	$0	$46,673	$19,839	$0
Item 141 – County Administration	6,402	0	5,447	955	0

Expansion of Eligibility for the Intensive Treatment Foster Care (ITFC) Program (SB 1380)

DESCRIPTION:

This premise reflects the savings associated with expanding the number of children eligible for the Intensive Treatment Foster Care (ITFC) program in the 56 non-waiver counties, by including youth with serious behavioral problems that would otherwise be placed in more costly group home settings.

Senate Bill (SB) 1380 authorizes the expansion of eligibility of children and services for the ITFC program by increasing the types of services that Foster Family Agencies would be required to provide or arrange for under the program. The overall purpose of ITFC is to provide a home-like placement alternative for children and youth with significant behavior challenges. This premise will also require revisions to eligibility, operational, reporting, and foster parent training components of the ITFC program.

The ITFC premise seeks to improve outcomes for foster youth by providing less restrictive environments for children, and allows the counties to determine which children from the expanded eligible population in Group Homes (GH) with Rate Classification Levels (RCLs) 9-11 will be placed in ITFC programs.

This premise limits the number of children able to participate in the ITFC program to 750 in the first three years (excluding counties participating in the Title IV-E Waiver Demonstration Project). This limitation will allow time to determine if the expansion of eligibility, pursuant to this premise, produces the desired outcome of reducing the GH population, in keeping with the state’s public policy goals.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2011

KEY DATA/ASSUMPTIONS:

- Authorizing statute: SB 1380 (Chapter 486, Statutes of 2008)
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- Twenty cases were assumed as the initial monthly caseload.
- Twenty additional cases were added each successive month until the 750 limit is reached.
    - The RCLs 9-11 rate reflect the impact of the 32 percent GH and Seriously Emotionally Disturbed rate increase, as well as a California Necessities Index (CNI) adjustment of 1.57 percent for the Current Year (CY) and 1.92 percent for the Budget Year (BY).
- The rates of $6,956 for the average of RCLs 9-11 and $4,101 for the average of ITFC Rates A-C are used to calculate potential savings.

METHODOLOGY:

The estimated savings were the product of casemonths multiplied by the difference between the average rate based on ITFC Rates A-C less the average rate for RCL 9-11 cases.

Expansion of Eligibility for the Intensive Treatment Foster Care (ITFC) Program (SB 1380)

FUNDING:

Federal funding is provided by Title IV-E of the Social Security Act, with the amount of federal financial participation based on the Federal Medical Assistance Percentage for those cases meeting eligibility criteria. Funding for the nonfederal program and the nonfederal share of federal program costs is 40 percent General Fund and 60 percent county.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The BY change is a net result of an updated CNI offset by a shift of cases moving from federal to non-federal cases.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements in the BY.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – Foster Care	**Total**	**Federal**	**State**	**County**	**Reimb.**
Expansion of ITFC	$0	$0	$0	$0	$0

FY 2011-12

Item 101 – Foster Care	**Total**	**Federal**	**State**	**County**	**Reimb.**
Expansion of ITFC	-$4,455	-$992	-$1,385	-$2,078	$0

Foster Care and AAP Overpayments

DESCRIPTION:

This premise reflects the costs associated with Title IV-E Foster Care (FC) and Adoption Assistance Payment (AAP) Overpayments. The federal Department of Health and Human Services (DHHS) Region IX has notified the California Department of Social Services (CDSS) that the federal share of Title IV-E overpayments identified through state audits performed on group homes and the share of Title IV-E overpayments identified through county overpayments must be returned immediately once the overpayment has been identified as required by federal regulations. The practice has been to repay the federal share upon recoupment from foster care providers. Therefore, DHHS has issued a demand for repayment for the federal share of all state and county overpayments identified regardless of whether or not CDSS collects the overpayment.

IMPLEMENTATION DATE:

Adjustments to federal claim began in Fiscal Year (FY) 2006-07.

KEY DATA/ASSUMPTIONS:

- This estimate reflects costs for the 56 non-Title IV-E Waiver FC counties, and the 58 county AAP program from July 1, 2007.
- Beginning July 1, 2009, counties will begin paying their share of the reported overpayments.

METHODOLOGY:

Overpayments are estimated based on actual county claims.

FUNDING:

Senate Bill 84 (Chapter 177, Statutes of 2007) requires that General Fund (GF) will pay the full federal share of all uncollected overpayments until regulations have been adopted, after which counties will be required to share at the normal non-federal foster care sharing ratios. Funding for the repayment of the federal Title IV-E overpayments will be 40 percent GF and 60 percent county.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

FC - The Current Year (CY) decrease in costs is based on actual FC claims. The Budget Year (BY) decrease reflects a decline in FC caseload

AAP - The CY increase in cost is based on actual AAP claims. The BY increase reflects an increase in AAP caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

FC - This decrease is the result of a projected decline in the overall FC caseload.

AAP- This increase is the result of a projected increase in the overall AAP caseload.

Foster Care and AAP Overpayments

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 101 – Foster Care	**Total**	**Federal**	**State**	**County**	**Reimb.**
FC Overpayments	$868	$0	$347	$521	$0
Item 101 – Adoption Assistance Program					
AAP Overpayments	$588	$0	$441	$147	$0

			FY 2011-12		
Item 101 – Foster Care	**Total**	**Federal**	**State**	**County**	**Reimb.**
FC Overpayments	$775	$0	$310	$465	$0
Item 101 – Adoption Assistance Program					
AAP Overpayments	$604	$0	$453	$151	$0

Title IV-E Foster Parent Child Care Program

DESCRIPTION:

This premise provides the state the budgetary authority to pass through federal Title IV-E funds to counties for the implementation of a child care program for foster parents. Senate Bill 1612 (Chapter 845, Statutes of 2004) permits the pass through of federal Title IV-E funds, subject to federal approval, for the purpose of implementing a child care program in participating counties. There will be no General Fund (GF) participation, and the 50 percent match will be provided by participating counties. Under Title IV-E foster care maintenance costs, states have the option to offer subsidized child care to foster parents when the need is related to non-ordinary parental duties such as foster parents who must work and school activities outside the home. On March 17, 2005, the federal Department of Health and Human Services provided a policy clarification that allows states to implement a child care program, in some or all jurisdictions of the state, and that a State Plan Amendment is not necessary to implement this maintenance payment option.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2005.

KEY DATA/ASSUMPTIONS:

- Title IV-E is a federal funding source for children placed in out-of-home care who are eligible to receive Aid to Families with Dependent Children-Foster Care. Title IV-E provides the state and counties with matching funds for out-of-home placement costs, e.g. foster care, which now includes child care. Federal financial participation is available at the Federal Medical Assistance Payment (FMAP) rate of 50 percent. Counties will be responsible for providing the 50 percent match.
- This program is open to all counties statewide. The counties currently participating in the Title IV-E child care program include Butte, Lassen, Orange, San Francisco, San Mateo, Santa Clara, Siskiyou, San Benito and Yolo.
- This premise will benefit from the American Recovery and Reinvestment Act of 2009 (ARRA). Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

METHODOLOGY:

The estimate utilized actual expenditures from Calendar Year 2010 to project the Current Year (CY) and Budget Year (BY) estimates.

FUNDING:

This premise is funded with 50 percent federal funds, 50 percent county funds. There is no G F share.

The Title IV-E FMAP rate temporarily increased by 6.2 percent effective October 1, 2008, through December 31, 2010. This increase was approved by the federal government to extend until June 30, 2011. This extension of the ARRA results in an increase of 3.2 percent for the third quarter of FY 2010-11, and an increase of 1.2 percent for the fourth quarter of FY 2010-11.

Title IV-E Foster Parent Child Care Program

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The CY and BY decrease is based on updated actual expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

This decrease is based on a projected decrease in the Foster Family Home caseload.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – Foster Care	**Total**	**Federal**	**State**	**County**	**Reimb.**
Title IV-E Child Care	$2,216	$1,108	$0	$1,108	$0

FY 2011-12

Item 101 – Foster Care	**Total**	**Federal**	**State**	**County**	**Reimb.**
Title IV-E Child Care	$1,912	$956	$0	$956	$0

Multi-Treatment Foster Care (MTFC) Program

DESCRIPTION:

This premise reflects the savings associated with expanding the number of children enrolled in the Multi-Treatment Foster Care (MTFC) program in the 56 non-waiver counties, that would otherwise be placed in more costly group home settings. The MTFC program is an evidence-based model of treatment foster care for children with severe emotional and behavioral disorders and/or severe delinquency. This model aims to create opportunities for youths to successfully live in families rather than in group or institutional settings. The California Department of Social Services (CDSS) has endorsed this model as a best practice for providing foster children with permanency and child/family well-being. CDSS is encouraging development of this model as part of the Program Improvement Plan (PIP).

Senate Bill (SB) 1380 (Chapter 486, Statutes of 2008), provides counties the authority to pursue MTFC programs and to work with shareholders to establish MTFC rates. Currently, implementation of the MTFC model is hampered by the challenges associated with setting appropriate MTFC rates. Several counties are currently utilizing the Intensive Treatment Foster Care (ITFC) rates to fund care and supervision for their MTFC programs, because the ITFC rate offers a higher payment for the foster parent to compensate for the extra care and supervision required by foster care providers. Counties must find additional funding beyond Aid to Families with Dependent Children–Foster Care (AFDC-FC) and Medi-Cal to close the gap between allowable AFDC-FC fundable activities and the funding necessary to pay for activities that are part of the MTFC model. Typically, the populations served in MTFC are children who are usually placed in Group Home (GH) Rate Classification Level (RCL) 12 or above and have a myriad of behavioral disorders and require an intense level of care and supervision from the foster parent.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2011

KEY DATA/ASSUMPTIONS:

- This estimate reflects cost/savings for only the 56 non-Title IV-E Waiver counties.
- The cases presumed to be eligible for federal and nonfederal MTFC program benefits are based on a maximum of 335 children from GH RCL 12 through 14.
- Five new cases per month are phased into the program upon implementation.
- The RCLs 12 through 14 rate reflect the impact of the 32 percent GH and Seriously Emotionally Disturbed rate increase, as well as a cost of living (COLA) adjustment of 1.57 percent in the Current Year (CY) and 1.92 percent for the Budget Year (BY).
- The following rates of RCL 12, $8,050, RCL 14, $9,147, and ITFC Range A, $4,476, were used to calculate costs/savings.
- Federal and nonfederal case costs not covered by Title IV-E were estimated at $350 per case per month.

Multi-Treatment Foster Care (MTFC) Program

METHODOLOGY:

The basic costs were the product of federal and nonfederal casemonths multiplied by the rates associated with RCL levels 12 and 14, which were then compared to the identical casemonths multiplied by the rates associated with the existing ITFC Range A rate. Additional federal and nonfederal case services/costs not covered under Title IV-E funding were calculated on the overall number of cases to offset the savings calculated between ITFC Range A rates and RCL rates.

FUNDING:

Federal funding is provided by Title IV-E of the Social Security Act, with the amount of federal financial participation based on the Federal Medical Assistance Percentage for those cases meeting eligibility criteria. Funding for the nonfederal program and the nonfederal share of federal program costs is 40 percent General Fund and 60 percent county.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The BY change is a net result of an updated COLA offset by a shift of cases moving from federal to non-federal cases.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements in the BY.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – Foster Care	**Total**	**Federal**	**State**	**County**	**Reimb.**
Multi-Treatment Foster Care Program	$0	$0	$0	$0	$0

FY 2011-12

Item 101 – Foster Care	**Total**	**Federal**	**State**	**County**	**Reimb.**
Multi-Treatment Foster Care Program	-$1,325	-$378	-$379	-$568	$0

Educational Stability (P.L. 110-351)

DESCRIPTION:

This premise reflects the costs associated with reimbursing foster caregivers for travel expenses related to educational travel. The Fostering Connections to Success and Increasing Adoptions Act (P.L. 110-351) requires states to develop a plan to ensure the educational stability of a child in foster care. Part of meeting the educational stability requirement is for the placement decision to take into account the appropriateness of the current educational setting and the proximity to the school in which the child is enrolled at the time of placement. P.L. 110-351 authorizes the use of Title IV-E funds to pay for reasonable travel to the child's school of origin.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Fostering Connections to Success and Increasing Adoptions Act (P.L. 110 351).
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- For Fiscal Year FY 2010-11, the estimated number of school age children whose placement is outside of their school district of origin is 9,503. For FY 2011-12, the estimated number of school age children whose placement is outside of their school district of origin is 8,457.
- This premise includes children that have an Individual Education Plan (IEP).
- This premise excludes all Group Home children.
- This estimate assumes the AAA average driving cost of 32 cents per mile. The AAA rate includes costs for gas, vehicle maintenance, tires, insurance, and license/registration/taxes.
- This estimate assumes that 83 percent of the total school age foster care population will utilize a five-tier flat rate system. Of this population, 36.6 percent of children will be driven between 1-5 miles per day, one way to school, 16.8 percent of children will be driven between 6-10 miles per day, one way to school, and 46.6 percent of children will be driven 11 or more miles per day, one way to school. It is assumed that four one way trips will be made each day, per child.
- This estimate assumes the remaining 17 percent of the total school age foster care population will use public transportation at a flat rate of $44 per child per month.
- This estimate assumes an average of 180 school days annually.
- This estimate assumes 15 minutes of social worker time to calculate the amount of educational travel that foster parents are to receive.
- This estimate assumes the hourly cost of a social worker is $72.60.

METHODOLOGY:

<u>Foster Care – 101</u>
The annual cost is calculated by multiplying the impacted caseload by the applicable mileage range and flat rate as identified above for 180 school days. For FY 2010-11 the number of school days is 90 based on a January 1, 2010 implementation date. For FY 2011-12 the number of school days is the annual 180.

Educational Stability (P.L. 110-351)

METHODOLOGY (CONTINUED):

Automation – 141
Additional costs may be budgeted for updating the automation systems to accommodate the requirements of P.L. 110-351 with regards to reasonable travel.

CWS - 151
The cost is determined by multiplying the hourly cost of a social worker by the caseload, then multiplying by the time per case to determine the amount of educational travel reimbursement.

FUNDING:

Foster Care – 101
Federal funding is provided by Title IV-E of the Social Security Act, with the amount of Federal Financial Participation (FFP) based on the Federal Medical Assistance Percentage (FMAP) for those cases meeting eligibility criteria. Nonfederal costs are shared 40 percent General Fund (GF) and 60 percent county.

Title IV-E FMAP rate temporarily increased by 6.2 percent effective October 1, 2008, through December 31, 2010. This increase was approved by the federal government to extend until June 30, 2011. This extension of the ARRA results in an increase of 3.2 percent for the third quarter of FY 2010-11 and an increase of 1.2 percent for the fourth quarter of FY 2010-11. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

CWS - 151
After applying the foster care federal discount rate of 70 percent for FY 2010-11 and 68 percent for FY 2011-12, federally eligible costs are shared 50 percent federal and 50 percent nonfederal. Nonfederal costs are shared 70 percent GF and 30 percent county.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The Current Year and Budget Year cost decrease is due to lower caseload than projected.

REASON FOR YEAR-TO-YEAR CHANGE:

This decrease is due to a projected caseload decline in the Foster Family Home and Foster Family Agency placements.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Educational Stability (P.L. 110-351)	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – Foster Care	$20,596	$6,821	$5,510	$8,265	$0
Item 141 – Automation	0	0	0	0	0
Item 151 – CWS Administration	173	59	80	34	0

Educational Stability (P.L. 110-351)

EXPENDITURES (CONTINUED):

(in 000's)

	FY 2011-12				
Educational Stability (P.L. 110-351)	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – Foster Care	$18,329	$6,077	$4,901	$7,351	$0
Item 141 – Automation	600	300	300	0	0
Item 151 – CWS Administration	153	52	71	30	0

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Group Home and SED Rate Increase

DESCRIPTION:

This premise was ordered by the *California Alliance of Child and Family Services v. Cliff Allenby* court decision. This lawsuit challenged the sufficiency of Foster Care maintenance payments made to Group Home providers. It alleged that California Group Home rates did not fully reimburse Group Home providers for the cost associated with caring for foster children placed in their facilities. The court ruled against the state which has resulted in approximately a 32 percent increase in the rates for all Group Homes and Seriously Emotionally Disturbed (SED) placements statewide, retroactive to December 14, 2009.

IMPLEMENTATION DATE:

This premise implemented on December 14, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: *California Alliance of Child and Family Services v. Cliff Allenby* court decision.
- This estimate reflects costs for all the 56 non-Title IV-E Waiver counties, the Title IV-E Waiver counties, and SED for 58 counties.
- Includes a cost of living (COLA) adjustment of 1.57 percent for the entire Current Year (CY) and 1.92 percent for the entire Budget Year (BY). The COLA is based on the California Necessities Index (CNI).

METHODOLOGY:

The SED costs are calculated by increasing the Fiscal Year (FY) 2010-11 average grants by 32 percent, and a COLA of 1.57 percent was included in the average grant beginning July 1, 2010. In FY 2011-12, a COLA of 1.92 percent is included in the average grant beginning July 1, 2011.

The Group Home costs for the 56 non-Title IV-E waiver counties are calculated by increasing the FY 2010-11 average grants by 32 percent, and a COLA of 1.57 percent was included in the average grant beginning July 1, 2010. In FY 2011-12, a COLA of 1.92 percent is included in the average grant beginning July 1, 2011.

The Title IV-E waiver county estimates are calculated by increasing the FY 2010-11 average grants, for both Los Angeles County and Alameda County, by 32 percent, and a COLA of 1.57 percent was included in the average grant beginning July 1, 2010. In FY 2011-12, a COLA of 2.29 percent is included in their average grant beginning July 1, 2011. The impact of the estimated additional availability of Title XX funds are incorporated into the federal and General Fund (GF) costs. Federal participation in the increased costs is contingent on federal approval. Title IV-E Waiver estimates have been predetermined and are still pending federal approval.

FUNDING:

SED costs are shared 40 percent GF and 60 percent county funds.

Group Home federal funding is provided by Title IV-E of the Social Security Act, with the amount of Federal Financial Participation based on the Federal Medical Assistance Percentage (FMAP) for those cases meeting eligibility criteria. Funding for the nonfederal program and the nonfederal share of federal program costs is 40 percent GF and 60 percent county.

Group Home and SED Rate Increase

FUNDING (CONTINUED):

Title IV-E FMAP rate was temporarily increased by 6.2 percent effective October 1, 2008, through December 31, 2010. This increase was approved by the federal government to extend until June 30, 2011. This extension of the American Recovery and Reinvestment Act (ARRA) results in an increase of 3.2 percent for the third quarter of FY 2010-11 and an increase of 1.2 percent for the fourth quarter of FY 2010-11. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The CY decrease is a result of lower projected caseload for the 56 non-Title IV-E Waiver counties. The BY decrease reflects a further decline of caseload as well as an updated CNI.

REASON FOR YEAR-TO-YEAR CHANGE:

This decrease is a net result of a projected caseload decrease in Group Home and SED placements offset by an updated BY CNI.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 101 – Foster Care	**Total**	**Federal**	**State**	**County**	**Reimb.**
Group Home – 56 County	$118,421	$26,363	$36,823	$55,235	$0
SED	42,208	0	16,883	25,325	0
Title IV-E Waiver	50,416	13,628	11,178	25,610	0
Title IV-E Waiver – Title XX – GH Rate Increase (Non add line)	0	4,619	-4,619	0	0
Total	$160,629	$26,363	$53,706	$80,560	$0

			FY 2011-12		
Item 101 – Foster Care	**Total**	**Federal**	**State**	**County**	**Reimb.**
Group Home – 56 County	$115,013	$25,605	$35,763	$53,645	$0
SED	44,658	0	17,863	26,795	0
Title IV-E Waiver	51,028	13,695	11,378	25,955	0
Title IV-E Waiver – Title XX – GH Rate Increase (Non add line)	0	4,615	-4,615	0	0
Total	$159,671	$25,605	$53,626	$80,440	$0

Residentially Based Services (AB 1453)

DESCRIPTION:

This premise provides up-front funding for residential foster care services for children/youth enrolled in the Residentially Based Services (RBS) Reform Project. Assembly Bill (AB) 1453 (Chapter 466, Statutes of 2007) authorized a five-year pilot demonstration project to test alternative RBS program and funding models which are cost neutral to the General Fund (GF). The results of the pilot projects are intended to guide the design of a statewide plan for RBS implementation that is to be provided to the Legislature by July 1, 2014.

The RBS Reform Project is designed to transform the state's current system of long-term, congregate, group home care into a system of RBS programs which provide short-term, intensive, residential treatment interventions along with community-based services and post-residential placement support and services to reconnect foster children/youth to their families and communities. The goal of RBS is to reduce lengths of stay in high-end group care and increase permanency for youth who would otherwise grow up in the foster care system. In order to achieve these goals, high cost, short-term, intensive services need to be front-loaded while the child/youth is residing in the RBS group home. By front-loading services it is anticipated that the children/youth enrolled in RBS will require shorter lengths of stay in the high-cost residential facilities and step down to lower levels of care more quickly, resulting in cost savings over the life of the child/youth’s foster care stay. The RBS Reform Project is also included as a primary strategy in the California Program Improvement Plan for sustaining and enhancing permanency efforts.

IMPLEMENTATION DATE:

This premise implemented on June 28, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: AB 1453 (Chapter 466, Statutes of 2007) and Welfare and Institutions Code section 18987.7.
- Up to four counties may participate in the pilot. Currently, four counties have submitted plans to participate in the pilot project. They are San Francisco County, Sacramento County, Los Angeles County, and San Bernardino County. Each site has developed a unique RBS program design and funding model.
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- Depending on the specific pilot program design, short-term intensive residential services will be needed for an average of 12 months or less, followed by lower cost placement in the community or placement into a permanent home.
- Without RBS, these youth would have remained in Rate Classification Level (RCL) 12-14 group homes. The rate for RCL level 12 is $7,917 for Fiscal Year (FY) 2010-11 and $8,069 for FY 2011-12. The rate for RCL level 14 is $8,974 for FY 2010-11 and $9,146 for FY 2011-12.
- The GF savings associated with the Adoption Assistance Program (AAP) De-Link will be used to offset the costs of this premise. For additional information, see the AAP De-Link (P.L. 110-351) Premise.

Residentially Based Services (AB 1453)

KEY DATA/ASSUMPTIONS (CONTINUED):

- This premise will benefit from the American Recovery and Reinvestment Act of 2009 (ARRA). Temporary ARRA Federal Medical Assistance Percentage (FMAP) increases are included in this estimate.
- The overall RBS project sunset date was extended to January 1, 2015.

San Bernardino County

- The San Bernardino County pilot began June 28, 2010 with a maximum capacity of 12 RBS beds.
- The approved RBS rate is $8,835 and the Community Based Services (CBS) rates are as follows: Phase I - Intensive Treatment Foster Care, $4,028, Phase I - Foster Family Agency $1,679; Phase II - Wraparound services $3,571.
- Approximately 72 percent of the foster youth are eligible for federal funding.
- It is assumed that the youth will spend approximately 12 months in the RBS setting and an additional 12 months in the CBS setting; six months in Phase I and an additional six months in Phase II.
- The average length of stay in a group home is 32 months.

Sacramento County

- The Sacramento County pilot began August 15, 2010 with a maximum capacity of 22 RBS beds.
- The approved RBS rate is $8,031 and the CBS rate is $4,594.
- Approximately 73 percent of the foster youth are eligible for federal funding.
- It is assumed that the youth will spend approximately nine months in the RBS setting and an additional nine months in the CBS setting.
- The average length of stay in a group home is 26 months.

San Francisco County

- The San Francisco County pilot began March 1, 2011 with a maximum capacity of 18 RBS beds.
- The approved RBS rate is $11,000 and the CBS rate is $4,028 for Phase I and $3,500 for Phase II.
- Approximately 75 percent of the foster youth are eligible for federal funding.
- It is assumed that the youth will spend an average of five months in the RBS setting and an additional 19 months in the CBS setting, six months in an ITFC setting and an additional 13 months in an CBS setting.
- The average length of stay in a group home is 24 months.

Residentially Based Services (AB 1453)

METHODOLOGY:

To determine the cost of the project, caseloads for each pilot project are converted to case months in each setting which are multiplied by the RBS monthly rate and the CBS rate, respectively. These costs are compared with the costs that would otherwise have been incurred for the same child in the appropriate group home setting. The difference represents the cost of the project.

FUNDING:

Federal funding is provided by Title IV-E of the Social Security Act, with the amount of federal financial participation based on FMAP for those cases meeting eligibility criteria. Funding for the nonfederal program and the nonfederal share of federal program costs is 40 percent GF and 60 percent county.

The Title IV-E FMAP rate temporarily increased by 6.2 percent effective October 1, 2008, through December 31, 2010. This increase was approved by the federal government to extend until June 30, 2011. This extension of the ARRA results in an increase of 3.2 percent for the third quarter of FY 2010-11 and an increase of 1.2 percent for the fourth quarter of FY 2010-11.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The Current Year and Budget Year erosion of savings is due to a two month delay in implementation for San Francisco County.

REASON FOR YEAR-TO-YEAR CHANGE:

The increased savings reflects cases moving into a lesser restrictive environment that receives a lower CBS rate.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 101 – Foster Care	**Total**	**Federal**	**State**	**County**	**Reimb.**
Residentially Based Services	-$136	-$184	$19	$29	$0

			FY 2011-12		
Item 101 – Foster Care	**Total**	**Federal**	**State**	**County**	**Reimb.**
Residentially Based Services	-$3,241	-$1,704	-$615	-$922	$0

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Federal Kinship Guardianship Assistance Payment Program (AB 12)

DESCRIPTION:

This premise reflects the costs associated with the federal Kinship Guardianship Assistance Payment (Fed-GAP) program. This program is authorized by Assembly Bill (AB) 12 (Chapter 559, Statutes of 2010), which exercised the federal option contained in Public Law (P.L.) 110-351, the Fostering Connections to Success and Increasing Adoptions Act of 2008, which permits states to opt into a new kinship guardianship payment program eligible for federal financial participation (FFP). In order to be eligible for FFP, the federal law requires a written agreement with the relative be entered into for new cases; that subsidized guardianship payments continue regardless of state of residence; and, renegotiations of payment are based on the needs of the child and the circumstances of the relative. Additionally, before a relative guardian may receive a Title IV-E subsidized guardianship agreement, a child must have been in an approved or licensed relative home for six consecutive months prior to guardianship.

Effective January 1, 2011, current Kinship Guardianship Assistance Payment (Kin-GAP) program cases that are federal Title IV-E eligible will convert to the Fed-GAP program upon annual redetermination. Prospective federally eligible cases that would have entered the Kin-GAP program on or after January 1, 2011, will now enter the Fed-GAP program.

IMPLEMENTATION DATE:

This premise will implement January 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: AB 12, P.L. 110-351.
- The average Fed-GAP grant payment is based on the average Kin-GAP grant payment, which is then increased due to 15 percent of federally eligible Kin-GAP cases qualifying for enhanced benefits, which previously were ineligible to receive such benefits, upon reassessment. The average Fed-GAP grant payment is $682.02.
- The impact of the California Foster Parent Association, et al vs. John A. Wagner court decision that increases the FFH basic rate will be displayed in the FFH Rate Increase – FFH Impact premise.
- It is projected that on December 31, 2010, there will be 12,656 federally eligible Kin-GAP cases that will convert to the Fed-GAP program. The conversion will occur on the date of the annual redetermination. Assuming the date of the redetermination is spread out evenly over the course of one year, 1,055 cases will leave Kin-GAP each month for twelve months. Of the 1,055 monthly cases, 213 cases will discontinue. The number of discontinuances is based on a twelve month average of discontinued Kin-GAP cases reported on the CA 237 Kin-GAP Caseload Movement Report. Therefore, 842 converted cases will enter Fed-GAP each month.
- Assumes 132 new cases will enter Fed-GAP each month. This is based on a 12 month average of Title IV-E eligible cases entering Kin-GAP from Foster Care reported on the CA 237 Kin-GAP Caseload Movement Report.

Federal Kinship Guardianship Assistance Payment Program (AB 12)

KEY DATA/ASSUMPTIONS (CONTINUED):

- Administrative costs for new Fed-GAP cases assumes two hours to complete an initial assessment, comprised of the execution of the Kin-GAP agreement and additional documentation in the case plan. The cost for these two hours is $72.60 per hour. Administrative costs for converted Fed-GAP cases assume six hours, which include the two hours to complete an initial assessment, as well as one hour for determining Title IV-E eligibility, and three hours of social worker time to visit the home of the guardian. The cost for these six hours is $72.60 per hour.
- State and county expenditures associated with Fed-GAP cases are not eligible for the state's Temporary Assistance for Needy Families maintenance of effort (MOE) requirement.
- The amount of FFP is based on the Federal Medical Assistance Percentage (FMAP) rate of 50 percent.
- This premise will benefit from the American Recovery and Reinvestment Act of 2009 (ARRA). Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

METHODOLOGY:

Fed-GAP basic costs are the product of the projected casemonths and the average grant, as identified above.

Fed-GAP administrative costs are the product of the projected cases by the applicable hours per case.

FUNDING:

The Fed-GAP program will be paid with 50 percent federal funding, provided under Title IV-E of the Social Security Act, with the amount of FFP based on the FMAP rate. The balance of the nonfederal costs will be paid with 79 percent General Fund (GF) and 21 percent county funds.

Title IV-E FMAP rate temporarily increased by 6.2 percent effective October 1, 2008, through December 31, 2010. This increase was approved by the federal government to extend until June 30, 2011. This extension of the ARRA results in an increase of 3.2 percent for the third quarter of FY 2010-11 and an increase of 1.2 percent for the fourth quarter of FY 2010-11. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

For administrative costs, the federal portion will be 50 percent of the federal discount rate (66 percent), with the remaining balance paid with GF.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The Current Year (CY) and Budget Year (BY) decrease is an overall impact of a decrease in projected cases entering the program coupled with a projected increase of discontinued Kin-GAP cases.

The Admin was held to Appropriation in the CY. The BY decrease reflects a decline in caseload.

Federal Kinship Guardianship Assistance Payment Program (AB 12)

REASON FOR YEAR-TO-YEAR CHANGE:

This increase reflects a full year of costs in the Budget Year.

CASELOAD:

The average monthly caseload for FY 2010-11 is 3,424 and for FY 2011-12 is 10,375.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Fed-GAP Basic Costs (AB 12)	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – Foster Care	$14,010	$7,005	$5,534	$1,471	$0
Item 141 – County Administration	2,397	803	1,594	0	0

			FY 2011-12		
Fed-GAP Basic Costs (AB 12)	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – Foster Care	$84,914	$42,457	$33,541	$8,916	$0
Item 141 – County Administration	2,437	804	1,633	0	0

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American Recovery and Reinvestment Act of 2009 for FC, AAP, and IHSS – FMAP Increase

DESCRIPTION:

This premise reflects the impact of increasing the Federal Medical Assistance Percentage (FMAP) rate for the Foster Care (FC), Federal Kin-GAP (Fed-GAP) and Adoption Assistance Payment (AAP) programs due to the enactment of the American Recovery and Reinvestment Act (ARRA) of 2009. The FMAP rate increased from 50 percent to 56.2 percent, effective October 1, 2008, through December 31, 2010. From January through March 2011, the FMAP rate will equal 53.2 percent, and from April through June 2011, the FMAP rate will equal 51.2 percent. On July 1, 2011, the FMAP rate will revert back to 50 percent.

This premise also reflects the impact of increasing the FMAP rate for the In-Home Supportive Services (IHSS) Personal Care Services Program (PCSP) and IHSS Plus Option (IPO) programs from 50 percent to 61.594 percent, effective October 1, 2008, through December 31, 2010. From January 1, 2011, through March 31, 2011, the FMAP rate will equal 58.766 percent, and from April 1, 2011, through June 30, 2011, the FMAP rate will equal 56.881 percent. On July 1, 2011, the FMAP rate will revert back to 50 percent for services under the PCSP and IPO programs.

The ARRA is a multi-year, federal economic stimulus program. With respect to programs under the purview of the California Department of Social Services, the purposes of the funds are to preserve and create jobs and promote economic recovery; assist those impacted by the recession; and stabilize state and local government budgets.

IMPLEMENTATION DATE:

This premise implemented on October 1, 2008.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Public Law (P.L.) 111-5. FMAP increase for FC/AAP: P.L. 111-5, Division B, Title V, Section 5001(b). FMAP increase for IHSS: P.L. 111-5, Division B, Title V, Section 5001(c).
- Assumes only federal AAP cases will be eligible for the FMAP increase.
- Assumes only federal FC cases will be eligible for the FMAP increase.
- Assumes the impact to the FC Group Home (GH) rate increase. For more information, please see the GH Rate Increase premise write-up.
- Assumes Fed-GAP cases will be eligible for the FMAP increase.
- Assumes only federal PCSP and IPO cases will be eligible for the FMAP increase.
- The Budget Act of 2010 Appropriation ARRA values have been adjusted to reflect the updated FMAP rates. The IHSS impact is shown separately on the “Impact of Phase Down of ARRA FMAP Increase” line.
- Assumes an expiration date of June 30, 2011.

American Recovery and Reinvestment Act of 2009 for FC, AAP, and IHSS – FMAP Increase

METHODOLOGY:

Item 101 and Item 153

AAP –The federal share increased by 6.2 percent for the first half of the Current Year (CY), then by 3.2 percent from January through March 2011, and then by 1.2 percent from April through June 2011. This is equivalent to a blended rate of 54.2 percent for FY 2010-11. The additional federal funding results in corresponding savings for state and county shares.

FC – The federal share of foster care cash payments increased by 6.2 percent for the first half of the CY, then by 3.2 percent from January through March 2011, and then by 1.2 percent from April through June 2011. This is equivalent to a blended rate of 54.2 percent for FY 2010-11. The additional federal funding results in corresponding savings for state and county shares of the foster care cash payments.

Fed-GAP – The federal share will increase by 3.2 percent from January through March 2011, and then by 1.2 percent from April through June 2011. This is equivalent to a blended rate of 52.2 percent for FY 2010-11. The additional federal funding results in corresponding savings for state and county shares of the Fed-GAP cash payments.

Item 111

IHSS – The federal share of PCSP and IPO cases increased from the base rate of 50 percent by 11.594 percent for the first half of the CY, then by 8.766 percent from January 1, 2011, through March 31, 2011, and then by 6.881 percent from April 1, 2011, through June 30, 2011. This is equivalent to a blended rate of 59.709 percent for FY 2010-11. The additional federal funding results in corresponding savings for state and county shares of the eligible IHSS cases.

FUNDING:

Item 101 and Item 153

FC – Federal funding is authorized under the provisions of Title IV-E of the Social Security Act with an FMAP rate of 50 percent. The balance of the FC funding is paid with 20 percent General Fund (GF) and 30 percent county funds. The waiver counties' FC FMAP increase was computed utilizing the base plus two percent growth. The waiver counties' FC FMAP increase for the GH rate increase is funded with an FMAP rate of 50 percent, with the balance being shared at 20 percent state and 30 percent county.

AAP – Federal funding is authorized under the provisions of Title IV-E of the Social Security Act with an FMAP rate of 50 percent. The balance of the AAP program is paid with 75 percent GF and 25 percent county funds.

Fed-GAP – Federal funding is authorized under the provisions of Title IV-E of the Social Security Act with an FMAP rate of 50 percent. The balance of the Fed-GAP program is paid with 79 percent GF and 21 percent county funds.

Item 111

IHSS – Federal funding for PCSP and IPO services is authorized under the provisions of Title XIX of the Social Security Act with a blended FMAP rate of 59.709 percent. The nonfederal share of the PCSP and IPO programs are split 65 percent GF and 35 percent county.

American Recovery and Reinvestment Act of 2009 for FC, AAP, and IHSS – FMAP Increase

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

FC/Fed-GAP – The CY erosion of savings is due to a decrease in the federal costs in the FC program. There is no change for the Title IV-E Waiver counties.

AAP – The CY increase in savings is due to an increase in federal costs in the AAP program.

IHSS – The CY erosion of savings is due to a decrease in federally eligible IHSS program costs.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a CY item only.

EXPENDITURES:

(in 000's)

FY 2010-11

ARRA of 2009 for FC, AAP, IHSS – FMAP Increase	Total	Federal	State	County	Reimb.
Item 101 – Foster Care	$0	$19,579	-$7,832	-$11,747	$0
Item 101 – Adoption Assistance Program	0	28,794	-21,595	-7,199	0
Item 111 – IHSS	0	0	-324,817	-174,902	499,719
Item 153 – Title IV-E Waiver GH Rate Increase	0	1,284	-514	-770	0
Item 153 – Title IV-E Waiver	0	15,067	-6,027	-9,040	0

FY 2011-12

ARRA of 2009 for FC, AAP, IHSS – FMAP Increase	Total	Federal	State	County	Reimb.
Item 101 – Foster Care	$0	$0	$0	$0	$0
Item 101 – Adoption Assistance Program	0	0	0	0	0
Item 111 – IHSS	0	0	0	0	0
Item 153 – Title IV-E Waiver GH Rate Increase	0	0	0	0	0
Item 153 – Title IV-E Waiver	0	0	0	0	0

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Adoption Assistance Program – Basic Costs

DESCRIPTION:

This premise reflects the basic cost of providing financial support to families adopting a child with special needs under the Adoption Assistance Program (AAP).

Children eligible for AAP benefits have one of the following characteristics that are barriers to adoption: mental, physical, medical or emotional handicap; ethnic background, race, color, or language; over three years of age; member of a sibling group to be adopted by one family; or adverse parental background (e.g., drug addiction, mental illness). To be eligible to receive federal benefits, the child shall have been otherwise eligible to receive aid under the federal Aid to Families with Dependent Children-Foster Care program. The amount of the AAP payment is based on the child's needs and the prospective family's circumstances, with eligibility reassessed every two years. Pursuant to Assembly Bill 390 (Chapter 547, Statutes of 2000), the statewide median income guideline shall not be used for negotiations between the prospective adoptive family and the adoption agency to determine the amount of payment to be received.

The AAP benefit shall not exceed the age-related, foster family home care rate for which the child would otherwise be eligible. The AAP payment may include the value of a specialized care increment that would have been paid on behalf of a child due to health and/or behavioral problems. Payments may continue until the child attains the age of 18, unless a mental or physical handicap warrants the continuation of assistance until the child reaches the age of 21.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16115 through 16123.
- Cases presumed to be eligible for the federal AAP make up 84.0 percent of the total AAP payment caseload, based on data through December 2010 as reported on the CA 800 claim forms.
- Caseload and expenditure data extracted from the CA 800 provide the basis for caseload and average grant projections.
- The federal and nonfederal average grants are $823.97 and $800.88, respectively, for Fiscal Year (FY) 2010-11 and $841.08 and $803.45, respectively, for FY 2011-12, based on a 24-month linear trend analysis.
- The impact of the *California Foster Parent Association, et al vs. John A. Wagner* court decision that increases the Foster Family Home (FFH) basic rate will be displayed in the FFH Rate Increase – FFH Impact premise.
- The amount of federal financial participation (FFP) is based on the Federal Medical Assistance Percentage (FMAP) rate of 50 percent.
- This premise will benefit from the American Recovery and Reinvestment Act of 2009 (ARRA). Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

METHODOLOGY:

AAP basic costs are the product of projected federal and nonfederal case months and the respective average grant, as identified above.

Adoption Assistance Program – Basic Costs

FUNDING:

Federal funding is provided under Title IV-E of the Social Security Act for those cases meeting eligibility criteria, with the amount of FFP based on the FMAP rate. Federal case costs ineligible for FFP and the costs of the nonfederal program are shared 75 percent General Fund and 25 percent county.

The Title IV-E FMAP rate temporarily increased by 6.2 percent effective October 1, 2008, through December 31, 2010. This increase was approved by the federal government to extend until June 30, 2011. This extension of the ARRA results in an increase of 3.2 percent for the third quarter of FY 2010-11 and an increase of 1.2 percent for the fourth quarter of FY 2010-11. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The Current Year and Budget Year decrease reflects a decrease in the average monthly caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase reflects an increase in the projected average monthly caseload and the average grants.

CASELOAD:

The average monthly caseload for FY 2010-11 is 84,197 and for FY 2011-12 is 86,393.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 101 – Adoption Assistance Program	**Total**	**Federal**	**State**	**County**	**Reimb.**
Basic Costs	$828,563	342,285	364,709	121,569	$0

			FY 2011-12		
Item 101 – Adoption Assistance Program	**Total**	**Federal**	**State**	**County**	**Reimb.**
Basic Costs	$865,711	358,725	380,240	126,746	$0

Adoption Assistance Program – De-Link (P.L. 110-351)

DESCRIPTION:

This premise reflects the savings associated with shifting qualified non-federal Adoption Assistance Program (AAP) cases to Title IV-E eligible cases by de-linking the income requirements of the Aid for Dependent Children – Foster Care (FC) and Supplemental Security Income/State Supplementary Payment programs. This premise is a result of the federal Fostering Connections to Success and Increasing Adoptions Act of 2008 Public Law (P.L.) 110-351, which was an omnibus child welfare bill designed to ensure greater permanence and improve the well-being of children served by public child welfare agencies.

Assembly Bill (AB) 154 (Chapter 222, Statutes of 2009), which conforms to P.L. 110-351, requires any savings from recent changes in eligibility for federal funding to support adoption assistance payments to be spent for the provision of foster care and adoption services.

IMPLEMENTATION DATE:

This premise implemented on October 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: P.L. 110-351; Section 16120 of the Welfare and Institutions Code (W&IC).
- W&IC sections 16118 and 16132 contain the requirement of the re-investment of savings as stated in AB 154.
- Caseload data based on FC exits to AAP from January 2010 through December 2010.
- The Current Year (CY) caseload equals an average monthly caseload of 172 qualified, non-federal cases. This includes cases that were in FC for more than five years, or are ages 14 and older, and the siblings of these cases that were placed in the same adoption placement.
- The Budget Year (BY) caseload equals an average monthly caseload of 325 qualified, non-federal cases. This includes cases that were in FC for more than five years, or are ages 12 and older, and the siblings of these cases that were placed in the same adoption placement.
- The non-federal average grants are $800.88 for Fiscal Year (FY) 2010-11, and $803.45 for FY 2011-12, based on a 24-month linear trend analysis.
- The amount of federal financial participation (FFP) is based on the Federal Medical Assistance Percentage (FMAP) rate of 50 percent.
- This premise will benefit from the American Recovery and Reinvestment Act of 2009 (ARRA). Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.
- General Fund (GF) savings associated with this premise will be used to offset the costs of the Residentially Based Services (RBS) Reform Project premise. For additional information, see the Residentially Based Services (AB 1453) premise.

METHODOLOGY:

The costs for the qualified, non-federal cases are calculated by multiplying the casemonths by the non-federal, AAP sharing ratios. The costs for these cases are then calculated using federal, Title IV-E eligible, and AAP sharing ratios. The difference between these costs results in a savings to GF and county expenditures, with a corresponding increase in federal costs.

Adoption Assistance Program – De-Link (P.L. 110-351)

FUNDING:

Federal funding is provided under Title IV-E of the Social Security Act for those cases meeting eligibility criteria, with the amount of FFP based on the FMAP rate. Federal case costs ineligible for FFP and the costs of the nonfederal program are shared 75 percent GF and 25 percent county.

The Title IV-E FMAP rate temporarily increased by 6.2 percent effective October 1, 2008, through December 31, 2010. This increase was approved by the federal government to extend until June 30, 2011. This extension of the ARRA results in an increase of 3.2 percent for the third quarter of FY 2010-11 and an increase of 1.2 percent for the fourth quarter of FY 2010-11. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The CY and BY changes reflects a decrease in caseload and a decrease in the average non-federal grant.

REASON FOR YEAR-TO-YEAR CHANGE:

This increase reflects a projected caseload increase, due to allowing the 12 years and older age group, and their siblings, to qualify for this premise.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – Adoption Assistance Program	**Total**	**Federal**	**State**	**County**	**Reimb.**
Savings Funding RBS	-$48	$0	-$19	-$29	$0
Remaining AAP De-Link Savings	48	829	-603	-178	0
Total	$0	$829	-$622	-$207	0

FY 2011-12

Item 101 – Adoption Assistance Program	**Total**	**Federal**	**State**	**County**	**Reimb.**
Savings Funding RBS	$0	$0	$0	$0	$0
Remaining AAP De-Link Savings	0	1,565	-1,174	-391	0
Total	$0	$1,565	-$1,174	-$391	$0

AAP Reform – No Increase Based on Age

DESCRIPTION:

This premise reflects the savings associated with not increasing the grant amount for a child who enters the Adoption Assistance Program (AAP) on or after January 1, 2010, because of aging up into the next age category.

Children eligible for AAP benefits have one of the following characteristics that are barriers to adoption: mental, physical, medical or emotional handicap; ethnic background, race, color, or language; over three years of age; member of a sibling group to be adopted by one family; or adverse parental background (e.g., drug addiction, mental illness). To be eligible to receive federal benefits, the child shall have been otherwise eligible to receive aid under the federal Aid to Families with Dependent Children-Foster Care program. The amount of the AAP payment is based on the child's needs and the prospective family's circumstances, with eligibility reassessed every two years. Any increases to the grant due to the reassessment will be based on special circumstances tied to the child's needs.

The AAP benefit shall not exceed the age-related, foster family home care rate for which the child would otherwise be eligible. The AAP payment may include the value of a specialized care increment that would have been paid on behalf of a child due to health and/or behavioral problems. Payments may continue until the child attains the age of 18, unless a mental or physical handicap warrants the continuation of assistance until the child reaches the age of 21.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 16121.
- Cases presumed to be eligible for the federal AAP make up 84.0 percent of the total AAP payment caseload, based on data through June 2010, as reported on the CA 800 claim forms.
- Based on Fiscal Year (FY) 2009-10 entries into AAP, 1,529 cases annually would receive a grant increase due to an increase in age.
- Based on the foster family home care rate schedule, the increases in the grant amount due to age are as follows: 0-4 years of age to 5-8, $39; 5-8 years of age to 9-11, $34; 9-11 years of age to 12-14, $55; 12-14 years of age to 15-19, $54.
- The amount of federal financial participation (FFP) is based on the Federal Medical Assistance Percentage (FMAP) rate of 50 percent.
- This premise will benefit from the American Recovery and Reinvestment Act of 2009 (ARRA). Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

AAP Reform – No Increase Based on Age

METHODOLOGY:

The number of cases in each age category that will age up into the next age category are multiplied by the corresponding grant increase. The result is the overall savings due to not granting this increase based on an increase in age.

FUNDING:

Federal funding is provided under Title IV-E of the Social Security Act for those cases meeting eligibility criteria, with the amount of FFP based on the FMAP rate. Federal case costs ineligible for FFP and the costs of the nonfederal program are shared 75 percent General Fund (GF) and 25 percent county.

The Title IV-E FMAP rate temporarily increased by 6.2 percent effective October 1, 2008, through December 31, 2010. This increase was approved by the federal government to extend until June 30, 2011. This extension of the ARRA results in an increase of 3.2 percent for the third quarter of FY 2010-11 and an increase of 1.2 percent for the fourth quarter of FY 2010-11. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The Current Year and Budget year increase in GF savings is due to an increase in the non-federal caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase savings is due to the accumulation of cases from the CY through the BY.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – Adoption Assistance Program	Total	Federal	State	County	Reimb.
AAP Reform – No Increase Based On Age	-$793	-$333	-$345	-$115	$0

FY 2011-12

Item 101 – Adoption Assistance Program	Total	Federal	State	County	Reimb.
AAP Reform – No Increase Based on Age	-$1,558	-$654	-$678	-$226	$0

Refugee Cash Assistance – Basic Costs

DESCRIPTION:

This premise reflects the basic costs for the Refugee Cash Assistance (RCA) program. The RCA program provides cash grants to refugees during their first eight months in the United States if they are not otherwise eligible for other categorical welfare programs.

KEY DATA/ASSUMPTIONS:

- Section 1522 of Title VIII of the United States Code (U.S.C.) authorizes the federal government to provide grants to states to assist refugees who resettle in the U.S.
- Welfare and Institutions Code sections 13275 through 13282 authorize the California Department of Social Services (CDSS) to administer the funds provided under Title VIII of the U.S.C. It also provides CDSS authority to allocate the federal funds to the counties.
- RCA basic costs are held to the Fiscal Year (FY) 2010-11 grant amount for the Current Year (CY).
- The average grant cost for RCA recipients is $288.26, based on actual expenditures and caseload from January – December 2010.
- The average monthly caseload is estimated at 2,911 cases for FY 2011-12

METHODOLOGY:

For the Budget Year (BY), the RCA average grant is multiplied by the estimated annual caseload to arrive at the total RCA costs for each fiscal year.

FUNDING:

The program is 100 percent federally funded by the Cash, Medical and Administration Grant through the Office of Refugee Resettlement.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the CY. The decrease in the BY is due to a slight decrease in projected caseload and a decrease in the average cost per case.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease is due to a slight caseload decline from the CY.

Refugee Cash Assistance – Basic Costs

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – Refugee Cash Assistance	**Total**	**Federal**	**State**	**County**	**Reimb.**
Basic Costs	$10,855	$10,855	$0	$0	$0

FY 2011-12

Item 101 – Refugee Cash Assistance	**Total**	**Federal**	**State**	**County**	**Reimb.**
Basic Costs	$10,068	$10,068	$0	$0	$0

Refugee Cash Assistance Grant Reduction (8 Percent)

DESCRIPTION:

This premise reflects the savings associated with implementation of an eight percent Maximum Aid Payment (MAP) reduction to the California Work Opportunity and Responsibility to Kids (CalWORKs) program, whose grant amounts are mirrored in the Refugee Cash Assistance (RCA) program. The RCA program provides cash grants to refugees during their first eight months in the United States (U.S.) if they are not otherwise eligible for other categorical welfare programs.

IMPLEMENTATION DATE:

This premise implements on July 1, 2011.

KEY DATA/ASSUMPTIONS:

- Grant reduction implemented by Senate Bill 72 (Chapter 8, Statutes of 2011).
- The average grant cost for RCA recipients in Calendar Year 2010 was $288.26. Applying the eight percent MAP reduction will result in an average grant cost of $265.20.
- The average monthly caseload is estimated at 2,911 cases for Fiscal Year 2011-12.

METHODOLOGY:

The grant savings is calculated by multiplying the decrease in the average RCA grant by the impacted caseload.

FUNDING:

The program is 100 percent federally funded by the Cash, Medical and Administration Grant through the Office of Refugee Resettlement.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The decrease in savings for the Current Year is due to a delay in implementation. Eroded savings in the Budget Year is due to a lower caseload projection than in the conference budget.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a Budget Year premise only.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 101 – Refugee Cash Assistance	**Total**	**Federal**	**State**	**County**	**Reimb.**
Grant Reduction (8 Percent)	$0	$0	$0	$0	$0

			FY 2011-12		
Item 101 – Refugee Cash Assistance	**Total**	**Federal**	**State**	**County**	**Reimb.**
Grant Reduction (8 Percent)	-$805	-$805	$0	$0	$0

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Emergency Food Assistance Program Fund

DESCRIPTION:

This premise reflects expenditures from contributions designated on state income tax returns for the Emergency Food Assistance Program (EFAP). Assembly Bill 2366 (Chapter 818, Statutes of 1998) established an EFAP fund which, upon appropriation by the Legislature, is allocated to the Franchise Tax Board (FTB) and State Controller's Office (SCO) for reimbursement for their costs associated with administering the fund. The balance of the fund is directed to the California Department of Social Services for allocation to EFAP.

As a result of Senate Bill 1101 (Chapter 203, Statutes of 2008) this fund will be shown as the "Emergency Food for Families Fund" on future state income tax forms. The fund has a sunset date of January 1, 2014.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Revenue and Taxation Code Sections 18851 through 18855.
- Funds available in the Current Year (CY) include the actual amount of contributions made to the EFAP fund from June 2009 through May 2010 of $477,231, additional charges of $18,782 from prior years, unspent funds of $781 from Fiscal Year (FY) 2009-10, and interest earnings of $4,251.
- The Budget Year (BY) reflects the estimated amount of contributions to the EFAP fund from June 2010 through May 2011 of $784,000, the fund balance of $848, and estimated interest of $5,000.
- The estimated annual administrative costs, including FTB, SCO, and other miscellaneous charges, are $11,633 in both the CY and the BY.
- These funds are provided to supplement, and not supplant, existing program funds.

METHODOLOGY:

The CY reflects the actual amount available for expenditure in FY 2010-11. The BY reflects the estimated amount of contributions to the EFAP fund from June 2010 through May 2011, plus interest earned in the prior year and the fund balance from FY 2010-11, less the annual administrative costs to the fund.

FUNDING:

The costs are 100 percent from the EFAP fund.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the CY. The BY increase is primarily due to a projected increase in taxpayer contributions.

Emergency Food Assistance Program Fund

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase is primarily due to a projected increase in taxpayer contributions.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – Food Assistance Programs	Total	Federal	State	County	Reimb.
Emergency Food Assistance Fund	$451	$0	$451	$0	$0

FY 2011-12

Item 101 – Food Assistance Programs	Total	Federal	State	County	Reimb.
Emergency Food Assistance Fund	$778	$0	$778	$0	$0

The Emergency Food Assistance Program (TEFAP)

DESCRIPTION:

This premise reflects the administrative funds for TEFAP. These are 100 percent federal funds, used to support the United States Department of Agriculture's (USDA) Commodity Household Food Distribution Program. This premise reflects the move of TEFAP funds from State Operations to the Local Assistance budget in order to expedite the reimbursement and avoid delay of providing funds to food banks and California Foodlink.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2010.

KEY DATA/ASSUMPTIONS:

- In Federal Fiscal Year (FFY) 2010, California received a federal grant amount of $9.5 million to fund TEFAP.
- It is assumed that California will also receive federal grants of $9.5 million in FFY 2011.

METHODOLOGY:

The total TEFAP grant amount to California in the amount of $9.5 million in the FFY 2010 will be used for TEFAP in the Fiscal Year (FY) 2010-11 and FY 2011-12.

FUNDING:

This program is 100 percent federally funded.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The change is due to updated federal grant calculations, which result in California receiving a slightly lower grant than previously projected.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 101 – Food Assistance Programs	**Total**	**Federal**	**State**	**County**	**Reimb.**
TEFAP	$9,501	$9,501	$0	$0	$0

			FY 2011-12		
Item 101 – Food Assistance Programs	**Total**	**Federal**	**State**	**County**	**Reimb.**
TEFAP	$9,501	$9,501	$0	$0	$0

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California Food Assistance Program

DESCRIPTION:

This premise reflects the coupon and administrative costs associated with the California Food Assistance Program (CFAP) for eligible noncitizens. The Personal Responsibility and Work Opportunity Reconciliation Act of 1996, Public Law 104-193, provided that legal noncitizens who entered the United States (U.S.) on or after August 22, 1996, were ineligible for federal CalFresh benefits unless they were exempt under certain refugee categories. Federal CalFresh benefits for the ineligible legal noncitizens were terminated in August 1997. CFAP serves legal noncitizens over the age of 18 and under the age of 65, who were legally in the U.S. prior to August 22, 1996, and met all federal food stamp eligibility criteria (except for their immigration status). The program also serves legal noncitizens that entered the country on or after August 22, 1996, who are otherwise eligible.

The CalFresh Reauthorization Act of 2002 (H.R. 2646 Farm Bill) restored federal CalFresh eligibility to legal noncitizens who are disabled, effective October 2002; noncitizens who have been in the U.S. for five years or more, effective April 2003; and all noncitizen children, effective October 2003.

Annual coupon costs are reduced by costs for Prospective Budgeting as these costs are reflected in a separate premise.

IMPLEMENTATION DATE:

This premise originally implemented on September 1, 1997.

The H.R. 2646 Farm Bill implemented on October 1, 2002.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 18930.
- It is assumed that the trend in the total number of CFAP recipients resembles the monthly fluctuations in the California Work Opportunity and Responsibility to Kids (CalWORKs) and Non-Assistance CalFresh (NACF) trend forecasts.
- The total number of CFAP recipients is projected by applying the CalWORKs and NACF trend forecast based on actual numbers of recipients through January 2011.
- The projected average monthly number of CFAP recipients is 37,012 for Fiscal Year (FY) 2010-11 and 42,473 for FY 2011-12.
- The projected average monthly number of CFAP households is 14,519 for FY 2010-11 and 16,661 for FY 2011-12.
- The average coupon value per person is $114.80 for FY 2010-11 and FY 2011-12. These costs reflect the updated Standard Utility Allowance (SUA) increase effective October 1, 2010 and continue to reflect the American Recovery and Reinvestment Act of 2009 (ARRA) of 2009 13.6% benefit increase.
- The processing fee charged by the Food and Nutrition Service for Electronic Benefit Transfer is $314 per $1 million. The average monthly administrative cost per case is $25.01.
- It is assumed that the administrative cost for FY 2010-11 is held to Appropriation.

California Food Assistance Program

KEY DATA/ASSUMPTIONS (CONTINUED):

- The ratio between public assistance (PA) and non-assistance (NA) is 18.4 percent PA and 81.6 percent NA for FY 2010-11, and 16.3 percent PA and 83.7 percent NA for FY 2011-12.
- The PA costs are considered eligible expenditures for the state's maintenance of effort (MOE) requirement. The NA costs are not considered MOE eligible.

METHODOLOGY:

The coupon costs are calculated by multiplying the average coupon value per person ($114.80 for FY 2010-11 and FY 2011-12) by the projected average monthly number of recipients (37,012 for FY 2010-11 and 42,473 for FY 2010-11) and then by the number of months.

The coupon costs are increased by the processing fees that are added to the coupon total. The processing fee equates to $314 for every $1 million in coupon benefits.

Annual coupon costs include the costs that come from Prospective Budgeting. These costs are $1,792,006 in FY 2010-11 and $2,056,416 in FY 2011-12.

Administrative costs are calculated by multiplying the average administrative cost per case ($25.01) by the projected monthly number of households and then by the number of months.

FUNDING:

The expenditures are 100 percent General Fund. The PA portion of the costs is eligible to be counted towards the MOE requirement.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

For Admin, there is no change in the Current Year (CY). The decrease in Budget Year (BY) reflects a lower caseload growth projection. For grants, the decreases in costs for both CY and BY are associated with a lower than expected caseload growth.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year reflects an increase in caseload.

CASELOAD:

The average monthly number of recipients in Fiscal Year 2010-11 is 37,012 and in Fiscal Year 2011-12 is 42,473.

California Food Assistance Program

EXPENDITURES:

(in 000's)

FY 2010-11

California Food Assistance Programs	Total	Federal	State	County	Reimb.
Item 101 – Other Assistance Payments	$50,430	$0	$50,430	$0	$0
Item 141 – CFAP Administration	4,534	0	4,534	0	0

FY 2011-12

Item 101 – California Food Assistance Program	Total	Federal	State	County	Reimb.
Item 101 – Other Assistance Payments	$57,857	$0	$57,857	$0	$0
Item 141 – CFAP Administration	5,000	0	5,000	0	0

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Expanded Categorical Eligibility CalFresh Program

DESCRIPTION:

This premise reflects the impact of expanding Modified Categorical Eligibility (MCE) for CalFresh to improve nutrition and promote the development and retention of assets and resources for needy households who meet all other CalFresh program eligibility requirements, pursuant to Assembly Bill (AB) 433 (Chapter 625, Statutes of 2008). MCE for CalFresh is expanded to individuals and families who are eligible to receive Temporary Assistance for Needy Family (TANF)-funded benefits. This premise specifically reflects the expansion of MCE for families and Able-Bodied Adult Without Dependents (ABAWD)-like individuals. Please also refer to the Extension Modified Categorical Eligibility Premise for the extension of MCE to additional individuals.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 18901.5.
- This premise allows applicants who meet income-eligibility requirements but have resources that exceed the eligibility limits to become eligible for CalFresh by providing a TANF-funded service to these households.
- Based on the May 2007 Mathematica Policy Research study of assets for low-income households, 23.4 percent of asset ineligible households have children under 18. Additionally, the study states that 21.2 percent represent the ABAWD-like adults who are also asset ineligible.
- It is assumed that if provided MCE, families and individuals who were previously denied CalFresh benefits due to their assets would participate in CalFresh at a rate similar to the rate of the working poor in California.
- This results in an increase to the CalFresh caseload of 4.37 percent due to families with children under the age of 18 and 3.97 percent due to ABAWD-like individuals as a result of expanding MCE.
- The CalFresh caseload is projected to increase 20.4 percent in Fiscal Year (FY) 2010-11 and 18.4 percent in FY 2011-12.
- It is assumed that MCE for families implemented July 1, 2009. The average monthly caseload for families is 42,828 cases in FY 2010-11 and 50,706 cases in FY 2011-12.
- It is assumed that the expansion of MCE to individuals will phase in over six months beginning February 1, 2011, for approximately 6,485 new cases per month and a total of 46,064 cases when fully implemented in FY 2011-12.
- FY 2010-11 CalFresh Administrative costs are held to the Appropriation.
- It is assumed that the intake cost for an Eligibility Worker (EW) to process a Non-Assistance CalFresh (NACF) case is $51 per case. It is assumed that when cases are fully implemented after six months of phase-in, four percent attrition will occur due to caseload movement in and out of the program.
- It is assumed that the cost for an EW to process NACF continuing cases on a quarterly basis is $39.33 per case.

Expanded Categorical Eligibility CalFresh Program

KEY DATA/ASSUMPTIONS (CONTINUED):

- It is assumed that 7.2 percent of the new cumulative caseload would be require mid-quarter reporting changes. It is assumed that the administrative cost for an EW to process a mid-quarter report is $28.23.
- Based on the most recent 12 months of actual coupon cost expenditures adjusted for the Standard Utility Allowance increase effective October 1, 2010, it is assumed that the average monthly coupon value for families with minors under the age of 18 is $343.98 and $148.74 for individuals.
- Historically the impact to the California Food Assistance Program (CFAP) is approximately one percent of benefit and administration costs CalFresh costs. However, the CFAP impact has been adjusted to reflect the most recent changes to the CFAP caseload trend.
- The CFAP Public Assistance CalFresh costs of 18.4 percent in FY 2010-11 and 16.3 percent in FY 2011-12 are considered eligible expenditures for the state's maintenance of effort (MOE) requirement. The CFAP NACF costs of 81.6 percent in FY 2010-11 and 83.7 percent in FY 2011-12 are not considered MOE eligible.

METHODOLOGY:

The total intake cost is calculated by multiplying the average number of cases in the year by the intake costs. FY 2011-12 reflects the final month of additional new individual cases due to six months of phased implementation and intake costs associated with attrition and caseload movement after full implementation.

E.g., FY 2011-12:

(50,706 family cases x 4 percent attrition x $51 intake x 12 months = $1.24 million)
(6,485 new individual cases x $51 x 1 month = $0.33 million)
(46,064 individual cases x 4 percent attrition X $51 x 11 months = $1.03 million)

The quarterly administration cost is calculated by multiplying the cumulative cases by $39.33 on a quarterly basis. For individuals, the quarterly costs are calculated when new cases reach their quarterly report month.

E.g., FY 2011-12:

(50,706 family cases x $39.33 x 4 quarters a year = $7.98 million)
(6,485 new individual cases x $39.33 = $0.26 million at quarterly report month)
(46,064 individual cases x $39.33 = $1.81 million per quarter when fully implemented)

The mid-quarter reporting cost is calculated by multiplying the average monthly cases by 7.2 percent, then by mid-quarter costs. For individuals, the mid-quarter costs are calculated on the cumulative cases per month until fully implemented.

E.g., FY 2011-12:

(50,706 family cases x 7.2 percent x $28.23 x 12 months = $1.24 million)
(32,425 cumulative individual cases x 7.2 percent x $28.23 = $0.07 million in July)
(38,908 cumulative individual cases x 7.2 percent x $28.23 = $0.08 million in August)
(46,064 individual cases x 7.2 percent x $28.23 = $0.09 million for ten months)

Expanded Categorical Eligibility CalFresh Program

FUNDING:

The CalFresh benefit costs are 100 percent federally funded. The CFAP administration and benefit costs are 100 percent General Fund (GF). CalFresh administration costs are shared 50 percent federal and 50 percent GF. The GF portion of these costs is funded with reimbursement funds from the Food Stamp Nutrition Education (FSNE)/California Nutrition Network pass through plan. It is assumed there will be no FNSE funds available for this purpose in the Budget Year (BY). Please see the “FSNE shift to the California Department of Social Services” premise for a more detailed description of this transfer.

CHANGE FROM THE MARCH 2011 CONFERENCE BUDGET:

The change to CFAP is due to lower caseload projection than previously estimated for the Current Year (CY) and BY. The change to CalFresh Administration is due to a projected increase in caseload growth for CY and BY.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase is associated with full implementation and projected caseload growth. The increase in GF is due to the unavailability of FNSE funds for the BY.

EXPENDITURES:

(in 000’s)

			FY 2010-11		
Expanded Categorical Eligibility CalFresh Program	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – Other Assistance Payments	$1,860	$0	$0	$0	$1,860
Item 141 – CalFresh Administration	10,938	5,469	5,469	0	0
Item 141 – CFAP Administration	106	0	0	0	106

			FY 2011-12		
Expanded Categorical Eligibility CalFresh Program	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – Other Assistance Payments	$2,813	$0	$2,813	$0	$0
Item 141 – CalFresh Administration	19,518	9,759	9,759	0	0
Item 141 – CFAP Administration	184	0	184	0	0

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Extended Modified Categorical Eligibility

DESCRIPTION:

This premise reflects the extension of Modified Categorical Eligibility (MCE) for CalFresh benefits to a broader range of individuals, pursuant to Assembly Bill (AB) 433 (Chapter 625, Statues of 2008). MCE for CalFresh benefits is extended to individuals who are eligible to receive Temporary Assistance for Needy Families (TANF)-funded benefits, and will allow these individuals to be eligible for CalFresh benefits regardless of their resources. This premise specifically reflects the extension of MCE for CalFresh benefits to all otherwise eligible Non-Assistance CalFresh (NACF) households (i.e., seniors and disabled individuals). Please refer to the Expanded Modified Categorical Eligibility premise for the initial expansion of MCE to families and individuals for additional information.

IMPLEMENTATION DATE:

This premise assumes a February 1, 2011, implementation date.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 18901.5.
- It is assumed that this premise allows applicants who meet income-eligibility requirements, but have resources that exceed the eligibility limits to become eligible for the CalFresh by providing a Temporary Assistance for Needy Families (TANF)-funded service to these households.
- A May 2007 Mathematica Policy Research study indicated that, 54.9 percent of seniors and disabled individuals who would have otherwise been eligible for CalFresh benefits were denied due to their assets.
- Based on participation data collected from other states with similar programs, it is assumed that if provided MCE, 22 percent of this population will participate in the CalFresh program. This results in a projected increase to the CalFresh caseload of approximately 6.65 percent.
- The CalFresh caseload is projected to increase 20.4 percent in FY 2010-11 and 18.4 percent in FY 2011-12.
- It is assumed that the expansion of MCE will phase in over six months beginning February 1, 2011, for approximately 13,993 new cases per month, resulting in a total of 99,406 cases when fully implemented in FY 2011-12.
- FY 2010-11 CalFresh Administrative costs are held to the 2010 Budget Act Appropriation.
- It is assumed that the intake cost for an Eligibility Worker (EW) to process a NACF case is $51 per case. It is assumed that when cases are fully implemented after six months of phase-in, four percent attrition will be occur due to caseload movement in and out of the program.
- It is assumed that 7.2 percent of cases with earned income would require mid-quarter reporting changes. It is assumed that, the administrative cost for an EW to process a mid-quarter report is $28.23.

Extended Modified Categorical Eligibility

KEY DATA/ASSUMPTIONS (CONTINUED):

- It is assumed that the cost for an EW to process NACF continuing cases is $39.33 per case. The costs are quarterly for seniors or disabled individuals with earned income who are subject to quarterly reporting. It is assumed that seniors or disabled individuals with no earned income are change reporters and ongoing administrative costs will apply once a year, not quarterly.
- Based on the Federal Fiscal Year 2008 data, approximately six percent of seniors/disabled individuals have earned income and approximately 94 percent have no earned income. Therefore, of the 13,993 new cases per month, it is assumed that 884 have an earned income and 13,109 cases have no earned income in FY 2010-11.
- Based on the most recent 12 months of actual coupon cost expenditures adjusted for the Standard Utility Allowance (SUA) increase effective October 1, 2010, it is assumed that the average monthly coupon value for an individual is $148.74.
- Historically, the impact to the California Food Assistance Program (CFAP) benefit and administration costs is approximately one percent of the estimated CalFresh costs. However, the CFAP impact has been adjusted to reflect the most recent changes to the CFAP caseload trend.
- The CFAP Public Assistance CalFresh costs of 18.4 percent in FY 2010-11 and 16.3 percent in FY 2011-12 are considered eligible expenditures for the state's maintenance of effort (MOE) requirement. The CFAP NACF costs of 81.6 percent in FY 2010-11 and an 83.7 percent in FY 2011-12 is not considered MOE eligible.

METHODOLOGY:

The total intake cost is calculated by multiplying the number of cases per month by the intake costs by the number of months in the year. FY 2011-12 reflects the final month of additional new individual cases due to six months of phased implementation and intake costs associated with attrition and caseload movement after full implementation.

E.g., FY 2011-12:

(13,993 cases x $51 intake x 1 months = $0.71 million)
(99,406 x 4% attrition x $51 x 11 months = $2.23 million)

Individuals with earned income are subject to quarterly reporting requirements. The administrative cost for cases reporting quarterly is calculated by multiplying the new cumulative cases by $39.33 on a quarterly basis. The quarterly costs are calculated when for the new cases reach their quarterly report month. For cases with no earned income, the report cost is calculated by multiplying the number of cumulative cases in a year by the ongoing administrative cost.

E.g., FY 2011-12:

(884 new cases with earnings x $39.33 = $0.03 million at quarterly report month)
(6,283 cases with earnings x $39.33 = $0.25 million per quarter when fully implemented)
(93,123 cases with no quarterly reporting x $39.33 = $3.66 million)

Extended Modified Categorical Eligibility

METHODOLOGY (CONTINUED):

The mid-quarter reporting cost for individuals with earned income is calculated by multiplying the cumulative monthly cases by 7.2 percent, then by the mid-quarterly cost. The mid-quarter cases are calculated on the cumulative cases per month until fully implemented.

E.g., FY 2011-12:

(4,420 cumulative earned income cases x 7.2 percent x $28.23 = $8,984 in July)
(5,304 cumulative earned income cases x 7.2 percent x $28.23 = $10,780 in August)
(6,283 earned income cases x 7.2 percent x $28.23 = $12,770 for ten months of full implementation)

FUNDING:

The CFAP administration and benefit costs are 100 percent General Fund (GF). CalFresh administration costs are shared 50 percent federal and 50 percent GF. The GF portion of the CY costs is partially funded with reimbursement funds from the Food Stamp Nutrition Education (FSNE)/California Nutrition Network pass through plan. For the Budget Year (BY), the state share is 100 percent GF since it is assumed that FSNE funds will no longer be available. Please see the "FSNE shift to the California Department of Social Services" premise for a more detailed description of the funding shift.

CHANGE FROM THE MARCH 2011 CONFERENCE BUDGET:

The change to CFAP in the Current Year (CY) and Budget Year (BY) is due to lower caseload projection than previously estimated. The change to CalFresh Administration is due to a projected increase in caseload growth for CY and BY.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is associated with full implementation and projected caseload growth.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Extended Modified Categorical Eligibility	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – Other Assistance Payments	$298	$0	$298	$0	$0
Item 141 – CalFresh Administration	5,584	2,792	2,792	0	0
Item 141 – CFAP Administration	54	0	54	0	0

Extended Modified Categorical Eligibility

EXPENDITURES (CONTINUED):

(in 000's)

			FY 2011-12		
Extended Modified Categorical Eligibility	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – Other Assistance Payments	$1,683	$0	$1,683	$0	$0
Item 141 – CalFresh Administration	7,656	3,828	3,828	0	0
Item 141 – CFAP Administration	73	0	73	0	0

Transitional CalFresh for Foster Youths (AB 719)

DESCRIPTION:

This premise reflects the implementation of Transitional CalFresh (CF) for Foster Youth pursuant to the provisions of Assembly Bill (AB) 719 (Chapter 371, Statutes of 2009). AB 719 will allow aging out Foster Care (FC) adolescents who are not receiving California Work Opportunity and Responsibility to Kids (CalWORKs) benefits and/or Supplemental Security Income (SSI) benefits to be eligible to receive CalFresh without regard to income or resources. Those adolescents who are aging out of FC will be exempt from reporting requirements during the 12-month certification period and will receive the maximum ($200) CF benefit amount for a household size of one.

IMPLEMENTATION DATE:

This premise assumes a January 2012 implementation.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 18901.4
- Assumes the California Department of Social Services will obtain the necessary federal waiver to implement this policy with maximum benefits and exemptions from reporting as intended under AB 719.
- The FC youth who will be impacted are those who do not already receive CF benefits, CalWORKs, and/or are classified as students.
- According to the 2009 statewide statistics, approximately 4,994 FC youth will age out of FC annually.
- Based on the Medi-Cal Eligibility Determination Services (MEDS) data, it is assumed that currently only 18.5 percent or 924 cases of FC youth that age out of FC will receive CF.
- Based on data provided by counties, it is assumed that 20 percent or 999 cases of FC youth who age out will be ineligible for CF based on their student status. Based on the Youth Aging Out of Foster Care Quarterly Statistical Report, it is assumed that 7.27 percent or 363 cases of aging out FC youth will be ineligible for CF due to SSI benefits.
- According to the 2010 Maximum Food Stamp Allotment Data, FC youth within the first year of leaving foster care, will receive a maximum monthly allotment of $200.
- Based on historic California Food Assistance Program (CFAP) and CF caseloads, the CFAP caseload/benefits are approximately one percent of the CF caseload/benefits.
- It is assumed that the cost for an Eligibility Worker (EW) to process Non-Assistance CalFresh (NACF) and the CFAP application is $51.00 per case
- It is assumed that after 12 months of Transitional CalFresh, the cases/application will be reprocessed to continue in CalFresh.
- It is assumed that all cases are exempt from reporting requirements for the first 12 months.
- The CY administrative costs are held to the Appropriation.
- Based on information received from the Consortia, the projected automation cost for this premise is approximately $1.6 million in FY 2011-12.

Transitional CalFresh for Foster Youths (AB 719)

METHODOLOGY:

The overall increase in the CF caseload is calculated as follows:
(4,994 FC youth aging out – 924 FC youth who currently receive CF – 999 ineligible based on their student status – 363 who are ineligible due to SSI benefits = 2,708 cases annually or 226 new cases monthly).

The administrative cost associated with processing the new cases is calculated by multiplying the new monthly cases eligible for CF benefits by the EW cost.
FY 2011-12: (226 cases x $51 x 6 months = $70,000)

The CFAP benefits are calculated by multiplying new monthly cumulative caseload by the maximum benefit, then by one percent for CFAP cases.

FUNDING:

The CF sharing ratio for the administrative cost is 50 percent federal and 50 percent General Fund (GF). The CFAP funding is 100 percent GF.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The change is due to the delay in implementation. Additionally, the change in CY is due to administrative costs being held to the Appropriation amount.

REASON FOR YEAR-TO-YEAR CHANGE:

Due to the delay of one year in implementation, the first year cost is now reflected in the Budget Year (BY).

EXPENDITURES:

(in 000's)

FY 2010-11

Transitional CalFresh for Foster Youth (AB 719)	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – Other Assistance Payments	$0	$0	$0	$0	$0
Item 141 – CalFresh Administration	60	30	30	0	0
Item 141 – Automation	0	0	0	0	0

FY 2011-12

Transitional CalFresh for Foster Youth (AB 719)	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – Other Assistance Payments	$9	$0	$9	$0	$0
Item 141 – CalFresh Administration	70	35	35	0	0
Item 141 – Automation	1,596	798	798	0	0

SSI/SSP Grant Reductions – CalFresh Effect

DESCRIPTION:

This premise reflects costs to the CalFresh Program associated with recipients that apply for CalFresh benefits after being discontinued from Social Security Income/State Supplementary Payment (SSI/SSP), which provides benefits to the aged, blind, and disabled in California. Due to reductions to SSI/SSP in 2009, it is assumed that some recipients that lost SSI/SSP eligibility will seek CalFresh assistance.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2009.

KEY DATA/ASSUMPTIONS:

- Based on federal rules and regulations, it is assumed that SSI/SSP must remain ineligible for CalFresh benefits for 12 consecutive months at a $0 SSI/SSP grant level, unless officially terminated from SSI/SSP.
- It is assumed that a total of 38,508 recipients became ineligible for SSI/SSP as a result of the 2009 reductions: 18,283 in May 2009, 11,718 in July 2009 and 8,507 in November 2009.
- Based on information from the Medi-Cal Eligibility Determination Services (MEDS) database and the State Data Exchange (SDX), it is assumed that 6.3 percent will seek assistance in CalFresh.
- Therefore, it is assumed that the overall average monthly caseload of individuals receiving CalFresh will be the 2,247 in the Current Year (CY) and 2,426 in the Budget Year (BY) as a result of the SSI/SSP reductions.
- It is assumed that the intake cost to process new Non-Assistance CalFresh (NACF) is $51.
- It is estimated that approximately four percent of the caseload will leave monthly, and four percent will enter monthly.
- It is assumed that 7.20 percent of the new cumulative caseload would be subject to mid-quarter reporting.
- It is assumed that the administrative cost to process a mid-quarter report is $28.23.
- It is assumed that the cost for continuing cases on a quarterly basis is $39.33 per case.
- This premise does not reflect impact to the California Food Assistance Program (CFAP) as it is assumed that Cash Assistance Program for Immigrants (CAPI) recipients are not subject to SSI Cash-Out 12-month suspense policy and would already be receiving CFAP, if eligible.
- The CY administrative costs are held to the Appropriation.

METHODOLOGY:

The administrative costs are calculated by multiplying the monthly cases by four percent for caseload movement and by $51.
(BY: 2,426 cases x 4% x $51 x 12 months = $59,388)

SSI/SSP Grant Reductions – CalFresh Effect

METHODOLOGY (CONTINUED):

The administrative costs associated with processing the mid-quarter changes for cases are calculated by multiplying the cumulative cases by 7.20 percent and by $28.23.
(BY: 2,426 cases x 7.2% x $28.23 x 12 months = $59,172)

The quarterly administrative costs associated with processing the quarterly reports are calculated by multiplying the cumulative cases by $39.33 on a quarterly basis.
(BY: 2,426 cases x $39.33 x 4 times a year = $381,658)

FUNDING:

The CalFresh sharing ratio for the administrative cost is 50 percent federal and 50 percent GF.

CHANGE FROM MARCH 2011 CONFERENCE:

For administration in the CY, there is no change. For CY and BY CFAP grants and BY administration, the change is due to deleting the impact to CFAP since it is assumed that CAPI cases are already reflected in the CFAP caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The change in CalFresh administration in the BY is due to deleting the impact to CFAP since it is assumed that CAPI cases are already reflected in the CFAP caseload.

EXPENDITURES:

(in 000's)

			FY 2010-11		
SSI/SSP Grant Reductions – CalFresh Effect	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – Other Assistance Payments	$0	$0	$0	$0	$0
Item 141 – CalFresh Administration	536	268	268	0	0

			FY 2011-12		
SSI/SSP Grant Reductions – CalFresh Effect	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – Other Assistance Payments	$0	$0	$0	$0	$0
Item 141 – CalFresh Administration	500	250	250	0	0

SSP MOE Floor - CalFresh Effect

DESCRIPTION:

This premise reflects costs to the CalFresh program associated with recipients that apply for CalFresh benefits after being discontinued from Social Security Income/State Supplementary Payment (SSI/SSP) due to the Maintenance of Effort (MOE) Floor reduction resulting from the passage of Senate Bill (SB) 72 (Chapter 8, Statutes of 2011). It is assumed that as a result of the SSI/SSP payment standard reduction, some recipients will lose SSI/SSP eligibility, and therefore, seek CalFresh assistance. Please review the SSP MOE Floor for Individuals premise for detailed information regarding this grant reduction.

IMPLEMENTATION DATE:

This premise was enacted with the passage of SB 72 (Chapter 8, Statutes of 2011) on March 24, 2011, and will implement on July 1, 2011.

KEY DATA/ASSUMPTIONS:

- California has received a federal approval to waive the requirement for SSI/SSP recipients to remain ineligible for CalFresh benefits for 12 consecutive months if the case was terminated from SSI/SSP due to state budget reductions. Therefore, it is assumed that recipients impacted by the SSP MOE Floor reduction may apply for CalFresh immediately.
- This premise does not reflect impact to the California Food Assistance Program (CFAP) as it is assumed that Cash Assistance Program for Immigrants (CAPI) recipients are not subject to the SSI Cash-Out 12-month suspense policy and would already be receiving CFAP benefits, if eligible.
- It is assumed that 8,949 recipients will become ineligible for SSI/SSP. Based on information from the Medi-Cal Eligibility Determination Services (MEDS) database and the State Data Exchange (SDX), it is assumed that of the 8,949 recipients, 6.3 percent or 564 recipients will seek assistance in CalFresh.
- It is assumed that the intake cost to process new Non-Assistance CalFresh (NACF) and the CFAP is $51 for each new case.
- It is assumed that 7.20 percent of the new cumulative caseload would be subject to mid-quarter reporting.
- It is assumed that the administrative cost to process a mid-quarter report is $28.23.
- It is assumed that the cost for continuing cases on a quarterly basis is $39.33 per case.

METHODOLOGY:

The monthly administrative costs associated with processing the new cases are calculated by multiplying the new monthly cases by $51.
SSI/SSP: (564 cases x $51 = approximately $28,764 intake in July 2011)
(564 cases x 4% x $51 x 12 months = $13,807)

The administrative costs associated with processing the mid-quarter changes for cases are calculated by multiplying the cumulative cases by 7.20 percent and by $28.23.
(BY: 564 cases x 7.2% x $28.23 x 12 months = $13,756)

SSP MOE Floor - CalFresh Effect

METHODOLOGY (CONTINUED):

The quarterly administrative costs associated with processing the quarterly reports are calculated by multiplying the cumulative cases by $39.33 on a quarterly basis.
BY: 564 cases x $39.33 x 3 = $66,546)

FUNDING:

The CalFresh sharing ratio for the administrative cost is 50 percent federal and 50 percent General Fund.

CHANGE FROM MARCH 2011 CONFERENCE:

There is no change in the Current Year (CY).

For administration, the Budget Year (BY) change is due to an increase in the projected SSI/SSP cases that will lose eligibility. For CFAP grants, the change is due to the assumption that CAPI cases impacted are already reflected in the CFAP caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The change from the CY to the Budget Year (BY) is primarily due to California's receipt of federal waiver of the 12-month suspension period following SSI reductions, resulting in cases entering CalFresh immediately and a full 12 months of costs to CalFresh. For CFAP grants, the change is due to the assumption that CAPI cases impacted are already reflected in the CFAP caseload.

EXPENDITURES:

(in 000's)

FY 2010-11

SSP MOE Floor – CalFresh Effect	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – Other Assistance Payments	$0	$0	$0	$0	$0
Item 141 – CalFresh Administration	0	0	0	0	0

FY 2011-12

SSP MOE Floor – CalFresh Effect	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – Other Assistance Payments	$0	$0	$0	$0	$0
Item 141 – CalFresh Administration	122	61	61	0	0

Inter-County Transfer (ICT)

DESCRIPTION:

This premise reflects an ICT process for the CalFresh Program (CFP). Currently, if a CFP recipient moves from one county to another within California, CFP benefits are terminated at the end of the month in which a CFP recipient reports a change of residence and the CFP recipient must then reapply for CalFresh (CF) benefits in the new county of residence. This process results in a delay or interruption in benefits. Currently, the California Work Opportunity and Responsibility to Kids (CalWORKs) and Medi-Cal programs use an ICT process to prevent uninterrupted benefits for recipients who move to a different county. This premise assumes that for CF recipients who are also receiving CalWORKs (i.e., Public Assistance CalFresh [PACF] cases), the ICT process for CF will follow the ICT process used in CalWORKs; for CF recipients who are also receiving Medi-Cal, the ICT process for CF will follow the ICT process used in Medi-Cal. This premise also assumes that an ICT process will be established for all other Non-Assistance CalFresh (NACF) households to avoid an interruption in benefits when transferring to another county.

IMPLEMENTATION DATE:

This premise assumes an April 1, 2011 implementation.

KEY DATA/ASSUMPTIONS:

- It is assumed that this premise implemented on April 1, 2011.
- In Fiscal Year (FY) 2010-11, it is assumed that the overall average caseload, for three months, is 1,285,807 for NACF and 596,454 for CalWORKs.
- Based on recent 12 month trends, it is assumed that 0.14 percent of all CalWORKs cases will transfer to a different county in California in any given month. It is assumed that the same rate of transfer occurs in the CFP.
- It is assumed that the ICT process for PACF and Medi-Cal/NACF cases will implement on
- April 1, 2011, and that the ICT process for all other NACF cases will implement on July 1, 2011.
- It is assumed that of the CF cases that transfer to another county, approximately 32 percent are also receiving Medi-Cal. In FY 2010-11, the average Medi-Cal/NACF caseload transferring to another county is approximately 568.
- It is assumed that the cost for a CF Eligibility Worker (EW) is $58.27 per hour.
- It is assumed that the ICT process would result in administrative efficiencies. For NACF and cases also receiving Medi-Cal, the ICT would be a simplified process similar to processing a CF recertification, as opposed to CF intake.
- It is assumed that the intake cost for an EW to process those new NACF and CalWORKs cases is $51. It is assumed that the recertification cost for NACF cases is $36.92 resulting in administrative savings of $14.08 (cost difference between intake and recertification).

Inter-County Transfer (ICT)

KEY DATA/ASSUMPTIONS (CONTINUED):

- For PACF cases, the ICT process would reduce the time for processing an intake by approximately 2.5 minutes.
- The cost to perform a simplified intake for PACF cases is approximately $48.60 per case resulting in administrative savings of $2.40 per case (cost difference between full and simplified intake).
- It is assumed that an automated process for transferring case file documents will be implemented in March 2011 across all Consortia. This will create administrative efficiencies in transferring case file documents.
- It is assumed that the administrative time to prepare NACF case files for an ICT is approximately five minutes per case or approximately $4.71 per case. It is assumed that the administrative time to prepare PACF case files for approximately two minutes or approximately $1.42 per case.
- It is assumed that the ICT process will reduce administrative time by two minutes due to bypassing the Statewide Fingerprint Imaging System (SFIS) process for NACF cases transferring to another county. The resulting administrative savings is $1.94 per case.
- It is assumed that 50 percent of the total California Food Assistance Program (CFAP) cases transferring to another county currently experience a one week interruption of benefits. This revised process will result in no interruption in benefits.
- Based on the most recent 12 months of coupon cost expenditures, the average CF benefit for NACF households is approximately $346.72.

METHODOLOGY:

The administrative savings associated with processing an ICT is calculated by multiplying the cases that transfer by the difference between what costs would be to process an intake and what costs would be to process a redetermination for NACF cases or simplified intake for PACF cases.

The administrative costs associated with preparing case documents for ICTs is calculated by multiplying the monthly average of cases that transfer by $4.71 for NACF cases and $1.42 for PACF cases.

The savings associated with bypassing SFIS is calculated by multiplying the average NACF caseload for ICTs by $1.94 (equivalent to two minutes of administrative time).

The net administrative savings associated with ICTs is calculated by offsetting the administrative costs for preparing case documents by the administrative savings associated with processing ICT cases and bypassing SFIS.

The monthly average benefits cost associate with providing uninterrupted CFAP benefits is calculated by multiplying the monthly average number of CFAP cases that transfer by 50 percent and by $86.68 in benefits ($346.72 monthly benefits divided by 4 weeks = $86.68).

Inter-County Transfer (ICT)

FUNDING:

The CFP sharing ratio for the administrative cost is 50 percent federal, 35 percent General Fund (GF) and 15 percent county. CFAP costs are 100 percent GF. The Public Assistance portion of the costs is eligible to be counted towards the Temporary Assistance for Needy Families (TANF) Maintenance-of-Effort (MOE) requirement.

CHANGE FROM THE MARCH 2011 CONFERENCE BUDGET:

There is no change for CY. For CFAP grants, there is a slight decrease because the CFAP caseload is not anticipated to increase as significantly as previously estimated. The increase in CF admin in the BY is due to a projected increase in caseload growth.

REASON FOR YEAR-TO-YEAR CHANGE:

The change from Current Year to Budget Year (BY) is due to full implementation in the BY.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Inter-County Transfer	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – Other Assistance Payments	$2	$0	$2	$0	$0
Item 141 – CalFresh Administration	-25	-12	-9	-4	0

			FY 2011-12		
Inter-County Transfer	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – Other Assistance Payments	$12	$1	$11	$0	$0
Item 141 – CalFresh Administration	-280	-140	-98	-42	0

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Undocumented Citizens (SB 1569)

DESCRIPTION:

This premise represents the costs associated with extending social services and benefits to noncitizen victims of human trafficking, domestic violence, and other serious crimes through the Trafficking and Crimes Victims Assistance Program (TCVAP). Pursuant to provisions contained in Senate Bill (SB) 1569 (Chapter 672, Statutes of 2006), these individuals are eligible for state-funded services and benefits to the same extent as persons who are eligible under the federal Refugee Act of 1980. The state-funded program services and benefits provided include cash and medical assistance for up to eight months, Employment Social Services, food assistance through the California Food Assistance Program (CFAP), In-Home Supportive Services (IHSS), the Cash Assistance for Program for Immigrants (CAPI), and Healthy Families program benefits.

Noncitizen trafficking and crime victims who have children who are eligible for the CalWORKs program will receive assistance through a state-funded CalWORKs grant. Eligible noncitizen trafficking and crime victims who do not have children will receive assistance through a state-funded TCVAP Cash Assistance grant.

The TCVAP requires victims of human trafficking to file for a T visa with the appropriate federal agency, to prepare to file an application for federal status, or to show evidence that they are taking steps to meet the conditions for federal benefits eligibility to qualify for state public social services. In order to remain eligible for benefits and services, victims of trafficking must show evidence that they have applied for the T visa within one year from the date of application for state public social services. Victims of domestic violence and other serious crimes must have filed a formal application for or have received a U visa to qualify for TCVAP benefits.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 18945.
- According to county survey data, the California Department of Social Services (CDSS) is currently serving 615 TCVAP recipients in the state-funded CalWORKs program and 61 recipients through the TCVAP Cash Assistance program.
- It is assumed that TCVAP recipients receiving cash assistance in either the CalWORKs or the Cash Assistance program will receive CFAP benefits.

<u>TCVAP CalWORKs:</u>

- TCVAP CalWORKs recipients are subject to the same welfare-to-work (WTW) requirements and exemptions as other participants, except those recipients who do not have authorization to work are not required to participate in job search.
- The cost to add an adult to a TCVAP CalWORKs AU is $133 in the Current Year (CY) and $122 in the Budget Year (BY).
- It is assumed that most TCVAP recipients do not have work authorization, and therefore will not receive earned income to offset their monthly grant. Services and child care are provided, as needed, for recipients participating in qualifying activities. The estimated TCVAP CalWORKs caseload for both the CY and the BY is 615.

Undocumented Citizens (SB 1569)

KEY DATA/ASSUMPTIONS (CONTINUED):

- All grant, services and administrative costs for TCVAP CalWORKs program recipients mirror the services and administrative costs for other CalWORKs program recipients.
- It is assumed there are 1.7 children per case and that 25.58 percent of the cases that are required to participate in WTW activities utilize child care services.
- The child care cost per case is $824.12 in the CY and $786.51 in the BY.
- The average number of children who will receive services is 267 per month.
- This estimate assumes utilization rates and costs-per-case for CalWORKs transportation and ancillary services based on actual CalWORKs data from January – December 2010 (transportation utilization rate is 49.03 percent and $77.69 per case; ancillary utilization rate is 11.22 percent and $82.50 per case.)
- The estimate assumes a case management utilization rate of 41.2 percent and $206 cost per case.
- The estimate assumes 25 new TCVAP cases will receive CalWORKs benefits each month (300 per year). Administrative expenses for adding each adult to a CalWORKs assistance unit are calculated at $8.63 for each new case.

<u>TCVAP Cash Assistance:</u>

- All services and administrative costs for TCVAP Cash Assistance recipients mirror the services and administrative costs for Refugee Cash Assistance (RCA) program recipients (for more information on the caseload and cost per case assumptions, see the RCA premise).
- The estimated monthly caseload of TCVAP Cash Assistance cases is 41.
- The average TCVAP Cash Assistance monthly grant is $288.26 in the CY and $265.20 in the BY.
- The administrative cost per case for a TCVAP Cash Assistance case is $74.76.
- For the CY and the BY, the average monthly cost per case of TCVAP Employment Social Services was calculated by dividing the Fiscal Year (FY) 2009-10 Refugee Social Services block grant ($14.4 million) divided by the FY 2009-10 RCA total caseload (33,073) divided by 12 months, which equals $36.17 per case.

<u>TCVAP CFAP:</u>

- The average monthly number of TCVAP CFAP recipients is the total monthly number of TCVAP CalWORKs and Cash Assistance program recipients combined (656).
- The average coupon value per person is $116.33 for the CY and then $115.68 for the BY.
- The administrative costs for CFAP are $25.01 per case per month.

<u>TCVAP CAPI:</u>

- There are currently no TCVAP recipients reported in CAPI.

Undocumented Citizens (SB 1569)

KEY DATA/ASSUMPTIONS (CONTINUED):

TCVAP IHSS:

- There is one reported TCVAP client receiving IHSS services, authorized to receive 63.14 hours per month in the CY and 63.31 hours per month in the BY (757.68 hours per year in the CY and 759.72 hours per year in the BY).
- The estimate assumes that TCVAP cases receiving IHSS benefits are considered a “residual case” and will receive $11.60 per hour in benefits in the CY and $11.58 per hour in the BY.

METHODOLOGY:

TCVAP CalWORKs:

Grant costs are calculated by multiplying the average monthly number of cases by the cost to add an adult to a case by 12 months (BY: 615 x $122 x 12).

Administrative costs are calculated by multiplying the average monthly number of new cases by the intake cost by 12 months (BY: 25 x $8.63 x 12).

Employment services costs include case management, transportation, and ancillary costs. These are calculated by multiplying the average monthly number of cases utilizing the service by the cost per case by 12 months (Ex: BY Transportation: 615 x 0.4903 x $77.69 x 12).

Child care costs are calculated by multiplying the average monthly number of children by the cost per child by 12 months (BY: 615 x 0.2558 x 1.7 x $786.51 x 12).

TCVAP Cash Assistance:

Average monthly TCVAP cash assistance cases are calculated by multiplying the total client count by 8/12 to reflect the 8-month time-limit for TCVAP cash assistance (61 x 8/12 = 41).

Grant costs are calculated by multiplying the average monthly number of cases by the cost per case by twelve months. (BY: 41 x $265.20 x 12).

Administrative costs are calculated by multiplying the average monthly number of cases by the administrative cost per case by twelve months (41 x $74.76 x 12).

Employment Social Services costs are calculated by multiplying the average monthly number of cases by the services cost per case by twelve months (41 x $36.17 x 12).

CFAP:

Coupon costs are calculated by multiplying the average monthly coupon benefit per person by the projected monthly number of CFAP recipients by twelve months (BY: 656 x $115.68 x 12)

On-going quarterly administrative costs are calculated by multiplying the average monthly number of cases by the average monthly cost per case by twelve months (656 x $25.01 x 12).

IHSS:

Total cost of benefits are calculated by multiplying the number of authorized hours by the cost per hour (BY: 759.72 x $11.58).

Undocumented Citizens (SB 1569)

FUNDING:

TCVAP CalWORKs grants are funded with 97.5 percent General Fund (GF) and 2.5 percent county.

TCVAP CalWORKs employment services, administrative services, child care, TCVAP Cash Assistance, Employment Social Services, IHSS, and CFAP are funded with 100 percent GF.

Under Title 45 of the Code of Federal Regulations Part 263.2(b), these cases are not Maintenance of Effort eligible.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

Increased costs for the CY and the BY are primarily due to an increase in TCVAP clients served.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease in grant costs are due to the 8 percent grant reduction. The decrease in services are primarily due to a decrease in child care costs for the BY.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 101 – Undocumented Citizens (SB 1569)	**Total**	**Federal**	**State**	**County**	**Reimb.**
Grants	$2,040	$0	$2,015	$25	$0
Services	3,643	0	3,643	0	0
Administration	237	0	237	0	0
Total	$5,920	$0	$5,895	$25	$0

FY 2011-12

Item 101 – Undocumented Citizens (SB 1569)	**Total**	**Federal**	**State**	**County**	**Reimb.**
Grants	$1,941	$0	$1,918	$23	$0
Services	3,523	0	3,523	0	0
Administration	237	0	237	0	0
Total	$5,701	$0	$5,678	$23	$0

SSI/SSP – Basic Costs

DESCRIPTION:

This premise reflects the basic costs for the Supplemental Security Income/State Supplementary Payment (SSI/SSP) program. The SSI program, authorized by Title XVI of the Social Security Act, replaced the prior federal/state matching grant program of adult assistance to the aged, blind, and disabled in January 1974. The SSI/SSP program is a cash assistance program for low-income aged, blind, and disabled persons. California opted to supplement the SSI payments, creating the SSP program. The Social Security Administration (SSA) administers the SSI/SSP program at California's option.

The maximum amount of aid is dependent on the following factors:

- Whether one is aged, blind, or disabled;
- The living arrangement;
- Marital status; and,
- Minor status.

As a result of the various factors determining the maximum amount of aid, there are 19 different payment standards in the SSI/SSP program.

KEY DATA/ASSUMPTIONS:

- The SSA will continue to administer the program under Title XVI of the Social Security Act.
- Section 1611 of Title XVI defines the amount of SSI benefits an individual may be eligible to receive.
- Section 12200 of the Welfare and Institutions Code defines the maximum payment standard available under each living arrangement.
- The basic cost per case for SSI and SSP estimates are developed from actual state and federal expenditures reported on the State Data Exchange (SDX) and SSA 8700 reports.
- The SSI average grants are based on actual data from January 2010 through December 2010. The SSP average grants are based on actual data from January 2010 to December 2010, and include the impact of various grant reductions.
- These grant reductions include the withholding of the pass-through of the 2009 federal cost of living adjustment, effective May 1, 2009; the 2.3 percent SSI/SSP grant reduction, effective July 1, 2009; and the 0.6 percent SSP grant reduction for individuals and SSI/SSP couples to the federal maintenance of effort floor, both effective November 1, 2009. The average grants are as follows:
  - For SSI, Aged is $331.23, Blind is $418.52, and Disabled is $461.17.
  - For SSP, Aged is $168.60, Blind is $225.65, and Disabled is $172.34.

SSI/SSP – Basic Costs

METHODOLOGY:

The SSI/SSP basic costs are computed for each aged, blind, and disabled component, and then summed to produce total basic costs. Both the SSI and SSP basic average grants were adjusted to exclude the effects of payments to recipients residing in medical facilities. The adjusted average grants were multiplied by the estimated caseloads to arrive at an adjusted basic cost. Estimated expenditures for recipients in medical facilities were then added to total basic costs.

FUNDING:

The SSI portion of the program is funded with 100 percent federal Title XVI funds, and the SSP portion is funded with 100 percent General Fund (GF). Costs for each component are computed separately.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The Current Year GF costs have increased due to an increase in the average monthly grant, offset by slight decrease in the average monthly caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year change is due to an increase in the average monthly caseload.

CASELOAD:

The average monthly persons in Fiscal Year 2010-11 is 1,266,087 and in Fiscal Year 2011-12 is 1,286,113.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 111 – SSI/SSP	**Total**	**Federal**	**State**	**County**	**Reimb.**
Basic Costs	$8,949,674	$6,362,170	$2,587,504	$0	$0

			FY 2011-12		
Item 111 – SSI/SSP	**Total**	**Federal**	**State**	**County**	**Reimb.**
Basic Costs	$9,098,211	$6,469,451	$2,628,760	$0	$0

SSP MOE Floor for Individuals

DESCRIPTION:

This premise reflects the savings associated with reducing the State Supplementary Payment (SSP) standard of the Supplemental Security Income (SSI)/SSP program to the federally required Maintenance of Effort (MOE) level of the 1983 payment standards for individuals only. MOE refers to a federal provision that limits the reduction a state can make to their SSP benefit levels without penalty. If a state were to reduce its SSP benefit levels below MOE levels, it would lose federal funding for Medi-Cal. SSI/SSP eligibility also establishes automatic eligibility for Medi-Cal.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2011.

KEY DATA/ASSUMPTIONS:

- The federal Social Security Administration will continue to administer the program under Title XVI of the Social Security Act.
- Section 1611 of Title XVI defines the amount of SSI benefits an individual may be eligible to receive.
- Section 12200 of the Welfare and Institutions Code defines the maximum payment standard available under each living arrangement.
- Section 416.096 of Title XX of the Code of Federal Regulations defines the loss of federal funding for Medi-Cal if a state reduces SSP payments below MOE levels.
- The savings associated with reducing SSP grant amounts for Cash Assistance Program for Immigrants and California Veterans Cash Benefit recipients are reflected in this premise.
- Assumes approximately one million SSI/SSP individual recipients will receive a decrease to their SSI/SSP payment. Approximately 108,000 Non-Medical Out-of-Home Care, Restaurant Meal Allowance, and Title XIX Medical Facilities recipients will be excluded from this reduction. Approximately 238,000 SSI/SSP couple members are already at the SSP MOE Floor, effective November 1, 2009.
- Assumes 8,949 recipients will lose their SSI/SSP benefit because their countable income will exceed the reduced SSI/SSP rates, and will seek services elsewhere. Some recipients may seek services from the CalFresh program. For more information, please see the “SSP MOE Floor – CalFresh Effect)” premise.

METHODOLOGY:

- The reduced grant amounts are calculated by using a statistical model to determine a change to the basic SSI/SSP average grant due to the SSP MOE floor reduction for individuals only. The reduced average grant amounts are multiplied by the caseload to determine the reduced costs to the SSI/SSP program.
- The SSP payment standards will be decreased as a result of reducing the SSI/SSP grant to the MOE floor for individuals only. The reduced SSP grants are subtracted from the January 2011 SSP grant amounts.

SSP MOE Floor for Individuals

FUNDING:

The SSP portion of the SSI/SSP program is funded with 100 percent General Fund.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The Current Year erosion of savings is due to one month delayed implementation.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year reflects a full year of savings.

EXPENDITURES:

(In 000's)

			FY 2010-11		
Item 111 – SSI/SSP	**Total**	**Federal**	**State**	**County**	**Reimb.**
SSP MOE Floor for Individuals	$0	$0	$0	$0	$0

			FY 2011-12		
Item 111 – SSI/SSP	**Total**	**Federal**	**State**	**County**	**Reimb.**
SSP MOE Floor for Individuals	-$183,421	$0	-$183,421	$0	$0

SSI/SSP – 2011 Federal COLA

DESCRIPTION:

This premise reflects the impact of the not passing through the cost-of-living adjustment (COLA) given to Supplemental Security Income/State Supplementary Payment (SSI/SSP) program recipients in 2011. The -0.6 percent Consumer Price Index (CPI) for 2011 eliminates the pass through of an SSI COLA to recipients. As a result, in the SSI portion of the grant payment will not increase, but, instead, will remain at the January 2010 level.

IMPLEMENTATION DATE:

The CPI COLA would have implemented on January 1, 2011.

KEY DATA/ASSUMPTIONS:

- Section 1617 of Title XVI of the Social Security Act authorizes the COLA for SSI recipients.
- The SSI COLA will not be passed through to recipients on January 1, 2011, pursuant to current law.

METHODOLOGY:

The SSI average grant for the three categories (aged, blind, and disabled) will not change as a result of not passing through the 2011 federal COLA.

FUNDING:

The SSI portion of the program is funded with 100 percent federal Title XVI funds.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's):

FY 2010-11

Item 111 – SSI/SSP	**Total**	**Federal**	**State**	**County**	**Reimb.**
SSI/SSP – 2011 Federal COLA	$0	$0	$0	$0	$0

FY 2011-12

Item 111 – SSI/SSP	**Total**	**Federal**	**State**	**County**	**Reimb.**
SSI/SSP – 2011 Federal COLA	$0	$0	$0	$0	$0

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SSI/SSP – 2012 Federal COLA

DESCRIPTION:

This premise reflects the impact of the cost-of-living adjustment (COLA) given to Supplemental Security Income/State Supplementary Payment (SSI/SSP) program recipients in 2012. The estimated SSI Consumer Price Index (CPI) COLA of 1.3 percent will be passed through to recipients resulting in an increase in the SSI portion of the grant payment effective January 1, 2012.

IMPLEMENTATION DATE:

The CPI COLA will implement on January 1, 2012.

KEY DATA/ASSUMPTIONS:

- Section 1617 of Title XVI of the Social Security Act authorizes the COLA for SSI recipients.
- The CPI is estimated at 1.3 percent for 2012, and will be passed through to recipients on January 1, 2012, pursuant to current law.

METHODOLOGY:

The SSI average grants for the three categories (aged, blind, and disabled) change as a result of the 2012 federal COLA.

The CPI percentage is applied to the 2011 SSI payment standards and the result is the new SSI payment standards for 2012.

The new payment standards are put into a statistical model to determine the value of the 2012 federal COLA for each of the three categories. The value of the 2012 federal COLA is added to each category's average SSI grant and the result is the increased average SSI grant for each category. These increased grants are multiplied by the caseload and the result is the increased costs to the SSI/SSP program.

The impact to the Cash Assistance Program for Immigrants (CAPI) is included under the CAPI premise.

FUNDING:

The SSI portion of the program is funded with 100 percent federal Title XVI funds.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The change in Budget Year (BY) is a result of the updated CPI from 0.2 percent to 1.3 percent.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise is a BY item only.

SSI/SSP – 2012 Federal COLA

EXPENDITURES:

(in 000's):

			FY 2010-11		
Item 111 – SSI/SSP	**Total**	**Federal**	**State**	**County**	**Reimb.**
SSI/SSP – 2012 Federal COLA	$0	$0	$0	$0	$0

			FY 2011-12		
Item 111 – SSI/SSP	**Total**	**Federal**	**State**	**County**	**Reimb.**
SSI/SSP – 2012 Federal COLA	$68,850	$68,850	$0	$0	$0

SSI/SSP – SSP Administration

DESCRIPTION:

The Social Security Administration (SSA) formerly administered the Supplemental Security Income/ State Supplementary Payment (SSI/SSP) program benefit payments without charge to the states. The Omnibus Budget Reconciliation Act of 1993 shifted costs for administration of SSP to the state, effective October 1, 1993. It also provided for additional service fees to be charged if SSA provides services beyond the expected level, such as payment standard reductions or increases made on outside of the normal January 1 schedule.

IMPLEMENTATION DATE:

This premise implemented on October 1, 1993.

KEY DATA/ASSUMPTIONS:

- The SSA will continue to administer this program under Title XVI of the Social Security Act.
- The federal Balanced Budget Act of 1997 (Public Law 105-33) amended existing federal statutes pertaining to administration fees for SSP payments. For each Federal Fiscal Year (FFY) from 1998 through 2002, administration fees increased from an initial $5 per payment to $8.50 per payment in FFY 2002. Increases after FFY 2002 are based on the Consumer Price Index (CPI) or at a rate the Commissioner of Social Security determines is appropriate for the State.
- Effective October 1, 2010, the fee will increase from $10.45 to $10.56, based on a rate determined by the Commissioner of Social Security. Effective October 1, 2011, the fee will increase from $10.56 to $10.70, based on the increase in the CPI from June of the Budget Year (BY) compared to June of the Current Year (CY).
- Administrative costs associated with the California Veterans Cash Benefit program are included in this premise.

METHODOLOGY:

The projected number of payments is based on the projected caseload plus the six-month moving average of the difference between the actual caseload and the number of payments. The projected number of payments is then multiplied by the respective cost per payment.

FUNDING:

The administration costs are 100 percent General Fund.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The CY decrease is due to decrease in caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase is due to an increase in the average monthly caseload in addition to an increase in the administration fee.

SSI/SSP – SSP Administration

CASELOAD:

The average monthly payments in Fiscal Year 2010-11 is 1,289,871 and in Fiscal Year 2011-12 is 1,309,690.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 111 – SSI/SSP	**Total**	**Federal**	**State**	**County**	**Reimb.**
SSP Administration	$163,029	$0	$163,029	$0	$0

			FY 2011-12		
Item 111 – SSI/SSP	**Total**	**Federal**	**State**	**County**	**Reimb.**
SSP Administration	$167,585	$0	$167,585	$0	$0

California Veterans Cash Benefit Program

DESCRIPTION:

This premise reflects the cost of providing benefits at the same level as State Supplementary Payment (SSP) benefits to certain veterans of World War II who 1) return to the Republic of the Philippines and no longer have a place of residence in the state; and 2) were receiving SSP benefits on December 14, 1999. The California Veterans Cash Benefit (CVCB) payments are authorized under Assembly Bill 1978 (Chapter 143, Statutes of 2000).

IMPLEMENTATION DATE:

This premise implemented on July 19, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 12400.
- The grant costs associated with the implementation of this bill are the equivalent of SSP benefits the veterans would receive under the Supplemental Security Income (SSI)/SSP program.
- An average benefit payment of $172.10 will be paid to eligible recipients.
- The Social Security Administration administers the CVCB program in conjunction with benefits under Title VIII of the federal Social Security Act.
- Administrative costs associated with the CVCB program are reflected in the “SSI/SSP – SSP Administration” premise.
- The average monthly number of participating veterans is 1,269 in Fiscal Year (FY) 2010-11, and 1,114 in FY 2011-12.

METHODOLOGY:

The cost of the program is estimated by multiplying the number of participating veterans by the benefit.

FUNDING:

This program is funded 100 percent with General Fund.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The Current Year decrease is due to a lower than projected average monthly caseload offset slightly by an increase to the average monthly grant.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year decrease is due to a lower average monthly caseload.

California Veterans Cash Benefit Program

EXPENDITURES:

(in 000's)

FY 2010-11

Item 111 – SSI/SSP	**Total**	**Federal**	**State**	**County**	**Reimb.**
California Veterans Cash Benefit	$2,620	$0	$2,620	$0	$0

FY 2011-12

Item 111 – SSI/SSP	**Total**	**Federal**	**State**	**County**	**Reimb.**
California Veterans Cash Benefit	$2,301	$0	$2,301	$0	$0

SSI Extension (P.L. 110-328)

DESCRIPTION:

This premise reflects the costs and savings associated with qualified Cash Assistance Program for Immigrants (CAPI) recipients transferring to the Supplemental Security Income/State Supplementary Payment (SSI/SSP) program, and SSI/SSP recipients who will remain on SSI/SSP for two more years. Prior to the enactment of Public Law (P.L.) 110-328, refugees and other humanitarian immigrants became eligible for the 100 percent state-funded CAPI benefit once the seven-year period of SSI/SSP eligibility expired. They obtained CAPI eligibility because they were aged, blind or disabled, and no longer eligible for SSI/SSP due to their non-citizen immigration status. Under the federal law, refugees and other humanitarian immigrants are eligible to receive at least two more years of SSI benefits. However, the law does place conditions on this extended eligibility. The affected immigrants will have to show some evidence of having adjusted their immigration status to Lawful Permanent Resident (LPR) within certain timeframes, or be under age 18, or age 70 or older, in order to be eligible for reinstatement to SSI/SSP. The provisions in P.L. 110-328 expired on October 1, 2010.

IMPLEMENTATION DATE:

This premise implemented on October 1, 2008.

KEY DATA/ASSUMPTIONS:

- The Social Security Administration will continue to administer the program under Title XVI of the Social Security Act.
- Section 1611 of Title XVI defines the amount of SSI benefits an individual may be eligible to receive.
- Section 12200 of the Welfare and Institutions Code (W&IC) defines the maximum payment standard available under each living arrangement.
- Chapter 10.3 of the W&IC gives the California Department of Social Services the authority to administer the CAPI program.
- Section 18940 of the W&IC states that the CAPI program will be governed by the same federal and state regulations which govern the SSI/SSP program.
- Section 18941 of the W&IC authorizes benefits paid under CAPI to be equivalent to benefits provided under the SSI/SSP program, except that the schedule for individuals and couples shall be reduced $10 per individual and $20 per couple per month.
- Assumes 35 cases will stay on SSI/SSP for Fiscal Year (FY) 2010-11, beginning September 1, 2010, through June 2011. The impact of cases that stayed on SSI/SSP previous to September 1, 2010 is now part of the trend for the SSI/SSP and CAPI programs. After October 1, 2010, the federal law sunsets, and cases that will meet their seven-year limit on or after October 1, 2010, will not stay on SSI/SSP, unless these cases change their legal status.
- SSI/SSP and CAPI average grants are based on the grants used for the basic costs estimates.

SSI Extension (P.L. 110-328)

METHODOLOGY:

SSI/SSP costs and CAPI savings were calculated by multiplying the average grant amounts by the number of cases staying on SSI/SSP.

FUNDING:

The SSI portion of the program is funded with 100 percent federal Title XVI funds, and the SSP portion is funded with 100 percent General Fund (GF). The CAPI program is funded with 100 percent GF.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The Current Year increase in costs for SSI/SSP and loss of savings for CAPI are due to an increase in the SSI/SSP grants.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year increase in cost for SSI/SSP is due an increase in the SSI/SSP grant. The loss of savings for CAPI is due to a decrease in the CAPI Administration grant.

EXPENDITURES:

(in 000's)

			FY 2010-11		
SSI Extension (P.L. 110-328)	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 111 – SSI/SSP	$261	$196	$65	$0	$0
Item 111 – CAPI	-314	0	-314	0	0

			FY 2011-12		
SSI Extension (P.L. 110-328)	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 111 – SSI/SSP	$315	$237	$78	$0	$0
Item 111 – CAPI	-378	0	-378	0	0

Cash Assistance Program for Immigrants (CAPI)

DESCRIPTION:

This premise reflects the costs associated with providing benefits to aged, blind, and disabled legal immigrants under the Cash Assistance Program for Immigrants (CAPI). CAPI benefits are equivalent to Supplemental Security Income (SSI) and/or State Supplemental Payment (SSP) program benefits, less $10 per individual and $20 per couple. This premise includes costs for both the grant and administrative costs necessary for implementation.

CAPI recipients in the base program include the following immigrants: 1) those who entered the United States (U.S.) prior to August 22, 1996, and are not eligible for SSI/SSP benefits solely due to their immigration status; and 2) those who entered the U.S. on or after August 22, 1996, but meet special sponsor restrictions (have a sponsor who is disabled, deceased, or abusive). The extended CAPI caseload includes immigrants who entered the U.S. on or after August 22, 1996, who do not have a sponsor or have a sponsor who does not meet the sponsor restrictions of the base program.

IMPLEMENTATION DATE:

This premise implemented on October 1, 1998.

KEY DATA/ASSUMPTIONS:

- Chapter 10.3 of the Welfare and Institutions Code (W&IC) gives the California Department of Social Services the authority to administer the CAPI program.
- Section 18940 of the W&IC states that the CAPI program will be governed by the same federal and state regulations which govern the SSI/SSP program.
- Section 18941 of the W&IC authorizes benefits paid under CAPI to be equivalent to benefits provided under the SSI/SSP program, except that the schedule for individuals and couples shall be reduced $10 per individual and $20 per couple per month.
- Although CAPI was originally due to sunset on July 1, 2000, Assembly Bill (AB) 1111 (Chapter 147, Statutes of 1999) extended the base program indefinitely.
- AB 1111 also created time-limited CAPI eligibility from October 1, 1999, through September 30, 2000, for immigrants who entered the country on or after August 22, 1996. This bill established a five-year deeming period for these cases. AB 2876 extended time-limited CAPI for one more year through September 30, 2001. AB 429 (Chapter 111, Statutes of 2001) eliminated the sunset date for the time-limited (“extended”) program altogether, and lengthened the deeming period to ten years.
- The average monthly number of total CAPI cases will be 10,370 in Fiscal Year (FY) 2010-11, and 13,043 in FY 2011-12.
- The average monthly grant for FY 2010-11 is $574.24 and for FY 2011-12 the average monthly grant is $578.69 for the Base CAPI cases, based on actual expenditures through December 2010. This takes into account various SSI/SSP grant reductions, which include the withholding of the pass-through of the 2009 federal cost of living adjustment, effective May 1, 2009; the 2.3 percent SSI/SSP grant reduction, effective July 1, 2009; and the 0.6 percent SSP grant reduction for individuals and SSI/SSP couples to the federal maintenance of effort floor, both effective November 1, 2009. The average grant will increase due to the January 2012 federal COLA, effective January 1, 2012.

Cash Assistance Program for Immigrants (CAPI)

KEY DATA/ASSUMPTIONS (CONTINUED):

- The average monthly grant for FY 2010-11 is $727.62 and the average monthly grant for FY 2011-12 is $732.07 for the Extended CAPI cases, based on actual expenditures through December 2010. The average grant will change as discussed above for the Base CAPI cases.
- The average monthly administrative cost per case for FY 2010-11 and 2011-12 of $160.23 is based on actual expenditures through December 2010.

METHODOLOGY:

Base CAPI program costs are estimated by multiplying the projected monthly caseload by the Base CAPI average grant and administrative cost per case. Extended CAPI costs are estimated by multiplying the Extended CAPI caseload by the Extended CAPI average grant and administrative cost per case. Base CAPI and extended CAPI costs are then added to determine total CAPI Program costs.

FUNDING:

The program is funded with 100 percent General Fund.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

Base CAPI – The Current Year (CY) increase is due to a slower caseload decline offset by a decrease in the Administration grant.

Extended CAPI – The CY increase is due to a slower caseload decline offset by a decrease in the Administration grant.

REASON FOR YEAR-TO-YEAR CHANGE:

Base CAPI – The Budget Year (BY) increase is due to a slower than projected caseload decline.

Extended CAPI – The BY increase is due to a slower than projected caseload decline.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 111 – SSI/SSP	**Total**	**Federal**	**State**	**County**	**Reimb.**
Base CAPI	$12,174	$0	$12,174	$0	$0
Extended CAPI	95,767	0	95,767	0	0
Total	$107,941	$0	$107,941	$0	$0

			FY 2011-12		
Item 111 – SSI/SSP	**Total**	**Federal**	**State**	**County**	**Reimb.**
Base CAPI	$11,635	$0	$11,635	$0	$0
Extended CAPI	125,625	0	125,625	0	0
Total	$137,260	$0	$137,260	$0	$0

Additional TANF/MOE Expenditures in CDSS SSP MOE Eligible

DESCRIPTION:

This premise reflects the State Supplementary Payment (SSP) expenditures countable towards the state Temporary Assistance for Needy Families (TANF) program maintenance of effort (MOE). More specifically, the increase in SSP expenditures for disabled SSP children in California Work Opportunity and Responsibility to Kids (CalWORKs) families since the inception of the TANF program is countable as MOE.

Public Law (P.L.) 104-193, the federal welfare reform legislation, established the TANF program and a TANF block grant to replace the Aid to Families with Dependent Children (AFDC) program. States must meet an 80 percent MOE to receive their full block grant allocation. The MOE is reduced to 75 percent for states that meet the work participation rate requirement. For California, the amount of the MOE is based on state and county expenditures in Federal Fiscal Year (FFY) 1994. As a result of the state having consistently met its work participation agreement, the MOE level has been lowered from $2.9 billion (80 percent) to $2.7 billion, which constitutes 75 percent of the 1994 level.

The state may count toward the MOE both local and state expenditures made by the California Department of Social Services (CDSS) or other departments on behalf of TANF/CalWORKs-eligible families. State expenditures that are used as a match to draw down other federal funding are generally not countable toward the TANF MOE.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2003.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: 45 Code of Federal Regulations Section 263.2.
- The average number of SSP children living in a CalWORKs household for October through December 2010, was 10,405, or 12.5 percent of total SSP children living with relatives.
- SSP expenditures for SSP children living with relatives were $52.8 million in 1995. SSP expenditures for the same population were $83.6 million in Fiscal Year (FY) 2009-10.
- Expenditures for SSP children living in a CalWORKs household in 1995 is estimated at $8.5 million.

METHODOLOGY:

Expenditures for FY 2010-11 and FY 2011-12 are forecasted based on the increase or decrease in the SSP payment standard from year to year. For FY 2010-11 and FY 2011-12, there will be no increase or decrease in the SSP payment standard for this population.

The percentage of SSP children living in a CalWORKs household is multiplied by the estimated SSP expenditures for each fiscal year to arrive at expenditures attributable to SSP children living in a CalWORKs household. For FY 2010-11 and FY 2011-12, SSP expenditures for this population are estimated at $10.5 million and $10.7 million, respectively.

Additional TANF/MOE Expenditures in CDSS SSP MOE Eligible

METHODOLOGY (CONTINUED):

For FY 2010-11, the amount by which allowable Current Year (CY) expenditures exceed total state program expenditures in 1995 is $2 million ($10.5 - $8.5 million).

For FY 2011-12, the amount by which allowable SSP expenditures will exceed total state program expenditures in 1995 is $2.1 million ($10.7 - $8.5 million).

FUNDING:

The SSP expenditures are funded with 100 percent General Fund.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The CY change is due to an increase in the average number of SSP children living in a CalWORKs household.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year change is due to an increase in caseload.

EXPENDITURES:

(in 000's)

			FY 2010-11		
TANF Page	**Total**	**Federal**	**State**	**County**	**Reimb.**
SSP MOE Eligible	$1,990	$0	$1,990	$0	$0
			FY 2011-12		
TANF Page	**Total**	**Federal**	**State**	**County**	**Reimb.**
SSP MOE Eligible	$2,156	$0	$2,156	$0	$0

Personal Care Services Program/IHSS Plus Option/Residual IHSS Basic Costs

DESCRIPTION:

This premise reflects the basic costs for the In-Home Supportive Services (IHSS) program. Assembly Bill (AB) 1773 (Chapter 939, Statutes of 1992) required the California Department of Health Care Services (DHCS) to submit a Medicaid state plan amendment to the federal Centers for Medicare and Medicaid Services (CMS) (formerly the Health Care Financing Administration) to include a portion of the IHSS program as a Title XIX eligible service. This portion of the IHSS program is known as the Personal Care Services Program (PCSP).

In 2004, DHCS received approval to implement an Independence Plus Section 1115 Demonstration Project to allow certain IHSS Residual program recipients who could not receive services under the PCSP to receive them under the new IHSS Independence Plus Waiver (IPW). Effective September 30, 2009, the IPW expired and will not be renewed. On October 1, 2009, a Social Security Act Section 1915(j) State Plan Option, titled the IHSS Plus Option (IPO), was implemented. The new IPO absorbed the IPW caseload, and provides the same services as the IPW plus an enhanced support system.

The IHSS program enables eligible individuals to remain safely in their own homes as an alternative to out-of-home care. Eligible recipients are aged, blind or disabled individuals who receive public assistance or have low incomes.

The AB 925 (Chapter 1088, Statutes of 2002) allows recipients to utilize authorized personal care services in locations outside of the home, including their place of employment, as authorized by the director. Services and service hours remain limited to those authorized for the recipient in their own home.

The PCSP and IPO programs provide services which include, but are not limited to, the following:

- Domestic services such as meal preparation, laundry, shopping, and errands;
- Non-medical personal care services;
- Assistance while traveling to medical appointments or to other sources of supportive services;
- Certain paramedical services ordered by a physician; and
- Protective supervision tasks.

The following four benefits are provided to IPO recipients in addition to the same services provided under the PCSP:

- Advance pay;
- Restaurant Meal Allowance (RMA);
- Services provided by a parent/spouse; and
- Services provided by a parent for a minor recipient.

The third component of the IHSS program is the state-only Residual program, which provides services/benefits to recipients who are ineligible for the federal PCSP or IPO programs. The services/benefits provided to Residual program recipients are the same as those provided to IPO program recipients as well as teaching and demonstration activities.

Personal Care Services Program/IHSS Plus Option/Residual IHSS Basic Costs

DESCRIPTION (CONTINUED):

The IHSS is provided in any of three service delivery modes. Those service modes are the individual provider (IP) mode, the county contract (CC) mode, and the welfare staff (WS) mode. The WS mode is also referred to as the county homemaker mode. The IP mode consists of an individual, hired by the recipient, who provides services to the recipient. The CC mode provides for IHSS services to be performed by a service provider under contract with the individual counties. The contractor employs the individuals who provide the services to the recipient. The WS mode utilizes county employees to provide services for recipients.

The State Compensation Insurance Fund (SCIF), under contract, administers the workers' compensation insurance for the IPs providing services for IHSS recipients.

The Department of General Services (DGS), under contract, acts as the agent for the California Department of Social Services (CDSS) in the management and supervision of SCIF. The DGS also monitors high cost cases ($50,000 and over in paid costs) on a quarterly basis.

The IHSS Case Management, Information and Payrolling System (CMIPS) authorizes payments and provides CDSS and the counties with information regarding wages, taxes, hours per case, cost per hour, PCSP/IPO and Residual program caseload and funding ratios, share of cost, RMA, and the number of providers in the IP mode. See the CMIPS premises for more information.

IMPLEMENTATION DATE:

This premise implemented on April 1, 1993.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 12300-12314 and 14132.95.
- The projected caseload percentages for the PCSP/IPO and Residual programs are 91.93 percent and 8.07 percent, respectively, based on the average caseloads to date for the Current Year (CY) and the Budget Year (BY). (Note: An adjustment to the caseload is made under the Title XIX Eligible Recipients Adjustment premise to account for recipients who are eligible to receive and do receive services under one of the two Title XIX programs, PCSP or IPO, and, therefore, receive federal financial participation, but who are not accounted for as such under this premise. The adjustment results in a caseload increase to 98.56 percent for PCSP/IPO and a decrease to 1.44 percent for Residual in the CY and the BY. For more information, please see the Title XIX Eligible Recipients Adjustment premise [formerly titled the Waiver for Residual Program.])
- After adjusting the shares of the federally-eligible and non-federally-eligible populations which result from the Title XIX Eligible Recipients Adjustment premise, the CY caseload is projected to be 424,331 PCSP/IPO and 6,190 Residual for a total of 430,521, and the BY caseload is projected to be 431,700 PCSP/IPO and 6,297 Residual for a total of 437,997.
- Following implementation of the Anti-Fraud Initiative efforts in November 2009, the IHSS caseload has seen a decreasing trend.

Personal Care Services Program/IHSS Plus Option/Residual IHSS Basic Costs

KEY DATA/ASSUMPTIONS (CONTINUED):

- The Fiscal Year (FY) 2010-11 Appropriation caseload was adjusted to reflect the decreasing trend by $92 million in General Fund (GF), which is reflected in the Caseload Adjustment and the non-add ARRA - Caseload Adjustment lines in the appropriation table. This adjustment reduced the caseload from 466,292, as included in the May 2010 Revision, to 442,881.
- The March 2011 Conference Budget reduced the CY caseload from 441,549 to 434,000 resulting in savings of $29.5M GF, and reduced the BY caseload from 456,380 to 442,638 resulting in savings of 53.7M GF. These changes are reflected in the Caseload Adjustment line.
- The average monthly PCSP/IPO caseloads for CY 2010-11 are projected to be 1,608 (CC), 47 (WS), and 394,128 (IP), and Residual caseloads are 560 (CC), 12 (WS), and 34,166 (IP). The average monthly PCSP/IPO caseloads for BY 2011-12 are projected to be 1,553 (CC), 47 (WS), and 401,056 (IP), and Residual caseloads are 540 (CC), 12 (WS), and 34,790 (IP).
- The IP wage rate and average monthly hours per case are based on individual counties' data.
- The PCSP/IPO CC mode average monthly hours per case are assumed to be 68.6 hours at a cost of $21.18 per hour for the CY and 68.9 hours at a cost of $21.25 per hour for the BY. The Residual CC average monthly hours per case are assumed to be 27.3 hours at a cost of $19.37 per hour for the CY and 27.3 hours at a cost of $19.38 per hour for the BY.
- The PCSP/IPO WS mode average monthly hours per case are assumed to be 9.85 hours at a cost of $20.69 per hour. The Residual WS average monthly hours per case are assumed to be 6.77 hours at a cost of $20.71 per hour.
- Effective October 1, 2010, San Joaquin County eliminated its CC mode. These costs have been absorbed under the IP mode.
- The payroll tax rate associated with IP wages is assumed at ten percent.
- Based on actual data for February 2010 through January 2011, the average PCSP/IPO program recipient's share of cost (SOC) in the IP mode of service is assumed to be $613 per case, and in the CC/WS modes of service $516 in the CY and the BY. The average Residual program recipient's share of cost in the IP mode of service is assumed to be $628, and in the CC/WS modes of service $283 in the CY, and the BY.
- In the PCSP/IPO program, the average monthly SOC caseload is assumed to be 5,473 (IP) and 40 (CC and WS) in the CY, and in the BY.
- In the Residual program, the average monthly SOC caseload is assumed to be 560 (IP) and six (CC and WS) in the CY, and in the BY.
- The RMA cost per case is $62.
- The RMA cost is assumed to be $365,862 total funds (TF) in the CY and the BY.
- The SCIF contract cost is assumed to be $52.3 million TF in the CY and the BY.
- The DGS contract cost is assumed to be $120,000 TF in the CY and the BY.

Personal Care Services Program/IHSS Plus Option/Residual IHSS Basic Costs

KEY DATA/ASSUMPTIONS (CONTINUED):

- The CY and the BY include costs for services established under the Los Angeles County Back-Up Attendant Program. These services are now included as part of this premise and are no longer considered part of a separate pilot program.
- This premise will benefit from the American Recovery and Reinvestment Act of 2009 (ARRA). Temporary ARRA Federal Medical Assistance Percentage (FMAP) increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.
- Effective September 30, 2009, the IPW expired and will not be renewed. On October 1, 2009, the IPO was implemented. The new IPO absorbed the IPW caseload, and provides the same services as the IPW plus an enhanced support system. Service costs are expected to be the same for this same population. For more information, please see the IHSS Plus Option (IPO) – Administration premise description.

METHODOLOGY:

The estimated PCSP/IPO basic cost is computed by multiplying the casemonths times the average hours per case, times the cost per hour, plus the associated payroll taxes, minus the share of cost. In addition, the PCSP/IPO program caseload percentage of the SCIF and DGS contract costs, and RMA, are added.

The estimated Residual basic cost is computed by multiplying the casemonths times the average hours per case times the cost per hour, plus the associated payroll taxes, minus the share of cost. In addition, the Residual program caseload percentage of the SCIF and DGS contract costs, and RMA, are added.

FUNDING:

For PCSP/IPO services, the Title XIX FMAP rate temporarily increased to 61.594 percent from October 1, 2008, through December 31, 2010. An extension of an increased FMAP rate was granted through June 30, 2011, at a phased down rate. The FY 2010-11 FMAP rate is equivalent to 59.709 percent. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

The nonfederal share of the PCSP/IPO is split 65 percent state and 35 percent county. The federal and counties' share of cost is reflected as a reimbursement, consistent with actual cash flow.

In the Residual program, total basic service costs are split 65 percent state and 35 percent county. The counties' share of the cost is reflected as a reimbursement, consistent with actual cash flow.

The overmatch above the level of state participation is split 50 percent federal and 50 percent county for the federal programs, and 100 percent county for the Residual program.

Personal Care Services Program/IHSS Plus Option/Residual IHSS Basic Costs

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The CY increase reflects increases in wages and hours per case, offset by a decrease in the projected caseload. The BY decrease reflects a decrease in the projected caseload, offset by an increase in wages and hours per case.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase reflects a higher projected caseload.

CASELOAD

(As included in IHSS Basic estimate):

- For Fiscal Year 2010-11, the PCSP/IPO average monthly caseload is 395,783, the Residual average monthly caseload is 34,738, for a total of 430,521.
- For Fiscal Year 2011-12, the PCSP/IPO average monthly caseload is 402,656, the Residual average monthly caseload is 35,341, for a total of 437,997.

(As updated as a result of the Title XIX Eligible Recipients Adjustment premise):

- For Fiscal Year 2010-11, the PCSP/IPO average monthly caseload is 424,331, the Residual average monthly caseload is 6,190, for a total of 430,521.
- For Fiscal Year 2011-12, the PCSP/IPO average monthly caseload is 431,700, the Residual average monthly caseload is 6,297, for a total of 437,997.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 111 – IHSS Services	Total	Federal	State	County	Reimb.
Basic Costs - PCSP/IPO	$4,757,185	$0	$1,516,210	$0	$3,240,975
Basic Costs - Residual	473,140	0	306,840	0	166,300
Total	5,230,325	0	1,823,050	0	3,407,275

FY 2011-12

Item 111 – IHSS Services	Total	Federal	State	County	Reimb.
Basic Costs - PCSP/IPO	$4,839,252	$0	$1,542,380	$0	$3,296,872
Basic Costs - Residual	481,287	0	312,145	0	169,142
Total	5,320,539	0	1,854,525	0	3,466,014

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Case Management, Information and Payrolling System (CMIPS) Legacy and Associated Costs

DESCRIPTION:

This premise reflects the costs associated with the operation and maintenance of the In-Home Supportive Services (IHSS) Case Management, Information and Payrolling System (CMIPS). It now includes the ongoing costs of forms processing for Provider Direct Deposit (PDD) and Conlan, systems operation and maintenance, monthly outreach mailing, and help desk staffing, which were previously under the CMIPS Legacy Enhancement premise. The PDD was successfully implemented on May 1, 2008. The CMIPS consists of the following three components:

Case Management

The CMIPS stores the case record of each individual recipient. The case record of each recipient contains information on eligibility, needs assessment, share of cost (if appropriate), and all changes affecting a recipient's case. The CMIPS also generates notices of action, cost-of-living adjustments, and rate changes. The CMIPS further allows for data exchanges with other welfare systems, and is used to establish Medi-Cal eligibility. Unique Client Index Numbers (CINs) facilitate the identification of common clients and the exchange of data with other systems. The CIN transactions are processed through the Office of System Integration server.

Management Information

The CMIPS provides periodic management reports that include fiscal and statistical data on a case-by-case, worker-by-worker, office-by-office, county-by-county, and statewide basis.

Payrolling System

The CMIPS provides for the authorization and issuance of warrants for payments for services provided by the individual-provider (IP) mode and prepares all employer tax forms and reports. These reports are used for bookkeeping, accounting, and tax preparation purposes on behalf of recipients, County Welfare Departments, and the California Department of Social Services (CDSS).

The State Controller's Office (SCO), under contract with CDSS, issues payroll checks to IP mode providers on behalf of IHSS recipients. The SCO also issues replacement checks and handles checks returned as undeliverable.

The State Treasurer's Office (STO), under contract with CDSS, performs bank reconciliation of IHSS warrants, and redeems all valid warrants issued for IHSS providers.

IMPLEMENTATION DATE:

This premise implemented on February 1, 1997.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 12302.2 and section 12304.4 [Chapter 75, Statutes of 2006 (Assembly Bill 1808)].
- The CMIPS contract is currently held by HP Enterprise Services, LLC (HP), formerly known as Electronic Data Systems, LLC (EDS).
- The estimated costs for the SCO contract were updated.

Case Management, Information and Payrolling System (CMIPS) Legacy and Associated Costs

KEY DATA/ASSUMPTIONS (CONTINUED):

- The estimated CIN transaction costs are based on the amount of time the CMIPS Legacy system accesses the State Client Index.
- The PDD cost assumes 30 percent provider participation. The Current Year (CY) PDD cost is $1.8 million total funds (TF). The Budget Year (BY) cost is $1.9 million TF.
- The Conlan cost assumes $150,000 TF in the CY and the BY.
- The CY HP contract includes system change costs for implementing the 3.6 Percent Across-the-Board Reduction premise of $0.9 million TF and the Provider Exclusion premise of $1.5 million TF.
- The BY HP contract includes system change costs for implementing the Provider Fee premise of $1.2 million TF, the mailing of Modified Notices of Actions to providers to inform them of the authorized activities and corresponding lengths of time for each activity for the recipient(s) to whom they provide services of $70,000 TF, and the cost to undo the 3.6 Percent Across-the-Board Reduction premise of $0.9 million TF.

	2010-11	**2011-12**
HP	$14,539,587	$14,879,350
STO	$770,080	$602,672
SCO	$8,113,170	$8,356,419
CIN Transaction	$8,307	$8,307
Conlan	$150,000	$150,000
Direct Deposit Costs	$1,800,000	$1,900,000
Total Costs	$25,381,144	$25,896,748

METHODOLOGY:

The estimate is computed by summing the HP, STO, SCO, CIN data and transaction fee costs, systems operation and maintenance costs, ongoing monthly outreach mailing, Help Desk staffing, and ongoing costs for PDD and Conlan. The total cost is split between the Personal Care Services Program (PCSP)/IHSS Plus Option (IPO) and the Residual programs based on a caseload percent to total.

FUNDING:

In the PCSP/IPO programs, the federal Title XIX reimbursement represents 50 percent of the total funding in the CY and the BY. The nonfederal share is split 70 percent General Fund and 30 percent county.

In the Residual program, the state share is 70 percent of the total, and the county share is 30 percent.

Case Management, Information and Payrolling System (CMIPS) Legacy and Associated Costs

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The CY and the BY increases reflect the additional components of the HP contract.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase reflects the higher costs for the HP, SCO, and PDD contract costs offset by a lower STO contract cost.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 111 – IHSS Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
CMIPS Legacy and Associated Costs - PCSP/IPO	$25,016	$0	$8,756	$3,752	$12,508
CMIPS Legacy and Associated Costs - Residual	365	0	255	110	0
Total	$25,381	$0	$9,011	$3,862	$12,508

FY 2011-12

Item 111 – IHSS Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
CMIPS Legacy and Associated Costs - PCSP/IPO	$25,524	$0	$8,933	$3,829	$12,762
CMIPS Legacy and Associated Costs - Residual	373	0	261	112	0
Total	$25,897	$0	$9,194	$3,941	$12,762

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Case Management, Information and Payrolling System (CMIPS) Legacy Enhancements

DESCRIPTION:

This premise reflects the funding required for several Case Management, Information and Payrolling System (CMIPS) enhancements, including programming and implementation, needed to meet the documentation, data collection, and reporting requirements of the In-Home Supportive Services (IHSS) program.

This premise was formerly known as CMIPS Enhancements. The word “Legacy” was added to clarify that this premise includes costs associated with the original CMIPS program, commonly referred to as CMIPS Legacy, and differentiate it from the new CMIPS II system.

IMPLEMENTATION DATE:

This premise implemented on August 31, 2004.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 12317 [Chapter 229, Statutes of 2004 (Senate Bill 1104)].
- The Elimination of Recipients without a Medical Certificate premise requires enhancements to the CMIPS Legacy system of an assumed cost of $58.6 thousand total funds (TF).
- Notices Of Actions were sent to recipients to inform them of the loss of hours as a result of the 3.6 Percent Across-the-Board Reduction to services. This activity assumes a cost of $0.4 million TF in the Current Year (CY).
- As a result of the provider enrollment process, existing providers who did not complete the enrollment process by December 31, 2010, were disenrolled. A reminder notification was sent out to providers who could have potentially been disenrolled if they did not complete the enrollment process by the deadline. In addition, recipients whose providers were disenrolled received a NOA informing them of this action. The cost for notifications and NOAs regarding pending provider disenrollment is assumed to be $78,000 TF in the CY.

METHODOLOGY:

The estimate is computed by summing the programming and implementation costs for enhancements for the impacted programs, and costs for sending notifications and NOAs .

FUNDING:

In the Personal Care Service Program (PCSP)/IHSS Plus Option programs, the federal Title XIX reimbursement represents 50 percent of the total funding in the CY and the Budget Year (BY). The nonfederal share is split 70 percent General Fund and 30 percent county.

In the Residual program, the state share is 70 percent of the total, and the county share is 30 percent.

Case Management, Information and Payrolling System (CMIPS) Legacy Enhancements

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The CY and BY decreases reflect the shifting of programming changes into the contract costs under the CMIPS Legacy and Associated Costs premise.

REASON FOR YEAR-TO-YEAR CHANGE:

There are no expected system changes for the BY at this time.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 111 – IHSS Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
CMIPS Legacy Enhancements - PCSP/IPO	$500	$0	$175	$75	$250
CMIPS Legacy Enhancements - Residual	7	0	5	2	0
Total	$507	$0	$180	$77	$250

FY 2011-12

Item 111 – IHSS Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
CMIPS Legacy Enhancements - PCSP/IPO	$0	$0	$0	$0	$0
CMIPS Legacy Enhancements - Residual	0	0	0	0	0
Total	$0	$0	$0	$0	$0

Case Management, Information and Payrolling System (CMIPS) II Contract Procurement

DESCRIPTION:

This premise reflects the costs for contracting with the Health and Human Services Agency Office of Systems Integration (OSI) for development, support, and implementation of a new and enhanced In-Home Supportive Services (IHSS) Case Management, Information and Payrolling System (CMIPS II). This project proposes to replace the legacy CMIPS with new technologies that provide system access for all IHSS county workers and a communication network between state and county IHSS offices.

IMPLEMENTATION DATE:

This premise implemented on April 1, 2008.

KEY DATA/ASSUMPTIONS:

Authorizing statute: Welfare and Institutions Code section 12302.2.

METHODOLOGY:

The estimated costs are detailed in the October 2007 Implementation Advance Planning Document, and in the Supplementary Premise Information Spring 2009.

FUNDING:

In the Personal Care Services Program (PCSP), IHSS Plus Option Program (IPO), and Medi-Cal Waiver Personal Care Services (WPCS) Program, the Title XIX Federal Financial Participation Percentage rate is a blended rate of 64 percent.

The nonfederal share is funded 100 percent State General Fund (GF).

In the Residual Program, the funding is 100 percent GF.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The Fiscal Year (FY) 2010-11 costs for county staff, prime vendor, and interfaces have decreased due to schedule delays. The FY 2011-12 costs reflect the impact of schedule delays for prime vendor, support contracts, interfaces, facilities, and data center costs. The allocation of costs to benefiting programs has been updated.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2011-12 costs have increased due to a delay in schedule, moving costs forward into the out years.

Case Management, Information and Payrolling System (CMIPS) II Contract Procurement

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 111 – IHSS Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
CMIPS II Contract Procurement - PCSP/IPO	$34,091	$0	$12,273	$0	$21,818
CMIPS II Contract Procurement - Residual	498	0	498	0	0
Total	$34,589	$0	$12,771	$0	$21,818

			FY 2011-12		
Item 111 – IHSS Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
CMIPS II Contract Procurement - PCSP/IPO	$77,132	$0	$27,768	$0	$49,364
CMIPS II Contract Procurement - Residual	1,127	0	1,127	0	0
Total	$78,259	$0	$28,895	$0	$49,364

CDSS/OSI PARTNERSHIP	**Total**	**CDSS**	**OSI**
FY 2010-11	$34,589	$6,359	$28,230
FY 2011-12	78,259	27,274	50,985

Case Management, Information and Payrolling System (CMIPS) II Contract Procurement – Budget Act Solutions

DESCRIPTION:

This premise reflects the cost associated with the legislative changes required as a result of the implementation of Assembly Bill (AB) 1612 (Chapter 725, Statutes of 2010) for contracting with the Health and Human Services Agency, Office of Systems Integration (OSI) for extending the design and development phase of the new and enhanced In-Home Supportive Services (IHSS) CMIPS II. In addition, it reflects the cost of several CMIPS II system changes and corresponding costs due to the resulting delay in implementation of CMIPS II (previously under CMIPS II Budget Act Solutions premise). Included are IHSS costs for programming, implementation, documentation, data collection, and reporting requirements. This project proposes to replace the CMIPS legacy with new technologies that provide system access for all IHSS county workers and a communication network between state and county IHSS offices.

The CMIPS II has over 55 interfaces with 15 separate interface organizations. The State Controller's Office, Employment Development Department, and the State Treasurer's Office will be impacted as a result of this new legislation. The legislation also impacts the services and eligibility for the IHSS recipients, which affects the Statewide Automated Welfare System (SAWS) consortia and the Medical Eligibility Data System (MEDS) interfaces. Affected interfaces will require development and integration testing, functional testing and User Acceptance testing. In addition to the one-time cost extension for existing resources, increased staff positions are required on an ongoing basis to manage and support the increased project scope that results from these legislative changes.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 12302.2.
- Authorizing statute: AB 1612 (Chapter 725, Statutes of 2010) includes activities established under the Provider Fee (IHSS Stabilization Act), the 3.6 Percent Across-the-Board Reduction, and the IHSS Provider Exclusions premises.
- The Provider Fee (IHSS Stabilization Act) cost assumes $0.5 million Total Funds (TF), or $0.2 million General Fund (GF).
- The 3.6 Percent Across-the-Board Reduction cost assumes $1 million TF, or $0.4 million GF.
- The Provider Exclusion cost assumes $0.9 million TF, or $0.3 million GF.
- As a result of implementing the budget solution system changes identified above, the implementation of CMIPS II will be delayed at an assumed cost of $16 million TF, or $5.9 million GF.
- The staffing cost assumes $6.7 million TF, or $2.5 million GF.
- There will be a delay of eight months, shifting funds in the Budget Year as a result of new functionality.

Case Management, Information and Payrolling System (CMIPS) II Contract Procurement – Budget Act Solutions

METHODOLOGY:

The estimate is computed by summing the costs of system changes for the impacted programs and delay to implementing CMIPS II. Staffing costs and estimated resources were provided by OSI.

FUNDING:

In the Personal Care Services Program (PCSP) and the IHSS Plus Option (IPO), the Title XIX Federal Medical Assistance Percentage is a blended rate of 64 percent.

The nonfederal share is funded 100 percent General Fund (GF).

In the Residual Program, funding is 100 percent GF.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The Fiscal Year (FY) 2010-11 costs have decreased due to schedule delays, therefore moving costs in FY 2011-12. The FY 2011-12 costs reflect the impact of the eight month delay in schedule resulting from changes in the CMIPS II scope to include new functionality to support requirements for AB 1612.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2011-12 costs have increased due to an eight month delay in schedule.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 111 – IHSS Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
CMIPS II Contract Procurement – Budget Act Solutions - PCSP/IPO	$21,513	$0	$7,745	$0	$13,768
CMIPS II Contract Procurement – Budget Act Solutions - Residual	314	0	314	0	0
Total	$21,827	$0	$8,059	$0	$13,768

			FY 2011-12		
Item 111 – IHSS Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
CMIPS II Contract Procurement – Budget Act Solutions - PCSP/IPO	$3,200	$0	$1,152	$0	$2,048
CMIPS II Contract Procurement – Budget Act Solutions - Residual	47	0	47	0	0
Total	$3,247	$0	$1,199	$0	$2,048

Case Management, Information and Payrolling System (CMIPS) II – Budget Act Solutions

DESCRIPTION:

This premise reflects the cost of several Case Management Information, and Payrolling System (CMIPS) II system changes and corresponding costs due to the resulting delayed implementation of CMIPS II. Included are In-Home Supportive Services (IHSS) costs for programming, implementation, documentation, data collection, and reporting requirements.

Assembly Bill (AB) 1612 (Chapter 725, Statutes of 2010) established the activities which require changes be made to CMIPS II under this premise.

IMPLEMENTATION DATE:

This premise will implement prior to the implementation dates of the following three impacted 2010 Budget Act solution premises: the Provider Fee (IHSS Stabilization Act) premise, which will implement retroactively effective October 1, 2010; and the 3.6 Percent Across-the-Board Reduction and IHSS Provider Exclusions premises, which implemented February 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: AB 1612 (Chapter 725, Statutes of 2010) includes activities established under the Provider Fee (IHSS Stabilization Act), the 3.6 Percent Across-the-Board Reduction, and the IHSS Provider Exclusions premises.
- The CMIPS II system change and associated delay costs are now included under the premise "CMIPS II Contract Procurement – Budget Act Solutions."

METHODOLOGY:

The estimate is computed by summing the costs of system changes for the impacted programs and delay to implementing CMIPS II. For Office of Systems Integration related costs, please refer to the CMIPS II Contract Procurement – Budget Act Solutions premise description.

FUNDING:

The funding for this premise is now included under the CMIPS II Contract Procurement - Budget Act Solutions premise.

Under the Personal Care Service Program and IHSS Plus Option programs, the federal Title XIX reimbursement represents 64 percent of the total funding. The nonfederal share is 100 percent General Fund (GF).

For the Residual program, the GF share is 100 percent of the total.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The Current Year decrease reflects the shifting of funds under the CMIPS II Contract Procurement - Budget Act Solutions premise. There is no change in the Budget Year.

Case Management, Information and Payrolling System (CMIPS) II – Budget Act Solutions

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 111 – IHSS Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
CMIPS II – Budget Act Solutions*	$0	$0	$0	$0	$0

FY 2011-12

Item 111 – IHSS Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
CMIPS II – Budget Act Solutions*	$0	$0	$0	$0	$0

* The funding for this premise is now covered under the "CMIPS II Contract Procurement - Budget Act Solutions premise."

Public Authority Administration

DESCRIPTION:

This premise reflects the Public Authority (PA) administrative costs for the In-Home Supportive Services (IHSS) Personal Care Services Program (PCSP), the IHSS Plus Option (IPO), and non-Title XIX eligible IHSS recipients in the Residual program. Senate Bill 1780 (Chapter 206, Statutes of 1996) defined the make-up and functions of the PAs. The PAs are the employers of IHSS providers for the purposes of collective bargaining over wages, hours, and other terms of employment. The IHSS recipients, however, retain the right to hire, fire, and supervise the work of any IHSS worker providing services to them. A county board of supervisors may elect to establish a PA to provide for the delivery of IHSS. The PAs are separate entities from the county in which they operate. Employees of PAs shall not be employees of the county for any reason.

The PA shall provide, but is not limited to, the following functions:

- The provision of assistance to recipients in finding IHSS providers through the establishment of a registry;
- The investigation of the qualifications and background of potential providers;
- The establishment of a referral system under which IHSS providers shall be referred to recipients;
- The provision of training for providers and recipients; and
- Other functions related to the delivery of IHSS.

The PA rate includes the hourly costs for wages, employer taxes, benefits, and administrative costs. The PA rate cannot exceed 200 percent of the current minimum wage in order to qualify for federal financial participation. The PA must submit a rate approval request to the California Department of Social Services (CDSS). Once CDSS approves the request, it is submitted to the California Department of Health Care Services (DHCS) for final approval. After DHCS approves the rate, the PA is notified of the new rate at which it can claim costs.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1997.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 12301.

METHODOLOGY:

The estimated cost is computed by multiplying the casemonths by the average hours per case by the administrative hourly rates for each PA. The average hours are adjusted by the interaction of the 3.6 Percent Across-the-Board Reduction and the Elimination of Services for Recipients without a Medical Certificate premises for the Budget Year (BY).

FUNDING:

In the PCSP/IPO programs, the federal Title XIX reimbursement represents 50 percent of the total funding in the Current Year (CY) and the BY. The nonfederal share is split 65 percent General Fund and 35 percent county.

Public Authority Administration

FUNDING (CONTINUED):

In the Residual program, the state share is 65 percent of the total, and the county share is 35 percent.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the CY. The BY decrease reflects the interaction with the 3.6 Percent Across-the-Board Reduction and Eliminating Services for Recipients without a Medical Certificate.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY decrease reflects the interaction with the 3.6 Percent Across-the-Board Reduction and Eliminating Services for Recipients without a Medical Certificate.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 111 – IHSS Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
Public Authority Administration - PCSP/IPO	$57,510	$0	$18,691	$10,064	$28,755
Public Authority Administration - Residual	6,617	0	4,301	2,316	0
Total	$64,127	$0	$22,992	$12,380	$28,755

FY 2011-12

Item 111 – IHSS Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
Public Authority Administration - PCSP/IPO	$48,932	$0	$15,903	$8,563	$24,466
Public Authority Administration - Residual	5,152	0	3,349	1,803	0
Total	$54,084	$0	$19,252	$10,366	$24,466

Reduce Public Authority Administration

DESCRIPTION:

This premise reflects a reduction to Public Authority (PA) administrative costs for the In-Home Supportive Services (IHSS) Personal Care Services Program (PCSP), the IHSS Plus Option (IPO), and non-Title XIX eligible IHSS recipients in the Residual program.

The PA rate includes the hourly costs for wages, employer taxes, benefits, and administrative costs. The PA rate cannot exceed 200 percent of the current minimum wage in order to qualify for federal financial participation. The PA must submit a rate approval request to the California Department of Social Services (CDSS). Once CDSS approves the request, it is submitted to the California Department of Health Care Services (DHCS) for final approval. After DHCS approves the rate, the PA is notified of the new rate at which it can claim costs.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Assembly Bill X4 1 (Chapter 1, Statutes of 2009, Fourth Extraordinary Session).
- Assumes a 20 percent reduction plus an $8.7 million General Fund (GF) reduction as a result of the Governor's veto.

METHODOLOGY:

The estimated savings is computed by applying a 20 percent reduction to the total PA administrative cost for each PA plus the additional Governor's veto reduction of $8.7 million GF.

FUNDING

In the PCSP/IPO programs, the federal Title XIX reimbursement represents 50 percent of the total funding in the Current Year (CY) and the Budget Year (BY). The nonfederal share is split 65 percent GF and 35 percent county.

In the Residual program, the state share is 65 percent of the total, and the county share is 35 percent.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the CY. The BY decrease reflects the interaction with the 3.6 Percent Across-the-Board Reduction and Eliminating Services for Recipients without a Medical Certificate.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase in savings reflects the updated values for BY, as compared to CY values that were held to the March 2011 Conference Budget.

Reduce Public Authority Administration

EXPENDITURES:

(in 000's)

FY 2010-11

Item 111 – IHSS Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
Reduce Public Authority Administration - PCSP/IPO	-$33,150	$0	-$10,774	-$5,801	-$16,575
Reduce Public Authority Administration - Residual	-3,814	0	-2,479	-1,335	0
Total	-$36,964	$0	-$13,253	-$7,136	-$16,575

FY 2011-12

Item 111 – IHSS Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
Reduce Public Authority Administration - PCSP/IPO	-$35,348	$0	-$11,488	-$6,185	-$17,675
Reduce Public Authority Administration - Residual	-1,719	0	-1,117	-602	0
Total	-$37,067	$0	-$12,605	-$6,787	-$17,675

Reduce State Participation to $9.50 in Wages and $0.60 in Health Benefits

DESCRIPTION:

This premise reflects the savings associated with reducing the state's participation in the costs of In-Home Supportive Services (IHSS) individual provider (IP) mode wages to $9.50 per hour and health benefits to $0.60 per hour.

Effective July 1, 2009, state law provides that the state will share in wages up to $9.50 per hour and $0.60 per hour in health benefits for IHSS IP providers in the counties that have an IHSS Public Authority (PA) or Non-Profit Consortium (NPC). After the Legislature and the Governor approved the reduction of the state's participation to $9.50 per hour in wages and $0.60 per hour in health benefits in the February 2009 Budget Act, the Service Employees International Union and other parties filed a lawsuit against the reduction. On June 26, 2009, the United States (U.S.) District Court issued a preliminary injunction against the reduction in the state's participation. The court amended the injunction in July 2009, requiring counties to change their wages and benefits to pre-July 1, 2009, levels. On August 7, 2009, the California Department of Social Services (CDSS) filed an appeal of the injunction with the U.S. Ninth Circuit Court of Appeal. On March 3, 2010, the ruling was upheld by the appellate court. On March 24, 2010, CDSS filed a petition with the U.S. Supreme Court.

The Supreme Court will hear the supremacy clause issue in the fall term of 2011. The parties have stipulated to a stay on the remaining issues in the District Court pending the outcome of the Supreme Court litigation. In the meantime, on June 29, 2010, the District Court also held that Fresno County could not reduce its wages until the state conducted a study. Finally, on October 19, 2010, the Legislature passed Assembly Bill 1612 which prohibits the state from implementing the decreased participation at issue until July 1, 2012, and only then if the litigation has successfully concluded in the state's favor.

For the counties that have neither a PA nor an NPC, the law requires the state to share in the cost of wages only up to the state minimum wage plus 5.31 percent ($8.42/hour) with no state share in health benefits. The IHSS providers may organize and collectively bargain for wages and individual health benefits on a county-by-county basis. For the counties that have County Contract mode, current statute provides for state participation in costs up to the maximum allowable contract rate.

IMPLEMENTATION DATE:

Current state law, which provides for a reduction in state participation of IHSS wages and health benefits from $12.10 to $9.50 per hour in wages and $0.60 per hour in health benefits, was not implemented due to the court injunction.

KEY DATA/ASSUMPTIONS:

This reduction was not implemented due to the court injunction and is currently suspended until July 1, 2012, pending the outcome of the litigation.

Reduce State Participation to $9.50 in Wages and $0.60 in Health Benefits

METHODOLOGY:

Savings are calculated by taking the difference between the product of current IP mode provider wages and health benefits in each county, by the number of recipients and hours of service, and the product of the new state share up to $9.50 in wages plus up to $0.60 in health benefits in each county, by the number of recipients and hours of service.

FUNDING:

For Personal Care Services Program (PCSP) /IHSS Plus Option (IPO) services, the Title XIX Federal Medical Assistance Percentage (FMAP) rate temporarily increased to 61.594 percent effective October 1, 2008, through December 31, 2010. An extension of an increased FMAP rate was granted through June 30, 2011, at a phased down rate. The Fiscal Year 2010-11 blended FMAP rate is equivalent to 59.709 percent. Temporary American Recovery and Reinvestment Act (ARRA) FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

For PCSP/IPO, the non-federal share is split 65 percent General Fund (GF) and 35 percent county.

The state-only Residual program share is split 65 percent GF and 35 percent county.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 111 – IHSS Services	Total	Federal	State	County	Reimb.
Reduce State Part. to $9.50 in Wages and $0.60 in Health Benefits	$0	$0	$0	$0	$0

FY 2011-12

Item 111 – IHSS Services	Total	Federal	State	County	Reimb.
Reduce State Part. to $9.50 in Wages and $0.60 in Health Benefits	$0	$0	$0	$0	$0

IHSS Cost Containment

DESCRIPTION:

This premise reflects the savings associated with establishing a baseline functional index (FI) score (or minimum threshold) and a baseline FI rank for domestic and related (D&R) services (i.e. housework, shopping for food, meal preparation and clean-up, and laundry) for those persons receiving In-Home Supportive Services (IHSS). Under this premise, individuals with an FI score below 2.00 would be ineligible for IHSS and only individuals with an FI rank of four or five would be eligible to receive D&R activities. These baseline thresholds, however, would not apply to recipients with protective supervision or paramedical services.

The goal of this proposal is to target reductions in services to the highest functioning individuals who have been identified as having the lowest need for services. The IHSS program's Uniform Assessment Tool is used by counties to assess an individual's need for IHSS based on one's functioning ability across a spectrum of average daily activities. The Uniform Assessment Tool is conducted to determine initial eligibility for IHSS, and to reassess the need for services at annual reassessments or following any change in a recipient's condition. As a result of the assessment, each recipient is provided an FI ranking in each of the 11 activities of daily living (ADLs). The weighted average of these rankings is calculated to determine the FI score. The level of need is established by the FI ranks and FI score.

After the Legislature and the Governor approved the IHSS Cost Containment service reduction in the 2009 Budget Act, individual IHSS recipients and the Service Employees International Union filed a lawsuit against these reductions. On October 19, 2009, the U.S. District Court issued a preliminary injunction that halted the implementation of this reduction, stating that this reduction violated several federal laws. On October 23, 2009, the judge issued a 31-page order detailing instructions on how the injunction was to be effectuated. The California Department of Social Services (CDSS) filed a Notice of Appeal of the court's preliminary injunction with the Ninth Circuit Court of Appeal. On November 30, 2009, the district court directed the state to permit workers to make up in December 2009, any lost hours which should have been worked in November 2009. The state filed a motion for an emergency stay with the Ninth Circuit Court of Appeal pending the appeal of the district court's November 30th order, which was denied. On December 29, 2009, CDSS filed its opening appeal brief with the Ninth Circuit Court of Appeal; the reply brief was filed April 6, 2010. This appeal seeks to overturn the preliminary injunction and asks the Ninth Circuit to find that the district court abused its discretion by expediting the preliminary injunction motion and holding CDSS in contempt. Oral argument was presented before the Ninth Circuit on June 15, 2010. On October 19, 2010, the Legislature passed Assembly Bill 1612 which prohibits the state from implementing the FI requirements that will generate cost reductions in IHSS services until July, 2012, and only then if the litigation has successfully concluded in the state's favor. However, on January 28, 2011, the 9th Circuit withdrew submission of the appeal in *Oster v. Wagner* and deferred the case until the Supreme Court issues a decision in the consolidated Independent Living Center cases.

IMPLEMENTATION DATE:

The IHSS Cost Containment service reduction that was included in the 2009 Budget Act was not implemented due to a court injunction.

KEY DATA/ASSUMPTIONS:

This premise is suspended until July 1, 2012, pending the outcome of the litigation.

IHSS Cost Containment

METHODOLOGY:

- The estimated savings were based on the number of IHSS service hours for recipients with an FI score of 1.99 and below, and the number of D&R services hours for recipients with an FI rank of up to three, with the exclusion of recipients with protective supervision and paramedical services.
- The savings were adjusted to reflect costs associated with potential appeals. The adjusted costs consisted of the assumed number of hours restored as a result of successful appeals, as well as state and county administrative costs for processing appeals.

FUNDING:

For Personal Care Services Program/IHSS Plus Option services, the Title XIX Federal Medical Assistance Percentage (FMAP) rate temporarily increased to 61.594 percent effective October 1, 2008, through December 31, 2010. An extension of an increased FMAP rate was granted through June 30, 2011, at a phased down rate. The FY 2010-11 blended FMAP rate is equivalent to 59.709 percent. Temporary American Recovery and Reinvestment Act (ARRA) FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

The non-federal share is split 65 percent General Fund and 35 percent county. The county share of costs is reflected as a reimbursement, consistent with actual cash flow.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 111 – IHSS Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
IHSS Cost Containment	$0	$0	$0	$0	$0

			FY 2011-12		
Item 111 – IHSS Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
IHSS Cost Containment	$0	$0	$0	$0	$0

Provider Fee (IHSS Stabilization Act)

DESCRIPTION:

This premise reflects the application of a fee to the gross receipts of all service hours provided through the In-Home Supportive Services (IHSS) program.

Assembly Bill 1612 (Chapter 725, Statutes of 2010) provided that the fee be applied to all providers and equivalent to the state's sales tax rate. Providers will receive a supplementary payment in the amount of the fee collected, thereby creating no impact to them. The monies collected will be used to draw down federal matching funds which will offset a portion of the General Fund (GF) costs for IHSS services provided under the Personal Care Services Program (PCSP) and IHSS Plus Option (IPO) programs.

IMPLEMENTATION DATE:

This premise will implement July 1, 2011, with a retroactive application to October 1, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Article 4 (commencing with section 6150) of Chapter 2 of Part 1 of Division 2 of the Revenue and Taxation Code, section 17131.9 of the Revenue and Taxation Code, and sections 12302.2 and 12306.6 of the Welfare and Institutions Code.
- The federal Centers for Medicare and Medicaid Services must approve this premise before it can implement.
- The provider fee will be collected retroactively to October 1, 2010.
- The tax will not be collected for recipients with federally ineligible providers. For more information, please see the "IHSS Federally Ineligible Providers" premise.
- The Current Year (CY) sales tax rate is six percent.
- The Budget Year (BY) sales tax rate is projected to be five percent.

METHODOLOGY:

The applicable sales tax rate is applied to the cost of IHSS services per the IHSS Basic premise with adjustments that reflect the impact of the 3.6 Percent Across-the-Board Reduction, the impact of the Federally Ineligible Providers, and the Elimination of Services for Recipients without a Medical Certificate (BY impact only). The CY is adjusted to reflect nine months application of the fee to providers. The PCSP and IPO programs will receive federal financial participation to offset the GF cost. The offset is equivalent to applying the Title XIX Federal Medical Assistance Percentage (FMAP) rate to the amount of fees collected from providers serving recipients in the PCSP and IPO programs.

FUNDING:

For the PCSP/IPO services, the Title XIX FMAP rate temporarily increased to 61.594 percent effective October 1, 2008, through December 31, 2010. An extension of an increased FMAP rate was granted through June 30, 2011, at a phased down rate. The FY 2010-11 blended FMAP rate is equivalent to 59.709 percent. Temporary American Recovery and Reinvestment Act (ARRA) FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

Provider Fee (IHSS Stabilization Act)

FUNDING (CONTINUED):

Under the PCSP/IPO programs, the nonfederal share is 100 percent GF.

There is no benefit to the Residual program.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The CY decrease in GF savings reflects a delay in implementation, inclusion of the IHSS Federally Ineligible Providers, and an updated IHSS Basic premise. The BY decrease reflects the inclusion of the IHSS Federally Ineligible Providers, the Elimination of Services for Recipients without a Medical Certificate, and an updated IHSS Basic premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY decrease in GF savings reflects the lower cost of services for the IHSS program as well as the provider fee tying to a lower projected sales tax rate.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 111 – Item 111 – IHSS Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
Provider Fee (IHSS Stabilization Act)	$0	$0	-$114,213	$0	$114,213

FY 2011-12

Item 111 – Item 111 – IHSS Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
Provider Fee (IHSS Stabilization Act)	$0	$0	-$121,056	$0	$121,056

3.6 Percent Across-the-Board Reduction

DESCRIPTION:

This premise reflects the savings associated with reducing service hours by 3.6 percent for the In-Home Supportive Services (IHSS) program. Assembly Bill 1612 (Chapter 725, Statutes of 2010) provides that a 3.6 percent reduction be applied to all recipients for IHSS services under the Personal Care Services Program (PCSP), IHSS Plus Option (IPO), and Residual programs. Recipients may determine which of their services will be impacted by the reduction. The administrative costs which result from this premise are included in the 3.6 Percent Across-the-Board Reduction Administration premise.

IMPLEMENTATION DATE:

This premise implemented on February 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 12301.06.
- For the Current Year (CY), the reduction will be applied to 189 million paid service hours, resulting in a loss of 3.2 monthly hours per recipient for 430,521 impacted recipients during the five month impact, for a total reduction of 6.8 million hours.
- For the Budget Year (BY), the reduction will be applied to 460 million paid service hours, resulting in a loss of 3.2 monthly hours per recipient for 437,997 impacted recipients, for a total reduction of 16.6 million hours.
- Assumes 87.60 average hours per case per month in the CY and 87.61 average hours in the BY prior to applying the 3.6 percent reduction, and savings resulting from an average cost per hour of $11.56 in the CY, and $11.55 in the BY.

METHODOLOGY:

The estimated savings is computed by multiplying the total paid service hours by the 3.6 percent reduction and the average cost per hour.

FUNDING:

For the PCSP/IPO services, the Title XIX Federal Medical Assistance Percentage (FMAP) rate temporarily increased to 61.594 percent effective October 1, 2008, through December 31, 2010. An extension of an increased FMAP rate was granted through June 30, 2011, at a phased down rate. The FY 2010-11 blended FMAP rate is equivalent to 59.709 percent. However, for the applicable five months in the CY under this premise, the adjusted FMAP rate is 57.635 percent. Temporary American Recovery and Reinvestment Act of 2009 (ARRA), FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

In the PCSP and IPO programs, the nonfederal share is split 65 percent General Fund (GF) and 35 percent county.

In the Residual program, the state share is 65 percent of the total, and the county share is 35 percent.

3.6 Percent Across-the-Board Reduction

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The CY and BY decreases in saving reflects the updated caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase in savings reflects a full year of savings.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 111 – IHSS Services	Total	Federal	State	County	Reimb.
3.6 Percent Across-the-Board Reduction	-$78,475	$0	-$25,872	-$13,931	-$38,672

FY 2011-12

Item 111 – IHSS Services	Total	Federal	State	County	Reimb.
3.6 Percent Across-the-Board Reduction	-$191,461	$0	-$63,121	-$33,988	-$94,352

Conlan

DESCRIPTION:

This premise reflects the costs associated with implementing a Medi-Cal rule that provides reimbursement for eligible In-Home Supportive Services (IHSS) personal care services rendered up to three months prior to application, during the evaluation period and post approval. In *Conlan v. Bontá*, the San Francisco Superior Court ordered the Department of Health Care Services (DHCS) to ensure that Medi-Cal recipients entitled to reimbursement for covered services 90 days prior to the Medi-Cal application date are promptly reimbursed. The DHCS implementation plan to comply with *Conlan v. Bontá* is the subject of *Conlan v. Shewry*. Beginning December 2006, DHCS sent notices to current and former Medi-Cal beneficiaries regarding the process to file a Beneficiary Reimbursement claim. To process the claims, DHCS contracted with HP Enterprise Services, LLC (HP) formerly known as Electronic Data Systems (EDS) to establish the Beneficiary Services Center (BSC). Claims for reimbursement for IHSS are forwarded to the California Department of Social Services (CDSS) Adult Programs Branch (APB) by HP/BSC. Claims regarding missed share of cost (SOC) buyouts and excess SOC claims, also known as X-27 SPEC Transactions, are also submitted to the BSC, then forwarded to APB in the same manner as requests for review under the Conlan decision. Both types of claims are processed in the same manner as it cannot be determined which of the two types (X-27 SPEC Transactions or Conlan) have been submitted until they have been fully reviewed and prepared for processing.

IMPLEMENTATION DATE:

The court ordered a start date of November 16, 2006.

KEY DATA/ASSUMPTIONS:

- Implemented by All-County Letters No. 07-11 (February 20, 2007) and No. 07-32 (September 13, 2007).
- Based on current data from HP/BSC, it is assumed that approximately 39 claims will be forwarded to APB and processed per month, of which each qualified analyst will process an average of ten Conlan and three X-27 SPEC Transactions per month. The average cost per claim is assumed to be $770 for Conlan claims and $950 for X-27 SPEC Transaction claims in Fiscal Year (FY) 2010-11 and FY 2011-12.
- The Conlan estimate now includes the cost of service reimbursements for three-month retroactive benefits which were previously provided for under the Personal Care Services Program (PCSP) Three-Month Retroactive Benefits services premise. These costs total $10,000 for both the Current Year (CY) and the Budget Year (BY).
- The PCSP Three-Month Retroactive Benefits services portion that is now incorporated in the Conlan premise will benefit from the American Recovery and Reinvestment Act of 2009 (ARRA). Temporary ARRA Federal Medical Assistance Percentage (FMAP) increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

METHODOLOGY:

The estimated cost is computed by multiplying the number of claims by the approval rate, then by the average cost per claim.

Conlan

FUNDING:

Conlan claims are paid 65 percent General Fund (GF) and 35 percent county. The county share is reflected as a reimbursement.

X-27 SPEC Transactions are paid 100 percent GF.

PCSP Three-Month Retroactive Benefits are paid at the Title XIX FMAP rate which temporarily increased to 61.594 percent effective October 1, 2008, through December 31, 2010. An extension of an increased FMAP rate was granted through June 30, 2011, at a phased down rate. The FY 2010-11 blended FMAP rate is equivalent to 59.709 percent. The nonfederal share is split 65 percent GF and 35 percent county. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The CY and BY increase reflects updated claims processed and average payouts.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 111 – IHSS Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
Conlan	$386	$0	$278	$0	$108
			FY 2011-12		
Item 111 – IHSS Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
Conlan	$386	$0	$278	$0	$108

IHSS Program Integrity Savings

DESCRIPTION:

This premise reflects the savings associated with multiple program integrity measures which together enhance state and county efforts to prevent fraud, identify errors and overpayments, pursue collections, and detect and refer suspected incidences of fraud for the In-Home Supportive Services (IHSS) program. These measures are intended to significantly increase the prevention and detection of fraud within the IHSS program, thereby ensuring that scarce resources are being used to serve eligible people and to pay for actual services rendered rather than misdirected.

The following measures constitute the primary components of the IHSS Program Integrity efforts:

- Related Activities – Includes targeted mailings, fraud training for county staff, modified notices of actions to inform of authorized services, provider orientations, reviews of criminal offender record information, subsequent arrest notifications, and appeals of provider terminations.
- County Investigations – Includes 78 county investigators and unannounced home visits to confirm services are being provided as authorized.
- County DA/Activities – Includes county program integrity plans/activities in collaboration with county District Attorneys.

IMPLEMENTATION DATE:

This premise implemented on November 1, 2009.

KEY DATA/ASSUMPTIONS:

- The Current Year (CY) assumes three percent of the adjusted cost of basic IHSS services will be scored as savings, inflated by the administrative costs. The adjusted basic includes the impact from the Title XIX Eligible Recipients Adjustment (Residual portion only) and the 3.6 Percent Across-the-Board Reduction.
- The estimated net General Fund (GF) savings at the enhanced blended Federal Medical Assistance Percentage (FMAP) rate of 59.709 percent is $40.4 million in the CY, or $49.9 million at the FMAP rate of 50 percent. The CY assumes 12 months at the enhanced FMAP rate due to the American Recovery and Reinvestment Act of 2009 (ARRA).
- The Budget Year (BY) assumes a net GF savings of $130 million at the FMAP rate of 50, inflated by the administrative costs.
- Savings are generated as a result of the program integrity efforts performed under the following premises/activities: County/DA Activities; County Investigation; and IHSS Program Integrity - Related Activities.
- This premise assumes the program integrity administrative activities will cover the cost of the program integrity activities themselves, as well as produce a resulting net savings.

METHODOLOGY:

The CY net savings is determined by calculating three percent of the adjusted cost of IHSS basic services. For the BY, the amount of net savings is tied to $130 million GF. The net savings are increased by the total cost of the program integrity activities, thereby accounting for the costs which are also assumed to be covered as a result of the program integrity activities.

IHSS Program Integrity Savings

FUNDING:

For Personal Care Service Program/IHSS Plus Option services, the Title XIX FMAP rate temporarily increased to 61.594 percent effective October 1, 2008, through December 31, 2010. An extension of an increased FMAP rate was granted through June 30, 2011, at a phased down rate. The Fiscal Year 2010-11 blended FMAP rate is equivalent to 59.709 percent. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

In the Residual program, the GF share is 65 percent of the total, and the county share is 35 percent of the total.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The CY decrease reflects the elimination of funding for fingerprinting recipients. The BY decrease reflects the updated provider exclusions premises.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase reflects the targeted savings of $130 million GF.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 111 – IHSS Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
IHSS Program Integrity Savings	-$194,895	$0	-$64,194	-$34,330	-$96,371

FY 2011-12

Item 111 – IHSS Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
IHSS Program Integrity Savings	-$436,723	$0	-$144,999	-$76,362	-$215,362

IHSS Federally Ineligible Providers

DESCRIPTION:

This premise reflects the cost of a new state/county funded program for In-Home Supportive Services (IHSS) providers who have criminal histories and have been found ineligible for federal Medicaid reimbursement, even though the recipients they serve are Medi-Cal eligible. The court in *Ellis/Beckwith v. Wagner and Maxwell-Jolly (Beckwith)* required the state to enroll all providers with previous criminal convictions unless the provider was convicted of one of the three crimes listed in Welfare and Institutions Code (W&IC) section 12305.81, which includes fraud against a government health care or supportive services program, specified abuse of a child, and specified abuse of an elder or dependent adult. The W&IC section 12305.87 was added pursuant to Assembly Bill 1612 in 2010 which expands the list of convictions that can be used as a basis to exclude a provider from the program.

The W&IC section 12305.87, however, authorizes an IHSS recipient to be able to waive the exclusionary convictions of an individual, as identified under that same section, and continue to receive services from the otherwise ineligible provider. The W&IC section 12305.87 also allows individuals excluded under that section to apply for a general exception to work as a provider and, if granted, be eligible to provide IHSS. However, these two lists of crimes and waiver/exception processes in these statutes are not consistent with federal requirements excluding Medicaid providers.

To ensure the California Department of Social Services' (CDSS) continues to receive federal reimbursement and to comply with the requirements of the *Beckwith* court order, a new state/county funded program must be established. This program would allow enrollment of providers who: 1) have criminal conviction(s) that are not identified in W&IC sections 12305.81 and 12305.87 but warranted placement on the federal Office of the Inspector General list (OIG list) as required to be excluded from Medicaid participation; and, 2) due to the court order, must be allowed to continue working for their Medi-Cal recipients. As these individuals are not eligible to be Medicaid providers, this program will be funded by state and county funds only.

The CDSS is working with counties to review the Department of Health Care Services' Suspended and Ineligible (S&I) Provider List to identify existing providers and applicant providers who are on it. The Case Management, Information and Payrolling System will be modified to create the new state/county program that identifies these non Medi-Cal eligible providers and create a separate payroll process to address this situation.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2010, with a retroactive application to November 2009.

KEY DATA/ASSUMPTIONS:

- This estimate reflects the State and county cost and federal savings adjustments associated with providers who are on the S&I Provider List and are, therefore, ineligible to receive compensation with a federal share for services provided.
- The Current Year (CY) includes a cost based on actual expenditures incurred from November 2009, through the end of February 2011, for 144 ineligible providers at a cost of $1.1M General Fund (GF). For the remaining portion of the CY, there will be 100 providers who will provide services using an individual waiver, and six with a general exemption.

IHSS Federally Ineligible Providers

KEY DATA/ASSUMPTIONS (CONTINUED):

- The Budget Year (BY) assumes no cost as the State will match the federal minimum requirements to qualify for federal participation.

METHODOLOGY:

The CY estimate is computed by adding actual expenditures of $1.1M GF, as applicable for services provided by 144 ineligible providers from November 2009, through February 2011, to the remainder of the estimated costs for the CY. The remaining CY estimated costs are computed by multiplying the annual number of federally ineligible providers who serve recipients through either an individual waiver or general exemption by the average hours, as adjusted by the 3.6 Percent Across-the-Board Reduction, and the cost per hour.

The BY assumes no cost to the State.

FUNDING:

For Personal Care Services Program/IHSS Plus Option services, the Title XIX FMAP rate temporarily increased to 61.594 percent from October 1, 2008, through December 31, 2010. An extension of an increased FMAP rate was granted through June 30, 2011, at a phased down rate. The FY 2010-11 FMAP rate is equivalent to 59.709 percent. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

The nonfederal share of the actual expenditures is 100 percent GF.

The nonfederal share of the projected costs is split 65 percent state and 35 percent county.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY decrease reflects the no costs.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 111 – IHSS Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
IHSS Federally Ineligible Providers	$0	$0	$1,183	$44	-$1,227

			FY 2011-12		
Item 111 – IHSS Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
IHSS Federally Ineligible Providers	$0	$0	$0	$0	$0

Eliminate All Services for Recipients Without a Medical Certificate

DESCRIPTION:

This premise reflects the savings associated with eliminating all services for In-Home Supportive Services (IHSS) recipients who are unable to obtain a medical professional's written certification that personal care services are necessary to prevent him/her from entering out-of-home care. This premise includes interactions with the 3.6 Percent Across-the-Board Reduction. Senate Bill 72 (Chapter 8, Statutes of 2011) provides that all IHSS recipients must obtain a medical certificate to remain in or enter the IHSS program. The administrative costs which result from this premise are included in the Eliminate All Services for Recipients without a Medical Certificate Administration premise.

IMPLEMENTATION DATE:

This premise was enacted March 24, 2011, and will implement July 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 12309.1.
- Assumes interaction with the 3.6 Percent Across-the-Board Reduction.
- Assumes all current and new recipients will be required to obtain a medical professional's written certification which states that personal care services, as provided through IHSS, are necessary to prevent him/her from having to enter out-of-home care.
- Assumes 10 percent of both current recipients reassessed and new recipients assessed will not obtain a medical certificate, resulting in savings. Assumes the elimination of 84.5 monthly hours per impacted case.
- Assumes 430,521 current recipients and 7,476 new recipients in Fiscal Year (FY) 2011-12. Of the current recipients, 394,644 recipients will be reassessed and, of the new recipients, all 7,476 will be assessed. The remaining 35,877 will be reassessed in Fiscal Year 2012-13.
- Assumes a total of 36,924 recipients (36,176 current recipients and 748 new recipients) will not obtain a medical certificate and be eliminated from the IHSS program.
- Assumes the savings for current recipients will be scored following their reassessments, resulting in a phase-in of savings. Savings tied to new recipients will be phased-in, in accordance with actual enrollment.
- Current recipients are authorized to submit a medical certificate up to 45 days after the reassessment, resulting in an average one month delay of savings.
- Assumes 0.5 hours of social worker time to process the receipt of a medical certificate for 355,180 current and 6,728 new recipients.
- Modifications to the Case Management, Information, and Payrolling System (CMIPS) Legacy and CMIPS II are included under those respective premises.

Eliminate All Services for Recipients Without a Medical Certificate

METHODOLOGY:

The savings are computed by multiplying the service hours for recipients without a medical certificate, less the interaction of the 3.6 Percent Across-the-Board Reduction, by the average cost per hour.

FUNDING:

In the Personal Care Service Program (PCSP)/IHSS Plus Option (IPO) programs, the Title XIX Federal Medical Assistance Percentage rate for services is 50 percent. The nonfederal share for services is split 65 percent General Fund (GF) and 35 percent county. In the Residual program, the state share is 65 percent of the total, and the county share is 35 percent.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the CY. The BY decrease reflects the updated caseload, the inclusion of a one month delay of savings, and a phased-in approach for applying savings.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements in the BY.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 111 – IHSS Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
Eliminate Services for Recipients w/o a Medical Certificate - PCSP/IPO	$0	$0	$0	$0	$0
Eliminate Services for Recipients w/o a Medical Certificate - Residual	0	0	0	0	0
Total	$0	$0	$0	$0	$0

FY 2011-12

Item 111 – IHSS Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
Eliminate Services for Recipients w/o a Medical Certificate - PCSP/IPO	-$212,988	$0	-$69,221	-$37,273	-$106,494
Eliminate Services for Recipients w/o a Medical Certificate - Residual	-3,112	0	-2,023	-1,089	0
Total	-$216,100	$0	-$71,244	-$38,362	-$106,494

Community First Choice Option

DESCRIPTION:

This premise reflects the savings associated with a Medi-Cal State Plan amendment to provide home- and community-based attendant services and support benefits to individuals who meet the State's nursing facility clinical eligibility standards. This premise forms part of the federal health care reform legislation under the Patient Protection and Affordable Care Act of 2010 under Senate Bill 72 (Chapter 8, Statutes of 2011).

IMPLEMENTATION DATE:

This premise implements October 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 14132.956.
- Assumes an additional six percent federal participation, which will result in corresponding savings to the State and county.

METHODOLOGY:

The federal share of costs for Personal Care Services Program (PCSP) and IHSS Plus Option (IPO) cases who receive home- and community-based attendant services will be increased from the base rate of 50 percent by six percent in the Budget Year (BY), effective October 1, 2011. The additional federal funding results in corresponding savings for State and county shares of the eligible IHSS cases.

FUNDING:

If the state exercises its option under section 1915 (k) of the federal Social Security Act (42 U.S.C. Sec. 1396n(k)), federal funding will be available for the eligible PCSP and IPO program recipients with an FMAP rate of 56 percent.

The nonfederal share of the PCSP and IPO programs are split 65 percent General Fund and 35 percent county.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements in the BY.

Community First Choice Option

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 111 – IHSS Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
Community First Choice Option	$0	$0	$0	$0	$0

			FY 2011-12		
Item 111 – IHSS Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
Community First Choice Option	$0	$0	-$127,969	-$68,906	$196,875

IHSS Medication Dispenser (SB 69)

DESCRIPTION:

This premise reflects the savings associated with In-Home Supportive Services (IHSS) recipients avoiding unnecessary emergency room usage, and hospital and nursing facility admissions. It has been determined that IHSS recipients are at high risk of not taking medications as prescribed, which results in unnecessary hospital admissions. By providing medication dispensing machines in recipients' homes, it is assumed the occurrence of emergency room and hospital admissions will decrease and, thereby, create savings.

Senate Bill (SB) 72 (Chapter 8, Statutes of 2011) established the Home and Community Based Medication Dispensing Machine Pilot Project for Medi-Cal recipients.

IMPLEMENTATION DATE:

This premise implements July 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 14132.957.
- This premise assumes the savings are net the costs of the medication dispensers, and other implementation and administrative costs.
- The SB 72 identified $140 million General Fund (GF) in savings to be scored in Fiscal Year (FY) 2011-12 as part of the March 2011 Conference Budget.
- The $140 million GF is now included as a non-add line "IHSS Medication Dispenser" under the 2011 May Revision as part of the California Department of Social Services' budget since the savings to be achieved are now included under the Department of Health Care Services' (DHCS) budget.
- If the targeted savings of $140 million GF is not achieved, an across-the-board reduction to IHSS services will be implemented.

METHODOLOGY:

The savings of $140 million GF are included as part of the roll-up values under the March 2011 Conference Budget for FY 2011-12 and reflect the savings identified in SB 72. For the 2011 May Revision, the savings of $140 million GF are included in a non-add line and do not roll up to the top values.

FUNDING:

In the Personal Care Service Program (PCSP)/IHSS Plus Option (IPO) programs, the Title XIX Federal Medical Assistance Percentage rate for services is 50 percent in the Budget Year (BY).

The nonfederal share of the PCSP/IPO is split 65 percent state and 35 percent county.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The BY change for reimbursements reflects the updated percent of federally eligible recipients.

IHSS Medication Dispenser (SB 69)

REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements in the BY.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 111 – IHSS Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
IHSS Medication Dispenser (SB 69)	$0	$0	$0	$0	$0

FY 2011-12

Item 111 – IHSS Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
IHSS Medication Dispenser (SB 69)	-$430,770	$0	-$140,000	-$75,385	-$215,385

Waiver Personal Care Services

DESCRIPTION:

This premise, formerly called Extended Personal Care Services (Assembly Bill (AB) 668), reflects the costs for personal care services that are provided above a recipient's assessed limit in the In-Home Supportive Services (IHSS) Personal Care Services Program (PCSP) or IHSS Plus Option (IPO) program.

The AB 668 (Chapter 896, Statutes of 1998) provided for additional hours on behalf of eligible PCSP recipients if they needed more than the 283 monthly hours allowed under IHSS and qualified for the Medi-Cal Skilled Nursing Facility Level of Care (SNFLOC) Home and Community Based Services (HCBS) Waiver programs. The SNFLOC Waiver program was approved by the federal Centers for Medicare and Medicaid Services (CMS), formerly the Health Care Financing Administration, effective July 1, 1999.

On January 1, 2007, CMS approved the renewal of the Nursing Facility A and B Levels of Care (NF A/B) Waiver for a five-year period effective January 1, 2007, through December 31, 2011. At the time of renewal, the NF Subacute (NF S/A) and In-Home Medical Care Waivers were combined with the NF A/B Waiver and the name was changed to the Nursing Facility/Acute Hospital (NF/AH) Waiver. The NF/AH Waiver maintains the NF A/B, NF S/A, and Acute Hospital LOC that were previously in the separate waivers. The combining of these waivers helped streamline the administrative and reporting process of three waivers into one. On January 1, 2010, CMS extended the In-Home Operations (IHO) Waiver for a five-year period effective January 1, 2010, through December 31, 2014. The IHO Waiver has enrolled Medi-Cal beneficiaries who have continuously been enrolled in a Department of Health Care Services (DHCS)-administered HCBS waiver since prior to January 1, 2002, have received and continue to receive direct care services primarily rendered by licensed nurses, and whose HCBS costs exceed the LOC cost cap under the NF/AH Waiver. "Waiver Personal Care Services" (WPCS) has been redefined under these two waivers to include services that differ from those in the State Plan which allow beneficiaries to remain at home. Although there is no longer a requirement that waiver consumers receive the maximum of 283 hours of State Plan Personal Care Services (SPPCS) prior to receiving WPCS, waiver consumers must be receiving some SPPCS. The WPCS will be one option on a menu of services that waiver participants may choose from, to the extent that waiver cost neutrality is assured. These services will be provided by the counties' IHSS program providers and will be paid via an interagency agreement with DHCS, or will be provided by home health agencies and other qualified HCBS waiver provider types who will be paid via the Medi-Cal fiscal intermediary.

Senate Bill (SB) 643 (Chapter 551, Statutes of 2005) required DHCS to increase the number of NF A/B Waiver slots by 500, reserving a minimum of 250 for Medi-Cal beneficiaries transitioning from facilities, and adding community transition services and habilitation services as available waiver services. These slot increases were approved for the NF/AH Waiver, and new services were implemented on July 1, 2007, when new procedure codes were implemented. The SB 643 allows implementation of the expansion only to the extent fiscal neutrality within DHCS's budget as a department for these slots, and federal fiscal neutrality as required under the terms of the federal waiver, can be demonstrated.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2000.

Waiver Personal Care Services

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 14132.97.
- The average number of new NF A/H Waiver NF A/B LOC beneficiaries using the WPCS is estimated to be 10 per month in Fiscal Year (FY) 2010-11, and 12 per month in FY 2011-12.
- The average number of new NF A/H Waiver NF S/A LOC beneficiaries using the WPCS is estimated to be one per month in FY 2010-11, and one per month in FY 2011-12.
- The average number of current and new NF A/H Waiver NF A/B LOC beneficiaries using the WPCS is estimated to be 804 per month in FY 2010-11, and 941 per month in FY 2011-12.
- The average number of current and new NF A/H Waiver NF S/A LOC beneficiaries using the WPCS is estimated to be 354 per month in FY 2010-11, and 366 per month in FY 2011-12.
- The average number of current and new IHO Waiver NF A/B LOC beneficiaries using the WPCS is estimated to be 53 per month in FY 2010-11, and 53 per month in FY 2011-12.
- The average number of current and new IHO Waiver NF S/A LOC beneficiaries using the WPCS is estimated to be 13 per month in FY 2010-11, and 13 per month in FY 2011-12.
- The Current Year (CY): The NF A/H Waiver NF A/B LOC total hours are 1,637,202 and NF S/A LOC total hours are 1,218,347. The IHO Waiver NF A/B LOC total hours are 140,845 and NF S/A LOC total hours are 27,961.
- The Budget Year (BY): The NF A/H Waiver NF A/B total hours are 1,952,976 and NF S/A total hours are 1,364,046. The IHO Waiver NF A/B total hours are 132,288 and NF S/A total hours are 25,740.
- The cost per hour is assumed at $10.69 in the CY and the BY.
- The IHO Waiver is set to expire on December 31, 2014.
- This premise will benefit from the American Recovery and Reinvestment Act of 2009 (ARRA). Temporary ARRA Federal Medical Assistance Percentage (FMAP) increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

METHODOLOGY:

The CY and the BY estimated costs are computed by multiplying the average monthly caseload by projected monthly hours per case by the cost per hour by twelve months.

FUNDING:

For PCSP/IPO services, the Title XIX FMAP rate temporarily increased to 61.594 percent effective October 1, 2008, through December 31, 2010. An extension of an increased FMAP rate was granted through June 30, 2011, at a phased down rate. The FY 2010-11 blended FMAP rate is equivalent to 59.709 percent. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

Waiver Personal Care Services

FUNDING (CONTINUED):

The DHCS draws down General Fund (GF) and Title XIX reimbursement shares for this premise through its budget. The California Department of Social Services receives full reimbursement from DHCS.

The nonfederal share of the service costs is funded with 100 percent GF.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The CY and BY decrease reflects the current caseload and hours offset by an increase in the cost per hour.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase reflects growth in caseload and hours.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 111 – IHSS Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
Waivers for Personal Care Services	$32,330	$0	$0	$0	$32,330

			FY 2011-12		
Item 111 – IHSS Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
Waivers for Personal Care Services	$37,148	$0	$0	$0	$37,148

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Title XIX Eligible Recipients Adjustment

DESCRIPTION:

This premise reflects an adjustment in the shares of cost for the In-Home Supportive Services (IHSS) Personal Care Services Program (PCSP)/IHSS Plus Option (IPO) and Residual populations. Due to the inclusion of a portion of Title XIX federally-eligible recipients under the Residual program in the "Personal Care Services Program/IHSS Plus Option/Residual IHSS Basic Costs" premise, a technical adjustment is necessary for the correct amount of federal financial participation (FFP) to be identified and drawn down, which results in corresponding reductions to state and county costs.

The IHSS basic cost estimate uses a report to identify PCSP/IPO and Residual caseloads and calculate corresponding percentages. The categories of that report include a portion of the IHSS programs' federally-eligible recipients under the state-only IHSS Residual program. Through the use of a separate report with an identifier that provides an accurate count of the Residual population, a calculation is subsequently made to determine the cost and number of recipients in the original report under the IHSS Residual program who should be identified as federally-eligible. The adjustment made for this population allows FFP to be drawn down, and corresponding reductions to be applied to the state and county shares.

The Current Year (CY) and the Budget Year (BY) projected caseload percentages for the PCSP/IPO and Residual programs are 91.05 percent and 8.95 percent, respectively, as identified under the "Personal Care Services Program/IHSS Plus Option/Residual IHSS Basic Costs" premise. The adjustments resulting from this premise reflect the true total PCSP/IPO caseload of 98.56 percent and the true total Residual caseload of 1.44 percent for Fiscal Year (FY) 2010-11 and FY 2011-12.

In 2004, the Department of Health Care Services (DHCS) received approval from the federal Centers for Medicaid and Medicare Services for an Independence Plus Section 1115 Demonstration Project to allow certain recipients in the state-only IHSS Residual program to receive services under the new IHSS Plus Waiver (IPW). This premise became necessary following the implementation of the IPW in order to more accurately account for Title XIX eligible recipients who were shifting into the IPW. Effective September 30, 2009, the IPW expired and will not be renewed. On October 1, 2009, a Social Security Act Section 1915(j) State Plan Option, titled the IHSS Plus Option, was implemented. The IPO absorbed the IPW caseload and provides the same services plus some enhanced services.

This premise was formerly titled the Waiver for Residual Program.

IMPLEMENTATION DATE:

This premise implemented on August 1, 2004.

KEY DATA/ASSUMPTIONS:

- Assumes 6,190 recipients in the CY and 6,297 recipients in the BY will not be eligible to participate in the Title XIX IHSS programs, and constitute an accurate count of the IHSS Residual population.
- After adjusting for the elimination of recipients due to the Eliminating Services for Recipients without a Medical Certificate premise, this premise assumes an adjusted total of 5,766 Residual recipients in the BY.

Title XIX Eligible Recipients Adjustment

KEY DATA/ASSUMPTIONS (CONTINUED):

- Assumes $135 million General Fund (GF) and a $73 million county share reduction to the cost of the impacted premises in the CY, and $138 million GF and a $74 million county share reduction to the cost of the impacted premises in the BY.
- Assumes a Residual program average monthly cost per case of $732.27 for the CY and $733.10 for the BY, based on updated values that tie to the true Residual population.
- This premise adjusts the residual portion of the following premises: IHSS Basic, Public Authority Administration (PA Admin.), and Reduce Public Authority Administration (PA Admin. Reduction).
- The adjustment to IHSS Basic under this premise will benefit from the American Recovery and Reinvestment Act of 2009 (ARRA). Temporary ARRA Federal Medical Assistance Percentage (FMAP) increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

METHODOLOGY:

For IHSS Basic, the savings is determined by backing out the cost of the Residual population that is actually Title XIX eligible. For the PA Admin. and PA Admin. Reduction premises, the total adjustments for the Title XIX eligible populations are determined by using a percent to total for each premise. The Title XIX eligible values are then re-shared using a 50 percent FMAP rate for the federal share with the nonfederal share split 65 percent GF and 35 percent county.

FUNDING

For PCSP/IPO services, the Title XIX FMAP rate temporarily increased to 61.594 percent effective October 1, 2008, through December 31, 2010. An extension of an increased FMAP rate was granted through June 30, 2011, at a phased down rate. The FY 2010-11 blended FMAP rate is equivalent to 59.709 percent. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

The nonfederal share is split 65 percent GF and 35 percent county. The federal and county shares are reflected as reimbursements, consistent with actual cash flow.

The Title XIX and county funds are shown as a reimbursement.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The CY increase in savings reflects the decrease in the average cost per case for the Residual program. The BY decrease in savings reflects the updated values for PA Admin. and PA Admin. Reduction, which takes into account the impact of the 3.6 Percent Across-the-Board Reduction and Eliminating Services for Recipients without a Medical Certificate.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in savings reflects the updated caseload, offset by the impact of the 3.6 Percent Across-the-Board Reduction and Eliminating Services for Recipients without a Medical Certificate to the PA Admin. and PA Admin. Reduction premises.

Title XIX Eligible Recipients Adjustment

EXPENDITURES:

(in 000's)

FY 2010-11

Item 111 – IHSS Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
Title XIX Eligible Recipients Adjustment	$0	$0	-$135,301	$0	-$135,301

FY 2011-12

Item 111 – IHSS Services	**Total**	**Federal**	**State**	**County**	**Reimb.**
Title XIX Eligible Recipients Adjustment	$0	$0	-$138,027	$0	-$138,027

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Title XIX Reimbursement – In-Home Supportive Services/CSBG/Child Welfare Services

DESCRIPTION:

This premise reflects the federal financial participation (FFP) associated with Title XIX eligible services as authorized under Title XIX of the federal Social Security Act (42 U.S.C., Section 1396, et. seq.). Certain In-Home Supportive Services (IHSS), assessment and eligibility activities, County Services Block Grant (CSBG) activities, and Adult Protective Services (APS) are eligible to receive Title XIX federal funding. Additionally, certain health-related (HR) activities in Child Welfare Services (CWS) are also eligible to receive these funds.

The California Department of Social Services (CDSS) coordinates with the Department of Health Care Services (DHCS) to establish claiming processes to pull down applicable FFP.

Title XIX reimbursements for the IHSS program are displayed in the CDSS tables as follows:

- Line 368 represents the Title XIX service reimbursements for the IHSS Personal Care Services Program (PCSP) and IHSS Plus Option (IPO) program, as well as IHSS provided through the waivers included under the Waiver Personal Care Services (WPCS) premise.
- Line 371 represents the Title XIX service reimbursements for federally-eligible recipients identified under the IHSS Residual program but who are eligible for and are recipients of the PCSP or IPO programs.
- Line 373 represents the Title XIX administrative costs eligible for reimbursement.

KEY DATA/ASSUMPTIONS:

<u>IHSS</u>

- Authorizing statute: Welfare and Institutions Code (W&IC) sections 12300 through 12317.2.
- The PCSP and IPO programs are eligible to receive Title XIX funding at the applicable Federal Medical Assistance Percentages (FMAP).
- Qualified IHSS activities performed by Skilled Professional Medical Personnel (SPMP) are eligible to receive Title XIX funding at the enhanced administrative FMAP rate of 75 percent. Qualified activities performed by non-SPMP are eligible to receive the non-enhanced administrative FMAP rate of 50 percent.
- The PCSP and IPO programs under IHSS services will benefit from the American Recovery and Reinvestment Act of 2009 (ARRA). Temporary ARRA FMAP increases have been placed under the ARRA premise. Administrative activities are ineligible to receive temporary FMAP increases as a result of the ARRA. For more information, please see the ARRA premise description.
- The DHCS pulls down the Title XIX and General Fund (GF) funding for the WPCS through its budget; CDSS then receives full reimbursement from DHCS.

<u>CWS</u>

- Authorizing statute: The W&IC section 16500.
- The CWS program costs are eligible for Title XIX funding at the enhanced administrative rate of 75 percent for SPMP and 50 percent for non-SPMP.

Title XIX Reimbursement – In-Home Supportive Services/CSBG/Child Welfare Services

KEY DATA/ASSUMPTIONS (CONTINUED):

CSBG/APS

- Authorizing statute: The W&IC sections 13004 through 13007 for CSBG and sections 15703 through 15705.40 for APS.

METHODOLOGY:

IHSS PCSP/IPO

For PCSP/IPO services, the Title XIX FMAP rate temporarily increased to 61.594 percent effective October 1, 2008, through December 31, 2010. An extension of an increased FMAP rate was granted through June 30, 2011, at a phased down rate. The Fiscal Year (FY) 2010-11 blended FMAP rate is equivalent to 59.709 percent. Temporary ARRA FMAP increases have been placed under the ARRA premise. For more information, please see the ARRA premise description.

IHSS Administration

The HR activities in support of Medi-Cal eligible recipients are eligible to receive Title XIX reimbursement at 50 percent. Activities performed by SPMP are eligible to receive Title XIX reimbursement at 75 percent.

The estimated Title XIX reimbursement percentage for FY 2010-11 is held to the Appropriation at 49.13. The estimated Title XIX reimbursement percentage for FY 2011-12, is 49.62 percent, which is based on actual expenditures as reported on the County Expense Claim for the past four quarters.

CWS

For the Current Year (CY) and the Budget Year (BY), the Title XIX reimbursement was calculated using prior year actual expenditures.

CSBG/APS

The HR activities in support of Medi-Cal eligible recipients are eligible to receive Title XIX reimbursement at 50 percent. Activities performed by SPMP are eligible to receive Title XIX reimbursement at 75 percent.

Estimated costs are based on actual expenditures.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The CY and BY changes reflect updated current data.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY decrease reflects updated current data.

Title XIX Reimbursement – In-Home Supportive Services/CSBG/Child Welfare Services

EXPENDITURES:

(in 000's)

	FY 2010-11
Item 111 – IHSS	**Reimbursement**
IHSS Services	**$3,141,103**
IHSS Administration	197,077
Item 151 – Health Related Activities	
CWS Administration	$130,024
CSBG	25,021
APS	45,206

	FY 2011-12
Item 111 – IHSS	**Reimbursement**
IHSS Services	**$2,623,242**
IHSS Administration	193,030
Item 151 – Health Related Activities	
CWS Administration	130,654
CSBG	25,021
APS	45,206

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In-Home Supportive Services Administration – Basic Costs

DESCRIPTION:

This premise reflects the costs of administering the In-Home Supportive Services (IHSS) program through the Personal Care Services Program (PCSP), IHSS Plus Option (IPO), and Residual program. Assembly Bill 1773 (Chapter 939, Statutes of 1992) required the California Department of Health Care Services to submit a Medicaid state plan amendment to the federal Centers for Medicaid and Medicare Services, formerly the Health Care Financing Administration, to include a portion of the IHSS program as a covered service. The IHSS program provides in-home services to the aged, blind, and disabled to help individuals maintain an independent living arrangement and avoid institutionalization. This premise also includes administrative costs for completion of the emergency contact and back-up form.

IMPLEMENTATION DATE:

The Title XIX eligible PCSP was implemented in April 1993.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 12300 through 12314 and 14132.95.
- The social worker (SW) unit cost is held at $60.55 per hour in both the Current Year (CY) and the Budget Year (BY).
- The standard hours per case are 11.58 hours, including five minutes for completing the required emergency contact and emergency back-up plan form.
- The System Improvement Plan (SIP) expenditures are assumed to be held at $8.2 million total funds, the 2007-08 Appropriation value, for both the CY and the BY.
- The estimated Title XIX reimbursement percentage for Fiscal Year (FY) 2010-11 is held to the Budget Act of 2010 Appropriation at 49.13 percent. The estimated Title XIX reimbursement percentage for FY 2011-12, is 49.62 percent, which is based on actual expenditures as reported on the County Expense Claim for the past four quarters.

METHODOLOGY:

The estimated cost is computed by multiplying the caseload times the standard hours per case times the SW unit cost, plus the estimated SIP costs.

FUNDING:

Skilled professional medical personnel (SPMP) are reimbursed at the enhanced Federal Medical Assistance Percentage (FMAP) rate of 75 percent. Non-SPMP are reimbursed at the FMAP rate of 50 percent.

Under the PCSP/IPO programs, the non-federal share is split 70 percent General Fund (GF) and 30 percent county.

The state-only Residual program share is split 70 percent GF and 30 percent county.

In-Home Supportive Services Administration – Basic Costs

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the CY. The BY decrease reflects the updated caseload and an updated Title XIX reimbursement percentage.

REASON FOR YEAR-TO-YEAR CHANGE:

The change reflects a decrease in caseload and an updated Title XIX reimbursement percentage. The CY caseload was held to the 2010 Budget Act Appropriation, which used a projected caseload trend of 466,292.

CASELOAD:

The average monthly caseload in Fiscal Year 2010-11 is 466,292 and in Fiscal Year 2011-12 is 437,997.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 111 – IHSS Administration	Total	Federal	State	County	Reimb.
Basic Costs	$335,137	$0	$119,330	$51,141	$164,666

FY 2011-12

Item 111 – IHSS Administration	Total	Federal	State	County	Reimb.
Basic Costs	$314,923	$0	$111,061	$47,597	$156,265

County Employer of Record (AB 2235)

DESCRIPTION:

This premise reflects the cost of administrative activities necessary for counties to act as the employer of record for In-Home Supportive Service (IHSS) providers. Counties may choose to act as the employer of record for IHSS individual providers to achieve compliance with Assembly Bill (AB) 1682 (Chapter 90, Statutes of 1999).

The AB 2235 (Chapter 1135, Statutes of 2002) further requires any county which is not in compliance with the mandates of AB 1682 to act as the employer of record (within a specified timeframe) for collective bargaining purposes. To comply, counties had to provide documentation no later than January 15, 2003, in support of compliance, or detailed information in support of delayed compliance by March 31, 2003. Counties that did not provide required documentation or meet the delayed compliance deadline automatically defaulted to act as the employer of record.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2003.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 12300 through 12314 and 14132.95.
- This estimate assumes that Alpine and Tuolumne counties will act as employer of record for both the Current Year (CY) and the Budget Year (BY).
- The estimated Title XIX reimbursement percentage for the CY is 49.13 percent and 49.62 percent for the BY based on actual expenditures as reported on county administrative expense claims for the past four quarters.

METHODOLOGY:

The CY and the BY estimated costs are the sum of the projected annual costs for each county.

FUNDING:

The Title XIX Federal Medical Assistance Percentage (FMAP) rate is 50 percent. The nonfederal share for the Personal Care Services Program administrative costs is split 70 percent state and 30 percent county.

For the state-only Residual program administrative costs, the state share is 70 percent and the county share is 30 percent.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the CY. The BY decrease in the General Fund reflects an increase in the estimated Title XIX reimbursement percentage.

REASON FOR YEAR-TO-YEAR CHANGE:

The change reflects the updated estimated Title XIX Administrative expenditures.

County Employer of Record (AB 2235)

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 111 – IHSS Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
County Employer of Record (AB 2235)	$360	$0	$128	$55	$177

			FY 2011-12		
Item 111 – IHSS Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
County Employer of Record (AB 2235)	$360	$0	$127	$54	$179

Court Cases

DESCRIPTION:

This premise reflects the cost of court settlements and attorney fees related to adult programs, which include In-Home Supportive Services (IHSS), Cash Assistance Program for Immigrants (CAPI), Supplemental Security Income/State Supplementary Payment (SSI/SSP), Adult Protective Services (APS), and specialized services. Costs include the settlement of lawsuits pertaining to local assistance in accordance with Budget Letter 98-22 and instructions from the Department of Finance.

KEY DATA/ASSUMPTIONS:

- This estimate is based in part on actual payments for cases in the Current Year (CY), and the California Department of Social Services (CDSS) Legal Division's projection of costs to be paid in both the CY and the Budget Year (BY).

METHODOLOGY:

The CY and the BY reflect estimated costs of known and anticipated settlements and attorney fees related to the IHSS, CAPI, SSI/SSP, APS, and specialized services programs. The settlement and attorney fees are state only costs.

FUNDING:

Costs for case settlement and attorney fees are funded with 100 percent General Fund.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The CY and BY increases reflect the latest projected attorney fees from the CDSS Legal Division.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase reflects the latest projected attorney fees from the CDSS Legal Division.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 111 – IHSS Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
Court Cases	$465	$0	$465	$0	$0

			FY 2011-12		
Item 111 – IHSS Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
Court Cases	$1,285	$0	$1,285	$0	$0

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Advisory Committees

DESCRIPTION:

This premise reflects the costs of establishing and operating In-Home Supportive Services (IHSS) advisory committees as required by Assembly Bill (AB) 1682 (Chapter 90, Statutes of 1999). The AB 1682 mandated that counties act as or establish an employer-of-record for IHSS providers on or before January 1, 2003, and establish advisory committees for IHSS purposes. The advisory committees are to submit recommendations to their respective county boards of supervisors on the preferred mode of IHSS service to be utilized in their counties.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 12300 through 12314.
- The estimate assumes the average annual cost for advisory committees is $52,966 per county.
- The estimate assumes that all counties have established and will operate advisory committees in the Current Year (CY) and the Budget Year (BY).
- The estimated Title XIX reimbursement percentage is 47 percent in the CY and the BY, based on actual expenditures as reported on county administrative expense claims for Fiscal Year (FY) 2005-06.

METHODOLOGY:

The estimated cost is computed by multiplying the average annual cost per county by 58 counties.

FUNDING:

The federal Title XIX reimbursement represents 47 percent of the total funding in the CY and the BY. The remaining nonfederal share is funded with 100 percent General Fund.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Advisory Committees

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 111 – IHSS Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
Advisory Committees	$3,072	$0	$1,628	$0	$1,444

			FY 2011-12		
Item 111 – IHSS Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
Advisory Committees	$3,072	$0	$1,628	$0	$1,444

Eliminate Mandate Requiring IHSS Advisory Committees

DESCRIPTION:

This premise reflects the savings from eliminating the mandate that requires state participation in In-Home Supportive Services (IHSS) advisory committees as a result of Senate Bill (SB) 72 (Chapter 8, Statutes of 2011). The advisory committees were established by Assembly Bill (AB) 1682 (Chapter 90, Statutes of 1999). The AB 1682 mandated that counties act as or establish an employer-of-record for IHSS providers on or before January 1, 2003, and establish advisory committees for IHSS purposes. The advisory committees are to submit recommendations to their respective county boards of supervisors on the preferred mode of IHSS service to be utilized in their counties.

IMPLEMENTATION DATE:

This premise will implement July 1, 2011.

KEY DATA/ASSUMPTIONS:

- Welfare and Institutions Code sections 12301.3, 12301.4, and 12302.25 have been amended through SB 72.
- The State will only participate in $3,000 for each of 56 Public Authority counties. The federal share will match the State funds based on the Title XIX reimbursement percentage in the Budget Year (BY).
- The estimated Title XIX reimbursement percentage is 47 percent in the BY, based on actual expenditures as reported on county administrative expense claims for Fiscal Year (FY) 2005-06.

METHODOLOGY:

The estimated savings is computed by subtracting the adjusted amount of State participation for 56 counties from the full cost of the Advisory Committees for 58 counties.

FUNDING:

The federal Title XIX reimbursement represents 47 percent of the total funding in the BY. The remaining nonfederal share is funded with 100 percent General Fund.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements in the BY.

Eliminate Mandate Requiring IHSS Advisory Committees

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 111 – IHSS Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
Eliminate Mandate Requiring IHSS Advisory Committees	$0	$0	$0	$0	$0

			FY 2011-12		
Item 111 – IHSS Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
Eliminate Mandate Requiring IHSS Advisory Committees	-$2,755	$0	-$1,460	$0	-$1,295

IHSS Quality Assurance

DESCRIPTION:

The Quality Assurance (QA) Initiative was mandated by Senate Bill (SB) 1104 (Chapter 229, Statutes of 2004). The intent of this initiative is to improve the quality of services, enhance program integrity, and detect and prevent program fraud and abuse. The SB 1104 mandated ongoing staff training for county In-Home Supportive Services (IHSS) workers and required the California Department of Social Services (CDSS) to collaborate with the California Department of Health Care Services (DHCS) on annual error rate studies and investigations of suspected fraud in the receipt or provision of services. This premise reflects the administrative costs of implementing the QA program.

IMPLEMENTATION DATE:

This premise implemented on December 1, 2004.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 12305.7 and 12305.71.
- The QA methodology derives savings from improving assessments and reassessments completed after social workers (SW) receive training.
- The “Hourly Task Guidelines Implementation Analysis: Fiscal Year 2006-07” produced by the Institute for Social Research (ISR) at the California State University, Sacramento concluded that there is greater consistency in authorized hours for certain ranks and tasks. Also, the hourly task guidelines (HTGs) have been successful in bringing greater uniformity to the assessment process.
- The ISR analysis also concluded that there has been a modest decrease in authorized hours for assessments (two minutes) and reassessments (five minutes).
- The estimated Title XIX reimbursement percentage for Fiscal Year (FY) 2010-11 is held to the appropriation at 49.13 percent. The estimated Title XIX reimbursement percentage for FY 2011-12, is 49.62 percent, which is based on actual expenditures as reported on the County Expense Claim for the past four quarters.

<u>County Staff</u>

- There are 220 county QA staff or additional IHSS workers working on the QA Initiative.
- The annual cost per SW is $129,083.
- The Current Year (CY) and the Budget Year (BY) include costs for a contract with the ISR to evaluate the impact of the HTGs.
- The CY and the BY include costs for an interagency agreement (IA) with the California Department of Public Health (CDPH) regarding the sharing of death record information. This information will allow CDSS to assure benefits are paid properly by searching for and identifying fraudulent cases in which deceased recipients continue to exist as active recipients in the IHSS Case Management, Information and Payrolling System.

IHSS Quality Assurance

KEY DATA/ASSUMPTIONS (CONTINUED):

State Level Training for SWs

- Training costs include curriculum development, classroom training, and post-training evaluation.
- Training will be provided in the CY and the BY on an ongoing basis.

METHODOLOGY:

The estimate is computed by multiplying the number of QA positions by the annual SW cost, then adding the costs of SW training, HTGs, and IA contracts.

FUNDING:

The Title XIX Federal Medical Assistance Percentage rate is 50 percent. The nonfederal share for the Personal Care Services Program /IHSS Plus Option administrative costs are split 70 percent state and 30 percent county.

In the Residual program, the state share is 70 percent of the total, and the county share is 30 percent.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the CY. The BY decrease reflects updated contract costs and the updated Title XIX reimbursement percentage.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY decrease reflects the updated contract costs and the updated Title XIX reimbursement percentage.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 111 – IHSS Administration	Total	Federal	State	County	Reimb.
IHSS Quality Assurance	$31,444	$0	$11,196	$4,798	$15,450

FY 2011-12

Item 111 – IHSS Administration	Total	Federal	State	County	Reimb.
IHSS Quality Assurance	$31,331	$0	$11,049	$4,735	$15,547

Reduce IHSS County Administration

DESCRIPTION:

This premise reflects the savings from reducing county administration costs by five percent effective July 1, 2008. The savings are based on the Budget Act of 2008 Appropriation county administration costs.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2008.

KEY DATA/ASSUMPTIONS:

- The reduction to In-Home Supportive Services county administration costs were held to the Budget Act of 2008 Appropriation.

METHODOLOGY:

Projected savings are based on a five percent across-the-board cut based on the Budget Act of 2008 Appropriation.

FUNDING:

The Current Year (CY) Title XIX reimbursement percent is based on the Federal Medical Assistance Percentage rate from the Budget Act of 2008 Appropriation. The Budget Year (BY) Title XIX reimbursement percentage is 49.62 based on actual expenditures as reported on county administrative expense claims for the past four quarters.

The nonfederal share is split 70 percent General Fund and 30 percent county.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the CY. The BY decrease reflects the updated Title XIX reimbursement percentage.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY change reflects the updated Title XIX reimbursement percentage.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 111 – IHSS Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
Reduce IHSS County Admin	-$14,993	$0	-$5,295	-2,270	-7,428

			FY 2011-12		
Item 111 – IHSS Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
Reduce IHSS County Admin	-$14,993	$0	-$5,287	-$2,266	-$7,440

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IHSS Plus Option (IPO) - Administration

DESCRIPTION:

In 2008, the federal Centers for Medicare and Medicaid Services (CMS) informed the California Department of Social Services (CDSS) that it would not renew the In-Home Supportive Services (IHSS) Independence Plus Waiver (IPW) following its July 31, 2009, expiration date. In an effort to continue providing the same services to this same population, as well as draw down federal financial participation (FFP), CDSS worked closely with the Department of Health Care Services to discuss options. As a result of the discussions, the Social Security Act section 1915(j) State Plan Option was identified as the only alternative which allowed for the continuation of services and ability to draw down FFP.

Following a federal extension of the IPW, effective September 30, 2009, the IPW expired and will not be renewed. On October 1, 2009, a Social Security Act Section 1915(j) State Plan Option, titled the IHSS Plus Option (IPO), was implemented. The new IPO absorbed the IPW caseload, and provides the same services as the IPW plus an enhanced support system.

This premise reflects the costs for activities necessary to maintain compliance with 1915(j) requirements. Implementation of the IHSS Plus Option (IPO) requires social workers (SWs) to be trained in the concepts and methods of being supports-brokers. The SWs must also complete risk management assessments for all IPO recipients to be able to identify, mitigate, and assume risks. The IPO service costs are included under the Personal Care Services Program (PCSP)/IPO/Residual IHSS Basic Costs premise.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2010.

KEY DATA/ASSUMPTIONS:

- Assembly Bill (AB) X4 4, (Chapter 4, Statutes of 2009-10, Fourth Extraordinary Session), section 42, required CDSS to develop a risk management form, with input from the counties and stakeholders representing recipients and providers, and to commence testing of the form in five representative counties no later than 90 days from the date of approval of the 1915(j) State Plan Option to assess implementation costs of this program. Per AB X4 4, to the extent actual implementation costs differ from the amount estimated in the budget, CDSS shall submit a revised budget to the Legislature based on actual costs to support statewide implementation. From March 2010, until April 2010, the counties of San Diego, San Joaquin, Lassen, Mariposa, and Tuolumne had ten percent of their SWs participate in tracking the time associated with implementing the Risk Management Process, which includes Individual Emergency Backup Plans. The results determined that it took, on average, 15 minutes to complete this activity. Since this premise already included an assumption of 15 minutes of SW time to complete each Risk Management assessment, no revised budget will be submitted to the Legislature.
- The estimate assumes 15 minutes of SW time to complete the initial assessments of the risk management process for 10,671 recipients, or one third of the current IPO program recipients, in the Current Year (CY).
- The estimate assumes 19,152 new and existing IPO recipients will receive their first risk management assessment during the Budget Year (BY). Ongoing assessments will occur for the 10,671 recipients who had their initial assessment in the CY, and assumes 15 minutes of SW time per reassessment.

IHSS Plus Option (IPO) - Administration

KEY DATA/ASSUMPTIONS (CONTINUED):

- Assumes 2.75 hours of the one-time supports-broker training for each SW.
- Two training sessions will be needed in the CY and four training sessions will be needed in the BY, at an assumed cost of $15,000 per session. Both the CY and BY assume $30,000 for training development.
- Assumes a total of 2,250 active SWs statewide. There will be 1,125 SWs receiving training in the CY and 1,225 SWs receiving training in the BY, which includes 100 new SWs who will require training in the BY. Each SW will require the training only once.
- Assumes a SW unit cost of $60.55 per hour.
- Assumes IPO service costs are expected to be the same as those under the IPW.
- The IPO absorbed the IPW caseload and provides the same services plus an enhanced support system for this same population.
- The estimated Title XIX reimbursement percentage for Fiscal Year (FY) 2010-11 is held to the Appropriation at 49.13 percent. The estimated Title XIX reimbursement percentage for FY 2011-12, is 50 percent as all recipients are federally eligible.

METHODOLOGY:

The cost for implementing the risk management process is determined by multiplying the amount of SW time required (15 minutes per initial assessment; 15 minutes per ongoing assessment) by the total number of IHSS IPO recipients (current and new), by the SW rate for each fiscal year.

The cost for training SWs is determined by multiplying the time needed to train all SWs by the SW rate.

FUNDING:

The Title XIX Federal Medical Assistance Percentage rate is 50 percent. The nonfederal share for the IPO administrative costs are split 70 percent state and 30 percent county.

There is no Residual program.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the CY. The BY decrease reflects the lower projected costs for the risk management process and the supports-broker training.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase reflects the reassessments occurring in the BY and increased costs for SW training.

IHSS Plus Option (IPO) - Administration

EXPENDITURES:

(in 000's)

FY 2010-11

Item 111 – IHSS Administration	Total	Federal	State	County	Reimb.
IHSS Plus Option (IPO) - Administration	$688	$0	$245	$105	$338

FY 2011-12

Item 111 – IHSS Administration	Total	Federal	State	County	Reimb.
IHSS Plus Option (IPO) - Administration	$746	$0	$261	$112	$373

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Provider Enrollment Statement Form/Process

DESCRIPTION:

This premise reflects the costs associated with revising the Provider Enrollment Statement Form [Social Services Programs (SOC) 426] to bring it into compliance with the requirements of Welfare and Institutions Code (W&IC) section 12305.81 resulting from Senate Bill (SB) 1104 (Chapter 229, Statutes of 2004). The new compliant form indicates that a person shall not be eligible to provide or receive payment for providing supportive services for ten years following a conviction for, or incarceration following a conviction for fraud against a government health care or supportive services program, abuse of a child [Penal Code (PC) 273a], or abuse of an elder or dependent adult (PC section 368).

In accordance with the ruling of the Alameda County Superior Court in the Beckwith, et al. v. Wagner court case, which challenged the legality of the offenses originally identified as disqualifiers for provider eligibility, only the three aforementioned offenses could be used to prevent eligibility of a person as an In-Home Supportive Services (IHSS) provider. The new compliant form also states that each person seeking to provide supportive services shall complete, sign under penalty of perjury, and submit to the county their completed SOC 426. This premise also includes costs associated with sending one-time notifications of provider enrollment deadlines to providers as part of the Program Integrity efforts. Lastly, it includes various statements and declarations regarding:

- An applicant's criminal history regarding fraud against a government health care or supportive services program and corresponding penalties for enrollment as a provider including the inability of supportive services providers to receive payment for providing supportive services.
- An agreement that providers reimburse the state for overpayments.
- Subdivision (a) of Section 273a of the PC and Section 368 regarding crimes which cause harm, death, suffering, pain, or injury to children, elders or dependent adults.

IMPLEMENTATION DATE:

This premise implemented on November 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 12305.81 resulting from SB 1104 (Chapter 229, Statutes of 2004).
- Assumes 112,680 IHSS providers will be enrolled during the Current Year (CY).
- Assumes 104,973 new IHSS providers will be enrolled in the Budget Year (BY).
- The social worker (SW) unit cost is $60.55 per hour.
- The estimated Title XIX reimbursement percentage for Fiscal Year (FY) 2010-11 is held to the Budget Act 2010 Appropriation at 49.30 percent and for FY 2011-12 is 49.62 percent, which is based on actual expenditures as reported on the County Expense Claim for the past four quarters.
- In bringing the Provider Enrollment Statement Form into compliance with W&IC section 12305.81, the counties will have additional responsibilities per associated tasks, including:

Provider Enrollment Statement Form/Process

KEY DATA/ASSUMPTIONS (CONTINUED):

- Fifteen minutes to mail and verify forms, copy documents/identifications, and schedule appointments for providers.
- Ten minutes to resolve errors on forms, reschedule appointments and send reminders for appointments; this applies to 20 percent of providers.
- Fifteen minutes to resolve issues for recipients when a particular provider is ineligible; this applies to 20 percent of recipients.
- Five minutes to cross reference applicants with the ineligible provider list, and place providers on the ineligible list; this applies to three percent of providers.

METHODOLOGY:

The estimate is computed by summing the newly enrolled and phased-in supportive services providers, then applying the SW rate of pay, applicable time per activity, and percentage of providers impacted.

FUNDING:

The Title XIX Federal Medical Assistance Percentage rate is 50 percent. The nonfederal share for the Personal Care Services Program/IHSS Plus Option administrative costs are split 70 percent state and 30 percent county.

In the Residual program, the state share is 70 percent of the total, and the county share is 30 percent.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the CY. The BY increase reflects the updated provider count.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY decrease reflects the updated provider count.

EXPENDITURES:

(in 000’s)

FY 2010-11

Item 111 – IHSS Administration	Total	Federal	State	County	Reimb.
Provider Enrollment Statement/Form Process	$3,734	$0	$1,325	$568	$1,841

FY 2011-12

Item 111 – IHSS Administration	Total	Federal	State	County	Reimb.
Provider Enrollment Statement/Form Process	$3,031	$0	$1,069	$458	$1,504

IHSS Program Integrity – County DA/Activities

DESCRIPTION:

This premise reflects the administrative costs associated with the county district attorney activities which form part of the In-Home Supportive Services (IHSS) Program Integrity efforts. Together with three other administrative cost premises and one savings premise, these program integrity measures will enhance state and county efforts to prevent fraud, identify errors and overpayments, pursue collections, and detect and refer suspected incidences of fraud in the IHSS program.

The Budget Act of 2009 appropriated $10 million General Fund (GF) for the purpose of fraud prevention, detection, referral, investigation and additional program integrity efforts related to the IHSS program. If a county wishes to participate in this program, it must first submit a plan specifying how it intends to utilize the funding to enhance the integrity of the IHSS program. Counties must receive approval of this plan in order to receive a portion of the appropriated funds.

IMPLEMENTATION DATE:

This premise implemented on November 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Assembly Bill X4 1 (Chapter 1, Statutes of 2009, Fourth Extraordinary Session)
- The California Department of Social Services shall allocate the sum of $10 million GF, for Fiscal Year (FY) 2010-11 and FY 2011-12, based on approved plans and utilizing a distribution method developed in consultation with the counties.
- The Current Year (CY) and the Budget Year (BY) reflect a full year of cost.
- The estimated Title XIX reimbursement percentage for the CY and the BY is 49.62 percent based on actual expenditures as reported on county administrative expense claims for the past four quarters.
- The sum of $10 million GF ties to $28.4 million total funds in the CY and the BY.

METHODOLOGY:

The $10 million GF includes corresponding federal and county shares.

FUNDING:

The Title XIX Federal Medical Assistance Percentage rate is 50 percent. The nonfederal share for the Personal Care Services Program /IHSS Plus Option administrative costs are split 70 percent state and 30 percent county.

In the Residual program, the state share is 70 percent of the total, and the county share is 30 percent.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The CY and the BY increase reflects the updated Title XIX reimbursement expenditures.

IHSS Program Integrity – County DA/Activities

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 111 – IHSS Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
IHSS Program Integrity	$28,356	$0	$10,000	$4,286	$14,070

			FY 2011-12		
Item 111 – IHSS Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
IHSS Program Integrity	$28,356	$0	$10,000	$4,286	$14,070

IHSS Program Integrity – County Investigations

DESCRIPTION:

This premise reflects the administrative costs associated with county investigation measures which form part of the In-Home Supportive Services (IHSS) Program Integrity efforts. Together with three other administrative cost premises and one savings premise, these program integrity measures will enhance state and county efforts to prevent fraud, identify errors and overpayments, pursue collections, and detect and refer suspected incidences of fraud for the IHSS program.

This premise reflects the costs associated with 78 county program integrity positions that will have the authority to monitor a recipient's receipt of services and investigate fraud in the IHSS program pursuant to the protocols of the IHSS program integrity measures. Activities aimed to protect program integrity include unannounced home visits; and the review, analysis, and actions related to: the review of Criminal Offender Record Information for provider enrollment, facilitation of new and existing provider orientations, and tracking and reporting fraud data. The monitoring of program fraud in targeted cases may involve the visit of county investigators to the recipient's home to verify the receipt of appropriate services. The exact date and time of a home visit will not be announced to the supportive services recipient or provider. All coordinated activities to detect and prevent fraud by IHSS providers and recipients will be performed in accordance with federal and state laws and regulations.

IMPLEMENTATION DATE:

This premise implemented on November 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 12305.71.
- This estimate assumes that 78 county investigators will be conducting program integrity activities.
- Assume that each county investigator will receive the social worker (SW) rate of $129,083 per year.
- The estimated Title XIX reimbursement percentage for the Current Year (CY) is held to the Budget Act of 2010 Appropriation at 49.13 percent. The estimated Title XIX reimbursement percentage for the Budget Year (BY) is 49.62 percent, which is based on actual expenditures as reported on the County Expense Claim for the past four quarters.
- The CY and the BY reflect a full year of cost.

METHODOLOGY:

The estimated cost is computed by multiplying the total number of assumed county investigators by the SW rate.

FUNDING:

The Title XIX Federal Medical Assistance Percentage rate is 50 percent. The nonfederal share for the Personal Care Services Program /IHSS Plus Option administrative costs are split 70 percent state and 30 percent county.

In the Residual program, the state share is 70 percent of the total, and the county share is 30 percent.

IHSS Program Integrity – County Investigations

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the CY. The BY decrease in General Funds, and corresponding increase in reimbursements, reflects the updated Title XIX reimbursement rate.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY decrease in General Funds, and corresponding increase in reimbursements, reflects the updated Title XIX reimbursement rate.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 111 – IHSS Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
IHSS Program Integrity – County Investigations	$10,068	$0	$3,585	$1,536	$4,947

			FY 2011-12		
Item 111 – IHSS Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
IHSS Program Integrity – County Investigations	$10,069	$0	$3,551	$1,522	$4,996

IHSS Program Integrity – Related Activities

DESCRIPTION:

This premise reflects the administrative costs of various program integrity activities which form part of the In-Home Supportive Services (IHSS) Program Integrity efforts. Together with three other administrative cost premises and one savings premise, these program integrity measures will enhance state and county efforts to prevent fraud, identify errors and overpayments, pursue collections, and detect and refer suspected incidences of fraud for the IHSS program.

The Related Activities premise reflects funding for targeted mailing, fraud training for county staff, mandatory orientation for all providers, and the review and processing of Criminal Offender Record Information (CORI) and Subsequent Arrest Notifications (SAN), appeals for ineligible providers, modified notices of actions (NOAs) to all providers. As part of the IHSS Program Integrity efforts, all prospective providers must complete a provider orientation at the time of enrollment to be an eligible IHSS provider. The California Department of Social Services (CDSS) developed a written appeal process for the current and prospective providers who are determined ineligible to receive payment for the provision of services in the IHSS program.

A temporary restraining order (TRO) was issued in the case of Mark Beckwith v. John A. Wagner, which limits the criminal convictions that would disqualify an individual from becoming an IHSS provider or receive payment for ten years following a conviction for, or incarceration following a conviction for: fraud against a government health care or supportive services program, abuse of a child (Penal Code (PC) 273a), or abuse of an elder or dependent adult (PC section 368). The TRO has not eliminated or stopped the provider fingerprinting and criminal background check requirements.

Assembly Bill 19 (Chapter 17, Statutes of 2009) established that providers will be provided with modified NOAs, and that timesheets shall include spaces for a recipient's and his/her provider's fingerprints. Each provider will receive a modified NOA for each person to whom he/she provides services which specifies the approved duties for each recipient and a complete list of supportive service tasks available under IHSS.

IMPLEMENTATION DATE:

This premise implemented on November 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 12301.24, 12301.6, 12305.71, 12305.82, 12305.86, 12301.22, and 12301.25.
- Assumes 138,461 current and pending providers will be impacted in the Current Year (CY) for the Provider Orientation and CORIs.
- Assumes 104,973 new providers will be impacted in the Budget Year (BY) for the Provider Orientation and CORIs.
- Assumes an annual cost of $35,000 General Fund (GF) for targeted mailing and an annual cost of $50,000 GF for fraud training for county staff for the CY and the BY.
- Assumes the state will hold back $900,000 total funds (TF) in the CY and $450,000 TF in the BY for a contract to develop/translate/distribute a DVD/accompanying materials for training.

IHSS Program Integrity – Related Activities

KEY DATA/ASSUMPTIONS (CONTINUED):

- Assumes 20 percent of the total impacted universe of providers will have a CORI that will require ten minutes of social worker (SW) time for review. Assumes 2.56 percent of the 20 percent of providers will have a non-exemptible crime and, as such, eight minutes of SW time to generate a notice to the provider.
- Assumes 4.1 percent of the total impacted universe of providers will have a SAN review with a crime that that will require ten minutes of SW time for review. Assumes 0.22 percent of the 4.1 percent of providers will have a non-exemptible crime and, as such, eight minutes of SW time to generate a notice to the provider.
- Assumes one hour of SW time for the review of an assumed 4.24 percent of the providers with non-exemptible crimes who will file an appeal.
- Assumes a SW unit cost of $60.55 per hour.
- Assumes the modified NOA will cost $950,000 GF in the BY.
- Assumes no funding for timesheet fingerprinting or modifying timesheets for recipient and provider fingerprints in the CY and BY.
- The estimated Title XIX reimbursement percentage for the CY is 49.30 percent and for the BY is 49.62 percent based on actual expenditures as reported on county administrative expense claims for the past four quarters.

METHODOLOGY:

The estimated costs are computed by adding the total cost associated with targeted mailings, fraud training for county staff, mandatory orientations for providers and the review and processing of CORIs and SANs, provider appeals of terminations, and NOAs.

FUNDING:

The Title XIX Federal Medical Assistance Percentage rate is 50 percent. The nonfederal share for the Personal Care Services Program /IHSS Plus Option administrative costs are split 70 percent state and 30 percent county for costs associated with targeted mailings, fraud training for county staff, NOAs, and provider orientations.

In the Residual program, the state share is 70 percent of the total, and the county share is 30 percent.

Costs for reviewing and processing CORIs, SANs, and provider appeals of terminations are split 50 percent federal and 50 percent state share.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The CY increase reflects the updated Title XIX reimbursement rate for the hold back amount for the provider orientation. The BY increase reflects the updated provider counts for reviewing the CORIs and SANs.

IHSS Program Integrity – Related Activities

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase reflects the inclusion of the modified NOAs in the BY.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 111 – IHSS Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
IHSS Program Integrity – Related Activities	$1,908	$0	$725	$237	$946

FY 2011-12

Item 111 – IHSS Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
IHSS Program Integrity – Related Activities	$3,906	$0	$1,423	$544	$1,939

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IHSS Program Integrity – Fingerprinting Recipients Administration

DESCRIPTION:

This premise reflects the administrative costs associated with manually fingerprinting In-Home Supportive Services (IHSS) recipients as part of the IHSS Program Integrity efforts. Assembly Bill 19 (Chapter 17, Statutes of 2009) developed the protocol for fingerprinting recipients at assessments and reassessments for identification purposes. Together with three other administrative cost premises and one savings premise, these program integrity measures will enhance state and county efforts to prevent fraud, identify errors and overpayments, pursue collections, and detect and refer suspected incidences of fraud for the IHSS programs.

The maintenance and operations vendor contract and change control costs for the Statewide Fingerprinting Imaging System (SFIS), the system in which the fingerprints are stored, are located under a different premise. For additional information on the SFIS system, please see the SFIS premise under Item 141 County Administration and Automation Projects.

IMPLEMENTATION DATE:

This premise will implement on May 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 12305.73.
- This premise will not be funded.
- The social worker (SW) unit cost is $60.55 per hour.
- The estimated time to fingerprint each recipient is 15 minutes.

METHODOLOGY:

The Current Year (CY) and the Budget Year (BY) estimated costs are computed by multiplying the number of recipients to be fingerprinted by the estimated time for taking fingerprints and hourly cost at the SW rate.

FUNDING:

In the Personal Care Service Program/IHSS Plus Option program the federal Title XIX reimbursement represents 50 percent of the total funding in the CY and the BY. The nonfederal share is split 70 percent General Fund and 30 percent county.

In the Residual program, the state share is 70 percent of the total, and the county share is 30 percent.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The CY decrease reflects no funding for this premise. There BY reflects no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

IHSS Anti-Fraud Initiative – Fingerprinting Recipients Administration

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 111 – IHSS Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
IHSS Program Integrity – Fingerprinting Recipients Admin.	$0	$0	$0	$0	$0

			FY 2011-12		
Item 111 – IHSS Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
IHSS Program Integrity – Fingerprinting Recipients Admin.	$0	$0	$0	$0	$0

3.6 Percent Across-the-Board Reduction Administration

DESCRIPTION:

This premise reflects the administrative costs associated with implementing the 3.6 Percent Across-the-Board Service Reduction for the In-Home Supportive Services (IHSS) program. Assembly Bill 1612 (Chapter 725, Statutes of 2010) provides that a 3.6 percent reduction be applied to all recipients for IHSS services under the Personal Care Services Program (PCSP), IHSS Plus Option (IPO), and Residual programs. The savings resulting from the reduction are included in the 3.6 Percent Across-the-Board Reduction premise.

IMPLEMENTATION DATE:

This premise implemented on February 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 12301.06.
- The estimated Title XIX reimbursement percentage for the Current Year (CY) is 49.30 percent and for the Budget Year (BY) is 49.62 percent based on actual expenditures as reported on county administrative expense claims for the past four quarters.
- The social worker (SW) unit cost is $60.55 per hour.
- Assumes that for ten percent of the recipients, ten minutes of SW time will be needed one time to special handle the Notices of Actions (NOAs).
- Assumes that for 25 percent of the recipients, five minutes of SW time will be needed one time to answer questions about the reduction.
- Assumes that two percent of the recipients will request a reassessment as a result of a change in the recipient’s current condition, for whom 30 minutes of the SW time will be needed one time to complete a reassessment.
- The projected caseload is 430,521 in the Current Year (CY) and 437,997 in the Budget Year (BY). For the BY, costs tie to the 7,476 new recipients over the projected CY caseload.

METHODOLOGY:

The estimated cost is computed by multiplying the SW rate by the amount of time needed for special handling the NOAs, answering recipients’ questions, and performing reassessments.

FUNDING:

In the PCSP and IPO programs, the federal Title XIX reimbursement represents 50 percent of the total funding in the CY and the BY. The nonfederal share is split 70 percent General Fund and 30 percent county.

In the Residual program, the state share is 70 percent of the total, and the county share is 30 percent.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the CY. The BY decrease reflects the updated caseload.

3.6 Percent Across-the-Board Reduction Administration

REASON FOR YEAR-TO-YEAR CHANGE:

The BY decrease reflects the administrative costs for new recipients only.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 111 – IHSS Administration	Total	Federal	State	County	Reimb.
3.6 Percent Across-the-Board Reduction Admin.	$1,270	$0	$451	$193	$626

FY 2011-12

Item 111 – IHSS Administration	Total	Federal	State	County	Reimb.
3.6 Percent Across-the-Board Reduction Admin.	$22	$0	$8	$3	$11

Eliminate All Services for Recipients without a Medical Certificate Administration

DESCRIPTION:

This premise reflects the administrative costs associated with eliminating all services for In-Home Supportive Services (IHSS) recipients who are unable to obtain a medical professional's written certification that personal care services are necessary to prevent him/her from entering out-of-home care. Senate Bill 72 (Chapter 8, Statutes of 2011) provides that all IHSS recipients must obtain a medical certificate to remain or enter the IHSS program. The savings resulting from the elimination of recipients without a medical certificate are included in the Eliminate All Services for Recipients without a Medical Certificate premise.

IMPLEMENTATION DATE:

This premise was enacted March 24, 2011, and will implement July 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 12309.1.
- The estimated Title XIX reimbursement percentage for the Budget Year (BY) is 49.62 percent based on actual expenditures as reported on county administrative expense claims for the past four quarters.
- The social worker (SW) unit cost is $60.55 per hour.
- Assumes 0.5 hours of SW time to process the receipt of a medical certificate for 355,180 current and 6,728 new recipients.

METHODOLOGY:

The estimated cost is computed by multiplying the SW rate by the amount of time needed to process the medical certificates, by the number of recipients submitting a medical certificate.

FUNDING:

In the PCSP/IPO programs, the federal Title XIX FMAP rate for administrative activities is 50 percent of the total funding in the BY. The nonfederal share is split 70 percent General Fund and 30 percent county.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The BY decrease reflects the updated caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise implements in the BY.

Eliminate All Services for Recipients without a Medical Certificate Administration

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 111 – IHSS Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
Eliminate Services for Recipients w/o a Medical Certificate – Admin.	$0	$0	$0	$0	$0

			FY 2011-12		
Item 111 – IHSS Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
Eliminate Services for Recipients w/o a Medical Certificate – Admin.	$10,957	$0	$3,864	$1,656	$5,437

IHSS Provider Exclusions

DESCRIPTION:

This premise reflects the cost of reviewing and processing requests for exceptions to provider exclusions for providers who have committed a violent or serious felony(ies), as specified in subdivision (c) of section 667.5 of the Penal Code (PC) and subdivision (c) of section 1192.7 of the PC. Assembly Bill 1612 (Chapter 725, Statutes of 2010) established that providers subject to criminal conviction exclusions who are either new applicants or applicants whose applications were denied on the basis of a conviction(s) and for whom an appeal of that denial is pending may request an individual waiver or general exemption.

The county shall notify a recipient who wishes to hire a person who is applying to be a provider and who has been convicted of an offense subject to exclusion under the aforementioned sections of that applicant's relevant criminal offense convictions. The notice shall include both a summary explanation of the exclusions created by the aforementioned sections, as well as the applicable waiver process and form, and general exception process.

The waiver form shall include both a space for the county to include any reference to any PC sections and corresponding offense names and descriptions of the relevant convictions included in the provider's background. It shall also include a statement that the service recipient is aware of the provider applicant's conviction(s), agrees to waive application of this section and employ the applicant as a provider of services. An approved individual waiver will allow the provider to serve the recipient associated with the individual waiver. A general exemption will allow the provider to provide services for multiple recipients. The general exception process is handled through the Community Care Licensing (CCL) Division of the California Department of Social Services (CDSS).

IMPLEMENTATION DATE:

This premise implemented February 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code (W&IC) section 12305.87.
- The postage rate is $0.44 per notice.
- The social worker (SW) unit cost is $60.55 per hour.
- There will be an estimated 125 providers in the Current Year (CY) and 300 providers in the Budget Year (BY) who will have exemptible crimes and for whom the recipients they serve will request an individual waiver. For these providers, it will take 60 minutes for the counties to prepare and send the notices, and respond to questions.
- There will be six providers in the CY and ten providers in the BY who will have exemptible crimes and request a general exception. For these providers, it will take five minutes for the counties to send the Criminal Offender Request Information to CDSS. The general exceptions will be handled through CCL.

METHODOLOGY:

The estimated cost of processing individual waivers is computed by multiplying the number of impacted providers by the amount of SW time to respond to the requests, and mailing costs. The estimated cost of processing general exceptions is computed by multiplying the number of impacted providers by the amount of SW time to respond to the requests.

IHSS Provider Exclusions

FUNDING:

This premise is funded with 100 percent nonfederal shares. The nonfederal shares are split 70 percent General Fund and 30 percent county.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The CY and the BY decreases reflect updated estimated counts of providers who request an individual waiver or general exception.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase reflects a full year of costs.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 111 – IHSS Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
IHSS Provider Exclusions	$7	$0	$5	$2	$0

			FY 2011-12		
Item 111 – IHSS Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
IHSS Provider Exclusions	$19	$0	$13	$6	$0

Foster Care & NACF Administrative Costs – Basic

DESCRIPTION:

This premise reflects the administrative and staff development costs for the Foster Care (FC) and Non-Assistance CalFresh (NACF) programs. Historically, the budget for county administration was based on counties administrative budget requests made through a Proposed County Administrative Budget (PCAB) process, modified by a cost containment system consistent with Welfare and Institutions Code (W&IC) section 14154. Beginning with Fiscal Year (FY) 2001-02 the PCAB process was suspended and the last PCAB process, FY 2000-01, established the base from which future year costs are established. Adjustments for caseload changes and other factors are made during each subvention process.

The FC administrative costs include the county administration for the Adoption Assistance Program (AAP). County eligibility workers are required to perform administrative functions related to AAP. Specifically, verification of linkage to the Temporary Assistance for Needy Families (TANF) program (formerly Aid to Families with Dependent Children program) is required for all new AAP cases to establish federal or nonfederal eligibility. Linkage is based on the child's situation at the time of removal from the natural home. The child must meet the general eligibility requirements for TANF and qualify as either a federal or state-only foster care case. Recertification is also required on an annual basis.

IMPLEMENTATION DATE:

This premise is an annual appropriation.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC section 14154.
- The FC estimate for the non-Title IV-E Waiver counties in FY 2010-11 is being held at the 2010-11 Appropriation level. Base funding for FC Administrative Costs Basic for FY 2011-12 is $36.5 million.
- The non-Title IV-E Waiver FC caseload is projected to decline 9.8 percent for FY 2010-11 and for an additional decline of 10.2 percent in FY 2011-12.
- The Staff Development costs for FC are $553,931 for FY 2010-11 and FY 2011-12, based on the last four quarters of actual expenditures.
- The AAP costs of $17.5 million for FY 2010-11 and FY 2011-12 are based on the last four quarters of actual expenditures.
- Contract costs for FC are $143,000 for FY 2010-11 and FY 2011-12.
- The NACF Administrative costs in FY 2010-11 are held to the Appropriation.
- The NACF Administrative costs base funding is $1,080.5 million in FY 2011-12.
- The NACF caseload growth projection is 18.4 percent in FY 2011-12.
- Staff development costs for NACF are $11.8 million for FY 2011-12, based on Calendar Year 2010 actual expenditures.

Foster Care & NACF Administrative Costs – Basic

KEY DATA/ASSUMPTIONS (CONTINUED):

- Statewide Automated Welfare System (SAWS) Development and Testing Interface costs for NACF are $230,113 for FY 2011-12.
- Contract costs for NACF are $3.3 million for FY 2011-12.
- The Merced Automated Global Information Control (MAGIC) system administrative costs for NACF and FC are $97,206 and $7,776, respectively for both FY 2010-11 and FY 2011-12.
- Savings from Legacy System data collection and quality control systems for NACF are $3.9 million for FY 2011-12. Savings from Legacy System data collection and quality control systems for FC are $505,000 for FY 2010-11 and FY 2011-12.

METHODOLOGY:

The NACF and FC non-Title IV-E Waiver counties basic funding are adjusted to reflect caseload growth and updated premises. Staff development expenditures, the MAGIC system, and contract costs were added to both the NACF and FC estimates. AAP administrative expenditures were also added to the FC estimate.

FUNDING:

FC and NACF costs are shared 50 percent federal, 35 percent General Fund (GF), and 15 percent county.

Note: W&IC section 15204.4 requires Maintenance of Effort (MOE) from the counties based on expenditures during FY 1996-97, which include the administration of food stamps. Please reference the “County MOE Adjustment” premise. However, W&IC section 18906.55 provides that in FY 2010-11 and FY 2011-12, counties shall receive the full GF allocation without the requirement to pay county’s share above MOE if a county meets MOE requirements entirely through CalFresh Administrative expenditures. Please reference the “County MOE Requirement” premise.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

For FC, the Current Year (CY) was held to Appropriation. The Budget Year (BY) increase is a result of a projected decrease in the FC caseload offset by an increase in AAP actual expenditures. For CalFresh, the CY was held to the Appropriation. The BY increase is a result of projected caseload growth.

REASON FOR YEAR-TO-YEAR CHANGE:

For FC, decrease is based on actual expenditures and reflects a projected caseload decline.

For NACF the increase is associated with projected NACF caseload growth.

Foster Care & NACF Administrative Costs – Basic

EXPENDITURES:

(in 000's)

FY 2010-11

Item 141 – County Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
Foster Care Administration	$58,971	$32,864	$20,748	$5,359	$0
CalFresh Basic Costs	1,098,057	551,074	414,545	132,438	0

FY 2011-12

Item 141 – County Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
Foster Care Administration	$53,147	$29,772	$19,049	$4,326	$0
CalFresh Basic Costs	1,290,781	645,322	465,448	180,011	0

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Foster Care Reforms

DESCRIPTION:

The California Department of Social Services implemented the annual redetermination of eligibility for foster care grants, resulting in the Current Year (CY) savings of $5.3 million and the Budget Year (BY) savings of $4.4 million.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2004.

KEY DATA/ASSUMPTIONS:

- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- The amount of federal financial participation (FFP) is based on the Federal Medical Assistance Percentage (FMAP) rate of 50 percent.

METHODOLOGY:

The estimate assumes a 20 percent reduction in continuing caseload eligibility costs as a result of reducing the redetermination requirement from every 6 months to every 12 months.

FUNDING:

Federal funding is provided by Title IV-E of the Social Security Act for cases meeting eligibility criteria, with the level of FFP based on the FMAP rate. Funding for the nonfederal share of federal program costs and for cases not meeting federal eligibility criteria is 40 percent General Fund and 60 percent county funds.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The CY was held to Appropriation. The BY decrease in savings is based on actual expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

The decreased savings are the result of lower FC caseloads and expenditures.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 141 – Foster Care Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
Foster Care Reforms	-$5,276	-$3,011	-$1,593	-$672	$0

			FY 2011-12		
Item 141 – Foster Care Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
Foster Care Reforms	-$4,356	-$2,522	-$1,290	-$544	$0

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Foster Care IV-E Eligibility Training

DESCRIPTION:

This premise reflects $59,000 General Fund (GF) of one-time funds requested by the California Department of Social Services (CDSS) to cover increased training costs due to Title IV-E Program Improvement Plan (PIP) requirements. These PIP requirements are based on California's substantial noncompliance with federal child and provider eligibility requirements as documented in the recent federal Title IV-E Review Report. CDSS must fulfill its obligation to address deficiencies identified in the 2009 Title IV-E Review Report by providing training to child welfare, probation, and court staff as specified in an approved Title IV-E PIP.

Training is essential to ensure improved performance and outcomes in the upcoming secondary Title IV-E Review thereby, reduce the possibility of increased costs to the GF in the form of penalties and interest associated with continuing to fail outcome measures. The additional funding will permit CDSS to hire a consultant to develop training for trainers (T for T) Title IV-E eligibility requirements curricula. This T for T will be provided to county welfare and probation department staff statewide. The consultant will also develop a website with accurate eligibility information regarding Title IV-E requirements. CDSS staff will update and maintain this website in the future as a resource for these workers. In addition, a portion of this funding will be utilized to increase the amount of training and technical assistance provided by the Judicial Review and Technical Assistance Project.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: 45 Code of Federal Regulations (CFR) 1356.71.
- Assumes one-time cost for Fiscal Year (FY) 2010-11 only.
- Assumes this one-time cost will provide training to child welfare, probation, and court staff as well as development of a website to provide accurate eligibility information regarding Title IV-E requirements.
- Assumes $113,000 will be dedicated to training and to web design.
- Assumes a federal discount rate of 70 percent for FY 2010-11.

METHODOLOGY:

CDSS will use $113,000 in one-time costs to cover increased training costs and to cover consultant cost to develop a website.

FUNDING:

After applying the foster care federal discount rate of 64 percent for FY 2010-11, federally-eligible costs are 75 percent federal Title IV-E and the remainder is GF costs with no county share.

Foster Care IV-E Eligibility Training

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise reflects a one-time cost for FY 2010-11 only.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 141 – Foster Care Administration	Total	Federal	State	County	Reimb.
Foster Care IV-E Eligibility Training	$113	$54	$59	$0	$0

FY 2011-12

Item 141 – Foster Care Administration	Total	Federal	State	County	Reimb.
Foster Care IV-E Eligibility Training	$0	$0	$0	$0	$0

Restructuring the Foster Care Group Home Rate System

DESCRIPTION:

This premise reflects funding for a Group Home rates expert county consultant and intergovernmental transfers (recently retired county child welfare managers) to work along with California Department of Social Services (CDSS) staff. This funding is to be used to conduct an evaluation of the new rate methodology developed as a result of this project.

The CDSS, county placements agencies, advocates, and foster children themselves have long been dissatisfied with the outcomes for foster children placed in congregate group home care. A recent court order in the California Alliance of Child and Family Services (Alliance) lawsuit raised the Group Home rates paid to group homes in California by 32 percent. The court order requires that the current rate system, the Rate Classification Level (RCL) system be adjusted annually hereafter, according to the California Necessities Index.

The RCL system was developed over 20 years ago. It has no direct connection to quality of care or the measurement of improved outcomes for children in care. Changing the rates system to be more responsive to these factors will be supportive of the state's current Children and Family Services Review Program Improvement Plan as well as the interests of advocates, children, placement agencies, and the state.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: A recent court order in the California Alliance of Child and Family Services (Alliance) lawsuit.
- Assumes costs will fund a Group Home rates expert and a county consultant.
- CDSS expects to complete the rate study in Fiscal Year (FY) 2012-13.

METHODOLOGY:

In the Budget Year (BY), $250,000 will fund a Group Home rates expert and a county consultant.

FUNDING:

This premise is shared 50 percent GF and 50 percent federal Title IV-E funding, with no county share.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

For Current Year the funding was eliminated, there is no change in BY.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a BY item.

Restructuring the Foster Care Group Home Rate System

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 141 – Foster Care Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
Restructuring the Foster Care Group Home Rate System	$0	$0	$0	$0	$0

			FY 2011-12		
Item 141 – Foster Care Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
Restructuring the Foster Care Group Home Rate System	$250	$125	$125	$0	$0

County MOE Requirement

DESCRIPTION:

This premise reflects a reduction in the county requirement to match the CalFresh Administrative funds as a result of the County Maintenance of Effort (MOE) requirement for Fiscal Year (FY) 2010-11 and FY 2011-12. Historically, counties are required to provide 15 percent in administrative cost in the CalFresh program even on expenditures above MOE. However, the unprecedented and unanticipated CalFresh caseload growth associated with the economic decline beginning in 2008 has created substantial fiscal pressures on the counties. In order to provide fiscal relief to counties, pursuant to Welfare and Institutions Code (W&IC) section 18906.55, a county that meets the MOE requirement entirely through expenditures for the administration of the CalFresh program in FY 2010-11 and FY 2011-12 shall receive the full General Fund (GF) allocation for administration of the CalFresh program without being required to pay the county's share of the nonfederal costs for the administrative costs above the MOE. In addition, counties are still required meet the MOE requirements pursuant to W&IC section 15204.4 and failure to meet this required level of spending will result in a proportionate reduction of the funds provided under W&IC section 15204.2.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing Statue: W&IC section 18906.55.
- It is assumed that the historical methodology used for determining the CalFresh Administration allocation need shall remain unchanged.
- For FY 2010-11, the total CalFresh administrative need is projected to be $1.4 billion. The total amount in the CalFresh allocation is projected to be $1.2 billion (less items that are not allocated: $58.8 million CalFresh Admin Reduction, $81.3 million Employment Training Program, $129.7 million California Nutrition Network, $9.3 million CalFresh Outreach Plan, and $8.0 million U.C. Davis Nutrition CalFresh Education). The resulting county share of the CalFresh administrative need is approximately $143,238,000.
- For FY 2011-12, the total CalFresh administrative need is projected to be $1.6 billion. The total amount in the CalFresh allocation is projected to be $1.4 billion (less items that are not allocated: $58.8 million CalFresh Admin Reduction, $78.0 million Employment Training Program, $131.9 million California Nutrition Network, $9.9 million CalFresh Outreach Plan, and $8.0 million U.C. Davis Nutrition CalFresh Education). The resulting county share the CalFresh administrative need is approximately $189,991,000.
- Counties that meet the MOE requirement entirely through the CalFresh administrative costs will not be required to contribute CalFresh administrative county share of costs beyond the MOE.
- The historic statewide county MOE requirement is approximately $140 million.
- It is assumed that the county share of the Statewide Automated Welfare System (SAWS) and Electronic Benefit Transfer (EBT) is countable towards the MOE requirement but not included in the CalFresh Administration Allocation. SAWS is estimated to be $10,485,000 in FY 2010-11 and $13,095,000 in FY 2011-12. The EBT expenditures are estimated to be $2,120,000 in FY 2010-11 and $2,247,000 in FY 2011-12.

County MOE Requirement

KEY DATA/ASSUMPTIONS (CONTINUED):

- It is assumed that the reduction in county administration funds as a result of counties not contributing beyond the MOE requirement could result in a decrease in drawdown of federal CalFresh Administrative funds.

METHODOLOGY:

The amount of reduction in county funds to match CalFresh Administrative funds as a result of the County MOE Requirement is calculated as follows:

- The projected CalFresh administrative need is based on the historical methodology used.
- The historic county MOE requirement is adjusted to exclude items that are not included in the CalFresh Administration Allocation by subtracting the county share of costs for SAWS and EBT. This amount is assumed to be the maximum county contribution for CalFresh Administration for FY 2010-11 and FY 2011-12.

  FY 2010-11:

  $140,000,000 MOE Requirement - $10,485,000 SAWS - $2,120,000 EBT = $ 127,395,000 maximum contribution by counties for CalFresh Administration

  FY 2011-12:

  $140,000,000 MOE Requirement - $13,095,000 SAWS - $2,247,000 EBT = $124,658,000 maximum contribution by counties for CalFresh Administration

- The reduction in county contributions as a result of counties reaching MOE requirements is calculated by subtracting the county share of the CalFresh administrative need by the maximum county contribution for county administration.

  FY 2010-11:

  $143,238,000 county administrative need - $127,395,000 maximum county contribution = $15,843,000 reduction in county administrative funds)

  FY 2011-12:

  $189,991,000 county administrative need - $124,658,000 maximum county contribution = $65,333,000 reduction in county administrative funds)

- The federal share of CalFresh administrative funds is reduced by the same amount by which the county funds are reduced. The total reduction in CalFresh Administration as a result of the County MOE Requirement is calculated by adding the reduction of federal and county administrative funds.

  FY 2010-11:

  $15,843,000 federal share + $15,843,000 county share = $31,686,000 total reduction

  FY 2011-12:

  $65,333,000 federal share + $65,333,000 county share = $130,666,000 total reduction

County MOE Requirement

FUNDING:

This premise assumes 50 percent federal funds and 50 percent county share.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The Current Year (CY) change is due to a slight decrease in county SAWS costs, which results in a higher county MOE maximum contribution and lower reduction to county administrative funds. The Budget Year (BY) change is due to projected growth in CalFresh administrative costs.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase from the CY to the BY is due to a projected growth in CalFresh administrative costs.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 141 – CalFresh Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
County MOE Requirement	-$31,686	-$15,843	$0	-$15,843	$0

			FY 2011-12		
Item 141 – CalFresh Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
County MOE Requirement	-$130,666	-$65,333	$0	-$65,333	$0

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CalFresh Administrative Reduction

DESCRIPTION:

This premise reflects the reduction in federal reimbursement of California's CalFresh administrative costs based on amounts charged to the former Aid to Families with Dependent Children (AFDC) program that could have been allocated to the CalFresh and Medi-Cal programs for common administrative costs. Section 502 of the Agriculture Research, Extension, and Education Reform Act of 1998 [Public Law (P.L.) 105-185] required states to determine such common administrative costs during their Temporary Assistance for Needy Families (TANF) program base year, Federal Fiscal Year (FFY) 1995.

The TANF block grant, which replaced the AFDC program, is based on the historical spending levels of the former program. The federal Office of Management and Budgets (OMB) cost principles applicable to the states (OMB Circular A-87) required that common costs be allocated to all benefiting programs. Consequently, California had to determine the amount of common costs attributable to eligibility determinations charged to AFDC that could have been allocated to the CalFresh program. In order to assist in this process, the federal Department of Health and Human Services (DHHS) issued a guide entitled, "Implementation of Cost Allocation Determinations under the Agriculture Research, Extension and Education Reform Act." This guide provided direction to the states in determining their AFDC total base year administrative expenditures. California reviewed the base year's cost allocation methodology and the administrative costs charged to the AFDC program. The California Department of Social Services used a primary program cost allocation methodology rather than a benefiting program cost allocation methodology for the county administrative costs during the TANF block grant base year, FFY 1995. As a result, California received federal approval of its proposed reduction amount on January 15, 1999.

The amount attributable to the CalFresh program is to be deducted from the CalFresh administrative claims. The provisions of P.L. 105-185 stipulate that states may not use TANF funds to pay for this reduction, nor does it provide for a decrease in the maintenance of effort expenditures under TANF.

IMPLEMENTATION DATE:

This premise implemented on October 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: P.L. 105-185, section 502.
- Based on a review of quarterly federal financial reports submitted to DHHS during FFY 1995, the total federal share of common administrative expenditures was $280,097,927.
- Non-AFDC program administrative costs and discrete AFDC costs, as defined in the guide, were identified in quarterly federal financial reports. These costs, as well as other allowable adjustments stipulated in the guide, totaled $59,412,705 and were deducted from the total federal share of common administrative expenditures.
- California's AFDC total base year administrative expenditure was $220,685,222.

CalFresh Administrative Reduction

METHODOLOGY:

California's AFDC total base year administrative expenditure is calculated by subtracting the total federal share of common administrative expenditures by non-AFDC program administrative costs and discrete AFDC costs.
(280,097,927 – 59,412,705 = $220,685,222)

California elected to use the optional formula described in the guide to determine the amount of the CalFresh administrative reimbursement reduction. The optional formula is to multiply the AFDC total base year administrative expenditure by 80 percent and divide by three (for the three benefiting programs of AFDC, CalFresh, and Medi-Cal).

California's CalFresh administrative reimbursement reduction is $58,849,393
($220,685,222 x 0.80 ÷ 3).

The TANF block grant has been reauthorized at the same level, therefore California will continue to reflect the reduction to the CalFresh administrative claims.

FUNDING:

The cost is funded with 100 percent General Fund.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 141 – CalFresh Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
CalFresh Administrative Reduction	$0	-$58,849	$58,849	$0	$0

			FY 2011-12		
Item 141 – CalFresh Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
CalFresh Administrative Reduction	$0	-$58,849	$58,849	$0	$0

CalFresh Employment and Training (E&T)

DESCRIPTION:

This premise reflects the costs for the CalFresh E&T (formally the Food Stamp Employment and Training program), which provides job search assistance, work experience and supportive services to eligible Non-Assistance Food Stamp program recipients. This program was established under the Food Security Act of 1985 (Public Law [P.L.] 99-198). Employment and training opportunities enable recipients to become self-sufficient and reduce their need for food stamps. Some participants are geographically excluded due to reasons such as sparse population, great distances and lack of transportation. Individual county plans are developed that specify the job services, training and supportive services available to participants.

The United States Department of Agriculture Food and Nutrition Service provides unmatched federal employment and training funding each year. The Food Stamp Reauthorization Act of 2002 (P.L. 107-171), signed into law on May 13, 2002, and effective October 1, 2002, made significant changes to the E&T program. The changes include freezing the base unmatched federal funds at the Federal Fiscal Year (FFY) 2002 level through FFY 2007, adding certain criteria for a second component of unmatched federal funds each year from FFY 2002 through FFY 2007, eliminating a maintenance of effort requirement retroactive to October 1, 2001, rescinding carry-over of unmatched federal funds from years prior to FFY 2002 (unless states have already obligated the funds prior to the date of enactment), and changing the federal formula for allocating E&T funds to states. In addition, the legislation eliminated a $175 and $30 limit for offered and filled slots, a $25 limit on participant reimbursement for transportation and ancillary costs, and an 80/20 spending requirement for Able Bodied Adult Without Dependents in qualifying E&T activities.

IMPLEMENTATION DATE:

This premise implemented on April 1, 1987.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 18901.
- There are 25 counties participating in the E&T program.
- The Fiscal Year (FY) 2010-11 funding for this program is based on local assistance costs identified in the approved E&T program State Plans for FFY 2010 and FFY 2011.
- The FY 2011-12 funding for this program are based on the local assistance costs identified in the proposed E&T program State Plan for FFY 2011.
- It is assumed that costs in excess of the 100 percent federal grant would be shared 50 percent federal and 50 percent county.

METHODOLOGY:

The FY 2010-11 funding level represents 75 percent of the total amount of the approved FFY 2010 E&T program State Plan and 25 percent of the total amount of the approved FFY 2011 E&T program State Plan.

CalFresh Employment and Training (E&T)

FUNDING:

The costs in excess of the 100 percent federal funds are shared 50 percent federal and 50 percent county.[1]

FY 2010-11: (in 000's)	**Total**	**Federal**	**State**	**County**
100 percent Federal Funds	$6,461	$6,461	$0	$0
Administration Overmatch [1]	$60,710	$30,355	$0	$30,355
Participant Reimbursement	$14,182	$7,091	$0	$7,091
Total	**$81,353**	**$43,907**	**$0**	**$37,446**

FY 2011-12: (in 000's)	**Total**	**Federal**	**State**	**County**
100 percent Federal Funds	$6,320	$6,320	$0	$0
Administration Overmatch [1]	$61,352	$30,676	$0	$30,676
Participant Reimbursement	$10,370	$5,185	$0	$5,185
Total	**78,042**	**42,181**	**$0**	**$35,861**

[1] Administration Overmatch funds are used once costs exceed the 100 percent federal funds and participant reimbursement funds.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The Budget Year change reflects the full funding level for FFY 2011 which reflects the decrease due to San Francisco County Housing First Program, aba Single Room Occupancy (SRO) Master Lease Program.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 141 – CalFresh Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
CalFresh Employment and Training Program	$81,353	$43,907	$0	$37,446	$0

FY 2011-12

Item 141 – CalFresh Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
CalFresh Employment and Training Program	$78,042	$42,181	$0	$35,861	$0

California Department of Public Health's Network for a Healthy California (Network)

DESCRIPTION:

This premise reflects the amount that the California Department of Social Services (CDSS) passes through to the California Department of Public Health (CDPH) for The Network for a Healthy California (Network). With the passage of the Healthy Hunger-Free Kids Act of 2010 (S. 3307), the State Supplemental Nutrition Assistance Program Education (SNAP-Ed) allocation is now 100 percent federal funding with the option for a state match, of all or a portion of the federal grant. The Network will now be funded through a two year grant, with unspent funds from the prior Federal Fiscal Year (FFY) being "carried over" and spent in the following FFY. The Network is a statewide collaboration of public and nonprofit agencies working together to promote healthy eating and physical activity among CalFresh recipients and low-income Californians who are potentially eligible for CalFresh. The CDSS provides administrative oversight and serves as the pass-through for the federal share to CDPH. The CDPH contracts with local partners and passes on the federal funding to agencies such as local health departments, parks and recreation departments, and school districts.

IMPLEMENTATION DATE:

This premise implemented on October 1, 1996. The Healthy Hunger-Free Kids Act of 2010 was enacted in December 2010, and retroactively implemented on October 2, 2010.

KEY DATA/ASSUMPTIONS:

- The approved funding from the Food and Nutrition Service (FNS) for Federal Fiscal Year (FFY) 2011 of $108,934,482 was used to estimate the funding for the Current Year (CY).
- The Budget Year (BY) assumes an increase over CY due to an increase in SNAP-Ed funding. The totally for FFY 2012 will be $111,138,721.
- The revised FFY 2011 and FFY 2012 allocation now also include an augmentation of $20,771,996 as a result of the changes implemented by the Healthy Hunger-Free Kids Act of 2010 (Public Law 111-296).
- The California CalFresh Outreach Plan and the California Department of Public Health Network for a Healthy California (Network) are now being included as separate premise items. Both premises were formerly included in the California Nutrition Network premise.

METHODOLOGY:

The CY estimate is based on the approved funding for FFY 2011.

The BY estimate is based on the anticipated funding level for FFY 2012.

FUNDING:

The pass-through consists of 100 percent FNS federal funds.

California Department of Public Health's Network for a Healthy California (Network)

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The increase in the CY and BY is due to increased SNAP-Ed funding.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is a result of an increase in SNAP-Ed funding.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 141 – CalFresh Administration	Total	Federal	State	County	Reimb.
CA Dept Public Health's Network for a Healthy California	$129,706	$129,706	$0	$0	$0

FY 2011-12

Item 141 – CalFresh Administration	Total	Federal	State	County	Reimb.
CA Dept Public Health's Network for a Healthy California	$131,911	$131,911	$0	$0	$0

California CalFresh Outreach Plan

DESCRIPTION:

The California Department of Social Services (CDSS) and the California Department of Public Health Network for a Healthy California (Network) will operate under a multi-year strategic plan to increase CalFresh participation in California. The goal of the CalFresh Outreach Plan (formally known as the California Food Stamp Program Access Improvement Plan) is to increase CalFresh participation in California. This goal is pursued through an interagency agreement with the Network for the purpose of submitting a Supplemental Nutrition Assistance Outreach Plan to the United States Department of Agriculture (USDA). Through the CalFresh Outreach Plan, community based organizations provide local share (in-kind) funding as the basis for accessing matching federal financial participation funding, USDA Supplemental Nutrition Assistance Program (SNAP) Administrative funds, through CDSS via the interagency agreement with the Network.

IMPLEMENTATION DATE:

This premise implemented on October 1, 2004.

This premise was formally included in the California Nutrition Network which implemented on October 1, 1996.

KEY DATA/ASSUMPTIONS:

- The approved funding from Food Nutrition Service (FNS) for Federal Fiscal Year (FFY) 2011 of $9,328,727 was used to estimate the funding for the Current Year (CY).
- The Budget Year (BY) assumes conditional approval of the FFY 2012 amount of $9,924,952.
- The California CalFresh Outreach Plan and the Network are now being included as separate premise items. Both premises were formerly included in the California Nutrition Network premise.

METHODOLOGY:

The CY estimate is based on the approved funding for FFY 2011.

The BY estimate is based on the anticipated FFY 2012 funding level.

FUNDING:

The pass-through consists of 100 percent FNS federal funds.

CHANGE FROM THE MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase is due to the anticipated FFY 2012 funding level.

California CalFresh Outreach Plan

EXPENDITURES:

(in 000's)

FY 2010-11

Item 141 – CalFresh Administration	Total	Federal	State	County	Reimb.
California CalFresh Outreach Plan	$9,329	$9,329	$0	$0	$0

FY 2011-12

Item 141 – CalFresh Administration	Total	Federal	State	County	Reimb.
California CalFresh Outreach Plan	$9,925	$9,925	$0	$0	$0

University of California at Davis Food Stamp Nutrition Education Program (UC-FSNEP)

DESCRIPTION:

This premise reflects the amount of federal funds that the California Department of Social Services (CDSS) passes through to the University of California at Davis for the Food Stamp Nutrition Education Program (UC-FSNEP). With the passage of the Healthy Hunger-Free Kids Act of 2010 (S. 3307), the State Supplemental Nutrition Assistance Program Education (SNAP-Ed) allocation is now 100 percent federal funding with the option for a state match, of all or a portion of the federal grant. The Network will now be funded through a two year grant, with unspent funds from the prior Federal Fiscal Year (FFY) being “carried over” and spent in the following FFY. The UC-FSNEP provides nutrition education services to CalFresh recipients and low-income Californians who are potentially eligible for CalFresh. Services are provided mainly to schools where at least half of the students receive free or reduced-priced meals and to low-income adults in classroom settings. This program was formally referred to as the UC-FSNEP.

IMPLEMENTATION DATE:

This premise implemented on January 1, 1995. The Healthy Hunger-Free Kids Act of 2010 was enacted in December of 2010, and retroactively implemented on October 1, 2010.

KEY DATA/ASSUMPTIONS:

- The CDSS budget approved by the federal Food and Nutrition Service (FNS) for Federal Fiscal Year (FFY) 2011 of $8,058,378 was used to estimate funding for the Current Year (CY).
- The Budget Year (BY) assumes continuation of the CY funding level.

METHODOLOGY:

- The CY estimate is based on the approved funding for FFY 2011.
- The BY estimate is based on the CY funding level.

FUNDING:

The pass-through consists of 100 percent FNS federal funds.

CHANGE FROM THE MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

University of California at Davis Food Stamp Nutrition Education Program (UC-FSNEP)

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 141 – CalFresh Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
UC Davis' Food Stamp Nutrition Education Program	$8,058	$8,058	$0	$0	$0

			FY 2011-12		
Item 141 – CalFresh Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
UC Davis' Food Stamp Nutrition Education Program	$8,058	$8,058	$0	$0	$0

Face-to-Face Waiver

DESCRIPTION:

This premise streamlines the application process and improves the administrative efficiency of the CalFresh program by waiving the requirement for a face-to-face interview at application for all Non-Assistance CalFresh (NACF) households. The United States Department of Agriculture (USDA), Food and Nutrition Services issued an administrative notice informing states that a waiver of the face-to-face interview at application for all NACF households is available upon request. Therefore, California has requested authorization to waive the face-to-face intake interview for all NACF households.

Counties have the option to conduct a telephone or other out-of-office interview in lieu of a face-to-face interview at application for NACF households. This waiver is expected to increase CalFresh participation in households where work is a barrier to applying for benefits.

IMPLEMENTATION DATE:

This premise implemented on November 1, 2009.

KEY DATA/ASSUMPTIONS:

- The face-to-face interview waiver is estimated to result in additional CalFresh households in which the single head of household and couples are working at least 20 hours per week.
- Based on the Federal Fiscal Year (FFY) 2009 CalFresh Characteristics Survey Data (Q5), there are 56,823 single head of household or couple headed households that were working between 20 and 30 hours per week.
- It is assumed that the households eligible for this waiver are considered part of the working poor population, which generally participates in the CalFresh program at a lower rate than the overall population eligible for food benefits in California.
- Based on the USDA State Food Stamp Participation Rates, approximately 50 percent of the overall eligible CalFresh households in California participated in CalFresh.
- It is assumed that removing the face-to-face waiver requirement would result in the working poor participating at a rate more consistent with the rest of the CalFresh population, thereby potentially increasing the CalFresh caseload by 91,651 cases.
- It is assumed that of the additional cases that would be eligible for the face-to-face waiver, 50 percent, or 17,414, would utilize the option and participate in CalFresh.
- It is assumed that the additional 17,414 cases that participate in CalFresh as a result of the face-to-face waiver represent 1.73 percent of the overall NACF caseload.
- The NACF caseload is projected to increase 20.4 percent in Fiscal Year (FY) 2010-11 and 18.4 percent in FY 2011-12.
- The additional cases will be phased in over the first 12 months for counties that have implemented or intend to implement the waiver, based on a survey of counties.
- Based on the caseload of the counties that have implemented or intend to implement the waiver, it is estimated that approximately 16,026 new cases being added to the caseload in FY 2010-11 and approximately 11,343 new cases in FY 2011-12.

Face-to-Face Waiver

KEY DATA/ASSUMPTIONS (CONTINUED):

- Based on the most recent 12 months of coupon cost expenditures, the working NACF households are estimated to have an average CalFresh benefit amount of $346.67.
- It is assumed that the intake cost for an Eligibility Worker (EW) to process new NACF and the California Food Assistance Program (CFAP) cases is $51 per case.
- It is assumed that the cost for an EW to process NACF and CFAP continuing cases on a quarterly basis is $39.33 per case.
- It is assumed that 7.2 percent of the new cumulative caseload would be subject to mid-quarter reporting.
- It is assumed that the administrative cost for an EW to process a mid-quarter report is $28.23.
- Based on historic CFAP and CalFresh caseloads, the CFAP caseload consists of approximately one percent of the CalFresh caseload.
- The impact of any administrative efficiency resulting from this premise is assumed to mitigate the NACF administrative reduction premise.

METHODOLOGY:

The cases that would participate in CalFresh as a result of the face-to-face waiver is calculated by taking the FY 2009-10 caseload in the counties that implemented the waiver and multiplying by 1.73 percent, then increasing the caseload by 20.4 percent for FY 2010-11 and 18.4 percent for FY 2011-12.

The monthly administrative costs associated with processing the new cases are calculated by multiplying the new monthly cases by $51. After the phase in period, it is estimated that approximately four percent of the caseload will leave monthly and four percent will enter monthly.

The monthly administrative costs associated with processing the mid-quarter changes for the new cases are calculated by multiplying the new cumulative cases by 7.2 percent and by $28.23.

The quarterly administrative costs associated with processing the quarterly reports are calculated by multiplying the new cumulative cases by $39.33 on a quarterly basis.

The CFAP coupon costs associated with the new cases are calculated by multiplying the related caseload by the average CalFresh coupon cost by one percent that CFAP cases represent of the overall CalFresh caseload.

FUNDING:

The CalFresh sharing ratio for the administrative cost is 50 percent federal and 50 percent General Fund (GF). The CFAP funding is 100 percent GF.

Face-to-Face Waiver

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The Current Year (CY) administration for CalFresh and CFAP are held to the Appropriation. The change to CY CFAP Grants and the changes in the Budget Year (BY) are due to updated information from the counties indicating that more counties are implementing the face-to-face waiver and the projected increase in caseload growth.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase is due to additional counties implementing the waiver and projected caseload growth.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Face-to-Face Waiver	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – CFAP	$422	$0	$422	$0	$0
Item 141 – CFAP Administration	16	0	16	0	0
Item 141 – CalFresh Administration	1,582	791	791	0	0

			FY 2011-12		
Face-to-Face Waiver	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – CFAP	$864	$0	$864	$0	$0
Item 141 – CFAP Administration	35	0	35	0	0
Item 141 – CalFresh Administration	3,454	1,727	1,727	0	0

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NACF Administration Reduction

DESCRIPTION:

The Supplemental Nutritional Assistance Program (SNAP) is the nation's largest nutrition program for low-income households. California's program, CalFresh, provides benefits to low-income Californians via electronic debit cards that participants may use to buy food from eligible retailers. This premise reflects a reduction of $21.0 million to county allocations for the administration of the federal Non-Assistance CalFresh (NACF) program.

IMPLEMENTATION DATE:

This reduction proposal implemented with the passage of the 2008 Budget Act.

KEY DATA/ASSUMPTIONS:

- County allocations for the administration of the federal NACF program are to be reduced by $21.0 million in Fiscal Year (FY) 2010-11 and FY 2011-12.
- The California Department of Social Services is committed to pursuing strategies to mitigate this impact on counties by improving the application process (e.g. face-to-face waiver and streamlining the recertification process).
- The 2008 Budget Act reduced county administration funding for a variety of programs as part of an overall compromise, and the reduction in NACF administration funding is necessary due to the ongoing statewide fiscal challenges.

METHODOLOGY:

This premise reflects a $21.0 million reduction in NACF administration allocations for FY 2010-11 and FY 2011-12.

FUNDING:

The reductions are reflected as federal and General Fund savings.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

NACF Administration Reduction

EXPENDITURES:

(in 000's)

FY 2010-11

Item 141 – CalFresh Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
NACF Administrative Reduction	-$20,976	-$12,339	-$8,637	$0	$0

FY 2011-12

Item 141 – CalFresh Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
NACF Administrative Reduction	-$20,976	-$12,339	-$8,637	$0	$0

American Recovery and Reinvestment Act of 2009 Non-Assistance CalFresh Administration

DESCRIPTION:

The American Recovery and Reinvestment Act (ARRA) of 2009 is a multi-year, federal economic stimulus program. With respect to programs under the purview of the California Department of Social Services (CDSS), the purposes of the funds are as follows:

- Preserve and create jobs and promote economic recovery.
- Assist those impacted by the recession.
- Stabilize state and local government budgets.

The ARRA makes approximately $22 million available for California in the CalFresh program (federally referred to as Supplemental Nutritional Assistance Program, or (SNAP) for use over two years. The funds can be spent on any eligible SNAP administration costs. The ARRA provides California approximately $10.9 million in FFY 2010.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: The federal ARRA of 2009.
- Approximately $10.9 million is available in FFY 2010. There are no funds available in FFY 2011 due to ARRA ending.
- In FFY 2010, the amount of $512,046 is set aside to fund the C4Yourself Project. In FFY 2010 an additional amount of $54,536 is deducted to assume a 0.5 percent allocation to CDSS to cover state ARRA-related administrative costs, which include support for the California Recovery Task Force charged with oversight and tracking of ARRA funds to the state.
- The funds are used to assist counties in achieving administrative simplicity while mitigating some of the challenges that resulted from increased caseloads and shrinking resources. Please refer to the CalFresh Simplification Automation Project (ARRA Funds) and ARRA NACF Admin Savings premises for additional detail.
- There are no funds in the Budget Year (BY) due to the expiration of ARRA.

FUNDING:

The funding for this premise is 100 percent federal funds.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The Current Year reflects the projected amount to be received for FFY 2010. There are no funds in the BY due to the expiration of ARRA.

American Recovery and Reinvestment Act of 2009 Non-Assistance CalFresh Administration

EXPENDITURES:

(in 000's)

FY 2010-11

Item 141 – CalFresh Administration	Total	Federal	State	County	Reimb.
ARRA – NACF Admin	$10,341	$10,341	$0	$0	$0

FY 2011-12

Item 141 – CalFresh Administration	Total	Federal	State	County	Reimb.
ARRA – NACF Admin	$0	$0	$0	$0	$0

American Recovery and Reinvestment Act (ARRA) of 2009 Non-Assistance CalFresh Administration - Savings

DESCRIPTION:

This premise reflects the savings associated with backfilling Non-Assistance CalFresh (NACF) Administrative costs with ARRA funds. The ARRA of 2009 is a multi-year, federal economic stimulus program.

The ARRA makes approximately $22 million available for California in the CalFresh Program (federally referred to as Supplemental Nutritional Assistance Program, or SNAP) for use over two years. The funds can be spent on any eligible SNAP administration costs. The ARRA provides California approximately $10.8 million dollars to be used in Federal Fiscal Year (FFY) 2009 and $10.9 million in FFY 2010. Please refer to the ARRA NACF Administration premise for more detail.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2009.

KEY DATA/ASSUMPTIONS:

- The Fiscal Year (FY) 2010-11 CalFresh administration funds have been replaced with the FFY 2009 ARRA funds received in FFY 2010.
- The General Fund (GF) freed up as a result of the ARRA funds will be used to fund automation projects intended to generate efficiencies in the CalFresh Program.

FUNDING:

The sharing ratio for the administrative savings is 50 percent federal funds, 35 percent GF, and 15 percent county funds.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There are no funds in the Budget Year due to the expiration of ARRA.

EXPENDITURES:

(in 000’s)

			FY 2010-11		
Item 141 – CalFresh Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
ARRA – NACF Admin Savings	-$10,341	-$5,171	-$3,619	-$1,551	$0

			FY 2011-12		
Item 141 – CalFresh Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
ARRA – NACF Admin Savings	$0	$0	$0	$0	$0

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Department of Defense (DOD) – Non-Assistance CalFresh (NACF) Administration

DESCRIPTION:

The DOD Appropriations Act of 2010 provides $29.9 million to California for use toward costs associated with administering the Supplemental Nutrition Assistance Program (SNAP). These funds do not require a state match and must be used to supplement, not supplant, current state funds for SNAP. This premise reflects the California Department of Social Services' intent to use the funds in Federal Fiscal Year (FFY) 2011. Any funds that remain unobligated after September 30, 2011, will be recovered and reallocated.

IMPLEMENTATION DATE:

This premise assumes a July 1, 2010 implementation.

KEY DATA/ASSUMPTIONS:

- Authorizing statue: The DOD Appropriations Act of 2010, section 1002 of P.L. 111-118.
- Approximately $29.9 million will be available to California and will be used to offset NACF administrative costs.

FUNDING:

This premise is 100 percent federal funds.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The Current Year reflects the projected amount to be received for use in FFY 2011. The Budget Year change is due to the expiration of the DOD funds.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 141 – CalFresh Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
DOD – NACF Administration	$29,952	$29,952	$0	$0	$0

FY 2011-12

Item 141 – CalFresh Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
DOD – NACF Administration	$0	$0	$0	$0	$0

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Department of Defense (DOD) – Non-Assistance CalFresh (NACF) Administration-Savings

DESCRIPTION:

This premise reflects the saving resulting from the use of federal DOD funds. The DOD Appropriations Act of 2010 provides $29.9 million to California for use toward costs associated with administering the Supplemental Nutrition Assistance Program (SNAP). These funds do not require a state match and must be used to supplement, not supplant, current state funds for SNAP. The California Department of Social Services intends to use funds in the Federal Fiscal Year (FFY) 2011. Any funds that remain unobligated after September 30, 2011, will be recovered and reallocated.

IMPLEMENTATION DATE:

This premise assumes a July 1, 2010 implementation.

KEY DATA/ASSUMPTIONS:

- Authorizing statue: The DOD Appropriations Act of 2010, section 1002 of P.L. 111-118.
- In Fiscal Year (FY) 2010-11, CalFresh administration funds have been replaced with the $29.9 million of DOD funds that California will receive in FFY 2010.
- As a result of using the DOD funds for CalFresh administrative costs, federal, state and county funds will be saved.

FUNDING:

The CalFresh sharing ratio for the administrative costs is 50 percent federal funds, 35 percent General Fund, and 15 percent county funds.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The Current Year reflects the amount of projected savings as a result of receiving the DOD for use in FFY 2011. There is no amount in the Budget Year due to the expiration of the DOD funds.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 141 – CalFresh Administration	Total	Federal	State	County	Reimb.
DOD – NACF Admin Savings	-$29,952	-$14,976	-$10,483	-$4,493	$0

FY 2011-12

Item 141 – CalFresh Administration	Total	Federal	State	County	Reimb.
DOD – NACF Admin Savings	$0	$0	$0	$0	$0

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Food Stamp Nutrition Education Plan Shift to the California Department of Social Services

DESCRIPTION:

This premise references the amount of federal reimbursement funds that the California Department of Social Services (CDSS) holds back from to the Department of Health Care Services (DHCS). CDSS passes Food Stamp Nutrition Education (FSNE) reimbursement funds to DHCS through the California Nutrition Network and the UC CalFresh Nutrition Education Plan premises. Consistent with the implementation of Assembly Bill (AB) 433, this premise holds back a portion of the pass-through funds to finance the Expansion and Extension of Modified Categorical Eligibility for CalFresh pursuant to AB 433.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2009.

KEY DATA/ASSUMPTIONS:

It is assumed that FSNE reimbursement funds will be directed toward financing the Expanded Modified Categorical Eligibility for CalFresh and the Extension of Modified Categorical Eligibility premises.

It is assumed that there will not be FSNE funds available in the Budget Year (BY).

METHODOLOGY:

The total transfer of reimbursement funds for Fiscal Year (FY) 2010-11 is $10 million. This represents $8 million for the General Fund portion of county administrative costs and approximately $2 million for California Food Assistance Program (CFAP) coupon and administrative costs. Please see the Expanded Modified Categorical Eligibility CalFresh Program premise for a description of how these costs were calculated.

FUNDING:

The pass-through consists of 100 percent Food and Nutrition Service federal reimbursement funds.

CHANGE FROM MARCH 2011 CONFERENCE:

There is no change in the total amount of FSNE funds available. However, a portion of the FSNE funds have been shifted from CFAP administration and CFAP benefits to the CalFresh administration to adjust for a lower CFAP caseload growth than previously estimated for FY 2010 11.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease is due to the assumption that FSNE funds are not available for this premise in FY 2011-12.

Food Stamp Nutrition Education Plan Shift to the California Department of Social Services

EXPENDITURES:

(in 000's)

			FY 2010-11		
FSNE Shift to CDSS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – California Food Assistance Program	$0	$0	-$1,860	$0	$1,860
Item 141 – CalFresh Administration	0	0	-8,040	0	-8,040
Item CFAP Administration	0	0	-106	0	106

			FY 2011-12		
FSNE Shift to CDSS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 101 – California Food Assistance Program	$0	$0	$0	$0	$0
Item 141 – CalFresh Administration	0	0	0	0	0
Item CFAP Administration	0	0	0	0	0

Refugee Cash Assistance – Administration

DESCRIPTION:

This premise reflects the costs necessary to perform the administrative functions of the Refugee Cash Assistance (RCA) program. The RCA program provides cash grants to refugees during their first eight months in the United States if they are not otherwise eligible for the standard categorical welfare programs. RCA administrative costs include salaries and benefits of eligibility workers and first line supervisors who determine eligibility and provide ongoing case management for the RCA program. Also included are allocated overhead and direct costs.

IMPLEMENTATION DATE:

This premise implemented on March 17, 1980.

KEY DATA/ASSUMPTIONS:

- Section 1522 of Title 8 of the United States Code (U.S.C.) authorizes the federal government to provide grants to states to assist refugees who resettle in the U.S.
- Welfare and Institutions Code sections 13275 through 13282 authorize the California Department of Social Services (CDSS) to administer the funds provided under Title 8 of the U.S.C. It also provides CDSS authority to allocate the federal funds to the counties.
- RCA administration costs are held to the Fiscal Year (FY) 2010-11 grant amount for the Current Year (CY).
- Based on data from January - December 2010, the average administrative monthly cost per RCA case is approximately $74.76.
- The average monthly caseload is estimated at 2,911 cases for FY 2011-12.

METHODOLOGY:

For the Budget Year (BY), the average cost per case for RCA administration is multiplied by the estimated annual caseload for each fiscal year to arrive at the total cost.

FUNDING:

This program is 100 percent federally funded by the Cash, Medical and Administration Grant through the Office of Refugee Resettlement.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the CY. The BY decrease is due to a slight decrease in projected caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease is due to a lower projected caseload for the BY.

Refugee Cash Assistance – Administration

EXPENDITURES:

(in 000's)

FY 2010-11

Item 141 – RCA Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
RCA Basic	$2,757	$2,757	$0	$0	$0

FY 2011-12

Item 141 – RCA Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
RCA Basic	$2,611	$2,611	$0	$0	$0

CalWORKs Reforms Automation

DESCRIPTION:

This premise reflects the automation reprogramming costs associated with the passage of Senate Bill (SB) 72 (Chapter 8, Statutes of 2011) California Work Opportunity and Responsibility to Kids (CalWORKs) reforms including incremental grant reductions for certain Child-Only cases, the 48-Month Time Limit, changes to the earned income disregard and changes to the Cal Learn program.

IMPLEMENTATION DATE:

This premise was implemented on March 24, 2011.

KEY DATA/ASSUMPTIONS:

- It is assumed that with the enactment of SB 72 (Chapter 8, Statutes of 2011) the automation changes will begin in Fiscal Year (FY) 2010-11 and be completed in FY 2011-12.
- Based on CalWORKs Reform automation estimates from the Consortia, the total cost for automation is estimated to be $1.53 million in Current Year (CY) and $899,000 in Budget Year (BY) for CalWORKs Information Network (CalWIN); Statewide Automated Welfare System Consortia-IV (C-IV); and Los Angeles County Automated Determination, Evaluation, and Reporting System (LEADER).

FUNDING:

The automation changes associated with the CalWORKs Reforms are funded with 100 percent federal Temporary Assistance for Needy Families funds.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The change in CY and BY is due to updated estimates and additional, necessary programming updates that have been identified since the original estimate.

REASON FOR YEAR-TO-YEAR CHANGE:

The majority of programming changes will be made in the CY.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 141 – CalFresh Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
CalWORKs Reform Automation	$1,529	$1,529	$0	$0	$0

			FY 2011-12		
Item 141 – CalFresh Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
CalWORKs Reform Automation	$899	$899	$0	$0	$0

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County Expense Claim Reporting Information Systems (CECRIS)

DESCRIPTION:

This premise reflects the replacement of the existing County Administrative Expense Claim database with a new web-based application. The existing County Expense Claim (CEC) and its supporting business processes have gone beyond their functional capacity and currently present a significant risk of system failure. The new County Expense Claim Reporting Information System (CECRIS) will essentially improve the data access and analysis, and the accuracy of expenditure data for all 58 counties in California. It will also improve the ability to ensure that all costs are reimbursed in accordance with federal cost allocation requirements in order to maintain federal funding.

IMPLEMENTATION DATE:

This premise assumes an implementation date of July 1, 2012.

KEY DATA/ASSUMPTIONS:

- The development of CECRIS is projected to begin in Fiscal Year (FY) 2011-12 and be completed in FY 2013-14.
- The total amount of projected funds needed to begin the new system is $210,000 in FY 2011-12.
- The funded project activities include contracted services, project manager costs, and procurement support.
- The new system will benefit most of the programs administered by the California Department of Social Services (CDSS) and a subset of the Medi-Cal Program costs that are claimed through the county administrative expense claim.

FUNDING:

CECRIS is funded by multiple sources. Federal funds include the normal shares of CalFresh, Title IV-E and Refugee Resettlement program funding. Costs are also eligible for Title XIX federal funding, which is included in the Department of Health Care Services. The Temporary Assistance for Needy Families (TANF) Block Grant is the funding source for TANF-eligible costs. The balance of the funding is General Fund. Based on the cost allocation plan for the project, the federal share of the California Work Opportunity and Responsibility to Kids Program is 100 percent TANF eligible. Statewide Automated Welfare System (SAWS)-related TANF funds are identified in total within the “Additional TANF/Maintenance of Effort (MOE) Expenditures in CDSS” section in the TANF section of each detail table.

County Expense Claim Reporting Information Systems (CECRIS)

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The change is due to delaying implementation from the Current Year (CY) to the Budget Year (BY).

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to delaying implementation to the BY.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 141 – CalFresh Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
County Expense Claim Reporting Information System	$0	$0	$0	$0	$0

FY 2011-12

Item 141 – CalFresh Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
County Expense Claim Reporting Information System	$210	$109	$91	$0	$10

CalFresh Automation Simplification Project

DESCRIPTION:

This premise reflects the automation costs associated with implementation of CalFresh simplification efforts. These projects will be funded with federal American Recovery and Reinvestment Act of 2009 (ARRA) funds and General Fund (GF) savings associated with using ARRA to replace Non-Assistance CalFresh (NACF) administrative costs. Please refer to the ARRA of 2009 NACF premise for more detail about the fund source.

The following projects are intended to enhance county workload and serve clients more efficiently:

- Online applications, including C4Yourself online expansion, will enhance existing on-line applications for CalFresh, California Work Opportunity and Responsibility to Kids (CalWORKs), and Medi-Cal. It will provide broader access to benefits for eligible individuals and families and will reduce both the upfront and ongoing workload performed by county workers.
- Interactive Voice Response (IVR) systems with outbound calling capabilities for CalFresh, CalWORKs, and Medi-Cal will provide important information to applicants and recipients and would eliminate the need for workers to make repeated calls.
- Document imaging will reduce paper usage, storage, and ensure greater ease of access to records.

IMPLEMENTATION DATE:

Funding for this premise is available beginning Fiscal Year (FY) 2009-10.

KEY DATA/ASSUMPTIONS:

- Based on information received from the Consortia, it is estimated that the automation cost for online applications is approximately $1.8 million in FY 2010-11.
- Based on information received from the Consortia, it is estimated that the automation cost for IVR System is $1.6 million in FY 2010-11.
- Based on information received from the Consortia, it is estimated that the automation cost for document imaging is $1.6 million in FY 2010-11.
- Based on information received from the Consortia, it is estimated that the automation cost for self service/assisted service interface is $2.1 million in FY 2010-11.
- Based on information received from the Consortia, it is estimated that the automation cost for C4Yourself is $512,000 in FY 2010-11.
- These projects will be funded with federal ARRA funds and GF savings associated with using ARRA to replace NACF administrative costs.
- In FY 2010-11, approximately $0.9 million of the automation costs are associated with CalWORKs, Kinship Guardianship Assistance Payment (Kin-GAP) and California Food Assistance Program (CFAP) and are counted towards Maintenance of Effort (MOE) in the Temporary Assistance for Needy Families (TANF) program.
- Automation will be completed in FY 2010-11 and there will be no costs in FY 2011-12.

CalFresh Automation Simplification Project

METHODOLOGY:

Total costs budgeted for automation efficiencies are estimated to be $7.6 million in the Current Year (CY) and there are no costs in the BY due to completion of automation in the CY.

FUNDING:

Funding for C4YOURSELF is 100 percent federal Food Stamp ARRA in the CY. Funding in the CY will be 47.6 percent GF, 29 percent Title XIX, 17.2 percent Food and Nutrition Services (FNS), and 6.2 percent county share.

CHANGE FROM 2011 MARCH CONFERENCE:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to the completion of automation in the CY.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 141 – CalFresh Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
CalFresh Simplification Automation Project	$7,606	$1,310	$3,619	$474	$2,203

FY 2011-12

Item 141 – CalFresh Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
CalFresh Simplification Automation Project	$0	$0	$0	$0	$0

Statewide Automated Welfare System (SAWS) Unallocated Reduction

DESCRIPTION:

This premise reflects the proposed Budget Action to reduce the funding for the Statewide Automated Welfare System (SAWS) projects in Fiscal Year (FY) 2011-12. The distribution for the reduction will be determined through collaboration between California Department of Social Services (CDSS), Office of Systems Integration (OSI), Legislative Analyst Office (LAO), and the County Welfare Directors Association (CWDA).

IMPLEMENTATION DATE:

This premise implemented on July 1, 2011, pending legislative approval.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Senate Bill (SB) 69.
- Assumes a $5 million General Fund unallocated reduction for FY 2011-12.

METHODOLOGY:

The distribution of the SAWS projects funding reduction will be determined through collaboration between CDSS, OSI, LAO, and CWDA.

FUNDING:

The unallocated reduction total is based off of the total SAWS funding share percentages. Funding is based on 33.97 percent federal, 36.45 percent GF, 6.53 percent county, and 23.05 percent reimbursement.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

This is a new premise.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 141 – Automation Projects	Total	Federal	State	County	Reimb.
Unallocated SAWS Reduction	$0	$0	$0	$0	$0

FY 2011-12

Item 141 – Automation Projects	Total	Federal	State	County	Reimb.
Unallocated SAWS Reduction	-$13,716	-$4,659	-$5,000	-$895	-$3,162

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Statewide Automated Welfare System (SAWS) Statewide Project Management (SPM)

DESCRIPTION:

This premise reflects costs for the Statewide Automated Welfare System (SAWS) Statewide Project Management (SPM). This activity is performed by the California Health and Human Services Agency, Office of Systems Integration (OSI) in accordance with Welfare and Institutions Code section 10823(a), which requires the implementation of SAWS. OSI provides statewide project management for the three SAWS consortia and the Welfare Data Tracking Implementation Project.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1995.

KEY DATA/ASSUMPTIONS:

Authorizing statute: Welfare and Institutions Code section 10823.

METHODOLOGY:

Costs are based on the December 2001 (Revised May 2002) SAWS SPM Implementation Advance Planning Document Update and subsequent baseline adjustments.

FUNDING:

SPM funding comes from various sources. Federal funds include the normal share of California CalFresh Program, Title IV-E and Refugee Resettlement program funding. Costs are also eligible for Title XIX federal funding, which is included in the Department of Health Care Services budget. The Temporary Assistance for Needy Families (TANF) Program Block Grant is the funding source for TANF eligible costs. The balance of the funding is General Fund. Based on the cost allocation plan, the federal share of the California Work Opportunity and Responsibility to Kids Program is 100 percent TANF eligible. SAWS-related TANF funds are identified in total within the “Additional TANF/MOE Expenditures in CDSS” in the TANF section of each Detail Table.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in Fiscal Year (FY) 2010-11. The allocation of costs to benefiting programs has been updated for FY 2011-12.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2011-12 costs have increased due to baseline adjustments for Pro Rata, Employee Compensation, and Retirement. The allocation of costs to benefiting programs has been updated.

Statewide Automated Welfare System (SAWS) Statewide Project Management (SPM)

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 141 – Automation Projects	**Total**	**Federal**	**State**	**County**	**Reimb.**
SAWS Project Management	$6,508	$1,931	$2,850	$0	$1,727

			FY 2011-12		
Item 141 – Automation Projects	**Total**	**Federal**	**State**	**County**	**Reimb.**
SAWS Project Management	$6,720	$2,079	$2,950	$0	$1,691

CDSS/OSI PARTNERSHIP	**Total**	**CDSS**	**OSI**
FY 2010-11	$6,508	$0	$6,508
FY 2011-12	6,720	0	6,720

Welfare Data Tracking Implementation Project (WDTIP)

DESCRIPTION:

This premise reflects costs for the Statewide Automated Welfare System (SAWS) Welfare Data Tracking Implementation Project (WDTIP). Project management for WDTIP is provided by the California Health and Human Services Agency, Office of Systems Integration (OSI). WDTIP provides counties with the automated functionality required to conform to statewide tracking of time-on-aid requirements mandated by welfare reform in Assembly Bill 1542 (Chapter 270, Statutes of 1997).

IMPLEMENTATION DATE:

This premise implemented on July 1, 1999.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11454.5(b) (4).
- A Post Implementation Evaluation Report was approved in August 2008.

METHODOLOGY:

Costs are based on the June 2002 (Revised January 2003) SAWS-WDTIP Implementation Advance Planning Document Update and subsequent baseline adjustments.

FUNDING:

SAWS-WDTIP funding is 100 percent California Work Opportunity and Responsibility to Kids (CalWORKs)/Temporary Assistance for Needy Families (TANF). Based on the cost allocation plan, the federal share of the CalWORKs Program is 100 percent TANF eligible. SAWS-related TANF funds are identified in total within the “Additional TANF/MOE Expenditures in CDSS” section in the TANF section of each Detail Table.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2011-12 costs have increased due to baseline adjustments for Pro Rata, Employee Compensation, and Retirement.

EXPENDITURES:

(in 000’s)

			FY 2010-11		
Item 141 – Automation Projects	**Total**	**Federal**	**State**	**County**	**Reimb.**
WDTIP	$3,813	$3,813	$0	$0	$0

			FY 2011-12		
Item 141 – Automation Projects	**Total**	**Federal**	**State**	**County**	**Reimb.**
WDTIP	$3,891	$3,891	$0	$0	$0

Welfare Data Tracking Implementation Project (WDTIP)

EXPENDITURES (CONTINUED):

(in 000's)

CDSS/OSI PARTNERSHIP	Total	CDSS	OSI
FY 2010-11	$3,813	$2,824	$989
FY 2011-12	3,891	2,824	1,067

Interim Statewide Automated Welfare System (ISAWS)

DESCRIPTION:

This premise reflects the costs for the Interim Statewide Automated Welfare System (ISAWS) Consortium, which was one of four consortia within the Statewide Automated Welfare System (SAWS) Project. State level project management for ISAWS is provided by the California Health and Human Services Agency, Office of Systems Integration (OSI). The Consortium was comprised of 35 counties which successfully migrated to the C-IV system effective June 30, 2010. The only remaining project activities are related to project closeout.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1994.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10823.
- The ISAWS estimate reflects ongoing maintenance and operations (M&O) costs.
- A Post-Implementation Evaluation Report was approved in August 2004.

METHODOLOGY:

Costs are based on the August 2008 “As Needed” ISAWS Consortium Implementation Advance Planning Document Update and subsequent baseline adjustments.

FUNDING:

ISAWS funding comes from various sources. Federal funds include the normal shares of the CalFresh Program, Title IV-E, and Refugee Resettlement program funding. Also, the project is eligible for Title XIX federal funding, which is included in the Department of Health Care Services budget. The Temporary Assistance for Needy Families (TANF) Program Block Grant is the funding source for TANF eligible costs. The balance of the funding is General Fund and the county share of CalFresh and Title IV-E costs. Based on the cost allocation plan for the project, the federal share of the California Work Opportunity and Responsibility to Kids Program is 100 percent TANF eligible. Project-related TANF funds are identified in total within the “Additional TANF/MOE Expenditures in CDSS” section in the TANF section of each Detail Table.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2011-12 costs have been eliminated due to project completion.

Interim Statewide Automated Welfare System (ISAWS)

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 141 – Automation Projects	**Total**	**Federal**	**State**	**County**	**Reimb.**
ISAWS	$6,260	$1,958	$2,482	$0	$1,820

			FY 2011-12		
Item 141 – Automation Projects	**Total**	**Federal**	**State**	**County**	**Reimb.**
ISAWS	$0	$0	$0	$0	$0

CDSS/OSI PARTNERSHIP	**Total**	**CDSS**	**OSI**
FY 2010-11	$6,260	$779	$5,481
FY 2011-12	0	0	0

Interim Statewide Automated Welfare System (ISAWS) Consortium Migration Project

DESCRIPTION:

This premise reflects costs for the Interim Statewide Automated Welfare System (ISAWS) Consortium Migration Project. The ISAWS Consortium was one of four consortia within the Statewide Automated Welfare System (SAWS) Project. The California Health and Human Services Agency, Office of Systems Integration (OSI) provides state level project management for SAWS. The ISAWS Migration project has migrated the 35 ISAWS Consortium counties to Consortium IV, effective June 30, 2010. Initial Maintenance and Operations (M&O) activities are scheduled to conclude on October 31, 2011, at which time the ISAWS Migration budget will be combined within the C-IV budget.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2006.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10823.
- Planning activities began in July 2006 and development activities began in August 2007.
- Implementation activities concluded in June 2010.
- Initial M&O activities are scheduled to conclude on October 31, 2011.

METHODOLOGY:

Costs are based on the December 2008 SAWS-ISAWS Consortium Migration Project Implementation Advance Planning Document Update and subsequent changes to reflect the budget request.

FUNDING:

ISAWS Migration funding comes from various sources. Federal funds include the normal shares of CalFresh and Refugee Resettlement program funding. Costs are also eligible for Title XIX federal funding, which is budgeted by the Department of Health Care Services. The Temporary Assistance for Needy Families (TANF) Program Block Grant is the funding source for TANF eligible costs. The balance of the funding is General Fund and the county share of CalFresh and Foster Care costs. Based on the cost allocation, the federal share of the California Work Opportunity and Responsibility to Kids Program is 100 percent TANF eligible. SAWS-related TANF funds are identified in total within the “Additional TANF/MOE Expenditures in CDSS” section in the TANF section of each Detail Table.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in Fiscal Year (FY) 2010-11. The allocation of costs to benefiting programs has been updated for FY 2011-12.

Interim Statewide Automated Welfare System (ISAWS) Consortium Migration Project

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2011-12 costs have decreased due to only four months of M&O costs being required. After October 31, 2011, the ISAWS Migration budget will be combined within the C-IV project budget. The allocation of costs to benefiting programs has been updated.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 141 – Automation Projects	**Total**	**Federal**	**State**	**County**	**Reimb.**
ISAWS Migration	$30,774	$9,503	$12,875	$1,070	7,326

			FY 2011-12		
Item 141 – Automation Projects	**Total**	**Federal**	**State**	**County**	**Reimb.**
ISAWS Migration	$8,989	$2,848	$3,597	$470	$2,074

CDSS/OSI PARTNERSHIP	**Total**	**CDSS**	**OSI**
FY 2010-11	$30,774	$30,774	$0
FY 2011-12	8,989	8,989	0

Los Angeles Eligibility, Automated Determination, Evaluation and Reporting (LEADER)

DESCRIPTION:

This premise reflects the costs for the Los Angeles Eligibility, Automated Determination, Evaluation and Reporting (LEADER) Consortium, one of three consortia within the Statewide Automated Welfare System (SAWS) Project. The California Health and Human Services Agency, Office of Systems Integration (OSI) provides state level project management for SAWS. The LEADER Consortium includes only Los Angeles County.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1994.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10823.
- The LEADER estimate reflects ongoing maintenance and operations (M&O) costs.
- The county extended its M&O contract in May 2007 to continue M&O services until the replacement system is implemented.
- A Post-Implementation Evaluation Report was approved in November 2006.

METHODOLOGY:

Costs are based on the June 2005 SAWS LEADER Implementation Advance Planning Document Update and subsequent adjustments to reflect the extension of the M&O contract.

FUNDING:

LEADER funding comes from various sources. Federal funds include the normal shares of CalFresh and Refugee Resettlement program funding. Costs are also eligible for Title XIX federal funding, which is included in the Department of Health Care Services budget. The Temporary Assistance for Needy Families (TANF) Program Block Grant is the funding source for TANF-eligible costs. The balance of the funding is State General Fund and the county share of CalFresh and General Relief costs. Based on the cost allocation plan, the federal share of the California Work Opportunity and Responsibility to Kids Program is 100 percent TANF eligible. SAWS-related TANF funds are identified in total within the “Additional TANF/MOE Expenditures in CDSS” section in the TANF section of each Detail Table.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in Fiscal Year (FY) 2010-11. The allocation of costs to benefiting programs has been updated for FY 2011-12.

REASON FOR YEAR-TO-YEAR CHANGE:

The allocation of costs to benefiting programs has been updated.

Los Angeles Eligibility, Automated Determination, Evaluation and Reporting (LEADER)

EXPENDITURES:

(in 000's)

FY 2010-11

Item 141 – Automation Projects	**Total**	**Federal**	**State**	**County**	**Reimb.**
LEADER	$13,163	$7,859	$3,132	$2,172	$0

FY 2011-12

Item 141 – Automation Projects	**Total**	**Federal**	**State**	**County**	**Reimb.**
LEADER	$14,209	$8,359	$3,434	$2,416	$0

CDSS/OSI PARTNERSHIP	**Total**	**CDSS**	**OSI**
FY 2010-11	$13,163	$13,163	$0
FY 2011-12	14,209	14,209	0

Los Angeles Eligibility, Automated Determination, Evaluation and Reporting (LEADER) Replacement System

DESCRIPTION:

This premise reflects the costs for the Los Angeles Eligibility, Automated Determination, Evaluation and Reporting (LEADER) Consortium Replacement System project. The LEADER Consortium is one of three consortia within the Statewide Automated Welfare System (SAWS) Project and is comprised of only Los Angeles County. The California Health and Human Services Agency, Office of Systems Integration (OSI) provides state level project management for SAWS. The LEADER Replacement System (LRS) project currently includes planning and procurement activities for a system to replace LEADER.

IMPLEMENTATION DATE:

This premise was implemented as a separate LEADER premise on July 1, 2007. The Planning activities began in Fiscal Year (FY) 2005-06.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10823.
- Planning activities for the LRS project began in July 2005.
- The evaluation and selection process was concluded in July 2009.
- Contract negotiations were completed in May 2010.
- The start of Development and Implementation is pending Federal approval.
- Due to limitations on General Fund, and given other budget priorities, funding for LEADER Replacement System cannot be covered. Therefore, the FY 2011-12 costs were reduced to reflect the suspension of this project.

METHODOLOGY:

Costs are calculated based on the timeframes outlined in the September 2010 SAWS LEADER Replacement System Implementation Advance Planning Document Update.

FUNDING:

LEADER funding comes from various sources. Federal funds include the normal shares of CalFresh and Refugee Resettlement program funding. Costs are also eligible for Title XIX federal funding, which is included in the Department of Health Care Services budget. The Temporary Assistance for Needy Families (TANF) Program Block Grant is the funding source for TANF-eligible costs. The balance of the funding is State General Fund and the county share of CalFresh, Foster Care and General Relief costs. Based on the cost allocation plan, the federal share of the California Work Opportunity and Responsibility to Kids Program is 100 percent TANF eligible. SAWS-related TANF funds are identified in total within the “Additional TANF/MOE Expenditures in CDSS” section in the TANF section of each Detail Table.

Los Angeles Eligibility, Automated Determination, Evaluation and Reporting (LEADER) Replacement System

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in FY 2010-11. The FY 2011-12 costs have decreased due to suspension of the project.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2011-12 costs have decreased due to suspension of the project.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 141 – Automation Projects	Total	Federal	State	County	Reimb.
LEADER Replacement	$38,499	$11,286	$14,345	$2,786	$10,082

FY 2011-12

Item 141 – Automation Projects	Total	Federal	State	County	Reimb.
LEADER Replacement	$1,314	$698	$339	$103	$174

CDSS/OSI PARTNERSHIP	Total	CDSS	OSI
FY 2010-11	$38,499	$38,499	$0
FY 2011-12	1,314	1,314	0

Welfare Client Data System (WCDS)-CalWORKs Information Network (CalWIN)

DESCRIPTION:

This premise reflects costs for the Welfare Client Data System (WCDS) Consortium, one of three consortia within the Statewide Automated Welfare System (SAWS) Project. The California Health and Human Services Agency, Office of Systems Integration (OSI) provides state level project management for SAWS. The WCDS Consortium CalWORKs Information Network (CalWIN) system is managed by 18 counties.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1997.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10823.
- The WCDS Consortium estimate reflects ongoing maintenance and operations (M&O) costs.
- A Post Implementation Evaluation Report was approved in August 2008.

METHODOLOGY:

Costs are based on the December 2006 (Revised May 2007) SAWS-WCDS Consortium Implementation Advance Planning Document Update and subsequent budget requests.

FUNDING:

WCDS funding comes from various sources. Federal funds include the normal shares of CalFresh and Refugee Resettlement program funding. Costs are also eligible for Title XIX federal funding, which is included in the Department of Health Care Services budget. The Temporary Assistance for Needy Families (TANF) Program Block Grant is the funding source for TANF-eligible costs. The balance of the funding is State General Fund and the county share of CalFresh, Foster Care and General Assistance/General Relief costs. Based on the cost allocation plan, the federal share of the California Work Opportunity and Responsibility to Kids Program is 100 percent TANF-eligible. SAWS-related TANF funds are identified in total within the “Additional TANF/MOE Expenditures in CDSS” section in the TANF section of each Detail Table.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in Fiscal Year (FY) 2010-11. The allocation of costs to benefiting programs has been updated for FY 2011-12.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2011-12 costs have increased due to caseload increases. The allocation of costs to benefiting programs has been updated.

Welfare Client Data System (WCDS)-CalWORKs Information Network (CalWIN)

EXPENDITURES:

(in 000's)

FY 2010-11

Item 141 – Automation Projects	Total	Federal	State	County	Reimb.
CWDS-CalWIN	$78,436	$22,734	$30,402	$4,821	$20,479

FY 2011-12

Item 141 – Automation Projects	Total	Federal	State	County	Reimb.
CWDS-CalWIN	$79,509	$23,853	$30,635	$5,152	$19,869

CDSS/OSI PARTNERSHIP	Total	CDSS	OSI
FY 2010-11	$78,436	$78,436	$0
FY 2011-12	79,509	79,509	0

Consortium IV (C-IV)

DESCRIPTION:

This premise reflects the costs for Consortium IV (C-IV), one of three consortia within the Statewide Automated Welfare System (SAWS) Project. The California Health and Human Services Agency, Office of Systems Integration (OSI) provides state level project management for SAWS. The C-IV system originally served four counties, but now serves 39 counties after a successful migration of the 35 former Interim Statewide Automated Welfare System (ISAWS) Consortium counties to C-IV, which was completed in June 2010.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1997.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10823.
- The C-IV estimate reflects ongoing Maintenance and Operations (M&O) costs.
- A Post Implementation Evaluation Report was approved in August 2008.

METHODOLOGY:

Costs are based on the June 2006 (Revised November 2006) SAWS-C-IV Implementation Advance Planning Document Update and subsequent changes to reflect the budget request.

FUNDING:

C-IV funding comes from various sources. Federal funds include the normal shares of CalFresh and Refugee Resettlement program funding. Costs are also eligible for Title XIX federal funding, which is included in the Department of Health Care Services budget. The Temporary Assistance for Needy Families (TANF) Program Block Grant is the funding source for TANF eligible costs. The balance of the funding is General Fund and the county share of CalFresh and Foster Care costs. Based on the cost allocation plan, the federal share of the California Work Opportunity and Responsibility to Kids Program is 100 percent TANF eligible. SAWS-related TANF funds are identified in total within the “Additional TANF/MOE Expenditures in CDSS” section in the TANF section of each Detail Table.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in Fiscal Year (FY) 2010-11. The allocation of costs to benefiting programs has been updated for FY 2011-12.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2011-12 costs have increased due to the combination of the budget of the 35 ISAWS counties within the C-IV project budget. This is due to the closing of the ISAWS Migration project effective October 31, 2011. The allocation of costs to benefiting programs has been updated.

Consortium IV (C-IV)

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 141 – Automation Projects	**Total**	**Federal**	**State**	**County**	**Reimb.**
Consortium IV	$46,133	$15,896	$16,991	$2,647	$10,599

			FY 2011-12		
Item 141 – Automation Projects	**Total**	**Federal**	**State**	**County**	**Reimb.**
Consortium IV	$65,784	$22,682	$24,754	$3,859	$14,489

CDSS/OSI PARTNERSHIP	**Total**	**CDSS**	**OSI**
FY 2010-11	$46,133	$46,133	$0
FY 2011-12	65,784	65,784	0

Statewide Fingerprint Imaging System (SFIS) Project

DESCRIPTION:

This premise reflects the cost for the Statewide Fingerprint Imaging System (SFIS) project. Senate Bill 1780 (Chapter 206, Statutes of 1996) required applicants for, and recipients of California Work Opportunity and Responsibility to Kids (CalWORKs), CalFresh, and California Food Assistance Program benefits to be fingerprint imaged as a condition of eligibility.

The following persons must provide fingerprint images and a photo image: (1) each parent and/or caretaker relative of an aided or applicant child when living in the home of the child; (2) each parent and/or caretaker relative receiving or applying for aid on the basis of an unaided excluded child; (3) each aided or applicant adult; and, (4) the aided or applicant pregnant woman in an assistance unit (AU) consisting of the woman only. Failure to provide the required images will result in ineligibility for the entire AU.

IMPLEMENTATION DATE:

The first phase of counties began implementation on March 14, 2000. The statewide implementation of the SFIS was completed on December 7, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10830.
- The Health and Human Services Agency Office of Systems Integration cost estimates reflected in this premise are based on the executed contract with the SFIS development contractor. Cost estimates are based on the following:
    - Maintenance and Operations (M&O) vendor – The M&O vendor contract estimate is based on a structured monthly maintenance cost and operations costs for state and county-operated workstations. This cost includes: vendor project staff; help desk and helpdesk staff; fingerprint examiners; system operators; hardware maintenance; software development and maintenance, and hardware and implementation financing costs.
    - Change control – Change control is necessary since there are always items not addressed in the Request for Proposal, which require changes in the program(s). These can be legislative, interface, capacity or workload changes that affect the new system.
    - GS $Mart financing of both workstation and Central Site Hardware for a period of five years.

METHODOLOGY:

The estimates are based on the executed contract for ongoing M&O services.

FUNDING:

The SFIS M&O automation project costs are funded with General Fund and federal share for the Supplemental Nutrition Assistance Program (SNAP), Federal Grant funds for CalWORKs and county share of General Assistance/General Relief costs. Project-related Temporary Assistance for Needy Families (TANF) funds are identified in total within the “Additional TANF/MOE Expenditures in CDSS” section in the TANF section of each Detail Table. Federal Financial Participation (FFP) has been secured for SFIS M&O beginning in September 2009. SFIS/IHSS automation project (Section 12305.73 of the Welfare and Institutions Code) has been repealed.

Statewide Fingerprint Imaging System (SFIS) Project

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The Fiscal Year (FY) 2010-11 costs have decreased due to the elimination of IHSS fingerprint funding. The allocation of costs to benefiting programs has been updated for FY 2011-12.

REASON FOR YEAR-TO-YEAR CHANGE:

The allocation of costs to benefitting programs has been updated.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 141 – Automation Projects	**Total**	**Federal**	**State**	**County**	**Reimb.**
SFIS	$11,936	$7,423	$4,137	$376	$0

			FY 2011-12		
Item 141 – Automation Projects	**Total**	**Federal**	**State**	**County**	**Reimb.**
SFIS	$12,023	7,352	4,300	371	$0

CDSS/OSI PARTNERSHIP	**Total**	**CDSS**	**OSI**
FY 2010-11	$11,936	$4,093	$7,843
FY 2011-12	12,023	4,093	7,930

Electronic Benefit Transfer (EBT) Project

DESCRIPTION:

This premise reflects the cost for the Electronic Benefit Transfer (EBT) Project, which is responsible for the automated delivery, redemption, and reconciliation of the California CalFresh Program (formerly known as the Food Stamp Program and federally known as the Supplemental Nutrition Assistance Program [SNAP]) and cash aid program benefits. The California EBT system provides recipients on public assistance with electronic access to food and cash aid benefits through the use of magnetic-stripe cards at point-of-sale terminals and automated teller machines.

IMPLEMENTATION DATE:

This premise implemented in Fiscal Year (FY) 2005-06.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10069.

METHODOLOGY:

Costs are based on the November 2007 EBT Implementation Advance Planning Document and Amendment #1 of the ACS contract, which was executed on May 19, 2010. Due to a significant increase in the caseload for food and cash assistance benefits, the contract was amended to reflect increased costs associated with caseload growth.

FUNDING:

EBT funding comes from the federal SNAP and Temporary Assistance for Needy Families (TANF) programs. Federal funds and General Fund are provided for the California CalFresh Program. The TANF Program Block Grant is the funding source for TANF-eligible costs. Based on the cost allocation plan for the project, the federal share of the California Work Opportunity and Responsibility to Kids Program (CalWORKs) is 100 percent TANF eligible. Project-related TANF funds are identified in total within the “Additional TANF/Maintenance of Effort (MOE) Expenditures in CDSS” section in the TANF part of each detail table.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2011-12 costs have increased due to the projected increase in caseload and baseline adjustments for Pro Rata, Employee Compensation, and Retirement. The allocation of costs to benefiting programs has been updated.

Electronic Benefit Transfer (EBT) Project

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 141 – Automation Projects	**Total**	**Federal**	**State**	**County**	**Reimb.**
Electronic Benefit Transfer Project	$26,830	16,060	7,473	3,297	$0

			FY 2011-12		
Item 141 – Automation Projects	**Total**	**Federal**	**State**	**County**	**Reimb.**
Electronic Benefit Transfer Project	$28,019	16,765	7,766	3,488	$0

CDSS/OSI PARTNERSHIP	**Total**	**CDSS**	**OSI**
FY 2010-11	$26,830	$0	$26,830
FY 2011-12	28,019	0	28,019

Child Welfare Services – Basic Costs

DESCRIPTION:

This premise reflects the costs incurred by County Welfare Departments (CWDs) in the administration of each component of the Child Welfare Services (CWS) program as established through the Welfare and Institutions Code (W&IC) section 16500. W&IC section 11461(e)(4)(B) provides additional funding to counties as incentives and assistance specifically for the Aid to Families with Dependent Children/Foster Care Specialized Care Program. These funds will be used to cover the purchase of nonrecurring items on an as needed basis, the purchase of services not available through other fund sources, the development of a respite care program, or purchase of respite care services.

In recognition of the funding and staffing needs identified by the workload study authorized by Senate Bill (SB) 2030 (Chapter 785, Statutes of 1998), the estimate reflects funding to allow counties to maintain the level of social workers funded in the prior year.

<u>Emergency Response (ER) Component</u>

ER services consist of a response system providing in-person response, when required, to reports of child abuse, neglect, or exploitation for the purpose of investigation and to determine the necessity for providing initial intake services and crisis intervention to maintain the child safely in his or her own home or to protect the safety of the child.

<u>Emergency Response Assessment (ERA) Component</u>

ERA is the initial intake service provided in response to reported allegations of child abuse, neglect or exploitation that is determined, based upon an evaluation of risk, to be inappropriate for an in-person investigation.

<u>Family Maintenance (FM) Component</u>

FM is designed to provide time-limited protective services to prevent or remedy neglect, abuse or exploitation for the purpose of preventing separation of children from their families. CWDs are responsible for determining the specific service needs of the child and family aimed at sustaining the child in the home.

<u>Family Reunification (FR) Component</u>

FR is designed to provide time-limited services while the child is in temporary foster care to prevent or remedy neglect, abuse or exploitation when the child cannot safely remain at home. CWDs are responsible for determining the specific service needs of the child and/or family aimed at reunifying the child with the family.

<u>Permanent Placement (PP) Component</u>

PP is designed to provide an alternative permanent family structure for children who because of abuse, neglect, or exploitation cannot safely remain at home and who are unlikely to ever return home. The CWDs are responsible for determining the appropriate permanent goal for the child and facilitating the implementation of that goal. These goals are defined as guardianship, adoption or long-term placement.

Child Welfare Services – Basic Costs

KEY DATA/ASSUMPTIONS:

- Authorizing statute: W&IC sections 16500 and 11461(e)(4)(B).
- The Title IV-E portion of this estimate reflects costs for only the 56 non-Title IV-E Waiver counties, excluding training.
- The workload standard was adopted by the California Department of Social Services in conjunction with the County Welfare Directors' Association in 1984. These standards are 15.8 for ER, 35.0 for FM, 27.0 for FR, 54.0 for PP and 320.0 for ERA.
- The statewide annual cost of a social worker (SW) ($129,074) was based on the estimated cost of providing services, to include total staff costs, support costs, and electronic data processing costs, provided in the Fiscal Year (FY) 2001-02 proposed county administrative budgets.
- All counties are reporting caseload data on the CWS/Case Management System (CMS). Caseload projections were developed for each individual county using data through October 2010.
- Additional funds are provided in recognition of the funding and staffing need identified by the workload study authorized by SB 2030. Costs are calculated in order to continue each county's SW full-time equivalent (FTE) level funded in the prior year.

METHODOLOGY:

FY 2010-11

The Current Year (CY) estimate is being held to the Budget Act of 2010 Appropriation.

FY 2011-12

The Budget Year (BY) estimate is derived by applying the workload standards to the individual county caseload projections and expanding for a 7:1 supervisory ratio. Additional FTEs are included in order to continue each county's prior year FTE level.

The annual cost of a SW in each county is applied to the total number of FTEs in each county to derive staff costs for each line.

Direct costs are projected from FY 2009-10 actual expenditures and statewide average caseload growth from FY 2008-09 to FY 2009-10. Total direct costs, excluding county-operated emergency shelter care (ESC), are $85.2 million for the 56 counties. The projected county-operated ESC costs are $43.1 million for those counties with county-operated emergency shelters based on actual expenditures from FY 2009-10.

Once the total CWS basic costs are derived, costs for the Emergency Assistance (EA) Temporary Assistance for Needy Families (TANF) program are subtracted and are displayed separately under the EA TANF premise. The EA program costs are determined based on the FY 2010-11 funding level and any caseload growth.

Case Management costs previously funded under the EA program were shifted to CWS Basic.

In order to reflect an appropriate level of federal spending authority, additional Title IV-E and Title XIX funds are added to the estimate.

Child Welfare Services – Basic Costs

METHODOLOGY (CONTINUED):

An additional $2.1 million General Fund (GF) is shifted to this premise from CWS/CMS System Support Staff to comply with federal Statewide Automated Child Welfare Information System requirements and is matched with federal Title IV-E funds.

FUNDING:

FY 2011-12

The federal share of costs is a combination of Titles IV-B, IV-E, XIX and XX funds. The Title IV-B funds are limited by the capped federal allocation.

The estimated Title IV-B funds available in local assistance are $32.9 million.

The Title IV-E amount reflects the actual expenditures from FY 2009-10 that 35.8 percent of the expenditures will be eligible for Title IV-E funding. In order to reflect an appropriate level of federal spending authority based on actual expenditures, additional Title IV-E funds are budgeted in the amount of $55.2 million.

The Title XIX amount is calculated using individual county usage rates based on FY 2009-10 expenditure data which reflect that 7.9 percent of the expenditures will be eligible for Title XIX funding. These costs are reflected as a reimbursement. In order to reflect an appropriate level of federal spending authority based on actual expenditures, additional Title XIX funds are budgeted in the amount of $484 million.

Nonfederal costs are shared at 70 percent GF and 30 percent county.

After the GF amount is calculated, federal Title XX funds transferred from the TANF block grant are used in lieu of GF. The amount of Title XX eligible costs is calculated based on the nonmatching GF portion of FR and PP expenditures. For FY 2011-12, the Title XX eligible amount is $39.2 million.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the CY. Costs in the BY have been increased based on updated actual expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease is due mainly to decreases in direct costs and ESC costs. Also, additional federal spending authority has been decreased based on updated actual expenditures.

Child Welfare Services – Basic Costs

CASELOAD:

The average monthly caseload for non-Title IV-E counties is as follows:

The ER caseload in Fiscal Year (FY) 2010-11 is 27,139 and in FY 2011-12 is 26,205.

The ERA caseload in FY 2010-11 is 12,494 and in FY 2011-12 is 12,980.

The FM caseload in FY 2010-11 is 12,946 and in FY 2011-12 is 11,266.

The FR caseload in FY 2010-11 is 13,356 and in FY 2011-12 is 13,109.

The PP caseload in FY 2010-11 is 24,521 and in FY 2011-12 is 22,741.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
CWS Basic Costs	$845,923	$327,831	$282,583	$111,837	$123,672
Specialized Care	3,865	0	3,865	0	0

FY 2011-12

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
CWS Basic Costs	$824,694	$312,223	$278,506	$109,344	$124,621
Specialized Care	3,531	0	3,531	0	0

Reconciliation of Federal Funds	**Total**	**Title IV-B**	**Title IV-E**	**Title XIX**	**Title XX**
FY 2012-11	$451,503	$32,523	$258,491	$123,672	$36,817
FY 2011-12	436,844	32,880	245,711	124,621	33,632

Federal Budget Bill – Loss of Federal Financial Participation (FFP)

DESCRIPTION:

This premise reflects the cost to backfill the loss of federal Title IV-E funds for children placed in hospitals or mental health institutions for longer than 30 days. Public Law (P.L.) 109-171 was signed February 8, 2006 (but effective October 1, 2005) and limits the claiming of Title IV-E administrative costs when a child is placed in an ineligible facility to the 30 days prior to the child being moved to a Title IV-E eligible facility or home. Prior to P.L. 109-171, there was no limit on administrative claiming if the county was providing pre-placement preventive services or preparing for the child to enter foster care.

IMPLEMENTATION DATE:

P.L. 109-171 effective date was October 1, 2005.

KEY DATA/ASSUMPTIONS:

- P.L. 109-171 was signed February 8, 2006.
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- There are approximately 164 cases placed in non-foster care facilities over 30 days.
- The children placed in ineligible foster care facilities represent 0.12 percent of the total foster care caseload.

METHODOLOGY:

The costs are calculated by multiplying the Title IV-E funded Child Welfare Services (CWS) Basic budgeted expenditures by the percent of cases that are placed in ineligible facilities.

FUNDING:

These costs are ineligible for Title IV-E and are funded 70 percent General Fund and 30 percent county funds.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The Budget Year change is due to an increase in Title IV-E CWS Basic budgeted expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

The Title IV-E funded CWS Basic budgeted expenditures have decreased.

Federal Budget Bill – Loss of Federal Financial Participation (FFP)

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Federal Budget Bill – Loss of FFP	$0	-$227	$159	$68	$0

FY 2011-12

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Federal Budget Bill – Loss of FFP	$0	-$224	$157	$67	$0

Augmentation to Child Welfare Services

DESCRIPTION:

This premise reflects the cost to provide an augmentation to the Child Welfare Services (CWS) program. These funds shall be expressly targeted for services provided through the Emergency Response, Family Maintenance, Family Reunification (FR), and Permanent Placement (PP) components of CWS, and shall not be used to supplant existing CWS funds. Funds will be available to counties contingent upon individual counties: 1) matching their CWS Basic General Fund (GF) allocation; and, 2) fully utilizing the CWS/Case Management System. There is no county match required for these funds.

IMPLEMENTATION DATE:

This premise, formerly known as "Emergency Workload Relief," was implemented on July 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Assembly Bill (AB) 1656 (Chapter 324, Statutes of 1998) and AB 1740 (Chapter 52, Statutes of 2000).
- AB 1656 authorized $40 million in GF with no county match required.
- AB 1740 authorized an additional $34.3 million in GF with no county match required.
- The GF Appropriation has been reduced by $17.2 million due to lower revenues and other demands on the available GF.
- The 56 non-Title IV-E Waiver counties' portion of the total augmentation is $36.7 million GF.

METHODOLOGY:

AB 1656 and AB 1740 designated the GF amount; however, due to lower revenues and other demands on the available GF, the GF Appropriation has been reduced by $17.2 million.

FUNDING:

After applying the foster care federal discount rate of 70 percent for Fiscal Year (FY) 2010-11 and 68 percent for FY 2011-12, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 100 percent GF.

After the GF amount is calculated, federal Title XX funds transferred from the Temporary Assistance for Needy Families block grant are used in lieu of GF. The amount of Title XX-eligible costs is calculated based on the nonmatching GF portion of FR and PP expenditures. For FY 2010-11, the Title XX-eligible amount is $5.4 million. For FY 2011-12, the Title XX-eligible amount is also $5.4 million.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The Budget Year change is due to a decrease in the foster care federal discount rate and a decrease in Title XX-eligible costs.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in the foster care federal discount rate.

Augmentation to Child Welfare Services

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – CWS	Total	Federal	State	County	Reimb.
Augmentation to CWS	$56,501	$25,179	$31,322	$0	$0

FY 2011-12

Item 151 – CWS	Total	Federal	State	County	Reimb.
Augmentation to CWS	$55,646	$24,315	$31,331	$0	$0

Child Welfare Services/Case Management System – System Support Staff

DESCRIPTION:

This premise reflects the cost for county administrative staff needed to support the Child Welfare Services/Case Management System which was implemented as a result of Senate Bill 370 (Chapter 1294, Statutes of 1989). The staff are needed for the ongoing operations of the system.

IMPLEMENTATION DATE:

There was a staggered implementation based on individual county start dates beginning in Fiscal Year (FY) 1996-97.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 16501.5.
- The base amount is $25,119,682, consistent with the FY 2005-06 Appropriation.
- Of the base amount, funds budgeted for this premise are based on actual expenditures. The remaining General Fund is budgeted as part of Child Welfare Services (CWS) Basic.

METHODOLOGY:

The estimate is based on actual expenditures.

FUNDING:

Costs are shared according to California’s federally approved Cost Allocation Plan, which allocates costs to all benefiting CWS programs based on statewide county worker time study hours.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The Budget Year change is due to an increase in actual expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to an increase in actual expenditures.

Child Welfare Services/Case Management System – System Support Staff

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
CWS/CMS System Support Staff	$18,035	$8,899	$5,502	$2,694	$940

			FY 2011-12		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
CWS/CMS System Support Staff	$18,109	$8,929	$5,506	$2,704	$970

Child Welfare Services – Emergency Assistance Program (TANF)

DESCRIPTION:

This premise reflects the costs associated with the Child Welfare Services (CWS) Emergency Assistance (EA) program funded through federal Temporary Assistance for Needy Families (TANF) and General Fund (GF).

In 1993, the California Department of Social Services implemented a statewide EA program under Title IV-A of the Social Security Act for county welfare departments that provide funding for emergency shelter care to children determined to be at risk due to abuse, neglect, abandonment, or exploitation.

In 1994, CDSS implemented crisis resolution and emergency response (ER) as the child welfare services components of EA. Crisis resolution provides services to families aimed at resolving family crises without removing the child from the home or by allowing the child to be returned to the family with the provision of supporting services to ensure child safety. Under EA/ER, funds are available for emergency response activities such as receiving and assessing referrals, investigating emergency allegations, and gathering and evaluating relevant information.

Public Law (P.L.) 104-193 eliminated Title IV-A funding for the EA program but permitted use of TANF dollars for EA funding. Although P.L. 104-193 allowed TANF funding, the Budget Act of 1997 replaced the TANF funding with GF. Based on an interpretation of the final TANF regulations, effective October 1, 1999, EA GF expenditures are not countable towards the TANF maintenance of effort requirement. Therefore, the GF was replaced with TANF funding. In 2001, EA case management activities were funded with Title IV-E funds in order to free-up TANF dollars. In 2008, clarifying instructions were given by the federal Administration for Children and Families that EA case management costs are not Title IV-E eligible, and therefore are shifted to GF. Beginning FY 2010-11, EA Case Management is being eliminated and associated costs are being shifted into CWS Basic.

IMPLEMENTATION DATE:

Emergency Shelter Care - This component implemented on September 1, 1993.

Crisis Resolution - This component implemented on August 1, 1994.

Emergency Response - This component implemented on August 1, 1994.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 15204.25.
- There is no caseload growth projected for Fiscal Year (FY) 2011-12.
- The estimate reflects costs for all 58 counties.

METHODOLOGY:

The total costs are based on the prior year and increased by any individual county caseload growth. The appropriate sharing ratios are then applied to the total costs.

Child Welfare Services – Emergency Assistance Program (TANF)

FUNDING:

EA TANF funding, although eliminated by P.L. 104-193, was used in the TANF block grant calculation and is, therefore, part of the TANF funding schedule.

The sharing ratio for EA eligible shelter care cases under 30 days, emergency response, and crisis resolution is 85 percent TANF and 15 percent county. For shelter care EA eligible cases over 30 days, the ratio is 50 percent TANF and 50 percent county.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
CWS Basic Costs	$209,563	$173,500	$0	$36,063	$0

FY 2011-12

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
CWS Basic Costs	$209,563	$173,500	$0	$36,063	$0

Tribal-State Title IV-E Agreements

DESCRIPTION:

This premise reflects the costs to provide start-up funding for three years when a tribe seeks to implement its own child welfare services program. The federal Social Security Act, Indian Child Welfare Act (ICWA), and the California Welfare and Institutions Code (W&IC) sections 10553.1 and 10553.2 allow states to enter into agreements to pass through federal Title IV-E funds for foster care maintenance and administration to tribes. Tribal-State Agreements are essential to allow the pass-through of Title IV-E funds to the tribes to provide foster care services to tribal children.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: federal Social Security Act, ICWA, and W&IC sections 10553.1 and 10553.2.
- The Karuk Tribe of California will begin receiving assistance payments and claiming administrative costs retroactive to July 1, 2010. The Yurok Tribe of California will begin receiving assistance payments and claiming administrative costs retroactive to April 1, 2011.
- The average monthly statewide Foster Family Home (FFH) federal grant is $711.63 for Fiscal Year (FY) 2010-11 and FY 2011-12. The Group Home (GH) federal grant is $6,868.26 for FY 2010-11 and $7,000.13 for FY 2011-12. The GH federal grant includes a 32 percent rate increase and a California Necessities Index adjustment of 1.57 percent for FY 2010-11 and 1.92 percent for FY 2011-12. The Adoption Assistance Program (AAP) federal grant is $823.97 for FY 2010-11 and $841.08 FY 2011-12. The grants are based on statewide actual expenditures through June 2010.
- The impact of the California Foster Parent Association, et al vs. John A. Wagner court decision that increases the FFH basic rate will be displayed in the FFH Rate Increase – FFH Impact premise.
- Based on information from the Karuk Tribe, the average monthly FFH caseload is projected at five cases, the average monthly GH caseload is projected at zero case, and the average monthly AAP caseload is projected at one case.
- Based on information from the Yurok Tribe, the average monthly FFH caseload is projected at 12 cases, the average monthly GH caseload is projected at zero case, and the average monthly AAP caseload is projected at zero case.
- The administration of Foster Care (FC) eligibility will require one social worker annually for the Karuk Tribe, and two social workers for the Yurok Tribe.
- Based on information from the Karuk Tribe, the annual cost of a social worker is estimated at $70,000. Based on information from the Yurok Tribe, the annual cost of a social worker is estimated at $50,000.
- Based on cost and caseload information from the Karuk and Yurok Tribes, the administration of Child Welfare Services (CWS) will require a total of $105,000 General Fund (GF) for FY 2010-11 and $87,000 GF for FY 2011-12.

Tribal-State Title IV-E Agreements

KEY DATA/ASSUMPTIONS (CONTINUED):

- Based on cost and caseload information from the Karuk and Yurok Tribes, the administration of the Adoptions program will require a total of $47,000 GF for FY 2010-11 and $57,000 GF for FY 2011-12.
- Based on cost and caseload information from the Karuk and Yurok Tribes, the administration of the FC and AAP program will require a total of $34,000 GF for FY 2010-11 and 60,000 GF for FY 2011-12.

METHODOLOGY:

The estimate is based on cost and caseload information from the Karuk and Yurok Tribes. The basic assistance estimate is the product of case months and average grant.

FUNDING:

The FC grant, AAP grant, FC administration, CWS administration, and Adoptions program costs are shared at the same ratios as in their respective programs.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

For FC grants and admin, the Current Year (CY) and Budget Year (BY) has no change.

For CWS administration, there is no change in the CY or BY.

For Adoptions, there is no change in CY. The BY decrease is due to an adjustment in social worker costs.

There is no change for the Adoption Assistance Program and the Adoptions program.

REASON FOR YEAR-TO-YEAR CHANGE:

For FC grants and admin, the increase is due to a full year cost for both tribes.

For Adoption Assistance there is no change.

For CWS administration, the decrease is due to the one-time cost of purchasing Live Scan machines in the CY.

For Adoptions, the BY increase reflects an increased caseload and an adjustment to social worker costs.

Tribal-State Title IV-E Agreements

EXPENDITURES:

(in 000's)

FY 2010-11

Tribal-State Title IV-E Agreements	Total	Federal	State	County	Reimb.
Item 101 – Foster Care	$69	$34	$14	$21	$0
Item 101 – Adoption Assistance Program	10	5	3,865	0	0
Item 141 – Foster Care Administration	96	48	4	1	0
Item 151 – CWS	237	110	105	22	0
Item 151 - Adoptions	82	35	47	0	0

FY 2011-12

Tribal-State Title IV-E Agreements	Total	Federal	State	County	Reimb.
Item 101 – Foster Care	$146	$73	$29	$44	$0
Item 101 – Adoption Assistance Program	10	5	4	1	0
Item 141 – Foster Care Administration	171	85	60	26	0
Item 151 – CWS	219	97	87	35	0
Item 151 - Adoptions	102	45	57	0	0

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Gomez v. Saenz

DESCRIPTION:

This premise reflects the costs for county activities related to the *Gomez, et al. v. Saenz* court settlement. Specifically, costs are for counties to enact a notification and grievance process to provide due process to any persons desiring to challenge their listing on the Child Abuse Central Index, both prospectively and retroactively.

IMPLEMENTATION DATE:

The premise implemented in Fiscal Year 2007-08.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Senate Bill 84, (Chapter 177, Statutes of 2007).
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- On April 06, 2009 the federal Administration for Children and Families declared that costs associated with this premise are not eligible for Title IV-E funding.

METHODOLOGY:

Costs are projected based on actual expenditures from the prior Calendar Year.

FUNDING:

Costs are not eligible for federal Title IV-E funding. Costs are shared 70 percent General Fund and 30 percent county.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The Budget Year change is due to a decrease in actual expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to an increase in actual expenditures.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Gomez v. Saenz	$1,280	$0	$896	$384	$0

			FY 2011-12		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Gomez v. Saenz	$1,848	$0	$1,294	$554	$0

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State Family Preservation

DESCRIPTION:

This premise reflects the authorization for the permanent transfer of funds from an incentive/penalty provision program to a program with a sharing ratio of 70 percent General Fund (GF) and 30 percent county. In accordance with Assembly Bill 2365 (Chapter 71, Statutes of 1992), the counties that have operated a family preservation program for at least three years can participate in the program. Historically, funding was provided through an annual allocation derived from a shift in funds from the GF (and federal share, to the extent permitted under federal law) of the Aid to Families with Dependent Children-Foster Care appropriation. Fifteen counties opted to participate in the program which included an incentive/penalty provision based on increases/decreases in foster care placements. However, the foster care caseloads began to stabilize which resulted in little savings. Therefore, counties were given the option to permanently transfer funding to a 70 percent GF and 30 percent county share limited to not exceed 70 percent of the highest annual amount spent for family preservation.

IMPLEMENTATION DATE:

This premise implemented in Fiscal Year (FY) 1993-94.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16500.5 through 16500.7.
- Alameda County's funding is reflected under Item 153 Title IV-E Waiver, while Los Angeles County's funding is reflected under this premise.
- The GF share of $21,493,000 reflects up to 70 percent of the highest annual amount expended for family preservation services by 14 counties (Contra Costa, Humboldt, Los Angeles, Mendocino, Napa, Placer, Riverside, Sacramento, San Diego, San Luis Obispo, Santa Clara, Santa Cruz, Solano, and Stanislaus.)
- This premise provides the 25 percent match for Promoting Safe and Stable Families.
- For FY 2010-11, $415,000 GF will be used as match for the additional funds necessary under the Increased Funding for Caseworker Visits as a result of the State's failure to meet its
- FY 2010 target of 75 percent of children in foster care being visited by their caseworkers each month they were in foster care. As a result of the federal penalty, the federal financial participation rate was reduced from 75 percent to 74 percent, which requires additional GF participation of one percent.
- For FY 2010-11, $277,778 GF will be used as the GF match under the Federal Grant to Reduce Long-Term Foster Care premise in order to secure $2.5 million in federal funds.
- For FY 2011-12, $333,333 GF will be used as the GF match under the Federal Grant to Reduce Long-Term Foster Care premise in order to secure $3 million in federal funds.

METHODOLOGY:

The estimate reflects the amount of funds that counties permanently transferred.

State Family Preservation

FUNDING:

The federal Title IV-E, nonfederal, and federal Title XIX reimbursement funding levels are based on FY 2001-02 expenditure data.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – CWS	Total	Federal	State	County	Reimb.
State Family Preservation	$34,645	$3,540	$21,493	$8,916	$696

FY 2011-12

Item 151 – CWS	Total	Federal	State	County	Reimb.
State Family Preservation	$34,645	$3,540	$21,493	$8,916	$696

Federal Grant to Reduce Long-Term Foster Care

DESCRIPTION:

This premise reflects a new five year grant from the federal Administration for Children and Families for the California Department of Social Services of up to $14.5 million. The federal grant funds local demonstration projects that support the implementation and test the effectiveness of innovative intervention strategies to improve permanency outcomes of foster children in California, in particular for African-American and Native-American youth who have been identified as having the most significant barriers to permanency. Projects funded by the grant will address site-specific issues in order to help children move from foster care in less than three years.

Up to five grant awards will be distributed, with a maximum annual per-award amount of $2.5 million for year one, and increasing to $3 million per year for up to four additional years. The grant requires ten percent state fund matching which will come from existing unmatched General Fund (GF) budgeted in the State Family Preservation premise.

IMPLEMENTATION DATE:

This premise implemented on October 1, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Section 426 of the Social Security Act (42 U.S.C. Section 626)
- Program and financial status reports are due 30 days after the end of the second and fourth quarters (six-month intervals) throughout the total approved project period.
- The initial implementation counties are: Fresno, Humboldt, Los Angeles and Santa Clara.
- Ten replication counties may participate in early planning and development activities and implement during years four and five of the project. These counties include: Contra Costa, Napa, Monterey, Orange, Sacramento, San Bernardino, San Francisco, Santa Cruz, Solano, and Yolo.

METHODOLOGY:

The estimate is based on the Federal Fiscal Year (FFY) federal grant amount. The FFY 2010 grant amount is $2.5 million federal funds, less $368,000 for state operation costs. The FFY 2011 grant amount is estimated to be $3 million federal funds, less $368,000 for state operation costs.

FUNDING:

This premise is funded 100 percent with federal Title IV-B funds and 10 percent matching GF provided through the State Family Preservation premise.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to an increase in the annual per-award amount of $2.5 million (for year one) to $3 million (for up to four additional years) less state operations.

Federal Grant to Reduce Long-Term Foster Care

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Federal Grant to Reduce Long-Term FC	$2,132	$2,132	$0	$0	$0

FY 2011-12

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Federal Grant to Reduce Long-Term FC	$2,632	$2,632	$0	$0	$0

Promoting Safe and Stable Families (PSSF)

DESCRIPTION:

This premise reflects the amount of the federal Promoting Safe and Stable Families (PSSF) grant to provide community-based, family-centered services to focus on supporting and preserving families, protecting children, and preventing child abuse and neglect. The Omnibus Budget Reconciliation Act of 1993 established this capped grant program under Title IV-B.

IMPLEMENTATION DATE:

This premise implemented on October 1, 1993.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16600 through 16604.5.
- The federal Title IV-B funds cannot be used to supplant existing state or local spending.
- Effective starting in Fiscal Year (FY) 2001-02, based on federal requirements, a minimum of 20 percent of the PSSF funds must be spent on each of the four components of the program (Family Preservation Services, Family Support Services, Adoption Promotion and Support, and Time-Limited Family Reunification).
- A 25 percent match from state or county funds is required. This match is made available through existing State Family Preservation program funds.
- The Federal Fiscal Year (FFY) 2010 grant totals $33,751,156, and is assumed to be the same for FY 2011-12.
- Beginning in FY 2007-08, California began receiving an additional PSSF grant to be used only to support monthly caseworker visits. The Caseworker Visit Grant is $2,004,176 for FFY 2010 and is assumed to be the same for FFY 2011.
- The federal grant amount is reduced by the estimated State Operations cost of $1,200,000.

METHODOLOGY:

The amount of grant benefit consists of the PSSF FFY federal grant (less state operations costs) and additional Caseworker Visit Grant.

FUNDING:

This premise reflects federal Title IV-B grant funds.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Promoting Safe and Stable Families (PSSF)

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
PSSF Basic Costs	$32,551	$32,551	$0	$0	$0
PSSF Caseworker Visit	2,004	2,004	0	0	0

FY 2011-12

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
PSSF Basic Costs	$32,551	$32,551	$0	$0	$0
PSSF Caseworker Visit	2,004	2,004	0	0	0

Independent Living Program

DESCRIPTION:

This premise reflects the amount of the federal grant for the Independent Living Program (ILP). The Omnibus Budget Reconciliation Act of 1993 permanently authorized this program, which offers training to foster care adolescents and emancipated youth enabling them to be independent when their foster care terminates. County welfare departments provide or arrange for the provision of services that facilitate the transition of foster children to emancipated lifestyles.

Federal statute, H.R. 3443, the Chafee Foster Care Independence Program (CFCIP) Act of 1999 (Public Law 106-169), amended Section 477 of the Social Security Act providing more flexibility in funding of ILP services. The CFCIP authorized the expansion of this program to serve foster care youth ages 16 to 21. In addition, counties were given the discretion to provide ILP services to youth ages 14 and 15 when it was determined that these youth would most likely remain in foster care until emancipation. Counties are authorized to use up to 30 percent of their grant to provide housing assistance for emancipated foster youth and aftercare services to former foster youth ages 18 to 21.

Senate Bill (SB) 654 (Chapter 555, Statutes of 2010) allows youth who enter into a nonrelated legal guardianship ordered between the ages of eight through 15 to also receive ILP services. These youth will be provided with state only funding at age 16 and 17 and will be eligible for federally funded ILP services at ages 18 to 21.

SB 654 adds section 10609.45 to the Welfare and Institutions Code specifying that a child placed with a nonrelated legal guardian, whose guardianship was ordered on or after the child's eighth birthday, shall be provided services if their dependency was dismissed on or after their 16th birthday under the ILP. These youth will be provided with state only funding at age 16 and 17 and will be eligible for federally funded ILP services at ages 18 to 21.

IMPLEMENTATION DATE:

This premise implemented on January 1, 1988.

SB 654 (Chapter 555, Statutes of 2010) implemented on January 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section; 10609.3 and 10609.95.
- Funding is based on the federal grant award for ILP.
- The final grant amount for Federal Fiscal Year (FFY) 2010 is $19,346,731.
- The final grant amount for FFY 2011 is $18,990,900.
- The federal grant amount is reduced by the estimated State Operations cost of $1,019,784.

METHODOLOGY:

Funding is based on the FFY federal grant (adjusted for partial FFY's) less state operations costs.

FUNDING:

This premise is funded 100 percent with a federal grant award. The matching funds are provided through the "Extended ILP" premise.

Independent Living Program

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The decrease in the Budget Year reflects the actual grant award.

REASON FOR YEAR-TO-YEAR CHANGE:

There was a decrease in the grant award.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Independent Living Program	$18,327	$18,327	$0	$0	$0

FY 2011-12

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Independent Living Program	$18,060	$18,060	$0	$0	$0

Extended Independent Living Program

DESCRIPTION:

This premise reflects the General Fund (GF) portion of the Independent Living Program (ILP), which provides training for eligible foster care adolescents aged 16 to 21 years old, enabling them to be independent when their foster care terminates. Senate Bill (SB) 933 (Chapter 311, Statutes of 1998) implemented the GF portion to extend ILP services to 100 percent of the eligible foster care adolescent population, up to the age of 21 years. County Welfare Departments (CWD) provide or arrange for the provision of services that facilitate the transition of foster children to emancipated lifestyles.

In addition, counties are given the discretion to provide ILP services to youth ages 14 and 15, when it is determined that these youth would most likely remain in foster care until emancipated. Counties are authorized to use up to 30 percent of their allocation to provide housing assistance for emancipated foster youth and aftercare service to former foster youth ages 18 to 21.

Effective January 1, 2006, SB 436 (Chapter 629, Statutes of 2005) requires the CWD in a county that provides transitional housing placement services to include in its annual ILP report a description of currently available transitional housing resources in relation to the number of emancipating pregnant or parenting foster youth in the county, and a plan for meeting any unmet transitional housing needs of the emancipating pregnant or parenting foster youth.

SB 654 (Chapter 555, Statues of 2010) allows youth who enter into a non-related legal guardianship ordered between the ages of eight through 15 to also receive ILP services. These youth will be provided with state only funding at age 16 and 17 and will be eligible for federally funded ILP services at ages 18-21.

IMPLEMENTATION DATE:

This premise implemented in September 1998.

SB 436 (Chapter 629, Statutes of 2005) implemented on January 1, 2006.

SB 654 (Chapter 555, Statues of 2010) implemented on January 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10609.3 and SB 436 (Chapter 629, Statutes of 2005).
- SB 654 adds Section 10609.45 to the Welfare and Institutions Code specifying that a child placed with a nonrelated legal guardian, whose guardianship was ordered on or after the child's eighth birthday, shall be provided services if their dependency was dismissed on or after their 16th birthday under the ILP. These youth will be provided with state only funding at age 16 and 17 and will be eligible for federally funded ILP services at ages 18-21.
- Effective January 2006, additional GF was allocated to support SB 436 activities.
  - At least one hour per case to collect and report available transitional housing resources, and develop a plan for meeting any unmet transitional housing needs of the emancipating pregnant or parenting foster youth.
  - The social worker cost per hour is $72.60.
  - For Fiscal Year (FY) 2005-06, there was a total of 2,549 female emancipated youths.

Extended Independent Living Program

KEY DATA/ASSUMPTIONS (CONTINUED):

- In Calendar Year 2004, the teen parent birth rate for 19 year olds was 74.8 per 1,000 women.
- SB 436 is a state mandate; there is no county cost.

METHODOLOGY:

For FYs 2010-11 and 2011-12, the funding is held to the Budget Act of 2010 Appropriation.

FUNDING:

This premise is funded 100 percent GF.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – CWS	Total	Federal	State	County	Reimb.
Extended Independent Living Program	$15,166	$0	$15,166	$0	$0

FY 2011-12

Item 151 – CWS	Total	Federal	State	County	Reimb.
Extended Independent Living Program	$15,166	$0	$15,166	$0	$0

Chafee Post Secondary Education & Training Vouchers

DESCRIPTION:

This premise reflects the amount of the federal grant for Chafee Post Secondary Education and Training Vouchers. This funding is provided under the Educational and Training Vouchers (ETV) program which is part of the Chafee Foster Care Independence Program (CFCIP).

The Foster Care Independence Act of 1999, Public Law 107-133, amended Section 477 of the Social Security Act to provide states with flexible funding to design and conduct education and training voucher programs for youth who age out of foster care. This can assist youth with the development of skills necessary to lead independent and productive lives. The purpose of this program is to make available vouchers of up to $5,000 per year per youth for education and training, including post secondary training and education, to eligible youth who have aged out of foster care.

Individuals eligible to receive vouchers under this program are: (1) youth otherwise eligible for services under the state CFCIP program; (2) youth adopted from foster care after attaining age 16; and (3) youth participating in the voucher program on their 21st birthday, until they turn 23 years old, as long as they are enrolled in a post secondary education or training program and are making satisfactory progress toward completion of that program.

Assembly Bill (AB) 1808 (Section 5.1) added $5.7 million General Fund (GF) to assist students who are current and former foster youth, for career and technical training or traditional college courses.

IMPLEMENTATION DATE:

This premise implemented on October 1, 2003.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: The Foster Care Independence Act of 1999, Public Law 107-133, Section 477 of the Social Security Act, as amended.
- Funding is based on the federal grant award for ETV.
- The final grant for Federal Fiscal Year (FFY) 2010 is $6,486,023.
- The estimated grant for FFY 2011 is $6,486,023.
- Future funding will be appropriated on an annual basis pending congressional authorization.
- A 20 percent match of the total cost is required. The match may be cash or in-kind contributions. The match has been historically funded through the “Emancipated Foster Youth Stipend” premise.

METHODOLOGY:

This premise reflects the federal grant amount plus an additional $5.7 million GF included to support AB 1808 activities.

FUNDING:

This premise is funded 100 percent with a federal grant award. AB 1808 activities are funded with 100 percent GF.

Chafee Post Secondary Education & Training Vouchers

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – CWS	Total	Federal	State	County	Reimb.
Chafee Post Secondary Ed. & Training Vouchers	$12,186	$6,486	$5,700	$0	$0

FY 2011-12

Item 151 – CWS	Total	Federal	State	County	Reimb.
Chafee Post Secondary Ed. & Training Vouchers	$12,186	$6,486	$5,700	$0	$0

Transitional Housing for Foster Youth

DESCRIPTION:

The Transitional Housing Placement Program (THPP) and Transitional Housing Program Plus (THP-Plus) offers foster youth emancipating from the foster care system and youth who have already emancipated from foster care the experience of learning basic life skills while living on their own under general supervision. These programs provide a safety net of services to assure attainment of educational and employment goals. Assembly Bill (AB) 427 expanded the THPP age range for participation from 17 to 18 years of age to 16 to 18 years of age and for the new THP-Plus program to ages 18 to 21. It also enabled additional counties to participate in THPP and THP-Plus by providing a new rate-setting methodology. Effective January 1, 2006, AB 824 (Chapter 636, Statutes of 2005) raised the age limit for receipt of THP-Plus services by an emancipated foster youth to 24 years of age.

IMPLEMENTATION DATE:

AB 427 implemented on January 1, 2002.

AB 1119 implemented on January 1, 2003.

AB 824 (Chapter 636, Statutes of 2005) implemented on January 1, 2006.

AB 1808 (Chapter 75, Statutes of 2006) implemented on July 12, 2006.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Health and Safety Code 1559.110 and Welfare and Institutions Code sections 11400, 11403.2, 11403.3, 16522 and 16522.1.
- The THPP maximum rate is 75 percent of the group home rate. The THP-Plus rate is 70 percent of the county's group home average grant.
- The estimate includes a $5 million General Fund (GF) reduction for THP- Plus.
- For Fiscal Year (FY) 2010-11 this premise will benefit from the American Recovery and Reinvestment Act of 2009 (ARRA)
- Beginning in FY 2011-12, $876,000 of the THP-Plus GF portion will be transferred to the Extend Foster Care (FC), Kinship Guardianship Assistance Payment (Kin-GAP), Adoption Assistance Program (AAP) Benefits (AB-12) premise.
- In FY 2011-12, the THP-Plus Participating Tracking System costs will revert from the THP-Plus Participating Tracking System premise to the THP-Plus premise. This change is due to the John Burton Foundation's decision to no longer gift their tracking system.

METHODOLOGY:

Funding is based on counties' approved rates multiplied by the number of approved beds.

FUNDING:

Federal funding is provided by Title IV-E of the Social Security Act, with the amount of federal financial participation based on the Federal Medical Assistance Percentage rate, for those cases meeting federal eligibility criteria. The federal Title IV-E funding is available for youth ages 16 to 18, who are served under the THPP.

Transitional Housing for Foster Youth

FUNDING (CONTINUED):

Youth ages 18 to 24 are ineligible to receive services which include federal funds, but are served under the THP-Plus. The nonfederal share of cost is shared 40 percent GF and 60 percent county for THPP and 100 percent GF for THP-Plus.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The change in the Current Year is due to ARRA savings. The change in the Budget Year is due to an increase in the amount diverted to the Extend FC, KG, AAP Benefits (AB 12) premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to $876,000 that will be diverted to the Extend FC, KG, AAP Benefits (AB 12) premise.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
THPP	$13,835	$5,188	$3,459	$5,188	$0
ARRA – FMAP Increase	0	26	-10	-16	0
THP – Plus Net Impact	35,878	0	35,878	0	0
THP – Plus	35,878	0	35,878	0	0
Extend FC, KG AAP Benefits (AB 12)	0	0	0	0	0
Total	$49,713	$5,214	$39,327	$5,172	$0

FY 2011-12

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
THPP	$13,835	$5,188	$3,459	$5,188	$0
ARRA – FMAP Increase	0	0	0	0	0
THP – Plus Net Impact	35,002	0	35,002	0	0
THP – Plus	35,878	0	35,878	0	0
Extend FC, KG AAP Benefits (AB 12)	-876	0	876	0	0
Total	$48,837	$5,188	$38,461	$5,188	$0

Emancipated Foster Youth Stipends

DESCRIPTION:

This premise reflects the costs to provide special needs stipends for emancipating foster youth. The program can assist emancipating foster youth with finding affordable housing, text books for college or vocational training, employment searches, emergency personal needs, and bus vouchers. County Welfare Departments are responsible for providing these services. Historically, a portion of this amount was used as match for the Chafee Post Secondary Education and Training Vouchers.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2000.

KEY DATA/ASSUMPTIONS:

Authorizing statute: The Budget Act of 2000.

METHODOLOGY:

The Budget Act of 2000 designated the General Fund (GF) support levels.

FUNDING:

This program is funded 100 percent GF.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Emancipate Foster Youth Stipends	$3,602	$0	$3,602	$0	$0

			FY 2011-12		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Emancipate Foster Youth Stipends	$3,602	$0	$3,602	$0	$0

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Recruitment and Retention of Social Workers

DESCRIPTION:

This premise reflects the cost to fund a contract with Cooperative Personnel Services/Merit System Services to help recruit and retain social workers in 30 small counties. Due to the continued difficulties of hiring and retaining social workers, Merit System Services will work with counties to implement and provide on-going recruitment efforts and career development plans to increase and retain the number of social workers in the smaller counties.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2001.

KEY DATA/ASSUMPTIONS:

The recruitment and career development plans were designed during Fiscal Year (FY) 2000-01.

METHODOLOGY:

The funding for this premise reflects the amount of the contract with Merit System Services.

FUNDING:

This premise is eligible for federal Title IV-E funding. After applying the foster care federal discount rate of 70 percent for FY 2010-11 and of 66 percent for FY 2011-12, the costs are then shared 50 percent federal and 50 percent General Fund (GF). Nonfederally-eligible costs are funded with 100 percent GF.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The change in the Budget Year is due to a decrease in the foster care federal discount rate.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in the foster care federal discount rate.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Recruitment and Retention of Social Workers	$269	$94	$175	$0	$0

			FY 2011-12		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Recruitment and Retention of Social Workers	$269	$89	$180	$0	$0

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Total Child Welfare Training Program, and Judicial Review and Technical Assistance Project (JRTA) and Indian Child Welfare Act (ICWA)

DESCRIPTION:

This premise reflects the costs for providing a statewide coordinated training program designed specifically to meet the needs of county child protective services social workers assigned to emergency response, family maintenance, family reunification, permanent placement, and adoptions responsibilities. The training program was established by Senate Bill (SB) 834 (Chapter 1310, Statutes of 1987), and extended permanently by SB 1125 (Chapter 1203, Statutes of 1991).

The Total Child Welfare Training Program includes training for other agencies under contract with County Welfare Departments to provide child welfare case management services. The program also includes crisis intervention, investigative techniques, rules of evidence, indicators of abuse and neglect, assessment criteria, intervention strategies, family-based services, legal requirements of child protection, case management, and the use of community resources.

Beginning in Fiscal Year (FY) 2011-12, the contracts for the Judicial Review and Technical Assistance Project (JRTA) and the Indian Child Welfare Act (ICWA) have been moved to a separate table line.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1988.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16200 through 16215.
- The implementation of regional training academies started in 1996.
- Funding is based on contract amounts entered into by the California Department of Social Services.
- The funding for the JRTA and the ICWA contracts will shift to a separate line item in Fiscal Year (FY) 2011-12 for reasons associated with potential realignment.

METHODOLOGY:

The estimate is based on contract costs.

FUNDING:

After applying the foster care federal discount rate of 70 percent for FY 2010-11 and 66 percent for FY 2011-12, the federally eligible costs are shared 75 percent federal Title IV-E and 25 percent General Fund (GF), with the exception of various contracts which utilize in-kind matches. Nonfederally eligible costs are funded with 100 percent GF.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The change in the Budget Year is due to updated contract amounts, a decrease in the foster care federal discount rate, and the shifting of the JRTA/ICWA contracts to a separate line item.

Total Child Welfare Training Program, and Judicial Review and Technical Assistance Project (JRTA) and Indian Child Welfare Act (ICWA)

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to updated contract amounts, a decrease in the foster care federal discount rate, and the shifting of the JRTA/ICWA contracts to a separate line item.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Total Child Welfare Training Program	$23,709	$15,077	$8,632	$0	$0
Judicial Review & Technical Assistance Project and Indian Child Welfare Act	0	0	0	0	0

FY 2011-12

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Total Child Welfare Training Program	$22,357	$14,202	$8,155	$0	$0
Judicial Review & Technical Assistance Project and Indian Child Welfare Act	1,140	406	734	0	0

Substance Abuse/HIV Infant Program

DESCRIPTION:

This premise reflects the costs for the recruitment, special training, and respite care for specially recruited and trained foster family providers caring for children with medical problems related to drug or alcohol exposure or to Acquired Immune Deficiency Syndrome (AIDS). Originally established as a demonstration project by Senate Bill (SB) 1173 (Chapter 1385, Statutes of 1989) and Assembly Bill (AB) 2268 (Chapter 1437, Statutes of 1989), the program was extended by SB 1050 (Chapter 296, Statutes of 1993) and made into a permanent program in 1997 by AB 67 (Chapter 606, Statutes of 1997). AB 2037 (Chapter 799, Statues of 2000) revised the age for children participating in this program from age three to age five for those counties that have participated in the program for at least three years.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1989.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16525.10 through 16525.30.
- This program is available to any county requesting participation pursuant to established procedures and to the extent funds are available. Currently, there are nine counties that are participating (Alameda, Butte, Contra Costa, Monterey, San Diego, San Francisco, San Luis Obispo, Santa Cruz, and Shasta).
- This estimate reflects costs for only the eight non-Title IV-E Waiver counties.

METHODOLOGY:

The total program costs are fixed at $5,022,583.

FUNDING:

Respite care is funded 70 percent General Fund (GF) and 30 percent county funds.

After applying the foster care federal discount rate of 70 percent for Fiscal Year (FY) 2010-11 and 68 percent for FY 2011-12, training and recruitment components are funded with 75 percent and 50 percent federal Title IV-E funds, respectively. Nonfederal costs are shared 70 percent GF and 30 percent county.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The Budget Year change is due to a change in the foster care federal discount rate.

REASON FOR YEAR-TO-YEAR CHANGE:

There was a decrease in the federally eligible components and a decrease in the foster care federal discount rate.

Substance Abuse/HIV Infant Program

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Substance Abuse/HIV Infant Program	$5,022	$1,606	$2,391	$1,025	$0

FY 2011-12

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Substance Abuse/HIV Infant Program	$5,022	$1,495	$2,469	$1,058	$0

Child Welfare Services – Pass-Through Title IV-E Costs

DESCRIPTION:

This premise reflects the pass-through of federal Title IV-E funds for probation and other public agency administrative costs, foster parent training, and social work training as described below.

IMPLEMENTATION DATE:

Probation Costs implemented June 1991, Social Work Training implemented in Fiscal Year (FY) 1992-93, Other Public Agencies implemented in FY 2003-04, Social Worker/County Counsel Training implemented FY 2005-06, and Foster and Kinship Care Education Program* (Community College Chancellor's Office) implemented FY 2005-06.

*Incorporates the Foster Parent Training Fund (FY 1990-91) and the Foster Parent Training (FY 1998-99).

KEY DATA/ASSUMPTIONS:

- The Probation Costs estimate reflects costs for only the 56 non-Title IV-E Waiver counties.

METHODOLOGY:

This premise includes the combined estimated expenditures for the following five Title IV-E pass-through costs:

Probation Costs – The state received federal approval to pass through Title IV-E administration funds for county probation staff activities that are similar to the Title IV-E eligible tasks of county social services workers. This federal funding source will be passed through to the county probation departments for their federally-eligible activities related to probation supervised cases in foster care. It will also be passed through for the Title IV-E eligible training of probation staff that complete case management activities on behalf of these children based on actual expenditures.

Social Worker Training – An agreement between the California Department of Social Services (CDSS), the University of California, and the California State University (CSU) was implemented for a statewide training program to increase the number of social workers employed in California county welfare departments. This effort was initiated due to the shortage of professionals in public child welfare services, especially those holding a master's degree in social work.

Currently, there are 20 schools of social work participating. Funding is provided with Title IV-E federal funds and in kind matches provided by the state universities.

Other Public Agencies – The federal government allows Title IV-E reimbursement for administrative activities associated with pre-placement prevention. Under current CDSS regulations and specified conditions, counties may pass on Title IV-E funds to other county public agencies, such as education or mental health, that perform eligible administrative activities for children at risk of, or currently placed in foster care. This pass-on provision does not apply to similar activities performed by private non-profit organizations based on actual expenditures.

Social Work/County Counsel Training – The training will be coordinated and overseen by the Administrative Office of the Courts (AOC) through a contract with statewide and local training providers to provide short-term training to enhance social worker and county counsel's understanding of the judicial determination process and necessary court findings on behalf of children in foster care.

Child Welfare Services – Pass-Through Title IV-E Costs

Foster and Kinship Care Education Program (Community College Chancellor's Office) – Effective in FY 2005-06, the Foster Parent Training Fund was incorporated into the Community College Proposition 98 fund. Title IV-E funds will be accessed by using the Community College Proposition 98 funds as match for the purpose of reimbursing the California Community Colleges Chancellor's Office for providing education and training to foster parents and kinship care providers. This program is conducted through community colleges in consultation with CDSS and key state foster and caregiver associations. Statutes that relate to the type of education and training this program delivers include: Senate Bill 2003 (Chapter 1597, Statutes of 1984); Assembly Bill (AB) 3062 (Chapter 1016, Statutes of 1996); AB 2307 (Chapter 745, Statutes of 2000); and AB 458 (Chapter 331, Statutes of 2003).

FUNDING:

Costs represent 100 percent federal Title IV-E funds.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The Budget Year change is due to a decrease in actual expenditures and a decrease in updated contracts.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease is due to updated expenditures and contracts.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – CWS	Total	Federal	State	County	Reimb.
Probation	$147,723	$147,723	$0	$0	$0
Other Public Agencies	2,915	2,915	0	0	0
Foster and Kinship Care Education Program	5,122	5,122	0	0	0
Social Worker Training	33,802	33,802	0	0	0
AOC Social Worker/County Counsel Training	886	886	0	0	0
Total	$190,448	$190,448	$0	$0	$0

FY 2011-12

Item 151 – CWS	Total	Federal	State	County	Reimb.
Probation	$110,228	$110,228	$0	$0	$0
Other Public Agencies	2,915	2,915	0	0	0
Foster and Kinship Care Education Program	4,833	4,833	0	0	0
Social Worker Training	34,172	34,172	0	0	0
AOC Social Worker/County Counsel Training	685	685	0	0	0
Total	$152,833	$152,833	$0	$0	$0

Dual Agency – Supplement to the Rate

DESCRIPTION:

This premise reflects the cost of county social workers to complete "Supplement to the Rate" questionnaires and eligibility forms to be used for determining eligibility for, and the appropriate level of, a supplement to the rate based on the extraordinary care and supervision needs of a dual agency child. The criteria for children to be eligible for the supplement to the rate and the instructions to administer the program were released in All County Letter No. 08-54 on December 1, 2008.

IMPLEMENTATION DATE:

This premise implemented retroactively to July 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Senate Bill 84 (Chapter 177, Statutes of 2008).
- The estimate reflects costs for only the Child Welfare Services program since the impact to the Adoption Assistance, Foster Care, and Kinship Guardianship Assistance Payment programs are now part of the caseload trends and are no longer estimated separately.
- The estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- It is estimated that 236 new cases will enter dual agency status and require additional social worker activities.
- The estimate assumes an average of 4.75 hours of social worker time to complete the "Supplement to the Rate – Questionnaire" and "Supplement to the Rate – Eligibility Form."
- The hourly cost of a social worker is $72.60.

METHODOLOGY:

The caseload is multiplied by the hours required to fill out additional forms, multiplied by the hourly cost of a social worker.

FUNDING:

After applying the foster care federal discount rate of 70 percent for Fiscal Year (FY) 2010-11 and 68 percent for FY 2011-12, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 70 percent General Fund and 30 percent county.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Dual Agency – Supplement to the Rate

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Dual Agency – Supplement to the Rate	$81	$28	$37	$16	$0

			FY 2011-12		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Dual Agency – Supplement to the Rate	$81	$28	$37	$16	$0

Foster Parent Training and Recruitment

DESCRIPTION:

This premise reflects the costs for the enhanced statewide Foster Parent Training and Recruitment Program. As part of the Foster Care Initiative, Assembly Bill (AB) 2129 (Chapter 1089, Statutes of 1993), required the California Department of Social Services to develop and implement an expanded Foster Parent Training and Recruitment Program. The expanded program provides specialized training for foster parents of children with special care needs, and specific recruitment activities for minority and sibling placements.

IMPLEMENTATION DATE:

This premise implemented on January 1, 1994.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 903.8.
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.

METHODOLOGY:

The estimate is based on the Budget Act of 2010 Appropriation level.

FUNDING:

After applying the federal discount rate of 70 percent for FY 2010-11 and 68 percent for FY 2011-12 costs are shared 75 percent federal and 25 percent nonfederal for the training costs, and 50 percent federal and 50 percent nonfederal for the recruitment costs. Nonfederal costs are 100 percent GF. The funds are evenly distributed to each component of the program.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The Budget Year change is due to a change in the federal discount rate.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a change in the federal discount rate.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Foster Parent Training & Recruitment	$2,416	$1,075	$1,341	$0	$0

			FY 2011-12		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Foster Parent Training & Recruitment	$2,410	$1,041	$1,369	$0	$0

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Foster and Adoptive Family Recruitment Campaign

DESCRIPTION:

This premise reflects funding to launch a seven to ten county recruitment campaign to increase the number of available quality foster parents. The California Department of Social Services (CDSS) is required in the Child and Family Services Review (CFSR) Program Improvement Plan (PIP) to develop and initiate a statewide campaign to recruit and retain resource (foster and adoptive) families. The PIP requires this campaign to be launched by December 2010 in order to avoid fiscal penalties. CDSS will utilize the funds to support the development and initiation of statewide recruitment strategies on a roll-out basis, which includes providing fiscal support to counties that will implement changes at the county level.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2010.

KEY DATA/ASSUMPTIONS:

Seven to ten counties will participate in Fiscal Year (FY) 2010-11 and FY 2011-12. These counties will develop and test the strategies identified:

- Website Augmentation – The preliminary costs associated with augmenting the website, increased administration and security.
- Adoption Navigators – To expand the number of part-time navigators who will handle the increased volume due to website augmentation.
- Contract Services – To expand the existing contract services to include providing assistance to counties participating in the Recruitment and Retention Pilot Program. The services would consist of offering support and guidance by responding via phone, internet, and/or mail and providing information on choosing an adoption or foster family agency.
- Printing – The premise request is for 20,000 flyers and 20,000 brochures utilized for foster and adoptive recruitment efforts.
- Develop and implement New Curriculum for Social Worker Customer Service – To improve interaction and relationships to current and potential foster and adoptive families.

METHODOLOGY:

The total cost is based on anticipated contract costs.

FUNDING:

After applying the federal discount rate of 70 percent for FY 2010-11 and 66 percent for FY 2011-12, federally eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 100 percent General Fund.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in the federal discount rate.

Foster and Adoptive Family Recruitment Campaign

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Foster and Adoptive Family Recruitment Campaign	$185	$65	$120	$0	$0

FY 2011-12

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Foster and Adoptive Family Recruitment Campaign	$185	$62	$123	$0	$0

Minor Parent Services and Investigations

DESCRIPTION:

This premise reflects the costs for a program designed to discourage teen pregnancy and encourage appropriate parenting of teen parents and their children. As established by Assembly Bill 908 (Chapter 304, Statutes of 1995), the guidelines require pregnant and parenting teens to live with their parents or legal guardians as a condition for receiving welfare benefits unless specific conditions exist. Teen parents not living at home would need to live in an appropriate supervised setting. Minor Parent Services (MPS) will be provided, if deemed necessary.

IMPLEMENTATION DATE:

The investigative part of this premise implemented on May 1, 1997.

The MPS part of this premise implemented on June 1, 1997.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code (W&IC) sections 11254, 16504(b), and 16506.
- It is assumed that any situations of abuse or neglect under W&IC section 300 requiring a foster care living arrangement resulting from this investigation are already reflected in Child Welfare Services (CWS) and Foster Care caseload trends.
- It is assumed that a social worker will spend four hours investigating each case. The four hours include one and one-half hours each for two client contacts (teen parent and the teen parent's parent(s) or legal guardian), including interviews and documentation. An additional hour is allocated for travel and time to prepare a report of the social worker's findings.
- Based on historical family maintenance data, it is assumed that minor parents (mostly those 17 years of age) will be allowed to form their own assistance units (AUs) and receive MPS. The estimated number of minor parents approved for their own AUs at age 17 is based on application survey data. An average of six months of services is estimated for each case.

METHODOLOGY:

The total funding for Fiscal Year (FY) 2010-11 and FY 2011-12 is being held at the Budget Act of 2010 Appropriation level.

FUNDING:

The costs of performing the investigations and providing MPS are eligible for 50 percent federal funding under the Temporary Assistance for Needy Families block grant. All nonfederal costs are shared 70 percent General Fund and 30 percent county.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. There is no net change in the Budget Year, but there is a change between the investigations and MPS costs based on actual expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change in the combined total. However, the investigations and MPS costs changed based on actual expenditures.

Minor Parent Services and Investigations

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Investigations	$4,638	$2,319	$1,623	$696	$0
Minor Parent Services	2,459	1,230	860	369	0
Total	$7,097	$3,549	$2,483	$1,065	$0

			FY 2011-12		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Investigations	$4,799	$2,400	$1,679	$720	$0
Minor Parent Services	2,298	1,149	804	345	0
Total	$7,097	$3,549	$2,483	$1,065	$0

Foster Care Infant Rate (SB 500 Amended by SB 720)

DESCRIPTION:

This premise reflects the costs associated with the implementation of Senate Bill (SB) 500 (Chapter 630, Statutes of 2005) and SB 720 (Chapter 475, Statutes of 2007). SB 500 made changes in the way foster care providers are paid for teen parents in placement with their child. It allows for a separate full foster care payment to be paid for the care of a child living in the same foster care facility as that child's minor parent, provided federal financial participation is available and both the child and parent are dependents of the court and receiving reunification services. It creates a new placement option called "whole family foster home," in which care and supervision are provided to dependent teen parents and their non-court dependent children, to ensure the teen parents develop skills necessary to provide a safe, stable, and permanent home for their children. It requires the development of a written "shared responsibility plan" to be created by the foster caregiver and the teen parent in a whole family foster home, and would provide a $200 monthly payment above the current infant supplement for the added care and supervision provided by the foster caregiver to the teen parent and child, pursuant to the shared responsibility plan. SB 720 clarifies that Group Homes will receive the infant supplemental rate for both dependent and non dependent infants who are placed with their dependent mothers rather than a full Group Home rate for the infant. SB 720 also allows infants and mothers living with Non-Related Legal Guardians and related guardians in the Kinship Guardianship Assistance Payment program to be eligible for the increased benefits established in SB 500.

IMPLEMENTATION DATE:

SB 500 implemented on January 1, 2006.

SB 720 which amends SB 500 implemented on January 1, 2008.

KEY DATA/ASSUMPTIONS:

- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- The impact to assistance payments under Item 101 is now in the caseload and grant trends and is no longer estimated separately.
- It is assumed that an additional two hours of social work time is required to develop the written "shared responsibility plan." The caseload for the non-Title IV-E Waiver counties is estimated at 146 cases. The social worker cost per hour is $72.60.

METHODOLOGY:

The caseload is multiplied by the additional social worker hours per case and multiplied by the social worker hourly rate.

FUNDING:

After applying the foster care federal discount rate of 70 percent for Fiscal Year (FY) 2010-11 and 68 percent for FY 2011-12, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are shared 70 percent General Fund and 30 percent county.

Foster Care Infant Rate (SB 500 Amended by SB 720)

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Foster Care Infant Rate (SB 500)	$22	$8	$10	$4	$0

FY 2011-12

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Foster Care Infant Rate (SB 500)	$22	$8	$10	$4	$0

Kinship Support Services

DESCRIPTION:

This premise reflects the costs for the grants-in-aid program that provides start-up and expansion funds for local kinship support service programs. As designated by Assembly Bill (AB) 1193 (Chapter 794, Statutes of 1997), the Kinship Support Services Program (KSSP) is to be conducted by the California Department of Social Services (CDSS) with the initial grants being awarded in July 1998 to eight counties. Currently, there are 20 counties participating in the program. These programs are to provide community-based family support services to kinship (relative) caregivers and the children who are placed in their homes by the juvenile court or who are at risk of dependency or delinquency.

Effective Fiscal Year (FY) 2006-07, the KSSP was augmented by $2.5 million and all counties were allowed to apply for the KSSP funds. The application process requires each interested county to submit a comprehensive proposal outlining how many relative caretakers reside in their county, what services will be provided to relative caretakers and the children in their care, how the county will develop the necessary community supports, how many relative caretakers and children will be served, and what the county outcome improvement goals are for the program. The proposals must also include a description of how each county will measure the success and cost-effectiveness of their program, and how the county will report these measures to CDSS.

IMPLEMENTATION DATE:

This premise implemented on January 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 16605.
- The participating counties for FY 2010-11 and FY 2011-12 are: Alameda, Contra Costa, El Dorado, Kern, Los Angeles, Monterey, Napa, Orange, Placer, Riverside, Sacramento, San Bernardino, San Diego, San Francisco, San Luis Obispo, San Mateo, Santa Clara, Sonoma, Stanislaus, and Ventura.

METHODOLOGY:

The estimate reflects the amount contained in AB 1193 and the 2006 Budget Act.

FUNDING:

This premise is funded 100 percent with General Fund.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Kinship Support Services

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Kinship Support Services	$4,000	$0	$4,000	$0	$0

			FY 2011-12		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Kinship Support Services	$4,000	$0	$4,000	$0	$0

Kinship/Foster Care Emergency Funds

DESCRIPTION:

This premise reflects the cost to provide emergency funds to relative caregivers and foster parents. The program primarily offers one-time assistance for necessary housing needs, such as extra beds and clothing. Short-term support services, such as crisis counseling, are also provided to prevent children from entering or re-entering the child welfare system.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: The Budget Act of 2010.
- This estimate reflects costs for only the 56 non Title IV-E Waiver counties.
- The California Department of Social Services received policy clarification from the federal Department of Health and Human Services that administrative costs for beds, cribs, and smoke detectors that are needed in order to license or approve a foster family home are allowable under Title IV-E.

METHODOLOGY:

The estimate is held at the Budget Act of 2010 Appropriation level.

FUNDING:

After applying the foster care federal discount rate of 70 percent for Fiscal Year (FY) 2010-11 and 68 percent for FY 2011-12, federally eligible costs are shared 50 percent federal and 50 percent nonfederal. Nonfederal costs are 100 percent General Fund.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The change in the Budget Year is due to a change in the foster care federal discount rate.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in the foster care federal discount rate.

Kinship/Foster Care Emergency Funds

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Kinship/Foster Care Emergency Funds	$1,422	$498	$924	$0	$0

			FY 2011-12		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Kinship/Foster Care Emergency Funds	$1,422	$483	$939	$0	$0

Child Welfare Services/Case Management System Staff Development

DESCRIPTION:

This premise reflects the cost to fund staff development for the Child Welfare Services/Case Management System (CWS/CMS) which was implemented as a result of Senate Bill 370 (Chapter 1294, Statutes of 1989). The estimate includes costs for five training components plus costs to maintain three training tools in order to continue to provide a statewide CWS/CMS training curriculum and classes. This statewide training promotes user continuity and consistency to meet Statewide Automated Child Welfare Information System requirements.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1997.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 16501.5.
- The estimate includes training costs for all new users as a result of user growth and staff turnover.
- The cost per hour of training is $48.07 for each fiscal year.
- The estimate assumes an 11.5 percent staff turnover rate.
- There are 15,819 budgeted users for each fiscal year.
- The estimate includes costs for five training components:
    - New User Training – provides 44 hours of basic training for newly hired staff as a result of staff turnover.
    - Intermediate/Advanced Training – provides 16 hours of training to service providers on the more difficult tasks not covered in the new user training.
    - Management/Supervisory Training – provides 16 hours of training to management on the supervisory process of approvals and program management reports.
    - System Support Training – provides 24 hours of training to newly hired system support staff as a result of caseload growth and staff turnover in order to assist other users as needed.
    - Database Training – provides 24 hours of training to staff responsible for extracting and interpreting caseload data.
- Costs are also included for statewide contracted training needs.

Child Welfare Services/Case Management System Staff Development

METHODOLOGY:

Costs are calculated for each training component by multiplying the number of users being trained by the number of hours of training at the hourly cost for training. Costs are then added for the statewide contracted training needs.

Fiscal Year (FY) 2010-11 and FY 2011-12**:** (1,819 New Users x 44 hours x $48.07) + (1,559 Intermediate/Advanced Users x 16 hours x $48.07) + (195 Management/Supervisory Users x 16 hours x $48.07) + (55 System Support Users x 24 hours x $48.07) + (29 Database Users x 24 hours x $48.07). For the statewide contract costs, $3,000,000 is added in each FY in order to meet the total contract commitment.

FUNDING:

Costs are shared according to California's federally approved Cost Allocation Plan (CAP) which allocates costs to all benefiting CWS programs based on statewide county worker time study hours. After applying the foster care federal discount rate of 70 percent for FY 2010-11 and 66 percent for FY 2011-12, federally eligible costs are shared 75 percent federal and 25 percent nonfederal. Nonfederal costs are shared 70 percent GF and 30 percent county, with the exception of statewide contract costs which is 100 percent GF.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change for the Current Year. The Budget Year (BY) change is due to a decrease in the foster care federal discount rate.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY costs are shared based on an updated CAP, and the foster care federal discount rate has decreased.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
CWS/CMS Staff Development	$8,294	$4,283	$2,824	$755	$432

FY 2011-12

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
CWS/CMS Staff Development	$8,294	$4,099	$2,961	$790	$444

Child Welfare Services/Case Management System (CWS/CMS) Maintenance and Operation (M&O) Project

DESCRIPTION:

This premise reflects the costs related to the ongoing and administrative support of the Child Welfare System/Case Management System (CWS/CMS). As mandated by Senate Bill 370 (Chapter 1294, Statutes of 1989), the CWS/CMS provides a comprehensive database, case management tool, and reporting system for the CWS Program. It contains both current and historical information for all children statewide in emergency response, family maintenance, family reunification, and permanent placement. CWS/CMS also includes information regarding adoptions to produce the semiannual adoption and foster care analysis reporting system reports.

CWS/CMS provides: (1) immediate statewide data on referrals for children at risk of abuse, neglect or exploitation; (2) immediate case status and case tracking for children and families receiving child welfare services; (3) necessary information and forms required to determine eligibility for the Aid to Families with Dependent Children - Foster Care Program; (4) tracking for all placement activities for children in foster care; and (5) issuance of the appropriate notice of action messages, court reports, and service plans. The system also produces all required state and federal reports. State level management for CWS/CMS is provided by the Office of Systems Integration (OSI). OSI administers the CWS/CMS Office under an interagency agreement with the California Department of Social Services (CDSS).

IMPLEMENTATION DATE:

This premise became effective Fiscal Year (FY) 1995-96.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 16501.5.
- Costs represent ongoing M&O costs associated with support and oversight of the CWS/CMS.
- Costs include the wide-area network, mainframe, and distributed system components maintained by the state data center, OSI administrative support, and vendor costs related to operation, support, and maintenance of the application and county located technical architecture.

METHODOLOGY:

Costs are based on the 2010 November Subvention Supplementary Premise Information, the FY 2011-12 M&O Plan, and the FY 2011-12 Spring Finance Letter.

FUNDING:

The cost allocation is based on the CDSS Operational Cost Allocation Plan approved by the Division of Cost Allocation/Department of Health and Human Services.

Child Welfare Services/Case Management System (CWS/CMS) Maintenance and Operation (M&O) Project

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in FY 2010-11. The FY 2011-12 costs have decreased due to a one-time reduction to the prime vendor services baseline budget for the annual cost reduction associated with IBM Amendment 27.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2011-12 costs have decreased due to baseline adjustments for Pro Rata, Employee Compensation, and Retirement, and the one-time reduction to the prime vendor services baseline budget for the annual cost reduction associated with IBM Amendment 27.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
CWS/CMS Ongoing M&O	$82,563	$41,070	$37,637	$0	$3,856

			FY 2011-12		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
CWS/CMS Ongoing M&O	$78,583	$39,068	$35,845	$0	$3,670

CDSS/OSI PARTNERSHIP	**Total**	**CDSS**	**OSI**
FY 2010-11	$82,563	$36,193	$46,370
FY 2011-12	78,583	36,193	42,390

Child Welfare Services - CWS/Web Project

DESCRIPTION:

This premise reflects costs for the Child Welfare Services/Web (CWS/Web) Project. CWS/Web Solution will be developed using a web service-based technical architecture infrastructure and development will include four unfulfilled federal Statewide Automated Child Welfare Information Systems (SACWIS) requirements. Where appropriate, improvements will be made during the redevelopment of the current functionality to address business and user needs. CWS/Web Solution will include improvements that take advantage of the capabilities of the new architecture, while limiting the change to state and county business processes.

IMPLEMENTATION DATE:

This premise became effective Fiscal Year (FY) 2006-07.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 16501.5.
- Costs presented are associated with the support and oversight of the CWS/Web Project.
- Costs include staffing, operating expenses and equipment, consultant services, Department of General Services fees, and administrative overhead in support of the CWS/Web procurement and implementation.
- Due to limitations on General Fund, and given other budget priorities, funding for CWS/Web Project cannot be covered. Therefore, the FY 2011-12 costs were reduced to reflect the suspension of this project.

METHODOLOGY:

Costs are based on the July 2010 Special Project Report.

FUNDING:

The cost allocation is based on the California Department of Social Services (CDSS) Operational Cost Allocation Plan approved by the Division of Cost Allocation/Department of Health and Human Services.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in FY 2010-11. The FY 2011-12 costs have decreased due to suspension of the project.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2011-12 costs have decreased due to suspension of the project.

Child Welfare Services - CWS/Web Project

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
CWS/CMS WEB	$9,180	$4,591	$4,161	$0	$428

FY 2011-12

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
CWS/CMS WEB	$2,705	$1,353	$1,226	$0	$126

CDSS/OSI PARTNERSHIP	**Total**	**CDSS**	**OSI**
FY 2010-11	$9,180	$820	$8,360
FY 2011-12	2,705	5	2,700

Child Health and Safety Fund

DESCRIPTION:

This premise reflects the distribution of funding to counties from the Child Health and Safety Fund (CHSF) for child abuse prevention in the community. Assembly Bill 3087 (Chapter 1316, Statutes of 1992) established the CHSF for specified purposes. Monies for this activity are generated through the Department of Motor Vehicles' (DMV) "Have a Heart, Be a Star, Help our Kids" license plate program pursuant to Vehicle Code Section 5072.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code (W&IC) section 18285.
- Of the license plate monies, up to 25 percent may be used for child abuse prevention, and of that 25 percent, 90 percent (i.e., 22.5 percent of the total plate revenue) is to be provided to counties (county children's trust funds) for support of child abuse prevention services in the community [W&IC section 18285(e)(1)].
- The total actual CHSF license plate revenue for Fiscal Year (FY) 2008-09 was $4,084,000 and for FY 2009-10 the revenue was $4,074,000.
- In order to expend additional funds which accrued in the early years of the fund, the annual revenue is expanded by a multiplier of 37.1 percent in FY 2010-11.

METHODOLOGY:

Using FY 2008-09 actual revenue multiplied by 1.37 as the estimate for FY 2010-11 plates' revenue, 22.5 percent will be transferred to the counties for child abuse prevention activities ($4,084,000 x 1.371 x 22.5 percent = $1,259,812).

Using FY 2009-10 actual revenue as the estimate for FY 2011-12 plates' revenue, 22.5 percent will be transferred to the counties for child abuse prevention activities ($4,074,000 x 22.5 percent = $916,650).

FUNDING:

All funds are provided by the CHSF.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is based on decreased actual revenues and the multiplier that is no longer necessary to spend down the fund balance that accrued in earlier years.

Child Health and Safety Fund

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Child Health and Safety Fund	$1,260	$0	$1,260	$0	$0

			FY 2011-12		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Child Health and Safety Fund	$917	$0	$917	$0	$0

Supportive and Therapeutic Options Program (STOP)

DESCRIPTION:

This premise reflects costs for providing expanded therapeutic day services as an alternative to placement in foster care and as a means of reunifying children in foster care placement with their families. These services are provided to families with children and youth returning from out-of-home placement or at-risk of such placements that cannot access services through current mental health services or other funding mechanisms. Services target a broader number of children than the current child welfare services population, such as children and youth at-risk of placement and those exiting foster care. Funds provide supportive and therapeutic services to prevent placement in out-of-home care and/or provide aftercare services to facilitate a successful transition to home or community from out-of-home care placements.

IMPLEMENTATION DATE:

This premise implemented in August 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16500, 16508.2, and 16508.3.
- Total funding is fixed at $14,220,000.
- Based on the Department of Mental Health's annual cost for mental health services per child of $6,369 in Fiscal Year (FY) 2010-11 and $6,505 in FY 2011-12, 2,233 children can be served in FY 2010-11 and 2,186 children can be served in FY 2011-12.

METHODOLOGY:

Funding reflects the fixed amount.

FUNDING:

Total costs are shared 70 percent General Fund and 30 percent county.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
CWS Basic Costs	$14,220	$0	$ 9,954	$4,266	$0

			FY 2011-12		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
CWS Basic Costs	$14,220	$0	$9,954	$4,266	$0

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Group Home Monthly Visits

DESCRIPTION:

This premise reflects the costs of providing monthly visits to all foster care children placed in Group Homes (GHs), both in-state and out-of-state. This premise was authorized by Senate Bill 933 (Chapter 311, Statutes of 1998).

IMPLEMENTATION DATE:

This premise implemented on July 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 16516.5.
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- The in-state GH caseload is projected to be 5,732 for Fiscal Year (FY) 2010-11 and 4,698 for FY 2011-12 based on data as reported on the Child Welfare Services/Case Management System. The out-of-state GH caseload is estimated at 162 for FY 2010-11 and 225 for FY 2011-12.
- The hourly cost of a social worker is $72.60.
- For the out-of-state placements, it is assumed that an average of two cases can be visited per trip.
- All GH placements will receive ten additional visits per year.
- In-state visits will take an average of two hours per visit and out-of-state visits will take an average of 12 hours to visit two cases.
- Based on caseload data for in-state GH placements, 2,934 cases are placed out-of-county for FY 2010-11, and 2,476 cases for FY 2011-12. These cases have been budgeted to include an additional two hours of travel time.
- Out-of-state per diem costs are estimated at $124 and out-of-state travel costs are estimated at $500.

METHODOLOGY:

The in-state costs for ten visits are calculated using the in-state GH caseload for two hours per visit multiplied by the hourly cost of a social worker.

An additional two hours are calculated for the in-state, out-of-county placements at the hourly cost of a social worker.

The out-of-state costs for ten visits are calculated using the out-of-state GH caseload divided by two (two cases per visit) for 12 hours per visit multiplied by the hourly cost of a social worker.

Per diem and travel costs are added for each out-of-state visit.

Group Home Monthly Visits

FUNDING:

After applying the foster care federal discount rate of 70 percent for FY 2010-11 and 68 percent for FY 2011-12, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 100 percent General Fund.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The change in the Budget Year is due to a decrease in the foster care federal discount rate.

REASON FOR YEAR-TO-YEAR CHANGE:

There is a decrease in the in-state caseload, and a decrease in the foster care federal discount rate.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Group Home Monthly Visits	$9,960	$3,486	$6,474	$0	$0

			FY 2011-12		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Group Home Monthly Visits	$8,863	$3,014	$5,849	$0	$0

Caregiver Court Filing (SB 1667)

DESCRIPTION:

This premise reflects the cost for county social workers to instruct caregivers on how to file a Caregiver Information Form with the court at each status review hearing as a result of Senate Bill (SB) 1667 (Chapter 389, Statutes of 2006). This bill requires a social worker to provide the child's caregiver a copy of the Caregiver Information Form in the caregiver's primary language when available and information regarding filing the form with the court.

IMPLEMENTATION DATE:

The premise implemented on January 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: SB 1667 (Chapter 389, Statutes of 2006).
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- Status review hearings are held every six months.
- The foster family home, small family home, relative home, and guardian home caseload is estimated at 23,489 for Fiscal Year (FY) 2010-11 and 22,493 for FY 2011-12.
- Ten percent of the caseload will submit the Caregiver Information Form, requiring 15 minutes of social worker instruction time.
- The average hourly cost of a social worker is $72.60.

METHODOLOGY:

The caseload is multiplied by 0.25 of the hourly cost of a social worker which is then multiplied by two hearings per year.

FUNDING:

After applying the foster care federal discount rate of 70 percent for FY 2010-11 and 68 percent for FY 2011-12, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 100 percent General Fund.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The Budget Year change is due to a decrease in caseload and a decrease in the foster care federal discount rate.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in caseload and a decrease in the foster care federal discount rate.

Caregiver Court Filing (SB 1667)

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Caregiver Court Filing (SB 1667)	$85	$30	$55	$0	$0

FY 2011-12

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Caregiver Court Filing (SB 1667)	$82	$28	$54	$0	$0

Criminal Records Check for FR (AB 1774)

DESCRIPTION:

This premise reflects the cost to conduct background checks on parents wishing to reunify with their child as a result of Assembly Bill (AB) 1774 (Chapter 726, Statutes of 2006). AB 1774 expands the purposes for which criminal offender record information can be obtained to include assessing a parent's suitability to reunify with their child, provided that the parent's consent to fingerprint submission has been obtained. Courts would be allowed to consider the criminal history of a parent at review and permanency hearings.

IMPLEMENTATION DATE:

The premise implemented on January 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: AB 1774 (Chapter 726, Statutes of 2006).
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- Family Reunification (FR) cases can be subject to up to three review and permanency hearings before termination of parental rights is considered, however, it is assumed that criminal records checks will only be performed once.
- The FR average monthly caseload is projected at 13,356 for Fiscal Year (FY) 2010-11 and 13,109 for FY 2011-12.
- The cost for a Department of Justice background check is $32 along with a Live Scan fingerprinting fee of $16 per check.
- The Federal Bureau of Investigations background check is $24.

METHODOLOGY:

The FR average monthly caseload is multiplied by $72.

FUNDING:

After applying the foster care federal discount rate of 70 percent for FY 2010-11 and 68 percent for FY 2011-12, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 100 percent General Fund.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The Budget Year change is due to an increase in caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in caseload and a decrease in the foster care federal discount rate.

Criminal Records Check for FR (AB 1774)

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Criminal Record Checks for FR (AB 1774)	$962	$337	$625	$0	$0

FY 2011-12

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Criminal Record Checks for FR (AB 1774)	$944	$321	$623	$0	$0

Background Checks

DESCRIPTION:

This premise reflects the cost associated with conducting background checks prior to placing children in the home of a relative, or the home of any other person who is not a licensed foster parent. Pursuant to Assembly Bill 1695 (Chapter 653, Statutes of 2001), all unlicensed foster parents must meet the same standards set forth in regulations for the licensing of foster family homes. Therefore, all unlicensed foster parents will be subject to a background check to be conducted through the Child Abuse Central Index, the Department of Justice and the Federal Bureau of Investigations.

IMPLEMENTATION DATE:

This premise implemented on January 1, 1999.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 361.4.
- The caseload for Fiscal Year (FY) 2010-11 is 20,758 based on new placement data for FY 2008-09. The caseload for FY 2011-12 is 19,558 based on new placement data for FY 2009-10.
- Based on information from the California Welfare Directors Association, it is assumed that an average of 1.56 children is placed per home.
- It is assumed that an average of two persons in the home will require background checks.
- The cost for the Child Abuse Central Index check is estimated at $15 per check.
- The cost for a Department of Justice background check is $32 and there is a Live Scan fingerprint fee of $16 per check.
- The Federal Bureau of Investigations background check is $24.

METHODOLOGY:

The costs are calculated by dividing the caseload by number of placements per home, multiplied by two persons in the home requiring background checks, multiplied by the cost for background checks.

FUNDING:

After applying the foster care federal discount rate of 70 percent for FY 2010-11 and 66 percent for FY 2011-12, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 100 percent General Fund.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The change in the Budget Year is due to a decrease in caseload and a decrease in the foster care federal discount rate.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in caseload and a decrease in the foster care federal discount rate.

Background Checks

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Background Checks	$2,315	$810	$1,505	$0	$0

			FY 2011-12		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Background Checks	$2,181	$720	$1,461	$0	$0

Relative Home Approvals

DESCRIPTION:

This premise reflects the cost associated with conducting an in-home approval prior to placing children in the home of a relative or the home of a non-relative extended family member (Initial Approvals). This premise also reflects the cost of conducting an annual visit for continued approval of a relative home (Annual Approvals). Assembly Bill (AB) 1695 (Chapter 653, Statutes of 2001) requires the county welfare department to conduct an in-home inspection to assess the safety of the home and the ability of the relative to care for the child's needs. The bill stipulates that the standards used to evaluate and grant or deny approval of the home of the relative shall be the same standards set forth in regulations for the licensing of foster family homes. However, all homes will require an annual reassessment as opposed to targeted visits for continued licensure of foster family homes.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2002.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 309(d).
- The initial assessment caseload for Fiscal Year (FY) 2010-11 is 20,758 based on new placement data for FY 2008-09. The initial assessment caseload for FY 2011-12 is 19,558 based on new placement data for FY 2009-10.
- The existing caseload for FY 2010-11 is 23,528 based on placement data for November 2009. The existing caseload for FY 2011-12 is 22,185 based on placement data for December 2010.
- Based on information from the California Welfare Directors Association (CWDA), it is assumed that an average of 1.56 children is placed per home.
- Based on information from CWDA, it is assumed to take an average of nine and a half hours to complete the additional activities associated with conducting an initial approval equivalent to the licensure of a foster family home. This includes 30 minutes to check the Licensing Administrative Action Records System (LAARS) as part of the background check process.
- It is estimated that approximately one percent of LAARS searches of new applicants will result in a match, with each match requiring four hours to complete the document review.
- It is assumed to take an average of three hours to conduct an annual visit for re-approval of the home.
- The hourly cost of a social worker is $72.60.

METHODOLOGY:

Costs for the initial assessments are calculated by 1) Dividing the caseload by the number of children per home, multiplied by the number of hours for approval, multiplied by the hourly cost of a social worker, plus 2) Multiplying the number of LAARS matches of new applicants by the additional hours of document review, multiplied by the hourly cost of a social worker.

Costs for annual re-approvals are then calculated by multiplying the re-approval caseload, multiplied by the time to conduct annual visit, multiplied by the hourly cost of a social worker.

Relative Home Approvals

FUNDING:

After applying the foster care federal discount rate of 70 percent for FY 2010-11 and 66 percent for FY 2011-12, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 70 percent General Fund and 30 percent county.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The Budget Year change is due to a decrease in caseload and a decrease in the foster care federal discount rate.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in caseload and a decrease in the foster care federal discount rate.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Initial Approvals	$9,215	$3,225	$4,193	$1,797	$0
Annual Approvals	3,285	1,150	1,495	640	0
Total	12,500	4,375	5,688	2,437	0

FY 2011-12

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Initial Approvals	$8,683	$2,866	$4,072	$1,745	$0
Annual Approvals	3,097	1,022	1,453	622	0
Total	11,780	3,888	5,525	2,367	0

Multiple Relative Home Approvals

DESCRIPTION:

This premise reflects the cost associated with conducting additional approvals when more than one relative or non-related extended family member is seeking to have related foster children placed with them. These additional approvals of all willing relatives or non-related extended family members are necessary in order to fairly establish viable placement options and to better enable the state to meet the federal Adoption and Safe Families Act requirement that approval of relative homes be in compliance with foster family home licensing/approval standards.

IMPLEMENTATION DATE:

This premise implemented on December 1, 2002.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 309(d).
- The new placement caseload for Fiscal Year (FY) 2010-11 is 20,758 based on data for FY 2008-09. The new placement caseload for FY 2011-12 is 19,558 based on data for FY 2009-10.
- Based on information from the California Welfare Directors Association (CWDA), it is assumed that an average of 1.56 children is placed per home.
- It is assumed that 30 percent of the placements have more than one party interested in receiving the placement.
- It is assumed that there are two to three (2.5 average) interested parties per placement. Therefore, since the “Relative Home Approvals” premise already provides for one assessment, there is an average of 1.5 additional homes that require approvals.
- Based on information from CWDA, it is assumed to take an average of 15.5 hours to assess each home for approval. This includes an additional 30 minutes to check the Licensing Administrative Action Records System (LAARS) as part of the background check process.
- It is assumed that approximately one percent of LAARS searches of new applicants will result in a match, with each match requiring four hours to complete the document review.
- The hourly cost of a social worker is $72.60.

METHODOLOGY:

The number of approvals to be conducted is calculated by dividing the caseload by the average placements per home, then multiplying by the percentage of placements with multiple interests, multiplied by the additional homes requiring approval. Annual costs are calculated by multiplying the number of approvals by the number of hours per approval multiplied by the hourly cost of a social worker, then adding, the amount determined by multiplying the number of LAARS matches by the additional hours of review by the hourly cost of a social worker.

FUNDING:

After applying the foster care federal discount rate of 70 percent for FY 2010-11 and 66 percent for FY 2011-12, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are shared 70 percent General Fund and 30 percent county.

Multiple Relative Home Approvals

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The Budget Year change is due to a decrease in caseload and a decrease in the foster care federal discount rate.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in caseload and a decrease in the foster care federal discount rate.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Multiple Relative Home Approvals	$6,755	$2,364	$3,074	$1,317	$0
			FY 2011-12		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Multiple Relative Home Approvals	$6,365	$2,100	$2,985	$1,280	$0

Grievance Review for Relatives

DESCRIPTION:

This premise reflects the cost associated with providing a review process upon request for relatives seeking to have related foster children placed with them but who have been determined not to meet approval standards established by law and regulation. Making a grievance review available to relatives disapproved prior to placement is necessary to afford due process through an objective review of the basis for the disapproval and to better enable the state to meet the federal Adoption and Safe Families Act requirement that approval of relative homes be in compliance with foster family home licensing/approval standards.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2003.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 309(d).
- The new placement caseload for Fiscal Year (FY) 2010-11 is 20,758 based on data for FY 2008-09. The new placement caseload for FY 2011-12 is 19,558 based on data for FY 2009-10.
- Based on information from the California Welfare Directors Association, it is assumed that an average of 1.56 children is placed per home.
- It is assumed that 30 percent of the placements have more than one party interested in receiving the placement.
- It is assumed that there are two to three (2.5 average) interested parties per placement.
- It is assumed that 45 percent of homes will be disapproved.
- It is assumed that 20 percent of those whose homes are disapproved will request a review.
- It is assumed that it will take an average of eight hours to review each case.
- The hourly cost of a social worker is $72.60.

METHODOLOGY:

The number of reviews to be conducted is calculated by dividing the caseload by the average placements per home, then multiplying by the percentage of placements with multiple interests, multiplied by the average interested parties per placement, then multiplying by the percent of homes that are disapproved and the percent of those requesting a review. Annual costs are calculated by multiplying the number of reviews by the number of hours per review multiplied by the hourly cost of a social worker.

FUNDING:

After applying the foster care federal discount rate of 70 percent for FY 2010-11 and 66 percent for FY 2011-12, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are shared 70 percent General Fund and 30 percent county.

Grievance Review for Relatives

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The Budget Year change is due to a decrease in caseload and a decrease in the foster care federal discount rate.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in caseload and a decrease in the foster care federal discount rate.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Grievance Review for Relatives	$522	$183	$237	$102	$0

			FY 2011-12		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Grievance Review for Relatives	$491	$162	$230	$99	$0

Live Scan Technology

DESCRIPTION:

This premise reflects the cost to maintain Live Scan machines in the 58 county child welfare services agencies for the Foster Care program. Before a child can be placed in a foster home or an unlicensed relative or guardian home, caregivers must clear a criminal record check. Live Scan technology provides the capability to do instantaneous criminal record checks from fingerprints. Providing and maintaining Live Scan machines to the child welfare agencies allows for immediate onsite fingerprint processing.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Assembly Bill 1740 (Chapter 52, Statutes of 2000).
- The 58 counties were provided funds to purchase 100 Live Scan machines in Fiscal Year (FY) 2000-01.
- Costs are negotiated and contracted with a Live Scan vendor by each of the counties.
- Contract costs for on-going maintenance were based on an existing Live Scan contract for Community Care Licensing activities.

METHODOLOGY:

Contract costs are budgeted to provide on-going maintenance.

FUNDING:

After applying the foster care federal discount rate of 70 percent for FY 2010-11 and 66 percent for FY 2011-12, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 100 percent General Fund.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The change in the Budget Year is due to a decrease in the foster care federal discount rate.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in the foster care federal discount rate.

Live Scan Technology

EXPENDITURES:

(in 000's)

FY 2010-11					
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Live Scan Technology	$1,200	$420	$780	$0	$0

FY 2011-12					
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Live Scan Technology	$1,200	$396	$804	$0	$0

Health Oversight and Coordination (P.L. 110-351)

DESCRIPTION:

This premise ensures California's compliance with the Fostering Connections to Success and Increasing Adoptions Act (P.L. 110-351), which requires states to specify in their Title IV-B plans how they determine and meet the health, mental health, developmental, and dental care needs of children in foster care. This premise increases funding and the number of nurses for the Health Care Program for Children in Foster Care (HCPCFC) to a level at which medical case management services can be provided by counties for all children in foster care.

Public health nurses (PHN) supported by the HCPCFC provide case management services for children in foster care with the goal of supporting their physical, mental, dental, and developmental well-being. Placed in county child welfare and juvenile probation offices, HCPCFC PHNs participate in medical care planning and coordination, collect and review health information, determine the need for referrals and follow-up care, arrange for health, mental health and dental assessments, expedite referrals for specialty care, advocate for the health needs of the child, and ensure provider linkages. In close parallel to these functions, P.L. 110-351 states that California's Title IV-B plan must address how children's health needs will be monitored and treated, how medical information on each child will be updated and appropriately shared, coordinated strategies to identify and respond to the health, mental health and dental needs of children, and steps to ensure continuity of health care services.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Fostering Connections to Success and Increasing Adoptions Act (P.L. 110-351).
- Caseloads are based on actual data from the previous 12 months.
- The projected foster care caseload for 58 counties includes Foster Family Homes, Foster Family Agencies, and Group Home youth. The caseload is 53,712 for Fiscal Year (FY) 2010-11 and 45,857 for FY 2011-12.
- The foster care caseload per PHN is based on a 200 to 1 ratio.
- The cost for a PHN is $130,620.
- This program receives 75 percent federal Title XIX funding with 25 percent General Fund (GF). The GF is reflected in the California Department of Social Services' (CDSS) budget and, through an interagency agreement, provided to the Department of Health Care Services (DHCS).

METHODOLOGY:

The projected foster care caseload is divided by the number of annual cases per PHN, then multiplied by the unit cost of a PHN to determine the total cost of the program (45,857 ÷ 200 x $130,620). The total funds are multiplied by 25 percent to calculate the amount reflected in the CDSS' budget and the remaining 75 percent of the funds are reflected in the DHCS' budget. The total includes a $1 million reduction to GF consistent with the FY 2010-11 Appropriation.

Health Oversight and Coordination (P.L. 110-351)

FUNDING:

This program is eligible for enhanced federal Title XIX funding of 75 percent with a match of 25 percent GF.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The change in the Budget Year is due to an increase in caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in caseload.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – CWS	Total	Federal	State	County	Reimb.
Health Oversight and Coordination (P.L. 110-351)	$7,770	$0	$7,770	$0	$0

FY 2011-12

Item 151 – CWS	Total	Federal	State	County	Reimb.
Health Oversight and Coordination (P.L. 110-351)	$6,487	$0	$6,487	$0	$0

County Self-Assessment and System Improvement Planning (SIP) Development

DESCRIPTION:

This premise reflects the cost to provide funding to counties to support the additional administrative responsibility related to the planning and coordination of the periodic county Child Welfare Services (CWS) performance self-assessments and annual SIPs as required by Assembly Bill (AB) 636 (Chapter 678, Statutes of 2002). Self-assessments and SIPs are critical and mandated components of the new CWS outcomes and accountability systems that require full and continuous participation by the public, service recipients, providers, courts, and agencies participating in CWS and are necessary to ensure a comprehensive, efficient, and non-duplicative approach to CWS assessment, design and operations.

Additional staff resources are necessary for the new function of identifying, selecting, updating membership, providing information, and coordinating the activities of the wide range of participants that include: advocates, the general public, law enforcement, courts, health and mental health agencies, local education, foster parents, foster youth, service recipient parents, and tribal organizations.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2004.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: The annual Budget Act.
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- Seventy-eight staff at the social worker level are budgeted to perform these duties.
- The statewide average cost of a social worker is $129,074.

METHODOLOGY:

The estimate is calculated by multiplying the number of social workers by the statewide average cost of a social worker.

FUNDING:

After applying the foster care federal discount rate of 70 percent for FY 2010-11 and 68 percent for FY 2011-12, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are shared 70 percent General Fund and 30 percent county.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The Budget Year change is due to a decrease in the foster care federal discount rate.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in the foster care federal discount rate.

County Self-Assessment and System Improvement Planning (SIP) Development

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
County Self-Assessment and SIP Development	$10,079	$3,528	$4,586	$1,965	$0

FY 2011-12

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
County Self-Assessment and SIP Development	$10,079	$3,427	$4,656	$1,996	$0

Federal Child & Family Services Review

DESCRIPTION:

This premise reflects funding for activities related to the preparation and completion of the federal Child and Family Services Review. The funds will be used to hire a contractor to complete research and prepare the Statewide Self Assessment. In addition, funding is needed to support preparation and completion of the onsite review in three counties and development of a Program Improvement Plan (PIP).

IMPLEMENTATION DATE:

This premise implemented on July 1, 2007.

KEY DATA/ASSUMPTIONS:

- Contractor costs for assistance with PIP implementation are $300,000.

METHODOLOGY:

Includes contractor costs of $300,000 for assistance with PIP implementation.

FUNDING:

After applying the foster care federal discount rate of 70 percent for Fiscal Year (FY) 2010-11 and 66 percent for FY 2011-12, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 100 percent General Fund.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The Budget Year change is due to a decrease in the foster care federal discount rate.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in the foster care federal discount rate.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Federal Child & Family Services Review	$300	$105	$195	$0	$0

FY 2011-12

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Federal Child & Family Services Review	$300	$99	$201	$0	$0

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Data Requirements for New Activities

DESCRIPTION:

This premise reflects the costs related to the additional data requirements associated with the many new mandated activities counties must accomplish to implement the Program Improvement Plan (PIP) and the California Child & Family Services Review process authorized by Assembly Bill 636 (Chapter 678, Statutes of 2002). Counties must review and update data already contained in the Child Welfare Services/Case Management System to ensure the new required data elements are entered into the case files. Counties must also spend additional time entering these additional data requirements in all new cases as they are created. This effort is needed to be able to measure program improvement progress as required by the PIP to avoid federal penalties.

IMPLEMENTATION DATE:

This premise implemented January 1, 2004.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: The Budget Act of 2008.
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- The estimate reflects costs for new family maintenance and foster care cases.
- The new caseload is 27,627 for Fiscal Year (FY) 2010-11 based on actual data for FY 2008-09 and 26,362 for FY 2011-12 based on actual data for FY 2009-10.
- It is assumed that each new case will require 15 minutes for a social worker to enter data.
- The hourly cost of a social worker is $72.60.

METHODOLOGY:

The estimate is calculated by multiplying the caseload by the number of hours per case and then by the hourly cost of a social worker.

FUNDING:

After applying the foster care federal discount rate of 70 percent for FY 2010-11 and 68 percent for FY 2011-12, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are shared 70 percent General Fund and 30 percent county.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The Budget Year change is due to a decrease in caseload and a decrease in the foster care federal discount rate.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in caseload and a decrease in the foster care federal discount rate.

Data Requirements for New Activities

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Data Requirements for New Activities	$501	$175	$228	$98	$0

			FY 2011-12		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Data Requirements for New Activities	$$478	$162	$221	$95	$0

Peer Quality Case Reviews

DESCRIPTION:

This premise reflects the cost associated with backfilling staff time, travel and per diem costs for social workers and probation officers participating in Peer Quality Case Reviews (PQCR) as required by Assembly Bill 636 (Chapter 678, Statutes of 2001). The purpose of the PQCR is to learn, through intensive examination of county child welfare practice, how to improve child welfare services and practices in California, both in the participating county and in other jurisdictions as well. Without relying on the PQCR as a vehicle for validating the quantitative data contained within each county's County Data Report and Self Assessment, the PQCR should provide another layer of information. Specifically, the PQCR is another mechanism for understanding the key to the child welfare system and social worker practice. While the quantitative data provides integral, population-based information, the PQCR provides a rich and deep understanding of actual practice in the field. In addition, the PQCR goes beyond the County Self-Assessment by incorporating outside expertise, including county peers, to help identify the strengths and weaknesses of county child welfare services delivery systems, and social worker and probation officer practices.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2004.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10601.2.
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- There will be 14 counties completing County Welfare Department (CWD) and County Probation Department (CPD) reviews in Fiscal Year (FY) 2010-11 and 20 counties completing CWD and CPD reviews in FY 2011-12.
- Based on information from the County Welfare Directors Association (CWDA), it will require a total of 712 hours of social worker time for each CWD review, which includes staff time for preparation, coordination and training for the reviews and completion and review of reports. Included in the total hours are five full days for eight staff from the county being reviewed, and eight staff from other counties to participate in the reviews.
- It will require a total of 427 hours of probation worker time for each CPD review, which includes staff time for preparation, coordination and training for the reviews and completion and review of reports. It is assumed that each CPD review will take approximately three-fifths the time of a CWD review.
- The hourly cost of a worker is $72.60.
- The eight workers from other counties will require travel and per diem costs of $124 per day.
- $40,000 of state support is included in the premise.

METHODOLOGY:

The total number of worker hours per review is multiplied by the number of reviews and then by the worker cost per hour. Costs are then added for travel and per diem for eight visiting workers for each of the reviews at $124 per day. Costs are also added for state support.

Peer Quality Case Reviews

FUNDING:

After applying the foster care federal discount rate of 70 percent for FY 2010-11 and 68 percent for FY 2011-12, federally eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are shared 70 percent General Fund (GF) and 30 percent county, with the exception of state support costs, which are 100 percent GF.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The Budget Year change is due to a decrease in the foster care federal discount rate.

REASON FOR YEAR-TO-YEAR CHANGE:

The number of county reviews has increased.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Peer Quality Case Reviews	$1,310	$459	$603	$248	$0

			FY 2011-12		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Peer Quality Case Reviews	$1,853	$630	$864	$359	$0

Child Fatality and Near Fatality Peer Quality Case Reviews (PQCRs)

DESCRIPTION:

This premise reflects the costs associated with PQCRs that includes compiling and publishing reports on all child deaths and near deaths that are caused by suspected child abuse or neglect as required by the federal Child Abuse Prevention and Treatment Act (CAPTA). A team will be established to review cases on a monthly basis and compile data for a final report. In addition, the on-site review of high profile cases will be contracted out.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: CAPTA
- Eight county staff will meet monthly in Sacramento for two days.
- The average hourly cost for a social worker is $72.60.
- Airfare is estimated at $100 and per diem costs are estimated at $124 per day.
- On-site contracting costs are $100,000.

METHODOLOGY:

The number of staff is multiplied by the annual number of hours and then multiplied by the average cost per hour. Costs are added for travel and per diem and for on-site contracting.

FUNDING:

After applying the foster care federal discount rate of 70 percent for Fiscal Year (FY) 2010-11 and 66 percent for FY 2011-12, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 70 percent General Fund and 30 percent county.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The Budget Year change is due to a decrease in the foster care federal discount rate.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in the foster care federal discount rate.

Child Fatality and Near Fatality Peer Quality Case Reviews (PQCRs)

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Child Fatality and Near Fatality PQCRs	$245	$86	$111	$48	$0

			FY 2011-12		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Child Fatality and Near Fatality PQCRs	$245	$81	$115	$49	$0

Statewide Standardized Training

DESCRIPTION:

This premise reflects the additional costs associated with the need for counties to fill behind county social workers and supervisors who must attend additional days of training, as required under the statewide standardized common core curriculum for all current and new child welfare workers and their supervisors, and probation workers. The additional training days resulted from California's negotiation of the federal Children and Family Services Review (CFSR) Program Improvement Plan (PIP) which was aimed at improving outcomes for children in foster care. The PIP required that the California Department of Social Services (CDSS) develop regulations to mandate the standardized training curricula that will result in four additional days of training. The standardized curricula and additional days of training were also added to the Training Plan section of the Title IV-B State Plan. The standardized curricula was developed in collaboration with the Statewide Training and Education Committee, which includes representation from all of the Regional Training Academies (RTA) and the Inter-University Consortium (IUC), the California Social Work Education Center (CalSWEC), county staff, the tribal community, and other important stakeholders.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2007.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16200 through 16215.
- The additional days of training were required as part of the PIP and Title IV-B Training Plan.
- Funding is based on the number of county Full Time Equivalent (FTEs) who will be attending the additional days of training. For FY 2010-11 and 2011-12, there are 826 new social workers, 118 new social work supervisors, 7,185 existing social workers, 1,026 existing social work supervisors, and 175 existing probation workers who will be attending training.
- New social workers will attend four additional days of initial training and new social work supervisors will attend one additional day of initial training.
- Existing social workers and supervisors will attend 20 hours of continued training annually.
- Existing probation workers will attend three additional days of continued training.
- The hourly cost of a worker is $72.60.

METHODOLOGY:

The estimate is based on the total number of FTEs in each county who will be attending the additional days of training multiplied by the number of hours of training. The total hours are then multiplied by the hourly cost of a worker.

FUNDING:

After applying the foster care federal discount rate of 70 percent for FY 2010-11 and 66 percent for FY 2011-12, federally-eligible costs are shared at 75 percent federal, 25 percent nonfederal. Nonfederal costs are shared 70 percent General Fund and 30 percent county.

Statewide Standardized Training

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The change in the Budget Year is due to a decrease in the foster care federal discount rate.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in the foster care federal discount rate.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Statewide Standardized Training	$14,215	$7,464	$4,726	$2,025	$0

			FY 2011-12		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Statewide Standardized Training	$14,215	$7,036	$5,025	$2,154	$0

CWS Program Improvement Fund

DESCRIPTION:

This premise reflects donated grants, gifts, or bequests made to the state from private sources to be deposited into the Child Welfare Services (CWS) Program Improvement Fund as established by Assembly Bill 2496 (Chapter 168, Statutes of 2004). These funds are intended to enhance the state's ability to provide a comprehensive system of supports that promote positive outcomes for children and families.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2005.

KEY DATA/ASSUMPTIONS:

Donated funds will be eligible for federal Title IV-E enhanced training matching funds.

METHODOLOGY:

The expected donations total $4 million each year.

FUNDING:

After applying the foster care federal discount rate of 70 percent for Fiscal Year (FY) 2010-11 and 66 percent for FY 2011-12, federally-eligible costs are shared 75 percent enhanced federal Title IV-E training funds and 25 percent nonfederal. Nonfederal costs are 100 percent state funded, payable from the CWS Program Improvement Fund.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The Budget Year change is due to a decrease in the foster care federal discount rate.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in the foster care federal discount rate.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
CWS Program Improvement Fund	$8,421	$4,421	$4,000	$0	$0

			FY 2011-12		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
CWS Program Improvement Fund	$7,921	$3,921	$4,000	$0	$0

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CWS Differential Response (DR), Safety Assessment (SA) and Permanency & Youth Services (PYS)

DESCRIPTION:

This premise reflects funding for activities related to Differential Response (DR), Safety Assessment (SA), and Permanency and Youth Services (PYS) that were previously identified as separate premises. Beginning at the Child Welfare Services (CWS) Hotline, the new DR intake system provides a more customized response to families through case planning and development, and provides enhanced services to support the specific needs of children and families. The Standardized Safety Assessment System establishes the standards, tools, and practice applications to improve California's safety outcomes. PYS is aimed at increasing permanence and stability for children in the CWS system as well as supporting foster youth as they transition to adulthood.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2005.

KEY DATA/ASSUMPTIONS:

- This premise provides funding for continued implementation in ten counties (Contra Costa, Glenn, Humboldt, Placer, Sacramento, San Luis Obispo, San Mateo, Stanislaus, Tehama, and Trinity) that received funding in Fiscal Year (FY) 2004-05 through other existing fund sources.
- Additional funding is provided for state level contracts for training and technical assistance in support of the DR, SA, and PYS activities.
- It is assumed that a portion of activities for DR are ineligible for federal Title IV-E funding and are funded with 100 percent General Fund (GF).

METHODOLOGY:

The GF amount for the ten counties is $6,436,000. An additional $364,000 GF is provided for state contracts.

FUNDING:

After applying the foster care federal discount rate of 70 percent for FY 2010-11 and 68 percent for FY 2011-12, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal for the non-enhanced expenditures and 75 percent enhanced federal Title IV-E training funds and 25 percent nonfederal. Nonfederal costs are 100 percent GF.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The Budget Year change is due to a decrease in the foster care federal discount rate.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in the foster care federal discount rate.

CWS Differential Response (DR), Safety Assessment (SA) and Permanency & Youth Services (PYS)

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
CWS DR, SA, and PYS	$10,690	$3,890	$6,800	$0	$0

			FY 2011-12		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
CWS DR, SA, and PYS	$10,518	$3,718	$6,800	$0	$0

CWS Outcome Improvement Project

DESCRIPTION:

This premise reflects funding for county child welfare and probation agencies to enhance/modify their existing service delivery systems to improve outcomes for children and families consistent with the strategies contained in the county System Improvement Plans (SIPs) approved by each county's Board of Supervisors. These plans are required under the California Child and Family Services Review, pursuant to Assembly Bill (AB) 636 (Chapter 678, Statutes of 2001). Improvements in the area of safety are a priority. In addition, the eleven Child Welfare Services (CWS) Program Improvement pilot counties can access these funds to support ongoing development of their Standardized Safety Assessment System, Differential Response, and Youth Permanency programs. The California Department of Social Services anticipates that there will be both one-time and ongoing costs for improvements that could include specialized training, equipment, consultant services, enhanced staffing, and expanded service capacity. In addition, AB 1808 (Chapter 75, Statutes of 2006) provided a $98.6 million augmentation for all counties to be spent flexibly on local priorities identified in the county SIPs.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2005.

KEY DATA/ASSUMPTIONS:

- Authorizing Statute: AB 1808 (Chapter 75, Statutes of 2006).
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- The General Fund (GF) for county welfare department CWS Outcome Improvement Project (CWSOIP) activities is $10.6 million.
- The GF for county probation department CWSOIP activities is $1.2 million.
- AB 1808 provides an augmentation of $39.4 million GF.
- For county welfare department CWSOIP activities, 45 percent of the activities are eligible for federal Title IV-E funding.
- For county probation department CWSOIP activities, 100 percent of the activities are eligible for federal Title IV-E funding.

METHODOLOGY:

The CWSOIP funding is added with the CWSOIP Augmentation funding.

FUNDING:

For the CWSOIP, after applying the foster care federal discount rate of 70 percent for Fiscal Year (FY) 2010-11 and 68 percent for FY 2011-12, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 100 percent GF. The CWSOIP Augmentation funding was determined by AB 1808.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The Budget Year change is due to a decrease in the foster care federal discount rate.

CWS Outcome Improvement Project

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in the foster care federal discount rate.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – CWS	Total	Federal	State	County	Reimb.
CWS Outcome Improvement Project	$14,402	$2,581	$11,821	$0	$0
CWS Outcome Improvement Project Augmentation	60,565	21,198	39,367	0	0
Total	$74,967	$23,779	$51,188	$0	$0

FY 2011-12

Item 151 – CWS	Total	Federal	State	County	Reimb.
CWS Outcome Improvement Project	$14,291	$2,470	$11,821	$0	$0
CWS Outcome Improvement Project Augmentation	59,647	20,280	39,367	0	0
Total	$73,938	$22,750	$51,188	$0	$0

Safe and Timely Interstate Placement of Foster Children Act of 2006

DESCRIPTION:

This premise reflects the costs associated with Child Welfare Services (CWS) and Adoptions social workers meeting the new 60-day home study time frame requirement of the Safe and Timely Interstate Placement of the Foster Care Act of 2006 (H.R. 5403). Within the 60-days, county social workers must complete a study of a home environment in order to assess the safety and suitability of placing a child in a foster or adoptive home and to develop a report of their findings.

This premise also reflects the cost to support data collection and tracking on an annual basis for out-of-state home study requests to satisfy federal reporting requirements.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2007.

KEY DATA/ASSUMPTIONS:

- In early 2009, the California Department of Social Services received instructions from the federal Department of Health and Human Services that the Title IV-B Child and Family Services Plan for Federal Fiscal Year 2010-2014 should include data regarding California's compliance with the out-of-state home study time line requirements imposed by the federal law.
- Authorizing statute: H.R. 5403, pursuant to Senate Bill (SB) 703 (Chapter 583, Statutes of 2007), the Family Code Section 7906.5 was amended to ensure that state law included the new federal requirements.
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- The CWS caseload for the non-Title IV-E Waiver counties from out-of-state is estimated at 856 for Fiscal Year (FY) 2010-11 and 834 for FY 2011-12.
- The Adoptions caseload from out-of state homes studies performed by counties is estimated at 142 for FY 2010-11 and 158 for FY 2011-12.
- Each CWS home study will take an average of 15.5 hours and each Adoptions home study will take an average of 24 hours. Beginning in FY 2010-11, data collection and tracking will take an average of 0.5 hours per case.
- The average hourly cost of a social worker is $72.60.

METHODOLOGY:

The caseload is multiplied by the hours and then by the hourly social worker cost.

FUNDING:

For CWS, after the foster care federal discount rate of 68 percent is applied, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 70 percent General Fund (GF) and 30 percent county.

For Adoptions, costs are shared 42.09 percent federal and 57.91 GF for FY 2010-11 and 41.38 percent federal and 58.62 percent GF for FY 2011-12.

Safe and Timely Interstate Placement of Foster Children Act of 2006

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

CWS: There is no change in the Current Year (CY). The change in the Budget Year (BY) is due to a decrease in the foster care federal discount rate.

Adoptions: There is no change in the CY. The change in the BY is due to an increase in caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

For CWS, the change is due to a decrease in the foster care federal discount rate and a decrease in caseload.

For Adoptions, the change is due to an increase in caseload.

EXPENDITURES:

(in 000's)

FY 2010-11

Safe and Timely Interstate Placement of Foster Children Act of 2006	Total	Federal	State	County	Reimb.
Item 151 – CWS	$994	$348	$452	$194	$0
Item 151 – Adoptions	252	106	146	0	0

FY 2011-12

Safe and Timely Interstate Placement of Foster Children Act of 2006	Total	Federal	State	County	Reimb.
Item 151 – CWS	$969	$329	$448	$192	$0
Item 151 – Adoptions	281	116	165	0	0

Adam Walsh Child Protection and Safety Act of 2006

DESCRIPTION:

This premise reflects the costs associated with Public Law (P.L.) 109-248, known as the Adam Walsh Child Protection and Safety Act of 2006 which requires that states check child abuse and neglect registries in each state in which prospective foster or adoptive parents, relative caregivers or non-relative extended family members (NREFM) (as well as other adults in the home) have resided in the preceding five years prior to approval for placement of a child. This premise also reflects the costs associated with responding to other states' requests for underlying information about child abuse and neglect reports in California. Senate Bill (SB) 703 (Chapter 583, Statutes of 2007) brings California into conformity with this Act.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2008.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: P.L. 109-248 and SB 703.
- Ten percent of those seeking home approval have resided in another state within the past five years and will require a child abuse and neglect registry check.
- Ten percent of those who have resided in another state within the past five years and have a child abuse and neglect registry check will have a history of child abuse and neglect.
- Social workers, adoption workers, and licensing workers will spend one hour per registry check. When information from other states indicates a history of child abuse and neglect, an additional seven hours will be required to investigate and review the facts of the case.

Child Welfare Services (CWS)
The annual relative and NREFM caseload for Fiscal Year (FY) 2010-11 is 20,758, based on data from FY 2008-09. The annual relative and NREFM caseload for FY 2011-12 is projected to be 19,558, based on new placement data for FY 2009-10.

- Based on information from the California Welfare Directors Association, it is assumed that an average of 1.56 children are placed per home.
- It is assumed that an average of two persons in the home will require a child abuse and neglect registry check in another state.
- The fee charged by other states to check their registries is $15 per check.
- The number of out of state checks to be performed in FY 2010-11 is 2,661 and for FY 2011-12 is 2,507.
- It is assumed that ten percent of the out of state checks performed will require a total of eight hours of social worker time to check and investigate each case.
- The number of outgoing registry checks that indicate a history of child abuse and neglect is assumed to be the same as the number of incoming requests for underlying case information.

Adam Walsh Child Protection and Safety Act of 2006

KEY DATA/ASSUMPTIONS (CONTINUED):

- Social workers will spend four hours responding to incoming requests for underlying case information.
- The hourly cost of a social worker is $72.60.

Adoptions

- The number of potentially approved families is 7,141 for FY 2010-11 based on data from FY 2008-09 and 6,837 for FY 2011-12 based on new placement data for FY 2009-10.
- It is assumed that an average of two children will be adopted per home.
- It is assumed that an average of two persons in the home will require a child abuse and neglect registry check in another state.
- The fee charged by other states to check their registries is $15 per check.
- The number of potentially approved families that lived out of state is 714 for FY 2010-11 and 684 for FY 2011-12.
- It is assumed that ten percent of the out of state checks performed will require an investigation, which will take a social worker eight hours to investigate.
- The number of outgoing registry checks that indicate a history of child abuse and neglect is assumed to be the same as the number of incoming requests for underlying case information.
- Social workers will spend four hours responding to incoming requests for underlying case information.
- The hourly cost of an adoption worker is $72.31.

Community Care Licensing (CCL)

- The Foster Family Home (FFH) caseload for FY 2010-11 is 1,499, based on new licensing activity for FY 2008-09. The FFH caseload for FY 2011-12 is 1,314 based on new licensing activity for Calendar Year 2010.
- It is assumed that an average of 2.5 persons in the home will require a child abuse and neglect registry check in another state.
- A total of 3,748 registry checks will be performed in FY 2010-11 and 3,285 in FY 2011-12.
- It is assumed that ten percent of the out of state checks performed will require an investigation, which will take a social worker eight hours to investigate.
- The hourly cost of a licensing worker is $70.68.

Adam Walsh Child Protection and Safety Act of 2006

METHODOLOGY:

CWS

The caseload is multiplied by the percentage of those living in another state, multiplied by the number of hours required to complete a registry check, multiplied by the hourly cost of a social worker. The number of out of state registry checks is multiplied by the percentage of those with a history of child abuse and neglect, multiplied by the additional hours of investigative activity, multiplied by the hourly cost of a social worker. The number of incoming requests for underlying case information is multiplied by the cost per check. The number of incoming requests for underlying case information is multiplied by the number of hours to respond to the request, multiplied by the hourly cost of a social worker.

Adoptions

The caseload is multiplied by the percentage of those living in another state, multiplied by the number of hours required to complete a registry check, multiplied by the hourly cost of an adoption worker. The number of registry checks is multiplied by the percentage of those with a history of child abuse and neglect, multiplied by the additional hours of investigative activity, multiplied by the hourly cost of an adoption worker. The number of incoming requests for underlying case information is multiplied by the cost per check. The number of incoming requests for underlying case information is multiplied by the number of hours to respond to the request, multiplied by the hourly cost of a social worker.

CCL

The number of registry checks is multiplied by the percentage of those living in another state, multiplied by the number of hours required to complete a registry check, multiplied by the hourly cost of a licensing worker. The number of registry checks is multiplied by the percentage of those with a history of child abuse and neglect, multiplied by the additional hours of investigative activity, multiplied by the hourly cost of a licensing worker.

FUNDING:

For the CWS portion of this premise, after applying the foster care federal discount rate of 70 percent for FY 2010-11 and 66 percent for FY 2011-12, costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are shared 70 percent General Fund (GF) and 30 percent county.

For the adoptions portion of this premise, the sharing ratio for FY 2010-11 is 42.09 percent federal and 57.91 percent nonfederal based on actual expenditure data from FY 2008-09. The sharing ratio for FY 2011-12 is 41.38 percent federal and 58.62 percent nonfederal based on FY 2009-10 actual expenditures for the Adoptions Basic Program.

For the CCL portion of this premise, the sharing ratio for FY 2010-11 is 36.30 percent federal Title IV-E and 63.70 percent GF based on actual expenditures in Calendar Year 2009. The sharing ratio for FY 2011-12 is 35.03 percent federal Title IV-E and 64.97 percent GF based on actual expenditures from Calendar Year 2010.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The change in the Budget year is due to a net decrease in caseload.

Adam Walsh Child Protection and Safety Act of 2006

REASON FOR YEAR-TO-YEAR CHANGE:

The change to CWS, Adoptions and CCL is due to a net decrease in caseload. The three components also have increases in their non-federal sharing ratios.

EXPENDITURES:

(in 000's)

FY 2010-11

Adam Walsh Child Protection and Safety Act of 2006	Total	Federal	State	County	Reimb.
Item 151 – CWS	$421	$147	$193	$81	$0
Item 151 – Adoptions	109	46	63	0	0
Item 151 – CCL	45	16	29	0	0

FY 2011-12

Adam Walsh Child Protection and Safety Act of 2006	Total	Federal	State	County	Reimb.
Item 151 – CWS	$396	$131	$186	$79	$0
Item 151 – Adoptions	105	44	61	0	0
Item 151 – CCL	39	14	25	0	0

Child Relationships (AB 408 Amended by AB 1412)

DESCRIPTION:

This premise reflects the costs for social workers to perform additional activities on every initial and six month case plan and court report on children 10 years of age and older who are placed in group homes for more than six months to establish a special relationship with an important person in the child's life as stipulated by Assembly Bill (AB) 408 (Chapter 813, Statutes of 2003). Social workers must conduct investigations to identify these individuals, evaluate and assess relationships between foster children and other important people in their lives, excluding siblings, and take necessary actions to maintain these relationships. These identified persons are included in the child's Transitional Independent Living Plan (TILP).

Effective January 1, 2006, the provisions of AB 408 were amended as stipulated by AB 1412 (Chapter 640, Statutes of 2005) to include all children who are developmentally appropriate and who are in out-of-home placements. In addition, the social workers must insure that developmentally appropriate children are involved in the development of their case plan, help plan for permanent placement, and that children 12 years of age or older review their case plan, sign it, and receive a copy.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2004.

The provisions of AB 1412 implemented on July 1, 2006.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 349, 366-366.35, 391, 16001.9, and 16206 – 16501.1
- For Fiscal Year (FY) 2010-11, the estimate is being held to the Budget Act of 2010 Appropriation.
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- For FY 2011-12, there will be approximately 5,987 new children 10 years of age and older and who have been in out-of-home placement for six months or longer. The social worker will spend at least four hours per case to assess the placement of the child and an additional one-half hour per case, for the six month case plan/court report.
- One out of every four relationships initially assessed will not be deemed in the child's best interest. In such cases, another relationship will be assessed, which will require four additional hours of social worker time.
- For FY 2011-12, there will be approximately 9,407 out-of-home placement cases for the six month case plan/court report for ongoing cases. The social worker will spend 15 minutes per case.
- Background checks will be performed on each initial and additional assessment case at a cost of $87.00 per case.
- For FY 2011-12, there will be approximately 6,638 foster children age 16 and older in out-of-home placement who will complete a TILP.
- For FY 2011-12, there will be approximately 5,589 children age 8 to 11 years old who are developmentally appropriate who will participate in their case plan development.

Child Relationships (AB 408 Amended by AB 1412)

KEY DATA/ASSUMPTIONS (CONTINUED):

- For FY 2011-12, there will be approximately 12,674 children age 12 years old and older who will review and sign their case plan.
- The social worker cost per hour is $72.60.

METHODOLOGY:

For FY 2010-11, the estimate is held at the Budget Act of 2010 Appropriation. For FY 2011-12, the estimate is calculated by multiplying the amount of time per activity by the frequency of the activity per year by the social worker rate and then by the number of cases. Background check costs are calculated by multiplying the cost per case by the caseload.

FUNDING:

After applying the foster care federal discount rate of 70 percent for FY 2010-11, and 68 percent for FY 2011-12, federally eligible costs are shared 50 percent federal and 50 percent nonfederal. Nonfederal costs are shared 70 percent General Fund and 30 percent county.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The change in the Budget Year is due to an increase in caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in caseloads per activity, and a decrease in the foster care federal discount rate.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – CWS	Total	Federal	State	County	Reimb.
Child Relationships (AB 408 Amended by AB 1412)	$5,559	$1,946	$2,529	$1,084	$0

FY 2011-12

Item 151 – CWS	Total	Federal	State	County	Reimb.
Child Relationships (AB 408 Amended by AB 1412)	$5,299	$1,802	$2,448	$1,049	$0

Personalized Transition Plan (P.L. 110-351)

DESCRIPTION:

This premise represents costs associated with the federal Fostering Connections to Success and Increasing Adoptions Act [Public Law (P.L.) 110-351] that was signed into law on October 7, 2008. Section 202 of this federal bill mandates during the 90-day period immediately prior to the date in which the child will attain 18 years of age, or such greater age as the state may elect, a caseworker or other representatives of the child may provide the child with assistance and support in developing a Transitional Plan. This plan must include specific options on housing, health insurance, education, local opportunities for mentors, continuing support services, such as work force supports and employment services, and is as detailed as the child may elect.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Fostering Connections to Success and Increasing Adoptions Act (P.L. 110-351) and Welfare and Institutions Code section 16501.1.
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- The Title IV-E Waiver counties' non-base is reflected in Item 153 Title IV-E Waiver.
- For Fiscal Year (FY) 2010-11, 4,273 youth aged 17 and 18 will need a Transition Plan, based on July 2009 data.
- For FY 2011-12, 3,507 youth aged 17 and 18 will need a Transition Plan, based on July 2010 data.
- For FY 2011-12, 362 current 18 year olds are not accounted for under this premise but instead are included under the Extend Foster Care, Kinship Guardianship Assistance Payment, Adoption Assistance Program Benefits (AB-12) premise and will not require a Transition Plan.
- It takes a social worker one hour to complete the Transition Plan with the foster child.
- The hourly social worker cost is $72.60.

METHODOLOGY:

The cost is derived by multiplying the caseload by the one hour it will take the social worker to complete the Transition Plan by the social worker hourly cost.

FUNDING:

After applying the foster care federal discount rate of 70 percent for FY 2010-11 and 68 percent for FY 2011-12, federally eligible costs are shared 50 percent federal title IV-E and 50 percent nonfederal. Nonfederal costs are shared 70 percent General Fund and 30 percent county.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The change in the Budget Year is due to a decrease in caseload and a decrease in the foster care federal discount rate.

Personalized Transition Plan (P.L. 110-351)

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to decreased caseload and a decrease in the foster care federal discount rate.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Personalized Transition Plan (P.L. 110-351)	$310	$109	$141	$60	$0

FY 2011-12

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Personalized Transition Plan (P.L. 110-351)	$255	$87	$118	$50	$0

Resource Family Approval Pilot (AB 340)

DESCRIPTION:

This premise reflects costs associated with Assembly Bill 340 (Chapter 464, Statutes of 2007) which requires the California Department of Social Services (CDSS), in consultation with stakeholders, and interested parties, to implement a three-year pilot program in up to five counties to establish a single, comprehensive, resource, family, pilot, approval process for foster care and adoption. This single process would replace the existing separate processes for licensing foster family homes, approving relatives and non-related extended family members (NREFM), and approving adoptive families.

IMPLEMENTATION DATE:

This premise will implement on January 1, 2012.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 16519 and 16519.5.
- The five pilot counties are: Fresno, San Luis Obispo, Santa Barbara, Santa Clara, and Yuba.
- The number of hours necessary to perform home approvals for relative/NREFM and licensing has been increased to 24 hours, which is equivalent to the level of an adoption approval.
- Duplicative processes for approvals and background checks are eliminated, thus creating savings.
- Placements are more stable, eliminating secondary placements for Foster Family Home (FFH) cases, thus creating savings.
- State administrative hearing reviews for licensing cases, denied and appealed, will be replaced by less-costly county grievance reviews. It is assumed that 20 percent of FFH cases that are denied will appeal, requiring eight hours of social worker (SW) time per grievance review.
- First year costs include one-time SW training and county start-up costs of $356, 000. On-going annual training for new staff as a result of turnover is estimated at $4,000.
- After the initial year of implementation, FFH cases will require three hours of SW time to perform annual reassessments.

<u>Child Welfare Services (CWS)</u>

- Based on actual data for FY 2009-10, the relative/NREFM caseload for the five pilot counties is 2,390.
- Based on information from the California Welfare Directors Association, an average of 1.56 children is paced per home.
- The hourly cost of a SW is $72.60.
- The number of hours to perform relative/NREFM home approvals is 15 hours.
- Sixty percent of cases placed in FFHs experience at least one placement change within the first 12 months of placement. SWs typically spend 18 hours on activities associated with finding an alternate placement for these cases.

Resource Family Approval Pilot (AB 340)

KEY DATA/ASSUMPTIONS (CONTINUED):

Adoptions

- Based on actual data for FY 2009-10, the number of adoption cases going through the home approval process for the five pilot counties total 79.
- The hourly cost of an adoption worker is $72.60.
- The number of hours to perform an adoptive home approval is 24 hours.
- The cost to conduct background checks is $87 per check.
- Two persons per home will require a background check.

Community Care Licensing (CCL)

- Based on actual data for Calendar Year 2010, the number of CCL cases going through the home approval process for the five pilot counties total 159, of which 154 were approved and five were denied.
- The hourly cost of a licensing worker is $70.68.
- The number of hours to perform a FFH home approval is 15.47 hours.

METHODOLOGY:

CWS

For relative/NREFM approval costs, calculate the difference between the hours per approval previously required, versus an adoption home approval. The difference is multiplied by the caseload and the hourly cost of a SW.

For FFH approval costs, multiply the caseload times the hours per approval, times the hourly cost of a SW.

Following the initial year of implementation, annual reassessment costs for the FFH cases are calculated by taking the number of approved new licenses, multiplied by the number of hours for each approval, multiplied by the hourly cost of a SW.

Grievance review costs for the FFH cases are calculated by taking 20 percent of the denied cases, multiplied by the number of hours per review, multiplied by the hourly cost of a SW.

Training and start-up costs are then added.

Adoptions

Savings are calculated for the elimination of approval and background check processes.

CCL

Savings are calculated for the elimination of approval processes.

Resource Family Approval Pilot (AB 340)

FUNDING:

CWS

After applying the foster care federal discount rate of 66 percent for FY 2011-12, federally eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are shared 70 percent General Fund (GF) and 30 percent county.

Adoptions

Savings are shared based on actual sharing ratios in the Adoptions Program. The sharing ratio for FY 2011-12 is 44.03 percent federal and 55.97 percent GF.

CCL

Savings are shared based on actual FFH sharing ratios. The sharing ratio for FY 2011-12 is 36.23 percent federal and 63.77 percent GF.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The change in both the Current Year and Budget Year (BY) is due to a delay in implementation.

REASON FOR YEAR-TO-YEAR CHANGE:

The change in the BY is due to a half year implementation.

EXPENDITURES:

(in 000's)

FY 2010-11

Resource Family Approval Pilot (AB 340)	Total	Federal	State	County	Reimb.
Item 151 – CWS	$0	$0	$0	$0	$0
Item 151 – Adoptions	0	0	0	0	0
Item 151 – CCL	0	0	0	0	0

FY 2011-12

Resource Family Approval Pilot (AB 340)	Total	Federal	State	County	Reimb.
Item 151 – CWS	$933	$323	$427	$183	$0
Item 151 – Adoptions	-75	-33	-42	0	0
Item 151 – CCL	-86	-31	-55	0	0

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Supplemental Security Income/State Supplementary Payment (SSI/SSP) Foster Care Application

DESCRIPTION:

This premise reflects the costs associated with implementing Assembly Bill (AB) 1331 (Chapter 465, Statutes of 2007) that requires counties to screen all foster youth age 16 ½ and older to determine if they are eligible for federal SSI benefits utilizing the best practice guidelines developed pursuant to AB 1633 (Chapter 641, Statues of 2005). AB 1331 requires that an application be submitted for any child who is screened as being likely to be eligible for SSI benefits.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2008.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: AB 1331 (Chapter 465, Statutes of 2007).
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- For Fiscal Year (FY) 2010-11, there are 3,938 children in foster care aged 16 ½ through 17 ½ that will require an SSI/SSP screening based on caseload data from December 2009.
- For FY 2011-12, there are 3,777 children in foster care aged 16 ½ through 17 ½ that will require an SSI/SSP screening based on caseload data from December 2010.
- Each screening will require 30 minutes of social worker time.
- Fifteen percent of those screened will have an SSI/SSP application submitted which will require eight hours of social worker time. Fifty percent of applications submitted will be initially denied and then appealed, requiring an additional six hours of social worker time.
- The average statewide social worker hourly cost is $72.60.

METHODOLOGY:

Costs are estimated by multiplying the caseload by the number of social worker hours, multiplied by the hourly cost of a social worker.

FUNDING:

After applying the foster care federal discount rate of 70 percent for FY 2010-11 and 68 percent for FY 2011-12, federally eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 100 percent General Fund.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The Budget Year change is due to a decrease in the foster care federal discount rate.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in caseload and a decrease in the foster care federal discount rate.

Supplemental Security Income/State Supplementary Payment (SSI/SSP) Foster Care Application

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
SSI/SSP Foster Care Application (AB 1331)	$615	$215	$400	$0	$0

			FY 2011-12		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
SSI/SSP Foster Care Application (AB 1331)	$590	$201	$389	$0	$0

Health Benefit Determination (AB 1512)

DESCRIPTION:

Assembly Bill 1512 (Chapter 467, Statutes of 2007) requires the county child welfare agency or probation department responsible for the child's placement to determine, in consultation with the foster parent, whether a foster child who is currently enrolled in a county organized health system (COHS) and is to be placed in an out-of-county placement should remain in the COHS. This bill requires that the determination be made one working day after the out-of-county placement begins. If the decision is to disenroll the child from the COHS, the placing county would also be required to request the disenrollment within two working days after the out-of-county placement begins.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 14093.09.
- There are currently fourteen counties that have adopted the COHS. They are: Marin, Mendocino, Merced, Monterey, Napa, Orange, San Luis Obispo, San Mateo, Santa Barbara, Santa Cruz, Solano, Sonoma, Ventura, and Yolo.
- Social workers will spend two hours on determination and disenrollment activities.
- For Fiscal Year (FY) 2010-11, there will be 2,779 out-of-county placements (based on actual data from December 2009). For FY 2011-12, there will be 1,753 out-of-county placements (based on actual data from January 2011).
- The hourly cost of a social worker is $72.60.

METHODOLOGY:

The cost is derived by multiplying the caseload by the two hours it will take the social worker to make the determination, by the social worker hourly cost, and by the caseload.

FUNDING:

For FY 2010 -11, after applying the foster care federal discount rate of 70 percent, federally eligible costs are funded with 50 percent federal Title IV-E funds. Nonfederal costs are 100 percent General Fund (GF). For FY 2011-12, this program is eligible for federal Title XIX funding of 50 percent with a match of 50 percent GF.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change for the Current Year. The change in the Budget Year is due to a decrease in caseload and a change in funding source from Title IV-E to Title XIX.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in caseload and a change in funding source from Title IV-E to Title XIX.

Health Benefit Determination (AB 1512)

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Health Benefit Determination (AB 1512)	$403	$141	$262	$0	$0

			FY 2011-12		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Health Benefit Determination (AB 1512)	$254	$0	$127	$0	$127

Foster Youth Identity Theft (AB 2985)

DESCRIPTION:

This premise reflects the costs associated with requesting and evaluating a credit check and referring a child to an approved credit counseling organization, pursuant to Assembly Bill (AB) 2985 (Chapter 387, Statutes of 2006). AB 2985 requires a County Welfare Department (CWD) to request a credit check from a credit reporting agency for every foster child upon his/her 16th birthday. When a credit report contains negative information or evidence of identity theft, the CWD must refer the child to an approved credit counseling organization from a list developed by the California Department of Social Services, in consultation with the County Welfare Directors Association and other stakeholders.

IMPLEMENTATION DATE:

Implementation of this premise is suspended until Fiscal Year (FY) 2012-13.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10618.6.
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- The Title IV-E Waiver counties non-base is reflected in Item 153 Title IV-E Waiver.
- The estimate assumes every foster child upon his/her 16th birthday will receive credit checks from three credit bureaus.
- The time to process each credit check is one hour.
- Ten percent of the caseload will be referred to a credit counseling organization. The time to process each referral is one hour.
- The hourly cost of a social worker hour is $72.60.

METHODOLOGY:

The social worker cost is derived by multiplying the number of credit checks processed, and the number of referrals, by the social worker hourly cost.

FUNDING:

After the foster care federal discount rate of 68 percent is applied, federally eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 100 percent General Fund.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The Budget Year change is due to the suspension of the program until FY 2012-13.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Foster Youth Identity Theft (AB 2985)

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Foster Youth Identity Theft (AB 2985)	$0	$0	$0	$0	$0

FY 2011-12

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Foster Youth Identity Theft (AB 2985)	$0	$0	$0	$0	$0

Increase Funding for Caseworker Visits

DESCRIPTION:

This premise reflects the costs associated with Public Law (P.L.) 109-288, known as the Child and Family Services Improvement Act of 2006 which requires states to increase the percentage of foster children that are visited monthly to 90 percent by the year 2011 in order to continue receiving full Title IV-B funding. The P.L. 109-288 also required that the California Department of Social Services (CDSS) implement guidelines for what constitutes a quality visit with a foster child. In addition, a majority of those visits must occur in the child's home. States are required to submit a plan for approval by the federal Department of Health and Human Services that indicates their goals for improvement each Federal Fiscal Year (FFY). If states do not meet their goals each and every year they will be penalized accordingly. In order to capture information about the Probation Officer (PO) visits, this premise funds PO access to the Child Welfare Services/Case Management System (CWS/CMS).

IMPLEMENTATION DATE:

This premise implemented on July 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Child and Family Services Improvement Act of 2006 (P.L. 109-288). Welfare and Institutions Code section 16501.1.
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- This estimate assumes that it will take a social worker 15 minutes to input the Foster Family Agency (FFA) monthly visit information in the CWS/CMS.
- This estimate assumes that it will take a social worker two hours monthly to visit each Foster Family Home (FFH) placement and record the information into CWS/CMS.
- This estimate assumes that it will take a social worker four hours monthly to visit out-of-county FFH placements and record the information in CWS/CMS.
- Beginning in Fiscal Year (FY) 2011-12 this estimate assumes that 16.8 percent of the total missed visits will require a social worker to spend an additional 30 minutes of time per visit to improve the quality of the visit.
- The number of FFA visits where information will need to be entered into CWS/CMS is 21,136 for FY 2010-11 and 19,149 for FY 2011-12.
- For FY 2010-11 the number of missed visits is based on data from FFY 2009. For FY 2011-12, the missed visit data is updated by the percentage change in foster care caseload.
- The number of missed visits is 54,679 with 3,760 being out-of-county for FY 2010-11 and 44,213 with 7,380 being out-of-county for FY 2011-12.
- The hourly cost of a social worker is $72.60.
- There are 175 POs who need access to CWS/CMS with a monthly fee for a token of $27.00 each.

Increase Funding for Caseworker Visits

METHODOLOGY:

The caseload is multiplied by the number of hours, multiplied by the hourly cost of a social worker. The number of POs is multiplied by the monthly fee for a token, multiplied by twelve months.

FUNDING:

After applying the foster care federal discount rate of 70 percent for FY 2010-11 and 68 percent for FY 2011-12, federally eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs for the social worker visits are shared 70 percent General Fund (GF) and 30 percent county. Nonfederal costs for the tokens are 100 percent GF. A portion of the Promoting Safe and Stable Families (PSSF) funding is available for this new mandate (see the "PSSF premise for additional information).

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The Budget Year change is due to a decrease in the foster care caseload and a decrease in the foster care federal discount rate.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in the foster care caseload and a decrease in the foster care federal discount rate.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Increase Funding for Caseworker Visits	$6,922	$2,423	$3,160	$1,339	$0

			FY 2011-12		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Increase Funding for Caseworker Visits	$5,493	$772	$3,316	$1,405	$0

Chafee Federal National Youth in Transition Database

DESCRIPTION:

This premise reflects the costs associated with submitting demographic and outcome data on foster youth who receive Independent Living Program (ILP) services and those who age-out of foster care. All states are required to submit this data pursuant to the final regulations from the federal Administration for Children and Families (ACF) regarding implementation of the National Youth in Transition Database (NYTD). ACF has given states two and one half years to develop the methodology and capacity for collecting data on all ILP services and foster youth cohorts. ACF gave states until October 1, 2010, to fully implement the regulation requirements and begin collecting required data.

The principle data collection method for NYTD is a survey of current and former foster youth at ages 17, 19, and 21 years old. The surveys will be conducted through a contract with a university. Counties are required to inform 17 year olds in foster care of the purpose and scope of the survey, maintain periodic contact with former foster youth to meet federal response requirements, and secure consent forms from youth for participation in the follow-up survey. Surveys must be conducted continuously on a new cohort of 17 year olds every three years.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Code of Federal Regulations, Title 45, Part 1356.
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- The number of youth projected to take the survey is 3,945 based on actual caseload data of youth aged 17.
- In Fiscal Year (FY) 2010-11 social workers will spend 1 hour to inform the youth about the survey and update data in the database.
- In FY 2011-12 social workers will spend four hours tracking and maintaining contact with former foster youth.
- Contract costs for FY 2010-11 total $332,044, and $280,106 for FY 2011-12.
- The hourly cost of a social worker is $72.60.

METHODOLOGY:

The caseload is multiplied by the number of hours, multiplied by the hourly cost of a social worker. Contract costs are then added.

FUNDING:

After applying the foster care federal discount rate of 70 percent for FY 2010-11 and 68 percent for FY 2011-12, federally eligible costs are shared 50 percent federal Title IV-E. Nonfederal costs for social worker activities are shared 70 percent General Fund (GF) and 30 percent county. Nonfederal costs for contracts are 100 percent GF.

Chafee Federal National Youth in Transition Database

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The change in the Current Year is due to an increase in social worker time and contract costs, offset by a decrease in caseload. The change in the Budget Year is due to an increase in contract costs, offset by a decrease in caseload and the foster care federal discount rate.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase is due to implementing the follow-up activities which require more time and an increase in contract costs.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Chafee Federal NYTD	$618	$216	$346	$56	$0

			FY 2011-12		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Chafee Federal NYTD	$1,426	$485	$714	$227	$0

Registered Sex Offender Check

DESCRIPTION:

This premise reflects costs to minimize the risk of predictable and preventable harm to vulnerable children in out-of-home care by detecting the presence/residence of a Registered Sex Offender (RSO) in prospective and approved licensed facilities and prospective and approved relative/Nonrelative Extended Family Member (NREFM) homes.

On an annual basis the California Department of Social Services, Community Care Licensing Division (CCLD) will compare transmitted Department of Justice (DOJ) sex offender files against the Child Welfare Services/Case Management System (CWS/CMS) placement information for county-licensed Foster Family Homes (FFH), Family Child Care Homes (FCCH), and county-approved relative and NREFM homes. County welfare departments will then be responsible for investigating any address matches, with the exception of relatives and NREFM homes for the 20 small counties which will be investigated by CCLD.

County welfare departments will also check all prospective licensure applicants and relative/NREFM homes against the Megan's Law Public Website and investigate all address matches. When a match resulting from the annual or prospective check is verified, county welfare departments will take appropriate action, which may include licensure and placement denial, removal of children and finding a new placement, and grievance reviews for relatives/NREFMs.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2009.

KEY DATA/ASSUMPTIONS:

Authorizing statute: The annual Budget Act.

<u>Child Welfare Services (CWS)</u>

<u>Prospective Relative/NREFM Check</u>

- The caseload for Fiscal Year (FY) 2010-11 is 19,294 based on actual relative and NREFM placement data for FY 2008-09.
- The caseload for FY 2011-12 is 18,179 based on actual relative and NREFM placement data for FY 2009-10.
- The time required to check each home against the Megan's Law Public Website is estimated at 0.33 hours (20 minutes).
- The match rate is 0.10 percent based on the Bureau of State Audits May 2008 report.
- An investigation will be performed on each match and will require an estimated 6.75 hours.
- The hourly cost of a social worker is $72.60.

<u>Annual Check</u>

- For FY 2010-11, the relative placement caseload, excluding the 20 small counties, is 22,701 based on placement data for December 2009. The relative placement caseload for the 20 small counties is 473 cases.

Registered Sex Offender Check

KEY DATA/ASSUMPTIONS (CONTINUED):

- For FY 2011-12, the relative placement caseload, excluding the 20 small counties, is 21,655 based on placement data for December 2010. The relative placement caseload for the 20 small counties is 530 cases.
- Based on information from the California Welfare Directors' Association, it is assumed that an average of 1.56 children are placed per home.
- The match rate is 0.10 percent based on the Bureau of State Audits May 2008 report.
- An investigation will require an estimated 6.75 hours for each match, excluding the 20 small counties.
- The hourly cost of a social worker is $72.60.

Grievance Review

- The total number of relative/NREFM homes that are disapproved is estimated at 33 based on the number of all matches for prospective and annual checks each year.
- It is assumed that 20 percent of those disapproved homes will request a review.
- It is assumed that it will take an average of eight hours to review each case.
- The hourly cost of a social worker is $72.60.

Removal and Finding New Placement

- It is assumed that each address match will be verified and will result in license revocation and home disapproval.
- It is estimated that there are approximately 1.56 children placed per relative home, and approximately 14 relative/NREFM homes disapproved, resulting in approximately 22 children being removed.
- It is estimated that there are approximately 2.5 children placed per FFH, and approximately eight licenses revoked each year, resulting in 20 children being removed. It is assumed that the removal and finding new placement will take an average of 18 hours per removal.
- The hourly cost of a social worker is $72.60.

Community Care Licensing (CCL)

Annual Check

- The FFH caseload for FY 2010-11 is 7,269 and for FY 2011-12 it is 7,156. The FCCH caseload for FY 2010-11 is 3,678 and for FY 2011-12 it is 3,843.
- The match rate is 0.10 percent.
- It is assumed that it will take an FFH licensing worker 30.90 hours and an FCCH license worker 33 hours to investigate each address match.
- It is assumed that 41 percent of the matches will require administrative action.
- It is assumed that it will take an FFH and FCCH licensing worker 31 hours for each administrative action.

Registered Sex Offender Check

KEY DATA/ASSUMPTIONS (CONTINUED):

- The hourly cost of an FFH licensing worker is $70.68.
- The hourly cost of an FCCH licensing worker is $66.30.

Application Check

- For FY 2010-11, there are 2,676 FFH and 367 FCCH applications received in FY 2008-09. For FY 2011-12, there are 2,156 FFH and 242 FCCH applications received in FY 2009-10.
- The match rate is 0.10 percent based on the Bureau of State Audits May 2008 report.
- It is assumed that it will take an FFH licensing worker 30.90 hours and an FCCH licensing worker 33 hours to investigate each address match.
- It is assumed that 41 percent of the matches will require administrative action.
- It is assumed that it will take an FFH and FCCH licensing worker 31 hours for each administrative action.
- It is assumed that it will take a licensing worker 20 minutes to check an address against the Megan's Law Public website.
- The hourly cost of an FFH licensing worker is $70.68.
- The hourly cost of an FCCH licensing worker is $66.30.

METHODOLOGY:

CWS

For relative and NREFM prospective checks, the caseload is multiplied by the time required for each check, plus the number of matches multiplied by the total hours per investigations, all multiplied by the hourly cost of a social worker.

For annual checks, the number of homes, excluding the 20 small counties, is multiplied by the match rate, the total hours per investigation, and the hourly cost of a social worker.

For grievance reviews, total matches for all counties are multiplied by the percent requesting review, the number of hours per review, and the hourly cost of a social worker.

For removal and new placement activities, the total number of children removed is multiplied by the hours required to remove the child and find a new placement and the hourly cost of a social worker.

CCL

For FFH/FCCH applications, the caseload is multiplied by the match rate, multiplied by the total hours required per investigation plus the number of administrative actions, multiplied by the number of hours per action, plus the caseload multiplied by the time it will take to check an address against the Megan's Law Public website and all multiplied by the hourly cost of an FFH/FCCH licensing worker.

For FFH/FCCH annual checks, the caseload is multiplied by the match rate, multiplied by the total hours required per investigation, plus the number of administrative actions, multiplied by the number of hours per action, and all multiplied by the hourly cost of an FFH/FCCH licensing worker.

Registered Sex Offender Check

FUNDING:

CWS - After applying the foster care federal discount rate of 70 percent for FY 2010-11 and 66 percent for FY 2011-12, federally eligible costs are shared 50 percent federal Title IV-E. Nonfederal costs are 100 percent General Fund (GF).

CCL – The sharing ratio for FFH is 35.03 percent federal Title IV-E and 64.97 percent GF based on actual expenditures from calendar year 2010. The FCCH costs are 100 percent GF.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The change in the Budget Year is due to a decrease in caseload and a decrease in the foster care federal discount rate.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to decreased caseload and a decrease in the foster care federal discount rate.

EXPENDITURES:

(in 000's)

FY 2010-11

Registered Sex Offender Check	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 151 – CWS	$544	$190	$354	$0	$0
Item 151 – CCL	119	35	84	0	0
Total	$663	$225	$438	$0	$0

FY 2011-12

Registered Sex Offender Check	**Total**	**Federal**	**State**	**County**	**Reimb.**
Item 151 – CWS	$514	$170	$344	$0	$0
Item 151 – CCL	105	30	75	0	0
Total	$619	$200	$419	$0	$0

Increase Family Case Planning Meetings to Improve Child Welfare Outcomes

DESCRIPTION:

This premise reflects the cost to provide counties with the funding necessary to increase efforts to engage families and youth in case planning to meet the requirements of the state's federal Program Improvement Plan. This premise will fund additional social worker positions throughout California to increase the number of facilitated case planning meetings that include parents, extended family members, community service providers and others in order to strengthen reunifications and decrease foster care reentries.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: The annual Budget Act.
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- For Fiscal Year (FY) 2010-11, the caseload is projected at 11,117 based on the number of youths that exited foster care to reunification during FY 2008-09.
- For FY 2011-12, the caseload is projected at 10,972 based on the number of youths that exited foster care to reunification during FY 2009-10.
- Each case will receive three case planning meetings each year.
- Case planning meetings require an average of 2.7 hours.
- The hourly cost of a social worker is $72.60.
- FY 2010-11 includes a General Fund (GF) reduction of $1 million, of which $629,000 is for non-Title IV-E Waiver counties. The remaining amount is reflected under Item 153.
- FY 2011-12 includes the continued GF reduction of $1 million, of which $638,000 is for non-Title IV-E Waiver counties. The remaining amount is reflected under Item 153.

METHODOLOGY:

The caseload is multiplied by the number of meetings per year, the number of social worker hours, and the hourly cost of a social worker.

FUNDING:

After applying the foster care federal discount rate of 70 percent for FY 2010-11 and 68 percent for FY 2011-12, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are shared 70 percent GF and 30 percent county.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The change in the Budget Year is due to a decrease in the foster care federal discount rate.

Increase Family Case Planning Meetings to Improve Child Welfare Outcomes

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in caseload.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Increase Family Case Planning Meetings	$5,155	$1,804	$2,346	$1,005	$0

			FY 2011-12		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Increase Family Case Planning Meetings	$5,072	$1,725	$2,343	$1,004	$0

Notification of Relatives (P.L. 110-351)

DESCRIPTION:

This premise reflects the cost to notify relatives when a child has been removed from parental custody as mandated by the federal Fostering Connections to Success and Increasing Adoptions Act [Public Law (P.L.) 110-351] which was signed into law on October 7, 2008. Section 103 of this federal bill requires that counties perform due diligence to identify and provide notice to all adult relatives within 30 days of removal, with the exception of potentially abusive relatives. Relatives will be notified that the child has been or is being removed from parental care, the options they have under federal, state, and local laws and the requirements to become a foster family home.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2010.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Fostering Connections to Success and Increasing Adoptions Act (P.L. 110-351).
- Assembly Bill 938 (Chapter 261, Statutes of 2009) amended Welfare and Institutions Code sections 309 and 628 to ensure that state law included the new federal requirements.
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- An average of two hours of social worker time is required per case to identify and provide a notice to all adult relatives.
- The annual caseload for Fiscal Year (FY) 2010-11 is projected at 19,971 based on FY 2008-09 new out-of-home placements. The annual caseload for FY 2011-12 is projected at 18,734 based on new out-of-home placements for FY 2009-10.
- The hourly cost of a social worker is $72.60.

METHODOLOGY:

The caseload is multiplied by the number of social worker hours per case, and the hourly cost of a social worker.

FUNDING:

After applying the foster care federal discount rate of 70 percent for FY 2010-11 and 68 percent for FY 2011-12, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are shared 70 percent General Fund and 30 percent county.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The Budget Year change is due to a decrease in caseload and a decrease in the foster care federal discount rate.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in caseload and a decrease in the foster care federal discount rate.

Notification of Relatives (P.L. 110-351)

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Notification of Relatives (P.L. 110-351)	$2,900	$1,015	$1,320	$565	$0

			FY 2011-12		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Notification of Relatives (P.L. 110-351)	$2,720	925	$1,257	$538	$0

Increase Relative Search and Engagement

DESCRIPTION:

This premise reflects the costs to provide counties with resources necessary to increase family finding and engagement efforts statewide in compliance with the state's federal Program Improvement Plan. Relative placements are more stable than non-relative placements, reduce foster care reentry rates, and reduce the isolation and negative consequences on youth who exit the foster care system. The additional resources would facilitate the location of relatives as a placement option for children who are not currently placed with relatives upon entry into foster care, and would establish strong familial connections for youth in non-relative placements approaching emancipation.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2009.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: The annual Budget Act.
- This estimate reflects costs for only the non-Title IV-E Waiver counties.
- For Fiscal Year (FY) 2010-11, there are 12,595 new entries into foster care that are not placed with relatives, based on data for FY 2008-09, and there are 3,328 youths age 16 and above not currently placed with relatives that have been in foster care for at least 18 months based on data from Calendar Year 2009.
- For FY 2011-12, there are 11,962 new entries into foster care not placed with relatives, based on data for FY 2009-10, and there are 3,260 youths age 16 and above not currently placed with relatives that have been in foster care for at least 18 months based on data from Calendar Year 2010.
- For new entries into foster care not placed with relatives, an average of eight hours of social worker time per case will be required to search for and engage relatives.
- For youths age 16 and above not currently placed with relatives that have been in foster care for at least 18 months, an average of 27.5 hours of social worker time per case will be required to search for and engage relatives.
- The hourly cost of a social worker is $72.60.
- FY 2010-11 includes a General Fund (GF) reduction of $1.5 million, of which $966,000 is for non-Title IV-E Waiver counties. The remaining amount is reflected in Item 153.
- FY 2011-12 includes a GF reduction of $1.5 million, of which $928,000 is for non-Title IV-E Waiver counties. The remaining amount is reflected in Item 153.

METHODOLOGY:

The caseload is multiplied by the respective number of social worker hours and the hourly cost of a social worker.

Increase Relative Search and Engagement

FUNDING:

After applying the foster care federal discount rate of 70 percent for FY 2010-11 and 68 percent for FY 2011-12, federally-eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 70 percent GF and 30 percent county.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The change in the Budget Year is due to an increase in caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to an increase in caseload.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – CWS	Total	Federal	State	County	Reimb.
Increase Relative Search and Engagement	$11,837	$4,143	$5,386	$2,308	$0

FY 2011-12

Item 151 – CWS	Total	Federal	State	County	Reimb.
Increase Relative Search and Engagement	$11,448	$3,892	$5,289	$2,267	$0

Child Welfare Services Reduction

DESCRIPTION:

Child Welfare Services (CWS) provides case management and services for abused and neglected children and their families. The program also provides for training and technical assistance for administrators and staff. This proposal is a reduction to the total General Fund (GF) for CWS. Due to lower revenue projections, budget reductions are needed to balance the Fiscal Year (FY) 2009-10, FY 2010-11 and FY 2011-12 budgets.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2009.

KEY DATA/ASSUMPTIONS:

- The amount of the GF reduction for the non-Title IV-E Waiver counties is $60,881,000.
- The amount of the GF reduction for the Title IV-E Waiver counties is $19,075,000.

METHODOLOGY:

The GF reduction for FY 2010-11 and FY 2011-12 is held to the Budget Act 2010 Appropriation.

FUNDING:

The reduction is 100 percent GF.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

FY 2010-11

Child Welfare Services Reduction	Total	Federal	State	County	Reimb.
Item 151 – CWS	-$60,881	$0	-$60,881	$0	$0
Item 153 – Title IV-E Waiver	-19,075	0	-19,075	0	0
Total	-$79,956	$0	-$79,956	$0	$0

FY 2011-12

Child Welfare Services Reduction	Total	Federal	State	County	Reimb.
Item 151 – CWS	-$60,881	$0	-$60,881	$0	$0
Item 153 – Title IV-E Waiver	-19,075	0	-19,075	0	0
Total	-$79,956	0	-$79,956	0	0

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Probation Access to CWS/CMS

DESCRIPTION:

This premise reflects the ongoing costs of training probation staff regarding accessing the Child Welfare Services/Case Management System (CWS/CMS). Probation staff require this access in order to fulfill their case management responsibilities related to entering data and ensuring that the correct fields are populated for state collection and reporting to the federal Administration for Children and Families.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2011.

KEY DATA/ASSUMPTIONS:

Annual training costs will total $800,000.

METHODOLOGY:

Costs are added for ongoing annual training.

FUNDING:

After applying the foster care federal discount rate of 66 percent, federally eligible costs are shared 75 percent Title IV-E and 25 percent nonfederal. Nonfederal costs are 100 percent General Fund.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The Budget Year (BY) change is due to existing resources now being drawn upon to cover prior budgeted costs.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise will implement in the BY.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Probation Access to CWS/CMS	$0	$0	$0	$0	$0

FY 2011-12

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Probation Access to CWS/CMS	$800	$396	$404	$0	$0

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Foster Care Placement & Proximity to School of Origin

DESCRIPTION:

This premise reflects costs for social workers to enter school transfer information and educational progress into a child's health and education passport (or comparable format) upon their placement into foster care. Senate Bill 1353 (Chapter 557, Statutes of 2010) required that efforts be made to select a school setting that is in close proximity to a child's home, promotes educational stability by considering its location in or near the child's school of origin or attendance area, and provides an opportunity to delay any necessary school transfers to the summer or normal matriculation schedule. This new information will allow social workers another tool to use in an effort to promote educational stability.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16001.9, 16010, and 16501.1.
- This estimate reflects costs for only the 56 non-Title IV-E Waiver counties.
- An average of 15 minutes of social worker time is required per case to enter school transfer information into a child's health and education passport.
- The caseload is projected to be 8,592 based on new entries to foster care, ages 6 to 18 during Calendar Year 2010.
- The hourly cost of a social worker is $72.60.

METHODOLOGY:

The caseload is multiplied by the social worker time per case, and the hourly cost of a social worker.

FUNDING:

After applying the foster care federal discount rate of 68 percent, federally eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are shared 70 percent General Fund and 30 percent county.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The change in the Budget Year is due to updated caseload data.

REASON FOR YEAR-TO-YEAR CHANGE:

This is a new premise.

Foster Care Placement & Proximity to School of Origin

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Foster Care Placement & Proximity to School of Origin (SB 1353)	$0	$0	$0	$0	$0

FY 2011-12

Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Foster Care Placement & Proximity to School of Origin (SB 1353)	$156	$53	$72	$31	$0

Sibling Placement (AB 743)

DESCRIPTION:

This premise reflects the costs associated with Sibling Placement Assembly Bill (AB) 743 (Chapter 560, Statutes of 2010) and additional mandatory provisions of the Fostering Connections and Increasing Adoptions Act of 2008 (Public Law 110-351) regarding the placement of siblings who are removed from their home, by requiring that a diligent effort be made to place siblings together, or if siblings are not placed together, to provide for ongoing and frequent interaction between the siblings, unless doing either of those would be contrary to any of the siblings' safety or well-being. This premise also requires the placing agency to notify the attorney's of the child and the child's siblings at least ten days in advance if a planned change in placement would separate siblings who are currently placed together, or seven days notice if the request for a change in placement comes from a provider which is required to give seven days notice to the placing agency.

IMPLEMENTATION DATE:

This premise will implement on July 1, 2011.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 16010.6.
- This estimate reflects costs for only the non-Title IV-E Wavier counties.
- The total monthly caseload for children in out of home placements for Fiscal Year (FY) 2011-12 is 38,851.
- It is assumed 2.6 percent of total statewide out of home placement notices are required to be sent to attorneys representing siblings.
- It is assumed that two hours of social workers time is required to process this notice, at a cost of $72.60 per hour.

METHODOLOGY:

The total caseload is multiplied by 2.6 percent of total out of home placements, multiplied by two hours of social worker time required and multiplied by social worker cost of $72.60 per hour.

FUNDING:

After the foster care federal discount rate of 68 percent is applied, federally eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. The nonfederal costs are shared 70 percent General Fund and 30 percent county.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change for the Current Year. The change in Budget Year is due to a decrease in caseload and foster care federal discount rate.

REASON FOR YEAR-TO-YEAR CHANGE:

This premise will implement on July 1, 2011.

Sibling Placement (AB 743)

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Sibling Placement (AB 743)	$0	$0	$0	$0	$0

			FY 2011-12		
Item 151 – CWS	**Total**	**Federal**	**State**	**County**	**Reimb.**
Sibling Placement (AB 743)	$149	$51	$69	$29	$0

Adoptions Program – Basic Costs

DESCRIPTION:

This premise reflects costs associated with agency (relinquishment) adoptions for 30 counties and independent adoptions for three of those 30 counties. Although only 28 counties provide adoptive services, these costs include funding for independent adoptions and services in two adjacent counties. Relinquishment and agency adoption include:

1. Agency (Relinquishment) Adoptions - Placements through a licensed adoption agency in which a child to be adopted has been relinquished by his or her legal parents or in which, due to abuse or neglect, parental rights have been terminated by court action.
2. Independent Adoptions - Placements in which the parents place a child directly with an adopting family or persons of their choice.

The 1996 Adoptions Initiative (Assembly Bill 1524, Chapter 1083, Statutes of 1996) was introduced to maximize adoption opportunities for children in public foster care and reduce the foster care population. Counties were funded based on performance agreements that increased the number of adoption social workers in an effort to double the number of statewide adoptive placements. As a result of the Adoptions Initiative, the annual number of foster children who were placed in an adoptive home increased from 3,000 to over 7,200.

Previously, this premise was separated from the Adoptions Initiative premise in order to illustrate the fiscal impact of the Initiative. However, since achieving the goal of doubling the number of statewide adoptions, this premise now combines the Adoptions Initiative with the Adoption Program basic costs to fund the program with 560.55 full-time equivalents (FTEs).

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16100 through 16106.
- The counties are provided funding for 560.55 FTEs in each Fiscal Year (FY).
- The statewide average annual unit cost of an adoption worker is held at $128,564 for each FY.
- Additional federal spending authority in the amount of $8,794,357 for FY 2010-11, and $6,610,887 for FY 2011-12 is included based on actual expenditure.
- The Improving Adoptions Outcomes Appropriation of $11,206,375 [$6,544,054 General Fund (GF)] has been rolled into the Adoptions Basic Costs.
- For FY 2011-12, the savings associated with the Independent Adoptions fee increase will not benefit this premise.

METHODOLOGY:

- Estimates are individually calculated for each county that performs its own adoptive services by multiplying the number of FTEs by the county's annual adoption worker unit cost.
- Additional federal funds are included to bring the federal spending authority up to a level based on actual historical expenditure data.

Adoptions Program – Basic Costs

FUNDING:

The sharing ratio for FY 2010-11 is 42.09 percent federal and 57.91 percent nonfederal based on actual expenditure data from FY 2008-09. The sharing ratio for FY 2011-12 is 41.38 percent federal and 58.62 percent nonfederal based on actual expenditure data from FY 2009-10. The nonfederal share is 100 percent GF. Additional federal funding is included in the amount of $8,794,357 for FY 2010-11 and $6,610,887 for FY 2011-12 to provide sufficient federal spending authority to a level based on expenditures.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The Budget Year change is based on updated expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease is due to a decrease in the amount of additional federal funds as tied to federal expenditures, and an erosion of savings due to no benefit being received in FY 2011-12 from the Independent Adoptions fee increase.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – Adoptions Program	Total	Federal	State	County	Reimb.
Adoptions Basic Costs	$91,970	$43,901	$48,069	$0	$0

FY 2011-12

Item 151 – Adoptions Program	Total	Federal	State	County	Reimb.
Adoptions Basic Costs	$89,884	$41,256	$48,628	$0	$0

Private Agency Adoption Reimbursement Payments

DESCRIPTION:

This premise reflects the costs of providing private agency adoption reimbursement payments (PAARP) to private adoption agencies for expenditures associated with adoptive placements of special needs children. Assembly Bill (AB) 1524 (Chapter 1083, Statutes of 1996) established a $3,500 compensatory limit per placement of special needs children. AB 1225 (Chapter 905, Statutes of 1999) increased the compensatory limit per placement to $5,000 per adoptive placement of a special needs child. Senate Bill (SB) 84 (Chapter 177, Statutes of 2007) increased the compensatory limit per placement to $10,000 per placement of a special need child for which the adoptive home study approval occurred on or after July 1, 2007.

Once the child is placed, a claim is submitted to the California Department of Social Services (CDSS) for an individual child by the private adoption agency. CDSS program staff review the claim, verify federal eligibility, and forward the claim(s) to the Office of the State Controller for direct issuance of a reimbursement payment to the private adoption agency. Fiscal control is maintained by CDSS program staff.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1992.

The AB 1225 reimbursement payment increase went into effect on July 1, 1999.

The SB 84 reimbursement payment increase went into effect on February 1, 2008, for all qualifying placements.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16120 through 16122.
- For Fiscal Year (FY) 2010-11, based on actual caseload and expenditure data, the PAARP caseload is projected at 4,031, with a cost of $7,322 per adoptive placement. For FY 2011-12 the PAARP caseload is projected at 3,309, with a cost of $7,837 per adoptive placement.

METHODOLOGY:

The projected number of private agency adoptive placements is multiplied by the reimbursement cost per placement.

FUNDING:

Costs are shared at 44 percent federal funds and 56 percent General Fund based on actual expenditures.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The Budget Year change is due to a decrease in caseload based on expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

The change reflects a decreased in the projected caseload, offset by an increase in the cost per case.

Private Agency Adoption Reimbursement Payments

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 151 – Adoptions Program	**Total**	**Federal**	**State**	**County**	**Reimb.**
PAARP	$29,517	$12,569	$16,948	$0	$0

			FY 2011-12		
Item 151 – Adoptions Program	**Total**	**Federal**	**State**	**County**	**Reimb.**
PAARP	$25,934	$11,480	$14,454	$0	$0

Foster and Adoptive Home Recruitment

DESCRIPTION:

This premise reflects the costs associated with using the services of local community organizations to increase the pool of minority adoptive families in an effort to place more minority children. The program is administered via contracts between the California Department of Social Services and private providers; counties are not directly involved.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1982.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Federal Multiethnic Placement Act.
- The Foster and Adoptive Home Recruitment program will fund three contracts with private providers.

METHODOLOGY:

- The estimate is based on anticipated and actual executed contracts.
- The foster care federal discount rate is 70 percent for Fiscal Year (FY) 2010-11 and 66 percent for FY 2011-12.

FUNDING:

After applying the foster care federal discount rate, federally eligible costs are shared 50 percent federal Title IV-E and 50 percent nonfederal. Nonfederal costs are 100 percent General Fund.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in Current Year. The Budget Year change is based on the foster care federal discount rate.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to an increase in contract costs, offset by a decrease in the foster care federal discount rate.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – Adoptions Program	**Total**	**Federal**	**State**	**County**	**Reimb.**
Foster and Adoptive Home Recruitment	$443	$155	$288	$0	$0

FY 2011-12

Item 151 – Adoptions Program	**Total**	**Federal**	**State**	**County**	**Reimb.**
Foster and Adoptive Home Recruitment	$483	$159	$324	$0	$0

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County Counsel Costs

DESCRIPTION:

This premise reflects the costs of the parental rights termination proceedings for those counties that do not provide their own adoption services. For these counties, Senate Bill 243 (Chapter 1485, Statutes of 1987) transferred the function of terminating parental rights for court dependents from the state Attorney General's Office to the county counsels, effective January 1, 1990.

Cost elements of the parental rights termination function are primarily attorney and paralegal costs; however, they also include minor costs such as publication of notices, process server fees, court reporter fees, sheriff fees, and expert witness fees.

IMPLEMENTATION DATE:

This premise implemented on January 1, 1990.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institution Code sections 16100 through 16106.
- For Fiscal Year (FY) 2010-11, the average cost per case is $10,076 based on actual data from FY 2008-09.
- For FY 2011-12, the average cost per case is $6,860 based on actual data from calendar year 2010.
- For those counties that report expenditures, the projected number of children freed for adoption by county counsels is 209 for FY 2010-11 and 295 for FY 2011-12.

METHODOLOGY:

The average cost per case was derived by dividing the expenditures by the number of children freed during that same period. The average cost per case was then multiplied by the projected number of children to be legally freed for adoption.

FUNDING:

The state and federal share is based on the actual sharing ratios for FY 2009-10 expenditures.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in Current Year. The Budget Year change is due to an increase in the cost per case.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in the cost per case, offset by an increase in caseload.

County Counsel Costs

EXPENDITURES:

(in 000's)

FY 2010-11					
Item 151 – Adoptions Program	**Total**	**Federal**	**State**	**County**	**Reimb.**
County Counsel Costs	$2,106	$1,052	$1,054	$0	$0

FY 2011-12					
Item 151 – Adoptions Program	**Total**	**Federal**	**State**	**County**	**Reimb.**
County Counsel Costs	$2,024	$1,012	$1,012	$0	$0

Nonrecurring Adoption Expenses

DESCRIPTION:

This premise reflects costs to reimburse families for nonrecurring adoption expenses associated with adopting special needs children. These costs may include, but are not limited to, legal fees, court filing fees, special medical examinations, and psychological evaluations. Only families adopting special needs children are eligible for reimbursement of these one-time costs.

The California maximum reimbursement amount is $400 with a 50 percent federal sharing ratio. Assembly Bill 2129 (Chapter 1089, Statutes of 1993) made this cap permanent.

IMPLEMENTATION DATE:

This premise implemented on January 1, 1990.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 16120.1.
- The caseload for Fiscal Year (FY) 2010-11 and FY 2011-12 is approximately 6,495 each year.
- The maximum reimbursement that can be applied to each case is $400.
- Approximately 68 percent of all adopted children can be classified as special needs children.
- Based on actual caseload and expenditure data, an average of 39.39 percent will submit claims in FY 2010-11 and 40.35 percent will submit claims in FY 2011-12.

METHODOLOGY:

The estimate was developed by multiplying the projected number of adoptions by the percentage that would qualify as special needs cases. This number was then multiplied by the average percentage of submitted claims, and then by the maximum reimbursement amount.

FUNDING:

The funding for these reimbursements is 50 percent federal and 50 percent General Fund. There is no county share.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The Budget Year change is due to a decrease in caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in caseload.

Nonrecurring Adoption Expenses

EXPENDITURES:

(in 000's)

FY 2010-11					
Item 151 – Adoptions Program	**Total**	**Federal**	**State**	**County**	**Reimb.**
Nonrecurring Adoption Expenses	$726	$363	$363	$0	$0

FY 2011-12					
Item 151 – Adoptions Program	**Total**	**Federal**	**State**	**County**	**Reimb.**
Nonrecurring Adoption Expenses	$712	$356	$356	$0	$0

Specialized Training for Adoptive Parents (STAP)

DESCRIPTION:

This premise reflects the costs associated with implementing Assembly Bill (AB) 2198 (Chapter 1014, Statutes of 1998) which provides special training and services to facilitate the adoption of children who are HIV positive or who have a condition of symptoms resulting from substance abuse by the mother. Specifically, this funding will provide recruitment, special training, and respite care to families adopting court dependent children who are either HIV positive or assessed as being prenatally exposed to alcohol or a controlled substance. This program is similar to the Child Welfare Services Substance Abuse/HIV Infant Program (Options for Recovery) authorized by AB 67 (Chapter 606, Statutes of 1997).

IMPLEMENTATION DATE:

This premise implemented on July 1, 1998.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 16135 through 16135.30.
- This program is available to any county requesting participation pursuant to established procedures and to the extent funds are available. There are currently seven counties (El Dorado, Monterey, Riverside, San Francisco, San Luis Obispo, Santa Cruz, and Shasta) that are participating in this program.
- The foster care federal discount rate is 70 percent for Fiscal Year (FY) 2010-11 and 66 percent for FY 2011-12.
- Of the $1 million General Fund (GF) appropriation established through AB 2198, respite is set at $605,000, training at $105,900, and recruitment at $289,100.

METHODOLOGY:

The estimate for this program was developed by calculating the GF costs for each of the three separate components (respite care, training, and recruitment), and holding to these GF values as shares of the $1 million GF appropriation established through AB 2198. Other shares and the total funding change as a result of fluctuations in the foster care federal discount rate.

FUNDING:

Upon developing this premise, a $1 million GF appropriation was established against which all other shares are calculated and updated.

Recruitment Activities - After applying the foster care federal discount rate, federally eligible recruitment activities are funded with 50 percent federal Title IV-E funds and 50 percent nonfederal. Nonfederal costs are shared 70 percent GF and 30 percent county.

Training - After applying the foster care federal discount rate, federally eligible training costs are funded with 75 percent federal Title IV-E funds and 25 percent nonfederal. Nonfederal costs are shared 70 percent GF and 30 percent county.

Respite Care - Respite care is funded with 70 percent GF and 30 percent county funds.

Specialized Training for Adoptive Parents (STAP)

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in Current Year. The Budget Year change is due to a decrease in the foster care federal discount rate.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in the foster care federal discount rate.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – Adoptions Program	Total	Federal	State	County	Reimb.
Specialized Training for Adoptive Parents	$1,819	$390	$1,000	$429	$0

FY 2011-12

Item 151 – Adoptions Program	Total	Federal	State	County	Reimb.
Specialized Training for Adoptive Parents	$1,781	$352	$1,000	$429	$0

Nonresident Petitions for Adoption (AB 746)

DESCRIPTION:

This premise reflects the costs associated with conducting home studies for non-California residents who file a petition for either an agency or independent adoption in the county where the child resides. Assembly Bill (AB) 746 (Chapter 1112, Statutes of 2002) requires a review to be conducted and an endorsed home study report to be completed by either the California Department of Social Services or a California licensed adoption agency. This home study report would need approval in the nonresident petitioner's state.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2003.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Family Code sections 8714 through 8715, 8802, and 8807.
- AB 746 would result in an increase of 33 more out-of-state adoptions.
- Each new case would require, on average, 2.5 visits per year.
- It would take 16 hours, including travel, to conduct each visit.
- Travel costs are estimated to be $624 (including per diem) per visit.
- The average hourly cost for a social worker is $72.60.

METHODOLOGY:

The estimate was developed by first multiplying the number of new cases by the average number of visits required (33 new cases x 2.5 visits per case = 82.5 total visits). The average cost of the social worker ($72.60 per hour x 16 hours per visit = $1,162) was added to the travel costs ($1,162 cost of social worker + $624 travel costs = $1,786). This total cost was then multiplied by the number of total visits (82.5 total visits x $1,786 cost per visit = $147,312).

FUNDING:

For Fiscal Year (FY) 2010-11, the federal share of costs is 42.09 percent and the General Fund (GF) share is 57.91 percent based on FY 2008-09 actual expenditures for the Adoptions Basic program. For FY 2011-12, the federal share of costs is 41.38 percent and the GF share is 58.62 percent based on FY 2009-10 actual expenditures for the Adoptions Basic program.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to an increase in the GF share of costs.

Nonresident Petitions for Adoption (AB 746)

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – Adoptions Program	**Total**	**Federal**	**State**	**County**	**Reimb.**
Nonresident Petitions for Adoption	$147	$62	$85	$0	$0

FY 2011-12

Item 151 – Adoptions Program	**Total**	**Federal**	**State**	**County**	**Reimb.**
Nonresident Petitions for Adoption	$147	$61	$86	$0	$0

Adoptions Incentives (P.L. 110-351)

DESCRIPTION:

This premise, formerly known as "Improving Adoptions Incentives (HR 6893)", represents the amount of federal funding that the state is eligible to receive as a result of Public Law (P.L.) 110-351 the federal Fostering Connections to Success and Increasing Adoptions Act, which was signed into law on October 7, 2008. This program is designed to reward states with incentive funds for increasing their finalized adoptions in the Federal Fiscal Year (FFY). The amount of incentive funds is determined by the Adoption and Foster Care Analysis and Reporting System (AFCARS). AFCARS data is submitted to the federal government twice a year.

The federal incentive money is capped at $43 million for the states cumulatively for each FFY. California will receive the incentive payment one year later and will have 24 months to expend the funds. The incentive money must be used to provide basic adoptive services.

There is an additional incentive payment available to states if the state's adoption rate exceeds its highest recorded foster child adoption rate since 2002.

Assembly Bill (AB) 665 (Chapter 250, Statutes of 2009) requires the state to reinvest adoption incentive payments, received through the implementation of specified provisions of federal law, into the child welfare system, in order to provide legal permanency outcomes for older children, including, but not limited to, adoption, guardianship, and reunification of children whose reunification services were previously terminated.

IMPLEMENTATION DATE:

This premise implemented on October 1, 2008.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Fostering Connections to Success and Increasing Adoptions Act (P.L. 110-351).
- AB 665 amended the Welfare and Institutions Code to specify how Adoption Incentive funds should be used. This includes a requirement that a portion of the funds be allocated to the California Department of Social Services (CDSS) Adoption District Offices in counties where they serve as the adoption agency.
- The number of finalized adoptions for FFY 2007 was 7,622. This was the comparison year in order to qualify for incentives.
- California's share of the $43 million in each FFY is based on the number of increased adoptions from the base year.
- The final grant amount for FFY 2008 is $1,504,944. These funds will be available to spend through December 31, 2011.
- The District Offices will be allocated approximately $60,000 based on an agreement reached between the CDSS Adoption District Offices and the counties.
- California was not awarded any funds for FFY 2009.

METHODOLOGY:

The incentive is based on the federal grant amount.

Adoptions Incentives (P.L. 110-351)

FUNDING:
The incentives are 100 percent federal funds.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:
There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:
There are no federal incentives to be used in the Budget Year.

EXPENDITURES:
(in 000's)

			FY 2010-11		
Item 151 – Adoptions Program	**Total**	**Federal**	**State**	**County**	**Reimb.**
Adoptions Incentives (P.L. 110-351)	$1,446	$1,446	$0	$0	$0

			FY 2011-12		
Item 151 – Adoptions Program	**Total**	**Federal**	**State**	**County**	**Reimb.**
Adoptions Incentives (P.L. 110-351)	$0	$0	$0	$0	$0

County Third Party Contracts

DESCRIPTION:

This premise reflects the costs associated with the Child Abuse Prevention, Intervention, and Treatment (CAPIT) program. Assembly Bill 1733 (Chapter 1398, Statutes of 1982) established CAPIT to fund prevention and intervention services for children at risk of abuse and/or neglect. Contracts with community-based public and private agencies utilize CAPIT funds to provide services to high-risk children and their families, as well as training and technical assistance to funded agencies. The program includes a local assistance contract component of approximately $1 million which funds innovative, child-centered approaches for the prevention of child abuse and neglect.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 18960 through 18965.
- These funds are used to fulfill federal Community-Based Child Abuse Prevention grant matching and leveraging requirements.

METHODOLOGY:

Total funding is divided among county allocations, innovative services, and training and technical assistance/state support as follows:

- County Allocations: Counties are allocated a total of $12,356,000 through Fiscal Year (FY) 2011-12. Small counties receive a preset minimum funding level; the remaining distribution uses a formula that considers a county's child population (under age 18), children receiving public assistance, and child abuse reports.
- Innovative Services Contracts: There is $1,039,000 appropriated for innovative services contracts through FY 2011-12. A competitive bid process determines the grantees of innovative services contracts.
- Training and Technical Assistance (T&TA)/State Support: There is $306,200 to ensure that the programs effectively serve high-risk children and their families, provide for regional training on various child abuse issues and periodic statewide training institutes, and provide state support for the program. Of the $306,200, $200,000 is appropriated for a statewide nonprofit consortium. The T&TA/State Support amount is not included in the local assistance budget.

FUNDING:

The CAPIT funding is 100 percent General Fund.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The decrease in the Current Year is due to updated contract costs. There is no change in the Budget Year.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to updated contract costs.

County Third Party Contracts

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – Child Abuse Prevention Program	**Total**	**Federal**	**State**	**County**	**Reimb.**
County Third Party Contracts	$13,364	$0	$13,364	$0	$0

FY 2011-12

Item 151 – Child Abuse Prevention Program	**Total**	**Federal**	**State**	**County**	**Reimb.**
County Third Party Contracts	$13,395	$0	$13,395	$0	$0

Federal Grants

DESCRIPTION:

This premise reflects the federal grants associated with assisting local and private agencies in the development and strengthening of child abuse and neglect prevention and treatment programs. These federal grants include those under the Child Abuse Prevention and Treatment Act (CAPTA). The CAPTA grants consist of Title I (consisting of the former Parts A and B) and Title II, otherwise known as the Community-Based Child Abuse Prevention (CBCAP) grant. Approximately 50 percent of each annual CBCAP grant award is allocated to the counties. The CBCAP grant was formerly known as the Community-Based Family Resource and Support (CBFRS) grant.

In Fiscal Year (FY) 2006-07 the California Department of Social Services (CDSS) received the Linkages Grant. CDSS, in collaboration with the Child and Family Policy Institute of California will enhance, expand, and measure the impacts of Linkages. Linkages is a strategic effort involving nearly 30 counties in California to improve coordination between the California Work Opportunity and Responsibility to Kids (CalWORKs) and Child Welfare Services (CWS) programs. The mission of Linkages is to deepen and broaden collaboration and coordination of CalWORKs and CWS at the county level to better serve families and improve outcomes. Through training and support, Linkages will also work towards increasing the number of counties co-locating services, support counties in developing strategies to serve at least one identified underserved population, and strengthen data collection practices and counties' use of data for continuous improvement of service delivery and systems integration.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 18958.
- Project funding is contingent upon continued receipt of federal grant awards.
- CBCAP grant awards are contingent upon using Child Abuse Prevention, Intervention, and Treatment (CAPIT) funds to fulfill nonfederal matching and leveraging requirements.
- Through an interagency agreement between the Department of Public Health (DPH) and CDSS, and a contract between CDSS and Rady Hospital, there will be a pass-through of money from a federal grant to DPH, then to CDSS as a reimbursement, and ultimately to Rady Hospital. The total reimbursement to Rady Hospital is $673,000 in FY 2011-12.

METHODOLOGY:

The CAPTA federal grants average approximately $3 million annually and have a limit of five years to fully expend the annual grant. This allows states flexibility in the use and support of multi-year projects. The Linkages Grant is approximately $400,000 annually and has a limit of five years to fully expend the annual grant.

Funding for the Linkages Grant will expire on September 30, 2011, at which point funding will be provided from CAPTA.

In FY 2010-11 the CAPTA Title I Grants is $4,740,000 and the CAPTA Title II – CBCAP Grants is $3,261,312, for a total of $8,001,312. The Linkages Grant is $482,193.

In FY 2011-12 the CAPTA Title I Grants is $4,740,000 and the CAPTA Title II – CBCAP Grants is $3,340,103, for a total of $8,080,103. The Linkages Grant is $127,457.

Federal Grants

FUNDING:

Funding for these projects is 100 percent federal grant funds. The Linkages grant is 90 percent federal grant funds with a 10 percent match using CAPIT funds. Funding for the Linkages Grant will expire on September 30, 2011, at which point the project will be funded with CAPTA funds.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The Current Year and Budget Year change is due to the Rady Hospital reimbursement and the updated Linkages Grant.

REASON FOR YEAR-TO-YEAR CHANGE:

The change is due to a decrease in the spending plan.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 151 – Child Abuse Prevention Program	**Total**	**Federal**	**State**	**County**	**Reimb.**
Federal Grants	$9,157	$8,484	$0	$0	$673

			FY 2011-12		
Item 151 – Child Abuse Prevention Program	**Total**	**Federal**	**State**	**County**	**Reimb.**
Federal Grants	$8,881	$8,208	$0	$0	$673

State Children's Trust Fund Program

DESCRIPTION:

This premise reflects the revenue available for the State Children's Trust Fund (SCTF) in California. The SCTF provides funding for innovative child abuse and neglect prevention and intervention projects utilizing deposits generated from birth certificate surcharges, state income tax designations, and private donations. Project funding is awarded through proposals submitted to the Office of Child Abuse Prevention (OCAP) of the California Department of Social Services (CDSS).

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 18969.
- The State Controller's Office accounts for deposits to the SCTF and advises CDSS as to the availability of funds.

METHODOLOGY:

This premise reflects the current funding available for the SCTF, as provided by OCAP.

FUNDING:

The SCTF is used to research, evaluate, and disseminate information to the public, to establish public-private partnerships with foundations and corporations to increase public awareness about child abuse and neglect via media campaigns, and to seek continued contributions to the fund.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The change in Current Year is due to a reduction in funding. There is no change in Budget Year

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – Child Abuse Prevention Program	**Total**	**Federal**	**State**	**County**	**Reimb.**
State Children's Trust Fund Program	$3,600	$0	$3,600	$0	$0

FY 2011-12

Item 151 – Child Abuse Prevention Program	**Total**	**Federal**	**State**	**County**	**Reimb.**
State Children's Trust Fund Program	$3,600	$0	$3,600	$0	$0

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County Services Block Grant – Basic Costs

DESCRIPTION:

This premise reflects the County Services Block Grant (CSBG) funding provided to the counties. The CSBG provides funds for Adult Protective Services (APS) and APS administrative costs. The CSBG may also be used to fund related optional services and activities to the extent funds are available.

Non-Medical Out-of-Home Care (NMOHC) administrative costs related to the Supplemental Security Income/State Supplementary Payment program have also been included in this premise since Fiscal Year (FY) 2000-01. These NMOHC costs were previously reflected in the "Small Programs (non-CalWORKs) Block Grant" premise.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 13004 through 13007.
- The General Fund (GF) is block granted at $10.5 million.
- The county match ($10.9 million) reflects the FY 1996-97 CSBG county expenditure level. Senate Bill 2199 (Chapter 946, Statutes of 1998) required the counties to maintain their FY 1996-97 APS expenditure level for CSBG purposes.
- The Title XIX reimbursement rate is assumed to be 41.98 percent, based on the actual federal reimbursement percentage claimed on county administrative expense claims for the past four quarters.

METHODOLOGY:

- In the Current Year (CY), estimated costs are computed by adding the GF block grant, the county match , the Title XIX reimbursements and the NMOHC costs ($10,500,000 + $10,936,000 + $25,020,951 + $388,622 = $46,845,573).
- In the Budget Year (BY), the estimated costs are computed by adding the GF block grant, the county match, the Title XIX reimbursements and the NMOHC costs ($10,500,000 + $10,936,000 + $25,020,951 + $324,662 = $46,781,613).

FUNDING:

The GF for CSBG is block granted at $10.5 million with county participation at the maintenance of effort level.

The NMOHC is funded with 100 percent GF.

The Title XIX reimbursements are as follows:

- Health-related activities performed by skilled professional medical personnel are eligible for Title XIX reimbursement at 75 percent.
- Health-related activities performed by non-skilled professional medical personnel are eligible for Title XIX reimbursement at 50 percent.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The CY and the BY increase reflects the updated Title XIX expenditures.

County Services Block Grant – Basic Costs

REASON FOR YEAR-TO-YEAR CHANGE:

The BY decrease reflects updated NMOHC costs.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 151 – County Services Block Grant	**Total**	**Federal**	**State**	**County**	**Reimb.**
Basic Costs	$46,846	$0	$10,889	$10,936	$25,021

			FY 2011-12		
Item 151 – County Services Block Grant	**Total**	**Federal**	**State**	**County**	**Reimb.**
Basic Costs	$46,782	$0	$10,825	$10,936	$25,021

Adult Protective Services

DESCRIPTION:

This premise reflects the funds available over and above the funds provided in the County Services Block Grant (CSBG) for the provision of Adult Protective Services (APS). Senate Bill (SB) 2199 (Chapter 946, Statutes of 1998) established a statewide mandated APS program and provided these additional funds for expanded APS activities. The county share of APS expenditures are held at the Fiscal Year (FY) 1996-97 county match level for the CSBG. The APS program has been funded in whole or in part under CSBG since the Budget Act of 1984. The APS program, administered by the county welfare departments, provides assistance to elderly and dependent adults who are functionally impaired, unable to meet their own needs, and who are victims of abuse, neglect, or exploitation.

The APS program, as defined in SB 2199, requires the counties to respond to reports of elder and dependent adult abuse on a 24-hour emergency response basis. Among the services required by SB 2199 are investigations, needs assessments, and case management services. The SB 2199 also provides for necessary tangible resources such as food, emergency shelter care, in-home protection, transportation, and the use of multidisciplinary teams.

IMPLEMENTATION DATE:

- This premise implemented on July 1, 1997.
- The enhanced APS program became effective May 1, 1999.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Elder Abuse and Dependent Adult Civil Protection Act, commencing Welfare and Institutions Code (W&IC) section 15600.
- This program received a $20 million General Fund (GF) augmentation in the Budget Act of 1998 to provide counties with additional resources needed to implement the statewide mandated APS program. An additional $25.3 million GF augmentation was provided in the 1999 Budget Act.
- Effective FY 1998-99, counties are assumed to have no share of the APS costs of this premise beyond their share in APS under the CSBG. The SB 2199 held county costs to the FY 1996-97 CSBG expenditure level.
- The Financial Elder Abuse Reporting Act of 2005, resulting from SB 1018 (Chapter 140, Statutes of 2005) and which added W&IC section 15630.1, established all officers and employees of financial institutions as “mandated reporters of suspected financial abuse of an elder or dependent adult.” The mandated reporter shall report the known or suspected financial abuse as soon as possible. County APS activities to implement SB 1018, which are offered statewide, include training, educational materials, and technical assistance in APS reporting. Training for financial institutions by county APS staff is ongoing. This section shall remain in effect until January 1, 2013, unless extended or repealed.

METHODOLOGY:

The GF estimated expenditures are held at the FY 2002-03 levels and the federal Title XIX reimbursement is based on actual expenditures for the most recent four quarters.

Adult Protective Services

FUNDING:

The program is funded with GF and Title XIX reimbursements.

The Title XIX reimbursements are as follows:

- Health-related activities performed by skilled professional medical personnel are eligible for Title XIX reimbursement at 75 percent.
- Health-related activities performed by non-skilled professional medical personnel are eligible for Title XIX reimbursement at 50 percent.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The Current Year (CY) and the Budget Year (BY) increases reflect the updated Title XIX expenditures.

REASON FOR YEAR-TO-YEAR CHANGE:

The BY increase reflects a change in the updated Title XIX expenditures.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – County Services Block Grant	**Total**	**Federal**	**State**	**County**	**Reimb.**
Adult Protective Services	$103,166	$0	$50,179	$0	$52,987

FY 2011-12

Item 151 – County Services Block Grant	**Total**	**Federal**	**State**	**County**	**Reimb.**
Adult Protective Services	$103,166	$0	$50,179	$0	$52,987

APS Contract for Training Curriculum

DESCRIPTION:

This premise reflects the cost of a multi-year contract with a qualified institution, agency or consultant to:

- Develop a comprehensive statewide training curriculum for county Adult Protective Services (APS) workers that will be owned by the state and shared with county APS agencies.
- Present the training curriculum to all APS workers, which includes scheduling and arranging training in all regions of the state, and producing all required training materials.
- Periodically update the curriculum and its content to reflect changes to APS laws, policies and practices, and provide updated training to APS workers.

The purpose of the training is to educate county APS workers on the APS program standards, requirements and mandates established by passage of Senate Bill 2199 (Chapter 946, Statutes of 1998), and subsequent legislation. The training is intended to promote statewide uniformity and consistency in the administration and delivery of services under the APS program.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2001.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Elder Abuse and Dependent Adult Civil Protection Act, commencing in Welfare and Institutions Code section 15600.
- The annual cost for ongoing training activities is estimated to be $176,000.

METHODOLOGY:

The funding for this premise reflects the amount of the contract.

FUNDING:

The federal Title XIX reimbursement represents 12.5 percent of the total funding. The nonfederal share is funded with 100 percent General Fund.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

APS Contract for Training Curriculum

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – County Services Block Grant	**Total**	**Federal**	**State**	**County**	**Reimb.**
APS Contract for Training Curriculum	$176	$0	$154	$0	$22

FY 2011-12

Item 151 – County Services Block Grant	**Total**	**Federal**	**State**	**County**	**Reimb.**
APS Contract for Training Curriculum	$176	$0	$154	$0	$22

Reduce Adult Protective Services Program by Ten Percent

DESCRIPTION:

This premise reflects saving resulting from reducing the funds available for the provision of Adult Protective Services (APS) by ten percent effective July 1, 2008. This premise was necessitated by budget balancing reductions.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2008.

KEY DATA/ASSUMPTIONS:

- This premise reflects reductions in APS and County Services Block Grant (CSBG) Basic funding.
- The county match ($10.9 million) required by Senate Bill 2199 (Chapter 946, Statutes of 1998) is not impacted.

METHODOLOGY:

The savings reflect ten percent of the projected expenditures for APS and CSBG for Fiscal Year (FY) 2010-11 and FY 2011-12.

FUNDING:

The program is funded with General Fund and Title XIX reimbursements.

The Title XIX reimbursements are as follows:

- Health-related activities performed by skilled professional medical personnel are eligible for Title XIX reimbursement at 75 percent.
- Health-related activities performed by non-skilled professional medical personnel are eligible for Title XIX reimbursement at 50 percent.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The Current Year and the Budget Year increases reflect the updated Title XIX expenditures for both APS and CSBG.

REASON FOR YEAR-TO-YEAR CHANGE:

The erosion of savings reflects the updated Title XIX expenditures for both APS and CSBG.

Reduce Adult Protective Services Program by Ten Percent

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – County Services Block Grant	Total	Federal	State	County	Reimb.
APS Contract for Training Curriculum	-$13,925	$0	-$6,122	$0	-$7,803

FY 2011-12

Item 151 – County Services Block Grant	Total	Federal	State	County	Reimb.
APS Contract for Training Curriculum	-$13,919	$0	-$6,116	$0	-$7,803

Community Care Licensing - Foster Family Homes

DESCRIPTION:

This premise reflects the costs of providing basic funding for Foster Family Home (FFH) licensing and recruitment services. The California Community Care Facilities Act authorizes counties to provide FFH licensing services. There are currently 39 counties providing FFH licensing and recruitment services. FFHs in the remaining 19 counties are licensed by the California Department of Social Services' (CDSS) Community Care Licensing (CCL) program. For these counties, funds are provided for the purpose of recruiting FFH providers.

Effective Fiscal Year (FY) 2003-04, CDSS implemented a Targeted Visits protocol to streamline the annual review process of licensed care facilities to focus on facilities in which health and safety may be at greatest risk, or those facilities that require an annual visit as a condition of federal funding. A random sample (30 percent for FY 2009-10) of the remainder of the facilities is subject to annual unannounced visits. Current law requires that all facilities be visited at least once every five years and if the number of citations increases by ten percent over the prior year, the number of unannounced visits must also increase by ten percent.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Health and Safety Code sections 1500 through 1519.
- The workload standards used to determine Full Time Equivalents (FTE) for targeted visits is 120 cases per worker.
- The worker to supervisor ratio used to determine the total number of FTEs is 6.25 to 1.
- The average statewide unit cost is held at the FY 2002-03 unit cost of $125,663.
- For FY 2010-11, the projected caseload is 7,269 and for FY 2011-12 the projected caseload is 7,156.
- The recruitment-only amount is held at the FY 2005-06 funding level of $877,764.
- In order to reflect an appropriate level of federal spending authority based on actual expenditures, additional Title IV-E funds are budgeted in the amount of $3,632,926.
- A total of $27,000 is included for the *Gresher v. Anderson* court case which requires notification to applicants of conviction information received and a summary of reasons for denial.

METHODOLOGY:

FY 2010-11

The estimate is developed by dividing the caseload by the workload standards to derive the number of nonsupervisory FTEs (7,269 cases ÷ 120 cases per worker = 60.58 FTEs). The FTEs are expanded to include supervisors at a ratio of 6.25 to 1 to determine the total number of FTEs ([60.58 FTEs ÷ 6.25 supervisor ratio] + 60.58 FTEs = 70.27 FTEs). The total number of FTEs is then multiplied by the unit cost (70.27 x $125,663). The total estimate is derived by adding the recruitment-only allocation, additional federal spending authority, and *Gresher v. Anderson* costs.

Community Care Licensing - Foster Family Homes

METHODOLOGY (CONTINUED):

FY 2011-12

The estimate is developed by dividing the caseload by the workload standards to derive the number of nonsupervisory FTEs (7,156 cases ÷ 120 cases per worker = 59.63 FTEs). The FTEs are expanded to include supervisors at a ratio of 6.25 to 1 to determine the total number of FTEs ([59.63 FTEs ÷ 6.25 supervisor ratio] + 59.63 FTEs = 69.17 FTEs). The total number of FTEs is then multiplied by the unit cost (69.17 x $125,663). The total estimate is derived by adding the recruitment-only allocation, additional federal spending authority, and *Gresher v. Anderson* costs.

FUNDING:

Based on actual expenditure data from calendar year 2010, the sharing ratio is 35.03 percent federal Title IV-E and 64.97 percent GF. Additional federal spending authority is included based on actual expenditures.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The change in Budget Year is due to a decrease in caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The change reflects a decrease in the caseload.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – CCL Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
Foster Family Homes	$13,368	$7,218	$6,150	$0	$0

FY 2011-12

Item 151 – CCL Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
Foster Family Homes	$13,236	$7,057	$6,179	$0	$0

Family Child Care Homes – Basic Costs

DESCRIPTION:

This premise reflects the costs of providing basic funding to three counties for Family Child Care Home (FCCH) licensing services and processing serious incident reports. FCCH programs in the remaining 55 counties are licensed by the California Department of Social Services (CDSS) Community Care Licensing (CCL) District Offices. The California Community Care Facilities Act authorizes participating counties to provide FCCH licensing services. Also, FCCH licensees are required to report any injury to a child requiring medical treatment, the death of any child, or any unusual incident or child absence that threatens the physical or emotional health or safety of any child while the child is in the care of the licensee.

Effective Fiscal Year (FY) 2003-04, CDSS implemented a Targeted Visits protocol to streamline the annual review process of licensed care facilities to focus on facilities in which health and safety may be at greatest risk, or those facilities that require an annual visit as a condition of federal funding. A random sample (30 percent for FY 2009-10) of the remainder of the facilities is subject to annual unannounced visits. Current law requires that all facilities be visited at least once every five years and if the number of citations increases by ten percent over the prior year, the number of unannounced visits must also increase by ten percent.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Health and Safety Code sections 1500 through 1519.
- The projected caseload 3,678 for FY 2010-11 and 3,843 for FY 2011-12. The workload standard used to determine Full Time Equivalents (FTE) for targeted monitoring visits is 257 cases per worker.
- The worker to supervisor ratio used to determine FTEs is 6.25 to 1.
- The average statewide unit cost is held at the FY 2002-03 level of $117,885.
- A total of $80,000 General Fund (GF) is included for the Serious Incident Reporting premise to fulfill the reporting requirements for any injury, medical treatment, death, absence or unusual incident that threatens any child in the care of the licensee of an FCCH.
- A total of $10,000 is included for the *Gresher v. Anderson* court case which requires notification to applicants of conviction information received and a summary of reasons for denial.

METHODOLOGY:

FY 2010-11

The estimate was developed by dividing the caseload by the workload standard to determine the number of nonsupervisory FTEs (3,678 caseload ÷ 257). The FTEs were then expanded to include supervisors at a ratio of 6.25:1 to derive the total number of FTEs ([14.31 FTEs ÷ 6.25 supervisor ratio] + 14.31 FTEs = 16.60 FTEs). The average statewide unit cost was then multiplied by total FTEs.

The total estimate was derived by adding the Serious Incident Reporting and *Gresher v. Anderson* costs to the Family Child Care Homes – Basic Costs.

Family Child Care Homes – Basic Costs

METHODOLOGY (CONTINUED):

FY 2011-12

The estimate was developed by dividing the caseload by the workload to determine the number of nonsupervisory FTEs (3,843 caseload ÷ 257). The FTEs were then expanded to include supervisors at a ratio of 6.25:1 to derive the total number of FTEs ([14.95 FTEs ÷ 6.25 supervisor ratio] + 14.95 FTEs = 17.34 FTEs). The average statewide unit cost was then multiplied by total FTEs.

The total estimate was derived by adding the Serious Incident Reporting and G*resher v. Anderson* costs to the family child care homes – basic costs.

FUNDING:

The funding includes reimbursements from the California Department of Education (from the federal Child Care Development Block Grant fund) to cover a portion of the costs of conducting comprehensive site visits. The remaining costs are funded 100 percent GF.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The Budget Year change is due to an increase in caseload.

REASON FOR YEAR-TO-YEAR CHANGE:

The change reflects a caseload increase.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 151 – CCL Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
Family Child Care Homes	$2,047	$0	$1,729	$0	$318

			FY 2011-12		
Item 151 – CCL Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
Family Child Care Homes	$2,135	$0	$1,817	$0	$318

Fee-Exempt Live Scan

DESCRIPTION:

This premise reflects the costs for fingerprinting and search requirements associated with certain fee-exempt providers pursuant to Senate Bill (SB) 933 (Chapter 311, Statutes of 1998). SB 933 also mandated that a second set of fingerprints be submitted in order to search the records of the Federal Bureau of Investigation (FBI). Assembly Bill (AB) 1659 (Chapter 881, Statutes of 1999) added certain categories of licensed fee-exempt providers for FBI background checks.

This premise also includes the reimbursement cost for processing applications referred by the California Department of Education (CDE) and licensed fee-exempt providers.

The Community Care Licensing Division (CCLD) is responsible for processing the applications pursuant to AB 753 (Chapter 843, Statutes of 1997). CCLD contracts with the Department of Justice (DOJ) and the California Child Care Resource and Referral Network to process the fingerprint and index search file activities. Additionally, CCLD contracts with Sylvan/Indentix, a private vendor, for the Live Scan fingerprinting. The Live Scan fingerprint process is an electronic technology that transfers images of fingerprints and personal information to DOJ in a matter of seconds.

IMPLEMENTATION DATE:

This premise implemented on January 1, 1999.

KEY DATA ASSUMPTIONS:

Authorizing statute: Welfare and Institutions Code section 11324.

METHODOLOGY:

The funding is suspended for Fiscal Year (FY) 2010-11 and FY 2011-12.

FUNDING:

This premise is funded with 100 percent General Fund.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Fee-Exempt Live Scan

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 151 – CCL Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
Fee-Exempt Live Scan	$0	$0	$0	$0	$0

			FY 2011-12		
Item 151 – CCL Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
Fee-Exempt Live Scan	$0	$0	$0	$0	$0

Nutritional Beverages (AB 2084)

DESCRIPTION:

This premise reflects cost associated with Assembly Bill 2084 (Chapter 593, Statutes of 2010) which requires additional funding of a Licensed Program Analyst (LPA) to inspect and conduct interviews at Family Child Care Homes (FCCHs) in order to comply with new beverage provisions, which require that only one percent or nonfat milk be served to children two years of age or older, juice be limited to not more than one serving per day of 100 percent juice, no beverages are with added sweeteners, either natural or artificial, are served. It requires that clean and safe drinking water be readily available and accessible to children throughout the day.

If a child has a medical necessity documented by a physician that prohibits beverage compliance then the facility shall be exempt from complying to the extent necessary to meet the medical needs of that child. These provisions shall not apply to beverages that are provided by a parent or legal guardian for his or her child at an FCCH.

IMPLEMENTATION DATE:

The implementation date has been delayed.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Health and Safety Code section 1596.808
- Full Time Equivalents (FTE) 0.10 of an LPA will be required to inspect and conduct interviews at FCCHs in order to comply with new beverage provisions.
- The annual cost for an LPA is $117,885.

METHODOLOGY:

The FTE is multiplied by the annual cost of an LPA.

FUNDING:

This program is funded 100 percent General Fund.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change In the Current Year. The change in the Budget Year is due to delayed implementation.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Nutritional Beverages (AB 2084)

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – CCL Administration	Total	Federal	State	County	Reimb.
Nutritional Beverages (AB 2084)	$0	$0	$0	$0	$0

FY 2011-12

Item 151 – CCL Administration	Total	Federal	State	County	Reimb.
Nutritional Beverages (AB 2084)	$0	$0	$0	$0	$0

Court Cases

DESCRIPTION:

This premise reflects the costs for attorney fees and settlement costs resulting from lawsuits pertaining to the California Department of Social Services (CDSS), Budget Item 151 – Social Service Programs, specifically, Child Welfare Services, Special Programs, and Community Care Licensing.

IMPLEMENTATION DATE:

The attorney fees and settlement costs for these court cases are anticipated to be paid in Fiscal Year (FY) 2010-11 and FY 2011-12.

KEY DATA/ASSUMPTIONS:

The estimate for attorney fees and settlement costs is based, in part, on actual payments for specific cases in the Current Year (CY), and a projection of costs that are anticipated to be paid in the CY and the Budget Year (BY).

FUNDING:

The legal fees and settlement costs are funded 100 percent General Fund.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The increase in the CY is based on updated actual cost information. The decrease in the BY is based on updated projection of costs that are anticipated to be paid.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase is based on updated actual cost information.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 151 – CWS Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
Court Cases	$106	$0	$106	$0	$0

			FY 2011-12		
Item 151 – CWS Administration	**Total**	**Federal**	**State**	**County**	**Reimb.**
Court Cases	$115	$0	$115	$0	$0

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Special Programs – Other Specialized Services

DESCRIPTION:

This premise reflects the costs for the Foster Care Burial, and Repatriated Americans Programs. Foster Care Burial costs are reimbursements by the state that are provided to foster parents for the costs of a burial plot and funeral expenses, up to $5,000 per burial, for a child who is receiving foster care at the time of death.

The Repatriated Americans Program provides temporary help to needy United States citizens returning from foreign countries because of destitution, physical or mental illness, or war.

KEY DATA/ASSUMPTIONS:

Foster Care Burial

Authorizing statute: Welfare and Institutions Code (W&IC) section 11212.

Repatriated Americans

Authorizing statute: W&IC sections 10553 and 10554.

METHODOLOGY:

Foster Care Burial

The estimated costs for the Current Year (CY) and the Budget Year (BY) are held at the Fiscal Year 1999-00 General Fund (GF) expenditure level of $186,000.

Repatriated Americans

The estimated costs for the CY and the BY are held at the Budget Act of 2000 Appropriation level of $75,000 federal funding.

FUNDING:

The Foster Care Burial program is funded with 100 percent GF. The Repatriated Americans Program is funded with 100 percent federal funds through a special Department of Health and Human Services, U.S. Repatriate Program Direct Loan, which is provided to individuals on a repayable basis.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Special Programs – Other Specialized Services

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 151 – Special Programs	**Total**	**Federal**	**State**	**County**	**Reimb.**
Other Specialized Services	$261	$75	$186	$0	$0

			FY 2011-12		
Item 151 – Special Programs	**Total**	**Federal**	**State**	**County**	**Reimb.**
Other Specialized Services	$261	$75	$186	$0	$0

Eligibility Extension of Dog Food Allowance

DESCRIPTION:

This premise reflects the costs associated with providing a monthly dog food allowance to recipients of federal Social Security Disability Insurance, Supplemental Security Income/State Supplementary Payments, and In-Home Supportive Services program participants who have incomes at or below the federal poverty level. Existing law provides that eligible individuals with guide, signal, or service dogs are eligible to receive a dog food allowance of $50 per month.

IMPLEMENTATION DATE:

This premise implemented on January 1, 2000.

KEY DATA/ASSUMPTIONS:

- Authorizing statutes: Welfare and Institutions Code sections 12553 and 12554.
- Recipients will receive a monthly dog food allowance of $50 per month.

METHODOLOGY:

The Current Year and the Budget Year estimates are based on year-to-date actual costs and projected caseload growth.

FUNDING:

This program is funded with 100 percent General Fund.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – Special Programs	Total	Federal	State	County	Reimb.
Eligibility Extension of Dog Food Allowance	$554	$0	$554	$0	$0

FY 2011-12

Item 151 – Special Programs	Total	Federal	State	County	Reimb.
Eligibility Extension of Dog Food Allowance	$554	$0	$554	$0	$0

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Access Assistance/Deaf Program: Basic Costs

DESCRIPTION:

This premise reflects the costs associated with the Office of Deaf Access, Access Assistance/Deaf Program. Assembly Bill 2980 (Chapter 1193, Statutes of 1980) established the Access Assistance/Deaf Program in 1980. Assistance under this program enables deaf and hearing-impaired persons to access needed social and community services, e.g. employment services, counseling, interpreting services, education on deafness and advocacy. Currently, eight regional contractors provide services to the hearing-impaired in all 58 counties.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 10621.
- In order to expand the program, the $3,304,000 total funding was augmented by $2,500,000 for a total of $5,804,000 in Fiscal Year (FY) 1998-99.
- Assumes 227,314 services will be provided to deaf and hearing-impaired Californians.
- In FY 2010-11 and FY 2011-12, the program will also be funded with $2,996,000 in Title XX funds which offsets General Fund (GF) costs by that same amount. The Title XX funds are included on a separate line and are not included here. For more detail, see the Title XX premise description.

METHODOLOGY:

The estimated costs for both the Current Year and the Budget Year are held at the Budget Act of 1998-99 Appropriation level.

FUNDING:

This program is funded with GF and Title XX funds. The Title XX block grant reduces the amount of GF in the program. Title XX funding appears on a separate line as an adjustment.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Access Assistance/Deaf Program: Basic Costs

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 151 – Special Programs	**Total**	**Federal**	**State**	**County**	**Reimb.**
Access Assistance/Deaf Program: Basic Costs	$5,804	$0	$5,804	$0	$0

			FY 2011-12		
Item 151 – Special Programs	**Total**	**Federal**	**State**	**County**	**Reimb.**
Access Assistance/Deaf Program: Basic Costs	$5,804	$0	$5,804	$0	$0

Access Assistance/Deaf Program/Reduce Services by Ten Percent

DESCRIPTION:

This premise reflects savings from reducing the Office of Deaf Access, Access Assistance/Deaf Program costs by ten percent effective July 1, 2008.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2008.

KEY DATA/ASSUMPTIONS:

This premise reflects savings from reducing Fiscal Year (FY) 2010-11 and FY 2011-12 expenditures. For details regarding funding for this program, please see the Access Assistance/Deaf Program: Basic Cost premise description.

METHODOLOGY:

The estimated savings is ten percent of projected the FY 2010-11 and FY 2011-12 expenditures, as applied to the Access Assistance/Deaf Access – Basic Cost line and corresponding Title XX Funding block grant line.

FUNDING:

The savings for this premise reflect a ten percent reduction to the General Fund and the

Title XX block grant.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – Special Programs	**Total**	**Federal**	**State**	**County**	**Reimb.**
Reduce Services by Ten Percent	-$581	-$300	-$281	$0	$0

FY 2011-12

Item 151 – Special Programs	**Total**	**Federal**	**State**	**County**	**Reimb.**
Reduce Services by Ten Percent	-$581	-$300	-$281	$0	$0

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Refugee Social Services

DESCRIPTION:

Refugee Social Services (RSS) are provided to refugees through county welfare departments and contracting agencies. The services are funded through an annual block grant allocation by the federal Office of Refugee Resettlement based on arrival information from the last two years. The funds are used to provide employment-related services, such as employability assessment, on-the-job training, English language training, and vocational training.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 13275-13282.
- The federal grant includes $11.8 million in standard funds.
- Two million of this amount was distributed to qualifying refugees through the Wilson/Fish Alternative Project.
- A contract for $5.6 million in Fiscal Year (FY) 2010-11 and for $5.8 million in FY 2011-12 to serve 102 unaccompanied refugee minors (URM) is included in the total funding.

METHODOLOGY:

The funding is based on the sum of the standard federal grant award for RSS and the URM contract less the portion of the Wilson/Fish grant.

FUNDING:

This program is 100 percent federally funded.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The decrease in the Current Year is due to a decrease in the Northern URM contract.

The increase in the Budget Year (BY) is due to the expansion of both the Northern and Southern URM contracts to include an additional 60 minors in the program.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase in the BY is due to the expansion of both the Northern and Southern URM contracts to include an additional 60 minors in the program.

EXPENDITURES:

(in 000's)

			FY 2010-11		
Item 151 – Special Programs	**Total**	**Federal**	**State**	**County**	**Reimb.**
Refugee Social Services	$15,369	$15,369	$0	$0	$0

			FY 2011-12		
Item 151 – Special Programs	**Total**	**Federal**	**State**	**County**	**Reimb.**
Refugee Social Services	$15,574	$15,574	$0	$0	$0

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Refugee Programs – Targeted Assistance

DESCRIPTION:

This program provides services to refugees to enable them to be placed in employment or to receive employment training. The goal of this program is to assist refugees in attaining self-sufficiency. Targeted Assistance (TA) grants are made available to high refugee-impacted counties. Program components include employment services, work experience, vocational training, vocational English-as-a-second-language, on-the-job training, economic development, and skills upgrading. In addition to regular TA funds, the federal government can award TA discretionary funds to the state for specific local projects. Local agencies develop project proposals in response to a federal announcement. The federal government selects the projects to be funded.

IMPLEMENTATION DATE:

This premise implemented on October 1, 1983.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code sections 13275-13282.
- The TA program was granted $6.99 million for Fiscal Year (FY) 2010-11. It is assumed that it will also be granted the same amount for FY 2011-12.
- The FY 2010-11 and FY 2011-12 allocations also include $263,125 in discretionary funding to serve elderly refugees.

METHODOLOGY:

The funding is the sum of federal grants for the TA program and discretionary funding to serve elderly refugees.

FUNDING:

This program is 100 percent federally funded.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Refugee Programs – Targeted Assistance

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – Special Programs	**Total**	**Federal**	**State**	**County**	**Reimb.**
Targeted Assistance	$7,250	$7,250	$0	$0	$0

FY 2011-12

Item 151 – Special Programs	**Total**	**Federal**	**State**	**County**	**Reimb.**
Targeted Assistance	$7,250	$7,250	$0	$0	$0

Refugee School Impact Grant

DESCRIPTION:

This premise reflects the federal funding granted to the California Department of Social Services (CDSS) by the federal Office of Refugee Resettlement to provide services to school-age refugee children and their families. The funding for this grant provides a pass-through from the CDSS to the California Department of Education (CDE). Services provided through local educational agencies include intensive and innovative educational interventions to assist refugee children with improving English fluency and progressing toward grade-level proficiency.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Code of Federal Regulations, Title 45, Part 92.
- A federal grant provides $950,000 per year to serve school-age refugee children and their families. This funding has been granted for Fiscal Year (FY) 2010-11 and FY 2011-12 for a two-year grant cycle.
- A Memorandum of Understanding between CDE and CDSS outlines the working relationship between the two departments and assigns responsibilities to each regarding the implementation of the grant.
- CDSS may request a carryover of unused grant money from a previous year to be added to its grant for the next year (within a grant cycle), however unspent grant funds may not be carried over from the end of a grant cycle to the beginning of a new cycle. Since FY 2010-11 is the beginning of a new grant cycle, there are no carryover of funds.
- The grant includes $60,000 in administrative money for state support costs.

METHODOLOGY:

The funding is based on a federal award, adjusted for carryover of unused funds.

FUNDING:

This program is 100 percent federally funded.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

Refugee School Impact Grant

EXPENDITURES:

(in 000's)

FY 2010-11

Item 151 – Special Programs	**Total**	**Federal**	**State**	**County**	**Reimb.**
Refugee School Impact Grant	$950	$950	$0	$0	$0

FY 2011-12

Item 151 – Special Programs	**Total**	**Federal**	**State**	**County**	**Reimb.**
Refugee School Impact Grant	$950	$950	$0	$0	$0

Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project

DESCRIPTION:

On March 31, 2006, the federal Department of Health and Human Services (DHHS) approved the Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project (CAP). The approved waiver allows Title IV-E funds, which are restricted to board and care costs and child welfare services administration, to be used for services and support, to avoid over reliance on out-of-home care, and expeditiously reunify families. The intent of the CAP is to test a "capped allocation" strategy which would block grant a portion of the federal Title IV-E and General Fund (GF) administrative and assistance costs. The California Department of Social Services (CDSS) collaborated with the County Welfare Directors Association (CWDA), and interested counties, to refine a practice and fiscal model which could be implemented under the waiver. The CAP allows up to 20 counties to participate in the five year demonstration project.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2007.

KEY DATA/ASSUMPTIONS:

- Two counties, Los Angeles and Alameda, are participating in the project.
- An annual capped allocation for federal Title IV-E and GF has been established.
- Participating counties are required to provide funding equal to their Fiscal Year (FY) 2005-06 actual expenditures.
- An annual increase of two percent is added to the federal base allocation for administration and assistance.
- An annual increase of two percent is added to the GF capped allocation for Child Welfare Services (CWS) and Foster Care (FC) Administration.

METHODOLOGY:

- The federal base allocations are based on the county’s average Title IV-E actual expenditure claims for administration and assistance submitted for Federal Fiscal Year (FFY) 2003, FFY 2004, and FFY 2005. An annual two percent growth on the federal funds for administration and assistance is provided beginning in FFY 2006.
- The GF base allocation for FC Assistance is capped based on actual expenditures for FY 2005-06.
- The GF base allocations for CWS and FC Administration are based on specified FY 2006-07 allocations. An annual two percent growth above the base allocations is provided beginning in FY 2007-08.
- After the GF base allocations for FC Assistance and CWS Administration are calculated, federal Title XX funds transferred from the Temporary Assistance for Needy Families (TANF) block grant are used in lieu of eligible GF.

Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project

METHODOLOGY (CONTINUED):

- All base allocations for FC Assistance, FC Administration, and CWS Administration are reflected separately in Budget Item 153 with total growth above the base amounts reflected in the Title IV-E Waiver Adjustment line.
- Additional GF is provided above the base for either new premises or premises not included in the base calculations that do not impact caseload and is reflected separately in the Non-Base Premises lines for FC Assistance, FC Administration, and CWS Administration.
- For FC Assistance, the Non-Base Premises 101 line for FY 2010-11 and FY 2011-12 reflects costs for Dual Agency, the Five Percent Foster Care Rate Increase, the Supplement to the Dual Agency Rate, Educational Stability, and Reassessment Eligibility Relief – AB 1905.
- For FC Administration, the Non-Base Premises 141 line for FY 2010-11 and FY 2011-12 reflects costs for FC Supplemental Security Income/State Supplementary Payment (SSI/SSP) Application and Reassessment Eligibility Relief – AB 1905.
- For CWS Administration, the Non-Base Premises 151 line for FY 2010-11 and FY 2011-12 reflects costs for *Gomez v. Saenz*; State Family Preservation; Dual Agency Supplement to the Rate; Criminal Record Check for FR; Caregiver Court Filing; Peer Quality Case Reviews; CWS Differential Response, Safety Assessment, and Permanency & Youth Services; CWS Outcome Improvement Project; FC SSI/SSP Application; Safe and Timely Interstate Placement Act of 2006; Personalized Transition Plan; Increase Funding for Caseworker Visits; Chafee Federal National Youth in Transition Database; Increase Family Case Planning; Notification of Relatives; Increase Relative Search and Engagement; Educational Stability; Foster Care Placement and Proximity to School of Origin; and Sibling Placement.
- A ten percent reduction was applied to the Foster Family Agency portion of the Foster Care 101 Base.
- The methodology for the FC 101 – Group Home Rate Increase is located in the Group Home and Seriously Emotionally Disturbed Rate Increase premise.
- The methodology for the CWS 151 – CWS Reduction is located in the CWS Reduction premise.
- The methodology for the FC 101 – American Recovery and Reinvestment Act (ARRA) – Federal Medical Assistance Percentage (FMAP) Increase is located in the ARRA- FMAP Increase premise. For more information please see the ARRA premise write up.

FUNDING:

Funding consists of the federal Title IV-E and GF capped allocations along with the required county funding. The FC Assistance base allocation consists of $16.8 million in Title XX funds that are used in lieu of GF. In addition, the FC 101 Group Home Rate Increase includes 4.6 million in Title XX. The CWS base allocation consists of $24.2 million in Title XX funds that are used in lieu of GF.

Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project

FUNDING (CONTINUED):

Title IV-E FMAP rate temporarily increased by 6.2 percent effective October 1, 2008, through December 31, 2010. This increase was approved by the federal government to extend until June 30, 2011. This extension of the ARRA results in an increase of 3.2 percent for the third quarter of FY 2010-11 and an increase of 1.2 percent for the fourth quarter of FY 2010-11. Temporary ARRA FMAP increases have been placed under the ARRA premise.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The Current Year GF changes are the result of a decreased caseload for the Educational Stability in FC 101, and additional costs for the Reassessment Eligibility Relief (AB 1905) in FC 101 and FC 141.

REASON FOR YEAR-TO-YEAR CHANGE:

The Title IV-E Waiver Adjustment reflects an additional year of the two percent growth. The change in FC 101 Non-Base premises is a result of a further decrease in caseload for the Educational Stability premise. The increase in CWS 151 Non-Base premises is primarily a result of an increase in expenditures in the *Gomez v. Saenz* premise, an increase in caseload in the Increase Relative Search and Engagement premise, and an increase in the Chafee Federal National Youth in Transition Database due to an update in the estimate’s methodology.

Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project

EXPENDITURES:

(in 000's):

			FY 2010-11		
Item 153 – Title IV-E Waiver	**Total**	**Federal**	**State**	**County**	**Reimb.**
Title IV-E Waiver Adjustment	$63,631	$48,360	$15,271	$0	$0
Foster Care 101 – Base	505,933	177,536	121,805	206,592	0
Foster Care 141 – Base	38,061	19,845	12,432	5,784	0
CWS 151 – Base	557,438	244,484	148,678	164,276	0
Foster Care 101 – Non-Base Premises	9,272	0	9,272	0	0
Foster Care 141 – Non-Base Premises	93	0	93	0	0
CWS 151 – Non-Base Premises	32,557	0	32,557	0	0
FC 101 – Ten Percent Reduction - FFA	-3,330	0	-3,330	0	0
FC 101 – Group Home Rate Increase	50,416	13,628	11,178	25,610	0
FC 101 – ARRA FMAP Impact to the Group Home Rate Increase	0	1,284	-514	-770	0
CWS 151 – CWS Reduction	-19,075	0	-19,075	0	0
FC 101 – ARRA FMAP Increase	0	15,067	-6,027	-9,040	0
Carryover from FY 2007-08	32,137	13,914	13,019	5,204	0
Carryover from FY 2008-09	0	0	0	0	0
Total	$1,267,133	$534,118	$335,359	$397,656	$0

Title IV-E Child Welfare Waiver Demonstration Capped Allocation Project

EXPENDITURES (CONTINUED):

(in 000's)

			FY 2011-12		
Item 153 – Title IV-E Waiver	**Total**	**Federal**	**State**	**County**	**Reimb.**
Title IV-E Waiver Adjustment	$76,626	$57,344	$19,282	$0	$0
Foster Care 101 – Base	505,933	177,536	121,805	206,592	0
Foster Care 141 – Base	38,061	19,845	12,432	5,784	0
CWS 151 – Base	557,438	244,484	148,678	164,276	0
Foster Care 101 – Non-Base Premises	9,159	0	9,159	0	0
Foster Care 141 – Non-Base Premises	132	0	132	0	0
CWS 151 – Non-Base Premises	33,520	0	33,520	0	0
FC 101 – Ten Percent Reduction - FFA	-3,141	0	-3,141	0	0
FC 101 – Group Home Rate Increase	51,028	13,695	11,378	25,955	0
FC 101 – ARRA FMAP Impact to the Group Home Rate Increase	0	0	0	0	0
CWS 151 – CWS Reduction	-19,075	0	-19,075	0	0
FC 101 – ARRA FMAP Increase	0	0	0	0	0
Carryover from FY 2007-08	0	0	0	0	0
Carryover from FY 2008-09	72,571	30,030	23,678	18,863	0
Total	$1,322,252	$542,934	$357,848	$421,470	$0

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Other Departments' TANF MOE Eligible Expenditures Community Colleges – Expansion of Services to TANF Eligibles

DESCRIPTION:

This premise reflects the state maintenance of effort (MOE) expenditures made by the California Community Colleges (CCC) for the purpose of assisting students who are California Work Opportunity and Responsibility to Kids (CalWORKs) program recipients, including those transitioning from CalWORKs, to achieve long-term self-sufficiency through coordinated student services offered at community colleges.

Public Law (P.L.) 104-193, the federal welfare reform legislation, established the Temporary Assistance for Needy Families (TANF) program and a TANF block grant to replace the Aid to Families with Dependent Children (AFDC) program. For Fiscal Year (FY) 2010-11, an adjustment has been made to reflect that California is not expected to meet the federal work participation rate (WPR) for the CalWORKs program in Federal Fiscal Year (FFY) 2009. When the state fails to meet the WPR, the MOE level increases from 75 percent to 80 percent. In addition, adjustments are made to the MOE as a result of Tribal TANF. Therefore, with the WPR and Tribal TANF MOE Adjustments, the final MOE level is $2.8 billion in FY 2010-11 and FY 2011-12.

The state may count both local and state expenditures made by the California Department of Social Services (CDSS) and other departments on behalf of TANF/CalWORKs eligible families toward the MOE. If these expenditures would have been authorized and allowable under the former AFDC, Job Opportunities and Basic Skills (JOBS), Emergency Assistance, Child Care for AFDC recipients, At-Risk Child Care, or Transitional Child Care programs in FFY 1995, all otherwise countable expenditures may count toward the MOE. However, if such expenditures were not previously authorized and allowable, countable expenditures are limited to the amount by which allowable current year expenditures exceed the total state program expenditures in FFY 1995. State expenditures that are used as a match to draw down other federal funding are generally not countable toward the TANF MOE.

Services provided by CCC include work-study, other educational-related work experience, job placement services, child care services, and coordination with county welfare offices to determine eligibility and availability of services. Current CalWORKs recipients may utilize these services until their educational objectives are met, but for no longer than two years. Based on these expenditure requirements, these funds would meet the federal requirements for counting toward TANF MOE.

IMPLEMENTATION DATE:

This premise implemented July 1, 1997.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Title 45, Code of Federal Regulations, sections 263.2 and 263.4.
- It is assumed the eligible MOE expenditures will be $26.7 million in FY 2010-11 and FY 2011-12.
- These funds are required to be expended for educational-related services for CalWORKs program eligible recipients only.

Other Departments' TANF MOE Eligible Expenditures Community Colleges – Expansion of Services to TANF Eligibles

METHODOLOGY:

For FY 2010-11 and FY 2011-12, the estimate reflects the anticipated MOE-eligible expenditures.

FUNDING:

This program is funded with 100 percent General Fund.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

FY 2010-11

TANF Page	Total	Federal	State	County	Reimb.
Community Colleges – Expansion of Services	$26,695	$0	$26,695	$0	$0

FY 2011-12

TANF Page	Total	Federal	State	County	Reimb.
Community Colleges – Expansion of Services	$26,695	$0	$26,695	$0	$0

Other Departments' TANF MOE Eligible Expenditures CDE Child Care Programs

DESCRIPTION:

This premise reflects the state maintenance of effort (MOE) expenditures made by the California Department of Education (CDE) for child care programs that provide services for the California Work Opportunity and Responsibility to Kids (CalWORKs)/Temporary Assistance for Needy Families (TANF) program. This premise also reflects expenditures for those who are income eligible but not participating in CalWORKs/TANF.

Public Law (P.L.) 104-193, the federal welfare reform legislation, established the TANF program and a TANF block grant to replace the Aid to Families with Dependent Children (AFDC) program. For Fiscal Year (FY) 2010-11, an adjustment has been made to reflect that California is not expected to meet the federal work participation rate (WPR) for the CalWORKs program in Federal Fiscal Year (FFY) 2009. When the state fails to meet this rate, the MOE level increases to 80 percent from 75 percent. In addition, adjustments are made to the MOE as a result of Tribal TANF. Therefore, with the WPR and Tribal TANF MOE Adjustments, the final MOE level is $2.8 billion in FY 2010-11 and FY 2011-12.

The state may count both local and state expenditures made by the California Department of Social Services (CDSS) and other departments on behalf of TANF/CalWORKs-eligible families toward the MOE. If these expenditures would have been authorized and allowable under the former AFDC, Job Opportunities and Basic Skills (JOBS), Emergency Assistance, Child Care for AFDC recipients, At-Risk Child Care, or Transitional Child Care programs in FFY 1995, all otherwise countable expenditures may count toward the MOE. However, if such expenditures were not previously authorized and allowable, countable expenditures are limited to the amount by which allowable current year expenditures exceed the total state program expenditures in FFY 1995. State expenditures that are used as a match to draw down other federal funding are generally not countable toward the TANF MOE.

Before the implementation of federal welfare reform, California received federal funding for child care through Title IV-A of the Social Security Act and the Child Care and Development Block Grant (CCDBG). Title IV-A funds were used to provide child care for families on welfare, transitioning off welfare, and those at risk of going on welfare. CCDBG funds were used to provide child care for the working poor. As a part of federal welfare reform under P.L. 104-193, these two federal child care funding streams were merged into the new Child Care and Development Fund (CCDF). In order for states to receive a portion of the CCDF, they are required to spend a level of funding equal to their FFY 1994 nonfederal share of child care expenditures under the old Title IV-A program ($85.6 million in California). Federal regulations allow state expenditures for child care to satisfy both the CCDF MOE and TANF program MOE, provided that these expenditures meet the MOE requirements for both grants. In addition, if a state has additional child care expenditures that have not been used toward meeting the CCDF MOE requirement or to receive federal matching funds, these expenditures may count toward the state's TANF MOE, provided that the benefiting families meet the state's definition for TANF eligibility. All other TANF MOE requirements and limitations, as set forth in federal regulations, must also be met.

IMPLEMENTATION DATE:

This premise implemented on July 1, 1997.

Other Departments' TANF MOE Eligible Expenditures CDE Child Care Programs

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Title 45, Code of Federal Regulations, sections 263.2 and 263.3.
- Based on estimated General Fund (GF) expenditures for CalWORKs recipients and CalWORKs eligible families in CDE child care programs, it is assumed that eligible MOE expenditures totaling $602.9 million will be counted towards the state's base TANF MOE requirement in FY 2010-11 and expenditures totaling $594.1 million will be counted in FY 2011-12.
- Federal regulations allow state expenditures for child care to satisfy both the CCDF MOE and the TANF MOE, provided that these expenditures meet the MOE requirements for both grants.
- All TANF/CalWORKs-eligible families meet CCDF eligibility requirements and would, therefore, meet both the CCDF and TANF MOE expenditure requirements.
- The total "double-countable" expenditures cannot exceed the MOE level for the CCDF ($85.6 million).

METHODOLOGY:

For FY 2010-11 and FY 2011-12, the estimate reflects the anticipated amount of MOE-eligible expenditures to be counted towards the base MOE requirement.

FUNDING:

This program is funded with 100 percent GF.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

There is no change in the CY. The net increase in the BY is due to the increased projected expenditures for Stage Two child care.

REASON FOR YEAR-TO-YEAR CHANGE:

The decrease in CDE MOE eligible expenditures in the BY is due to significant budget reductions to the CDE Child Care programs.

EXPENDITURES:

(in 000's)

			FY 2010-11		
TANF Page	**Total**	**Federal**	**State**	**County**	**Reimb.**
CDE Child Care Programs	$602,893	$0	$602,893	$0	$0

			FY 2011-12		
TANF Page	**Total**	**Federal**	**State**	**County**	**Reimb.**
CDE Child Care Programs	$594,050	$0	$594,050	$0	$0

Other Departments' TANF MOE Eligible Expenditures State Disregard Payment to Families

DESCRIPTION:

This premise reflects the state maintenance of effort (MOE) expenditures made by the Department of Child Support Services (DCSS) for the $50 State Disregard Payment to Families for current recipients of benefits under the California Work Opportunity and Responsibility to Kids (CalWORKs) program.

Public Law (P.L.) 104-193, the federal welfare reform legislation, established the Temporary Assistance for Needy Families (TANF) program and a TANF block grant to replace the Aid to Families with Dependent Children (AFDC) program. For Fiscal Year (FY) 2010-11, an adjustment has been made to reflect that California is not expected to meet the federal work participation rate (WPR) for the CalWORKs program in Federal Fiscal Year (FFY) 2009. When the state fails to meet this rate, the MOE level increases from 75 percent to 80 percent. In addition, adjustments are made to the MOE as a result of Tribal TANF. Therefore, with the WPR and Tribal TANF MOE Adjustments, the final MOE level is $2.8 billion in FY 2010-11 and in FY 2011-12.

The state may count both local and state expenditures made by the California Department of Social Services (CDSS) and other departments on behalf of TANF/CalWORKs-eligible families toward the MOE. If these expenditures would have been authorized and allowable under the former AFDC, Job Opportunities and Basic Skills (JOBS), Emergency Assistance, Child Care for AFDC recipients, At-Risk Child Care or Transitional Child Care programs in FFY 1995, then the expenditures may count toward the MOE. However, if such expenditures were not previously authorized and allowable, then countable current year expenditures are limited to the amount by which allowable current year expenditures exceed the total state program expenditures in FFY 1995. State expenditures that are used as a match to draw down other federal funding are generally not countable toward the TANF MOE.

In addition to the CalWORKs grant, custodial parents also receive the first $50 of the current month's child support payment collected from the noncustodial parent. Forwarding the disregard portion of the collection to the family instead of retaining it to reduce the state's cost of the CalWORKs grant results in cost increases (lost collection revenues).

In 1996, the federal government discontinued federal financial participation (FFP) in the disregard payment to the family (P.L. 104-193). With the passage of the federal Deficit Reduction Act (DRA) (P. L. 109-171), FFP has been reinstated as of October 1, 2008. In addition, the DRA changed the amount that states may disregard and pass through to families. Effective October 1, 2008, states may disregard up to $100 per month for one child, and up to $200 for families with two or more children, in child support payments collected on behalf of a TANF or foster care family.

This premise reflects the cost to fund the state portion of the $50 disregard payment to the custodial parent.

IMPLEMENTATION DATE:

This program was originally implemented in FY 1984-85.

Other Departments' TANF MOE Eligible Expenditures State Disregard Payment to Families

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Welfare and Institutions Code section 11475.3 and Family Code section 17504.
- It is assumed the eligible MOE expenditures claimed by DCSS will be $12 million in FY 2010-11 and $15.6 million FY 2011-12. The estimate is based on projected expenditures from DCSS.
- The child support payment data are based on the counties' monthly CS 35 Reports and the Child Support Services Supplement to the CS 34 Monthly Report of Collections and Distributions.
- The $50 disregard share of cost will be shared between the state and the federal government.

METHODOLOGY:

The cost of the disregard is reported monthly on the CS 35 Report. The disregard is paid when the child support collection is distributed.

FUNDING:

For the purpose of counting program expenditures toward the MOE, this program is funded with 100 percent General Fund.

CHANGE FROM THE MARCH 2011 CONFERENCE BUDGET:

There is no change in the Current Year. The change in the Budget Year is due to increased projected expenditures for FY 2011-12 as reported by DCSS.

REASON FOR YEAR-TO-YEAR CHANGE:

The increase is due to an increase in the projected expenditures for FY 2011-12 as reported by DCSS.

EXPENDITURES:

(in 000's)

			FY 2010-11		
TANF Page	**Total**	**Federal**	**State**	**County**	**Reimb.**
State Disregard Payment to Families	$11,987	$0	$11,987	$0	$0

			FY 2011-12		
TANF Page	**Total**	**Federal**	**State**	**County**	**Reimb.**
State Disregard Payment to Families	$15,601	$0	$15,601	$0	$0

General Fund Maintenance of Effort Work Participation Rate Adjustment

DESCRIPTION:

This premise reflects adjustments made on the California Department of Social Services' (CDSS) federal reports for prior Federal Fiscal Years (FFYs) that reduce the state's maintenance of effort (MOE) requirement from 80 percent of the base year expenditures to 75 percent. These adjustments are the result of meeting the federal work participation rates (WPR) for the California Work Opportunity and Responsibility to Kids (CalWORKs) program.

CDSS assumes an 80 percent MOE requirement until notified by the federal government that the state has met the federal work participation rates. This typically occurs after the end of the FFY. After notification by the federal government, CDSS files an amended federal report for that past FFY to reflect the lower MOE expenditure level of 75 percent if California met the WPR requirement for the prior year. California is not expected to meet the WPR for FFY 2009; therefore, the state will have to meet the 80 percent MOE requirement in FY 2010-11.

IMPLEMENTATION DATE:

The WPR adjustment is not made until after the federal government has notified the state that it has met the rate for the FFY. This does not occur until after the end of the FFY for which the adjustment is being made.

METHODOLOGY:

California is not expected to meet the WPR in FFY 2009; therefore the state will have to meet the 80 percent MOE requirement in FY 2010-11.

FUNDING:

The funding is 100 percent General Fund.

CHANGE FROM THE MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

EXPENDITURES:

(in 000's)

FY 2010-11

TANF Page	Total	Federal	State	County	Reimb.
Work Participation Rate MOE Adjustment	$0	$0	$0	$0	$0

FY 2011-12

TANF Page	Total	Federal	State	County	Reimb.
Work Participation Rate MOE Adjustment	$0	$0	$0	$0	$0

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Total TANF Reserve

DESCRIPTION:

This premise reflects the Temporary Assistance for Needy Families (TANF) funds that are held in reserve to meet unanticipated pressures in the California Work Opportunity and Responsibility to Kids (CalWORKs) program. Expenditures as determined by the California Department of Social Services are subject to Legislative notification and approval by the California Health and Human Services Agency and the Department of Finance.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2000.

KEY DATA/ASSUMPTIONS:

- The reserve was originally established by the Budget Act of 2000.
- The Total TANF Reserve funds are used to meet unforeseen program needs in the CalWORKs program.

METHODOLOGY:

The reserve has been eliminated to zero due to existing budget pressures.

FUNDING:

This premise is funded with 100 percent federal TANF funds.

CHANGE FROM THE MARCH 2011 CONFERENCE BUDGET:

There is no change.

REASON FOR YEAR-TO-YEAR CHANGE:

There is no change.

RESERVE:

(in 000's)

FY 2010-11

TANF Page	**Total**	**Federal**	**State**	**County**	**Reimb.**
Total TANF Reserve	$0	$0	$0	$0	$0

FY 2011-12

TANF Page	**Total**	**Federal**	**State**	**County**	**Reimb.**
Total TANF Reserve	$0	$0	$0	$0	$0

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American Recovery and Reinvestment Act of 2009 Emergency Contingency Funds Basic Assistance – Caseload Increases

DESCRIPTION:

The American Recovery and Reinvestment Act (ARRA) of 2009 was a multi-year, federal economic stimulus program. With respect to programs under the purview of the California Department of Social Services (CDSS), the purposes of the funds were to:

- Preserve and create jobs and promote economic recovery
- Assist those impacted by the recession
- Stabilize state and local government budgets

The ARRA included a provision which provided $5 billion in funding for basic assistance, subsidized employment and non-recurring short term benefits. Temporary Assistance for Needy Families (TANF) Emergency Contingency Funds (ECF) were available in Federal Fiscal Year (FFY) 2009 and FFY 2010 to states with 1) Caseload Increases, 2) Increased Expenditures for Non-Recurrent Short Term Benefits, and/or 3) Increased Expenditures for Subsidized Employment. Through the ECF, a state could be reimbursed for 80 percent of expenditures in FFY 2009 and FFY 2010 that exceeded the state's expenditures in each of these areas in FFY 2007 or FFY 2008, whichever had the lower expenditures in each of these areas. States were eligible for up to 50 percent of the state's TANF block grant over the two-year period. The maximum amount that California was eligible for was $1.8 billion; however, this amount was not guaranteed since ECF was dispersed on a first come first serve basis. This premise includes ECF for basic assistance costs only.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: Section 403 (c) of the Social Security Act.
- This premise includes ECF funds for increased basic assistance costs only. Separate premise items are included for Subsidized Employment and Non-Recurrent Short Term Benefits.
- California used FFY 2007 as the base year for basic assistance ECF.
- Base Year expenditures reflect actual quarterly expenditures as submitted on the Administration for Children and Families Form 196 (ACF 196) for FFY 2007.
- The expenditures reflect the September 2010 quarter expenditures as submitted on the ACF 196 for FFY 2010.
- Expenditures include grant assistance payments allowed under the federal TANF program as well as other basic assistance payments reported on the ACF 196 and claimed as state Maintenance of Effort (MOE). Other basic assistance payments include Department of Child and Support Services disregard payments, Cal Learn payments, California Food Assistance Program, Kinship Guardianship Assistance Payment, State Supplemental Payment (SSP) MOE, and Tribal TANF MOE.
- One hundred percent of the basic assistance ECF funds earned for increased grant assistance payments received in FFY 2010 will be used to offset General Fund (GF) dollars, above the base TANF MOE requirement, that otherwise would have been used to fund the California Work Opportunity and Responsibility to Kids (CalWORKs) program.

American Recovery and Reinvestment Act of 2009 Emergency Contingency Funds Basic Assistance – Caseload Increases

KEY DATA/ASSUMPTIONS (CONTINUED):

- Assumes a portion of the funding received under ARRA will be used for ARRA related state administrative costs, which include support for the California Recovery Task Force in charge of with oversight and tracking of ARRA funds to the state.
- Includes ECF for Los Angeles County's Expanded Basic Assistance (BA) program to serve homeless individuals. (Please refer to ECF Expanded Basic Assistance Program Premise for further information.)
- ARRA ECF funds are only available for expenses incurred through September 30, 2010.

METHODOLOGY:

	July – Sept
Base Expenditures FFY 2007	$ 770,716,127
FFY 2010	927,167,089
Difference	156,450,962
80% ECF Earned for Increased Grant Assistance Payments	125,160,770
State OPS (80%)	261,283
Expanded BA (80%)	204,040
Total	$ 125,626,093

FUNDING:

This premise is funded with 100 percent ECF funds.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

The decrease is due to updated expenditures claimed for the Expanded Basic Assistance program and State Operations costs.

REASON FOR YEAR-TO-YEAR CHANGE:

ARRA ECF funds are not available in the Budget Year due to the expiration of ARRA.

American Recovery and Reinvestment Act of 2009 Emergency Contingency Funds Basic Assistance – Caseload Increases

EXPENDITURES:

(in 000's)

FY 2010-11

TANF Page	Total	Federal	State	County	Reimb.
ARRA - Emergency Contingency Funds	$125,626	$125,626	$0	$0	$0

FY 2011-12

TANF Page	Total	Federal	State	County	Reimb.
ARRA - Emergency Contingency Funds	$0	$0	$0	$0	$0

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Cost-of-Doing-Business

DESCRIPTION:

This premise reflects the provision contained in Assembly Bill 1808 (Chapter 75, Statutes of 2006) which requires the California Department of Social Services (CDSS) to estimate the costs for county administration using county-specific cost factors in the programs' budgeting methodology and requires county certification of "reasonable" costs for California Work Opportunity and Responsibility to Kids (CalWORKs) Administration, CalFresh Administration, Foster Care, In-Home Supportive Services (IHSS), and Child Welfare Services (CWS).

The statute requires CDSS to develop, in consultation with the County Welfare Directors Association, a survey process to collect reasonable county specific cost data. CDSS shall identify in its budget documents the estimates developed and the difference between these estimates and proposed funding levels.

IMPLEMENTATION DATE:

This premise implemented on July 1, 2007.

KEY DATA/ASSUMPTIONS:

Authorizing statute: Welfare and Institutions Code section 10507.

METHODOLOGY:

This premise reflects the Fiscal Year (FY) 2011-12 estimated difference between the raw data as reported on the counties' cost-of-doing-business survey and the proposed funding levels, inclusive of the CWS augmentations.

For the Adoptions program, the number reflects the FY 2011-12 estimated difference between the proposed funding level and the projected program costs. The projected Adoptions program costs are based on FY 2009-10 actual expenditures updated with the California Necessities Index.

FUNDING:

Funding will vary depending on program area.

CHANGE FROM MARCH 2011 CONFERENCE BUDGET:

Cost-of-doing-business data is only displayed in the May Revision process. The FY 2011-12 estimated difference between the data as reported by the counties' cost-doing-business survey and the proposed funding levels is inclusive of each program's associated premise.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2011-12 estimate is based on the data as reported in the cost-of-doing-business survey submitted by the counties in May 2011. Year-to-year changes are primarily due to the impact of changes in caseload and county staffing.

Cost-of-Doing-Business

Cost-of-Doing-Business
County Request vs. May 2011 Budget
(Dollars in thousands)

FY 2011-12	Total	Federal	State/TANF	County	Reimb./ Title XIX
CalWORKs-Admin	$201,352	$0	$201,352	$ 0	$ 0
CalWORKs-Emp Svcs	$265,794	$0	$265,794	$ 0	$ 0
CalFresh Admin	-$64,046	-$28,444	-$41,167	$5,565	$0
Foster Care Admin	-$9,396	-$600	-$4,431	$3,824	$0
IHSS Admin	$119,000	$0	$43,475	$18,782	$56,743
CWS	$163,410	$56,908	$107,798	$10,521	-$11,817
Adoptions	$13,918	$1,941	$11,977	$0	$0
Net Difference	$690,032	$17,178	$588,629	$39,299	$44,926

Note: Costs reflect the statewide difference between the data as reported in the county surveys and the proposed funding levels.